



BUDGET



2013-2014

12th July 2013

Presented by

Sri Siddaramaiah

Hon'ble Chief Minister

Hon'ble Speaker,

1. I present the Budget for 2013-14.

2. Sir, protection of the people of the State is our Primary duty. It is the responsibility of our government to fulfil their needs and requirements. The aspirations of the people of the State are also not much. A site which they can call as their own; a roof over their head; clean water to drink, good roads for accessing market, electricity to light their houses; minimum facilities of health care; education for better life of their children; law and order required for peaceful living. These are minimum requirements for dignified living of common man.

3. The people of the State do not expect anything more than this. Our people are patient, tolerant, capable of correctly understanding the situation and are compassionate. With immense hope, they waited for five years. When Government did not provide even their basic minimum, they lost their trust and faith in the Government. By intelligently exercising their ballot during election, they have clearly demonstrated their wisdom.

4. Honourable Speaker, our Government has inherited a stressful financial position from the previous Government. Revenues and revenue surplus were declining. Borrowings were high. Pending bills were more. Overall, the State's developmental outcome results were disappointing. State's economic growth was stunted. The pride of Bangalore as IT centre had faded. Along with that the infrastructure of the city had crippled. Human Development Indicators like Infant Mortality Rate, Child Malnutrition also had not been showing encouraging growth. We were lagging behind in proper utilisation of Central Government grants. Even under Mahatma Gandhi National Rural Employment Guarantee Scheme significant employment was not generated.

5. Under these discouraging circumstances, people of the State are expecting a lot from our Government. We can't fail their high expectations. In this context, I am placing on record the important future steps of our Government through this budget. As you are all aware, we need to quickly bring the collapsed administration on the right track. For this, in the short term, we have taken up mandatory quarterly progress review. We have initiated schemes aimed at improving the living conditions of the poor

people like distribution of rice at cheaper price, waiver of loan of weaker section, higher incentive for milk producers etc. We intend to take medium term measures to strengthen the institutional system to improve the fiscal difficulties troubling Karnataka.

6. I strongly believe that we can take Karnataka back again on the path of progress through successful implementation of pro-people policies and public welfare programmes of our Government. The various pro-people programmes that we have implemented during the last two months are a pointer to the concern and commitment of our Government in mitigating the difficulties of the people of the State.

Our Government's Priorities

7. Our party's manifesto is the guide to our Government. We will provide the necessary funds to fully implement the programmes of the manifesto. We will also take all necessary administrative steps for implementing them. Through accelerated economic growth, we will take the State forward towards progress. Our economic growth will be comprehensive and inclusive. Our hope is to reach the fruits of development to all sections of society including poor, weaker sections, Scheduled Castes, Scheduled Tribes, minorities, landless agricultural labourers and women.

8. Farmers are the back bone of our society. Welfare of the farmers is the main focus of our agricultural programmes. We will supply adequate seeds, fertilisers, agricultural technology and agricultural loans to the farmers in time. We are committed to fully utilise our share of Krishna and Cauvery river waters. We will successfully develop major, minor and drip irrigation programmes in the state. Over all, we will pay attention to review, re-formulate and revive all agriculture related schemes to increase the income levels of agriculturists.

9. The State has lagged behind in providing many infrastructure facilities including electricity. Schemes will be formulated in a planned manner and necessary funds provided in the budget to ensure adequate electricity to farmers and others. We are committed to provide a dwelling to all the houseless people of the State. We are prepared to give quality education to our children. Health facilities will be provided to the poor and the needy through Government health services agencies and revised insurance schemes. The welfare schemes for women will be strengthened. More funds will be provided for development of educational infrastructure and for economic activities of the Scheduled Castes, Scheduled Tribes and minorities.

10. Industries, especially those creating large employment will be encouraged through speedy clearances. It is our goal to make Karnataka an investment friendly destination. Mining will be developed in a scientific and sustainable manner. It is our desire to give thrust to the IT and BT sectors, which were the shining examples of Karnataka, to bring them back to their earlier pre eminent position. Inadequate roads and other infrastructure in Bangalore city and the State will be developed. Skill development and innovation are our priority sectors.

11. We propose to speedup administrative system of the Government so that all services, benefits and programmes reach all in time. Our Government will strengthen the State finances, reduce debt burden and curb unnecessary expenditure. Government resources will be invested for economic growth and for creation of income generating assets. We will give more emphasis to outcomes than outlays. Our tax structure will be made more efficient for better tax collection. Our goal is to increase non-tax revenues, which have remained more or less stagnant in the recent years.

12. We will fully utilise our share of central assistance. We fully support all Government of India schemes and programmes. We will take commercial

banks into confidence for providing credit and financial assistance to the poor and needy.

13. Our aim is for timely completion of public works while maintaining quality. We will concentrate on quickly completing projects lingering for many years and then taking up new projects wherever necessary. Schemes will be redesigned by merging to make them more fruitful and effective.

14. We have displayed our Government's commitment and speed immediately after coming to power. Our first announcement: distribution of rice at Rs.1 per Kg. to the poor. The public across the State has extensively welcomed "Anna Bhagya", this prestigious scheme of our Government. It is our Government's priority to ensure food at affordable price to the poor. This scheme will also improve the nutrition level of poor people. Apart from this, the money saved in purchase of food grains will help the poor and the needy to meet their other requirements. We have taken action to ensure that the benefit of this announcement is immediately available to the poor in entire State. I am very happy to state that recently this scheme has been formally launched in all the district headquarters of the State.

15. Our second announcement : Waiver of loan of Scheduled Caste, Scheduled Tribes, Backward Classes and Minorities. The people have welcomed this too. Our hope is that the poor will be free of their old liabilities and gain eligibility for fresh loans to take up new economic activities for their livelihood.

16. Our third announcement : Higher incentive for co-operative milk producers. Dairy farming is now a major activity of many of our rural people. We have increased the incentive amount given for milk producers from Rs.2 per litre to Rs.4 per litre. This will help 45 lakh milk producers. Additional production of milk due to this incentive will be distributed to children in anganwadies and schools. This would provide supplementary nutrition to our children.

17. Our fourth announcement: Increase in subsidy for housing unit. Our goal is construction of 3 lakh houses each year under housing schemes. With this, Karnataka will become hutless State in the coming years.

18. Karnataka has 78 lakh agricultural families and 62 lakh agricultural labourers. As you are all aware, recently 157 taluks were declared as drought affected. This was the most severe drought we have seen, since

1972. The problems of water and fodder were acute and the entire agriculture sector was affected. At the same time, the previous Government presented Agriculture Budget. Any budget should be expected to have details of receipts and expenditure. However, the Agriculture Budget presented by the previous Government was only a compilation of agriculture related subjects without any of such details.

19. Some people justified the purpose of the agriculture budget as to give a focus to agriculture. Even if conceded, it did not achieve anything. Under the 11th Five Year Plan, it was targeted to spend Rs.3,100 crore (at 2006-07 prices) on agriculture sector. But only Rs.2,927 crore (at current prices) was spent. Besides, during this period decline in agricultural growth is clearly visible. Though many new agricultural programmes were announced, the State's agricultural progress had declining trend. Growth rate in agriculture has decreased from 12.4% in 2007-08 to 1.8% in 2012-13. It is not the presentation of documents but conversion of announcements into action by timely provision of agricultural credit, seeds, fertilisers and agricultural technology to farmers that is more important.

20. Hon'ble speaker, in this background, I propose to discontinue presentation of separate agriculture

budget and revert back to the old format. I have prepared these budget proposals after detailed discussions with my Cabinet colleagues, Trade and Industry Associations and Farmers Associations.

Macro Economic Situation

21. The overall macro economic situation during 2012-13 was that of continued uncertainty and challenges. The developing and emerging economies like ours are affected by global economic slowdown. On account of external global pressures and subdued industrial activity and declining service sector the Country has seen growth of 5% in 2012-13.

22. However, due to timely monetary and fiscal interventions there has been a noticeable fall in inflation accompanied by fiscal correction. I commend the Central Government for initiating a series of reforms to spur economic growth. The economy seems to be picking up. In this background, our fiscal and monetary policy measures should enable return to the earlier growth trajectory leading ultimately to inclusive and sustainable development.

23. Government of India in the 2013-14 budget had indicated the growth for 2013-14 could be in the range of 6.1% to 6.7%. The Economic Advisory Council to the Prime Minister in its April 2013 report has estimated growth at 6.4%.

State's Economy

24. The State's economy in 2012-13 was influenced by the prevailing macro economic situation. High inflation, high interest rate regime and lower investments on fixed capital formation at the national level coupled with drought within the State have impacted growth. The Advance Estimates indicated growth by 5.9% in real terms during 2012-13. This is only a moderate increase from the 5.5% growth seen in 2011-12.

25. Despite large outlays provided for agriculture in recent years, agriculture sector had contracted to grow at a (-)2.2% in 2011-12 and mere 1.8% in 2012-13. The industry sector is estimated to stay at same level of 2011-12, at 2.4% due to negative growth in mining sector. There is decrease in the growth rate of the service sector also from 9.5% in 2011-12 to 8.9% in 2012-13.

26. We have to redouble our efforts to ensure that the economy attains its high growth trajectory again through better expenditure management and initiating growth oriented policy initiatives.

State of Finances

27. The finances of the State should be judged from what a State's potential is, what it has achieved, and

the directions the finances have taken. One of the yardstick is own tax revenues. These mainly consist of Commercial Taxes, Excise, Stamp and Registration and Motor Vehicles tax. Unless we ensure growth in these taxes, State development can get affected.

28. The growth of own tax revenues during 2008-10 was poor. The growth which was at 25.01% during 2006-07, came down to 6.4% in 2008-09 and 10.6% during 2009-10. During the same period borrowings shot up from a mere Rs.1,324 crore in 2007-08 to Rs.11,443 crore and Rs.11,445 crore in 2008-09 and 2009-10 respectively. More borrowings mean more interest burden.

29. Collection from the Stamps and Registration during the period from 2006 to 2013 was more or less stagnant. The rate of stamp duty was brought down during 2011-12 from 6 % to 5 %. Guidance values were also revised during 2011-12. The new system of 'Anywhere Registration' in any of the registration offices in Bangalore was introduced. Despite this, there was no increase in collections. Bangalore has a huge base of real estate and property market. The growth in collection during this period did not keep pace even with inflation rate. From this it is evident that attention was not given to contain evasion and leakage in Stamps and Registration transactions.

30. During the period from 2006 to 2013 no efforts have been made to increase the Non tax revenue collections. The revenue has been more or less stagnant during the period. Non tax revenue is an indicator of the fees and amounts given for all the services of Government. Royalty income from our rich mineral wealth is accounted under this head. Even then, our non-tax revenue has not grown in the expected proportion.

31. If the Government had taken steps for improvement in tax collection, prevent leakages and stop evasion then certainly our Revenues would have been higher. As a consequence, dependence on borrowings would have come down. As you are aware presently, loans and borrowings are costly and availing such loans would place a huge debt burden on the future generations. I have always said we should not take loans based on availability but on based necessity and affordability. These borrowings should be used to create capital assets which yield future revenues directly or indirectly. Even now this is my firm stand.

32. Indiscriminate borrowings are bad for our fiscal health. The borrowing liability has nearly doubled in six years from Rs. 62,519 crore in 2006-07 to Rs 1,17,501 crore in 2012-13.

33. Another area of financial concern is drop in Revenue surplus. The Revenue Surplus which was Rs.4,172 crore during 2010-11 has come down to Rs.943 crore during 2012-13. We need to control the revenue expenditure through prudent fiscal management. By keeping revenue expenditure below the revenue receipts revenue surplus available could be invested in capital expenditure. Tight control needs to be kept to avoid wasteful and unproductive non plan expenditure.

34. Previous Government constituted the Expenditure reforms commission, but has not implemented its recommendations fully.

35. An area closely linked to the financial health of the State is financial health of the power sector. Due to various reasons the ESCOMs are not paying their power purchase dues to Karnataka Power Corporation Ltd. This has affected income of Karnataka Power Corporation. The dues which were of the order of Rs.2,595 crore during 2006-07 has gone up to Rs. 9,531 crore in 2012-13. As a result, Karnataka Power Corporation Ltd., is borrowing more to fund its operations. This entire burden will have to be supported in various forms by Government. The RE subsidy increased from Rs. 2,042 crore in 2006-07 to Rs.6,500 crore in 2012-13. Power sector finances should have been better managed by

increasing generation and higher PLF, lesser power purchase from private and outside sources and reduction in T & D losses.

36. Honourable speaker, our finances are not in good shape. Government expenditures are not yielding expected outcomes. The separate agricultural budget did not increase our agricultural growth. Instead agricultural growth which was 12.4% in 2007-08 slipped to 1.8% in 2012-13. In spite of organizing two global investors meets our Industrial growth has come down from 10.8% in 2007-08 to 2.4 % in 2012-13. Even in the services sector growth has come down from 13.8% in 2007-08 to 8.9% in 2012-13.

37. As per our target the infant mortality rate should be 24 per 1000 live births but we could achieve only 38. We should bring this down. It is clear that our expenditure in health sector have not yielded expected outcome. Any expenditure should lead to definite outcome. Fiscal Responsibility Act 2002 is in force in the State since 2002. But in reality this has not been followed in the right spirit. This is the right time to restart fiscal consolidation process. If we do not take harsh decision it will have adverse impact on development and growth of the State. In this background we will initiate all actions required to restore economic stability.

38. The previous Government has not provided necessary funds to the schemes announced by it. I have to provide funds to all these schemes which will be an additional burden on our Government.

39. In addition, resources are required for implementing our Government's priorities. In order to provide for all these necessary requirements I propose the following measures:

- Tax processes will be simplified and computerised so that tax compliance is voluntary, easier and better.
- Leakages will be plugged through vigilance squads.
- Research and analysis wing will be created to inspect and report in respect of the industries which are not in accordance with the Industrial Development and showing less tax revenues.
- Arrears collection drive will also be taken up along with implementing Karasamadhana scheme.
- Vacant posts of tax departments will be filled up, where necessary
- Tax appeal cases will be speedily disposed
- Special emphasis will be given to increase non tax revenues by increasing user charges, strict

monitoring on mining front to ensure Royalty amounts are correctly collected

- State to borrow based on needs and used only for capital expenditure.
- In order to reduce interest burden swap, high cost loans for cheaper loans
- Bring down losses in the energy sector by reducing Transmission and distribution losses
- Attention will be given to reduce the losses of State Road Transport Corporation and targeting earnings on kilometre basis and curtailing unnecessary expenditure.
- Improve Water Distribution Efficiency in Bangalore by curtailing wastages. In order to mobilise resources water tariff to be rationalised and increased.
- Improve revenue collections of Bruhath Bangalore Mahanagara Palike and other Urban Local Bodies
- Implement Recommendations of Expenditure Reforms Commission
- Ensure Government of India funds are fully utilised
- Completion of lingering projects to reduce cost escalations

- Use PPP model of work to utilise private sector efficiency, funds and VGF amounts from Government of India.
- Undertake capacity building of PRI and ULB staff for better collections
- Utilise excess revenue accumulations in bodies such as Vishveshwaraiah Technical University, Rajiv Gandhi University of Health sciences within their sectors.
- To ensure quality and minimize the maintenance costs a separate quality wing to be established in Public Works Department.
- Utilise external funding from external funding agencies like World Bank, Asian Development Bank and also from Commercial Banks and financial institutions.

