

Hon'ble Speaker Sir,

1. I am happy to present the Government of Karnataka's Budget for the year 2020-2021.
2. I am indebted to the people of Karnataka for having given me an opportunity as the Chief Minister of Karnataka to present a comprehensive, balanced, development oriented Budget based on social justice at the time of the commemoration of the 150th birth anniversary of the father of the nation, Mahatma Gandhiji.
3. This is the seventh Budget being presented by me. I had presented the Budget earlier twice as the Deputy Chief Minister and four times as the Chief Minister during 2006-2007 to 2011-2012 and now have a good opportunity to present the budget for the seventh time.
4. All-round development of Karnataka is our goal. Our aim is to provide everyone an equitable life and equal share along with social justice. Our Government is moving in the direction of Anthyodaya and towards the

destination of Sarvodaya. Developmental and welfare programmes have been formulated to achieve inclusive growth with special attention to scheduled castes and scheduled tribes, backward classes, minorities, women and children, senior citizens and the specially abled.

5. This budget is in a real sense people-friendly, citizen-friendly, profession and business-friendly as it aims to end uncertainties faced by farmers, to bring comfort to the lives of working classes, create employment and develop of enterprises.

“ವಿಪ್ರ ವಣಿಕ,

ನೃಪನಿಗಧಿಕ

ಅನ್ನದಾತ ಕೃಷಿಕ”

6. This is a famous adage. Agriculture is the basis for survival of life. Others will survive only if the farmer survives. Agriculture which is all pervasive, is the first profession taken up by man. Agriculture is the foundation for all other professions. Business, commerce, administration, development etc., are priorities only after agriculture.

“ಕೃಷಿಶೋ ನಾಸ್ತಿ ದುರ್ಭಿಕ್ಷಂ”

7. Nothing will survive or grow without agriculture. Agriculture is the basis for all professions, employment, enterprises and creation of wealth. Therefore, this is the one budget which gives utmost priority to agriculture and the farmer.
8. As per the wishes of the Prime Minister Narendra Modiji, a 16 point agenda has been announced by the Central Government in the budget for nurturing the agriculture sector with an ambition to double the income of farmers and to formulate a five trillion dollar economy. For the first time, an allocation of 9.5 percent has been reserved for agriculture in the budget. This shows the concern of the Prime Minister of this country Narendra Modiji and our party towards farmers. I am happy to state that, this budget has been envisioned as per this agenda only.

Nature’s fury – Priority for relief

9. Karnataka State quite often reels in between either excess or scanty rainfall. The State has faced flood and drought situations at the same time. There was a drought situation when our Government came to power. Half of the State was affected by flood fury in a week. Thrice in

the months of August, September and October 2019 deadly floods engulfed the State. To provide relief and rehabilitate the flood affected, Rs.6108 crore has been sanctioned under different departments, out of which Rs.3,423 crore has been spent.

10. Livelihoods of approximately seven lakh people were drowned because of the sudden heavy rainfall in the State and large inflow of water from the neighboring State. Hundreds of people lost their lives. Thousands of cattle died. Approximately 4.69 lakh hectares of farm land has been damaged due to floods and soil erosion. Large scale basic infrastructure was damaged including roads, bridges, schools, anganavadis, dwelling houses and electricity transmission lines.
11. A loss of Rs.35,160 crore has been estimated due to floods and the Central Government has approved Rs.1869.85 crore. Rs.10 thousand per hectare in excess of N.D.R.F. guidelines has been given to the farmers affected by loss of crop. Till now, Rs.1185.40 crore input subsidy has been credited to 6.45 lakh farmers bank account. Serious attention has been given to the construction and repair of 1,25,795 damaged houses. A grant of

Rs.1,232 crore has been released up to now. Reconstruction has been taken up by providing financial assistance of five lakh rupees to completely damaged houses, three lakh rupees to substantially damaged houses and 50,000 rupees to partially damaged houses. Rs.10,000 in the form of emergency compensation, Rs.25,000 for the cases relating to damaged equipments of weavers and Rs.50,000 to those affected who shifted to rented houses has been made.

12. While facing challenges brought by nature's fury and by providing relief and implementing rehabilitation works, my Government is committed to the development of a prosperous and bountiful Karnataka by sustaining stability in development. It is moving forward with development as its administrative mantra.
13. A brief picture of our Government's developmental strategy is as follows:-
 - Achieving balanced development on the basis of social justice.
 - All-round development of the State with social harmony.

- Removal of regional disparities - empowerment of Kalyana Karnataka.
- Development of industries and tourism along with agriculture.
- Stress on development of education, health and social sectors.
- Creation of more employment through skill development for better utilization of human resources.
- Nurturing and protection of land, water, language and culture of the state.
- Various government services to reach the common man in a simple and transparent manner.

State's Economy

14. The growth rate of Gross State Domestic Product during the year 2018-19 was at 7.8%. Against this it is estimated that for the year 2019-20 there will be a growth rate of 6.8%. The slump shown in agriculture sector during the previous year due to severe drought has shown signs of recovery during the present year. Overall growth rate of 3.9% has been achieved in agricultural sector due to increase in production of food grains, dairy and

fisheries. Industries and services sectors had achieved a growth rate of 5.6% and 9.8% during 2018-19. During the year 2019-20 there is a growth rate of 4.8% and 7.9% respectively.

State's Financial Position

15. Revenue resources of the State Government include State's own taxes, non-tax revenue, share of Central taxes and grant-in-aid from Central Government. However, the State's share in central taxes has come down in 2019-20 as per the revised budget estimates of the Central Government. Due to this reason, there is a reduction of Rs.8,887 crore to Karnataka. Therefore, State's revenue resources have been reduced. Apart from this, Rs.3000 crore GST compensation will also be reduced as collections from the GST compensation cess is not as expected.
16. It has become difficult to reach the 2019-20 budget targets due to these reasons. To manage this situation within the bounds of the Karnataka Fiscal Responsibility Act, an inevitable situation has arisen this year to cut down the expenditure of many departments.
17. As per the interim report submitted by the 15th Finance Commission, the share of States

share of central taxes has been decided for the financial year 2020-21. The 14th Finance Commission had fixed 4.71% as Karnataka's share out of the total allocation. Compared to this, the 15th Finance Commission has reduced the State's share to 3.64% in its report.

18. In view of this allocation by the 15th Finance Commission, there will be a reduction of Rs.11,215 crore in State's share of central taxes in 2020-21 budget when compared to 2019-20 budget. The 15th Finance Commission by giving higher ratings to the "Income distance" parameter has given more focus to the development of poorer States. Information Technology Services sector is contributing approximately 25% of Karnataka State's G.S.D.P. In view of this, the State's domestic product and per capita income is more when compared to other States. As there is tax exemption for export of Information Technology Services, there is no contribution to the State's revenue collections from this sector. Due to this, the State has been ranked very low in the income distance parameter and there is drastic reduction in State's share.

19. The allocation recommendation of the 15th Finance Commission is limited to one year only and the complete report for the period 2021-22 to 2025-26 will be submitted in October 2020. Our Government will soon submit a revised memorandum to the 15th Finance Commission to set right the loss caused to the State with regard to allocation for the year 2020-21 and to give more allocation for the period from 2021-22 to 2025-26.
20. When compared to the previous year, there is an increase of approximately Rs.10,000 crore for the year 2020-21 with regard to Government employee's salary, pension and interest on government loans. There is no proportionate increase in the resources as compared to committed expenditure. Due to reduction of State's share of Central Taxes as per the 15th Finance Commission report and other developments, serious difficulties are being faced in resource mobilization efforts of the State. This magnitude of economic difficulties was never faced in the previous years by our State.
21. State's own tax revenue collection is excellent during this year. Primarily as compared to the

previous year, there is a growth rate of 14% in State GST collection. Overall budget target in collection of State's own taxes collection will be met. Based on this, in the new budget, efforts are being made to manage the reduction in share of Central Taxes by stabilizing the State's own resources more.

22. After the introduction of Karnataka Fiscal Responsibility Act 2002, irrespective of the party that formed the Government in the State, this Act has been followed. This is a matter of pride for the State. For this, I congratulate all parties and members of the Legislative Assembly and Legislative Council. I present the new budget within the limits of the Karnataka Fiscal Responsibility Act in spite of the difficult situation, as already explained, to protect the fiscal discipline of the State as has been done earlier.

New Schemes for the year 2020-21

23. For the welfare of the people of our State, our Government will continue the present major schemes. Ambitious schemes like Bhagyalakshmi scheme, bicycle scheme introduced for school students and others will be continued. For the all-round development of the State, different departments have to

work in co-ordination. Being convinced of this, I am presenting this budget by dividing it into six sectors instead of dividing department-wise.

Sector 1: Agriculture and allied activities

24. In spite of the State facing shortage of resources, our Government is committed for the betterment of farmer's lives and to achieve welfare of poor and weaker sections. This is the budget which responds to the aspirations of the society. We are having food due to constant efforts of farmers. Our Government is committed to the welfare of farmers and to double their income.
25. Apart from this, by giving a new dimension to programmes relating to agricultural sector, I am making an honest effort to solve problems faced by the farmers. Along with the programmes announced by the Central Government, I have considered the advice of experts and farmers leaders.
26. To encourage water security, land bank and mass cultivation, micro irrigation farmers, processing of farm produce, marketing and also to consider agriculture and horticulture as an industry, our Government will bring a new agricultural policy.

27. By announcing an additional assistance of Rs.4000 has been given by our government along with Rs.6000 given to small and marginal farmers by the Central Government under the “Pradhan Mantri Kisan Samman Scheme”, approximately Rs.825 crore has been transferred to 41 lakh bank accounts by the State till date. To continue this scheme, Rs.2600 crore will be provided during 2020-2021.
28. Along with Rs.10,000 as an annual financial assistance given every year to small and marginal farmers, all farmers and fishermen will be provided with a Kisan Credit Card. This will help in avoiding farmers falling into an informal debt trap.
29. In spite of the best of efforts, farmers are facing loss of crop due to adverse climate. This is being resolved under the Pradhan Mantri Fasal Bhima Scheme. As our Government is committed to protect the interests of farmers, State’s share of insurance will be released in time. For this, Rs.900 crore has been provided.
30. “Raitha Siri” scheme has already been announced to encourage growth of drought resistant crops. Under this programme, to

grow important siridhanya such as Oodalu, Navane, Aaraka, Korale, Same and Baragu crops, an incentive of Rs.10,000 per hectare is being given with a maximum limit of Rs.20,000. This scheme will be extended during the year 2020-21 to include Teff, Chia and Quinoa.

