



# **Economic Survey of Karnataka 2014-15**



**Planning, Programme Monitoring  
& Statistics Department**



# **ECONOMIC SURVEY OF KARNATAKA 2014-15**

**Planning, Programme Monitoring & Statistics Department**

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## **PREFACE**

The Economic Survey is a document which is published every year by the State Government. The objective of the Economic Survey is to analyse the performance of the State across sectors and to identify specific gaps and challenges for initiating appropriate action. The document highlights the macro-economic profile of the State and provides basic information and data on economic policies and development programmes being implemented by the Government.

It is widely read by policy makers, current and prospective investors and entrepreneurs, researchers, academics and students. The users of the Economic Survey include foreign investors and domestic investors. The document has been found to be useful to potential investors to evaluate Karnataka as a destination for their investments and consequent business activities.

Concerted efforts have been made to check the accuracy and relevance of the data and information presented in the document. There has been a renewed focus on enhancing the presentation of data and information and improving upon the analysis of issues/performance. There have also been changes in chapterisation of the document. There are separate chapters on Rural Development and Urban Development, Employment and Labour Welfare. As the budget date is fixed in the second week of March, 2015, in most of the chapters the data has been given up to the end of December 2014.

The preparation of the Economic Survey 2014-15 was coordinated by Mr.K.Lakshmipathy, Director, Directorate of Economics & Statistics and Sri K.S. Shankar, Project Director, Karnataka Statistical Systems Development Agency.

Preparation of the Economic Survey document has been strengthened by inputs from officers of the Government and subject matter experts. The support received from nodal officers Mr.K.Lakshmipathy, Mr.K.V. Subramanyam, Mr.Raghuram Reddy, Mr.M.N.Narasimhamurthy, Mr.Vijendra Babu, Mr.B.S.Narayanswamy, Mr. K.S.Shankar, Dr.B.Janakiram, Mr. U.R.Subramaniya, Mr.R.P.Terwai, Mr.K.Suresh Ms.S.K.Kalpana, Mr.Ramachandra Hegde, Ms.C.S.Lathadevi and consultants of the Planning Department is appreciated. Dr. H. Shashidhar, Mr. M.A.Basith, Mr.S.A.Katarki, Mr.U.S.Boodhihal, Deputy Secretary of Finance Department and their teams have also contributed quite a bit. Contribution from subject matter experts, Prof. K.Gayithri, Prof. K.S.James, Dr.Padma Sarangapani and Prof.S.R.Keshava is acknowledged with gratitude.

The contribution of Mr.K.Srinivas for assisting the Coordinator, and Mr.R.Manjunath for collating the appendix sections of the document in both the versions (English & Kannada) is acknowledged. The administrative support given by the officials of Directorate of Economics & Statistics and Planning Department is also acknowledged. Contribution of Dr. Shiddalingaswami V. Hanagodimath for assisting in editing the Kannada version of the document is appreciated. Contribution of Ms. Kalavathi and her colleagues of M/s Shreyas Creations for the DTP work is recognised.

I thank the officers of the line departments who have provided data and the information on new initiatives and challenges. The nodal officers and coordinators have tried their best to present the information with due care and accuracy, and I look forward to your feedback for further improvements.

**V. Manjula,  
Principal Secretary.**

# CONTENTS

Sl. No	Title	Page No
<b>CHAPTER 1: STATE OF KARNATAKA ECONOMY: AN OVERVIEW</b>		<b>1-7</b>
1.1	Introduction	1
1.2	Economic Survey	1
1.2.1	State Income and Prices	1
1.2.2	Fiscal Development and State Finances	2
1.2.3	Investment and Exports	3
1.2.4	Rural Development	3
1.2.5	Urban Development	3
1.2.6	Agriculture and Allied Activities	4
1.2.7	Natural Resources and Environment	5
1.2.8	Industry	5
1.2.9	Employment and Labour Welfare	5
1.2.10	Economic Infrastructure	6
1.2.11	Human Development	6
1.2.12	Gender and Social Equity	7
1.2.13	Balanced Regional Development	7
1.2.14	Evaluation of Government Programmes / Schemes	7
<b>CHAPTER 2: STATE INCOME AND PRICES</b>		<b>9-25</b>
2.1	State Income	9
2.2	Prices	18
<b>CHAPTER 3: FISCAL DEVELOPMENT AND STATE FINANCES</b>		<b>27-55</b>
3.1	Fiscal Consolidation	27
3.2	Karnataka-vis-a-vis-Other States	28
3.3	State Finances	28
3.4	Budget Developments in 2014-15	29
3.5	Capital Formation by Government	44
3.6	Investment Under Plan: State Budgetary Support (SBS) for Plan	44
3.7	New Schemes in 2014-15 Budget	49
3.8	District Sectoral Plan Outlays for 2014-15	49
3.9	Externally Aided Projects	50
3.10	Current Fiscal Challenges and Way Forward	53
<b>CHAPTER 4: INVESTMENT AND EXPORTS</b>		<b>57-72</b>
4.1	Investment in Karnataka	57
4.2	Exports of Karnataka	66
<b>CHAPTER 5: RURAL DEVELOPMENTS</b>		<b>73-108</b>
5.1	Rural Governance	73
5.2	Housing	74
5.3	Rural Infrastructure	80
5.4	Rural Employment and Livelihood	101
5.5	Fiscal Decentralisation in Karnataka	104
5.6	Issues and Challenges	108
<b>CHAPTER 6: URBAN DEVELOPMENTS</b>		<b>109-178</b>
6.1	Trends in Urbanisation	109
6.2	Urban Housing	110
6.3	Urban Slums	115
6.4	Urban Infrastructure	122
6.5	Urban Environment	132
6.6	Development of Bangalore Region	137
6.7	Urban Governance	147
6.8	Master Planning	147
6.9	Financing Urban Development	163
6.10	Outcomes and Challenges	175
<b>CHAPTER 7: AGRICULTURAL AND ALLIED SECTORS</b>		<b>179-280</b>
7.1	Budget for Agriculture	179
7.2	Monsoon in 2014	179
7.3	Agricultural Production - Performance and Prospects	180
7.4	Land Utilization and Operational Holdings	182
7.5	Cropping Pattern	183
7.6	Distribution of Inputs	184
7.7	Programmes and Schemes implemented by the State Government.	187
7.8	Flagship Programmes	195
7.9	Initiatives taken up by the Department	198
7.10	Outcome of Various Development Programmes	201
7.11	Watershed Development Programme	201



# CONTENTS

Sl. No	Title	Page No
7.12	Agriculture Marketing	209
7.13	Horticulture	216
7.14	Animal Husbandry and Veterinary Services	236
7.15	Fisheries	256
7.17	Agriculture Research, Education and Training	269
7.18	Outcomes and Challenges	276
	<b>CHAPTER 8: NATURAL RESOURCES AND ENVIRONMENT</b>	<b>281-246</b>
8.1	Forests	281
8.2	National Park and Wild Life Sanctuaries	286
8.3	Developmental Programmes	293
8.4	Ecology and Environment	302
8.5	Water Resources	328
8.6	Mining Sector	339
	<b>CHAPTER 9: INDUSTRY</b>	<b>347-404</b>
9.1	Introduction	347
9.2	Trends in industrial production	347
9.3	Industrial growth by Use-Based Classification	350
9.4	Industrial growth by Two Digit Industrial Classification	350
9.5	Organized Manufacturing Sector	352
9.6	Unorganized Manufacturing Sector	353
9.7	Micro, Small & Medium Enterprises	354
9.8	Selected Industrial Sectors	359
9.9	Status of Public Enterprises in Karnataka	380
9.10	Industrial Policy Initiatives and Industrial Investment	390
9.11	Karnataka Tourism	399
	<b>CHAPTER 10: EMPLOYMENT AND LABOUR WELFARE</b>	<b>405-450</b>
10.1	Introduction	405
10.2	Key Labour Market Indicators	405
10.3	Employment in Public and Private Sector	423
10.4	Employment Exchange Statistics	425
10.5	Placements and Vacancies	425
10.6	Additional Employment	425
10.7	Wage Employment Programmes	425
10.7	Self Employment Programmes	427
10.9	Government Initiatives - Social Security Schemes	428
10.10	Skill Development	438
10.11	Progress of various Labour Laws enacted in Karnataka	444
10.12	Industrial Relations	444
10.13	Outcomes and Challenges	449
	<b>CHAPTER 11: ECONOMIC INFRASTRUCTURE</b>	<b>451-503</b>
11.1	Power Sector	451
11.2	Infrastructure	479
11.3	Banking and Finance including Cooperatives	488
	<b>CHAPTER 12: HUMAN DEVELOPMENT</b>	<b>505-583</b>
12.1	Human Development Index: An Overview	505
12.2	Education	513
12.3	Food Security Through Public Distribution System	547
12.4	Health and Family Welfare	552
	<b>CHAPTER 13: GENDER AND SOCIAL EQUITY</b>	<b>585-640</b>
13.1	Women and Child Development	585
13.2	Welfare programmes for SCs, STs, BCs, Minorities, Senior Citizen and Disabled Persons	600
	<b>CHAPTER 14: BALANCED REGIONAL DEVELOPMENT</b>	<b>641-662</b>
14.1	Special Development Plan	641
14.2	Backward Region Grant Fund (BRGF) (2007-2012)	648
14.3	Area Development Boards	650
14.4	Karnataka Legislator Local Area Development Scheme	658
14.5	Member of Parliament Local Area Development Scheme	658
14.6	Article 371J – Special Status for Hyderabad-Karnataka Region	660
	<b>CHAPTER 15: EVALUATION of GOVERNMENT PROGRAMMES SCHEMES</b>	<b>663-667</b>
A	External Evaluation	663
B	Internal Evaluation	663
	<b>STATISTICAL APPENDIX</b>	<b>A1 – A81</b>

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
<b>CHAPTER 2: STATE INCOME AND PRICES</b>		
2.1	Annual Growth Rate of GSDP and GDP at Constant (2004-05) Prices	10
2.2	Annual Growth Rate of GSDP and GDP at Current Prices	10
2.3	Sectoral Growth Rates of GSDP at Constant (2004-05) Prices	11
2.4	NSDP at Current and Constant (2004-05) Prices	12
2.5	Sectoral shares of GSDP at Current Prices	13
2.6	Growth of NSDP and Per Capita Income	15
2.7	Comparision of State Income and Per Capita Income	15
<b>CHAPTER 3: FISCAL DEVELOPMENT AND STATE FINANCES</b>		
3.1	Major Fiscal Indicators of Karnataka	28
3.2	Receipts and expenditure of Karnataka (Rs.crore)	30
3.3	Composition of revenue receipts (% of GSDP)	30
3.4	Overall Budgetary Position (Rs.crore)	32
3.5	Important Budgetary Indicators: Karnataka	33
3.6	Revenue and Capital Receipts, Karnataka 2012-13 to 2014-15(Rs.crore)	34
3.7	Expenditure Indicators in Karnataka (Rs.crore)	36
3.8	Expenditure Indicators in Karnataka (%of GSDP)	38
3.9	Per- Capita Development Expenditure in select states	39
3.10	Trends in Key Expenditure Components	40-41
3.11	Plan and Non-plan Expenditure, Karnataka (Rs.crore)	42
3.12	Economic Classification of Expenditure of Karnataka State Budget for 2014-15 (Rs.crore)	44
3.13	Capital Formation by the Government of Karnataka: 2014-15(Rs.crore)	45
3.14	Financial Resources of Twelfth Plan, Karnataka(Rs.crore)	46
3.15	Plan Outlays and Expenditure by Major Sectors(Rs.crore)	47
3.16	Developmental Outlays by Major Sectors (Rs.crore)	48
3.17	Department wise New Plan Scheme for the year (2014-15)	50
3.18	District Plan Outlay for the year 2014-15	51
3.19	Externally Aided Projects under implementation (2014-15)	52
<b>CHAPTER 4: INVESTMENT AND EXPORTS</b>		
4.1	Projects approved by State Level Single Window Clearance Committee	59
4.2	Projects approved by State High Level Clearance Committee	60
4.3	Foreign Direct Investment Inflow to Karnataka (US \$ Million)	60
4.4	Performance of Information, Communication and Technology Sector	65
4.5	Export Performance of Karnataka	67
<b>CHAPTER 5: RURAL DEVELOPMENTS</b>		
5.1	Scheme-wise houses completed and sites distributed	75
5.2	Public Expenditure incurred by RGRHCL on Social Housing Schemes in Karnataka 2000-01 to 2014-15	76
5.3	Target and Achievement under Different Housing Schemes	77
5.4	Progress of House Site Schemes	77
5.5	Unit costs of houses provided under housing schemes	78
5.6	Releases for the year 2010-11 to 2014-15 under 13th Finance Commission Grant	82
5.7	Year wise Allocation, releases and Expenditure of SGY	85
5.8	Physical Progress of SGY	85
5.9	District wise Number of villages selected under suvarna Gramodaya Yojane	86
5.10	Drinking Water status in habitations with population coverage as on 31st March 2014	88
5.11	Rural Water Scenario in Karnataka	89
5.12	Water Supply Coverage under Bharat Nirman/NRDW programme	89
5.13	Financial Target and Achievement under NRWDP, (Rs. crore)	89
5.14	Target and achievement under Action Plan 2014-15 (up to October -2014) (Rs. crore)	90
5.15	Ground water Conservation Measures	90
5.16	Water Quality Management and Surveillance Programme (2014-15)	90
5.17	Details of schemes completed under Jal Nirmal Additional Financing Project (Up to October 2014)	92
5.18	Physical & Financial Progress (2010-11 & 2014-15)	92
5.19	Funding pattern for different component under Nirmal Bharat Abhiyan (Swachh Bharat Mission)	94
5.20	NGP AWARDS BAGGED BY THE STATE	95
5.21	Award amount at different stages for Nairmalya Awards	95
5.22	Details of physical progress for 2014-15 as at the end of November 2014 is furnished below:	96
5.23	Details of financial progress of IEA for 2014-15 as at the end of November 2014	96
5.24	Progress of National Biogas Manure and Management Programme	98
5.25(a)	Physical and Financial progress under Soura Belaku Yojane, 2009-10, (Rs. lakh)	98
5.25(b)	Physical and Financial progress under Soura Belaku Yojane, 2010-11, (Rs. lakh)	98
5.25(c)	Physical and Financial progress under Soura Belaku Yojane, 2011-12, (Rs. in lakhs)	99
5.25(d)	Physical and Financial progress under Soura Belaku Yojane, 2012-13, (Rs. lakh)	99
5.25(e)	Physical and Financial progress under Soura Belaku Yojane, 2013-14, (Rs. in lakhs)	99
5.26	Rural Connectivity as per District Rural Road Map (DRRP)	101
5.27	Progress achieved under MGNREGS since inception (up to the end of October 2014)	103
5.28	Districts covered under NRLM	104
5.29	Progress of Sanjeevini project	104
5.3	Sector wise allocation of the District Sector State Plan Funds	107
<b>CHAPTER 6: URBAN DEVELOPMENTS</b>		
6.1	Trends in Urbanization in Karnataka (1951-2011)	110
6.2	Urbanisation in Karnataka Districts, 2011	110
6.3	Details of various housing schemes under KHB	112

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
6.4	Details of year wise allotment	..... 113
6.5	The details of budget and expenditure (Rs. in Lakhs)	..... 114
6.6	The Schemewise houses completed and sites distributed	..... 115
6.7	Details of districtwise no. of hutdwellers	..... 116
6.7(a)	Vajapayee Urban Housing Scheme	..... 117
6.8	Phase wise details of the project and expenditure(Rs. crore)	..... 119
6.9	Details of IHSDP(Rs. in crore)	..... 120
6.10	Details of funding pattern for water supply schemes	..... 123
6.11	Details of progress of water supply schemes	..... 123
6.12	Details of funding pattern for UDG Schemes	..... 125
6.13	Details of progress of UDG Schemes	..... 125
6.14	Details of Schemes Commissioned (Cumulative)	..... 125
6.15	Indicators of Solid Waste Management	..... 135
6.16a	The survey works completed roads	..... 139
6.16b	Proposed Ring Roads under BMRDA	..... 140
6.17	Financial Progress of SFC Grants from 2008-09 to 2014-15 Rs.in Lakhs	..... 142
6.18	The Revenue and expenditure details for the last Seven years	..... 147
6.19	Details of Ph I project of JnNURM-BSUP	..... 152
6.20	Selected cities for implementation of NULM in Karnataka	..... 155
6.21	Approved action plan	..... 156
6.22	Status of Amount released and expenditure incurred	..... 156
6.23	Progress of KUWSMP	..... 161
6.24	Number of ULBs in Karnataka	..... 165
6.25	Budget of ULBs in Karnataka, for the Year 2014-15	..... 165
6.26	Budget of Nagarottana Yojane in Karnataka, for the Year 2014-15	..... 165
6.27	Details of ULB-wise allocation under Nagarotthana	..... 166
6.28	CMSMTDP PHASE-I Sector wise Approvals	..... 166
6.29	Details of ULB-wise allocation Nagarothana CMSMTDP PHASE –I (Rs. In Crore)	..... 167
6.30	Budgetary Allocation for Backward ULBs	..... 167
6.31	Progress under UIDSSMT	..... 169-170
6.32	Details of UGD projects sanctioned	..... 171
6.33	SFC UNTIED- PROGRAMME HIGHLIGHTS	..... 172
6.34	SFC Untied State Finance Commission Grants Untied Grants	..... 172
6.35	Highlights of 13th Finance Commission Basic grants and Performance grants to ULBs) (Central Sponsored Scheme)	..... 173
<b>CHAPTER 7: AGRICULTURAL AND ALLIED SECTORS</b>		
7.1	Area and Production of Major Crops in the State	..... 181
7.2	Area Coverage Kharif, Rabi and Summer	..... 181
7.3	Classification of Total Geographical Area-2012-13	..... 182
7.4	Land Holdings in Karnataka	..... 183
7.5	Consumption of NPK during last three years	..... 184
7.6	Production and distribution of Certified Quality seeds	..... 185
7.7	Farm Mechanization Programme in Karnataka	..... 186
7.8	Details of Micro-Irrigation Scheme	..... 187
7.9	Impact of NFSM Programme	..... 188
7.10	Allocation of funds under RKVY Scheme	..... 189
7.11	Projects implemented by the Department of Agriculture	..... 189
7.12	Target and Achievement under NMOOP	..... 190
7.13	Details of Weather Based Crop Insurance Scheme	..... 193
7.14	Details of Modified National Agriculture Insurance Scheme	..... 194
7.15	Progress made under Savayava Bhagya during 2014-15	..... 197
7.16	Externally Aided Projects under implementation	..... 202
7.17	Area covered under Watershed Development (lakh hectares)	..... 203
7.18	Details of amount spent for purchase of various commodities during 2013-14	..... 211
7.19	Area under Horticultural crops in Karnataka	..... 217
7.20	Progress of programme implementation during 2014-15 Under NHM.	..... 219
7.21	Physical and Financial progress under Oil Palm Development programme	..... 220
7.22	Financial and Physical progress under Micro irrigation scheme	..... 221
7.23	Details of Disease and Pest Management Programme	..... 223
7.24	The progress achieved under Vegetable Initiatives for Urban Cluster Programme	..... 225
7.25	The progress achieved under Protected Cultivation of Flowers and Vegetables Programme	..... 225
7.26	Progress under Distribution of Horticultural Seed and Planting Material	..... 226
7.27	The progress achieved under Comprehensive Horticulture Development Programme	..... 227
7.28	Physical and financial achievement under post harvest management	..... 228
7.29	Progress under Karnataka State Mango Development and Marketing Corporation Ltd.,	..... 229
7.30	Progress under Assistance to Boards and Corporations implemented through KHF.	..... 230
7.31	Progress under Development of Departmental laboratories scheme	..... 231
7.32	Progress achieved under Integrated Farming in Coconut for Productivity Improvement Programme	..... 235
7.33	Livestock and Poultry Statistics	..... 237
7.34	Livestock and Poultry Production	..... 238
7.35	Development of Animal Husbandry and Veterinary Services	..... 239
7.36	Performance under Artificial Insemination Programme	..... 240
7.37	Division wise progress of Artificial Insemination (AI) Programme and Milk Production	..... 240
7.38	Progress Achieved under SCP and TSP during the year 2011-12, 2012-13 and 2013-14	..... 241
7.39	Progress Achieved under SCP and TSP during the year up to December-2014	..... 242

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
7.40	Progress Achieved under SCP and TSP during the year December 2014-15	..... 242
7.41	Progress Achieved Under Sheep Insurance	..... 243
7.42	Progress achieved till the end of December 2014	..... 243
7.43	Physical and Financial Achievements under plan schemes (Rs lakhs)	..... 244
7.44	Physical Progress	..... 245
7.45	The Progress Achieved Under The Pig Breeding Programme (Upto December -2014)	..... 246
7.46	Progress under Feed and Fodder development	..... 247
7.47	Financial Outlay for project proposals for the year 2014-15 Under R.K.V.Y	..... 249
7.48	CO-OPERATIVE DAIRY DEVELOPMENT IN KARNATAKA	..... 254
7.49	Details of Fish Production in Karnataka (MTs)	..... 258
7.50	Detail of fishing boats operating	..... 258
7.51	Inland fisheries resources in Karnataka	..... 259
7.52	Fish Seed Production (lakh fry)	..... 259
7.53	Fish sanctuaries in Karnataka	..... 260
7.54	Fisherfolk in Karnataka	..... 261
7.55	Savings cum relief scheme for marine fishermen	..... 265
7.56	Group Insurance scheme	..... 266
<b>CHAPTER 8: NATURAL RESOURCES AND ENVIRONMENT</b>		
8.1	Classification of total forest area in Karnataka (Source-Annual Report 2013-14)	..... 282
8.1(a)	Recorded Forest Area as per Forest Survey of India 2013	..... 282
8.2	District- wise Forest Cover along with Geographical Area in 2013 (sq.km)	..... 283
8.3	Change Matrix of Karnataka according to Forest Survey of India – 2013 (area in Sq.Km)	..... 284
8.4(a)	Forest cover according to Forest Survey of India (sq.km)	..... 284
8.4(b)	Forest cover in neighbouring States as per Forest Survey of India	..... 285
8.5	Forest cover in Different Forest Types	..... 286
8.6	Forest and Tree Cover	..... 286
8.7(a)	Wildlife Preservation National Parks / Bird Sanctuary's / Wildlife Sanctuary's	..... 287
8.7(b)	Conservation & Community Reserves	..... 288
8.8	Visitors to National Parks & Wildlife Sanctuaries (2013-14)	..... 289
8.9(a)	Death of wild animals during 2013-14	..... 290
8.9(b)	Man – Animal conflict – Loss of Human Life & Compensation paid	..... 291
8.10	Expenditure under Wildlife and National Parks / Sanctuaries (Rs. Lakh)	..... 292
8.11	Revenue Realized from Forest Produce (2013-14)	..... 293
8.12	VFCs formed under JICA	..... 294-295
8.13	EDCs formed under JICA	..... 295
8.14	Revenue and Expenditure from Forest Department (Rs. crore)	..... 301
8.15	Number of industries/institutions covered by KSPCB	..... 303
8.16	List of lakes covered under National Lake Conservation Programme.	..... 314
8.17	List of Lakes taken up under National Wetland Conservation Programme	..... 314
8.18	List of Lakes taken up for development under State grants during 2009-10 to 2010-11 and continued during 2014-15.	..... 315
8.19	Trends in Irrigated Area in Karnataka	..... 329
8.20	Source-wise Irrigation during 2011-12 (Area in lakh hectares)	..... 330
8.21	Irrigation Potential Created - Area in lakh hectares (Cumulative)	..... 330
8.22	Year wise Allocation and Expenditure of Irrigation Sector (Rs. in crores)	..... 331
8.23	KBJN ongoing Projects	..... 332
8.24	Area under Command Area Development Programme in Karnataka (Area in 000' hectares)	..... 333
8.25	Cauvery Neeravari Nigama Irrigation Projects	..... 334
8.26	Development of Minor Irrigation from Surface Water	..... 335
8.27	Accelerated Irrigation Benefit Programme (AIBP) (Rs. in crores)	..... 337
8.28	Prime Minister's Special Rehabilitation Package (Rs. in crores)	..... 338
8.29	Special Development Programme (Rs. in crores)	..... 338
8.30	Details of Royalty Collections (Rs. in crore)	..... 340
8.31	Revenue from royalty to the Government	..... 342
8.32	Stakeholders Coverage	..... 344
8.33	Ongoing Schemes of the Plan Monitoring Wing of the Department of Mines & Geology	..... 346
<b>CHAPTER 9 : INDUSTRY</b>		
9.1	Index of Industrial Production of Karnataka 2011-12 to 2013-14	..... 348
9.2	Quarterly Growth in IIP 2012-13 to 2014-15 (Quarters I,II and III)	..... 349
9.3	Index of Industrial Production for Organized Manufacturing Industry in Karnataka – Use-based Classification 2011-12 to 2013-14	..... 351
9.4	Selected Key indicators of Registered Factories Karnataka & All-India	..... 352
9.5	Important Indicators per Factory	..... 353
9.6	Selected Economic Indicators of Industries (2008-09 to 2011-12)	..... 353
9.7	Unorganized Manufacturing Enterprises 2010-11	..... 354
9.8	Service Sector Enterprises (excluding trade) 2010-11	..... 355
9.9	Micro, Small & Medium Enterprises 2000-01 to 2013-14	..... 355
9.10	Details of MSMEs registered in Karnataka 2011-12 to 2014-15(Up to Dec.14)	..... 356
9.11	Top-10 products (by number of units) registered in 2013-14	..... 356
9.12	Top-10 products (by investment) of units registered in 2013-14	..... 357
9.13	Top-10 products (by employment generated) of units registered in 2013-14	..... 358
9.14	Handloom Weavers and Looms in Karnataka	..... 362
9.15	Power-loom Weavers and Looms in Karnataka	..... 362
9.16(A)	Production and Employment in Handloom and Power-loom Industries	..... 363
9.16(B)	Production and Employment in Handloom and Power-loom Industries	..... 363



## LIST OF TABLES

Table No.	Title of the Tables	Page No.
9.17	Sericulture industry in Karnataka 2011-12 to 2014-15	..... 365
9.18	Production of raw silk in Karnataka and import of raw silk in India (Qty MT)	..... 365
9.19	Promotional Programs for Sericulture (2013-14)	..... 366
9.20	Financial Assistance availed by Reelers and Sericulturists	..... 366
9.21	Financial performance of Silk Marketing Board	..... 367
9.22	Transactions of Silk Yarn at Silk Exchange and average prices during 2011-12 to 2014-15.	..... 368
9.23	Particulars of Purchase & Sales and Profit/Loss of Silk Marketing Board from 2011-12 to 2014-15 (up to December -2014)	..... 368
9.24	Production of silk yarn and import of silk yarn in Karnataka 2011-12 to 2013-14	..... 369
9.25	Earning from exports of Silk Goods from Karnataka and India	..... 369
9.26	Performance of Information and Communication Technology Sector	..... 374
9.27	Achievements in IT&BT Sector for the year	..... 376
9.28	Details of Royalty Collections (Rs. in crore)	..... 379
9.29	Performance Of Karnataka State Small Industries Development Corporation	..... 379
9.30	Financial Performance of Karnataka State Small Industries Development Corporation Limited	..... 380
9.31	Financial Projections for the period 01.04.2014 to 31.03.2019 (Rs. Lakh)	..... 380
9.32	Sales Performance of KSSIDC (2013-14 & 2014-15)	..... 381
9.33	Performance of Karnataka State Industrial Areas Development Board 2009-10 to 2014-15 (April to October 2014)	..... 383
9.34	Financial Performance from 2011-12 to December 2014	..... 384
9.35	Registration of New Industrial Units in Karnataka	..... 385
9.36	Performance of KSFC	..... 386
9.37	Performance of Karnataka State Industrial and Infrastructure development Corporation limited From 2011-12 to 2013-14 (Upto December 2014)	..... 388
9.38	Performance of top 8 State Level Public Enterprises in Karnataka.	..... 389
9.39	Details of Industrial Approvals in Karnataka	..... 390
9.40	State-wise FDI Inflows <sup>1</sup>	..... 391-392
9.41	Projects approved by State Level Single Window Clearance Committee (SLSWCC) 2011-12 to 2014-15	..... 393
9.42	Projects approved by State High Level Clearance Committee (SHLCC) 2011-12 to 2014-15	..... 393
9.43	Tourist's Arrival from 2011 to end of 2014	..... 400
9.44	Revenue Realized by the Tourism	..... 400
9.45	Details of Budget allocations and Expenditure made from 2011-12 to 2014-15	..... 400
9.46	Department of Tourism Targets and Achievements of 12th Five Year Plan	..... 401
9.47	Twelve Projects Prioritized by GOI in 2013-14 List of Prioritised by the Ministry of Tourism, Government of India for the Year 2013-14 (Rs. In Lakhs)	..... 404
<b>CHAPTER 10: EMPLOYMENT AND LABOUR WELFARE</b>		
10.1	Work force Participation Rate	..... 405
10.2	WPR by Districts, (Male and Female) 2011	..... 406
10.3	WPR by Districts, Males, 2011	..... 406
10.4	WPR by Districts, Females 2011 (Source Census, 2011)	..... 407
10.5	Division Wise Work Participation Rate WPR, 2011	..... 407
10.6	Main workers, 2011	..... 408
10.7	Marginal workers	..... 408
10.8	Percentage Distribution of Category of Workers by Location,	..... 409
10.9	Percentage Distribution of Category of Workers by Division, 2011	..... 410
10.10	Labour Force Participation Rate for persons aged 15 Years and above according to usual principal and subsidiary status approach (in percentages)	..... 412
10.11	Labour Force Participation Rate for persons of different age groups according to usual principal and subsidiary status approach (in percentages)	..... 413
10.12	Labour Force Participation Rate of persons aged 15 Years and above according to Current Daily Status approach (in percentages)	..... 414
10.13	Worker Population Ratio in percentages for persons aged 15 years & above according to usual principal & subsidiary status approach (in percentages)	..... 414
10.14	Unemployment Rate in percentage of persons aged 15 years & above according to usual principal & subsidiary status approach	..... 415
10.15	Unemployment Rate in Percentages of 15-29 years group according to usual principal & subsidiary status approach (ps+ss) State	..... 416
10.16	Proportion unemployed in percentages for persons aged 15 years & above according to usual principal & subsidiary status approach (in percentages)	..... 416
10.17	Labour Force Parameters for persons aged 15 years & above according to usual principal & subsidiary status approach (ps+ss) (in percentages)	..... 417
10.18	Percentage distribution for persons of age 15 years & above by educational classification according to usual principal status (ps) approach Karnataka (Rural+Urban)(Male+Female)	..... 419
10.19	Percentage distribution of workers aged 15 years & above by occupation divisions (NCO 2004) according to usual principal & subsidiary status approach (ps+ss) for each State/UT	..... 419
10.20	Percentage distribution of persons aged 15 years & above by broad activity according to current daily status approach for each State/UT	..... 420
10.21	Percentage distribution of persons aged 15 years & above by broad activity according to usual principal & subsidiary status approach (ps+ss).	..... 421
10.22	Sectoral distribution of Workers (in %) and Labour Productivity (Rs.) of Karnataka and India - 2011-12	..... 421
10.23	Average Daily Wages (in Rupees), 2011-12	..... 422
10.24	Employment in Public and Private Sector (in Thousands)	..... 423
10.25	Employment in Public and Private Sector (Industry Group-wise)	..... 424

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
10.26	Registrants on the Live Registers of Employment Exchanges in Karnataka	..... 425
10.27	Number of vacancies notified & placements made in 2010-11 to 2014-15	..... 426
10.28	Progress achieved under MGNREGA	..... 426
10.29	Physical progress under MGNREGS in the FY 2014-15	..... 427
10.30	Wage Employment Generation under Major Programmes(2014-15)	..... 428
10.31	Beneficiaries under Self Employment Schemes 2012-13 to 2014-15	..... 429-432
10.32	Number of persons trained for self employment 2012-13 to 2014-15	..... 433
10.33	Releases and Expenditure Details of NRLM and NRLP 2014-15 (Rs. in crore)	..... 434
10.34	Progress of Social Security Schemes	..... 435
10.35	Details of Expenditure under ESI by State Government	..... 436
10.36	Number of Persons Insured in the State	..... 436
10.37	Enrollment in RSBY	..... 437
10.38	No. of Construction Workers Registered with Construction Welfare Board in 2014-15 as on 30.09.2014	..... 438
10.39	Cess Collected by Construction Workers Welfare Board	..... 438
10.40	Number of Child Labourers Rehabilitated	..... 439
10.41	Graduates registered, Employers Registered, Assessed, Training & Placed	..... 441
10.42	CONSOLIDATED SKILL DEVELOPMENT TRAINING PROVIDED	..... 442
10.43	Placement details	..... 443
10.44	Skill Target	..... 444
10.45	Action Plan to the State Skill Target	..... 445
10.46	Financial Target for 2014-15 of KVTSDC	..... 446
10.47	Progress of various labour laws enacted by labour department (January to August 2014)	..... 447
10.48	Progress of various Labour Laws enacted in the Karnataka by Factories & Boilers	..... 448
10.49	The number of strikes, lockouts and layoffs and the consequent man days lost	..... 448
10.50	Absenteeism of plantation labour	..... 449
10.51	Factories Details by Factories and Boiler Department	..... 449
10.52	Achievements of Occupational Safety Department	..... 450
10.53	Details of Training Programme for SC/ST under SCSP	..... 450
<b>CHAPTER 11: ECONOMIC INFRASTRUCTURE</b>		
11.1	Progress in Power Sector	..... 453
11.2	Plant load Factors (PLF) and availability Factors of the KPCL, Thermal and Hydel plants	..... 454
11.3	Plant Load Factor, Unit Cost of Power of Selected Power Stations	..... 455
11.4	Procurement from other States through bilateral trade & purchase through Energy exchanges	..... 455
11.5	Power stations & transmission lines of KPTCL (as on 31.12.2014)	..... 456
11.6	Transmission lines of different voltage class added during 12th Plan period (Transmission line length in Ckms)	..... 456
11.7	Details of new sub stations added and capacity augmented during 12th Plan period.	..... 456
11.8	Vigilance efforts in reducing theft and pilferages	..... 457
11.9	Electricity Consumption Pattern	..... 458
11.10	Electricity sales and revenue realization by categories of customers	..... 459
11.11	Energy sales, average tariff and average cost of power supplied by ESCOMs	..... 460
11.12	Subsidy Released by the Government	..... 460
11.13	Progress in Rural Electrification	..... 463
11.14	Capacity additions under Renewable Energy	..... 464
11.15	Cumulative Progress in Renewable Energy.	..... 464
11.16	Investment in Power Sector (Rs. In Crores)	..... 466
11.17	Capacity addition of Renewable energy sources during 2014-15	..... 467
11.18	Road length in Karnataka (In km)	..... 469
11.19	Plan Outlay & Expenditure, PWD	..... 471
11.20	Passenger fleet strength and utilization of Fleet by different corporations	..... 472
11.21	Transport Department Plan Outlay & Expenditure(Rs. In Crore)	..... 472
11.22	Number of Motor Vehicles under different categories from 2011-2012 to December, 2014 (Cumulative)	..... 478
11.23	Cargo handled by Ports ('000 MTs)	..... 486
11.24	Number of Wireless and Wireline Subscribers in Southern States (subscribers in Millions)	..... 486
11.25	Southern States Teledensity (as on 30th June, 2014)	..... 487
11.26	Number of Post Offices, Exchanges and Telephones	..... 487
11.27	Branch net work	..... 488
11.28	Category wise Bank Branch network - year ending	..... 489
11.29	Aggregate bank deposits and Gross credit in selected states	..... 489
11.30	Performance of Scheduled Commercial Banks	..... 490
11.31	Distribution of Priority sector advances(Amount in Rs. Crore)	..... 491
11.32	STATUS on 7 PILOT DISTRICTS EBT PROGRESS - as on 30.09.2014	..... 492
11.33	Progress of the Micro credit programme	..... 495
11.34	Distribution of KCC cards agency wise (as on Sept 2013)	..... 496
11.35	Corporation in the key areas of operations	..... 498
11.36	Socio Economic Contribution of KSFC assisted projects (2013-14)	..... 498
11.37	NPA across the type of banks ( Rs.in lakh)	..... 499
11.38	Consolidated financial Status of DCCB (Rs. crore)	..... 500
11.39	Performance of Short Term, Medium Term and Long Term Credit	..... 501
11.40	Recovery of loans in Karnataka	..... 501
11.41	Improvement under the project of Business Development (Rs in crore)	..... 502
<b>CHAPTER 12: HUMAN DEVELOPMENT</b>		
12.1	Comparison of India with its neighbouring countries in HDI, 2010	..... 506
12.2	Human Development Index among major states in India, 1981 – 2011	..... 506

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
12.3	Performance of Districts in Human Development 1991 and 2001, Karnataka	..... 508
12.4	GDI for States and India, 1996-2006	..... 510
12.5	GDI in the districts of Karnataka 1991, 2001 and 2008 (four districts)	..... 511
12.6	Division-wise performance in HDI and GDI, 2014	..... 512
12.7	Literacy rates in Karnataka and India	..... 513
12.8	Schools by Management in Karnataka (2013-14)	..... 514
12.9	Schools in Karnataka	..... 515
12.10	Schools and Enrolments in Karnataka 2009-10 to 2013-14 (in No's)	..... 516
12.11	GER and NER at Lower Primary, Upper Primary and Secondary Stages (in %)	..... 517
12.12	Drop-out Rates in Lower Primary and Higher Primary Stages (2013-14) (in %)	..... 518
12.13	Category wise out of school children covered –Fresh (Upto February 2014 )	..... 520
12.14	Infrastructure Provision in Elementary Schools of the State (in %)	..... 522
12.15	Infrastructure Provision in High Schools of the State (in %)	..... 522
12.16	Classification of Elementary Schools by type of ownership of buildings – Education Department Schools only	..... 523
12.17	Classification of Secondary Schools by type of ownership of buildings – Education Department Schools only	..... 523
12.18	Teachers in various types of schools (2013-14)	..... 523
12.19	School Grants (2013-14)	..... 524
12.20	School Maintenance Grant (2013-14)	..... 524
12.21	Enrolment in Residential Schools for Specific category of children during 2013-14	..... 525
12.22	Incentives in Primary Schools & Secondary Schools (no. in lakhs)	..... 527
12.23	Average Achievement Levels (in %)	..... 529
12.24	Schools, Teachers & Enrolment in High Schools (2013-14)	..... 530
12.25	Subject wise, Gender wise Learning Achievement in 9th Std. (in %)	..... 530
12.26	Institutions at Pre-University level (Nos.) Institutions	..... 531
12.27	Students Strength in Pre-University courses	..... 532
12.28	Enrolments across Courses in Pre-University (2013-14)	..... 532
12.29	Pass percentage at pre-university level across courses (2012-13)	..... 533
12.30	Institutions for graduate education 2014-15	..... 533
12.31	Spread of Govt. sector Degree Colleges	..... 534
12.32	Growth of Enrolments in Degree colleges	..... 534
12.33	Enrolments across courses (2014-15)	..... 534
12.34	SC /ST Students Enrolment for Academic year (2014-15)	..... 535
12.35	Classification of Technical Institutes in the State during 2013-14	..... 537
12.36	Budget Provision for Technical Education (Plan & Non-Plan)	..... 537
12.37	No. of Teaching Staff deputed for the higher education during last five years	..... 537
12.38	No. of Teaching/Non-teaching staff deputed for short term training programmes during last 5 years	..... 538
12.39	No. of beneficiary students who got benefitted from the ATS during 2013-14	..... 538
12.40	Details of the Scholarship/Merit awards during 2013-14 (Rs. in lakhs)	..... 538
12.41	Medical Education Institutions and Enrolments for the year 2014-15	..... 541
12.42	Medical Education Institutions by Managements for the year 2014-15	..... 541
12.43	Enrollment Capacity across Medical Course – Post Graduate Degree for the year 2013-14	..... 543
12.44	Total P.G.Degree seats for 2014-15 as on 30-11-2014	..... 544
12.45	Total P.G. Diploma seats for 2014-15 as on 30-11-2014	..... 545
12.46	Sector wise Plan allocation to Education Department and Medical Education	..... 547
12.47	The quantity and rate of foodgrains that is being distributed in the State under Annabhagyayojane	..... 549
12.48	Details of Number of PDS Cardholders	..... 550
12.49	The percentage of allotment and off take of food grains by the State	..... 551
12.50	Allotment and Offtake of Sugar.	..... 551
12.51	Subsidy and Transportation (Rs. in Lakhs)	..... 552
12.52	Infrastructure of Public Health Services of the State Govt.	..... 553
12.53	Achievement of the Family Welfare Programme in Karnataka	..... 554
12.54	Performance of Family Welfare Sterilization Programme	..... 555
12.55	Infrastructure for Leprosy Eradication Programme, Karnataka,	..... 556
12.56	Physical Target And Achievements From 1999-2014-15	..... 557
12.57	Budget Allocation and Expenditure	..... 558
12.58	Physical and financial Progress for various years	..... 561
12.59	Progress of Various Health Programmes (Unit in Numbers)	..... 562
12.60	Achievement under School Health Programme	..... 567
12.60(A)	Target and Achievement of IFA & Albendazole	..... 568
12.61	Performance of Universal Immunization Programme	..... 568
12.62	Top Five Causes of Infant Mortality	..... 569
12.63	Top five Causes of Death for women of age group 15-49	..... 569
12.64	KHSDR Project Outlay, Expenditure and Disbursement	..... 571
12.65	Tested and found Positive in ICTC	..... 573
12.66	Status report on ART (till Dec-2014)	..... 574
12.67	Blood Safety Indicators (2007-08 to 2014-15)	..... 576
12.68	Programme Component wise expenditure of KSAPS Budget	..... 576
12.69	Number of AYUSH medical colleges / institutions in Karnataka	..... 577
12.70	Details of in-patient and out- patient in AYUSH Hospitals	..... 578
12.71	Details of teaching and non-teaching staff in AYUSH hospitals	..... 578
12.72	Ayush Institutions And Their Intake Capacity	..... 578
12.73	Budget released for procurement of Drugs and Chemicals and expenditure for the past five years	..... 581
12.74	Plan & non-plan Expenditure on Health & Family Welfare (Rs.in lakh)	..... 583

## LIST OF TABLES

Table No.	Title of the Tables	Page No.
12.75	Funds received from Government of India and Utilization (Rs.in lakh)	..... 583
<b>CHAPTER 13: GENDER AND SOCIAL EQUITY</b>		
13.1	Women Population in Karnataka (District wise, 2001-2011)	..... 587
13.2	Progress under Stree shakthi Scheme	..... 588
13.2A	Stree Shakthi Programme	..... 588
13.3	Progress under Santhwana Scheme	..... 588
13.4	Progress of Udyogini scheme	..... 589
13.5	Progress of Women Training Programme	..... 589
13.6	Progress of schemes pertaining to Upliftment of Devadasis	..... 590
13.7	Progress of marketing assistance scheme	..... 590
13.8	Progress of the Resource Centre Scheme	..... 591
13.9	Progress of the Micro Credit Scheme	..... 591
13.10	Progress of the Rehabilitation of Transgenders Scheme	..... 591
13.11	Progress of the Rehabilitation of Sex Workers	..... 592
13.12	Allocation under Gender based Budget	..... 593
13.13	Child Population in Karnataka (District Wise, 2001-2011)	..... 594
13.14	Progress of Bhagyalakshmi Scheme through the 11th and 12th Five year plan	..... 595
13.15	Progress of Supplementary Nutrition Programme under ICDS	..... 596
13.16	Comparison of sex ratios among South Indian States	..... 599
13.17	Comparison of SC Literacy Rates among South Indian States	..... 600
13.18	Comparison of ST Literacy Rates among South Indian States	..... 600
13.19	Population of SC/ST	..... 601
13.20	Progress of the Scheme for Admission of Meritorious Students	..... 602
13.21	Progress of the Scheme for Pre-Matric Scholarships (Taluk level)	..... 602
13.22	Progress of Post-Matric Scholarship Scheme	..... 603
13.23	Progress of the Scheme for Prize Money to Meritorious Students	..... 603
13.24	Progress of Pre-matric Hostel Scheme	..... 604
13.25	Progress of Post-matric Hostel Scheme	..... 604
13.26	Progress of the Scheme for Construction of Hostel Buildings	..... 604
13.27	Progress of the Scheme for Assistance to Grant-in-aid Hostels	..... 605
13.28	Progress of the Scheme for Morarji Desai Residential Schools	..... 605
13.29	Progress of the Scheme for Compensation to SC/ST Victims	..... 606
13.30	Progress of Scheduled Caste Sub-Plan	..... 606
13.31	Progress of SCSP Pooled funds Scheme	..... 607
13.32	Progress of Self-employment Programme	..... 607
13.33	Progress of Land Purchase Scheme	..... 608
13.34	Progress of Individual Irrigation Borewell Scheme	..... 608
13.35	Status of Energisation of Irrigation Borewells	..... 609
13.36	Progress of Micro Credit Finance Scheme	..... 609
13.37	Progress of Micro Credit Scheme (NSCFDC)	..... 609
13.38	Progress of Safai Karmachari Rehabilitation Programme	..... 610
13.39	Progress of Admission of Meritorious Students in Prestigious Schools	..... 611
13.40	Progress of Pre-matric Scholarship	..... 611
13.41	Progress of Post-matric Scholarship Scheme	..... 612
13.42	Progress of Provision of Cash Incentives Scheme	..... 612
13.43	Progress of Incentive Scholarship Scheme	..... 613
13.44	Progress of the Scheme for Construction of Residential School Buildings	..... 613
13.45	Progress of the Scheme for Construction of Hostels and Residential Schools	..... 613
13.46	Progress of the Scheme for Maintenance of Morarji Desai Residential School	..... 613
13.47	Progress of Book Banks Scheme	..... 614
13.48	Details of Valmiki Bhavans	..... 614
13.49	Progress of the Schemes for Development of PTVGs	..... 614
13.50	Progress of PVTG Scheme	..... 615
13.51	Progress of Scheduled Tribal-Sub Plan	..... 615
13.52	Progress of Self-employment Scheme	..... 616
13.53	Progress of Self-employment Scheme for Industries Service and Business	..... 616
13.54	Progress of Direct Loan Scheme	..... 617
13.55	Progress of Micro Credit Scheme	..... 617
13.56	Progress of Land Purchase Scheme	..... 618
13.57	Progress of Ganga Kalyana - Individual Irrigation Borewell Scheme	..... 618
13.58	Progress of Pre-matric and post matric scholarships	..... 619
13.59	Progress of Morarji Desai Residential Schools.	..... 619
13.60	Progress of Ashrama Schools.	..... 620
13.61	Progress of Pre and post matric Hostels scheme	..... 620
13.62	Progress of GIA to private Hostels scheme	..... 620
13.63	Progress of the Scheme for Concession	..... 621
13.64	Details of Reimbursement of Extra Boarding and Lodging Charges	..... 621
13.65	Progress of Financial Assistance to Foreign Studies	..... 622
13.66	Progress of the Scheme for Stipend to Law Gradates	..... 622
13.67	Progress of Skill Training Programme	..... 622
13.68	Financial and Physical Progress of Tailoring Training Centers	..... 623
13.69	Financial and physical progress of Nursing Training (Rs. In lakhs )	..... 623
13.70	Progress of scheme for Nomadic and Non-nomadic Tribes(Rs. In lakhs )	..... 624
13.71	Progress of Chaitanya Subsidy cum Soft Loan Scheme	..... 624
13.72	Progress of Chaitanya Self employment direct loan	..... 624



**LIST OF TABLES**

Table No.	Title of the Tables	Page No.
13.73	Progress of Micro Credit Scheme	..... 625
13.74	Progress of Micro Credit Scheme	..... 625
13.75	Progress of Ganga Kalyana Irrigation Scheme	..... 626
13.76	Progress of assistance to Traditional Artisans & Occupational Groups	..... 626
13.77	Progress of Interest free loan for Higher education in foreign universities	..... 627
13.78	Progress of National Backward Classes Finance & Development Corporation (NBCFDC)	..... 627
13.79	Progress of Incentives Scheme for Minority Students	..... 628
13.80	Progress of Skill Development Scheme	..... 628
13.81	Progress of the Scheme for Construction of Shadimahall /Community Hall	..... 629
13.82	Progress of Subsidy Scheme	..... 629
13.83	Progress of Arivu(Education Loan) Scheme	..... 630
13.84	Progress of Individual Borewell or Open Well Scheme	..... 630
13.85	Progress of Sharamashakthi Scheme	..... 631
13.86	Progress of Micro Loan and Micro Subsidy Scheme	..... 631
13.87	Progress of Christian Development Programme (Arivu)	..... 632
13.88	Progress of Christian Development Programme (Shramashakthi)	..... 632
13.89	Progress of Christian Development Programme (Micro Loan)	..... 633
13.90	Progress of Christian Development Programme (Interest Subsidy Scheme For Housing Loan)	..... 633
13.91	Progress of NMDFC's Term Loan Schemes	..... 633
13.92	Progress of Maintenance Allowance to the Disabled	..... 635
13.93	Progress of Maintenance Allowance to the Disabled	..... 635
13.94	Progress of Medical Relief Fund	..... 636
13.95	Progress of Financial Assistance to NGO's	..... 636
13.96	Progress of Sadhane and Prathibe	..... 636
13.97	Progress of Scholarship and incentives to the disabled	..... 637
13.98	Progress of Grameena Punarvasathi Yojane	..... 637
13.99	Progress of Self Employment Scheme for the Disabled (ADHARA)	..... 638
13.100	Progress of Job Portal	..... 638
13.1	Progress of Incentive Scheme	..... 638
13.1	Progress of Reimbursement of fees	..... 639
13.1	Progress of Child Care Allowances	..... 640
<b>CHAPTER 14: BALANCED REGIONAL DEVELOPMENT</b>		
14.1	Regional Development in Karnataka State	..... 642
14.2	Allocations Releases and Expenditure under Special Development Plan	..... 644
14.3	Distribution of Outlay Releases and Expenditure among various Sectors (2007-14)	..... 645
14.4	Aggregate Additional Resource Transfer to Backward taluks in Different	..... 646
14.5	Progress achieved under BRGF in Karnataka (Rs. In crore)	..... 649
14.6	Malnad Area Development Board, Shimoga Statement showing the details of Financial Progress since inception	..... 652
14.7	Malnad Area Development Board, Shivamogga Statement showing the details of Physical Progress since inception	..... 653
14.8	Bayaluseeme Development Board, Chitradurga Statement Showing Details of Financial Progress since inception	..... 654
14.9	Bayaluseeme Development Board, Chitradurga Statement showing Details of Physical Progress	..... 655
14.10	Proposal submitted to Government for the construction of foot bridges in Costal districts	..... 657
14.11	Funds Allocated to Karavali Abhivrudhi Pradhikara since inception is show as follows	..... 658
14.12	shows the amount released under scheme since inception	..... 659
14.13	Funds allocated and spent under MPLADS since inception (Rs. crore) (as of 01.12.2014)	..... 660
<b>CHAPTER 15: EVALUATION of GOVERNMENT PROGRAMMES SCHEMES</b>		
15.1	Achievement of KEA in conducting Evaluation Studies	..... 664
15.2	List of Completed studies up to January 2015	..... 665-666
15.3	List of Final Reports of studies commenced in 2014-15, expected to be available in next year	..... 666-667

## LIST OF FIGURES

Fig No.	Title of the Figures	Page No
<b>CHAPTER 2: STATE INCOME AND PRICES</b>		
2.1	GSDP, NSDP and CFC at constant prices	..... 12
2.2	Sectoral composition of GSDP at Current Prices	..... 14
2.3	District wise Per Capita Income (in rupees) for the year 2012-13	..... 16
2.4	Inter-district variations of Gross District Income and Per Capita Income by Divisions in Karnataka for 2012-13	..... 17
2.5	Division wise Per Capita Income	..... 17
2.6	Group-wise all India WPI	..... 19
2.7	The trend of WPI for 33 Agricultural Commodities in Karnataka	..... 20
2.8	Trends of WPI of onion in Karnataka	..... 21
2.9	Trend of all India CPI-IW	..... 22
2.10	Food and General Index of Madikeri	..... 22
2.11	Food and General Index of Tumkuru	..... 23
2.12	Food and General Index of Agricultural Labourers	..... 24
2.13	Rural Retail Price of Onion and Potato	..... 25
2.14	Urban Retail Price of Onion & Potato	..... 25
<b>CHAPTER 3: FISCAL DEVELOPMENT AND STATE FINANCES</b>		
3.1	Revenue Deficit/Fiscal Deficit as a % GSDP	..... 27
3.2	Karnataka's Fiscal Deficit (as a % of GSDP) Compared with the Southern States	..... 29
3.3	Total liabilities of State Government	..... 31
3.4	Share of total liabilities to GSDP	..... 31
3.5	State's own tax revenue	..... 35
3.6	Tax effort (Tax/GSDP)	..... 35
3.7	Development and Non Development Expenditure	..... 39
3.8	Plan and Non Plan Expenditure as a Percent of GSDP	..... 43
3.9	Committed Expenditure as % of Uncommitted Revenue Receipts	..... 43
3.10	Plan State Budgetary Support	..... 45
3.11	Share of plan SBS in Budget	..... 45
3.12	Share of plan SBS to GSDP	..... 46
<b>CHAPTER 4: INVESTMENT AND EXPORTS</b>		
4.1	Exports as percent to GSDP	..... 68
<b>CHAPTER 6: URBAN DEVELOPMENTS</b>		
6.1	Bangalore Metropolitan region- Local Planning Areas	..... 138
6.2	Satellite Towns Ring Road, Intermediate Ring Road, Radial Roads and Individual Town Ring Road	..... 140
<b>CHAPTER 7: AGRICULTURAL AND ALLIED SECTORS</b>		
7.1	Proportion of Drought Prone Area in India	..... 203
7.2	Details of Livestock as per Census	..... 237
7.3	Exports of Marine Produce from Karnataka	..... 257
<b>CHAPTER 9: INDUSTRY</b>		
9.1	Index of Industrial Production of Karnataka-2011-12 to 2013-14	..... 348
9.2	Quarterly Growth in IIP: 2012-13 to 2014-15	..... 350
9.3	Index of Industrial Production for Organized Manufacturing Industry in Karnataka - Use Based Classifications 2011-12 to 2013-14	..... 351
<b>CHAPTER 10: EMPLOYMENT AND LABOUR WELFARE</b>		
10.1	Proportion of Total Workers -Karnataka 1961-2011	..... 406
10.2	Category of Workers- Karnataka 2001-2011	..... 409
<b>CHAPTER 11: ECONOMIC INFRASTRUCTURE</b>		
11.1	Installed capacity of Power generation in 2014-15 (Dec. 2014)	..... 452
11.2	Trends in Transmission & Distribution losses and Aggregate Technical & Commercial Losses from 2004-05 to 2013-14	..... 457
11.3	Trends in Peak Power Demand and Peak Energy Supply	..... 461
11.4	Power Supply & Demand Gap	..... 462
11.5	Energy Supply and Demand Gap	..... 462
11.6	Length of Black Top & Cement Concrete surface	..... 469
<b>CHAPTER 12: HUMAN DEVELOPMENT</b>		
12.1	Increase in Access over the years	..... 515
12.2	Reduction in Out of School Children over the years (7 to 14 years)	..... 518
12.3	Category wise out of school children covered –Fresh	..... 520
12.4	Infant Mortality Rate and Total Fertility Rate in Karnataka 2008-13	..... 554
<b>CHAPTER 13: GENDER AND SOCIAL EQUITY</b>		
13.1	Percentage of Women Population in southern states and All India	..... 586
13.2	Percentage of Child population in southern states and All India	..... 593

## KARNATAKA AT A GLANCE

Sl. No.	Item	Units	1960-61	1970-71	1980-81	1990-91	2000-01	2009-10	2011
1	Geographical Area	'000 Sq.Km.	192	192	192	192	192	192	192
	<b>Administrative Setup</b>								
2	Revenue Divisions	No.	4	4	4	4	4	4	4
3	Districts	-do-	19	19	19	20	27	30	30
4	Taluks	-do-	175	175	175	175	175	176	176
5	Inhabited Villages	-do-	26377	26826	27028	27066	27481	27481	27397
6	Uninhabited Villages	-do-	2972	2707	2362	2127	1925	1925	1943
7	Towns	-do-	231	245	281	306	270	270	347
	<b>Population as per Census</b>		<b>1951</b>	<b>1961</b>	<b>1971</b>	<b>1981</b>	<b>1991</b>	<b>2001</b>	<b>2011</b>
8	Total	(in 000s)	19401	23587	29299	37136	44977	52851	61095
9	Males	-do-	9866	12041	14972	18923	22952	26899	30967
10	Females	-do-	9535	11546	14327	18213	22025	25952	30128
11	Rural	-do-	14945	18320	22177	26406	31069	34889	37469
12	Urban	-do-	4456	5267	7122	10730	13908	17962	23626
13	Scheduled Castes	-do-	2583	3117	3850	5595	7369	8564	10475
14	Scheduled Tribes	-do-	80	192	231	1825	1916	3464	4249
15	Density of Population	Per Sq.Km.	262a	123	153	194	235	276	319
16	Literacy Rate	Percentage	19.26b	29.80b	36.83b	46.21c	56.04c	66.60c	75.40c
17	Sex Ratio	Females per 1000 males	966	959	957	963	960	965	973
18	Urban Population	Percentage	22.96	22.33	24.3	28.89	30.92	33.99	38.7
	<b>State Income - at Current Prices</b>		<b>1960-61</b>	<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2013-14</b>	<b>2014-15</b>
19	State Income	Rs.Crore	751	2016	5587	20551	96348	614607	702131
20	Primary Sector	-do-	432	1063	2573	7626	31473	110107	128518
21	Secondary Sector	-do-	122	418	1160	4734	18684	146545	158679
22	Tertiary Sector	-do-	197	535	1854	8191	46191	357955	414934
23	Percapita Income	Rupees	321	696	1520	4598	18344	89545	101594
	Agriculture		1960-61	1970-71	1980-81	1990-91	2000-01	2011-12	2012-13
24	Net Area Sown	'000 Ha.	10228	10248	9899	10381	10410	9941	9793
25	Gross Cropped Area	-do-	10588	10887	10660	11759	12284	12059	11748
26	Gross Irrigated Area	-do-	NA	1355	1676	2598	3271	4136	4007
27	Gross Irrigated Area to Gross Cropped Area	Percentage	NA	12.45	15.72	22.09	26.63	34.30	34.11
	<b>Area under Principal Crops</b>		<b>1960-61</b>	<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2012-13</b>	<b>2013-14</b>
28	Paddy	'000 Ha.	1028	1170	1114	1173	1483	1279	1330
29	Wheat	-do-	324	343	322	198	266	225	214
30	Jowar	-do-	2969	2224	1991	2155	1782	1264	1176
31	Bajra	-do-	500	562	564	425	462	275	286
32	All Cereals	-do-	6274	5971	5573	5415	5757	5032	5043
33	All Pulses	-do-	1306	1444	1531	1621	2047	2268	2461
34	Total Foodgrains	-do-	7579	7416	7104	7036	7804	7300	7504
35	Sugarcane Harvested Area	-do-	NA	NA	NA	NA	NA	425	420
36	Cotton	-do-	984	1142	1012	596	552	495	654
37	Groundnut	-do-	915	1027	790	1212	1063	589	725

	<b>Production of Principal Crops</b>		<b>1960-61</b>	<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2012-13</b>	<b>2013-14</b>
38	Rice	'000 tonnes	1328	2000	2258	2428	3847	3364	3758
39	Wheat	-do-	77	130	174	123	250	179	230
40	Jowar	-do-	1154	1565	1506	1282	1547	1315	1300
41	Bajra	-do-	129	211	192	203	342	285	309
42	All Cereals	-do-	3578	5235	5714	5705	10004	9602	11040
43	All Pulses	-do-	352	511	488	539	956	1362	1465
44	Total Foodgrains	-do-	3930	5746	6202	6244	10960	10964	12505
45	Sugarcane	-do-	5184	8106	12127	20750	42924	35732	35910
46	Cottond	-do-	382	570	597	640	855	1038	1437
47	Groundnut	-do-	448	780	475	816	1081	395	708
	<b>Agricultural Census</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2005-06</b>	<b>2010-11</b>	<b>2010-11</b>
48	No. of Operational Holdings	'000s	3551	4309	5776	7029	7581	7832	7832
49	Area of Operational Holdings	-do-	11368	11746	12321	12307	12385	12162	12162
50	Average size of Operational Holdings	Ha.	3.2	2.73	2.13	1.74	1.63	1.55	1.55
	<b>Live Stock Census</b>		<b>1972</b>	<b>1977</b>	<b>1983</b>	<b>1990</b>	<b>1997</b>	<b>2003</b>	<b>2007</b>
51	Total Livestock	'000s	21965	21800	24680	24968	30688	28359	30859
52	Total Poultry	-do-	10163	9696	12096	15694	21399	24451	42068
	<b>Forest</b>		<b>1962-63</b>	<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2009-10</b>	<b>2010-11</b>
53	Forest Area	'000 Ha.	3522	3621	3838	3872	3828	4335	4335
	<b>Factories</b>		<b>1971</b>	<b>1981</b>	<b>1991</b>	<b>2001</b>	<b>2009</b>	<b>2013</b>	<b>2014 *</b>
54	Working Factories	No.	3668	4985	7768	9440	11983	13061	8762
55	Employees	-do-	252074	434202	777900	903895	1079681	1335248	880047
56	Employees per lakh population	-do-	860	1169	1730	1710	1785	2186	1440
	<b>Industrial</b>		<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2012-13</b>	<b>2013-14</b>
	<b>Project investments - Rs.3 to Rs.50 crore</b>								
57	Projects Approved	No.	871	727	310	359	439	675	209
58	Investments	Rs. Crore	11511	10267	5182	7750	6880	9351	354821
59	Employments	No.	612620	349015	135623	115932	110505	141821	43759
	<b>Project investments - above Rs.50 crore</b>								
60	Projects Approved	No.	66	108	50	110	186	100	28
61	Investments	Rs. Crore	92056	160523	105266	288549	187186	133110	24566
62	Employments	No.	781966	1996504	410842	284934	580161	1158001	83803
	<b>Electricity</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2010-11</b>	<b>2012-13 (P)</b>	<b>2013-14 (P)</b>
63	Total Generation	Mu	4833	6389	12431	21985	47112	57476	59024
64	Total Consumption	-do-	3187	5189	12182	17860	37202	54563	56737
65	Industrial Consumption	-do-	2488	3864	5429	4882	8425	9900	10268
66	Agricultural Consumption	-do-	179	384	4486	7350	12802	17285	17897
67	Domestic Consumption	-do-	217	696	1803	3909	7893	9301	9843
	<b>Banking</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2010-11</b>	<b>2011-12#</b>	<b>2012-13 #</b>
68	Scheduled Commercial Banks	No.	1190	2823	4245	4758	6291	6810	7361
69	Deposits	Rs. Crore	369	2042	9665	55592	349009	4117243	4646394
70	Advances	-do-	275	1524	7985	32984	253121	2912356	3315402



	<b>Education</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2010-11</b>	<b>2012-13</b>	<b>2013-14</b>
71	Primary Schools	No.	32630	35143	40208	50340	59428	60036	60485
72	Enrolment	'000s	4064	4974	6922	8581	7425	7428	7360
73	High Schools	No.	2002	2381	5020	8928	13447	14194	14469
74	Enrolment	'000s	483	713	1334	1955	2604	2634	2646
	<b>Health</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2010-11</b>	<b>2012-13</b>	<b>2013-14</b>
75	Hospitals	No.	195	233	293	297	382	389	399
76	Dispensaries	-do-	791	1730	208e	847	659	659	661
77	Beds per lakh population	-do-	89	94	104	105	112	99	78
	<b>Demographic Status</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
78	Birth Rate	'000s	31.7	28.3	26.9	22.2	19.5	19.2	18.8
79	Death Rate	'000s	12.1	9.1	9.0	7.6	7.2	7.1	7.1
80	Infant Mortality Rate	Per 1000 Live Births	69	69	77	58	41	38	35
	<b>Transport</b>		<b>1970-71</b>	<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2010-11</b>	<b>2012-13</b>	<b>2013-14</b>
81	Railway Route Length	Kms.	2806	2875	3093	3172	3172	3172	3172
82	Total Road Length	-do-	70383	109551	130924	154204	222431	230669	230690
83	Motor Vehicles	'000s	123	400	1433	3691	9930	12063	13335
	<b>Co-operation</b>		<b>1980-81</b>	<b>1990-91</b>	<b>2000-01</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2012-13</b>	<b>2013-14</b>
84	Primary Agricultural Credit Co-Operative Societies	No.	4871	4350	4388	4866	4914	5099	5238
85	Membership	'000s	3692	4469	5245	9613	8992	8316	6085
86	Total No. of Co-operative Societies	No.	23159	25083	29930	34927	35502	37469	38430
87	Total Membership	'000s	8289	11800	16167	19904	21534	21811	21552
	<b>Local bodies</b>		<b>1990-91</b>	<b>2000-01</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2013-14</b>
88	Zilla Parishat/Panchayat	No.	20	27	27	29	29	30	30
89	Gram Panchayats	-do-	2532f	5692	5628	5628	5628	5627	5631
90	Taluk Panchyats	-do-	175	175	176	176	176	176	176
91	Municipalities and Corporations	-do-	177	209	219	219	219	219	219

Source:

1. Statistical Abstract of Karnataka 1960-61, 1967-68, 1970-71, 1973-74, 1983-84, 1993-94, 2000-05, 2005-11. & 2011-12,
2. Karnataka at a Glance: 1961-62, 1970-71, 1980-81, 1990-91, 2000-01, 2001-02, 2008-09, 2009-10, 2010-11 & 2011-12, 2012-13, 2013-14.

Note:\* April-September.

a. Per Sq.Mile

b. Population aged 5 years and above

c. Population aged 7 years and above

d. Bales of 170 Kgs. In lint form

e. Excluding Allopathy dispensaries.

f. Mandal Panchayats.

P : Provisional NA: Not Available

# : Rs.in Millions

## KARNATAKA COMPARED WITH INDIA

Sl. No.	Item	Unit	Karnataka	India
	Population as per 2011 Census:			
1	Total	'000s	61095	1210570
2	Males	-do-	30967	623122
3	Females	-do-	30128	587448
4	Rural Population	-do-	37469	833463
5	% of Rural Population		61.3	68.8
6	Urban Population	'000s	23626	377106
7	% of Urban Population		38.7	31.2
8	Sex Ratio	Females per 1000 Males	973	943
9	2001-2011 Decadal Growth of Population	Percent	15.6	17.7
10	Literacy Rate	Percent	75.40	73.00
11	Population of SC/ST (2011 population Census)	'000s	14724	305659
12	Total Workers (2011 Census)	-do-	27873	481743
13	Geographical Area (2011 Census)	Lakh Sq.Kms.	1.92	32.87
14	Net Area sown (2010-11)	'000 ha.	10523	141579
15	Gross Cropped Area (2010-11)	-do-	13062	198969
16	Gross Irrigated (2010-11)	-do-	4279	89360
17	% of Gross Irrigated Area to Gross Cropped Area (2010-11) Area under Principal Crops (2011-12) :		32.76	44.91
18	Paddy	'000 ha.	1416	44006
19	Maize	-do-	1349	8782
20	Jowar	-do-	1142	6245
21	Wheat	-do-	225	29865
22	Bajra	-do-	286	8777
23	All Food Grains	-do-	7425	124755
24	Total Pulses	-do-	2303	24462
25	Sugarcane	-do-	430	5038
26	Cotton	-do-	554	12178
27	Groundnut	-do-	677	5264
28	Total Livestock - 2007	'000s	30859	529698
29	Forest Area (2010-11)	'000 ha.	3072	70006
30	Total Electricity Generation (2011-12)	G.W.H	45448	922451
31	Total Electricity Consumption (2011-12)	K.W.H	47455.8	672933.3
32	Electricity Consumption in Industries (2011-12)	G.W.H	14067.72	240029.99
33	% of Industrial Consumption to Total Consumption		29.64	35.67
34	Banking Offices (March 2013)	No.	7361	104647
	State/Nation Income at Current Prices (2013-14) (F.R.E.), 2004-05 Series			
35	Gross Income	Rs.Crore	614607	10472807
36	Net Income	-do-	546001	9299345
37	Gross per capita Income	Rs.	100797	84938
38	Net Per capita Income	-do-	89545	75420

P: Provisional FRE: First Revised Estimates.

## STATE OF KARNATAKA'S ECONOMY

### AN OVERVIEW

#### 1.1 Introduction

Karnataka is home to 6.11 crore inhabitants (2011 Census) which accounts for 5.05% of India's Population. Karnataka has 5.83% of India's geographical area. The state's population has grown by 15.7% during the last decade, while its population density has risen from 276 in 2001 to 319 in 2011, indicating an increase of about 15.6%.

Birth rate in the State has declined to 19.2 in 2011 (from 22.2 in the year 2000), indicating a decline of about 9 %, the death rate has declined at a lower rate of 6.5 % from 7.6 in 2000 to 7.1 in 2011. The consequent demographic changes are expected to open up new opportunities as well as challenges for the State. 50.80 % of the population is male with a child sex ratio of 943 female to 1000 males in 2011 ( as against 946 female to 1000 males in 2001), and the adult sex ratio at 968 female to 1000 males (against 965 female to 1000 males in 2001). It is a matter of concern that there is a perceptible decline in the child sex ratio from 2001 to 2011, especially in some of the districts such as Chamarajanagar (decline of 22 as compared to 2001), Davangere (decline of 15), Chitradurga (decline of 13) and Hassan (decline of 12). There is a significant decline of 2.30 % in the state's child population of 0-6 years, but the decline is uneven across the state. In Yadgir district, 0-6 year old children constituted 15.83 % of the population whereas in Udupi, it was just 8.54 %, indicating differential developmental needs of districts within the State.

Karnataka State has 1,33,57,027 households as per 2011 census as against 1,04,01,918 households in 2001 census. The number of households has registered a decadal growth rate of 28.41%. Karnataka has 14.91% (19.65 lakh) female headed households where as the national average is 10.9%. In Karnataka 2,78,72,597 persons constituting 45.62% of the total population have enumerated themselves as workers. 59% of the total male population and 31.87% of the total female population are workers. Of the total workers in the State, 83.94% are main workers and 16.06% are marginal workers.

#### 1.2 Economic Survey

The economic survey 2014-15 gives the glimpse of the State's developmental achievements and concerns in various key economic and social sectors. Over the years, the key objective of Economic Survey had been to provide basic information and data on economic policies and programmes of the state government and overall performance of the State. Till date, the Survey is the single most authentic source of official information on the entire State of Karnataka economy for budget and other key economic purposes. The highlights of Economic Survey are presented below.

##### 1.2.1 State Income and Prices

- Karnataka's Gross State Domestic Product (GSDP) at constant (2004-05) prices is expected to grow at 7.0% and reach Rs. 344106 crore in 2014-15 from Rs. 321455 crore in 2013-14. The contribution to the growth rate is mainly due to the services sector doing well, growing at 8.9%.

- The GSDP growth rate of agriculture and allied activities is expected to decrease by 4.5 % in the State during 2014- 15 as against a growth of 9.4% during 2013-14. The fall in the growth rate of agriculture and allied activities during 2014-15 is due to decline in the production of food grains by 3%.
- Industry sector is expected to grow at 4.4% during 2014-15, which is higher than the growth rate of 4.2% that was observed in 2013-14.
- Service Sector is expected to grow at 8.9% during 2014-15, which is higher than the growth rate of 8.0% that was observed in 2013-14.
- A marginal increase in the composition of GSDP of agriculture & allied activities and service sector is evident from 17.1% and 58.2% in 2013-14 to 17.5% and 59.1% in 2014-15 respectively. At the same time, the marginal decrease in the composition of industry sector from 23.7% in 2013-14 to 23.4% in 2014-15.
- Per Capita State Income (i.e. per capita NSDP) of Karnataka at current prices is estimated at Rs. 100594 during 2014-15 as against Rs. 89545 in 2013-14, an increase by 13.5%. The per capita income at constant (2004-05) prices for the year 2014-15 is estimated to increase Rs. 48907 as compared to Rs. 46012 achieved in 2013-14.
- At the all India level, the WPI, which was 179.6 in December 2013 rose to 179.8 in December 2014, showing an annual inflation rate of 0.11% .
- At the all India level, CPI(IW) moved to 253 points in December 2014 from 239 points in December 2013. The point-to-point rate of inflation for the month of December 2014 was 5.86%, whereas it was 9.13% in the corresponding month of the previous year. The average all India CPI-IW (up to December 2014) during 2014-15 is 250 as against the corresponding period average of 235 during 2013-14, which shows an increase by about 6.38%.
- The Consumer Price Index for Agricultural Labourers recorded an increase of 5.70% in December 2014 over April 2014 as against 4.67% at all India level, whereas the food index in Karnataka showed an increase of 3.99% as against 4.13% at all India level.
- In 2014-15, the Rural Retail Price Index shows a continuous increase from 3934 in April 2014 to 4264 in December 2014, thus showing an overall increase of 8.39% and the Urban Retail Price Index which was 2716 in April 2014 rose to 3093 in December 2014 showing an increase of 377 points i.e. by 13.88%.

### **1.2.2 Fiscal Development and State Finances**

- The State's revenue resources are showing signs of recovery from 16.07% in 2011-12 and further expected to increase to 16.21% in 2014-15 (BE).
- The State's own tax revenues increased from Rs. 27646 crore in 2008-09 to Rs.69870 crore during 2014-15 (BE) at a CAGR of 16.71 %
- The share of development expenditure has significantly increased from 10.07% in 2008-09 to 13.74 % in 2014-15 (BE), while the share of interest payments for the same period have declined from 1.69% to 1.42 %.
- The per capita development expenditure in Karnataka during 2011-12, 2012-13 (RE) and 2013-14 (BE) was Rs.9972, Rs.11853 and Rs.13246 respectively as compared to all State's average of Rs.7044, Rs.8778 and Rs.9535. Karnataka has the highest level of per capita development expenditure during 2013-14 (BE) compared to major states.
- There has been a significant increase in the State plan outlay by Rs.17150 crore from Rs.48450 crore in 2013-14 (RE) to Rs.65600 crore in 2014-15 (BE)
- There has been an increase in plan expenditure as percentage of GSDP

from 7.42% in 2008-09 to 9.79% in 2014-15 (BE). As regards non plan expenditure as percentage of GSDP, there has been a decline from 12.74% in 2008-09 to 11.73% in 2014-15 (BE).

- Karnataka's plan achievement is impressive and Plan expenditure has revealed an impressive growth over the years and the State has one of the highest per capita plan expenditure among major states in the country at Rs.7472 in 2013-14 (BE).
- The total liabilities of the State Government increased from Rs.75286 crore in 2008-09 to Rs.157681 crore in 2014-15 (BE) at a CAGR of 13.11%. The total liabilities are however, within the limit of 25% prescribed by the 13th Finance Commission.
- The District sector plan size (including Central share) which was Rs.4870 crore in 2010-11 increased to 10480 crore in 2014-15(BE).
- The credit-deposit ratio (C-D ratio) of the state as on March 2014 is 75.24%, which is marginally higher compared to last year at 74.15%.

### 1.2.3 Investment and Exports

- Karnataka attracted FDI of US \$14174 million during the period of April 2000 to November 2014, constituting 5.99% of the all-India FDI.
- Karnataka stands 4th in Merchandise exports and also a leading State in exports of products and service sectors. In 2013-14, Karnataka's exports amounted to about Rs. 290418 crore which constituted about 12.37% of the Country's exports.
- Karnataka's exports as a percentage of GSDP has a fairly large share and has also increased significantly over time. The share of exports in GSDP which was 7.36% in 1993-94, has grown to 47.3% in 2013-14.
- Exports of electronics and computer software constitute the largest share in

the State's exports. Its share was of the order of 61% in 2013-14.

- Karnataka's degree of openness to export trade has increased from about 40% in 2010-11 to about 47% in 2013-14. This is remarkably higher than that of all India at about 24%.

### 1.2.4 Rural Development

- About 6137 (10.2%) of habitations receive above 55 lpcd of water, 51243 (85.8%) habitations receive less than 55 lpcd and 2393 (4%) habitations are water quality affected.
- Toilet ownership in rural Karnataka increased around 50 per cent up to February 2015.
- Under MGNREGA, 288.61 lakh person days of employment have been generated in the State as of December 2014.
- About 29.67 lakh houses have been constructed under various housing schemes during 2000-01 to 2014-15 (up to December 2014).
- About 2.62 lakh house sites have been distributed during 2000-01 to 2014-15 (up to December 2014), of which 1.49 lakh in rural and 1.13 lakh in urban areas. Besides, 31,806 sites have been distributed in flood affected areas
- Unit cost of the houses under various schemes has been increased to Rs. 1.20 lakh.

### 1.2.5 Urban Development

- At present Karnataka has 10 City Corporations, 41 City Municipal Councils, 68 Town Municipal Councils and 94 Town Panchayats in the state.
- According to 2011 census 32.91 lakh population lives in the urban slums. The slum population has drastically risen by 18.89 Lakh during 2001 to 2011. Bangalore district has 21.5% of the total slum population.



- Basic amenities in urban areas like Water Supply & Sanitary Facilities are provided to 200 Urban Local Bodies by investing Rs.183.00 crore, Rs. 2440 crore for Storm Water Drains, Rs.1372 crore for Roads and Road Related infrastructure, Rs. 762 crore for Under Ground Drainage and Rs. 3803 crore for Solid Waste Management
  - Under BSUP programme, out of 24508 targeted number of houses, 21554 houses are completed and 2761 houses are at various stages of construction. 39785 house sites have been distributed in the last three years.
  - Rainwater harvesting is taken up in 33.5 km out of 42.3 km viaduct with 33 stations. Rain water falling on viaducts is brought to the ground level by down take pipes installed in each pier.
- 1.2.6 Agriculture and Allied Activities**
- Primary estimates based on the progress in area coverage under various kharif and rabi crops shows a likely loss in yield on account of long dry spell / excess rainfall in some parts indicate production of 114.77 lakh tones against the target of 119.13 lakh tones of Cereals and 15.24 lakh tones against the target of 15.87 lakh tones of Pulses.
  - Oilseeds production is anticipated to be 11.67 lakh tonnes against the target of 14.80 lakh tonnes. Production of cotton is likely to be 20.55 lakh bales against the target of 13.15 lakh bales on account of higher area coverage.
  - “Krishi Bhagya” programme has been launched for conserving every drop of rain water and has innovative interventions for judicious use of harvested rain water.
  - The State has set up Agriculture Price Commission during 2014-15 to advise the State Government on the price policy of all agricultural and horticultural commodities.
  - Custom Hire Service Centres are being established one each at every hobli level to cater the services of major agricultural machineries/equipments.
  - New Centrally Sponsored Scheme “National Mission for Sustainable Agriculture” (NMSA) has been formulated for enhancing agricultural productivity especially in rainfed areas focusing on integrated farming, water use efficiency, soil health management and synergizing resource conservation.
  - The share of Animal Husbandry in Gross State Domestic Product of Agriculture and Allied activities was 20.51% during 2013-14.
  - The density of live stock in the state was estimated at 151.21 per sq.km and 47468 per lakh human population.
  - India ranks Second in the world (FAOSTAT-Website year 2012) and Karnataka State ranks eleventh among Indian States in milk production
  - The production of milk in the State was 5.99 million MT during the year 2013-14.
  - Horticulture crops cover an area of 18.35 lakh hectares with annual production of 149.59 MT which are valued at Rs. 29741 crore.
  - During the year 2013-14 the total fish production of the state is 5.55 lakh tones which, contributes to 5.8% of national fish production.
  - Karnataka ranks 6th in the marine fish production and 9th position in inland fish production when compared to fish production of the country.
  - Out of the total 129.70 lakh hectares available for watershed activities an area of 63.27 lakh hectares have been treated up to March 2014.
  - Online trading system has been implemented from Feb-2014 onwards.

### 1.2.7 Natural Resources and Environment

- Karnataka has 43356.47 sq.km of forest cover, which is 22.61% of the states geographical area, as per the States Forest Department Annual report of 2013-14. Of this, the reserve forest constitutes 15.48%, protected forest constitutes 1.84%, village forest constitutes 1.03%, unclassified forest constitutes 5.23% and private forest constitutes 0.03 %.
- The dense forest cover was estimated at about 26156 sq. km (70%) in 2001 and declined to 21956 sq. km (60%) in 2013, which is a 10% decline over 12 years. However, the open forest cover increased from 10835 sq. km. to 14176 sq. km. during this period.
- The cumulative irrigation potential under major, medium and minor irrigation projects is expected to reach 40.52 lakh hectares in 2014-15 from 39.40 lakh hectares in 2013-14.

### 1.2.8 Industry

- The general index of industrial production (IIP) of Karnataka covering mining, manufacturing and electricity sectors for 2013-14 stood at 175.59. The overall organised industrial sector of Karnataka has registered 3.66% growth in 2013-14 as compared to 2012-13.
- The Annual Survey of Industries (ASI) statistics indicates that Karnataka accounted for 5.27% of the total number of registered factories in 2011-12 in the country. The contribution of registered factories of Karnataka stood at 6.77% of total fixed capital, 6.84% of total output and 11.51% of Gross Value Added(GVA) in the same year.
- In terms of Gross Value Added per worker, at a value added of Rs. 49801, Karnataka performed better than the all – India average of Rs. 44347.
- In 2013-14, 25966 MSME Units have been registered in the State with an

investment of Rs.285056 lakh and providing employment to 167347 persons. As compared to 2012-13, there is 7.27% increase in the number of units registered, 31.45% increase in investment and 7.58% increase in number of persons employed during 2013-14.

- The area under mulberry cultivation in the State was about 88.88 thousand hectares at the end of December 2014, which is higher than the area under mulberry cultivation during the same period in 2013-14 at 80.57 thousand hectares. During the same period (April to December), production of cocoons (50.79), raw silk production (7.11), employment in sericulture (11.55) was high in 2014 as compared to 2013.
- During 2013-14, Department of Mines and Geology has realised revenues of Rs. 1282.06 crore as royalty collection from major and minor minerals, against a target of Rs.1750 crores for the year 2014-15.
- The tourist flow in to the State has continuously been increasing steadily from 8.41 crores in 2011 to 9.81 crores in 2013, which indicates comprehensive increase of 16.64 %.

### 1.2.9 Employment and Labour Welfare

- Employment generation has been estimated based on three factors viz. income, employment elasticity over a period of years and anticipated estimates of gross domestic product for 2013-14. During 2013-14, it is 297.84 lakh person-days compared to 292.57 lakh person-days in the previous year.
- Worker Population Ratio in 2011 has increased in general irrespective of gender and more significantly in urban areas (4%) compared to 2001. At the same time female WPR has marginally declined in rural Karnataka.
- Proportion of main workers has marginally increased between 2001 to



- 2011 [1.66%] and decreased in case of marginal workers [1.66%]
- Even though there is an increase in number of agriculture labour in the State by 14.92% during 2001-11, its proportion to total workers has been marginally declined to 0.73%
  - Other works category accounts for the higher number of workers i.e., 1,32,22,758 or 47.44% of total workers at the State level. Proportion of other workers has increased by 7.23% in 2011 census.
  - Males LFPR is higher in Karnataka Compared to select States except Andhra Pradesh and all India. Unemployment rate is also lower than rest of southern states.
  - The employment challenge that Karnataka faces consists both of creating of new jobs and improving the quality of existing jobs. A faster economic growth is the key to meet this challenge.
  - With a view to making employment growth faster, sectors and activities with relatively higher employment elasticity could be targeted to particularly high economic growth.

### 1.2.10 Economic Infrastructure

- The peak demand recorded during 2013-14 was 9223 MW, which is an increase of about 7.31% from 8549 MW in 2011-12. The anticipated peak demand during 2014-15 is likely to be around 9503MW. Peak power shortage remains at 15 % for 2014-15 which was same as last year.
- The total installed generation capacity both in the public sector and private sector including the State's share in the central generation stations (CGS) as on 31.12.2014 was 14803 MW. The installed capacity in the public sector was 8535 MW (including CGS allocation) and the private sector's share was 6268 MW.

- Karnataka's power sector has reduced its T&D losses from 27.5% in 2004-05 to 19.07% in 2013-14. It is expected to bring down T&D losses to about 18.44% by March 2015.
- Namma Metro Reach 3 and 3a (Sampige Road to Peenya 10.3 Kms with 10 stations) was commissioned on 1st March 2014 for public. The cumulative ridership (including Reach 1) since inception to end of October 2014 is 250 lakhs.
- Metro Phase-II consists of Four Extensions to the existing lines and Two New Lines (R.V. Road to Bommasandra and Gottigere-IIMB-Nagawara) with a total length of 72.095 km and 61 stations (49 Elevated and 12 Underground). The State Government commissioned DMRC for preparing a Detailed Project Report. The network will be capable of carrying 14.80 Lakh passengers per day in the year 2016-17.

### 1.2.11 Human Development

- The State has achieved significant progress in literacy. The literacy rate in the State during 2001 was 66.64% and it is increased to 75.60% (82.85% for males and 68.13% for females) in 2011. It may be noted that urban male literacy rate in the State has crossed 90%. In contrast, rural female literacy rate in the State is yet to cross 60%.
- Enrolments during 2013-14 in primary (Class I to V) and in upper primary (Class VI to VIII) stage and in High School (Class IX to X) is estimated to be 53.51 lakh, 29.70 lakh and 16.85 respectively Enrolments in the State from Class I to X have marginally declined from 100.97 lakh in 2011-12 to 100.07 lakh in 2013-14.
- The Gross Enrolment Ratio (GER) and Net Enrolment Ratio (NER) in lower primary are 102.36 and 93.56 respectively in 2013-14. At higher primary stage the GER and NER is 90.47

and 81.78 in 2013-14. At the secondary level the GER and NER are 75.99 and 55.33 respectively in 2013-14.