Plan Performance during 2012-13

40. The State Plan size for 2012-13 was fixed at Rs. 42,030 crore. This included support of Rs.35,290 crore from the State budgetary resources and Rs.6,740 crore as resources of Public Sector Enterprises. During the course of the year, there were demands for additional resources in some sectors, while some other sectors had savings due to slow implementation of schemes. The Advance Estimates

indicate the plan expenditure from the budget would be met. However, in view of the lower than anticipated borrowings of the Public Sector Enterprises the full State Plan may not be achieved.

12th Five Year Plan

41. Karnataka under took the preparation of an Approach Paper for 12th Five Year Plan and it is in progress. This Approach Paper contains a detailed analysis of the 14 major sectors and broad financial framework and resources and allocations. It also identifies major challenges for the State during the 12th plan period in each of the sectors. The State is taking remedial measures in the 12th Five Year Plan to address the issues identified in the State's Approach Paper.

42. The Planning Commission has approved an outlay of Rs. 2,55,250 crore at current prices for the 12th Five Year Plan for Karnataka. This is 87% higher than the 11th Five Year Plan expenditure at current price of Rs.1,36,352 crore. The State is in the process of finalising the inter-sectoral priorities and it would suggest the revised sectoral allocations to the Centre in due course.

Annual Plan 2013-14

43. I am happy to announce that the Planning Commission has approved the Annual Plan of

Karnataka at Rs.47,000 crore for 2013-14 recently. However in view of the additional expenditure requirements identified and the plan priorities of our Government, it is proposed to enhance the Plan Size for 2013-14 and fix it at Rs.48,685 crore. This includes Rs.41683 crore to be provided out of State Government resources and Rs.7002 crore resources of public sector enterprises. This enhanced plan size of Rs.48685 crore is almost 16% more than the plan size of Rs.42030 crore fixed for 2012-13.

Agriculture and Allied Activities

Agriculture

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44. As per the wordings of the poet, protection of the interest of the farmers is our concern. Accordingly, development of agriculture enhancing the income of our farmers is the commitment of our Government. This will be achieved by emphasis on agricultural productivity and increase in production. We will ensure timely supply of seeds, fertilisers, agricultural credit and agricultural equipments to our farmers. Dry land agricultural development which forms the larger part of our agriculture sector will be taken up

with the assistance of ICRISAT, Post harvest, our farmers require storage facilities, remunerative prices and properly functioning markets. We will give special emphasis to these aspects. Long term agriculture development is possible only through research on new seeds, new varieties and micro nutrient based interventions.

45. This year's monsoon has started with good hope. Arrangements have been made to see that for the farmers of the State there is no shortage of required agricultural inputs like seeds, fertilizers and plant protection chemicals. The good monsoon season of 2013-14 has created the hope of a good crop season. To supplement this, our Government has initiated pro farmer programmes. This year it is targeted to achieve food production of 130 lakh metric tons.

46. In the year 2013-14 considering the importance of agricultural sector as a whole encouragement is given to priority sectors like, Agriculture, Horticulture, Animal Husbandry, Sericulture, Fisheries, and Irrigation etc. by providing substantial grants.

Following new schemes are proposed for our farmers:

47. Short term loans will be made available to the farmers at 0% interest up to Rs.2 lakh and at the interest rate of 1% for Rs.2 to Rs.3 lakhs from Co-operative Institutions. Earlier, short term loan upto

Rs.1 lakh was provided at 0% interest and at 1% interest from Rs.1 to Rs.3 lakh.

48. The existing interest at 3% to medium term loans and long term loans upto Rs.10 lakh from co-operative sector institutions will be continued.

49. Existing limits for short and medium term loans taken from Commercial banks will be continued.

50. Farmers are always facing problems due to indeterminate prices for their produce. Most of the times they do not even get the costs incurred. Hence to fix suitable prices “Agricultural Prices Commission” will be constituted. This Commission will consist of farmers, Agriculture experts and Agro-economist. Government will fix suitable prices based on the scientifically worked out recommendations of the Commission.

51. In order to ensure that farmer’s get Minimum support price, price intervention and support price operation will be started in advance. The amount of revolving fund for this would be enhanced to Rs.1000 crore this year.

52. Farmers are put to hardship due to loss of crops, livestock etc. due to various natural disasters like floods, drought, and pest attack. There is need to protect farmers from these disasters and minimize their impact. In such circumstances the compensation

required to be provided exceeds the limits prescribed under the natural calamity guidelines of Central Government. For this purpose size of the state calamity relief fund will be increased. Further, calamity mitigation fund will be established for calamity relief and mitigation activities in the Revenue Department. We welcome the revised guidelines issued by Government of India with regard to Disaster Response Fund.

53. A scheme will be formulated to bear the education fee of flood or drought affected agricultural labourers and farmers.

54. The State is facing shortage of Groundwater, in order to promote efficient use of ground water, drip irrigation will be promoted. Under this scheme, subsidy will be provided to all the applicants at the rate of 90% to SC/ST and at 75% others.

55. The existing organic farming scheme will be reformulated and extended to the Hobli level. In addition for organic farming produce suitable marketing linkage will be established.

56. Research based agriculture system under the leadership of ICRISAT will be implemented in one district of each revenue division.

57. In order to encourage the construction of godowns and cold storage units by farmers in

adjoining towns and villages of agricultural markets an interest subsidy scheme will be formulated.

58. A scheme of providing solar pumpsets upto 5 HP to the farmers will be implemented in one district each of the Northern and Southern parts of the state on pilot basis.

59. For timely implementation of departmental schemes and proper utilisation of grants at field and district level 20 state sector schemes will be merged and modified into 5 schemes.

60. The proposal to include agriculture as a specialisation in Industrial Training Institutes and to impart training in agricultural machinery, processing units, drip/sprinkle irrigation will be examined.

61. Rs. 5 crore will be provided to the Agricultural universities for development of new seed varieties and develop improved technologies.

62. Bhoo-chetana-II scheme will be extended to irrigated crops apart from dry land areas.

63. Special measures will be taken to address the salinity issues of Black Cotton Soil.

64. In order to facilitate smooth and uninterrupted functioning of agricultural pump sets affected by failing transformers, 100 transformer repair centers will be established.

65. For setting up scientific grading centres at Mysore and Raichur Rs.3.5 crore will be provided.

66. Rs. 5 crore will be provided for creating warehouse based sale facility for agriculture produce in 100 centres.

67. A dedicated website for providing databases of the existing and comparative prices of agriculture produce in different markets and commodity exchange centres will be created.

68. Agriculture Marketing Reforms Committee report will be implemented in this year.

69. With a view to incorporate certain reform measures suitable amendments to the Agricultural Produce Marketing (Regulation and Development) Act 1966 will be effected.

70. The construction of godowns taken up Karnataka State Warehousing Corporation under RIDF grants will be completed by March 2014.

71. An initiative to develop Public Private Partnership in extension services through Agriculture, Horticulture, Animal Husbandry, Fisheries, Sericulture marketing and agro based industries in a professional approach to provide one stop shop for all the emerging challenges / issues through multidisciplinary approach will be taken up.

72. In order to promote production of more quantity of quality seeds by farmers themselves a scheme "Swabeejabhivruddhi Yojane" will be started. This will be implemented through seed production centres of agriculture department in co-ordination with different seed production Corporation/Boards/Private Sectors. Under this scheme, at hobli level, concession in seed certification fee, construction of seeds storage warehouses, harvesting yard, implements required for seed processing will be provided in selected villages. Rs.10 crore is proposed for this scheme during the current year.

73. Under agriculture mechanization scheme assistance at the rate of 50% is being provided to the farmers for buying agricultural equipment and establishing agricultural processing units. During the current year also more emphasis will be given to this scheme and it is proposed to provide Rs.150 crore towards distribution of agriculture equipment, agricultural processing units and small tractors to farmer at concession rates.

74. Rs.152 crore will be provided for buffers stock of fertilizers.

75. Rs.150 crore will be provided for distribution of seed and other equipments.

76. Rs.500 crore will be provided for integrated watershed development programmes.

77. For mitigating the hardship suffered by the farmers on account of natural calamity the modified Rashtriya Krishi Vima Yojane will be implemented in selected 4 districts on a pilot basis.

78. Weather based crop insurance schemes is being implemented in different districts of the State. In order to make the scheme more effective and scientific rain gauge stations will be established at all Gram Panchayat.

79. An outlay of Rs.3,095 crore has been provided to Agriculture Sector.

Horticulture

80. An estimated 152 lakh tons of horticulture crops are being grown in 20 lakh hectare areas of this state. So far an area of 3.62 lakh hectare has been benefited with drip irrigation and with a view to extend this to more farmers drip irrigation will be provided in more area. A subsidy of 90% to SC/ST beneficiaries and 75% to others will be provided. For this Rs.243.76 crore is provided.

81. It is necessary to extensively adopt organic farming in horticulture. Encouragement will be given to the farmers to grow better quality produce by adopting eco-friendly farm practices. With this objective cluster model will adopted by forming interested farmers groups. Also facilities will be

provided for systematic marketing of these produce. Organic farming will be adopted 82,500 acres during this year. Rs.25 crore will be provided for this purpose.

82. It is proposed to provide a grant of Rs.5 crore to the Prof. Nanjundaswamy Memorial Amrutha Bhoomi Trust established at Hondarbalu village in Chamarajanagar district for under taking organic farming activities.

83. In view of the difficulties faced by arecanut farmers it is proposed to encourage them in alternate profitable crops in areca gardens. For this purpose demonstration plots on farmers fields will be established in coastal and malnad areas. Rs.2 crore will be provided for this purpose.

84. Pomegranate farmers of the state are facing the problem of bacterial blight. Rs.12.5 crore will be allocated to provide balance matching share to central share already provided to these farmers.

85. Coconut is a principal horticultural crop in the state grown on 11.7 lakh acres. With the objective of strengthening the marketing facilities for coconut products, measures such as value addition, processing, post harvest management and others will be promoted. In this direction, the State Government will provide 25% subsidy matching to the 25% by Coconut Development Board for coconut processing units. Rs.5 crore will be provided for this scheme.

86. Five parks will be established for value addition to coconut products. Coconut Development Board provides 25% contribution to the share capital for the establishment of Coconut Producers Company in the State. The State Government will also provide 25% to the share capital in order to strengthen these companies. Initially Rs.1 crore will be provided for this scheme.

87. Suitable tax incentives will be given to different produces produced in the coconut parks.

88. Amendment to the 'Excise Act' will be brought for removing the constraints to the farmers in producing Neera from coconut trees in the state. Manufacture of value added products from Neera such as palm syrup, palm jiggery and palm sugar etc. will be promoted.

89. Parks and fountains in the premises of the Memorial established in commemoration of the late S. Nijalingappa at Seebara, Chitradurga district will be developed.

Animal Husbandry

90. The livestock sector contributes 3.57% to the state GDP and 27.64% to the agricultural sector.

91. State stands eleventh in production and second in procurement of milk in co-operative sector in the

country. To promote Dairying and improve the economic condition of the farmers in the state, an incentive of Rs.2/- per litre of milk provided to Milk Producers has been enhanced to Rs.4/- per litter of milk. An amount of Rs.818 crore has been provided for this purpose.

92. Under fodder development programme, it is proposed to grow green fodder in 52,553 hectares through distribution of 5.25 lakhs minikits to the farmers with central assistance of Rs.1,314 lakhs.

93. Thrust has been given to meet the demand for Veterinary Doctors in the state and to promote Veterinary education and Research, by providing Rs.73 crores for development of infrastructure in Veterinary Colleges at Shimoga, Hassan, Bidar and dairy college at Gulbarga .

94. The process of recruitment to fill the vacancies of 391 Veterinary Doctors and 642 Veterinary Assistants in the department will be completed shortly.

95. Rs.25 crore will be provided to complete the ongoing buildings under RIDF.

96. Under RKVY, Rs.65 crores has been reserved for increasing the livestock productions and development of livestock and poultry.

97. It is proposed to establish one Specialty Hospital in each district and one Super Specialty Hospital at Cantonment Hospital in Bangalore to provide High-tech treatment services, Rs.8 crores will be provided for this purpose.

98. It is proposed to construct "Pashu Bhavan" at Bangalore to accommodate all the offices of the department and its related organizations to provide services under one roof.

99. A scheme will be formulated for conservation and development of breeds of buffalo, Sheep and Goats under the comprehensive breed development programme. Artificial insemination programme will be strengthened. Rs.2 crore is provided for this purpose in the budget.

100. There are about 95.65 lakh sheep and 61.57 lakh goats in the state. An ex-gratia compensation of Rs.3,000 will be provided to each sheep / goat which die accidentally or die due to certified epidemic diseases, not covered under natural calamity relief or insurance schemes. Rs.2 crore will be provided for this purpose.

101. In order to encourage dairy activities and to provide assistance to supply of milk programme to school children in the state, necessary infrastructure facilities will be provided in district milk unions.

102. There are Mobile Veterinary Clinics in 174 talukas in the state. Rs.4.20 crore will be provided for new vehicle facility to each taluka.

103. A mega dairy manufacturing milk powder will be set up in Mysore city.

104. The existing Mysore-Chamarajanagar District Milk Producers Union will be bifurcated and a separate union will be established for Chamarajanagar District.

105. Rs.1,675 crore will be provided for Animal Husbandry programmes during 2013-14.

Sericulture

106. Rs.5 crore will be provided for modernisation of cocoon markets by creating additional facilities and providing modern technology.

107. 10 cold storages will be established for grainages.

108. To motivate farmers for continued supply of seed cocoons, it is proposed to provide an incentive of Rs.20 per kg for seed cocoons.

109. In order to protect the silk reelers from fluctuations in silk prices it is envisaged to provide 70% pledge loan to the reelers on the rawsilk through silk reelers industrial Co-operative societies/silk exchanges.

110. In order to help the silk reeling community Rs.2.32 crore will be provided as state share for enabling Central Silk Board to waive the entire loan amount due from reelers.

111. During the current year, to reduce the dependence on imported raw silk and to produce gradable Bivoltine silk it is programmed to install 3 ARM units.

112. Landless SC/ST farmers who undertake silkworm rearing activities by purchasing mulberry leaves will be provided Equipments upto Rs.10,000 with 50% subsidy and low cost rearing sheds with maximum of Rs.10,000 subsidy will be provided.

113. Rs.5 crore will be provided for modernisation of old KSIC units in Mysore district.

Fisheries

114. A Project Implementation Cell will be formed to take up coastal civil works for Karnataka Fishing Harbour and Landing centres.

115. 2000 Inland fishermen will be provided fibreglass coracle.

116. Subsidy amount under Matsyashraya scheme will be raised from Rs.60,000 to Rs.1.2 lakh for construction of houses.

117. The value of fishery equipment kit provided free of cost to fishermen will be increased from Rs.5000 to Rs.10,000.

118. Under Matsya Mahila Swavalambana Scheme, based on the activity taken up by each self help group

it is decided to increase the revolving fund from Rs.50,000 to a maximum of Rs.1,00,000.

119. Rs.2 crore will be provided for construction of net mending sheds.

120. Kerosene oil allocation of Nada Doni will be enhanced from 150 ltr. to 400 ltr. per month.

121. 5000 fisher women will be provided ice boxes free of cost. An amount of Rs. 2 crore will be provided for this purpose.

122. Development of Fisheries connecting roads will be taken up at a cost of Rs.30 crore.

123. Studies will be taken up for the construction of two new fishing harbours at Gabithwadi Kheni of Ankola Taluk and Majali of Karwar Taluk in Uttara Kannada district during the year 2013-14.