31. At present, quality seeds are being provided to farmers through Raitha Samparka Kendras. Other than this, to reduce production costs, to provide Higher Germination Percentage Seeds, our Government will provide chemically pre-processed and polymer smeared seeds.
32. It is proposed to start “mobile agricultural health clinics” for soil/water testing and other technical assistance in farming from time to time. These mobile units will visit villages and conduct soil/water testing on the spot and will provide technical information relating to insecticides and diseases and will provide solution at the farmer’s door steps.
33. Scientists have realized the disadvantage and dangers of chemical based agriculture. Organic farming is the solution for the same. Nutrition obtained through chemicals can also be had from organic sources. In this regard, assistance will be provided to use water

dissolvable fertilizers, micro-nutrients, hydrogel etc. Rs.200 crore will be provided to encourage organic farming.

34. Soil health programme is a subject of utmost priority. The State has distributed 163 lakh Soil Health Cards to the farmers. The State will formulate a policy based on recommendations of the Land Resource Registry, availability of water and Soil Health Card to make farmers grow suitable region wise crops, to use necessary seeds, chemical fertilizers and micro-nutrients.
35. Capacity development and awareness programmes will be launched to increase efficiency in use of water and manure and to increase agricultural productivity. In this direction, 40 demonstration centers will be developed and demonstration will be made to the farmers with regard to better agricultural practices, new technologies and post-harvest management etc.
36. It is our priority to strengthen the food processing sector and to export agriculture based produce. In association with agricultural federations, exporters, food processing organizations and food processing enterprises, Central Food Technological

Research Institute (CFTRI), Indian Institute of Horticulture Research (IIHR) and Agricultural and Processed Food Products Export Development Authority (APEDA), new technologies will be introduced with regard to value addition, processing, stocking and packaging.

37. The World Bank sponsored Sujala-III projects has been implemented in more than 14 lakh hectares of rain dependent watershed areas of 12 districts. Specific recommendations for crop selection, the practices of management and conservation of nutrients and water, a detailed item wise register of land resources has been prepared through scientific institutions. To propagate these recommendations, action will be initiated to conduct training on Land Resource Register in 2500 villages and to distribute cards to more than one lakh rain dependent farmers, at an expenditure of Rs.10 crore.
38. On the lines of Sujala-III Project, the State is also participating in the World Bank funded new multi-state Watershed Area Development Project (REWARD), for the next six years. This will assist rain dependent watershed area of 10 lakh hectares, watershed improvement of

more than one lakh hectares and strengthening of Farmers Producers Organisations and the land resource register in the development of the value chain.

39. The condition of underground water in 76 taluks of the State is recognised as critical. In these taluks suffering from water scarcity, for water conservation and rain water harvesting activities, 100 Watershed Management Projects in 4.75 lakh hectares, have been sanctioned. Moreover, in the next three years, Jalamrutha projects will be implemented in 810 very small watersheds in four lakh hectares.
40. The University of Agricultural and Horticultural Sciences of Shivamogga, established in the year 2012, is a specialised comprehensive university involving agricultural, horticultural and forest sciences. This university is catering to the needs of the agriculturists of Shivamogga, Chikkamagaluru, Dakshina Kannada, Udupi, Davanagere, Chitradurga and Kodagu Districts. The State Government has allotted 787 acres of revenue land in Iruvakki village of Sagara Taluk. For the works of this university, Rs. 155 crore has been allotted.

During the year 2020-21, action will be taken to complete the remaining works and to start classes at Iruvakki.

41. Due to the achievements in the horticulture sector, Karnataka has been acclaimed as the “Horticulture State of India”. Under the horticultural extension programme, the horticulture sector has been extended to the extent of 32,000 hectares. In the year 2019-20, horticulture crops have been grown to the extent of 185 lakh tonnes in 20 lakh hectares in the State.
42. To reduce the quantum of loss due to unsatisfactory post-harvest management of horticulture crops and the lack of cold storage, 10 cold storages of 5,000 metric tonne capacity will be constructed with public-private partnership with an expenditure of Rs. 75 crore in the agricultural produce markets of districts where demand exists.
43. In Karnataka, 75% of farmers are small and marginal farmers. Since the agricultural practice in the State is mostly rain dependent, the possibility of extending the area of horticulture crops is more. In case small and marginal farmers desire to shift to horticultural farming practice, a

comprehensive scheme will be formulated to facilitate them to bear the cost of purchase of seeds, fertilizers, agricultural labour. Under this scheme, if a small and marginal farmer shifts newly to horticultural farming practice, an amount of Rs.5,000 per hectare subject to a maximum of Rs.10,000 will be transferred directly to his bank account.

44. HOPCOMS, being an accredited co-operative society at the national level, is the back bone of the horticultural growers of the State. To provide better services in HOPCOMS and to extend them, the HOPCOMS Society will be strengthened.
45. The benefit of Krishi Rail programme of the Central Government will be utilised by the State Government to transport perishable flowers, tomato, potato, onion, cauliflower, pomegranate etc., from Bengaluru to Delhi, Mumbai and Thiruvananthapuram.
46. Our Government is aware of the harsh reality of uncertainty of rains in the agricultural sector. Therefore, to facilitate the use of drip and sprinkler irrigation at affordable prices by the farmers, they will be provided a subsidy to the extent of 90% under the programmes of agriculture, horticulture and sericulture

departments. Micro irrigation facility has been provided to an area of 1,46,000 acres in the year 2019-20. Assistance has been provided for better quality cultivation and high value crops in an area of 7225 acres. In the year 2020-21, Rs.627 crore will be provided for this purpose.

47. For the purposes of water budget, water audit and to reduce water scarcity, a “Jalagrama Calendar” will be prepared in every village of the State.
48. A master plan will be prepared regarding the extensive implementation of the “Kindi Anekattu Yojane” (Vented Dams) in the coastal region across the rivers of the western ghats.
49. The Central Government has announced the Atal Bhoo-Jal Scheme to augment the underground water level in the districts of the country suffering from drought. Utilising the expected Rs.1202 crore from the Central Government under this scheme, necessary programmes to augment the underground water level will be undertaken in the next five years in selected districts of the State.
50. In the interest of conservation of water, a feasibility report will be prepared to convert flood irrigation practice in the achkat areas of

mega irrigation projects of the State to Israel Model Micro Irrigation. At the same time, irrigation facility would be provided to one lakh acres of land through the Water Resources Department in 2020-21.

51. Our Government is committed to the speedy continuation of the much anticipated Mahadayi Project which is very helpful to the people and farmers of North Karnataka region. The Central Government has issued the notification as per the direction of the Hon'ble Supreme Court. We congratulate the Central Government for this. In accordance with the notification, our Government will provide Rs.500 crore in the year 2020-21 to take up the works of Kalasa and Banduri Nalas under the Mahadayi Project.
52. Our Government accords priority to the "Yettinahole Project" which provides safe drinking water expeditiously to the districts of Hassan, Chikkamagaluru, Tumakuru, Bengaluru Rural, Ramanagara, Chikkaballapura and Kolar which are facing severe scarcity of drinking water. A programme has been formulated to complete the Lift component works of the first stage of this project and to commission it on a trial

basis in the coming monsoon season. Rs.1,500 crore will be provided to this project in the year 2020-21.

53. Due to the deposition of silt in the Tungabhadra dam, it is becoming impossible to store water to the full extent. To remove the deficiency in the water storage capacity of this dam, a grant of Rs.20 crore will be provided for the preparation of a detailed project report for the construction of a balancing reservoir near Navale through an alternate flow canal
54. A number of demands have been received for taking up Lift Irrigation projects from various parts of the State. Therefore, based on the availability of water source and technical feasibility, it is proposed to start new lift irrigation projects. These projects will be implemented with an expenditure of Rs.5000 crore.
55. Proposing to construct a reservoir across Krishna river near Thinthini bridge to facilitate supply of drinking water to the people of Raichur, Yadgir, Kalaburagi region, action will be taken to prepare a detailed project report.
56. Sericulture farming is sustainable livelihood. Sericulture farming and yarn reeling activities have created employment of about 14 lakh

person days. Our State has a share of 46% in the national raw silk production. Our aim is to increase it further.

57. Our Government proposes to establish a Silk Worm Processing Centre with public-private partnership, in Kanva Farm in Ramanagara District, to process 30-32 metric tonne of silk worm larvae daily for the production of value added sub-products. The silk yarn reelers would be greatly benefitted by this.
58. There are ample opportunities in the State for the development of animal husbandry financial activities such as dairy farming, sheep/goat rearing, pig rearing and poultry rearing. To explore this, a state wide detailed survey will be conducted and a comprehensive policy will be prepared.
59. To bring qualitative improvement in pig rearing and production in the State, "Samagra Varaha Abhivruddhi" scheme would be formulated to import foreign bred pigs. This scheme will be taken up at an expenditure of Rs. Five crore.
60. A poultry waste processing and value addition centre would be established with public-private partnership. By managing the waste of

the abattoirs scientifically, value added products would be manufactured.

61. To obtain more than 90% female calves from the milching cows of the State, the birth of female calves would be increased by undertaking artificial impregnation from gender determined spermatic cord. A grant of Rs. Two crore would be provided for this.
62. It is proposed to implement “Karnataka Matsya Vikasa Yojane” to encourage fishermen to adopt modern fishing technologies. For this project, Rs.1.5 crore would be provided in the year 2020-21.
63. The fisher-women are more active in fish selling activities. For the purpose of helping the fisher-women to expeditiously transport fish from the fish landing centre to the market, two wheelers are proposed to be provided to 1000 fisher-women under the “Mahila Meenugara Sabaleekarana” scheme. This scheme will be implemented at an expenditure of Rs. Five crore.
64. Backwater aquaculture, commonly called as coastal aquaculture, plays an important role in the overall development of the country and the state. To strengthen this backwater fishing, a backwater fish seedlings production

centre would be established at Mulki at an expenditure of Rs. Two crore.

