

Hon'ble Speaker,

1. I am happy to present the Karnataka -budget for the year 2009-10. I am indebted to the people of the State – whose blessings have given me the opportunity to present the budget continuously for the fourth year.

2. The Government of Bharathiya Janatha Party which came to power on May 30, 2008 on the aspirations of the people of Karnataka has entered 9th month in power. People aspiring for a stable government have brought stability by giving more seats in the bye-elections. This is a strong proof of the fact that the people have approved of the Government's policies and programmes. This mandate has been received for stability and development. The government has been greatly strengthened by this. I assure the people of the State that their mandate will be utilized by making honest efforts for increasing the expanse and speed of development.

“In the country of my dreams, the beggar and the landlord will have equal rights”

3. Mahatma Gandhi had expressed these thoughts in his writings in the August 2, 1934 issue of Amruth Bazar Pathrika. This saying is our guiding lamp. I am determined to tirelessly work for the development of all, treating everybody as equal, with great spirit.

4. From the day of coming to power up to the present, our government has faced many difficult challenges. We

have successfully moved ahead after solving them. Acute shortage of chemical fertilizers in the State was the first challenge we faced. Though we were not responsible for this shortage, I am satisfied to say that without shirking the responsibility, we took special measures to make alternative arrangements. Having taken the oath in the name of the farmers, I have never hesitated in protecting their interest. Another big challenge faced by us was the conditions of scarcity created by the failure of the monsoon. We solved this problem effectively by taking up necessary relief works. Though late, with the blessings of the rain gods in most of the areas it became possible for farmers to have a moderate harvest.

5. Because of inadequate rainfall in the catchment areas of the Western Ghats, the reservoirs do not have sufficient storage of water, causing severe shortage in generation of hydel-power. In order to meet the deficit, the State Government was compelled to purchase power from private sources and other States. For this purpose, necessary additional finances have been provided to ensure that power supply is not disrupted. In spite of such serious problems, I am proud to say that, without allowing any shortage of funds for development programmes, my Government has carefully implemented the programmes and earned the trust of the people.

6. For the first time, we have taken the special initiative to present before the people once every hundred days a detailed report of our programmes and performance. Excepting the second Saturdays, on every Saturday we have sensitized the administrative machinery by bringing it before

the door steps of the people for solving their problems. We are committed to further strengthen this programme. The administrative machinery has come forward for the all-round development of the State and redressal of people's grievances. I would like to inform that the Government is going to start special programmes for bringing further reforms and efficiency in this endeavour.

7. I am glad to inform that the Janaspandana programmes have been an unprecedented success, and 6.20 lakh petitions were received in the last 6 months; of which action on 5.08 lakh (82%) has been completed. In the coming days, the Government will take more special steps for improving administrative efficiency and achieving all-round development in the State, by extending this popular programmes to the village level – for effective review of developmental schemes and inspection of Anganwadis, Hospitals and other government institutions.

Background of Economic Conditions

8. I would now like to bring to the notice of the Hon'ble Members the general economic conditions before presenting the budget for 2009-10. By September 2008, the recessionary trends had become clear in the United States of America, the biggest economy of the world, and also affected other big economies of the world, and caused serious imbalances and slow down in the financial markets all over the world. Our country has also been affected by this unexpected global slow-down in the financial markets. Because of the significant withdrawal of foreign investment, the financial markets in our country also faced a crisis. It then became necessary to improve liquidity by making the

required changes in the strict monetary policies which had to be adopted to control the inflationary trend till September 2008. For this purpose, the Reserve Bank has not only significantly decreased its interest rate from 9% to 5.5%, but also significantly reduced Statutory Liquidity Ratio applicable for the financial institutions.

9. There has been a gap between the requirement and availability of capital for the industry because of the situation prevalent in our country's financial markets. Similarly, on account of the universal economic slow-down, the demand from other countries for Indian exports particularly in the industrial and services sector has also come down.

10. In the background of the global situation, it has been estimated by the sources of the Central Government that the national economy is expected to register a growth of 7% as against the earlier projection of 9% annual growth for the year 2008-09. It is estimated that at the national level the industrial growth may go down from 8.2% in the last year to 4.1% during the current year. Similarly, the expected growth in the services sector is also likely to go down from 10.8% in the last year to 9.3% this year. The agriculture sector's growth is estimated to come down to 2.6% this year from 4.9% in the year 2007-08. There has been an adverse impact on the Central Government's tax collections also and it is estimated that it would be Rs.6.28 lakh crore instead of the budget estimates of Rs.6.88 lakh crore. It is also estimated that the fiscal deficit of the Centre may go up to 6% of the National Domestic Product.

11. In order to bring the economic growth back on track, though the Central Government has twice announced economic stimulus packages, there has not been any significant improvement in the situation. I am sad to note the complete lack of any direction for tackling this economic crisis in the Vote on Account Budget presented by the union government on 16.2.2009 which has been greatly disappointing.

12. The State Governments have been requested by the Central Government to increase capital investment by relaxing the limit of fiscal deficit from 3% of the Gross State Domestic Product to 3.5% to deal with the present economic situation. The Central Government has also decided to increase its plan expenditure by about Rs.20,000 crore, and our State has already submitted proposals to get increased Central assistance in this regard.

State's Economic Growth

13. The State cannot escape the impact of the economic slow-down faced at the global and national levels. Through the Mid-Term Fiscal Review, the Government had submitted before the legislature in Belgaum Session about the set back to some extent in the growth of industrial and services sectors in our State. In particular, the sectors of information technology, ready-made garments, machine and equipment manufacturing etc. which depend on foreign demand have been adversely affected. This has arrested the growth of employment opportunities in our State. There has been a significant fall in transactions of properties in Bangalore and other cities in the State. As a result, the collection of

State taxes is not likely to reach the earlier projected targets. In spite of such adverse conditions, the State Government has made efforts to accelerate implementation of the development programmes and to especially achieve the target for capital investment, presented in the budget of 2008-09.

14. It has been estimated that the State's industrial sector will show a growth of 5.8% in the year 2009-10, while the service sector is likely to grow at 9.2%. Because of inadequate rainfalls this year, it is estimated that the agricultural production will decrease by 5.7% compared to the performance in the year 2007-08. During the year 2008-09, the State's Gross Domestic Product is estimated to be Rs.2,68,138 crore at current prices compared to Rs.2,33,802 crore in the year 2007-08. The economic growth is estimated to be 5.5% at the 1999-2000 prices, and 14.7% at the current prices. The per capita income in our State which was estimated to be Rs.40,809 in 2007-08 (at current prices) is estimated to increase to Rs.46,289 for the year 2008-09.

15. It is a proof of the fundamental strengths of our economy that in spite of the global economic slowdown, the State of Karnataka also, on lines of the national trend, has been able to achieve significant economic growth.

Fiscal Position of the State

16. I would like to recall the picture of the fiscal reforms path, presented before the august House at the time of presenting the budget for 2008-09. Since the year 2004-

05 the Government has been able to maintain a revenue surplus, and has also been able to limit the fiscal deficit within 3% of the GSDP. During the year 2008-09 also the objective of adhering to the same was stated in the budget. As per the Revised Estimates for the year 2008-09, it is estimated that the State's Revenue Receipts would be Rs.42,818 crore whereas Capital Receipts not including loans would be Rs.271 crore. This is 9.4 % less than the Budget Estimates, but 3.5 % more than that of the year 2007-08. In view of the overall economic conditions in the country, the Central Government has advised the States to increase the limit of fiscal deficit to 3.5% to tide over the present difficult circumstances. It has been accordingly proposed to bring about suitable amendments in the Karnataka Fiscal Responsibility Act. The additional fiscal space available by this will be utilized for making capital investments for the development of the State. In a planned way, it is proposed to make an investment of about Rs.1000 crore to bring about qualitative improvement in the infrastructure sectors like power generation, establishment of good road network, better rail connectivity and development of ports. This will definitely strengthen the State's economic system, and provide a sound foundation for accelerated growth in the industry and service sectors.

17. The consolidated debt of the State by the end of this year is likely to be Rs.71,814 crore which is less than 27% of the State's Gross Domestic Product of Rs.2,68,138 crore. The interest liability on the State's debt is within 11% of the State's Revenue Receipts, which when compared to 21% in 2000-01, is considerably less.

Government has to take many steps for effectively tackling national economic conditions and to increase the growth rate to 9% as targeted for the 11th Five Year Plan Period. To determine the strategy for achieving the above objective, the Government has constituted a task force of experts under the guidance of the State Planning Board for preparing a blue-print of development called the Karnataka Development Vision.

20. I am glad to say that our Vision Statement includes the main points emphasized by Dr.A.P.J.Abdul Kalam, the Ex-President of India in his address to the State Legislature in the year 2005. In the budget for 2008-09, the ten point strategy presented by me are also part of this vision, and our Government is committed to its implementation.

The path travelled so far

21. Within the ambit of the above mentioned vision, the Government has shown considerable achievement in many progressive schemes; I would like to mention before you some of these.

- **Bhagyalakshmi Yojane:** So far 5,29,111 beneficiaries have been identified and Rs.548.86 crore has been disbursed under Bhagyalakshmi scheme.
- **Sandhya Suraksha Yojane:** By the end of January 2009, an amount of Rs.58.65 crore has been distributed as pension to 4,16,927 beneficiaries.
- **Janaspandana.** In Janaspandana programme, for addressing the grievances of the rural people,

6,20,331 applications were received; out of which 5,08,472 (82%) have been disposed of till the end of December.

- **Loan at 3% for farmers:** Upto 31.1.2009 in the year 2008-09, agricultural loans of Rs.2657.78 crore has been disbursed at the interest rate of 3% through 10,40,717 farmers.
- **Cash Assistance to 22 lakh dry land farmers:** An amount of Rs.220 crore has been spent for giving an assistance of Rs.1000 each to every family of 22 lakh dry land farmers .
- **Suvarna Gramodaya:** An expenditure of Rs.288.89 crore has been incurred up to 13.1.2009 during the current financial year under Suvarna Gramodaya Scheme. This scheme is under implementation in 1204 villages.
- **Rural Water Supply:** An allocation of Rs.950 crore has been made for drinking water supply schemes in the current year. Release of Rs.650 crore has been made so far, and Rs.633.79 crore has been spent.
- **Capital Investment:** Through the scheme of Single Window Clearance approval has been given to 222 industries to bring in an investment of Rs.3,559 crore. This is expected to create 94,000 jobs. The State Level High Power Committee has approved 45 large industrial projects which is expected to bring an investment of Rs.1,08,926.20 crore, and create 4,90,842 jobs.

- **Employment Fair:** Employment fairs have been organized at Bangalore, Mysore, Hubli and Gulbarga, in which 297 industrialists have participated. 62,811 job-seekers have participated, and 13,612 applicants have been given jobs. 20,669 jobs have been created by apprenticeship training.
- **Arogya Kavacha:** A new emergency medical care scheme (EMRI) has been started since November 1, 2008. Emergency calls can be made on the toll-free number 108. So far 9,41,666 calls have been received for assistance. 150 ambulances have been pressed into service on a 24 hour-basis, which has been able to save 11,468 lives. 1667 police cases have been registered.
- **Seed Distribution:** During the Kharif and Rabi seasons in 2008-09, 3,58,958 quintals of seeds have been distributed to 16.87 lakh farmers for sowing paddy, ragi, sunflower, maize, jowar, toor, greengram and urad daal.
- **Social Welfare:** For the students of Scheduled Castes, Scheduled Tribes and Backward Classes, 293 hostels and 45 Morarji Desai Residential Schools have been started. The number of girls in the students hostels has been increased from 22% to 30%, thereby decreasing gender-disparity.

22. Our non-stop efforts have continued for achieving fast progress in the implementation of many other development programmes, and the Government will take all necessary steps in the coming days for the all-round development of our State.

Strategy for Development

23. It is imperative to develop agriculture for improving the living conditions of the State's rural population which is largely dependent on agriculture and allied occupations. Therefore, development of agriculture is always an important component of our development strategy. In view of the continuous increase in population, it is also important to provide growing opportunities of remunerative employment for our younger generation. As 58% of the work force is already employed in agriculture and allied activities, there is very limited scope of increasing employment opportunities in the primary sector. We have to understand therefore that in the coming years, the economic development of the State will depend on the development of industries and services sectors. We shall have to proceed with determination on the path shown by Bharath Ratna Sir M.Visweswaraiah who had given the motto - "Industrialise or perish". Therefore, along with the development of agriculture and irrigation, in order to facilitate the process of industrial development in the State, the Government will have to give special attention to various areas of infrastructure development such as power generation, improving road connectivity, development of rail network, construction of ports and airports, and establishment of industrial zones. Besides, priority needs to be given to human resource development, organized urban growth, social justice, and development of Kannada language and culture. I am glad to say that an honest attempt has been made in the Budget for the year 2009-10 to protect the living conditions of the people of the State from the adverse

impact of the economic slowdown, and to build the necessary foundation for future growth.