124. Development works will be taken up in Fisheries college, Mangalore at a cost of Rs.4 crore.

125. The quantity of Tax free diesel used by fishing mechanised motorboats will be enhanced to 1.5 lakh kilo litres.

126. There are 82 reservoirs with a water spread of 2.72 lakh hectare in the state providing livelihood 2000 of fishermen families who depend solely on these reservoirs. Since the fish resources in the rivers and

several reservoirs has reduced the fast growing Indian major carps such as Catla, rohu, mrigal do not reproduce naturally in the water resources of south India, there is a need to stock the same in these resources by the department to increase the fish stock. These fish seed will be stored in reservoirs where licence for fisheries is provided at a cost of Rs.2 crore.

127. It is proposed to construct two new fishing harbours which is very essential for coastal fishing at Kulai in Mangalore and Hejmadikodi in Udupi. The extension of jetties in Bhatkal and Karwar fishing harbours and construction of protection walls in 7 estuaries and dredging schemes in Malpe, Belikeri and Kodikanyan will be taken up under centrally sponsored scheme.

128. Provision will be made for giving interest subsidy for availing loan up to Rs. 50,000 from Commercial/Rural regional banks at 2% interest rate to fishermen.

129. In order to encourage legal and sustainable fishing in backwaters and inland water resources the contract Rules relating to distribution of fishing rights published during 2006 will be revised.

130. For programmes of Fisheries Department Rs.229 crore will be provided during 2013-14.

Co-operation

131. The scheme of providing loans to self-help groups formed by the co-operatives at 4% will be continued during this year.

132. The scheme to provide incentive to those who make timely repayment of NABARD loans and interest subsidy loan scheme of State Government are overlapping each other. A uniform scheme will be formulated by utilizing the facility of NABARD scheme fully, and guidelines will be issued to remove overlapping.

133. To encourage the availment of benefits of Yeshaswini Scheme by Scheduled Caste and Scheduled Tribes the entire enrolment fee of Scheduled Caste and Scheduled Tribes will be met by the Yeshaswini Trust.

134. It is proposed to provide Rs.2 Crore to enroll more members of Scheduled Caste, Scheduled Tribes, Backward Classes and Minorities in various Co-operative Societies in the State.

135. In accordance with the latest Amendments to the Karnataka Co-operative Societies Act, 1959 and the Karnataka Souhardha Sahakari Act 1997, the "Co-operative Election Commission" has been constituted. A grant of Rs.3 crore for the functioning of the Co-operative Election Commission will be provided for the year 2013-14.

136. Term loans availed by SC/STs from PLD Banks have not been repaid for various reasons and remain overdue for more than 25 years. As a onetime measure, it is proposed to waive principal portion of the overdue loan, subject to waiving the interest portion of the loan by the concerned banks.

137. Rs.10 crore will be provided for the construction of new buildings and repairs of old buildings of PCARD Banks, TAPCMSs and Agricultural Service Co-operative Societies.

138. For programmes of Co-operation Department Rs.2126 crore will be provided during 2013-14.

Water Resources

Major Irrigation

139. Our priority is to fully utilize the State's precious water resources for the development of the State. In this direction our Government is committed to fully utilize our share of water in Krishna and Cauvery rivers.

140. Action will be taken to accelerate the land acquisition and R & R works due to raising of Almatti dam to 524.25 meters. A high level Committee will be set up for effective implementation of these works.

141. Action plan will be prepared to complete on-going works in the next five years at a cost of

Rs.50,000 crore and to create an irrigation potential of 9,25,805 hectares.

142. During 2013-14 an irrigation potential of 1,08,590 hectares will be created and Field Irrigation Channels in 80,000 hectares will be constructed.

143. Tubachi-Babaleshwar, Peerapur, Budhihal, Nandavadgi lift irrigation schemes, Sankabhuyyara, Mamadapur, Bhuthanal & Begamthalab tank filling projects of Bijapur district, Shiggaon taluk tank filling project will be taken up.

144. Rs.500 crore will be provided for modernization of Cauvery basin projects in the current year's budget. For effective utilization of water under micro irrigation method, sprinkling and drip irrigation will be taken up in lift irrigation schemes at Poorigali, Kabini and Hemavathy catchment areas. The modernization of old canals like Raja Parameshwari, Halasuru, Hullahalli, Ramaswamy, D.G. Dam etc. will be taken up towards improving efficiency in water utilization. Modernization of Hemavathy left bank canal, modernization of Shriramadevar anicut, and Chikkanandi project of H.D. Kote talluk will be taken up.

145. Yettinahole project for which tender process is already underway will be expedited to provide drinking water to the districts facing drinking water

problems. For this purpose, an amount of Rs.1000 crore will be provided during the year.

146. Preparation of Detailed Project Report for providing water supply to the drought affected districts of the State on the basis of Sri Paramashivaiah's Report is under progress. After getting the report early action will be taken as per the expert technical opinion. An amount of Rs.50 crore will be provided for the preparation of DPR.

147. Action will be taken to prepare and submit proposals for flood protection works for Doni river and Bennihalla to the Central Government.

148. Action will be taken for adopting micro irrigation schemes and modernization of dam canals with central assistance for effective usage of water.

149. Action will be taken to adopt micro irrigation (drip & sprinkler) system in Singatlur, Upper Bhadra, Koppal, Tubachi-Babaleshwar, Ramthal LIS, Savanur LIS, project areas.

150. It is proposed to provide an amount of Rs.10 crore to mitigate the drinking water problems faced during summer by 55 villages and 5 towns of Jamakhandi taluk by raising the height of Chikkapadasalagi barrage.

151. A grant of Rs.5 crore will be provided to prepare DPR for the Shriranga scheme of lifting of water from Hemavathy river for drinking water in Magadi taluk.

152. The rejuvenation of Arkavathi River will be taken up with the co-operation & participation of international private & corporate organizations.

153. To avoid wastage & misuse of water, Water Users Co-operative Societies will be activated through various CADAs.

154. Action will be taken to avail the ADB assistance for the development of Integrated Water Resources Management System under KSIWRMIP.

155. The feasibility studies of projects for filling up of tanks from Kali river in Haliyal taluk and providing irrigation facilities to Banavasi hobli from Varada river in Sirsi taluk will be taken up.

156. Tank filling works will be taken up throughout the state.

157. Action will be taken to provide solar panels on the canals and produce power from solar energy. Use of private lands could be prevented and the loss caused due to evaporation of water could be reduced by this.

158. Integrated use of water will be encouraged. It will be made mandatory for recycling and adopt rain water harvesting for the industries and other power plants and also for drinking water projects of the corporations which consume large quantity of water.

159. The aycut roads of irrigation department are neglected for the past several years require frequent repairs and maintenance. Therefore with a view to facilitate farmers to transport their agriculture produce from aycut areas and to prevent recurring maintenance expenditure Rs. 200 crore will be provided for construction of pucca roads.

160. Rs.5 crore grant will be provided for preparation of DPR for rejuvenation of Shrinivasasagar tanks and surrounding 10 tanks of Chikkaballapur taluk to mitigate drinking water scarcity and problems of drought affected areas of Chikkaballapur taluk.

161. Suitable proposals will be submitted to Government of India for financial assistance by considering Upper Bhadra Project as a National Project. Apart from this, a scheme of filling water to the tanks of Holalkere taluk will also be taken up.

Minor Irrigation

162. Karnataka has around 3,579 tanks in Minor Irrigation Department and 26,000 tanks in Rural Development and Panchayat Raj Department. In order to have orderly development of these tanks Lake Development Authority will be set up.

163. It is proposed to complete about 177 ongoing Minor Irrigation Schemes with a balance estimated cost of Rs.326 crore which are in progress at present,

in DPAP taluks under AIBP. Irrigation potential of 20,000 hectares will be created with this. Apart from this, action will be taken to identify the new Minor Irrigation Schemes and implement them under AIBP scheme. It is proposed to construct dams and pickup barrages in areas other than DPAP taluk across the state. Grant will be provided for this in the state budget.

164. A large tank will be constructed for storage of water to enable daily water supply to the twin city of Gadag-Betageri.

165. Minor Irrigation works in coastal areas will also be taken up.

166. Special thrust will be given for the regulation and development of ground water. Consequently action will be taken to separate the Ground Water Division working under the Mines and Geology Department and to establish Ground Water Directorate.

167. An amount of Rs.5,041 Crores has been spent during the year 2012-13 out of a provision of Rs.8,099 Crore. In the current year, a gross amount of Rs.9,812 Crore is provided to the Water Resources Sector.

Forest, Environment and Ecology

168. Our Government is committed towards improving and protecting ecology and forest wealth of state. Apart from taking steps in preventing

encroachment of forest land in state, our Government will take special steps in development of newly declared protected areas and national parks such as Ramadevarabetta, Bhimagada Sanctuary, Chincholi Wildlife Sanctuary and Riparian Eco-system conservation reserves. Various other programmes will also be improved and strengthened.

169. An RFOs training center will be established at Ghungaraghatti near Dharwad.

170. Sirichandana Vana Yojane programme will be implemented to raise sandal plantations and for the protection and maintenance of natural sandalwood growing areas.

171. Rs.1,254 crore have been provided for Forest & Environment sector in 2013-14. An additional amount Rs.93 crore will be provided for various schemes including the following.

- Rs.7 crore will be provided for formulation of a programme for prevention of Encroachment and conservation of Forest Lands in Bangalore and Other Urban areas.
- Rs.7 crore will be provided for revival of Village Forest Committees.
- Rs.35 crore is earmarked to encourage voluntary rehabilitation of families from Tiger

Reserve Forests and National Parks through appropriate rehabilitation packages.

- Rs.7 crore will be provided for development of newly declared Sanctuaries and Conservation Reserves.
- Rs.30 crore will be earmarked for long term measures to address man-animal conflict.

Primary Education

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– ದೇವನೂರು ಮಹಾದೇವ

172. Recognising the immense power of literacy, our Government accords highest priority for Education sector in general and Primary Education in particular. We will focus on improving the infrastructural facilities in Government Primary and Secondary schools. Government Schools will be restructured as “Shikshana Samarasya Vidya Kendras”. In this direction, in addition to Government efforts, willing Philanthropists, institutions and corporate sectors will be persuaded to actively participate in School Development Programmes.

173. Government is considering the enhancement of qualification of teachers, qualified trained teachers

will be appointed. Vacancies of teachers at Government Primary and Secondary schools will be filled up.

174. Our emphasis will be on imparting quality education. While we are committed to provide primary education in the mother tongue, steps will be taken to teach English effectively as one of the subject languages from 1st standard.

175. Government is planning to operationalise tele-education programme, on pilot basis in collaboration with Indian Institute of Management Bangalore.

176. To encourage enrolment and attendance of girls in first standard in government schools Rs.2 will be given to girls for each day's attendance.

177. In order to impart formal education in rural schools, remote sensing education programme will be introduced in a phased manner.

178. With a view to implement Mid-day Meal Programme effectively steam boilers will be provided to big schools having student strength of 500 or more at a cost of Rs.10 crores.

179. It is proposed to restructure SSLC and PUC examination Management system by providing entire information of examination online to students.

180. It is proposed to establish digital knowledge centers at public libraries in a phased manner.

181. For providing infrastructure to State training and Camp Centers, an amount of Rs.3 Crore will be provided to Bharat Scouts and Guides, Bangalore.

182. An amount of Rs. 15,680 Crores will be provided to this sector during 2013-14.

Higher Education

183. In order to enhance the enrolment of women in Higher Education and to provide better opportunities, it is proposed to establish new Government Women Colleges in 15 Districts, which do not have women college. Further, 15 new colleges would be established in unserved areas in educationally backward blocks.

184. 25 Government Colleges will be fully equipped with necessary infrastructure so as to make them eligible for getting academic autonomy by UGC. For this purpose, we will be providing Rs. 2 crore as one time grant for each college.

185. Our Government is initiating “Naipunya Nidhi” Programme in all the Government Engineering Colleges, Government First grade Colleges and Government Polytechnics encompassing all students from this year to ensure each student embodies competence and confidence with right skill, attitude, strong self esteem, morality, ethics and social responsibilities.

186. Higher Education Department's intention is to shape the future global leaders in the field of Business, Trade and Industry. In order to meet the aspirations of youth in their life to reach highest echelons, Government will collaborate with World Economic Forum under Open Source Leaders programme to train 10,000 students from Universities and Colleges.

187. In order to tackle the issue of quality in higher education our Government proposes to set up Higher Education Academy in Dharwad on the lines of IAS Academy and IPS Academy. In order to impart excellent training to the newly recruited teachers necessary infrastructure and modern facilities will be provided to the Academy.

188. In order to encourage higher education for students of economically weaker sections whose parental income is below 2.5 lakhs and who have availed bank loans for meeting their expenditure on books, cloths, equipments etc., will be covered under Rajiv Gandhi Loans Scholarship Scheme.

189. Our Government proposes to provide KSWAN connectivity to all Government Colleges and Polytechnics along with LAN and accessories for broad band internet connectivity.

190. Innovation clubs would be started in all Universities, colleges and polytechnics. Network of

mentors would be created and web portal would be developed.

191. Integrated Educational Management Information System will be established to create database of students, teachers, colleges, infrastructure, physical assets, academic outputs, results, alumni, and e-resources.

192. Government intends to provide scholarship and free education to students, whose parents are affected with HIV / Leprosy, for higher education.

193. New fillip will be provided to higher education by filling up vacant teaching posts.

194. It is proposed to establish a post graduate center of Karnataka University in Gadag.

195. State will provide grants to the 'International Institute of Pali, Sanskrit and Comparative Philosophy' which is going to be established at Gulbarga by Siddhartha Vihar Trust.

196. With a view to extend the activities of the Karnataka State Women University to the entire State, an extension centre will be established at Mandya. An amount of Rs.30 Crores will be provided for this purpose.

197. Nalvadi Krishnaraja Wodeyar Social development study centre will be established in Mysore University.

198. One time development grant of Rs. 5 Crore each will be provided to newly established Rani Chennamma University, Belgaum, Women University, Bijapur and Davangere University.

199. Colleges which have 10% higher pass percentage than the University average would be rewarded with better infrastructure and also the teachers would be rewarded suitably.

200. An outlay of Rs. 3,243 Crores is provided to this sector during the current year.

Health & family welfare and Medical Education

201. Healthy community is a precious wealth of the State. State Government will go all out to provide health care facilities to the people. In this direction, the following health schemes are envisaged.

202. Ayush health units are functioning in all district hospitals. Additionally it is proposed to establish one Ayush health unit in one taluk of each district. Further, Four AYUSH Mobile Medical Units will also be set up in the four revenue divisions.

203. It is proposed to consider giving incentive from the State Government also, in addition to the incentive available from Government of India to 35,000 ASHA workers.

204. It is proposed to establish Dialysis Unit at one Taluk Hospital in each District.

205. Health Services in the state will be strengthened by establishing Indian Institute of Public Health at Bangalore.

206. Generic drugs are cheaper by 40% to 50% than branded drugs. Therefore, our government has resolved to establish one generic drug store in each Taluk.

207. e-Hospitals software will be installed at K.C.General Hospital, General Hospital Jayanagar & Sanjay Gandhi Institute of Trauma & Orthopaedics

208. Rs.8 Crore will be provided for modernization and expansion of Government Maternity Hospital in Gadag.

209. e-Governance software with Letter Monitoring System and File Monitoring System will be installed in the Directorate of Health & Family Welfare Services.