- The dropout rate has increased in LPS from 2.56% in 2012-13 to 2.96% in 2013-14. In HPS the dropout rate has decreased from 5.40% to 5.05% in the same period. In November 2013 the state conducted the survey and identified 168621 out of school children.
- Teacher-pupil ratio is satisfactory in Government schools, the average PTR being 1:23:39 at the elementary stage.
- The infant mortality has declined faster during the last few years to the tune of around 10 per 1000 live births from about 41 in 2009 to 31 in 2013.
- MMR has been reduced from 178 to 144 per lakh live births between 2007-09 and 2010-13
- Institutional delivery for 2013-14 is 98.58%. Fully Immunized children increased from 80% to 100% between 2009-10 to 2013-14

### 1.2.12 Gender and Social Equity

- Women constituted 49.14% of the population in Karnataka (Census 2011). The main women empowerment initiatives by the State were addition of almost 10000 new Stree Shakti groups (SHGs). At present there are 1.40 lakh self help groups, comprising a membership of 20 lakhs women that are functioning in the State. Since its inception up to December, 2014 the groups had saved Rs. 1578.54 crore.
- Children constitute 11.21% of the population in Karnataka (Census 2011). The nutrition pattern in the state showed that about 72.84% of children were normal, 26.30% were moderately malnourished and 0.86%

were severely malnourished. But there is a slight improvement in the proportion of normal children and now stands at 73.84%, and marginal decrease in moderately malnourished children and severely malnourished children which stands at 25.33% at 0.81% respectively.

- Annabhagya Yojana programme covers a total of 98.35 lakh families (87 lakh BPL cardholders and 11.35 lakh 'Antyodaya Anna Yojana' beneficiaries) across the state.

### 1.2.13 Balanced Regional Development

- The total allocation under Special Development Plan (SDP) since its inception in 2007-08 is Rs.20138.59 crore and the total expenditure is Rs.14639.04 crore as on December 2014. The share of most backward taluks in total allocations has increased from 23.93% in 2007-08 to 51.80% in 2014-15.
- The Article 371J has granted special status to six backward districts of Hyderabad-Karnataka region namely, Bidar, Yadgir, Raichur, Koppalla, Bellary and Kalaburagi. The HKRDB finalized the action plan of 2014-15 for Rs. 600 crore. The action plan is approved by Hon. the Governor of Karnataka during September-2014.

### 1.2.14 Evaluation of Government Programmes / Schemes

- Five Manuals relating to the functioning of the Karnataka Evaluation Authority and conducting Evaluation studies have been approved and published in 2014-15.
- Terms of Reference were approved for 42 evaluation studies and 30 evaluations were completed. Empanelment of 39 Consultant Evaluation Organizations and 6 Independent Assessors has been done.



## STATE INCOME AND PRICES

### Introduction

This chapter analyses Karnataka's economic growth in terms of changes in Aggregate and Per Capita State Income including stability of prices in indices of wholesale as well as retail prices in the State. In addition, this chapter also provides an analysis of District Income Estimates and related Inter-District Variations.

### 2.1 State Income

The growth of GSDP at constant prices (year-on-year) slightly decreased from 7.2% in 2013-14 to 7.0% in 2014-15, mainly attributable to the decline in the growth of agriculture from 9.4% in 2013-14 to 4.5% in 2014-15. However, the growth rate of industry and services slightly increased from 4.2% and 8.0% in 2013-14 to 4.4% and 8.9% during 2014-15 respectively. The State economy showed reviving trends with growth rate of 6.1% in 2012-13, 7.2% in 2013-14 and 7.0% during 2014-15.

#### 2.1.1 Advance Estimates of Gross State Domestic Product (GSDP) for 2014-15

Karnataka's Gross State Domestic Product (GSDP) at constant (2004-05) prices is expected to grow at 7.0% and reach Rs. 344106 crore in 2014-15. 'Railways', 'Storage', 'Trade, Hotels and Restaurants', 'Real Estate, Ownership of dwellings and Business Services', 'Communication', 'Public Administration' and 'Other Services' have all contributed to the growth of services sector (8.9%). Manufacturing

sector is expected to grow at 3.2%. The expected growth rate of 'Electricity, Gas and Water Supply' is around 8.7%. 'Agriculture and Livestock' (4.3%) is the main contributor to the growth rate achieved in the Agriculture sector (4.5%).

#### 2.1.2 Comparison of GSDP and GDP

At constant (2004-05) prices, the anticipated GSDP of Karnataka is expected to grow at 7.0% during 2014-15 compared to 2013-14. At national level, the GDP estimates at constant (2011-12) prices is expected to grow at 7.4% in 2014-15 compared to 2013-14. The central statistical office, Government of India has revised the base year from 2004-05 to 2011-12. Due to this, the growth rate for the year 2011-12 has been kept at 2004-05 prices. The corresponding annual increase in GDP is 7.4% with GDP at Rs. 10656925 crore. The growth rates of GSDP and GDP at constant (2004-05) prices from 2004-05 to 2014-15 are presented in **Table 2.1**.

The anticipated GSDP (current prices) of Karnataka in 2014-15 is expected to reach 702131 crore or a growth rate of 14.2%. The fall in the growth rate during 2014-15 is due to decline in the production of food grains by 3%. At current prices, the anticipated GDP is equal to Rs. 12653762 crore in 2014-15; an increase of 11.5% over the previous year. The growth rates of GSDP and GDP at current prices from 2004-05 to 2014-15 are presented in **Table 2.2**.

**Table 2.1: Annual Growth Rate of GSDP and GDP at Constant (2004-05) Prices**

Year	GSDP (Rs. crore)	Growth Rate of GSDP (%)	GDP (Rs. crore)	Growth Rate of GDP (%)
2004-05	166747	-	2971464	-
2005-06	184277	10.5	3253073	9.5
2006-07	202660	10.0	3564364	9.6
2007-08	228202	12.6	3896636	9.3
2008-09	244421	7.1	4158676	6.7
2009-10	247590	1.3	4516071	8.6
2010-11	272721	10.2	4918533	8.9
2011-12	282784	3.7	8832012*	6.7**
2012-13	299990	6.1	9280803*	5.1*
2013-14	321455	7.2	9921106*	6.9*
2014-15	344106	7.0	10656925*	7.4*

Source: 1. Directorate of Economics and Statistics, Government of Karnataka.

2. Central Statistical Office, Government of India.

\* New series estimates (Base Year 2011-12) \*\* Old series Growth Rate (Base Year 2004-05)

**Table 2.2: Annual Growth Rate of GSDP and GDP at Current Prices**

Year	GSDP (Rs. crore)	Growth Rate of GSDP (%)	GDP (Rs. crore)	Growth Rate of GDP (%)
2004-05	166747	-	2971464	-
2005-06	195904	17.5	3390503	14.1
2006-07	227237	16.0	3953276	16.6
2007-08	270629	19.1	4582086	15.9
2008-09	310312	14.7	5303566	15.7
2009-10	337558	8.8	6108903	15.2
2010-11	410703	21.7	7248859	18.7
2011-12	455212	10.8	8832012*	15.8**
2012-13	522673	14.8	9988540*	13.1*
2013-14	614607	17.6	11345056*	13.6*
2014-15	702131	14.2	12653762*	11.5*

Source: 1. Directorate of Economics and Statistics, Government of Karnataka.

2. Central Statistical Office, Government of India.

\* New series estimates (Base Year 2011-12) \*\* Old series Growth Rate (Base Year 2004-05)

### 2.1.3 Comparison between Advance Estimates of 2014-15 and First Revised Estimates of 2013-14

A comparison of the estimates is presented by annual growth rates in **Table 2.3**. The growth rate under agriculture and allied sector is expected to reach 4.5% in 2014-15 as compared to a growth rate of 9.4% during 2013-14. Industry sector (comprising mining & quarrying, manufacturing, construction and electricity, gas & water supply) is estimated to increase marginally to 4.4% during 2014-15, compared to a

growth rate of 4.2% during 2013-14. The growth rate of service sector has improved from 8.0% in 2013-14 to 8.9% in 2014-15. Real Estate, Ownership of Dwellings and Business Services, Banking and Insurance, Public Administration and Other Services which have each grown beyond 10% are the key drivers of the 7.0% growth of GSDP in 2014-15 (i.e. from Rs. 321455 crore in 2013-14 to Rs. 344106 crore in 2014-15). At the same time, per capita GSDP at constant prices is expected to increase from Rs. 52719 in 2013-14 to Rs. 55898 in 2014-15, i.e. by about 6.0%.

**Table 2.3: Sectoral Growth Rates of GSDP at Constant (2004-05) Prices**

Sl.No.	Sector	2013-14 F.R.E.	2014-15 A.E.
1	Agriculture	10.0	4.3
2	Forestry and Logging	5.3	5.7
3	Fishing	12.1	6.8
	<b>Agriculture and Allied Sector</b>	<b>9.4</b>	<b>4.5</b>
4	Mining and Quarrying	41.0	2.3
5	Registered Manufacturing	3.2	3.2
6	Un-registered Manufacturing	3.2	3.2
7	Construction	3.6	5.7
8	Electricity, Gas and Water supply	10.7	8.7
	<b>Industry Sector</b>	<b>4.2</b>	<b>4.4</b>
9	Railways	2.6	3.3
10	Transport by other means	7.9	9.8
11	Storage	1.9	1.7
12	Communication	7.0	8.6
13	Trade, Hotels and Restaurants	0.3	2.2
14	Banking and Insurance	12.5	10.0
15	Real estate, Ownership of Dwellings and Business services	10.5	10.4
16	Public Administration	1.6	11.3
17	Other services	13.9	13.8
	<b>Services Sector</b>	<b>8.0</b>	<b>8.9</b>
	<b>Total GSDP</b>	<b>7.2</b>	<b>7.0</b>

A.E.: Advance Estimates, F.R.E.: First Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka



### 2.1.4 Net State Domestic Product

The estimates of Net State Domestic Product (NSDP) are derived from the Gross State Domestic Product (GSDP) by deducting Consumption of Fixed Capital (CFC) or Depreciation. The estimated NSDP at constant (2004-05) prices is Rs. 301071 crore in 2014-15 compared to Rs. 280560 crore in 2013-14, showing a growth of 7.3% in 2014-15 against 7.4% during 2013-14. Agriculture & allied activities, industry and service sectors are expected to register a growth of 4.5%, 4.8% and 9.0%

respectively in 2014-15. The NSDP at current prices is estimated at Rs. 625412 crore in 2014-15, higher by 14.5% than that achieved in 2013-14 (**Table 2.4**). On NSDP basis too, the agriculture & allied activities, industry and service sectors are expected to register a similar growth of 17.2%, 8.5% and 16.0% respectively at current prices.

**Figure 2.1** shows the GSDP, NSDP and CFC at constant (2004-05) prices from 2004-05 to 2014-15. The difference in GSDP and NSDP indicates the extent of consumption or depreciation of fixed capital.

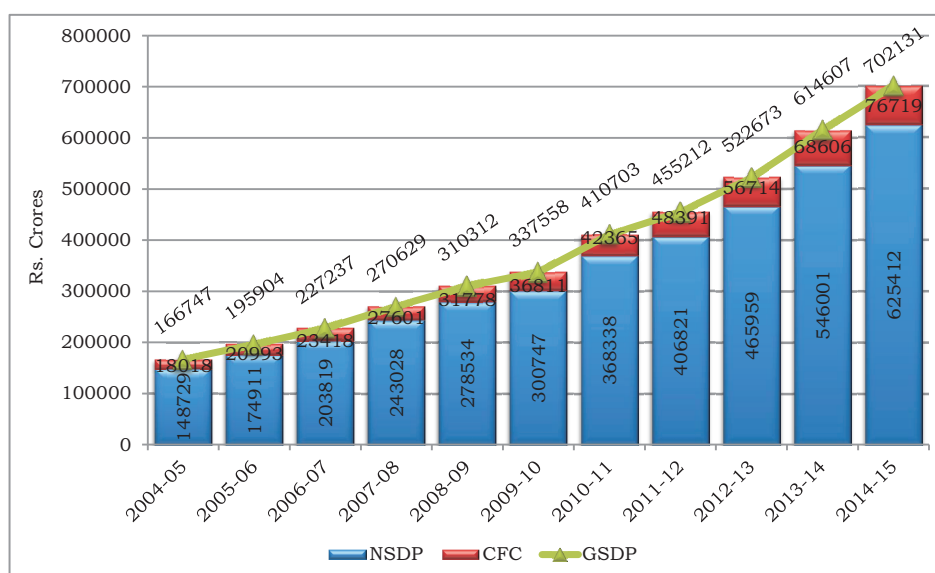
**Table 2.4: NSDP at Current and Constant (2004-05) PricesA**

Sectors	NSDP at Current Prices		NSDP at Constant (2004-05) Prices	
	2013-14 F.R.E.	2014-15 A.E.	2013-14 F.R.E.	2014-15 A.E.
Agriculture	97570	114398	44243	46256
Industry	121294	131575	66125	69282
Services	327137	379439	170192	185533
<b>NSDP</b>	<b>546001</b>	<b>625412</b>	<b>280560</b>	<b>301071</b>

A.E.: Advance Estimates, F.R.E.: First Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka

**Figure 2.1: GSDP, NSDP and CFC at constant prices**



### 2.1.5 Sectoral Composition of Gross State Domestic Product

The composition of GSDP of agriculture & allied activities and that of service sector (from 17.1% to 17.5% and 58.2% to 59.1%, respectively) saw a marginal increase in 2014-15 against 2013-14. During the last few years, services sector has been contributing as the largest component of GSDP. It is evident from the **Table 2.5**, that industry sector saw a marginal decrease

from 24.7% in 2013-14 to 23.4% in 2014-15. The composition of 'Real estate, Ownership of Dwellings and Business services' is highest with 18.9% in 2013-14 and 19.9% in 2014-15. This is followed by 'Trade, Hotels & Restaurants', 'Manufacturing' and 'Agriculture (including livestock and horticulture)'.

The sectoral composition of GSDP in 2013-14 and 2014-15 at current prices is given in **Table 2.5**. The sectoral composition of GSDP is shown in **Figure 2.2** by primary, secondary and tertiary sectors.

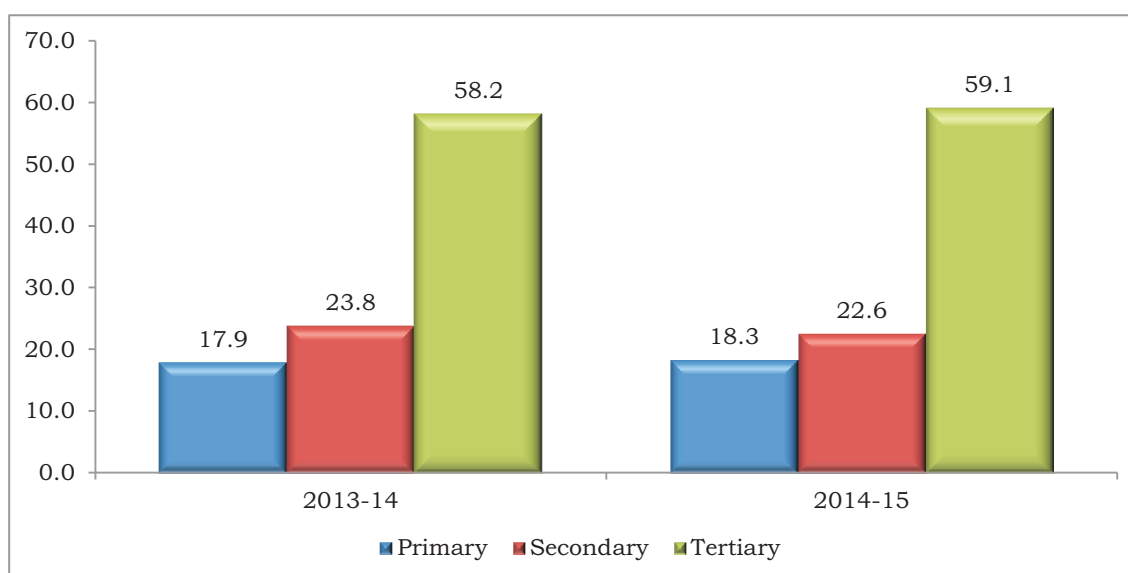
**Table 2.5: Sectoral shares of GSDP at Current Prices**

Sl.No.	Sector	2013-14 F.R.E.	2014-15 A.E.
1	Agriculture	14.3	14.7
2	Forestry and Logging	2.2	2.2
3	Fishing	0.6	0.6
	<b>Agriculture and Allied Sector</b>	<b>17.1</b>	<b>17.5</b>
4	Mining and Quarrying	0.8	0.8
5	Registered Manufacturing	10.2	9.5
6	Un-registered Manufacturing	2.9	2.7
7	Construction	8.8	8.4
8	Electricity, Gas and Water supply	2.0	1.9
	<b>Industry Sector</b>	<b>24.7</b>	<b>23.4</b>
9	Railways	0.4	0.4
10	Transport by other means	5.6	5.6
11	Storage	0.02	0.02
12	Communication	1.6	1.7
13	Trade, Hotels and Restaurants	12.2	11.4
14	Banking and Insurance	5.9	5.9
15	Real estate, Ownership of Dwellings and Business services	18.9	19.9
16	Public Administration	3.3	3.3
17	Other services	10.3	10.8
	<b>Services Sector</b>	<b>58.2</b>	<b>59.1</b>
	<b>Total GSDP</b>	<b>100.0</b>	<b>100.0</b>

A.E.: Advance Estimates, F.R.E.: First Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka



**Figure 2.2: Sectoral composition of GSDP at Current Prices**

### 2.1.6 Per Capita Income

Per capita income is estimated by dividing NSDP at current prices with mid-financial year projected population. Per Capita State Income (i.e. per capita NSDP) of Karnataka at current prices is estimated at Rs. 101594 during 2014-15, against Rs. 89545 in 2013-14, an increase of 13.5%.

On comparison, the level of per capita income at constant (2004-05) prices is expected to increase from Rs. 46012 during 2013-14 to Rs. 48907 for the year 2014-15 with an increase of 6.3%.

Sectorwise details of GSDP and NSDP for the years 2004-05 to 2014-15, both at current and constant (2004-05) prices including growth rates and sectoral composition are presented in **Appendices 2.1 to 2.12**.

### 2.1.7. Growth of NSDP and Per Capita Income

**Table 2.6** presents the growth of Net State Domestic Product and Per Capita Income of

the state over the years are presented below. The time series data from 1960-61 to 2014-15 is presented in **Appendix 2.13**.

### 2.1.8 Inter-State Comparison

The comparison of GSDP or State Income and per capita income of Karnataka for 2013-14 with some important states and with All India is presented in **Table 2.7**. It can be observed that Karnataka is placed at 6th position under State Income and 5th place under per capita income.

### 2.1.9 District Income

The estimates of gross and net district incomes at current and constant (2004-05) prices including per capita net district domestic product at current prices for the year 2012-13 for 30 districts in the State are presented in **Appendices 2.14 and 2.15**.

These district income estimates are prepared on a provisional basis. The database for the estimation is available for primary sector only. In respect of secondary and tertiary sectors, the State level estimates are allocated to districts with

**Table 2.6: Growth of NSDP and Per Capita Income**

Year	NSDP at Current Prices (Rs.Crore)	Per Capita Income (Rs.)
1960-61	692	296
1970-71	1858	641
1980-81	5587	1520
1990-91	20551	4598
2000-01	96348	18344
2010-11	368338	62251
2011-12	406821	68053
2012-13 (S.R.E.)	465959	77168
2013-14 (F.R.E.)	546001	89545
2014-15 (A.E.)	625412	101594

A.E.: Advance Estimates, F.R.E.: First Revised Estimates, S.R.E.: Second Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka

**Table 2.7: Comparison of State Income and Per Capita Income**

Sl. No.	State	State Income in Rs Crore	Rank	Per capita Income in Rs	Rank
1	Maharashtra	1476233	1	114392	2
2	Uttar Pradesh	890265	2	37630	14
3	Andhra Pradesh (undivided)	854822	3	88876	6
4	Tamil Nadu	854238	4	112664	3
5	West Bengal	700117	5	69413	8
<b>6</b>	<b>Karnataka</b>	<b>614607</b>	<b>6</b>	<b>89545</b>	<b>5</b>
7	Rajasthan	513688	7	65098	9
8	Madhya Pradesh	450900	8	54030	12
9	Haryana	383911	9	132089	1
10	Bihar	343054	10	31229	15
11	Punjab	317054	11	92638	4
12	Odisha	288414	12	54241	11
13	Chhattisgarh	185060	13	58297	10
14	Assam	162652	14	46354	13
<b>All India</b>		<b>10472807</b>		<b>74380</b>	7

Source: 1. Karnataka: Directorate of Economics and Statistics, Government of Karnataka.

2. Rest of the States and all India: Central Statistical Office, Government of India.

appropriate available indicators at the time of preparation of estimates as per the guidelines of CSO. Because of the data limitations, it may not be very useful to analyze the sectorwise district estimates between any two given points of time as the estimates are not firmed up. However, a brief description of the broader sectorwise district estimates is given in **Appendix 2.15**.

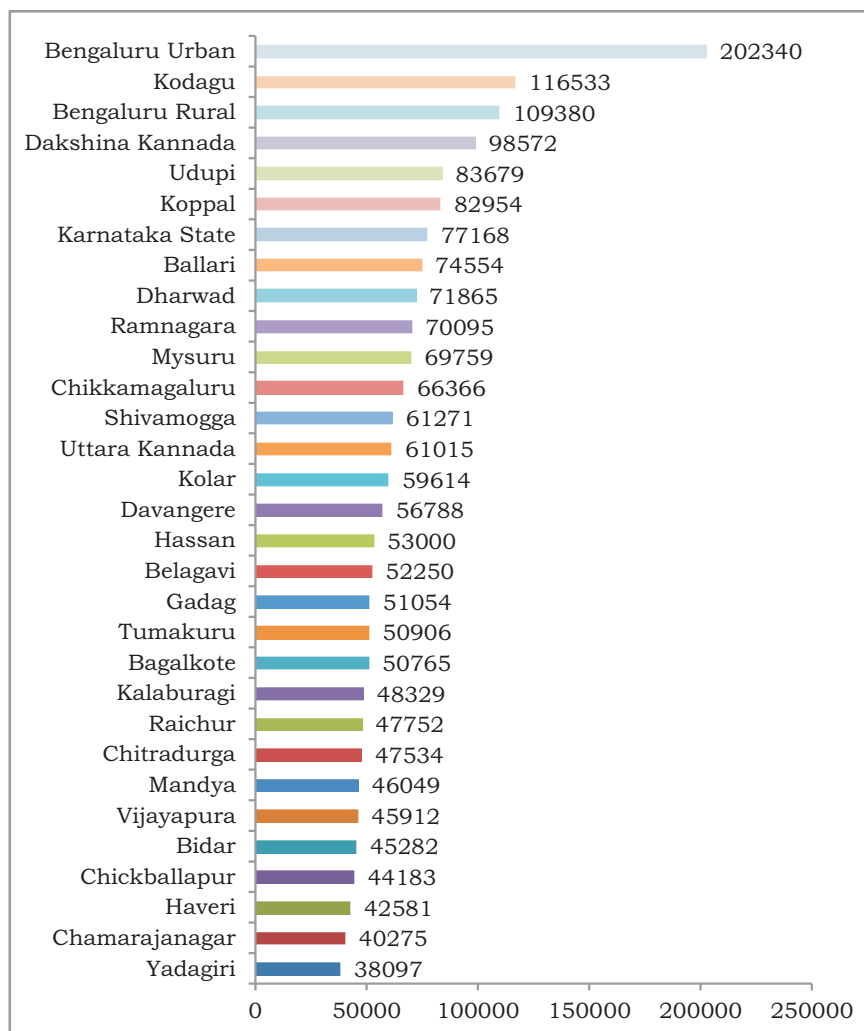
Bengaluru Urban District stood first in the total District Income as well as per capita district income for the year 2012-13. Bengaluru Urban District contributes 32.6% to GSDP at current Prices followed by Belagavi (5.4%), Dakshina Kannada

(4.5%), Mysuru (4.4%). However, Yadgiri and Chamarajanagar both standing at 0.9% and last in the districts' contribution to the GSDP.

At constant (2004-05) prices, contribution of Belagavi district to the primary sector GSDP is highest in 2012-13, due to a higher contribution in agriculture. Bengaluru Urban District tops in secondary and tertiary sectors due to high concentration of major industries and infrastructure facilities.

The per capita income (in rupees) at current prices for all 30 districts for the year 2012-13 is presented in Figure 2.3.

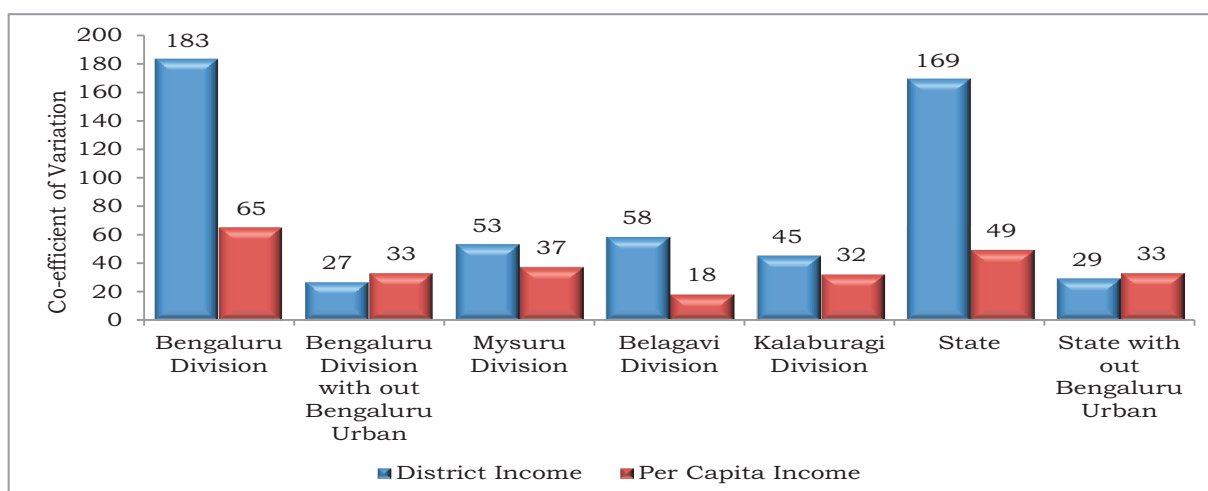
**Figure 2.3 : District wise Per Capita Income (in rupees) for the year 2012-13**



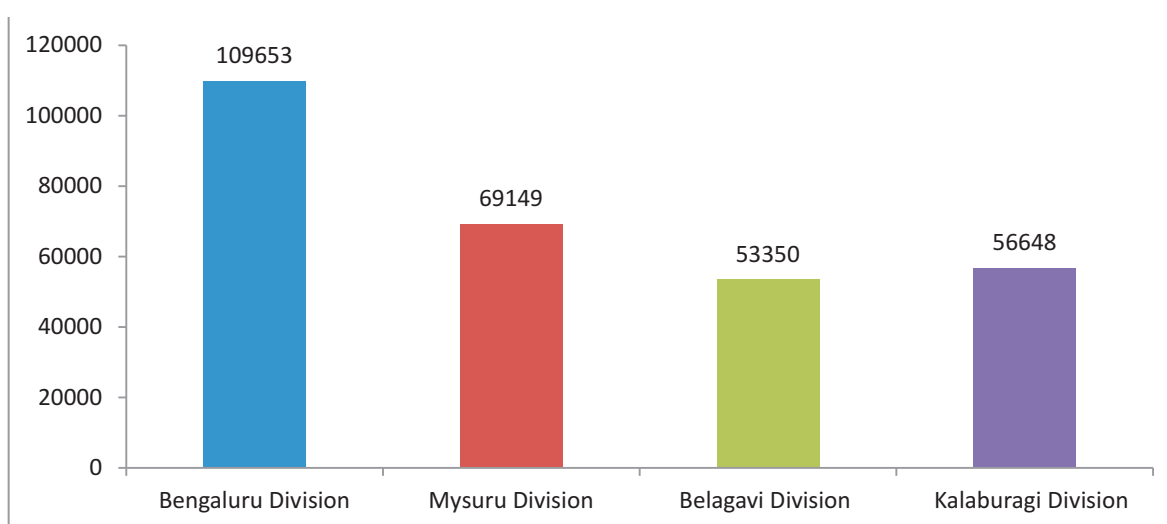
The district income is also a measure of the level and growth of economic development at the district level. It is a useful policy indicator to monitor the nature and degree of inter-district variations as well as, disparities in the process of economic growth at the State level. A simple statistical indicator of inter-district variations in the levels of district income is coefficient of variation. Figure 2.4 shows these computed values across the four divisions and at the State level.

Figure 2.4 indicates the variations in gross district and per capita district income among the revenue divisions of the State. The highest variation is evident with respect to Bengaluru division, if Bengaluru Urban District also included. Excluding Bengaluru Urban, inter-district variations in district income and per capita district income gets remarkably reduced at the division and State level. The growing inter-district variation is an important indicator and source of broader inter-regional

**Figure 2.4: Inter-district variations of Gross District Income and Per Capita Income by Divisions in Karnataka for 2012-13**



**Figure 2.5: Division wise Per Capita Income**



disparities in the process of State's economic development. However, a low coefficient of variation as such does not necessarily imply either a higher or lower district economic growth or regional disparity.

It can be observed from **Figure 2.5** that Belagavi the revenue division (comprising Belagavi, Vijayapura, Bagalkote, Dharwad, Haveri, Gadag and Uttara Kannada districts), stood lowest in the per capita income. Belagavi division's per capita income is less than half of the per capita income of the Bengaluru division.

#### **2.1.10. Challenges and Outcomes**

The major challenge in computing GSDP estimates at State and district level is accessibility to employment data. At present, the National Sample Survey Organisation conducts quinquennial Employment and Unemployment Surveys. Inter survey growth rates are being used to extrapolate for the forthcoming years.

The statistical data required for computation of Gross Value Added from registered manufacturing sector is being collected from the Annual Survey of Industries (ASI). The data collected from these surveys is sufficient to arrive at state level estimates. However these are not adequate enough to compute the estimates at district level.

Estimates of some of the more important sectors like: Gross Value Added (GVA) of computer related services, private sector construction, etc., are being calculated at the All India level and the same is being allocated to the States based on employment, prevailing in the concerned sectors.

To overcome these deficiencies, the Government has initiated the following measures:

- The Common Business Register to provide the sector-wise employment with number of establishments. Sample surveys based on these units

will yield "Value Added Per Worker" (VAPW). This data is being used to prepare GSDP estimates at district and state level.

- The reliable estimates for manufacturing sector at the district level can be prepared by increasing the sample size significantly by participating in the residual survey of ASI. By pooling the central and state sample of ASI data, District level estimates can be prepared.
- Karnataka is way ahead in software exports for several years, now. Its share in the All India software exports is around 33% to 36% to the total software exported. The Government of India calculates the GVA of this sector and allocates the same to the States based on the private corporate employment in this sector as revealed from Employment and Unemployment Survey of 2004-05. The GVA allocated to Karnataka is around 15-16% of the all India GVA. A study has also been underway to know the actual contribution from these services to GSDP of the State.

By employing these measures, the estimates of GSDP will be more realistic in the years to come.

## **2.2 Prices**

### **2.2.1 Introduction**

Price is one of the key indicators in the economic planning process. Changes in prices have a direct bearing on all sections of the society irrespective of their level of living. Prices indicate the purchasing power of money and inflation rate at both wholesale & retail levels. To measure inflation at wholesale and retail levels, the commonly used indicators are Wholesale Price Index and Consumer Price Index.

### **2.2.2 Wholesale Price Index**

Wholesale Price Index (WPI) is used to measure the price situation in different sectors of the economy. This index is

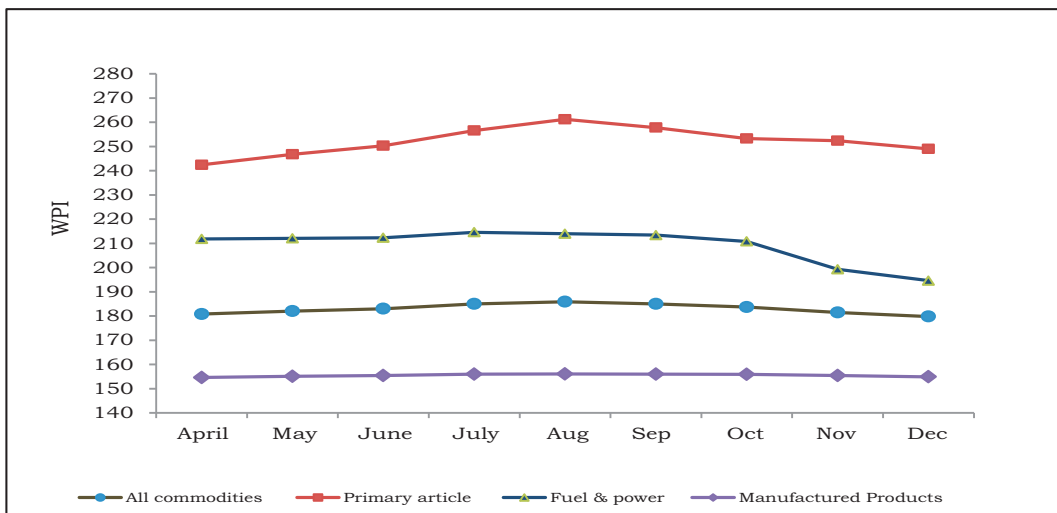
The Directorate of Economics and Statistics makes use of customized software for calculation of various price indices in the State. Web-based software application is used for the on line transmission of data from the field level directly. This enables the efficient collection of data and calculation of indices. Due to introduction of this application, delay in submitting the price quotations has reduced considerably. The final indices are generated within a short time.

released every week at the National level by the Office of the Economic Adviser in the department of Industrial Policy and Promotion, Ministry of Commerce and Industry. The base year for the construction of this index has been changed from 1993-94 to 2004-05 in order to cover existing commodities in the recent past. For better representation and wider coverage, 676 commodities have been included which include 102 primary articles, 19 fuel & power items and 555 manufactured products.

At the all India level, the WPI, which was 179.6 in December 2013 rose to 179.8 in December 2014, showing an annual inflation rate of 0.11%. The inflation rate based on WPI was 6.39% for the previous year. The WPI in December 2012 which was 168.8 rose to 179.6 in December 2013.

During 2014-15, the index of all commodities decreased from 180.8 in April 2014 to 179.8 in December 2014, showing a decrease of 0.55% as against an increase of 4.85% during the corresponding period in 2013-14, wherein the index of all commodities increased from 171.3 in April 2013 to 179.6 in December 2013. Group wise changes in WPI are shown in **Figure 2.6**. It can be seen that the 'Primary Articles' group index increased by 2.72%, 'Manufactured Products' group index increased by 0.19% and 'Fuel & Power' group index decreased by 8.12% during April 2014 and December 2014. The details of all India wholesale price index in April and December of 2012-13, 2013-14 and 2014-15 are presented in **Appendix 2.16**. **Appendix 2.17** contains details of annual all India wholesale price index from 2000-01 to

**Figure 2.6: Group-wise all India WPI**



2013-14 and monthly data for the current year (i.e, 2014-15).

In Karnataka, the Directorate of Economics and Statistics constructs the WPI for 33 agricultural commodities with 1981-82 as the base year. However, under Karnataka State Strategic Statistical Plan, shifting of the base year from 1981-82 to 2007-08 has been taken up for better coverage. In the State, WPI is useful to monitor the trends in prices at the first stage of commercial transactions of agricultural commodities. The main source of primary data for the construction of this index is 40 Agricultural Produce Marketing Committees (APMC's) of Agricultural Marketing Department situated across the State, who compile the prices of agricultural commodities and also the Sugar Directorate, Coffee Board, Tobacco Board and Spices Board.

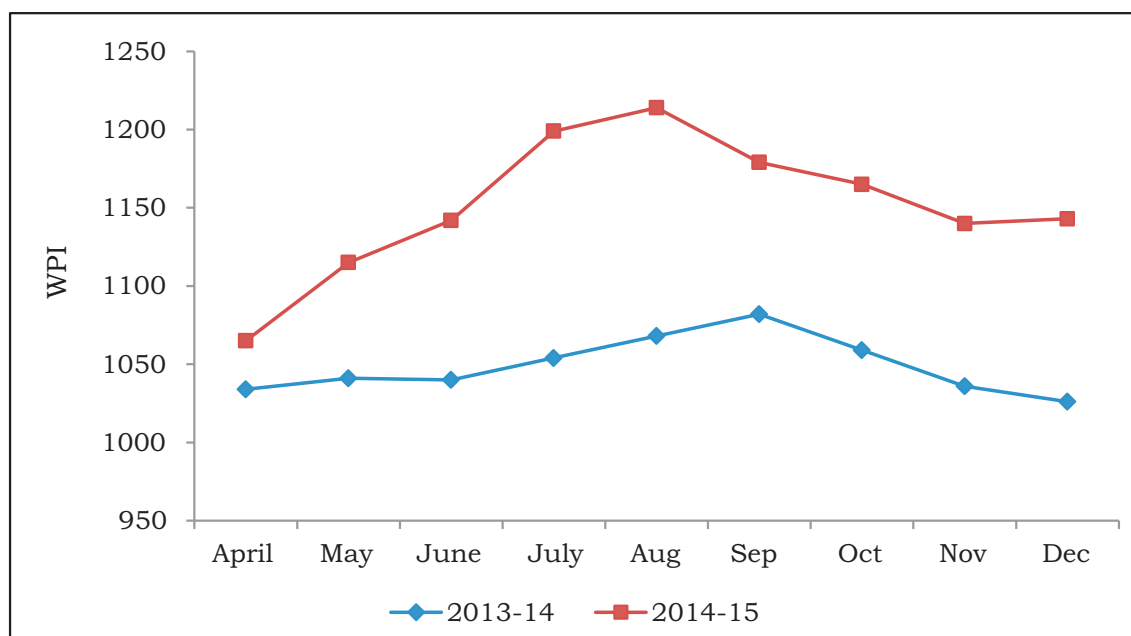
During 2014-15, the WPI of agricultural commodities constructed by the Directorate of Economics and Statistics has recorded increase in Index from 1065 in April 2014 to 1143 in December 2014, i.e., increase of 7.32% against a decrease of

0.77% during the corresponding period in 2013-14. The 9-month average index in 2014-15 was 1151 as against the corresponding period average index of 1049 in 2013-14, showing an increase of 9.72%. The trend of WPI for 33 agricultural commodities in Karnataka for the year 2014-15 and 2013-14 are shown in **Figure 2.7**.

During the reporting period of 2014-15, indices of pulses, miscellaneous and condiments and spices group have increased by 34.95%, 21.41% and 6.77% respectively. Higher increase in index of pulses and miscellaneous indices has resulted in the increase of the State index. On the other hand, the indices declined in respect of Gur & Sugar by 5.09%, Cereals & Fiber by 1.87%.

Among miscellaneous group onion commodity shows an increase in index i.e an increase of 92.37% in December 2014 over April 2014. The average index value of onion between April to December of 2014-15 decreased by 41.04% as compared to the corresponding period 2013-14. The average

**Figure 2.7: The trend of WPI for 33 Agricultural Commodities in Karnataka**

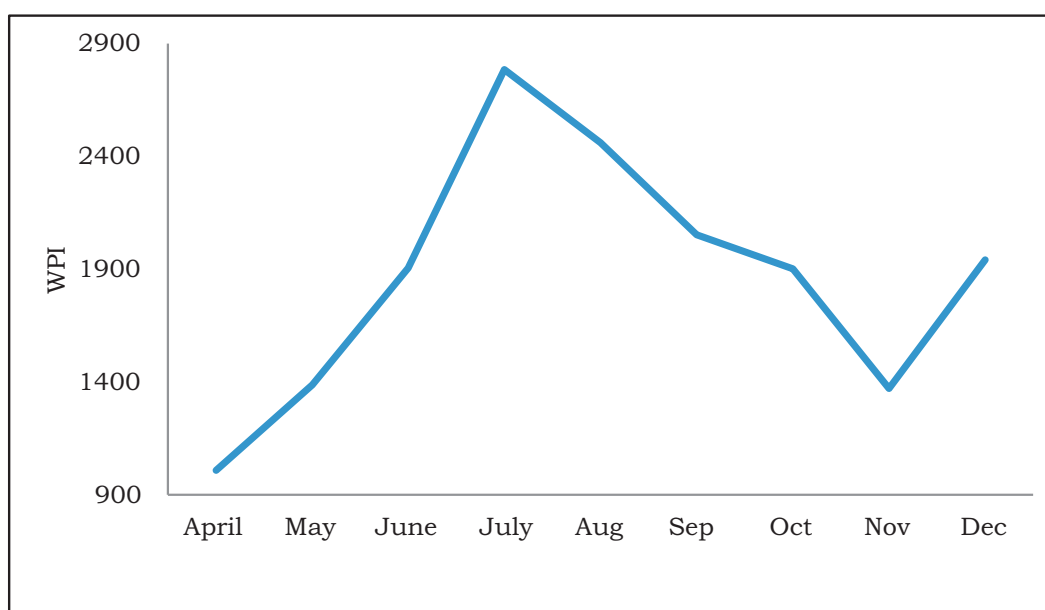




index of this commodity is 1868 in 2014-15, where as it was 3168 during 2013-14. **Figure 2.8** shows the trends of onion in Karnataka.

WPI numbers of agricultural commodities in Karnataka since 2000-01 are given in **Appendix 2.18** and groupwise index numbers for 2012-13, 2013-14 and 2014-15 are given in **Appendix 2.19**.

**Figure 2.8: Trends of WPI of onion in Karnataka**



### 2.2.3 Consumer Price Index

In order to study the changes in the retail prices of a basket of selected goods consumed and services utilized by a selected group of population, four different types of Consumer Price Indices are being constructed every month. They are Consumer Price Index for (a) Industrial Workers(CPI-IW) (b) Agricultural Labourers(CPI-AL) (c) Rural Labourers(CPI-RL) and (d) Rural and Urban(CPI – R & U). The first three indices are constructed and released by the Labour Bureau, Shimla and the fourth by the Central Statistical Office(CSO), New Delhi. In Karnataka, the Directorate of Economics & Statistics constructs and releases only CPI-IW for State series every month, whereas the remaining three indices are not being constructed by the State Directorate.

#### 2.2.3.1 Consumer Price Index for Industrial Workers

The target group of CPI-IW is workers of factories, mining, plantations, motor transport, docks, railways & electricity. This index is mainly used to determine the dearness allowance for the employees in both the public and private sectors. At the National level, CPI (IW) for Central series is constructed for 78 selected industrially developed centres across the country, with 5 of these centres based in Karnataka (Bengaluru, Belagavi, Hubballi-Dharwad, Madikeri and Mysuru). The base year for CPI-IW is 2001=100.

At the all India level, CPI(IW) moved to 253 points in December 2014 from 239 points in December 2013. The point-to-point rate of inflation for the month of December 2014 was 5.86%, whereas it was 9.13% in the

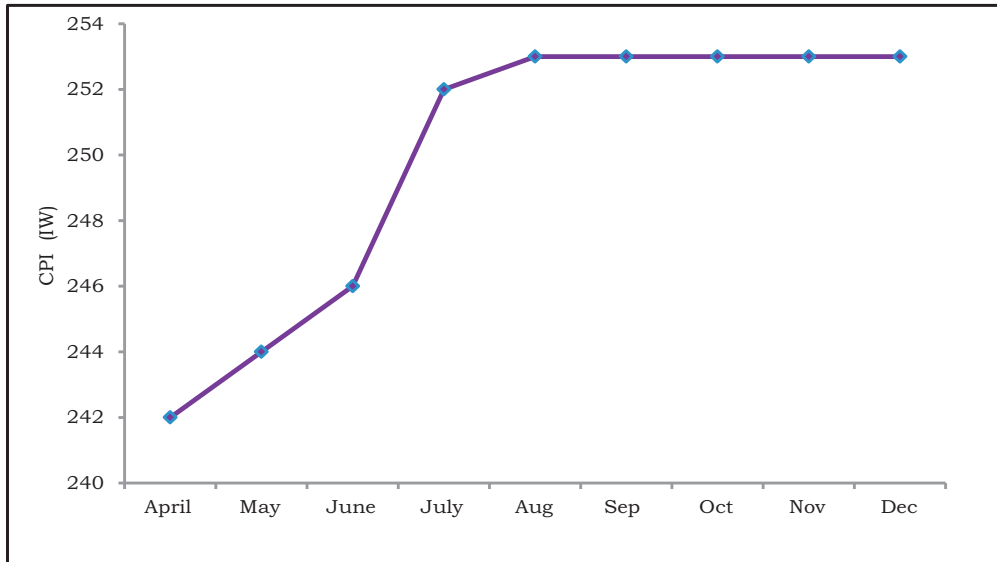


corresponding month of the previous year. The average all India CPI-IW during 2014-15 upto December 2014 is 250 as against the corresponding period average was 235 during 2013-14, which shows an increase by about 6.38%. The trend of all India CPI-IW is shown in **Figure 2.9**.

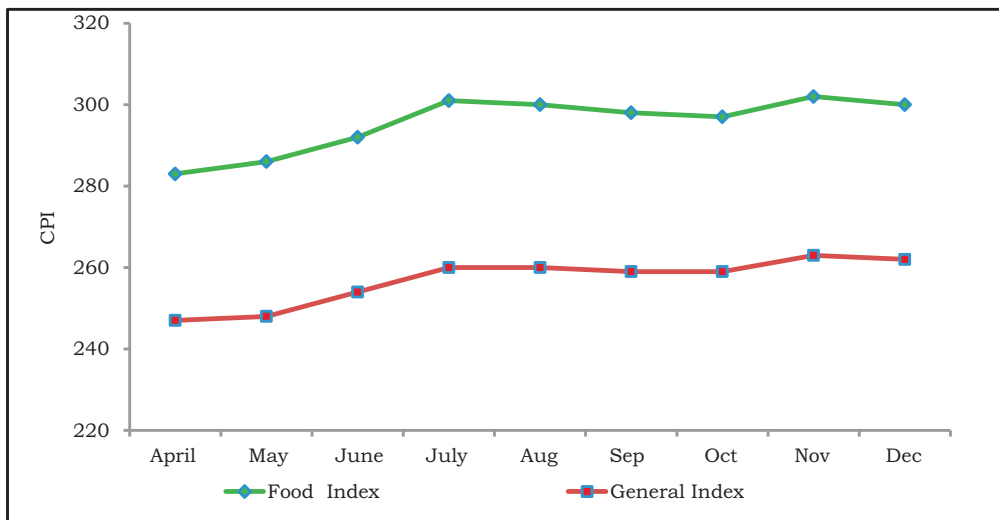
During 2014-15, among 5 centers of central series, Madikeri centre has recorded the highest increase in index i.e. an increase of 6.50% in December over April. The general index of this center for April 2014 and

December 2014 was 246 and 262 respectively. The average general index of this centre was 258 up to December 2014 during 2014-15 as against the corresponding period average of 248 during 2013-14, recording an increase of 4.03%. For food index, the increase was 5.19%. Food and General Index during 2014-15 till December 2014 is illustrated in **Figure-2.10**. Details of the CPI-IW for all-India and Karnataka are presented in **Appendix - 2.20**.

**Figure 2.9: Trend of all India CPI-IW**



**Figure 2.10: Food and General Index of Madikeri**



In Karnataka, the Directorate of Economics & Statistics constructs CPI-IW for 11 centres viz. Ballari, Bhadravathi, Davangere, Dandeli, Kalaburagi, Harihara, Hassan, Mandya, Mangaluru, Raichur and Tumkuru. The base year for these State series index is 1987-88=100.

During 2014-15, among the 11 State series centres, increase in index has ranged between 2.60% in Bhadravathi centre to 5.48% in Tumkuru centre. Tumkuru centre recorded the highest increase in index i.e. from 566 in April 2014 to 597 in December 2014 recording a rise of 5.48%. The average general index from April 2014 to December 2014 of Tumkuru centre (583) has increased by 8.77%, while that of food group index increased by 7.45% as compared to the corresponding period of the previous year. The details of food and general index during 2014-15 till December 2014 are depicted in **Figure 2.11**. CPI-IW in April & December for the years 2012-13, 2013-14 and 2014-15 in Karnataka are presented in **Appendix- 2.21**. Details of CPI-IW in Karnataka for the selected Central series centres are given in **Appendix-2.22(a)** and for State series centres in **Appendix-2.22 (b)**.

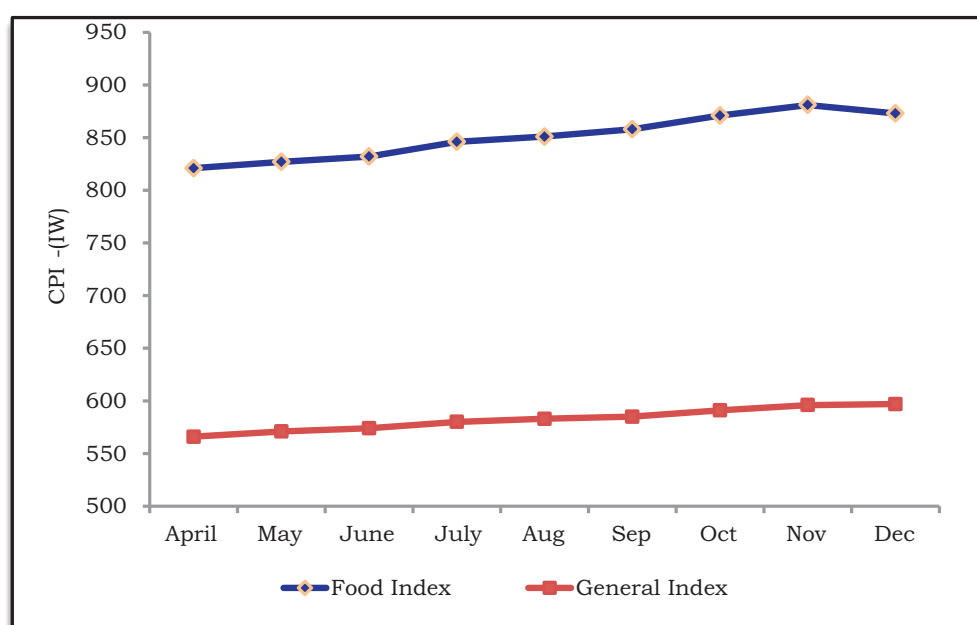
### 2.2.3.2 Consumer Price Index for Agricultural Labourers

Consumer Price Index for Agricultural Labourers (CPI-AL) for 20 States, including Karnataka, is being constructed every month by the Labour Bureau, Shimla based on the information obtaining from the Field Operation Division of National Sample Survey Office. This index is used for fixation and revision of minimum wages in agriculture sector. The base year for this index is 1986-87=100.

The general index in Karnataka recorded an increase of 5.70% in December 2014 over April 2014 as against 4.67% at all India level, whereas the food index in Karnataka showed an increase of 3.99% as against 4.13% at all India level.

During 2014-15 (upto December 2014), in Karnataka, the average general index moved to 857 from 817 during same period of 2013-14, thus showing an increase of 4.90%. At the all India level, this increase was 6.83%. The average food index in the State stood at 855 and at all India level it was 779, indicating an increase of 1.30% and 5.70% respectively over the previous year. Food and General Index during 2014-

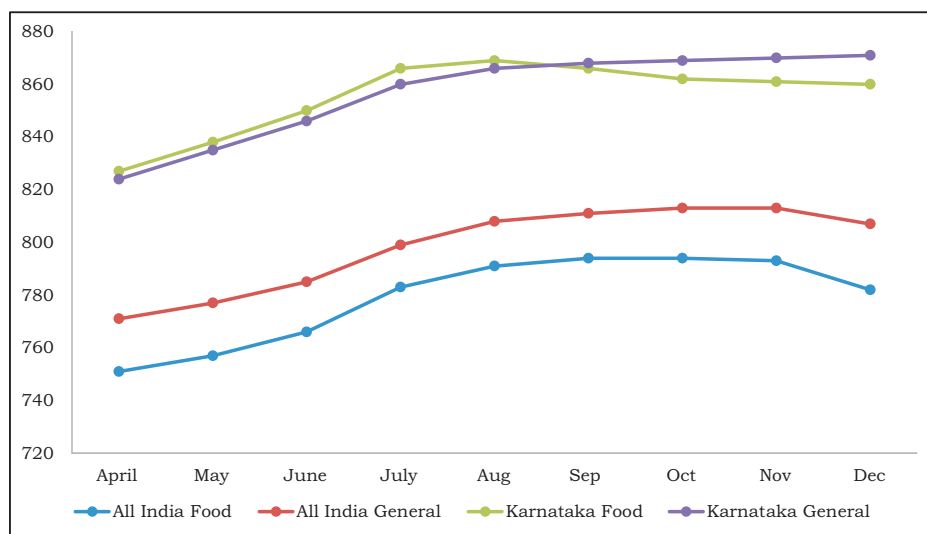
**Figure 2.11: Food and General Index of Tumkuru**



15s illustrated in **Figure. 2.12**. CPI-AL in April & December for the years 2012-13, 2013-14 and 2014-15 are presented in

**Appendix -2.23** and CPI-AL at all India and Karnataka from 2000-01 are given in **Appendix -2.24**.

**Figure 2.12: Food and General Index of Agricultural Labourers**



#### 2.2.4 Price Situation in Rural and Urban Karnataka

Directorate of Economics & Statistics, Government of Karnataka, collects retail prices of a basket of essential commodities from selected centres in rural and urban areas in order to assess the price situation in the State. Rural retail prices are collected every month and urban retail prices are collected every week for the construction of monthly Rural Retail Price Index Numbers and Urban Retail Price Index Numbers. For both these index numbers, the base year is 1970=100. These index numbers are based on un-weighted diagram and focuses on broad price trends in rural and urban areas, to guide policy decisions.

##### a) Price Situation in Rural Areas

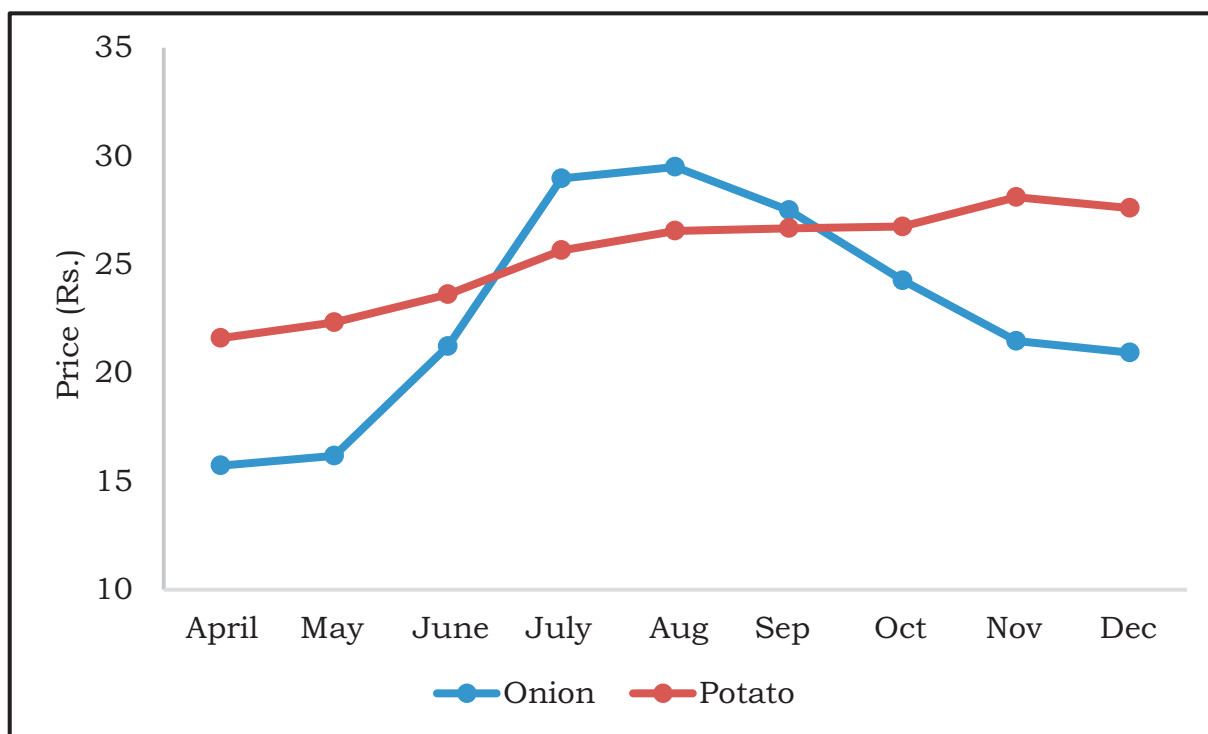
In the State, for construction of monthly Rural Retail Price Index (RRPI), retail prices of 29 essential commodities are collected from 352 villages every month. During 2014-15, the index shows a continuous increase from 3934 in April 2014 to 4264 in December 2014, thus showing an overall increase of 8.39%. This rise was mainly due

to increase in prices of onion and potato. Price trends of these commodities are shown in **Figure. 2.13**. Up to December 2014-15, the average RRPI was 4172, recording an increase of 5.86% over the RRPI (3941) of the corresponding period of the previous year. Rural Retail Price Index Numbers in Karnataka are given in **Appendix - 2.25**.

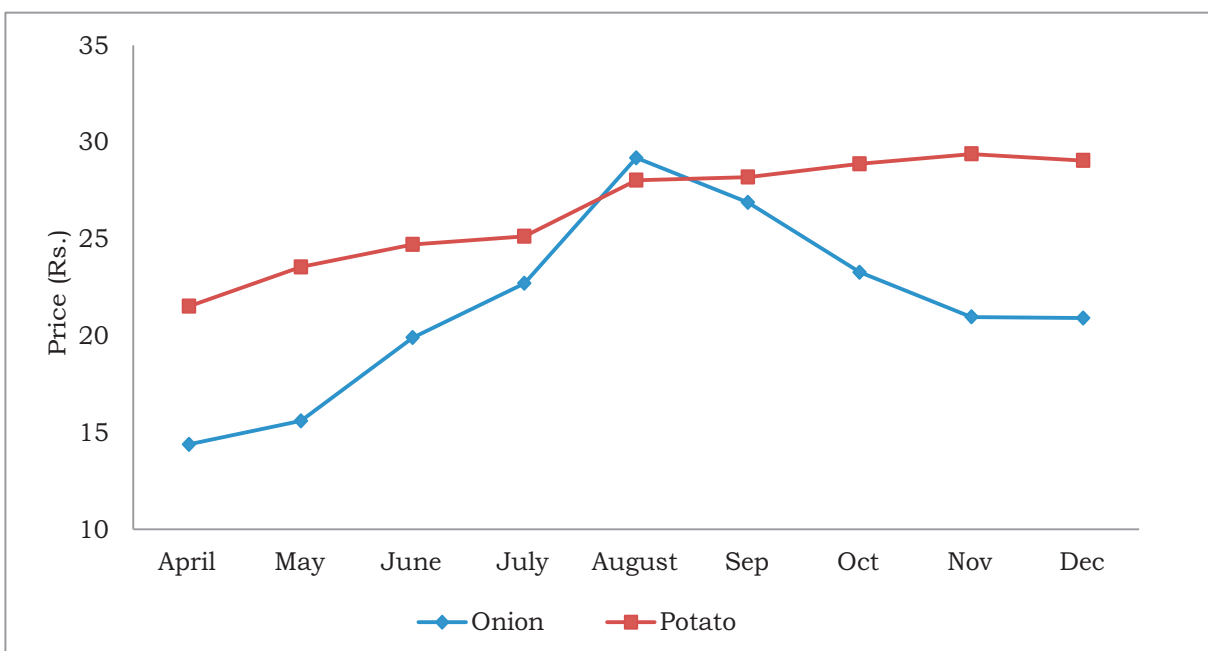
##### b) Price Situation in Urban Areas

Every week, retail prices of 20 important commodities are collected from 20 urban centres in the State in order to construct Urban Retail Price Index (URPI). During 2014-15, the URPI which was 2716 in April 2014 rose to 3093 in December 2014 showing an increase of 377 points or 13.88%. The rise in index is attributed to the increase in prices of onion & potato. The price trends of these commodities are graphically illustrated in **Figure. 2.14**. During 2014-15 (upto December 2014), the average URPI (2983) increased by 4.74% over the corresponding period of the previous year (2848). Urban Retail Price Index numbers in Karnataka are presented in **Appendix 2.26**.

**Figure. 2.13: Rural Retail Price of Onion and Potato**



**Figure. 2.14: Urban Retail Price of Onion and Potato**





## FISCAL DEVELOPMENT AND STATE FINANCES

The State of Karnataka's finances is good as gauged from the performance of broad fiscal indicators and has largely been within the fiscal rules prescribed. Driven by various fiscal consolidation measures, Karnataka has managed its expenditure well, even while enhancing its revenues. The State's fiscal deficit declined marginally from 2.98% in 2013-14(RE) to 2.92% of GSDP in 2014-15(BE), while the capital outlay has increased marginally from 99.02% in 2013-14(RE) to 99.86% of Gross Fiscal Deficit in 2014-15(BE). The State's revenue receipts have revealed further gains with their share increasing to 16.21% of GSDP in 2014-15 from 15.67% in 2013-14(RE). Further it is encouraging to note that the growth in Revenue receipts is primarily due to the growth of tax revenue. The State continues to have an overall revenue surplus, albeit at reduced levels. In 2014-15 development expenditure increased by about 15% compared to 2013-14(RE). However, non-tax-revenues continued to remain at low levels. Education, Water resources, Agriculture and Allied Services are significant components to the State's

development expenditure. Although, capital outlay has increased in its absolute size, decline in its share to Gross State Domestic Product is a matter of concern.

### 3.1 FISCAL CONSOLIDATION

The State's fiscal consolidation efforts have continued to be effective with all the fiscal indicators contained within the stipulated limits of the Karnataka Fiscal Responsibility Act, 2002 (KFRA). The State has chosen on its own volition to bring in fiscal discipline in the management of its finances. The Government has been maintaining revenue surplus since 2004-05, as mandated by the KFRA. Over the last few years, the fiscal deficit could also be maintained within 3% of GSDP as mandated by the KFRA, except in 2008-09 and 2009-10 when it went up to 3.2%, as a result of additional expenditure for economic stimulation prompted by the Government of India.

Time trends in fiscal and revenue deficits for the period 2004-05 to 2014-15 are presented in **Figure 3.1**.

**Figure 3.1: Revenue Deficit/Fiscal Deficit as a % GSDP**



### 3.2 KARNATAKA VIS-A-VIS-OTHER STATES

Over the years, the State's major fiscal indicators have compared well with the 'All states' average. This is reflected in the information on various fiscal indicators presented in **Table 3.1**. The State has achieved revenue surplus consistently. Further, the State has a capital outlay of 101.03% in the GFD as compared to 110.52% of all States average in 2013-14(BE). The fact that the entire fiscal deficit is devoted to capital Expenditure is welcome as it helps sustain rapid growth. However, the State has a challenging task of restoring the larger revenue surpluses achieved in the recent past to enable higher infrastructure investments. Other important expenditure indicators such as proportion of State tax revenue in the revenue expenditure and non-development expenditure in aggregate disbursements place Karnataka in a better position.

A comparative perspective of Karnataka's fiscal deficit with other Southern states is presented in **Figure 3.2**.

### 3.3 STATE FINANCES

The state's fiscal consolidation efforts have been largely revenue led owing to tax reforms and toning up of tax administration that have yielded buoyant revenue since the enactment of the FRA. The State's revenue receipts, as a percent of GSDP has increased marginally from 15.23% in 2007-08 to 16.21% in 2014-15 (**Table 3.2**). The global economic meltdown has a considerable negative impact on the State's tax revenues during 2008-09 and 2009-10 bringing down the share of revenue receipts to GSDP to 14.07% and 14.26% respectively. However, the State's revenue resources are showing signs of recovery from 2010-11 (15.28%) and further estimated to increase to 16.21% in 2014-15.

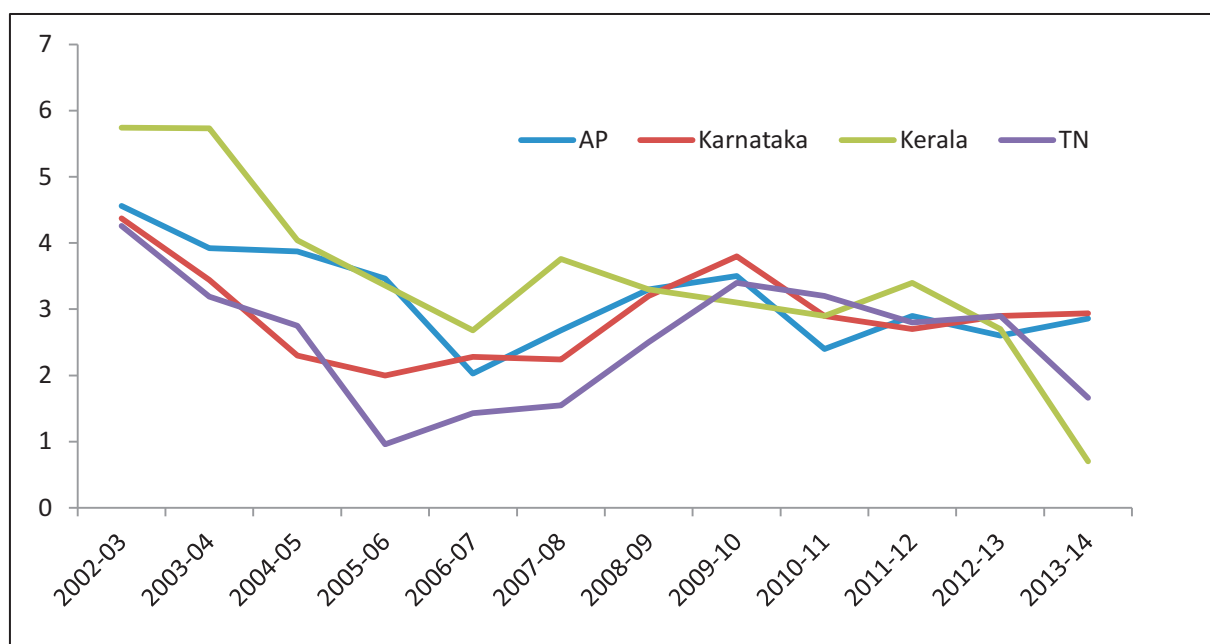
On the expenditure front, capital (net) outlay as percent of GSDP has decreased from 3.11 in 2007-08 to 2.91 in 2014-15. This poses a great challenge and is a matter of concern for Karnataka due to the

**Table 3.1: Major Fiscal Indicators of Karnataka**

Fiscal Indicators	2008-09 (Accounts)		2009-10 (Accounts)		2010-11 (Accounts)		2011-12 (Accounts)		2012-13 (RE)		2013-14 (BE)	
	KAR	All States	KAR	All States	KAR	All States	KAR	All States	KAR	All States	KAR	All States
RD/GFD	-18.70	-9.4	-14.90	16.40	-39.00	-1.90	-38.13	-14.23	-6.17	-8.41	-3.44	-19.48
Capital Outlay/ GFD	113.00	106.00	111.60	79.00	125.00	94.10	126.10	101.72	97.64	99.23	101.03	110.52
Non-devpt. Expenditure/ Aggregate disbursement	23.60	28.90	21.10	30.30	20.20	30.80	20.00	29.70	21.00	28.10	22.00	28.90
STR/RE	66.40	47.20	64.3	45.40	71.20	49.40	88.38	75.66	78.62	72.41	79.60	74.95

RD = Revenue Deficit; GFD = Gross Fiscal Deficit; STR =State Tax Revenue Source: RBI-Study of budget, 2013-14, Statement 4.

**Figure 3.2: Karnataka's Fiscal Deficit (as a % of GSDP) Compared with the Southern States**



infrastructure inadequacies prevailing in the State. In this context, the Expenditure Reforms Commission (ERC) constituted by the Government of Karnataka has recommended that capital outlay needs to be insulated from revenue adversities.

#### **Revenue receipts and Composition:**

The composition of revenue receipts from 2007-08 to 2014-15, accounts for the State's remarkable performance in its own tax collections (**Table 3.3**). The State's own tax revenue constitutes the largest share, it has increased from 9.62% of GSDP in 2007-08 to 10.20% of GSDP in 2014-15 (BE). There is a slight decrease in the share of central taxes from 2007-08(2.51%) to 2014-15 (2.42%). Share of grants from the central Government has increased 1.86% of GSDP to 2.94% of GSDP, during the reference period. However, non-tax revenue revealed a decline and warrants attention.

#### **Liabilities**

The total liabilities of the State Government increased from Rs.75286 crore in 2008-09 to Rs.157681 crore in 2014-15BE growing at a CAGR of 13.11%. The total liabilities are however, within the limit of 25% of GSDP prescribed by the 13th Finance Commission (**Figures 3.3 & 3.4**).

### **3.4 BUDGETARY DEVELOPMENTS IN 2014-15**

#### **3.4.1 Highlights**

Owing to a recovery in the macroeconomic situation, the State has been in a position to enhance revenue collection in 2014-15. Receipts are expected to be Rs.133573.34 crore in 2014-15BE, comprising Rs.111038.62 crore (83.13%) of revenue receipts and Rs.22534.72 crore (16.87%) of capital receipts. As compared to 2013-14, revenue receipts are expected to increase by 17.79% and capital receipts are expected to



**Table 3.2: Receipts and expenditure of Karnataka (Rs. crore)**

Items/Years	2007-08 (Accts)	2008-09 (Accts)	2009-10 (Accts)	2010-11 (Accts)	2011-12 (Accts)	2012-13 (Accts)	2013-14 (RE)	2014-15 (BE)
Revenue receipts	41151.14	43290.68	49155.70	58206.23	69806.27	78176.22	94270.37	111038.62
Revenue expenditure	37374.76	41659.29	47536.92	54033.84	65115.07	76293.26	94205.82	110757.34
Capital receipts	6029.69	9285.18	12942.68	12143.83	15228.35	16845.47	20297.35	22459.72
Capital Disbursements (net)	9948.03	11364.92	14310.68	16865.67	19259.41	18663.49	20352.08	22767.54
Capital outlay (net)	8403.16	9689.15	12066.89	13283.36	15416.47	15445.43	17721.70	19938.79
<b>% to GSDP</b>								
Revenue receipts	15.23	14.07	14.26	15.28	16.07	14.96	15.67	16.21
Revenue expenditure	13.83	13.54	13.79	14.19	14.99	14.60	15.66	16.16
Capital receipts	2.23	3.02	3.76	3.19	3.51	3.22	3.37	3.28
Capital outlay (net)	3.11	3.15	3.50	4.43	3.55	2.96	2.95	2.91
Capital Disbursements	3.68	3.69	4.15	3.49	4.43	3.57	3.38	3.32

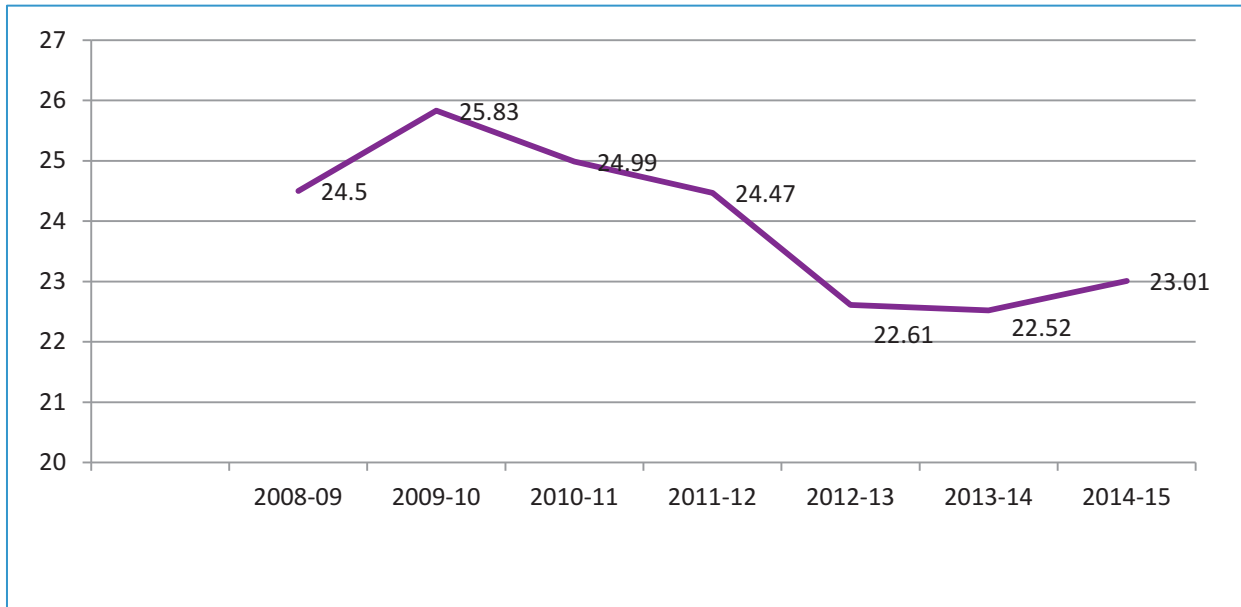
Source:(i) Government of Karnataka, Accounts Reckoner, 2002-13(ii)Annual Financial Statement 2014-15(iii) Medium Term Fiscal Plan, Finance Department, GoK 2014-18.

**Table 3.3: Composition of revenue receipts (% of GSDP)**

Year	2007-08 (Accts)	2008-09 (Accts)	2009-10 (Accts)	2010-11 (Accts)	2011-12 (Accts)	2012-13 (Accts)	2013-14 (R.E)	2014-15 (B.E)
State taxes	9.62	8.99	8.87	10.10	10.70	10.28	10.23	10.20
Share of central taxes	2.51	2.33	2.14	2.50	2.55	2.42	2.32	2.42
Grants from Center	1.86	1.73	2.29	1.80	1.88	1.49	2.48	2.94
Non-Tax Revenue	1.24	1.03	0.97	0.88	0.94	0.76	0.64	0.65

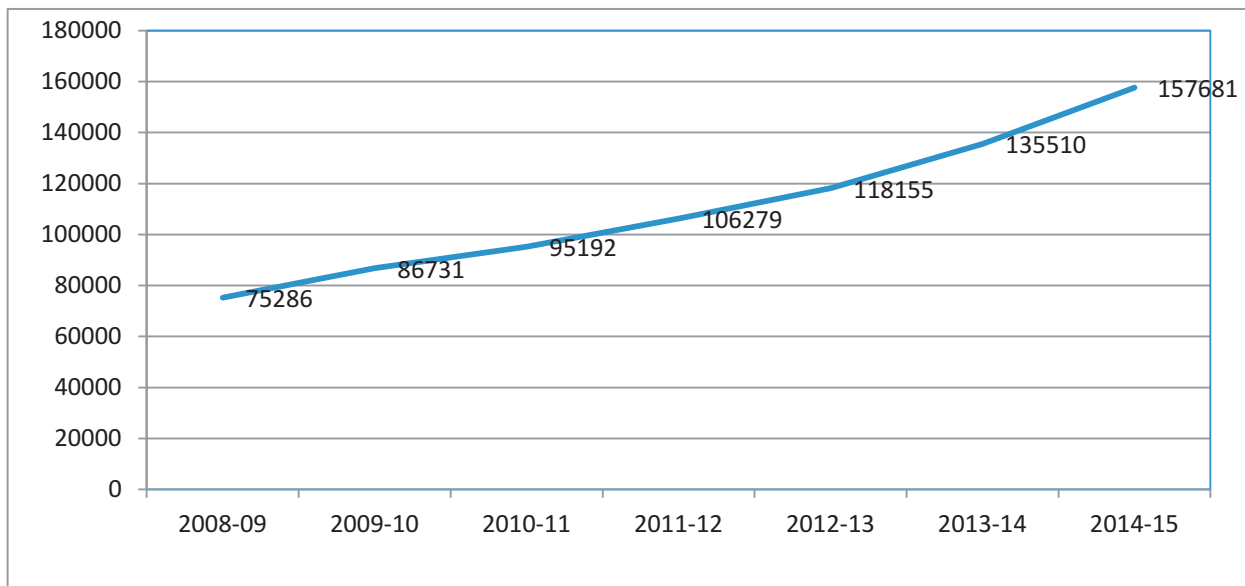
Source :(i) Economic Survey, Planning Department, GoK 2013-14 (ii) Medium Term Fiscal Plan, Finance Department,GoK,2014-18

**Figure 3.4: Share of total liabilities to GSDP**



**Figure 3.3: Total liabilities of State Government**

**(Rs.crore)**



increase by 10.70%, resulting in an overall anticipated increase of 16.53%. The State budget for 2014-15 envisages an expenditure of Rs.133599.87 crore comprising Rs.110757.34 crore (82.98%) of revenue expenditure and Rs.22842.53 crore (17.02%) of capital expenditure. Expenditure during the year 2014-15 is expected to grow by 16.56% over the

previous year, with revenue expenditure growing at a higher rate than that of capital expenditure. In addition, despite the sharper growth in revenue expenditure over revenue receipts, the State has managed to maintain a revenue surplus: however, on a reduced magnitude. The overall budgetary position of the State is reflected in **Table 3.4.**

**Table 3.4: Overall Budgetary Position (Rs.crore)**

	Receipts and Disbursements	2012-13 (Accts)	2013-14 (R.E.)	2014-15 (B.E.)	%variation (2014-15 over 2013-14)
<b>A.</b>	<b>Receipts</b>				
<b>1</b>	Revenue Receipts	78176.22	94270.36	111038.62	17.79
<b>2</b>	Capital Receipts	16878.51	20357.35	22534.72	10.70
	<b>Total A: (1+2)</b>	95054.73	114627.71	133573.34	16.53
<b>B.</b>	<b>Disbursement</b>				
<b>1</b>	Revenue Expenditure	76293.26	94205.82	110757.34	17.57
<b>2</b>	Capital Disbursements	18696.53	20412.08	22842.53	11.91
	<b>Total B : (1+2)</b>	94989.79	114617.90	133599.87	16.56

A/C: Accounts, R.E.: Revised Estimates, B.E.: Budget Estimates

Note: Ways and means of advances from RBI which have not been included in the Capital receipts and expenditure.

Important budgetary indicators for 2014-15 Budget are presented in **Table 3.5**. The per capita State's own tax revenue has increased from Rs.9782.26 in 2013-14 (RE) to Rs.10985.81 in 2014-15(BE). Revenue from Sales tax/VAT is expected to increase from Rs.32849.81 crore in 2013-14 to Rs.37250 crore in 2014-15, thus indicating a growth rate of 13.39%.

On the expenditure front, it is interesting to note that development expenditure and some key development sectors such as education, health, social security and welfare have had an increase in percapita terms implying an enhanced per-head financial outlay. Development expenditure budgeted for 2014-15 is of the order of Rs.94133.19 crore against Rs.81454.10 crore in 2013-14(RE), a clear increase of 15.57%.

### 3.4.2 Receipts

Aggregate receipts are likely to increase considerably by about Rs.18945.62 crore (BE) i.e. by 16.53 % in 2014-15. Revenue receipts are expected to increase by Rs.16768.26 crore and capital receipts are expected to increase by Rs.2177.36 crore. Revenue receipts account for 83.13% of total receipts. Details of revenue and capital receipts are presented in **Table 3.6**.

#### 3.4.2.1 Revenue Receipts

Revenue receipts comprise of four major components viz. own tax revenue, nontax revenue, devolution from GOI and GIA & contributions. The State's own tax revenue in 2014-15 is anticipated to increase by 13.55% and non-tax revenue by 15.92%. The share of tax revenue in the total revenue receipts is of the order 77.83% in 2014-15BE.

**Table 3.5 Important Budgetary Indicators: Karnataka**

Indicator		Unit	2013-14 (R.E.)	2014-15 (B.E)
1.	Aggregate Receipts (Revenue + Capital)	Rs. crore	114627.71	133573.34
2.	Revenue Receipts	Rs. crore	94270.36	111038.62
3.	State's Own Tax Revenue	Rs.crore	61530.40	69869.75
4.	Per Capita State's Own Tax Revenue	Rupees	9782.26	10985.81
5.	Sales Tax / VAT Collection	Rs. crore	32849.81	37250.00
6.	Share of Sales Tax /VAT in the State's Own Tax Revenue	%	53.39	53.31
7.	Non-Tax Revenue including Grants from the Centre	Rs. crore	18764.97	24608.86
8.	Share of Non-Tax Revenue in Revenue Receipts	%	19.91	22.16
9.	Debt Receipts	Rs.crore	17978.85	25042.26
10.	Share of Debts Receipts in Aggregate Receipts	%	15.68	18.75
11.	Per Capita Receipts	Rupees	18223.80	21002.10
12.	Aggregate Expenditure (Revenue + Capital)	Rs. crore	114617.90	133599.87
13.	Developmental Expenditure	Rs. crore	81454.10	94133.19
14.	Per Capita Development Expenditure	Rupees	12949.78	14800.82
15.	Share of Developmental Expenditure in Total Expenditure	%	71.07	70.46
16.	Per Capita Expenditure - Social Security & Welfare	Rupees	1488.87	1730.58
17.	Per Capita Expenditure on Health, Family Welfare, Water Supply and Sanitation	Rupees	1195.21	1365.95
18.	Per capita Expenditure on Education, Sports, Art and Culture	Rupees	2807.59	3290.89

R.E.: Revised Estimates, B.E.: Budget Estimate

Per capita are calculated on projected population of 2013 and 2014 which is based on 2001&2011 population census

**a) Tax Revenues:** Karnataka's Tax to GDP ratio (tax effort), has been good and compares well with other Indian States. The State's own tax revenues (SOTR) increased from Rs.27646 crore in 2008-09 to

Rs.69869.75 crore during 2014-15 at a CAGR of 16.71% (**Figure 3.5**).

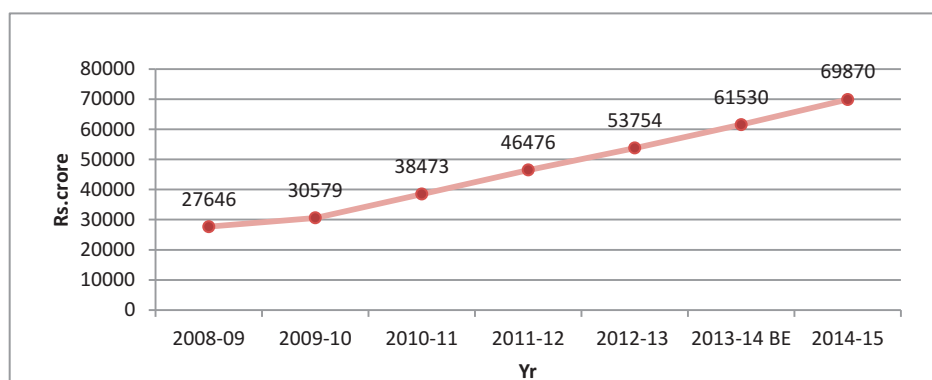
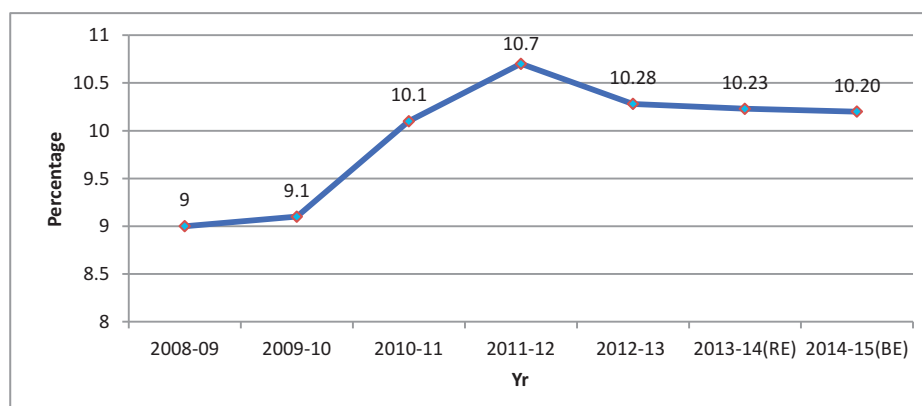
Composition of the revenue receipts as described earlier reveals that the State's own tax revenue has performed very well

**Table 3.6: Revenue and Capital Receipts, Karnataka 2012-13 to 2014-15****(Rs.crore)**

Category of Receipts	2012-13 (Accts)	2013-14 (RE)	2014-15 (B.E)	% Variation 2014-15 over 2013-14	2012-13	2013-14	2014-15	
					(Accts)	(R.E)	(B.E)	
L	Revenue Receipts				% to total Revenue Receipts			
A.	State's Tax Revenue	66400.70	75505.40	86429.76	14.47	84.94	80.09	77.84
(i)	Taxes on Income and Expenditure	715.15	850.00	973.00	14.47	0.91	0.90	0.88
(ii)	Taxes on Property & Capital Transactions of which	53038.40	60680.40	68896.75	13.54	67.84	64.37	62.05
	(a) Sales Tax / VAT	28414.44	32849.81	37250.00	13.39	36.35	34.85	33.55
	(b) Taxes on vehicles	3829.52	3800.00	4350.00	14.47	4.90	4.03	3.92
	(c) State Excise	11069.73	12600.00	14430.00	14.52	14.16	13.37	13.00
	(d) Taxes on Goods & Passengers	2180.71	2525.00	2890.00	14.46	2.79	2.68	2.60
	(e) Others	7544.00	8905.59	9976.75	12.03	9.65	9.45	8.98
	State's Own Tax Revenue(i+ii)	53753.56	61530.40	69869.75	13.55	68.75	65.27	62.93
(iii)	Tax Devolution from Centre	12647.14	13975.00	16560.01	18.50	16.18	14.82	14.91
B.	Non-tax Revenues	3966.11	3859.03	4473.43	15.92	5.07	4.09	4.03
C.	Grants - in - aid from Central Government	7809.42	14905.94	20135.43	35.08	9.99	15.81	18.03
	Total I: Revenue Receipts (A+B+C)	78176.22	94270.37	111038.62	17.79	100.00	100.00	100.00
II.	Capital Receipts							
(i)	Loans from Govt. of India	1348.98	1227.85	1729.93	40.89	7.99	6.03	7.68
(ii)	Internal Debt (Net of W & M & MB)	10504.31	15156.39	18904.04	24.73	62.23	74.45	83.89
(iii)	Public A/c (Net)	4834.06	3799.97	1733.02	-54.39	28.64	18.67	7.69
(iv)	Recovery of Loans & Advances	157.61	113.14	92.73	-18.04	0.93	0.56	0.41
(v)	Contingency Fund (Net)	0.51	0.00	0.00	0.00	0.00	0.00	0.00
(vi)	Misc. Capital Receipts	33.04	60.00	75.00	25.00	0.20	0.29	0.00
	Total II: Capital Receipts(i) to (vi)	16878.51	20357.35	22534.72	10.70	100.00	100.00	100.00
	AGGREGATE RECEIPTS: I+II	95054.73	114627.72	133573.34	16.53			
	CONSOLIDATED FUND OF RECEIPTS	91831.53	112422.35	136248.61	21.19			
	Total Tax Revenue as per cent of Total Receipts	69.90	65.90	64.70	-1.77			

A/C: Accounts, RE: Revised Estimates. BE: Budget Estimates, W & M = Ways & Means, MB =Market Borrowings

Source: Annual Financial Statement 2014-15

**Figure 3.5 State's own tax revenue****Figure 3.6: Tax effort (Tax/GSDP)**

during the period under reference. Tax revenue mainly includes taxes on income & expenditure, entry tax, property and capital transactions, VAT, sale of goods, commodities & services, State excise, motor vehicle taxes and the State's share in central taxes. The budgeted tax revenue is anticipated at Rs.86429.76 crore in 2014-15 as against Rs.75505.40 crore in 2013-14. Sales tax/VAT is the main source of tax revenue comprising about 53.31% of own tax revenue in 2014-15, with a growth rate of 13.39%. Revenue from State excise is expected to increase by 14.52%. Taxes on income and expenditure will be 14.47% high as compared to the previous year. Taxes on goods and passenger services have increased by 14.46%. The increase in overall revenue receipts is 17.79%.