Impetus for Implementation of Dr.Nanjundappa's Report.

24. For the last two years, budgetary allocations are being made for taking up development activities in 114 backward taluks as identified in Dr.Nanjundappa's report by implementing a Special Development Plan. For this allocations of Rs. 1,572 crore and Rs. 2,547 crore were made in the years 2007-08 and 2008-09, respectively. An amount of Rs. 2,574 crore has been provided for Special Development Plan in the Budget. In the present budget, specific allocations have been made for the first time under various Grants under a separate budget line to show exclusive provisions for the Special Development Plan.

25. Necessary allocation will be provided for regional development boards such as Hyderabad Karnataka Development Board, Malnadu Area Development Board, Bayaluseeme Development Authority which had also been established to promote balanced development of different parts of the State.

Experts' Guidance for State's Development

26. The Government has constituted special task forces under the guidance of experts in various fields for providing direction for implementation of our development policies.

27. The Karnataka Vision 2020 Group has deliberated on the main strategies for integrated and balanced development in the next two decades.

28. Karnataka Knowledge Commission will advise on the steps needed to be taken to make our State a knowledge - based society.

29. Vision Group on Science and Technology will give the necessary inputs for promoting scientific research and science education, and developing new technologies.

30. Skill Development Mission will guide in formulating and implementing appropriate technical and skill-training programmes for creating lakhs of new employment opportunities for the State's youth.

31. Industrial Development Vision Task force set up to prepare the outline for comprehensive industrial planning has played an important role in formulating the industrial policy.

32. Karnataka Agriculture Mission will make a detailed analysis of the development programmes in agriculture sector.

33. Organic Farming Mission will provide guidance and inspiration to thousands of agricultural families after organizing them, for adopting techniques of organic farming.

34. Quality Control Task Force will advise on the ways to improve efficiency by maintaining the standards and improving the quality.

35. Bangalore Infrastructure and Development Task Force (ABIDE) will prepare a blue-print for organized development of Bangalore.

36. Bio-fuel Task Force will advise on tackling the problem of energy deficiency by suggesting ways of using environment friendly fuel made from organic resources.

37. Western Ghats Protection Task Force will formulate programmes for conservation of bio-diversity and protection of environment, in Malnad areas.

38. A task force of experts has been formed for preparing an integrated plan for e-governance.

39. Apart from these, the Coastal Development Authority, Water Resources Authority, Non-resident Kannadiga Cell, Task Force on assessment of muzarai properties and Committee on Wakf properties will provide invaluable advice to the concerned departments in formulating and implementing various programmes. Their suggestions have been considered in the proposed budget.

40. The efficiency of administrative mechanism needs to be strengthened for realizing the results of Government's development policies. In view of this background, there is a need to start an 'Anusthana Parva', a new phase of implementation. Details of this proposed implementation-strategy have been given separately. Through this Budget, I now present the main points of development programmes for 2009-10, with details of the resources for realizing the development policies of the Government.

Main Development Priorities

41. For the year 2009-10, the State Plan is proposed to be of Rs.29,500 crore, which is 71% more than the Plan Expenditure of Rs.17,227 crore in 2007-08. In the coming year, agriculture and allied activities, rural development, irrigation, power generation, roads, urban development and education will be the priority sectors for the Government.

only 109 lakh ton in 2008-09 compared to 121 lakh ton achieved in the year 2007-08. Therefore it is required to accelerate the implementation of supporting schemes along with the modern technology for increasing agricultural productivity in the coming years. It is relevant to mention here about many special actions already initiated by the Government in this regard.

Bank loan to Farmers at 3% Interest

44. The scheme of providing concessional agricultural loan through co-operative institutions at 3% interest has been utilized in a big way by lakhs of farmers of the State during the year 2008-09, and loans of Rs.2,650 crore have been disbursed so far. It is proposed to continue this scheme in the year 2009-10. A budget provision of Rs.150 crore has been made for interest subsidy.

45. There has been a demand from the farmers to provide loans at 3% interest from the commercial banks. I am glad to say that our Government is prepared to meet this demand. From the year 2009-10 farmers will be able to get crop loans upto Rs.50,000 from banks at the concessional interest rate of 3%. An amount of Rs.250 crore has been provided in the budget for this purpose. Lakhs of farmers who are the real heroes of our economy will be able to improve their economic condition by this historic decision of the Government.

46. Necessary ordinance has already been issued for establishing an Agriculture University, and a Horticulture University in the backward districts of Raichur and Bagalkote respectively, with a view to promoting studies

and research in the field of agriculture. Financial support of Rs.20 crore each has been given for starting both these universities. In the year 2009-10, Rs 20 crores will be provided to make them fully operational.

Organic Farming Organisation

47. The farming fraternity has given unprecedented support to the Government's scheme of promoting organic farming in one thousand villages. About 50,000 farmers have registered as members of organic farming organisations on their own initiative. Thousands of farmers have taken an oath to follow the methods of organic farming during the convention of organic farmers on the Republic Day on 26.1.2009 in the presence of the former President Shri A.P.J.Abdul Kalam. In the year 2009-10, an amount of Rs.100 crore will be provided for this scheme.

48. For the first time in the entire country, during the current financial year 2008-09, our Government arranged foreign study tour for farmers. In order to provide the knowledge of modern technology and to inspire the farmers, this scheme will be continued during the year 2009-10, and about 1000 farmers will be sent for study tours abroad.

49. A big market for horticultural produce will be established at Belgaum in public private partnership as an activity under the National Horticulture Mission for providing remunerative marketing facilities for horticulture at the cost of Rs.100 crore. An amount of Rs.10 crore will be provided to establish a turmeric market, agriculture processing units and cold storage at Chamarajanagar.

Horticulture College at Kolar

50. An amount of Rs.5 crore will be provided to start a new Horticulture College at Kolar known for its fruits and horticultural crops.

51. Financial assistance of Rs.1000 has been given to every family of small and marginal dry land farmer who has suffered losses because of deficit rainfall during the monsoon. So far about 22 lakh farmers have been assisted under this scheme at a cost of Rs.220 crore.

Rs.2100 crore for Power Supply to Farmers

52. For the first time in the year 2008-09, the scheme to provide free power to farmers having pump-sets upto 10 hp was implemented. In the year 2009-10, it is proposed to provide Rs.2,100 crore for power subsidy for the farmers. This is expected to benefit 17 lakh farmers' families.

Promotion of Sericulture

53. For the research and development activities of the Karnataka State Sericulture Research Institute at Thalghatpura, an amount of Rs.2 crore will be provided.

54. An amount of Rs.2 crore will be provided for mechanizing the processes of silk reeling units.

Animal Husbandry & Dairy

55. Thousands of families in our State are dependent on rearing of sheep and goats. Assistance will be given to such families for adopting scientific methods of animal husbandry. Besides, groups of such farmers will be formed for providing insurance protection for their live-stock. An amount of Rs.5 crore will be provided for this purpose.

56. An assistance of upto Rs.10 lakh will be given to non-government organizations to establish Goshalas for protection of milch cattle wealth.

57. The special promotional scheme started in the year 2008-09 for providing assistance of Rs.2 per litre of milk has benefited 5.03 lakh of milk producing farmers, for which an amount of Rs.65 crore has been spent so far. Women farmers have been assisted under this scheme. This will be continued next year also and an amount of Rs.200 crore is provided for this scheme.

58. For giving impetus to dairy development in the districts of north Karnataka, one thousand new milk producers' co-operative societies will be established. For this, an amount of Rs.5 crore has been provided to be given as subsidy. In Gulbarga and Belgaum Divisions, Rs.10 crore will be provided for establishing milk chilling plants.

59. A decision has already been taken to establish a new veterinary college in Gadag. An amount of Rs.5 crore will be provided for this.

60. Lands in Amruthmahal Kavalu in Chikmagalur district will be developed for animal husbandry and research. For this purpose, a grant of Rs.10 crore will be provided to the Karnataka Veterinary University.

Fisheries

61. During the year 2008-09, the scheme of providing loans at an interest of 3% to the fishermen has been successfully implemented and the same will be continued. In order to provide housing facilities for the fishermen, the

current budget provision of Rs.5 crore is proposed to be increased to Rs.20 crore in the next year for building 5000 houses. The exemption from VAT given on the ice used by fishermen is proposed to be continued.

62. 2000 Self-Help Groups of fishermen will be formed, and assistance of Rs.10 crore will be provided.

63. To promote ornamental pisciculture an amount of Rs.2 crore will be provided for establishing aqua parks.

64. Steps will be taken to establish an aqua marine park under public private partnership in Mangalore on the lines of that in Singapore.

Co-operation

65. During the year 2008-09 an amount of Rs.250 crore has been given as working capital to Karnataka Co-operative Marketing Federation for procuring and supplying fertilizer to the farmers. In the year 2009-10 also, necessary support will be provided to the Federation for procuring and stocking of fertilizer in advance.

66. It is required to organize a movement for registering the families belonging to the Scheduled Castes and Scheduled Tribes as members of Co-operative Societies. This will enable the poor families to obtain loan at concessional interest rates and also to avail of other facilities. A provision of Rs.5 crore has been made for this purpose.

67. Yeshaswini Scheme has been running successfully for providing health care facilities to the members of the co-operative societies. An amount of Rs.40 crore has been provided in 2008-09, and 8.14 lakh members have utilized

the facilities so far. Out of this, 1.85 lakh members have been given surgical treatment, while 6.29 lakh members have availed of out-patient health care services. By contributing a limited amount of Rs.130 as annual contribution, the members get the benefit of expensive surgical procedures. An amount of Rs.40 crore is being provided for this in the year 2009-10.

Agriculture Marketing: Rs.750 crore for Support Price

68. It is very rare for the farmers to get a good crop, and indeed exceptional to get good prices. The Government has provided necessary funds for ensuring that the farmers can at least get remunerative prices. During this year, an amount of Rs.400 crore was spent to procure maize at support prices. In the year 2009-10 also necessary steps will be taken to give the benefit of support prices for various farm produce up to Rs.750 crore.

69. In order to bring about transparency in agriculture markets, e-tendering procedures will be implemented during the year 2009-10. A well-equipped whole-sale market for onion, potato and other produce will be established at Dasanpur Hobli in Bangalore North Taluk at the cost of Rs.100 crores. Similarly, a whole-sale vegetable market will be established at Byatarayanapura on Bangalore - Bellary Road under public private partnership.

Water Resources & Irrigation

70. In order to effectively utilize the water resources in our State, we are required to implement irrigation schemes

on priority basis. So far it has been possible to provide irrigation to only 36.03 lakh hectare out of the total agricultural area of 106 lakh hectares. In the coming years, necessary grants will be provided for expanding the area under irrigation through proper implementation of large, medium and minor irrigation projects. From this point of view, a provision of Rs.3,096 crore is being made for large and medium irrigation projects in the year 2009-10. This is 20% more than the budgetary provisions made during the year 2008-09.

Accelerated Implementation of Upper Krishna Projects

71. Chimalgi Lift Irrigation Project will be implemented by the Department of Water Resources in Bijapur District to irrigate 87,000 hectare in the Taluks of Muddebihal, Basavana Bagewadi, Sindagi, Indi and Bijapur. This scheme is estimated to cost about Rs.2193 crore. The implementation of this large scheme will be started early.

72. Guthibasavanna Lift Irrigation Project's second phase in Bijapur district will be implemented at a cost of Rs.120 crore for providing irrigation to 20,600 hectare of agricultural land. This year, works will be continued in respect of important ongoing schemes such as Karanja project, Thimmapura and Sonna Lift Irrigation projects and tank irrigation projects. Besides this, the already approved Hippargi Irrigation Scheme, Ainapur West Canal and Karimasuti East Canal works will be taken up and completed.

73. There has been a demand for many years to hand over management of atchkat areas to the water users' societies. It is proposed to take up the necessary canal repair works in three atchkat areas, one each in KBJNL, KNNL and CNNL, and hand over the management to these societies. During the next year the Department of Water Resources will make efforts to create new irrigation facilities for over 63,000 hectares.

Commencement of the Upper Bhadra Scheme

74. The Upper Bhadra Modernization Scheme which has already been approved will be implemented and an expenditure of Rs.500 crore will be made for this.

Action Plan for Development of Tanks

75. Special efforts will be made for development of irrigation tanks and lift irrigation projects by making an allocation of Rs.764 crore for irrigation in respect of Minor Irrigation and Rural Development Departments. It has been planned to make a comprehensive survey and prepare integrated development projects for all such tanks in the State through ISRO and KSRAC.

76. An amount of Rs.2 crore will be provided for preparing a detailed project report for reviving the river Arkavathy, which is a tributary of Cauvery.