210. There is shortage of beds for inpatient care of severe mentally ill patients. Therefore, it is proposed to establish residential care centres for mentally ill patients at all Taluks.

211. There are many categories of workers and others who are not in BPL category and are not getting covered under the existing health schemes for tertiary care. A new comprehensive scheme based on insurance / contribution will be formulated so that tertiary care is available to such people.

212. With a view to reduce mortality rate, the bed strength of the 41 MCH units will be increased by 2500 in the next 3 years. This programme will be taken up under the schemes of RIDF and NRHM.

213. Free 10 sanitary napkin pads will be provided to 32.50 lakh females.

214. A New Government college of Pharmacy will be set up at Gulbarga.

215. Nutritional Support in kind to TB & HIV Patients will be provided through fair price shops. This scheme will benefit about 70,000 TB patients and 93,000 HIV patients.

216. Rehabilitation Scheme will be launched for Endosulfan affected people after conducting a survey in the Coastal areas of Karnataka.

217. Free health services and treatment will be given to all freedom fighters in Government Hospitals.

218. Regional Food Testing Laboratories at Mysore and Belgaum will be upgraded.

219. NUHM scheme will be implemented in the city areas with the assistance of Government of India at an expenditure of Rs.127 crore.

220. "Arogya Kavacha-108" scheme will be strengthened by providing additional vehicles at the rate of one-vehicle per one lakh population according 2011 census.

221. Steps will be taken to start 4 new medical colleges with necessary infrastructure at Karwar, Kodagu, Koppal and Chamarajnagar under Rajiv Gandhi Health University from next year.

222. Trauma centres will be established at Mysore and Gulbarga Medical Colleges.

223. Peripheral Cancer centre of Kidwai Memorial Cancer Centre at Gulbarga will be upgraded.

224. Rs.10 crore will be provided to Shankara Cancer Hospital in Bangalore.

225. An outlay of Rs. 5,421 Crores will be provided to Health and Family Welfare and Medical Education sector during 2013-14.

Women and Child Welfare

226. Women and Children occupy a sacred place in our society. In this background, our government gives priority for empowerment of women and welfare of children.

227. Revolving fund for Stree Shakti self help groups will be enhanced from Rs.5,000 to Rs.25,000 in a phased manner.

228. Milk will be supplied to all the anganwadi children along with supplementary nutrition food.

229. Under ICDS projects, Honorarium of the anganwadi workers and helpers will be increased by Rs.500 and Rs.250 respectively.

230. Rs.50,000 will be given as a financial security to a physically challenged person when she/he gets married. Further, higher education and technical education fee will be reimbursed to any physically challenged person.

231. Child Care allowance of Rs.2,000 per month will be given to visually challenged women belonging to BPL family after delivery for two years from the date of delivery for a maximum of two deliveries.

232. Two Day Care Centers will be established on Pilot basis in urban areas to Mentally Retarded, Cerebralpalsy, Autism and Severe Disabled Children in the age group of 6-18 years.

233. Many of the Senior Citizens are facing problems like Physical abuse, Harassment, Financial Exploitation and insecurity. To solve these problems Government is enhancing grant-in-aid from Rs.1.96 lakhs per annum to Rs.8 lakhs to old age homes and extending this scheme to Yadgiri, Ramanagar and Udupi Districts.

234. Enhancement of Grant in Aid from Rs.3.6 Lakhs per annum for Senior Citizens Help Line to Rs.7.15 lakhs per annum and the scheme will be extended to 15 more districts.

235. Pension to Ex-Devadasis will be increased from Rs.400 to Rs.500 per month.

236. The subsidy for constructing of own house on own site by Ex-Devadasis will be increased from Rs.40,000 to Rs.1,20,000.

237. An outlay of Rs.3,466 Crores will be provided to this sector during the current year.

SC/ST Welfare

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238. Our Government is committed to fulfil the dream of equality of 12th century Vachana Literature. In this direction, we will formulate various programmes to alleviate the agony of down trodden. Suitable legislation will be brought in for effective implementation of SCSP/TSP on the lines of the Act already in force in Andhra Pradesh.

239. Grants will be provided to suitable institutions which impart training to the Scheduled Castes and Scheduled Tribes students to succeed in the Civil Services competitive examinations of Government of India and State Government.

240. Action will be taken to manage hostels professionally. Towards this, required amount will be provided in full for management of hostels ensuring that there is no shortfall.

241. Hostel facility will be provided to all the eligible Scheduled Caste and Scheduled Tribe students and scholarship will also be given.

242. Toilets will be built at a cost of Rs.15,000 to the Scheduled Castes and Scheduled Tribe family living in villages.

243. One residential school with high quality facilities will be started at every hobli in the next five years. 30 residential schools for Scheduled Caste students and 15 residential schools for Scheduled Tribe will be started during the current year.

244. Steps will be taken to fill up backlog vacancies in all departments immediately.

245. Day scholarship given for pre-metric students will be increased by Rs.150 for boys and Rs.200 for girls.

246. Monthly food charges given for post-metric hostels, Morarji Desai Residential Schools, Kittur Rani Chennamma Residential Schools will be increased from Rs.850 to Rs.1,000 and for pre-metric hostels from Rs.750 to Rs.900. Monthly food charges to the children in Ashrama schools / primary residential schools will be enhanced to Rs.700.

247. Prize amount for the students who have secured more than 60% marks in the SSLC examination will

be enhanced from Rs.5,000 to Rs.7,000 and to the students who have secured 75% of marks and above from Rs.10,000 to Rs.15,000.

248. Dr. B.R.Ambedkar Spoorthi Bhavan will be built in the vacant space available in the hostel premises at M.G. Road Bangalore at an estimated cost of Rs.25 Crores.

249. Subsidy amount to the beneficiaries under the Micro Finance loan scheme will be increased to Rs.10,000.

250. The existing subsidy amount to the self employment scheme having unit cost of Rs.1 lakh will be enhanced from Rs.25,000 to Rs.35,000.

251. An amount of Rs.5 Crores will be provided for development of Siddartha Vihar in Gulbarga.

252. An amount of Rs.50 crores will be provided to the hostels, Educational Institutions, Community Halls, etc., run by the Scheduled Caste and Scheduled Tribe religious institutions.

253. There is a need for providing infrastructure facilities like water supply, good toilets, bath rooms and library / reading rooms to more than 2000 Scheduled Caste and Scheduled Tribe hostels in the state. For this purpose, Government will be providing a minimum of Rs.100 crore during the current year.

254. The unit cost given for purchase of land by the landless agricultural labourers will be increased from Rs.5 lakhs to Rs.7.5 lakhs under Land Ownership scheme.

255. There is a huge demand for Post-metric Scheduled Caste and Scheduled Tribe hostels. In addition to upgrading certain post-metric hostels, 100 Post-metric hostels will be started for the benefit of totally 10,000 students.

256. A Special Development Programme will be formulated at a cost of Rs.50 Crores after identifying educationally and economically backward castes and nomadic communities among Scheduled Tribes.

257. A Special Programme will be formulated at a cost of Rs.25 crore for development of forest dwellers of Scheduled Tribes who have entitlement letter under Forest Rights Act.

258. Unit cost for Scheduled Caste and Scheduled Tribes beneficiaries under Ganga Kalyana Yojane will be increased to Rs.2 lakh.

259. Women will be given more priority in implementation Scheduled Caste and Scheduled Tribe Sub Plans.

260. Rs.50 lakh special grants will be given to each centre of Dr. B.R.Ambedkar and Dr. Babu Jagajeevan

Ram Study and Research Centres in various Universities for their efficient functioning.

261. One Special Cell will be created for effective implementation of reservation in recruitment and promotion of Scheduled Castes and Scheduled Tribes persons in Government Institutions.

262. More encouragement will be given to people of Scheduled Castes and Scheduled Tribes to become entrepreneurs.

263. Encouragement will be given to traditional medical system and growing of herbs by tribal people.

264. Training programmes will be undertaken for Skill Development of unemployed youths and artisans of Scheduled Castes and Scheduled Tribes.

265. Suitable provisions will be made to give special preference to Scheduled Caste and Scheduled Tribes in procurement of goods and works by government.

266. Rs.2 crore will be provided for comprehensive development of Suragondana Koppa in Honnali Taluk, the birth place of Sevalal, preceptor of Banjara community.

267. During the current year Rs.2,164 Crore will be provided for Scheduled Castes welfare and Rs.837 crore for Scheduled Tribes welfare, amounting to a total provision of Rs.3001 crore to the Social Welfare Department.

Backward Classes Development

268. Keeping in view the development of large number of backward classes community people in the State, Backward Classes Welfare offices will be opened at taluk level. For this purpose. Rs.4 Crore will be provided during the current year.

269. Backward Classes Welfare department will be strengthened by redeploying certain posts and creating certain posts at the levels of Commissioner Office, District and Taluk offices. For this purpose, Rs.4 crore will be provided during the current year.

270. Caste wise, Social and Education survey of all castes will be undertaken through the Permanent Backward Classes Commission.

271. State Post-metric scholarship rates will be enhanced on par with Government of India Post-metric scholarship rates.

272. For clearance of all pending fee reimbursement bills of the previous Government's period, an additional amount of Rs.165 crore will be provided. About 4.5 lakh student will benefit from this. Rs.70 crore will be provided for fee reimbursement in the current year.

273. In each district for Engineering and Medical students, one hostel of strength of 100 will be opened separately for men and women.

274. One hostel of strength of 100 will be opened in each district for women nursing students.

275. Hostels with strength of more than 100 will be bifurcated into hostels with strength equal to 100. The strength of the hostels with less than 100 will be increased to 100.

276. All vacant Group-D posts in hostels will be filled up.

277. Rs.50 crores will be provided for the welfare of Nomadic and Semi-Nomadic Tribes. Suitable action will be taken for providing permanent settlement for these communities. Rs.25 crore will be provided for the educational development of Golla community colonies.

278. The creamy layer limit of Backward Classes will be enhanced from the existing Rs.3.5 lakh to Rs.4.5 lakh.

279. The income ceiling for the students belonging to 2a, 2b, 3a and 3b Categories to get various benefits will be enhanced to Rs.1 lakh per annum. The limit will be enhanced to Rs.2.5 lakh in the case of students belonging to Category-1 (on par with Scheduled Caste and Scheduled Tribe students).

280. Initial grant of Rs.5 crore will be provided for setting up of Vishwakarma Development Corporation

for providing financial assistance to artisans engaged in sculpture, metal art and wood work.

281. Rs.2 crore will be provided for construction of Mogaveera Community halls at Sagara, and Theerthahalli in Shimoga district and Hiriyadka in Udupi district.

282. The unit cost under Ganga Kalyana Individual Irrigation Scheme will be enhanced from Rs.1.5 lakh to Rs.2 lakh.

283. A maximum education loan of Rs.1 lakh with annual interest of 2% will be provided under Arivu – Education Loan Scheme to students of all sub-categories of backward classes studying in higher professional courses like Engineering, Medical, Dental Medicines and others.

284. The amount of loan given under micro-finance scheme with 4% annual interest will be enhanced from Rs.5000 to Rs.10,000.

285. The unit cost given under Chaitanya Self Employment Direct Loan Scheme and Traditional Professional Loan Scheme will be enhanced from Rs.35,000 to Rs.50,000.

286. A separate scheme will be formulated for development of traditional professions of Madiwala, Savitha, Hadapada, Kumbara, Kammara, Ganiga,

Thigala, Uppara, Gouli, Darji, Badagi, Bhajantri, Kuruba, Meenugara, Nekara and other communities.

287. Person belonging to Kuruba community and engaged in sheep rearing and blanket weaving will be extended Loan with 4% interest and subsidy for a maximum amount of Rs.1 lakh.

288. Rs.5 crore will be provided during this year to various development programmes implemented by Kranthiveera Sangolli Rayanna Prathishtana.

289. Assistance will be given to the 1000 candidates belonging to backward classes for taking coaching in competitive examinations like IAS, KAS, Banking, etc.,

290. As there is a great demand for admission to backward class student hostels, a new scheme "Food and Residential Assistance Scheme" will be implemented under which an amount of Rs.15,000 for 10 months at the rate of Rs.1,500 per month to 20,000 merited Backward Classes Post-metric students, who cannot secure admissions to students hostels will be credited online to their bank accounts.

291. Rs.75 crore will be provided for religious and other associations belonging to backward classes for construction of community halls and hostel buildings.

292. A grant up to Rs.5 lakh will be provided for the maintenance of private hostels run by the associations belonging to backward class communities.

293. An outlay of Rs.1369 Crore will be provided to this sector during current year.

Minorities Development

294. Incentives will be provided to the meritorious minority students of SSLC and higher courses.

295. A new scheme will be launched to provide merit-cum-means scholarship to Pre-metric and Post-metric candidates who are unable to get scholarship from Government of India under Centrally Sponsored Schemes.

296. A new scheme will be introduced for providing financial assistance for the marriage of girls of minorities.

297. Two new Morarji Desai Residential Schools will be opened.

298. The existing Unit Cost for construction of Shadi Mahals / Samudaya Bhavans will be enhanced from Rs.50 lakh to Rs.1 Crore at district level and Rs.20 lakh to Rs.50 lakh at taluk level. Rs.25 Crore will be provided for this purpose.

299. Rs.1 Crore will be provided for creating infrastructure facilities at pilgrim places of minorities.

300. For effective and efficient administration of the Wakf Institutions, training will be provided to chairmen / staff / members / mutthavalli.

301. A Minority Welfare Cell will be set up at taluk level and urban centres to create awareness in the community about programmes for minorities and encourage community participation.

302. The unit cost will be increased under Ganga Kalyana Scheme from Rs.1.5 lakh to Rs.2 lakh. Rs.44 Crore will be provided under this scheme.

303. A new scheme will be implemented for purchase of site and home loan for the homeless minorities. It is proposed to provide interest subsidy by reimbursement of interest up to Rs.1 lakh on housing loans below Rs.5 lakhs. Rs.25 Crore will be provided for this purpose.

304. Rs.10 Crore will be provided for scholarship to students of Jain Community.

305. Rs.6.5 Crore will be provided for the Incentive and Remedial Coaching Scheme of Minority students.

306. 86 new hostels will be opened and 34 hostel buildings will be constructed under Special Development Plan.

307. Rs.10 Crore will be provided for construction of hostels in areas not covered by MSDP and SDP schemes taluks.

308. At the district level, a task force will be constituted under the Chairmanship of Deputy

Commissioner for protection of Wakf properties. The Task Force will be directed to complete the survey in a time bound manner. In addition, more emphasis will be laid for conservation, repair and restoration of Wakf properties.

309. State's share of Rs.3 Crore will be provided to State Minorities Development and Finance Corporation.

310. Construction of Haj House is under progress and would be completed by year end. Rs.10 Crore would be provided for this purpose in the current.

311. For development of minorities, a total of Rs.676 Crore will be provided. Out of this, Rs.100 Crore will be reserved for Christian community.

Housing

312. It is our endeavour to make Karnataka a 'Hut Free State'. In this regard, 3 lakh new houses will be constructed each year in the state.

313. Government will enhance the unit subsidy of Rs.75,000 to Rs.1,20,000 from the financial year 2013-14. This enhancement is applicable to the following housing schemes, viz., Basava Vasathi Yojane, Ambedkar Vasthi Yojane, Vajapeyee Nagara Vasthi Yojane and Indira Awas Yojane.

314. Government has set a target of construction 20 houses per Grama Panchayat under Basava Vasthi

Yojane (Rural Housing Scheme) and 20,000 houses in urban areas for the financial year 2013-2014.