**b)** The State's share in central taxes is budgeted to increase by Rs.2585.01 crore i.e. by 18.50%.

**c) Non - tax Revenues:** Non-tax revenue includes receipts from social, economic and general services, interest and dividends. The budget for 2014-15 has revenue from the above three services is Rs.4473.43 crore as against Rs.3859.03 crore in 2013-14(RE) (indicating an increase of 15.92%). This is an important fiscal challenge faced by the State which warrants necessary measures to recover user charges at optimal levels. The ratio of non-tax revenue to total receipts has been continuously declining over the years. Further, the State has one of the lowest non-tax revenues to the GSDP ratios in the country. It hovered around the 1% mark over the past two to three years.

This is due to low recovery of costs. In many departments, the revision of user charges, fees, fines and other such non-tax receipts have not taken place for many years. Even with revision of rates and better collection mechanisms, increase in revenues from this avenue may not be large due to existing low base. Expenditure Reform Commission has made a number of recommendations to enhance revenues from user charges.

**d) Grants from the Government of India:**

Grants are expected to increase from Rs.14905.94 crore in 2013-14(RE) to Rs.20135.43 crore in 2014-15(BE)(an increase of 35.08%). The GoI has initiated the process in 2014-15 to route all the central grants of CSS/CPS through State Plan.

**Table 3.7: Expenditure Indicators in Karnataka**

**(Rs. crore)**

Particulars	2008-09 Accts	2009-10 Accts	2010-11 Accts	2011-12 Accts	2012-13 Accts	2013-14 (R.E)	2014-15 (B.E)
Revenue Receipts	43290.68	49155.70	58206.23	69806.27	78176.22	94270.37	111038.62
Revenue Expenditure	41659.29	47536.92	54033.83	65115.07	76293.26	94205.82	110757.34
Development Expenditure	27009.63	32300.57	51626.38	60929.69	68067.53	81454.10	94133.19
Social Services	15872.99	19118.86	22107.82	29413.15	34151.07	39526.30	47095.96
Economic Services	11136.64	13181.71	14892.44	31516.54	33916.47	41927.79	47037.23
General Services	12275.57	12762.34	14055.09	17070.97	20770.32	24577.14	30341.16
Interest Payments	4532.00	5213.00	5641.00	6061.85	6833.00	7800.00	9700.00
Wage Bill	9927.00	10296.00	11086.00	11543.00	15700.00	16757.00	23315.00
Pensions	4113.00	3408.00	4070.00	5436.00	7227.00	8100.00	9350.00
Capital Expenditure	9870.29	12136.68	13355.16	15505.65	15478.47	17781.70	20013.78
Total Expenditure (RE+CE)	51529.58	59673.60	67388.99	80620.72	91771.73	111987.52	130771.12
Consolidated Debt	71410.00	83482.00	91943.00	103030.00	116767.00	133432.00	153447.00
Total Consolidated Fund	60178.38	62963.51	71934.07	85756.15	96601.16	116212.51	138008.16



### 3.4.2.2 Capital Receipts

Capital receipts include loans from Government of India, internal debt - ways and means, open market loans (net), public account, recoveries of loans and advances and contingency funds (net). Capital receipts of Rs.22534.72 crore in 2014-15(BE) accounts for an increase of 10.70% over 2013-14(RE) level. Loans from the Government of India account for Rs. 1729.93 crore i.e. 7.68% of the capital receipts and are expected to increase by 40.89% as compared to the previous year. There is an increase in internal debt-open market loans (Net) by 24.73% in 2014-15 as compared to the previous year whereas recovery of loans and advances has decreased by 18.04%.

### 3.4.3 Expenditure

Expenditure indicators (**Table 3.8**) reveal that the State's total expenditure under Consolidated Fund as a proportion of the GSDP has marginally declined from 22.44% in 2008-09 to 20.14% in 2014-15 B.E. The share of expenditure on social services has increased from 5.92% of GSDP in 2008-09 to 6.87 % in 2014-15 while the share of capital expenditure decreased from 3.68% of GSDP to 2.92% of GSDP during the same period which is a matter of concern. The share of development expenditure has significantly increased from 10.07% to 13.74% while the share of interest payments has declined from 1.69% to 1.42%.

#### 3.4.3.1 Functional Categories of Expenditure

Services provided by the Government are categorized broadly under three functional categories-General, Social and Community and Economic services and reflect the priorities of the Government by its various functions performed. The trends and composition of the functional categories of expenditure from 2008-09 reveal that the focus on social services covering the sectors such as education, health, housing, water supply etc., has significantly increased as

reflected in the share of expenditure from 5.92% of GSDP in 2008-09 to 6.87% of GSDP in 2014-15. The share of expenditure on economic services has sharply increased from 4.15% of GSDP to 6.86% of GSDP while that of general services has declined from 4.58% of GSDP to 4.43% of GSDP during the reference period. The increase in social and economic services is a welcome development given the human development and infrastructure concerns of the state.

#### 3.4.3.2 Development Expenditure: An Inter-State Comparison

The State has a larger size of per capita development expenditure as compared to the National average and that of many other States. Development expenditure comprises of spending incurred by the Government on programs relating to the social and economic services which, in turn, contribute to the social and economic development of the State. The per capita development expenditure in Karnataka during 2011-12, 2012-13(RE) and 2013-14(BE) was Rs.9972, Rs.11853 and Rs.13246 respectively as compared to all State's average of Rs.7044, Rs.8778 and Rs.9535. Karnataka has the highest level of per capita development expenditure compared to major states as can be seen in **Table 3.9**.

#### 3.4.3.3 Expenditure Highlights: 2014-15

Sector wise break-up of development and non-development expenditures is presented in **Table 3.10** and the corresponding revenue, capital and loan accounts are given in **Appendix 3.3**. The broad trends in development and non-development expenditure are depicted in **Figure 3.7**.

The expenditure on social services is anticipated to increase by 19.15 %with a net increase of Rs.7569.66 crore, from Rs.39526.31 crore in 2013-14 to Rs.47095.96 crore in 2014-15. Expenditure on economic services is expected to increase by 12.19% from Rs.41927.79 crore in 2013-14 to

**Table: 3.8: Expenditure Indicators in Karnataka (%of GSDP)**

Particulars	2008-09 Accts	2009-10 Accts	2010-11 Accts	2011-12 Accts	2012-13 Accts	2013-14 (R.E)	2014-15 (B.E)
Revenue Receipts	16.14	14.64	15.28	16.07	14.96	15.67	16.20
Revenue Expenditure	15.54	14.16	14.19	14.99	14.60	15.66	16.16
Development Expenditure	10.07	13.38	13.55	14.03	13.02	13.54	13.74
Social Services	5.92	5.69	5.80	6.77	6.53	6.57	6.87
Economic Services	4.15	3.93	3.91	7.26	6.49	6.97	6.86
General Services	4.58	3.80	3.69	3.93	3.97	4.08	4.43
Interest Payments	1.69	1.55	1.48	1.40	1.31	1.30	1.42
Wage Bill	3.70	3.07	2.91	2.66	3.00	2.79	3.40
Pensions	1.53	1.02	1.07	1.25	1.38	1.35	1.36
Capital Expenditure	3.68	3.61	3.51	3.57	2.96	2.95	2.92
Total Expenditure (RE+CE)	19.22	17.78	17.69	18.56	17.56	18.61	19.08
Consolidated Debt	26.63	24.86	24.14	23.72	22.34	22.18	22.39
Total Consolidated Fund	22.44	18.75	18.89	19.75	18.48	19.31	20.14

Rs.47037.23 crore in 2014-15. Development expenditure on social security and social welfare in 2014-15 is anticipated to go up by 17.53%; housing and urban development has increased by 44.50% over the previous year. Water and power development followed by agriculture and allied services have large share in the economic Services, while in social services, education sector followed by Social security and welfare gets the largest share.

Non-development expenditure is expected to increase to Rs.39466.69 crore in 2014-15 from Rs.33163.80 crore in 2013-14, accounting for 19.01% increase. Repayment of loans to Government of India and discharge of internal debt

account has increased to Rs.2352.15 crore in 2014-15 compared to Rs.2216.27 crore in 2013-14. Interest payments in the current year have increased to Rs.10200.00 crore compared to Rs.7800 crore in 2013-14. Expenditure on administrative services is anticipated to increase by 30.81%, while on pension and miscellaneous general services, an increase of 15.30% is seen as compared to 2013-14. Expenditure on the organs of the State has increased marginally by 3.84% over the previous year.

#### **3.4.3.4 Plan and Non-Plan Expenditure**

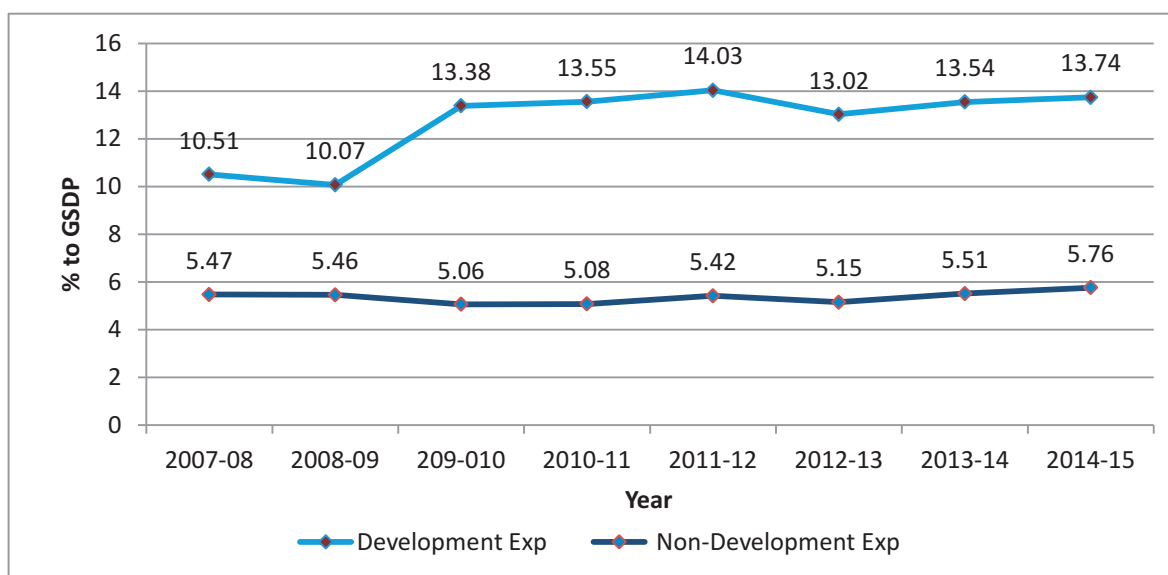
Plan and non-plan expenditure details are presented in **Table 3.11**. Of the aggregate expenditure of Rs.133599.87 crore

**Table 3.9: Per- Capita Development Expenditure in select states (Rs.)**

State	2011-12 (Accts)	2012-13 (R.E)	2013-14 (B.E)
Andhra Pradesh	9308.51	11282.51	12895.59
Assam	5434.08	8911.35	10062.42
Bihar	3741.35	5605.68	5688.22
Gujarat	8600.33	11064.52	11857.83
<b>Karnataka</b>	<b>9972.18</b>	<b>11853.30</b>	<b>13246.12</b>
Kerala	8120.12	10210.21	12086.04
Madhya Pradesh	7987.59	7991.61	8607.73
Maharashtra	8687.44	9940.83	10544.17
Orissa	6625.30	7701.79	8851.89
Punjab	6151.62	10228.05	10867.24
Rajasthan	6224.49	8589.15	9307.64
Tamilnadu	9553.40	11303.40	11884.88
<b>Total: All States</b>	<b>7044.13</b>	<b>8778.48</b>	<b>9534.56</b>

Note: Per- capita development expenditure is calculated using the projected population of 2011, 2012 and 2013

Source: RBI-A Study of Budget 2013-14, Statement 11

**Figure 3.7: Development and Non Development Expenditure**

**Table 3.10: Trends in Key Expenditure Components (Rs.crore)**

Category of Expenditure	2012-13 (Accts)	%	2013-14 (R.E)	%	2014-15 (B.E)	%	Percent Variation (2014- 15over 2013-14)	
<b>I</b>	<b>Developmental Expenditure</b>							
<b>A</b>	<b>Economic Services (of which)</b>	<b>33916.46</b>	<b>49.83</b>	<b>41927.79</b>	<b>51.47</b>	<b>47037.23</b>	<b>49.97</b>	12.19
1	Agriculture & Allied Services	8214.44	12.07	14634.02	17.97	14190.27	15.07	-3.03
2	Rural Development	2377.75	3.49	3229.00	3.96	5143.74	5.46	59.30
3	General Economic Services	1346.55	1.98	1669.10	2.05	2002.25	2.13	19.96
4	Water & Power Development	14188.39	20.84	13116.10	16.10	17008.51	18.07	29.68
5	Industry and Minerals	919.27	1.35	1374.62	1.69	1420.82	1.51	3.36
6	Transport and Communication	6707.24	9.85	7638.56	9.38	6895.98	7.33	-9.72
7	Others	162.82	0.24	266.39	0.33	375.66	0.40	41.02
<b>B</b>	<b>Social Services (of which)</b>	<b>34151.07</b>	<b>50.17</b>	<b>39526.31</b>	<b>48.53</b>	<b>47095.97</b>	<b>50.03</b>	<b>19.15</b>
8	Education, Sports, Art and Culture	14985.70	22.02	17659.77	21.68	20930.09	22.23	18.52
9	Medical & Public Health, Family Welfare, Water supply & Sanitation	6461.50	9.49	7517.86	9.23	8687.45	9.23	15.56
10	Social Security & Welfare Including SC & ST Welfare	7800.32	11.46	9365.02	11.50	11006.46	11.69	17.53
11	Housing and Urban Development	2404.08	3.53	2679.21	3.29	3871.36	4.11	44.50
12	Information and Publicity	76.97	0.11	84.95	0.10	91.86	0.10	8.13
13	Others	2422.50	3.56	2219.50	2.72	2508.75	2.67	13.03
	<b>Total Development Expd. (A+B)</b>	<b>68067.53</b>	<b>100.00</b>	<b>81454.10</b>	<b>100.00</b>	<b>94133.20</b>	<b>100.00</b>	<b>15.57</b>

Contd....

Category of Expenditure		2012-13 (Accts)	%	2013-14 (R.E)	%	2014-15 (B.E)	%	Percent Variation (2014- 15over 2013-14)
<b>II</b>	<b>Non-developmental Expenditure</b>							
<b>(a)</b>	Revenue Expenditure under General services	<b>20180.84</b>	<b>74.96</b>	<b>23988.05</b>	<b>72.33</b>	<b>29570.19</b>	<b>74.92</b>	<b>23.27</b>
<b>(i)</b>	Organs of the State	779.10	2.89	1174.49	3.54	1219.57	3.09	3.84
<b>(ii)</b>	Fiscal Services	820.77	3.05	1073.74	3.24	1183.36	3.00	10.21
<b>(iii)</b>	Interest payment & servicing of debts	6833.43	25.38	7800.00	23.52	10200.00	25.84	30.77
<b>(iv)</b>	Administrative Services	4455.93	16.55	5769.42	17.40	7546.95	19.12	30.81
<b>(v)</b>	Pension & Miscellaneous General Services	7219.62	27.08	8170.40	24.64	9420.32	23.87	15.30
<b>(b)</b>	Compensation & Assignment to Local Bodies and PRIs	<b>4018.42</b>	<b>14.93</b>	<b>6330.44</b>	<b>19.09</b>	<b>6671.60</b>	<b>16.90</b>	<b>5.39</b>
<b>(c)</b>	Capital Expenditure	<b>2722.99</b>	10.11	<b>2845.31</b>	8.58	<b>3224.89</b>	8.17	<b>13.34</b>
<b>(i)</b>	General Services	589.47	2.19	589.09	1.78	770.97	1.95	30.87
<b>(ii)</b>	Discharge of Internal Debt (Net)	1419.16	5.27	1534.52	4.63	1577.72	4.00	2.82
<b>(iii)</b>	Repayment of Loans to G.O.I.	696.53	2.59	681.75	2.06	774.43	1.96	13.59
<b>(iv)</b>	Loans & Advances to Govt. Servants	17.83	0.07	39.95	0.12	101.77	0.26	154.74
	<b>Total non- development Expenditure</b>	<b>26922.26</b>	<b>100.00</b>	<b>33163.80</b>	<b>100.00</b>	<b>39466.69</b>	<b>100.00</b>	<b>19.01</b>
	<b>Aggregate Expenditure I + II</b>	<b>94989.79</b>		<b>114617.90</b>		<b>133599.89</b>		16.56
	Developmental Exp as % of total Exp	71.66		71.07		70.46		-0.85
	Per Capita Development Expenditure (Rs)	10978.63		12949.78		14800.82		14.29
	<b>III. Ways &amp; Means &amp; Market Borrowings</b>	1611.37		1594.61		4408.29		22.64
	<b>Consolidated Fund</b>	<b>96601.16</b>		<b>116212.51</b>		<b>138008.16</b>		<b>18.75</b>

R.E: Revised Estimates, B.E.: Budget Estimates

Note: Per capita is based on the projected population of 2012, 2013 and 2014

Source: Appendix 3.3 based on Budget Documents: 2014-15

**Table No. 3.11: Plan and Non-plan Expenditure, Karnataka** (Rs.crore)

Sl.No.	Items	2012-13(Accts)	2013-14(RE)	2014-15 (BE)
<b>I.</b>	Plan			
1	State Plan	39764.00 (74.64)	48450.00 (86.99)	65600.00 (97.80)
2	Centrally Sponsored Schemes (including Central sector)	3208.00 (6.02)	7243.00 (13.01)	1477.00 (2.20)
	Total Plan Outlay	53272.00	55693.00	67077.00
<b>II.</b>	Non-Plan Expenditure	59148.00	68179.00	80389.00

Note: values in the bracket indicate percentage to grand total. R.E: Revised Estimates, B.E: Budget Estimates

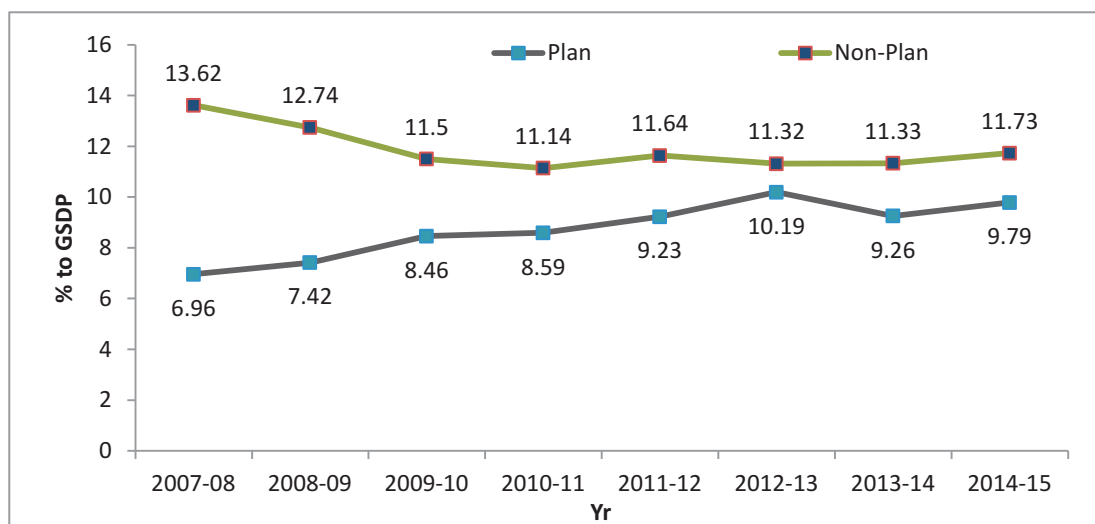
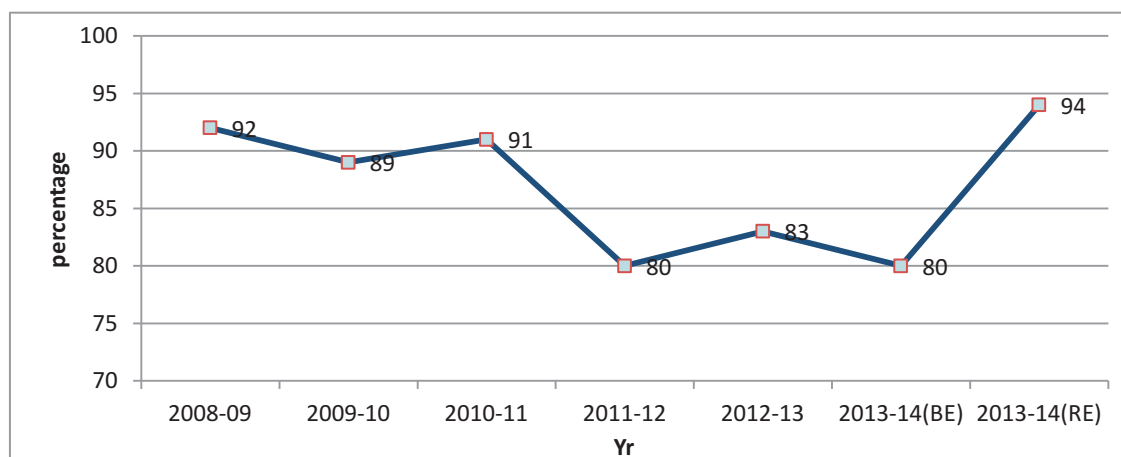
budgeted for 2014-15, plan outlay amounts to Rs.67077.00 crore. There has been a significant increase in the State plan outlay by Rs.17150.00 crore from Rs.48450.00 crore in 2013-14(RE) to Rs.65600.00 crore in 2014-15B.E. The central Plan component has decreased by Rs.5766.00 crore from Rs.7243.00 crore in 2013-14 (RE) to Rs.1477.00 crore during the current year. This is because all central assistance to CSS/CPS schemes got transferred to State Plan under Central Assistance to State Plan. Non-Plan expenditure is expected to increase by 17.91% from Rs.68179.00 crore in 2013-14 to Rs.80389.00 crore in 2014-15. While the relevance of plan and non plan categorization is being increasingly questioned, the composition in the current context helps understand the distribution of expenditure between fresh programs and past commitments.

Trends in the share of plan and non-plan expenditure in the GSDP during 2007-08 to 2014-15 are presented in **Figure 3.8**. It can be seen that there has been a gradual increase in the plan expenditure of the State. Restricting the non-plan expenditure has been possible due to the austerity measures adopted by the Government from time to time such as restrictions on fresh recruitment, vehicle purchases, foreign

tours and training, holding Government functions in star hotels and total ban on travel in business class in flights. However, the State government still has a fairly large amount of expenditure locked up under “committed expenditure” category discussed below.

#### 3.4.3.5 Committed Expenditure

Committed expenditure on salaries, pensions, interest, subsidies, administrative expenditure, devolution to PRIs and ULBs, etc constitute about 94 percent of the total uncommitted revenue receipts i.e. total revenue receipts less tied grants from Government of India, during the year 2013-14(BE) (**Figure 3.9**). The graph below traces the trends in the share of committed expenditure to the uncommitted receipts. As is evident from the graph, approximately 94% of uncommitted revenue receipts in 2013-14(RE) are committed. Hence, only 6% of uncommitted revenue receipts are available for new initiatives and meeting existing capital expenditure commitment of the Government. With such limited fiscal space available for manoeuvrability, containing the committed expenditure which is largely revenue in nature via-a-via capital expenditure would be one of the key challenges currently faced by the state.

**Figure 3.8: Plan and Non Plan Expenditure as a Percent of GSDP****Figure 3.9 Committed Expenditure as % of Uncommitted Revenue Receipts**

### 3.4.3.6 Economic Classification of Expenditure

Under the guidelines from the Central Statistical Organization, the Directorate of Economics and Statistics classifies Government expenditure by economic categories in the annual budget. This is useful for analyzing the economic significance of the budgetary transactions of the State Government. It throws light on the extent of capital formation out of budgetary resources, savings of the Government, drawals of the Government on various resources of the State's economy

and contribution of the Government to State income.

A summary of the total expenditure by economic classification for 2014-15 in comparison with the preceding two years is presented in **Table 3.12**. In 2014-15, in the final outlays, the Government's consumption is anticipated to increase by 29.50% over 2013-14. The capital formation has increased by 11.17%. Consumption expenditure forms 23.96% of the total expenditure during the current year. Transfer payments to the rest of the economy are anticipated to go up by 10.84%



**Table 3.12: Economic Classification of Expenditure of Karnataka State Budget for 2014-15 (Rs.crore)**

Sl. No.	Description	2012-13 (Accts)	2013-14 (R.E)	2014-15 (B.E)	Percent Variation (2014-15 over 2013-14)
<b>1</b>	Final Outlays	32581.34	42998.53	52194.69	21.39
(a)	Government consumption Expenditure	18755.89	24031.07	31119.34	29.50
(b)	Gross Capital Formation	13852.51	19018.56	21142.09	11.17
(c)	Acquisition of Fixed Assets	(-)27.06	(-)51.10	(-)66.74	30.61
<b>2</b>	Transfer Payments to the Rest of the Economy	53198.01	64018.73	70961.18	10.84
(a)	Current Transfers *	52261.41	63019.10	69632.28	10.49
	Capital Transfers	936.60	999.63	1328.90	32.94
<b>3</b>	Financial Investments and Loans to the rest of the Economy	6084.80	5671.23	6685.78	17.89
<b>Total Expenditure (1+2+3)</b>		<b>91864.15</b>	<b>112688.49</b>	<b>129841.65</b>	<b>15.22</b>

\* Includes interest and subsidy also R.E.: Revised Estimates, B.E.: Budget Estimates

Source: An Economic-cum-Purpose Classification of the Karnataka Government Budget 2004-05 to 2014-15, Directorate of Economics and Statistics, Government of Karnataka.

during the current year. The share of transfer payments to the rest of the economy in total expenditure is 54.65%. Within transfer payments, current transfers, which include interest and subsidies, are a major component (98.12%). Financial investments and loans to the rest of the economy that amounted to Rs.5671.23 crore in 2013-14 have increased to 6685.78 crore in 2014-15.

### 3.5 CAPITAL FORMATION BY GOVERNMENT

Details of capital formation by the Government are presented in **Table 3.13**. Gross capital formation by the Government is expected to increase by 12.18% in 2014-15. The value of assets anticipated to be created in 2014-15 is Rs.22404.25 crore of which Rs.18322.96 crore will be created by departmental commercial undertakings and Rs.4081.29 crore by the Government.

### 3.6 INVESTMENT UNDER PLAN: STATE BUDGETARY SUPPORT (SBS) FOR PLAN

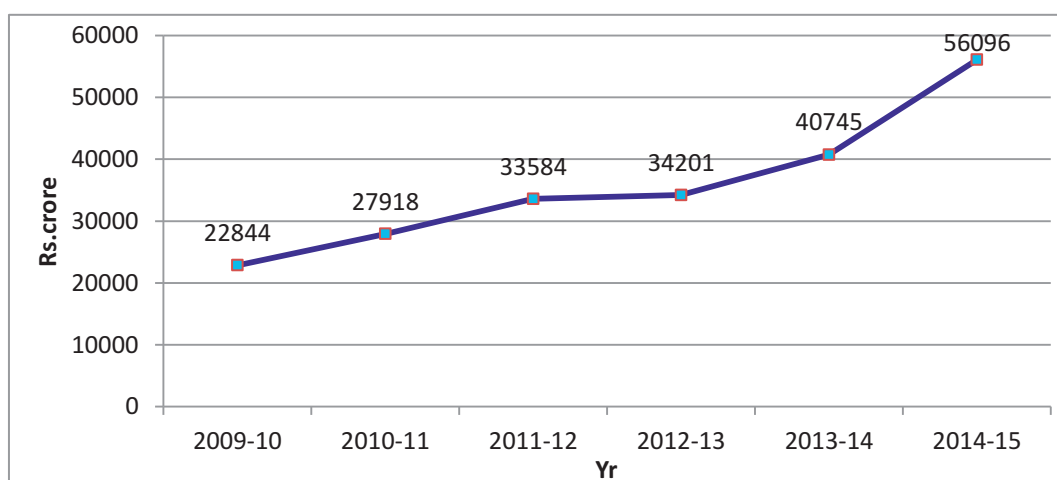
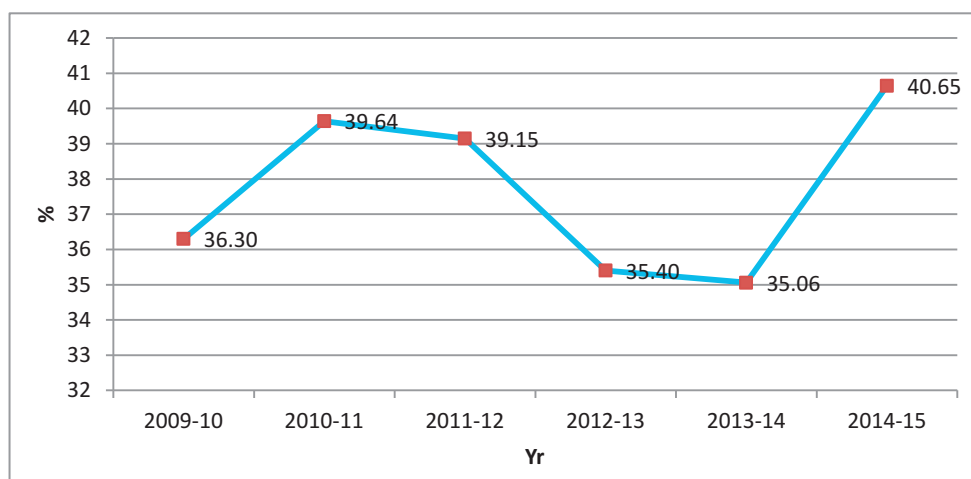
Karnataka's plan SBS (excluding IEBR/CESS) has increased from Rs.22844 crore to Rs.56096 crore during the period (2009-10 and 2014-15) growing at a CAGR of 19.68 % (**Figure 3.10**). The plan SBS as a percentage of the budget increased from 36.30% to 40.65% during the same period (**Figure 3.11**). Relative to the GSDP, the plan SBS increased from 6.8 % to 8.2% during the period (**Figure 3.12**).

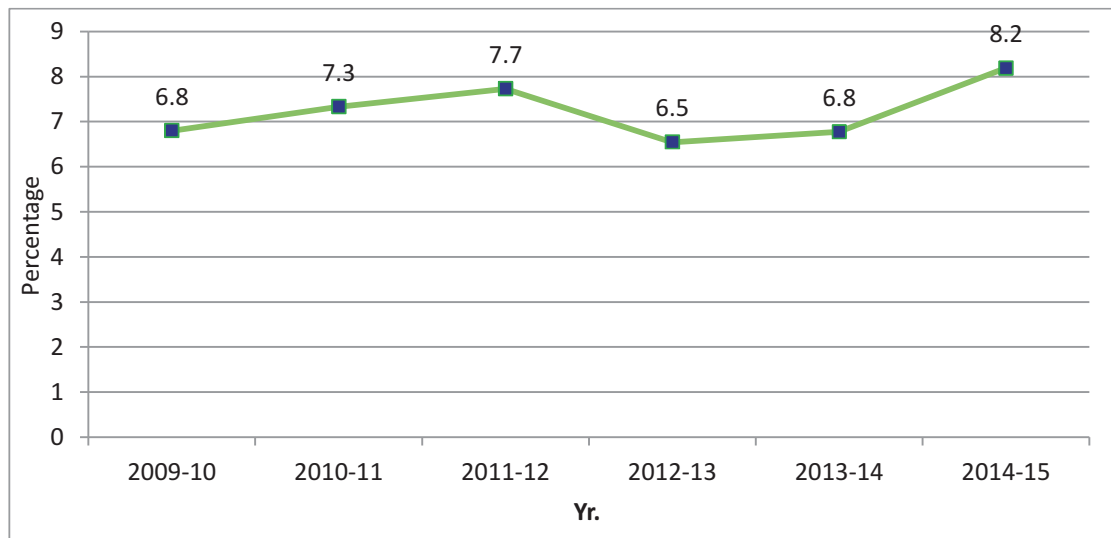
**a) Twelfth Five Year Plan (2012-17):** The State's plan spending has been growing significantly. The outlay for the 12th Five Year Plan is at Rs. 255250.00 crore. Out of this around 40% is from Borrowings (net), 36% is from own resources, 13% from IEBR and remaining 11 % is from central assistance to State Plan. In respect of %

**Table 3.13: Capital Formation by the Government of Karnataka: 2014-15** (Rs.crore)

Sl.No.	Description	2012-13 (Accts)	2013-14 (R.E)	2014-15 (B.E)	Percent Variation (2014-15 over 2013-14)
1	Value of Assets Created	14762.05	19967.09	22404.25	12.21
(a)	By Departmental Commercial Undertakings	12298.16	17009.36	18322.96	7.72
(b)	By Government Administration	2463.89	2957.73	4081.29	37.99
2	Change in Stock in (a) & (b) above	(-)0.79	(-)20.04	(-)28.62	42.81
	<b>Total: Gross Capital Formation</b>	<b>14761.26</b>	<b>19947.05</b>	<b>22375.63</b>	<b>12.18</b>

Source: An Economic-cum-Purpose Classification of the Karnataka Government Budget 2004-05 to 2014-15, Directorate of Economics and Statistics, Government of Karnataka

**Figure 3.10: Plan State Budgetary Support****Figure 3.11: Share of plan SBS in Budget**

**Figure 3.12: Share of plan SBS to GSDP**

anticipated utilisation of resources in the first 3 years, it is high in Central Assistance (74.76%) followed by State Own Resources (71.55%), IEBR (57.93%) and State Borrowings (net) at 46.80% (**Table 3.14**). The State has one of the highest per-capita plan expenditure among major states in the country at Rs.7472 in 2013-14.

**b) Inter-sectoral Outlays:** The sectors which have performed well in eleventh plan including Agriculture and Allied Activities,

Irrigation and Flood Control, Energy, Industries and Minerals, Transport, Science, Technology and Environment, General Economic Services, Education, Health, Information and Publicity, Welfare of SCs, STs and OBCs, Labour and Employment and Social Security. The plan performance by the major sectors during the eleventh five year plan and approved outlays in the Twelfth plan 2012-17 outlay at current prices are presented in **Table 3.15**.

**Table 3.14: Financial Resources of Twelfth Plan, Karnataka**

(Rs.crore)

	Items	Twelfth Plan Target (at Current prices)	Anticipated Achievement in 2012-13 to 2014-15	% Utilisation
1	State Borrowings(net)	101654.00(39.83)	47573.22(30.92)	46.80
2	State Own Resources	92095.00(36.08)	65898.38(42.84)	71.55
3	IEBR	33486.00(13.12)	19398.00(12.61)	57.93
4	Central Assistance	28015.00(10.97)	20943.49(13.61)	74.76
	Total	255250.00	153813.09	60.26

Figures in bracket indicate % to total  
Source: Finance Department, GoK

**Table 3.15: Plan Outlays and Expenditure by Major Sectors****(Rs.crore)**

Sl. No	Sectors	Actual Expenditure in the Eleventh Plan	Twelfth Plan 2012-17 Outlay (At Current prices)	% increase in the 12 <sup>th</sup> Plan Out lay over the 11 <sup>th</sup> Plan Expenditure
<b>A.</b>	<b>Economic Services</b>			
<b>1</b>	Agriculture & Allied Activities (incl.	9204.15	20939.11	127.50
<b>2</b>	Rural Development	5666.83	8396.35	48.17
<b>3</b>	Special Area Programme (including HKDB, MADB & BADP)	2086.74	4086.11	95.81
<b>4</b>	Irrigation and Flood Control	18975.85	41157.22	116.89
<b>5</b>	Energy	16740.12	26779.38	59.97
<b>6</b>	Industry & Minerals	2950.39	4777.25	61.92
<b>7</b>	Transport	19010.15	33224.38	74.77
<b>8</b>	Science, Technology, Forestry, Ecology & Environments	1504.48	2945.97	95.81
<b>9</b>	General Economic Services	3441.78	6739.46	95.81
	<b>Total - A : Economic Services</b>	<b>79580.49</b>	<b>149045.23</b>	<b>87.29</b>
<b>B.</b>	<b>Social Services</b>			
<b>10</b>	Education. Sports, Art & Culture	11799.85	21348.66	80.92
<b>11</b>	Health	4587.55	8983.05	95.81
<b>12</b>	Water Supply, Housing & Urban Development			
	a) Water Supply	5493.12	13009.70	136.84
	b) Housing	3680.39	9102.57	147.33
	c) Urban Development	13246.45	20964.36	58.26
<b>13</b>	Information & Publicity	105.20	206.00	95.81
<b>14</b>	Welfare of SCs, STs & OBCs	7095.41	12893.75	81.72
<b>15</b>	Labour & Labour Welfare	786.84	1540.74	95.81
<b>16</b>	Social Welfare &	7057.80	12439.89	76.26
	<b>Total - B : Social Services</b>	<b>53852.61</b>	<b>100488.72</b>	<b>86.60</b>
<b>C.</b>	<b>General Services</b>	<b>2919.13</b>	<b>5716.05</b>	<b>95.81</b>
	<b>Grand Total - State Plan</b>	<b>136352.24</b>	<b>255250.00</b>	<b>87.20</b>

Source: Draft Annual Plan 2013-14 documents, Planning Department, Revised Twelfth five year plan document, Planning DepartmentGoK.

**Sectoral breakup of plan outlays by major sectors for the last three years is presented in Table 3.16.**

**Table 3.16: Developmental Outlays by Major Sectors (Rs.crore)**

Sl. No.	Sectors	2012-13 (Accts)	% to Total	2013-14(RE)	% to Total	2014-15(BE)	% to Total
<b>A.</b>	<b>State Plan</b>						
<b>L</b>	<b>Economic Services</b>						
<b>1</b>	Agriculture & Allied Activities (Including Co-operation)	3834.06	7.16	7534.31	13.46	6007.52	8.96
<b>2</b>	Rural Development	1266.50	2.37	1215.66	2.17	3227.81	4.81
<b>3</b>	Special Area Programme (including HKDB, MADB & ADP)	485.29	0.91	996.16	1.78	1377.52	2.05
<b>4</b>	Irrigation and Flood Control	5154.17	9.63	7470.97	13.35	10454.14	15.58
<b>5</b>	Energy	4383.55	8.19	4365.93	7.80	4980.87	7.43
<b>6</b>	Industry and Minerals	590.39	1.10	893.29	1.60	922.15	1.37
<b>7</b>	Transport	5668.44	10.59	6308.18	11.27	5461.23	8.14
<b>8</b>	Science, Technology & Environment	438.53	0.82	540.76	0.97	727.75	1.08
<b>9</b>	General Economic Services	770.15	1.44	837.14	1.50	1113.90	1.66
	<b>Total - I: Economic Services</b>	<b>22591.08</b>	<b>42.19</b>	<b>30162.41</b>	<b>53.90</b>	<b>34272.89</b>	<b>51.09</b>
<b>II.</b>	<b>Social Services</b>						
<b>10</b>	Education, Sports, Art & Culture	3583.66	6.69	3681.75	6.58	8052.55	12.00
<b>11</b>	Health	1292.04	2.41	1917.94	3.43	3095.16	4.61
<b>12</b>	Water Supply, Housing & Urban Development						
	(a) Water Supply	2225.78	4.16	1640.81	2.93	2501.46	3.73
	(b) Housing	1103.26	2.06	1434.01	2.56	2042.57	3.49
	(c) Urban Development	2732.86	5.10	4402.13	7.87	5272.35	7.86
<b>13</b>	Information and Publicity	33.31	0.06	32.13	0.06	35.21	0.05
<b>14</b>	Welfare of SCs, STs & OBCs	2867.01	5.35	1936.63	3.46	4949.03	7.38
<b>15</b>	Labour & Labour Welfare	211.53	0.40	290.53	0.52	473.02	0.71
<b>16</b>	Social Welfare & Nutrition	2311.31	4.32	2093.59	3.74	3076.26	4.59
	<b>Total - II: Social Services</b>	<b>16360.76</b>	<b>30.55</b>	<b>17429.52</b>	<b>31.15</b>	<b>29797.61</b>	<b>44.42</b>
<b>I.</b>	<b>General Services</b>	811.76	1.52	858.50	1.53	1529.27	2.28
	<b>Total - A : State Plan</b>	<b>39763.59</b>	<b>74.26</b>	<b>48450.42</b>	<b>86.58</b>	<b>65599.77</b>	<b>97.79</b>
<b>B.</b>	Irrigation Projects Pending Approval (Non-Plan)	276.79	0.52	265.48	0.47	3.58	0.01
<b>C.</b>	Centrally Sponsored & Central Plan Schemes (GOI Share)	13508.00	25.23	7243.00	12.94	1477.00	2.20
	<b>Grand Total</b>	<b>53548.38</b>	<b>100.00</b>	<b>55958.90</b>	<b>100.00</b>	<b>67080.35</b>	<b>100.00</b>

Source: 1) Annual Plan (Volume-2)2014-15 2) Details of Estimates of Irrigation, 2014-15BE: Budget Estimates, RE: Revised Estimates and AC: Accounts

**c) Centrally Sponsored Schemes:**

Government of India has restructured major Centrally Sponsored Schemes into 66 schemes. From 2014-15 onwards, Central Assistance for these schemes will be through the State Plan. As a result, these resources will also be a part of the State Plan in future. An amount of Rs 14847.44 crore is budgeted in the annual plan 2014-15 as Central assistance to state plan.

**d) Fourteenth Finance Commission recommendations:**

The Fourteenth Finance Commission recommendations have been approved in toto by the Government of India. Extracts of some important recommendations are reproduced in **Appendix 3.9**.

**3.7: NEW SCHEMES IN 2014-15 BUDGET**

In all, 97 new schemes were announced in the 2014-15 budget. The Kannada, Culture & Information sector has sixteen schemes, Social Welfare has ten, Commerce and Industries sector has eight new schemes followed by UDD, and Women and Child development sectors with seven new schemes each. Distribution of other new schemes across the departments is presented in **Table 3.17**.

**3.7.1: Description of Major New Schemes for the year 2014-15**

**Krishibhagya:** Implementation of "Krishibhagya" scheme for improving livelihood of rain dependent farmers community thereby benefiting 53 lakh farmers. Rs.500 crore is provided under this scheme in 2014-15.

**Niramaya:** Health insurance scheme for the children belonging to BPL families and suffering from Autism, Cerebral Palsy, mental retardation and multiple disabilities. It is proposed to cover 45000 beneficiaries under this scheme at an estimated outlay of Rs. 1.12 crore in 2014-15.

**Yashaswini:** The highly successful "Yashaswini" Health Scheme has been

confined so far to rural areas only. For extending the scope of the scheme to urban areas, Rs.10 crore has been reserved in 2014-15.

**Priyadarshini:** In order to enrol more women in Co-operatives, Rs. 1 crore share capital assistance is provided to Women Co-operative Associations in 2014-15.

**Ashakiran:** It is proposed to establish Co-operative Societies exclusively for physically challenged persons. An amount of Rs. 1.00 crore is provided in 2014-15.

**Akshara Ganitha kits:** To facilitate teaching of mathematics in simple way to enable the 4th and 5th standard students to understand mathematics Akshara Ganitha kits are proposed to be provided to students of Government schools in Hyderabad-Karnataka area in 2014-15.

**Gnana Kendras:** It is proposed to establish Gnana Kendras in 2014-15 in 250 Grama Panchayats in Hyderabad - Karnataka area, by constructing Library Buildings.

**Sneha Shivira:** Under this programme, 12-day residential training programmes will be conducted in clusters of 4-5 anganwadi centres, for mothers and care givers of moderate to severely malnourished children, to impart skills in preparation of cost effective nutritious food, feeding practices and health and hygiene. An amount of Rs. 4.23 crore is provided in 2014-15.

**Jaladhara:** Under this scheme drinking water facility through tap connection is proposed to be provided to 5 lakh houses belonging to SC & ST and wherever needed, 1000 separate overhead tank will be constructed in SC/ST colonies

**3.8 DISTRICT SECTOR PLAN OUTLAYS FOR THE YEAR 2014-15**

District sector plan outlays from 1991-92 to 2014-15 are given in **Appendix 3.1**. The total outlay of the district sector plan programmes for the year 2014-15 is Rs.10480.70 crore, of which Rs.9676 crore is the State's share and Rs.805 crore is the

**Table 3.17: Department wise New Plan Scheme for the year (2014-15)**

<b>Departments</b>	<b>No of schemes</b>
Agriculture	1
Animal Husbandry and Fisheries	4
Co-operation	3
Social welfare	10
Backward Classes	1
Minorities Welfare	2
Rural development and Panchayat Raj	5
Food and Civil Supplies	1
Commerce & Industries	8
Higher Education	6
Primary Education	4
Health & Family Welfare	4
Medical Education	2
Revenue	2
Kannada, Culture & Information	16
Labour	5
UDD	7
Women and Child	7
E-Governance	1
Home	1
Sports & Youth Services	4
Tourism	3
<b>Total</b>	<b>97</b>

Source: PMI division, PlanningDept

share of the Government of India. This constitutes around 16% of the total State's plan size, in the district sector outlay, the corresponding share of the State and the centre being 92% and 8% respectively. District wise break-up of the plan outlay is presented in **Table 3.18**.

### **3.9 EXTERNALLY AIDED PROJECTS**

There are fifteen external aided projects under implementation with assistance from the World Bank and other external agencies during the year 2014-15. Of these, four are in Urban Development, three in Public Works Department, two in Rural Development and Panchayat Raj department, two in Water Resources and

one each in Health and Family Welfare, Forest, Energy and Finance departments. Another project, namely, Sujala III is being implemented by both Agriculture and Horticulture departments. It is proposed to implement Karnataka Integrated and Sustainable Water Resource Management – Urban Development Sector, Karnataka Integrated and Sustainable Water Resource Management – Irrigation Sector, Karnataka Urban water Supply Modernization Project and Dam Rehabilitation and Improvement Project for the current year. Expenditure incurred on these projects since inception up to 30.09.2014 is Rs.10762.39 crore. Project wise details are presented in **Table 3.19**.



**Table 3.18: District Plan Outlay for the year 2014-15****(Rs.lakh)**

District	State	%	Central	%	Total	%
Bangalore Urban	26612.50	2.54	3265.00	0.31	29877.50	2.85
Bangalore Rural	11195.00	1.07	1699.30	0.16	12894.30	1.23
Bagalkote	25518.62	2.43	2192.51	0.21	27711.13	2.64
Belgaum	53126.76	5.07	7796.24	0.74	60923.00	5.81
Bellary	27262.07	2.60	2335.68	0.22	29597.75	2.82
Bidar	20313.85	1.94	1788.12	0.17	22101.97	2.11
Bijapur	29959.73	2.86	3253.06	0.31	33212.79	3.17
Chamarajanagar	12570.89	1.20	1810.85	0.17	14381.74	1.37
Chikkaballapur	15468.60	1.48	1499.00	0.14	16967.60	1.62
Chickmagalore	16795.52	1.60	2207.50	0.21	19003.02	1.81
Chitradurga	21885.81	2.09	2127.48	0.20	24013.29	2.29
Dakshina Kannada	17585.20	1.68	2839.96	0.27	20425.16	1.95
Davangere	20937.08	2.00	2896.61	0.28	23833.69	2.27
Dharwad	17842.66	1.70	2950.67	0.28	20793.33	1.98
Gadag	13171.56	1.26	1203.14	0.11	14374.70	1.37
Gulbarga	36341.47	3.47	2521.67	0.24	38863.14	3.71
Hassan	20805.37	1.99	3000.87	0.29	23806.24	2.27
Haveri	19788.03	1.89	2337.80	0.22	22125.83	2.11
Kodagu	7138.42	0.68	1208.68	0.12	8347.10	0.80
Kolar	17199.55	1.64	1523.43	0.15	18722.98	1.79
Koppal	18768.18	1.79	2159.48	0.21	20927.66	2.00
Mandya	20310.56	1.94	2782.87	0.27	23093.43	2.20
Mysore	26708.62	2.55	3488.96	0.33	30197.58	2.88
Raichur	27270.18	2.60	3561.00	0.34	30831.18	2.94
Ramanagar	12694.24	1.21	1841.93	0.18	14536.17	1.39
Shimoga	22644.49	2.16	2541.31	0.24	25185.80	2.40
Tumkur	31216.42	2.98	3984.40	0.38	35200.82	3.36
Udupi	10329.81	0.99	1517.05	0.14	11846.86	1.13
Uttar Kannada	23749.61	2.27	3192.88	0.30	26942.49	2.57
Yadgir	14610.93	1.39	1119.61	0.11	15730.54	1.50
Lump sum – ZP	327786.05	31.28	3816.00	0.36	331602.05	31.64
<b>Grand Total</b>	<b>967607.78</b>	<b>92.32</b>	<b>80463.06</b>	<b>7.68</b>	<b>1048070.84</b>	<b>100.00</b>

**Table 3.19: Externally Aided Projects under implementation (2014-15) (Rs.crore)**

Sl. No	Name of the project & Department	Name of the aiding Agency	Project cost	Year of Commencement/ Closing	Expenditure Since Inception up to end of 30-09-14	Outlay for 2014-15
1	<u>Forest</u> Karnataka Sustainable Forest Management & Bio-Diversity	JICA	841.49 (Revised)	2005-2015 (Revised)	739.63 (Revised)	12.40
2	<u>Water Resources (MMI)</u> National Hydrology Phase-II	World Bank	29.05 (Revised)	2006-2014	18.10	11.60 (includes Ph.I)
3	Dam Rehabilitation & Improvement	World Bank	Project is yet to be signed			20.00
4	Karnataka Integrated & Sustainable Water Resource Management	ADB	Project is yet to be signed			15.00
5	<u>Agriculture &amp; Horticulture</u> Sujala - III	World Bank	471.30	2013-2018	11.10	103.97
6	<u>Health and Family Welfare</u> Karnataka Health Systems Development & Reforms (including additional finance)	World Bank	1455.70	2007-2016	1102.79	166.00
7	<u>Urban Development</u> Cauvery Water Supply Scheme- Stage IV - Phase II	JICA	3383.70*	i. 2005-2015 ii. 2006-2016	3740.60	300.00
8	Karnataka Municipal Reforms	World Bank	1364.00	2006-2015 (Revised)	1053.19	330.00
9	North Karnataka Urban Sector Investment Programme	ADB	1980.00	2008-2016	847.05	300.00
10	Karnataka Integrated & Sustainable Water Resource Management	ADB	Project is yet to be signed			52.00
11	Karnataka Urban Water Supply Modernization Project	World Bank	Project is yet to be signed			30.00
12	Bus Rapid Transit System-Hubli-Dharwad	World Bank	705.00	2013-2015	86.87	200.00
13	<u>Public Works</u> i. Karnataka State Highways Improvement Phase-II	World Bank	4522.50	2011-2016	636.64	446.73
14	ii. Karnataka State Highways Improvement Phase-II	ADB	2150.40	2011-2016 (Revised)	674.96	547.98
15	Sustainable Coastal Protection & Management	ADB	911.00	2011-2018	33.35	55.70
16	<u>Rural Development and Panchayat Raj</u> JalNirmal -A.F	World Bank	939.83 (Revised)	2010-2014	835.18	50.00
17	Karnataka Panchayat Strengthening-Gram Swaraj	World Bank	674.14 (Revised)	2006-2014 (Revised)	671.22	5.86**
18	<u>Energy</u> Bangalore Distribution Up gradation	JICA	563.70	2007-2015 (Revised)	310.08 (including BESCOM Share)	100.00 (JICA Share)
19	<u>Finance</u> Karnataka Public Financial Management & Accountability System	World Bank	2.40	2011-2014	1.63	1.50
	<b>Total</b>				<b>10762.39</b>	<b>2748.74</b>

Note: \* - Project Cost is to be revised.

\*\* - Project has been completed during 2013-14, Amount allocated for 2014-15 is for committed Expenditure.

### 3.10 CURRENT FISCAL CHALLENGES AND WAY FORWARD

Despite the State's broad successes in its fiscal consolidation efforts, the State government faces several fiscal challenges arising from a limited potential for enhancing tax revenue given the current levels of high tax / GSDP ratio, rigidities in the form of committed expenditure, and weak linkages between expenditure and development outcomes as detailed below.

**1. Tax effort plateau:** Having already achieved the highest tax to GSDP ratio, any further increase in the tax effort is fairly challenging. Similarly, achieving a higher level of tax buoyancy is difficult as the marginal increase in the taxes from a high base is likely to be lower. As a result, until the economy as a whole grows at an accelerated rate, the tax collections will not see a quantum jump like in the past.

**2. Low non-tax revenue:** While the State has one of the highest own taxes to GSDP ratio, the ratio of non-tax revenue to total receipts has not been increasing over the years on anticipated lines. Apart from enforcement and monitoring of own tax efforts, special emphasis needs to be given for mobilizing non tax revenues during the coming years. Government is committed to rationalizing user charges and reviewing the same regularly. Further, Government is also guided by the recommendations of Expenditure Reform Commission.

**3. Low recovery of loans and advances:** The State's borrowings are more expensive than the loans advanced by the government. The recipient boards and corporations are unable to service the loans given to them by the State government in view of low recovery of cost of their services from the consumers.

**4. Committed expenditure:** Committed expenditure on salaries, pensions, interest, subsidies, administrative expenditure, devolution to PRIs and ULBs etc., constitute about 94% of the total uncommitted

revenue receipts during 2013-14(RE). Containing the committed expenditure in light of the ever-expanding demands for welfare programmes, an increase in the employee strength vis-a-vis capital expenditure is one of the key challenges.

**5. Non-Plan Expenditure:** A large part of non plan expenditure of State consists of Development expenditure, which is primarily spent on Social and Economic Services. The Government strategy is to effectively control non-essential, non developmental expenditure so as to ensure adequate resource allocation for development activities in various sectors.

**6. Linkage between expenditure and outcomes:** In spite of maintaining one of the highest per capita plan expenditure, the State has been able to achieve economic growth at all-state average level only. Ensuring the desired levels of outcome from ever increasing outlays for the development mandate is one of the key governance challenges. Karnataka continues to be behind Maharashtra, Haryana, Tamil Nadu, Uttarakhand, Gujarat and West Bengal. District Human Development reports for all the 30 districts are expected by March 2015 which could be the basis for framing policies for equitable resource allocation which in turn helps in achieving inclusive growth in terms of human development indices. While there is a need for focused investment in these sectors, ensuring effective implementation machinery and monitoring the outcomes closely and equitable resource allocation to districts/blocks based on the District Human Development Reports is a challenge.

**7. Goods and Services Tax (GST):** The State has supported the introduction of GST but has endeavored to ensure that the fiscal autonomy of the States in mobilizing revenue is not compromised in the proposed GST scheme.

The following initiatives have been taken by the State:

### Major Policy Announcements in the 2014-15 budget

#### New Industrial Policy

The State Government has implemented new Industrial Policy 2014-19 in 2014-15. The Objective of this policy is to build a prosperous Karnataka through inclusive, sustainable and balanced industrial development thereby creating large employment opportunities. The policy aims to maintain an Industrial growth rate of 12 % per annum and enhance the contribution of manufacturing sector to the State GDP from present level of 16.87% to 20% by end of policy period and spread industrial growth to nook and corner of the State.

#### Minor ports policy:

The State Government has implemented Minor Ports Development Policy 2014 in 2014-15. The objectives of the policy are. (i) to increase the share of Karnataka state in the export and import sector, in National and international Trade and commerce, in the post-liberalisation and globalization era ;(ii) to cater to the needs of increasing traffic of Karnataka and its neighboring states by providing efficient facilities and services and to support the country's domestic and international trade;(iii) to create sufficient infrastructure facilities by both Government and private efforts to handle 5-10% of India's total cargo in Karnataka maritime waters in the days to come ;(iv) to enhance the potential of ports, with public and private participation

#### State's Oral Health Policy:

Under this Policy free dentures to Senior Citizens above 60 years belonging to BPL category will be provided.

#### a. Comprehensive Decision Support

**System:** The state is implementing a Comprehensive Integrated Decision Support System in a time bound manner for the transparent resource allocation, better decentralized monitoring and improved implementation of all the plan schemes and programmes. This system would capture information on the progress of the State Government's Schemes directly from the implementation points.

**b. Result Framework Document:** Frame Work Document (RFD) is designed for the departments in the State to set out Vision, Mission and Objectives wherein it requires defining and disclosing quantifiable indicators for measuring the success of the stated activities. During 2014-15, 38 departments have uploaded their RFD in the website. With a view to enable the

departments for rationalization or merger of schemes/programmes related to outcomes leading to better implementation, resource allocations to outcomes, RFD guidelines have been revised and communicated to all the departments.

**c. SCP/TSP Allocations:** For the first time in the State, on the basis of 2011 Census, out of the plan allocation, to be met out of State's internal resources, 17.15 % and 6.95 % have been reserved for SC and ST category respectively. Rs.15,834 crore has been provided in the 2014-15 budget for SCP and TSP.

**d. Khajane II:** An Integrated Financial Management System is proposed to implemented during 2014-15 at a total cost of Rs.90 crore, to provide a single electronic platform to Government officials, banks

and public, to carry out all financial transactions pertaining to the State Government.

**e. Article 371 (J):** The inclusion of Article 371 (J) in the Constitution of India for the development of Hyderabad-Karnataka area is a matter of pride. In this regard, action has been taken for providing reservation to the people of this area in employment, higher education, vocational education and to constitute Area Development Board.

**f. Delegation of Fund release powers to Administrative Departments:** With a view to improve the pace of implementation of

schemes and thereby improve plan expenditure, Finance Department has delegated powers of release of funds to concerned Administrative Secretaries for the first three quarters of the Financial Year up to 75 per cent of the budget provision for almost all the major schemes of departments (except for a few schemes). It is expected that this delegation would improve the pace of plan expenditure incurred by Departments.



## 4

**INVESTMENT AND EXPORTS**

Promotion of private investment has been high on the agenda of Government of Karnataka. The concerted efforts by the State have resulted in a large-scale inflow of investments during the past few years. The State has also developed a distinct policy framework for guiding investments and set up dedicated institutions that streamline the approval processes. Karnataka offers wide range of fiscal and financial incentives to investors even while nurturing the supporting infrastructure such as technical institutions, laboratories and research institutions. The State's information technology and biotechnology sectors have attracted significant investments and contribute to significant exports from the country in those sectors. Exports contribute about 40% of the State's GSDP with electronic, computer software and biotechnology contributing a major portion of the exports. Karnataka's economic growth can be accelerated further with a continued emphasis on promotion of private investment and enhancement of industrial competitiveness.

**4.1. Investment in Karnataka**

Karnataka is a pioneer in introducing many reform initiatives adopted in India and has been highly proactive in attracting private investment. Lucrative policies incentivizing private domestic and foreign investments are framed from

time to time. These policies along with an investment friendly climate in the State have helped the State attract large-scale private investment, especially in information and communication technology (ICT) and biotechnology sectors. Karnataka Udyog Mitra, established under the Department of Industries and Commerce, by the Government of Karnataka, is specially meant for the promotion and facilitation of investments in the State.

**4.1.1 Policy Framework for Attracting Private Investments**

Foreign investment is a subject in the Central List of the Indian Constitution. All powers for the design of policies for promotion and regulation (including approvals) of foreign investment rest with the Government of India. State Governments complement the National policy efforts by initiating special measures for speedy clearances and smooth facilitation of inflow of investments. The National policy framework is aimed at maximising the inflow of private foreign investment into India. However, investors have the ultimate locational choice of their investment anywhere in India. In this context, policies and programmes of Government of Karnataka for attracting private foreign investment by making Karnataka a competitive and attractive destination for global investments assume special and utmost significance.

Karnataka is one of the industrially developed States in the Country. The State has been laying special emphasis on promotion of industries, trade and service



sectors. In order to make the State more attractive and investor friendly, investment promotion policies and programmes framed on a periodical basis have offered attractive incentives and concessions and made attempts to strengthen the required infrastructure. The industrial promotion policies also aim at achieving inclusive development, given the wide regional industrial development disparities prevailing in the State. The State has been making concerted efforts to announce suitable incentives in attracting investment into the backward regions. The current industrial policy 2014-19 of the Government of Karnataka is a reflection of these broad objectives for promotion of industrial investment and development in the State.

The fiscal and financial incentives, announced by the State government include capital investment subsidy, exemption of electricity duty on captive power generation, exemption of stamp duty & reduction of registration charges, waiver of conversion fee (on lands converted for industrial use), acquisition and allotment of land through Karnataka Industrial Areas Development Board (KIADB), subsidy for setting up of Effluent Treatment Plants (ETPs), entry tax & special entry tax concessions, technology upgradation and, industrial infrastructure development/ common infrastructure/facilities in notified industrial clusters. Agricultural produce processing industries are exempted from payment of APMC cess. Incentives such as interest free loan on VAT for large and mega projects, anchor unit subsidy, special incentives for enterprises coming up in low human development index (HDI) districts (only for large and mega projects), interest subsidy for micro-manufacturing enterprises, exemption from electricity duty for micro and small manufacturing enterprises and refund of cost incurred for preparation project reports for micro and small manufacturing enterprises are also provided.

Karnataka Udyog Mitra (KUM) is a single contact point for all investors who are looking at setting up enterprises/business in Karnataka. As the nodal agency, its role is to facilitate investments and execute initiatives to enable a smooth transition from the stage of receiving investment proposals to the eventual implementation of the project. It acts as a secretariat for State High Level Clearance Committee (SHLCC) for projects above Rs.50.00 crore and State Level Single Window Clearance Committee (SLSWCC) for projects between Rs.3.00 crore to Rs.50.00 crore.

#### **4.1.2 Karnataka's Investment Climate**

Karnataka's vast and diversified resource base has emerged as a reputed investment destination for investors worldwide. The State was the first to enact the Industrial Facilitation Act to help investors. Karnataka has a single window which acts as a one-stop-shop for investments in the State. The specific advantages for Karnataka include i) Good law and order situation prevailing in Karnataka which is conducive to foreign direct investments ii) Abundant availability of highly skilled manpower iii) Karnataka ranks among the top 5 industrially developed States in India iv) The State provides excellent logistic support and connectivity to the investors and v) The State provides one of the biggest and fast expanding markets in the Country.

Karnataka's investor-friendly and responsive administration has worked towards easing administrative procedures and implementing policy measures for faster and smoother industrial growth. Some of the significant measures are as follows:

- (a) An investor-friendly responsive administration
- (b) The State-level single window clearance committee and the State high level clearance committee facilitate clearance of proposals in a speedy manner.

- (c) Sector-specific industrial zones and SEZs that match the natural resources and capabilities of a region with the industry requirements.
- (d) Creation of World-class, ready-to-use infrastructure through investments in power, roads, water, warehouse and logistic facilities, connectivity through rails and ports etc.
- (e) The State Government's packages of incentives and concession for new industrial investments announced from time to time
- (f) Special focus on skill development to enhance generation of technical manpower
- (g) Excellent telecommunication network and optical fibre connectivity throughout the State
- (h) Exemption from State taxes for all purchases from domestic tariff area

#### 4.1.3 Investment flows into Karnataka

Details of projects approved by the State Level Single Window Clearance Committee (SLSWCC) are provided in **Table 4.1**. The State had attracted maximum investment during the year 2006-07 with an

investment of Rs 11511.44 crore. In terms of approved number of units and employment too, 2006-07 had the largest during the time period under study. Good flow of investment continued in 2007-08. The global recessionary trends have not spared Karnataka as one can observe a reduced size of investment in the later year.

Projects with an investment of Rs 50 crore and above are cleared by the State High Level Clearance Committee (SHLCC). The number of projects cleared by SHLCC during 2006-07 till 2014-15 are presented in **Table 4.2**

Karnataka accounts for a significant share in the total FDI that flows into India. The statistics provided in **Table 4.3** reveal that the State had 7.78% share in the total FDI taking place in India in 2013-14. Karnataka attracted FDI of US \$14174 million during the period of April 2000 to November 2014, constituting 5.99% of the all-India FDI.

#### 4.1.4 Investment in Information Technology.

The IT Revolution in Karnataka began with the establishment of the multinational company viz., Texas Instruments in 1984. Bengaluru was the first city in India to set

**Table 4.1: Projects approved by State Level Single Window Clearance Committee**

Year	Approved Projects	Investments (Rs. In crore)	Employment (In Nos.)
2006-07	871	11511.44	612620
2007-08	727	10266.92	349015
2008-09	310	5181.62	135623
2009-10	359	7749.88	115932
2010-11	439	6879.64	110505
2011-12	410	5328.50	65549
2012-13	675	9350.79	141821
2013-14	209	3558.21	43759
2014-15 (Up to Dec 2014)	30	1079.08	16435

Source: Karnataka Udyog Mitra

**Table 4.2: Projects approved by State High Level Clearance Committee**

Year	Approved Projects	Investments (Rs. In crore)	Employment (In Nos.)
2006-07	66	92055.84	781966
2007-08	108	160522.82	1996504
2008-09	50	105266.20	410842
2009-10	110	288548.57	284934
2010-11	186	187185.70	580161
2011-12	60	34088.80	165010
2012-13	100	133109.77	1158001
2013-14	28	24566.37	83803
2014-15 (upto Dec 2014)	16	10750.94	8086

Source: Karnataka Udyog Mitra

**Table 4.3: Foreign Direct Investment Inflow to Karnataka** (US \$ Million)

Year	Karnataka	All India	Percentage
2007 - 08	1581	23901	6.61
2008 - 09	2026	27331	7.41
2009 - 10	1029	25834	3.98
2010 - 11	1332	19427	6.86
2011-12	1533	35121	4.36
Total (2007-12)	7501	131614	5.70
2012 - 13	1023	22424	4.56
2013 - 14	1892	24299	7.78
2014-15 (upto Nov.2014)	1498	18884	7.93
April 2000 to Nov. 2014	14174	236586	5.99

Source: Technical Consultancy Services Organisation of Karnataka (TECSOK) Bengaluru.

up a satellite earth station for high speed communication services to facilitate software exports in 1992. The State made a giant leap in the IT sector by establishing the Country's first extended facility of the International gateway and network operations centre at the Software Technology Park of India (STPI) in the Electronic city. This catalyzed the positive

growth in sector. Today, Karnataka is home to over 2500 IT companies, contributing to over Rs. 1.80 lakh crore of exports, The industry contributes to over 25% of the State's GSDP. The share of Karnataka in IT exports is nearly 38% of the country's exports.

Karnataka continues to be the most preferred destination for all global IT & BT

giants due to numerous favorable factors such as:

- Pro-active Government
- Industry friendly Labour Laws
- Salubrious Climate
- Excellent Law & Order situation
- Absence of Natural Calamities
- Talent pool of highly trained professionals
- Cosmopolitan social life in the cities particularly at Bengaluru
- Investor friendly opportunities

The IT Industry in the State has emerged as one of the largest job providing sector. The Industry provides direct employment to over a million and indirect employment to over 3 million persons

The information technology (IT) sector in Karnataka has become one of the main growth drivers of Karnataka's economy. IT activity in Karnataka is largely concentrated in Bengaluru. Lately, other parts of Karnataka have also seen a growth in IT-related activities.

Bengaluru, is the 4th Best Technology Hub in the world, after Silicon Valley, Boston and London (as per UNDP Report), has become a global brand in the IT space. Almost all the Fortune 500 companies have one or the other of their operations outsourced in Bengaluru. Many global brands such as GE, Texas Instruments, Intel, AMD, SAP, CISCO, Microsoft, Motorola, Nokia etc., have their R & D activity based in Bengaluru.

#### **4.1.4.1. Karnataka I4 Policy (IT, ITES, Innovation, Incentives Policy)**

The State Government has been encouraging IT units to set their operation in the State. Under the State's IT policy, several infrastructure facilities are proposed in Mysuru, Hubballi, Manipal & Mangaluru apart from Bengaluru to help the development of IT industry. The setting

#### **Highlights of the I4 policy**

- ❖ Employment Linked Incentivization of Land Allotment (E-LILA) outside Bengaluru Urban and Rural districts' Limits
- ❖ Land allotment for IT / ITES, Animation-CGI / Knowledge based industries at concessional rates.
- ❖ Allotment linked to employment generation for investments outside Bengaluru Urban and Rural Districts.
- ❖ Thrust to promote Tier 2/3 cities.
- ❖ Incentives available only for direct end users.
- ❖ Land will be allotted at the rate of 1 acre for every 1000 jobs created.
- ❖ Start-up companies to be provided plug and play space with internet at concessional rates of Rs.5-15 per square feet depending on location
- ❖ Dept. of IT, BT and S&T to act as Single Window Agency for clearance of IT / ITES / Start-ups / other Knowledge based industries.
- ❖ Exemption of Karnataka Industrial Employment (Standing Orders) Rules, 1964 to IT / ITES / Start-ups / other Knowledge based industries for a period of 5 years.
- ❖ IT / ITES / Start-ups / Animation / KPO / Knowledge based industries to be treated at par with Public Utilities.
- ❖ Reimbursement of PF/ESI of Rs.2000 Per month per employee for 2 years for all new employment created in Tier 2/3 Cities.
- ❖ Industrial Power tariff will be applicable to all IT / ITES / BPO / Telecom / KPO / Start-ups / Animation / KPO / Knowledge based industries
- ❖ Stamp Duty Exemption of 75% in Mysuru and Mangaluru for IT / ITES / Start-ups / other Knowledge based industries in addition to other locations.
- ❖ Skill development programme for training unemployed youth in basic IT/BPO/ESDM/Telecom etc.

up of IT industries under this policy is with an objective of earning valuable foreign exchange through software exports.

The Government has brought out new IT Policy i.e., Karnataka I4 Policy (IT, ITeS, Innovation Incentives Policy) where in several incentives are being offered to new IT / ITES and other knowledge based sectors to set up their facility in Tier 2/3 Cities across Karnataka.

The Dept. of IT, BT and S&T acts as Single Window Agency for clearance of IT / ITES / Start-ups / other Knowledge based industries.

#### **4.1.4.2. Karnataka's Electronics Systems Design and Manufacturing Policy 2013:**

Electronic Systems Design and Manufacturing (ESDM) is the fastest

growing segment of the Information and Communications Technology (ICT) sector. As per the National Electronics Policy – 2012 (NEP-2012), ESDM is expected to grow to USD \$400 Billion by the year 2020 and will generate a total employment of over 28 million. The objective of the Karnataka ESDM Policy is to facilitate, promote and develop the “ESDM” sector in the State of Karnataka and make Karnataka a preferred destination for investment in Telecommunications, Defense, Medical, Industrial, Automotive, Consumer Products, applications and components, parts, and accessories required for the aforesaid products and applications. The following targets are set for Karnataka ESDM Policy:

- 1. Emerge as the leading contributor to India's ESDM sector by accounting for at least 10% of the USD \$400 billion by 2020,**
- 2. Generate over 20% of the country's total ESDM exports target of USD \$80 billion by 2020,**
- 3. Develop core competencies in specific ESDM verticals such as telecom, defense electronics, avionics and energy.**
- 4. Make Karnataka the country's preferred destination for investments in ESDM, and**
- 5. Generate at least 240,000 new jobs, 25% of India's PhDs and 5000 patent filings in ESDM sector in Karnataka by 2020.**
- 6. Increase the value-addition that is done in Karnataka.**

#### **4.1.4.3. Penetration of ITBT into regions other than Bengaluru:**

The thrust of the ICT Policy and ESDM Policy is on development of IT and ESDM Companies in the Tier – 2 / 3 Cities of Hubballi – Dharwad, Mysuru, Mangaluru, Kalaburgi and Belagavi. While IT Parks have been developed in Hubballi-Dharwad, Shivamogga and Kalaburgi, the Department would conduct feasibility study for IT Parks in Mysuru, Mangaluru and Belagavi. Skill Development programs are also proposed to be considered in Tier –

2 and Tier – 3 cities, especially for the Karnataka ESDM companies.

Department of Higher Education, Ministry of Human Resource Development (MHRD), Government of India, proposes to set up 20 new Indian Institute of Information Technology (IIIT) in different parts of the country. Partners in setting up the IIITs would be Govt. of India (MHRD), State Governments and Industry, who will contribute the tentative estimated cost of Rs.128 crore in the ratio of 50:35:15. State Government has given its commitment to



provide its share of capital expenditure as well as to give 50 acres of land free of cost. Govt. of India has given its approval for setting up of IIIT project in Dharwad. State Government has recently allotted 61.01 acre of Government land in Dharwad for setting up of Indian Institute of Information Technology (IIIT).

#### **4.1.4.4 Setting up of Startup Warehouse in Bengaluru.**

GoK/KBITS in partnership with NASSCOM has set up the first start up warehouse at Diamond District, Old Airport Road, Bengaluru. This is one of the recommendations of the KIG 2020 Report.

The first startup warehouse has been running successfully and it has facilitated 35 startups and another 40 are waiting for the space. All the start ups incubated in the warehouse are reported to be in Bengaluru only and grow their operations locally.

Bengaluru is now also known as the Startup Capital of India and it is reported that nearly 30% of the startups are from Bengaluru. Encouraged by the success of the first warehouse, GoK/KBITS now proposes to put up a second start up warehouse in the city and the preliminary works have already been completed and it is expected to take off before March 2015 and is expected to accommodate around 500 work stations along with other infrastructure.

#### **4.1.4.5. Karnataka Semi-conductor Venture Capital Fund ( KARSEMVEN Fund)**

Traditionally, Karnataka has been the favoured destination for the technology sector-in software, semiconductors and biotechnology. Bengaluru has been a preferred hub of the GoI defence labs. This coupled with the talent pool, access to engineering colleges and attractiveness as an investment destination for private sector companies, has created an ecosystem giving Karnataka a national edge.

Bengaluru is the largest hub of semiconductor design companies, outside the Bay Area in California. Nearly 70% of the country's chip designers work here and around 80% of the sector's revenues in design are from this city alone.

Government of Karnataka focus is on four key activities.

- a. Promote Karnataka as a semiconductor design hub.
- b. Attract investments in high-tech semiconductor manufacturing.
- c. Promote generation and use of green energy – specifically solar energy.
- d. Focus on manpower development.

GoK / KBITS has set up Karnataka Semiconductor Venture Capital Fund (KARSEMVEN Fund) for assisting Companies in the Semiconductor sector. The total fund size is Rs.96.15 Crore. The fund has achieved the initial closing of Rs.50 crore on 9/5/2014.

The fund has become operational and the Investment Committee has been set up. Applications from the Companies seeking assistance are being examined. This is a major achievement in taking the investments in Semiconductor industry forward.

#### **4.1.4.6.KAVGC Policy**

As per the KAVGC Policy the following projects are being implemented.

##### **a) Digital Art Centers**

As per the KAVGC policy Digital Training Centres (DTC's) being set up in 7 Art Colleges/Schools across Karnataka in association with ABAI providing education in traditional arts are proposed to be equipped with Digital Lab and Technologies so that the digital component can be included in the curriculum and offerings by the State's educational institutes. The Project is known as Digitalization of Art Colleges (DAC)

It is proposed to set up the above facilities in 7 DACs in the first phase in CIST-Mysuru University, MAAC-Hubballi, Framebox-Sirsi, Jingles-Kalaburgi, Karnataka Chitrakala Parishad and AIGA in Bengaluru and Hampi. MoUs have been entered into between ABAI & KBITS for setting up of Digital Art Centers (DACs) in 7 art schools across Karnataka.

### **b) Commencement of Train the Trainer Programme (TTT)**

This is a programme which is basically aimed at bridging the gap in the current education sector thereby improving the overall level of knowledge imparted in the Animation, Visual Effects, Gaming and Comics Industry and Government of Karnataka in association with ABAI has taken steps to set up a “Train the Trainer” (TTT) Hub in Bengaluru.

#### **Objectives of TTT are:**

1. To ensure that basic curriculum is prescribed for various long term /short term courses for the development of artistic and technical talent.
2. For bringing in experts and trainers to conduct programmes to create the first batch of trainers in the proposed centres.
3. To develop know-how, tools and learning pedagogy for AVGC education at all levels.

ABAI has entered into MoU with KBITS for setting up of Train The Trainer (TTT) facility in Bengaluru. The project is ready for inauguration.

### **c) Setting up of AVGC Lab & Digital Media City**

Government of Karnataka / KBITS proposes to set up State of the Art AVGC Lab and Digital Media City in Bengaluru under Public Private Partnership (PPP) for the benefit of the Animation Industry in Karnataka. KBITS / GoK has entered into MoU with ABAI for selection of the Private

Partner through Global tender for the project.

#### **4.1.4.7. ICT Skills Development Society**

As per the i4 Policy of the Government ICT Skills Development Society (ICTSDS) has been registered in March 2014 with the mandate to take up Skill Development activities in consultation with the Industry for training un-employed and under-employed youth in basic ICT domains of sub-sectors like BPO, Telecom, ESDM, Manufacturing, Services, Health, Automation etc.

The ICT Skills Development Society has been selected to roll out a skilling program in ESDM Sector by the Department of Electronics and Information Technology, Government of India. Karnataka has been selected as one among six states in the country to implement this Govt. of India Scheme which is to the tune of Rs. 14.3 Crore per state and a provision to provide skilling in ESDM sector to 15,000 youth per state. MoUs have been signed with (i) National Institute of Electronics and Information Technology, Govt. Of India (ii) Electronics Sector Skill Council of India and (iii) Telecom Sector Skill Council.

Skill development program has been launched on Oct 30, 2014 in Bengaluru. The Scheme has provision of funding Rs. 14.3 Crores from the Govt. of India for training of 15,000 youth over next four years. Best of breed solutions are being employed in implementing this project ICTSDS. Website was launched on Sept 18, 2014 and all relevant information and details have been put on the website. The website also gives details of the courses, the industry linkages and other opportunities.

#### **4.1.5. Investment in Biotechnology**

Karnataka has played a key role in India's emergence as a significant player in the global biotechnology industry. Karnataka is home for 60% of the country's biotech units. There are 400 biotech units in the country



**Table 4.4 Performance of Information, Communication and Technology Sector**

Sl. No.	Particulars	Unit	2013-14	2014-15 (up to Dec. 2014)
1	IT Units	No.	2425	2560
2	IT Exports	Rs. crore	180000	176610
3	No. of Employees	Lakh No.	9.5	10

Source: Karnataka Biotechnology & Information Technology Services, Bengaluru.

and in Karnataka their number has increased to 226 in 2013-14. Karnataka is contributing 26% (1.04 Billion USD) of total Biotech Revenues of over 5.0 Billion USD. This number continues to grow with most of the well-known companies continuing to choose Karnataka for their operations. The biotech export revenues contribution of

Karnataka is 530 million USD. The domestic sales revenues is currently 509 million USD.

Karnataka has put in place a strong policy framework to provide all requisite resources for enhancing this industry's research and development capabilities. Being the pioneer

#### **Highlights of Progress in Alignment with Biotech Policy II:**

1. **Bengaluru Bio Innovation Center (BBC) on fast track scheduled to be launched in Feb. 2015 in Bengaluru Helix Park, Electronics City**
2. **BBC with capacity to house over 20 SMEs with access to high tech instrumentation facility will be an integral part of the Biotech Ecosystem to provide impetus for innovation.**
3. **IBAB and CHG well established in Bengaluru Helix Park are being strengthened with hostel and training facilities.**
4. **MOA signed with CSIR-CFTRI to establish Phase I (Incubation Suites cum Common Instrumentation Facility) in the campus of CFTRI - Mysuru with focus on Nutraceuticals and Phyto-Pharmaceuticals. A grant of Rs.5 Crore has been provided.**
5. **MOA finalized with UAS- Dharwad to establish Phase I (Incubation Suites cum Common Instrumentation Facility) in Dharwad with focus on Agriculture and Biotechnology. A grant of Rs. 6.5 Crore has been provided.**
6. **Biotechnology Finishing School (BTFS) program strengthened with 210 students in 4th batch enrolled across 12 colleges including 12 students in the Department of Biotechnology, Gulbarga University and 9 in MMAS College Sirsi. Student fellowship increased by Government of India to Rs. 10,000/- from Rs. 5,000/- per month.**
7. **Over 60% of job placements of Batch II students.**
8. **Expert Group on Agriculture Biotechnology (EGAB) constituted as a sub group of VGBT (Vision Group on Biotechnology) has developed a comprehensive Agriculture Biotechnology Policy Document – circulated to all the relevant departments.**
9. **Funded University of Horticultural Sciences, Bagalkot to the extent of Rs.8.5 Crore over 3 years to carry out R&D on Tomato, Banana, Pomegranate and Garcinia, to develop resistance to diseases and establishment of germplasm / gene banks.**
10. **Proposal sent to DBT-GOI to establish Center for Biomolecular Engineering in Bengaluru – potentially Rs. 700.00 Crore Project.**

of the biotechnology industry, the State has built up considerable resources and talent pool that are well suited for the needs of the industry. Karnataka was one of first Indian States to frame an industry-oriented biotechnology policy. The millennium biotech policy was formulated by Karnataka Government in 2001 to give a thrust to the biotechnology industry in the State. Keeping in tune with rapid changes in the industry, the policy was revised in 2009. and is now being worked up to release version 3.0 of the policy to integrate adoption of new technologies as well as innovation to meet challenges that continue to persist in the society. Karnataka is highest in R&D expenditure in South India.

#### **4.2. Exports of Karnataka**

Karnataka has a long tradition of overseas trade. Historically, Karnataka has been a major exporter of commodities like coffee, spices, silk, cashewnuts, handicrafts and agarbathies. In the last two decades, the State has emerged as a major player in the export of electronic and computer software, engineering goods, readymade garments, petrochemicals, gems and jewellery, agro and food processing products, chemicals, minerals and ores, marine products, etc. Karnataka has carved out a niche for itself in the global market place as the knowledge and technology capital of the Country. The State has made rapid and spectacular strides in the new economy. Information technology, biotechnology and research and development institutions have enhanced Karnataka's achievements at national and global levels. Karnataka accounts for more than one third of electronics and computer software exports from the country. It is also a leader in exports of readymade garments, gems and jewellery, petrochemicals and engineering commodities from Southern Region.

##### **4.2.1 Export performance of Karnataka**

Karnataka ranks 1st in software / service exports and stands 4th in merchandise exports in the national export basket.

Karnataka is in the processes of establishing a continuous database on exports among the states in India. Visvesvaraya Trade Promotion Centre (VTPC) under the aegis of Department of Industries and Commerce of the Government of Karnataka is the official institution for compilation and publication of the export data by 19 commodities from Director General of Commercial Intelligence and Statistics, Kolkata, Export Promotion Councils (EPCs), Commodities Boards and other State agencies. Trade & industry bodies have also supported for the creation of database.

Karnataka has shown a highest growth rate of exports of over 12% in the year 2013-14 compared to previous year and also when compared to other States. Karnataka's exports in terms of value in 2012-13, 2013-14 and 2014-15 (April-September) are shown in Table 4.5. Appendix 4.1 provides data on the State's exports since 2002-03 to 2013-14.

Karnataka's exports amounted to about Rs. 290418 crore in 2013-14 which constituted about 12.37% of the Country's exports in that year. The share of merchandise exports in the National exports constitutes around 5.92% and software / service exports around 38% for the year 2013-14.

Karnataka's exports as a percentage of GSDP has a fairly large share and has also increased significantly over the period. The share of exports in GSDP which was 7.36% in 1993-94, has grown to 47.3% in 2013-14.

Exports of electronics and computer software constitute the largest share in the State's exports. Its share was of the order of 61% in 2013-14. The other commodities which have substantial share in Karnataka's exports in 2013-14 are petroleum and petroleum products (12.18%) and gems & jewellery (8.32%). These three commodities account for about 81% of Karnataka's exports. Other commodities with significant share in State exports are engineering goods (6.19%),

**Table 4.5: Export Performance of Karnataka**

(Value in Rs. crore)

Sl. No	Commodity	2011-12	2012-13	2013-14	2014-15*
1	Electronics, Computer Software & BT	135660	156000	178000	60735
2	Readymade Garments	8143	7670	8900	3810
3	Petroleum & Petroleum Products	23418	33915	35392	11825
4	Engineering Products	8263	12568	17978	11557
5	Iron Ore & Minerals (incl Granite)	1134	1735	739	442
6	Silk Products	673	654	650	300
7	Coffee Products	3173	3534	3598	1908
8	Basic Chemicals , Pharmaceuticals & Cosmetics	5077	7233	8300	2835
9	Agriculture & Processed Food Products	763	1149	1300	698
10	Gem and Jewellery	23728	24483	24175	10377
11	Cashew and Cashew Kernals	882	847	1200	1420
12	Handicrafts	267	374	516	488
13	Leather Products	320	452	450	291
14	Chemicals and Allied Products	480	491	562	450
15	Marine Products	605	632	1067	387
16	Plastic Goods	604	788	700	270
17	Spices	700	905	1150	576
18	Wool & Woolen Products	129	151	176	97
19	Miscellaneous and Other	4819	4789	5565	2426
	<b>Total</b>	<b>218838</b>	<b>258370</b>	<b>290418</b>	<b>110892</b>

\*up to September 2014.