Rural Development

77. The Government has continued implementation of the ambitious Suvarna Gramodaya Yojane for providing quality infrastructure facilities in phases to villages in our State. An amount of Rs.625 crore has already been provided

for development of 1200 villages. In the year 2009-10, Rs.300 crore will be provided as initial assistance for development of 1200 more villages in the second phase. Rural communities have been involved in the development of internal roads, construction of drains, energisation, construction of sanitary facilities etc. under this programme.

78. The National Rural Employment Guarantee Scheme provides an excellent support for livelihood of the rural labourers. The Government has planned to utilize at least Rs.1200 crore under this scheme during the year 2009-10. As State share, an amount of Rs.144 crore will be provided. Necessary support will be given to develop farm land holdings of at least one hundred small farmers in every Village Panchayat. Small farmers will thus be able to make durable and protective development in their land holdings.

Achievement in Rural Road Development

79. During the year 2008-09, 1124 Km of rural roads are being upgraded with the expenditure of Rs.325 crore. The excellent performance of our State in implementation of the Pradhana Manhtri Gram Sadak Yojana has been appreciated at the national level. Under this scheme, 7,880 km of roads have already been built. During the next year it is proposed to make a provision of Rs.800 crore for improving 2500 kms of rural roads.

80. It is proposed to start a large scheme to improve rural roads on annuity basis, at an estimated cost of Rs.5000 crore with private partnership. For preparatory expenses, Rs.10 crore will be provided.

81. In Malnad districts with more area under forest and hill 500 foot-bridges/hanging bridges will be built for improving road connectivity to remote villages. An amount of Rs.25 crore has been proposed for this.

Project Planning for Permanent Water Supply

82. A special scheme will be prepared to provide drinking water on a permanent basis to towns and cities from the sources of rivers and lakes. In the initial stage projects will be taken up in Chitradurga and Bijapur Districts in the year 2009-10. For this purpose an amount of Rs.100 crore will be spent. Besides, Rs.800 crore will be provided for rural drinking water supply schemes.

83. Rural sanitation is very essential for public health. In the year 2009-10, an amount of Rs.5 crore is being provided for giving awards to well-performing Village, Taluk, Zilla Panchayats. It is also proposed to initiate necessary legal action against those Panchayats which fail in achieving the desired progress in this regard.

84. Apart from these, the following new programmes will be implemented along with the ongoing schemes.

- A provision of Rs.35 crore will be made for Taluk Level Task Force for implementation of urgently needed water supply schemes.
- An amount of Rs.25 crore will be provided for maintenance of sub-mission/multi-village water supply schemes.
- An amount of Rs.5 crore will be provided for installing street lights in "Saur- Belaku" villages.

- **Gram Soudhas:** An amount of Rs.50 crore has been provided in the budget for implementation of “Gram Soudha” project for construction of Gram Panchayat office buildings – at estimated cost of upto Rs.10 lakhs for one building. Government will provide 50% grant of the estimated cost of such Gram Soudhas.

Primary and Secondary Education

85. The rate of literacy in the State is 67% at present. In order to accelerate the spread of literacy, there is a need to strengthen primary education. Besides, it is required to improve the quality of school education considerably in the State for laying a good foundation for human resource development. From this point of view, the budgetary provisions for primary and secondary education had been considerably increased in the year 2008-09. The priority given to this sector will be further increased in the coming years.

86. The Mid-Day Meal Scheme is being implemented successfully for strengthening primary and secondary school education in the State. The Scheme for providing free bicycles to the girl students of 8th Class has been extended to all students of 8th Class during 2008-09. This scheme will be continued in the year 2009-10.

87. In the educationally backward districts of the State, the required number of teachers will be recruited for improving the quality of school education. Similarly, special attention will be given on correcting any imbalance in the pupil-teacher ratio compared to the State average.

88. From the year 2009-10, with the assistance from the Centrally sponsored scheme of Sarva Siksha Abhiyana on secondary education, steps will be taken to establish 114 higher primary and high schools schools on the pattern of Kendriya Vidyalayas in educationally backward taluks of the State.

89. In the aided institutions, vacancies of teachers, which are estimated to be 2531 since December 2006, will be filled by relaxing the economy orders. Necessary grants of about Rs.35 crore will be provided for this purpose.

90. For the development of Kittur Chennama Girls Residential School, Rs.2 crore will be provided.

Higher Education

91. The strength of students in institutions of higher education is only 60% of the corresponding age group in the schools. This needs to be increased to a minimum of 75%. For this to be achieved, the capacity and quality of institutions of higher education needs to be improved.

92. The recently established Tumkur University and Women's University at Bijapur will be provided with Rs.10 crore in the year 2009-10 to build their infrastructure.

Dr.Shivakumar Swamiji University

93. It is proposed to rename Tumkur University as Dr.Shivakumar Swamiji University.

94. An amount of Rs.2 crore has been proposed for establishing a post-graduate Study Centre of Mangalore University at Kushalnagar in Kodagu District.

95. A separate university will be established for the development of Ayurveda Medical Sciences.

96. At Gulbarga University, approval has already been given to establish Dr.Ambedkar Research Centre; a provision of Rs.2 crore will be made for this.

97. At the Centre for Multi-Disciplinary Research Institute at Dharwar, an amount of Rs.1 crore will be provided to establish a research center in the name of Dr.D.M.Nanjundappa.

98. A provision of Rs.2 crore has been made for establishing a technical exhibition-cum-seminar center in the name of Bharath Ratna Sir M.Visveswaraiah at Muddenahalli village in Chikkaballapur district.

New University in Davangere

99. In order to expand the facility of higher education in our State, it is proposed to establish a new University in Davangere. In the Davangere Post-Graduate Study Centre, already about 170 acres of land, buildings and teaching faculty are available. An amount of Rs.10 crore will be provided for improving the existing infrastructure at the post-graduate study center.

100. An Engineering College will be started at Gangavathi in the backward District of Koppal. An amount of Rs.10 crore will be made available for this purpose.

101. For establishing a University for Sanskrit and Vedic education in Bangalore, and also to establish a university for Music and Fine Arts, necessary bills have already been presented before the legislature. Assistance will be provided

for the development of Sanskrit Research & Academy Centre located in Melkote. An amount of Rs.5 crore each will be provided for these two universities.

Science & Technology

102. Under the Chairmanship of the renowned scientist Prof. C.N.R.Rao the Mission on Science & Technology has given suggestion on inculcating scientific attitude among the students through organising dialogues between students and scientists, science fairs and establishing science associations. An assistance of Rs.10 crore will be given for the establishment of excellent institutions, improvement of science education in colleges - universities, district level science centers and museums etc.

IISc. Branch in Chitradurga

103. An extent of 1000 acres will be provided in Chitradurga District for opening a new campus of the Indian Institute of Science, Bangalore.

104. For establishing a natural disaster monitoring center and a permanent earth-quake monitoring center in the State, an amount of Rs.5 crore will be provided.

Information Technology and Bio-technology

105. After considering the recommendations of the Bio-technology Mission, Bio-tech Parks will be established in important Cities outside Bangalore. For promoting information technology in Gulbarga Division, an amount of Rs.10 crore will be provided for establishing an IT Park through KEONICS.

106. In order to give incentive for establishing IT based industries in the backward areas of Gulbarga division, an assistance of up to Rs.20 lakh will be given to every unit.

107. For popularizing internet use in rural areas, establishing Electronic Public Call Offices (e-PCO) will be promoted.

Health & Family Welfare

108. The Government has been making higher allocation continuously for the development of medical facilities in our State. During the year 2009-10, an amount of Rs.1840 crore is proposed to be spent on strengthening medical services.

109. I am glad to state that a new scheme called 'Arogya Kavacha' started to provide medical care, police and fire protection in emergency in the State with public private partnership has been very well received by the public. It is planned to provide 517 ambulances at the cost of Rs.221.25 crore by March 2010. From November 2008 to February 1, 2009, a total of 8,15,658 telephone calls have been attended to and 8,832 lives have been saved.

Free Health Insurance for poor families

110. Under the Suvarna Arogya Surksha Scheme, 16 lakh poor families in the backward districts of Gulbarga Division will be given free medical treatment coverage of up to Rs.1.50 lakh per family.

111. In order to provide quality health care, in the areas of super-speciality, Karnataka Institute of Diabetology has been established during the year 2008-09. For building

medical infrastructure facilities an amount of Rs.5 crore will be provided is proposed for this Institute in the year 2009-10.

112. It is also proposed to provide Rs 4.5 crore for development of the Karnataka Institute of Nephro-urology.

113. The SDS Sanitorium at Rajiv Gandhi Tuberculosis Institute will be developed as an autonomous institution, for which an amount of Rs.10 crore will be provided.

114. At the Krishnarajendra Hospital at Mysore, the units of Kidwai Memorial Cancer Hospital and Jayadeva Cardiology Hospital of Bangalore, will be opened. An amount of Rs.10 crore will be provided for this.

115. On the occasion of the hundred years celebration of the Ayurveda Hospital at Mysore, an amount of Rs.2 crore will be provided for establishing an Ayurveda Research Institute.

Mental Health Institute at Dharwar

116. On the pattern of the NIMHANS, Bangalore, an institute of mental health will be established by developing the mental health hospital as an autonomous institute. An amount of Rs. 10 crore will be provided for this.

117. The general hospitals in Bidar and Belgaum will be upgraded to have additional bed capacity of 250 each. The District hospital in Bellary will also be upgraded.

118. The scheme to give an assistance of Rs.2000 for nutritional needs of the pregnant women from the Scheduled Castes and Scheduled Tribes is extended to all districts

from the year 2008-09. For this purpose, an amount of Rs. 15 crore is likely to be spent.

119. In order to ensure that the drugs available in the market are of good quality, it is proposed to establish two more Drug Testing Laboratories at Hubli and Bellary during 2009-10. Karnataka will thus have the rare distinction of having more than one drug testing laboratory in Government sector.

120. A Botanical Garden of the type of Lal Bagh will be developed by planting trees in 156 acres of Government land available at the Vaccine Institute in Belgaum. A provision of Rs.5 crore has been made for this in the year 2009-10.

Social Welfare

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121. As per the ambition of the poet, Government would like to eradicate disparity and bring about equality everywhere. Therefore, for the development of socially deprived and backward people, the Government has not only formulated programmes on priority but also has provided higher allocation.

122. In order to bring about an improvement in the life-conditions of the people belonging to the Scheduled Castes

and Scheduled Tribes, it is essential that along with providing the minimum facilities like housing and employment opportunities, quality education must be imparted to the students and youth of these categories. In the last budget, the food and maintenance charges in respect of students in SC & ST hostels was increased from Rs.450 to Rs.600 a month. Lakhs of students were supported by this. In the budget for 2009-10, priority has been given to the development of the Scheduled Castes and Tribes, and the following specific actions have been taken for their development.

Increase in the Pooled Fund

- The budgetary grants provided under the Special Component Plan for the Scheduled Castes and Tribal Sub-Plan for Scheduled Tribes are consolidated to some extent for providing directly beneficial facilities such as housing and educational facilities to the people of such categories. The amount of this Pooled Fund is proposed to be increased from the current levels of about Rs.200 crore to Rs.600 crore in the budget for 2009-10.
- The food and maintenance charges for students in Ashram Schools are being increased from Rs.350 to Rs.500 a month.

Kittur Rani Chennamma Schools for Girls

- The level of education among girls of the Scheduled Castes and the Scheduled Tribes is very less in our State. During the financial year 2009-10, 114 'Kittur Rani Channamma Residential Schools' for

SC/ST girls will be opened in the State. An amount of Rs.100 crore will be made available for starting these schools. Girl students from other categories also will be accommodated to the extent of 25% in these schools.

- For promoting education of SC/ST Girls, an incentive award of Rs.10,000 and Rs.5,000 will be given for achieving more than 75% and 60% marks respectively in the 10th Board Examination.
- The strength of students in the existing hostels will be increased by 50%. An amount of Rs.20 crore will be provided for imparting special training in computer, languages and mathematics, and for improving their capability for employment.
- For the development of SC/ST colonies, an amount of Rs.100 crore will be provided.
- Rs.5 crore will be spent on establishing Jagjivan Ram Development Corporation by reviving, strengthening and renaming LIDKAR. For leather workers technical assistance and marketing facilities will be provided. Government will also make available concessional loan at the rate of 4% interest to such families.
- An amount of Rs.5 crore will be provided for constructing Jagajivan Ram Memorial in Bangalore.

Development of Banjara Thandas

- Rules will be formulated for converting Banjara Thandas to Revenue villages. For constructing

Sevalal Bhavans in 200 lambani thandas, an assistance of Rs.10 lakh each will be provided. For constructing District Level Banjara Bhavans, an amount of Rs.10 crore will be provided at the rate of Rs.2 crore each in Gulbarga, Bijapur, Haveri, Chitradurga and Shimoga districts.

- An amount of Rs.50 crore will be provided for developing infrastructure facilities in 500 Banjara Thandas in the State.
- The assistance being given for construction of Valmiki Bhavans at the district level will be increased from Rs.1 crore to Rs.2 crore.
- Rs.5 crore will be provided for Gollara Hatti development.