315. Under a New Housing Policy it is envisaged to implement Affordable Housing Scheme in urban areas for Low Income Group to construct and distribute G-2 model flats at affordable rates.

316. From the financial year 2013-14, it is proposed to implement IAY scheme with direct release of funds to beneficiaries account using GPS technology.

317. The Government will provide required funds to develop all basic infrastructure facilities in the newly developed layouts.

318. In order to speed up the construction of houses, the fast track technology is adopted. With this technology, houses can be constructed in short duration.

319. KHB will take up the scheme of providing drinking water to the different phases of Suryanagar including Anekal Town and other villages at a cost of Rs.450 crores.

320. Construction will be taken up of commercial complex/residential high rise in the developed layouts of Karnataka Housing Board at Yelahanka, Kengeri and Gulbarga on Public Private Partnership.

321. 500 houses with all basic amenities are proposed for construction under IHSDP. 5549 houses

has been targeted for construction under Rajiv Gandhi Awas Yojana during 2013-14.

322. An outlay of Rs. 1365 crore is provided to this sector during the current year.

Labour Employment & Training

323. Our Government will take steps to establish 100 new Government I.T.I s in unserved and partially served talukas of the State with special emphasis on backward talukas in a phased manner.

324. Two Karnataka German Multi Skill Development Centres (K.G.M.S.D.C) will be started at Mysore and Bellary District with partial Central funding.

325. 100 Skill Development Centres are proposed to be set up in association with Karnataka Building and other Construction Workers Welfare Board to develop skilled human resource in the field of construction industry. 60,000 persons will benefit from this scheme.

326. In order to promote skill in the rural areas and subsequent self-employment in apparel and readymade garment field, it is proposed to establish 4 special Skill Development Centers in the Embroidery and Needle work at a total project cost of Rs.12 crore.

327. 25 Government ITIs which are more than 25 years old will be modernized at a cost of Rs.50 crore.

328. Sir Mokashagundam Visveshwariah National Master Trainers' Training Institute at Muddenahalli, Chickballapur District will be established on Public Private Partnership.

329. We intend to computerise and compile the various Labour Laws. Rs.5 Crore will be provided for this.

330. Beneficiaries in the state will be identified under RSBY based on state BPL list.

331. An outlay of Rs.558 crore will be provided to this sector during the current year.

Kannada and Culture

332. Our Government is committed to give more emphasis for protecting and encouraging the art, culture and rich heritage of our State.

333. Youths who are interested to learn various forms of arts such as dance, music, drama, folklore (janapada) painting etc. will be encouraged to acquire indepth knowledge for at least 2-3 years from the renowned institutions of Karnataka.

334. Due to the modernization and change in the usage of Kannada language, to make Kannada more useful UNICODE- a Kannada software, which was languishing for the last few years has been given more emphasis and will be completed as per the report of Dr.Chidananda Gowda.

335. In order to encourage Kannada study in foreign universities, a Kannada study chair will be established in Wurzburg, Vienna, Heidelberg and Munich Universities.

336. More number of Kannada learning centers will be established both outside the state and outside the country.

337. Presently, Rangayana units are functioning in Mysore, Shimoga and Dharwad. A separate Rangayana Unit will be established at Gulbarga division at a cost of Rs.1 crore during 2013-14.

338. Rs.30 lakh grant will be provided to 'Sankalpa' an institution, which is working for prisoners reform in jails of Karnataka, by providing them training in field of drama and performing arts so as to bring them on to the social mainstream.

339. A cultural policy will be formulated for distributing budgetary grants judiciously to all arts and culture related institutions of state.

340. An international level 'Kuvempu Kala Bhavan' will be constructed in Bangalore in memory of Rashtrakavi K.V.Puttappa.

341. Grant of Rs.50 lakh will be provided to Rashtrakavi Govindapai Pratisthana situated at Manjeshwara in Kasargodu for construction of Auditorium.

342. Grant of Rs.2 crore will be provided for completion of the building of All India Model Education Centre at Marihala in Chamarajanagar, which was established as per the wishes of Late Sri M.Rajshekara Murthy.

343. Grant of Rs.3.5 crore will be provided to Konkani language and culture foundation for all round development of Konkani culture and language.

344. Grant of Rs.1 crore will be provided for strengthening the heritage building of Karnataka Vidyavardhaka Sangha.

345. An International Standard Museum at a cost of Rs.25 crore will be established at Roerich Tataguni Estate. Initially, grant of Rs.3 crore will be provided in this budget.

346. Grant of Rs.4 crore will be provided for upgradation of Gandhi Musuem at Gandhi Bhavan, Bangalore, implementation of e-Gandhi Programme, Construction of Gandhi Study Centre, propagation of Gandhi principles and construction of Gandhi Bhavan.

347. Rs.1 crore will be provided for setting up of Ratnakara Varni Study Chair in Mangalore University and Rs.50 lakh will be provided for celebration of his birthday in Mudabidare and Bangalore.

348. Rs.5 crore will be provided for conservation and preservation of the footprints depicting the birth and life of Koti Chennaiah the revered deity of Tulu and Billava communities at Padumalai of Putturu Taluk.

349. Rs.1 crore will be provided for completion of construction of Theatre Complex of Rangabharathi Institution in Hoovinahadagali of Bellary District.

350. An amount of Rs.1.60 crore will be provided for construction on Shri Narayana Guru Billava Sangha building at Shimoga.

351. An out lay of Rs. 263 crore is provided to this sector during the current year.

Sports and Youth services

352. A scheme will be formulated for granting fee concession to the SC/ST/OBC students who undergo training at Government Flying Training School, Jakkur. In addition, necessary training infrastructure will be provided.

353. 'Nammura Shalegagi Namma Yuva Janaru' programme will be implemented to provide incentive to the best youth association in villages.

354. Education Fee of all sports persons achieving excellence at national and international levels will be fully met by the State Government.

355. An outlay of Rs.138 crore is provided to this sector during the current year.

Food

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356. As per the above saying of the saint, our Government has taken a historic step by announcing Anna Bhagya Programme to distribute 30 Kgs of rice at Rs.1/- per Kg to BPL card holders to help all the poor and needy people of the state. We have also decided to abolish the prevailing unit system of distribution of food grains under Public Distribution System in the state from 1.7.2013. This programme shows our commitment towards fulfilling our dream of making a hunger free Karnataka.

357. We welcome and thank the Government of India for introducing the National Food Security Ordinance. It emphasises nutrition as a pre-requisite for economic and human development.

358. Government is committed to efficient and targeted public distribution system and will take all necessary measures to ensure that the benefit of Government subsidy reaches the poor and needy. Towards this end we will set up an effective social audit mechanism and suitable incentive system by

utilising Information technology. An amount of Rs.20 crore will be provided for computerisation of department and for installation of biometric enabled POS machines.

359. A special campaign will be taken up to create awareness among consumers about the 'Anna Bhagya' scheme and the consumer's rights.

360. The 'Ahara and Grahakara Bhavana' will be constructed at Yashawantpur in Bangalore city.

361. Rs. 2 crore will be provided to complete the buildings presently under construction in the Legal Metrology department and Rs. 1 crore will be provided for purchase of new machinery and equipments.

362. An outlay of Rs. 3,507 crore is provided to this sector during the current year.

Rural Development and Panchayat Raj

363. Rural development is a priority sector of our Government. To supplement this our Government will formulate various programmes to strengthen drinking water supply, rural roads, toilet, rural employment creation, sanitation, village panchayat and grama sabhas.

364. Under Mahatma Gandhi National Rural Employment Guarantee Scheme, it is planned to take up horticulture development and water shed activities

in the lands belonging to 75,000 SC / ST / small and marginal farmers. Also it is planned to take up road side plantation on a large scale.

365. A Rural Development Commissionerate will be created for the effective implementation and efficient monitoring of the Mahatma Gandhi National Rural Employment Guarantee Scheme.

366. "Namma Hola Namma Daari" will be implemented under the Mahatma Gandhi National Rural Employment Guarantee Scheme to develop the roads connecting the farm fields.

367. Action will be taken to rejuvenate 12,000 ZP tanks in the State under Mahatma Gandhi National Rural Employment Guarantee Scheme and other schemes.

368. 1,000 Water purification units will be installed to provide pure drinking water to the rural people where drinking water contains flouride and arsenic chemicals.

369. Action will be taken to provide water facilities to 30,000 Anganwadi centers in the State.

370. A separate Rural Water Supply and Sanitation Department will be created for effective implementation and efficient monitoring of drinking water programmes implemented in the rural areas.

371. Action will be initiated for construction of 6 lakh household toilets in rural areas in 2013-14 under Nirmal Bharat Abhiyan.

372. The Central Government has started a scheme for Interest Subvention at 7% for all credit linked women SHGs in the country under NRLM. In addition, 4 Districts of Karnataka have been identified for further Interest Subvention Scheme at the rate of 4% on prompt payment of loans. It is proposed to extend this Interest Subvention Scheme in the remaining 26 Districts of the State covering up to one lakh SHGs this year.

373. It is proposed to start Rajiv Gandhi Chaitanya Yojane to provide skill training, loan, self employment and placement opportunities for 2 lakh rural unemployed youth benefitting 40-50 youth per Gram Panchayat.

374. The approval for upgradation of 2,245 kms of roads in the State under Pradhan Mantri Gram Sadak Yojane-2 is expected from Government of India. In anticipation of Government of India approval, the State is committed to allocate 25% of its share for this scheme.

375. The State is also committed to provide required funds for maintenance of roads already constructed under the PMGSY Scheme.

376. Action will be taken to fill up 1,100 Direct Recruitment vacant posts of Panchayat Development Officers and Gram Panchayat Secretaries.

377. In 2013-14, the grants released to Gram Panchayats will be increased by Rs.2 lakh. Out of this, Gram Panchayats will get first three quarterly installments without any conditions. The Gram Panchayats will get the final quarterly installment after fulfilling performance parameter in tax collection.

378. Regional Training Centres of Abdul Nazeer Sab Institute of Rural Development will be established in Dharwad, Gulbarga and Mangalore for creating awareness and giving effective training about rural development programmes to the elected representatives and officials.

379. Rural Development and Panchayat Raj University will be established to focus on rural development and panchayat raj and to promote suitable skills and competence in this area.

380. The department will take action to provide identified 15 basic facilities to the rural citizenry. To protect Gram Panchayat assets, each Gram Panchayat will print its asset register and keep it available for the public scrutiny. Details of the assets will also be painted on the walls of the Gram Panchayats.

381. Action will be initiated against Gram Panchayat property encroacher and such property will be restored back to the Gram Panchayat.

382. Action will be taken to study, document and publish a book on the tanks in the State through Karnataka State Remote Sensing Agency.

383. Suitable incentive will be given to Gram Panchayats that have 90% to 95% achievement in identified governance and economic parameters.

384. Threshing ground will be constructed in every village under MGNREGA in stages for post harvest processing.

385. An outlay of Rs.8,218 crore is provided to the Department of Rural Development and Panchayat Raj during the year 2013-14.

Planning and Area Development

386. The 118th Constitutional amendment has facilitated Article 371 (J) for providing Special Status to Hyderabad Karnataka Region. To comply with the said constitutional amendment a special cell will be created to oversee the activities. The Hyderabad Karnataka Development Board Act, 1991 will be repealed by introducing a bill in the legislature.

387. For faster implementation of Karnataka Legislators Local Area Development scheme, revised

guidelines have been issued. A Management Information System has also been developed for effective monitoring of the scheme. Grant of Rs.301.5 crore has been proposed for the scheme during 2013-14.

388. 3 regional development boards have been established for development in the area of infrastructure, land and water conservation. Rs.65.30 crore for Hyderabad Karnataka Development Board, Rs.34.30 crore for Malnad Area Development Board and Rs.17.30 crore to Bayaluseeme Development Board have been proposed.

389. In 2013-14, Rs. 2925.60 crore will be provided for Special Development Programme. Our Government is committed for implementation of Dr.Nanjundappa Committee recommendation for improvement of backward areas in the State. So far, the implementation of Special Development Plan is not satisfactory and regional imbalance has continued. In this regard, work has been entrusted to Centre for Multi Disciplinary Research, Dharwad, to study and report. Further action will be taken on the basis of the report.

390. Karnataka Evaluation Authority has been set up to critically examine schemes and programmes of the Government departments. To began with the authority will focus on the evaluation of central and

state flagship programmes including JnNURM, ICDS, DWS, MGNREGA, PMGSY and Bhoo Chethana.

391. Karnataka is among the few states to start the outcome based monitoring through the Result Framework Document developed by the Government of India. This monitoring system will be continued.

392. District Human Development Reports (DHDR) for all districts will be ready by March 2014. These reports will help planners and policy makers at District and State level to address issues regarding Health, Education, Sanitation, Water Supply etc. and to allocate the resources equitably.

393. An outlay of Rs.562 crore is provided to this sector during the current year.

Urban Development

394. As per the current trends migration to urban areas is on the increase. In view of this development providing infrastructure like drinking water facility, drainage facility, good roads, housing, etc., in an orderly manner is the priority of our Government.

395. After due assessment of existing scenario in ULBs in general and Bangalore in particular, Rs.100 crores is earmarked for scientific management of solid waste in 213 ULBs of Karnataka.

396. The city municipal councils of Tumkur, Shimoga and Bijapur will be upgraded to City

Corporations. To upgrade infrastructure and civic amenities in all existing city corporations including these three CMCs, Nagarothana Phase-III will be launched with an estimated cost of Rs.1000 crores. Action will be taken for preparation of project report this year.

397. 9 drinking water supply schemes at an estimated amount of Rs.232.52 crores and 9 sewerage schemes at an estimated cost of Rs.118.85 crores will be taken up during 2013-14 by KUWSDB. Besides, the Board proposes to take up 47 new water supply schemes at a total cost of Rs.3020.90 crores and 41 new drainage schemes at a total estimated cost of Rs.1668.12 crores.

398. All required support will be given for extension of 24/7 water supply scheme under JnNURM to the entire city of Mysore.

399. Mysore is a city of historical importance and heritage. In view of this Rs.100 crore will be provided for development of its infrastructure facilities.

400. The system of outsourcing poura karmikas will be abolished in stages and action will be taken to fill up the vacant posts of Poura Karmikas in BBMP and other ULBs of the State.

401. The Directorate of Municipal Administration will be upgraded as Commissionerate of Urban

Development Department. For this, an expert committee will be constituted and based on its recommendations, suitable action will be taken.

Bangalore Development

402. Comprehensive development of 100 km of arterial and sub-arterial roads will be taken up at a cost of Rs.300 crores.

403. Rs.500 crores will be provided for construction of grade separators at important critical junctions and a grade separator near K.R Puram bridge.

404. Widening of two important corridors namely Bannerghatta Road and Sarjapura Road as per revised master plan of 2015 will be taken up at a cost of Rs.300 crore.

405. Construction of elevated road from Jayadeva Hospital junction to Central Silk Board in integration with the proposed 2nd Phase Metro alignment will be taken up at an estimated cost of Rs.150 crore.

406. Construction of elevated road from Ejipura Junction to Sarjapura road via Sony World junction at Koramangala will be taken up at a cost of Rs.200 crore.

407. Improvement of important junction in the Central Business District will be taken up at a cost of Rs.50 crores.

408. Construction of pedestrian sky-walks for the safety of pedestrians crossing the road will be taken up at a cost of Rs.100 crores.