Source: Visvesvaraya Trade Promotion Centre, Government of Karnataka

Readymade garments (3.06%), basic chemicals, pharmaceuticals and cosmetics (2.86%) and coffee (1.24%).

Karnataka enjoys a unique position in India in exports of electronics and computer software. In 2013-14, the exports of electronics and computer software from the State accounted for as much as 40% of India's total exports.

Exports of electronics and computer software, basic chemicals, pharmaceuticals and cosmetics, readymade garments, petroleum & petroleum products, engineering products, marine products, coffee products, spices, agro and processed food products and plastic goods have increased significantly in 2013-14 as compared to their exports in 2012-13. The

exports of silk products, gems and jewellery, iron ore and plastic goods have revealed a marginal decline in 2013-14 as compared to 2012-13.

Karnataka's exports were Rs.110892 crore during the period of April-Sept.2014 Export of electronics and software constitutes the largest share in the State's exports. Its share is 55% in 2014-15(up to September 2014). The other commodities whose share in exports in 2014-15(up to September 2014) are Gems & jewelers (9.36%), petroleum & petroleum products (10.66%), engineering products (10.42%) and readymade garments (3.44%)

Karnataka's contribution to India's exports has varied between 11% and 15% during the Eleventh Period. Further, Karnataka's

share in India's total exports of information and communication technology products has remained higher than 25% since 2005-06.

The Share of Karnataka's exports in the State's GSDP from 2007-08 to 2013-14 is depicted in **Fig. 4.1**. Higher export performance is an important determinant of increasing degree of openness to export trade. Degree of openness is measured by the ratio of value of exports to GDP at National level and by the ratio of value of exports to GSDP at the State level. Karnataka's degree of openness to export trade has increased from about 40% in 2010-11 to about 47% in 2013-14. This is remarkably higher than that of all India (at about 24%). Increasing degree of openness to trade is an indicator of economic globalization. From this viewpoint, the levels of Karnataka's economic globalisation have been higher than at all India level.

#### 4.2.2 Policy support for exports

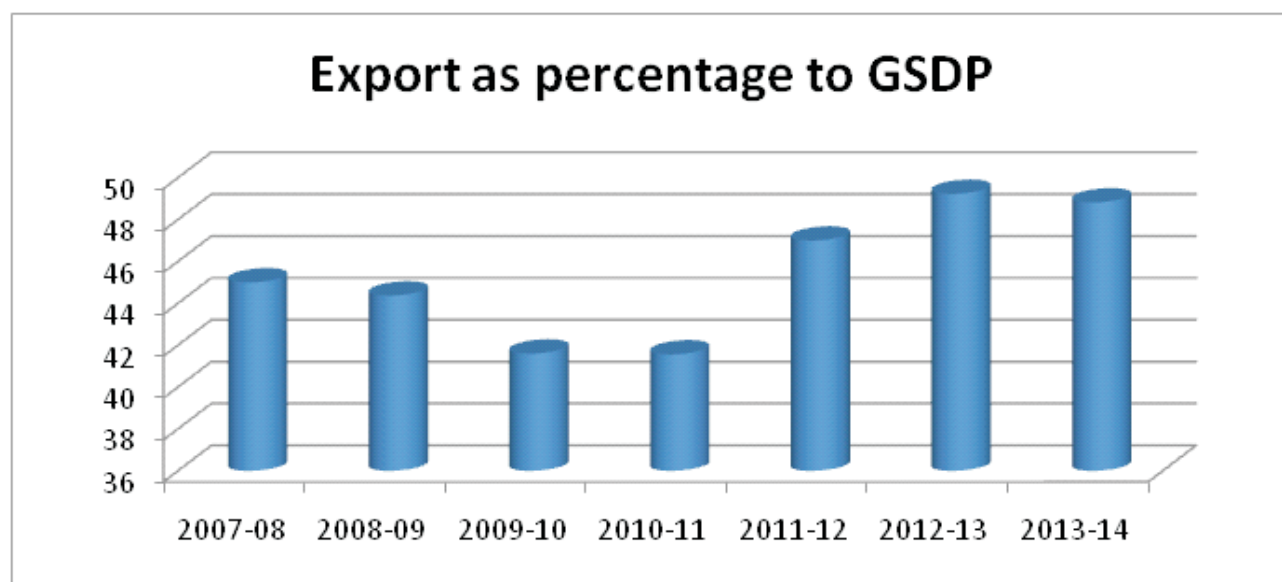
Foreign trade is in the Central List of the Indian Constitution. The Government of India is empowered to formulate all rules and regulations for foreign trade applicable for the country as a whole. The role of the

State Government is complementary by way of providing supportive and special promotional measures for promoting foreign trade, especially in regard to exports of goods and services.

The Government of Karnataka has taken explicit measures for export promotion through various policies as under:

- Industrial Policy 2014-19.
- Karnataka State Mineral Policy 2008.
- Grape Processing & Wine Policy 2007.
- Karnataka Renewable Energy Policy 2009.
- Karnataka SEZ Policy 2009.
- Karnataka Tourism Policy 2009
- Karnataka Semi Conductor Policy 2010.
- Karnataka Solar Policy 2011.
- Karnataka Integrated Agribusiness Development Policy 2011.
- Karnataka Animation Visual Effects & Comic Policy 2012.
- Karnataka Pharmaceutical Policy 2013.
- Karnataka New Infrastructure Policy 2013

**Fig.4.1: Exports as percent to GSDP**



- Electronic System Devices & Manufacturing Policy 2013.
- Karnataka Textile Policy 2013
- Karnataka Aerospace Policy 2013.
- Karnataka i4 Policy 2013.

The State is providing various incentives & concessions to the MSME sector for technology upgradation / technology transfer to enhance their competitiveness and capabilities to compete in the international market. The State Government has contemplated various initiatives along with incentives and concessions for the promotion of exports in the New Industrial Policy 2014-19, which are as follow:

#### **A. Export Promotion Measures**

- Creation of export infrastructure
- Thrust to SEZs in the State.
- Encouragement for the development of ICD/CFS on PPP mode.
- EOUs are to be declared as Public Utility Services (PUS) to create conducive environment for exports.
- Exporters with good track record will be issued Green Card to enable smooth movement of goods.
- Banks to issue Gold Cards for exporters with proven transaction record.
- Development of infrastructure for specific sectors :
  - Agro & Food Processing
  - Textile & Readymade garments
  - Chemical industry
  - Pharmaceutical
  - Engineering (Automobile, Aerospace & Precision tools)
  - Electronics
  - Electricals
  - Gems & Jewellery
  - Plastics

- Leather Products
- Handicrafts
- Marine products

#### **B. Incentives & Concessions:**

- a) Exemption from Entry Tax
- b) Refund of certification charges.
- c) Refund of cost incurred for Export Consultancy / Market Intelligence Studies.
- d) Brand Promotion and Quality Assurance.
- e) Refund of fees for individual entrepreneurs incurred on Certification Courses on Export-Import Management.
- f) Support for establishment of CFS and other export infrastructure.
- g) Support for creation of Export Facilitation facilities, R&D and testing services
- h) Market Development Assistance for Trade Promotion and overseas Trade Delegations.
- i) Reimbursement of Export Credit Guarantee Insurance.
- j) Support for development of exports in Gherkins, Rose Onions and Floriculture.

#### **State Policy for Special Economic Zones (SEZs)**

In order to support the efforts of the Govt. of India in development and promotion of SEZs in the State, the Government of Karnataka has formulated a State policy for SEZs as per the Central SEZ Act 2005 & Rules 2006. The Policy aims to provide a hassle-free environment for the manufacturing & service sectors and to attract FDI. The salient features of the State Policy for SEZs are:

- Single point clearance to SEZ developers & units.



- Acquisition of land on consent basis.
- To set up SEZs on waste, dry and single crop land.
- Delegation of Labour Commissioner's powers to Development Commissioner – SEZ.
- Monitoring and Review committee is constituted to monitor and review the implementation of SEZs under the Chairmanship of Chief Secretary, Govt. of Karnataka.

The fiscal package of incentives & concessions extended to SEZ developers and SEZ units under SEZ State policy includes:

- Exemption from State taxes for all purchases from domestic tariff area excluding petroleum products.
- Exemption from stamp duty and electricity duty.
- Capital subsidy for common effluent treatment plant.

The Board of approval of SEZ constituted under SEZ Act 2005 has granted formal approvals for 60 SEZs and in-principle approval for 1 SEZ in the State. SEZs numbering 25 are operational in the State with an investment of Rs. 37,225 crore and generating employment for 11, 65, 560 persons. Currently there are 266 SEZ units functioning in these SEZs. The value of exports from these SEZs during the year 2013-14 accounted to Rs.51,200 crore.

VTPC is the nodal agency for the implementation of Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) scheme in Karnataka. The agency has extended financial support for the completion of 96 export infrastructure projects out of total of 120 projects in various parts of the State. The projects of connectivity to ports, formation and upgradation of roads in industrial area/estates, flyovers, by-pass, water supply, power supply, cold storage, training centres, warehouses, R&D centres,

common facility centre, Human resource Development, pre-harvest & post harvest technological facilities etc. are implemented in the State. 24 projects are under various stages of implementation. Karnataka has been recognized as the Best Performing State in the implementation of ASIDE scheme.

In order to encourage growth and development of exports from the State, the Government of Karnataka has established a dedicated nodal agency, Visvesvaraya Trade Promotion Centre (VTPC) for promotion of International Trade. In addition to compiling of data on the State's exports, VTPC conducts various capacity building programmes and also provides services across market intelligence, export documentation, finance and other critical areas to the exporting community. VTPC also organizes several export-related programmes for both prospective and existing exporters in the State. Export awareness programmes are also conducted at district / potential places. VTPC has established Export Information Centres at Dharwad & Mysuru to facilitate exporters of the State. The promotional activities of VTPC for exports are as follow :

- Export Awareness Programmes.
- Export Training Programmes.
- Export Management Training Programmes.
- Seminars, Workshops & Conferences.
- Interaction and Open House Meetings.
- Participation in National/International Exhibitions & Trade Fairs.
- Financial Support to the all Artisans, SC, ST, Women Entrepreneurs of Micro and Small enterprises, who participate in the Trade Fair and Exhibitions.
- Conferring State Export Awards for Export Excellence.
- Market Development Assistance to industries / exporters for their Overseas Visits for business promotion.

- ASIDE Scheme.
- WTO and IPR Relay Cell.
- Incubation Centre & Facilitation Cell.
- Assistance to the traders/exporters in certification for the export/ import of commodities.
- VTPC is authorized to issue certificate of origin (non preferential)
- Conduct of Short term courses in association with IIFT, New Delhi.
- Trade Point to provide live trade enquiries, Global Directory Services & Online Trading Facility.
- Secretariat services for promotion of SEZs and EOUs in the State
- Liaison office for International Help Desk.

#### **4.3 Outcomes and challenges**

Foreign Investment in India has been the direct outcome of the liberal trade policies undertaken and implemented by successive governments. The liberalization program of the government aims at rapid and substantial growth of the country's economy besides a harmonious integration with global economy. Foreign investment ensures a huge amount of domestic capital, production level and employment opportunities, which is a major step towards the economic growth of the country. India is among one of the few markets in the world that offers such high prospects of growth and earning in virtually all sectors of the economy. The huge skilled workforce is one factor that ensures that foreign investors get a good return on their investments. The expansion of FDI into and from India has been accompanied by a rapid economic growth and an increasing openness to the rest of the world. Investment in Karnataka has huge potentials. However, investors have their own share of advantages and disadvantages. Overseas and domestic investors must prepare themselves well in

advance to face with adversities and deal with them properly. Some of the drawbacks that investors may have to face are bureaucratic hassles, infrastructural deficiencies, power shortages and sometimes political uncertainty. Despite these uncertainties, Karnataka presents a huge potential to global and domestic players to invest in the market.

The State is taking up initiatives for the set goals of achieving IT revenues of Rs.4 lakh crore by 2020, direct employment of 20 lakh by 2020. The industry group set up by the State Government last year has recommended some initiatives to leverage the unique opportunities that the State offers in the IT space. The key initiatives are use of technology in education; talent development and job creation; increasing innovation for sustainable value addition; entrepreneurship development; going beyond Bengaluru by developing emerging ICT Centers; leveraging the global ecosystem by developing relationship with other countries; development of physical infrastructure; increased focus on Electronics Systems Design and Manufacturing; Branding etc.

The challenges for achieving the set goals are: development of physical infrastructure, development of IT infrastructure, manpower development and making available land. The various State agencies concerned with development of physical infrastructure have taken note of the potentialities of the growth of IT and BT sectors in tier 2/3 cities. Department of IT, BT and S&T, through KEONICS and STPI has developed IT infrastructure in Hubballi, Mysuru, Mangaluru, Kalaburgi & Shivamogga.

It is also expected that exports of all commodities mainly engineering commodities will continue to increase by benefiting from the incentives and encouragements provided by the Government. In addition, the export-promotion measures are expected to increase exports of both primary and



manufactured products as also services. However, these expectations are subject to the presence of favourable world market demand and other conducive factors for the State's exporters.

VTPC has proposed to have trade facilitation centres at Mysuru, Mangaluru, Hubballi, Kalaburgi and Davangere to facilitate the exporters to enhance their

business activities from the State. These centres would involve in conducting of capacity building programmes in their jurisdiction to encourage exports. They also liaison with DICs and trade bodies in conduct of various programmes and interaction meets with the agencies / organizations of Govt. of India Dept., and State Govt. to address the grievances of exporters.

## RURAL DEVELOPMENT

### 5.1 RURAL GOVERNANCE

Karnataka has been a pioneer State in the decentralized governance, more specifically in nurturing Panchayati Raj Institutions (PRIs). The 73rd and 74th Amendments to the Constitution, a watershed in Indian Democratic Republic saw the dawn of powerful local governments all over the country. Karnataka was the first state in the country to enact the Karnataka Panchayat Raj Act, during 1993 incorporating the features of the 73rd Constitutional Amendment. Elections are being successively held to the three-tiers of PRIs. Politically, there is a broad consensus and sincere commitment in favour of decentralisation that finds a place in the ideologies of all political parties in the State. The Panchayati Raj System in the state has been stabilized with the conduct of five elections. An outstanding feature of the Panchayati Raj System in Karnataka is the determined effort to empower the voiceless section of society by providing for specific reservation not only in its membership but also to the post of Chairpersons of these Institutions. It is a matter of great pride that women have been provided with 50 per cent reservation both in membership and authority positions. More significantly, in order to promote participatory governance the Karnataka Panchayat Raj Act, 1993 has been further amended for enhancing the quality of people's participation through greater empowerment of Gram Sabhas and Ward Sabhas, thereby bringing in transparency and accountability in the functioning of PRIs;

#### 5.1.1 Decentralised Planning as the Strategy

Accelerating rural development and ensure benefits of development reach equitably call for the evolution of an appropriate rural development planning strategy - a strategy that strengthens various indicators of rural development as also brings a qualitative change in their reach to all sections of the society. In order to achieve this objective, the Government of India opted for a strategy of decentralized planning and entrusted the responsibility of planning and implementing rural development programs to the decentralized government bodies like PRIs in rural areas and urban local bodies in urban areas. With the 73rd Constitutional Amendment Act, 1992 the PRIs have acquired a statutory status, become integral part of our polity and more importantly, they have been recognized as 'institutions of self-government'. They have been given the important responsibilities of preparation and implementation of Plans to ensure economic development in rural areas and to ensure social justice in the distribution of benefits of such development process (Article 243G). Consequently, decentralised governance and planning have emerged as strategies for initiating socio-economic transformation in rural areas with the prime objective of developing rural infrastructure and improving the living conditions of the rural people, especially the weaker sections.

Development of rural areas has a bearing on improving agricultural production and related economic activities, availability of

natural and financial resources and their development. The rural development programmes are implemented through Rural Development and Panchayat Raj department towards promoting effective and inclusive rural development.

### **5.1.2 Role of Civil Society Organisations in Decentralised Planning Process**

Civil society originally referred to social groups organised for emancipating themselves from the oppressive rule of feudal lords and tyrant rulers. But today the term connotes a wider meaning and embraces a plethora of institutions outside the State. The civil society is a voluntary organisational structure intended to promote the well-being of its members by self-management of their own affairs with little or no interference from political regime. In recent years, civil society has come to assume a greater role in the life of people because of the following reasons: (i) In the modern day world, the needs and aspirations of people have multiplied beyond imagination such that the State alone cannot fulfill all these needs. (ii) The outreach efforts of the cannot succeed without active participation of the civil society. The civil society being people's organisation, can be more responsive to the needs of the people and, being participative in its approach, it can also be cost effective. In view of these merits, civil society has obviously assumed a greater role today.

The series of rural development programs initiated from the sixties, especially with the adoption of the target group approach emphasising on targeting growth to weaker sections and backward sub-regions, gave primacy to decentralised planning. The latter emphasised on participation of people, their organisations and NGOs in the planning and implementation process which in turn provided some space to civil society. The latter in its new role was to play the role not only of assisting the panchayats by giving to them technical inputs on the basis of their own analysis of the prevailing socio-economic situation but also to

motivate people to participate in the development process including monitoring of, and taking up development projects for the benefit of the weaker sections and backward regions. In other words, the civil society is expected to play the role of capacity building among panchayat functionaries. The NGOs, as an important component of the modern civil society, are looked upon as change initiators in the rural society and input providers to rural governments. Because of their vast experience of working at the grass root level and the committed and trained cadres they have with them, the country reposes great faith in their ability to build capacities among local governments.

### **5.2 Housing**

Housing is a basic and very important need for every citizen. Housing not only provides social security to human beings, but also status in the society. Housing has been evolved as a prime component over the period of time in providing employment opportunities and in development of locations. To meet the growing demand of housing, the State has been pro-active in its housing policies. Housing for the poor and down-trodden assumes greater importance both in rural and urban areas in the State. Government has attached utmost importance to the problem of housing scarcity and has increased the budgetary allocations over the years.

#### **Rajiv Gandhi Rural Housing Corporation Limited (RGRHCL)**

The Corporation was established on the 20th April 2000 as a nodal agency to implement all the housing schemes sponsored by the Central and State Governments for economically and socially weaker sections of the Society, both in rural and urban areas. The main objectives of the company are:

- To provide housing to the socially and economically weaker sections
- Speedy implementation of scheme

**Table 5.1: Scheme-wise houses completed and sites distributed**

Year	Houses Constructed under Social Housing Schemes					House Sites		
	Rural Ashraya/ Basava Vasathi Yojane	Rural Ambedkar	Urban Ashraya/ Vajpayee Urban Scheme	IAY	Total	Rural	Urban	Total
2000-01	71794	17619	28702	The Scheme was not implemented during these period	118115	13039	16901	29940
2001-02	136886	26489	34274		197649	19784	18167	37951
2002-03	115267	18415	20020		153702	21397	1526	22923
2003-04	108747	16274	17966		142987	7392	3829	11221
2004-05	87382	9054	11905	29866	138207	4762	2379	7141
2005-06	78005	6507	8961	48601	142074	6814	3160	9974
2006-07	113676	6736	5488	47226	173126	2280	3566	5846
2007-08	227858	11628	1452	39656	280594	1191	2066	3257
2008-09	192858	13430	2317	85459	294064	1007	1173	2180
2009-10	157217	15876	4135	155744	332972	2959	2519	5478
2010-11	48422	3692	685	95311	148110	22992	16983	39975
2011-12	69529	4722	4071	26769	105091	24334	16861	41195
2012-13	126439	5938	8985	108493	249855	13737	16270	30007
2013-14	207594	4101	6975	98815	317485	4279	6654	10933
2014-15**	117639	2326	6406	46425	172796	3357	710	4067
<b>Total</b>	<b>1859313</b>	<b>162804</b>	<b>162342</b>	<b>782365</b>	<b>2966827</b>	<b>149324</b>	<b>112764</b>	<b>262088</b>

\*\* Figures are shown up to December 2014

- Transparency in implementation,
- Seam free flow of the beneficiaries
- Dissemination of cost effective technology in construction through District Nirmithi Kendras
- Strengthening of Nirmithi Kendras

From 2000-01 to 2014-15 (up to December 2014) 29.67 lakh houses have been constructed under various housing

schemes and 2.62 lakh sites were distributed. The Scheme-wise houses completed and sites distributed are presented in **Table 5.1**

#### **Survey on Housing demand**

The survey of houseless and Siteless in the State conducted by the RGRHC during 2003 depicts that there are 12,99,789 house-less and 12,98,813 siteless persons.

**Table 5.2: Public Expenditure on Social Housing Schemes in Karnataka 2000-01 to 2014-15**  
(Rs. crore)

Year	Social Housing Schemes in Rural and Urban Areas				
	Rural Ashraya/ Basava Vasathi Yojane	Rural Ambedkar	Indira Awas Yojana	Urban Ashraya/ Vajpayee Urban Scheme	Total
2000-01	143.59	35.24	The scheme was not implemented by RGRHCL	77.75	256.58
2001-02	273.77	52.98		91.80	418.55
2002-03	230.53	36.83		53.50	320.86
2003-04	217.49	32.55		38.17	288.21
2004-05	174.76	18.11	68.21	30.46	291.54
2005-06	156.01	13.01	128.35	22.64	320.01
2006-07	255.90	13.47	119.45	14.08	402.90
2007-08	617.15	23.26	99.14	3.63	743.18
2008-09	558.69	36.34	325.46	5.79	926.28
2009-10	373.04	38.11	545.10	7.53	963.78
2010-11	219.24	25.27	482.49	3.43	730.43
2011-12	494.68	33.60	302.67	103.58	934.53
2012-13	977.64	27.73	805.89	108.72	1919.98
2013-14	1372.99	22.13	477.93	98.25	1971.30
2014-15**	1143.85	7.65	788.91	91.42	2031.83
<b>Total</b>	<b>7209.33</b>	<b>416.28</b>	<b>4143.60</b>	<b>750.75</b>	<b>12519.96</b>

\*\* Figures are shown up to December - 2014

The survey of hut-dwellers, later conducted during 2009 identified around 10.50 lakh hut-dwellers in the State. District-wise details are given at **Appendix 5.1**.

#### **Public Expenditure on EWS Housing:**

Investments on economically weaker section housing schemes have been on an increase during the last decade i.e. 2000-01 to 2014-15. The State has spent Rs.12519.96 crore, of which Rs.4143.60 crore on centrally sponsored and Rs.8376.36 crore on the state sponsored EWS housing schemes.

During 2011-12 to 2013-14, 6,72,431 houses were constructed under various housing schemes against the target of 8,20,000. Against the target of 2,70,000 house sites, 82,135 sites have been distributed. During 2014-15 it is targeted to complete 3 lakh houses. Against this, 1,72,796 houses have been constructed up to the end of December 2014. In case of house sites scheme 4,067 sites have been distributed against the target of 20,000 so far (**Table 5.3 & 5.4**).

**Table 5.3: Target and Achievement under Different Housing Schemes**

Year	Rural						Urban		Total	
	Ashraya/ Basava Vasathi Yojane		Ambedkar		IAY		Ashraya/ Vajpayee Scheme			
	Target	Completed	Target	Completed	Target	Completed	Target	Completed	Target	Completed
2011-12	130000	69529	8000	4722	100000	26769	32000	4071	270000	105091
2012-13	125000	126439	10000	5938	100000	108493	15000	8985	250000	249855
2013-14	180000	207594	5000	4101	100000	98815	15000	6975	300000	317485
2014-15**	190000	117639	-	2326	100000	46425	10000	6406	300000	172796
<b>Total</b>	<b>625000</b>	<b>521201</b>	<b>23000</b>	<b>17087</b>	<b>400000</b>	<b>280502</b>	<b>72000</b>	<b>26437</b>	<b>1120000</b>	<b>845227</b>

\* Figures are shown up to December 2014.

**Table 5.4: Progress of House Site Schemes**

Financial year	Rural House Site		Urban House Site		Total	
	Target	Achievement	Target	Achievement	Target	Achievement
2011-12	150000	24334	50000	16861	200000	41195
2012-13	30000	13737	20000	16270	50000	30007
2013-14	10000	4279	10000	6654	20000	10933
2014-15**	10000	3357	10000	710	20000	4067
<b>Total</b>	<b>200000</b>	<b>45707</b>	<b>90000</b>	<b>40495</b>	<b>290000</b>	<b>86202</b>

\* Figures are shown up to December -2014.

Unit cost of the house is being increased constantly over period of time. Details of unit cost are in **Table 5.5:**

During 2010-11 Rural Ashraya Scheme has been renamed as Basav Vasathi Yojane and Urban Ashraya Scheme has been renamed as Vajpayee Urban Housing Scheme.

#### **A Rural Ashraya/Basava Vasathi Yojane**

This scheme was introduced during 1991-92 to provide housing for rural house less poor. Annual income of the beneficiary was Rs. 32,000. Till 2004-05 the beneficiaries were selected by the Ashraya Committees headed by the local MLA. From 2005-06 onwards the beneficiaries are selected by Gram Panchayaths through Gram Sabhas

as per the Panchayat Raj Amendment Act. Under this Scheme, 17.42 lakh houses have been constructed during last 14 years i.e. from 2000-01 to 2013-14. Out of the total target 30% is earmarked for SCs, 10% for STs and 10% for minority beneficiaries and other scheme 50% of the target has been earmarked for SCs/STs.

Rural Ashraya Scheme was renamed as Basava Vasathi Yojane during 2010-11. The unit cost was fixed at Rs. 1.50 lakh from 2013-14, of which Rs. 1.20 lakh is subsidy and remaining Rs. 30,000 being the beneficiary contribution or loan from the bank. Houses will be allotted to hut-dwellers on priority basis.



**Table 5.5: Unit costs of houses provided under housing schemes**

Series Year	Unit Cost (Rs.)			
	Rural Ashraya/ Basava Vasathi Yojane	Rural Ambedkar	IAY	Urban Ashraya/ Vajpayee Urban Scheme
2000-01 to 2003-04	20,000	20,000	20,000	25,000
2005-06	25,000	20,000	25,000	25,000
2006-07	30,000	No target	25,000	No target
2007-08	No target	30,000	35,000	No target
2008-09	40,000	40,000	35,000	No target
2009-10	No target	40,000	40,000	No target
2010-11*	50,000	50,000	No target	50,000
2011-12	No target	50,000	50,000	No target
2012-13	75,000	No target	75,000	75,000
2013-14	1,20,000	No target	1,20,000	1,20,000
2014-15	1,20,000	No target	1,20,000	1,20,000

During last 3 years 4,03,562 houses have been completed against the target of 4,35,000 houses. For the year 2014-15 it is targeted to complete 1.90 lakh houses including backlog. So far (up to December 2014), 1,17,639 houses have been constructed. District wise break-up is furnished at **Appendix 5.2**.

### **B Ambedkar Housing scheme**

The scheme contemplates for providing houses for poor house less SC/ST households of rural areas, whose annual income is less than Rs. 32,000. The beneficiaries are selected by the gram panchayats through grama sabhas. Unit assistance per house has been enhanced to Rs.50,000 from 2010-11. Under the scheme 1,60,481 houses have been constructed during the last 14 years i.e. from 2000-01 to 2013-14.

During last 3 years, 14,761 houses have been completed against the target of 23,000 houses. For the year 2014-15 it is targeted to complete all 16,436 ongoing houses of previous series, of which 2,326 houses have been constructed till December 2014. District wise break-up is furnished at **Appendix 5.3**.

### **C Indira Awas Yojana**

This Centrally Sponsored Scheme was introduced during 1989-90 for rural houseless holds who are below the poverty line. 60% of the target is earmarked for SCs/STs, 15% for minorities and remaining 25% for general category of the people. During 2013-14, the Centre has enhanced the unit cost of the house to Rs. 70,000, of which Rs. 17,500 is required to be borne by the State. As per the enhanced unit cost of Rs.1.50 lakh, subsidy from the Centre works out to Rs. 52,500 and Rs. 67,500 is to be borne by the State, remaining Rs. 30,000 is the beneficiary contribution or the bank loan. From 2004-05 to 2013-14 7,35,940 houses have been constructed under the scheme.

During last 3 years 2,34,077 houses against the target of 3,00,000 have been constructed. During the current fiscal 46,425 houses have been completed against the target of 1,00,000, till December 2014. District wise break-up is furnished at **Appendix 5.4**.



### **D Urban Ashraya/Vajpayee Housing Scheme**

This State Sponsored scheme was introduced during 1991-92 to cover urban poor whose annual income is less than Rs.32,000. The beneficiaries are selected by the Ashraya Committee, comprising of both official and non official members and is headed by the local MLA.

During 2010-11 the Urban Ashraya Scheme was rechristened as Vajpayee Urban Housing Scheme. From 2013-14 the State has fixed the unit cost of the house at Rs.2.00 lakh, of which Rs. 1.20 lakh is subsidy from the State, Rs.30,000 is beneficiary contribution to be invariably met and balance Rs. 50,000 is either the bank loan or contribution from the beneficiary.

During last 14 years i.e. 2000-01 to 2013-14, 1,55,936 houses have been constructed. During the last 3 years, 20,031 houses were constructed against the target of 62,000 houses. During 2014-15 (up to December 2014), 6,406 houses have been completed as against the target of 10,000. District wise break-up is furnished at **Appendix 5.5**.

### **E House Site**

Sites are distributed free of cost to poor site-less families of both urban and rural areas with an annual income of less than Rs.32,000. The scheme was introduced during 1992-93. During 2000-01 to 2013-14, 2,89,827 sites have been distributed (1,45,967 sites in rural areas, 1,12,054 sites in urban areas and 31,806 sites in flood affected areas). It has been targeted to distribute 20,000 sites (10,000 in rural and 10,000 in urban areas) during 2014-15. As against this 4,067 sites have been distributed so far i.e. till December 2014. District wise break-up for sites distributed during last 3 years is given at **Appendix 5.6 and 5.7**.

### **F Nanna Mane (Affordable Housing for Low income groups)**

To provide affordable housing to the people of above poverty line but of low income group like auto drivers, workers of film industry, unorganised sector, beedi rollers, hamals, street Vendors etc. the state has introduced a new scheme during 2010-11. The annual income of the beneficiary is limited to Rs.1.00 lakh per annum. Four housing projects have been taken up during 2011-12 in locations like Talaguppa near Bidadi, Singanayanahalli and Hunasamaranahalli near Yelahanka, Kodathi, around Bengaluru under G+2 concept. The unit cost of the flat is Rs.3.90 lakh, 4.25 lakh and 5.20 lakh respectively.

### **Budget Allocation for the year 2014-15**

The State has provided Rs.2199.21 crore for the implementation of different housing schemes. Against this allocation, Rs.1540.71 crore has been released so far and Rs.2031.83 crore have been spent till the end of December 2014, which include opening balance of IAY.

### **Highlights of Scheme:**

The EWS housing schemes helps the society both directly and indirectly.

- EWS housing improves the quality of life of poor
- 1790 lakh man days of direct and 895 lakh man days of indirect employment has been generated.
- Reduces the gap in the housing demand
- Ensures economic development.

### **New initiatives**

- A survey of hut-dwellers has been taken up during 2009-10. As per the survey around 10.50 lakhs hut-dwellers have been identified
- Efforts are made to conduct houseless and site-less survey during the month of January to March in every year.

- **Direct release of funds to a beneficiary account:** From 2010-11 onwards, a system of on-line direct release of funds to the beneficiary account based on GPS verification has been introduced. This ensures transparency in the implementation and also the payment entire unit cost to the beneficiary.
- **Introduction of GPS (Global Positioning System):** GPS system has been evolved during 2010-11 through which payment will be made directly to the beneficiary account after GPS verification of the house at each stage to avoid overlapping and assessment of actual progress.
- A lottery system for the selection of beneficiaries has been developed from 2013-14 to ensure transparency in the selection process.
- **Introduction of DGS (Digital Signature):** The earlier system of procuring beneficiary details through hard copies has been dispensed with since then. The beneficiary list is approved online with Digital Signature within 24 hours from 2013-14.
- Introduction of SMS: The SMS system has been introduced from 2013-14. The SMS under various stages of process viz., approval of the list, Opening of bank account, release of funds etc. is sent to the Deputy Commissioner of the District, Chief Executive Officer of the Zilla Panchayat, Executive Officer of the taluka panchayat, Commissioners/Chief Officers of the CMCs/TMCs/TPs and the beneficiary
- The beneficiary-wise information has been made available in the public domain under website <http://ashraya.kar.nic.in>
- **Involvement of Financial Institutions in the implementation EWS housing schemes:** The financial institutions have evinced keen interest to participate in the venture.

- Adoption of fast track technologies in construction of affordable housing for LIG
- Comprehensive guidelines has been issued for implementation of housing scheme and house site scheme.
- The State has announced 10,000 houses for special categories, in which 9,000 houses will be allocated to the districts based on their demand and 1,000 houses are earmarked for artisans
- A scheme to waive of loan has been introduced in 2014-15. Under this scheme around 10.84 lakhs beneficiaries will get the benefit.
- Focus has been laid on providing infrastructure to the newly developed layout from 2013-14 onwards.

### 5.3 RURAL INFRASTRUCTURE

#### A) Karnataka Rural Infrastructure Development Ltd.

The Karnataka Land Army Corporation Limited was established as an undertaking of the Government of Karnataka in August 1974. The name of the Organization was changed from Karnataka Land Army Corporation Limited (KLAC) to Karnataka Rural Infrastructure Development Limited (KRIDL) with effect from August 2009. The organization was started with an authorized Government Share Capital of Rs. 15.00 crore and subscribed capital of Rs. 25.00 lakhs and further subscribed Rs. 12.00 crore during 2001-02. The Organization has the objective of undertaking civil construction of tanks, irrigation works low cost housing, roads, culverts, buildings etc., in rural areas by employing rural youth. Currently, organization has an annual turnover of Rs. 1000.00 crore with a staff around 1000 including 360 highly dedicated and Qualified Civil Engineers handling Civil works all over the state and outside the State too. The main objective of the organization is to undertake development

works in rural areas including employment oriented works entrusted by the state Government Department, Statutory Boards and Local Self Government under various schemes and programmes. The works are executed directly at Government (PWD) scheduled rates without involvement of contractors. The organization is a designated agency of the State Government for the purpose of execution of works of different departments. The company has achieved highest turnover of Rs. 1319.72 crore during the financial year 2013-14. The company has achieved a net profit of Rs. 69.11 crore and also paid Rs. 2.45 crore as dividend to the State Government. In 2014-15 the company has fixed target of Rs.1700.00 crore. The company is making sincere efforts to increase the turnover by approaching different Government Department to obtain entrustment works.

### **B) Western Ghats Development Programme:**

Developing hilly areas, conservation of forests and maintenance of ecology, providing irrigation facilities, benefits under agriculture, horticulture, sericulture, animal husbandry activities, marketing facilities to the outputs, vented dams-cum-foot bridges for cultivation of second crop in the year to the persons of the hilly areas are the major activities under the programme. The objectives of this programme include:

1. Capacity building for effective implementation of the programme by providing training facilities to the officers of Hilly Area Development Programme (HADP) and Western Ghats Development Programme (WGDP)
2. Programme of eco-preservation and eco-restoration with a focus on sustainable use of bio-diversity.
3. Soil and water conservation through land development activities such as leveling, bench terracing, land reshaping, amalgamation of paddy fields, land reclamation, contour bunding etc.,
4. Water harvesting and erosion control structures like check dams, vented dams, nala bunding, boulder bunds and checks, gully checks, ravine reclamation structures etc.,
5. Construction of farm ponds, diversion channels, waterways, vegetative filter strips etc., to regulate the flow and disposable excess water.
6. Focus on the needs and aspirations of local communities ensuring community participation in the strategies for conservation of bio-diversity and sustainable livelihoods.
7. Development of watershed based activities.
8. Development of spreading of technology / instruments / materials which are useful to the hill economy/ society which are suitable to the small holdings to provide bio-fertilizers, seeds and other inputs.
9. Providing schemes for income generation by cultivating the medical plants, bamboo, jatropha and agro forestry.
10. Providing gap filling infrastructure such as laying of water pipelines, construction of foot bridges etc.,
11. Development activities through animal husbandry viz., artificial insemination for upgrading cattle, fodder development plots in farmers holding and Government farms, poultry development, piggery development, rabbit development, health camps and distribution of medicines, mineral mixtures and food ingredients and constant monitoring/ providing funds to the Spice Board for regular growth of spices etc.,

### C) Thirteenth Finance Commission Grants

The Thirteenth Finance Commission has recommended a five year tenure from 2010-11 to 2014-15 for utilisation of its grants. The grants are released in two installments annually, based on the population in the ratio of 10:20:70 to Ziila, taluk and Grama Panchayts. The grants provided would be used for:

- Enhancing the quality of life of rural people through provision of drinking water, sanitation, health, women and children welfare activities, nutrition and development works
- Funds can be utilized for providing furniture to Anganwadis/schools, sports equipment, laboratory equipment.

- Works not exceeding 20% of the funds may be utilized for modernization and building of roads.
- Works of sustainable infrastructure to be preferred.
- Under drinking water focus has to be for modernization, maintenance, protection of sources of drinking water and sanitation.

The grants provided are to be transferred within 5 days to the Panchayat Raj Institutions, online through State Bank of Mysore, G-Seva Branch and Axis Bank.

Details of grants receive from the Centre and allocation provided to the 3 tiers of Panchayat Raj Institutions during 2010-11 to 2014-15 is furnished in **Table 5.6**.

**Table 5.6: Releases for the year 2010-11 to 2014-15 under 13th Finance Commission Grant**

(Rs. crore)

Year	Particulars of FC Grant	Amount Received by the State Government	Amount Transferred to the various tiers of PRIs (with %)		
			District Panchayat (10%)	Block Panchayat (20%)	Village Panchayat (70%)
2010-11	General Area Basic Grants	419.38	41.94	83.88	293.57
2011-12	General Area Basic/ Performance Grants	769.57	76.95	153.91	538.70
2012-13	General Area Basic/ Performance Grants/Interest	1008.60	100.86	201.72	706.02
2013-14	General Area Basic/ Performance Grants/Interest	1350.88	135.09	270.18	945.61
2014-15	General Area Basic Grants	344.42	34.44	68.88	241.09
<b>Grand Total</b>		<b>3892.85</b>	<b>389.28</b>	<b>778.57</b>	<b>2725.00</b>



### D) Grama Swaraj Project

The Gram Swaraj - Karnataka Panchayat Strengthening Project is being implemented from last 7 years, covering 1341 gram panchayats of 39 most backward taluks of the state identified by Dr. D.M. Nanjunadappa's High Power Committee Report. Implementation of the Project has been successfully completed on 30th March 2014.

The Objective of the Project is to ensure higher investment by GPs to improve the Social Indicators, improve revenue mobilization, improve monitoring and delivery of key services to rural population and effective participation in local planning.

Grant were released to the 1341GPs of most backward Taluks from last 6 financial years based on an objective criteria. 172 Samarthya Soudha Centers and 5 SATCOM studios are established across the state to enhance the capacity of PRIs. Rs. 672.81 crore has been released and Rs. 655.78 crores spent under different components.

The State Project Monitoring Unit had conducted an end line survey (Empirical Impact Evaluation Study) of the project and the report has been accepted and circulated to planning, finance and State Institute of Rural Development, Mysore. The major outcomes of the Project are as follows.,

- Untied and reliable block grants have created model in local Governance
- Assets built are of good quality and have raised the satisfaction level of local citizens.
- Double entry book keeping has made Governance more efficient and transparent.
- Project intervention facilitated higher tax compliance.
- Awareness and participation level in Gram Sabha and Ward Sabha have improved and made GP functionaries more responsive and responsible.

- Project had created permanent infrastructure like Samarthya Soudha and SATCOM.

The Project monitoring unit has prepared its Borrower's Implementation Completion Report and World Bank has prepared Project Implementation Completion Report (ICR) which was also circulated to all the concerned.

### E) Suvarna Gramodaya Yojane

Suvarna Gramodaya Yojane has been ventured to develop vibrant village communities by adopting an intensive and integrated approach to rural development. The programme was launched on the occasion of Golden Jubilee Celebrations of the formation of the State of Karnataka, involving Non Governmental Organizations and the village communities.

#### Objectives of the scheme:

- (a) To upgrade the physical environment of the selected villages for improving the quality of life.
- (b) To provide full and adequate infrastructure for human resources development including education, health services, childcare facilities etc.
- (c) To generate significant levels of non agricultural employment, especially for educated unemployed youth.
- (d) To support community awareness and development through self-help groups, cultural associations etc.

**Selection of Villages** is based on the rural population of each taluk in relation to total rural population of the State. Funds are allotted at the rate of Rs.2500 to 3000 per capita. In general, the villages having population above 2500 but below 8000 have been selected. In the hilly and western ghat areas, the population limit is relaxed. Member of Legislative Assembly has been entrusted with the task of selection of villages keeping view of the population limit fixed for the Taluk. Rs. 2500 is the

stipulated per capita grant under the programme.

**First Phase: (2006-07 and 2007-08)**

1204 villages were selected for which a sum of Rs. 1000.60 crore was allocated of which Rs 950.05 crore was released and Rs 950.00 crore of expenditure incurred. In 1204 villages, road length of 2895 Kms was taken up and completed. Drainage length of 2336.07 Kms has also been completed. 2307 Anganawadi & Samudaya Bhavana buildings are also completed.

**2nd Phase (Gulbarga revenue division) : (2008-09)**

- No.of villages selected : 222
- Allocation : Rs.208.20 crore
- Release : Rs.241.66 crore and Expenditure : Rs.211.00 crore
- Road, drainage, anganawadi, samudaya bhavana works completed (No.of villages): 221
- Completed road length (Kms) : 355.43 Kms.
- Completed drainage length (Kms) : 176.78 Kms.
- No.of Anganawadi & Samudaya Bhavana Buildings completed: 377

**3rd Phase: (2009-10)**

- No.of villages selected : 1573
- Allocation : Rs.1012.05 crore
- Release : Rs.1011.66 crore and Expenditure : Rs.990.27 crore
- Road, drainage, anganawadi, samudaya bhavana works completed(No.of villages): 1224
- Completed road length (Kms) : 2302.08 Kms.
- Completed drainage length (Kms) : 996 Kms.
- No.of Anganawadi & Samudaya Bhavana Buildings completed: 2233

**4th Phase: (Gulbarga revenue division) : (2010-11)**

- No.of villages selected : 381
- Allocation : Rs.214.09 crore
- Release : Rs.242.66 crore and Expenditure : 210.00 crore
- Road, drainage, anganawadi, samudaya bhavana works completed (No.of villages):182
- Completed road length (Kms) : 276.21 Kms.
- Completed drainage length (Kms) : 123.82 Kms.
- No.of Anganawadi & Samudaya Bhavana Buildings completed: 254

**5th Phase : (2012-13)**

- No.of villages selected : 2174
- Allocation : Rs.1000.00 crore
- Release : Rs.443.31 crore and Expenditure : Rs.398 crore
- Road, drainage, anganawadi, samudaya bhavana works completed(No.of villages):607
- Completed road length (Kms) : 978.31 Kms.
- Completed drainage length (Kms) : 274.72 Kms.
- No.of Anganawadi & Samudaya Bhavana Buildings completed: 168

Details of year wise and phase wise allocation of funds, expenditure and physical achievements is furnished in **Table 5.7 & 5.8.**

**5.3.1 Rural Water Supply**

The norm for providing potable drinking water is 55 litres per capita per day (LPCD) with a provision of 3 litres for drinking, 5 litres for cooking, 15 litres for bathing, 10 litres for washing utensils and domestic applications, 10 litres for ablution/toilets and 12 litres for washing cloths and other

**Table 5.7: Year wise Allocation, releases and Expenditure of SGY**

Year	Budget Allocation	Opening Balance	Released	Available Fund	(Rs. crore) Expenditure
2006-07	200.00	0.11	163.24	163.24	0.00
2007-08	350.00	163.24	179.54	324.78	213.09
2008-09	300.00	129.69	295.22	424.91	366.65
2009-10	302.00	60.26	299.64	359.90	251.41
2010-11	402.79	108.49	402.77	511.26	431.07
2011-12	700.00	80.19	695.36	775.55	445.31
2012-13	449.14	330.24	331.34	661.58	462.35
2013-14	209.67	199.23	208.53	407.76	376.87
2014-15	445.30	39.50	333.96	373.46	267.48

(Up to end of December 2014)

**Table 5.8 Physical Progress of SGY**

Phase	No. of selected villages	No of Villages with completed works	Length of road completed in km.	Length of drainage completed in km.	No. of anganawadi & community halls completed
I	1204	1204	Works completed		
II	222	221	355.43	176.78	377
III	1573	1224	2302.08	996	2233
IV	381	182	276.21	123.82	254
V	2174	607	978.31	274.72	168
<b>Total</b>	5554	3341	6687.94	3849.46	5278

uses. Habitations with a population of 100 or more will be considered for coverage under the national rural water supply norms. A 'Habitation' is a locality in a village with a cluster of families. Considering the average size of the family as 5 persons, a 'habitation' should include 20 families totaling 100 persons, with the exception in hilly areas, where the habitation can have a population of less than 100 persons. Fully Covered (FC) habitations are those with entire population is provided with drinking water as per norms. Partially Covered

habitations are those where supply of drinking water is less than 55 LPCD. Habitations with access to safe drinking water source/point (from public/ private source) of at least 10 LPCD and less than to 55 LPCD, within 1.6 kms in the plains and within 100 meters in hilly areas are characterized as PC. Not Covered (NC) habitations are those where the coverage under safe water from all sources is below 10 LPCD and/or habitations with quality affected at source viz., excess salinity, iron, fluoride, arsenic or other toxic elements or



**Table 5.9: District wise Number of villages selected under Suvarna Gramodaya Yojane**

Sl No	District	1 <sup>st</sup> Phase	2 <sup>nd</sup> Phase	3 <sup>rd</sup> Phase	4 <sup>th</sup> Phase	5 <sup>th</sup> Phase	Total
1	Bagalkote	45		42		58	145
2	Bengaluru U	24		32		55	111
3	Bengaluru R	31		40		52	123
4	Belagavi	97		88		119	304
5	Ballary	32	38	38	48	52	208
6	Bidar	49	35	46	68	69	267
7	Vijayapura	34		47		62	143
8	Chikkaballapura	34		56		85	175
9	Chamarajnagara	24		25		33	82
10	Chikkamagluru	30		72		88	190
11	Chitradurga	32		52		70	154
12	D.Kannada	32		33		32	97
13	Davanagere	35		48		56	139
14	Dharwad	16		16		22	54
15	Gadag	19		21		27	67
16	Kalaburagi	43	44	67	82	116	352
17	Hasana	102		118		157	377
18	Haveri	29		40		59	128
19	Kodagu	21		16		24	61
20	Kolar	46		85		91	222
21	Koppala	31	25	32	61	51	200
22	Mandya	61		83		74	218
23	Mysuru	46		78		112	236
24	Ramanagara	34		54		59	147
25	Rayachuru	47	50	59	63	105	324
26	Shivamogga	45		57		87	189
27	Tumakuru	67		98		176	341
28	U.Kannada	48		66		90	204
29	Udupi	26		26		30	82
30	Yadgir	24	30	38	59	63	214
	<b>Total</b>	<b>1204</b>	<b>222</b>	<b>1573</b>	<b>381</b>	<b>2174</b>	<b>5554</b>

Note: 2nd and 4th phase is being implemented in 6 districts of Gulbarga revenue division.

biologically contaminated. Access to safe drinking water and sanitation is indispensable for a healthy life. According to the 2011 census, 3.83 crore persons live in rural areas of Karnataka in 59753 habitations. As per the National Rural Drinking Water Programme (NRDWP), the concept of FC and PC are modified from conventional LPCD supply to percentage of population covered by water supply schemes. Accordingly, there are 6791 habitations with >0 and <25% population coverage, 17019 habitations with => 25 and <50% population coverage, 15993 habitations with = >50 and <75% population coverage, 11440 habitations with = >75 and <100% population coverage, 6137 habitations with 100% of population coverage. 2373 habitations are found to be affected with water quality problems. District wise details are furnished in **Table 5.10**.

The drinking water infrastructure of the State comprises 220018 bore wells fitted with hand pumps, 33390 piped water supply schemes and 46633 mini water supply schemes. Among the 59753 rural habitations covered under the schemes, about 6137 (10.2%) of habitations receive above 55lpcd of water, 51243(85.8%) receive less than 55 lpcd 2373 (4%) habitations are water quality-affected. Water scenario in rural area of Karnataka is shown in **Table 5.11**

### **1. Bharat Nirman / National Rural Drinking Water Programme (NRDWP)**

In order to meet adequate and safe drinking water supply requirements in rural areas, particularly in areas where coverage is less than 55 lpcd and in those villages which are affected by water quality problems due to over dependent on ground water based water supply schemes, Bharat Nirman a novel programme for building infrastructure and basic amenities in rural areas was launched at the instance of the Centre, during 2005. Phase- I of the Programme was implemented during 2005-06 to 2008-09. Phase-II is being

implemented from 2009-10 to 2012-13. Details of physical progress are given in **Table 5.12** and financial target and achievement from 2010-11 to 2014-15 in **Table 5.13**.

#### **(i) Action Plan 2014-15**

In accordance with the guidelines of NRDWP Action plans for 2014-15 have been formulated to cover habitations coming under 0-25%, 25-50% and 50-75% category and quality affected to 100% coverage category by providing 55 LPCD. In addition, spill overworks of 2013-14 in more than 75% coverage category are also incorporated. It is also intended to bring about 1927 habitations affected by water quality under this coverage. To achieve the above target, a provision of Rs. 2522.41 crores has been made for rural water supply programme in the annual action plan 2014-15 (**Table 5.14**).

#### **(ii) Source Sustainability Measures**

Groundwater is the main source of water supply for rural drinking water needs of the state. Due to over exploitation of groundwater for irrigation and other uses, conservation of water for drinking purposes is, therefore imperative. Accordingly, construction of 110 pits and trenches, 1009 check dams, 117 percolation tanks, 159 dug wells, and 27 roof top harvesting structures are proposed (**Table 5.15**) for groundwater recharge as per the action plan of 2014-15. The state has provided 10% of the grants from the Centre amounting to Rs. 81.82 crore for this purpose.

#### **(iii) Water Quality Monitoring and Surveillance Programme (WQM&SP)**

The State has established 30 district-level laboratories to monitor the quality of drinking water in rural Karnataka and to meet drinking water standards. 80 taluk level laboratories are being commissioned. Field water testing kits have been distributed to all the 5635 Gram Panchayats to test the water during pre and post-monsoon seasons. If the chemical/biological

**Table 5.10 : Drinking Water status in habitations with population coverage as on 31st March 2014**

Sl. No.	District	Total Habitations	Water Quality Affected Habitations	No. of Habitations With Population Coverage > 0 and < 25%	No. of Habitations With Population Coverage >= 25 and < 50%	No. of Habitations With Population Coverage >= 50 and < 75%	No. of Habitations With Population Coverage >=75 and < 100%	Total (5+6+7+8)	No. Of Habitations with 100% Population Coverage
1	2	3	4	5	6	7	8	9	10
1	Bagalakote	1009	44	32	159	232	356	779	186
2	Bengaluru Rural	1271	19	206	578	389	73	1246	6
3	Bengaluru urban	1037	24	31	758	66	134	989	24
4	Belagavi	1790	62	55	474	522	462	1513	215
5	Ballary	1012	82	71	222	260	343	896	34
6	Bidar	881	8	1	202	208	291	702	171
7	Vijayapura	1049	248	157	173	354	105	789	12
8	Chamarajanagar	830	0	6	34	470	167	677	153
9	Chikkaballapura	1921	45	375	479	646	328	1828	48
10	Chikkamagaluru	3506	30	478	1195	886	532	3091	385
11	Chitradurga	1631	60	129	727	275	397	1528	43
12	D Kannada	3582	100	473	1091	936	695	3195	287
13	Davanagere	1134	65	112	245	281	374	1012	57
14	Dharwad	388	15	74	68	219	11	372	1
15	Gadag	342	28	6	31	154	108	299	15
16	Kalaburagi	1269	70	61	273	441	349	1124	75
17	Hassan	3811	80	508	1106	822	846	3282	449
18	Haveri	711	1	0	477	200	33	710	0
19	Kodagu	532	0	14	53	122	162	351	181
20	Kolar	1960	220	549	456	490	215	1710	30
21	Koppala	737	12	88	100	133	248	569	156
22	Mandya	1986	179	54	277	531	696	1558	249
23	Mysuru	2003	65	224	531	517	448	1720	218
24	Raichuru	1460	155	19	202	256	348	825	480
25	Ramanagara	2137	2	641	856	454	156	2107	28
26	Shivamogga	4801	21	844	1458	1345	740	4387	393
27	Tumakuru	5312	606	633	1202	1756	793	4384	322
28	Udupi	3497	7	1	1522	1184	526	3233	257
29	U Kannada	7409	2	949	1920	1725	1172	5766	1641
30	Yadgir	745	123	0	150	119	332	601	21
	Total	59753	2373	6791	17019	15993	11440	51243	6137

**Table 5.11: Rural Water Scenario in Karnataka**

Service levels of water (LPCD)	Habitations (No)	Percentage
55 & above	6137	10.2
Less than 55	51243	85.8
Quality Affected	2373	4.0
<b>Total</b>	<b>59753</b>	<b>100</b>

(Norm for Rural Area = 55 lpcd)

**Table 5.12 : Water Supply Coverage under Bharat Nirman/NRDW programme**

Year	Total Coverage	Coverage of Habitations (No.)					
		0-25%	25-50%	50-75%	75-100%	Above 100%	Quality Affected
2010-11	6130	1	1146	952	1204	2708	-
2011-12	8757	8	2237	761	596	2783	1495
2012-13	13284	1338	4197	1213	637	3876	2023
2013-14	17522	2942	5506	4715	1921	490	1948
2014-15 (up to Dec 14)	6924	792	1727	2030	1389	394	592

**Table 5.13 : Financial Target and Achievement under NRWDP (Rs. crore)**

Year	Target	Achievement
2010-11	1167.07	947.53
2011-12	1656.74	1118.52
2012-13	1864.65	1807.11
2013-14	2056.89	1833.18
2014-15 up to Dec 14	1479.54	831.18

parameters are beyond the permissible limits in the water samples, the values along with samples are sent to the district level laboratory for confirmation. Training is also imparted to village water and sanitation committee (VWSC) for testing water quality using the testing kits. In 2014-15, under the WQM&S programme, Rs. 35.55 crore is allocated against which Rs.10.84 crore is spent till December 2014. **(Table 5.16)**

**(iv) Sub-mission programme to tackle water quality problems**

Acute water quality problems have been identified in 2373 habitations, of which 81.20% (1927 habitations) are proposed to be covered in 2014-15. Rs. 63.15 crore is earmarked for water quality focus funding (chemical) exclusively for tackling habitations with arsenic and fluoride contamination. Remaining habitations will

**Table 5.14 : Target and achievement under Action Plan 2014-15 (Rs. crore)**

Sl No.	Category (Percentage)	No. of habitations proposed for Coverage	Achievement	Action Plan amount	Expr. up to Dec 2014
1	>0<25	3162	792	2522.41	831.18
2	>= 25<50	4993	1727		
3	> = 50 <75	134	2030		
4	> = 75 <100	165	1389		
5	100	0	394		
6	Quality Affected	1927	592		

**Table 5.15 : Ground water Conservation Measures**

Structure	Pits & Trenches	Check Dam	Percolation Tanks	Point Recharge System	Dug Wells/ Injection Wells	Others	Ooranies/ Village Ponds/ Traditional Water Bodies	Roof Top Harves ting
No.	110	1009	117	0	159	212	38	27
Achievement	5	91	8	0	0	10	9	1

**Table 5.16 : Water Quality Management and Surveillance Programme (2014-15)**

Sl. No.	Activity	Rs. crore
1	HRD Activities	7.05
2	IEC Activities	14.96
3	Water Quality Monitoring & Surveillance	35.55
4	MIS , R&D	5.54
5	Community Involvement	15.60
6	Establishment	12.81
	<b>Total</b>	<b>91.51</b>

be addressed subsequently. An estimated Rs.500 crore is required for 2014-15 to tackle on-going and new works.

## **2. World Bank Assisted Jal Nirmal Project**

The World Bank Assisted Jalnirmal Additional Financing Project is being implemented for providing safe drinking water and sanitation facilities for the rural population. Jalnirmal additional financing project is also a demand driven project, as the erstwhile World Bank Assisted Jalnirmal project with similar objectives, principles, components and parameters. 1405 water supply schemes and rural internal road and drain works are taken up for implementation from July, 2010 at an estimated cost of Rs.816.18 crore for a period of 3 years in the 12 districts of Northern Karnataka i.e. Bagalkote, Belagavi, Bidar, Vijayapurar, Dharwad, Gadag, Kalaburagi, Yadgir, Haveri, Koppala, Raichur & Uttara Kannada and in water quality affected habitations in few other districts. Because of the depreciation in the value of rupee to dollar and availability of more funds in the credit, the project cost has since been revised to Rs. 940 crore and the project period which was extended up to June, 2014, has since been closed.

Up to December, 2014, out of 496 water supply schemes taken up, 495 schemes have been completed and balance 1 is proposed to be taken up under NRDWP. 18 long term multi village water supply schemes taken up are under different stages of progress (16 schemes completed, 2 schemes taken up under NRDWP) **(Table 5.18)**. Up to December, 2014, all 481 road & drain works taken up were completed. In view of increased demand and availability of fund, 410 more road & drain works have been taken up under phase II & III and all the works have been completed. In addition to this, 186 sector strengthening activities like SCADA, GWR, solar pumping machinery, membrane filter have been taken up and completed. Rs. 50

crore has been allocated for the implementation of the project during 2014-15. Up to December 2014, Rs. 231.38 crore has been spent and Rs.185.72 crore has been reimbursed by the World Bank. Since the inception of the project an expenditure of Rs.866.96 crore has been incurred and Rs.717.75 crore has been reimbursed from World Bank till December 2014. **(Table 5.17)**

## **3. Desert Development Programme (DDP)**

Additional rural water supply schemes in drought prone districts of Bagalkote, Ballary, Vijayapura, Davanagere, Raichuru and Koppal are being implemented under this centrally sponsored Desert Development Programme since 1997-98. It is contemplated to provide 70 LPCD of water to human being and cattle in these drought affected DDP districts. Implementation of PWSS (piped water supply scheme), MWS (Mini Water Supply Scheme) and bore wells are being taken up. Schools and anganwadis in rural areas also are being taken up under this programme.

### **Multi Village Scheme Project**

Drinking water supply schemes under Rajiv Gandhi National Drinking Water Mission have been formulated in rural areas with surface water as source to tackle water quality problem. Habitations affected by chemical contamination like arsenic, fluoride, TDS, nitrate and iron are provided safe drinking water after treating the surface sources. Under the programme, grants to an extent of 50% of the project cost is provided by the Centre. The surface sources viz., river, tank canal etc., are considered for safe drinking water supply under this Sub-Mission programme. The State has taken up Rajiv Gandhi Drinking Water Mission Programme under Bharat Nirman Programme to provide safe drinking water to water quality affected habitations in rural areas from 2004-05.

Since inception, 452 Schemes covering 7609 water quality habitations at an estimated cost of Rs. 5527.80 crore have been taken up under this programme. All



**Table 5.17 : Details of schemes completed under Jal Nirmal Additional Financing Project (Up to December 2014)**

Sl. No.	District	Target			Achievement		
		Water Supply Schemes	Roads & Drains Works (Phase I)	Roads & Drains Works (Phase II & III)	Water Supply Schemes	Roads & Drains Works (Phase I)	Roads & Drains Works (Phase II & III)
1	Bagalkote	23	33	13	23	33	13
2	Belagavi	21	51	56	21	51	56
3	Bidar	23	85	25	23	85	25
4	Vijayapura	43	00	27	43	00	27
5	Dharwad	11	13	18	11	13	18
6	Gadag	05	35	28	05	35	28
7	Kalaburagi	101	125	43	100	125	43
8	Haveri	08	03	54	08	03	54
9	Koppala	03	27	36	03	27	36
10	Raichuru	61	43	19	61	43	19
11	U. Kannada	166	51	74	166	51	74
12	Yadgir	31	15	17	31	15	17
	Total	496	481	410	495	481	410

**Table 5.18 : Physical & Financial Progress (2010-11 & 2014-15)**

Year	Financial (Rs. crore)		Physical (Nos)	
	Target	Achievement	Target	Achievement
2010-11	68.60	48.60	562	354
2011-12	137.80	103.30	962	703
2012-13	268.11	211.64	1281	1036
2013-14	205.09	188.55	2088	1495
2014-15 (Up to Dec 14)	481.43	231.38	1622	1101

the schemes are administratively approved & by December 2014, 213 schemes have been completed, 166 schemes are on-going, 73 schemes are under tendering process and 18 schemes are yet to be technically sanctioned.

Under the 13th Finance Commission Schemes, Rs. 300 crore is proposed to be released in 4 years. 30 multi village schemes (MVS) and 387 RO units have been approved. Out of 30 MVS Schemes, 1 is yet to be administratively approved, 7 are

under tendering process, 2 are yet to be technically sanctioned and 20 are under progress.

### 5.3.2 Rural Sanitation

#### 1. Swachha Bharat Mission (SBM)

Karnataka is making concerted efforts to implement total sanitation in the rural parts of the State. The State has been implementing a number of sanitation programmes from 1985, with the assistance of Central Government and external agencies like Danida, Royal Netherlands, World Bank, UNICEF and other development partners. "Nirmal Grama Yojane" has become operational in 1995 and was implemented for 8 years. Afterwards the Centrally sponsored scheme of "Total Sanitation Campaign" was in operation from 2005 to 2012. This Campaign was renamed as Nirmal Bharat Abhiyan from April 2012. Nirmal Bharat Abhiyan has since been rechristened as "Swachh Bharat Mission" from 2nd October 2014.

Under Swachh Bharat Mission, incentive of Rs. 12,000, of which, the share of Centre and the State being Rs. 9000 and Rs. 3000 respectively, is being provided to the eligible beneficiaries, belonging to BPL category, restricted APL families (which covers SC&ST families), small and marginal farmers, landless families Physically handicapped families and women headed families, etc), for the construction of individual household latrines. Incentive Rs. 15000/- (Rs.3000/- in excess of the State's share) is provided to under SCP/TSP allocations.

The mission aims at making all villages in the State defecation free villages. Besides, it has a wide focus of providing Individual sanitation, house sanitation, safe drinking water, suitable disposal of human excreta, disposal of waste and used water etc.

Though the State Government has implemented many schemes for improving rural sanitation, desired outcomes were not achieved. Many schemes focused on

encouraging the rural masses to adopt sanitation facilities and to organize the community have been formulated under SBM. Many schemes initiated to encourage the rural masses to adopt sanitation facilities and to organize the community have been formulated under SBM. Swachh Bharat Mission contemplates people oriented, demand driven and community participation. Construction of individual household toilets, management of solid and liquid wastes has been incorporated under Swachh Bharat Mission. Priority has been given to the activities of Information, Education and Communication and to build up technically best quality programmes. Various capacity building programmes have been chalked out to build capacity of the stake holders in a variety of sectors. Simple model toilets are being introduced to convince the rural population who are under the impression/misconception that the construction of individual household toilet is a costly affair. The 73rd Constitution Amendment, 1992 bestows complete responsibility on Grama Panchayats to ensure total rural sanitation.

#### Objectives

- 1) Construction of individual household toilets for families in the rural areas who do not have toilets.
- 2) To improve the standard of living of the rural people and reformation in the health of the rural people
- 3) Suitable disposal of waste and used water generated in the villages.
- 4) Construction of community toilets for the people in a village who do not have a place of their own for construction of individual toilets in a place where it can be easily accessible
- 5) To inculcate the habit of sanitation and cleanliness among rural children.
- 6) Maintenance of rural sanitation or production centers.
- 7) Maintenance and supervision of community toilets, keeping cleanliness

Details of funding pattern under NBM is as hereunder.

**Table 5.19 : Funding pattern for different component under Nirmal Bharat Abhiyan (Swachh Bharat Mission)**

Sl No.	Component	Components wise limits prescribed	Contribution percent		
			GOI	State	Beneficiary
a.	IEC & Start Up Activities and Capacity Building	Up to 8% of total project cost, with 3% to be utilized at the Central level and 5% at State level.	75%	25%	
b.	Revolving Fund	up to 5%	80%	20%	
c.	(i) Individual Household Latrines	Actual amount required for full coverage	Rs.9,000 (75%) 10,800 (90%) in case of NE States, J&K and Special category States)	Rs.3000 (25%) 1,200 (10%) in case of NE States, J&K and Special category States)	
	(ii) Community Sanitary Complexes	Actual amount required for full coverage	60%	30%	10%
d.	Administrative charges	Up to 2% of the project cost	75%	25%	
e.	Solid/Liquid Waste Management (Capital Cost)	Actual amount as per SLWM project cost within limits permitted	75%	25%	

around the premises of water sources, maintenance of drainages etc.

## 2. Nirmal Gram Puraskar

In order to encourage Gram Panchayats achieve 100% progress in the construction of toilets in their villages under SBM, the award scheme of "Nirmal Gram Puraskar" has been introduced from 2007-08. Number of GPs, Blocks who were awarded Nirmal Gram Puraskar are in **Table 5.20**

## 3. State Nirmalya Awards

The State has prioritized implementation of sanitation in rural areas. To encourage Panchayat raj institutions in this direction and to inculcate competitive spirit among grama panchayats, the State has initiated Nirmalya Awards. The award is being instituted to accelerate the campaign to achieve sustainability in the villages which has already been awarded Nirmal Grama

**Table 5.20: NGP AWARDS BAGGED BY THE STATE**

Year	No. of GPS Awarded NGP	No. of Blocks awarded NGP	No. of Districts awarded NGP
2006-07	121	-	-
2007-08	479	3	-
2008-09	245	1	-
2009-10	121	-	-
2010-11	103	2	1
<b>Total</b>	<b>1069</b>	<b>6</b>	<b>1</b>

Puraskar. Besides, awards are also being given to Best School, Best Anganawadi and also certificates/mementoes to best achievers. Details are as follows:

Rs.10.00 crore out of the total allocation provided under NBA is earmarked for the above awards.

#### 4. IEC Activities

Intensive IEC activities are held to keep the people informed about the concept and

implementation of SBM. Normally, IEC activities are carried out by making use of print and TV media, wall writings, dramas, declarations, jathas, short documentaries. Apart from this, NGOs plays a vital role in the implementation. In addition, information about the campaign is passed on through house visits, personal/group discussions, indoor/outdoor games, meetings, songs, quiz, oath taking, padayatras, shramdhan. The IEC activities are also being held through leadership by

**Table 5.21: Award amount at different stages for Nairmalya Awards**

<b>Nairmalya award at Taluk level</b>	
Best GP	Rs. 1.00 lakh
Best school	Rs. 20,000
Best Anganawadi	Rs. 10,000
<b>Rajata Nairmalya at District level</b>	
Best GP	Rs. 3/2/1 lakh(3 awards)
Best school	Rs. 30,000
Best Anganawadi	Rs. 15,000
<b>Swarna Nairmalya at Division Level</b>	
Best GP	Rs. 5/4/3 lakh (3 awards)
Taluk Panchayats	Rs.10 lakh
<b>Nairmalya Ratna at State level</b>	
Best GP	Rs. 10/7/5 lakh (3 awards)
Best TP	Rs.20 lakh
Best ZP	Rs.30 lakh

**Table 5.22 : Details of physical progress for 2014-15 as at the end of November 2014 is furnished below:**

Sl. No	Component	Target	Progress (As at end of Dec 14)	%
1	IHHL (BPL)	507867	411126	83
2	IHHL (APL)	242133	87061	36
	<b>Total IHHLs</b>	<b>750000</b>	<b>508187</b>	<b>68</b>
3	School Latrines	2291	1097	48
4	Anganwadi Latrines	5000	1579	32
5	Community Sanitary Complexes	10000	67	7
6	Solid & Liquid Waste Management	200		

head of villages, speeches by religious leaders, etc.

#### Capacity building activities

To ensure effective implementation of SBM, training programmes are being organized for the officials of Gram Panchayats, non-official personnel like Asha workers, Anganwadi workers, NYKS volunteers, representatives of self help groups, volunteers of Bharat Nirman, elected representatives etc

- Officers / officials / Elected representatives are apprised of the implementation process through discussions/meetings via Satcom media every month.
- Workshops are organized on the implementation of SBM for the elected representatives at the level of GPs, Taluks, and District levels.
- The officials at the level of Districts are being appointed as Nodal Officers of

**Table 5.23 : Details of financial progress of SBM for 2014-15 as at the end of December 2014**

(Rs. in Lakh)

Sl.no	Item	State	Centre	Total
1	Allocation	31488.00	14709.18	46197.18
2	Opening Balance			16306.08
3	Releases	2789.81	9210.43	12000.24
4	Total Available Grants			28306.32
5	Expenditure	5792.25	15111.47	29903.72
6	Percentage			74

Taluks and entrusted with the responsibility of reviewing the progress of implementation and to achieve the target.

### New initiatives

1. Services of Asha workers, anganawadi workers are drawn in the implementation of SBM.
2. All the ZPs to have been asked to appoint Swachhata Dhoots in the Grama Panchayats for implementation of SBM.
3. Guidelines on the strategy to be followed in the disposal of solid and liquid wastes.

### 5.3.3 Rural Energy Programmes

National Biogas Manure and Management Programme (NBMMP), Karnataka State Bio-fuel Policy -2009 and Soura Belaku are the three programmes implemented under Rural Energy sector.

#### A) National Biogas Manure and Management Programme (NBMMP)

Biogas is a clean, non-polluting, smoke and soot-free fuel, containing methane gas produced from cattle dung, human waste and other organic matter in a biogas plant through a process called anaerobic digestion. The digested slurry will be good quality manure for agriculture. This centrally sponsored scheme implemented since 1982-83 is mainly a women oriented programme. The Centre has increased the subsidy rate with effect from 8th May 2014. Details of subsidy are given below.

Beneficiaries are selected by the grama panchayats. During 2014-15, the State provided Rs.284.84 lakh as its share. The corresponding Central share is Rs.854.40 lakh.

#### B) The Karnataka State Bio-fuel Policy

The Karnataka State Bio-fuel Policy has come into force from 1st March 2009. Karnataka Bio-fuel Policy is implemented through Karnataka State Bio-fuel Development Board. Rs.330 lakh is provided for 2014-15. Rs.115.00 lakhs has been released to Karnataka State Bio-fuel Development Board for implementation of various activities.

#### C) Soura Belaku - Installation of Solar Street Lights at Grama Panchayats

Soura Belaku programme, started during 2009-10 aims at installation of Solar Street Lights at grama panchayat level. The Programme is implemented in selected pilot district - one from each revenue division. The programme is implemented through E-Procurement. Rs.310 lakh is provided during 2014-15. Year wise details targets and achievements are furnished in **Table 5.25a to 5.25e.**

For 2014-15 Rs.300.00 lakhs has been provided to cover Bagalkote, Mysuru, Gadag and Yadgir districts. E-Tendering is under process.

Particulars	Existing subsidy (in Rs.)	Revised subsidy (in Rs.)
Central Subsidy	3500	9000
Turn Key Fee	700	1500
Latrine Linked Biogas Plants (LLP)-incentives State subsidy is Rs.3500/-	500	1000



**Table 5.24: Progress of National Biogas Manure and Management Programme**

Year	Physical (Nos)		Financial (Rs.in lakhs)	
	Target	Achievement (S+C)	Target (S+C)	Achievement (S+C)
2007-08	4000	4573	756.50	337.57
2008-09	10000	6579	645.29+120.00	557.90
2009-10	10000	6954	841.33+120.00	693.37
2010-11	16000	12902	1463.08+120.00	997.79
2011-12	15000	10531	1503.20+120.00	1359.93
2012-13	12000	11985	1495.20	1161.19
2013-14	10300	9700	1465.91	1300.62
2014-15 (up to Dec 2014)	10500	5149	1139.24	434.85

**Table 5.25a : Physical and Financial progress under Soura Belaku Yojane, 2009-10, (Rs. lakh)**

District	Annual Target		Achievement	
	Physical	Financial	Physical	Financial
Bagalkote	178	50	178	50
Ballary	178	50	178	50
D Kannada	178	50	219	50
Shivamogga	180	50	204	50
<b>Total</b>	<b>714</b>	<b>200</b>	<b>779</b>	<b>200</b>

**Table 5.25b : Physical and Financial progress under Soura Belaku Yojane, 2010-11 (Rs. lakh)**

District	Annual Target		Achievement	
	Physical	Financial	Physical	Financial
Chamarajanagara	180	50	180	50
Dharwad	180	50	180	50
Kolar	180	50	0	12.5
Raichuru	180	50	180	50
<b>Total</b>	<b>720</b>	<b>200</b>	<b>540</b>	<b>162.5</b>

**Table 5.25c : Physical and Financial progress under Soura Belaku Yojane, 2011-12**  
(Rs. in lakhs)

District	Annual Target		Achievement	
	Physical	Financial	Physical	Financial
Belagavi	450	110	458	110
Chitradurga	208	50	254	50
Dharwad	208	50	257	50
Koppala	208	50	277	50
Mysore	208	50	224	50
<b>Total</b>	<b>1282</b>	<b>310</b>	<b>1470</b>	<b>310</b>

**Table 5.25d : Physical and Financial progress under Soura Belaku Yojane, 2012-13**  
(Rs. lakh)

District	Annual Target		Achievement	
	Physical	Financial	Physical	Financial
Tumakuru	210	55	311	55
Chikkamagaluru	210	50	255	50
Gadag	210	50	288	50
Dharwad	210	55	244	55
Kalaburagi	210	50	273	50
Bidar	210	50	210	50
<b>Total</b>	<b>1260</b>	<b>310</b>	<b>1581</b>	<b>310</b>

**Table 5.25e : Physical and Financial progress under Soura Belaku Yojane, 2013-14**  
(Rs. in lakhs)

District	Annual Target		Achievement	
	Physical	Financial	Physical	Financial
Gadag,	252	70	326	70
Kolar,	252	60	276	60
Mandya,	252	60	302	60
Uttara Kannada	252	60	302	60
Yadgiri	252	60	329	60
<b>Total</b>	<b>1260</b>	<b>310</b>	<b>1535</b>	<b>310</b>

## **D) Institutional support for rural energy development**

Mahatma Gandhi Institute for Rural Energy and Development

Mahatma Gandhi Institute for Rural Energy and Development (MGIRED) is a southern regional institute established with the assistance from the Ministry of New and Renewable Energy, Government of India. The Institute is a registered society set up in the year 2000, cater to the training needs of Southern States/Union Territories. Vision of the MGIRED is to create awareness and propagate the advanced technology in the development of the rural energy, ground water conservation, rain water harvesting and environmental protection to the rural masses. MGIRED is committed itself to the following activities:-

1. Capacity Building
2. Demonstration of Rural/Renewable Energy Technologies.
3. Demonstration of De-centralized Rural Energy Based Industry.
4. Documentation and dissemination of information on Rural Energy Development/Rain Water Harvesting/Environmental Protection etc.
5. Research on Rural Energy and
6. Advisory Services and Consultancy on Rural Energy, village adoption for implementing Rural Energy and related Rural Development Programme.

### **5.3.4 Rural Roads Infrastructure**

#### **1 Pradhana Manthri Gram Sadak yojana (PMGSY)**

PMGSY was launched in the State during December 2000 with the objective of providing rural connectivity through all weather roads to the habitations having a population of 500 and above. Under this programme, Rs 3941.44 crore has been spent and 16222 km of road length has

been asphalted as at the end of December 2014. Karnataka Rural Road Development Agency was constituted during 2005 to ensure effective implementation of all road connectivity programmes. The agency is involved in preparation of detailed project reports, implementation of the works (as approved by Government of India) as per the required standards and release grants provided by the Government of India. Connectivity is yet to be provided to 1771 (population between 250-499) unconnected habitations. Details of rural connectivity is shown in **Table 5.26**.

#### **2. Chief Minister's Grama Sadak Yojane**

Rs. 153.55 crore is provided under Mukhya Mantri Gramina Raste Abhivruddi Yojane for maintenance of roads in the budget for 2014-15. The funds provided have been allocated to Zilla Panchayats as per the Comprehensive Composite Development Index of Dr. D. M. Nanjundappa's Committee report on redressal of regional imbalances.

#### **3. Rural Infrastructure Development Fund**

##### **RIDF Nabard-15 (2009-10)**

250 roads & Bridges works at an estimated cost of Rs.119.48 crore and 27 foot bridges works at a cost of Rs.1.90 crore were administratively approved during the year 2009-10. Out of 250 Roads & Bridges works, 244 works are completed, 2 works are under progress & 4 works are dropped. Out of 27 Foot Bridges works 25 works are completed and 2 works are dropped.

##### **RIDF Nabard-16 (2010-11)**

251 Roads & Bridges works for Rs.151.27 crore and 153 Foot Bridge works for Rs.7.33 crore were sanctioned during 2010-11. Out of 251 Roads & Bridges works, 235 works are completed, 9 works are under progress & 7 works are dropped. Out of 153 Foot Bridges works 126 works are completed, 1 works are under progress & 26 works are dropped.

**Table 5.26 : Rural Connectivity as per District Rural Road Map (DRRP)**

Year	Bituminous Surface (Kms)	Metal Surface (Kms)	Earthen/Gravel Roads (Kms)	Un Connected Habitations (Nos)	Remarks
2013-14	58184	21495	75866	1771 habitations (with Population ranging from 250 to 499) & 10,269 habitations (having less than 250 Population)	Up to end of 2012-13 it was reported as 2235 unconnected habitations. Now as per 2013-14 DRRP 1771 (population between 250-499) Nos of Unconnected habitations are identified.

**RIDF Nabard-17 (2011-12)**

473 Roads & Bridges works at a cost of Rs.189.29 crore and 126 Foot Bridge works at a cost of Rs. 15.36 crore were approved during the year 2011-12. Out of 473 Roads & Bridges works, 403 works are completed & 60 works are under progress & 10 works are dropped. Out of 126 Foot Bridges works 94 works are completed & 19 works are under progress and 13 works have been dropped.

**RIDF Nabard-18 (2012-13)**

199 Road works at a cost of Rs.73.30 crore and 2 Bridge works for Rs.65.00 lakhs were sanctioned during 2012-13. Out of 201 works 84 are completed, 112 works are under progress and 5 are dropped.

**RIDF Nabard-19 (2013-14)**

391 works (roll over Projects of Nabard-18) amounting to Rs. 140.95 crore is approved during 2013-14 & 2014-15, of which 16 works are completed, 123 are

under progress, 244 are yet to be started and 8 are dropped.

**5.4 Rural Employment and Livelihood****5.4.1 Mahatma Gandhi National Rural Employment Guarantee Scheme**

Mahatma Gandhi National Rural Employment Guarantee Scheme has been in operation in all the districts of Karnataka State since 2006-07 which is being implemented in a phased manner. The primary objective of the Act is to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work.

**Goals of the scheme set-out in the guidelines are as follows:-**

- Social protection for the most vulnerable people living in rural India by providing employment opportunities

- ii. Livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity
- iii. Drought-proofing and flood management in rural India
- iv. Empowerment of the socially disadvantaged, especially women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the processes of a rights-based legislation
- v. Strengthening decentralised, participatory planning through convergence of various anti-poverty and livelihoods initiatives
- vi. Deepening democracy at the grass-roots by strengthening Panchayati Raj Institutions
- vii. Effecting greater transparency and accountability in governance

MGNREGA is a powerful instrument for ensuring inclusive growth in rural India through its impact on social protection, livelihood security and democratic empowerment.

As compared to the erstwhile employment programmes, there is a paradigm shift in the present employment programme scheme as emerged under the Act. The following are the salient features of the shift in the present employment scheme.

- i. MGNREGA has given rise to the largest employment programme in human history and is unlike any other wage employment programme in its scale, architecture and thrust. Its bottom-up, people-centred, demand-driven, self-selecting, rights-based design is distinct and unprecedented.
- ii. MGNREGA provides a legal guarantee for wage employment.
- iii. It is a demand-driven programme where provision of work is triggered by the demand for work by wage-seekers.
- iv. There are legal provisions for allowances and compensation both in

- cases of failure to provide work on demand and delays in payment of wages for work undertaken.
- v. The scheme is being implemented as centrally sponsored scheme on cost sharing basis between centre and State Governments in the ratio of 90:10 nearly. Further under the scheme labour material ratio at 60:40 shall be maintained. Labour portion of 60% borne fully by Government of India and material portion will be shared between central and State Governments in ratio of 75:25.
- vi. Gram Panchayats (GPs) are to implement at least 50 per cent of the works in terms of cost. This order of devolution of financial resources to GPs is unprecedented.
- vii. Plans and decisions regarding the nature and choice of works to be undertaken, the order in which each work is to be triggered, site selection etc. are all to be made in open assemblies of the Gram Sabha (GS) and ratified by the GP. Works that are inserted at Intermediate Panchayat (IP) and District Panchayat (DP) level have to be approved and assigned a priority by the GS before administrative approval can be given. The GS may accept, amend or reject them.
- viii. Social audit is a new feature that is an integral part of MGNREGA. Potentially, this creates un-precedented accountability of performance, especially towards immediate stakeholders.

The annual allocation for 2014-15 as approved by the Government of India for the labour budget of MGNREGA for Karnataka is Rs. 3151.76 crores and the person days approved for generation of employment for the current year is 934.05 lakhs. As at the end of December 2014 an amount of Rs. 1222.78 crore has been spent and 288.60 lakh person days generated and during this period. 8.26 lakh Households are provided employment. **(Table 5.27)**

**Table 5.27: Progress achieved under MGNREGS since inception (up to the end of October 2014)**

Year	Available funds (Rs. in Lakh)	Expenditure (Rs. in Lakhs)	Person days generated (in lakhs)	Employment provided	Works		
					No of works undertaken (Nos)	Completed (Nos)	Under progress (Nos)
2006-07 (5 Districts)	34133.36	25189.00	222.05	545185	18642	11004	7638
2007-08 (11 Districts)	41925.46	23650.80	197.77	549994	26180	18040	8140
2008-09 (29 Districts)	54745.44	35787.47	287.64	896212	96598	8446	88152
2009-10 (30 Districts)	302629.19	256920.37	1793.23	3310995	519471	27919	491552
2010-11 (30 Districts)	234912.00	208131.03	1099.82	2366290	391657	195430	195657
2011-12 (30 Districts)	194087.33	161763.44	701.03	1652116	326002	144029	181973
2012-13 (30 Districts)	177383.85	143233.93	621.93	1337882	311898	78359	233539
2013-14 (30 Districts)	219294.00	209770.00	717.00	1447000	544356	39414	504942
2014-15 (30 Districts as at the end of Dec 2014)	159040.00	122278.00	288.60	826366	1251485	70330	1181155



### 5.4.2 Self Employment Programme

Swarna Jayanti Gramsarojgar Yojana is one of the major poverty alleviation programme implemented at the instance of Ministry of Rural Development. SGSY is since restructured as National Rural Livelihood Mission (NRLM).

#### Karnataka State Rural Livelihood Promotion Society

All the activities of NRLM are implemented through Karnataka State Rural Livelihood Promotion Society (KSRLPS). This project is named as "Sanjeevini" and the programmes implemented from 01-04-2013. In the beginning, 5 districts and 20 taluks are selected under the Programme as depicted in **Table 5.28**.

Apart from the above districts and taluks, remaining districts and taluks are identified as Non-Intensive Blocks. Under NRLM Aajeevika Skills, Interest Subvention, Rajiv Gandhi Chaitanya Programmes are being implemented. The

amount released to implement these programmes during 2014-15 are given in **Table 5.29**.

## 5. 5 FISCAL DECENTRALISATION IN KARNATAKA

### 5.5.1 Decentralised Planning in Karnataka

After effecting the 73rd Amendment to the Constitution, Karnataka was the first State to pass a new legislation in 1993, viz., The Karnataka Panchayat Raj Act, 1993. The Act provides for a three-tier structure of Panchayati Raj with Zilla Panchayats (at the district level) Taluk Panchayatis (at the Taluk level) and Gram Panchayatis (at the village level). The Bill for constituting panchayatis, which was introduced on 1st April 1993, came into force from May 18, 1993. In conformity with the Eleventh Schedule of the Constitution, the 1993 Act has entrusted a wide range of functions (Schedule I, II and III) to panchayatis. To carry out these functions, the Gram

**Table 5.28 : Districts covered under NRLM**

Sl. No	Districts	Taluks
1	Mysore	H.D. Kote, Hunsur, Nanjangud, T-Narasipura
2	Tumkur	Pavagada, Chikkanayakanahalli, Madhugiri, Sira
3	Gadag	Shirahatti, Naragunda, Gadag, Mundaragi, Rona
4	Koppal	Yelburga, Kustagi, Koppal
5	Uttara Kannada	Ankola, Sirasi, Kumuta, Yellapura

**Table 5.29 : Progress of Sanjeevini project**

(Rs. crore)

Details	NRLM	SGSY/IS State	NRLP	R-seti	Interest Subvention	Aajeevika Skills	MKSP	RGCY	Total
Opening Balance	14.33	3.28	11.44	2.01	41.68	0.02	2.06	45.78	<b>120.60</b>
Allotment	24.33	-	44.24	2.86	39.83	0.20	9.17	29.37	<b>150.00</b>
Release	-	-	-	-	-	7.48	-	-	<b>7.48</b>
Expenditure	12.33	5.64	8.81	0.07	7.59	4.55	0.70	0.10	<b>39.80</b>

Panchayatis receive an annual grant of Rs. 10 lakh per GP - for GPs with population of less than 8000 and for those with more than 8000 population an increment of Rs. 1 lakh for every 1000 population is provided. Rs. 616.62 crore has been allocated to the grama panchayats during 2014-15. GPs have also powers to levy tax on buildings and lands, levy water rate, tax on entertainment, vehicles, advertisement and hoarding and collect market fee, fee on bus stands and on grazing cattle. Both the Taluk and Zilla Panchayatis are allowed to charge fee on their property used by others and they do not have powers to levy taxes. In addition, both the Grama Panchayatis and the Taluk Panchayatis get proceeds from cess on land revenue, surcharge on stamp duty levied by the State Government. Except for these, the panchayatis have to depend solely on the resources transferred from the Government.