Backward Classes Welfare

123. An amount of Rs.50 crores will be provided for the construction of Backward Classes Hostels during the year 2009-10. An amount of Rs.20 crores will be provided for providing Infrastructure facilities to the organisations of various communities such as Vishwakarma, Kshatriya, Uppar, Savitha, Kuruba, Madivala, Devanga, Billava etc.

124. An amount of Rs.50 crores will be provided during 2009-10 through Devaraj Urs Development Corporation for providing loan (Rs.5000) and subsidy (Rs.5000) to about one lakh workers and artisans of Backward classes engaged in traditional professions, such as Kambara, Kumbara, Murthedar, Badiga, Akka Saliga, Darji, Kshourik, etc.

Grant for Minority Development

125. In the year 2009-10, Rs.167 crore will be provided for development programmes for minorities. An amount of Rs.35 crores will be provided for constructing hostels for minorities and an amount of Rs.15 crores will be provided for the construction of Shadi mahals .

126. An amount of Rs.5 crores will be provided for skill development activities of minorities.

127. An amount of Rs.5 crores will be provided to construct Haj Bhavan at Bangalore for the benefit of Haj Yatris.

128. An amount of Rs.10 crore will be provided for the programmes of institutions of the Christians, Bauddha, Jain, Sikh and other minority communities.

Women & Child Development

129. Several measures have already been taken for the removal of Devadasi system in Karnataka. It is necessary to take up Devadasi rehabilitation programme on top priority. About 16,000 Devadasi women are houseless. An amount of Rs.20 crore will be provided in 2009-10 to construct 5000 houses for them.

130. In the State 1.40 lakh Streeshakthi Groups have been constituted, of which 1.10 lakh groups have already been assisted with bank loan. In order to provide marketing facilities for the products made by these self-help groups, office-cum-sale complexes will be built in Streeshakthi Bhavans in every taluk. An amount of Rs.10 lakh will be provided for every such building in a taluk.

131. Destitute women of more than 50 years of age will be given financial and social security by providing a monthly pension of Rs.400.

Increased honorarium for Anganawadi workers.

132. Monthly honorarium of Anganwadi Workers and helpers of Women and Child Welfare will be increased by Rs.250/- and Rs.125/- respectively. Additional expenditure of Rs.25 crores towards this will be borne by the State Government.

133. Karnataka is one among the six States in the Country with a large number of AIDS cases. It is the responsibility of the society to look after the Welfare of the Orphans who have lost their parents on account of this deadly disease. To take care of such orphans action will be taken to establish special orphanages. Services of community organisers and N.G.O's will be utilised in this endeavour. Rs.1 crore is provided for this purpose.

Housing

134. During the year 2009-10, 3 lakh houses under Ashraya scheme and 1 lakh houses under Indira Awas Yojana will be constructed through Rajiv Gandhi Rural Housing Corporation. An amount of about Rs.1200 crores will be utilised for this purpose.

135. An amount of Rs.100 crores will be utilised for developing one lakh sites for the siteless under Ashraya, Ambedkar Awas and such other programmes.

136. 5000 houses will be constructed during 2009-10 under special programme being implemented in urban areas for Slum Area Development.

Urban Development

137. About 35 percent of the people of the State are residing in urban areas. As urban population is gradually on the increase when compared to the total population of the State special attention has to be given for the development of urban areas. Each City Corporation has been able to take up development works to the tune of Rs.100 crores as the State Government provided Rs.50 crores each to 8 city Corporations during 2008-09.

Assistance for Development of Small Towns

138. It has been decided to provide a special grant of Rs.15 crores each for the development of District Head Quarters (other than City Corporations) having city Municipal Councils during 2009-10. Thus development works of Rs.30 crores could be completed in these cities in a period of two years. Thrust will be given by providing special grants for the development of urban areas by providing an amount of Rs.5 crores each and Rs.2 crores each to the Taluk Head Quarters and small towns having Town Municipal Councils and Town Panchahyats respectively during 2009-10. Such city development plans will be prepared and implemented effectively through KUIDFC.

Large Scale Development for Bangalore

139. Development works have been taken up during 2008-09 for the Infrastructure development of BBMP at an expenditure of Rs.700 crores from BDA and Rs.300 crores from BBMP. These Institutions will take up development works of Rs.800 crores and Rs.500 crores respectively in

the year 2009-10. It is decided to implement a special programme of Rs.2000 crores for the upgradation of important roads in BBMP area and to maintain these roads with private partnership.

140. The work of augmenting water supply to Bangalore City with the assistance of Japan Bank for International Corporation at an expenditure of Rs.3384 crore (4th Phase II Stage) has already been started. An amount of Rs.300 crore will be allocated during 2009-10 for this purpose. The under ground drainage works taken up with the assistance of World Bank will be completed by 2010. An amount of Rs.600 crore has been provided for this programme. An amount of Rs.100 crore will be spent for providing recycled sewerage water to the tanks of Bangalore city area.

Extension of Metro Rail Network

141. Recently the State and Central Governments have decided to extend the I Phase of Bangalore Metro Network in North-South Corridor upto Hesaraghatta cross road in the North and Puttenahally cross road in the South. An additional amount of Rs.1763 crores is required to be provided for this purpose. It is hoped that the first train of Bangalore Metro will start functioning from 2010. The State Government will provide Rs.600 crore in 2009-10 to Bangalore Metro towards its capital share.

142. In addition to Bangalore Metro it is proposed to modernise Bangalore Bus transport also. For this purpose a minimum of 1000 high quality city transport buses will be commissioned through BMTC and an amount of Rs.500 crores will be spent during 2009-10.

143. A blue-print of outer ring road has already been prepared by Bangalore Development Authority. Construction of 10 lane signal free road will be taken up for construction during 2009-10 with private participation. An amount of Rs.700 crores will be spent by Bangalore Development Authority for land acquisition and other preparatory activities.

144. Ring road facilities will be provided to Belgaum and Bellary cities with private participation during 2009-10. Renovation of underground drainage system of Belgaum city will be taken up at an estimated cost of Rs.120 crores.

Water supply to cities : Kannada Ganga Yojane

145. It is proposed to take up regional schemes on experimental basis to provide drinking water from rivers or reservoirs in urban and rural areas of Bijapur and Chitradurga districts. An amount of Rs.6 crores have been provided for preparing a project report for this purpose.

146. Action will be taken to beautify suitable tanks or reservoirs near district head quarters for picnics and public entertainment. An amount of Rs.25 crores has been provided for this purpose.

Development of Infrastructure

147. To accelerate development of the State, the Government has to give special attention for the Infrastructure development. Therefore, priority will be given on a large scale for development of good roads throughout the State, Rail connectivity, construction of Airports and

development of Ports in the year 2009-10. It is already decided to take up the most ambitious State Highway Improvement Project through KRDC. A total of 66,000 kilometers of roads have been included in this project. In the first phase of the project 10,000 kms of State Highway and major as well as 12,600 kms of rural roads will be taken up for development with private partnership during 2009-10. An amount of Rs.500 crores will be provided in the form of capital grant to KRDC for establishing Karnataka Road Fund for implementation of this project. This project will be implemented on toll basis.

148. Preparations have been made to develop 585 kms of Highways at an estimated cost of Rs.1200 crore with World Bank assistance under KSHIP-II. An amount of Rs.400 crore has been provided for this purpose in the year 2009-10.

149. It is proposed to take up maintenance and development of ongoing MDRs under Chief Ministers Rural Road Development Scheme at an estimated expenditure of Rs.400 crore, during 2009-10. Apart from this an amount of Rs.258 crore will be provided for the construction of 2100 kms of roads and 32 bridges with the financial assistance from NABARD.

150. Ring Roads will be taken up during the year 2009-10 in important towns and cities.

Extension of Railway Network

151. The State Government will provide its 50% share for taking up the works of new Railway lines Dharwad-Belgaum direct line, Kudachi-Bagalkot, Gadag-Haveri, Almatti-Koppal lines.

152. Necessary action will be taken by the KSIIDC to provide superfast train connection under private partnership to Bangalore International Airport Ltd.

Development of Ports

153. Necessary legal framework is being worked out for setting up of Karnataka Maritime Board for the development of ports in the State. An amount of Rs.100 crores is provided for the construction of good ports in western coasts of Karwar, Tadadi, Honnavar, Malpe, Old Mangalore private partnership through the aforesaid Board during 2010.

154. An amount of Rs.10 crores will be provided for dredging of Karwar Port to enable increased movement of ships.

155. An amount of Rs.20 crores is provided to take up development of ports and anti sea erosion works through government in the year 2009-10.

Airports

156. An amount of Rs.100 crores will be provided for construction and development of Airports in Gulbarga, Bijapur, Shimoga, Hubli Bellary and Mysore cities.

Incentives for the Development of Industries:

157. Providing necessary infrastructure facilities for encouraging the industries is one of the priorities during 2009-10 for industrialisation of the State. Action will be taken to establish industrial colonies with industrial land, water supply and power connections in all the district head quarters required for establishment of new industries. An amount of Rs.1000 crores will be allocated for acquiring

1000 to 2000 acres of land in each district through KIADB. This will facilitate establishment of thousands of small and medium Industries. It will be possible to attract foreign capital to the State Industrial Sector by establishment of Industrial colonies.

158. A new mining policy has been approved by the Government which incorporates the principle that State's mining resources should be used for industrial development in the State itself. This will facilitate in controlling State's minerals from being sold only for export purpose. It is the objective of the Government to promote establishment of major Iron & Steel Plants by utilizing abundantly available iron ore in the State.

Incentives to Ready-made Garment Industries

159. There are about 1500 Garment production centres in and around Bangalore wherein 5 lakh workers are engaged. With a view to provide employment on a large scale to the youths in the various parts of the State, facilities required for establishment of such industries have to be provided. For this purpose action will be taken to establish 10 such Apparel clusters in Gulbarga, Bellary, Hubli, Belgaum, Bagalkot, Shimoga, Davanagere, Mysore, Ramanagar and Chikkaballapur in the year 2009-10 with private partnership. For providing necessary basic facilities in each clusters an amount of Rs. 40-50 crores is required to be invested, and the State Government will provide 20% capital share under 'Karnataka Suvarna Vastra Neethi'. For this purpose an amount of Rs.40 crores is provided in the Budget.

Assistance to Weavers

160. It is already decided to spend an amount of Rs.10 crores for providing infrastructure facilities to Handloom weavers in Belgaum and Rabakavi-Banahatti for establishing sizing units. To enable the poor weavers to carryout their profession in conducive environment it is proposed to launch a new programme to construct houses with 5000 weaving rooms at a cost of Rs.60,000 each. For this purpose an amount of Rs. 30 crores is provided during 2009-10. The scheme of providing loans at the rate of 3% interest to the weavers will be continued.

161. A one time settlement scheme will be implemented through KSFC & KSIIDC to provide relief to the tiny, small and medium industrial units affected due to global economic recession.

162. With a view to understand the problems of the Industries, and to settle pending cases, Industrial Adalats will be held to provide appropriate relief to the Industries and Industrialists facing such problems.

Additional Capital for Mysore Sugar Company

163. An amount of Rs.50 crores will be provided as share capital for the revival of Mysugar Co. Ltd., Mandya which is the backbone of the economic stability of the sugarcane growers of Mandya District.

Special Schemes for the Industrial Development of North Karnataka:

164. Priority will be given for implementation of the following projects for the Industrial Development of North Karnataka;

- a. A steel zone will be established in an area of 10,000 acres in Koppal, Bellary and Bagalkot districts.
- b. A Foundry Park will be established in an area of 500 acres in Mache village of Belgaum district through KIADB.
- c. A Spice Park will be started in Byadagi of Haveri district in an area of 120 acres through 'Food Karnataka Ltd., Bangalore'.
- d. An Auto Park will be established in an area of about 20-25 acres in Basavakalyan, Bidar district near National Highway through KIADB
- e. A residential workshop and infrastructure facilities will be provided in an area of 50 acres for the artisans engaged in the preparation of silver ornaments in Mangoor village of Chikkodi taluk, Belgaum district through KSSIDC.

Power Generation and Distribution:

165. Due to inadequate rainfall during 2008-09 there was serious shortage in water levels of Hydel Reservoirs and consequently there is a shortage of 2000 million units of Hydel power generation. To make up this shortage the State Government has resorted for increasing the production in Thermal power projects and has also purchased power in large quantities from other states as also the private power producers of the state.

166. In spite of these adverse conditions the State Government has provided free power supply to 17 lakh

families of farmers with pumpsets of less than 10 HP capacity as per its commitment. The Government has incurred an additional expenditure of Rs.500 crores, for this purpose.