409. Rs.250 crores will be provided for providing basic infrastructure to the newly added 110 villages in BBMP.

410. Rs.100 crores will be provided for the construction of multilevel car parking.

411. Rs.320 crores will be provided for projects taken up under JnNURM Grants.

412. As disposal of solid waste has become a major problem in recent times in Bangalore, Government will provide all support and assistance to BBMP. Rs.100 crores will be provided for adopting modern technology in solid waste management like generation of electricity, preparation of compost, etc.

413. Our Government will introduce a new Parking Policy in all the City Corporations.

414. Rs.200 crores will be provided for construction of Railway Over Bridges (ROB) and Railway Under Bridges (RUB) at railway level crossings in association with Railway authorities.

415. Metroline from Sampige Road to Peenya covering 10.5 kms., will be made operational by October. Clearance from Government of India for the

'Namma Metro' works of Phase II covering 72 kms. at a cost of Rs.26,405 crore is expected shortly.

416. The Government has done a feasibility study for suburban rail system connecting Bangalore to Tumkur, Ramanagaram, etc. The project is expected to cost Rs.8,759 crore. A detailed project report for phase-1 will be prepared. A Special Purpose Vehicle i.e., Bangalore Sub-Urban Rail Corporation will be setup for implementing the project.

417. Rs.100 crore will be provided for development of 44 lakes by removing the encroachments and stop the entry of sewage flow into the lakes. During the current year, BMRCL will undertake development of Kengeri and Veerasandra lakes in a scientific and exemplary model.

418. It is planned to take up planting of 1.60 lakhs tree saplings across the Bangalore city in 2013-14 at an expenditure of Rs.20 crore through BMRCL.

Bangalore Water Supply Board

419. A Project to remodel and develop 4 Major Storm water valleys viz. Challaghata valley, Hebbala valley, Koramangala valley and Vrushabhavathi valley covering about 857 kms within the BBMP area will be taken up at an estimated cost of Rs.1000 Crore.

420. At present 14 Sewage treatment plants are functioning to treat the waste water generated in the

city. 10 more treatment plants of latest technology will be established in another 3 years. This will help to treat additional 336 MLD of waste water.

421. To improve water supply system and to reduce the leakage, a Special Project has been taken in Southern part of Bangalore. Similar type of project will be taken up in the Central and Western part of the city also. After the implementation of the project water leakage and the quantum of unaccounted water will be reduced remarkably.

422. In the erstwhile CMC areas i.e., newly added areas to BBMP, an integrated underground drainage development project has been taken up with the assistance of World Bank and under JnNurm. 1600 km., length of sewerage pipelines out of 2300 kms., pipeline has already been laid. Remaining works will be completed shortly.

Bangalore Development Authority

423. 6,500 flats at affordable prices will be constructed and allotted by March 2014.

424. Sites will be distributed to 8000 allottees by March 2014 in Arkavathi Layout which is pending from the past 10 years.

425. The Nadaprabhu Kempegowda Layout will be formed and applications will be invited for allotment of 5000 sites before March 2014. Tendering process

for construction of vertical flats in PPP model will be taken up in the same layout.

426. Commercial Complexes of BDA at R.T. Nagar, Indiranagar and Austin town will be re-modelled at an estimated cost of Rs.600 crore with loan assistance.

427. Development of Peripheral Ring Road will be taken up at an estimated cost of Rs.2,250 crore with JICA loan assistance. Land Acquisition process will be speeded up.

Infrastructure facilities in other urban areas

428. Our Government proposes to take up 24x7 water supply works in Haveri, Gadag-Betegari, Gokak, Nippani, Shahabad, Yadgir, Bidar, Basavakalyan, Raichur, Sindhanur, Hospet, Bellary and Chamarajanagar towns at a total cost of Rs.123 crore during 2013-14 in NKUSIP 4th tranche. Further, it is proposed to take up UGD works in Raichur town at a cost of Rs.61 crore.

429. Under World Bank assisted Karnataka Municipal Reforms Project (KMRP), it is proposed to take up implementation of 24x7 water supply in Magadi, Nanjangud, Haliyal and Kollegal towns at a total cost of Rs.72 crore.

430. Water supply and underground drainage works in Upper Tungabhadra river basin cities of Davanagere, Harihar, Ranebennur and Byadgi at a

cost of Rs.450 crore under Karnataka Integrated Urban Water Management Investment Programme (KIUWMIP) will be taken up.

431. 24x7 water supply upscaling projects in Gulbarga, Hubli-Dharwad and Belgaum cities at a total cost of Rs.1,760 crore will be undertaken.

432. Under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), 39 projects at a total cost of Rs.4,150 crore will be taken up in Bangalore and Mysore cities.

433. 18 projects with an investment of Rs.842 crore have been taken up under component of Basic Services for Urban Poor in Bangalore and Mysore. It is proposed to complete all the remaining units in this year.

434. It is proposed to implement the project of City Cluster Development in BBMP area at a cost of Rs.2,100 crore.

435. An outlay of Rs.9,286 crore is provided to the Urban Development sector during the current year.

Energy

436. The contribution of energy sector in state's development is very crucial. Lack of thrust in generation and transmission investment has resulted in both less availability of power and insufficient capacity for transmission and distribution.

437. 1600 MW Yeramarus, 700 MW of BTPS Unit-3 & First Unit of 800 MW Kudgi (out of this State Share of 400 MWs) will be completed in the next 3 years.

438. Total 4814 MW including 2300 MW of KPCL, 1401 MW from central generating stations and 1113 MW from renewable energy sources is expected to be added to the State grid in the next 3 years

439. The State Government would pursue with Central Government for establishing Ultra Mega Power Project in coastal Karnataka region.

440. It is proposed to provide Rs.800 crore for investment in power sector.

441. The existing 72 Nos. of transformer repair centers will be increased to 100 Nos.

442. ESCOMs would establish transformer banks at sub-division level for ensuring timely replacement of failed transformers.

443. High Voltage Distribution System will be implemented in one Division of each ESCOM on pilot basis.

444. Under Belaku Yojana Scheme, two incandescent bulbs will be replaced by Compact Fluorescent Lamps for 10.5 lakh Anthyodaya Anna Yojana beneficiaries

445. 25,000 Irrigation pumpsets will be energised under Ganga Kalyana Scheme during 2013-14 by providing necessary financial assistance.

446. Electricity dues including penalty for Bhagyajyoti and Kuteerjyoti beneficiaries upto 13.5.2013 have been waived and it is ensured that the electric connections which have been disconnected have been restored.

447. A scheme to provide solar energy water pumps to farmers will be implemented on pilot basis during the current year.

448. 75% of the cost of Solar Home Appliances will be subsidized by Government.

449. Solar Roof Top Project and Energy Efficiency programme in Government buildings would be implemented. In order to provide Roof Top Solar appliances of 0.5 to 1.00 kw capacity, a Solar Project will be implemented in 2013-14.

450. An outlay of Rs.10,312 crore is provided to the Energy sector during the current year.

Public Works

451. Out of 5 packages of 269 kms State Highways of estimated cost of Rs.523 crore, 3 packages of Hosakote - Chinthamani, Dharwad - Soudatti, Chowdapura - Gulbarga will be completed during 2013-14 under World Bank assistance.

452. 612 kms of roads consisting of 14 State Highways at the cost of Rs.1,615 crore and construction of 5 major bridges at a cost of Rs.110

crore will be completed during 2013-14 through KRDCL.

453. It is proposed to entrust the following 9 State Highways on “Operation, Maintenance and Transfer [OMT] on User Fee-Toll model” basis with 10 years maintenance period.

- From Kalmala Junction to Sindhanur
- From Hattiguduru to Bidar
- From Krishna Bridge near Bijapur to Lokapur
- From Sankeshwara to Yadawad
- From Hunagund to Belgaum
- From Hiriyur to Bellay
- From Bilikere to Belur via Hassan
- From Yadgiri to Andhra Pradesh Border
- From Andhra Pradesh Border to Shahapur

454. Chikkanayakanahalli-Tiptur-Hassan 70 kms and Dharwad-Alnavara 60 kms State Highway will be developed on PPP-VGF (Toll) model at a cost of Rs.480 crore.

455. It is proposed to develop 9 State Highways of total 753 km at a cost of Rs.2,234 crore under PPP-VGF-DBFOT projects model. During this year, Yelahanka to Andhra Pradesh Border road passing

through Doddaballapur of a length of 70 km will be developed.

456. It is planned to take up development of 8 State Highways of 452 kms at a cost of Rs.1,203 crore under World Bank co-financing scheme.

457. It is proposed to take up renewal of 4130 kms and improvement of 3122 kms of State Highways at a cost of Rs.2,937 crore under State Highway Development Project (SHDP).

458. Out of 66 packages under progress, it is proposed to take up development of 3724 km of State Highways during the year 2013-14 at a cost of Rs.1,439 crore in the first phase of the State Highway Development Project (SHDP).

459. State Highway development works of 3745 kms will be taken up in 70 packages at a cost of Rs.1,498 crore in second phase of State Highway Development Project (SHDP).

460. Action will be taken to prepare Detailed Project Reports for converting the roads into 4 lane roads connecting one District Head Quarters to another District Head Quarters which do not have 4 lane roads.

461. Action will be taken to prepare Detailed Project Reports for converting the roads into 2 lane roads connecting District Head Quarters to Taluk Head Quarters which do not have 2 lane roads.

462. Due to incessant heavy rains in Kodagu District, roads and bridges are severely damaged and this has disrupted traffic movement and communication. In order to repair these roads an amount of Rs.50 crores will be provided to Kodagu District.

463. With a view to develop industries, colonies and small towns between Bidar to Chamarajanagar road, Detailed Project Reports will be prepared and further action will be taken for developing this road into 8 lane “Kalyana Patha” road.

464. Action will be taken for reconstruction of old bridges and strengthening of dilapidated bridges on priority basis.

465. To ease traffic congestion in BBMP area, DPRs will be prepared and further action will be taken for construction of Satellite Town Ring Road (STRR).

466. To ease traffic congestion in all the towns between Bangalore-Mysore Highway, DPRs will be prepared and further action will be taken for construction of fly-over roads within the respective town limits.

467. It is proposed to set up Quality Assurance Unit and Vigilance Unit to supplement the existing Task Force on Quality Assurance in Public Works for ensuring quality of various works being undertaken in the State to directly work under the Government.

468. Coastal protection project will be taken up at a cost of Rs.223 crore with loan assistance from Asian Development Bank. The works at Ullala will commence during 2013-14. In the second phase, works are proposed to be taken up at Tenkaermalu, Uliyarugoli and Udayavara Pudukere in Udupi District and Pavinakurve in Uttara Kannada District.

469. An outlay of Rs.5,862 Crore is provided to the Public Works Department during the year 2013-14.

Infrastructure Development

470. Infrastructure Policy 2007 will be revised to encourage infrastructure development through PPP mode of implementation.

471. Government will develop a Bengaluru International Convention Centre with a seating capacity of 6000 near the Bengaluru International Airport at Devanahalli. A special project in the form of a Business Park will also be developed at this site.

472. A Joint Venture Company will be set up between GAIL and KSIIDC (on behalf of GoK) to undertake distribution of clean natural fuel for transport, domestic and other sectors in various cities in Karnataka.

473. Government of Karnataka has proposed to develop Logistics Parks through Public Private Partnership at suitable locations in Karnataka which

will help in reducing the logistics cost and efficient storage system, reduction of wastage & quick supply to various regions. Logistics Parks will have ICD, Warehouses, truck terminals, cold storages and related commercial facilities.

474. The Government focuses on developing infrastructure in North Karnataka. Hubli-Ankola Railway Line and Tadadi Port will be taken forward in co-ordination with Government of India.

475. Ongoing railway projects will be completed and steps will be taken to establish a railway coach factory at Kolar. In the present year we have provided Rs.373 crore for railway projects.

476. Shimoga and Gulbarga airports undertaken on PPP mode will be completed during this financial year. Capital investment of Rs.150 crore is expected from the Airport Authority of India for Hubli and Belgaum airports.

477. Minor Airport Policy will be announced to utilize the existing idle airport infrastructure in the State.

478. The basic infrastructure for undertaking airline operations in the State is in good condition. It is proposed to identify a private airline operator for commencing flight operations on select routes, through a transparent bidding process for whom certain concessions will be given from the Government.

479. An outlay of Rs.551 Crore is be provided to this sector during the current year.

Commerce and Industries

480. Special emphasis will be given for improving infrastructure facilities in Industrial Areas and Industrial Estates. Budget provision of Rs.30 crore is proposed for this purpose.

481. It is proposed to give more priority for establishment of Research and Development Institutions, which have plans to boost the production sector. Rs.5 crore is earmarked for this purpose.

482. Rs.10 crore is earmarked to operationalize Aerospace Park, proposed in the New Aerospace Policy 2013-23.

483. It is proposed to encourage new and innovative projects through Angel funding for which Rs.15 Crore will be provided.

484. For skill improvement, it is proposed to establish three Mini Tool Rooms at Harihar, Devanahalli & Mangalore at a cost of Rs.22 crore under RIDF.

485. It is proposed to establish 4 Help Desks at Japan, Taiwan, United States of America and Germany to attract Foreign Direct Investment.

486. A granite park will be established in Chamarajanagar.

487. Wage incentives will be enhanced for Khadi Spinners, Weavers, Warpers and Khadi workers involved in production of Khadi cotton, Khadi Silk, and Khadi Wool. This will cost an amount of Rs.16 crores and will benefit 31402 beneficiaries working in the Khadi sector. Along with this Rs.11 Crores is provided for the rejuvenation of various Khadi and Gramodyoga institutions, establishment of 2 silk and 2 woollen cluster each, for exhibition and sale of Khadi and Gramodyoga products and providing subsidy towards working capital for 114 village industries units to be completed in two years.

488. I am providing Rs. 100 crore for weaver's package. With this the previous arrears of electricity subsidy of Rs.45 crore will be completely cleared. I am also providing a special package of Rs.27 crore to be implemented in three years to rejuvenate the woollen sector.

489. The period of the present Industrial Policy will expire in March, 2014. It is proposed to bring out a new Industrial Policy, to encourage all production units.

490. A special package for development of the handicraft artisans over a period of 5 years is proposed to be implemented through Karnataka State Handicrafts Development Corporation.

491. To provide employment opportunities to the local people, a well equipped Textile Park of international standard will be established in Yadagir.

492. A new textile policy will be announced so as to supplement overall development of textile sector in the State.

493. The existing short term loan waiver scheme for the loans taken from the co-operative institutions by the farmers upto Rs.25,000 will be extended to weavers also. Rs.41 crore has been provided for this purpose.

494. An outlay of Rs.885 crore is provided to this sector during the current year.

Information Technology and Bio-Technology

495. The state has gained global recognition in the fields of IT and BT. It is proposed to further strengthen the sector and to increase the exports in the Information Technology sector from the current level of Rs.1.35 lakh crores to Rs.4 lakh crores by 2020. Similarly, it is proposed to implement IT Group recommendations in a phased manner starting from the year 2013-14 so as to increase jobs from 8 lakhs to 20 lakhs during the same period.

496. The Government has announced Electronics Systems Design and Manufacturing (ESDM) Policy for developing the Electronics Manufacturing Clusters and incentivizing innovation and R & D in this sector.

497. The Government of India has approved the Information Technology Investment Region (ITIR) near Bangalore International Airport. In order to develop the first ever such “Green Field” project in the country State Government will be taking further action.