65. A new fish harbour is being constructed at Kulayi in Mangaluru taluk. For the purpose of augmenting the exports of this region, a modern Coastal Fish Export Plant would be established at an expenditure of Rs.12.50 crore, under the Sagaramala Project of the Central Government and in partnership with the State Government.
66. Fishing harbours and fish landing stations are supplementary facilities for strong fishery. In this direction, our Government proposes to construct a fishing harbour in Hejamadikodi of Udupi District with the partnership of Central Government at an expenditure of Rs.181 crore as per the revised estimates.
67. Hangarakatte harbour of Udupi district will be developed at an expenditure of Rs.130 crore.
68. For the development of the fishing harbour of Karwar in Uttara Kannada district and infrastructure, Rs. Four crore will be provided.
69. For the estuary desilting works (100 metres) at Tenginagundi harbour of Uttara Kannada district, Rs. Five crore will be provided.

70. The works of second phase of the outer harbour, which is under construction at Maravanthe in Byndoor Taluk of Udupi District will be completed at an expenditure of Rs.85 crore and will be made available for use by fishermen.
71. Rs. Two crore will be provided for the development works in Koderi fishing harbour of Udupi district.
72. Our Government has understood the difficulties faced by the farmers of the State. The repayment of the medium term and long term loans given for the purchase of agricultural equipments like tractor, tiller etc. to the farmers by the Primary Co-operative Agricultural and Rural Development Banks (PCARD), District Central Co-operative Banks (DCC) and Primary Agricultural Credit Co-operative Societies (PACS) in the co-operative sector has been very low. Due to this reason, our Government waives the interest on such default agricultural loans. For this purpose, Rs. 466 crore would be provided in the year 2020-21. By this scheme, 92,000 farmers in the state would be benefitted.
73. To facilitate the development of areca growers, interest exemption is provided to the extent of

5% on a loan to the extent of a maximum of two lakh rupees for long term agricultural loans given to each family of farmers from the available financial resources of the Areca Growers Primary / Market Co-operative Societies and this amount will be borne by the Government.

74. To organise small and marginal farmers and to augment their capacity for direct marketing of their products, a Farmer Producers Organisation (FPO) Policy has been declared and in the next five years, it is targeted to organise five lakh farmers through 500 FPOs. For the development of the agricultural value chain, 100 FPOs are going to be established in the year 2020-21. Rs.8 crore will be provided for supporting the development of value chain through the FPOs.
75. In situations of a fall in price of agricultural produce, benefit has been provided to the farmers by providing minimum support price to the crops grown by them by purchasing through purchase centres. When there is a delay in the release of grants by the Central Government, the amount of revolving fund established to enable the timely payment of money to the farmers will be increased to

Rs. 2000 crore, as per the requirement, during the tenure of our Government.

76. For the year 2020-21, a total amount of Rs.32,259 crore is provided for the Agriculture and allied activities sector.

Sector 2: Welfare and Inclusive Growth

77. The overall development of Karnataka is possible only from the development of communities at all levels of the society. For this, our Government gives special importance to the development of exploited weaker sections. To achieve the development of the State by ensuring the share of the development to all, including scheduled castes and tribes, backward communities, minorities, women, children, youth, senior citizens, specially-abled, labour and poor, proposals are being presented.
78. Our Government gives emphasis to the welfare of the community of Scheduled Castes and Scheduled Tribes. It is mandatory to provide 24.1% of the allocable grants in the State Budget to Special Component Plan and Tribal Sub-Plan. As per the estimates of the Budget of 2020-21, Rs.26,131 crore needs to be allocated under SCSP / TSP. However, our Government has earmarked Rs.26,930 crore

for this purpose. This is more than the mandatory allocation required to be made. This is the testimony of the importance given to the welfare of Scheduled Castes and Scheduled Tribes by our Government.

79. In the Residential Schools run by the Karnataka Residential Educational Institutions' Society, a provision will be made to distribute a minimum of 25 per cent of seats to the students of the same taluk.
80. A Supervisory Committee will be constituted under the leadership of the Deputy Commissioner for effective performance of the Residential Schools run by the Karnataka Residential Educational Institutions' Society.
81. An arrangement will be made in Belagavi and Kalaburagi Divisions through State Road Transport Corporations to provide Vehicle Driving Training to unemployed youth (male/female) of the Scheduled Castes and Scheduled Tribes.
82. Along with various paramedical certificate courses, skill development training will be provided to the unemployed youth belonging to Scheduled Castes and Scheduled Tribes by the Department of Health and Family Welfare

in co-ordination with the Skill Development Department.

83. Loan facility will be provided to the unemployed youth belonging to Scheduled Castes and Scheduled Tribes to purchase small goods transport vehicles.
84. The share capital being provided for the economic activities of the co-operative societies being run by people belonging to Scheduled Castes and Scheduled Tribes will be enhanced from Rs.10 lakh to Rs.20 lakh.
85. In commemoration of Jadaga and Bala, who became martyrs in Halagali Bedars' mutiny as a part of the freedom struggle, a cash prize of Rs.1 lakh will be given in each district to the students belonging to Scheduled Castes and Scheduled Tribes who stand first at the district level in the SSLC examinations. Rs.60 lakh is allocated for this purpose during the year 2020-21.
86. The documentation of traditional tribal medical systems and practices will be taken up and the processing units of selected medicines will be established in Shivamogga and Mysuru districts in collaboration with the Ayush Department at a cost of Rs. Two crore.

87. To establish “Charma Shilpa”, mechanized production units by leather artisans, a subsidy of Rs.5 lakh will be given for a unit cost of Rs.10 lakh to 250 beneficiaries through Dr. Babu Jagajivan Ram Leather Industries Development Corporation Limited. Rs.12.50 crore is provided for this purpose during the year 2020-21.
88. Rs.78 crore will be provided for the comprehensive development of various nomadic, semi nomadic communities in the State.
89. The all round development of the backward class communities is the foremost priority of our Government. In this direction, Rs.10 crore for Uppara Development Corporation, Rs.25 crore for Vishwakarma Development Corporation, Rs. 50 crore for Nijasharana Ambigara Choudaiah Development Corporation, Rs. 10 crore for Arya Vysya Development Corporation, Rs. 20 crore for development of Kumbara community and Rs.10 crore for development of Golla community will be provided during the year 2020-21.
90. Nowadays, it is common to have e-commerce companies deliver products at the doorstep.

A financial assistance of Rs.2.50 crore will be given to 1000 young men at Rs.25,000 each, to purchase bikes through D. Devraj Urs Backward Classes Development Corporation.

91. There are many non-notified slums in ten metropolitan cities in the State, including Bengaluru. It is the aim of our Government to develop such slums that are inhabited by large number of minorities. Rs.200 crore is allocated for this purpose during the year 2020-21.
92. Five Moraji Desai Residential schools functioning under Minority Welfare Department will be upgraded into pre-university colleges.
93. A comprehensive development of the Christian community will be taken up at the cost of Rs.200 crore.
94. Shelter for all is a prominent goal of our Government. It has come to the notice of our Government that a large number of houses allotted to the poor have fallen into disuse as they are not fully constructed. Therefore, it is considered as a priority to complete the incomplete houses and distribute them among the homeless. For this purpose, additional financial assistance of Rs.1000 crore was

provided to Rajiv Gandhi Housing Corporation Limited through loans with Government guarantee during the year 2019-20. Two lakh such houses will be constructed at a cost of Rs.2500 crore during the year 2020-21.

95. For the past several years, the State Government has been providing subsidy under various housing schemes for the construction of houses to lakhs of families. These beneficiaries are required to mortgage their sites to Rajiv Gandhi Housing Corporation Limited for a period of 10 years, after the completion of construction of the houses. Even after the completion of 10 years, the release of such sites is not taking place in several cases. Therefore, our Government will consider such sites mortgaged to Rajiv Gandhi Housing Corporation Limited as deemed released, if 10 years are completed after the construction of the houses.
96. As announced in the previous Budget, 276 Karnataka Public Schools that offer education from pre-primary classes to pre-university courses under one roof have been opened and Rs.100 crore will be provided for the infrastructure of these schools.

97. Several class rooms were severely damaged by the excess rainfall in the State during 2019-20. The re-construction works of these 6469 class rooms of 3386 Government schools in 26 districts will be taken up in collaboration with NABARD with an expenditure of Rs.758 crore.
98. Under the Legislators Area Development programme, three government schools will be adopted and developed by the Legislators in their constituencies.
99. By making 2 Saturdays in a month as bag-free days, "Sambhrama Shanivara" will be observed with the objective of creating a joyful learning experience by reducing the burden of text books. The main purpose of such days is to create awareness, by means of activities, on topics that are necessary for students to be ideal citizens.
100. Scouts and Guides organization strives to groom today's children as responsible citizens of the future. To encourage the activities of this organization, Rs. Four crore will be provided to the Scouts and Guides Centres at Davanagere, Udupi and Doddaballapur.
101. The continuous participation of teachers in class room activities makes a great impact on

the quality of education. In this background, to avoid teachers from having to leave classes to visit offices, it has been decided to provide all facilities due to them online. For this purpose, a mobile App “Shikshaka Mitra” will be developed.

102. Instruction will be given in English medium at 400 Government Urdu schools along with Urdu medium during the year 2020-21. Rs. One crore will be provided for this purpose.
103. The historic Visvesvaraya College of Engineering, Bengaluru will be developed into an autonomous institute, based on the IIT model. Rs.10 crore is allotted for this purpose.
104. A permanent system will be put in place to efficiently monitor the administration of Universities and Colleges in the State with the help of technology, at a cost of Rs. One crore.
105. To enhance the net enrolment ratio in higher education, interactive online courses (M.O.O.C.) will be started and the requisite good quality e-content will be developed at a cost of Rs. One crore.
106. Geospatial technology centres will be established at cost of Rs. Five crore each

under Visvesvaraya Technological University and Department of Technical Education to enhance employment opportunities of polytechnic and engineering students.