The powers and functions of the Grama, Taluk and Zilla Panchayatis have been listed in sections 58, 145 and 184 of KPR ACT, 1993. As per the three schedules (I, II, III) the panchayatis are authorised to carry out functions such as preparation of annual plans, annual budgets and sectoral schemes for promotion of agriculture, animal husbandry, rural housing, drinking water, roads and bridges, rural electrification, education, rural sanitation, public health, women and child development, social welfare, public distribution system, maintenance of community assets, cooperative activities and promotion of libraries. Section 309 of 1993 Act provides for the preparation of development plan by the grama panchayatis, taluk panchayatis and zilla panchayatis. Furthermore, Section 310 of the Act makes it mandatory for the state to constitute District Planning Committees (DPCs) in each district which are required to consolidate the plans prepared by the panchayatis and municipal bodies and to prepare the draft district development plan of the district by taking into consideration the needs of the spatial planning, physical

and natural resources and the level of infrastructure development. Dr. D M Nanjundappa's Report on Redresal of Regional Imbalances also recommended that DPCs in each district should do the planning keeping 'taluk' as the primary unit in the planning process.

### **5.5.2 Recent Policy Initiatives to strengthen Decentralised administration**

Karnataka comprises of 5,627 Gram Panchayats, 176 Taluk Panchayats and 30 Zilla Panchayats. The State has to its credit entrusting major responsibilities and devolving all the 29 functions (a first State to do so in the country as a whole) to the panchayats as enlisted under the Eleventh Schedule of the Constitution. In recent years, the State Government has been taking a proactive stance to strengthen the decentralised governance and planning process and to that effect has introduced many administrative innovations like the following:

- (i) The responsibility of plan formulation and implementation has been devolved to the panchayats by transferring funds, functions and functionaries.
- (ii) Introduction of social auditing in the form of Jamabandhi to ensure transparency in the system;
- (iii) Ombudsman are appointed at the district level to ensure transparency and accountability in the implementation of important programmes like MGNREGS
- (iv) Computerisation of Grama Panchayatis, Taluk Panchayatis and Zilla Panchayatis.
- (v) Drawl of salary by the Grama Panchayati Secretaries from the Grama Panchayati account; ensure more accountability to their Panchayatis
- (vi) In order to strengthen the Grama Panchayats for effective implementation of programmes, effective utilization of grants, one post

of Panchayat Development Officer in each of the 5627 GP and 2500 Second Division Accounts Assistant posts in the larger GPs have been created.

- (vii) Grama Panchayat Budget and Accounts Rules, 2006 has been enacted to ensure transparency in the maintenance of accounts. Besides, Double Entry Accounting System has been introduced.
- (viii) The State has launched capacity building programmes such as - certificate course for panchayati members, imparting functional literacy to illiterate Grama Panchayati members, training through satellite networks to elected panchayatis functionaries at ANSSIRD, Mysore.
- (ix) As envisaged in the 73rd Constitutional Amendment guidelines for effective functioning of District Planning Committees are finalized.
- (x) The honorarium to the elected representatives of PRIs has been doubled.

### 5.5.3 Activity Mapping

The State has evolved a detailed range of 'Activity Mapping' for all the three panchayats. Broadly, the activity mapping visualises both Zilla Panchayatis and Taluk Panchayatis as planners, facilitators and owners of common executive machinery, Grama Panchayats as the cutting edge of local service provision, and Grama Sabha and Ward Sabhas as instruments of downward accountability. The new activity mapping framework devolving functions has to be accompanied by adequate devolution of finances and functionaries. To translate this into reality, the Department of Rural Development and Panchayati Raj in coordination with other departments has devolved certain functions, functionaries and finances to PRIs.

### 5.5.4 Simplification and Rationalisation of Schemes

Another step in the above direction is the simplification and rationalisation of

schemes. Accordingly, the number of schemes in the Panchayat Sector of the budget is now reduced to 318 (190 plan and 128 non-plan schemes) thus simplifying the District Sector fund transfer mechanism. Minor schemes have been merged into larger ones, giving greater flexibility to panchayatis to address their priorities.

### 5.5.5 Decentralized Planning Process – Allocation of Funds to District Sector

The decentralised planning process as described in the plan documents begins with the determination of annual plan size at the state level, and allocation of funds to the district sector. Then district sector allocation for various programmes is done in consultation with the Chief Executive Officer of each Zilla Panchayat, District level Sectoral officers and State level Department officers. After this, the data is provided to Finance Department to integrate the district sector data with the State and also to print budget link documents. The Budget Link Documents are placed before the Legislature as a part of State Budget. Once the budget is passed, the link documents are made available to the Zilla Panchayath for the preparation of Action Plans at ZP, TP and GP level. These PRIs prepare the action plans as per the allocations, discuss them in the various Standing Committees and place them in the general body meetings and seek guidance of the District Planning Committees after which the implementing officers start executing the plans/programmes. In the preparation of plans the ward sabhas and grama sabhas play a crucial role and their recommendations and suggestions do figure in such action plans emphasising the fact that the plans so prepared are the byproduct of people's wishes and demands. Thus, the entire planning process can be termed as 'participatory planning processes. **Table 5.30** provides information on allocations to the different sectors in the annual plans of 2010-11 to 2014-15.

**Table 5.30 : Sector wise Allocation of the District Sector State Plan Funds**  
(Rs. lakh)

	<b>Sector</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
1	Education	86720	100037	175653	234354	299565
2	Sports & youth services	1935	2079	2223	2770	2929
3	Art & Culture and Library	70	74	69	88	104
4	Medical & Public health	10423	12543	14254	17700	19035
5	Family welfare	26677	31115	35297	42195	46803
6	Rural water supply	5809	12925	22939	22983	23652
7	Rural Housing	36340	36408	53668	28225	101999
8	Welfare of SCs & STs	35251	33863	40151	53090	55244
9	Welfare of BCs	11618	9473	9715	14690	18663
10	Welfare of Minorities	2082	1494	1490	1816	2116
11	Labour, Employment & Trg.	119	117	118	120	465
12	Welfare of Women & Children	45250	55691	77226	92798	96785
13	Welfare of Disabled & Sr. Citizens	434	540	651	814	1049
14	Nutrition	27935	28665	37557	68825	56855
15	Agriculture	6574	6970	4090	4192	4273
16	Soil and Water Conservation	19580	12817	20429	17995	
17	Horticulture	1992	2012	2242	2127	2207
18	Animal Husbandry	8102	10406	11761	14145	15469
19	Fisheries	796	865	643	714	771
20	Forest	2212	2301	2288	2469	2779
21	Co-operation	468	474	480	524	517
22	Agriculture Marketing	96	102	155	205	252
23	Area Development & RD programmes	13207	15798	7182	7258	23610
24	Rural Energy	1463	1933	1925	1896	1569
25	Rural Employment - NREG	84099	126727	151280	151280	151000
26	Grants to PRIs including ZP Office Buidings	40790	81643	90292	91459	101003
27	Minor Irrigation	85	76	74	76	76
28	Village & Small Industries	460	501	316	567	613
29	Sericulture	432	456	466	502	554
30	Roads & Bridges	15324	15341	15518	15517	15920
31	District Planning Unit	295	305	316	317	1748
32	Handlooms & Textiles	237	256	274	287	290
33	Science & Technology	136	158	151	152	157
	<b>Total</b>	<b>487011</b>	<b>604165</b>	<b>780893</b>	<b>892150</b>	<b>1048070</b>

As may be seen in **Table 5.30** sectors like education, rural employment, welfare of women and children, welfare of Scheduled Castes and Scheduled Tribes, rural housing has been the priority sectors of panchayats having been receiving better allocation compared to other sectors. It can also be seen that there is a perceptible increase in the allocation made to these sectors across the plan years.

## **5.6 ISSUES AND CHALLENGES**

### **1. Rural Governance**

- The capacity of panchayats and elected representatives is inadequate. Hence capacity building is necessary.

### **2. Housing**

- Delay in selection of beneficiaries, incorrect identification of beneficiaries
- Steep increase in the land cost and non availability of land in both rural and urban areas the required demand cannot be met
- Lack of interest on the part of the beneficiaries to take up construction by themselves as they are mandated to do so.

### **3. Rural Water Supply & Sanitation**

- The poor provisioning of adequate drinking water is compounded by continued depletion of ground water table and presence of toxic minerals in drinking water.

### **4. Rural Sanitation**

- There is a need to increase coverage of Individual Household Latrines (IHHL), besides separate toilet facility for girls in schools. Usage of toilets will not sustain without provision of water supply. Thus, there is a need for convergence between water supply and sanitation schemes during design and implementation.

### **5. Rural Roads**

- Lack of focus on maintenance of assets due to paucity of funds.

### **6. Employment and Livelihood**

- Inadequate capacity among trainees to leverage their skills and lack of infrastructural support especially insufficient backward and forward linkages.



## 6

## URBAN DEVELOPMENT

**INTRODUCTION:**

Urban Development is assuming importance due to rapid urbanisation of the State. Urbanization gives rise to various issues like (i) urban poverty and creation of slums, (ii) increased pressure on basic services/civic amenities of housing, water supply, sanitation, electricity, (iii) need for focus on urban schooling and healthcare, (iv) aspect of solid waste management and maintenance of roads. Addressing these concerns is a big challenge for the State Government. The Urban Development Department comprises of the following Boards/Corporations/ Departments/ UDAs /ULBs:-

- BBMP and other 10 City Corporations
- BDA (Bangalore Development Authority)
- BWSSB (Bangalore Water Supply & Sewerage Board)
- KUWS&DB (Karnataka Urban Water Supply & Drainage Board)
- DMA (Directorate of Municipal Administration)
- DULT (Directorate of Urban Land Transport)
- BMRDA (Bangalore Metropolitan Region Development Authority)
- BMRCL (Bangalore Metro Rail Corporation Limited)
- KUIDFC (Karnataka Urban Infrastructure Development & Finance Corporation)
- DTCP (Directorate of Town & Country Planning).

- City Corporations- 7
- Other UDAs- 29
- City Municipal Council- 41
- Town Municipal Council- 94
- Town Panchayats- 68

The total number of ULBs in Karnataka is 218.

**6.1 TRENDS IN URBANISATION**

Karnataka is India's 7th most urbanized State in India. As per Census 2011, of Karnataka's 6.1 crore population, 38.6% (i.e. 2.35 crore) reside in urban areas (**Table 6.1**). In terms of urbanisation, the State has witnessed an increase of 4.68 per cent in the proportion of urban population in the last decade. As per the Registrar General of India, for the decade 2001-2011, the absolute increase in population has been more in urban areas than in rural areas for the first time since independence. Karnataka's urban population has grown by 31.27% between 2001 and 2011, compared with 28.85% in the previous decade. The growth of urban population between 2001 and 2011 is also higher as compared to the growth of 7.63% in the rural population in the same period. The state is expected to reach an urban population proportion of 50% in the next fifteen years (2026). Among the districts, Bangalore is the most urbanised district with 90.94 per cent of its population residing in urban areas (Table 6.2) followed by Dharwad district (56.82 per cent), Dakshina Kannada district (47.67 per cent), Mysore district (41.50 per cent) and Bellary district (37.52 per cent). The least-



**Table 6.1-Trends in Urbanization in Karnataka (1951-2011)**

Year	Karnataka's total Population (lakhs)	% of Urban Population in Karnataka
1951	194	22.95
1961	236	22.33
1971	293	24.31
1981	371	28.29
1991	448	30.91
2001	527	33.98
2011	611	38.57

Source : Census, 2011

**Table 6.2 Urbanisation in Karnataka Districts, 2011**

Top Five Districts Details			Bottom Five Districts Details	
Sl No	District	Urbanisation in %	District	Urbanisation in %
1	Bangalore	91	Kodagu	15
2	Dharwad	57	Koppal	17
3	Dakshina Kannada	48	Mandya	17
4	Mysore	41	Chamarajanagar	17
5	Bellary	38	Yadagiri	19

Source: Census, 2011

urbanised district in the State is Kodagu with 14.61 per cent, preceded by Koppal district (16.81 per cent), Mandya district (17.08 per cent), Chamarajanagar district (17.14 per cent) and Yadgir district (18.79 per cent). The district wise details are given in Appendix.

### 6.2 Urban Housing

Housing is one of the important and most basic needs of the people. Housing has evolved as a prime component over the period of time not only in providing shelter but also providing employment opportunities and in development of locations. To meet the growing demand of housing, the State Government has been pro-active in its housing policies. Housing

for the poor and down-trodden assumes greater importance both in rural and urban areas in the State. The State Government has given greater attention to the problem of housing scarcity and increased the budgetary allocation year after year along with formulation of facilitating policies and guidelines.

According to Census 2011, about one-third of the households in the State live in one-room tenements; nearly 30 per cent more live in two-room tenements. When the disaggregated data become available, they were likely to reveal a significantly higher proportion of households living in one- or two-room tenements in the northern districts of the State. Similarly, while the

broad State-level data showed that two-thirds of the households in the State had access to “tap” water, the proportion was likely to be significantly lower in these districts.

The State Government has traditionally given high priority to public housing. It is one of the few states, which has its own housing programmes for the EWS both in rural and urban areas apart from the centrally sponsored housing schemes for the EWS. In addition, the Karnataka Housing Board (KHB) caters to housing needs of low income, middle income and high-income groups. The Karnataka Slum Clearance Board(KSCB) is responsible for improvement of slums and resettlement of slum dwellers.

### **6.2.1 Karnataka Housing Board:**

KHB is endeavouring to meet the rise in housing demand by undertaking layout formation, construction of houses, any land development scheme under joint venture scheme policy approved by Government and Karnataka Housing Board Act. At present KHB is executing the schemes approved by the Government under 100 housing scheme, Suvarna Karnataka Housing schemes and 225 housing schemes approved in 2010-11. The projects approved by the Government and proposed projects are demand driven. Detailed project reports are being professionally prepared by pre-qualified Architectural and Engineering Firms and monitored by pre-qualified, reputed and professional Management consultants. The schemes are offered to pre-qualified turn-key contractors who shall execute all the works starting from civil works, roads electrical water supply sanitation and sewerage treatment works, landscaping including developing open spaces, parks and gardens etc

#### **(a) 100 Housing Projects**

100 Housing projects implemented from 2002

- 93 Schemes have been completed at a cost of Rs. 990.19 crore. Out of these

schemes 5793 houses and 26551 sites have been developed / constructed.

- 5 Schemes at the cost of Rs. 19.86 crore under implementation to develop 1127 sites and construct 52 houses
- 2 schemes yet to be prepared.

#### **(b) Suvarna Karnataka Programme**

Board has proposed to take up 50 Housing Scheme at various places under Suvarna Karnataka Scheme at a cost of Rs.1406.48 crore and the Government has accorded approval to the proposal in July 2007. The various stages of implementation of the programme are -

- 25 Schemes have been completed at a cost of Rs.384.80 crore. Out of these Schemes 790 houses and 10932 sites have been developed/ constructed.
- 18 Schemes at a cost of Rs.1065.34 crore are under implementation to develop 10346 sites and construct 1702 houses
- 7 Schemes are under formulation to develop 7050 sites & 790 houses at the cost of Rs. 416.10 crore.

#### **(c) 225 Housing Schemes**

Government has accorded approval in May 2010 for 225 housing schemes which was taken up in 2011-12 to develop 305786 sites and construct 131051 houses throughout the State. Out of these schemes

- 5 Schemes were completed at a cost of Rs. 77.63 crore. Out of these Schemes 225 houses and 701 sites have been developed/ constructed
- 35 schemes at a project cost of Rs. 4080.02 crore are under progress to construct 3305 houses and develop 52165 sites.
- The procurement of lands is in progress for the remaining schemes.

#### **(d) Other Schemes**

- 53 Housing schemes were approved in September, 2012 for 2011-12 at a

project cost of Rs. 7888.04 crore to construct 130471 sites & 6867 houses.

- For the above schemes 4 schemes are under progress at the cost of Rs. 485.21 crore to construct 110 houses & 5403 sites.

#### (e) Details of Housing Schemes Completed and allotment under KHB

There are 20 places identified across the State to develop 32405 sites at the project cost of Rs. 752.65 crore. The details of various housing schemes completed under KHB are given in **Table 6.3**. Allotment of houses and sites is being done as per the KHB Allotment Regulation 1983 based on demand survey. The details of allotment from 2006-07 to 2013-14 under various categories are reported in **Table 6.4**. The details of budget and expenditure is given in **Table 6.5**.

#### (f) Deposit Contribution works

Karnataka Housing Board has also undertaken deposit contribution works entrusted by the Government. Up to

September 2013 the details of progress is as follows -

- 352 projects of Government departments have been completed at the cost of Rs. 53069.33 lakhs
- 136 projects of Government Departments are under progress at the cost of Rs. 27970.23 lakhs
- 10 projects of Government departments are at the stage of formulation at the cost of Rs. 6000 lakhs

In line with the guidelines given in Affordable Housing Policy as stated

- KHB will construct at least 50% houses/flats for EWS/LIG category in each of their housing schemes.
- Government land shall be allotted on priority to KHB.
- KHB shall also take up EWS/LIG flats on PPP model and will select PPP partner by following a transparent process.

**Table 6.3: Details of various housing schemes under KHB**

Year	Completed projects					No of Properties			Project Cost ( Amt in lakhs)
	100 HP	SKHP	225 HP	Board Scheme	Total	Houses	Sites	Total	
2006-07	6	0	0	3	9	552	2242	2794	5239.28
2007-08	5	0	0	5	10	186	1671	1857	3592.07
2008-09	11	0	0	2	13	764	4592	5356	9059.28
2009-10	7	2	0	0	9	364	1947	2314	5016.19
2010-11	10	5	0	0	15	768	6097	6865	21267.57
2011-12	6	11	1	0	18	2661	6176	8837	46510.25
2012-13	4	6	2	3	15	510	5350	5860	20393.86
2013-14	0	9	4	0	13	546	10423	10969	72136.09
2014-15 (upto Dec)	0	1	2	0	0	41	1186	1227	3608

**Table 6.4 - Details of year wise allotment**

Year	Houses					Sites					Others ( CA/ Com. Shops)	Grand Total
	EWS	LIG	MIG	HIG	TOTAL	EWS	LIG	MIG	HIG	TOTAL		
2006-07	0	2093	1273	281	3647	0	1779	2162	528	4469	0	8116
2007-08	5	1326	784	245	2360	5	1147	1358	573	3083	0	5443
2008-09	19	316	537	75	947	4	2396	2162	1049	5611	0	6558
2009-10	53	275	169	6	503	12	1398	1090	667	3167	92	3762
2010-11	0	144	127	20	291	152	3192	3068	2217	8629	55	8975
2011-12	1	628	478	135	1242	1935	2503	2575	1192	8205	268	9715
2012-13	8	523	536	127	1234	1963	4069	4684	2615	13331	376	14941
2013-14	8	460	485	137	1140	1244	1871	1588	988	5691	265	7096
2014-15 (upto Dec)	2	153	1	7	293	686	1383	1132	440	3641	217	4151

- KHB shall help cross-subsidize the land cost of EWS/LIG houses so as to bring down the costs of these categories of houses to affordable limits.
- KHB may adopt fast track and efficient construction technology.

From 2000-01 to 2013-14 (upto October, 2013), KHB has built 2662996 houses under various housing schemes and 285534 sites have been distributed. The details are given in **Table 6.6**.

### **6.2.2 Urban Ashraya Scheme / Vajpayee Urban Housing Scheme**

This is State Sponsored scheme implemented for urban poor and it was introduced by Government in 1991-92. The annual income of the beneficiary is limited to Rs.32,000/-. The beneficiaries are selected by the Ashraya Committee comprising both official and non-official members appointed by the Government and this committee is headed by the local MLA. The unit cost under this scheme is Rs.2.00 lakh per houser in which Rs.1.20 lakhs/- is subsidy from Government for all the beneficiaries and 50,000/- is beneficiary contribution. The loan provided to the beneficiaries is recovered in 180 monthly installments.

### **6.2.3 Vajpayee Urban Housing Scheme**

In 2010-11 the State Government has renamed the Urban Ashraya Scheme as Vajpayee Urban Housing Scheme. From 2013-14 the Government has fixed the unit cost of Rs.2 lakhs per house. In this Rs.1.20lakhs is subsidy from the State Government, Rs.30,000/- is compulsory beneficiary contribution and balance Rs. 50,000/- is bank loan or beneficiary contribution.

### **6.2.4 Housing demand survey**

RGRHCL has conducted a survey of houseless and siteless in the State during 2003. Accordingly, 1299789 houseless and 1298813 siteless people have been identified. Later in 2009 hut-dwellers survey was conducted to make the state a hut-less State (**Table 6.7**). As per the survey around 10.50 lakh hut-dwellers have been identified in the State.

During last 14 years i.e. 2000-01 to 2012-13 1,54,836 houses have been completed. During last 3 years 19,031 houses has constructed as against the target of 62,000 houses and in 2014-15 upto October 2014, 3,288 houses have been completed as against the target of 10,000. (**Table 6.7a**)

(Rs. in Lakhs)

**Table 6.5: The details of budget and expenditure**

year	100 housing scheme		Suvarna Karnataka programme		225 housing scheme		Board Scheme		Shopping complex		53 Housing Scheme	
	Budget	Expd.	Budget	Expd.	Budget	Expd.	Budget	Expd.	Budget	Expd.	Budget	Expd.
06-07	24324.79	17985	6946	-	-	-	206	249	1384.75	30.36		
07-08	24324.79	15183.08	6946	-	10003	6042	735	0	1384.75	19.71		
08-09	10992.91	5425.52	41294	-	0	0	12968	1014.89	459.38	432.38		
09-10	9772.75	7819.78	5104	-	-	-	17388	709.63	395	-		
10-11	10175.87	24637	34284	13985	-	-	15065	5813	505	-		
11-12	9124	2170.58	51731.88	15801.88	68706.19	17558.91	720	6259.66	-	-		
12-13	1590.03	1340.00	28683.10	21806.63	50658.16	36197.16	1387.68	890.62	0	0	27865.00	17068.00
13-14	486.46	469.98	7720.88	4926.05	65212.85	36982.61	5600.58	1902.85	0	0	10599.60	2537.58
14-15 (upto Dec)	396.81		11008.75	3938	30262.23	11876.00	2241.52	1426.00			8876.42	3137.00

**Table 6.6 The Scheme-wise houses completed and sites distributed**

Year	Expenditure	Houses under Urban Ashraya/ Vajpayee Urban Scheme	Urban House Sites
2000-01	77.75	28702	16901
2001-02	91.80	34274	18167
2002-03	53.50	20020	1526
2003-04	38.17	17966	3829
2004-05	30.46	11905	2379
2005-06	22.64	8961	3160
2006-07	14.08	5488	3566
2007-08	3.63	1452	2066
2008-09	5.79	2317	1173
2009-10	7.53	4135	2519
2010-11	3.43	685	16983
2011-12	103.58	4071	16861
2012-13	108.72	8985	16270
2013-14	43.71	6975	6654
2014-15	nil	3278	589
<b>Total</b>	<b>604.79</b>	<b>152097</b>	<b>111118</b>

\* Figures are upto December 2014

### House Sites:

Under this scheme the sites are distributed free of cost to poor site-less families both Urban and Rural areas. The annual income of the beneficiary is Rs.32,000/-. This scheme was introduced by the Government in the year 1992-93. District wise break-up for sites distributed during last 3 years is given in below;

#### 6.2.5 House Sites

Under this scheme the sites are distributed free of cost to poor site-less families both Urban and Rural areas. As per the scheme guidelines the beneficiary whose income is less than Rs.11,800/- is eligible for the benefit. Presently it has been enhanced to Rs.32,000/-. This scheme was introduced by the Government in 1992-93. During 2000-01 to 2013-14, 1,12,250 sites have been distributed. For 2014-15 it is targeted to distribute 10,000 sites and as against this 589 sites have been distributed up to October, 2014.

#### 6.2.6 Nanna Mane (Affordable Housing for Low income groups)

In 2010-11 the Government of Karnataka has introduced a new scheme for above poverty line people to provide affordable houses to the low income group families (LIG) like Auto drivers, Film Industry workers, Unorganized sector workers, Beedi workers, Hamals Street Vendors etc. The annual income of the beneficiary is limited to Rs.1 lakh per annum. In this regard the Government has taken up 4 projects in 2011-12 in and around Bangalore. i.e. Talaguppa near Bidadi, Singanayanahalli and Hunasamaranahalli near Yelahanka, Kodathi under G+2 concepts. The unit cost of the flat is Rs.3.90lakh, Rs.4.25lakh and Rs.5.20lakh.

#### 6.3 Urban Slums

The population living in urban slums in Karnataka has risen from 14.02 lakh (2001) to 32.91 lakh (2011) in a decade. This is a rise from 7.8 per cent of the total urban population of the State being slum-dwellers



**Table 6.7 – Details of district-wise no. of hut-dwellers**

<b>District Code</b>	<b>District Name</b>	<b>No. of Hut-dwellers</b>
1	Belgaum	84656
2	Bagalkot	9733
3	Bijapur	33586
4	Gulbarga	94754
5	Bidar	54989
6	Raichur	86676
7	Koppal	36441
8	Gadag	27422
9	Dharwad	10889
10	UttaraKannada	19349
11	Haveri	33961
12	Bellary	75918
13	Chitradurga	29958
14	Davanagere	34093
15	Shimoga	39368
16	Udupi	5901
17	Chikmagalur	8053
18	Tumkur	91965
19	Kolar	14445
20	Bangalore Urban	797
21	Bangalore Rural	1486
22	Mandya	23115
23	Hassan	30982
24	DakshinaKannada	5296
25	Kodagu	2396
26	Mysore	40714
27	Chamarajanagar	27788
28	Ramanagara	31618
29	Chikkaballapur	33262
30	Yadgir	60389
	<b>Grand Total</b>	<b>1050000</b>

**Table 6.7(a): Vajapayee Urban Housing Scheme - Financial yearwise achievement**

S I N O	District	2011-2012		2012-2013		2013-2014		Total		2014-15	
		Target	Sites Distri- buted	Target	Sites Distri- buted	Target	Sites Distri- buted	Target	Sites Distri- buted	Target	comple ted Up to Sept- 2014
1	Bagalkot	2890	4345	1165	2101	572	0	4627	6446	572	54
2	Bangalore Rural	1127	31	446	0	219	0	1792	31	219	0
3	Bangalore Urban	1573	200	647	1039	356	120	2576	1359	356	0
4	Belgaum	3913	3150	1428	797	709	166	6050	4113	709	0
5	Bellary	2467	3016	989	850	500	5323	3956	9189	500	0
6	Bidar	1480	278	595	644	296	19	2371	941	296	0
7	Bijapur	1303	0	514	309	251	0	2068	309	251	0
8	Chamarajanagar	1234	401	502	85	250	37	1986	523	250	0
9	Chickaballapur	1480	368	595	39	296	0	2371	407	296	0
10	Chikmagalur	1375	0	550	90	259	13	2184	103	259	0
11	Chitradurga	1163	224	464	1432	223	0	1850	1656	223	0
12	Dakshina Kannada	1868	183	747	170	377	100	2992	453	377	361
13	Davanagere	1657	66	717	363	372	61	2746	490	372	174
14	Dharwad	1516	697	611	0	313	0	2440	697	313	0
15	Gadag	1551	2242	643	2510	305	64	2499	4816	305	0
16	Gulbarga	2291	1114	921	565	468	332	3680	2011	468	0
17	Hassan	1515	0	600	1022	287	0	2402	1022	287	0
18	Haveri	1832	359	731	1731	360	0	2923	2090	360	0
19	Kodagu	741	31	303	0	145	0	1189	31	145	0
20	Kolar	1550	0	620	356	310	1	2480	357	310	0
21	Koppal	1128	8	459	175	232	0	1819	183	232	0
22	Mandya	1339	0	532	66	255	0	2126	66	255	0
23	Mysore	1974	22	790	295	395	200	3159	517	395	0
24	Raichur	1480	28	595	0	296	0	2371	28	296	0
25	Ramanagara	1198	0	484	1368	258	0	1940	1368	258	0
26	Shimoga	1975	91	805	113	413	61	3193	265	413	0
27	Tumkur	2291	0	923	0	473	72	3687	72	473	0
28	Udupi	951	0	378	0	193	85	1522	85	193	0
29	Uttara Kannada	2257	0	893	150	438	0	3588	150	438	0
30	Yadgir	881	7	353	0	179	0	1413	7	179	0
	<b>Grand Total</b>	<b>50000</b>	<b>16861</b>	<b>20000</b>	<b>16270</b>	<b>10000</b>	<b>6654</b>	<b>80000</b>	<b>39785</b>	<b>10000</b>	<b>589</b>

according to the 2001 Census to 13.9 per cent now. Bangalore district has 21.5 per cent of the total slum population, and every fifth person in the Bruhat Bangalore Mahanagara Palike (BBMP) limits lives in a slum. An analysis of the 2011 Census data shows that Bangalore is followed by Bellary and Dharwad, which have 6.1 per cent and 6 per cent share of the total urban population in slums, respectively. Udupi, Dakshina Kannada and Kodagu reported less than 1 per cent of the population in slums (see Appendix for details). Out of 220 statutory towns in Karnataka, 206 (94 per cent) reported slums. There are some surprises when it comes to sex ratio (number of females per 1,000 males) in slums. When all age groups are considered, sex ratio in the slums of Karnataka is an impressive 1,015, against 973 in Karnataka on the whole. While the overall child sex ratio (0 to 6 age group) in the State is 948, it is significantly higher in slums at 964. Udupi district, which has child sex ratio of over 1,000 when the whole district is taken into account, is at the bottom at 883 when only its slum population is considered. The literacy rate in urban slums has risen from 67.5 per cent in 2001 to 75.6 per cent in 2011, with Gulbarga at the bottom (57.1 per cent) and Udupi at the top (81.1 per cent).

The KSDB is implementing schemes for improving the environmental conditions of slums and provides basic amenities like drinking water, toilets, drains, roads, streetlights, etc. The Board has identified 2796 slums having a population of 40.50 lakhs covering 6.18 lakhs households. The Board is implementing the centrally sponsored scheme of Basic Services to the Urban Poor (BSUP) in both Bangalore and Mysore cities to construct houses for slum dwellers and Integrated Housing and Slum Development Programme (IHSDP) with the intention to provide housing to slum dwellers and also improve the environmental conditions of the slums and Rajiv Awaas Yojana (RAY). The Board is implementing the following schemes -

#### **(a) Slum Improvement Programme**

In 2013-14, an amount of Rs.8560 lakhs was sanctioned in budget for providing basic amenities, this amount was utilized for improvement of slums. In 2014-15, out of the budgeted outlay of Rs. 8392 lakhs, an amount of Rs. 3100 lakhs has been utilized up to October 2014.

#### **(b) Basic Services to the Urban Poor (BSUP)**

This programme was launched to assist cities & towns in taking up housing and infrastructural facilities for the urban poor. Among 65 cities in the country, Bangalore and Mysore cities from Karnataka State have been selected under this programme. For BSUP programme, Karnataka Urban Infrastructure Development & Finance Corporation (KUIDFC) has been made as the nodal agency for monitoring of the scheme and KSDB as the implementing agency in the state. The main objective of this programme is to provide basic services to urban poor including security of tenure at affordable prices, improved housing, water supply, sanitation and ensuring delivery of other already existing universal services of the Government for education, health and social security.

The Central Sanctioning and Monitoring Committee (CSMC) of Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has sanctioned to construct 18180 houses including infrastructure in 3 phases in the selected slums of Bangalore city with an estimated cost of Rs.522.23 crore and 6328 houses in Mysore city with an estimated cost of Rs.203.97 crore on different CSMC meetings. The funding pattern between GOI and GOK for Bangalore city is 50:50. The state share includes beneficiary contribution of 10% for SC/ST and for others is 12%. For Mysore city GOI share is 80% and the remaining 20% will be borne by GOK. For the first time in the country, KSDB has adopted Cost effective and Fast Track Construction Technology called "Foam Technology" for ground floor houses

and for G+3 houses Monolithic Shear wall Technology on pilot basis for construction of dwelling units with infrastructure works under JNNURM-BSUP. This technology is eco-friendly, results in reduction in construction cost by 10% and time by 25%, more Table and long lasting, user friendly and conventional bricks and cement blocks are totally avoided. Since inception of BSUP programme, out of 24508 houses 21554 houses are completed and 2761 houses are at various stages of construction up to end of October 2014. The phase wise details of the project and the expenditure incurred are appended in **Table 6.8**.

**(c) Integrated Housing & Slum Development Programme (IHSDP)**

For taking up Housing and Slum up gradation programme in Non-BSUP cities, IHSDP was launched along with BSUP in December 2005. This programme combines the existing schemes of Valmiki Ambedkar Awas Yojana (VAMBAY) & National Development Programme (NSDP) with an objective of integrated approach in ameliorating the conditions of the slum dwellers who do not possess adequate shelter and basic facilities, to strive for slum less cities with a healthy living and good environment and enhance public and

private investment in housing and infrastructure development in urban areas.

The Central Sanctioning and Monitoring Committee of MoHUPA has sanctioned 34 projects for Karnataka in 2 phases with a revised cost of Rs. 410.80 crore for constructing 17237 houses of which the central share is 80% and State share 20%. Out of the state share, beneficiary contribution is 10%. A total of 16965 houses are completed up to end of October 2014 since inception of the programme and the remaining 272 houses are at various stages of construction. The details of progress achieved under IHSDP are given in **Table 6.9**.

**d) Rajiv Awas Yojana:**

A note on status of implementation of RAY in Karnataka State Government of India had launched Rajiv Awas Yojana, a flagship programme on June, 2011, for integrated development of slums. The primary objective of the RAY is to improve and provide housing, basic civic infrastructure and social amenities in intervened slums. RAY envisages two-step implementation strategy

- Preparatory Phase (2011-13)
- Implementation Phase (2013-2022)

**Table 6.8 - Phase wise details of the project and expenditure**

(Rs. crore)

Sl. No.	Name of City	No. of Houses Sanctioned	Total Project Cost (Revised)	Amount released	Expenditure	No. of houses completed
1	Bangalore City	11603	261.17	234.98	241.09	10592
2	Mysore City	2788	65.27	65.41	59.88	2606
	Phase-II					
1	Bangalore City	3151	124.27	101.02	86.69	2273
2	Mysore City	2500	90.93	82.24	67.53	2436
	Phase-III					
1	Bangalore City	3426	136.79	85.88	88.15	2607
2	Mysore City	1040	47.76	38.27	36.35	1040
	Total	24508	728.52	607.8	579.70	21554

**Table 6.9 - Details of IHSDP**

(Rs. in crore)

Sl. No.	Name of City/Towns	No. of Houses Sanctioned	Total Project Cost (Revised)	Amount released (Rs. Crore)	Expenditure (Rs. Crore)	No. of houses completed
1	25 City/ towns	13053	277.90	272.09	248.01	12862
2	8 City/ Towns	4184	132.90	130.41	112.83	4103
		17237	410.80	402.5	360.84	16965

The scheme is applicable to all cities of the country. During the preparatory phase, Slum free City Plan of Action (SFCPoA) will be prepared based on socio economic survey and GIS mapping of all slums of the cities on whole city basis. During the implementation phase, Detailed Project Reports (DPRs) will be prepared following a 'whole slum' approach on the basis of prioritization of slums in SFCPoAs and projects will be implemented.

RAY is administrated by Ministry of Housing and Urban Poverty Alleviation (MoHUPA). The Ministry will fund for implementation of projects based on the population of the cities as indicated below:

There will be an upper ceiling of 5 lakh per DU for cities with population more than 5 lakhs. This ceiling would be at 4 lakhs per DU for smaller cities with population less than 5 lakhs. Upper ceilings, as above, would also include cost of civic infrastructure and social amenities.

Funds under the scheme would be released by the Central & State Government to the

State Level Nodal Agency, which in turn would release to the Implementing Agency in the form of grant in 3 installments. A provision for beneficiary led execution is also made under this scheme. In such cases, fund will be directly released to the beneficiaries.

The State has signed a MoA with Government of India on 2nd January, 2014 for implementation of reforms. 40 cities have been identified from the state of Karnataka under the Mission.

As on end of October 2014, Slum Free City Plan of Action (SFCPoA) for 8 cities had been prepared and approved by 3rd Sub-Committee for Central Sanctioning and Monitoring Committee (CSMC) meeting held on 21.05.2013. The estimated capital investments for 8 cities as per the SFCPoA stand at Rs. 272648.7 lakh. The SFCPOA for Bangalore and Mysore cities are under finalization.

Under RAY, 41 projects with an investment of Rs. 185240.91 lakh for construction of 36554 dwelling units, with all the essential

City	Funding Pattern				
	Component	Central Share	State Share	ULB Share	Beneficiaries Share
Cities with above 5 lakh population	Housing	50	40	0	10
	Infrastructure	50	25	25	0
Cities with below 5 lakh population	Housing	75	15	0	10
	Infrastructure	75	15	10	0



services, in 184 slums benefitting about 182770 dwellers in 19 cities have been approved so far.

Of this, the Central Government share is Rs. 103849.61 lakh and the State Government share is Rs. 65832.43 lakh and beneficiaries share is Rs. 15526.07 lakh.

The Government of India has already released Rs. 34444.17 lakh. Against which, GoK has released Rs. 13072.63 lakh. Government of Karnataka has contributed its share of Rs. 8342.41 lakh.

The tenders were invited into 66 packages under 41 projects. Of which 33 packages of 16 projects were approved by the SLEC. The work was commenced in 10 packages of 4 projects.

#### **e) Affordable Housing in Partnership (AHP) Scheme:**

In order to increase affordable housing stock and as preventive strategy for containment of growth of future slums, Affordable Housing in Partnership (AHP) will be implemented as part of the scheme. Central support will be provided at the rate of Rs. 75,000 per EWS/LIG DUs of size upto 40 sqm for housing and internal development components. Under Affordable Housing in Partnership Scheme, projects may be taken up under various kinds of partnerships.

The DUs would be a mix of EWS/LIG/MIG/HIG/Commercial units/rental houses. Dwelling Units with carpet area shall be between 21 to 27 Sqm for EWS category and 28 to 60 Sqm for LIG category. A project size of minimum 250 dwelling units and 35% of the total number of dwelling units constructed with carpet area of 21-27 sqm for EWS category will be considered as Affordable housing projects. The constructed DUs will be sold out by inviting applications. Allotments of DUs will be made following a transparent procedure e.g. through draw of lottery.

Under AHP, 3 projects with an investment of Rs. 5607.00 lakh for construction of 992

dwelling units, with all the essential services, in 3 different locations in Bangalore city have been approved so far.

Of this, the Central Government share is Rs. 249.00 lakh and the beneficiaries share is Rs. 5359.00 lakh. The Government of India has already released Rs. 83.00 lakh. An amount of Rs. 1065.00 lakh has already been spent (including beneficiaries share). 3 projects have been commenced so far. 704 DUs have been completed and 288 DUs are under construction.

#### **f) Rajiv Rin Yojana**

Rajiv Rin Yojana scheme is formulated by modifying ISHUP with enhanced scope and coverage. The scheme was launched to provide interest subsidy of 5% on loan amount of 5 lakh borrowed by the EWS/LIG with long tenure of 15-20 years. For LIG, the ceiling loan is 8 lakh, however, subsidy will be given for loan amount upto Rs. 5 lakh only.

All cities will be covered under this scheme. This scheme enables EWS and LIG to buy or construct a new house or for carrying out addition (of a room / kitchen / toilet / bathroom) to the existing building. The scheme will provide an interest subsidy for a maximum amount of Rs.5,00,000 for an EWS individual for a house at least of 21 sq.mts. A maximum loan amount of Rs.8,00,000 for a LIG individual will be admissible. However, subsidy will be given for loan amount up to Rs. 5 lakhs only. A beneficiary can build or purchase a house with a minimum carpet area of 28 Sq. mts as per his/her convenience. The loan application can be made directly or through the ULB or the local agency identified by the State for the purpose, or through the voluntary NGOs who will ensure that it is complete with the necessary certification. Projects and beneficiaries getting assistance under RAY, BSUP/IHSDP, Affordable Housing in Partnership Group housing projects would also be eligible for assistance under RRY. As on end of October 2014, 65 applications were sanctioned under this scheme.



**Reforms:**

RAY also mandates implementation of Urban Reforms for which the State has signed a MoA with Government of India. Out of 7 reforms 4 are mandatory and 3 are optional reforms. The State has taken necessary steps to implement reforms. Timelines have been drawn for various milestones for implementation of these Reforms.

**6.4 Urban Infrastructure**

Provision of infrastructure services is fundamental to economic growth and urban development. Urban infrastructure covers following : Water supply (for drinking, industrial, commercial and public usages), Sanitation (including Sewerage and Drainage), Domestic Energy, Road Infrastructure and Urban Transport

**6.4.1 Water Supply**

The Government of Karnataka came out with an Urban Drinking Water and Sanitation Policy (UDWSP) in 2002. The main objectives of the policy are to ensure demand based universal coverage of water supply, commercial and economical sustainability of the operations and a minimum level of service to all citizens. The policy statement is yet to be followed up by implementation. A number of water supply projects have been taken up to augment water supply but deficiencies continue in the form of inability to provide water as per the prescribed norms, inefficiency in distribution systems, serious water losses, commercially non-viable water supply systems and lack of coordination between different agencies. The average number of hours of water supply per day has actually declined- from 9 hours in 2003 to 7 hours in 2006 in Municipal Corporations, (excluding Bangalore) and from 10 to 7 hours in Town Panchayats. Water is a critical resource and will simply be the most limiting factor, if not made available in right quantity, to urban development. Considering the existing shortage of water supply to the urban areas in the state and the enormous cost and

problems associated with the augmentation of water supply, the following issues become relevant:

- Conservation of the water resources of the State
- Adoption of alternative methods of augmenting supply
- Reducing water losses / UFW
- Pricing of water
- Scope for private sector participation
- Institutional framework

Conservation of water resources is an area that needs to be coordinated with the Water Resources Departments and Zilla Panchayats who have a major role to play in protection and rejuvenation of tanks and other surface water sources. ULBs must take up alternative methods of augmenting water supply such as rainwater harvesting and recharging ground water. A time bound programme must be chalked out to reduce water loss or UFW which is of the order of 30-40%, the ultimate aim should be to reduce UFW to 10-15%. The KUWSDB was constituted by an Act of Legislature in 1974 and is functioning from August 1975. KUWSDB is responsible for providing drinking water and underground drainage facilities to 213 urban cities of Karnataka except Bruhat Bengaluru Mahanagara Palike (BBMP). The Board has commissioned 506 water supply and 52 underground drainage scheme since inception of Board up to October 2014. The Board is executing water supply and underground drainage schemes.

**(a) Water supply schemes**

The State Government has approved the funding pattern for water supply scheme in July 2011. Accordingly the funding pattern for water supply schemes is given in **Table 6.10**.

In 2014-15 there are 38 on-going water supply schemes with the budget allocation is Rs.176 crore and it is proposed to

**Table 6.10: Details of funding pattern for water supply schemes**

Sl No	Category	Government Grant	Loan from financial institution	ULB Share
1	City Corporation	40	50	10
2	City Municipal Council	60	30	10
3	Town Municipal council	75	20	5
4	Town Panchayat	95	--	5

commission 13 schemes. 3 Schemes are commissioned by October 2014 and remaining schemes are in progress. The physical and financial details water supply schemes are given in **Table 6.11**.

The BWSSB is committed to providing drinking water of unquestionable quality in sufficient quantity and to treat the sewage generated to the required parameters. As the leader in providing water and sanitation services, BWSSB is recognized as an effective instrument of change through adopting state-of-the-art technologies for improving the quality of its services to the general public.

Construction of Ground level reservoirs under DC works of BDA, providing water supply and UGD lines in BDA layouts, providing water supply lines and house

service connections under GBWASP in the former 7 CMC and 1 TMC are being taken up. Its responsibility is providing UGD facilities with house service connection, lateral sewers, trunk sewers under KMRP and JNNURM in 7 CMCs & 1 TMC areas, providing and laying water supply and UGD pipelines to 110 villages of BBMP areas and providing individual toilet facilities in slums under Slum Development Component of KMRP.

#### **(b) KUIDFC Water Supply**

KUIDFC, a Government Company registered under the Companies Act, 1956, acts as a Nodal Agency for implementation of various Urban Infrastructure Projects of the State Government and Government of India. Apart from the budgetary support received from the Government, the

**Table 6.11: Details of progress of water supply schemes**

Sl. No.	Year	Financial (Rs. in Crores)		Physical (No. of schemes)	
		Target	Achievement	Target	Achievement
1	2008-09	304.74	156.90	26	19
2	2009-10	315.07	199.40	17	9
3	2010-11	255.86	133.58	21	10
4	2011-12	160.03	176.44	17	11
5	2012-13	186.31	276.33	11	8
6	2013-14	175.97	218.06	9	4
7	2014-15 (Up to December, 2014)	81.41	112.35	3	3

Company raises financial and other technical resources through multilateral lending agencies such as World Bank and Asian Development Bank and their Subsidiary Agencies/Associates for the successful implementation of the Projects. Following are the important Projects/Schemes being implemented by KUIDFC through Bruhat Bengaluru Mahanagara Palike (BBMP), 7 City Corporations and other Urban Local Bodies in the State of Karnataka. On-Going Projects/Schemes are Karnataka Urban Water Sector Improvement Project (KWASIP), Karnataka Urban Water Supply Modernization Project (KUWSMP), Karnataka Integrated Urban Water Management Investment Programme (KISWRMIP), Implementation of Water Supply and Under Ground Drainage Programme in 16 ULBs.

### (c) Municipal Investment Component

This component provides investment support for urban infrastructure improvement in selected 32 ULBs of the State. Augmentation of water supply work with an expenditure of Rs. 6.11 crore has been completed in the Sira, Madikeri, Hassan, Savanur Chintamani, and Chitradurga. Works amounting with an expenditure of Rs. 3.5 crore are under progress in Chikkamangalur and Jewargi. 24x7 Water Supply works have been proposed in the towns of Haliyal, Nanjangud and Magadi at an estimated cost of Rs. 59.55 crore and procurement related activity is underway in the said towns.

### 6.4.2 Sanitation (Including Sewerage and Drainage)

Traditionally, sanitation refers to the waste management of human excreta but in a broader sense, it is associated with public health and environmental impacts. It, therefore, includes waste management—solid waste, industrial and hazardous waste, drainage and the management of drinking water supply. The Ministry of Urban Development, GOI brought out a National Sanitation Policy in 2008. The vision for urban sanitation in India is set

forth thus: “All Indian cities and towns become totally sanitized, healthy and livable and ensure and sustain good public health and environmental outcomes for all their citizens with a special focus on hygienic and affordable sanitation facilities for the urban poor and women”. City Sanitation Plan preparation envisaged under NUSP-2008 by GoI includes:

- 6 City Corporations and 2 CMCs - Mysore, Belgaum, Shimoga, Gulbarga, Hubli-Dharwad, Mangalore, Tumkur and Bellary.
- Total project cost sanctioned 250.25 lakhs.(7 CCs). Rs. 150.15 lakhs released to GoK in 2 instalments
- State Sanitation Policy(draft) proposed by the Government.
- Final CSP reports of all the 8 towns submitted to GoI.
- CSP reports submitted by SIUD Mysore for 7 Towns viz., Davangere, Chitradurga, Bidar, Raichur, Harihar and Yadgir (under BRGF fund) is submitted to GoI for funding support for implementation. Total requirement of funds is Rs. 87.58 Cr. The required fund is to be dovetailed with ongoing schemes such as JNNURM, 13th FC etc.
- SIUD is preparing CSP reports for 13 towns through All India Institute of Local Self Government (AIILSG)

### (a) Under Ground Drainage (UGD) Schemes

The State Government has approved the funding pattern for UGD schemes. In July 2011. Accordingly the funding pattern for UGD schemes is given in **Table 6.12**.

In 2013-14 there are 55 on-going schemes and 42 new schemes proposed for sanction with budget outlay of Rs.109.92 crore. Among on-going schemes it is proposed to commission 11 schemes in 2013-14. Details of financial and physical as well as schemes commissioned over the period time are provided in **Table 6.13 and 6.14**.

**Table 6.12 - Details of funding pattern for UDG Schemes**

Sl No	Category	Funding Pattern		
		Loan From Financial Institution	Govt. Loan	Local Body Contribution
1	Corporations	50%	20%	30%
2	City Municipal Council	50%	25%	25%
3	Town Municipal Council and Town Panchayat	50%	30%	20%

**Table 6.13: Details of progress of UDG Schemes**

Sl. No.	Year	Financial (Rs. in Crores)		Physical (No. of schemes)	
		Target	Achievement	Target	Achievement
1	2008-09	117.45	39.02	4	--
2	2009-10	139.93	63.49	6	1
3	2010-11	97.10	72.52	8	1
4	2011-12	84.01	64.31	7	1
5	2012-13	148.65	83.03	6	1
6	2013-14	109.92	127.17	9	1
6	2014-15	54.64	63.57	1	1

**Table 6.14: Details of Schemes Commissioned (Cumulative)**

Sl No	Year	Water Supply Schemes	Board Water Supply Schemes	Under Ground Drainage Schemes
1	2008-09	446	20	45
2	2009-10	453	20	46
3	2010-11	463	20	47
4	2011-12	474	20	48
5	2012-13	482	20	49
6	2013-14	486	20	50
7	2014-15 (Upto Sept. 2014)	489	20	51

The KUWSDB is responsible for providing water supply and sewerage schemes in 213 urban areas of Karnataka except BBMP. The Board has implemented assured safe drinking water to 194 urban areas. The Board is implementing 10 schemes for shifting the source of water from ground water to assured surface source of water. All these schemes would be completed by the year 2015. By the year 2014 only 9 urban areas are left with sub-surface water as source. Most of the urban areas are provided with surface water as source. At present 47 urban areas are provided with UGD facilities. In most of the urban areas the sewerage system is covered in core areas. The newly developed areas are not provided with Sewerage system. The Board has prepared a plan amounting to Rs.14508.70 crores for providing UGD scheme to all the urban areas in Karnataka. The Board aims to provide UGD facilities to all urban areas in phased manner depending upon the availability of funds. The State Government has accorded approval to provide bulk water supply to all urban and rural areas of Bijapur district at an estimated cost of Rs 885 crores under Kannada Ganga Phase 1.

#### 6.4.3 Domestic Energy

The census 2011 revealed that 60% households in the state, 87% in rural areas and 22% in urban areas, use firewood /crop residue, cow dung cake/coal etc for cooking. Only 33% of households in the state, 12% in villages and 65% in urban areas, use LPG/PNG/electricity/biogas for cooking. However, use of LPG for cooking purposes has seen a rise by 14% across households in the state-rural households have seen 6% rise and urban households 12% increase from the 2001 figures. The details of Census-2011 information on fuel for cooking are given in **Figure 1**. The district level information is provided in **Appendix**.

#### 6.4.4 Road Infrastructure

Roads and Roadside drains - Works amounting to Rs. 117.02 crore are

completed in Madikeri, Sringeri, Chittapur, Hassan, Kolar, Savanur, Robertsonpet, Chitradurga Gurmitkal and Chintamani and works amounting to Rs. 36.32 crore are underway in Hassan (savings), Kanakapura, Kolar, Shimoga, Chikkamagalur and Hiriyur.

#### 6.4.5 Urban Land Transport:

1. Global warming, rising pollution, road traffic congestion and road accident rates, and difficulties of moving around in the city are putting pressure on the government to find solutions for “sustainable urban mobility”. In response to such pressures the Government of India [Ministry of Urban Development] released the National Urban Transport Policy (NUTP), 2006. NUTP provides a framework for development of sustainable urban transport in Indian cities.
2. The Directorate of Urban Land Transport was set up by the Government of Karnataka in 2007, close on the heels of National Urban Transport Policy coming into existence. The key functions of the Directorate of Urban Land Transport, which are given below, reflect the awareness about the need for a paradigm shift in the way urban transport solutions are being planned and implemented:
  - To take up periodic assessment of travel demand and determine level of public transport and the type of transport system(s) required in cities through the process of developing mobility plans and other studies.
  - To provide necessary hand-holding support for conceptualising and implementing mass transit/ public transport/ NMT Projects.
  - To advise Government on urban transport matters and policy issues as and when necessary.
  - To take-up in-house studies on appraisal of transport infrastructure related projects.



- To leverage Urban Transport Fund for promoting PT/NMT initiatives.
  - To work in close tandem with stakeholders in Urban Transport sector/academic institutes/lobby groups towards achieving sustainable mobility.
3. The Directorate of Urban Land Transport has grown in strength in the last few years. The mobility plans for six city corporations were prepared in the previous years. Mobility plans for five other cities - Tumkur, Davangere, Udupi, Bidar and Shimoga, were prepared in this year. Mobility plans for Chitradurga, Bijapur, Raichur and Hospet are in advanced stage of preparation. DULT has also now initiated mobility plans for 12 smaller cities/towns across Karnataka and the plans are in the interim stage of preparation.
  4. DULT has prepared a Parking Policy to provide a solution to rampant parking issue in Bengaluru and as a means to control the growing demand for private vehicle usage. The Parking Policy was adopted by BBMP council in 2014. Subsequent to the preparation of Parking Policy for Bangalore, DULT has also prepared a parking action plan for core central area of Bengaluru. In the parking action plan, assessment of the demand for parking was carried out, and parking facilities were systematically identified at both on-street and off-street locations with the aim to reduce traffic demand in the area by restricting parking supply and by strategically introducing parking pricing. The action plan was approved by BBMP council. In order for BBMP to implement the Parking Management System as detailed in the action plan, DULT has now prepared the necessary tender documents for BBMP to float the tender.
  5. The 42 km Phase I network of Bangalore "Namma" Metro is being implemented

by BMRCL. Multimodal integration and ease of access to metro station are critical components for the success of Metro. In order to facilitate multimodal integration and ease of access to metro station area, Station Accessibility Plans are being prepared. These plans look into improving the Non-Motorized transport infrastructure and enhancing intermodal connectivity within 500 m radius of the metro stations, the project also is conceived to look into the Development Control Regulations around the Metro Stations to achieve population densities that improves metro usage.

Station Accessibility Plans for 12 metro stations (10 metro stations are on Reach 3 and 3A (Srirampura Station to Jalahalli Metro Station) of the Phase I of metro and 2 of them are in Reach 4 (Jayanagar II and Banashankari Metro Stations) are proposed to be taken up for implementation during the current year.

6. The Directorate of Urban Land Transport (DULT) with the assistance from Japan International Cooperation Agency (JICA) is preparing the Intelligent Transport System (ITS) Master Plan for Bangalore and Mysore. A working group of stakeholders has been formed for the preparation of ITS Master Plan for Bangalore and Mysore. The scope of ITS Master Plan is to develop a framework for deployment of technology based solutions through various stakeholders in Bangalore and Mysore that is robust, interoperable and forms an integrated solution for improving traffic and transportation operation in these cities. The major components of ITS master Plan consist of
  - ITS for the city (both Bangalore and Mysore)
  - ITS for Peripheral Ring Road Project (Highway traffic management system and Toll Management



System)

- Congestion Pricing System. (only Bangalore)
- Common Mobility Card and Clear House (State level)

The Intelligent Transportation Systems Master Plan for Bangalore is under finalization and ITS master plan for Mysore is underway.

#### 7. **Bus rapid transit system (BRTS) for**

**Hubli-Dharwad:** Hubli and Dharwad cities are about 20 KM apart, and on account of the fact that Dharwad is the seat of education and is the district headquarters and Hubli is an important commercial centre, about 1,70,000 trips happen between the twin cities. Buses are the most preferred mode of travel carrying about 70% of the travelers along this corridor though the number of buses is only about 7% of the total number of vehicles. The number of motorised vehicles in Hubli-Dharwad is 3,38,481 (as on March 2011) and this number is growing at an average rate of 14% per annum. The high percentage of personal vehicles in the city has led to congestion along the road between Hubli-Dharwad. The travel time between the cities is about 45 min during off peak hours and it takes about 60 min during peak hours to travel a stretch of 20 KM.

NWKRTC is a state owned company running public transport services within Hubli-Dharwad Municipal Corporation. The modal share in favour of public transport in Hubli-Dharwad is 30% at present. According to projections made in CTPP prepared for Hubli-Dharwad, if nothing were done to improve the public transport by way of introducing measures like mass transit/ augmentation of buses etc, the share of public transport would come down drastically by 2028. The CTPP also recommends for implementation of BRTS for about 70 kms in Hubli-Dharwad in a phase manner.

A project was formulated for the implementation of Bus Rapid Transit System (BRTS) in Hubli-Dharwad to improve public transport in the twin cities. BRTS gives scope for both low and high density passenger movement; high quality, customer oriented transport and low cost urban mobility. The objectives of BRTS are reduction in private vehicle dependence; reduction in travel time; increased passenger safety and comfort; high reliability and high quality infrastructure.

The proposed BRTS corridor length is 22.25 km with cross sections ranging from 44 m to 35 m in between and within the cities limits respectively. The project includes segregated bus ways with central bus lanes and median bus stops; trunk and feeder system; accessible and comfortable bus stations with level boarding and external ticketing; improved fleet; traffic management centre for Hubli-Dharwad etc. The corridor will be a closed system i.e., no other vehicle except BRTS buses will be allowed in the corridor. There will be two kinds of services – regular and express services to cater to the requirements of different section of commuters. Foot over bridges are proposed at seven locations, PELICAN signals and synchronised signal management are proposed to facilitate easy approach of passengers to bus stations.

The project also includes improvements to transit infrastructure like terminals, depots and interchanges and improvements to non-motorised transport infrastructure for about 60 km. The project cost is estimated at Rs. 692 crores, out of which US \$ 47 million is the anticipated assistance from the World Bank-GEF assisted SUTP. In addition, a grant of US\$ 1.9 million will be technical assistance which is proposed to be used for communication & outreach programme, monitoring and evaluation study, city bus route rationalisation study, parking management plan, integrated transport and land use plan etc.

BRTS project results in substantial benefits for the people of Hubli-Dharwad and the region and the viability of such system has

been well established through a process of detailed study.

A company “Hubli-Dharwad BRTS Company Ltd” has been set up under Companies act for implementation of the BRTS and monitoring the bus operations. For HDBRTS project under Head of Account “4217-60-800-0-01-059” Rs. 200 Crores have been allocated in budget for the financial year 2014-15. The progress of the project till date is as follows:

- **Procurement of consultancy services:** The procurement of consultancy services except for the preparation of City are undertaking works as per the Terms of reference. Plan for Hubli-Dharwad has been completed. The consultants are on board and
  - **Procurement of Works:** Construction works for the following transit infrastructure has been started:
    - a. BRT depots at Hubli and Dharwad & Divisional workshop at Hubli
    - b. OCBS, Dharwad
    - c. Regional terminal and depot at Hosur, Hubli
    - d. BRT bus stations
    - e. NMT infrastructure
  - Purchase order for buses has been placed for the procurement of 100 standard buses and 30 articulated buses
  - Tenders have to be called for ITS and Foot over bridges (FOB).
  - **Land acquisition:** 62 acres of land is required to be acquired. The Joint Measurement Certificate Survey has been completed (except Navalur). The compensation amount for land being acquired has been approved by Government for six villages. The process of consent award agreement is under progress. Thirty four acres of land has been acquired till December 2014.
8. **Bus rapid transit system for Bangalore:** The Bus Rapid Transit

System (BRTS) for Bengaluru has been recommended in the Comprehensive Traffic and Transport Plan (CTTP) for a total length of 279.6 kms along 12 corridors at an estimated cost of Rs. 3914.4 crore. The Directorate of Urban Land Transport has prepared a detailed project report (DPR) for implementing BRTS along the eastern stretch of the Outer Ring Road for 30 kms length from Central Silk Board to Hebbal Flyover in the first phase. The estimated cost of this project is about Rs. 1025 crore and this project is a closed system having maximum design capacity of 30,000 PPHPD. The system consists of 39 stations along the corridor spaced at intervals of around 700 to 800 meters, including two terminals. This system having dedicated corridor would operate new technology buses designed for urban environment. The other components include off-board ticketing and use of Intelligent Transport Systems (ITS). The use of ITS, would lead to efficient operations and significantly improve passenger convenience. Bengaluru needs such a system to reduce the congestion and reduce travel time for public transport users. Some salient features of Bengaluru BRTS include:

- Closed BRT system with central/median bus lanes.
- Median bus stations with level boarding and off board ticketing.
- Integration of trunk and feeder services.
- Signal synchronization with priority to BRTS buses.
- Physical segregation of bus lanes and mixed traffic lanes.
- Bus stations located as per the demand
- Pedestrian crossing facilities through at-grade/ signalized crossings / FOBs.

- Existing service roads retained.
- Integration with existing infrastructure projects viz. flyovers, underpasses etc.
- On- street parking not desirable on any part of the RoW.

The Bengaluru BRTS is proposed to be implemented and operated by BMTC.

#### 9. **Sub-Urban Rail System for Bangalore:**

The Comprehensive Traffic and Transportation Plan (CTTP) for Bangalore has made a detailed analysis of transportation issues and future strategies for the Bangalore Metropolitan Region. Among other recommendations, the CTTP has recommended the implementation of a suburban rail system connecting Bangalore to nearby towns like Ramanagaram, Chennapatna, Tumkur and Doddaballapura etc. The Government of Karnataka has also repeatedly requested the Ministry of Railways, Government of India to sanction a suburban rail system to Bangalore on par with MMTS in Hyderabad and suburban rail system in Chennai. The State on its own initiative had engaged M/s. RITES to conduct a detailed assessment of the existing suburban rail traffic and its potential future demand; identification of gaps in the existing infrastructure, system constraints, if any and infrastructure requirements at the terminals and the corridors for effective implementation of suburban rail system. The findings suggest that even with most conservative estimates the current demand is more than twice of current ridership. The report has evaluated major suburban rail corridors and has clearly recommended extension of services on Baiyyappanahalli - Hosur section; Yeshavanthapur - Tumkur section; Bangalore - Mandya section and Yelahanka - Chikkaballapur sections. It has also recommended the implementation of the suburban rail

system in phases as doubling and electrification works along various corridors have been completed to different extents. The total project cost is estimated to be Rs. 8759 crores. The State is now preparing a detailed project report for the implementation of Phase-1 A of the project which is expected to cost around Rs. 1000 Crores. The inception report is finalised and interim report (Data collection and Demand Analysis) is under finalization. Bangalore City railway station is the main hub of Bangalore city. However, the station is not in a position to effectively handle a major delay in arrival or departure of even a single train. Presently Bangalore yard has 10 platform lines, 6 pit lines (maintenance lines), 8 stabling lines and a few other lines

Thus, redevelopment of the Bangalore station is necessary to remove constraints in the system. Similarly, existing constraints in the Yeshwanthapur station need to be rectified to ensure an optimal utilization of the station facilities. In the phase-1 A, procurement of MEMU rakes, automatic signalling, development of additional pit lines, some developments in Bangalore city station etc. have been proposed.

A special purpose vehicle, Bangalore suburban rail company limited is set up for the implementation of the project.

A formal proposal has been sent to Ministry of Railways requesting

- Give its in principle approval for participating in the project;
- Contribute to the equity of the Bangalore Suburban Railway Company Limited;
- Commit to contribute 50% of project cost and to implement the project in collaboration with the State Government.

Government of Karnataka has been continuously requesting the Ministry of

Railways for concurring the “Implementation of Suburban Rail System in Bangalore”. But the Government of Karnataka yet to receive concurrence of Indian railways for implementation of Suburban Rail Project in Bangalore.

#### 10. **Public Bicycle Sharing System in Mysore:**

Mysore City Corporation plans to introduce a bicycle based transportation system citywide to provide a low-cost, environmentally friendly mobility option to city residents as well as to the tourists. Cycles will be available through a network of cycle docking stations. Users can check out cycles at one station and return them to any other station in the network. Phase 1 of the Mysore Public Bicycle Sharing System will consist of 550 cycles at 52 docking stations and is scheduled to open in September 2015. The tender document for implementing the Public Bicycle Sharing System in Mysore is expected to be floated on January 2015. The initial coverage area will include key destinations like Race Course, Kukkarahalli Lake, Mysore Palace, Chamundi Hill, Lashkar Mohalla and Bus Stand etc. The system may be expanded in subsequent phases in future. Bicycle docking stations will be physically integrated with city bus services as well as railway services to enhance public convenience and to encourage people to use Public Bicycle Sharing System.

The estimated project cost for implementing PBS in Mysore as identified in the DPR is around Rs. 20.5 Crores over a period of 6 years. The initial capital cost is around Rs. 9.8 Crores. The O&M cost for first year is expected to be Rs. 1.5 Crores. This project is being pursued to be implemented using World Bank GEF grant with partial funding from the State Urban Transport Fund (SUTF) and funds from the Mysore City Corporation.

#### 11. **Capacity Building and Partnerships:**

THE STAFF OF DULT IS REGULARLY DEPUTED TO various conferences and workshops held in the country so as to regularly update their skills. In order to share best practices in urban transport between Karnataka and Sweden, a workshop on Sustainable Urban Transport was organised by DULT jointly with the Swedish Embassy.

#### **Best Practices:**

##### **a. The Monsoon Studio**

The Monsoon Studio is DULT's urban design initiative conceived as an annual design studio to work on urbanisation strategies comprising of mobility planning and place making schemes for the cities of Karnataka. Monsoon Studio 2014 (August 18th- 23rd) was a collaboration between DULT, the Architecture Department of BVB College of Engineering, and the Hubli-Dharwad BRTS Company.

Five study areas in Hubli and Dharwad were studied in detail and strategies for each were formulated. Mr. Vinayak Bharne a Los Angeles based urbanist, visited the Monsoon Studio as the key jury member

##### **b. Vehicle Free Day**

The Directorate of Urban Land Transport, Urban Development Department, GoK as a part of its sustainable initiatives proposed to make the fourth Saturday of every month a Vehicle Free Day since 31st August 2013 and is now on the third Saturday of every month. This initiative is to encourage DULT employees to give up the use of car/two-wheeler (including government vehicles) for a day, in an effort to make promote the sustainable modes of transport like Public Transport (Buses & Metro), and walking and cycling. This initiative started on the 31st August and has successfully completed its fifteenth month this November 2014.

The trips of DULT staff to and from work produce 24 tons of carbon dioxide per year



(carbon footprint of DULT). The vehicle free day makes it possible to produce 4 tons less carbon dioxide (CO<sub>2</sub>) per year. If replicated all over the city, this could save energy as well as protect the environment.

### **c. Cycle Day Initiative**

The Directorate of Urban Land Transport, Urban Development Department, GoK as a part of its initiatives to advocate and promote sustainable modes of non-motorized transport in the city of Bangalore, started organizing the Cycle Day event on the last Sunday of every month, starting 27th October 2013, to build a critical mass of cyclists in Bangalore. This initiative is a citizen initiative that was proposed by Praja RAAG, an NGO, to help propagate the practice of cycling in the City of Bangalore.

Around 1200-1500 people turn up for the event showing that they support the cause and want better infrastructure for using cycling as the major mode of travel on a daily basis. The event is held to promote cycling as a major mode of transport for short commutes and also to block off stretches of streets to reclaim them for kids and adults alike to enjoy traditional street games that have long been forgotten. This event revives not only the mode that we have forgotten to use, but also these traditional games like (lagori, kavade, chowkabara, kunte belle etc.).

Since the month of July, 2014 the event had slightly changed its format, when there were interests from local groups to take up this initiative to their localities. Since then DULT had many other community partners stepping forward to take up this initiative in their neighbourhoods.

## **12. Challenges and Future Outlook of Department:**

DULT has been constituted as a nodal agency for planning and co-ordination of transport related development and integrating land use with transport, throughout the state. In order to achieve this objective, it is necessary to strengthen the institutional arrangements of DULT

considering the fact that detailed technical and intricate traffic and transport planning and engineering matters are to be handled by the Directorate.

Setting up of transport modelling lab. This will consist of state-of-art of software that are necessary for projecting traffic forecast and studying various traffic improvement alternatives in a scientific manner. The procurement of necessary software and hardware for establishing the lab is underway.

### **6.5 Urban Environment:**

The physical expansion and demographic growth of urban areas have exerted an adverse impact on the urban environment. The large scale conversion of agricultural land in the urban periphery for urban uses like industries, housing and infrastructure has resulted not only in loss of greenery but in creation of urban heat islands. A large number of trees and water bodies have given way to concrete structures. The increase in motor vehicular traffic in cities and industrialization has contributed to air pollution which in turn has an adverse effect on the health of the people. Cities are huge consumers of energy and resources generating more waste than they can absorb. The increasing consumption of water is leading to depletion of water resources, particularly underground water. The enormous quantities of waste generated in cities proliferation of slums and lack of sanitation are serious environmental hazards.

#### **6.5.1 Solid Waste Management:**

Solid Waste Management is one of the most basic functions of every municipal body. The unclean state of our cities is a sad reflection of the inability of ULBs to provide basic services. A number of Committees have been set up to address this issue and the matter even went up to Supreme Court which gave directions to GOI to take steps to implement the recommendations of these committees. GOI issued Municipal Solid Waste Management Rules 2000 laying down new procedures for collection,

segregation, storage, transportation, processing and disposal of waste.

The standards prescribed in the Rules have not so far been fulfilled by any city. Karnataka has formulated a policy on Integrated Solid Waste Management in 2000. The objectives of the policy are the following:

- (a) providing directions for carrying out waste management activities in a manner which is not just environmentally, socially and financially sustainable but is also economically viable;
- (b) Establishing an integrated and self contained operating system for Municipal Solid Waste Management (MSWM) which would include the development of appropriate means and technologies to handle various waste management activities.
- (c) Enhancing the ability of the ULBs to provide waste management services to their citizens.

The principles to guide the future approach of MSWM procedures relating to collection, transportation and treatment of waste have been spelt out. It is necessary to lay down timelines to implement the plan. Emphasis shall be placed on promoting awareness about the importance of waste management from the point of view of health and environment.

#### **(a) Initiatives Taken Up**

Under Municipal Solid Waste Management, a total SFC Rs. 75.00 Cr. has been allocated for 2014-15 as state Grant. Under this: Construction of Modern Slaughterhouses in Mysore, Hospet and Chitradurga cities were planned and approval sought from Govt. of India. Further, modern abattoirs in 17 other cities viz., Tumkur, Bijapur, Haveri, Madikeri, Koppal, Gokak, Ranebennur, Harihara, Gadag-Betageri, Sira, Rabakavi-Banahatti, Robertsonpet, Bagalkot, Chikkaballapur, Gangavathi, Raichur & Udupi have been enlisted. The following are the new initiatives:

- The Prohibition of Employment as Manual Scavengers and Their Rehabilitation Act, 2013;
- City Sanitation Plan (CSP):
  - CSPs for the following 15 cities has already been prepared., Hubli-Dharwad, Mysore, Bellary, Mangalore, Gulbarga, Belgaum, Tumkur, Shimoga, Davanagere, Chitradurga, Bidar, Raichur, Harihara, Yadgir & Alanda.
  - Presently, CSPs for other 13 cities namely, Shahabad, Basavakalyana, Sindhanur, Lingasugur, Manvi, Sedam, Shahapur, Shorapur, Hiriyur, Bhalki, Harapanahalli, challakere and Humnabad have been prepared. The State has earmarked Rs. 775 lakhs in 2014-15 budget.
- Clean Our City Programme: - In order to achieve proper waste management, 'CLEAN OUR CITY' programme is being launched in Kolar and Chamarajnagar cities.

#### **(b) Management of Solid Waste Management**

- Reconstitution of State level SWM Technical Committee under the chairmanship of Director, Directorate of Municipal Administration and members from IISc, KSPCB, EMPRI, KUIDFC, KCDC, NIAS, NGOs involved in SWM activities and SWM experts etc. Formation of Technical Sub-Committee to scrutinize SWM estimates and authorize SE of DMA to accord technical sanction, Normative standards for labour, tools & equipment, safety gears to carryout street sweeping and other SWM activities have been formulated.
- Constitution of State level SWM Empowered Committee under the chairmanship of Principal Secretary, UDD to look into the issues such as, adaptation of modern technologies in waste processing, waste disposal, city



cleaning and SWM projects involving huge expenditure etc.

- Steps are taken to construct modern slaughterhouses in the 20 selected major cities of the State. In the first phase, The DPRs pertaining to Belgaum, Mysore, Chitradurga and Hospet cities, where the lands are readily available, have been already submitted to Ministry of Food Processing Industries, GoI for approval and release of Central govt. grants.
- A model SWM bye-law has been prepared which is under the consideration of the Govt., covering the important aspects of SWM such as, segregation of waste at source, door to door collection of waste, bulk waste management, slaughterhouse waste management, plastic waste management, penalty for violations etc.
- Rs. 100 crores Budget is allocated by the State Govt. to various ULBs with respect to Solid Waste Management in the year 2013-14. Provisions of funds for development of modern slaughter houses, Bio-Methanation units, Simple Waste Processing Machines, Plastic Baling Machines, establishment of Dry Waste Recovery Centres, construction of Windrow Platforms in the selected ULBs as per the requirements have been made under this Budget.
- In order to ensure the compliance by all the citizens in the city corporation limits towards segregation of waste at source, non-littering of waste, etc. the Govt. has notified the Karnataka Municipal Corporations (Amendment) Act, 2013 by bringing suitable amendment to the Karnataka Municipal Corporations Act, 1976, by enabling imposition of penalties on the violators.

#### (c) Way forward

- Procurement of Simple Waste Processing Machines, Waste Segregation Machines and plastic baling machines by the ULBs.

- Achievement of 100% segregation of waste at source and also 100% door to door collection.
- Maximum recovery of recyclable wastes and minimization of waste going to landfills.
- Construction of Modern Slaughterhouses in the 20 selected major cities of the State.
- Establishment of Dry waste collection centres at the ward level in the ULBs.
- Procurement of land for waste processing and disposal in Kumta and Dandeli towns.
- Improve collection and treatment efficiencies of the waste.
- Bringing amendment to The Karnataka Municipalities Act, 1964 with respect to imposition of penalties.

#### (d) Best Practices Initiatives Implemented By ULBS of Karnataka Received & Documented By CMAK Solid Waste Management Initiatives Year -2013-14 Municipal Solid Waste Management in Mangalore City Corporation – Biogas Plant implementation.

Mangalore City Corporation has implemented Biogas Plant unit to tackle its Solid Waste Management problems. This initiative was commissioned on Aug 2011, operations was started since Oct 2011 and the Electricity generation begun from Dec 2012. Rs. 25,48,000/- was invested for Construction, Installation & Commissioning of this plant. O & M cost for 2 yrs is Rs.4,55,000/-.

This Plant is located at Urma Market with a capacity of 2 tons /day. The technology for this project was provided by Nisargaruna Technology, BARC, Mumbai which requires about 500 m<sup>2</sup> space.

**Capacity of the unit:** 15KVA Engine can generate 12kwh from 8cum of biogas (For 2TPD capacity plant will generate biogas 160m<sup>3</sup> and produce power of 240kwh- 20hr running)

**By-products of this initiative**

**Gas Generated:** 150-160 Kg/m<sup>3</sup> equivalent to 240 Kwh/day

**Manure:** 120-140 Kg/day

**Cost-Benefit Analysis**

Electricity Revenue	240 kWh x 4.41 rs / kWh = 1058.4 Rupees /day
Electricity required for plant operation	16 kWh/day X 4.41 Rupees/ kWh = 70.56 Rupees/day
Money Saving	1058.4 - 70.56 = 987.84 Rupees /day
Total Money Saving	Money saving per day – operation cost per day (987.84 – 866 = 121.17 Rupees/ Day)

**Manure saving cost:** 160kg/ day = 160 X 3 Rupees/Kg = 480 Rupees /day

**Final saving cost per day:** 121.17 + 480 = 601.17 Rupees / Day

**Annual Saving:** 2, 16,421.2 Rupees per Year

**Electricity Generation Calculation**

Though the 15 Kva Generator is expected to generate 12 Kwh of electricity with an

intake of 8m<sup>3</sup>/hr of biogas. The plant generates 160m<sup>3</sup> of biogas per day i.e a supply of 160 m<sup>3</sup>/ (8 m<sup>3</sup>/hr) = 20 hr a day, with 160m<sup>3</sup> biogas one can generate 12 Kwh x 20hr = 240 Kwh in a day. The electricity generated from the plant will be utilized for the plant operations and for street lighting.

**Improved Solid Waste Management TP and TMCs**

Town panchayath Alur has 11 wards with present population of 7033 & 6 declared & undeclared slums. Total road length is 28 kms. Landfill site is located in Sopinahalli Village survey no 66 with area of 4 acres & at a distance of 5 kms from Alur. Alur TP has started Door to door waste collection in all the 11 wards in town panchayath using tractor. On similar lines, SWMs are functioning in Karkala TMC, Moodabidri TMC

**6.5.2 Environmental Challenges (air pollution, water pollution, noise pollution etc.):**

Sustainable urban development is not a choice but a necessity if cities are to meet the needs of their citizens (United Nations 2007). Some of the most critical problems facing our cities concern the health impacts

**Table 6.15: Indicators of Solid Waste Management**

Indicators	Bench mark
MSW Collection Efficiency	100%
MSW Collection Efficiency	100%
% households under door to door collection	100%
% of Road Length cleaned per day	30%
Vehicle Adequacy Ratio	100%
Treatment Efficiency	80%
Cost per ton of solid waste management	Rs.1400 per ton
Extent of segregation of MSW	60%
Extent of scientific disposal of MSW	100%
Extent of cost recovery in SWM	100%
Efficiency in redressal of customer complain	100%

of urban pollution generated by inadequate water, sanitation, drainage, poor waste management and air pollution. This set of problems known as the 'Brown Agenda' combined with what are called the 'Green Issues' such as depletion of water and forest resources, upgradation of environmentally fragile lands, occupation of areas prone to flooding, landslides etc. and the carbon emissions from energy use, heating, industry and transport now known as 'Climate Change Issues' all pose serious challenges to the health of the eco system of a city and its people. To tackle these issues, an Urban Environmental Management Action Plan must be formulated. A city specific plan would be required for large cities such as Bangalore, Hubli-Dharwad, Mysore and Mangalore and a common strategy can be evolved for other towns and smaller cities in the State. The major components of the action plan could be the following:

**i) Conservation of water resources:** The objective should be to reduce the demand for fresh water. Conservation measures such as rain water harvesting should be made mandatory.

**ii) Waste Water Management:** The recycling and re-use of waste water should be encouraged in cities which generate substantial quantities of sewerage and silage. Decentralized waste water treatment plants must be set up at appropriate places.

**iii) Controlling Air pollution:** Air quality monitoring systems must be set up to measure various pollutants like particulates carbon dioxide, carbon monoxide etc. Controlling air pollution depend upon factors such as density of vehicular traffic and emission from industries. The Prevention of Air Pollution Act will have to be enforced strictly.

**iv) Energy Conservation:** Cities consume enormous quantities of energy. In view of the shortage of electrical power, it is imperative to promote the use of renewable energy such as solar and wind power and other energy efficiency measures. Urban

design will have to take into account the efficient use of energy and promote green buildings.

### **(a) Urban Conservation and Built Heritage**

Urban conservation has been defined as follows:

“Urban conservation seeks to retain that part of the urban environment whose character is improvement of national or local heritage. It also seeks to enhance the environmental character by ensuring that the siting and the design of any new development is complementary to it”. We have several towns and cities in Karnataka with precious heritage which needs to be protected. This heritage may be in the form of:

- Buildings or places of architectural, historical or cultural importance.
- Unique temples, mosques, and other monuments
- Designed environments such as Russell Market or City Market in Bangalore, Connaught Place in Delhi etc.
- Water front areas: lakes, rivers or sea.
- Centers of recreation and tourism - natural or man made

Other items may be added depending on their significance to heritage.

### **(b) Waste Water Management (WWM):**

**Environmental Action Plan – B – Project:** The project of 'Environmental Action Plan-B' at an approved project cost of Rs.176.75 crores for a length of 70 Kms., for rehabilitation and replacement of the balance existing sewerage system of Bangalore City has been taken up under JnNURM, Government of India. The works included in this scheme have been taken up in 16 packages and the revised cost of the project will be Rs.490 crores. The works in respect of four packages have already been completed and the works in respect of 8 packages are under progress. The three package works were entrusted recently and

the preliminary works are under progress. For balance one package the tender received for the second call has been cancelled due to very high tender premium quoted by the bidder. Now action is initiated for fresh bidding. The physical progress achieved is 75% and the financial progress achieved is to a tune of Rs.253.50 crores. All the package works are proposed to be completed by end of 2015. After completion of this project it is possible to divert 150 MLD of wastewater flowing in the storm water drains to the treatment plants for treatment and disposal to natural valleys / water bodies.

**Under Ground Drainage (UGD):** Works amounting to Rs. 135.84 cr is under progress in Doddaballapur, Chikkaballpur, Bhadravathi, Tiptur , Humnabad and Harihara. The UGD missing link works at Hassan and Chintamani are completed at a cost of Rs. 6.20 cr.

**Sewerage Treatment Plants (STP):** To improve the sanitary condition in urban areas, construction of STP are proposed in Doddaballapur, Tiptur , Chikkaballpur and Humnabad. The work of STP in Chikkaballpur is completed. With regard to Tiptur STP, work could not be taken up due to withdrawal of CFE issued by KSPCB. Alternate Government Land has been identified and proposal for handing over of land is submitted to District Administration. In other ULBs works are under progress.

**Storm Water Drains (SWD):** Works amounting to Rs. 14.67 cr has been completed in Sringeri, Hassan, Savanur, Kolar, Robertsonpet. Further, works amounting to Rs. 24 cr are under progress in Chintamani, Chitradurga, Chikkamangalur, Sira, T.Narsipura, Gurmitikal and Shimoga.

**Solid Waste Management:** The work of development of Land fill site in Chitradurga at the cost of Rs. 1.56 cr has been completed. Preparation of bid documents for outsourcing Operation and maintenance is underway

**Rain Water Harvesting (RWH):** Works amounting to Rs. 2 cr are completed in Kolar, Savanur, Robertsonpet, Chitradurga, Chintamani and Sira and works amounting to Rs. 40 lakh are underway in Nagamangala and Hiriyur.

**Construction of Low Cost Sanitation (LCS):** Construction of 2471 LCS units at a cost of Rs. 4.63 cr has been completed and balance 553 units are under progress.

### **(c) City Sanitation Plan Programme (DMA)**

City Sanitation Plan preparation envisaged under NUSP-2008 by GoI

- 6 City Corporations and 2 CMCs - Mysore, Belgaum, Shimoga, Gulbarga, Hubli-Dharwad, Mangalore, Tumkur and Bellary.
- Total project cost sanctioned 250.25 lakhs.(7 CCs). Rs. 150.15 lakhs released to GoK in 2 instalments
- State Sanitation Policy(draft) proposed to Govt.
- Final CSP reports of all the 8 towns submitted to GoI.
- CSP reports submitted by SIUD Mysore for 7 Towns viz., Davangere, Chitradurga, Bidar, Raichur, Harihar and Yadgir (under BRGF fund) is submitted to GoI for funding support for implementation. Total requirement of funds is Rs. 87.58 Cr. The required fund is to be dovetailed with ongoing schemes such as JnNURM, 13th FC etc.
- SIUD is preparing CSP reports for 13 towns through AIILSG

### **6.6 Development of Bangalore Region:**

#### **a) Bangalore Metropolitan Region Development Authority (BMRDA)**

The Bangalore Metropolitan Region Development Authority (BMRDA) is an Authority established under the Bangalore Metropolitan Region Development Authority Act, 1985 (Karnataka Act No. 39 of 1985), for the purposes of planning,



coordinating and supervising the proper and orderly development of the area within the Bangalore Metropolitan Region and allied matters.

### Structure Plan:

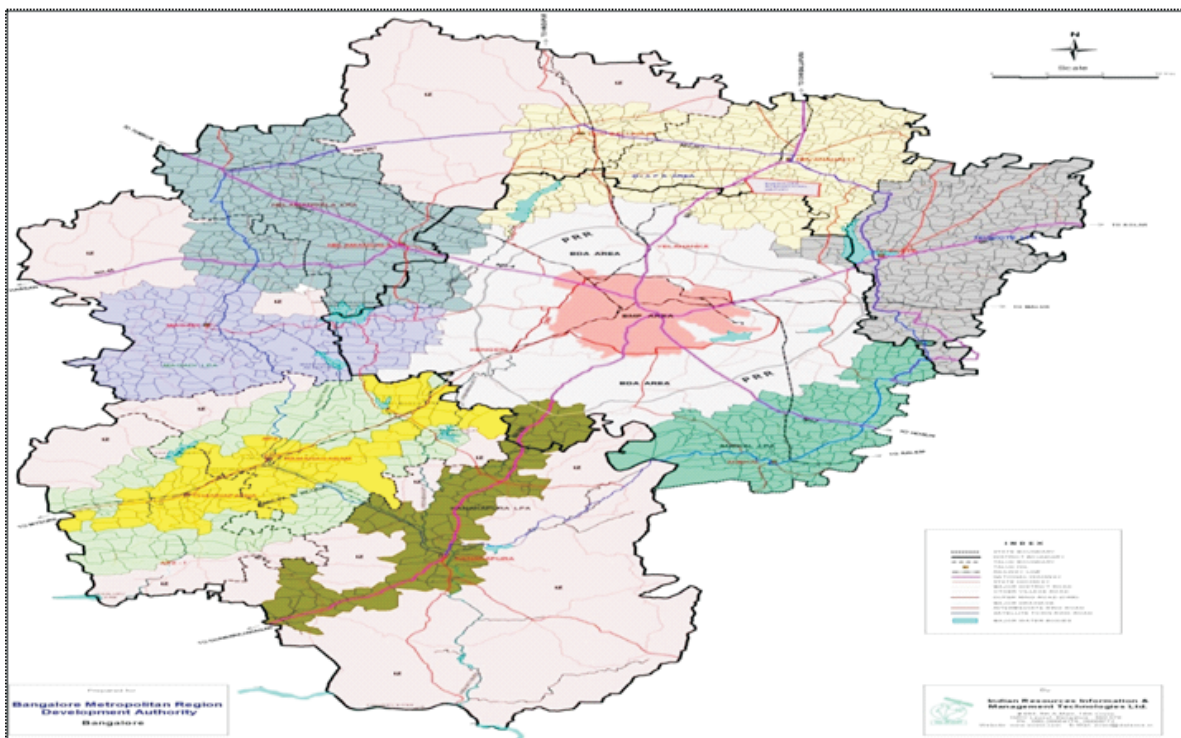
The BMRDA had prepared the Structure Plan in 1998 based on the availability and future prospects in respect of the natural resources and infrastructure and the trend of urbanization in the region. As per the Structure Plan, the areas suitable for urbanization have been categorized as Area Planning Zones (APZs) and areas where agriculture is a predominant occupation and / or forestry is abundant, conservation has been stressed more and such areas have been classified as Interstitial Zones (IZs). The Structure Plan related information is brought out in a book form and made available to the general public for sale. It is placed on the website of the BMRDA.