498. It is intended to recast the Rural BPOs keeping viability issue in mind. Further, Government is making efforts to encourage ICT capital investments in the emerging cities of Mangalore, Belgaum, Hubli-Dharwad, Mysore, Gulbarga.

499. It is proposed to establish Indian Institute of Information Technology (IIIT) in Dharwad at an estimated capital expenditure of Rs.128 Crore for which the Government of India has given ‘in principle’ approval. The State Government will contribute Rs.45 Crore.

500. The Government proposes to set-up Incubation Centres for ICT sector in collaboration with engineering colleges in selected district headquarters to encourage entrepreneurship and innovation in this sector.

501. The Government will be launching a pilot scheme on MG Road and Brigade Road in Bangalore for providing Wi-Fi services to the public. Similar pilot schemes are proposed to be launched in also Hubli-Dharwad, Mangalore and Mysore.

502. It is proposed to provide Mobile IT Labs to create interest in Information Technology and to enhance

knowledge of the school children. A grant of Rs.2 crore will be provided for this purpose.

503. For conducting advanced research and for creating commercial skills in DNA Synthesis and Nanotechnology in Biology, Transformation Centres would be set-up in Bangalore. Medical devices of this Centre have Diagnostic technologies and DNA bio-computers. All these will be in the campus of Indian Bio-Informatic and Applied Bio-Technologies [IBAB].

504. It is proposed to establish a Bio-Accelerator, particularly in Medical technology space, for coming out with indigenously innovative products and solutions to meet the working efficiency requirements of low and middle income Indian consumers.

505. e-District Project will be launched in the State to initially enable nine Government Departments to automate and electronically deliver 132 citizen services.

506. State Portal and State Service Delivery Gateway (SSDG) Project will be launched to provide a single window for citizen services.

507. Video-Conferencing facilities will be provided in all talukas under Karnataka State Wide Area Network Project.

508. 46 Citizen Service Centres will be opened in 10 cities of Karnataka.

509. Common Service Centres for providing citizen services will be launched in all Grama Panchayats.

510. Government of India will be requested to restart the Software Technology Park of India Scheme to promote competitiveness and capacity of small IT companies to face global competition.

511. An outlay of Rs.195 Crore is provided to this sector during the current year.

Science and Technology

512. Rs.20 crore will be provided for continuing the programmes recommended by the technology vision group headed by eminent scientist Dr. C.N.R. Rao.

513. It is proposed to open a science gallery in Bangalore in association with the science gallery international in Dublin, Ireland. Rs.5 crore will be provided for this during the current year.

514. Rs. 1 crore will be provided for starting a planetarium with 3D projection facility at Dharwad science centre.

515. Rs.5 crore will be provided for establishment of science and technology knowledge resource centre at Suttur of Nanjangud taluka, Mysore district with the assistance of central government.

516. A sub-regional science centre will be established in Bagalkot at a cost of Rs.3 crore.

517. Karnataka Geographical Information System costing Rs.160 crore will be developed with 50% assistance from government of India.

Tourism

518. There is dearth of infrastructure in tourism. In order to strengthen tourism activities and to develop tourism infrastructure, KSTDC will be restructured and strengthened with necessary additional staff and financial support. For this purpose, Rs.2 crore will be provided.

519. To take up tourism activities effectively and to coordinate the activities of tourism in Karnataka, Tourism Trade Facilitation Act will be implemented.

520. To provide all tourist services under a single roof, tourism plazas will be constructed at World Heritage Sites - Hampi & Pattadakallu.

521. The funds provided under Special Development Plan for promotion and publicity will be utilized to promote lesser known destinations among domestic and foreign tourists.

522. Karnataka Darshan facility will be provided to students of backward classes and minorities.

523. Tourist taxies will be distributed to the members of backward classes and minorities.

524. Short-term training will be imparted to the members of backward classes and minorities in the field of hospitality.

525. Handicraft fair and Shandy will be conducted in Bangalore on the lines of the Surajkund Fair of Haryana.

526. Rs.60 crore will be provided for strengthening Tourism Department and its activities and also for encouragement to Tourism Industry.

527. An outlay of Rs.347 crore is provided for overall development of Tourism sector.

General Administration

528. Based on the classification of Central Government, the State's urban and rural areas will be re-classified as A,B,C categories and House Rent Allowance will be revised.

529. Continuous efforts will be made to simplify procedures for service delivery at the district level and to bring in more transparent and effective District Administration.

530. Monthly pension of freedom fighters will be enhanced by Rs.1,000.

Information Department

531. New 'Advertisement Policy 2013' will be implemented with the prime intention of giving wide publicity with minimum cost. As per this Policy, all the departments of the state have to release their advertisements through Department of Information at concessional rates fixed by the Government.

532. The Administration and Information dissemination network of the Department of Information will be computerized. This network will

help to bring transparency in administration and accelerate dissemination of information to cope up with the speed of the modern Media.

533. The first phase of Late Dr. Rajkumar Memorial works being constructed in the campus of Kanteerava Studio is completed. This will soon be opened to the public.

534. It is proposed to extend the annual subsidy from 75 qualitative Kannada films to 100.

535. 2 acre land has been granted for construction of late Dr. Vishnuvardhan memorial. This work will be taken up shortly.

536. Rs.2.5 crores will be provided as grant for completion of balance works in Amrut Mahotsav Bhavan, which is being constructed in memory of completion of 75 years of Kannada Talkie films.

537. An outlay of Rs.88 Crore is provided to this sector during the current year.

Home

538. Our Government will ensure that law and order is maintained in Karnataka, so that all can lead a peaceful life and to strengthen the administrative performance the following actions are proposed:

539. India Reserve Battallions will be established at Davanagere and Tumkur cities.

540. Rs.9 crore grant will be provided for improving infrastructure in Anti- Naxal Force camp at Karkala.

541. Rs.4 crore grant will be provided for purchasing highway patrol vehicles in all districts

542. Civil and Armed Police Strength of the State will be augmented. 8500 police constables will be recruited during the current year.

543. Special security will be provided to important dams and hydro-electric projects in the State.

544. Police Commissionerate will be established at Belgaum.

545. Building works for 32 new Police Stations will be started at a cost of Rs.51 crore.

546. To convert the five major cities of Bangalore, Mysore, Mangalore, Belgaum and Hubli-Dharwad into Safe Cities, infrastructure will be provided over a five year period at an estimated total cost of Rs.150 crore.

547. Separate health system will be provided for police staff and their family in collaboration with Health Department.

548. For providing quality education to wards of police employees, police schools at Koramangala and Mysore will be upgraded. Muttanna Memorial School at Dharwad will soon be completed. It is proposed to upgrade Mysore Police Public School on the lines of Sainik Schools or other model public schools.

549. It is proposed to open Police Public Schools at the range headquarters at Davanagere, Belgaum,

Gulbarga and Mangalore. These schools will be run by School Management Committees in collaboration with Education Department.

550. It is proposed to upgrade Mysore City Armed Reserve Force.

551. Karnataka State Police Housing Corporation proposes to take up a massive police housing construction scheme of 10,000 police residential quarters with loan assistance.

552. An outlay of Rs.3,941 crore is provided to this sector during the current year.

Transport

553. To provide service to the growing population and to improve the revenue collection, it is proposed to establish Regional Transport Offices at Banashankari, Chamarajpet, R.T. Nagar and Marathalli along with the existing Regional Transport Offices in Bangalore. It is also proposed to establish Regional Transport Offices at Hubli in Dharwad District, Suratkal in Dakshina Kannada District and three Assistant Regional Transport Offices at Dandeli, Madhugiri and Tarikere.

554. To enable online services in Transport Department and to ensure a paperless system of service, it is proposed to computerise the whole department.

555. To test the skill of the candidates scientifically and accurately before granting them driving license, it is proposed to establish automated driving test tracks at Mangalore, Belgaum and Hospet at a cost of Rs.15 Crore. It is proposed to utilize Rs.4.5 Crore during the financial year 2013-14.

556. It is proposed to establish Heavy Vehicle Driver Training Institutes at Mangalore and Gulbarga at a cost of Rs.30 Crore.

557. It is planned to implement VTMS and PIS system in 4000 vehicles and in 45 major bus stations of KSRTC. It is also planned to install KIOSK in all depots to facilitate employees to obtain leave and other service particulars.

558. The Truck Terminal and Logistic Park will be established on National Highway-63 in an area of 56.13 acres at Anchetageri village of Hubli during 2013-14.

559. All the regional transport offices in Bangalore will be brought into computer network. With this public will be able to get the service required by them from any of the regional transport office.

560. It is proposed to establish new Truck Terminals in Raichur, Hospet, Karwar, Mangaluru, Hassan and Humnabad.

561. An outlay of Rs.1,374 crore is provided to this sector during the current year.

Revenue

562. A new scheme called “Manaswini” will be introduced to provide monthly pension of Rs.500 to the unmarried women below poverty line who have crossed the age of 40 years and for divorced women below the poverty line.

563. A new scheme ‘Mythri’ will be launched for providing monthly pension of Rs.500 to Transgender.

564. All thandas, gollarahatties, mazare villages, etc., with 50 or more houses and population above 250 will be notified as revenue villages.

565. Reforms in revenue administration would be introduced. Certain provisions of the Land Reforms Act pertaining to sale and conversion of agricultural land would be examined by the Government to bring in an equitable balance between the land owners and the purchasers of land.

566. In order to protect the interests of the land owners and the public who purchase sites from the house building co-operative societies, an Expert Committee would be set up to examine the provisions of various Acts to recommend suitable safeguards.

567. Existing Janasnehi Kendras would be strengthened. New services would be added and more such Kendras would be set up.

568. Registration of marriages will be made compulsory to ensure protection to women who marry

under mass marriage schemes out of Government grants.

569. The State Government proposes to set up a natural calamities relief fund with a view to provide capital assets and relief for the man-made disasters which are not covered under Government of India SDRF guidelines. The said fund will be utilized for mitigating hardships and also to fulfil the scheme related demands of various districts and also for natural calamities resistance activities. Karnataka will be the first State to create such a fund out of the unearmarked plan allocations of certain Departments by pooling 0.5% from such departments.

570. Updation of land records will also be taken up along with the survey. Protection of Government lands, removal of encroachments are the critical activities of the District Administration. Severe action will be taken against those responsible for encroachment of Government lands and its abettors.

571. Action will be taken for creation of new Taluks in a phased manner after examining the issues from all angles.

572. An outlay of Rs.3,797 crore is provided to this sector during the current year.

Courts

573. Government is aware of the shortage of judicial infrastructure in the State. Action will be taken to

expedite construction of 52 Court buildings which are now functioning in rented buildings and 204 Judicial Officers quarters. All necessary actions will be taken for providing required infrastructure to the Judiciary for its smooth functioning.

574.10 Fast Track Court will be established for early disposal of cases involving atrocities against women.

575.Rs.2 crore will be provided for construction of Advocates Association building in Mysore.

Finance and Taxes

Fourteenth Finance Commission

576. The State Government welcomes the constitution of the 14th Finance Commission under the Chairmanship of Dr. Y.V. Reddy, former Governor of Reserve Bank of India. The Commission recommends distribution of net proceeds of union taxes between the Centre and the States and inter-se-distribution of these proceeds between the States. The Commission also recommends grant-in-aid to the States and local bodies under Article 275 of the Constitution. Karnataka being well finance managed State, expects fair justice. The State Government would submit a "Memorandum" to the Commission covering the issues indicated in its terms of reference. The recommendations of the Commission would be for a period of five years, with effect from 1.4.2015.

Khajane-II

577. Khajane-II, is a comprehensive Integrated Financial Management System. It is an advanced, comprehensive and expanded initiative to replace the existing “Khajane”, through treasury and other automation. It will help exchange of financial data and information between different departments, Banks, RBI, Treasury and Accountant General. With this system preparation and submission of bills will be done online. The departments can view details of expenditures of various scheme at any time online. The project is expected to have a pilot roll out by the end of this year.

TAX PROPOSALS

Goods and Services Tax:

578. I have had the proud privilege of having taken the bold decision to introduce Value Added Tax system in the State which has reformed the State’s commodity taxation to a large extent. Introduction of Goods and Services Tax (GST) is the next big step in that direction. We welcome its introduction in the country. We would continue to actively participate in the discussions being held at the national level to forge an acceptable design of GST without compromising the State’s fiscal autonomy and at the same time not diluting the basic features of GST. Preparing the stakeholders especially the trade and industry for smooth transition to the new tax regime would be very crucial for the success

of GST. For this, I propose to constitute a GST Consultation Committee in the Commercial Taxes Department that would have representatives from all the important stakeholders. I look forward for valuable inputs from this Committee to guide us in overcoming the challenges in implementation of GST in the State.

Commercial Taxes

579. A revenue collection target of Rs. 37,740 Crores has been fixed for the current financial year under Commercial Taxes. We need to raise additional resources to meet the several development schemes and other initiatives announced by me. I am sure the tax payers would accept the additional resource mobilization measures that are proposed in the larger interests of the State.

580. The trade and industry have made several requests and suggestions in the discussions held with them in the process of preparation of the revised Budget. Many of them relate to difficulties faced by them in complying with the tax laws and regulations. I would try to resolve most of them by amending the relevant provisions and also by administrative measures that would be put in place in the course of the year. It is difficult to accede to all the requests made and I am proposing certain tax reliefs that would benefit a larger section of the society.

Value Added Tax

581. Several e-governance initiatives have been undertaken in the last few years to make tax

compliance easier and tax administration effective. Several services are also being provided to trade and industry under electronic mode. I propose to further strengthen them. In order to prevent disputes relating to correctness of input tax rebate claims at a later stage and also for faster processing of refund claims, I propose to provide facilities for the dealers to upload the details of their purchases and sales along with the returns. I appeal to the trade and industry to continue to support us in making this initiative also mutually beneficial.

Relief

582. I propose to exempt footwear costing upto Rs. 300 per pair from tax.

Additional Resource Mobilization Measures

583. In order to meet the additional resources required for the waiver of crop loan taken by farmers from co-operative institutions that was announced in view of the severe drought in the State during the previous year, VAT rates had been increased from 5% to 5.5% and 14% to 14.5% for a period of one year from August, 2012. The amount raised so far from this increase has not been sufficient to meet the Government's requirement for this purpose. Hence with much reluctance I propose to continue this increase beyond 31st July 2013.

Rationalization measures

584. Currently, sale of sugar is exempt from tax though the Government of India has enabled the States to levy such tax. The State is levying only entry tax at 1% on sugar. The sugar factories have represented that the current entry tax is difficult to comply with and the trade has represented that there is unhealthy competition from tax evaders. Considering their representations to be genuine, I propose to replace the current 1% entry tax on sugar with 1% Value Added Tax which is simpler to comply with.

585. I propose to remove doubts about the time limitation applicable for re-assessment by bringing retrospective amendment to the relevant provision.

586. I propose to make a provision for automatic cancellation or modification of any clarification issued by the Authority for Clarification and Advance Rulings that are contrary to the later clarification by the Commissioner of Commercial Taxes. This would ensure that there is uniformity in tax assessments.

Sales Tax

Relief

587. I propose to meet the long pending demand of the trade and industry to reduce sales tax on diesel by reducing sales tax from 16.75% to 15.65%. With this tax reduction at current prices, the price of Diesel would come down by 51 paise per litre at Bangalore.

At current volume of diesel sold in the State, this tax reduction would cost the revenue about Rs. 300 crores per year. However, I hope the trade and industry would reciprocate our gesture and keep their promise of contributing additional revenue to the State by procuring more diesel from the State itself for their needs.