107. An Asian nations Education Ministers' Education Conclave and Mega Exhibition will be organized in Bengaluru under private partnership.
108. It is proposed to extend tele-medicine services to Primary Health Centres/Wellness Centres in a phased manner at a cost of Rs.19 crore by effective use of existing technology, in collaboration with the Central Government.
109. The Taluk Government Hospital at Sirsi in Uttara Kannada district will be upgraded to a 200-bed hospital.
110. To make Karnataka "Shravana Dosh Mukta", congenital deafness among children below six years of age will be detected at an early stage and cured by conducting cochlear implant surgery along with supply of hearing-aids. Rs.28 crore is provided for this project during the year 2020-21.
111. Intensive Care Units are set up at all the taluk hospitals in the State; under public private partnership scheme, it is proposed to effectively monitor the ICUs. It will be

implemented in two districts on a pilot basis during the year 2020-21.

112. Free peritoneal dialysis service will be provided for the benefit of patients who are BPL card holders, suffering from kidney failure, in five selected districts at a cost of Rs. Five crore.
113. The Emergency Medical Treatment Centres at K.C. General Hospital and five other hospitals will be developed into Centres of Excellence by upgrading them to international standards. A grant of Rs. Five crore will be provided for this purpose.
114. Cathlabs will be established for treatment of cardiac diseases at K.C.General Hospital, Bengaluru and C.V.Raman Hospital under the public private partnership model.
115. A 20-bed Ayush Integrated Hospital will be established in Haveri district at a cost of Rs.20 crore. For this purpose, Rs. Five crore will be provided during the year 2020-21.
116. To enhance the standard of neonatal care in the State, Neonatal Intensive Care Units at 17 medical college hospitals will be upgraded in a phased manner. Based on the model of Regional Advanced Pediatric Care Centre (RAPCC), Mangaluru, similar centres will be

established at various locations in the State under private partnership.

117. Simulation Laboratories at a cost of Rs. Three crore each and Molecular Biology Laboratories at a cost of Rs.30 lakh each will be established at all Government Medical Colleges in collaboration with Rajiv Gandhi University of Health Sciences (RGUHS).
118. It is proposed that an Institute of Dermatology and Cosmetology and an Institute of Geriatrics will be established with financial contribution from the Rajiv Gandhi University of Health Sciences.
119. It is proposed that a centralized Placement Cell be set up in the Rajiv Gandhi University of Health Sciences for the placement of doctors, nurses, para-medics and pharmacy students, graduating from the State of Karnataka.
120. Karnataka was the first State to present the Gender Budget in the year 2007-08. It involves policies and programmes formulated for the welfare of women. 953 programmes involving Rs.37,783 crore have been proposed in the Budget for the year 2020-21 and they comprise 15.88% of the total volume of the Budget, There has been a considerable

increase in women oriented policies and programmes as well as in the grant earmarked for the same in the last 13 years.

121. A special feature of the current Budget is that our Government is presenting the Child Budget for the first time in the history of the State. All the policies and programmes for the development of children below 18 years of age are consolidated and presented in this Budget. 279 programmes involving Rs.36,340 crore are proposed in the Budget for the year 2020-21, comprising of 15.28% of the total volume of the Budget. This Budget highlights the commitment of our Government towards all round development of children in the State.
122. I recall that I had the opportunity to present the first Gender Budget in the State during the year 2007-08. Now, I am glad that I got this opportunity to present the first Child Budget of the State before this Assembly.
123. Seven new 'Bala Mandiras' will be established in the State in collaboration with the Central Government. Rs.5.67 crore will be provided for this purpose during the current year.
124. Rehabilitation Centres are functioning on Hosur road, Bengaluru under Women and Child Welfare Department. For these

organizations which provide shelter to the exploited sections of society, a master plan will be prepared and they will be developed systematically. Rs. Five crore is allotted for this purpose.

125. The re-construction of 842 Anganawadi Kendras damaged by floods during the year 2019 in the State will be taken up at a cost of Rs.138 crore.
126. A Woman Safety Portal will be launched to deliver all the programmes of the Women and Child Welfare Department transparently including the facilities provided at counseling centres, special medical units, Ashraya houses, working women hostels and legal aid and other facilities to women.
127. To enable the youth who are discharged from Balamandiras after 21 years of age to start working and earn their livelihood, financial assistance of Rs.5000 per month, upto a maximum of 3 years, will be provided under the "Upakara" scheme. Skill Development Training will be provided to these young men/women by Skill Development Department and employment opportunities will be created. Rs. One crore will be provided for this purpose during the year 2020-21.

128. With a view to supply nutritious food to anganawadis, Mahila Supplementary Nutrition Production and Training Centres have been established and the required infrastructure has been provided. To enhance the production capacity by modernizing these centres, it is proposed to provide interest free loan from Rs.15 lakh to Rs.20 lakh under the Marginal Loan Scheme of Karnataka State Women Development Corporation. Rs.20 crore is provided for this purpose during the year 2020-21.
129. The products manufactured by women Self Help Groups will be procured as per the requirements of various Government Departments.
130. The Karnataka State Transgender Policy was implemented in the year 2017. To take it forward, it is proposed to conduct a base line survey of transgenders throughout the State, through Karnataka State Women Development Corporation at a cost of Rs.70 lakh during the year 2020-21.
131. A subsidy of Rs.60 lakh will be provided for creating self-employment opportunities through distribution of sewing machines in all

districts of the State for persons suffering from deafness during the year 2020-21.

132. Braille cum Talking Library will be set up for the benefit of the visually challenged at Bengaluru and Kalburgi at a cost of Rs.30 lakh. A modern printing machine of Rs.80 lakh will be purchased at Government Braille Printing Press, Mysuru.
133. To enable visually challenged children to become self reliant in their day-to-day life, a kit worth Rs.25000, containing a talking mobile, a Braille watch, a walking stick and other equipments will be distributed to 500 visually challenged children in the State. Rs.1.25 crore will be provided for this purpose.
134. Government currently provides an amount of Rs.2000 per month to visually challenged mothers towards childcare allowance up to first two years of the child. This allowance will be extended up to first five years of the child.
135. "Free Pre-Paid Health Cards" will be distributed to one lakh registered construction labourers and their families by which they can avail treatment in the approved private

hospitals under the “Mukhyamantrigala Arogya Suraksha” scheme.

136. A grant of Rs.25 crore is earmarked in year 2020-21 to establish a scheme, “Vanitha Sangathi” in association with factory owners and Bengaluru Metropolitan Transport Corporation (BMTTC), to provide free monthly bus passes to one lakh women labourers working in garment factories.
137. Ten “Mobile Clinics” will be established to provide health care facilities to the construction labourers and their families working in urban areas.
138. To provide child care services to the children of construction workers under the age of six years, 110 “Kittur Rani Channamma” child care centers including 10 mobile child care centers will be established at construction sites all over the State.
139. “Ahara” software being currently used will be upgraded.
140. “e-Mapana” application software will be upgraded in order to strengthen the control and supervision over the activities of the Department of Legal Metrology.

141. For the year 2020-21, a total amount of Rs.72,093 crore is provided to the Welfare and Inclusive Growth sector.

Sector 3: Stimulating Economic Growth

142. Inclusive growth is the aim of our Government. To promote the economic growth of the State, priority will be given to attract investments in industries, infrastructure, energy etc. Thus, our Government is committed to provide employment and to remove the regional imbalances in economic development.

143. A special development scheme has been under way for the past many years to eradicate regional imbalances within the State. Eradication of regional imbalances is the prime objective of our Government. For this purpose, the special development scheme for backward taluks will be continued. An amount of Rs.3060 crore is earmarked for the year 2020-21 for this scheme.

144. Hyderabad-Karnataka Development Board has been re-named as Kalyana Karnataka Development Board. Our Government is committed to the overall development of the Kalyana Karnataka Region. A grant of

Rs.1500 crore is earmarked for the Board for this purpose in the year 2020-21.

145. Kalyana Karnataka Human Resources, Agriculture and Cultural Society has been newly formed for the overall development of Kalyana Karnataka. The Society strives to achieve human resources development by formulating programmes relating to the sectors of Agriculture, Education, Health, Women Empowerment, Self Employment, Youth Empowerment etc., in the six districts of Kalyana Karnataka region. These activities will be carried out in the coming years with an expenditure of Rs.500 crore.
146. Karnataka is a model State in the country with respect to de-centralization of powers to the Panchayath Raj Institutions. In order to further de-centralize and strengthen the system, a Panchayath Raj Commissionerate will be established from 2020-21.
147. “Namma Grama - Namma Raste” scheme will be completed in 2020-21. It is proposed to implement a new “Grameena Sumarg Yojane” for further improvement of rural roads. Under this scheme, 20,000 km of rural roads is proposed to be developed in the next five

years. Rs.780 crore is earmarked in the year 2020-21 for this purpose.

148. To provide a permanent solution to the drinking water problem, a mega drinking water project will be implemented in Vijayapura and Mandya districts with an expenditure of Rs.700 crore with the assistance of Asian Infrastructure Investment Bank (AIIB) under the ambitious project, "Jaladhare" first phase.
149. It is the commitment of our government to provide potable drinking water to all rural people. Water connection will be provided to each house through a scheme called "Mane Manege Gange" which will be implemented under the "Jal Jeevan Mission" of Central government and also by utilizing the resources of the State in the coming four years. Water connection will be provided for 10 lakh houses during the year 2020-21.
150. In order to achieve co-ordination between rural and urban water supply and to provide potable water, a comprehensive policy will be framed and related departments and organizations will be brought under a single ministry.

151. To prevent accumulation of filth in the river beds of 17 rivers of the State, implementation of drainage and sewage system in 20 urban areas and Faecal Sludge and Septage Management (FSSM) unit in one town will be undertaken at a total expenditure of Rs.1690 crore. A grant of Rs.100 crore is earmarked for the year 2020-21 for this purpose.
152. A scheme will be formulated and implemented for the use of treated water in urban areas for non-domestic purposes in the cities of Ballari, Chitradurga and Hubballi-Dharwad at an expenditure of Rs.20 crore.
153. Comprehensive solid waste management programmes will be undertaken in all urban local bodies with external aid. The pre-feasibility report and detailed project report will be prepared during the year 2020-21.
154. It is proposed to prepare a Detailed Project Report for establishment of Karnataka Urban Observatory. This will showcase e-governance administration, assist data driven policy making and encourage open data usage.
155. I am happy to inform that we have participated in the recently concluded World Economic Forum at Davos in Switzerland. At that time, we have interacted with more

than 40 international companies and various investors. It was brought to our notice that even though there is a conducive environment to establish industries and invest in Karnataka, the purchase of land and getting required approval from various authorities is difficult. Our Government will prioritize this issue and necessary action will be taken in this regard.