Projects for Power Generation

167. The following measures have been taken to augment power generation capacity considerably.

- a. A new 500 MW capacity Thermal Power plant is commissioned in Bellary.
- b. A 230 MW Hydel plant is commissioned in Varahi.
- c. 500 MW Capacity Power plants are commissioned from Renewable Energy sources.
- d. An agreement has been entered into with the State of Chhatishgarh for establishment of a 2000 MW capacity Thermal Power Plant.
- e. An agreement has been entered into with NTPC for establishment of a large power plant of 4000 MW capacity in Koodagi of Bijapur district.
- f. An agreement has been entered into with BHEL for establishment of Thermal Power Plant of 2400 MW capacity at Yedlapur and Yaramaras of Raichur District.
- g. Infrastructure facilities will be provided for the establishment of new power plants for generation of 1015 MW capacity at Udupi, Gulbarga and Hidkal.

Additional Investment for Power Corporation

168. An additional capital support of Rs.500 Crore is being given to the Karnataka Power Corporation for implementation of the above-mentioned projects in public and joint sectors. As a result of implementing these projects, it will be possible for the government to fulfill the assurance to create the additional capacity of 5000 MW of power by 2013.

Niranthara Jyothi

169. In order to improve quality and reliability of power distribution, Niranthara Jyothi scheme has been started in November 2008 in Malur taluk. In this scheme it will be ensured to provide 24 hours' continuous single phase supply and 8 hours full power supply. This scheme will be extended to other backward taluks in phases.

170. Electricity will be provided to all the hutments and Tandas of the State. This will benefit about 2.75 lakh poor families. An amount of Rs.100 crores will be spent during 2009-10 for electrification of 10,000 Irrigation Pumpsets of 10,000 poor families under Ganga Kalyana Scheme.

Employment and Training:

171. With a view to providing more employment opportunities and necessary training to all the youths of the State the Employment Exchanges will be converted into Human Resource Service Centres. These centres will provide skill gauging, training and serve as help desks.

172. 158 Government Industrial Training centres and 901 private Industrial Training Centres are functioning in

the State. Apart from this there is provision for imparting necessary technical skill and personality improvement trainings to the young boys and girls studying in Government and private sector Engineering colleges and Polytechnics. It is possible for these Institutions to provide part time or full time better training programmes by utilising the available place and machinery with the help of expert resource persons. Such Institutions could provide employment oriented skill training for about 1 lakh youths every year. A programme will be chalked out and implemented for fully utilising these available facilities.

Assistance for Skill Training

173. Training expenses will be provided for Industrial Training Centres, Educational Institutions and Industrial Units for conducting special skill training programmes. A training subsidy ranging from Rs.3,000 to Rs.10,000 for training of each person who gets employment after training will be provided to the concerned Institute based on the period of training and technicalities.

174. Skill Development centres will be set up by utilising the infrastructure facility available in the hostels run by Scheduled Caste, Scheduled Tribe and Backward Caste/ Minorities departments. Expenditure will be met by Karnataka Vocational Training and Skill Development Corporation.

175. 340 modules have been developed in 32 professions for training of unorganised labourers through informal sectors. In this direction priority will be given to automobile, construction of building, hospitality and electronic fields.

176. An amount of Rs.15 crores will be allocated for setting up Special Training Centres in each district for providing required training to work in Garment Industry.

177. In all, an amount of Rs.100 crore will be provided for skill development programmes of various types for the youth of the State.

Labour Welfare:

178. An amount of Rs.10 crores will be provided for setting up a Welfare Board for providing Social Security for the unorganised labourers.

179. An amount of Rs.2 crores is provided for implementing Health Insurance Schemes for the auto and taxi drivers. This will provide security of health care facility for about 2 lakh families of auto drivers.

180. An amount of Rs.1 crore will be provided for establishing a Research Centre in Bangalore University in the name of Late Sri Alampalli Venkataram a renowned labour leader for conducting research in labour matters.

Revenue and Muzrai Departments:

Hon'ble Speaker;

181. The Legislature Session conducted successfully in Belgaum during the last month under the guidance of your kind self and the Hon'ble Chairman of the Legislative Council is a clear indication that the Government has suitably responded to the aspirations of the people of North Karnataka. The Government is committed for making permanent arrangements for conducting Legislature Sessions in Belgaum every year so as to strengthen the

feeling of oneness among the people of all parts of Karnataka. In this direction an amount of Rs.100 crores will be provided for construction of Suvarna Vidhana Soudha during 2009-10.

182. Because of some conditions in the Karnataka Land Reforms Act, it becomes difficult to acquire land for educational institutions and establishing industries. In order to promote establishing of educational institutions and industrial units, it is proposed to bring about necessary amendments in the Act to facilitate institutions and industries in acquiring the required land directly.

Development of District Centres

183. An amount of Rs.25 crores will be provided for offices and other facilities to Yadgir town for developing it as a new District headquarters. An amount of Rs.25 crores will be provided for construction of District offices complex at Chikkaballapur.

184. A separate Authority has already been set up for development of 'Kaginele'. An amount of Rs.10 crores will be allocated during next year for development works of this area.

185. A scheme will be implemented at an expenditure of Rs.50 crores for the development of the area around Sree Renuka Yellamma temple at Soundatti. Government proposes to set up a special Authority for this purpose. A provision of Rs.5 crore will be made in 2009-10.

186. For the development of Malai Mahadeshwara Hill, an important religious place of Chamarajanagar, and for

the development of Biligirirangana Betta and Himvad Gopaldaswamy Betta, an amount of Rs.5 crore will be provided.

187. An amount of Rs.2 crores will be provided for the development of 'Melukote'.

188. An amount of Rs. 2 crores each will be provided for the development of Chandragutti and Shivanapada of Shimoga district.

189. An amount of Rs.1 crore will be provided for the development works of Jidaga Matha in Gulbarga District.

190. In Bagalkote and Chitradurga Districts for the development of Shri Sharanabasaveshwara Bhovi Guru Peetha and Immadi Siddarameshwara Matha, and also for the development of Hampi Hemakoota Gayathri Matha of Devanga Samaja, Rs.1 crore each will be provided.

191. An amount of Rs.2 crore will be provided for the development of Allama Prabhu Peetha of Murugamatha and Madara Channaiah Sharana's Gurupeetha in Chithradurga district.

192. For the development of Valmiki Guru Peetha in Rajanahalli, Davangere district, an amount of Rs.2 crore will be provided.

193. An amount of Rs. 5 crores will be provided for taking up development works in Yedyur Siddalingeshwar Kshetra.

194. Rs.1 crore each will be provided for the development of Kumaraswamy Math in Hanagal and Shivayogi temple in Bagalkote.

195. For the development of Ankanatheshwara Karyasiddeswara Betta in Thagadur in Mysore district, an amount of Rs.50 lakh will be provided. An amount of Rs.1 crore will be given for the development of Bheemana Kolli Mahadeshwara Devasthanana in Heggadadevana Kote Taluk.

196. An amount of Rs. 1 crore will be provided for the development of Bappuswamy Matta for SC/ST people in Udupi district.

197. For the development of various cultural centers an amount of Rs.10 crore will be provided.

Development of Bhavaikyata Kshetras:

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 »ಅವುಗಳನ್ನು
 ಏರ್ಪಡಿಸುವುದು - ಪ್ರಯತ್ನ

198. The great poet Kuvempu has painted Karnataka as the garden of peace for all communities. Hindus, Muslims, Christians, Parsees, Jain and other communities live here in harmony. There are several places and institutions in our State which reflect such communal harmony. By providing assistance to develop these places and organizations, the Government intends to expand the roots and branches of emotional integration.

199. Sincere efforts will be made to bind different religions and castes with love and affection by formulating and implementing constructive programmes. In this direction an amount of Rs.10 crores will be earmarked for the development of the following places which have been

spreading the message of oneness among all religions for several decades:

- i. Khaja Aminuddin Darga of Bijapur
- ii. Shirahatti Fakiraswamy Mutt, Gadag District
- iii. Kodekal Basavanna and Thintani Mauneswara of Surpur taluk
- iv. Savalgi Shivalingeswara Mutt of Gokak taluk
- v. Murugamalla Kshetra of Chintamani taluk and other Hindu-Muslim and Hindu-Christian places representing integration.

Rs.750 crore for PDS Food

200. The Government has given special emphasis on distributing foodgrains at subsidized prices to all poor families through the Public Distribution System. So far 78 lakh poor families have been given ration cards. Along with distributing Photo Ration Cards to every eligible family, steps will be taken with the help of electronic equipment to prevent the misuse of PDS facilities. An amount of Rs.750 crore will be provided during the year 2009-10 for distributing essential items through PDS. As assured in the Belgaum Session, temporary ration cards have been distributed after considering their application to about 20 lakh families so far, who had not been given ration cards earlier. Action is being taken to provide ration cards to all other eligible families in the coming days.

Home Department

201. An Internal Security Cell with 475 staff has been established under the leadership of an Additional Director

General of Police for the maintenance of law and order and control of terrorists and naxal related activities. To strengthen the police department for improvement in law and order, 3000 police personnel have been recruited.

202. Five new Police Stations along with staff have been established to increase the strength of the coastal security force.

203. A Police Sub-Division has been established in Hampi for improving security for the protected monuments.

204. An amount of Rs.40 crore will be provided for improving traffic in Bangalore City through implementation of the B-Track project.

205. Five new Police Stations are being established to improve the security environment in Malnad areas.

206. In the coming days, three more India Reserve Battalions will be established for improving the effectiveness of police forces.

207. Steps have been taken to maintain peace and order in way in our State by implementing ESMA and KCOCA provisions effectively. It is planned to recruit 3,840 more police personnel for further strengthening of the police forces.

208. A provision of Rs.20 crore has been made for constructing community hall and other buildings, and increasing the welfare fund for the staff of the State Armed Reserve.

209. A provision of Rs.35 crore will be made for further strengthening of Fire Services.

210. An amount of Rs.10 crore will be provided for construction of new buildings and installation of new security equipment including the facilities for video conferencing so that the jails in the State are upgraded and modernized.

211. An amount of Rs.2 crore will be provided for establishing N.A.Muthanna Memorial Residential School through Police Welfare Fund at Dharwar.

Transport

212. Reliable transport services provide the necessary support to the developing economy of Karnataka. The Government owned Road Transport Corporations have been giving a creditable service in this regard. These corporations have projected to increase their fleet strength by procuring 4000 new buses in 2009-10. In order to provide better infrastructure facilities, an assistance of Rs.100 crore will be given to these corporations.

213. An amount of Rs.50 crore is being provided as additional capital assistance to improve the operational efficiency of the North-West Karnataka State Road Transport Corporation.

Kannada's Greatness - Pride of culture

"E° aiAdEA° EA° ÉuÉiM PÀQÀÀAMAZÉ
 MAZÉ dEAQ, MAZÉ °EAQ PÀRUQAJAZÉ
 PÀ°ÉAZÉ, ÀP°ÉAZÉ °ÁWaiAÉÉÉÉAZÉ
 »ÁUÉÉÀ° ÉÀQAC° ÀZQAMAZÉ
 EgAZQAMAZÉ".

- zÁ. ÉAZÉ

214. In these lines of his poem, the great poet Bendre has expressed in a unique way the feeling about the Kannadigas always being one. The message in Bendre's poetry is inspiring for working hard to achieve glory for Karnataka and all Kannadigas. The Government is always committed for protecting the interest of Kannada and Kannadigas.

215. The ambition of all Kannadigas materialized when the Central Government decided to give to Kannada the status of a classical language. It was possible only because of the determined struggle of all the Kannadigas. In this context, it is a matter of great pride that Dr. Bhimsen Joshi, the renowned maestro of Hindustani music and a proud son of the mother Kannada has been honoured with the highest civilian award of Bharath Ratna. I assure that in the coming years our Government will take all necessary steps for protecting and enhancing the glory of Kannada language by providing Rs.6 crore to Kannada Development Authority.

216. Development of the border areas of Karnataka is very important for improving the life of the Kannadigas residing in the border areas. In order to bring about comprehensive development of the border areas 'Border Area Development Authority' has been constituted. An amount of Rs. 10 crore is being provided for this.

217. A provision of Rs.2 crore has been made to start a research center at the Kannada Sahitya Parishat, and to implement the project of preparing Kannada dictionary. An assistance of Rs.5 lakh each will be given for organizing Sahithya Sammelana at District level.

218. As suggested by the Karnataka Knowledge Commission, the Government will provide an amount of Rs.2 crore to put on internet an encyclopedia in Kannada on the pattern of the Wikipedia in English.

219. It has been proposed to make a provision of Rs.5 crore for the Kittur Development Authority. Besides, Kakathi, the birth place of the brave Rani Channamma has also been included. Integrated development of Kittur and Kakathi villages will be planned and implemented by this authority.

220. A special grant of Rs.1 crore will be made for Kuvempu Sandesh Bhavana in Koppa Taluk, Chikmagalur District.

221. A provision of Rs.1 crore has been made for the development of Rangayana at Mysore. An amount of Rs.2 crore will be provided for development of Chamarajendra Drushyakala Academy (CAVA). Grant-in-aid being provided to various Academies.