The Structure Plan prepared by the BMRDA is in the nature of a broad area development

plan for the entire BMR and requires preparation of detailed sector specific and area specific plans. Separate Planning Authorities and Urban Development Authorities have been constituted for the various Local Planning Areas under the Karnataka Town and Country Planning Act, 1961 and other Acts for preparation of detailed Master Plans and enforcement of the same. The Authorities so formed are, besides the Bangalore Development Authority, as follows:

- 1) Bangalore International Airport Area Planning Authority (BIAAPA).
- 2) Nelamangala Planning Authority.
- 3) Magadi Planning Authority.
- 4) Kanakapura Planning Authority.
- 5) Ramanagara-Channarayana Urban Development Authority (RCUDA).
- 6) Bangalore-Mysore Infrastructure Corridor Area Planning Authority (BMICAPA) Part.
- 7) Anekal Planning Authority.
- 8) Hosakote Planning Authority.

**Figure 6.1: Bangalore Metropolitan region- Local Planning Areas**



**Schemes:**

The BMRDA during the year, has prepared several schemes to implement the Structure Plan in coordination with the concerned organizations. The details are given in following paras:

**Development of Satellite Town Ring Road (STRR) and Individual Town Ring Roads (ITRR) and also Intermediate Ring Road (IRR), and the Radial Roads (RR):**

The Structure Plan had mooted development of a pair of ring roads and several radial roads with a view to improve the connectivity in the Region. The authority has in the 10th Meeting of the Executive Committee held on 15-6-2006, decided to pursue this proposal. The initial project report is being prepared in collaboration with the Public Works Department. A survey of these Roads has been conducted and a Notification has also been issued restricting any development in these roads alignment. The objective of these ring roads is to segregate the highway traffic from the local traffic and also to pave the way for a systematic expansion and growth of Bangalore.

In the first instance the STRR and ITRR have been notified as State Highway (Special-2) in the Karnataka Gazette dated 12-9-2007 along with the road alignment by the Public Works Department. The Superintending Engineer, PWD, Anandarao Circle, Bangalore has been designated as the Competent Authority to receive the objections and to finalise the alignment

from public till 31-1-2008. M/s SECON Pvt. Ltd., has been appointed to prepare and submit the Techno-Economic Feasibility Report in respect of STRR and ITRR. The said firm has prepared the same and submitted to this Authority on 04.10.2008. Totally for the entire Ring Roads Net work in BMR, a sum of Rs.6,04,40,305/- has been spent for the preparation of this report and survey work so far.

The total length of STRR along with 7 Town Ring Roads about 365 K.Ms. has been divided into 4 packages, which is presented in **Table 6.16**.

An amount of Rs.100 crore for each package i.e. Rs. 400 crore in all to be provided to BMRDA in the financial year 2007-08, in the above mentioned Government order. The PWD Department has to take approval of Government for the implementation of the STRR and ITRR. During the period of report there is no progress in these schemes.

The ongoing BMRDA's activities in implementing the structure plan are as follows,

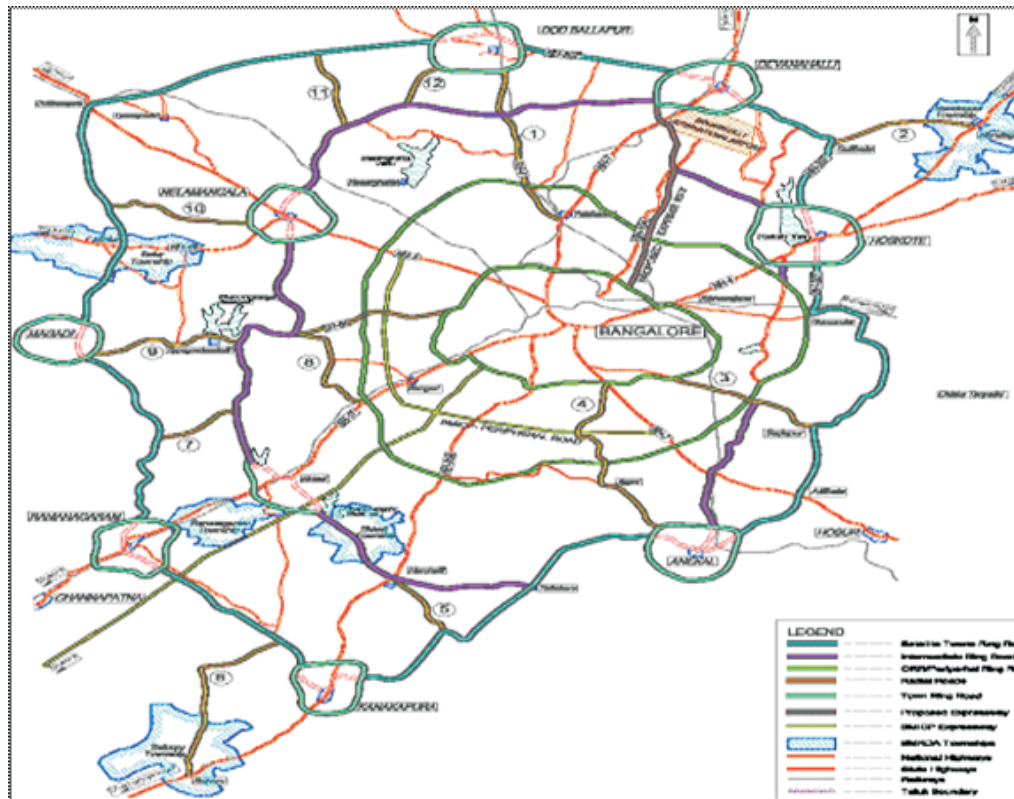
- i) Preparation of Master Plans for the Local Planning Authorities, Preparation of IMP for Ramanagar-Channapatna LPA,
- ii) Preparation of Scientific base maps using Satellite imagery for the Local Planning Areas,
- iii) Preparation of Seamless spatial data base for Bangalore Metropolitan Region,
- iv) Computerization of Records, layout

**Table 6.16a: The survey works completed roads**

Sl.No.	Name of the Road	Length	Extent of land required for acquisition in acres (approximate)
1	STRR road	204 K.Ms.	3826-06acres
2	IRR road	185"	2563-05--"
3	RR road	179"	1860-12--"
4	ITRR road	163"	3899-22--"



**Figure 6.2: Satellite Towns Ring Road, Intermediate Ring Road, Radial Roads and Individual Town Ring Road**



**Table 6.16b: Proposed Ring Roads under BMRDA**

SL.No.	Package	Connectivity	Length-Km
1.	Northern	Dobbuspeta, Doddaballapura, Devanahalli	88.5
2.	Eastern	Devanahalli, Hosakote, Sarjapura, Attibele (on Hosur Road)	78.0
3.	Southern	Attibele, Anekal, Kanakapura, Ramanagaram	128.0
4.	Western	Ramanagaram, Magadi, Dobbuspeta	70.0
	Total		364.5

Plans and building plans of BMRDA and 6 LPAs in the jurisdiction of this Authority, Comprehensive Traffic and Transportation Study (CTTS),

- v) Issue of Plan approvals electronically using e-vinyasa software,
- vi) Study on Historical / Heritage monuments buildings of Bangalore Metropolitan Region.

#### (b) BBMP

The Bangalore Mahanagara Palike (Bangalore City Corporation) was established in 1949 by merging two separate municipalities, which were in charge of the administration of the "City Area" and the Cantonment Area of the city. The Population of Bangalore at that time was about 0.75 million. The municipal

corporation started with 7 divisions with as many elected councilors. This was subsequently increased to 50 divisions; the area of the city was expanded to include 87 wards in 1991, 100 wards in 1995 and 198 wards in 2007. Prior to the formation of Greater Bangalore the city had an area of 226 Sq.km and was organized into 100 wards represented by a councilor in the city corporation. 7 CMC's and 1 TMC were added up with the previous 3 zones viz, east, west and south.

Eight Urban Local Bodies around Bangalore consisting of city Municipal councils (CMC) and one Town Municipal Council (TMC) viz, Yelahanka CMC, Byatarayanapura CMC, K.R.Puram, CMC, Mahadevapura, CMC Bommanahalli, CMC, Rajarajeshwari Nagar CMC, Dasarahalli CMC, and Kengeri TMC were created in 1996. Bangalore has now transformed into Bangalore with 7 CMCs, 1 TMC and 100 villages being appended to the Bangalore City. The city's total area has now expanded from 225 sq.km to over 800 sq.km and the population too has increased correspondingly.

BBMP comprising 8 zones viz, R.R.Nagar, Bommanahalli, Dasarahalli, Mahadevapura, Yelahanka East, South and West. Is developing vastly hence, the government is thinking to split the BBMP.

### 1. State Finance Commission Grants:

State Finance Commission grants are mainly the transfer of financial resources from the state government to local bodies in the form of tax share grant in aids etc. The details of SFC grants released under tied or untied between 2008-09 to 2014-15 and expenditure incurred are furnished in **Table 6.17.**

### (c) Bangalore Metro Rail Corporation Limited (BMRCL)

The Bangalore Metro Rail project — Phase 1 consists of Standard gauge double line, 750V DC electrified North- South and East — West Corridors weaving through the

bustling commercial and residential areas of the city.

The East-West corridor is 18.10 km. long, starting from Baiyyappanahalli and terminating at Mysore Road terminal, going via Old Madras Road, Indira Nagar, Ulsoor, Trinity Circle, M.G. Road, Cricket Stadium, Vidhana Soudha, Majestic, City Railway Station, Magadi Road, Hosahalli, Vijayanagar and DeepanjaliNagar.

The North-South Corridor is 24.20 Kms long starting from Hesarghatta Cross terminal and goes upto Puttenahalli Cross via Jalahalli, Peenya Industrial Area, Peenya Village, Yeshwantpur industrial Area, Yeshwantpur, Soap factory, Mahalakshmi, Rajajinagar, Kuvempu Road, Malleshwaram, Swastik, Majestic, Chikkapete, City Market, K.R. Road, Lalbagh, South End Circle, Jayanagar, RV Road, Banashankari and Jayprakash Nagar.

Out of the 42.3 km., 8.8 km. is underground near City Railway Station, Vidhana Soudha, Majestic, Chickpet and City Market and the rest 33.5 km will be elevated.

The funding pattern is, 14.1% equity would be from each of the Governments Gol and GoK. Subordinate debt would be 9.4% from Gol and 19.1% from GoK. Remaining 43.3% would be from borrowings from JICA, AFD, HUDCO and ADB.

The utilities shifting work for the project utility started from 2nd October, 2006 on MG Road and the first civil construction work was in Eastern corridor i.e., Reach 1 (Baiyyappanahalli to MG road- 6.7 Kms) and it started in April 2007.

The Reach 1 (Baiyyappanahalli to MG road- 6.7 Kms) was commissioned on 20th Oct 2011 for public and the cumulative ridership by the end of Oct 2014 The Reach 3 and 3a (Sampige Road to Peenya 10.3 Kms with 10 stations) was commissioned on 1st March 2014 for public.

The approximate ridership since inception is 250 Lakhs.

Rs.in Lakhs

**Table: 6.17 Financial Progress of SFC Grants from 2008-09 to 2014-15**

ature of Grants	Grants Released							Expenditure Incurred						
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
SFC Tied grants	11571	13076	14383	15821	13053	9500.71		11571	13076	14383	15821	13053	9500.71	
SFC untied Grants	15671	20334	17166	17749	15563	9400.06	41316.82	15674	20334	17166	17749	15563	9400.06	41316.82
Street Light adjustment	7807	5937	6430	7394	6100	4666.66		7807	5937	6430	7394	6100	4666.66	
13 <sup>th</sup> Finance Commission Grants	-	-	4134	9603	8632	3000.17	6838.06	-	-	4134	9603	8632	300.17	6838.06
12 <sup>th</sup> Finance commission Grants	1748	1422	-	-	-	-	0	1748	1422	-	-	-	0	0
Special Development grants	20000	-	30000	75000	10000	-	16800	20000	-	30000	75000	10000	0	16800
Chief Minister Urban Development Scheme	-	-	-	-	-	6333	31100	-	-	-	-	-	6333.00	31100
Total	56797	40768	72119	125171	533348	32900.06	96054.88	56979	40768	72113	125171	53348	30200.60	96054.88

### Progress Status of Phase-1

The project has 151 milestones. As at the end of 31.10.2014, 118 have been achieved and 14 are under progress. The progress in terms of weightage is 87.0% and the progress for the current year is 7% (The progress in October 2014 is 0.5%). The financial progress is 87%. The planned cumulative physical target upto 31st March 2015 is 93%.

### Phase-2

It consists of Four Extensions to the existing lines and Two New Lines (R.V. Road to Bommasandra and Gottigere-IIMB-Nagawara) with a total length of 72.095 km and 61 stations (49 Elevated and 12 Underground). The State Government commissioned DMRC for preparing a Detailed Project Report.

While the Four Extensions will give the much needed last mile connectivity to the commuters, the Two New Lines traverse through some of the densest and high traffic density affected areas of Bangalore. The Phase-2 will also bring connectivity to the Electronics Industry and Information Technology Park. The Phase-1 (42.3 km) and Phase-2 (72.09 km), together will create a Metro Network of 114.39 km, with 101 Stations (81 Elevated, 19 Underground and 1 At-Grade) and will bring about a total transformation in the city's urban transportation scenario and as such network will be capable of carrying 14.80 Lakh passengers per day in the year 2016-17. It will considerably reduce the traffic congestion; will bring in its wake, fast, comfortable, safe, pollution-free and affordable mass transportation system for the Bangaloreans, which in turn will contribute to further development and prosperity of Bangalore.

### Four extensions to Phase-1

- Baiyappanahalli to ITPL – Whitefield
- Mysore Road Terminal to Kengeri
- Hesaraghatta Cross to BIEC

- Puttenahalli Cross to Anjanapura Township

### Two New lines

- R.V. Road to Bommasandra
- Gottigere to Nagawara

### Progress Status of Phase-2

- Project has been approved by Govt. of India and State Govt.
- Geo technical surveys have been completed
- Land acquisition process has been started
- Discussions with other civil agencies are started for shifting of utilities
- Calling of Tenders for execution of works are started

### Centrally Sponsored Mega City Scheme

Govt. of India has launched the Centrally sponsored Mega City Scheme during 1995 . Under the Scheme Rs.241.75 Crores from Govt. of India and Rs.241.75 Crores from Govt. of Karnataka received as Grant. KUIDFC is appointed as Nodal Agency for the Mega City Scheme. The Total Grant amount of Rs.483.50 Crores was lent to different implementing Agencies as loan for 55 infrastructure projects.

- The implementing agencies in Bangalore are:
  - 1 Bruhat Bangalore Mahanagara Palike (BBMP)
  - 2 Bangalore Development Authority (BDA)
  - 3 Bangalore Water Supply and Sewerage Board (BWSSB)
  4. Bangalore Metropolitan Transport Corporation (BMTC)
  5. Karnataka Slum Clearance Board (KSCB)
  6. Karnataka Compost Development Corporation (KCDC)



7. Karnataka State Road Transport Corporation (KSRTC)
8. Zoo Authority of Karnataka (ZAK)
9. Bangalore Metro Rail Corporation Ltd (BMRCL)

The projects taken up under the Mega City Scheme and rates of interest charged for lending loan towards the projects are categorised as follows:

Category A- Remunerative Projects  
- 6.5 % p.a

Category B- Cost Recovery Projects  
- 5.5 % p.a

Category C- Service Oriented Projects  
- 4.5% p.a

- A moratorium period of 2 years is allowed on the loans and the repayment of loan and interest is made in quarterly instalments over a period, which varies, from 3 years to 8 years.
- The scheme was closed on 31.3.2005 by GoI & was replaced by introduction of JnNURM on 3.12.2005.
- Under the Guidelines of the Megacity scheme, a 'Mega City Revolving Fund' was constituted out of the repayments received on the loans advanced to IAs and the interest earnings thereon
- M C R F (Megacity Revolving Fund)
- Status of Projects sanctioned under Mega City Revolving Fund as follows (As of 30.10.2014):

Total No. of projects sanctioned  
: 11

Total Cost of projects sanctioned  
: Rs. 1332.55 crores

On 06.02.2014 In 29th SLSC Meeting  
: 10

Sanctioned Projects  
: Rs. 1289.21 Crore

Total Loan Sanctioned for the projects  
: Rs. 663.49 crores

Total Loan Sanctioned for the projects  
: Rs. 577.88 Crore

The total loan released by KUIDFC to Various Implementing agencies

: Rs 597.46 crores

Total No. of projects completed

: 3

Total cost of projects completed

: Rs. 541.13 crores

Total No. of projects under Progress

: 9

Total cost of projects Under Progress

: Rs. 791.42 crores

### **New Initiatives:**

City Cluster Development & Heritage Based Development

#### **City Cluster Development:**

City Cluster Development (CCD) is an urban led strategy towards promotion of economic and social development under which closely located areas of human settlements are linked together functionally, structurally and spatially to form an integrated urban region. Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) have conceptualized CCD around Bangalore on the lines of Asian Development Bank's City Cluster Development guidelines. The Government of Karnataka, in its order No.UDD 45 PRJ 2012 dated 28.01.2013, has approved ADB funded City Cluster Development Project at a total project cost of US\$ 450 Million or Rs.2100 Crore for Phase-I with sharing pattern in the ratio of 67:33 between ADB (US \$ 300 Million) and GoK (US \$ 150 Million). The Cabinet in its meeting held on 31.1.2013, has accorded approval for the project. KUIDFC is nominated as the coordinating and implementing agency on behalf of Govt. of Karnataka for this project.

#### **Heritage Based Development**

The KUIDFC is planning for a state-level heritage based urban development program for Karnataka aimed at improving the quality of life and socioeconomic development opportunities in heritage towns and cities through the enhanced

conservation and management of the state's unique heritage assets. The program would be the first-of-its-kind in India and is expected to serve as a demonstration model to other states interested in better preservation of their heritage to generate lasting development impacts in cities and towns with unique heritage assets. The proposed program aims at improving the quality of life and economic opportunities in heritage towns/cities through the enhanced conservation and management of Karnataka's unique heritage assets. The estimated cost of the project is approximately US \$ 150 million and KUIDFC is looking forward to seek financial assistance from World Bank to fund this project.

KUIDFC is the nodal agency on behalf of GoK for coordinating with Indian Heritage Cities Network Foundation (IHCN-F) at Mysore which has been formed with the active support of the Ministry of Urban Development GoI and the initiative of UNESCO and to promote heritage based urban development. IHCN-F will provide technical assistance, conduct trainings and help in capacity building and also involve in the development of heritage based master plans. It is also proposed to develop Heritage Master Plan for Bijapur, Bidar, Gulbarga and Badami on priority basis by the Heritage Planning Cell. The HPC work will lead to area based or precinct development schemes for these cities. And it is proposed to take up heritage based urban infrastructure works in Bijapur, Gulbarga and Badami. Indian Heritage Cities Network Foundation are preparing Heritage Resource Plans for Bidar and individual consultants are hired for Bijapur, Gulbarga and Badami for preparing the area wise development plan and DPRs.

#### **Municipal Reforms Cell –DMA**

- Is an exclusive cell dedicated for municipal reforms.
- Managed by Senior KAS and KMAS Officers and Professionals hired directly

from the market.

- The cell has in house Data Center with centralized software applications
- Responsible for business process re-engineering, Design, Development, implementation, O & M along with monitoring the usage of e-Governance applications.
- Provides in house hands on training for ULB, DUDC and DMA officials.

#### **Reforms in Service Delivery**

##### **Phase-I**

- Fund-based Double Entry Accrual Accounting System (FDEAAS)
- Aasthi- GIS-based Property Tax Information System (schematic GIS)
- Birth & Death Registration and Certification System (B&D)
- Public Grievance and Redressal System (PGR)
- ULB Website

##### **Ongoing :**

- Jalanidhi or Water Tariff
- Asset Management System

#### **d) Bangalore Development Authority (BDA):**

The Bangalore Development Authority (BDA) established on 16th January 1976 under a separate act of the State Legislature viz the BDA Act 1976. The Authority has been established with the goals of planning function of the City Planning Authority and the developmental functions as in the erstwhile city improvement Trust Board (CITB) Bangalore is a metropolitan city covering an area of 1306 sq mts attracting people around the world. The Authority also having aims at checking the haphazard and irregular growth of the city. The Garden City has a glorious past track records with varied culture life style and has very salubrious climate.



**Objects of the Authority are as follows.**

The objects of the Authority shall be to promote and secure the development of the Bangalore Metropolitan Area and for the purpose the Authority shall have the power to acquire, hold, manage and dispose of movable and immovable property, whether within or outside the area under its jurisdiction. To carry out building, engineering and other operations and generally to do all things necessary of expedient for the purpose of such development and for purpose incidental thereto.

Bangalore Development Authority also performs and development functions as per the direction of the Government as issued from time to time such as preparation of Development plan for Group Housing and Layouts, Approval of building plans (BDA Jurisdiction), Other statutory functions under KTCP Act, formation of Ring Road to minimize traffic congestion and facilitate commuters to reach their destination quickly. Rejuvenation of tanks which are vital for all living beings and increase the ground water level, Construction of Fly over to prevent traffic jam and provide safe, speed and smooth transport planning and implementation Schemes to provide for Residential/Commercial/ Industrial/Civic Amenities sites/Parks & Play Grounds, construction of Commercial complex/ construction of houses to Economically weaker section & Development of Major infrastructure facilities etc.

**Construction of Houses for EWS:**

The Government of Karnataka has allotted 323 acres of land for the formation of Housing Projects for the members of Economically weaker Section of the Society 190 Acres of land has been handed over to BDA for Construction of houses for Economically Weaker Section of the Society. Land cost of Rs. 40.00 crore is already paid to the Government. BDA has taken up construction of about 30000 Housing units in 18 different places at Bangalore. Four project at Valagerahalli

Ph-1, 2 & 3 Nandini Layout are completed other projects were nearing completion. The allotment of Flats is in progress. So far is Rs. 497.00 crore has been expended.

**The formation of peripheral Ring Road**

The formation of peripheral Ring Road at an estimated cost of Rs. 5.800 crore will be taken up with the Financial Assistance from JICA. The loan proposal is under process and the sanction is expected. Government order dated 19.01.2013 is issued and accorded approval for the payment of Land Compensation in the form of cash or TDP or develop land at 60:40 ratio. For the Financial Year 2014-15 Rs.100 crore provision is made.

**Development of Lakes**

Bangalore Development Authority has taken up 45 lakes for Development rejuvenation 12 lakes have been developed & rejuvenated at a cost of Rs. 104.61 crore & have been opened to the public. For the Financial Year 2014-15 Rs. 80.00 Crore provision is made towards Rejuvenation & Development of Lakes of Rs. 15.00 crore is made for need plantation in BDA layout.

BDA has so far formed 64 layouts and allotted 1,44,453 sites of different dimensions, out of which 18,173 sites have been allotted to SC categories and 4194 sites allotted to ST Categories and 2796 Sites have been allotted to Category-A. And A total of 1317 Civic Amenity sites have been allotted so far.

For providing Major infrastructure works in Bangalore Metropolitan city, BDA has spend about Rs.678.52 Crore during the period from 2010-11 to 2013-14. For the financial year 2014-15 Major infrastructure works for an estimated amount of Rs.1583.00 crore are under progress/to be taken up.

Bangalore Development Authority has proposed the formation of five new layouts with the joint participation of land owners. It is proposed to share developed land in lieu of land compensation. About 1.60 lakh sites of various dimensions are proposed to

be formed in the five new layouts. The new layouts are namely Nada Prabhu Kempegowda Layout, Dr.Shivarama Karanth Layout, Sri.D.Devaraju Urs Layout, Sri.S.Nijalingappa Layout & Sri.K.C.Reddy Layouts.

Nadaprabhu Kempegowda and Arkavathi layout are proposed to be formed for payment of land compensation for Nadaprabhu Kempegowda layout and execution of civil works is both layouts a provision of Rs. 400.00 crore is made in the Budget Estimate. **(Table 6.18)**

### 6.7 Urban Governance:

The reality of urban governance in Karnataka and in India general, in the context of a local government, stands in contrast to the philosophy of the Constitution. The colonial authoritarian structure of city governance continues to this day with resistance to sharing political power with local urban institutions. It is therefore, one could find a scenario where apart from urban local bodies, there is a host of parastatal Urban Development and departmental agencies dealing with urban services. This is particularly so in metropolitan cities where there are separate government agencies dealing with water

supply and sewerage, transport, land and infrastructure development etc.

### 6.8 Master Planning:

#### (a) Integrating spatial planning with economic development planning

Urban planning in the State, as in the rest of the country, has been mostly identified with town planning or land use, planning. It is necessary to broaden the vision of the urban planning process and integrate spatial planning with economic development planning. The 74th CAA has provided a new framework to the planning process and mandates:

- Constitution of a District Planning Committee at the district level charged with the responsibility of preparing a draft District Development Plan.
- Constitution of a Metropolitan Planning Committee in every metropolitan area which would be responsible to prepare a draft development plan for the metropolitan area.
- Municipalities to be responsible for urban planning including town planning and for preparation of plans for economic development and social

**Table 6.18: The Revenue and expenditure details for the last Seven years are as follows:**

Sl No	Year	Budget Estimate		Accounts	
		Receipts	Payments	Receipts	Payments
1	2007-08	2467.22	2446.53	682.95	269.22
2.	2008-09	2349.19	2317.41	502.66	467.19
3.	2009-10	3180.74	3713.92	413.57	910.28
4.	2010-11	3650.08	3643.64	446.35	696.66
5.	2011-12	5074.02	5067.65	646.97	721.54
6.	2012-13	4927.27	4925.43	749.17	1050.42
7.	2013-14	1946.32	1944.33	954.60	1073.73
8.	2014-15	1999.55	1998.42	230.00	245.25

justice. The Constitution does not provide for planning at the state level which is guided by the Five Year Plan. From the perspective of urban development, however, it is essential to formulate a spatial plan at the state level.

### **(b) State Level Spatial Planning**

The approach to urban development in the Five Year Plans has been ad hoc and piecemeal. As pointed out by the National Commission on Urbanisation, there has been a lack of spatial concern in the planning process, and no efforts have been made to link the process of urbanization with the general pattern of economic development. Spatial planning deals with a hierarchical system of settlements and plays a vital role in investment decisions depending on the growth potential of different settlements. Planned economic development should take into account the locational aspects of development. The objective of spatial planning is to generate a process of spatial development which optimizes utilization of resources, reduces regional, spatial and economic imbalances, strengthens rural and urban relationships, protects the environment and maintains an ecological balance (NCU). A State-level Perspective Spatial Plan must be prepared highlighting policies relating to the development of the thrust areas of the State like development of natural resources, regional development, settlement pattern, population distribution policy, transportation networks, water and power supply systems, areas of tourist interest and environmental issues.

### **Regional Development**

The Industrial Policy of the state aims at industrialization in backward regions and also development of industrial corridors and identifying potential locations to set up industries. In this context, it is essential to identify a spatial configuration of the existing and future urbanization in or near cities and along emerging urban corridors.

### **(c) Planning for metropolitan areas**

Although Bangalore is the only metropolitan city in Karnataka at present, Hubli- Dharwad and Mysore are fast emerging as metros and as such, it is necessary to plan for orderly development of these three metropolitan areas in the State. The Bangalore metropolitan area covers an extent of about 1307 sq. kms of which about 420 sq kms is earmarked as agricultural land or green belt. The Bangalore City Corporation or BBMP which has been extended recently from an area of 223 sq. kms to 709 sq. kms comes within the metropolitan planning area. The Bangalore Development Authority is the Planning Authority for the metropolitan area and is also responsible for land development and housing. With increasing urbanization in its hinterland, Bangalore is facing enormous challenges in providing infrastructure and services to meet the needs of the growing population. The BMRDA was set up in 1985 to address the problems of the region and prepare a Structure Plan. But this Authority has not been able to function in the manner envisaged by the law makers.

The Expert Committee on the Governance of Bangalore has suggested setting up a Metropolitan Planning Committee for the Bangalore Metropolitan Region (8,000 sq. kms) covering Bangalore Urban, Bangalore Rural and Ramanagaram districts. The composition, powers and functions of the MPC as recommended by Expert Committee may be adopted. In order to deal effectively with the planning and development issues of Hubli- Dharwad and Mysore, Metropolitan Planning Committees must be set up for these two cities now itself without waiting for the next Census in 2011 when their population will go beyond one million. The physical jurisdiction of these two metropolitan areas must be carefully demarcated taking into consideration the peripheral outgrowths and potential for urban expansion.

**(d) Planning at the city level**

Under the Constitution, urban planning and town planning as also social and economic development and protection of the environment are functions to be performed by the urban local bodies. However, in Karnataka, these responsibilities have not yet been assigned to the municipalities. Once the scope of the municipal functions is expanded, municipal management will acquire a new dimension. To the traditional municipal functions of water supply, sanitation, solid waste management and regulatory functions such as licencing, construction of buildings, regulation of food establishments etc, will be added planning and development functions. At present, Master Plans under the KTCP Act are prepared by the Local planning Authorities or UDAs. Under the JNNURM, the Municipalities are expected to prepare a City Development Plan. The present practice of having a master plan, a city development plan and a comprehensive development plan should be given up. Only one plan should be prepared at the city level which includes the spatial plan, development plan and development control measures and such plan should be prepared by the Municipality. The capacity of ULBs should be enhanced to take on planning responsibilities.

The time frame for different plans will be as follows:

- (a) A 15 – 20 year Spatial Perspective Plan for the State.
- (b) A five year development plan for the district/ metropolitan area.
- (c) A five year plan for each municipality with city / town.
- (d) Annual plan for the district and the local body with budgetary allocations.
- (e) Town and Country Planning

Preparation of Master Plans for the orderly development of Cities, Towns and Villages in the State and providing technical

assistance to Urban Development Authorities, Planning Authorities and Local Bodies in the State for implementation of these plans and schemes are the major activities of the Department.

The Karnataka Town and Country Planning Act, 1961 has been extended to 132 Urban Centers in the State and Authorities have been constituted to these Urban Centers after declaring Local Planning Area. Accordingly, in addition to Bangalore Development Authority, 28 Urban Development Authorities and 39 Planning Authorities are functioning in the State and in respect of 64 Towns, Municipal Areas have been declared as Local Planning Areas and the respective Municipal Councils are functioning as Planning Authorities., As per 74th Constitutional Amendment Act local bodies are required to function as Planning Authorities and have to perform the planning functions. The Department is assisting these Planning Authorities in preparation of Master Plans for the respective L.P.A. As on date Government has approved Master Plans for 97 Cities / Towns in the State.

The Department is extending technical assistance to Karnataka Housing Board, Karnataka Industrial Area Development Board, Karnataka Slum Clearance Board, Revenue Department and such other Departments involved in the urban and rural settlements. Further, the Department is extending technical assistance to local bodies / departments in the preparation of Town Extension Schemes, Development / Improvement Schemes, Rehabilitation Schemes, Ashraya Schemes and other such schemes.

In the last 1 year the progress achieved by the department is as follows;

- Master Plans for 05 Cities / Towns have been approved by Government.
- Preparation of Scientific base maps for the urban areas of the state are being taken up in stages under various projects.



- Preparation of base maps using Satellite images and total station survey is being taken up under the KMR project for 31 urban areas in 4 packages. Work is under progress by M/s N.K. Build con for package-1 for 11 towns and for the other 3 packages, process is in different stages of implementation.
- KTCP Act 1961 has been extended to 15 Municipal / Town Panchayat Areas and these Municipalities / Town Panchayats have been declared Municipal / Town Panchayat Planning Authorities.
- As per the Central Government reforms agenda to issue property title certificate, the maps for Hassan city using total status is taken up the work is under progress by M/s Secon Private Limited.
- Under the central Government Sponsored NUIS scheme, preparation of base maps for 06 urban areas is on going. This project is funded by the central and state government on the 75 / 25 basis. KGDC, SOL and NRSC have prepared draft maps and work is in progress.
- The state government has taken up the project of computerisation of all Urban Development Authorities / Planning Authorities / Municipal Planning Authorities and Department of Town and Country Planning on the estimated cost 4.5 crores, out of which 1.5 crores has been released by State Town Planning Board. The same project is entrusted to Karnataka Municipalities Data Society. As a pilot project, website for Shimoga Urban Development has been created and is ready to be launched similar websites Mysore, Belgum, Tumkur, Bellary and Gulbarga are also created and for rest of the UDA's work is in progress.

Sl.No.	For UDA's	P.A's	MPA's	ADTCP's
1.	Shimoga Mysore	Gokak Chickeballapura Chintamani	Kampli Arseikere	Tumkur Mandya

### 6.8.1 74th Constitutional Amendment Act:

The passage of 74th CAA has provided new opportunities for urban governance reforms in the country. The municipal bodies have for the first time been provided the constitutional status of the third tier of government. They have been vested with increased responsibilities as a result of the devolution of 18 functions through the 12th schedule to the Constitution. Clearly, the intention of the Constitution is to provide a democratic structure of governance at the local level.

Local democracy is based on the principle of subsidiarity i.e., functions which are local in nature should be performed by the local government. Thus, public health, water supply, sanitation, public works, public safety, welfare, recreation and regulation of construction, food and trade activities all come within the domain of the local bodies. Besides these traditional core functions of municipalities, the Constitution has included certain other functions like planning for economic development and social justice, urban poverty alleviation, and urban and town planning. However, while recognizing local governments and providing a list of functions which could be performed by them, the Constitution does not directly endow them with any functions, responsibilities and powers. They derive their powers and functions from the States through specific legislation. Thus, in practice, it is the state governments which determine the degree of autonomy of the local bodies.

#### New Institutional Arrangements

The image of local government is equally characterized by democracy and efficiency. This should be the guiding principle. The elected representatives formulate the policy and set the targets. The administration's task is to support the elected representatives in this endeavor and reach the defined targets without detailed political supervision. The present system of

separation of powers between the deliberative wing (the Council) and the executive wing (the Commissioner and his staff) must be replaced by a system where political responsibility and accountability go together. This is possible only if the executive powers are vested in the elected representatives. The following alternative proposals can be considered : (i) Directly elected Mayoral system (ii) Mayor-in-Council System (iii) Ward Committees (iv) Neighborhood Area Committee (NAC) (v) Functions of Municipalities, (vi) Role of parastatals, (vii) Capacity building (viii) participatory city governance (ix) citizen participation in neighborhood improvement and (x) legal framework.

### **6.8.2 Development Programmes:**

#### **Jawaharlal Nehru National Urban Renewal Mission (JNNURM)**

The Mission aims at creating economically productive, efficient, equitable and responsive cities. It is being implemented in the cities of Bangalore and Mysore in Karnataka with KUIDFC as the Nodal Agency. The Mission includes 67 urban development projects and 35 urban reforms, thereby acts as a Catalyst of Urban Growth.

#### **Phase I : UIG Sub-Mission :**

39 projects at an estimated cost of Rs. 2887.19 crore are being implemented in Bangalore. 29 projects have been completed till date, including 6 Underpass, 2 flyovers, 1 Grade separator, 2 Road works, 2 Drinking water supply projects, 10 TTMC, 5 public transport and 1 UGD project have been completed at a cost of Rs. 980.51 crore. 2053.21 km of UGD lines have also been laid till date under Phase I.

10 projects at an estimated cost of Rs. 878.65 crore are being implemented in Mysore. Transport infrastructure facilities at TTMCs procurement of 150 buses for public transport, ITS & IES Project for Mysore city, Water Management through Rain Water Harvesting at ZOO in Mysore city have been completed during Phase I at a cost of Rs. 156.84 crore.

#### **BSUP Sub-Mission:**

Construction of 28,118 Dwelling Units with all essential civic services and infrastructure in 150 slums benefitting 1,41,440 dwellers have been sanctioned at an estimated cost of Rs. 584.83 crore for Bangalore and at an estimated cost of Rs. 258.84 crore for Mysore of which 24,006 DUs in all have been completed and 3505 DUs are under construction.

#### **Reforms:**

States are mandated to undertake Reforms under JnNURM. Out of the 35 mandated reforms, 33 have been fully implemented, making Karnataka the FIRST in the country with 95.9% calibration for Reforms according to MoUD.

#### **Successful Initiatives - UIG**

**Bangalore:** The Project, "Installation of Bulk Flow Meters on City Distribution Mains" completed in December 2009 at a cost of Rs. 12.49 crores has enabled instant checks of leakages in water supply and distribution resulting in significant reduction in leakage and gain in revenues besides the considerable environmental benefit of savings in Potable water and social impact due to equitable supply of water to the citizens of the city. The Project, "Augmentation of Drinking Water from CWSS, Stage IV-Phase I by additional 100 MLD for 7 municipal councils" completed in December 2007 at a cost of Rs. 15.83 crores has improved per capita supply as also in the 72 wards of ULBs which were merged with PIA service area. There is increase in the number of metered connections to 30,450 with plans for doubling this number. The social and economic contribution due to provision of Potable water is significant.

**Mysore:** The Project "Intelligent Transport System & - Innovative Environment System for Mysore City" completed in November 2013 at a cost of Rs. 22.24 crore, is the first of its kind project in the country transforming public transportation system. With end to end seamless merging of technologies, the system provides real time



information of bus service across 500 Buses, 80 Bus Stops and 2 Bus Terminals, with state of the art Vehicle Tracking System, Central Control Station, Passenger Information Management System, Communication Sub System, Travel Demand Management, Incident and Emergency Management System and Operational and Maintenance Specification Fleet Management System. The socio-economic benefits of the project are incalculable.

#### **Successful Initiatives – BSUP:**

Pantherapalya slum is situated near Rajarajeshwarinagar in land of 6 A. 4 G. declared by KSDB during 2001. There are 1088 families with 6000 population belonging to different sections of the society.

The dwellers were facing problem of adequate shelter, roads, streetlights, drainage, Potable water and individual toilet. Absence of basic amenities created many health and environmental problems, which lowered the quality of life of the dwellers.

This slum was selected under Ph I project of JnNURM-BSUP to provide housing and infrastructure of slums. **Table 6.19**

Community participation is adopted during planning as well as implementation stages, ensuring quality of construction and were made responsible for community services and maintenance of these facilities.

#### **Successful Initiatives – Reforms:**

JnNURM scheme also has an inbuilt Reforms Mechanism for better Citizen Services by the ULBs. Out of 35 mandated Reforms 33 Reforms are fully implemented and Karnataka stands FIRST in the Country by scoring 95.9% in Reforms calibration by Ministry of Urban Development (MoUD). The Major reforms that need to be mentioned are: implementation of 74th CAA, Public Disclosure law, enactment of Community Participation Law, integration of city Planning Functions, E-Governance Applications, Administrative and Structural Reforms, Earmarking of Municipal Budget to the Urban Poor, Computerization of Land Records, Repealing Urban Land Ceiling Act, Property Tax Reforms, Municipal Accounting Systems, conversion of Agriculture land to Non-Agriculture Land, System of Property Title Certification, Streamline Building Plan Approvals, Basic Services to the Urban Poor, PPP, etc.

**Table 6.19: Details of Ph I project of JnNURM-BSUP**

Number of DUs	1088 (G+3)
Project Cost including infrastructure	Rs. 2310 lakhs
Cost per DU excluding infrastructure	Rs. 1.80 lakhs
Carpet area	25 sq. m.
Date of start	18-11-2009
Services	Connected to City water supply UGD and Electrical Lines. Concrete Pavement.
Status	Fully occupied
Other Amenities	Schools & Medical facilities adjoining
Connectivity	Bus services available, Metro under construction, State Highway adjoining and Nearest Railway Station within 100 m.

**New Initiatives:****Transition Phase:**

MoUD is presently considering projects for sanctioning under Transition Phase. Under UIG Sub-Mission, 7 projects have been sanctioned for Bangalore and Mysore, of which 2 projects at a cost of Rs. 137.50 crore have been sanctioned for Bangalore and 5 projects for Mysore at a cost of Rs. 280.63 crore.

In the Urban Transport Sector, GOI has sanctioned projects worth Rs. 579.62 crore for Bangalore and Mysore, including 935 buses and 5 Depots. In Non-Mission cities, 1169 buses for 30 towns and Transit Infrastructure facilities for 18 towns have been sanctioned. In all 2104 buses and 23 Depots/ Bus Stands have been sanctioned for Karnataka.

**Capacity Building:**

The Arun Maira Committee, the Ramachandran Committee and the High Powered Expert Committee on Urban Infrastructure and Services (HPEC) recommendations and the experiences accumulated in implementation of Phase-I, JnNURM, have highlighted the need for capacity building as the key to improve governance and service delivery systems at State and ULB levels. Principal components are (i) Capacity development of ULBs for strengthened urban management and (ii) Creation of supporting structures and mechanisms at State and Central level to facilitate capacity building of ULBs. Karnataka has submitted CB proposals for 20 ULBs at an estimated Rs. 95.34 crore. CB Proposals for 15 ULBs at an estimated Rs. 62.01 crore have been sanctioned.

**Gaps and Constraints**

- Multiple stakeholding agencies and involved coordination and permissions.
- Transit accommodation not being provided under Mission, space constraints hinder logistics of construction management.
- Beneficiary participation in terms of accepting G+3 configuration, financial contribution, etc

**Challenges and Outlook of KUIDFC**

**Stakeholder & Agency Coordination:** the sheer extent of coordination and the number of stakeholders involved in the implementation of such highly ambitious and innovative infrastructure projects involve an immense level of coordination among those involved, resulting in complex project management issues. There is a need for detailed planning and sequencing of all involved activities including permission and involvement of various agencies & stakeholders right from the conceptualization & planning stages of the projects.

**Fund Management:** The infrastructure projects proposed require large quantum of financing leading to challenges in fund mobilisation, fund flow and accountability & ownership issues at various levels. Details project planning with emphasis on financial estimated and Agency commitment to adhere to financial targets are critical in prudent fiscal management economic growth.

**URBAN POVERTY ALLEVIATION****National Urban Livelihoods Mission – (NULM)****Background:**

As per the Govt of India Planning commission poverty estimates 2011-12, nearly 15.25% of the urban population in Karnataka is estimated to be below poverty line. Government of Karnataka has been implementing many poverty alleviation schemes in the urban areas. Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) is one such scheme being implemented by the

Department of Urban Development, Government of Karnataka, since December 1997.

Based on a systematic review of SJSRY, the Ministry of Housing and Urban Poverty Alleviation, GOI has decided to restructure/ rename of the SJSRY as “National Urban Livelihoods Mission” (NULM). NULM which is approved by the GOI on 24th September 2013 is to be implemented in a mission mode across the country with a clear objective of urban poverty reduction through the creation and strengthening of institutional platforms for the urban poor.

#### **National Urban Livelihoods Mission:-**

##### **Mission Statement:**

The State Urban Livelihoods Mission will aim “to reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment & skilled wage employment opportunities, resulting in appreciable improvements in the livelihood on a sustainable basis, through building strong grassroots level institutions of the poor”.

**Strategy:** NULM will adopt the following strategy.

- Building capacity of the urban poor, their institutions and the machinery involved in the implementation of livelihoods development and poverty alleviation programmes through handholding support;
- Building skills to enable access to growing market-based job opportunities offered by emerging urban economies;
- Training for and support to the establishment of micro-enterprises by the urban poor– self and group;
- Ensure availability and access for the urban homeless population to permanent 24-hour shelters including the basic infrastructural facilities like water supply, sanitation, safety and security;

- To address livelihood concerns of the urban street vendors by facilitating access to suitable spaces, institutional credit, social security and skills to the urban street vendors for accessing emerging market opportunities.

#### **NULM Mission Cities and Target Population**

In the 12th Five Year Plan, NULM will be implemented in all District Headquarter Towns and all other cities with a population of 100,000 or more as per 2011 Census.

The primary target of NULM is the urban poor, including the urban homeless. The Socioeconomic and Caste Census (SECC), 2011 for identification of urban poor is currently under progress. Accordingly, as an interim measure, the target of NULM will be the urban population identified presently as below poverty line population in urban areas by the States/UTs. The coverage may be broadened to include families of disadvantaged groups like SCs, STs, women, minorities, disabled etc.,.

**Components of the NULM:** NULM have the following 6 components

- Social Mobilisation & Institution Development (SM&ID)
- Capacity Building & Training (CB&T)
- Employment through Skill Training & Placement (EST&P)
- Self Employment Programme (SEP)
- Support to Street Vendor (SSV)
- Scheme of Shelter for Urban Homeless (SUH). **(Table 6.20)**

#### **Chief Ministers' Small and Medium Town Development Programme (CMSMTDP):**

CMSMTDP and NAGAROTHANA programme of Government of Karnataka are being implemented through the Directorate of Municipal Administration (DMA). The Urban Development Department is the overall implementing agency and DMA will act as a Nodal agency

**Table 6.20: Selected cities for implementation of NULM in Karnataka**

<b>Sl.No</b>	<b>Name of the Districts/City</b>	<b>Population as per 2011 census</b>
<b>The cities with population of 1 lakh and above</b>		
1	BBMP	84,18,567
2	Chitradurga	1,45,853
3	Davangere	4,34,971
4	Kolar	1,38,462
5	Robertsonpet	1,62,230
6	Bhadravathi	1,51,102
7	Shimoga	3,22,650
8	Tumkur	30,2143
9	Chikkamangalur	1,18,401
10	Mangalore	4,99,487
11	Hassan	1,55,006
12	Mandya	1,37,358
13	Mysore	9,20,550
14	Udupi	1,44,960
15	Bagalkote	1,11,933
16	Belgaum	4,90,045
17	Bijapur	3,27,427
18	Hubli- Dharwad	9,43,788
19	Gadag-Betageri	1,72,612
20	Ranebennur	1,06,406
21	Bidar	2,16,020
22	Bellary	4,10,445
23	Hospet	2,06,167
24	Gulbarga	5,43,147
25.	Gangavathi	1,14,642
26	Raichur	2,34,073
<b>The Districts Headquarter cities having less than 1 lakh population as per the 2011 census.</b>		
1	Ramanagaram	95,167
2	Chikkaballapur	63,652
3	Chamarajanagara	69,875
4	Karwar	77,139
5	Yadgir	74,294
6	Bangalore Rural Doddaballapur *	93,105
7	Madikeri	33,381
8	Koppal	70,698
9	Haveri	67,102

**NULM ACTION PLAN FOR 2014-15**

S. No.	NULM Component	Physical Target	Proposed Total Expenditure (Rs. Lakhs)	Central Share (Rs. Lakhs)	State Share (Rs. Lakhs)	% Central Share
1	SM & ID	4145	947.63	710.72	236.91	9.52%
2	EST&P	45440	5,202.24	3,901.68	1,300.56	52.25%
3	SEP	15256	678.71	509.03	169.68	6.82%
4	CB&T		900.68	675.51	225.17	9.05%
5	SUH	31 Cities	1,390.00	1,042.50	347.50	13.96%
6	SUSV	11 Cities	496.96	372.72	124.24	4.99%
<b>7</b>	<b>Sub-Total</b>		<b>9,616</b>	<b>7,212</b>	<b>2,404</b>	<b>96.58%</b>
8	A&OE		183.42	137.56	45.85	1.75%
9	IEC		157.21	117.91	39.30	1.50%
<b>10</b>	<b>Grand-Total</b>		<b>9,956.85</b>	<b>7,467.64</b>	<b>2,489.21</b>	

under this programme. The project finance is met out of Government Grants & Market Borrowings by Karnataka Water and Sanitation Pooled Fund Trust (KWSPF Trust). The approved action plan and status

of amount released & expenditure incurred details submitted by DMA as at the end of October, 2014 is furnished in the following **Tables 6.21 & 6.22.**

**Table 6.21: Approved action plan**

(Rs. in crore)

Project	No. of works	Amount (Rs.)
CMSMTDP - 1	8,301	1,453.28
CMSMTDP - 2	2,097	1,810.00
Nagarothana - 1	1,486	704.96
Nagarothana - 2	1,415	699.71

**Table 6.22: Status of Amount released and expenditure incurred**

(Rs. in crore)

Project	Release from Govt. (Rs.)	Release from Trust (Rs.)	Total release (Rs.)	Expenditure (Rs.)
CMSMTDP - 1	720.68	600	1,320.68	1,286.12
CMSMTDP - 2	465.16	-	465.16	366.82
Nagarothana - 1	700.00	-	700.00	663.80
Nagarothana - 2	350.00	70.00	420.00	360.56



### **Scheme for implementation of Commercial/ Infrastructure projects in vacant lands of ULBs**

The Government of Karnataka acting through Karnataka Water & Sanitation Pooled Fund Trust (KWSPFT) for which KUIDFC is the fund manager, plans to encourage Urban Local Bodies who own real estate of significant value, to unlock the values in these real estates, develop models on sound commercial basis for development of these lands with an aim to improve infrastructure and quality of public life.

The projects identified based on their commercial potential are in the nature of new commercial complexes re-locating existing markets, traffic and parking terminals. In about 11 ULBs, this activity was explored and pursued with the help of two financial consultants and transaction advisors, viz., M/s Feedback Infrastructure Services Private Limited and M/s CRISIL with whom KWSPF Trust has entered into an agreement. They will be providing end to end counselling in conception, structuring, implementation and completion of the projects. As of now, in respect all the 11 ULBs pre-feasibility reports are submitted by the Consultants of which 5 projects belonging to 3 ULBs viz., Chintamani, Chikkamagaluru and Moodabidre, were found prima facie viable to be taken up under PPP. The same is being pursued further.

The trust would assist in borrowing the funds on behalf of ULB's from the Banks/Financial Institutions/Bonds/Tax free bonds for PPP Projects, and complete hand holding for PPP Projects. The repayment of loan availed would be met out of revenue generated from the commercial assets.

#### **Initiatives Taken Up 2014-15**

1) Cabinet approval obtained for deployment of UIDF funds after having a scheme drawn up for its deployment.

- 2) Scheme envisages a broad based distribution of UIDF funds under three segments: commercial, semi-commercial, and social.
- 3) Objectives of the scheme is to promote infrastructure development by enabling ULBs to access market in a cost effective manner and providing in the process a source which is both long term and economical
- 4) Incentives built-in for ULBs adopting municipal reforms, displaying project implementation capabilities and focusing in social sectors. These incentives are given by significant discount on the lending rates.
- 5) Reduction in borrowing costs of the trust.
- 6) PPP 5 projects of 3 ULBs are finalized.

#### **Highlight of best practice and success stories:**

1. The entire CMSMTDP Programme is with a bifocal emphasis:
  - a) Enabling ULBs to access market funding through pooled fund mechanism in a cost effective manner by building up a sustainable structure of borrowing based on the rating of external agencies which are periodically revalidated.
  - b) To bring into ambit all small and medium towns/ULBs spread throughout the State by widening the geographical spread of capital expenditure throughout the state, to provide a congenial urban environment with its spin-off on the economic growth rate.
2. The UIDF scheme acts as an incentive to ULBs to gradually upgrade their skills in project implementation and induces social sector capital formation by moderating borrowing cost with rebate on Interest rates.



### 6.8.3 Externally Aided Projects:

#### **Karnataka Municipal Reforms Project (KMRP –World Bank assisted)**

The Karnataka Municipal Reforms Project (KMRP) aims to improve the quality of life of citizens by improving the delivery of urban services and promoting good governance among the urban local bodies (ULBs). KMRP addresses the need to strengthen institutional and financial frame works in Urban Service Delivery at ULB level. The total funding for this project is Rs.1364 cr and expenditure, as on October 2014, is Rs. 1078 cr The component wise expenditure are as follows;

The Component wise progress is as follows:

#### **Institutional Development Component: (Rs. 102.4 Crore)**

This component includes support for implementation of state wide reforms namely implementation of Double Entry Accrual Based Accounting system in 158 Urban Local bodies (ULB) and Computerization of Municipal functions in 164 ULBs of the State. A separate “Municipal Reforms Cell” under the control of the Directorate of Municipal Administration has been created for this purpose. The computerization of municipal functions covers 5 modules namely ULB website, Public Grievance Redressal, Birth and Death Certification and GIS based Property Tax information. Of which, the first 4 modules have been completed and are live. GIS based property tax system module is live in 154 ULBs and implementation is underway in the balance 10 ULBs. The Double Entry Accrual Based Accounting module has been completed and the same is live in 158 ULBs.

This component also supports preparation of Geo referenced base maps for 28 urban areas. A dedicated “Urban Mapping Cell” has been constituted under the control of Directorate of Town and Country Planning to oversee the implementation. The preparation of Geo referenced base maps is completed in 11 towns. The preparation of Maps using Total Stations Survey is

completed at Hassan. The preparation of Geo referenced base maps is under way for 16 towns.

It is also proposed to build the capacity of the ULB officials and elected representatives in identified 21 areas under this component for which the State Institute of Urban Development (SIUD), Mysore has been appointed as the nodal agency and the trainings are underway. Training on computerization of Municipal Functions and Accounting Reforms are underway through Municipal Reforms Cell. So far, 24,618 personnel have been trained.

#### **Municipal Investment Component: (Rs. 419 Crore)**

This component provides investment support for urban infrastructure improvement in selected 32 ULBs of the State. The ULBs have been grouped into 4 packages having 9, 5, 10 and 8 ULBs. Out of a total 91 works contract proposed under this component, 56 have been completed, 31 are under progress and 4 are in different stages of tendering.

#### **Bangalore Development Component: (Rs. 791 Crore)**

Bangalore Road Rehabilitation component supports rehabilitation of about 125 kms of core city road network including improvement of foot path, drainage etc. The road rehabilitation work has already been completed by the BBMP.

Greater Bangalore Underground Drainage Program under the project supports construction of underground (UGD) sewerage network of about 2314 Km & about 210,000 House Service Connections (HSC). This component has been dovetailed with JNNURM program with the approval of GoI and an additional amount of Rs. 383.44 Cr has been made available to BWSSB for meeting the additional cost. So far, 2102 Km of sewer lines have been laid and 1,49,102 HSCs are provided. About 1369 LCS units have been constructed in the slum settlements under the Greater Bangalore pro-poor sanitation program.

### North Karnataka Urban Sector Investment Programme (NKUSIP)

The North Karnataka Urban Sector Investment Programme (NKUSIP) is the third Asian Development Bank assisted urban development project in Karnataka. The expected impact of the Investment Program is improved urban infrastructure and services resulting in overall improvement of quality of life in the ULBs, where this programme is being implemented. This will lead to increase in economic opportunities and growth in north Karnataka, and reduced imbalances between north Karnataka and the rest of the state.

25 towns are covered under this program. The project cost is Rs.1980 Crore out of which, ADB loan is Rs.1188 Crore and Government of Karnataka share is Rs.792 Crore. The major components under the program are water supply, sewerage, storm water drainage, road improvement, slum improvement and non-municipal infrastructure such as fire & emergency service, tourism & information and lake development.

ADB's Multi- tranche Financing Facility (MFF) is utilized for the programme. All four tranche loans have been signed and three have been made effective. 29 contracts are completed, 55 contracts are in progress, 2 contracts are terminated, procurement for 13 contracts are in progress. The Tranche 1 has been closed financially. The fourth and final Tranche loan was signed on 16th September 2014. The Tranche 4 lays emphasis on provision of 24 X 7 water supply in 12 Program ULBs apart from sewerage works in 3 ULBs, road improvement works in 2 ULBs and lake improvement works in 1 ULB. Advance action was taken for tendering all packages under Tranche 4 prior to signing of the loan.

The overall financial progress for the financial year 2014-15, by the end of September 2014 is Rs.104.74 Crore as against the budget allocation of 300.00 Crore.

The highlights of NKUSIP are as follows:

- Based on the lessons learnt from previous project, the implementation is done on decentralized perspective.
- Advance action is being taken for acquisition of land, securing permission from the line agencies prior to contracting the packages.
- Implementation of 24 X 7 water supply sub-projects at a cost of about Rs.400 Crores adopting Performance Based Management Contracts. This will benefit about 3,00,000 households in 13 ULBs.
- Community Development Programme activities through NGOs in each of the program towns is being done to ensure sustainability of initiatives.
- Urban mapping in selected Program ULBs through Aerial Photogrammetry and Satellite Imagery.
- State of art Sewage Treatment Plants are being constructed in Hubli-Dharwad, Davangere and Gulbarga.

### KIUWMIP:

Government of Karnataka has accorded approval to the implementation of Karnataka Integrated Urban Water Management Investment Programme (KIUWMIP) with the assistance of ADB for tranche-1 and tranche-2 towns (4 each) vide GO No. UDD/214/PRJ/2013 dt.20.09.2013.

Under Tranche-1 of the programme, it is proposed to implement 24X7 water supply and improve sewerage system in 3 towns viz., (i) Davanagere (ii) Harihar (iii) Byadagi located in the lower reaches of the "Upper Tungabhadra Sub-basin" (pilot sub-basin), at an estimated cost of \$115 million.

### Status :

- 1) **Tenders** : The works of Davangere Sewerage, Harihara Sewerage and 20 mld and 5 mld STP at Davangere have been tendered. Davangere Sewerage

and Harihara sewerage price bids are under evaluation. The closing date for submission of bids for 20 mld and 5 mld STP at Davangere is 06.10.2014. The DPRs of Byadagi Sewerage and 24x7 water supply of Tranche 1 towns are under finalisation.

- 2) Consultants :** With respect to appointment of consultants for FMIDC & PMDCSC, draft Agreements are shared with IPE Global Pvt. Ltd and Lahmeyer GWK Consult JV respectively.

**Karnataka Urban Development and Coastal Environmental Management Project (KUDCEMP)**

The Karnataka Urban Development and Coastal Environmental Management Project (KUDCEMP) has been taken up with financial assistance from the ADB (Loan No. 1704- IND) in the following ten towns of coastal Karnataka viz., Dakshina Kannada District : Mangalore, Ullal & Puttur ; Udupi District : Udupi & Kundapura ; Uttara Kannada District : Ankola, Bhatkal, Dandeli, Karwar & Sirsi.

**Components:** The Project consists of the following 6 parts:

- Part - A : Capacity Building, Community Participation & Poverty reduction  
 Part - B : Water Supply Rehabilitation & Expansion  
 Part - C : Urban Environmental Improvements  
 Part - D : Street & Bridge Improvements

Part - E : Coastal Environmental Management

Part - F : Implementation Assistance

**Project Cost and Status:** Project cost is Rs. 996.30 crores (US \$ 221.40 Million), of which ADB share is Rs. 652.50 crores (US \$ 145 Million) and GoK share (including ULB share) is Rs. 343.80 crores (US \$ 76.40 Million). The ADB loan was closed on 30th September 2009, with 100% drawal of US \$ 145 Million.

**Achievement:**

The major achievements are;

- Water supply schemes in all 10 project towns are commissioned.
- UGD facilities are completed in Udupi, Karwar and Bhatkal town. STP's have also been completed.
- UGD works at Mangalore are recently completed and commissioning under process.
- Scientific solid waste management site in Puttur, Mangalore, Udupi, Ankola, & Karwar are completed. These are being maintained by the respective ULB's.
- Comprehensive development of underdeveloped areas/slums are completed in all 10 towns.
- Buildings for Municipal facilities like TMC office cum bus stand, vegetable market silicon vessels have been completed.
- Urban transport Infrastructure in all towns completed. Apart from this approach road to new Terminal building at Airport, Mangalore has been completed.

**Achievement during the year 2014 - 2015 : (01.04.2014 to 30.09.2014)**

1) Expenditure from April 2014 to September 2014	Rs.3.90 crores	Cumulative expenditure of the project is Rs. 995.30 crores
2) Contracts completed	All the 184 contract packages have been completed.	

### **Karnataka Urban Water Sector Improvement Project (KUWASIP)**

Karnataka Urban Water Sector Improvement Project (KUWASIP) is a project for reforms in Water Sector and service improvements through Private Sector Participation.

The first phase of the project has been implemented with World Bank assistance in three cities viz., Belgaum, Gulbarga and Hubli-Dharwad for improving water supply services and to demonstrate 24x7 water supply in 5 demonstration Zones. The project was implemented during the period 2005-2011.

The total cost of the project (Phase-I) was Rs.237 Crores. An expenditure of Rs. 213.30 crores has been incurred on the project (the World Bank loan was closed on 31.3.2011).

#### **Achievements under the Project:**

- Continuous pressured (24X7) water supply has been provided in five Demonstration Zones viz., (1) Belgaum (South) (2) Belgaum (North) (3) Gulbarga (4) Hubli and (5) Dharwad with Private Sector Participation (PSP), under a Performance Based Management Contract (PBMC).
- Bulk supply improved to Belgaum, Gulbarga and Hubli-Dharwad by 27 MLD, 50 MLD and 2 MLD respectively.
- Savings in energy charges (about Rs. 1.40 crore per annum) in providing water supply to Hubli city.

- 238 kms of distribution network has been laid in the Demonstration Zones and 28,888 house service connections have been provided. A population of about 2 lakhs is benefited.
- Volumetric tariff has been implemented in all the Demonstration Zones. Currently O&M of 24X7 water supply in the Demonstration Zones is carried out through a private Operator on contract basis and O&M expenditure is met out of water charges.

### **Karnataka Urban Water Supply Modernisation Project (KUWSMP) :**

Based on the success of 24x7 water supply Demonstration Project, the proposal of up-scaling 24x7 water supply to the entire corporation areas of Belgaum, Gulbarga and Hubli-Dharwad at an estimated cost of Rs. 1809 crores has been approved, vide Govt. Order No. UDD 244 PRJ 2013, dated 7.11.2013. The share of the World Bank is 66% (Rs. 1209 crores). The details of the estimated cost of the project are presented in Table 6.23.

Two studies viz., (i) Social & Environmental Assessment and (ii) Communication & Stakeholder Intermediation Strategy have been taken up through Consultants and are under finalization.

Request for Qualifications (RFQ) for pre-qualification of Operators have been evaluated and are under finalization. RFP documents are under preparation.

**Table 6.23: Progress of KUWSMP**

<b>Sl. No.</b>	<b>City</b>	<b>Estimated Amount (Rs. in crores)</b>
1.	Belgaum	427
2.	Gulbarga	489
3.	Hubli-Dharwad	763
4.	Project Management and Technical Assistance for Sector Development	130
	<b>Total</b>	<b>1809</b>



A Pilot Study with the objective of assessing realistic water loss and capacity of the existing network to withstand continuous pressurized water supply with improved operational practices has been taken up in a small area of ward no. 8 of Dharwad adjoining the existing Demonstration Zone and is in progress.

Other project preparatory activities are in progress. It is expected that the process of selection of Operators would be completed during 2014-15.

### **Karnataka Integrated Urban Water Management Investment Program (KIUWMIP)**

Government of Karnataka has accorded approval to the implementation of Karnataka Integrated Urban Water Management Investment Programme (KIUWMIP) with the assistance of ADB for tranche-1 and tranche-2 towns (4 each) vide GO No. UDD/214/PRJ/2013 dt.20.09.2013.

Under Tranche-1 of the programme, it is proposed to implement 24X7 water supply and improve sewerage system in 3 towns viz., (i) Davanagere (ii) Harihar (iii) Byadagi located in the lower reaches of the "Upper Tungabhadra Sub-basin" (pilot sub-basin), at an estimated cost of \$115 million.

#### **Status :**

- 1) Tenders :** The works of Davanagere Sewerage, Harihara Sewerage and 20 mld and 5 mld STP at Davanagere have been tendered. Davanagere Sewerage and Harihara sewerage price bids are under evaluation. The closing date for submission of bids for 20 mld and 5 mld STP at Davanagere is 06.10.2014. The DPRs of Byadagi Sewerage and 24x7 water supply of Tranche 1 towns are under finalisation.
- 2) Consultants:** With respect to appointment of consultants for FMIDC & PMDCSC, draft Agreements are shared with IPE Global Pvt. Ltd and Lahmeyer GKW Consult JV respectively.

Implementation of Water Supply and Under Ground Drainage in 16 ULBs

### **BACKGROUND**

Government of Karnataka, Vide Government Order No.UDD 14 PRJ 2012, Bangalore, dated: 20-11-2012, has accorded sanction for implementing water supply and UGD in 16 towns at an estimated cost of Rs. 205.00 cr.

Towns include where no investment has been made either under Externally Aided Projects or under the action plans of KUWS&DB in 2010-2011 & 2011-12.

### **PERIOD**

Implementation of the project in all the towns to be completed in 3 years.

### **FUNDING PATTERN**

Project funding through 50% borrowing from domestic market, 50% by Government Grant.

### **REPAYMENT**

Repayment of borrowing would be through securitization of SFC devolution / Beneficiary Contribution / General Revenues of ULBs.

### **IMPLEMENTATION STRUCTURE**

Implementation structure is in line of Externally Aided Projects viz., constitution of Empowered Committee, Project Monitoring Unit., Project Implementation Unit, Third Party Inspection, etc., for implementation of the project.

### **PROJECT STATUS**

16 towns have been divided into 3 packages. Expression of Interest was notified for appointment of consultants for all the 3 packages, vide notification dated: 14.02.2013. About 24 consultancy firms submitted EOI, out of which 7 consultancy firms were shortlisted based on the Evaluation. Request for Proposals (RFP) was issued to shortlisted consultants and 6 Consultancy firms submitted the Technical and Financial bids. 4 Consultancy firms were qualified in the Technical bid evaluation and hence the financial bid of

the qualified firms was opened on 06-09-2013.

Letter of Acceptance was issued on 23-10-2013 to the 3 technically qualified consultancy firms after obtaining on-file approval from the Additional Chief Secretary and Chairman, Empowered Committee. The selected consultancy firms are mentioned below and the Contract Agreement was signed by all consultants.

1. M/s Voyants Solutions Pvt. Ltd., Package - I (6 towns viz., Mulki, Mundargi, Bankapur, Alnavar, Gajendragad & Naregal)
2. M/s CDM Smith India Private Limited Package - II (5 towns viz., Kottur, Kampli, Tekkalakote, Molakalmur & Kamalapura)
3. M/s Tata Consulting Engineers Limited Package - III (5 towns viz., Mahalingapur, Teredal, Mudagal, Kudachi & Shiralkoppa)

#### **PRESENT STATUS:**

The Consultants have submitted the Concept Reports for all 16 towns and Draft, Design and Detailed Project Report [Draft DPRs] for 10 towns viz., (1) Mudagal (2) Kudachi (3) Mundargi (4) Shiralkoppa (5) Teredal (6) Kottur (7) Kampli (8) Mulki (9) Kamalapura (10) Tekkalkote. The Draft DPRs submitted by the consultants were scrutinized & the modification was suggested.

The Stakeholders meeting for Mulki, Kottur, Kampli, Tekkalkote, Teredal, Kamalapura, Kudachi and Shiralkoppa is completed and the consultants were instructed to incorporate the suggestions if any. Revised Draft DPR of Kudachi, Kottur, Kamalapura, Kampli & Mulki is sent to Chief Engineer, Hubli for according Technical sanction.

#### **6.9 Financing Urban Development:**

Financial resources are required for the following activities:

- i) Provision of municipal services
- ii) Operation and Maintenance of assets (O&M)

iii) Infrastructure Development

iv) Debt Servicing

The ULBs in general are characterized by low municipal receipts leading to low municipal expenditure and low level of municipal services. This can be explained by low elasticity and buoyancy of local taxes, poor tax administration and lack of financial autonomy for local governments. The trend in the growth of municipal finances in Karnataka. It is interesting to note that the expenditure of ULBs has remained lower than the revenue. A similar trend is visible in respect of per capita income and expenditure. Table 12 shows this is consistently true for all types of ULBs for the period 2002-07. In other words, the capacities of the ULBs to spend is poor.

The III SFC has observed that in most cases ULBs are unable to spend their entire revenue. In fact, the gap between per capita revenue and expenditure has been increasing – from less than Rs.100 during 2002-03 and 2003-04 to over Rs.200 during 2004-05 and 2005-06. For the year 2006-07, there is a huge difference of Rs.701/- between per capita revenue of Rs.1141 and per capita expenditure of Rs.440. Bangalore's per capita revenue and expenditure are one of the lowest in the country.

The resource base of the ULBs is composed of:

- (1) Own revenue (tax and non-tax)
- (2) Government grants
- (3) User charges
- (4) External assistance (loans)

#### **Devolution Framework**

Under Article 243Y of the constitution, the State Finance commission is expected to:

- undertake a review of the finances of municipalities.
- estimate the future financial requirements of municipalities.
- design a package of:



- a) taxes, duties, tolls and fees that may be
    - i) assigned to municipalities and ii) shared between the state and municipalities, and
  - (b) grant-in-aid that may be extended to municipalities out of the consolidated fund of the state.
- suggest measures for strengthening the financing of municipalities.

The state's devolution of revenue grants thus takes place through the institution of the SFC. The framework of devolution suggested by the SFCs demarcated the amount of state resources to be made available to the local governments and applied a percentage share on that amount for devolution to rural and urban local bodies. According to the Government Order of April 12, 2006, based on the recommendations of the II SFC, the share of ULBs in the State's NLGRR\* is to be increased from 6% in 2005-06 to 8% in 2009-10. Government chose to adopt the principle of NLNRR\* instead of NLGRR recommended by II SFC.

#### **Government Grants**

An analysis of the revenue sources of ULBs carried out by III SFC shows that over 60 percent of their revenues comes from government grants. The dependency ratio of City Corporations and City Municipal Councils is less than 50% compared to Town Municipal Councils and Town Panchayats where it is more than 50%.

An important recommendation of SFC pertains to earmarking of funds for what is known as Global Protection and Global Provision. Global Protection includes committed expenditure on payment of salaries and pension contribution to municipal employees, shortages in repayment of loans and power sector dues. Global provision includes items such as shortfalls in the ULB share for water supply and sewerage projects, shortfall in externally aided projects, settlement of arrears of cess and provision for incentivisation funds.

An assessment of the devolution process indicates that there are delays in implementation of the recommendations of SFC leading to accumulation of undeveloped amounts to ULBs. The undeveloped amount for 2007-08 stood at Rs.525 crores. Secondly, the State's policy of intervention to protect the interests of ULBs by payment of municipal dues through SFC devolutions may be well intentioned but it could act as a disincentive to improving their own revenues. It is suggested that an Urban Finance Framework be developed in a manner that ensures consistent support in the form of grants and at the same time link it to the performance of ULBs.

#### **6.9.1 Municipal Finance and ULBs in Karnataka:**

##### **DMA Role & Responsibilities:**

- Nodal Agency for regulating day to day governance of 218 ULBs in the State.
- Supervising administration in ULBs as mandated in Municipal Acts and its interpretation.
- Facilitating implementation and monitoring of schemes/ programmes of State and Central Government.
- Formulating service rules and conditions for municipal employees, recruitment of staff and officers.
- Regulating service delivery in ULBs.

The Directorate of Municipal Administration is the Nodal Agency to monitor the Administrative, Developmental and Financial Activities of the ULBs (218 Nos.) coming under its jurisdiction. The ULBs in the State are as shown in **Table 24**.

A Bird's eye views of the Budget, Progress & Implementations of schemes and programmes (**Table 25**).

#### **Nagarothana Rs.100 Crore City Corporation Project : (Table 26)**

##### **Progress:**

1st phase Rs 700.00crore amount is released for implementation of work upto

**Table 6.24: Number of ULBs in Karnataka**

Sl. No.	Category of ULB	No.s
1	City corporations	10
2	City Municipal Councils	41
3	Town Municipal Councils	94
4	Town Panchayats	68
5	Notified Area Committees	5
	<b>Total</b>	<b>218</b>

**Table 6.25: Budget of ULBs in Karnataka, for the Year 2014-15**

Sl.No	Scheme	Allocation
1	State Finance Commission Grants (GOK)	3345.61
2	Nagarottana Yojane ( <b>Total Grant - Rs.614.53 cr</b> ) (GOK)	
	a. 100 Crs Scheme- 10CCs	214.53
	b. CMSMTDP Phase II	350.00
	c. Gulbarga Cabinet	50.00
3	SJSRY/NULM (GOI & GOK) (75:25)	97.00
4	RAY (GOI, GOK & ULBs) (80:10:10)	348.00
5	NULM – State Scheme	25.00
6	Gruha Bhagya Scheme for Pourakarmikas	25.00
5	13th FC- General Basic & General Performance Grants (GOI)	592.66
6	13th FC- R&B (GOK)	112.25
	<b>Grand Total</b>	<b>5160.05</b>

Note: Budget excluding BBMP

GOI-Government of India, GOK-Government of Karnataka, ULBs-Urban Local Bodies.

**Table 6.26: Budget of Nagarottana Yojane in Karnataka, for the Year 2014-15**

(Rs. In Crore)

Sl.No	Scheme	Govt Grant	Loan
1	Nagarottana Yojane		
	a. 100 Crore Scheme- 7CCs Phase- II	51.85	150.00
	b. 100 Crore Scheme- 10 CCs Phase- III	116.67	0.00
	c. Special Grants for Mysoru & Kalburgi CC	46.01	0.00

November 2015 and an Expenditure of Rs 664.14crore is incurred.

2nd phase Rs 420.50crore amount is released for implementation of work upto November 2015 and an Expenditure of Rs 363.97crore is incurred.

3rd phase all 10 city corporation action plan approved. DPR Preparation is under progress and selection of PMC for project is nearing completion.

#### **Nagarothana CMSMTDP PHASE -I Project:**

- Chief Minister's Small and Medium Towns Development Programme (CMSMTDP) phase-1 project was announced in the budget speech of 2009-10
- 211 small and medium towns(Urban local bodies)

- Guidelines issued Govt. Order dtd: 24-06-2009 and 28-07-2009

- Funding pattern: 50% Government Grant and 50% Loan from KUIDFC.

Progress: Rs 1320.68 crore amount is released for implementation of work upto November 2014 and an Expenditure of Rs 1287.39 crore is incurred. 7725 Number of works Completed as on November 2014

Nagarothana CMSMTDP PHASE –II Project:

#### **BUDGET FOR THE YEAR 2014-15**

(Rs. In Crore)

Scheme	Govt Grant	Loan
CMSMTDP Phase-II	350.00	250.00

Nagarothana Chief Minister's Small and Medium Towns Development Programme (CMSMTDP) Phase II has been approved for

**Table 6.27: Details of ULB-wise allocation under Nagarothana** (Rs in crore)

ULB Category	Numbers	Amount per town	Total Amount
District Headquarters CMCs	21	30	630
ULBs in Taluka Headquarters	142	5	710
Non Taluka Head Quarter CMC's	6	5	30
ULBs in small towns	42	2	84
<b>Total</b>	<b>211</b>	<b>27</b>	<b>1454</b>

**Table 6.28: CMSMTDP PHASE-I Sector wise Approvals** (Rs. in Lakhs)

Sl No	SECTOR	Works	Amount
1	Water Supply	515	11283.05
2	Storm Water Drains	300	5812.79
3	Roads & Drains	3797	64960.97
4	Sewerage (UGD)	76	5263.20
5	Slum Upgradation	1925	28118.78
6	Others	1688	29888.92
	<b>Total</b>	<b>8301</b>	<b>145327.71</b>

211 ULBs with total outlay of Rs.1810.00 Crore for a period of 3 years in the State Budget for the year 2012-13 with the following allocation.

- Chief Minister's Small and Medium Towns Development Programme (CMSMTDP) phase-2 was announced in the budget speech of 2011-12
- 211 small and medium towns (Urban local bodies)
- Guidelines issued Govt. Order vide dtd: 13-09-2012 and 07-11-2012.
- Funding pattern: 50% Government Grant and 50% Loan from KUIDFC.

**Progress:** Work is under progress in 24 districts and tender finalization is under progress for balance 6 districts. Rs 465.19 crore amount is released for implementation of work up to November 2014 and an Expenditure of Rs 387.61 crore is incurred. 322 Number of works Completed as on November 2014.

**Nagarothana Gulbarga Cabinet:**

**BUDGET FOR THE YEAR 2014-15**

State Cabinet meeting held in Gulbarga on 04th October 2010 has announced Rs. 365.54 crore as special grant for 11 Urban

**Table 6.29: Details of ULB-wise allocation Nagarothana CMSMTDP PHASE –I**

(Rs. In Crore)

Category	Nos	Allocation	Total
Dist. Head Quarter CMCs	21	30.00	630.00
Other CMCs	23	15.00	345.00
TMCs	94	5.00	470.00
TP/NAC	73	5.00	365.00
Total	211		1810.00

**Table 6.30: Budgetary Allocation for Backward ULBs**

(Rs in Lakhs)

SL No	Name of the Town	Allocation (in lakhs)	Approved Action Plan	
			No of works	Amount
1	Koppal CMC	2500.00	50	2500.00
2	Yadgiri CMC	7481.00	31	7481.00
3	Shahappura TMC	1700.00	14	1700.00
4	Shorapura TMC	2765.00	22	2765.00
5	Gurumitkal TP	723.00	27	723.00
6	Hospet CMC	5000.00	53	5000.00
7	Siraguppa	2865.00	1	2865.00
8	Kampli TMC	2000.00	18	2000.00
9	Bijapur CMC	10000.00	238	10000.00
10	Sindanur	620.00	6	620.00
11	Bidar CMC	900.00	1	900.00
<b>Total</b>		<b>36554.00</b>	<b>461.00</b>	<b>36554.00</b>

local bodies in the backward in Gulbarga revenue division.

**Progress:** Rs 117.61 crore amount is released for implementation of work upto November 2014 and an Expenditure of Rs 93.14 crore is incurred. 172 Number of works Completed as on November 2014.

#### **Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)**

Under Centrally Sponsored UIDSSMT (mission period) scheme, out of the 38 projects sanctioned for the State, 18 projects are completed. The central government has released an amount of Rs.534.97 crore for these projects till 31.3.2014. The State Government has released an amount of Rs.65.62 crore. The 2nd ACA for the 3 projects of Mulbagalu, Vijayapura water supply and Soundatti-UGD, could not be claimed from the GoI, as there is a delay in implementation of the projects. Now, the State Government has to bear this expenditure.

The extra expenditure under the scheme is met out from the IEBR fund of KUWS&DB.

#### **UIDSSMT – TRANSITION PHASE**

Under UIDSSMT transition phase, the Central Government has sanctioned 21 projects (14 water supply, 5 UGD and 2 Roads & Drains) amounting to Rs.768.42 crore during 2013-14 and has released an amount of Rs.307.36 crore to the State Government towards 1st instalment of grants.

The water supply and UGD projects are being implemented by KUWS&DB whereas the Roads & Drains projects are implemented by concerned ULBs. The State Government has released an amount of Rs.201.53 crore to DMA for implementation of these projects during 2013-14 and 2014-15. **(Table 6.32)**

#### **6.9.2 Tax Revenue:**

Municipalities are empowered to levy taxes on i) buildings or lands or both (property tax), ii) advertisements, iii) toll on vehicles other than those taxed under Karnataka

Motor Vehicles Taxation Act, 1957, and iv) water rate on water supplied by the Municipalities. Property tax is the major source of tax revenue for ULBs, an average of 53% of own revenues. The ARV system which was in vogue in the state has been replaced by the Capital Value System. The new system is more rational and has come to be accepted by all municipalities. It is, however, necessary to take measures to improve tax administration in terms of coverage of properties (a good percentage of properties escape taxation) and collection efficiency. At the end of March 2009, arrears to the tune of Rs.160 crores of property tax was outstanding, (excluding Bangalore) the average collection percentage being 52. The performance of different classes of ULBs in tax collection.

The exemption granted to certain categories such as educational and charitable institutions needs to be reviewed to ensure that the exemptions are genuine. Properties belonging to State or Central government are exempted wherever they are not used for residential or commercial purposes. There is no reason why government properties should be exempted from taxation. At present, a number of cesses or charges for other services are clubbed with property taxes. It stands to reason that the property tax is delinked from other levies which should be based on their own merit. Advertisement tax is a good source of revenue in larger cities but has not been exploited adequately.

#### **Pricing of Services – Tariff Policy:**

A basic principle of local finance is, wherever possible, charge. Local taxes should be viewed as a form of benefit tax or user charge for services provided at the local level. In this premise, it is now being argued that services such as water supply, sanitation and solid waste management should be priced on the basis of the cost of provision. The aim is not just recovering the cost but to ensure that under pricing does not lead to over consumption. At the same time, it is important to remember that it is the State's responsibility to provide the



Table 6.31: Progress under UIDSSMT

Sl.No	ULB Name	Project	Cost approved by SLSC	Releases to SLNA (GoI+GoK+ULB)	Releases to Imple. Agencies (GOI+GOK)	Expenditure		Completion status
						Phy(%)	Fin.	
1	Birur(dovetailed with Kadur - Rs.3669.76laks)	Water Supply	1339.00	1339.01	1205.11	100%	4522.21	Completed
2	Siddapura	Water Supply	524.90	524.90	472.40	100%	723.62	Completed
3	Hirekerur	Water Supply	1617.00	1617.00	1455.30	100%	1851.99	Completed
4	Davanagere	Water Supply	355.80	355.80	320.23	100%	420.02	Completed
5	Davanagere	Sewerage	336.00	440.60	191.68	80%	535.43	By December 2014
6	Davanagere	SWD & Drains	5060.30	5060.30	3415.70	78%	4058.68	Waiting for approval of revised DPR
7	Davanagere	Roads	3128.40	3128.40	2815.56	90%	3239.58	Completed
8	Pandavapura	Sewerage	602.09	602.04	541.88	80%	642.55	By June 2015
9	Srirangapatna	Sewerage	522.18	483.01	469.96	100%	992.66	Completed
10	Nanjangud	Sewerage	974.58	974.57	877.11	60%	1374.61	By May 2015
11	Malavalli	Sewerage	730.41	730.40	657.36	95%	1274.50	By May 2015
12	Channapatna	Sewerage	1311.00	1189.90	1179.91	65%	867.95	By December 2015
13	Hubli-Dharwad	Water Supply	990.21	990.20	891.19	91%	1213.38	By December 2014
14	Hubli-Dharwad	Roads	414.00	413.99	371.82	100%	680.00	Completed
15	Ramanagara	Roads & Drains	1741.00	1740.97	1558.56		1709.88	Completed
16	Ramanagara	Storm water drains	1460.00	1297.70	811.28	60%	1018.39	By November 2014
17	Shikaripura	Sewerage	1317.00	1317.02	1185.30	74%	1423.52	By December 2014
18	Holenarasipura	Roads & Drains	2024.00	1959.18	1821.60	76%	1738.39	By November 2014
19	Holenarasipura	Sewerage	303.00	303.01	272.12	78%	295.26	By February 2015
20	Holenarasipura	Water Supply	89.79	89.80	80.79	100%	112.49	Completed
21	Holenarasipura	Storm water drains	800.00	800.00	718.50	100%	880.31	Completed
22	Basavana Bagewadi	Sewerage	844.00	844.00	755.55	100%	968.78	Completed

Sl.No	ULB Name	Project	Cost approved by SISC	Releases to SLNA (GoI+GoK+ULB)	Releases to Imple. Agencies (GOI+GOK)	Expenditure		Completion status
						Phy(%)	Fin.	
23	Yargol (Kolar-Bangarpet-Malur) combined WSS	Water Supply	7992.00	7347.31	7177.80	80%	6764.02	By December 2015
24	Mulbagalu	Water Supply	1894.76	852.64	852.64	5%	73.09	By March 2015
25	Kerur	Water Supply	1173.23	1172.90	1055.90	100%	1574.96	Completed
26	Soundatti	Sewerage	867.84	477.31	390.54	20%	171.74	By December 2015
27	Mundgod	Water Supply	376.58	376.58	338.92	100%	501.16	Completed
28	Bijapura	Water Supply	6277.57	6049.82	5649.81	100%	8502.07	Completed
29	Chikkodi	Water Supply	2039.91	1948.07	1835.92	90%	2720.23	Completed
30	Hunagunda-Ilkal-Kustagi(combined WSS)	Water Supply	5821.20	5536.17	5239.08	90%	6793.18	Completed
31	Mulki	Roads	213.98	213.97	192.57	100%	212.97	Completed
32	Gajendragad-Naregal (combined WSS)	Water Supply	3632.44	3535.22	3269.20	60%	2687.34	By March 2015
33	Vijayapura	Water Supply	1109.62	553.09	499.33	25%	689.92	By February 2015
34	Shirahatti-Mulagunda (combined WSS)	Water Supply	2595.58	2564.51	2336.02	90%	3253.36	By October 2014
35	Shiggaon-Savanur-Bankapura (combined WSS)	Water Supply	3975.70	3814.26	3578.12	65%	4403.44	By December 2014(completed except Bankapura)
36	Harihara	Roads & SWD	2422.00	2230.00	2179.80	94%	2319.88	By October 2014
37	Chennagiri	Roads & Drains	620.71	620.70	558.63	100%	621.65	Completed
38	Konnur	Roads & Drains	750.79	750.79	675.72	85%	725.91	By October 2014
	Total		68248.57	64245.11	57898.91		72559.12	

**Table 6.32 Details of UGD projects sanctioned**

(Rs. in lakhs)

Sl No	Name of towns/cities	Name of Component	Approved cost sanctioned by SLSC	Releases made to SLNA			Releases to Implementing Agencies
				GoI Share	GoK Share	Total Amount Released to SLNA (GoI+GoK)	
1	2	3	4	5	6	7	8
1	Hukkeri	Water Supply	2,301.73	920.69	115.09	1035.78	517.89
2	Chikkodi	Water Supply	3,303.85	1321.54	165.19	1486.73	743.37
3	Bannur	Water Supply	1,736.12	694.45	86.81	781.26	390.62
4	Bantwal	Water Supply	4,204.35	1681.74	210.22	1891.96	945.97
5	Ramdurga	Water Supply	3,471.30	1388.52	173.57	1562.09	781.04
6	Gurmitkal	Sewerage	1,842.75	737.10	92.14	829.24	414.61
7	Sadalga	Water Supply	2,457.77	983.11	122.89	1106.00	553.00
8	Sedam	Water Supply	2,464.19	985.67	123.21	1108.88	554.45
9	Doddaballapura	Water Supply	3,315.45	1326.18	165.77	1491.95	745.97
10	Srirangapatna	Water Supply	2,071.09	828.43	103.55	931.98	466.00
11	Birur	Sewerage	2,131.82	852.73	106.59	959.32	479.65
12	Sankeshwar	Water Supply	3,765.86	1506.34	188.29	1694.63	847.31
13	Thirthahalli	Water Supply	829.81	331.92	41.49	99.96	99.96
14	Sadalga	Sewerage	2406.05	962.42	120.30	289.84	289.84
15	Yellapura	Water Supply	963.48	385.39	48.17	116.06	116.06
16	Tumkur	Water Supply	19898.00	7959.20	994.90	2397.01	2397.01
17	Kundapura	Sewerage	4736.79	1894.72	236.84	570.62	570.62
18	Mundagod	Water Supply	1223.79	489.52	61.19	147.43	147.43
19	Muddebihal	Sewerage	3781.86	1512.74	189.09	455.58	455.58
20	Kanakpura	Road	6,171.00	2468.40	308.55	743.39	
21	Ramdurga	Road	3,765.37	1506.15	188.27	453.60	
	Total		76,842.43	30,736.96	3842.12	20153.30	11516.38

**Table 6.33: SFC Untied - Programme Highlights**

Allocation:	Rs.811.47 crore for 2014-15 (Excluding BBMP)
Target ULBs	218 urban local bodies
Priority sectors	(a) compulsory allocation for spill-over works (b) 24.10% for SC/ST welfare (c) 7.25% for urban poor (d) 50% of balance grants for water supply, markets, modern toilets internal roads, cremation grounds and ULB loan repayment (e) 50% of balance grants for ULB share to central schemes, computer & internet facility and viability gap- funding
Works selection	Through Council Resolution and Action Plan approved by Deputy Commissioner of the District
Mode of execution:	Through open Tenders as per KPPP
Monitoring mechanism:	Third party inspection agency to inspect and certify the works
Fund release	In four installments from Government every year through Treasury Network Management Center(online transfer)

**Table 6.34: SFC Untied State Finance Commission Grants: Untied Grants**

(Rs. in crores)

Year	Allocation	Releases	Expenditure
2009-10	846.47	712.66	529.10
2010-11	685.42	601.19	462.75
2011-12	752.53	712.50	490.32
2012-13	783.15	468.65	403.25
2013-14	782.64	591.52	239.17
2014-15	811.47	202.87	4.13
<b>Total</b>	<b>4661.68</b>	<b>3289.39</b>	<b>2128.72</b>

Note: Excluding BBMP

**Table 6.35: Highlights of 13<sup>th</sup> Finance Commission Basic grants and Performance grants to ULBs) (Central Sponsored Scheme)**

Allocation:	Rs.1992.06 crores (including BBMP)
Implementation period	2010-11 to 2014-15
Target ULBs	219 urban local bodies
Priority sectors	SWM (min.25%), Water supply (max. 20%), UGD(max.20%), SWD (max. 25%), Streetlights (min.10% - max.15%), Municipalbuildings(max.5%)and Parks & Aforestation (min.5% - max.10%)
Works selection	Through Council Resolution and Action Plan approval by DEPUTY COMMISSIONER.
Mode of execution:	Through open Tenders as per KTFP
Monitoring mechanism:	Third party inspection agency to inspect and certify the works
Fund release	In two installments from Government every year through Treasury Network Management Center(online transfer).