156. Rules will be framed by amending the relevant Acts to encourage the investors in the State, to enable them to purchase land directly from the land owners at the place identified for the establishment of industry.
157. “Invest Karnataka – 2020”, a worldwide investors summit will be organized in November, 2020 in Bengaluru to exhibit to the world the investment opportunities in Karnataka.
158. “Production Specific Industrial Cluster Development” initiative will be implemented in nine districts of the State. In addition to this, on the basis of the capacity of the district and the feedback from partners, Shivamogga district will be developed as “Health and Wellness Cluster” and Dharwad district will be

developed as “Home and Personal Care Consumer Goods Manufacturing Cluster”.

159. Karnataka is the first State to declare the electric vehicles and energy storage policy in the country. Accordingly, it is proposed to establish an “Electric Vehicles and Energy Storage Manufacturing Cluster” at the fifth stage of Karnataka Industrial Area Development Board (KIADB) industrial area in Harohalli of Ramanagara Taluk. A grant of Rs.10 crore is earmarked for this purpose.
160. To create a conducive environment for Aerospace and Defense Equipment Manufacturing, a “Defense and Aerospace Equipment Manufacturing Cluster” in the industrial area of the Karnataka Industrial Area Development Board (KIADB) at Haralur-Muddenahalli of Bengaluru Rural District will be established.
161. An industrial estate will be set up at Siddapur Taluk of Uttara Kannada district.
162. It is proposed to establish a “Center for Smart Manufacturing” institute in Bengaluru in association with industries to deliver smart manufacturing technology to the small and micro industries of the State. A grant of Rs. Five crore will be earmarked for this purpose.

163. Karnataka holds the second place in the country for the manufacture of coir. Therefore to educate about coir based products and to provide an extensive market for such products, a “Coir Experience Centre” will be established with an expenditure of Rs. Five crore.
164. Tiptur of Tumakuru district is well known as ‘Kalpatharu Nadu’. To help the coconut growers in this area, ‘Coconut Based Industrial Park’ will be developed.
165. Under “Powertex India Yarn Fund” scheme of the Government of India, State will contribute maximum of Rs.50 lakh subsidy and establish with central assistance yarn units in two areas where there is a concentration of power looms.
166. Incentives have been declared in the new Textiles and Readymade Garments Policy, 2019-2024. There are plenty of opportunities for the growth of readymade garment sector in Bengaluru Rural district. Therefore, Bengaluru Rural district will be included in these incentives.
167. New textile parks will be set-up at Shiggaon in Haveri district and at Karkala in Udupi district. This will generate employment for 3000 persons.

168. By further developing skills in handloom weaving, GI tagged handloom cloth products unique to the State, are to be provided a suitable market through the prestigious “Priyadharshini” brand.
169. After recognizing the problems of weavers in the State, our Government has declared loan waiver scheme for weavers. A grant of Rs. 79.57 crore is provided to complete this scheme in this year 2020-21.
170. A “New Industrial Policy” will be implemented to attract capital investment, keeping in view the comprehensive industrial development of the State, especially for the backward areas, Tier-2 and Tier-3 cities. Priority will be given to those sectors providing greater opportunities in innovative technology and employment generation.
171. Mineral Exploration division will be established in the Head Office of the Mines and Geology Department to identify the deposits of High Value Minerals in the State. By identifying such deposits and facilitating their disposal as per rules, more income is expected for the State Exchequer.
172. In order to assist entrepreneurs to establish industries, the main services provided by

KIADB and KSSIDC, like allotment of land, approval of plan, lease cum sale deed, sale deed etc., will be brought under “Sakala” to expedite the delivery of these services.

173. By constructing Dharwad-Belagavi railway line through Kittur, the distance between Dharwad and Belagavi will be reduced from 121 km to 73 km and this will lead to a reduction in the travelling time of at least one hour. Therefore, the State Government has consented to the Ministry of Railways to provide land free of cost to this railway line and to bear fifty percent of cost of the works.
174. Hassan-Mangaluru Rail Development Corporation (HMRDC) is planning to spend in the year 2020-21 to enhance the capacity of rail line in the ghat region between Sakaleshapura and Subramanya Stations. This will not only enhance speed of the commute between Bengaluru and Mangaluru but will also help to commence additional rail facilities.
175. To facilitate all the Government Departments to function in one building, a “Twin-Towers” building with 25 storeys will be constructed at Anand Rao Circle, Bengaluru, with an expenditure of Rs.400 crore. For this purpose,

a Detailed Project Report will be prepared in the year 2020-21.

176. Different Departments of the State are preparing separate Schedule of Rates, to arrive at estimate for implementing the works of their respective Departments. Consequently, different rates are being considered for the same type of works in a particular area. In this background, action will be taken to formulate a uniform Schedule of Rates for all Departments, Corporations and Boards in the year 2020-21.
177. Bids will be invited for the development of the ports of Pavinkurve/Belekere of Uttara Kannada District under private partnership with an expenditure of Rs.2500 crore.
178. A study has been undertaken for the development of mini ports, coastal protection and comprehensive development of coastal tourism of the State and a "Karnataka Maritime Perspective Plan" has been formulated. This plan will be implemented during the year 2020-21.
179. A programme will be devised to promote tourism activities by developing inland waterways of the State rivers: Kali, Sharavathi, Hangarakatte, Gurupura and Nethravathi and

islands in collaboration with Inland Waterways Authority of India.

180. In order to consolidate and integrate all innovative activities of the State, an “Innovation Hub” will be established with an expenditure of Rs. Four crore.
181. To address the technical challenges of various important sectors in the development of Karnataka, a Centre of Excellence for Efficiency Augmentation will be established with the collaboration of STPI with an expenditure of Rs.30 crore.
182. An “Artificial Intelligence Research Translation Park” will be established in association with Indian Institute of Science, Bengaluru in order to promote AI-Research, AI-Innovation, AI-Commercialization, Pilot Project Implementation along with development of 5G technology. For this purpose, corpus grant of Rs.60 crore will be provided during next three years.
183. “Centre of Agro-Innovation” in Bengaluru Bio-Innovation Centre (BBC) would be set up to drive entrepreneurship in agriculture and allied sectors with an expenditure of Rs.20 crore.

184. It is proposed to set up Karnataka Technology Mission for investment promotion and liaisoning with foreign Governments and companies for attracting foreign investment. Rs.7 crore would be provided for this.
185. Talent Acceleration Programme would be started in collaboration with Skill Development Department to impart and upgrade skills for guaranteed placement of graduate students. 1000 graduates will be trained in the next two years. A sum of Rs. Two crore will be provided for this.
186. Karnataka contributes to about 34% of India's \$ 60 billion bio economy, which is expected to reach \$100 billion by 2025. Government will commission an in-depth study for drawing a roadmap and strategy to increase the contribution of Karnataka to 50% by 2025.
187. With a high aim to emphasize morality in order to create a suitable environment, a Centre of Excellence in the matter of 'internet of ethical things' will be established in collaboration with the World Economic Forum of Davos by including the interested stakeholders. For the said Centre, the State Government will provide a financial assistance of Rs.30 crore in five years. A grant of Rs.7.5

crore will be provided during the year 2020-21.

188. 'Acceleration programme' will be launched in association with the trade to accelerate the speed of startups and to help them to enter into domestic and foreign markets. A grant of Rs. Three crore will be provided during the year 2020-21.
189. 'Mobile Digital Planetariums' operational in 11 districts, have been a success in educating the students of rural schools regarding the wonders of astronomy. This facility will be extended to cover five other districts of the State with an expenditure of Rs. Five crore.
190. 'Science Talent Search' programme would be started to identify and nurture talented students studying in Pre-University Colleges. About 500 students will be selected and mentored for 2 years by premier science institutes. The selected students will be given monthly scholarship of Rs.1000.
191. Chief Minister's 'Koushalya Karnataka' is an ambitious scheme of the State Government. Non-residential training is being imparted under this scheme till date. Large numbers of training institutions are functioning in cities

and district headquarters. To impart training to the rural youth, residential training programme will be started as per the General Expenditure Rules of the Government of India. An amount of Rs.20 crore will be earmarked in 2020-21 for this purpose.

192. Under Public Private Partnership (PPP), Centers of Excellence will be established in Government Tool Room and Training Centre located at Belagavi, Hubballi, Mangaluru, Shivamogga, Hassan, Tumakuru and Harihara with an expenditure of Rs.353 crore. Through this, the employment opportunities will be increased by providing skill development training to the youth of the State in the high level domains of industrial sectors. It is targeted to provide appointments to 12600 students in the next five years.
193. Dual System of Training will be implemented in the ITIs of the State. This will help to fulfill the requirement of skilled human resources of the industries and also provide training programmes for courses offering high employability. This programme will be implemented in association with the institutes and Micro, Small and Medium Enterprises.

194. The capacity of Service Centres in Government Tool Room and Training Centre, Bengaluru will be upgraded with an expenditure of Rs.20 crore for the manufacture of spare parts of Satellites, Light Combat Aircrafts (LCA) and Advanced Medium Combat Aircrafts (AMCA) required by prestigious institutions like ISRO, HAL etc.
195. To enable street vendors in urban areas to carryout business through mobile application and to enhance their professionalism and entrepreneurship, a software will be developed for e-market system under the Deen Dayal Anthyodaya Scheme - National Urban Livelihood Mission.
196. Flue Gas Desulfurization (FGD) system will be developed at the Thermal Power Stations of Raichur, Ballari and Yaramaras with an estimated expenditure of Rs.2510 crore. Rs.500 crore will be spent during 2020-21 for this purpose and this will help in considerably reducing the air pollution.
197. It is proposed to formulate a policy to reimburse the electricity bill for pump sets of up to 10 HP, for small and medium scale coffee and tea planters.

198. For the year 2020-21, a total amount of Rs.55,732 crore is provided for Stimulating Economic Growth sector.

Sector 4: Comprehensive Development of Bengaluru

199. Karnataka plays an important role in the economic development of India. Half of the contribution of Karnataka GSDP (Gross State Domestic Product) comes from Bengaluru alone. People from different States come to Bengaluru for their livelihood. Therefore, it is imperative to give special attention for Bengaluru for the sake of economic development of the State and Country. Hence, I present a part of the Budget by consolidating the efforts of all the departments towards development of Bengaluru.