222. A provision of Rs.1 crore will be made for development of Janpad Parishat at Ramanagar.

223. An amount of Rs.1 crore will be provided for building a memorial at Hole Alur in the name of the late Alur Venkataraya who dedicated his life to the integration of Karnataka.

224. An amount of Rs.2 crore will be given to build an auditorium in the name of the famous musician Savayi Gandharv at Kundagol. Rs.1 crore each will be provided for the development of the villages of late Mallikarjun Mansoor and for the construction of Memorial of Basavaraj Rajguru.

225. On the occasion of the Platinum Jubilee celebrations of the Kannada Film Industry, Rs.5 crore will be provided for constructing a Platinum Jubilee building.

226. Necessary provisions will be made for installing a statute of Sarvagnya in Chennai.

Memorials for Freedom Fighters

227. It is only because of the great sacrifices made by our freedom fighters that we have been liberated from the British Rule and are fortunate to experience the fruit of democracy. To permanently preserve the memory of these great souls and also to inspire patriotism in the coming generations, action will be taken to build memorials for freedom fighters, and to develop the places related to their lives and struggles. Apart from the memorials for Kittur Rani Channamma and Sangolli Rayanna, memorials will be built at Vidurashwatha, Gauribidanur, Shivapura near Maddur, Issur in Shimoga District, Mylara Mahadevappa memorial at Motebennur, and Gangadhar Despande memorial in Belgaum district. In places like Almatti and Ankola which were the land of action for Kadekar Manjappa, infrastructure facilities and memorials will be developed. An amount of Rs.10 crore will be provided for this purpose.

Support to the Media

228. Independent media play a very vital role in the strengthening of democratic processes. Following programmes will be taken up for providing necessary facilities to the media representatives for performing their duties responsibly.

229. An assistance of Rs.25 lakh each for establishing a well-equipped Vartha Bhavan/Media Centre in every district.

230. The annual income limit for eligibility in respect of monthly pension for the retired journalists will be raised from the existing Rs.5000 to Rs.50000.

231. The Government is concerned about the welfare of the journalists who always work under pressure of time lines. Therefore it has been decided to bring the working and the retired journalists under the 'Yeshasvini Co-operative Health Insurance Scheme'. This scheme will be implemented through the Journalists Co-operative Associations with the help of the Department of Information.

232. In order to facilitate travel of journalists for participating in various professional activities at the district level, free bus passes for journalists will be provided through Road Transport Corporations for travel within the district.

Tourism

233. An amount of Rs.180 crore will be provided for supporting the development of tourism in the State in this year's Budget. Infrastructure facilities of good quality will be developed under public private partnership at the important tourist places like Hampi, Badami, Pattadakal, Bijapur, Belur, Halebeedu, Somanathapura, Jog etc.

234. An amount of Rs.10 crore will be provided for the development of Nandi Hills, Kemmanagundi, Kodachadhri and other hill stations.

235. An amount of Rs.5 crore will be provided for development of Tagore Beach at Karwar.

236. An amount of Rs.5 crore will be provided for renovating the Brundavan Garden near Krishnaraja Sagar in Mandya District.

237. Kukarahalli tank in Mysore will be developed. An amount of Rs.2 crore will be provided for this.

238. Facilities for Night Safari at Bannerghatta near Bangalore will be developed with the required assistance.

239. An amount of Rs.2 crore will be provided for the construction of Yathrinivas at Sringeri, and an amount of Rs.1 crore will be provided for the development of Kigga Kshethra.

240. Shanthi Sagara lake in Channagiri Taluk will be developed as a tourist center with assistance of Rs.2 crore.

Youth Services & Sports

241. An amount of Rs.10 crore will be provided in the year 2009-10 for development of 23 sports schools and 10 hostels already established for sports persons in our State.

242. An amount of Rs.10 crore will be provided for laying stadium and development of tracks at Dharwad, Gulbarga, Mysore and Udupi.

243. An amount of Rs.2 crore will be provided for laying Hockey Turf in Kodagu district.

244. An incentive grant of Rs.50,000 will be given to every sports person in the State who officially represents our country in international sports events.

245. Awards of Rs.1lakh, Rs.50 thousand and Rs.25 thousand will be respectively given to those sports persons

from the State who achieve first, second or third prizes at national sports events.

246. Monthly honorarium for wrestlers will be increased to Rs.750/-.

Forest

247. It has been planned to do additional afforestation in about 80,000 hectare this year. The work of afforestation can be taken up along with employment generation under the National Rural Employment Guarantee Scheme. The required number of plants will be provided for the Laksha Vruksha Movement under the auspices of bio-fuel programme taken up by the Western Ghat Development Task Force. Provision of Rs.20 crore will be made for the same.

248. More emphasis will be given this year for development of sandalwood cultivation, prosperous green villages, medicinal plants and Devara Kadu.

249. Elephant Parks will be established, for which an amount of Rs.5 crore will be provided. Such parks have been developed in Sri Lanka, Thailand and Kerala. It will then be possible to minimize the loss of human lives and damage to crops caused by the wild elephants.

250. In about 2000 acres of forest land, between Hubli and Kalaghataki, a wild life sanctuary will be developed.

Increase in HRA for Government Employees

251. The demand of the Government Employees to increase the House Rent Allowance has been considered, and it has been decided to increase the HRA rates to 20%

in Class-A cities, 15% in Class-B cities and 9%, 6%, and 5% in respect of Class-C, D & E cities respectively.

252. The monthly wages for the daily wage employees who have completed 10 years will be increased by up to Rs.1000.

‘Anushthana Parva’ for Administrative Reforms

253. Compared to other States, the Government of Karnataka is collecting taxes at a larger scale, which is enabling the Government to allocate more funds for plan expenditure on development programmes. In order to make the Government expenditure more productive, it is essential to consolidate the schemes and utilize the resources with greater efficiency. Apart from improving the quality of programme implementation, it is also required for us to perform our duty with more efficiency and responsibility. In order to achieve this, there is a need to initiate a phase of implementation (‘Anushthana Parva’) in the State’s administration.

- There is a need to review the expenditure incurred on government programmes and to reduce expenditure on less productive programmes and utilize such consolidated resources in increasing the efficiency of implementation of more productive programmes. It is proposed to constitute an Expenditure Review Commission under the experts for advising about the appropriate strategy.
- In the first fortnight of the financial year the heads of department at the State and district levels should finalise and submit the schedule for timely

implementation of the departmental programmes in the MPIC format. The expected action points at the Government level for the planned implementation should also be mentioned.

- The Departments and local institutions like Zilla, Taluk and Grama Panchayats which implements civil works should also prepare and get approved the annual action plan by the end of April every year.
- Within one month of approval of the action plans/ Appendix-E, detailed estimates of all such approved works should be got prepared. If required, the assistance of external experts can be obtained for preparing the estimates and tender documents on time.
- Necessary allocation in accordance with the implementation schedule must be provided in the beginning itself. In respect of the works with estimates of less than Rs.5 crore, there should be a minimum provision of 40% in the first year; and such works should be completed in the second year by providing the remaining 60% of the required amount.
- Only after making complete provision for the ongoing works which are scheduled to be completed in the current year, necessary provision should be made for the new works from the available grant.
- Necessary orders should be issued by April 15, for delegating more financial powers to the officers at different levels in every department.

- Every department should identify the right experts/ institutions for making an objective assessment of programme-implementation through a performance audit. Such audit reports should be made available in the middle of the year and then at the end of the year. The recently constituted Task Force on Quality Assessment may advise the departments in this regard.
- In every department at least 10% of the officers and staff should be trained for at least 3 days every year. The Departments should prepare a calendar of training programme in the beginning of the year.
- The implementation of every programme should be assessed with respect to the expected outcomes. A scheme should be prepared for giving incentives and awards to those officers and staff who achieve more than the targeted results. Disciplinary proceedings including initiating action for compulsory retirement will be taken against those whose performance is not satisfactory.
- The Heads of Departments should tour the districts and inspect implementation of works at least two days every week when the legislature is not in session.
- Government owned public sector undertakings and municipal corporations should enter into a Memorandum of Understanding once in three years with Government in respect of the objectives and targets to be achieved by them.

- Necessary rules will be made for bringing about reforms in transfer processes.
- A challenge fund of Rs.10 crore will be established for the departments and organizations in the Government which come out with innovative and cost-effective projects.
- Appropriate action will be taken to improve the efficiency of the administrative system of panchayat raj institutions.

254. After considering the recommendations of the Taluk Re-organisation Committee, steps will be taken to create new taluks.

Establishing Law Commission

255. Under the Chairmanship of Justice V.S.Malimath, a State Law Commission has been established to advise the Government for amending various Acts and Rules.

256. An amount of Rs.25 crore will be provided for construction and renovation of court complexes at District and Taluk Centres in the State.

257. An amount of Rs.10 crore will be provided for the development of Law University established at Hubli.

258. An assistance of Rs.1 crore will be given to the Welfare Fund of the Bar Associations.

State Plan 2009-10

259. In the budget of 2008-09 the State Plan size had been fixed at Rs.25953 crore. Subsequently, the Plan size has been revised to Rs.26188 crore. In spite of the partial shortfall in collection of resources in the background of the

adverse economic conditions, the Government is determined to maintain the State Plan Expenditure, particularly under Capital Heads, at a considerably higher level than the expenditure in 2007-08. The State's Plan Expenditure has been Rs.18308.69 crore in 2006-07 and Rs.17226.91 crore in 2007-08; and is expected to be Rs.22118.21 crore in 2008-09. This is an evidence of the fact that the Government has been allocating more and more resources for development work. In order to achieve economic revival of various sectors in the State, it has become mandatory to appropriately increase our Plan Expenditure during the year 2009-10 also. It has been proposed in the Budget to increase the State Plan Expenditure to Rs.29500 crore in the next year.

Tax Proposals

260. In the Budget of 2008-09, the State's Own Tax Revenue was estimated to be Rs.31876 crore. Because of the various reasons stated already, a shortfall of Rs..3111 crore is expected in tax collection. This type of shortfall in the collection of taxes not only in the central taxes but also in the tax revenue of several States is a reflection of the national economic conditions. In spite of such conditions the State's tax-revenue in the year 2008-09 is expected to be about 10.7% more than the tax revenue of the year 2007-08. I would like to say that this reflects efficient performance of duty of our tax departments.

Commercial Taxes

261. It has been estimated that in the year 2009-10 the tax collection from Commercial Taxes including the Value Added Tax will be Rs. 20125 crore. In the background of

the discussions held with the representatives of Commerce and Industry and also in order to give stimulus to the State's economy, the following changes have been proposed in the present tax rates.

Value Added Tax

262. The State has applied value added tax, as per the agreed scheme of taxation all across the country, and therefore there is a limited scope available to the State Government to modify those rates. Exemption available on foodgrain items like paddy, rice, wheat, pulses etc. in the State would be extended for another year with effect from 1.4.2009.

- The present rate of 4% will be reduced to 2% in respect of agriculture and forest produce like tamarind and shika-kai.
- Rates will be brought down to 2% for Coconut and Desiccated Coconut Powder.
- Rate will be reduced from 4% to 2% on arca-nut.
- Tax will be abolished completely on Baje.
- Tax will be abolished in respect of foot-wear costing less than Rs.100/-.
- Already Armed Forces through Canteen Stores Department are being charged reduced rate of 4% in respect of 12 essential items. I propose to extend the reduced rate of 4% in respect of daily use items of toiletries, television sets, washing machines and similar household items.
- I intend to extend reduced rate of 4% on all kinds of tread rubber used for re-treading.

Sales Tax

263. Sales tax exemption will be provided for diesel up to 75,000 KL for use of fishermen in their boats.

Luxury Tax

264. In view of global economic downturn, Tourism and Hotel Industry has been adversely affected. Therefore, to provide boost to tourism, I intend to make the following changes in Luxury Tax.

- Exemption limit for Luxury Tax will be increased from daily room rent of Rs.149 to Rs.499.
- Luxury Tax will be imposed on actual rates instead of the declared rack-rate.
- Luxury Tax rates will be modified as outlined below.
 - i) Daily room rent from Rs.500 to Rs.1000: 4%
 - ii) Daily room rent from above Rs.1000 and upto Rs.2000 : 6% .
 - iii) Daily room rent above Rs.2000 : 10%.
- Luxury Tax on Marriage Hall will be reduced from 20% to 10%.
- To promote trade exhibitions, Luxury Tax on Exhibition Hall will be reduced from 20% to 10%.

Profession Tax

265. In view of the necessity to provide relief to people receiving low wages, I intend to increase the Profession Tax exemption limit from Rs.5000 to Rs.10,000 a month.

266. Profession Tax is also being imposed separately on individual schools being managed by the educational institutions. I intend to provide Professional Tax exemption to school and college units upto Class-XII.