**13<sup>TH</sup> FINANCE COMMISSION GRANT:****(GOI: GENERAL BASIC, GENERAL PERFORMANCE, ROADS & BRIDGES)  
General Basic Grants (Rs. In Crore)**

Year	Allocated Amount	Released Amount	Expenditure
2010-11	144.13	144.12	118.32
2011-12	167.15	180.67	142.07
2012-13	195.37	205.23	108.90
2013-14	231.46	235.71	54.23
2014-15	274.05	105.35	0.30
<b>Total</b>	<b>1012.16</b>	<b>871.08</b>	<b>423.82</b>

**General Performance Grants (Rs. In Crore)**

Year	Allocated Amount	Released Amount	Expenditure
2011-12	58.81	93.28	40.00
2012-13	166.82	238.12	42.48
2013-14	196.77	202.55	1.87
2014-15	240.03	-	0.00
<b>Total</b>	<b>662.43</b>	<b>533.95</b>	<b>84.35</b>

**Roads and Bridges (Rs. In Crore)**

Year	Allocated Amount	Released Amount	Expenditure
2011-12	65.25	65.25	55.60
2012-13	69.53	69.53	59.64
2013-14	74.33	74.33	30.63
2014-15	112.25	32.56	0
<b>Total</b>	<b>321.36</b>	<b>241.67</b>	<b>145.87</b>

Note: Excluding BBMP



minimum level of basic services for all sections of the population irrespective of their status and affordability. It must be borne in mind that traditionally property tax has been regarded as a general purpose tax to take care of the civic services to be provided by the municipalities.

There is, no doubt, a need for rationalization of tariff on services like water supply, sewerage and public transport considering the enormous increase in the capital and O&M costs of providing them. It is desirable to set up a Regulatory Authority for municipal services such as water supply, sewerage and public transport. Its functions will include determination of tariff from time to time based on rational criteria and giving due consideration to the principle of equity and such other regulatory matters as government may decide. Government's policy should be based on the principle of full cost recovery and compensating the service provider where the weaker sections are to be subsidized. To the extent possible, price adjustments could be made through a system of cross-subsidy. Shortfalls, if any should be made good by the Government through budgetary provision. There can also be a case where Government desires to consciously promote a cause such as public transport with a view to curb use of private transport as a part of urban transport policy. Here again, Government should compensate the losses to the Transport Corporation, if any, on account of a deliberate pricing policy. Correspondingly, it should be possible to adopt a suitable parking policy in cities to mobilize revenues by levy parking charges.

### **6.9.3 Funding Capital Expenditure:**

Capital expenditure is usually met through budget provision and institutional finance. Institutions such as HUDCO and multilateral agencies like ADB and World Bank have been extending financial assistance to ULBs and other urban development authorities to build infrastructure and housing. Alternative

sources of financing that can be tapped are: Land as a resource Land is the most productive asset owned by Municipalities and UDAs. They can increase their revenues through:

- a) Betterment levies, impact charges, development charges etc;
- b) Transfer of Development Rights (TDR). In Bangalore, TDR has been used to acquire land for the purpose of road widening;
- c) Parking fee can be a very good source of revenue in cities where the number of vehicles on the streets is increasing.
- d) Levy of a fee on tapping of ground water.

Access to capital markets: Cities like Bangalore, Hyderabad, Ahmedabad etc have raised funds through municipal bonds. It is essential to enhance credit worthiness of municipalities to raise funds from capital market. Multilateral institutions like the World Bank, ADB and JBIC provide long term debt with comfortable terms of repayment. Karnataka has been availing funds from this source during the last 10-12 years. Public-Private Partnership is being increasingly advocated for infrastructure development in recent years. Karnataka Government has issued policy guidelines on PPPs. Negotiating and operating PPPs require a professional approach and as such ULBs and urban authorities should equip themselves adequately for the implementation of PPP ventures. Private sector participation in delivery of municipal services is seen as contributing to efficiency and cost effectiveness. There are different options for private sector operations such as service contract, management contract, lease, concession and BOT/ BOO. Options must be exercised carefully depending on the nature of the project and expected outcomes. There is a view that business must be made to participate in the process of creating new social assets in the city as social wealth is created over generations and its exploitation for private profit

without participation in its creation and upkeep is not fair. A system can be devised whereby businesses are given exemptions or incentives when they create assets such as housing and infrastructure.

### **6.10 Outcomes and Challenges:**

#### **BWSSB:**

During 2014-15 initiation has been taken up to prepare revised Draft Project Reports as per CPHEEO guidelines for Providing Water supply and UGD facilities to the 110 Villages of BBMP areas.

Preparation of DPRs for transitional Phase UGD works in 7 CMC and 1 TMC areas under KMRP for further developments.

Providing Water supply facilities in the left out areas of former 7 CMCs 1 TMC viz RR Nagar, Dasarahalli, Mahadevapura, Batrayanapura, KR Puram, Bommanahalli & Kengeri under GBWASP Phase-IV.

Initiative has been taken to resolve ROW clearances from different organisations of State Government and Central Government.

The works taken up under Sub component Greater Bangalore Underground Drainage program of KMRP at a cost of Rs.1191.79 Crore.

It is required to provide lateral sewers and Trunk Sewers of 2300 Km pipeline under these 24 contracts 2101.95 Kms pipelines have been laid and 67998 no.of Manholes have been constructed Upto October 2014 and financial progress is Rs. 735.26 Crore.

Action has been taken to acquire the required land for laying of pipelines where private properties comes across the alignment of the pipelines and also initiatives taken to acquire the land at Kengeri for Construction of wet well.

#### **(Kaveri) zone**

#### **Initiatives taken up in 2014-15 - Bangalore Water Supply & Sewerage Project – II (Continued project):-**

BWSSB has taken up Bangalore Water Supply & Sewerage Project – II funded by JICA under Loan Agreement ID – P 165

consisting of Water Supply Component, Slum Development and Management Improvement Services and Loan Agreement ID – P 168 consisting of Sewerage Component which includes construction of Sewage Treatment Plants (STP) under 7 contract packages and Distribution Improvement Component (UFW) consisting of 3 contract packages.

The Water Supply Component of the scheme consisting of 13 contract packages were commissioned on 31/10/2012. During the 2014-15 under Sewerage Component, tenders have been reinvited vide notification dated: 13/10/2014 for construction of 60 MLD STP at Kengeri with last date of receipt of tender as 18/12/2014.

#### **BMRCL**

1. Registration of Construction Workers I Construction workers are entitled to benefits such as Hospitalization assistance, Accident compensation, Assistance for major ailment treatment, Disability Pension, Education assistance for children etc., from the Karnataka Building and other Construction Workers Welfare Board provided they are registered with the said Board. BMRCL has taken keen initiative and interest in creating awareness among the construction workers about the benefits available to them and the need for registration therefore.

The Company has constituted a Committee consisting 12 Senior Officers to visit the work sites and the labour camps to see that registrations are happening regularly and working conditions of the labourers are in a satisfactory condition.

#### **2. Improved road and better footpaths**

In any public transport infrastructure project of this size, there are bound to be inconveniences to public on account of closure of roads, traffic diversions and barricading portion of the roads etc. BMRCL is sensitive about such inconveniences and constant efforts are made to inconvenience least to the public. In order to ensure that traffic flow is

smooth, temporary black-topped roads on both sides of the barricade, wherever possible, are being provided. As soon as Metro works are over, the barricades are removed and the roads are redone and handed-over to the Civic authorities. In some cases new paved footpaths and drains are also being constructed. In fact, it is significant to note that all along the metro alignment, the roads have become wider than before. This is mainly evident where Metro work is over such as the CMH Road, Halasoor Road, Magadi Road, M.K.K. Road, Mysore Road, Kanakapura Road and R.V Road as well as the road from Malleshwaram to West of Chord Road junction and the road from NH-4 junction upto Peenya Depot.

### **3. Accessibility to PWD (Persons with Disability) passengers**

In all the stations, tactile tiles have been fixed to facilitate the blind to move easily along with wheel chair facility. Ramps have been provided for easy movement of wheel chairs. Inside the Metro Train, there is a designated place for the wheel chair passenger. There are signages in the train requesting the commuters to make way for the physically challenged persons for movement and for sitting. BMRCL staff, specially the Customer Relation Managers, have been trained in sign language so that they can interact with the deaf and the dumb too.

#### **Achievements during 2014-15**

##### **BMRCL:**

The Reach 3 and 3a (Sampige Road to Peenya 10.3 Kms with 10 stations) was commissioned on 1st March 2014 for public. The Plaza side access at MG Road Station has been opened for public on 20th Oct 2014 for public

##### **BWSSB:**

Length of Lateral Sewers ranging 150mm to 230mm dia GSW pipes laid= 217.32 Km

Trunk Sewers ranging from 300mm to 2000mm RCC pipes laid= 48.33 Km

No of individual Toilets constructed in slums= 739nos as on October-2014.

Length of water supply pipeline laid= 110 Km

The following reservoirs have been serviced and is being used for public services.

- 1) 7.5 ML capacity Ground level reservoir at Jalahalli serviced during February 2014.
- 2) 5.0 ML capacity Ground level reservoir at Hegganahally serviced during October 2014.

### **c. Highlighting the best Practices and success stories**

#### **BWSSB:**

The inmates residing in the former 7 CMC & 1TMC area didn't have adequate water supply and sanitation facilities. As a result they were depending on Borewell water and Soak pits toilet.

This was causing inconvenience to the inmates due to non-availability of water and also open flow of sewage in the drains as well as on the roads.

After commissioning of CWSS IV Phase Stage-II on 01-11-2012 Cauvery Water is being supplied to the inmates of the area through the Water Supply pipelines laid. Also after providing UGD facilities open flow of sewage is prevented and the Public are utilizing the UGD facilities to the maximum extent.

By Providing individual Toilet facilities in slums open defecation is avoided. There is considerable improvement in the health status of slum dwellers in particular water contamination and other communicable diseases.

#### **Rainwater harvesting**

The phase I of the project consists 42.3 km out of which 33.5 km is viaduct with 33 stations. The viaduct is supported by concrete piers mostly at 28m apart. Rain water falling on viaducts is brought to the ground level by down take pipes installed in each pier. Initial studies on the quality of

rainwater collected from the Viaduct reveals, subject to the normal filtering process, that the harvested rainwater is Potable . The viaduct is cleaned daily and hence the rainwater from the downpipes will generally be free from solid particles save minute dirt particulates. BMRCL is exploring the possibility of public private partnership (PPP) in harvesting rainwater which could be supplied to bulk consumers like apartments, hotels, commercial complexes, local governments, etc on commercial terms.

### **Specifying Challenges and the Future Outlook OF the Department**

#### **Department's objectives:**

To guide, control and supervise the affairs of the Urban Local Bodies in the State. The Urban Local Bodies have to provide basic services to the citizens. The Department guides the Urban Local Bodies in carrying out the duties like, construction of roads, bridges and beautification of traffic islands, maintenance of parks and play grounds, solid waste management and rain water harvesting etc., To provide required training to the personnel of the Urban Local Bodies.

To provide solutions to the service problems of the employees working in the Urban Local Bodies to bring up their morale and commitment in discharging their duties most effectively.

To have effective monitoring system over ULBs, the Directorate of Municipal Administration will be upgraded as Commissionerate of Urban Development Department. For this an expert committee is constituted and based on its recommendations, suitable will be taken. It is under progress.

The Urban Local Bodies have a vital role in the State's socio economic transformation. Most of the ULBs are severely stressed in terms of infrastructure and effective service delivery. The major challenges of the ULBs are indicated below.

### **URBAN CHALLENGES**

- Present Urban Population – 2.36 crore. The increase in the growth of urban population is 4% over the last decade (0.60 crore).
- Migration from Rural to Urban Areas.
- Growing population widens urban infrastructure deficit - Water Supply, UGD, Solid Waste Management, Roads and Power.
- Improving, Monitoring and Delivery of Public Services.
- Addressing Regional Imbalances.

Up-gradation Of Local Bodies Based on 2011 census data, approval to upgrade 200 ULBs in the State. The details are as given below.

<b>Sl No</b>	<b>Existing Category of ULBs</b>	<b>To be Upgraded as</b>	<b>No. of ULBs proposed</b>
1	CMC	CC	3
2	TMC	CMC	15
3	TP	TMC	18
4	GP	TP	164
		Total	200

#### **KEY PROJECTS PROPOSED BY DMA:**

- Providing Water Supply & Sanitary Facilities to 200 Urban Local Bodies – Rs.183.00cr
- Providing Storm Water Drains to 200 ULBs – Rs.2440.00cr
- Providing Roads and Road Related infrastructure to 200 ULBs – Rs.1372.50cr
- Providing Under Ground Drainage to 200 ULBs – Rs.762.50cr
- For Solid Waste Management of 200 ULBs – Rs.3803.00cr
- Construction of New Buildings in 50 upgraded ULBs – Rs.64.00 cr

- Providing Staff Salary to 200 new ULBs Rs.1119.70cr

Specifying challenges and the future outlook of the department.

BMRCL has prepared a vision document for the year 2025 and identified the network of 265 km which covers approximately 80% of area of Bangalore and BMRCL hopes to increase public transportation share to 70% from current 55%.

**BWSSB:**

- Providing assured water supply to all the citizens of Bangalore city is a challenging task.
- Government of Karnataka has agreed to allocate 10 TMC of water for BBMP

newly added 110 villages. To take up this work, Detailed project report of 11 Villages of Dasarahalli CMC has been submitted to CPHEEO of MoUD & as per the suggestions of CPHEEO the revised DPRs considering population as per 2019 population is being prepared for all five zones & will be submitted to CPHEEO for approval.

- After approval of CPHEEO, request will be made for arrangements of funds as the JICA has also assured for sanctioning of loan. The project will be taken with JICA loan and JnNURM grants.



## 7

**AGRICULTURE AND ALLIED ACTIVITIES****7. AGRICULTURE****Vision:**

Ensure food security and make agriculture a sustainable and economically viable vocation with emphasis on small and marginal farmers.

**Objectives :**

1. To achieve the targeted growth rate of 4.5% in the agriculture sector by enhancing agriculture production and productivity.
2. To evolve and implement various State and Central schemes for improving the income level and livelihood of small, marginal and women farmers.
3. To devise and implement specific schemes for drought prone areas.
4. To offer quality educational opportunities, promote research, generate appropriate technologies to address the relevant challenges facing agriculture and allied areas.
5. To improve human resource including all stakeholders to promote sustainable agriculture development.
6. To effectively conserve, develop and utilize natural resources in a sustainable manner.
7. To ensure proper disaster and risk management in agriculture including climate resilient agriculture.

**RFD 2013-14 Results:**

Department of Agriculture has secured the total composite score of 76.77 and stands

between fair and good category. 2014-15 RFD targets have been uploaded on July 3rd 2014 in RFMS software.

**7.1 BUDGETS FOR AGRICULTURE:**

During 2014-15, an amount of Rs.2144.25 crores has been earmarked for Agriculture Department, out of which Rs. 1840.00 crores has been provided under plan and Rs. 304.24 crores under Non-Plan schemes. Emphasis has been given for comprehensive Development of Agriculture through “Krishi Bhagya”, “Bhoochetana”, Supply of Quality seeds & other inputs, Organic farming, Custom Hiring Centres, Farm Mechanization and Micro-irrigation programmes.

**7.2 MONSOON IN 2014****Pre-monsoon Rainfall**

The State has received normal pre-monsoon rainfall during April and May. Actual average rainfall during April 2014 was 33.6 mm as against the normal of 34.8mm. During May the rainfall was 112.9 mm. as against the normal of 83.2 mm.

**Southwest monsoon**

Southwest monsoon commenced in some parts of Coastal and South Interior Karnataka on 10th June, further spread to some more parts of SIK on 14th June, covered most parts of SIK and some parts of North Interior Karnataka on 15th June and by 20th June covered all parts of the State.

Rainfall during June was deficit by 41%. During July rainfall was normal. Southwest monsoon turned to be active over Interior Karnataka during 19th - 31st August. On



22nd it turned to be vigorous over North Interior Karnataka and remained active up to 27th August 2014. All the Northern districts of the State i.e. Bidar, Gulbarga, Yadgir, Raichur, Koppal, Bellary, Belgaum, Bijapur, Bagalkote, Dharwad, Gadag and Haveri received excess rainfall. Crops in an area of about 1.56 lakh hectares were affected by excess rainfall.

Rainfall during August was +41% against the normal. During September rainfall was deficit in major parts of North Interior Karnataka (except Haveri district), Kolar and Chikkaballapur districts of South Interior Karnataka.

Cummulative rainfall from 1st June to 30th September 2014 was 833.37 mm as against a normal of 838.70 mm (-1%). Cumulative Rainfall was excess in 5 districts, normal in 21 districts and deficit in the rest 4 districts i.e. Kolar, Chikkaballapur, Gulbarga & Bidar).

The deficit rainfall / dry spell during 2nd fortnight of June, 1st week of July, August and September in major parts of North and South Interior districts affected rain fed crops in an area of 18.24 lakh hectares. Major crops affected were Red gram, Soyabean, Maize, Green gram, Groundnut, Ragi, Bajra, Sunflower, Cotton and Sugarcane.

South-West Monsoon withdrew from some parts of North Interior Karnataka on 17th October and from remaining parts of Karnataka on 18th October 2014. Simultaneously, Northeast monsoon rains commenced over South Interior Karnataka.

#### **Northeast monsoon:**

During October, actual average rainfall was 122.67 mm as against a normal of 136 mm, and during November actual average rainfall was 23.25 mm as against a normal of 41.30 mm (deficit by 44%). During December rainfall was excess/normal in Coastal, Malnad, Northern and some parts of Southern districts. Actual rainfall was 16.5 mm as against a normal of 10.2 mm (+62%). Deficit/scanty rainfall during

October and November in northern districts hampered normal area coverage of Rabi crops.

District-wise and Month-wise rainfall received during pre-monsoon, southwest monsoon and northeast monsoon during the year 2014 is given in **Appendix – 7.1 (a)**.

### **7.3 AGRICULTURAL PRODUCTION - PERFORMANCE AND PROSPECTS**

During Kharif season, area coverage under cereals, pulses and sugarcane was near normal, significant decline was observed in oilseeds; but area coverage under cotton and soyabean was all time high due to crop diversification in northern districts. Area coverage under Rabi crops was less on account of poor rains in northeast monsoon period in majority of the districts. A Satisfactory storage/water level in majority of the irrigation reservoirs is expected to give scope for normal summer production programme. Primary estimates based on the progress in area coverage under various kharif and rabi crops, likely loss in yield on account of long dry spell / excess rainfall in some parts indicate production of 114.77 lakh tonnes Cereals and 15.24 lakh tonnes of Pulses against the target of 119.13 and 15.87 lakh tonnes respectively.

Oilseeds production is anticipated to be 11.67 lakh tonnes against the target of 14.80 lakh tonnes. Production of cotton is likely to be 20.55 lakh bales against the target of 13.15 lakh bales on account of higher area coverage.

The short fall in production of Pulses and Oilseeds can be attributed to crop diversification, decline in area coverage and stunted growth of rainfed crops in major parts of South and north Interior Karnataka.

Area and Production of Major crops are given in **Table 7.1**.

The projected production of principal crops in Karnataka for Kharif, Rabi and Summer crops of 2014-15 are given in **Appendix 7.2**.

**Table 7.1 Area and Production of Major Crops in the State**  
(Area in lakh hectares, Production in lakh tonnes)

Crop / Group	2014-15 *		2013-14**		Average growth over previous year (%)	
	Area	Prod.	Area	Prod.	Area	Prod.
Cereals	49.45	114.77	50.40	115.37	-1.89	-0.52
Pulses	24.32	15.24	25.06	17.73	-2.95	-14.06
Total food grains	73.77	130.00	75.46	133.10	-2.24	-2.33
Oilseeds	15.01	11.67	14.10	11.62	6.42	0.45
Cotton #	8.57	20.55	6.62	18.78	29.51	9.46
Sugarcane	4.40	397.10	4.20	379.05	4.76	4.76
Tobacco	1.05	1.10	1.09	0.90	-3.67	22.22

# Lakh bales of 170 Kg. lint, \*\* Final Estimates of DE&S, \* Revised Advance Estimates of Agriculture Dept.

**Table 7.2** and **Appendix 7.3** provide details of area coverage under kharif, Rabi and summer crops during the current and previous year.

Index number of area, production and yield of agricultural commodities over the years are given in **Appendix 7.4**. Area under

principal crops in Karnataka over the years is given in **Appendix 7.5**. Details of production of principal crops in Karnataka over the years are given in **Appendix 7.6**. Average yield of selected crops in India and Karnataka are given in **Appendix 7.7**. Area irrigated by various sources in the State is shown in **Appendix 7.8**.

**Table 7.2: Area Coverage: Kharif, Rabi and Summer**

(Lakh hectares)

Crop/ Groups	Kharif			Rabi *			Summer *		
	Normal	2014-15	2013-14	Normal	2014-15	2013-14	Normal	2014-15	2013-14
Cereals	34.53	33.17	35.07	15.75	13.08	13.80	3.39	3.25	3.15
Pulses	14.12	12.16	14.08	10.90	11.94	11.67	0.24	0.22	0.12
Total food grains	48.65	45.33	49.16	26.65	25.02	25.47	3.62	3.47	3.27
Oilseeds	13.90	9.88	10.31	5.19	2.90	3.06	2.52	2.22	2.55
Cotton	2.93	7.94	5.38	1.40	0.63	0.78	0.01	0.01	0.002
Sugarcane	3.71	5.17	4.65	0.43	0.48	0.54	0.41	0.60	0.50
Tobacco	1.06	1.02	1.08	0.06	0.03	0.03	-	-	-
Aggregate	70.26	69.35	70.58	33.74	29.06	29.88	6.57	6.30	6.32

Source: Agriculture Department. \*Anticipated

## 7.4 LAND UTILIZATION AND OPERATIONAL HOLDINGS

### 7.4.1 Land Utilization:

As per the land utilization statistics for 2012-13, out of the total 190.50 lakh hectares geographical area of the State, the net cropped area was 97.73 lakh hectares accounting to 51% of the total geographical area. Gross cropped area was 117.48 lakh hectares including 19.55 lakh hectares area sown more than once, this works out to 120 % cropping intensity. Around 16% of the area was covered under forests, 7.5% area was under non-agricultural uses, 4.1% land was barren and uncultivable land and 2.17% land was cultivable waste. Permanent pastures, grazing land and miscellaneous tree crops constituted 4.77% of the total geographical area. About 9.57% of the total area falls under current fallow

land. The increase in current fallow was on account of drought in 157 taluks during 2012-13. The details of Land Utilization situation are presented in **Appendix 7.9(a)** and **7.9(b)**.

There was decline in the net area sown and area sown more than once on account of drought situation in 157 taluks during 2012-13. As a result of this area under current fallow increased to 18.22 lakh hectares from 16.72 lakh hectares during 2011-12.

### 7.4.2 Land Holdings:

2010-11 Agriculture Census shows 78.32 lakh farm holdings operating 121.61 lakh hectares. Small and marginal holdings account for 76.44% of total holdings and operate only 40.05% of the total operated area, while semi-medium, medium and large holdings account for 23.57% of the

**Table 7.3 : Classification of Total Geographical Area-2012-13**

Sl. No.	Classification	Area (lakh ha.)
	Total Geographical Area	190.50
1	Forest	30.73
	<i>Not available for cultivation:</i>	
2	a) Land put to non-agri.uses	14.36
3	b) Barren & uncultivable land	7.87
4	Cultivable waste	4.13
	<i>Uncultivated land excluding fallow land:</i>	
5	a) Permanent pastures & other grazing land	9.08
6	b) Misc. Tree crops, Groves	2.83
	<i>Fallow Land</i>	
7	a) Current fallow	18.22
8	b) Other fallow land	5.35
9	Net Area Sown	97.73
	Total Cropped Area	117.48
	Area sown more than once	19.55
	<i>Cropping Intensity - %</i>	120%

Source: Annual Season & Crop Reports of DE&S, Bangalore.

total holdings and their operational land holding is 59.95% out of the total operational area. Land Holdings in Karnataka is given in **Table 7.4**.

### 7.5 CROPPING PATTERN

Karnataka State falls in Zone X (Southern Plateau and Hilly region) and Zone XII (West Coast Plains and Ghat region) as per the Agro-climatic Regional Planning of Planning Commission. The State is divided into 10 Agro-climatic zones.

On account of this varied agro-climatic features almost all cereals, pulses, oilseeds

and commercial crops are cultivated in different parts of the State. Farmers in Karnataka are very innovative and take lead in diversification as per the market trends. Agricultural crops are grown in three seasons viz. Kharif (70.26 lakh ha.), Rabi (33.74 lakh ha.) & summer (6.57 lakh ha.) in an area of 110.55 lakh hectares. Cereals, Pulses, Oilseeds, Cotton, Sugarcane and Tobacco account for 49%, 23%, 20%, 4%, 4% and 1% respectively of the total agricultural cropped area. Paddy, Maize, Tur, Bengal gram, Cotton and Soyabean are witnessing higher trend in recent years,

**Table 7.4 : Land Holdings in Karnataka**

<b>I. Number of Operational Holdings ('000)</b>				
<b>Size Class</b>	<b>1995-96</b>	<b>2000-01</b>	<b>2005-06</b>	<b>2010-11</b>
Marginal (Below 1 ha.)	2610	3252	3655	3849
Small (1 to 2 ha.)	1707	1909	2014	2138
Semi Medium (2 to 4 ha.)	1204	1259	1278	1267
Medium (4 to 10 ha.)	594	569	555	511
Large (Above 10 ha.)	106	90	79	68
<b>Total</b>	<b>6221</b>	<b>7079</b>	<b>7581</b>	<b>7832</b>
<b>II .Area of Operational Holdings ('000 hectares)</b>				
Marginal	1248	1492	1651	1851
Small	2480	2742	2876	3020
Semi Medium	3298	3429	3468	3393
Medium	3490	3317	3206	2904
Large	1593	1327	1184	994
<b>Total</b>	<b>12109</b>	<b>12307</b>	<b>12385</b>	<b>12161</b>
<b>III. Average Size of Operational Holdings (hectares)</b>				
Marginal	0.48	0.46	0.45	0.48
Small	1.45	1.44	1.43	1.41
Semi Medium	2.74	2.72	2.71	2.68
Medium	5.88	5.83	5.78	5.69
Large	15.02	14.74	14.99	14.71
<b>Total</b>	<b>1.95</b>	<b>1.74</b>	<b>1.63</b>	<b>1.55</b>

Source: Karnataka Agricultural Census Reports and Agriculture Census 2010-11

whereas as crops like Sunflower, Jowar, Ragi etc. are witnessing declining trend. The details on cropping pattern are given in **Appendix - 7.10.**

## 7.6 DISTRIBUTION OF INPUTS

### 7.6.1. Fertilizers

#### 7.6.1.1. Distribution of Fertilizers

For Kharif 2014, the State Government had projected the requirement of various grades of fertilizers as 21.57 lakh tonnes which include DAP- 4.0 lakh tonnes, MOP - 2.0 lakh tonnes, Complex- 6.50 lakh tonnes, Urea- 8.0 lakh tonnes and Others – 1.07 lakh tonnes {(Mono Ammonium Phosphate, Potassium Schoenite (PS), Ammonium Sulphate, Ammonium chloride (AC), Calcium Ammonium Nitrate (CAN), Rock Phosphate (RP), Single Super Phosphate (SSP)}. Trends in fertilizer consumption in terms of NPK nutrients are furnished in **Table 7.5** and **Appendix 7.11.**

#### 7.6.1.2 - Buffer Stock of Fertilizer for Kharif 2014:

To overcome the scarcity of fertilizers at critical period during the Kharif season, the State Government has decided to operate the Buffer Stocking of Fertilizers. The scheme of buffer stocking has been continued for Kharif 2014. A sum of Rs. 800/- crore loan has been extended from State Bank of Mysore to Karnataka State Co-operative Marketing Federation of Bangalore and MARKFED; they have been instructed to stock required fertilizers at

district and taluk levels. Under the scheme, it has been planned to stock around 3.90 lakh tonnes of different grades of fertilizers, Out of which DAP- 0.544 lakh tonnes, MOP- 0.24 lakh tonnes, NPK- 1.26 lakh tonnes and Urea- 1.856 lakh tonnes. Up to end of December 2014, DAP - 33679 tonnes, MOP- 16792 tonnes, Complex- 84629 tonnes, Urea – 41386 tonnes and Others – 5949 tonnes; in total- 182439 tonnes fertilizers have been stocked. This arrangement in turn helped to manage the fertilizer demand /supplied situation smoothly in the State and there was no major problem with respect to availability of fertilizers.

### 7.6.2 Seeds Distribution

#### 7.6.2.1 Production and distribution of Seeds

As per the Seed Replacement Norms, Seed Replacement Rates fixed for different Agricultural Crops for 2014-15 is as follows:

1. Cereals : 33 to 38 percent
2. Pulses : 33 percent
3. Oilseeds : 33 to 89 percent
4. Cotton : 33 percent
5. All Hybrids : 100 percent

Production and supply of Breeder Seeds of different crops is being done by the State Agricultural Universities and Indian Council of Agricultural Research Institute (ICAR) Institutes. These organizations

**Table 7.5 : Consumption of NPK during last three years**

Sl. No	Years	N	P	K	TOTAL
		(Tonnes)			
1	2011-12	1215931	786763	332852	2335547
2	2012-13	891691	389638	249869	1531198
3	2013-14	945108	442192	253397	1640697
4	2014-15 (Achievement up to Dec.)	920250	483699	316719	1720668



produce and supply Breeder Seeds required for the State based on the advance indents placed by the Department of Agriculture. The Seed Association of India is the Nodal agency for supply of breeder seeds to the private seed producing agencies. Certified Seed production and distribution in the State is being done by Karnataka State Seeds Corporation, National Seeds Corporation, Karnataka Co-operative Oilseed Growers Federation, State Agricultural Universities and number of private seed supplying agencies.

Seed producing and supplying agencies fix the procurement and selling rates of various seeds taking into account, procurement rates, production costs, certification, processing, packaging and other overhead charges.

Production and distribution of Certified: Quality seeds in the State from 2011-12 to 2014-15 in **Table 7.6**.

#### **7.6.2.2 Distribution of seeds at subsidized rates to Farmers during 2014-15:**

During Kharif 2014, it was programmed to distribute 12 crop seeds viz., Paddy, Ragi, Jowar, Maize, Bajra, Cowpea, Green gram, Black gram, Red gram, Groundnut, Sunflower, and Soybean crops in subsidy for L1 rates to farmers under State sectors Seeds Supply and other investments Scheme and Rashtriya Krishi Vikas Yojane. Totally 4.50 lakh quintal seeds have been distributed and Rs. 9668.63 lakhs subsidy amount is utilized for this purpose. Totally 16.40 lakh farmers have been benefited.

During Rabi/Summer 2014-15, it is programmed to distribute seeds of 12 crops

under subsidy. Up to end of December 2014, totally 1.71 lakh quintal seeds have been distributed and Rs. 3978.88 lakhs subsidy amount is utilized for this purpose and 4.96 lakh farmers have been benefited.

#### **Karnataka Seed Mission**

Seed is an important and crucial agricultural input; the Karnataka Seed Mission Scheme is being implemented in the State since 2008-09 under RKVY. Components have been included to strengthen Certified Seed Production and Certified Seed distribution programmes in the state.

#### **Objectives:**

- To achieve enhancement in agricultural productivity through increased SRR & Comprehensive Development of all facts of seed sector in Karnataka through a mission mode approach.
- To make Karnataka a Global Destination for seed production.
- To identify gaps in seed requirement, production and infrastructure for quality seed production and marketing.
- To have farmer centric approach in varietal development, seed production and marketing.

#### **7.6.3. Plant Protection**

##### **7.6.3.1 Objectives of the scheme:**

1. Encouraging the farmers to use bio pesticides and bio control agents by distributing on subsidy to the farmers for effective management of insect pests and diseases of the crops thereby reducing the environmental pollution caused by chemical pesticides.

**Table 7.6 : Production and distribution of Certified: Quality seeds**

Particulars	2011-12	2012-13	2013-14	2014-15 (Target)
Production	828040	1023172	1055650	1158450
Distribution	1214596	1270340	1260990	1563260

Unit: Quantity in quintals

2. Distribution of improved and scientific metal storage bins on subsidy to farmers for effective and scientific storage of grains, thereby reducing the loss of grains due to rodents, diseases, insects and moisture.
3. Distribution of Pesticides to the farmers for effective control of frequently occurring endemic pests and diseases.
4. Effective implementation of inputs quality control.
5. Seed treatment campaign:

#### 7.6.3.2 Impact of the Scheme:

1. Use of Bio pesticides and bio control agents by the farmers for eco-friendly measures to control outbreak of insect, pests and diseases.
2. Prevention of environmental pollution.
3. Reduction in loss of grains due to Rodents, insects, diseases and moisture.
4. Availability of quality inputs to the farmers.
5. Effective management of crop pests.
6. Increase in yield of crops.

#### 7.6.4 Agricultural implements - Farm Mechanization

The Centrally Sponsored Scheme of Farm Mechanization Programme was being Farm Mechanization Programme is being implemented since 2001-02. In 2014-15 the scheme is being implemented both under Central (RKVY) and State sector. The total allocation of the budget for the Programme for the year 2014-15 is Rs.15282.40 Lakhs. 50% subsidy is

provided for the general category farmers and 90 % subsidy to the farmers belonging to Scheduled Caste and Schedule Tribes.

The main objective of the scheme is to popularize mechanized farming in order to reduce drudgery in farm operations, labour use, to save time and to cover more area in short span of time. Mechanized farming helps to increase efficiency in farming operations and ultimately results in higher production and productivity.

The details of expenditure incurred during the last three years under Farm Mechanization programme are in **Table 7.7**

#### 7.6.4.1 Custom Hire and Service Centres:

In the State, majority of the farmers come under small and marginal category and their land holdings are less than two hectares. Purchase and use of hi-tech farm machinery is not viable and affordable to the small and marginal farmers, there is a necessity to provide a way for them for use of farm machinery. In this direction, the Department of Agriculture has a programme for establishment of Custom Hire and Service Centre (CHSC) in order to facilitate use of farm machinery by small and marginal farmers through custom hiring.

In the State, 186 CHSCs are being established one each at the every sub block level. An amount of Rs.70.00crores has been provided for the year 2014-15.

#### 7.6.5 National Mission on Micro irrigation

Micro Irrigation scheme is implemented by the Department of Agriculture with a main objective of encouraging judicious use of

**Table 7.7: Farm Mechanization Programme in Karnataka**

(Rs in Lakh)

Scheme	2011-12	2012-13	2013-14
Farm Mechanization (All Schemes)	12642.03	11871.74	26703.02

water in Agriculture by farmers. The Central Assistance was provided from the year 2006-07. 75% subsidy is provided to general farmers and 90% subsidy is provided for Schedule Caste/Schedule Tribe farmers for installation of Micro Irrigation system till Dt: 17-12-2013. As per the Government Order No:AD/91/ASC/2013, Dtd:18-12-2013, subsidy has been enhanced to 90% (GoI share 40%+ GoK share 50%) for all category of farmers for installation of Drip and Sprinkler irrigation systems.

For the year 2014-15, an amount of Rs.15189.89 Lakhs has been earmarked for the implementation of Micro Irrigation Scheme in the state.

The details of expenditure during the last three years under this programme are given in the following **Table 7.8**.

### **7.7 PROGRAMMES AND SCHEMES IMPLEMENTED BY THE STATE GOVERNMENT CENTRALLY SPONSORED SCHEMES**

#### **7.7.1 – National Food Security Mission (NFSM)**

National Food Security Mission was started during 11th Five Year Plan and has been continued for the 12th Five year plan also. During 12th Plan it has been programmed to achieve higher production and productivity of Coarse Cereals and Commercial crops (Cotton & Sugarcane) in addition to Rice and Pulses.

#### **1. NFSM-Rice: (7 Districts - Belgaum, Shimoga, Uttara Kannada, Dakshina Kannada, Udupi, Haveri & Yadgir)**

Under this scheme provision has been made for 100 Ha. area cluster demonstrations on Rice production

technologies (Direct Seeded Rice, Line sowing, SRI Method etc) and Cropping Systems. Distribution of improved varieties/hybrid seeds, inputs for Integrated Nutrient and Pest Management, Agricultural machinery, Pumpsets, Drip irrigation sets and pipes for carrying water were provided under subsidy along with organization of trainings. During 2014-15 demonstrations were taken up in 10165 hectares against the target of 8425 hectares.

#### **2. NFSM-Pulses: (All 30 districts)**

Under this scheme provision has been made for 100 Ha. area cluster demonstrations on improved Production technologies and Cropping Systems. Distribution of improved variety seeds, inputs for Integrated Nutrient and Pest Management, Agricultural machinery, Pumpsets, Drip irrigation sets and pipes for carrying water were provided under subsidy along with organization of trainings. During 2014-15 demonstrations were taken up in 36981 hectares against the target of 32,960 hectares.

#### **3. Additional Rabi Pulses Production Programme:**

Under this scheme provision has been made for distribution of improved varieties/hybrid seeds, inputs for Integrated Nutrient and Pest Management, Agricultural machinery, Pumpsets, Drip irrigation sets and pipes for carrying water under subsidy.

#### **4. NFSM-Coarse Cereals: (11 Districts - Bagalkote, Belgaum, Bellary, Bijapur, Chitradurga, Davanagere, Gulbarga, Haveri, Koppal, Raichur & Tumkur)**

Under this scheme provision has been made for 100 Ha. area cluster demonst-

**Table 7.8 : Details of Micro-Irrigation Scheme**

(Rs. Lakhs)

<b>Scheme</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
CSS Micro Irrigation	6065.63	6323.67	15925.62

rations on improved production technologies (Varieties and Hybrids), Ridge Furrow Method of Sowing and Cropping system based demonstrations on inter cropping with pulses. During 2014-15 demonstrations were taken up in 46329 hectares against the target of 43,510 hectares.

### 5. NFSM - Commercial Crops:

**Cotton:** (15 Districts- Belgaum, Bellary, Bijapur, Chamarajanagar, Chitradurga, Davanagere, Dharwad, Gadag, Gulbarga, Haveri, Koppal, Mysore, Raichur, Uttara Kannada, Yadgir)

Under this scheme provision has been made for Front Line cluster Demonstrations on Integrated Crop Management (ICM), Desi and Extra Long Staple Cotton /ELS Cotton seed production, trials to promote High Density Planting System and Front Line Demonstrations on intercropping systems. During 2014-15 demonstrations were taken up in 601 hectares against the target of 795 hectares.

**Sugarcane:** (12 Districts- Bagalkote, Belgaum, Bellary, Bidar, Bijapur, Chamarajanagar, Davanagere, Gulbarga, Mandya, Mysore, Shimoga &, Uttara Kannada)

Under this scheme provision has been made for demonstrations on intercropping and single bud chip technology with sugarcane, distribution of tissue culture plantlets and to organize a state level

training. During 2014-15 demonstrations were taken up in 260 hectares against the target of 300 hectares. For the year 2014-15, an amount of Rs.16902.38 lakhs has been provided.

### Impact of NFSM Programme:

The implementation of NFSM Rice & Pulses in the State from 2007-08 has helped to achieve 15% increase in area, 24% increase in production and 9% increase in average yield of Rice during 11th plan period over the average of 10th plan period. Similarly, in case of pulses also the percentage increase in area, production and yield was 17%, 53% and 31% respectively, over the average of 10th plan period. **(Table 7.9)**

### 7.7.2 RASHTRIYA KRISHI VIKAS YOJANA (RKVY)

Government of India has launched a Special Additional Central Assistance Scheme called "Rashtriya Krishi Vikas Yojana" from 2007-08 in order to reorient the Agriculture Development strategies for rejuvenation of Agriculture to meet the needs/demands of farmers. It incentivizes the States to increase public investment in Agriculture and allied sectors and aims at achieving the goal of reducing the yield gaps in important crops and thus maximizes returns to the farmers.

For the year 2013-14, an amount of Rs.467.29 crore was released and funds were utilized for implementation of the schemes related to Agriculture, Horticulture, Animal Husbandry,

**Table 7.9 : Impact of NFSM Programme**

Area : in Lakh Hectares, Procution : in Lakh Tonnes, Yield : in Kgs/hect.

Crop	Avg. of 10 <sup>th</sup> Plan Period (2002-03 to 2006-07)			Avg. of 11 <sup>th</sup> Plan Period (2007-08 to 2011-12)			Percentage increase/decrease during 11 <sup>th</sup> Plan over 10 <sup>th</sup> Plan Period		
	A	P	Y	A	P	Y	A	P	Y
Rice	12.84	32.58	2649	14.74	40.41	2885	15	24	9
Pulses	20.68	7.70	392	24.10	11.81	513	17	53	31

Fisheries, Agricultural Marketing, Sericulture, University of Agricultural Science (Bangalore, Dharwad and Raichur), UAHS, Shimoga, Karnataka State Seeds Corporation and other Departments/Institution. During 2014-15 an amount of Rs.891.85 crore has been sanctioned for implementation of various schemes & sub-schemes of RKVY as mentioned below. Up to end of December 2014, Government of

India has released an amount of Rs.632.22 crore and an amount of Rs.194.84 crore has been utilized for various schemes till date. The detail of allocation of funds during 2014-15 is given in **Table 7.10**.

An amount of Rs. 262.02 crore has been earmarked for 2014-15 to Agriculture Department for implementation of the following schemes is given in **Table 7.11**.

**Table 7.10 : Allocation of funds under RKVY Scheme**

(Rs. in Crore)

Sl. No	Title	Allocation
1.	Normal RKVY	860.89
<b>Sub-Schemes</b>		
2.	Vegetable Initiative for Urban Clusters	8.00
3.	National Mission on Protein Supplements	15.28
4.	Additional Fodder Development Programme	7.68
	<b>Total</b>	<b>891.85</b>

**Table 7.11 : Projects implemented by the Department of Agriculture**

(Rs. in crore)

Sl. No.	Name of the Project	Budget approved
	<b>NORMAL RKVY</b>	
1.	Karnataka Farm Mechanization-Custom Hire Services Centres	70.00
2.	Strengthening of Bhoochetana -Phase 2	40.00
3.	Karnataka Seed Mission	30.00
4.	Agro Processing and Post Harvest Technology	25.00
5.	<b>K-Kissan(Karnataka-Krishi Information Services &amp; Networking)</b>	
	a. Computerization of all the Offices of Department of Agriculture	14.17
	b. Development of Web based MIS and issue of Kissan Pass Books	2.92
6.	Soil Testing and distribution of Soil Test Cards	15.00
7.	Micro Irrigation	50.00
8.	Strengthening of State Pesticide Testing Laboratory	2.50
9.	Fencing of Seed Farms	1.93
	INSIMP balance amount of 2013-14	2.50
	Administrative Cost	8.00
	<b>Total</b>	<b>262.02</b>



### 7.7.3 National Mission of Oilseeds and Oil Palm

NMOOP is a Centrally Sponsored Scheme for the development of Oilseeds, and Oil Palm started during this year with the objective of increasing production and productivity of these crops and to attain sustainability in Agriculture. The mission is proposed to be implemented through three Mini Missions i.e. MM-I on oilseeds, MM-II on oil palm, MM-III on tree borne oilseeds. The Scheme is being implemented in all the 30 districts of the state. The fund sharing pattern is 75% Central and 25% State share. In Karnataka, National Mission on Oilseeds (MM-I) operates in two sectors, state sector and ZP sector.

The Govt. of India has accorded the action plan approval for Rs.2264.73 lakhs with central share of Rs.1731.00 lakhs and state share of Rs.533.73 lakhs for the year 2014-15.

#### 7.7.4 Soil Health Mission:

Implementation of Soil Health Mission includes collection of soil samples, analysis of soil samples for macro nutrients and micro nutrients, and this will be linked to K-Kissan project in issue of farmer passbook including soil fertility status and crop specific recommendation of nutrients to all the farmers of Karnataka.

##### 7.7.4.1 Objectives of Soil Health Mission are as follows:

1. To issue soil health cards to all farmers of the Karnataka in a span of three years, so as to provide a basis to include nutrient deficiencies in fertilization practices.

2. To diagnose soil fertility related constraints with standardized procedures for sampling and analysis and design taluka/block level fertilizer recommendations in the targeted districts.
3. To develop crop specific nutrient management in the districts for enhancing nutrient use efficiency.
4. To promote soil test based balancing of nutrients to manage fertility related risks for higher production.
5. To conduct demonstrations with diversified crops to quantify benefits of improved nutrient management practices in terms of increased crop yields and economic viability of farmers.

##### 7.7.4.2 Expected Outcome:

1. Distribution of Soil Health Cards to all the farmers in a round of every three years to promote Soil Health Management.
2. It will promote balanced and judicious use of plant nutrients.
3. Promotion of integrated nutrient system is expected to reduce the consumption of chemical fertilizers by 20%.
4. The productivity of selected crops is expected to increase about 20%.
5. The demand for organic sources of plant nutrient like bio-fertilizers, organic manure, vermi-compost, slow release nitrogenous fertilizer like Neem/sulphur coated urea will increase, which in turn improve the soil fertility as well nutrient use efficiency.

**Table 7.12 : Target and Achievement under NMOOP**

Financial: Rs. in Lakhs

Target	Achievement (December 2014)	Expected Achievement
2264.73	1102.31	2264.73

### **7.7.5 National Mission on Food Processing (NMFP)**

Ministry of Food Processing Industries (MoFPI), Government of India has launched a new centrally sponsored scheme (CCS) – National Mission on Food Processing (NMFP) during the 12th Five Year plan to be implemented through States. The proposed NMFP contemplates establishment of a National Mission as well as corresponding Missions in the State and District level. This scheme is proposed to be implemented with the funding pattern in the ratio of 75:25 by Government of India and State. The State during the year 2012-13 had already made a budget provision of Rs.500 lakhs as a State share. This Centrally sponsored scheme will help to overcome some of the crisis in the field of agriculture like fall of price due to glut in the market, severe wastages of some of the perishable agricultural produce, low economic returns due to severe interference of middlemen, unplanned crop production etc.

### **7.7.6 National Mission for Sustainable Agriculture (NMSA)**

Sustaining agricultural productivity depends on quality and availability of natural resources like soil and water. Agricultural growth can be sustained by promoting conservation and sustainable use of these scarce natural resources through appropriate location specific measures. Indian agriculture remains predominantly rainfed covering about 60% of the country's net sown area and accounts for 40% of the total food production. Thus, conservation of natural resources in conjunction with development of rainfed agriculture holds the key to meet burgeoning demands for food grain in the country. Towards this end, National Mission for Sustainable Agriculture (NMSA) has been formulated for enhancing agricultural productivity especially in rainfed areas focusing on integrated farming, water use efficiency, soil health

management and synergizing resource conservation.

#### **7.7.6.1 Mission Objectives**

1. To make agriculture more productive, sustainable, remunerative and climate resilient by promoting location specific Integrated/Composite Farming Systems;
2. To conserve natural resources through appropriate soil and moisture conservation measures;
3. To adopt comprehensive soil health management practices based on soil fertility maps, soil test based application of macro & micro nutrients, judicious use of fertilizers etc.;
4. To optimize utilization of water resources through efficient water management to expand coverage for achieving 'more crop per drop';
5. To develop capacity of farmers & stakeholders, in conjunction with other ongoing Missions e.g. National Mission on Agriculture Extension & Technology, National Food Security Mission, National Initiative for Climate Resilient Agriculture (NICRA) etc., in the domain of climate change adaptation and mitigation measures;
6. To pilot models in select blocks for improving productivity of rainfed farming by mainstreaming rainfed technologies refined through NICRA and by leveraging resources from other schemes/Missions like Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Integrated Watershed Management Programme (IWMP), RKVY etc.; and
7. To establish an effective inter and intra Departmental/Ministerial co-ordination for accomplishing key deliverables of National Mission for Sustainable Agriculture under the aegis of NAPCC.

#### **7.7.6.2 NMSA has following four (4) major programme components or activities:**

1. Rainfed Area Development (RAD):
2. On Farm Water Management (OFWM):
3. Soil Health Management (SHM):
4. Climate Change and Sustainable Agriculture: Monitoring, Modeling and Networking (CCSAMMN):

#### **7.7.7 Support to State Extension Programmes for Extension Reforms (ATMA Scheme)**

The 12th Plan Approach Paper identifies several challenges faced by the agricultural extension and also gives suggestions to deal with the same. Some of these include integrating Krishi Vigyan Kendra's (KVKs) problem solving skills and the feed-back they provide to State Agriculture Universities (SAUs) and National Agriculture Research System (NARS) with ATMA.

The aim of the Mission is capacity building and institution strengthening to promote mechanisation, availability of quality seeds, plant protection etc. and encourage the aggregation of farmers into Interest Groups (FIGs) to form Farmer Producer Organizations (FPOs).

Use of interactive and innovative methods of information dissemination will be used and convergence brought under different programmes and schemes at village level through the institution of ATMA (Agriculture Technology Management Agency) and Block Technology Teams (BTTs).

#### **7.7.7.1 AIMS and OBJECTIVES:**

The Scheme 'Support to State Extension Programmes for Extension Reforms' aims at making extension system farmer driven and farmer accountable by disseminating technology to farmers through new institutional arrangements viz. Agricultural Technology Management Agency (ATMA) at district level to operationalize the extension reforms on a participatory mode.

#### **7.7.7.2 Scheme focuses on the following key extension reforms:**

- Encouraging multi-agency extension strategies involving Public/ Private Extension Service Providers.
- Ensuring an integrated, broad-based extension delivery mechanism consistent with farming system approach with a focus on bottom up planning process.
- Adopting group approach to extension in line with the identified needs and requirements of the farmers in the form of CIGs & FIGs and consolidate them as Farmers Producer Organizations.
- Facilitating convergence of farmer centric programmes in planning, execution and implementation.
- Addressing gender concerns by mobilizing farm women into groups and providing training to them.

For effective implementation of the latest technologies, the on-farm demonstrations as well as farmer's trainings and exposure visits are taken-up.

#### **7.7.8 Crop Insurance Scheme:**

##### **a) National Agricultural Insurance Scheme (NAIS):**

National Agricultural Insurance Scheme (NAIS) was being implemented in the State from Kharif 2000 to Kharif 2013. The financial allocation for the year 2014-15 is Rs.9500.00 lakhs.

Progress made under NAIS from Kharif 2011 to Kharif 2013 is as follows in **Appendix 7.12.**

##### **b) Weather Based Crop Insurance Scheme (WBCIS):**

This is an alternative scheme for NAIS framed by Government of India and was launched in the country during Kharif 2007. The scheme compensates the insured farmers against the likelihood of financial loss on account of anticipated loss

in crop yield resulting from incidence of adverse weather conditions and will cover the risk of weather parameters like rainfall, relative humidity, temperature, wind velocity etc., The scheme is compulsory for loanee farmers and voluntary for non-loanee farmers. All the payable claims shall be the responsibility of the Insurance Companies.

The scheme is continued during Kharif 2014 covering 11 Annual Commercial and Horticulture crops viz., Cotton (I), Cotton (RF), Onion(I), Onion(RF), Chilly(I), Chilly(RF), Potato(I), Potato (RF), Grapes, Banana and Pomegranate in 464 reference unit areas (hoblis) of all the Districts except Udupi.

The actuarial premium rates are charged under the scheme, but capped at 12%. Farmers would pay concessional rates of premium i.e.6%. The difference in the premium i.e. 6% will be borne by State and Central Governments on 50: 50 basis. This Scheme is implemented by 5 insurance companies viz., AIC of India Ltd., ICICI Lombard GIC Ltd., HDFC ERGO GIC Ltd., Cholamandalam MS GIC Ltd. and IFFCO Tokio GIC Ltd..

During Rabi 2014-15, 10 Horticulture crops viz., Potato (I), Onion (I), Chilly (I), Grapes, Mango, Sweet Orange, Pomegranate, Cashew, Tomato and Garlic are notified in 717 reference unit areas (hoblis) of 30 Districts.

Last date for participation of both loanee and non-loanee farmers is 31-12-2014 for Rabi season.

The progress made under Weather Based Crop Insurance Scheme from Kharif 2011 to 2013-14 is presented in **Table 7.13**.

### **c) Modified National Agricultural Insurance Scheme (MNAIS):**

Government of India launched Modified National Agricultural Insurance Scheme (MNAIS) during Rabi & Summer 2010-11 on pilot basis in the selected four districts of the State i.e. Gulbarga, Tumkur, Shimoga and Uttara Kannada. The modifications made by GOI are as follows;

1. Bringing unit of Insurance to Grama Panchayath level for major crops.
2. Indemnity level will be 80 & 90%.
3. Excluding 2 calamity years' data out of 7 years yield data for calculation of threshold yield.

**Table 7.13A : Details of Weather Based Crop Insurance Scheme**

Season/year	No. of farmers participated	Premium paid by farmers (Rs. in lakhs)	No. of Beneficiaries	Claims (Rs. in lakhs)
2011 Kharif	134937	788.46	116168	847.25
2011-12 Rabi	21359	132.46	5869	154.83
<b>Total 2011-12</b>	156296	920.92	122037	1002.08
Kharif-2012	210125	1766.68	204783	4270.68
2012-13 Rabi	2063	40.65	1140	82.95
<b>Total 2012-13</b>	<b>212188</b>	<b>1807.33</b>	<b>205923</b>	<b>4353.63</b>
Kharif-2013	209405	1596.36	188888	3842.02
2013-14 Rabi	4170	63.48	2591	153.97
<b>Total 2013-14</b>	<b>213575</b>	<b>1659.87</b>	<b>191479</b>	<b>3995.99</b>
<b>Grand Total</b>	<b>821063</b>	<b>5716.73</b>	<b>679734</b>	<b>12196.05</b>

4. Claim liability will be on insurance companies and Government will provide only premium subsidy.
5. Covering pre sowing and post harvest risk.

During Kharif 2014 NCIP-MNAIS is implemented in all 30 Districts in Karnataka 4 insurance companies viz., AIC of India Ltd., ICICI Lombard GIC Ltd., HDFC ERGO GIC Ltd., and IFFCO Tokio GIC Ltd. are participating.

25 crops were notified viz., Paddy(I), Paddy(RF), Maize(I), Maize(RF), Jowar (I), Jowar (RF), Ragi (I), Ragi (RF), Bajra(I), Bajra (RF), Navane (RF), Save (RF), Black gram (RF), Tur (I), Tur (RF), Green gram (RF), Horse gram (RF), Soyabean (I), Soyabean (RF), Sesamum (RF), Castor (RF), Sunflower (I), Sunflower (RF), Groundnut (I) and Groundnut (RF). Taluk-wise major crops were notified at Grama Panchayath level and other crops were notified at Hobli level during Kharif 2014.

During Rabi & Summer 2014-15 this scheme is continued in all the Districts except Bangalore (Rural) and implemented by AIC of India Ltd., Taluk-wise major crops were notified at Grama Panchayath level and other crops were notified at Hobli level.

19 crops are being notified during Rabi viz., Paddy(I), Maize(I), Maize(RF), Jowar (I), Jowar (RF), Ragi (I), Ragi (RF), Wheat(I), Wheat (RF), Bengal gram (I), Bengal gram (RF), Black gram (RF), Green gram (RF), Horse gram (RF), Linseed(RF), Safflower(RF), Sunflower (I), Sunflower (RF) and Groundnut (RF).

5 crops are being notified during summer viz., Paddy (I), Ragi (I), Groundnut (I), Groundnut (RF) and Sunflower (I).

Last date for participation of loanee and non-loanee farmers is 31-12-2014 during Rabi 2014-15 and 28-2-2015 for summer 2014-15.

The progress made under Modified National Agriculture Insurance Scheme from kharif 2011 to 2013-14 (**Table 7.14**).

**Table 7.14 : Details of Modified National Agriculture Insurance Scheme**

Season/year	No. of farmers participated	Premium paid by farmers (Rs. in lakhs)	No. of Beneficiaries	Claims (Rs. in lakhs)
2011 Kharif	152571	1557.31	38941	1737.64
2011-12 Rabi & Summer	22994	86.34	17055	978.81
<b>Total 2011-12</b>	<b>175565</b>	<b>1643.65</b>	<b>55996</b>	<b>2716.45</b>
2012 Kharif	226736	2970.07	51383	5003.51
2012-13 Rabi & Summer	2084	30.82	154	5.02
<b>Total 2012-13</b>	<b>228820</b>	<b>3000.92</b>	<b>51537</b>	<b>5008.31</b>
2013 Kharif	162390	2747.30	8733	608.19
2013-14 Rabi & Summer	48614	354.16	15968	346.40
<b>Total 2013-14</b>	<b>211004</b>	<b>3101.46</b>	<b>24701</b>	<b>954.59</b>
<b>Grand Total</b>	<b>624132</b>	<b>7766.342</b>	<b>134969</b>	<b>8921.43</b>



### 7.7.9 Minimum Support Price

Commission for Agricultural Costs and Prices, Government of India collects the information and views from all State Governments/Stake holders and recommends Minimum Support Prices for various crops to the Union Cabinet for fixing the MSP of various crops. Procurement of commodities is undertaken by Food Corporation of India, NAFED, KOF etc. in the event of price crash below MSP. Details of Minimum Support Prices fixed for the year 2014-15 is furnished in **Appendix-7.13**

### 7.7.10 Minimum Floor Price Scheme

Minimum Floor Price Scheme is operated in Karnataka for perishable agriculture commodities like onion, potato, tomato and green chilies. The Agricultural Marketing Department arranges the procurement on these commodities through HOPCOMS in the districts/taluks after the sanction of cabinet sub-committee.

## 7.8 FLAGSHIP PROGRAMMES

### 7.8.1 Bhoochetana

Karnataka State has initiated a novel mission mode project 'Bhoochetana' from the year 2009-10 with the mission goal of increasing average productivity of selected rainfed crops by 20%. Project implementation was planned in a phased manner from 2009-10 to 2012-13. Based on the success of the 'Bhoochetana' first phase, extension of project from 2013-14 to 2016-17 has been approved for 2nd phase.

The consortium partners of the project are Karnataka State Department of Agriculture, UAS, Bangalore/ Dharwad/ Raichur and ICRISAT, Hyderabad.

#### Main strategies:

Soil test based nutrient management with a major thrust to micronutrients, distribution of inputs @ 50% subsidy at cluster village level, services of farmer facilitators for transfer of technology, wide publicity through wall writings, posters, village meetings and mass media, effective project monitoring and feedback.

Bhoochetana programme is being implemented in all 30 districts, for the year 2014-15 to cover an targetted area of 50.0 lakh hectares in rainfed area and 8 lakh ha. in irrigated area. During Kharif 52.00 lakh hectares progress has been achieved. The budget for 2014-15 year is Rs.102 crore. Along with technical message, required inputs are made available to farmers at cluster village level at 50% subsidy in 747 RSKs, 3440 cluster villages with the services of 6,572 Farmer facilitators. 6032 Farmer Field Schools were conducted successfully for transfer of production technology to farmers. The targeted area for 2014 Rabi is 25 lakh hectares.

### 7.8.2 GOK-CGIAR” Initiative for improving the Rural Livelihoods in Karnataka” (Bhoochetana Plus) scheme:

In order to ensure that our farmers are protected from frequent drought conditions, steps have been taken to formulate special action plans in collaboration with international level scientific institutions such as “International Crops Research Institute for the Semi-Arid Tropics” (ICRISAT), “International Rice Research Institute” (IRRI) , “Center for International Maize and Wheat Improvement Center” (CIMMYT), “International Livestock Research Institute” (ILRI) and “International Food Policy Research Institute” (IFPRI).

Right strategies designed with the assistance from these institutes will be implemented on pilot basis in four districts, which will then be extended to other areas.

#### Objectives:

- To form action oriented consortium of CGIAR institutions to operationalize action research scaling-up model in partnership with Agriculture and line Departments viz; Animal Husbandry, Horticulture, , Rural Development & Panchayath Raj, etc in the State to increase crop yields by 20% and farmers income by 25% over a period of four years.

- To establish four sites of learning on pilot basis, scaling-up approach integrated participatory research for development to benefit small and marginal farmers in irrigated and rain fed agriculture areas representing the revenue divisions of the state

#### **Implementation:**

- The Scheme implementation is planned for a period of four years (2013-14 to 2016-17)
- The Scheme is in implementation in four districts viz., Bijapur, Chikkamagalur, Raichur and Tumkur on pilot basis in an area of 20000 ha in each district by converging ongoing schemes of Agriculture & allied departments. The budget allotted for 2014-15 is Rs 14.00 crore.

#### **7.8.3 Krishi Bhagya**

70% of the cultivated area in the State is under rainfed agriculture. Despite this limitation, 55% of food grain production and 75% of oilseed production is contributed by the rainfed areas. Thus, conservation of high quality natural resources like soil and water, enhancement of agriculture productivity and income levels of farmers/ agriculture labourers needs to be ensured. "Krishi Bhagya" scheme has been conceived for improving livelihood of rain dependent farming community.

"Krishi Bhagya" scheme will be implemented initially in 5 major dry land zones in 23 districts covering 107 taluks. Through conservation, storage and efficient use of rain water, adoption of profitable cropping systems, cultivation of high income earning horticultural crops, promotion of animal husbandry activities and promotion of infrastructure creation for agriculture, the scheme aims to achieve sustainable growth in agriculture. It is planned to implement the scheme in a Mission Mode in a phased manner over five years.

Budgetary provision of Rs.500.00 crore is made during 2014-15.

#### **7.8.4 Savayava Bhagya Yojane**

This mega programme initiated during the later part of 2013-14 is an extension of the earlier Organic village/site programme to hobli level with few modifications in its implementation viz, developing good marketing linkages and market development for the organic products of the state. Government order was issued for implementation of "Savayava Bhagya" Yojane during 2013-14.

The programme is being implemented in association with the NGO's selected for each taluk transparently through e-tendering. NGO selected for the taluka has been entrusted with responsibility of bringing around 100 ha. area under organic farming in each hobli of the taluka.

##### **7.8.4.1 Important features of the programme:**

- Programme implemented in 571 hoblis of the state.
- Programme implemented in association with the NGO's.
- Constitution of Site Committee comprising representatives from farmers associations, NGO representative and Department officer to prepare action plan for implementation of the Programme.
- District Organic Farming Steering Committee under the chairmanship of Joint Director of Agriculture to approve action plans, inspection & monitoring
- Advisory Committee (Technical Committee) under the chairmanship of Director of Agriculture and District Level Steering Committee under the chairmanship of District Joint Director of Agriculture.
- High Level Committee under the chairmanship of Hon'ble Minister for Agriculture for monitoring and implementation of the Programme.

#### 7.8.4.2 Components carried out in each 100 ha. Block under Savayava Bhagya Yojane:

- Identification of the project area 100 ha. contiguous block.
- Site Committee constitution comprising representatives from farmers associations, NGO representative and Department officer to prepare action plan for implementation of the Programme in that block.
- Training, Capacity Building, Study Tours and Field days.
- Green manure seeds, azolla pits, bio-digester units, Gobbar gas units.
- Compost & Vermi Compost Units, cow urine pits, cement pits for preparation of liquid manure viz panchagavya, jeevanmrutha etc.
- Bio-fertilizers, organic manures, enriched manure, oil cakes etc
- Organic Seeds and Seedling.
- Perennial Fodder seeds and cuttings
- Pest & Diseases management eg. Bio-pesticides, parasites, predators etc.
- Plastic drums for preparation botanicals.
- Community Seed Bank, Community Library.
- Honey bee boxes & honey harvester.
- Value addition, Processing, Packing, Marketing.

- Consumer Awareness programme.
- Internal Control System & Group Certification.
- Documentation of Traditional Practices, Success Stories.

#### 7.8.4.3 Convergence of line department programmes into the project area:

- Forest Tree saplings
- Forest nursery development
- Vegetable Kitchen garden.
- Cattle, Buffalo, goat, sheep, poultry, Fish
- Cementing of the cow shed floors to collect dung & urine
- Soil & Water Conservation structures.
- MNREGA

Apart from hobli level Savayava Bhagya Yojane, other organic farming promotional programmes being implemented during the current year are:

- Market Development for Organic produce including certification
- Evaluation and monitoring of the programme
- Publicity and Awareness programmes
- Research in Organic Farming and innovative projects
- Components/Units prerequisite to Organic farming at 90% subsidy to Scheduled Caste farmers. **(Table 7.15)**

**Table 7.15 : Progress made under Savayava Bhagya during 2014-15**

In. Rs. Lakhs

Programme	Subhead	Release	Expenditure (up to Dec. end)
Organic Farming 2401-00-104-0-12	059	587.13	313.55
	422	62.37	15.14
	423	25.53	6.96

### **7.8.5 Raitha Samparka Kendra**

The Department of Agriculture under "Raitha Mitra Yojane" established 747 Raitha Samparka Kendras (RSKs), one per Hobli to provide services and information at single point required by the farmers. Based on the various agro climatic zones of the state, the new food production technologies and skills are being implemented in the farmers' field aiming to increase the state food production levels under this scheme.

Bimonthly and Fortnightly training programmes are being conducted at district level and taluk level respectively, to continuously upgrade and update the latest agricultural technologies and also the professional teaching skills of the Extension workers and Department Officers.

To strengthen the Raitha Samparka Kendras for effective implementation of Department programmes and technology transfer, the students graduating from Agriculture and Horticulture Universities are deputed at least for 3 months to Raitha Samparka Kendras for acquiring minimum practical skills, field experience and knowledge.

### **7.8.6 Scheme to provide relief to the families of the farmers who have committed suicide:**

This scheme was launched during 2003-04 to provide Rs. One lakh as a relief to families of farmers committing suicide on account of the heavy burden of loans borrowed from the institutional agencies. A budget provision of Rs. 100.00 lakhs has been made for the scheme during 2014-15 and up to end of December 2014, an amount of Rs. 40.00 lakhs has been distributed.

### **7.8.7 Relief to farmers/agricultural laborers for accidental death from snake bites, fall from trees and other accidental death occurred while carrying out agricultural activities and also compensation for loss of fodder/hay from fire accidents**

This scheme was launched during 2010-11

to provide Rs. One lakh as a relief to farmers/agricultural laborers due to accidental death from snake bites, fall from trees and other accidental death occurred while carrying out agricultural activities and compensation for loss of fodder/hay from fire accidents up to maximum of Rs. 10,000. A budget provision of Rs. 500.00 lakhs has been made during 2014-15. An additional grant of Rs. 350.00 lakhs is provided and totally Rs. 850.00 lakh grant is available for the scheme and Rs. 631.77 lakhs has been disbursed up to the end of December 2014.

### **7.8.8 Sanction of Crop loans to the farmers through Commercial banks and Regional Rural Banks (RRBs) at 3%.**

This scheme was launched during 2009-10 to provide interest subsidy of 1% for short term agricultural crop loans through commercial banks and Regional Rural Banks up to Rs. 1,00,000 for the farmers who will repay the principal amount along with the interest before due date fixed by the banks, so that those farmers will get crop loan at 3% interest.

A budget provision of Rs. 1168.33 lakhs has been made during 2014-15. An amount of Rs. 410.00 lakhs has been credited to SLBC.

### **7.8.9 Trainings in Agricultural Technology:**

Training programmes (3/5/6 days) are being conducted for farmers / farm women / extension workers to train them in advanced Agricultural technology adoption and Agricultural extension skills. Farmers study tour is also being conducted for farmers and farm women at the DATCs. Funds are also provided for strengthening basic infrastructure and up gradation of DATCs.

## **7.9 INITIATIVES TAKEN UP BY THE DEPARTMENT**

### **7.9.1 Karnataka Agriculture Price Commission**

As announced in the Budget of 2013-14, Karnataka Agricultural Price Commission



has been established in June 2014. The Commission in the State will be an advisory body to the Government of Karnataka in the issues of policies and programmes related to remunerative prices for agriculture and horticultural commodities. It will advise the State Government on the price policy of major agricultural and horticultural produce of the State as the Government may indicate from time to time with a view to evolve a balanced and integrated price structure with the perspective of the overall short and long term needs of the State's economy and with due regard to the interests of the producer and the consumer.

This commission will consist of farmers, agriculture experts and agro-economists. The Govt. will fix suitable prices based on the scientifically worked out recommendations of the Commission.

### **7.9.2 Raitha Sahayavani Kendra (Farmers helpline centre)**

The Department of Agriculture has farmers help line called "Raitha Sahayavanni Kendra" to provide information pertaining to agriculture and allied subjects for farming community in local language. Farmers are facilitated to make toll free call on Phone No. 1800 425 3553. The center functions from 7.00 am to 7.00 pm on all days. Two subject matter specialists are entrusted to receive the calls and provide information to the farmers. On an average 50 calls are received per day.

### **7.9.3 Kisan call Centre**

Kisan call centers are set up in the country to make agriculture knowledge available at free of cost to the farmers as and when desired. The Call Centres can be accessed by farmers all over the country on common Toll Free Number 1800 425 1551.

### **7.9.4 The e-Governance initiatives undertaken by the Department is as follows:**

➤ Department has taken steps to strengthen the Extension System by greater use of modern Information and

Communication Technology (ICT). K-KISAN (Karnataka – Krishi Information Services and Networking) Project is a kind of unified electronic platform to handle all kinds of agricultural activities, basically at the field level through the computerized system; suitably built software will provide assistance to farmers in all agricultural input handling, helps in supervision, monitoring and by integration of soil health data with this platform farmer based specific crop planning could be advised.

➤ In order to implement K-KISAN project the Department has obtained e-Governance Annual Action Plan, Departmental Technical Advisory Panel, Finance Department, Empowered Committee and Cabinet approvals.

➤ The Department has developed Agriculture Input Supply System (AISS) application software through National Informatics Centre (NIC) for implementing K-KISAN project. The software has been installed in all Kasaba Raitha Samparka Kendras for Pilot testing. Also, the Farmer Database of the farmers residing in Kasaba Raitha Samparka Kendra jurisdiction is being collected through Farmer Facilitator available under Bhoochetana Program. So far, 12.00 lakh farmers database has been collected. In future, these data shall be uploaded in the AISS software.

➤ Department has obtained KSWAN (Karnataka State Wide Area Network) connectivity from e-Governance Department to Kasaba Raitha Samparka Kendras for Internet and networking facility. In future, the facility shall be extended by the e-Governance Department to all the offices of the Department of Agriculture.

➤ Department of Agriculture has redesigned the existing "Raitha Mitra" website (bilingual) so as to provide timely information on various schemes, Rate Contracts of the inputs, Market



Information, Weather forecast, Tender Notification etc., Further, for the first time in the State, the Department has developed and provided a interactive platform, "Raitha Snehi – Interaction"- in order to address the queries of the farmers / public. The farmers / public can send queries related to agriculture either in Kannada or English to the Department through this platform and receive solutions to their mobiles and e-mails. In addition, the farmers can share audio or videos in this website with respect to innovative agriculture practice for all others to view and follow.

- The Department has created on-line facility under Micro-irrigation scheme (Drip and Sprinkler Irrigation) from submission of application till release of subsidy to farmers.
- The Department has set up Raitha Sahayavani Centre at Head Office (Toll free number – 1800 425 3553). The centre works from 7.00 am to 7.00 pm and experienced extension workers answers to the queries of the farmers directly.
- Department is sending various information services through SMS to registered farmers through Government of India's [www.farmer.gov.in](http://www.farmer.gov.in) portal.
- ICRISAT has distributed ICT enabled Tablets and Pico projector to farmer facilitators in districts – Chikkamagalur, Tumkur, Bijapur & Raichur- where Bhoochetana plus programme is being implemented. The Tablets have been installed with Krishi Gyan Sagar (Good Agricultural Practices) which helps in providing technology to farmers. The Success stories of farmers are installed in Pico projectors, which in turn transferred to farmers through farmer facilitator. In future, the project shall be implemented in all districts of the state.
- After implementation of K-KISAN project, the inputs delivered to farmers shall be documented in the AISS

application. Soil Health cards shall also be issued to the farmers based on the soil testing results of the farmers land holdings. In future, based on these results, it is thought to provide Crop Specific Advisories to the farmers.

Under ATMA scheme, a group containing lead farmers has been created in mobile applications - Telegram. The farmers in these groups can exchanges progress and problems faced by them. Also, the farmers can upload pictures in the application for which they can obtain solution from Scientists/ Officers at the earliest and the farmers can also exchange new technology/ innovations among themselves.

#### **7.9.5 Telemetric Rain gauge Stations**

Weather based crop insurance scheme is being implemented in the State. The scheme compensates the insured farmers against the likelihood of financial loss on account of loss in crop yield resulting from incidence of adverse weather conditions and will cover the risk of weather parameters like rainfall, relative humidity, temperature, wind velocity etc.

Agriculture Department has allotted grants under RKVY to Karnataka State Natural Disaster Monitoring Centre (KSNDMC) for establishing GPRS enabled solar powered Telemetric Rain Gauges at Gram Panchayath level. KSNDMC has installed 2700 stations which include Pattana Panchayaths, Hobli headquarters and Gram Panchayath in the State. Telemetric Weather stations have been installed in all the 747 hobli headquarters. It is proposed to establish Telemetric Rain gauges in the remaining 3131 Gram Panchayath of the State during current year.

#### **7.9.6 Externally Aided Projects**

Fourteen externally aided projects are under implementation with assistance from the World Bank and other external agencies, during the year 2014-15. Of these, four are in Urban Development, three are in Public Works Departments and one

each in Rural Development & Panchayath Raj Department, Health & Family Welfare, Water Resources, Forest, Energy and Finance Departments. Another project, namely, Sujala-III is being implemented by both Agriculture & Horticulture Departments. It is proposed to implement Karnataka Integrated & Sustainable Water Resource Management - Urban Development Sector, Karnataka Integrated & Sustainable Water Resource Management - Irrigation Sector, Karnataka Urban Water Supply Modernization Project and Dam Rehabilitation & Improvement Project from the current year. Expenditure incurred on these projects since inception up to 31-12-2014 is Rs.11334.91Crores. Project wise details are as per in **Table 7.16**.

### 7.10 Outcome of various Development Programmes

Growth in agriculture production is the net result of efforts put in for implementation of various programmes of the State's Agriculture Department. A look at the past 10 years agriculture production shows significant increase in production of Cereals, Pulses, Cotton, Sugarcane and Tobacco. Slight decline has been observed in production of Oilseeds, which is mainly due to diversion of area to other crops. The State has maintained a sustained level of food grain production in 2011-12 (120.22 lakh tones), 2012-13 (109.64 lakh tones) and 2013-14 (133.10 lakh tones) in spite of drought situation in 123 taluks, 157 taluks and 125 taluks respectively in these years.

#### Major Constraints:

- Farm holdings are shrinking,
- Production costs rising,
- Water crisis,
- Shallow soils with decreasing productivity,
- Increasing biotic and abiotic pressures,
- Slow pace of diversification,
- Inefficient energy management,
- High post-harvest losses,
- Inadequate markets.

### 7.11 Watershed Development Programmes

The productivity of any crop mainly depends on crucial natural resources namely, land and water, in addition to management practices. Therefore, conservation, up-gradation and utilization of these natural resources on scientific principles are essential for the sustainability of rainfed agriculture. The watershed concept for development of rainfed area is gaining importance over the years and it amply demonstrated that watershed developmental tools are very effective in meeting the objectives with a mission approach.

Karnataka has given an important place for Watershed Development because about 75 percent of the cropped area in Karnataka depends on low and uncertain rainfall. The geographical area of the State is 190.50 lakh hectares, out of which 129.70 lakh hectares are available for watershed development. Out of this area, 63.27 lakh hectares have been treated up to March 2014, and the remaining 66.43 lakh hectares are yet to be treated.

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows:

Year	2012-13	2013-14	2014-15
Allocation	39212.30	64682.96	83927.54

The allocation of funds from previous year has considerable increased.

**Figure 7.1** shows the Proportion of Drought Prone Area in India.

The area covered by soil conservation measures from 2009-10 to 2014-15 (A) is depicted in the **Table 7.17**

#### 7.11.1 Externally Aided Project:

##### a. Karnataka Watershed Development Project-II (Sujala -3):

#### Introduction:

Karnataka Watershed Development Project-II(Sujala-3)is not a standalone

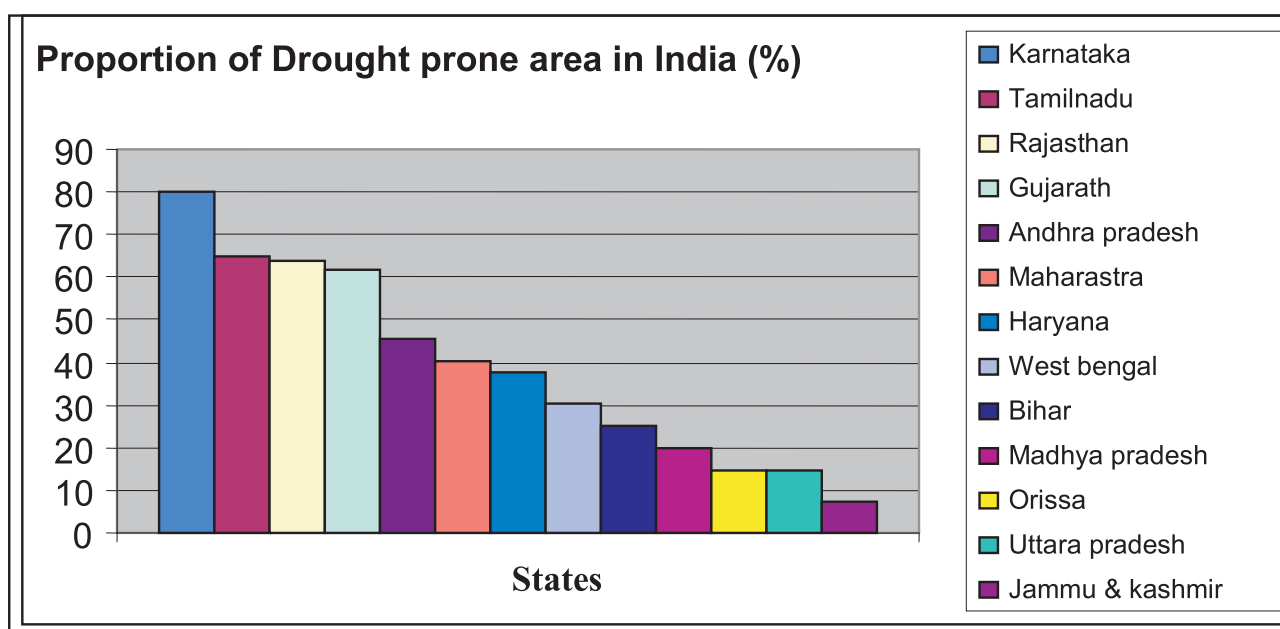
**Table 7.16 : Externally Aided Projects under implementation**

(Rs. in Crores)

Sl. No.	Name of the project & Department	Name of the aiding agency	Project Cost	Year of commencement / Closing	Expenditure since inception upto the end of 31-12-2014	Outlay 2014-15
1	FOREST Karnataka Sustainable Forest Management & Bio-Diversity	JICA	841.49 (Revised)	2005-2015 (Revised)	744.33 (Revised)	12.40
2	WATER RESOURCES (MMI) National Hydrology Phase – II Dam Rehabilitation & Improvement	World Bank	29.05 (Revised)	2006 - 2014	18.10	11.60 (includes Ph.I)
3	Karnataka Integrated & Sustainable Water Resource Management	World Bank	Project is yet to be signed			20.00
4		ADB	Project is yet to be signed			15.00
5	Agriculture & Horticulture Sujala III	World Bank	514.40 (Revised)	2013-2018	16.33	103.97
6	HEALTH & FAMILY WELFARE Karnataka Health Systems Development & Reforms (including Additional Finance)	World Bank	1455.70	2007 - 2016	1155.61	166.00
7	URBAN DEVELOPMENT Cauvery Water Supply Scheme- Stage IV- Phase II	JICA	3383.70*	i. 2005-2015 ii.2006-2016	3832.01	300.00
8	Karnataka Municipal Reforms	World Bank	1364.00	2006 -2015 (Revised)	1100.21	330.00
9	North Karnataka Urban Sector Investment Programme	ADB	1980.00	2008-2016	939.33	300.00
10	Karnataka Integrated Urban Water Management Investment Programme	ADB	Project is yet to be signed		1.08	52.00
11	Karnataka Urban Water Supply Modernization Project	World Bank	Project is yet to be signed	2013-2015	1.08	30.00
12	Bus Rapid Transit System- Hubli-Dharwar	World Bank World Bank	705.00		165.16	200.00
13	PUBLIC WORKS Karnataka State Highways Improvement, Ph. II	World Bank	4522.50	2011-2016	677.56	446.73
14	Karnataka State Highways Improvement, Ph.II	ADB	2150.40	2011-2016 (Revised)	765.65	547.98
15	Sustainable Coastal Protection & Management	ADB	911.00	2011-2018	63.23	55.70
16	RURAL DEVELOPMENT & PANCHAYATH RAJ Jal Nirmal- A.F.	World Bank	939.83 (Revised)	2010-2014	866.96	50.00
17	Karnataka Panchayath Strengthening - Gram Swaraj	World Bank	674.14 (Revised)	2006-2014 (Revised)	671.22	5.86**
18	ENERGY Bangalore Distribution Upgradation	JICA	563.70	2007-2015 (Revised)	315.42 (including BESCO Share)	100.00 (JICA Share)
19	FINANCE Karnataka Public Financial Management & Accountability System	World Bank	2.40	2011-2014	1.63	1.50
					<b>11334.91</b>	<b>2748.74</b>

**Table 7.17: Area covered under Watershed Development (lakh hectares)**

Year	During the year	Cumulative
2009-10	2.05	49.27
2010-11	2.93	52.20
2011-12	2.39	54.59
2012-13	4.01	58.60
2013-14	4.67	63.27
2014-15 (Anticipated)	4.84	68.11

**Figure 7.1 Proportion of Drought Prone Area in India**

project but links with the centrally financed IWMP which was started in the year 2012-13 and to be implemented over six years in the selected project districts. The project is innovative and science based approach aiming to generate and concurrently provide scientific planning tools and enabling institutions leading to development of participatory Micro watershed plans to ensure more accurate and effective implementation of Integrated Watershed Management Programme (IWMP). Bank financed activities would

focus on project resources on improved planning, R&D, and institutional strengthening to promote better integration between agriculture and watershed management, and convergence with NREGS. The project is no longer financing any on the ground investments, such as, water and soil conservation works, constructing check dams, erosion prevention structures etc. Instead, the project intends to support institutional capacities, use of new and innovative technology for watershed planning and

training and capacity building of stakeholders and knowledge will be shared among line departments to increase environmental sustainability of watershed investments and Horticulture productivity improvement and market linkage activities. The project also has greater attention to hydrological assessment and monitoring in the project area. As part of the project design, new decision-support tools would be developed and piloted to improve selection of priority watershed sites that combine biophysical, hydrological, socio-economic and environmental criteria. Accordingly 4 and 5 and 6th batch of IWMP areas in 11 districts of the state were selected to cover under Sujala-3 project with the project allocation of Rs.471.30 crores.