200. Bruhat Bengaluru Mahanagara Palike is functioning under the Karnataka Municipal Corporations Act, 1976. Compared to other cities, the nature of problems and issues are complex and has posed a major challenge to the administrative management of the city. To provide effective administration and citizen services, a Municipal Corporation Act, specific to Bengaluru city will be formulated.

201. Our Government is committed to overall development of Bengaluru city. For this purpose in the year 2019-20, action plan has been approved for works at a total cost of Rs.8344 crore under “Mukhyamantrigala Nava Nagaroththana” scheme. Action will be taken to implement the scheme in the year 2020-21.
202. Our Government has approved an action plan with a grant of Rs.999 crore for Solid Waste Management of Bengaluru City under “Shubhra Bengaluru” scheme. This work will be implemented in the current year and Bengaluru City will be made a model city in the country in solid waste management.
203. Bengaluru is known in the country as the “City of Lakes”. However, encroachment of lakes is on the rise in recent days. Lakes are getting polluted with sewage water making its way into them. In order to prevent this and also for comprehensive development of lakes, an action plan of Rs.100 crore has been approved under “Shubhra Bengaluru”. Rs.317 crore has been specifically earmarked for the development of lakes under the already approved “Mukhyamanthrigala Navanagaroththana” scheme. By utilizing this grant, our aim is to convert the lakes of

Bengaluru into green locations for citizens and flock of birds.

204. It is essential to fill the missing gaps in the major storm water drain network of Bengaluru city. Thus, flooding of rain water into houses during rainy season can be prevented. A grant of Rs.200 crore will be provided in the year 2020-21 to take up these works.
205. Bengaluru Water Supply and Sewerage Board is constructing water supply pipeline and drainage system in 110 villages merged in Bengaluru city. This has resulted in deterioration of roads. Rs.1,000 crore will be provided in the next two years for restoration of these roads. Rs.500 crore will be provided for this purpose in the current year.
206. Karnataka Power Corporation Limited in partnership with BBMP has proposed to establish a new "Waste to Energy" power generation centre of 11.5 mega watt capacity in Bidadi of Ramanagara District at an estimated cost of Rs.210 crore. 70 million units of power will be generated annually in this project. This would help management of segregated waste generated in Bengaluru city.
207. To create women friendly environment in selected Government offices situated in

Bengaluru, child care centres, women rest rooms having sanitary napkin dispensers and other facilities will be opened under the “Bengaluru Smart City” project.

208. Four electrical crematoriums will be established in different parts of the city keeping in view the growth of Bengaluru city.
209. Extension of two metro lines of a total length of 12.8 km on Mysore road up to Kengeri and on Kanakapura road up to Anjanapura township will be commissioned in 2020 after their completion.
210. The road cross-over facility for pedestrians other than metro commuters will be provided through 24 metro stations.
211. The construction of 56 km long Outer Ring Road – Airport Metro from Central Silk Board junction to Bengaluru International Airport via K.R.Puram and Hebbala at an estimated cost of Rs.14,500 crore will be commenced during the year 2020-21.
212. The preparation of detailed project report for ‘Outer Ring Road – West Metro’ from Hebbala to J.P.Nagar and ‘Magadi road Metrolite’ metro tracks with total length of 44 km will be taken

up and it is proposed to implement them through public-private partnership.

213. Public transport system needs to be strengthened and extended in order to reduce traffic density in Bengaluru. For this, sub-urban railway project at an expenditure of Rs.18,000 crore in the Central Government budget has been declared. During 2020-21, a grant of Rs.500 crore will be earmarked to this project from the State Government. This project would be a major step in the direction of developing a public transport system in Bengaluru.
214. The Ministry of Railways has accorded sanction for double track project of Byappanahalli – Hosur and Yeshwanthpura – Channasandra railway tracks. Since the doubling of these railway tracks would help in providing more number of sub-urban trains, the State Government has decided to incur 50% of the project expenditure.
215. Bengaluru Metropolitan Transport Corporation is purchasing 1500 diesel buses at an expenditure of Rs.600 crore to augment transport facility for the increasing population in Bengaluru city. For this, Government of Karnataka will provide Rs.100 crore every

year, for a period of seven years, in the form of loan subsidy to Bengaluru Metropolitan Transport Corporation.

216. Under FAME-2 scheme of Government of India, 300 air-conditioned electric buses are being added to the fleet of Bengaluru Metropolitan Transport Corporation. On similar lines, State Government is providing a grant of Rs.100 crore for adding 500 ordinary electric buses to the fleet of the corporation.
217. Action has been taken to purchase 90 Electric buses under Smart City Project in order to encourage mass transport and to provide effective Metro Feeder Transport facility to Metro commuters.
218. To improve the last mile connectivity in public transport in Bengaluru, it is proposed to implement “Electric Bike Taxi” project.
219. It is proposed to develop “Bus Priority Lane” in 12 corridors having high traffic density in Bengaluru city under Phase-2.
220. A feasibility study will be taken up to develop an ‘Integrated Multi Modal Transport Hub’ in the outskirts of Bengaluru city, with private-partnership in order to reduce heavy vehicle density in the city.

221. A comprehensive mobility programme for Bengaluru is prepared for the first time. Infrastructure facilities, transit based development and essential regulatory measures will be taken up with an objective of increasing the utilization of public transport from 48% to 73%.
222. Action will be taken to increase the transport capacity in Hebbala, Silk Board and K.R.Puram junctions in Bengaluru which are afflicted by critical traffic congestion.
223. Twelve high density zones in the jurisdiction of Bengaluru city contribute to 80% of traffic congestion. These zones measure up to about 190 km and it is proposed to get them developed under the supervision of Karnataka Road Development Authority. An estimated amount of Rs.500 crore will be spent on this.
224. Karnataka State Road Safety Authority has been set-up in order to prevent road traffic accidents in the State. 'Rasthe Surakshatha Nidhi' (Road Safety Fund) has been established under this Authority. The Cess collected in this fund will be utilized for various road safety activities. Rs.200 crore is provided in the year 2020-21 to this fund.

225. Vehicle Location Tracking system will be installed in passenger and goods transport vehicles moving in the State at an expenditure of Rs.20 crore. For this, Rs.8 crore will be provided from the Road Safety Fund.
226. In order to mitigate vehicle parking problems in prominent commercial areas of Bangalore and also to prevent parking of vehicles on the road, 'Underground Vehicle Parking' project will be initially taken up in one congested area with private-partnership.
227. To provide high speed internet connectivity to all consumers in the Bengaluru city, it is proposed to install optical fibre utilizing the infrastructure.
228. In addition to rejuvenation of water sources from the T.G.Halli project, it is possible to utilize 1.7 TMC water for Bengaluru city drinking water supply. This project will be completed by the end of September 2021.
229. Sewage water treatment capacity of Bengaluru Water Supply and Sewerage Board which was at 721 million litres during 2016-17 has been increased to 1137 million litres by the end of 2019-20. It is targeted to increase the capacity to 1587 million litres by the end of 2020-21. Old sewage treatment plants will be

rejuvenated and modernized at an expenditure of Rs.1000 crore. By this, it is possible to treat the entire sewage water generated in Bengaluru city and with this the past glory of all tanks in Bengaluru can be revived.

230. It is proposed to supply 775 million litres of water to Bengaluru city under the 5th Phase of Cauvery Water Supply scheme and this scheme will be completed by the end of 2023 at an expenditure of Rs.5,550 crore.

231. For the year 2020-21, a total amount of Rs.8,772 crore is provided for the Bengaluru development sector.

Sector 5: Conservation of Culture, Heritage and Natural Resources

232. Karnataka boasts of prolific literature, rich cultural heritage and abundant natural resources. Our Government gives priority to protect them. Kannadigas have been acclaimed in Kavirajamarga as being capable of making poetic expressions 'ಕುರಿತೋದದೆಯುಂ ಕಾವ್ಯ ಪ್ರಯೋಗ ಪರಿಣತಮತಿಗಳ್'. Innumerable poets, litterateurs have contributed a lot for the growth of Kannada literature since long. It is the priority of our Government to provide the richness of Kannada literature to the future

generations by adopting more technology to Kannada language. Action will also be taken with community participation to conserve abundant natural resources and biodiversity and also control pollution.

233. Basavanna and other sharanas of 12th century have acclaimed “Anubhava Mantapa” – the first parliament in the world. It is essential to propagate their thoughts to the future generation. With this in view, Anubhava Mantapa will be constructed in Basavakalyana at an expenditure of Rs.500 crore. For this purpose Rs.100 crore will be provided during the year 2020-21.
234. A 325 feet high bronze statue of Sri Jagajyothi Basaveshwara is being constructed in the premises of Sri Murugha Mutt in Chitradurga District. For this, our Government will provide an assistance of Rs.20 crore.
235. “Vijnaneshwara Adhyayana Peeta” will be established at an expenditure of Rs. One crore in Karnataka State Law University for the purpose of carrying out research on great personalities of Karnataka from the legal perspective.

236. Vivekananda Youth Centre will be established in Bengaluru at an expenditure of Rs. Two crore.
237. Better training facility will be provided to sports persons by strengthening sports infrastructure under public-private partnership in the State and there by creating opportunity to compete at the national and international levels. A grant of Rs. Five crore is earmarked to provide facilities for creating more employment opportunities in the field of sports by providing encouragement to the trainers and technical personnel related to sports along with skill training.
238. To inculcate leadership and values in the youth of the State, the Ananthkumar Foundation has been established. State Government has proposed to provide a grant of Rs.20 crore to this foundation for establishing 'Leadership Development and Policy Formulation Research Centre'. For this purpose, a grant of Rs.10 crore will be provided in the year 2020-21.
239. Vishwakarma Amarashilpi Jakanachari memorial day will be celebrated all over the State on 1st January of every year on a grand scale by the Government.