Entertainment Tax

267. Entertainment Tax will be imposed at the rate of 10% of the entry ticket value for sports events organized for entertainment involving the private proprietary teams.

268. Movies are the main source of entertainment for common man. To reduce their burden, I intend to reduce Entertainment Tax from 40% to 30%.

State Excise

269. The historic decision to ban arrack from July 2007, in view of demands from social workers, womens' groups and other learned citizens, has already been implemented. In the initial stages, reverses were estimated keeping the ban in view. In the year 2007-08 revenue receipt from excise was more than the Revised Estimates also. In the year 2008-09 also, as per the target, revenue of Rs.5627 crore is likely to accrue.

270. Substantial increase in in the consumption of Indian Made Foreign Liquor (IMFL) has been noticed after banning of arrack in the State. Steps would be taken to collect higher revenue to the State from Excise. Therefore, it is estimated that revenue of Rs.6565 crore will be realized from excise sources.

271. New Wine Policy has been implemented in the State with a view to provide higher profits to grape growing farmers

and to promote consumption of low alcohol wine. In the year 2009-10 government will take appropriate measures for continuous effective implementation of Wine Policy.

Stamps and Registration

272. Sale and transfer of the immovable property has witnessed downward trend in view of international and national economic crisis. In the year 2006-07 Stamps and Registration Department had collected Rs.3415.20 crores by registration of 1413185 documents. In the year 2007-08 as against annual target of Rs.3812.55 crores, Rs.3630.73 crores was collected. In the year 2008-09, Rs.2757.97 crores has been collected registering only 870578 documents, till January 2009. Till the year end, it is expected that revenue of Rs.3200 crores will be collected. There is a possibility of slight increase in the year 2009-10, keeping in view the likely economic revival. Keeping in view the needs of commercial and industrial establishments and common people, I intend to bring the following reforms and changes.

273. In view of the economic difficulties, transaction in immovable properties has got reduced, causing problems to common people in purchase and transfer transaction of agricultural lands, houses, shops, etc. This has also adversely affected the construction activity. In this context, as per the existing commitment of the State Government to the Central Government to their direction of reducing Stamp Duty to 5%, it would be appropriate to substantially reduce the same. Therefore, it has been decided to reduce the Stamp Duty from 7.5% to 6% on sale transaction of all kinds of

immovable properties including agricultural land. There is no doubt that with this, lakhs of common people in the State will get substantial relief. Further, I hope that this will also help in revival of the construction industry.

274. In view of the substantial reduction of Stamp Duty, there is likely to be a shortfall of Rs. 400 crore in revenues. To partially offset this shortfall - I intend to modify Stamp Duty as outlined below.

- Stamp Duty of 0.25% of the value of the agreement will be imposed on all such agreements, which do not involve property acquisition in stead of Stamp Duty of Rs.10 to Rs.200/- at present.
- On Joint Development Agreement, Stamp Duty at the rate of 1% of the value will be imposed as against prevailing rate of Rs.10000/- to Rs.1.5 lakhs.
- Rate of 6% will be imposed as against present rate of 5% on Arbitration Award.
- Under the Securitization category for mortgage, transfer registration fee will be 0.5% in stead of 1%, with a limit of Rs.10,000/-.
- Fee of Rs.500/- will be charged as against Rs.50/- at present for Duplicate Registration.
- Immovable Property lease
 - 1) Up to five years - 1% on the value of the advance and average annual rent.
 - 2) Above five years and up to 10 years - 2% on the value of the advance and average annual rent.

- 3) Above ten years and up to 30 years - 4% on the value of the advance and average annual rent.
 - 4) For a period above 30 years - 6% of the market value.
- In respect of licence involving immovable and movable property tax will be imposed based on the annual licence fee and advance.
 - Rate of 1% on the immovable property being handed over to the developer for General Power of Attorney, and Rs.200/- in respect of other General Power of Attorney.
 - Transfer of Property by method of release at the rate of 6% instead of 2.5% and 3.75% at present.

275. It is proposed to bring about comprehensive amendment to the Karnataka Stamp Act, 1957 and Rules formed thereunder with a view to simplify the service being provided by the Stamps and Registration Department. The changes (Amendments) proposed are detailed in Annexure-II.

Motor Vehicle Taxes

276. Because of the significant slow down witnessed all over the country in motor vehicle markets in the later half of the year 2008-09, the collection of Motor Vehicle Taxes is expected to be about Rs.1875 crore, which is less than this year's target of Rs.2218 crore. In view of the significant decrease made recently in petrol and diesel prices there is a possibility of improvement in the situation in motor vehicle

markets. For the year 2009-10, collection of motor vehicle taxes is estimated to be Rs.2063 crore.

277. In this background, there is no proposal for any increase in motor vehicle tax rate. However, from the point of view of environment protection it appears to be appropriate to give significant exemption on the life-time tax in respect of electricity driven vehicles. It is proposed to decrease the taxes in respect of electricity-run motor cars, vans and two-wheelers from 8 to 12% to 4% on their selling prices. This will give a big boost to the use of environment-friendly transport vehicles.

Resource Collection

278. As a result of the above mentioned proposals of exemptions and actions for tax collection, additional resources of Rs.100 crore is to be realized, against which an exemption of Rs.400 crore would have been given. The State's total tax revenue for the year 2009-10 is estimated to be Rs.32721.25 crore.

279. Besides, State-owned Corporations and Local Bodies will allocate resources to development works by raising loans from financial institutions on the basis of their repayment capacity from own resources. It is estimated that such institutions will generate resources to the extent of Rs.6604.05 crore from their internal resources and borrowings during the next year.

Legal Amendments

280. It is required to make necessary amendments in the relevant tax laws for implementing the above mentioned

tax and other reform measures. Besides, in accordance with the suggestion made by the Government of India, the statutory limit of fiscal deficit needs to be increased to 3.5% by amending the specific provisions of the Karnataka Fiscal Responsibility Act, 2002. Accordingly, the necessary amendments are submitted to the Hon'ble House.

Overview of the Budget 2008-09

281. In the background of our developmental perspective and strategies, revised estimates include following points.

Revised Estimates 2008-09

282. As per Budget Estimates for the year 2008-09 total receipts were estimated to be Rs.55273.95 crores. As per Revised Estimates total receipts are Rs.53096.81 crores. As per Budget Estimates total expenditure was estimated to be Rs.55313.41 crores. Now, as per revised estimates total expenditure is Rs.53143.91 crores. It is expected that after taking into consideration net of public account, this year's final deficit would be Rs.47.10 crore. At the time of presenting 2008-09 budget, the same was estimated to be Rs.39.47 crores.

Budget Estimates 2009-10

283. Total receipt are expected to be Rs.58031.36 crore for the year 2009-10. It includes Rs.48389.04 crore of revenue receipts and Rs.9642.32 crores of Capital Receipts. Total expenditure is estimated to be Rs.58117.23 crores, consisting of revenue expenditure of Rs. 47237.67 crore and Capital Expenditure of Rs.10879.57 crore.

284. The government expects to collect Rs.32721.25 crore as tax revenue and Rs.2129.50 crore as non-tax revenue.

It is expected that Rs.6061.43 crore would be raised as market borrowing and Rs.13538.29 crore would come from Central Devolution.

285. As per the revised estimates for the year 2008-09, revenue surplus and fiscal deficit would be Rs.767.47 crore and Rs.9356.89 crore respectively. It would be 0.29% and 3.49% respectively of the GSDP. For the year 2009-10 revenue and fiscal deficit are estimated to be Rs.1151.37 crore and Rs.8493.49 crore respectively. In percentage terms of GSDP these would be 0.39% and 2.88%, respectively. It would be taking into account the proposed amendments as per provisions of the Karnataka Fiscal Responsibility Act, 2002.

“ಎಲ್ಲರೂ ಒಂದೇ ಸ್ವರ್ಗವನ್ನು
 ಒಂದೇ ದೇವತೆಯನ್ನು ಪೂಜಿಸುತ್ತಾರೆ
 ಒಂದೇ ಗುಣವನ್ನು ಕೊಂಡು
 ಒಂದೇ ದೇವತೆಯನ್ನು ಪೂಜಿಸುತ್ತಾರೆ - f.J.i.J.i.

286. These words said by national poet Dr.G.S.Shivarudrappa about selfless new birth and aspirations in the lines of above poem are an inspiration of protection of interests of all. Our Government's wish is also prosperity of all.

287. **“We need to lend our ears to the criticism of our shortcomings, and not to admiration”**. This is the famous saying of Mahatma Gandhi. This is a lesson to all of us. Therefore, if there are any grievances against the administration, we assure to hear the criticism and take corrective steps. It is my sincere request that we should

all forget the differences of opinion, and work as one for taking strong steps to build a strong and prosperous Karnataka.

Hon'ble Speaker,

288. While presenting the 2009-10 Budget Estimates for the consideration of the Hon'ble House, I seek the approval for Vote on Account to incur expenditure upto 31st July, 2009 as per the Budget Estimates.

Jai Hind

Jai Karnataka

BUDGET AT

Sl. No.	Item	Budget Estimates 2007-08	Revised Estimates 2008-09	Budget Estimates 2009-10
	Opening Balance	58.32	89.90	42.80
A. REVENUE ACCOUNT				
I Receipts				
	State Taxes	31875.85	28764.66	32721.25
	Share of Central Taxes	7982.38	7151.82	7645.49
	Grants from Central Government	5450.43	4995.54	5892.80
	Non-tax Revenue	1931.65	1905.82	2129.50
	Total-A. I	47240.31	42817.84	48389.04
II. Expenditure				
	Social Services	17138.39	15931.81	18731.98
	Economic Services	11816.31	9754.70	11060.42
	General Services	13763.48	13848.18	14725.59
	Grants-in-aid & Contributions	2994.68	2515.68	2719.68
	Total-A. II	45712.86	42050.37	47237.67
A.	Revenue Account Surplus/Deficit	1527.45	767.47	1151.37

A GLANCE*(Rs. in crores)*

Sl. No.	Item	Budget Estimates 2007-08	Revised Estimates 2008-09	Budget Estimates 2009-10
B. CAPITAL ACCOUNT				
I Receipts :				
	Loans from Government of India	1571.29	404.00	1040.57
	Open Market Loans (Net)	3199.66	7845.23	6061.43
	Loans from LIC, RBI, GIC & NCDC	2048.76	815.00	1205.00
	Recoveries of Loans and Advances	69.97	70.79	76.97
	Public Account (Net) etc.	1143.95	1143.95	1258.35
	Total - B. I	8033.63	10278.97	9642.32
II Disbursements :				
	Capital Outlay (Net)	7640.06	9235.05	8712.74
	Repayment of Central Loans	500.80	468.97	508.27
	Repayment of Loans to LIC, RBI, GIC and NCDC	472.60	429.42	649.47
	Disbursement of Loans & Advances	987.09	960.10	1009.09
	Total - B. II	9600.55	11093.54	10879.57
	B. Capital Account Surplus/Deficit	-1566.92	-814.57	-1237.25
	C. Overall Surplus/Deficit for the Year	-39.47	-47.10	-85.88
	D. Closing Balance	18.85	42.80	-43.08

ANNEXURE - I
(Para 259)

SECTORAL STATE PLAN ALLOCATION DURING 2009-10

Sector	Rs. in Crores	Percentage
A) ECONOMIC SERVICES		
Agricultural & Allied Services	2122.13	7.19
Rural Development	1502.93	5.09
Special Area Programmes (HKDB & MADB)	144.19	0.49
Irrigation & Flood Control	3983.82	13.50
Energy	3621.11	12.27
Industries & Minerals	828.06	2.81
Transport	3804.61	12.90
Science, Technology & Environment	35.63	0.12
General Economic Services	765.86	2.60
B) SOCIAL SERVICES		
Education, Sports, Arts & Culture	2297.52	7.79
Health & Family Welfare	897.50	3.04
Water Supply & Sanitation	1352.57	4.58
Housing	729.22	2.47
Urban Development	4583.64	15.54
Information & Publicity	15.60	0.05
Welfare of SC's & ST's, OBC's, Social Welfare & Nutrition	2142.51	7.26
Labour & Employment	167.65	0.57
C) GENERAL SERVICES		
	505.45	1.71
Total	29500.00	100.00

Annexure-2 (Para 275)
Changes proposed to the Schedule of the Karnataka Stamp Act 1957

Sl. No	Item in the Schedule	Existing			Proposed	
		Article	Description	Rate	Description	Rate
1	2	3	4	5	6	7
1	Agreement or memorandum of Agreement	5(e) (ii)	<p>(e) if relating to sale of immovable property; “wherein part performance of the contract”,</p> <p>ii) Possession of the property is not delivered.</p> <p>a) Where the value of the property :-</p> <p>i) does not exceed 5000</p> <p>ii) exceeds Rs. 5000 but not exceed Rs 20000</p> <p>iii) exceeds Rs. 20000 but does not exceed Rs 50000</p> <p>iv) exceeds Rs. 50000</p>	<p>Ten rupees</p> <p>Twenty rupees</p> <p>One Hundred Rupees</p> <p>Two Hundred rupees</p>	<p>(e) if relating to sale of immovable property; “wherein part performance of the contract”,</p> <p>(ii) possession of the property is not delivered.</p>	0.25 Rupee for every one hundred rupees or part thereof on the market value equal to the amount of consideration