588. Considering the request of the sugar factories which are facing financial hardship, I propose to reduce purchase tax by Rs.20 and road cess by Rs.5 per tonne of sugarcane payable by them.

589. There is still substantial amount of arrears of tax to be collected under sales tax that was being levied on all the commodities prior to introduction of Value Added Tax from April, 2005. The trade and industry have requested for extending them one more opportunity for clearing the old sales tax arrears with relief in interest and penalty payable for the delay caused in the payment of basic tax. In many cases for genuine reasons tax has not been paid in time or has been disputed in pending appeals and other proceedings. Hence, on the lines of the relief extended in 2010, I propose to extend a suitable Karasamadhana scheme for expeditious recovery of old tax arrears and reduction of pending disputes.

Entry tax

Relief

590. As announced earlier, I propose to withdraw the current entry tax of 1% on sugar.

Professions Tax

Relief

591. I propose to increase the annual income limit for exemption from payment of professions tax fixed for pigmy agents and other similar agents from the current Rs.36,000 to Rs.1.2 lakhs on par with other salary earners.

Entertainments Tax

Relief

592. Conceding to the long pending demand of the film industry, I propose to increase the amount of tax exempt service charges that the owners of cinema theatres can collect from Rs.1.50 to Rs.3 per head in air conditioned and air-cooled theatres and Rs.1 to Rs.2 per head in respect of other theatres.

Excise

593. A revenue collection target of Rs. 12,600 Crore is fixed to the Excise Department for the current financial year. I propose to increase the rate of Additional Excise Duty by 16 per cent to 40 per cent across all the 17 slabs as per **Annexure- II**. With this and effective enforcement and regulatory measures, the department would be achieving the target.

594. I propose to provide electronic payment (e-payment) facility to the licensees for payment of Excise Duty and other amounts payable by them.

595. I propose to set up a modernized Excise Academy at Kallukote village, Sira taluk, Tumkur district to impart training to the Excise officials and to develop Human Resource in the department to improve professional efficiency.

596. I propose to fill up all the vacant posts of Sub-Inspectors of Excise and Excise Guards during this financial year. This will enable the department to enforce the Excise Laws effectively and tone up the administration.

597. Amongst the 2048 illicit distillation centres that existed in the State, members of families who were involved in illicit distillation have been identified and I propose to rehabilitate such people with the assistance of Dr. B.R. Ambedkar Development Corporation, D. Devaraj Urs Backward Classes Development Corporation and Karnataka State Minorities Development Corporation.

Stamps and Registration

598. Revenue from Stamps and Registration is the third largest source of revenue for the Government. For the current year a revenue collection target of Rs. 6500 Crore has been fixed. The Department is being reorganised and modernised for achieving this target. The revision of Guideline Market Value for the current year is being done. By bringing property and land registration services under SAKALA Scheme the public can now have their documents registered within a

day. For efficient and speedy delivery of services the present e-Governance measures would be further strengthened.

599. I propose to create a permanent dedicated valuation cell in the State with adequate staff so as to continuously monitor market values and advise on revision of guidance values.

600. I propose to have Memorandum of Understanding with Airport Authority, Port Authority and Banks to collect additional Revenue from stamp duty on instruments relating to import of goods.

Transport

601. A Revenue collection target of Rs. 4120 crore is fixed for the current year. I propose to give 50% concession in the Motor Vehicle Tax payable by Maxi Cabs exclusively carrying school children.

Resource Collection

602. The net effect of above relief and measures for additional resource mobilization alongwith effective compliance and enforcement measures are expected to fetch additional Rs. 1452 crore.

Legal Amendments

603. The proposed tax measures and reliefs will be made effective from 1st August 2013. The required bills will be tabled before the august House in this session for carrying out amendments in the relevant tax laws for implementing the proposed changes.

Revised Estimates 2012-13

604. As per the Revised Estimates 2012-13, the Total Receipts are Rs.99,786 crore as compared to Rs.1,03,369 crore of Budget Estimates 2012-13. The revenue mobilization efforts of the State stand at Rs. 84,884 crore. The Own Tax Revenues are estimated at Rs.53, 493 crore.

605. As per the Revised Estimates, the Total Expenditure is Rs. 1,04,023 crore.

Budget Estimates 2013-14

Hon'ble Speaker, Sir

606. The Total Receipts are estimated to be Rs. 1,20,717 crore during 2013-14. The Budget Estimates envisage Revenue Receipts of Rs.97,986 crore and Capital Receipts of Rs. 22,731 crore including Borrowings of Rs.22,396 crore. The Total Expenditure is estimated to be Rs.1,21,611 crore consisting of Revenue Expenditure of Rs.97,391 crore and Capital Expenditure of Rs. 18,380 crore and debt repayment of Rs.5,840 crore.

607. There will be impact on the finances of state due to commitments on important scheme announced by our government rice subsidy scheme, enhancement of milk incentive, waiver of crop loan and the loan waiver, subsidy for reimbursement of fee, remuneration to guest lecturers during the period of previous government. I have provided Rs. 1300 crore

to overcome the deficit of grants provided by the previous government.

608. Revenue Surplus is estimated to be Rs.596 Crore. Fiscal deficit is expected to be Rs.17,449 Crore, which is 2.9 per cent of GSDP. Total Liabilities at Rs.1,36,078 Crore at the end of 2013-14 are estimated to be 22.62 per cent of GSDP. This is within the limit of 25.4% for 2013-14 mandated in Karnataka Fiscal Responsibility Act.

609. Therefore, all these three fiscal parameters are within the mandate of the Karnataka Fiscal Responsibility Act. This reflects fiscal responsibility of the State.

Resource Mobilization

610. The State's total Own Tax Revenue for 2013-14 is estimated to be Rs. 62,464 Crore with an increase of 20.5 per cent over the budget estimate for 2012-13.

611. Rs.4,038 Crore is expected to be collected from non-tax revenues. The State Government expects to receive Rs.15,056 crore by way of the share in the Budget 2013-14 in Central Tax and another Rs.16,428 crore as grants from Government of India. These revenue receipts are estimated to be supplemented by gross borrowings of Rs.22,396 crore, non-debt receipts of Rs.200 crore and recovery of loans to the extent of Rs. 135 crore.

612. Various State Owned boards and corporations and local bodies are expected to mobilize Rs.7,002 crore through internal resource generation and borrowings made on the basis of their own financial strength and own revenues.

Hon'ble Speaker,

613. I will make all efforts to fully implement all the schemes and programmes announced in this Budget. I seek full co-operation of all the Members of this House in this endeavour. I am confident that I will reach the goal with all your co-operation.

614. Now I commend the Budget for consideration of the august House and seek approval for the expenditure during the period up to 31st March 2014 as per the Budget Estimates.

Jai Hind

Jai Karnataka

BUDGET AT A GLANCE

BUDGET AT

Item	Budge Estimates 2012-13	Revised Estimates 2012-13	Budget Estimates 2013-14
Opening Balance	-167.03	3.01	-13.88
A. REVENUE ACCOUNT			
I. Receipts			
State Taxes	51820.70	53492.50	62464.00
Share of Central Taxes	13093.70	12500.00	15055.99
Grants from Cnetral			
Government	13353.53	15094.84	16428.11
Non-Tax Revenue	3192.82	3796.33	4038.28
Total-A. I	81460.75	84883.67	97986.38
II Expenditure			
Social Services	30268.28	32762.11	37734.85
Economic Services	20984.08	25040.78	27958.06
General Services	24040.92	21127.31	25642.89
Grants-in-aid & Contributions	5236.70	5010.61	6054.73
Total-A. II	80529.98	83940.81	97390.53
A. Revenue Accounts			
Surplus/Deficits	930.77	942.86	595.85

A GLANCE*(₹ in crores)*

Item	Budget Estimates 2012-13	Revised Estimates 2012-13	Budget Estimates 2013-14
B. CAPITAL ACCOUNT			
I. Receipts :			
Loans from Government of India	2389.24	1968.53	2095.47
Open Market Loans (Net)	13837.89	10309.89	14956.39
Loans from LIC, RBI, NSSF & NCDC	1765.00	750.00	1750.00
Recoveries of Loans and Advances	173.79	156.51	134.59
Public Account (Net) etc.	-507.00	4220.51	972.97
Total-B I	17658.92	17405.44	19909.42
II. Disbursements :			
Capital Outlay (Net)	14330.48	14777.13	17426.99
Repayment of Central Loans	640.85	604.03	713.36
Loans from LIC, RBI, GIC, NSSF and NCDC	1412.12	1422.48	1532.45
Disbursements of Loans & Advances	2086.39	1561.55	752.93
Total-B II	18469.84	18365.19	20425.73
B. Capital Account Surplus/ Deficit	-810.92	-959.75	-516.31
C. Overall surplus/ Deficit for the year	119.85	-16.89	79.54
D. Closing Balance	-47.18	-13.88	65.66

ANNEXURE - I**(SECTORAL ALLOCATION FOR 2013-14 ***

Sector	Rs.in Crore
1. Agriculture & Horticulture	4378
2. Animal Husbandry & Fisheries	1903
3. Home & Transport	5315
4. Rural Development & Panchayat Raj	8218
5. Social Welfare	5046
6. Women & Child Development	3466
7. Revenue	3797
8. Housing	1365
9. Education	18923
10. Commerce & Industries	885
11. Urban Development	9286
12. Public Works	5862
13. Water Resources	9363
14. Health & Family Welfare	5421
15. Energy	10312

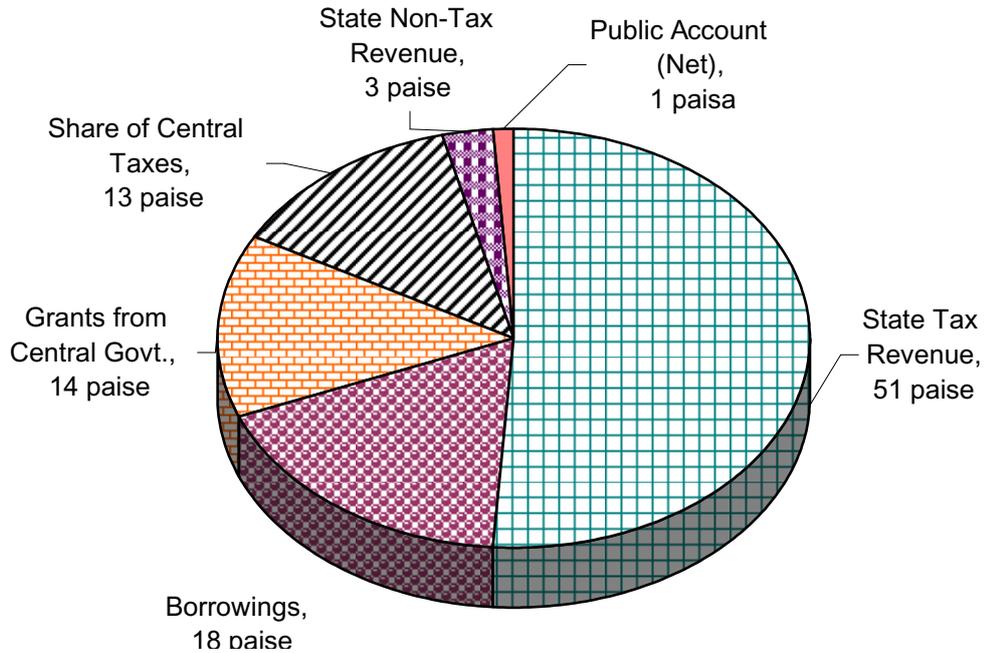
* This allocation includes Internal Extra Budgetary Resources and excludes Pooled funds.

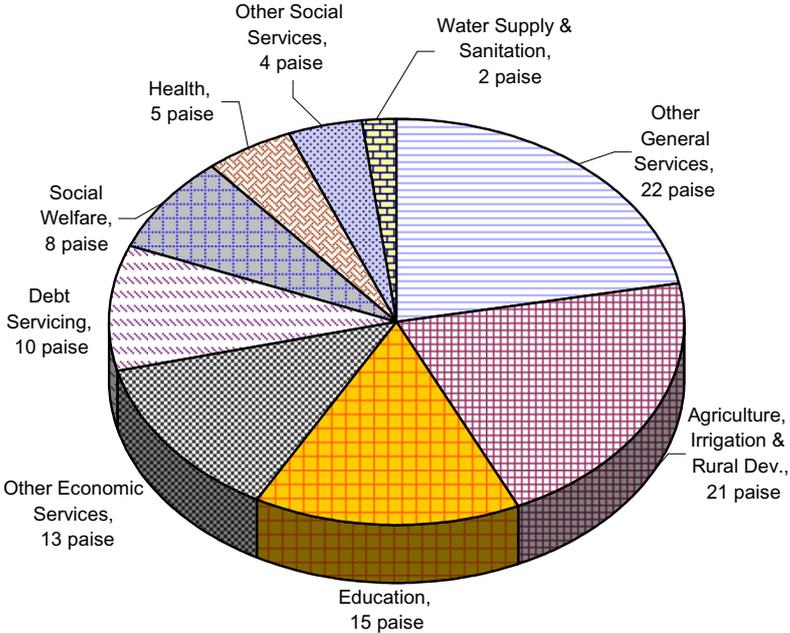
Annexure - II
(Para 593)
EXISTING AND PROPOSED ADDITIONAL EXCISE
DUTY (AED) RATES ON IML.

(in Rs.)

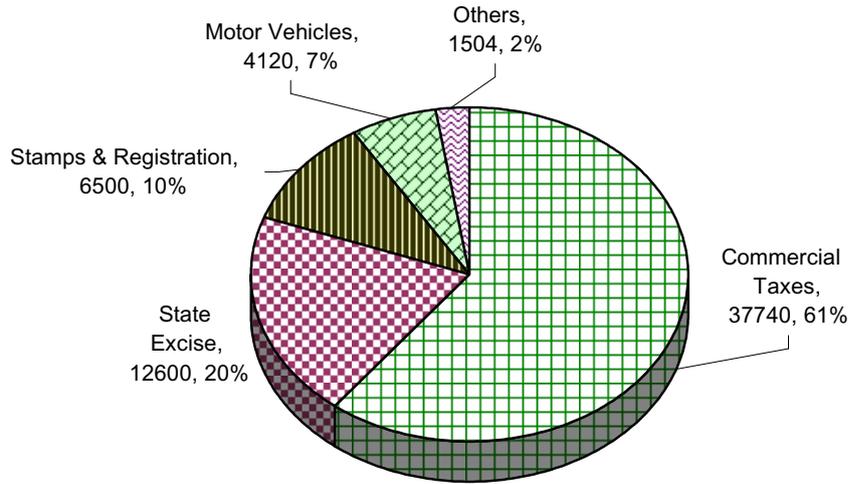
Sl. No.	Declared Price (per Carton Box)	Existing AED (per B.L.)	Proposed AED (per B.L.)
1	0-414	97	113
2	415-464	124	144
3	465-514	155	180
4	515-564	200	232
5	565-664	235	306
6	665-764	264	343
7	765-864	281	365
8	865-964	303	394
9	965-1064	318	413
10	1065-1164	355	462
11	1165-1264	372	521
12	1265-1364	395	553
13	1365-1764	427	598
14	1765-2164	477	668
15	2165-4889	545	763
16	4890-7615	637	892
17	7616 & above	9.0%	13.0%

Receipts - How the Rupee Comes





Break-up of State's Own Tax 2013-14 BE
(Excluding Cess) (Rs.in Crore)



State Plan Outlay 2013-14 (Rs.in Crore)