240. Kalakshethras will be constructed in all four directions of Bengaluru city on the model of Ravindra Kalakshethra at an expenditure of Rs.60 crore keeping in view the growth of our land, language and culture.
241. A 100 feet high bronze statue of Nadaprabhu Kempegowda will be erected in the International Airport region of Bengaluru at a total expenditure of Rs.66 crore.
242. Development works at an expenditure of Rs. Five crore will be taken up at Shishunala village in Haveri District, where the tomb of Santha Shishunala Sharif is located.
243. To conserve and develop the house at Chitradurga where the former Chief Minister of Karnataka, late S. Nijalingappa lived, a grant of Rs. five crore will be provided.
244. Rs. Five crore will be provided for the development of Santheshivara village of Hassan district, which is the birth place of the famous writer, Sri S.L.Bhyrappa.
245. Lambani Culture and Language Academy will be established to conserve Lambani culture and language and to familiarize the same to the next generation, for which a grant of Rs.50 lakh will be provided.

246. Bengaluru Chitrakala Parishath is a platform for exhibiting the artistic talent of artists in the State. Considering the Chitrasanthe programme held here every year as a cultural programme of the Government, Rs. One crore will be provided in the year 2020-21.
247. A film city of global standards in Karnataka, which is famous for acting skills, will be established with private participation at Bengaluru at a total expenditure of Rs.500 crore.
248. Rs. Five crore will be provided for the welfare of journalists through Journalists' Welfare Fund.
249. Contribution of the Mutts in building a better society is commendable. Their continued services help maintaining peace and harmony in the State. This Government considers it as our responsibility to support the development of such Mutts that strive hard for the welfare of different communities. Our Government is committed to extend financial assistance for the development of Mutts belonging to different communities.
250. Government of Karnataka is running guest houses at various famous pilgrimage centres of India for the benefit of pilgrims visiting

those places from our State. The development of infrastructure facilities of the guest houses of Sri Kshethra Mantralaya, Tulajapura, Pandarapura, Varanasi, Ujjaini, Srishaila temples, will be taken up at expenditure of Rs.25 crore.

251. The simple triplets of poet Sarvajna reflects the principles of life, realities, messages and eternal relevance. Encouragement will be given for various developmental works of Sarvajna Abhivrudhi Pradhikara in Hirekerur taluk of Haveri district.
252. To enable selected beneficiaries in the State who have crossed 60 years and are below the poverty line to visit famous pilgrimage centres of the State and the country free of cost, a grant of Rs.20 crore is earmarked to implement the “Jeevana Chaitra Yatre” programme with the partnership of Karnataka State Tourism Development Corporation and IRCTC of Railway Ministry.
253. “Samrakshana” scheme will be implemented to conserve and restore, in a phased manner, more than 25,000 historically significant temples, ancient places and memorials in the State.

254. The present Tourism Policy will end by March 2020. A new Tourism Policy incorporating tourism friendly schemes will be implemented during the year 2020-21.
255. Anjanadri hill in Gangavathi Taluk of Koppala District, a place with a historical background, is popular as the birth place of Sri Anjaneyaswamy. The comprehensive development of Anjaneyaswamy temple situated on this hill will be taken up at an expenditure of Rs.20 crore.
256. Chitradurga being an important tourist place which reminiscences Veera Madakari Nayaka and Onake Obavva, action will be taken for its comprehensive development.
257. A project will be formulated for the over-all development of Badami, a historical tourist place, and implemented at an expenditure of Rs.25 crore.
258. There are ample opportunities for the development of tourism in the State of Karnataka. Realising this, our Government has constituted a “Karnataka Tourism Task Force” under the leadership of Padmashree awardee Sudha Murthy. Based on their recommendations, various programmes will be taken up to encourage tourism. Rs.100 crore

will be provided for advertisement and other activities to encourage attraction of more tourists to the State. Further, the all-round development of tourism in the State will be taken up at an expenditure of Rs.500 crore.

259. "Global Tourism Investors Meet" will be organized to attract investors in the tourism sector to provide employment opportunities to the youth of the State.
260. A tourism circuit for Jog Falls of Sagar Taluk in Shivamogga District which attracts domestic and foreign tourists and other tourist places will be developed by providing supplementary infrastructural facilities.
261. To ensure that Karnataka is an environmentally responsible State, a Green Index has been developed by the Department of Environment and Ecology by which all Governmental Schemes shall be measured. It will be our endeavor to make all schemes environmental friendly, as far as possible.
262. A grant of Rs. Five crore will be provided for conducting a survey of shola forests in the State to protect and conserve bio-diversity in these forests. Necessary action will be taken to conserve animal species under extinction.

263. A grant of Rs. Five crore will be provided for upgrading the mini zoo present in the Thyavarekoppa Tiger-Lion Safari in the outskirts of Shivamogga city.
264. A Vulture Breeding Centre in the Vulture Sanctuary will be established in Ramanagara District at an expenditure of Rs. Two crore.
265. A total of Rs.6.25 crore will be provided for rehabilitation of monkeys in five years. During the year 2020-21, Rs.1.25 crore will be provided.
266. The State's first Marine Eco Park will be established in Uttara Kannada District at an expenditure of Rs.One crore.
267. For the year 2020-21, a total amount of Rs.4,552 crore is provided for Culture, Heritage and Natural resources sector.

Sector 6: Administrative Reforms and Public Service Delivery

268. Our Government will try to stop people frequenting Government offices for obtaining various day-to-day services. In addition to the provision of services online, it is proposed to prevent inconveniences caused to the people by bringing more and more services under the ambit of Sakala scheme. Along with this,

priority will be accorded to receive complaints from the public through social networking platforms and to address the grievances. Our Government will take action to extend the citizen friendly service delivery system to the village level.

269. The “Janasevaka” scheme which is being implemented in selected assembly constituencies of Bengaluru on a pilot project basis will be extended to all the assembly constituencies of Bruhat Bengaluru Mahanagara Palike and to all the city corporations of the State on public-private partnership model.
270. It is proposed to set-up GRAMA-1 centres in all villages to bring all services under one roof on the model of BENGALURU-1, KARNATAKA-1 along with private participation. GRAMA-1 centres will publish various schemes of the Government, farm prices in different APMCs/Yards, apart from receiving online applications under Sakala, Sevasindhu schemes, public grievances and Right to Information Act.
271. “Mahiti Kanaja” software will be developed and implemented to enable the citizens of the State to obtain information by making online

submission of applications under the Right to Information Act. This unified software will be extended to all departments/organizations.

272. State and District level awards will be given to officers showing excellent performance in implementation of the Sakala scheme.
273. It is the priority of this Government to detect encroachment of valuable Government lands by private persons situated in the urban areas all over the State and to protect the Government land. In this regard Government Land Protection Committee has been constituted in the State. This committee collects the information of encroachment of land and irregularities in the jurisdiction of Bengaluru and other corporations and gives directions to the respective departments to clear them. Action will be taken as per the directions of this committee.
274. Siddha-seve scheme will be formulated and implemented from this year for immediate provision of various certificates to the public. For this purpose, Rs. Three crore will be provided in the year 2020-21.
275. The Suvarna Soudha at Belagavi remains vacant except for the period during the session. For the better utilization of this

building, it has been decided to shift some of the State Government offices to Suvarna Soudha in stages.

276. Our Government has come forward to fulfil one of the long pending demands of the State Government Employees. Modifying the existing Jyothi Sanjivini Scheme, cashless treatment facility for surgical treatment procedures will be provided to the employees and their dependents. 22.5 lakh employees and their dependents will be benefitted through this scheme. Its annual estimated expenditure will be Rs.50 crore.
277. Department of Information and Public Relations, working as a bridge between the Government and the general public, has put in place “Janasnehi Sahaya Vedike” scheme. By establishing co-ordination with various departments, it is proposed to implement this scheme more effectively. For this a grant of Rs. Five crore will be provided.
278. A Digital Media Advertisement Policy will be formulated to reach government programmes to the public effectively through new media. A fund for this purpose will be established

in the name of renowned writer Dr. D.V. Gundappa, who was a senior journalist.

279. The Government of Karnataka is implementing “Police Gruhabhagya-2020” for the police personnel of the State. To continue the works under this scheme, Rs.200 crore will be provided during the year 2020-21. Further, action will be taken to take up all preparatory works for the implementation of “Police Gruha-2025” scheme.
280. It is the priority of our Government to provide safety to the women in the State. The “Suraksha App” which is developed in this regard has been downloaded by more than 2 lakh women in Bengaluru city. By extending this app throughout the State during the year 2020-21, protection will be given to the women in times of trouble through the emergency response vehicles.
281. To protect the law and order situation in Bengaluru, 75 new Hoysala vehicles will be purchased. Out of these, certain vehicles will be used specially for women safety as ‘Pink Hoysala’. 75 vehicles will be purchased for utilizing them under National Emergency Response System in other districts.

282. A new traffic sub-division will be established in Whitefield to mitigate the problem of traffic congestion in Bengaluru City.
283. Bengaluru is growing as a mega-city. Along with this development, several security problems are arising. To prevent the damage being caused to law and order by explosives and drugs, this Government has undertaken many measures. In this direction, a grant of Rs.2.5 crore will be provided to strengthen the Police Dog Squad.
284. Under K-Safe, 10 new Fire Stations will be established at Mudhol, Yelaburga, Thirthahalli, Narasimharajapura, Gonikoppa, Kunigal, Devanahalli, Baindoor, Mundagod and Shirahatti.
285. Permanent fire extinguishing equipments will be installed at Karwar Port at an estimated cost of about Rs.19 crore.
286. Self-defence Training will be provided to women at concessional rates in Police Training Schools and Head Quarters of C.A.R and D.A.R.
287. To provide effective public transport facilities to the students of schools and colleges in the State, by the Karnataka State Road Transport

Corporation, North-East Karnataka Road Transport Corporation and North-West Karnataka Road Transport Corporation, 2450 new buses will be purchased.

288. For the education of the children of auto drivers, up to Rs.2000 will be provided for each family every year. For this purpose, Rs.40 crore will be provided in the year 2020-21.
289. For the year 2020-21, a total amount of Rs.10,194 crore is provided for Administrative reforms and Public service delivery sector.

TAX PROPOSALS

COMMERCIAL TAXES

GOODS AND SERVICES TAX (GST)

290. Karnataka stands second in the country with regard to total Goods and Services Tax (GST) collection and has achieved a growth rate of about 14% in State GST revenues. As the revenue gap under GST is yet to be bridged, the State has requested the Central Government and the 15th Finance Commission to extend the compensation scheme beyond 2022.
291. To improve GST compliance and curb tax evasion, the Commercial Taxes Department

has undertaken rigorous inspection of tax defaulters, post-registration verification, enhanced vigilance activities and legacy audit. Karnataka tops the verification of electronic way bills in the country in 2019-20. The National Informatics Centre (NIC), Karnataka, along with the Commercial Taxes Department, has developed a data analytics system called 'GST Prime' which is a model for and replicated in other States.