3	Award	11	Award, that is to say, any decision in writing by an arbitrator or umpire, not being an award directing a partition, on a reference made otherwise than by an order of the Court in the course of a suit; on the amount or market value of the property whichever is higher.	The same duty as a Bond (Article No.12) on the market value of the property which is the subject matter of the award.	Award, that is to say, any decision in writing by an arbitrator or umpire, not being an award directing a partition, on a reference made otherwise than by an order of the Court in the course of a suit;	The same duty as a conveyance [under Article 20(1)] on the amount or market value of the property (which is the subject matter of award), which ever is higher.
4	Conveyance	20 (1)	For Conveyance.-As defined by clause (d) of Section 2,not being a transfer charged or exempted under No. 52, on the market value of the property which is the subject-matter of conveyance	Seven and a half percent of the value.	For Conveyance.-As defined by clause (d) of Section 2,not being a transfer charged or exempted under No. 52, on the market value of the property which is the subject-matter of conveyance	Six percent of the value
5	For Conveyance.	20(6)	If relating to assignment of receivables by the originator to the special purpose vehicle (SPV), or by whatever name they are called, in the process of securitization.	One Rupee for every one thousand rupees or part thereof subject to a maximum of rupees of one lakh-	If relating to assignment of receivables by the originator to the special purpose vehicle (SPV), or by whatever name they are called, in the process of securitization, “under securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002”.	One Rupee for every one thousand rupees or part thereof subject to a maximum of rupees of one lakh

6	Counterpart or duplicate	22	<p>Counterpart or duplicate Any instruments, chargeable with duty and in respect of which the proper duty has been paid</p> <p>(a) if the duty with which the original instrument is chargeable does not exceed four rupees and fifty paise;</p> <p>b) in any other case</p>	<p>The same duty as payable on the original</p> <p>Fifty Rupees</p>	<p>Counterpart or duplicate Any instruments, chargeable with duty and in respect of which the proper duty has been paid</p> <p>(a) if the duty with which the original instrument is chargeable does not exceed five hundred rupees;</p> <p>(b) in any other case</p>	<p>The same duty as payable on the original</p> <p>Five Hundred Rupees</p>
7	Gift	28	<p>Explanation- Family in relation to the donor for this purpose means husband, wife, son, daughter, daughter-in-law, brothers, sisters and grand children.</p>	<p>One Thousand Rupees</p>	<p>Explanation- Family in relation to the donor for this purpose means Father, Mother, husband, wife, son, daughter, daughter-in-law, brothers, sisters and grand children.</p>	<p>One Thousand Rupees</p>

8	Lease of Immoveable property	30 (1) (a) (b) (c)	<p>(1) Lease of immoveable property including an under-lease or sub-lease and any agreement to let or sub-let-</p> <p>(a) Where by such lease, the rent is fixed and no premium is paid or delivered</p> <p>(i) where the lease purports to be for a term of less than one year.</p> <p>(ii) where the lease purports to be for a term of not less than one year but not more than five years.</p> <p>(iii) where the lease purports to be for a term of [more than five years], but not exceeding ten years;</p> <p>(iv) where the lease purports to be for a term exceeding ten years, but not exceeding twenty years;</p> <p>(v) where the lease purports to be for a term exceeding twenty years, but not exceeding thirty years;</p>	<p>The same duty as a Bond (No.12) for the total amount of rent payable under such lease.</p> <p>The same duty as Bond(No.12) for the amount or value of the average annual rent reserved.</p> <p>The same duty as a conveyance (Article 20) for an amount equal to twice the amount or value of the average annual rent reserved.</p> <p>The same duty as conveyance (Article 20) for an amount equal to three times the amount or value of the average annual rent reserved.</p> <p>The same duty as a Conveyance (Article 20) for an amount equal to four times the amount or value of the average annual rent reserved.</p>	<p>30 Lease of immoveable property including an under-lease or sub-lease and any agreement to let or sub-let; Where by such lease, the rent is fixed, or/ and fine or premium or money advanced / security deposit (as the case may be) is paid or delivered</p> <p>(i) where the lease purports to be for a term not exceeding five years.</p> <p>(ii) where the lease purports to be for a term exceeding five years but not exceeding ten years.</p> <p>(iii) where the lease purports to be for a term exceeding Ten years but not exceeding thirty years.</p>	<p>One Rupee for every one hundred rupees or part thereof on the total amount of Average Annual Rent; and fine or premium or money advanced / security deposit (as the case may be) payable or deliverable under such lease.</p> <p>Two Rupees for every one hundred for every one hundred rupees or part thereof on the total amount of Average Annual Rent; and fine or premium or money advanced / security deposit (as the case may be) payable or deliverable under such lease.</p> <p>Four Rupees for every one hundred rupees or part thereof on the total amount of Average Annual Rent; and fine or premium or money advanced / security deposit (as the case may be) payable or deliverable under such lease.</p>
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			vi) where the lease purports to be for a term exceeding thirty years or in perpetuity or does not purport to be for any definite term	The same duty as a [conveyance (Article 20(1)], for an amount equal to the market value of the property.	iv) where the lease purports to be for a term exceeding thirty years or in perpetuity or does not purport to be for any definite term	The same duty as a [conveyance (Article 20 (1)], for the amount or value of such fine or premium or advance, as set forth in the lease, in addition to duty which would have been payable on such lease, if no fine or premium or advance had been paid or delivered; or for an amount equal to market value of the property whichever is higher
		30(1) (b) (i) & (ii)	As existing	As existing	- Omitted-	- Omitted-
		30(1) (c) (i) & (ii)	As existing	As existing	- Omitted-	Omitted

9	Licence of Immovable or moveable property	32-A	<p>That is to say licence granted by owner or authority for rent or fee or by whatever name it is called.-</p> <p>a) where by such licence granted for rent or fee or by whatever name it is called-</p> <p>(i) where the licence purports to be for a term of less than one year</p> <p>(ii) where the licence purports to be for term of not less than one year but not more than five years.</p> <p>(iii) where the licence purports to be for a term of not less than five years but not exceeding ten years.</p> <p>(iv) where the licence purports to be for a term exceeding ten years but not exceeding twenty years</p> <p>(v) where the licence purports to be for term exceeding twenty years but not exceeding thirty years.</p>	<p>The same duty as a bond (No.12) for the whole amount payable or deliverable under such licence.</p> <p>The same duty as a bond (No.12) for the amount or value of the average annual rent or fee or by whatever name it is called.</p> <p>The same duty as a conveyance (No.20) for the amount or value of the average annual rent or fee or by whatever name it is called.</p> <p>The same duty as conveyance (No.20) for twice the amount of annual rent or fee or by whatever name it is called.</p> <p>The same duty as conveyance (No.20) for thrice the average amount of rent or fee or by whatever name it is called.</p>	<p>32 That is to say licence granted by owner or authority for rent or fee or by whatever name it is called, and money advanced / security deposit</p> <p>(i) where the licence purports to be for a term not exceeding five years</p> <p>(ii) where the licence purports to be for a term exceeding five years but not exceeding Ten years.</p> <p>(iii) where the licence purports to be for a term exceeding ten years but not exceeding thirty years.</p>	<p>One Rupee for every one hundred rupees or part thereof on the total amount of average annual rent or fee or by whatever name it is called, and money advanced / security deposit, payable or deliverable under such licence.</p> <p>Two Rupees for every one hundred rupees or part thereof on the total amount of average annual rent or fee or by whatever name it is called, and money advanced / security deposit, payable or deliverable under such licence.</p> <p>Four Rupees for every one hundred rupees or part thereof on the total amount of average annual rent or fee or by whatever name it is called, and money advanced / security deposit, payable or deliverable under such licence.</p>
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		32 b	where the licence is granted for a lumpsum amount advanced and where no rent or fee or by whatever name it is called is reserved,	The same duty as conveyance (No.20) for whole lumpsum amount advanced as set forth in the licence.	“OMMITED”	“OMMITED”
		32 c	(c) where the licence is granted for a lumpsum amount advanced in addition to rent or fee or by whatever name it is called.	The same duty as conveyance (No.20) for the lump sum amount advanced as set forth in the licence in addition to the duty which would have been payable on such licence, if no lumpsum amount advanced had been paid or delivered.	“OMMITED”	“OMMITED”

10	Power of Attorney	41(e)	(e) when given for consideration and authorizing the attorney to sell any immovable property;	The same duty as a Conveyance (No.20) for a market value equal to the amount of the consideration.	(e) when given for consideration and / or when coupled with interest and authorizing the attorney to sell any immovable property;	The same duty as a Conveyance [under Article 20(1)] on consideration or on market value of the property (which is the subject matter of such power of attorney), whichever is higher.
	Power of Attorney	41(ea)	(ea) when given to a promoter or developer by whatever name called of construction, development on, or sale, or transfer (in any manner whatsoever) of, any immovable property situated in Karnataka State. Where the market value of property.____ (1) Does not exceed Rs.one Crore. (2) Exceeds one crore and does not exceed two crores (3) Exceeds two crores and does not exceed five crores (4) Exceeds five crores and does not exceed ten crores. (5) Exceeds ten crores.	10,000/- 20,000/- 50,000/- 1,00,000/- 1,50,000/-	(ea) when given for construction / development/ sale of an immovable property, including a multi-unit house or building or unit of apartment/flat/ portion of a multi-storied building to a person having a stipulation that after construction/ development, such property shall be held jointly or severally by person and the owner or lessee, as the case may be, of such property, or that it shall be sold jointly or severally by them or that a part or it shall be held jointly or severally by them and the remaining part thereof shall be sold jointly or severally by them. Explanation : 1) the expression "lessee" shall mean a holder of a lease for a period exceeding thirty years or more or in perpetuity or does not purport to be for any definite term. 2) the expression "building" shall mean a building having more than one apartment/ flat/office accommodation or portion of a multi-storied building or both.	One Rupee for every one Hundred Rupees or part thereof on the market value of the property, and /or the estimated cost of construction or proposed construction/ development or proposed Development of the property, as the case maybe, (which is the subject matter of such Transfer under the power of attorney in accordance with the provisions of section 28 of the Karnataka Stamp Act 1957); or the consideration for such transfer whichever is higher. Provided that, when proper stamp duty is paid under clauses (e) or (f) of article 5 (as the case may be) on such agreement, or records thereof or memorandum of an agreement executed between the same parties and in respect of the same property, the duty chargeable under these clauses shall be as per Article 41(f).
			41(f)	(f) In any other case	One Hundred Rupees	In any other case

11	Release	45 (a) (i) & (ii)	<p>Release, that is to say, any instrument (not being such a release as is provided for by Section 24), whereby a person renounces a claim upon another person or against any specified property:</p> <p>(a) where the release is not between the family members.____</p> <p>(i) where the release is not for any consideration.</p> <p>(ii) if the release is for consideration.</p> <p>[(b) where the release is between the family members.</p> <p>Explanation: Family in relation to a person for the purpose of clause (b) means, husband, wife, son, daughter, father, mother, brother, sister, wife of a predeceased son and children of predeceased son or predeceased daughter.]</p>	<p>2.5% on the market value of the property, which is the subject matter of release</p> <p>50% of the rate applicable to conveyance on the market value of the property, which is the subject matter of release</p> <p>Rupees One Thousand.</p>	<p>Art. 45. Release, that is to say, any instrument (not being such a release as is provided for by Section 24), whereby a person / Releaser renounces a claim or part of claim upon another person or against any specified property,</p> <p>(a) where the release is not between the family members.____</p> <p>[(b) where the release is between the family members.</p> <p>Explanation: Family in relation to a person for the purpose of clause (b) means, husband, wife, son, daughter, father, mother, brother, wife / children of predeceased brother, sister, husband/ children of predeceased sister, wife of a predeceased son and children of predeceased son or predeceased daughter.]</p>	<p>The same duty as a Conveyance [Under Article No.20(1)] on the market value of the property and / or on the amount or value of claim or part of claim renounced, as the case may be (which is the subject matter of Release); or consideration for such release, whichever is higher.</p> <p>Rupees One Thousand.</p>
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12	Settlement	48	Explanation- For the purpose of this sub-clause family in relation to settler means husband, wife, son, daughter, daughter-in-law, brothers, sisters and grand children.	One Thousand Rupees	Explanation- For the purpose of this sub-clause, family in relation to settler means Father, Mother, husband, wife, son, daughter, daughter-in-law, brothers, sisters and grand children.	One Thousand Rupees
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