292. As GST is being stabilized in the country, Commercial Taxes Department will be re-structured to cater to the present-day challenges of indirect tax administration. To encourage professionalism and recognize exemplary services in tax administration, it is proposed to institute an appropriate scheme of awards and rewards. Capacity building programmes to the officials in the premier institutions in the country and overseas will be continued.

Additional Resource Mobilization Measures:

293. Karnataka has always done well with regard to resource mobilization for developmental activities. In this regard, I propose to increase rate of tax on petrol from 32% to 35% and diesel from 21% to 24%. By this measure,

there will be increase in price of petrol by Rs.1.60 per litre and that of diesel by Rs.1.59 per litre. Even after this increase, the price in Karnataka will be comparable to other neighbouring states.

294. The revenue collection target for the Commercial Taxes Department for the year 2020-21 is fixed at Rs.82,443 crore.

STAMPS AND REGISTRATION

295. The revenue collection target for 2019-20 was fixed at Rs.11,828 crore and against this Rs.10,248 crore has been collected till the end of February 2020 which is 87% of full year target.
296. The revenue collection target for 2020-21 is fixed at Rs.12,655 crore.
297. To promote affordable housing, I propose to reduce the stamp duty on first time registration of new apartments/ flats costing less than Rs.20 lakh from existing 5 per cent to 2 per cent.
298. Online registration of Bank and NBFC Loan documents will be facilitated through National e-Governance Service ltd. This will also help in online payment of Stamp Duty for these documents.

299. For the registration of properties in the limits of Urban Local bodies, the Kaveri software application of Stamps and Registration department will be integrated with the e-Aasthi software application of Urban Development department.
300. For the purpose of registration of documents relating to immovable properties newly being developed, Kaveri-2 software application will be implemented.

EXCISE

301. We had fixed a revenue target of Rs.20,950 crore for the Excise Department for the year 2019-20. At the end of February, Rs.19,701 crore has been collected. We hope to achieve the budgeted target.
302. I propose to increase the existing rates of Additional Excise Duty on IML by 6 per cent across all 18 slabs as per Annexure –A.
303. With this and with effective enforcement and regulatory measures, the department would be achieving the target of Rs.22,700 crore fixed for the financial year 2020-21.

TRANSPORT

304. A target of Rs. 7,100 crore revenue collection is expected to be achieved in 2019-20.

305. It is proposed to levy Motor Vehicles tax on contract carriages having seating capacity to carry more than 12 passengers but not more than 20 passengers at the rate of Rs. 900 per seat per quarter.
306. It is also proposed to levy Motor Vehicles tax on New Model sleeper coaches which are granted permits under section 88 (9) of M.V Act 1988 at the rate of Rs.4,000 per sleeper per quarter.
307. For 2020-21 revenue collection target has been fixed at Rs.7115 crore.

REVISED ESTIMATES 2019-20

308. As per the Revised Estimates of 2019-20, the total Receipts are Rs.2,26,088 crore compared to the Budget Estimates of Rs.2,30,738 crore. The revenue mobilization efforts of the State stand at Rs.1,77,255 crore, out of which the Own Tax Revenues are estimated at Rs.1,18,989 crore.
309. As per the Revised Estimates, the total expenditure is Rs.2,26,625 crore. This is an increase of 5.64% over 2018-19.

BUDGET ESTIMATES 2020-21**Hon'ble Speaker Sir,**

310. The Total Receipts are estimated to be Rs.2,33,134 crore during 2020-21. The Budget Estimates envisage Revenue Receipts of Rs.1,79,920 crore and Capital Receipts of Rs.53,214 crore including Borrowings of Rs.52,918 crore. The Total Expenditure is estimated to be Rs.2,37,893 crore consisting of Revenue Expenditure of Rs.1,79,776 crore, Capital Expenditure of Rs.46,512 crore and debt repayment of Rs.11,605 crore.
311. Revenue Surplus is estimated to be Rs.143 crore, Fiscal Deficit is expected to be Rs.46,072 crore, which is 2.55% of GSDP. Total liabilities at Rs.3,68,692 crore at the end of 2020-21 are estimated to be 20.42% of GSDP. This is within the limit of 25% for 2020-21 mandated in Karnataka Fiscal Responsibility Act.
312. Therefore, all these three fiscal parameters are within the mandate of the Karnataka Fiscal Responsibility Act and this reflects fiscal prudence of the State.

Resource Mobilization

313. The States Own Tax Revenue for 2020-21 including GST compensation is estimated to be Rs.1,28,107 crore which is an increase of 7.66 % over the Revised Estimate of 2019-20.
314. Rs.7,767 crore is expected to be collected from Non-Tax Revenues. The State Government expects to receive Rs.28,591 crore by way of the share in Central Taxes in Budget 2020-21 and another of Rs.15,454 crore as grants from Government of India. These revenue receipts are estimated to be supplemented by gross borrowings of Rs.52,918 crore, non-debt capital receipts of Rs.40 crore and recovery of loans to the extent of Rs.257 crore.
315. Various State owned Boards and Corporations and Local bodies are expected to mobilize Rs.22,378 crore through internal resource generation and borrowings made on the basis of their own financial strength and own revenues.

Hon'ble Speaker Sir,

316. The budget presented by me today, reflects our Government's developmental foresight. Our Government's agenda for building affluent Karnataka is made clear. I seek cooperation of

all the Hon'ble members of this House for the implementation of these programmes. Despite shortfall in allocation of grants and deficit in GST compensation, I am presenting this budget within the parameters of Karnataka Fiscal Responsibility Act, 2002.

317. Now, I commend the budget for consideration of the august House and seek approval for full budget to incur expenditure up to 31st March 2021 as per the budget estimates.

Jai Hind

Jai Karnataka

ANNEXURE - A**(PARA - 302)****EXISTING AND PROPOSED ADDITIONAL EXCISE
DUTY (AED) RATES ON IML.**

| Sl. No. | Declared Price (per Carton Box) | Existing AED (per B.L.) | Proposed AED (per B.L.) |
|----------------|--|--------------------------------|--------------------------------|
| 1 | 0 - 449 | 144 | 153 |
| 2 | 450 - 499 | 197 | 209 |
| 3 | 500 - 549 | 259 | 275 |
| 4 | 550 - 599 | 334 | 354 |
| 5 | 600 - 699 | 434 | 460 |
| 6 | 700 - 799 | 530 | 562 |
| 7 | 800 - 899 | 565 | 599 |
| 8 | 900 - 999 | 609 | 646 |
| 9 | 1000 - 1099 | 638 | 676 |
| 10 | 1100 - 1199 | 716 | 759 |
| 11 | 1200 - 1299 | 833 | 883 |
| 12 | 1300 - 1399 | 969 | 1027 |
| 13 | 1400 - 1799 | 1048 | 1111 |
| 14 | 1800 - 2199 | 1170 | 1240 |
| 15 | 2200 - 4924 | 1336 | 1416 |
| 16 | 4925 - 7650 | 1561 | 1655 |
| 17 | 7651 - 15000 | 2246 | 2381 |
| 18 | 15001 and above | 3370 | 3572 |

BUDGET AT A GLANCE

BUDGET AT A GLANCE

₹ in Crores

| Item | Budget Estimates 2019-20 | Revised Estimates 2019-20 | Budget Estimates 2020-21 |
|------------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Opening Balance | -173.50 | 989.97 | 720.48 |
| A. REVENUE ACCOUNT | | | |
| I. Receipts | | | |
| State Taxes | 118992.98 | 118988.91 | 128106.83 |
| Share of Central Taxes | 39806.26 | 30919.00 | 28591.23 |
| Grants from Central Government | 15008.31 | 19839.83 | 15454.46 |
| Non-Tax Revenue | 8055.41 | 7507.74 | 7767.24 |
| TOTAL-A. I | 181862.96 | 177255.48 | 179919.76 |
| II. Expenditure | | | |
| Social Services | 71350.41 | 68296.42 | 65046.71 |
| Economic Services | 52906.81 | 51003.18 | 48536.23 |
| General Services | 50491.61 | 50937.26 | 59602.59 |
| Grants-in-aid and Contributions | 6856.16 | 6733.52 | 6590.92 |
| TOTAL-A. II | 181605.00 | 176970.38 | 179776.44 |
| A. Revenue Account Surplus/Deficit | 257.96 | 285.09 | 143.32 |

BUDGET AT A GLANCE

₹ in Crores

| Item | Budget | Revised | Budget |
|--|-----------------|-----------------|-----------------|
| | Estimates | Estimates | Estimates |
| | 2019-20 | 2019-20 | 2020-21 |
| B. CAPITAL ACCOUNT | | | |
| I. Receipts | | | |
| Loans from Central Government | 1473.79 | 1052.52 | 1844.50 |
| Open Market Loans | 46127.00 | 46127.00 | 49573.00 |
| Loans from LIC,NSSF,NCDC and RIDF | 1000.00 | 1310.49 | 1500.00 |
| Misc Capital Receipts | 80.00 | 80.00 | 40.00 |
| Recoveries of Loans and Advances | 194.67 | 262.53 | 256.63 |
| TOTAL-B . I | 48875.46 | 48832.54 | 53214.13 |
| II. Disbursements | | | |
| Capital Outlay | 39080.13 | 36929.70 | 43059.14 |
| Repayment of Central Govt Loans | 1517.91 | 1517.91 | 1494.56 |
| Repayment of Market Loans | 6000.09 | 6000.09 | 7100.08 |
| Repayments of Loans from LIC,NSSF,NCDC and RIDF | 2446.36 | 2756.85 | 3010.64 |
| Disbursements of Loans and Advances | 3503.47 | 2450.07 | 3452.47 |
| TOTAL-B . II | 52547.96 | 49654.62 | 58116.89 |
| C.Consolidated Fund | 234152.96 | 226625.00 | 237893.33 |
| D. Closing Balance | -686.57 | 720.48 | 495.43 |