#### **Project Objectives:**

Project objectives is to demonstrate more effective Watershed Management through greater integration of programmes related to rainfed agriculture, innovative and science based approach and strengthened institution and capacities.

#### **Method of Implementation:**

There are 12 Project Partners and NBSS&LUP as a lead partner institute who will undertake research in Watershed areas and develop technologies for better planning of integrated Watershed Management Programme in the state.

#### **Project stakeholders:**

The project stakeholders include farmers in the rainfed area, including small and marginal farmers, women self help groups, water user associations, watershed committees, PRIs, NGOs and government line departments and agencies.

**Project components:** The project has five components.

**Component 1:** Support for Improved Program Integration in Rainfed Areas, would demonstrate the successful integration of programs in watershed

development, using a science-based approach in project areas.

**Component 2:** Research, Development and Innovation, would establish a coordinated research approach to provide practical knowledge and tools to support integrated watershed management.

**Component 3:** Institutional strengthening, would strengthen the institutions and human resources of key stakeholders to improve effective delivery of services for integrated watershed management.

**Component 4:** Strengthening Horticulture in Rainfed Areas, would strengthen the knowledge base regarding horticulture potential in rainfed areas, and demonstrate and build the capacity of institutions and communities to improve production and value addition of horticulture in project areas.

**Component 5:** Project Management and Coordination, would ensure effective and efficient project management and would provide incremental support to Watershed Development Department to strengthen the IWMP coordination and management systems already in place, and ensure that the additional activities would make the projects effective.

For the year 2013-14 Rs.4761.00 lakhs were allocated in the budget. this scheme was launched in the month of October-2013. An amount of Rs.379.36 lakhs was spent till March-2014

For the year 2014-15 Rs.8652.00 lakhs were allocated in the budget. An amount of Rs.553.99 lakh has been spent for the project till the end of December-2014. Area coming under Sujala-3 is being treated under Integrated Watershed Management Programme. Under Sujala-3 the following important programmes are being taken up; Institutional strengthening, Monitoring & Evaluation, To make watershed programmes more effective development and adoption of technology in increasing Agriculture & Horticulture crops productivity.



**Impact:**

No potential large scale, significant and/or irreversible impacts are anticipated but,

1. The tools developed under the project are likely to facilitate sustainable harnessing of natural resources, accurate investment plans to improve the natural resource base.
2. Incremental change in agricultural and horticultural productivity in project areas
3. Measures to enhance the potential positive environmental impacts
4. Improved M&E capability in Watershed Development Department

**b. Integrated Watershed Management Programme (IWMP):**

Integrated Watershed Management Programme (IWMP) is being implemented in the state since 2009-10 as per the common guidelines-2008 issued by Government of India. All the existing projects like Desert Development Programme, Drought Prone Area Development Programme and Integrated Wasteland Development Programme have been dispensed with and in its place common programme called Integrated Watershed Management Programme is being implemented as a Centrally Sponsored Scheme with the sharing pattern of state and centre is 10:90.

**Scope of the scheme:**

1. To conserve soil, moisture and nutrients.
2. To enhance recharge of underground water
3. To improve vegetation by afforestation and dry land horticulture
4. To increase availability of fodder and fuel.
5. To enhance agricultural productivity
6. To encourage live stock production
7. Formation and strengthening of community based organizations
8. Providing livelihood activities for the landless persons.

9. Encouraging production systems and micro enterprises and income generating activities.

**Method of Implementation:**

Before implementing the watershed activities in the field the area for the watershed treatment will be selected based on the following criteria

1. Acute Shortage of drinking water in that area
2. Severe exploitation of ground water
3. More degraded/barren land area
4. Contiguity to another watershed that has already been developed/ treated
5. Ability of the peoples to provide farmers contribution and interest of village community for Sustainable utilization of developed natural resources
6. Ratio of SC/ST Population
7. Area should not be under assured irrigation
8. Productivity Potential of the land

After selecting the area for the treatment with the above criteria, the project activities will be implemented in 3 different phases.

**A) Preparatory Phase activities:**

Preparatory Phase activities will be done to gain the confidence of the people of rural community before implementing the project activities in the project area. Entry point activities which are related to Natural Resources Management will be implemented. Apart from this awareness programme regarding the projects will be conducted. Net planning of the activities will be done by involving the executive committee and preparation and approval of detailed project reports will be done by Grama sabha.

**B) Work Phase activities:**

Year wise action plan will be prepared for the activities for areas approved in the Gramasabha. To harvest and percolate the

rainwater, the soil conservation activities like bund formation, farm ponds, check dam, nalabund and percolation tanks will be constructed in the project area. Apart from this dryland horticulture, forest, animal husbandry and fisheries activities will be implemented in the project area. Activities under production system and microenterprises will also be implemented apart from encouraging the Self Help Groups to take up the income generating activities.

### **C) Consolidation and withdrawal phase:**

This phase includes sustainable management of (developed) natural resources and up-scaling of successful experiences regarding farm production systems.

An amount of Rs.50000.00 lakh has been allocated for this scheme for the year 2013-14, out of this Rs.51003.20 lakh has been spent to develop 386441 hectares of land up to the end of March-2014.

An amount of Rs.71111.00 lakh has been allocated for this scheme for the year 2014-15. It is targeted to treat and develop 484344 hectares of land. An amount of Rs.26507.98 lakhs have been spent up to December -2014 and 174949 hectares have been developed.

Out of the same IWMP scheme Rs.16278.67 lakhs have been earmarked for Special Component Plan. An amount of Rs.1505.90 lakhs have been spent up to the end of December -2014 and 14996 hectares of land belonging to SC families have been developed. Similarly under Tribal Sub Plan Rs.6717.16 lakhs have been earmarked. An amount of Rs.687.96 lakhs have been spent up to the end of December -2014 and 6249 hectares of land belonging to ST families have been developed.

### **Impact of the Programme:**

The Integrated Watershed Management Programme is being implemented in the state from 2009-10. Training programmes were given to community based

organizations like Self Help Groups and User Groups. For soil & water conservation activities like construction of water harvesting structures, the soil nutrients etc. This leads to increase in the underground water. The "green cover" is increased through forestry and dry-land horticulture. It supports landless people in the project area to take up income generating activities.

### **7.11.2 Special Development Plan:**

#### **a. Watershed Training Centre:**

To impart training on Watershed Development activities two training centers have been established each one at Vijayapura and Mysore in the State. In these two centers technical training regarding watershed activities has been given to the Officers and staff of Agriculture, Horticulture, Forestry and Animal Husbandry sectors, who have been working in Watershed Development Department and also for the NGO staff who actively participate in the watershed programmes.

Under this scheme out of an amount Rs.189.00 lakhs allocated during 2013-14 for construction of Watershed Training Center at Vijayapura An amount of Rs.189.00 lakhs was spent to construct this training centre up to end of March-2014.

During the year 2014-15 Rs.20.00 lakhs has been provided. Up to end of December -2014 Rs.4.99 lakhs was spent to provide infrastructure for training centre at Vijayapura.

#### **Impact of the Programme:**

Improvement in the Technical knowledge of the trained officers. Increase in income level of the CBO members through capacity building. Technical support has been provided for the implementation of the departmental programmes.

#### **b. Jalasiri:**

During 2013-14 the scheme has been implemented by constructing water

harvesting structures as well as trench cum bunds and field bunds/bunds. This scheme is implemented under SDP Taluks.

**Objective of the Scheme:**

Rain water harvesting, ground water recharge, drought proofing, employment to agriculture labours, protective irrigation to crops during critical conditions and facilitation of drinking water to animals.

An amount of Rs 2311.00 lakh has been provided for the year 2013-14 to construct 773 water harvesting structures. Out of which an amount of Rs 2309.91 lakh has been spent to construct 946 water harvesting structures till the end of March-2014.

The budget has not provided for the year 2014-15 under this scheme.

**Impact of the Programme:**

Increase in the ground water level, borewell and open well recharge and soil and water conservation.

**7.11.3. Rastriya Krishi Vikasa Yojane:**

Two schemes mentioned below are implemented under this scheme.

**A) Rainfed Area Development Programme (RADP):**

The programme aims at improving the quality of life of farmers' especially small and marginal farmers by offering a complete package of activities to maximize the farm returns for enhancing food and livelihood security.

Scope of the scheme: Integrated farming systems have to be adopted for overall development of rainfed agriculture. The economic conditions of the farmers can be improved by adopting activities like agriculture, agro-forestry, horticulture, livestock, fisheries, apiculture etc., as per the land capability, climate and local situations.

**Method of Implementation:**

For a cluster of villages based on survey of

farm holdings, existing farming practices, farm & family size, soil & nutrient characteristics, level of farm inputs, availability of water & farm power etc., a suitable farming system based interventions is undertaken under RADP.

The villages under the watershed or cluster of micro watersheds. KVKs, SAUs, ICAR Centers and other scientific and research organizations located in these districts are associated for scientific/technical support.

An allocation of Rs.2000 lakhs has been allocated for the year 2013-14. A sum of Rs.997.46 lakhs has been spent from released amount of Rs 1000 lakhs and developed 5401 hectares of land up by end of March-2014

In the current year (2014-15) under RKVY, SLSC has sanctioned only 50% of grants for construction of water harvesting structures. An amount Rs.3660.00 lakhs has been allocated to the Watershed Development Department for construction of water harvesting structures.

**Impact:**

The evaluation studies have revealed that the productivity of crops and income level of the farmers has been increased in those who have been covered under this scheme.

**B) The River Valley Project:**

It is a centrally sponsored scheme implemented in the Karnataka state under Macro Management of Agriculture (MMA). Rs.2500 lakh was approved for 2013-14 to treat 69967 hectares. It was planned to take up all the balance activities in the 24 ongoing sub watersheds to treat them completely to achieve the desired objectives. Out of which Rs.1617.34 lakhs has been spent to develop 45218 hectares of land by the end of March-2014.

**Scope of the scheme:**

This programme aims to prevent degradation of land by adoption of a multi-disciplinary integrated approach of soil conservation & watershed management

in catchment areas and aids in prevention of soil loss from the catchments to reduce siltation of multipurpose reservoirs & enhance the in-situ moisture conservation and surface rainwater storages in the catchments to reduce flood peaks & volume of runoff.

This scheme has been closed on March-2014.

#### **Impact:**

The Evaluation Studies have revealed that watershed interventions are very effective in prevention of land degradation and water conservation.

#### **7.11.4 Prime Minister's Relief Package: (Sujala-II)**

##### **Introduction:**

A Special Package i.e., Prime Minister's Rehabilitation Programme (Sujala-II PMRP [RIDF]) for ameliorating the hardship of farmers in districts reporting high incidence of suicides. In the State, Belagavi, Hassan, Chitradurga, Chickamagaluru, Kodagu and Shivamoga districts have been identified. In this regard an amount of Rs.180.00 crore was allocated to the Government of Karnataka to implement the project on sujala model to treat an area of 1.50 lakhs ha under Forestry, Horticulture, Animal Husbandry, Land Treatment, Fisheries, Income Generating Activities and other programmes. The project was financed by NABARD.

##### **Project Objectives:**

1. Increase in productivity in selected watersheds
2. Improve the natural recourses.
3. Increase Agricultural production in selected watershed areas.
4. Reducing poverty of farmers in Watershed areas.

##### **Method of Implementation:**

The project was implemented under participatory watershed development

programme with participation of NGOs on the lines of Sujala from 2008-09 to 2013-14 upto December 2013 with the cost sharing of 80% from NABARD loan (Rs.144.00 crores) and 20% from Government of Karnataka (Rs.36.00 crores) total of 180.00 crores. This project was implemented in 41 Taluk of 6 distressed districts covering 314 micro watersheds under 59 Sub watersheds.

Sustainable community base organisation like 2331 self help groups (SHG) 3120 common interest group (CIG) and 314 Executive committees (EC) are formed and financial assistance has been given and the economic condition of farmers is being improved.

An allocation of Rs. 4500.00 lakh have been provided. Including opening balance of Rs 3309.88 lakhs have been spent and developed 26996 hectares up to the end of March-2014.

This scheme has been closed on march-2014.

Impact of the Project (as per ANTRIX [ISRO] Evaluation Report):-

- Observed in improvement in the under Ground Water by increase of yield in 10%
- Increase in the cropping intensity from 132% to 144%.
- Increase in the average crop yield by 19%
- Annual house-hold income was increased by 21% due to increase in employment.

#### **7.11.5. Fisheries in farm ponds and other harvesting structures:**

##### **Scope of the Scheme:**

1. Fisheries development under Watershed Development has been given more thrust. As an Integrated approach of Animal Husbandry coupled with fisheries is bound to yield significant increase in income levels of targeted



group besides ensuring sustainable livelihood.

2. Rain Water Harvesting Structures like Farmponds, Nalabunds, Minor tanks, Saline & waterlogged areas and other water holding structures offer excellent opportunity for fisheries development in watershed areas.

#### **7.11.6 Campaign for Check Dams:**

This scheme was introduced in the state to improve underground watertable through construction of water harvesting structures like Check dam, Nalabund, Perculation Tank etc.,

#### **Objective of the Scheme:**

Rain water harvesting, ground water recharge, drought proofing, employment to agriculture labors, protective irrigation to crops during critical conditions and facilitation of drinking water to animals.

An allocation of Rs.405.00 lakhs has been made to construct 162 check dams during the year 2013-14. Up to the end of March-2014, 165 ground water harvesting structures have been constructed by spending Rs.405.00 lakh.

The budget has not provided for the year 2014-15 under this scheme.

#### **7.12 Agricultural Marketing:**

The Department of Agricultural Marketing is working under the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966 and Rules 1968. The state has 155 Agricultural Produce Market Committees (APMC's) to facilitate and regulate the marketing of agricultural commodities. The APMCs are managed by an elected Managing Committee. The Secretary and supporting staff are Government servants working in the APMCs. The Department of Agricultural Marketing supervises and guides the working of APMCs to implement the provisions of the Act and Rules of the department.

The aim of the department is to develop and regulate participative, transparent and scientific agricultural marketing system with adequate infrastructure and user friendly e-initiatives in the state. To promote and encourage participatory and equitable socio-economic development of people of Karnataka and specially farmer of Karnataka through a vibrant agricultural marketing system.

Since department has provided infrastructure facilities for better marketing of the commodities, the value of total arrivals in the regulated markets in the state has increased from Rs.28,687 Crores during 2012-13 to Rs. 33,165 Crores during 2013-14.

The challenges of the Department is to provide additional required infrastructure for trade in the markets, to ensure transparency in the markets, to modernize the markets, and to ensure competitive price to the farmers produce. In this regard, action has been taken to implement online trading system in all the APMCs of the state in phase wise manner.

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows.

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The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 is as follows.

(Rs in lakhs)

Year	2012-13	2013-14	2014-15
Allocation	4923.55	7421.51	9992.00

The allocation of funds from previous year has considerable increased.

#### **Implementation of online trading system :**

On line trading system is being implemented to sell the agricultural produce of the farmers in the markets through electronic trading system. Actions are being taken up to ensure transparency, simplify the marketing procedures, ensure competitive price for farmers' produce by introducing technology in all market activities including auction system, price

discovery and payment of sale proceeds to farmers on line. Arrangement is being made to link different markets in the state by introduction of technology and facilitating the traders of different markets in the state to participate in buying of commodities on line from any of the markets of the state where the farmers have offered for sale.

Implementation of E-tender system through Unified Market Platform is in progress in 50 Agricultural Produce Market Committees (APMCs) as announced in the budget speech of 2012-13. The Agricultural Marketing Reforms Committee appointed by the State Government in March, 2013 submitted its report in May, 2013. The State Government has accepted the recommendations of the Reforms Committee and came out with the Karnataka State Agricultural Marketing Policy- 2013 on 4th September, 2013. From the budgetary provision of Rs. 1000 lakhs for the year 2013-14, the necessary computer hardware/peripherals have been supplied to 54 APMCs for introduction of on line trading system.

Action has been initiated to implement online trading system in selected 15 APMCs under public private partnership through the Rastriya market Services Limited (ReMS), from the grant of Rs. 300 lakhs sanctioned under the 13th Finance Commission.

On line trading system is introduced in 45 markets during 2014-15 upto September.

Action has been taken to implement the online trading system in the remaining APMCs through the financial assistance of Rs.2000 lakhs under Rastriya Krishi Vikas Yojana.

#### **Minimum Floor Price scheme:**

To ensure sustainable development and stability in agricultural sector and to protect the interests of the farmers against distress sale of agricultural commodities, whenever the rates of such commodities go down, the **Floor Price Scheme** for Agricultural/Horticultural commodities in

Karnataka is being implemented. The scheme is applicable to all the notified Agricultural & Horticultural commodities as per Karnataka Agricultural Produce Marketing (Regulation & Development) Act 1966. In addition to this Scheme, the Price Support Scheme of Government of India is also being implemented. By implementing this scheme it is possible to stabilize the agricultural prices in the markets and ensure better price for farmers' produce by avoiding distress sale of commodities.

The Scheme has come effect from 24.11.1999. For the successful implementation of the said scheme a corpus of **Revolving Fund** was created. As per Karnataka Agricultural Produce Marketing (R&D) act 1966, and as per the decision taken by the Agriculture/ Horticulture Commodities Price Stabilization Cabinet Sub-Committee from time to time. The Karnataka State Agricultural Marketing Board is authorized

to operate the Revolving Fund. During the year 2013-14 the budgetary grant was Rs.10,000.00 lakhs and the contribution received from the APMCs was Rs.10,800.00 lakhs. Totally Rs.20,800.00 lakhs was received to the Revolving Fund. During the year 2013-14 an amount of Rs. 71,494.00 lakhs was spent for procurement of different commodities from 1,63,702 farmers.

During the year 2014-15 budgetary allocation of Rs. 5000.00 lakhs has been made. Since the procurement of commodities starts from December, procurement of commodities from farmers is under progress.

#### **Rural Infrastructure Development Fund (RIDF) :**

Rural markets are the places where large number of small and marginal farmers sell their agricultural produce. These markets are being developed by providing

**Table 7.18 : Details of amount spent for purchase of various commodities during 2013-14**

Sl No	Name of the Commodity	Quantity purchased (lakh Qtls)	Value (Rs.lakhs)	Incentive by State Govt (Rs.lakhs).	Total value of commodities purchased (Rs.lakhs).	Amount released from the Revolving Fund (Rs.lakhs)
1	Paddy	22.92	30,027	6,648	36,675	47,000
2	Maize	71.38	93,482	-	93,482	
3	Oilseeds	1.25	4,884	-	4,884	1,000
4	Tur	2.51	10,794	1,757	12,551	13,700
5	Ball Copra	2.95	16,244	2,953	19,197	8,000
6	Coconut	-	-	-	-	50
7	Paddy (Incentive for 12-13)	0.99	-	-	-	44
8	Hopcoms, Davanagere	2.10	631	-	631	1,000
9	Bengalgram	1.41	4,377	-	4,377	700
	<b>Total</b>	<b>105.51</b>	<b>1,60,439</b>	<b>11,358</b>	<b>1,71,797</b>	<b>71,494</b>

infrastructure for the benefit of farmers and traders. The National Agriculture and Rural Development Bank of Government of India provides partial financial assistance for providing infrastructure facilities for rural markets. Remaining financial requirements are provided by the APMCs for the development of infrastructure facilities. The Department of Agricultural Marketing gets the information from the APMCs, prepares the project report, submits the proposal to NABARD and after sanction supervises the implementation of the project. The facilities provided in the rural markets like godowns, roads, sanitary, auction platforms, drinking water, etc will help the sellers and buyers.

During the year 2013-14 Rs. 1000.00 lakhs budgetary allocation is made and this amount is spent for completion of 33 works in 28 APMCs.

During 2014-15 a budgetary allocation of Rs. 1160.00 has been made for this project. Out of this Rs. 580 lakhs was spent upto September for infrastructure works in 21 APMCs. Out of this 11 works are completed and the remaining 10 works are in progress.

**Rural Godown Scheme/ Grameena Bhandar Yojana (Central and State Sector):**

This scheme has been introduced in 2006-07 to help the farmers to store their commodities scientifically in godowns and to sell the same when the prices are high. Farmers can also get pledge loan on the basis of the commodities stored in the godowns.

The APMCs are implementing the rural godown scheme by getting 25% subsidy from Government of India. Since the assistance given by Government of India is going directly to APMCs account. Separate head of account is not given for this scheme.

Under the scheme, construction of 545 godowns in the rural areas coming under 14 APMC's jurisdiction has been taken up. Out of this 528 works have been completed and

17 works are under progress. Out of these 17 works one work in Kunchenahalli of Shivamogga APMC is held up due to litigation and another work in Hiremandihalli of Bailhongal APMC which was delayed due to litigation is now under progress.

**Rice Technology Park – Karatagi :**

Rice Technology Park in Karatagi of Gangavati Taluk is being developed in order to provide state of the art technology facilities for cleaning, grading, processing, packing, selling, branding, export, etc for paddy/rice.

During the year 2013-14 an amount of Rs. 200.00 lakhs budget allocation was made for this project. From this amount the land required for the Rice Technology Park has been purchased. During 2014-15 an amount of Rs. 150.00 lakhs budget allocation is made. An amount of Rs. 37.50 lakhs has been utilised for purchase of land required for the rice technology park upto the end of September 2014.

**Establishment of Coconut processing unit at Konehalli of Tiptur :**

The objective of this project is to provide infrastructure facilities for value addition of coconut and copra.

During the year 2013-14 budgetary allocation of Rs. 250.00 lakhs was made for this project. Out of this Rs. 25.00 lakhs has been utilized for the construction of buildings in Konehalli sub market of Tiptur APMC and the remaining amount has been transferred to Registrar of Co-operative Society for the implementation of coconut processing unit at Chamarajanagar.

**Creation of infrastructural facilities in the APMC's coming under backward areas:**

The objective of this project is to provide infrastructure facilities like auction platforms, godowns, roads, drinking water and sanitary facilities, etc., in the markets coming under the backward areas.

During the year 2013-14 Rs. 50.00 lakhs budgetary allocation was made. Out of this development works are completed in selected 12 APMCs which are coming under backward areas. During the year 2014-15, budgetary provision of Rs.50.00 lakhs has been provided. Out of this Rs. 12.50 lakhs has been utilized for providing infrastructure facilities for trading in APMC Jagalur, upto end of September 2014.

Implementation of this scheme will help the farmers in the backward areas to market their produce for a better price.

#### **Rashtiya Krishi Vikas Yojana (RKVY) :**

Construction of godowns under RKVY scheme will help to promote scientific storage of commodities there by reducing storage losses. Further, these scientifically constructed godowns will also help take up online trading through godown based sales thereby helping the farmers to get better price for their commodities and reduce transportation charges to the distance markets.

Under the centrally sponsored RKVY Scheme, 25% subsidy is given for providing infrastructure facilities like scientific godowns etc., remaining 75% amount required for the project will be borne by the concerned APMCs.

During 2013-14, budgetary provision of Rs.3466.00 lakhs has been made under this scheme. Action has been taken to construct 97 godowns of total 45,250 MT capacity, in the selected 36 APMCs.

Under SCP, Plan construction of 48 godowns of 100 MT capacity with an approved cost of Rs. 528.14 lakhs have been taken up and all the works are under completion.

Under TSP, Plan Construction of 18 godowns of 100 MT capacity with an approved cost of Rs.197.86 lakhs have been taken up and all the works are under completion.

During the year 2014-15 a budgetary allocation of Rs.2530.00 lakhs has been made under this project. This amount is being utilized to construct each godown of 5000 MTs capacity in 8 APMCs.

#### **Establishment of Tur Technology Park at Gulbarga :**

During 2012-13 it was proposed to establish a Tur technology park in Gulbarga district with state of the art technology for providing grading, cleaning, processing, storage, branding, marketing and such other facilities. Action has been initiated to obtain suitable land for the implementation of the scheme.

Development of Tur Technology Park in Gulbarga will help to take up value addition activities for Tur and other pulses produced in the area. This also helps to create better infrastructure for cleaning, grading, sorting, processing, branding, marketing and export of tur and its products. This in turn helps farmers to get better price for their commodities and overall economic development of the area.

During 2013-14, out of the allotted budget of Rs.75.00 lakhs has been allotted. An amount of Rs.37.50 lakhs has been released and action is being taken to acquire land for the project. During 2014-15, budgetary provision of Rs.100.00 lakhs has been made for this project.

#### **Establishment of Maize Technology Park at Ranebennur :**

Development of Maize Technology Park in Ranebennur will help to take up value addition activities for Maize and other commodities produced in the area. This also helps to create better infrastructure for cleaning, grading, sorting, processing, branding, marketing and export of maize and its products.

During 2013-14 the budgetary provision of Rs.75.00 lakhs has been made for this project and the process of appointment of technical advisor by calling tender is under progress.



### **Establishment of Coconut Technology Park at Tiptur :**

Development of Coconut Technology Park in Tiptur will help to take up value addition activities for Coconut/Copra produced in the area. Through this better infrastructure for cleaning, grading, sorting, processing, branding, marketing and export of coconut/copra and its products are provided.

In the budget speech of 2012-13 it was proposed to establish Coconut Technology Park including coconut products research and development unit at Tiptur with state of the art technology for providing Grading, cleaning, processing, storage, branding, marketing and facilities for research and development of coconut products.

During 2013-14 the budgetary allocation of Rs. 50.00 lakhs has been made for this project and action has been taken to utilize the same.

### **Karnataka Agricultural Marketing Policy 2013 :**

In order to improve the agricultural marketing system in the state the Government had appointed a Committee under the Chairmanship of Additional Secretary to Government, Department of Co-operation Agricultural Marketing Reform Committee had submitted its report to Government on 15-5-2013. Karnataka Agricultural Marketing Policy-2013 came into effect on 4-9-2013. A SPV (Special Purpose Vehicle) has been established on 6-11-2013 for the implementation of reforms measures. During 2013-14, Government has re-appropriated and released Rs.500.00 lakhs for the implementation of the scheme. Implementation of Agricultural Marketing Policy will help the farmers to get competitive prices for their commodities, bring transparency in the system and facilitate simplification of various activities in the market yards.

During 2014-15, budgetary provision of Rs.250.00 lakhs has been made under this scheme. Action has been taken to utilized

the amount for the establishment of primary level grading laboratory & orientation centers in the selected 54 APMCs.

### **Kayaka Nidhi :**

Implementation of Kayaka Nidhi Scheme will help about 32,000 licenced hamals working in APMCs who are under below poverty line.

In para No.83 of the Budget Speech of 2014-15, Government has announced for the implementation of "Kayaka Nidhi" scheme as follows:-

"Kayaka Nidhi" of Rs.1 crore for the welfare of manual laborers "Hamalis" working in APMC will be established. 50 percent of the amount will be borne by the Government and the remaining 50 percent through APMC cess collection.

The amount to be released from the Government under this scheme will be utilized to meet the medical expenses of surgical operation upto Rs.1.00 lakh & Rs.10,000.00 to meet expenses related to cremation in case of death of Hamals working in the market area. This scheme is a new scheme announced in the 2014-15 budget. Budgetary provision of Rs.50.00 lakhs has been made under this scheme.

Establishment of 25,000 tonne capacity warehouse and irradiation

### **Centre at Hubli :**

In the Agricultural Budget presented by the Hon'ble Chief Minister on 8-2-2013, announced in para No.71 as follows:-

Para 71:- 25,000 tonne capacity warehouse and irradiation centre will be established in Hubli. This will help in value addition of onion, potato, mango, chilly, oil seeds and foodgrains.

Based on this, action has been taken by the department to implement the scheme. The company IL & FS Clusters Development Initiative Limited has submitted tender. Approval has been accorded for the negotiated amount of Rs.38.00 lakhs.



### **Establishment of Irradiation unit at Dasanapura :**

Announcement in the budget speech of 2012-13, in para No.90 is as follows:-

Para 90:Long term storage of produce: New storage units at Dasanapura Market Committee land at Bangalore will be established on a pilot basis in the first phase to enable long term storage, improve shelf life and to promote export of food grains, fruits and vegetables produced in the State.

Based on this, action has been taken to implement the project. Project report has been obtained from Infrastructure Development Corporation. It is proposed to implement the project under Public-Private-Partnership model. The project will be implemented from the APMCs fund.

### **Raitha Sanjeevini :**

This is an insurance scheme for farmers being implemented by the Karnataka State Agricultural Marketing Board. Under this scheme, farmers who meet with an accidental death or are permanently disabled while being involved in farming/marketing activities are provided a compensation ranging from Rs.5000.00 to Rs.75,000. During 2013-14 Rs.140 lakhs was given as compensation to 311 farmers. During 2014-15 upto September, 101 farmers were given compensation of Rs.42.72 lakhs.

### **Aam Admi Bima Yojane :**

The Aam Admi Bima Yojane is an insurance scheme implemented with the help of Life Insurance Corporation of India for the welfare of licensed weighmen, hamals and cartmen working in AMPCs. The Karnataka State Agricultural Marketing Board is the nodal agency for implementing the scheme. Under the Scheme, for accidental death or permanently disability, an amount for Rs.75,000.00 and for natural death Rs.30,000.00 is given as compensation. In addition, the Government of India pays

scholarship of Rs. 100.00 per month for students of 9th to 12th standard whose parents have registered under this scheme.

Under this scheme an amount of Rs.26.00 lakhs was given to 88 families during 2013-14. During the year 2014-15, an amount of Rs.5.10 lakhs was paid as compensation to 17 families upto the end of September 2014. Rs.17.38 lakhs has been released as scholarship amount from the LIC to 1456 students.

### **Achievements of the Department**

- In 155 APMCs of the State Rs.33,16,500 lakhs transaction of agricultural commodities has been made.
- Karnataka Agricultural Marketing Policy-2013 has been brought in to force and implemented.
- Online trading system has been implemented from February, 2014. Untill September, 2014 in 45 APMCs online trading is introduced. Through these markets 3.15 lakh lots worth Rs.130,000 lakhs have been traded.
- An amount of Rs.71,494 lakhs was utilized from Revolving Fund for the procurement of different commodities from 1,63,702 farmers under Support Price Scheme.
- Under Rural Infrastructure Development Scheme 33 works in 28 APMCs have been completed at an amount of Rs.1,000 lakhs.
- Under Raith Sanjeevini Scheme Rs.42.72 lakhs was given as compensation to 101farmers.
- Under Aam Admi Bhima Yojane Rs.26.00 lakhs was given to 88 families as compensation.
- For the establishment of Coconut Processing Unit at Konehalli submarket of APMC, Tiptur, civil works are completed and procurement of equipments is under progress.

- Action has been initiated to obtain 250 acres of land through KIADB for the establishment of Tur Technology Park at Kalaburagi.
- Action has been initiated for the appointment of Technical Consultant for the establishment of Maize Technology Park at Ranebennuru.

#### **Global Agribusiness Investors' Meet :**

The Government of Karnataka organised Global Agribusiness Investors' Meet, during December 2011; the international agribusiness event, held at the Bangalore International Exhibition Centre on 1st and 2nd December 2011, was the first of its kind in the country to attract investments into agriculture and allied sectors. About 1900 delegates including farmers, 300 organisations from across 20 Indian states participated in the event. Besides, delegates from Netherlands, Australia, Israel and France also took part.

During the meet and thereafter, 69 MOUs were signed, covering an investment of Rs.61,200 Crores. So far, 32 Projects covering an investment of Rs.11,058 Crores have been approved by Karnataka Udyog Mitra, the Single Window Agency in the State. Of them, 9 projects, with an investment of Rs.228.59 Crores have already been commissioned. Other projects are in the various stages of implementation.

In addition, during the Global Investors' Meet 2012, 62 MOUs related to agriculture sector have been signed involving an investment of Rs. 15017 Crores.

In order to take forward the implementation process, the Karnataka Agribusiness Development Corporation Ltd., (KABDC) a special purpose vehicle has been established under the supervision and control of Karnataka State Agricultural Produce Processing and Export Corporation Limited. The KABDC is regularly coordinating with investors, concerned Department (Revenue, Agriculture Marketing, Energy) and other Government organisations (KIADB,

Pollution Control Board etc.) so that necessary clearances are facilitated including procurement of land.

#### **7.13 Horticulture:**

Horticulture is a part of Agriculture sector and Karnataka has registered a rapid growth and made versatile achievement in this sector. In many dry regions of the State, Horticultural crops have evolved as an alternative crop to agricultural crops. Currently, Horticulture crops cover an area of 18.35 lakh Hectares and the annual production is 149.59 Metric Tons. The average Productivity of Horticultural crops in the state is 8.15 Metric Tons per Hectare. The annual value of Horticultural products produced in the state is Rs.29741.00 crores and constitutes 40% of the total income from entire agriculture sector. The share of Horticultural produces to total GSDP of the state is 10%.

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows.

(Rs in lakhs)			
Year	2012-13	2013-14	2014-15
Allocation			
Plan	43,493.64	53,377.34	1,12,204.71
Non-plan	6805.04	8612.10	9781.39

The allocation of funds from previous year has considerably increased.

#### **Vision:**

To accelerate horticulture and horti-business for increasing the income, livelihood and nutritional security of stakeholders with emphasis on rain-fed areas.

#### **Mission:**

To achieve an annual growth rate of 6% in the Horticulture sector by enhancing area, production and productivity.

#### **Objectives:**

- To increase horticulture production.

- To improve post-harvest management and market linkages.
- To strengthen Horticulture research, extension and Human Resource Development.
- To formulate schemes for development of horticulture in specific regions and implement them.
- To encourage conservation of natural resources
- To give support for providing infrastructure and essential services

The State Government has undertaken several initiatives to boost the growth in this sector. The major initiatives include 1) Area expansion programme 2) Providing micro irrigation 3) Horticulture extension and training 4) Disease and pest management 5) Rashtriya Krishi Vikas Yojane (RKVY) 6) Comprehensive Horticulture Development 7) Wine policy 8) Assistance to Horticulture Boards and Corporations 9) Biotechnology 10) Incentives to floriculture 11) Apiculture 12) Karnataka water shed development project (Sujala-III) 13) Integrated productivity for farming in Coconut.

Area under Horticultural crops in the state from 2008-09 to 2013-14 is given in **Table 7.19**. A comparative statement of area and production of selected fruit crops is given in **Appendix- 7.14**.

### 7.13.1 Area Expansion Programme:

The area expansion programme has been taken up under different schemes viz., National Horticulture Mission and Oil Palm development Programme. The details of these schemes and progress in implementation are discussed below.

#### 1. National Horticulture Mission (NHM):

For overall development of horticulture, the Government of India started implementation of the National Horticulture Mission (NHM) Scheme in Karnataka since 2005-06. The scheme is being implemented in all 30 districts of the state. At present, this scheme is a sub scheme of Mission for Integrated Development of Horticulture (MIDH). During 2014-15, Rs. 64,647.00 is allocated for NHM.

#### Objectives:

- Enhancing production, quality and productivity of major Horticulture crops
- To adopt new innovative technology in horticulture
- To develop horticulture in clusters approach
- To increase income of farmers
- To provide employment opportunities to unemployed youths.

**Table 7.19: Area under Horticultural crops in Karnataka.**

(lakh Ha.)

Crops	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14 (Estimated)
Fruits	3.18	3.60	3.54	3.69	3.77	4.00
Coconut	4.71	4.87	4.91	4.93	4.97	5.17
Spices	2.43	2.66	2.57	2.29	1.70	1.78
Vegetables	4.21	4.37	4.38	4.20	4.00	4.19
Cashew	0.70	0.70	0.69	0.70	0.70	0.74
Flowers	0.27	0.27	0.28	0.29	0.30	0.30
Others	2.50	2.52	2.64	2.76	2.92	2.96
<b>Total</b>	<b>18.00</b>	<b>18.99</b>	<b>19.01</b>	<b>18.86</b>	<b>18.36</b>	<b>19.14</b>

Source: Directorate of Horticulture

**Major strategies:**

Inculcation of protected cultivation method, rejuvenation of the unproductive orchards, rain water harvesting, organic farming, induction of Integrated Nutrition Management(INM) and Integrated Pest Management(IPM), providing post harvest support, improving marketing, enhancing the technical knowledge and skills of farmers, extension officials and entrepreneurs through an array of training programmes. The financial progress achieved under NHM is given in **Appendix 7.15**.

During the year 2013-14, an amount of Rs. 140.00 crores was allocated. Out of this, Rs. 113.51 crores was spent.

During 2014-15, the annual physical target is 6363 ha. & financial target is Rs. 1480.73 lakh for area expansion of horticulture crops like fruits, plantation crops, spices, flowers and aromatic crops. Financial assistance of Rs. 1222.35 lakhs has been provided for area expansion of 6148.34 ha upto the end of December-2014.

The total approved Annual Action Plan for the year 2014-15 is Rs.147.00 crore. During 2014-15 more emphasis is given for providing infrastructure, protected cultivation and Post-harvest management. The details are given in **Table 7.20**.

Future plans for Implementation of NHM Scheme for 2015-16:

The Mission has planned to prepare the draft annual action plan for an amount of Rs. 200.00 crore for the year 2015-16. Emphasis will be given on the following programmes :

- Post Harvest Management
- Protected cultivation
- Rejuvenation programmes
- Integrated pest /disease and Nutrient management
- Mechanization.
- Marketing Infrastructure Programmes.

**2. National Mission On Oil Seeds And Oil Palm (NMOOP) :**

In India, every year about 90 lakh tones of edible oil is being imported. The edible oil is imported at a total cost of Rs.50,000 crores per annum. Therefore, in order to decrease National foreign exchange and achieve self sufficiency in edible oil production, both Central and State Govt. are encouraging oil palm cultivation since 1990-91.

**Objectives of the scheme:**

- To achieve self sustainability in edible oil production and save foreign exchange involved in import of edible oil from other countries
- To bridge the widening gap between demand and supply of edible oil in the country.
- To bring about crop diversity in the region.
- To improve the economic status of farmers in the region.
- To increase the oil palm crop area in the state and to improve the yield levels in the plantations.

In Karnataka, about 2.60 lakh ha. has been identified as having potential for oil palm cultivation. Since, Oil Palm is a water loving palm, its cultivation is being taken up in the farmer's fields of the districts which come under Command areas of Cauvery, Bhadra, Thungabhadra, Krishna, Malaprabha and Ghattaprabha through Government approved oil palm entrepreneurs.

For integrated oil palm development, the responsibility of nursery raising, area expansion, distribution of inputs, procurement of Fresh Fruit Bunches (FFBs) and establishment of processing mill has been entrusted with Private partners. Hence, this programme is being implemented in a Public Private Participation (PPP) module. Currently, in Karnataka 5 entrepreneurs are operating. In order to protect the interest of oil palm farmers, oil palm entrepreneurs and oil

**Table 7.20: Progress of programme implementation during 2014-15 Under NHM.**

Programme	(Units)	AnnualTarget		Achievement (upto Dec .2014)	
		Physical	Financial (Rs.inlakh)	Physical	Financial (Rs.inlakh)
Nursery	(Nos.)	14	230.00	1	12.50
Tissue Culture Lab	(Nos.)	4	400.00		
Vegetable seed Production	(Ha.)	232.05	37.44	40	4.90
Import of Planting Material (District)	(Nos.)	3.00	15.00		
New Area Expansion	(Ha)	6363	1480.73	6148	1222.35
I & II year Maintenance	(Ha.)	9170.25	530.92	10211	573.89
Mushrooms	(Nos)	8.00	62.00		
Rejuvenation of Old/Senile Orchards	(Ha.)	2070.04	414.01	1626	292.61
Creation of Water Storage Structures	(No.)	440.00	541.25	241	221.80
Protected Cultivation	(Ha.)	2074.25	4044.91	1170	1598.00
Integrated Nutrient / Pest & Disease Management.	(Ha.)	37507.14	621.00	29650	399.37
Organic Farming					
i. Adoption of Organic Farming	(Ha.)	1000.00	40.00		
ii. Vermi compost / Bio- digester units	(No.)	800.00	240.00	465	137.32
Pollination support through bee keeping	(No.)	8094.03	71.62	3674	30.68
Mechanization	(No.) 20 H.P	1267.30	720.05	52	13.48
Front Line Demonstration (FLD)	(No)	4.00	20.00		
Human Resource Development	(No.)	35053.00	621.97	12816	177.36
Integrated Post Harvest Management.					
i. Pack Houses	(Unit No.)	250.00	500.00	126	228.67
ii. Reefer Vans	(No.)	4.00	36.40	2	17.58
iii. Primary/Mobile Processing	(Unit No.)	95.00	950.00	108	351.77
iv. Cold Storage Units	(Unit No.)	3.00	280.00	1	24.00
v. Ripening Chamber	(Unit No.)	4.00	50.00	3	14.86
viii. Onion Storage Structures	(No.)	100.00	87.50	27	21.00
Establishments of Marketing Infrastructures	(Unit No.)	118.00	284.35	28	342.52



palm industry as a whole, the State Government has passed the Oil Palm Cultivation, Production and Processing regulation Bill during the year 2013.

Currently in the State, about 13000 ha. is under oil palm cultivation by about 12000 farmers. The annual production of oil palm FFBs is about 12000 M.T, out of which about 2066 M.T of Crude Palm Oil (CPO) is being extracted.

In order to encourage the farmers to take up oil palm cultivation, the farmers are being provided with various kinds of assistance. To establish oil palm plantations, farmers are given input subsidies at the rate of Rs.20,000/- per hectare for an initial period of four years or pre-bearing period and planting material subsidy at Rs.8000/- per hectare. Subsidies are also extended for the purchase of various implements, drip irrigation, inter cropping, borewell, water harvesting structures and diesel pumpset. Farmers are also taken on exposure visits and imparted training on advance cultivation practices.

To facilitate the expansion of area and planting in the next year, oil palm seedlings have been raised in the current year 2014-15. About 175000 sprouts have been procured by oil palm entrepreneurs and sown in various nurseries and more than, 600000 seedlings in various nurseries are getting ready for planting in the current year and subsequent year. As on December-

2014, 2,19,076 seedlings have been distributed to the farmers for area expansion. During 2014-15 Rs. 2000.00 lakhs is provided for the scheme. The Central and State sharing pattern is 75:25.

#### **Organized Marketing Facility:**

Under Oil Palm Development Programme, in order to purchase the produce of farmers, there is a well organized buy-back arrangement. The oil palm entrepreneurs, to whom specific areas have been allotted, procure the FFBs from the farmers at a price declared by the Price Fixation Committee, headed by Principal Secretary to Government, Horticulture Department. The entrepreneurs make payment to the farmers once in a month directly to his / her bank account through ECS. This is a unique and transparent system followed to promote oil palm crop. The FFBs price for the month of December-2014 has been fixed at Rs.5821/- per ton of FFBs.

During the year 2014-15, the Central Government has launched a new program known as National Mission on Oil Seeds and Oil Palm (NMOOP). The Central Govt. has allocated an amount of Rs.10.14 crores for the year 2014-15. Under State Sector an amount of Rs.906.81 lakhs and under District Sector program an amount of Rs.106.68 lakhs has been allocated.

The physical and financial achievements of the oil palm development program are given in **Table 7.21**.

**Table 7.21: Physical and Financial progress under Oil Palm Development programme**

Year	Physical (Area Expansion) (ha)		Financial (Rs. In lakhs)	
	Target	Achievement	Target	Achievement
2013-14	6120	2858	1353.49	1211.54
2014-15 (upto Dec.14)	3300	1532	1013.49	306.82

### 7.13.2 Central Sponsored National Sustainable Agriculture:

This is a Central Sponsored Scheme with a sharing pattern of 45:55 and for the year 2014-15 a budget allocation of Rs.12500.00 lakh is provided.

#### Objectives of the scheme:

- To conserve water by adopting modern technology in horticulture and bringing more area under drip irrigation.
- Providing specific amount of water to the plants simultaneously in a short period.
- To save 30 – 40% of fertilizers, to save cost of electricity and labour by giving fertilizers to the crops through Fertigation method in micro irrigation.
- To increase the yield and productivity from 30-100%.

Since inception of the scheme, an area of 4.14lakh hectares has been brought under Drip Irrigation by providing an assistance of Rs.1092.38 crores. Number of beneficiaries benefited under the scheme since inception is 3,09,937. The progress achieved under Micro Irrigation is given in **Table7.22**.

1. During 2014-15 the assistance for Micro Irrigation is a part of On Farm Water Management (OFWM) Component under National Mission on Sustainable Agriculture (NMSA).
2. During 2014-15 in all 30 districts of the State 90% assistance is given to all class

of farmers who have used drip/sprinkler irrigation for Horticulture crops.

3. Under this scheme, for all Horticultural crops except coffee, tea and rubber, assistance is given for demonstration of Drip/sprinkler irrigation.
4. Under drip / Sprinkler irrigation assistance is available for a maximum area of 5 Hectares per beneficiary family. The subsidy is 90% for the first 2 hectares and for the remaining 3 hectares subsidy is 50%
5. For vegetable and commercial flowers, the maximum area considered for subsidy per beneficiary is restricted to 5 hectares.
6. Preference is given to those farmers who have installed drip irrigation to mixed crop grown in areca/coconut plantations.
7. Drip irrigation assistance is not given to areca crop grown using bore well/canal water in plains.

### 7.13.3 Horticulture Extension and Training:

The newly developed technologies and improved hybrid varieties of high yielding potential crops are disseminated to farmers through various media to enable them to adopt it and get better returns. Training programmes are also conducted by the Horticulture Department on the latest available technologies in horticulture.

**Table 7.22 : Financial and Physical progress under Micro irrigation scheme**

Period	Physical (In. Ha.)		Financial (Rs.in lakhs)	
	Target	Achievement	Target	Achievement
During 11 <sup>th</sup> Plan	192733	156896	57088.60	44487.40
2012-13	64572	51687	19459.57	19323.41
2013-14	55558	50486	22564.59	21453.36
2014-15 (upto Dec.14)	57867	23520	22111.96	4244.37

Training programmes enriches theoretical, practical and creative knowledge among the rural youth. In view of this a horticulture training school was established in the year 1995 in Lalbagh. Consequently, it was spread over in all the Districts. At present there are 10 training centers existing in the state which are working since 1950 and to train about 310 trainees are their throughout the State.

For the year 2013-14 Rs. 38.05 lakhs was allocated and 14,345 farmers were trained. For the year 2014-15, under district sector, Rs 38.55 lakhs has been allocated out of which 18,879 farmers will be trained.

#### **Objectives:**

- Horticulture training is given to farmers children for 10 months in 10 Horticulture training centers.
- Around 350 participants are trained every year.
- Training centers have Hostel facilities & it has been made mandatory for students to stay in the Hostels.
- These training will help them to improve their own land and productivity of horticulture crops.
- Giving information about recent Horticulture researches and encourages farmers to adopt them for earning higher income.
- Conducting District / State level trainings and flower show programmes for giving information about recent development in horticulture for interested farmers and public.
- Preparing and distributing CDs/Blowups / Charts and other publicity materials for giving publicity about departmental schemes at village level.
- Imparting training to horticulture staffs / Extension Officers for improving their knowledge about recent developments in technology.

- Conducting training programmes to women farmers to prepare processed products from fruits and vegetables.

Under the District Sector Scheme, components such as area expansion, social horticulture, development of ornamental plants and distribution of plant protection chemicals are under implementation. For the year 2013-14 an amount of Rs. 350.00 lakhs was allocated out of which Rs. 325.00 lakhs was released and Rs. 322.41 lakhs was spent. For the year 2014-15, Rs. 350.00 lakhs has been allocated out of which, Rs. 262.50 lakhs has been released of which Rs.175.52 lakhs is spent till the end of December-2014.

#### **1 Horti-clinic:**

Horticulture information and consultancy center, Horti-clinic was started during the year 2010-11. There is 1 State level horti-clinic, and 26 district level horti clinics and 2 mobile units.

- Collecting and publishing recent technology for development of horticulture.
- Making the projects for bank loan in horticulture schemes.
- Making success stories of horticulture crops.
- Providing horticulture / allied centers addresses.
- Giving information about horticulture schemes.

#### **7.13.4 Disease and Pest Management:**

The Department of Horticulture, through its plant protection programmes, provides bio-pesticides, botanicals, chemicals, pheromone traps and lures to control the pests and diseases of horticulture crops. In addition, pest surveillance is undertaken in different districts to predict the outbreak of pest and diseases and create awareness in the management of pests and diseases like eriophyid mite, black-headed caterpillar, stem bleeding, tomato leaf curl virus, bacterial blight and koleroga of areca nut.

**Objectives:**

- Increasing in the production of Horticultural crops by controlling pest and diseases,
- Encouraging the use of Bio-Pesticides.
- Production and release of parasites for the control of coconut black headed caterpillar.
- Good management practices in pomogranate crop.

During 2013-14, Rs.1420.65 lakhs has been spent against Rs.1495.76lakhs. During 2014-15, Rs.250.84 lakhs was allocated for parasite production, brachimeria production, assistance for chemicals purchase, staff salary and others, special component programme, and tribal sub plan. Till now Rs. 188.12 lakhs has been released, out of which Rs. 146.11 lakhs has been spent upto the end of December-2014. There are 16 major and 10 minor parasite laboratories in the department where in 332.80 lakh Goniozus parasites and 2.00 lakhs. Brachymeria parasites were produced and released during 2013-14. During 2014-15, 163.80 lakh Goniozus and 0.40 lakh Brachymeria parasites were produced up to end of December 2014 and distributed to the beneficiaries for releasing in coconut garden. Details of the programmes progress are given in **Table 7.23**.

**7.13.5 Rashtriya Krishi Vikas Yojane (RKVY):****1. Precision Farming in Banana:**

The demand for banana is fast increasing in the market and banana is providing itself as highly remunerative crop. There is scope to increase the yield of banana up to 40 – 50% by application of necessary inputs and adoption of improved package of cultivation practices. Hence, to improve the Socio-economic status of Schedule Caste /Schedule Tribe farmers through the additional income from Banana cultivation – RKVY Precision Farming in banana programme was taken up in all the 30 districts of Karnataka from 2011-12 onwards.

**Objectives:**

The main objective of the programme is to raise the productivity levels by educating the farmers, helping them to take up scientific cultivation, using tissue culture plants, drip irrigation, fertigation, mulching, integrated nutrition and appropriate plant protection measures.

During the year 2013-14 an amount of Rs.400.00 lakhs was released with a financial achievement of Rs.287.10 lakhs covering about 1435 acres. In 2014-15, the scheme is being implemented with an financial target of Rs. 200.00 lakhs and physical target of 1000 acres. As on

**Table 7.23: Details of Disease and Pest Management Programme****(Rs. in lakhs)**

Sl. No	Programme Name	During 11 <sup>th</sup> Five Year Plan Period		2013-14		2014-15 (upto Dec 2014)	
		Target	Achievement	Target	Achievement	Target	Achievement
1	Integrated Pest and Disease Management Programme for Horticulture crops	1229.11	885.02	1495.76	1420.65	250.84	146.11



December 2014, an amount of Rs. 34 lakhs has been spent out of Rs.50.00 lakhs released with a physical achievement of 179 acres.

## **2 Mechanisation:**

Horticultural development is taking place at a fast pace in Karnataka state, with an increased trend of high value horticulture production. Hence, it has become very essential to encourage production and post harvest activities in horticulture. Farm labour, which is one of the essential inputs, is of late becoming a costly component as there is severe shortage of labour with increased cost. In this background, popularization of farm mechanization practices during production and post - production processes will help in enhancing the efficiency in management practices, thereby leading to increase in quality and yield of the horticultural produce.

### **Objectives:**

- To reduce the heavy dependence on labour which is increasingly becoming scarce and a costly input in the production process.
- To reduce the cost of cultivation of horticultural crops.

"Mechanization in Horticulture" is being implemented under Rastriya Krishi Vikas Yojana (RKVY). Horticulture department is empanelling the manufacturers / supplier of equipments / machineries used in Horticultural process. Farmers purchasing from the empanelled companies will be assisted in the form of subsidy. During the year 2013-14, an allocation of Rs.2000.00 lakh was made, out of which Rs.1879.32 lakh have been spent and subsidy is given for 13,431 equipments in approximate. During the year 2014-15, a budgetary provision of Rs.2500.00 lakh has been made for this programme and the programme has been implemented effectively with a financial achievement of Rs.1870.00 lakhs upto the end of December 2014.

## **3 Establishment of Flower Auction Centers:**

To streamline the marketing system for flower crops and to provide scientific infrastructure facilities in the market, the Government approved a budget outlay of Rs.15.00 Crores for establishment of 6 Flower Auction Centers in Tumkur, Davangere, Udupi, Sirsi (UK), Madikeri and Belgaum Districts. The project was implemented in 4 years from 2008-09 to 2011-12.

## **4 Vegetable Initiatives for Urban Cluster:**

Assists in addressing the entire value chain, right from the stage of pre - production to the consumers table through appropriate interventions and supply of safe, good quality fresh as well as processed vegetable produce at competitive price for urban consumers

### **Objectives:**

1. To promote economically viable self governing, democratic farmer producer organizations.
2. To provide the required assistance and resources - policy action, inputs, technical knowledge, financial resources and infrastructure to strengthen Farmers Producers Organization (FPO's).
3. To provide over all support for the promotion of FPO's in sustainability by engaging qualified and experience Resource Institution (RI).
4. Addressing all concerned related to both the demand and supply side of the vegetable sector in Belgaum and Dharwad cities.
5. Enhancing vegetable production and productivity, improve nutritional security and income support to farmers.
6. Encouraging establishment and efficient supply chain thereby leading to employment opportunities and income for intermediate service providers and safe, good quality fresh as well as processed vegetable produce at competitive price for urban consumers.



7. Promote, developing and disseminating technologies for enhancing production and productivity of vegetables.
8. Assisting in addressing the entire value chain, right from the stage of pre – production to the consumers Table through appropriate interventions.
9. Creating employment generation opportunities for skilled and unskilled persons, especially unemployed youth.

The details of progress are given in **Table 7.24**.

#### **5. Protected Cultivation of Flowers and Vegetables:**

As a result of globalization of trade and liberalization of Indian economy, there is an immense scope for export of high value flowers and vegetables from India, besides, meeting the increased demand in domestic market. The need of the hour is to increase the productivity and quality of produce to meet the demand of quality conscious consumers. A breakthrough in production technology that integrates market

driven quality parameters with the production system, besides ensuring a vertical growth in productivity is required. One such technology is “PROTECTED CULTIVATION”.

#### **Objectives:**

1. Farmers having small land holding would be benefitted by the technology, which helps them to produce more flowers and vegetables crops each year from their land, particularly during off season when prices are higher.
2. The liberalization of industrial and trade policies paved the way for the development of export oriented production of cut flowers under protected cover.
3. Generate self-employment opportunities for skilled labours.
4. This scheme is helpful to increase the social and financial status of the farmers.
5. Help to control pest and diseases.

The details of progress are given in **Table 7.25**.

**Table 7.24 : The progress achieved under Vegetable Initiatives for Urban Cluster Programme (Rs. in lakhs)**

Sl.No.	Year	Target	Release	Achievement
1	2011-12	1700.00	1700.00	1607.65
2	2012-13	1700.00	850.00	356.92
3	2013-14	900.00	450.00	281.24
4	2014-15 (upto the end of Dec.14)	600.00	300.00	40.75

**Table 7.25 : The progress achieved under Protected Cultivation of Flowers and Vegetables Programme (Rs. in Lakhs)**

Year	Target	Release	Achievement
2012-13	2000.00	1961.00	1645.38
2013-14	1500.00	751.81	676.04
2014-15 (upto Dec.14)	1775.00	1072.0	730.61

### 6. Rehabilitation package for coconut drought affected gardens:

In Karnataka, due to recent drought in the last 2-3 years, nearly 1,65,000 hectares of Coconut area is severely affected and out of this 15,000 hectares of coconut palms have totally dried up and in 1,50,000 hectares the palms have become unproductive.

The State Govt. has constituted State Technical Committee headed by Dr.Narayanagouda, Vice Chancellor, UAS, Bangalore to recommend suitable packages for the drought affected Coconut gardens. Accordingly, the committee has recommended two packages namely, 1) Alternate cropping with cashew, mango, sapota, guava, etc in completely coconut dried areas and 2) Rejuvenation of partially affected coconut gardens. Based on the above 2 recommendations, under RKVY scheme assistance is being provided for rejuvenation and replanting of drought affected Coconut gardens.

During 2013-14, an amount of Rs.867.50 lakhs has been released under RKVY out of which Rs.843.59 lakh financial progress has been achieved. Further, during 2014-15, an amount of Rs.1000.00 lakhs has been earmarked out of which Rs.726.486 lakh was spent upto December-2014.

### 7. Betel vine Rejuvenation Programme:

Betel vine is a shade loving climber cultivated for its leaves requires high humidity and mild temperature. Betel vine is a very sensitive crop and requires at most care during cultivation. Of late, the crop is affected by many pests, diseases and also other climatic conditions. Hence, the crop needs rejuvenation and adoption of improved production technologies. Therefore, during 2014-15 under RKVY scheme assistance is being provided for rejuvenating, replanting and for adoption of GMP in the unproductive/ senile betel vine orchards. An amount of Rs.100.00 lakhs earmarked for 2014-15 out of which Rs.78.47 lakh was spent upto the end of December-2014.

### 8. Production and supply of planting materials:

A greater emphasis has been given for propagation of genuine horticultural seed and planting materials through 410 horticultural farms and nurseries spread across the State and have taken up supply of these planting materials to farmers at affordable rates. Progress on these activities is given in **Table 7.26**.

**Table 7.26: Progress under Distribution of Horticultural Seed and Planting Material**

Crops	Unit	11 <sup>th</sup> Plan period	2013-14	2014-15 (up to Dec.14)
Fruits	Lakhs	1180.79	25.27	7.91
Spice crops	Lakhs	67.03	9.72	15.00
Cashew	Lakhs	15.53	0.42	-
Ornamental and Flower seedlings	Lakhs	11.90	1.20	-
Vegetable and flower seeds	Quintals	602.35	-	-

Source: Department of Horticulture.

### 7.13.6 Comprehensive Horticulture Development:

There are many drawbacks in the chain of Horticulture development in the State. There is a necessity to bring about changes in the following aspects.

- Adopting precision farming in the field of production.
- Scientific and effective management of water.
- Post harvest management.
- Processing, value addition, market and export management.

To achieve this, a new programme Comprehensive Horticulture Development scheme is being implemented since 2012-13.

#### Objectives:

- To increase the production and productivity of horticultural crops by 60% through establishment of state horticulture on the basis of comprehensive development
- To divert farmers from traditional agriculture crops to more income fetching Horticultural crops.
- To decrease the post harvest loss from 25% to 10% by correcting the defects in post harvest chain and increasing the

quality of horticulture produce.

- To expand the horticulture area by about 25,000 Ha through establishment of around 850 cluster villages in all Taluks in a period of 3 years.
- Improvement of new innovations like drip irrigation, fertigation, precision farming and pest and disease management in Horticulture sector.
- Better marketing management of horticulture produce.
- To strengthen the socio-economic status of the farmers by providing employment opportunity to around 50,000 families depending on horticulture directly and to around 2 lakh people indirectly.

The scheme has been implemented on cluster mode by grouping the farmers from 2-3 neighboring villages willing to grow Horticulture crops. Training and exposure visits were conducted for registered cluster members to enhance their knowledge regarding the new technologies and marketing strategies to be adopted in the field.

This programme was launched with a financial allocation of Rs. 525.00 crores spread over for a period of 3 years. The total achievement is as follows in **Table 7.27**.

**Table 7.27 : The progress achieved under Comprehensive Horticulture Development Programme (Rs. In lakhs)**

Year	Budged earmarked	Financial allocation	Budget released	Achievement	% achieved to the released budget
2012-13	15000.00	26000.00	18789.65	17155.40	91.30 %
2013-14	17500.00	14550.00	12686.89	12202.66	96.18 %
2014-15 *	20000.00	10493.00	7869.749	4475.01	56.86 %
Total	52500.00	51043.00	39346.289	33833.07	85.98 %

(\*Up to end of December 2014)

**7.13.7 Post Harvest Management:**

During 2014-15, post harvest management is a component under CHD scheme. It includes activities related to grape dehydration, red chilli powdering, vanilla processing, wine making unit and desiccated coconut powder units. Since horticulture produce like fruits, vegetables and flower are perishable, it is important to provide proper post harvest management practices for these produce. Karnataka has 99 cold storages, of which 91 are in private, 4 are in co-operative and 4 are in public sector. To make the existing storages facilities economical and to encourage establishment of new cold storages in private /co-operative sector, electricity subsidy of Rs.1/-is provided for every unit of electricity consumed by the cold storage units. Details of progress of activities for post harvest management are given in **Table 7.28**.

**7.13.8 Wine Policy and Establishment of Karnataka Grape Wine Board:**

To provide proper impetus to the

production and marketing of wine and to help the grape growers to overcome the market uncertainties by linking grape production with wine processing and to provide suitable incentives, the Karnataka Grape Wine Board has been set up for implementing the programmes under the Wine Policy.

During the year 2013-14, a budgetary provision of Rs.350.00 lakhs has been allocated out of which Rs.317.50 lakhs has been released as share capital and Rs.32.50 lakhs for developmental activities.

During the year 2014-15, a budgetary provision of Rs.350.00 lakhs has been made out of which Rs.147.50 lakhs has been allocated as share capital and Rs.202.50 lakhs for developmental activities. A budget of Rs. 262.50 lakhs has been released up to December 2014 and the programme is under progress.

**7.13.9 Assistance to Horticulture Boards and Corporations:**

With an intention of providing comprehensive marketing facility to

**Table 7.28 : Physical and financial achievement under post harvest management**

Year	Physical (No. of processing units)		Financial ( Rs. in lakhs)	
	Target	Achievement	Target	Achievement
2007-08	13	13	100.00	99.87
2008-09	162	72	200.00	174.79
2009-10	39	39	100.00	98.94
2010-11	22	20	871.48	621.34
2011-12	12	13	500.00	299.58
2012-13	19	19	150.00	145.93
2013-14	28	28	200.00	197.23
2014-15 (upto Dec.14)	38	10	250.00	85.63

horticultural produce the state government is giving assistance to horticulture boards and corporation.

**Objectives:**

- To create infrastructure facilities in district HOPCOMS for Fruit and Vegetables growing formers.
- To assure Fair price.
- To provide corpus fund to Karnataka State Mango Development and Marketing Corporation for organizing developmental programmes.
- To Provide Financial Assistance to Karnataka State Wine Board for organizing developmental programmes.
- To provide advanced technical information regarding Horticulture, Agriculture, Sericulture, Animal Husbandary, Fishery.

**1. Karnataka State Mango Development and Marketing Corporation Ltd.,**

Karnataka State Mango Development and Marketing Corporation Ltd., is established under the Companies Act 1956 and came into existence on 19-01-2011. Its Head Office is located in Lalbagh, Bangalore.

**Vision:**

Comprehensive development of the Mango

crop on scientific lines with respect to cultivation aspects, Post-harvest Management, Mango Mela and Export Oriented activities.

**Mission:**

To increase production, productivity and to improve the quality of mango crop by dissemination of excellent technology through training and demonstration activities.

**Objectives:**

1. To promote the cultivation of Mangoes on scientific lines, in order to produce quality fruits suiting to both domestic and export markets.
2. To assist the farmers and entrepreneurs in the post harvest management and marketing Mangoes.
3. To give impetus to processing and value addition.
4. To promote export trade of Mangoes and to earn valuable foreign exchange
5. To impart training to all the stakeholders in the Mango production and marketing fronts to achieve greater scientific knowledge, professional skills and efficiency.

The details of progress are given in **Table 7.29.**

**Table 7.29 : Progress under Karnataka State Mango Development and Marketing Corporation Ltd.,**

Year	Particulars	Budget allocation	Release	Expenditure
2013-14	Corpus fund	250.00	250.00	
	Developmental fund	215.00	215.00	11.21
	Salary and other	100.00	100.00	37.84
<b>Total</b>		<b>565.00</b>	<b>565.00</b>	<b>49.06</b>
2014-15 (upto Dec.14)	Corpus fund	164.00	164.00	164.00
	Developmental fund	490.00	301.50	-
	Salary and other	100.00	100.00	31.29
<b>Total</b>		<b>754.00</b>	<b>565.50</b>	<b>195.29</b>



## 2 Marketing:

At the district level, 21 Horticultural Produce Marketing and Co-operative Societies have been established on the lines of HOPCOMS in Bangalore. At present, these district HOPCOMS are unable to work under profit due to lack of infrastructure and basic amenities. In this regard, a project for strengthening of 22 districts HOPCOMS through Karnataka Horticulture Federation has been approved under RKVY with an outlay of Rs.26.50crore. During 2012-13, Rs. 2.50 crores has been released to K.H.F and other 23 district HOPCOMS. During 2014-15, the above said programme is being implemented under Assistance to Boards and Corporations and not under RKVY.

## 3 Providing Infrastructure Facilities:

During the year 2012-13 & 2013-14, the State sector scheme of Procurement of fruits and vegetables has been implemented to create infrastructure facilities for the collection of fruits and vegetables with a release of Rs.5.00 crore to K.H.F., Bangalore and 11 district HOPCOMS. The same amount has been allocated in the year 2014-15 also. The progress under this scheme is given in **Table 7.30**.

### 7.13.10 Biotechnology:

With an intension to increase the quality of horticulture produces by adopting new innovations and technologies, the Government of Karnataka has established a State-of-the-Art Biotechnology Centre at Hulimavu, Bangalore in 42.08 acres of

land. The main objective of this centre is to guide farmers using new upcoming research and to provide better horticulture materials. This center is the first of its kind in the country under public sector aiming at integrating many spheres of biotechnology for the cause of horticultural development exclusively.

### Objectives:

·Large scale propagation of crops like banana, anthurium, orchids, calailly by adopting tissue culture and propagation of many medical and aromatic plants like Sandalwood, Tulsi, Madhunashini, Brahmi that are in the verge of extinction by adopting greenhouse technology.

- The ecosystems of Western Ghats and deciduous forests of Karnataka are rich in medicinal plant biodiversity with more than 2500 species of plants. But many of these species are in the verge of extinction due to various reasons. These species are documented, developed and protected.
- Soil, water and foliage analysis is being done to supplement the deficit nutrients for the standing crops and newly developed horticultural crops.
- The centre is producing and distributing nitrogen fixing manures, phosphorus solublising manure and micoriza fungi.
- Plant sanitation certificates are issued to organizations exporting various horticultural produces from the state after analysing pest and disease incidents.

**Table 7.30 : Progress under Assistance to Boards and Corporations implemented through KHF.**

year	Financial (Rs. in lakhs)		Physical	
	Target	Ach	Target	Ach
2012-13	1135.00	500.00	59	48
2013-14	1200.00	1200.00	1200	251

- Production of good quality spawn material in mushroom labs and their distribution help mushroom growers by improving their economic status and also helps to overcome nutritional deficiency of urban and rural people.
- Conducting various training and information exchange programmes helps farmers to adopt modern cultivation practices and thereby increase production and productivity of crops.

Under Development of Departmental Laboratories scheme, for the year 2014-15 Rs. 500.00 lakh is provided. A total of 9.15 lakhs tissue culture plants have been produced by utilizing Rs.136.34 lakhs upto the end of December 2014. In this scheme 160 tones of bio fertilizers and bio control agents and 58 tones of vermi compost were produced by utilizing Rs.51.25 lakhs.

Training programmes and demonstrations are being arranged at this centre to promote cultivation and consumption of mushroom, to create awareness of Organic farming, kitchen & terrace gardening etc. During 2013-14 a total of 31,668 spawn bottles and 111.74 kg of mushroom crop were produced. During the year 2014-15, a total of 32,300 Spawn bottles, 115.9 kg mushroom crop and 467 spawn run bags were produced upto the end of December 2014. Under Horticulture Extension Programme -13 training programmes were organized and a total of 691 farmers / public / students have participated and benefited.

During the year 2013-14 a total of 9685 water, soil and leaf samples were analyzed.

During the year 2014-15, a total of 2795 & 722 water, soil and leaf samples were analyzed for macro nutrients & micro nutrients respectively. In addition 104 samples of organic manure for quality, 65 samples for residue analysis, 442 samples for heavy metal contents and 90 phytosanitary samples have been analyzed up to the end of December-2014.

Further, under the scheme of Development of Departmental Laboratories, upto December-2014, a total of 3000 water, soil and leaf samples were analyzed in Shimoga, 1901 in Bijapur and 1150 in Belgaum district. A total of 8500 mushroom spawn bottles were produced and 3 mushroom training programmes were conducted in Mysore district. Total financial progress of Development of Departmental laboratories scheme for the year 2014-15 details is given in **Table 7.31**.

#### 7.13.11 Incentive to Floriculture

Due to many reasons farmers and floriculture entrepreneurs had to face financial burden in addition to set back in hi-tech floriculture and many of the floriculture units had to become sick units. The Department of Horticulture has formulated a new scheme for the rejuvenation of hi-tech floriculture for the year 2013-14, the following programmes have been formulated for utilizing the funds in this scheme.

- a) Subsidy for replanting of old varieties with new varieties

**Table 7.31: Progress under Development of Departmental laboratories scheme**

Year	Finance (Rs. in lakhs)		
	Target	Release	Achivement
2013-14	500.00	500.00	493.10
2014-15 (up to Dec.14)	500.00	375.00	289.23

- b) Subsidy for replacement of polythene sheet of greenhouses
- c) Subsidy for electricity used for cold storages of floriculture units at the rate of Rs. 2.00 per unit.

**Objectives:**

- Emphasis for rejuvenation of hi-tech floriculture helps in increasing the production and quality and also there will be increase in the demand for quality flowers there by increasing the income of the growers.
- The production/productivity of flowers will be increased by establishment/revival of nearly 80 hi-tech floriculture units.
- Increased foreign exchange through increase in production of export quality flowers.
- Availability of good quality flowers for domestic market.
- It helps the farmers to continue in floriculture by boosting their confidence in this industry.
- During the year 2013-14, an amount of Rs.300.00 lakhs, was allocated, of which Rs.150.00 lakhs was released and out of this Rs.149.81 lakhs was spent for rejuvenation.

During the year 2014-15, Rs.300.00 lakhs, has been allocated, of which Rs.114.00 lakhs was released at the end of December-2014, out of this Rs.74.59 lakhs was spent for rejuvenation.

**7.13.12 Apiculture Development Programme:**

Honey Bees are one of the most useful insects for the human kind. Apiculture plays a major role in providing financial independence to the practicing bee keepers. Honey bees play an important role in cross-pollination of many Horticulture and Agriculture crops, thus increasing the yield and quality. Honey is the gift of nature to the human kind as it has many medicinal properties. Bee keeping can be practiced without much investment by landless small and marginal farmers, women and

handicapped. In recent days bee keeping Industry is being evolved on par with Horticulture, Agriculture and Sericulture. Bee keeping can be taken up without much investment and there is ample scope for exports.

The department of Horticulture is implementing various programmes for bee keeping development under State sector, District sector, National Horticulture Mission and RKVY schemes.

**Objectives:**

- To create awareness through training programmes, on the importance of bee keeping practice for honey production and increasing farm production through bee pollination.
- Distribution of bee boxes and colonies to the interested bee keepers on subsidized rates.
- Providing assistance to interested bee keepers to establish bee nurseries and production of disease resistant bee colonies (Apiaries).
- Maintenance of Madhuvanas developed in the departmental farms and nurseries.
- Development of Bee keeping training centers.
- Integrated development of Apiculture in the State by establishing Honey Park.
- Training on bee keeping / wild honey harvesting exclusively for Tribal's/ Adivasis and assistance for purchase of bee boxes and colonies, wild honey harvesting kits and Honey extractors.
- To organize Madhu mahothsavas / Madhu mela and tour programmes at State / district level.
- To give wide publicity for beekeeping through leaflets / video and audio programmes.

In order to encourage the farmers to take up bee keeping, various incentives are being given. To create awareness on bee keeping 2 days training is given and interested beneficiaries will be given 50% assistance of Rs. 2000/- for purchase of bee boxes and

colonies and SC and ST beneficiaries are eligible for 90% assistance of Rs. 3600/-. In order to facilitate the production of healthy bee colonies farmers are given assistance of Rs. 50,000/- for establishment of Apiaries / Colony production centers. Madhu melas / Field days / Seminars will be conducted to disseminate information on bee keeping.

A budget provision of Rs.50.00 lakhs is made for development of Bee keeping Training center and Madhuvana at Bhagamandala.

Under RKVY, special programmes are drawn for the welfare of Tribals and Adivasis. Training will be given regarding harvesting of wild honey as well as bee keeping in boxes, along with financial assistance of Rs. 4000/- for purchase of wild honey harvesting kits, Rs. 1600/- for purchase of boxes and colonies and Rs. 2000/- for purchase of honey extractors at the rate of 40% subsidy. The matching grant of additional 50% subsidy will be given under Comprehensive Horticulture Development programme. A budget provision of Rs. 50.00 lakhs is made for establishment of Honey Park at Kodagu and an allocation of Rs. 58.00 lakhs is made for development of infrastructure at bee keeping training centers and Madhuvanas.

During 2013-14, under both State & District Sector Schemes; a total allocation of Rs. 337.09lakhs was earmarked out of which Rs.294.07 lakhs was released. Bee keeping training of 3 days duration was given to 5908 beneficiaries and subsidy was given for the purchase of 4528 bee boxes and colonies with a financial progress of Rs. 287.76 lakhs. During 2014-15, a total allocation of Rs. 272.85 lakhs has been earmarked out of which Rs. 169.06 lakhs has been released till the end December 2014. Subsidy is given for the purchase of 2349 bee boxes and colonies and training is given for 3042 beneficiaries with a financial progress of Rs. 143.17 lakhs.

#### **7.13.13 Karnataka Watershed Development Project-II Sujala-III:**

World Bank assisted Karnataka WaterShed Development Project-II Sujala-III is

implemented from 2012-13 to 2017-18 for a period of six years in seven districts of Karnataka namely based on the success of the Sujala-1. Further as per the instructions of ACS & DC GOK, this project is totally implemented in 11 districts from 2015-16 which includes CGIAR districts namely Bijapur, Chikkamangalur, Raichur and Tumkur. To implement this project totally 931 micro watersheds have been identified. Importance has been to increase the income of farmers in rainfed areas.

#### **Objectives:**

- To increase the production and productivity of perennial and annual horticulture crops.
- To increase the productivity in farmer's field, laboratory will be established for soil water and leaf analysis so as to identify the soil nutritional problems and to make suitable recommendations.
- Demonstrations, Trainings, field days and exposure visits are taken to educate the farmers on the improved technologies adopted in production, crop diversification, postharvest and marketing facilities.

For monitoring the project at state level and for implementation at the districts 65 posts are created for the implementation of various programmes under the project for which service support is provided under the project. For the year 2013-14 a budget of Rs.500.00 lakhs was allocated and Rs. 339.45 lakhs were spent to implement the programme. For the year 2014-15, a budget of Rs.1745.00 lakhs is allocated. Demonstration of perennial and annual horticultural crops will be taken up for an area of 1170 ha. Further to educate farmers on adoption of improved technologies in cultivation practices, 200 trainings and 70 field days is taken up. Training is imparted to 13500 beneficiaries and to know the quality of the soil, around 3340 soil and water samples are tested. To encourage co-operative ideology among the farmers 285 Farmers Interest Groups are formed and different post harvest infrastructure like



Pack House, Precooling Unit, Ripening Unit, Low energy storage Units etc., are provided. A budget of Rs. 144.09 lakhs is allocated to demonstrate a model Micro Watershed in departmental farms. An expenditure of Rs.225.11 lakhs is incurred under the project upto Dec.2014.

### **7.13.14. Integrated Farming in Coconut for Productivity Improvement**

#### **Programme:**

To improve the production and productivity in coconut, State Govt. assisted Coconut Crop improvement Programme is being implemented from 2011-12.

The Coconut Development Board is providing 100% financial assistance for the Integrated Development of Coconut Industry in the state. The activities that are being implemented are, 1) Laying out of demonstration plots and their maintenance 2) Subsidy for purchase of plant protection chemicals, organic manures, chemical and Bio fertilizers for improvement in production and productivity of coconut 3) Production of TXD hybrids coconut seedlings.

#### **Objectives:**

- Establishment of demonstration plots.
- Control of pests and diseases in coconut.
- Publicity, maintenance of Neera Processing demonstration Centre in Thumbe Horticulture Farm, Bantawal Taluk, Dakshina Kannada District.
- Maintenance of demonstration cum training centre in Javarannahalli Horticulture Farm, Mandya district

#### **Acheivement:**

#### **a. Coconut Development Board assistance:**

In 2013-14, out of total financial allocation of Rs. 210.00 lakhs, an amount of Rs.207.53 lakh has been released, out of which Rs. 125.97 lakh was spent by the end of March-2014. In 2014-15, out of total

allocation of Rs. 181.50 lakh, an amount of Rs. 137.75 lakh has been released and Rs.118.966 lakh has been spent upto the end of December-2014.

#### **b. Coconut Crop Improvement Programme:**

During 2013-14, an amount of Rs.900.00 lakh has been earmarked. An amount of Rs. 895.63 lakh was released, out of which Rs. 874.68 lakh was spent till the end of March - 2014. During 2014-15, out of total allocation of Rs.300.00 lakh, Rs.225.00 lakhs has been released and 154.708 lakhs has been spent upto the end of December-2014.

Details of Coconut Development Board assistance and Coconut Crop Improvement Programme are given in the **Table 7.32**.

### **7.13.15 Miscellaneous Activities Undertaken by the Department of Horticulture**

#### **1. Providing assistance to farmers:**

Assistance to farmers is a district sector scheme comprising of 4 components i.e, Area expansion, Plant Protection, Ornamental plant production and Social horticulture.

#### **Objectives:**

- Area expansion of perennial fruit crops by providing assistance to farmer.
- Providing assistance to plant protection.

During 2013-14 Rs. 197.27 lakhs was allocated and Rs. 195.13 lakhs was spent. During the year 2014-15, under district sector, a budgetary provision of Rs.200.87 lakh has been made for this programme and the programme has been implemented effectively with a financial achievement of Rs.109.10 lakhs upto the end of December 2014.

#### **2 Formation of Karnataka State Horticulture development Agency (KSHDA):**

The State Government in order to make these farms and nurseries into self sustainable and profit making resource



**Table 7.32 : Progress achieved under Integrated Farming in Coconut for Productivity Improvement Programme**

Sl. No.	Year	Financial (Rs.in lakh)		Physical (Ha)	
		Target	Achievement	Target	Achievement
<b>I</b>	<b>2013-14</b>				
A.	Coconut Development Board assistance- Laying out of Demonstration plots and maintenance	210.00	125.97	1137.15	946
B	Coconut crop improvement programme	900.00	874.68	2226.16	2731.7
<b>II</b>	<b>2014-15 (Upto December 2014)</b>				
A.	Coconut Development Board assistance - Laying out of Demonstration plots and maintenance	181.50	118.97	1037.15	552.96
B	Coconut crop improvement programme	300.00	154.71	3945.24	2500.33

centers has established the Karnataka State Horticulture Development Agency (KSHDA), a special Purpose Vehicle (SPV) for development of these farms is also provided. The main objective of the KSHDA is to produce high quality horticultural seed and planting materials and to build and operate Crop Development Resource Centres for holistic development of horticultural sector as well for building horticulture related infrastructure facilities.

#### 7.13.15 Outcomes & Challenges:

➤ Post-harvest is the biggest linkage in the entire process of Horticulture activities. Nearly 30% of the Horticultural produce is wasted due to improper post-harvest management. Lack of awareness and education among farmers and traders and lack of adequate infrastructure such as pack houses, primary processing units, and field storage structure are some of the reasons for improper post-harvest management.

➤ In Karnataka, only 1% of the total production of fruits and vegetables is currently being processed so as to produce value added goods of higher market value. About 25-30% the produce is lost due to inadequate cold storage and transport facilities. At present there are 79 cold storage units with a total storage capacity of 2.67 lakh MT, for handling fruits and vegetables. Of these units, 5 are in the co-operative sector, 68 are in the private sector and 6 are in public sector. Based on the estimates of per capita consumption of Horticulture produces prepared by the Task Force set up by planning commission, demand for fruits and vegetables in Karnataka would be 145 lakh tonnes by 2020 and the State's current cold storage facility would cover a mere 2% of the produce. It is imperative that the cold storage capacity is augmented to reduce the losses and to move up agro processing value chain. By enhancing the capacity of cold storage and over all

improvement of post-harvest linkages to the farmers, the State can minimize the losses caused due to wastage. Infrastructure of Modern Flower Auction House at Bangalore can be used for sorting, grading, cold storage, electronic auction system, banking and other value addition facilities.

- Inadequate power supply and exorbitant power tariff for floriculture and processing sector is a constraint for functioning of cold storage facilities.
- Location of cold storage facilities is a problem with most of them being situated away from farms. Cold storage in rural areas do not have graded cooling for different types of produce and cold storage chain suppliers incur high power tariffs charged at commercial rates. Further, as highlighted in the Report by Planning Commission for Twelfth Five Year Plan, the scheme for Cold Chain, Value Addition and Preservation Infrastructure only provides ordinary cold chain and fruit ripening solutions for consumption of fresh fruits and vegetables and thus requires restructuring to incorporate organic linkages with processing of perishable fruits and vegetables.
- The progress under the credit-link subsidy under NHM especially the "Post-harvest management" component has been very low. This needs to be strengthened adequately.

#### **Overviews of Financial development of University of Horticultural Sciences, Bagalkot for the financial year 2014-15**

The University of Horticultural Science, Bagalkot being the first Horticultural university in Karnataka and third Horticultural university in India having state wide jurisdiction has completed 5 years of its service imparting Education, Research and established for overall economic development of farmers and Horticulture growers of Karnataka state.

The University of Horticultural Sciences, Bagalkot is having 8 colleges, 1 Main research station & Extension centre, 2 Regional Research and Extension centers and 8 Horticulture research stations, 10 All India Coordinated Research Project (AICRPS) including a main campus at Bagalkot.

For the financial year 2014-15 Rs.48.19 crores budget has been sanctioned.

#### **7.14 Animal Husbandry and Veterinary Services:**

About 65-70% of the population is depending on Agriculture and allied activities. Karnataka livestock sector plays an important role in improving the Economic status of the rural farmers who are dependant on the Livestock for their livelihood. Karnataka has 2.9 crores of livestock and 5.3 crores of poultry population as per the 19th Livestock Census 2012. To provide health care to the animals and for improvement and development of breeds of animals and birds, various programmes are implemented successfully by the Department of Animal Husbandry and Veterinary Services, through its institutional network. Government of India has declared the State as a rinderpest disease-free zone.

During the Current Financial year an amount of Rs 1365.85 crores has been allocated for plan programmes and Rs.662.98 crores has been spent up to the end of December 2014.

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows.

		(Rs in lakhs)		
		Year		
		2012-13	2013-14	2014-15
Allocation				
Plan		36124.80	48813.21	49354.56
Non-plan		29515.47	35353.11	39074.01

##### **7.14.1. Animal Husbandry:**

The share of Animal Husbandry in Gross State Domestic Product (GSDP) of

Agriculture and Allied activities was 20.51% during 2013-14. The share of Karnataka in all India livestock and poultry population was 5.41% and 7.33%, respectively. The density of livestock in the state was estimated at 151.21 per sq.km and 47468 per lakh human population. The livestock and poultry statistics is shown in **Table 7.33** and the detailed information is given in **Appendix 7.16**.

#### 7.14.2 Livestock and Poultry Production:

India ranks Second in the world (FAOSTAT-Website year 2012) and Karnataka State ranks eleventh among Indian States in milk production. The production of milk in the State was 5.99 million MT during the year 2013-14. Details of the production of milk,

meat, wool and eggs are shown in **Table 7.34** and more details are provided in **Appendix 7.17**.

#### 7.14.3 Animal Health and Veterinary Services :

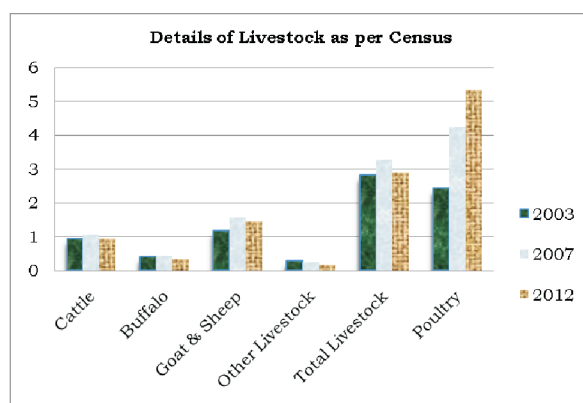
During 2014-15, the health of livestock and poultry are rendered through a network of 4112 Veterinary Institutions, comprising of 364 Veterinary Hospitals, 1943 Veterinary Dispensaries, 1181 Primary Veterinary Centres, 229 Artificial insemination centres and 174 mobile veterinary clinics and 221 other Veterinary Institutions. In 2013-14, 123.40 lakh cases were treated for various diseases. During 2014-15, 78.15 lakh cases were treated for various diseases up to the end of December-2014. In 2013-14,

**Table 7.33: Livestock and Poultry Statistics**

(No. in crore)

Particulars	Livestock Census			Percentage change in 2012 over 2007
	2003	2007	2012	
Cattle	0.95	1.05	0.95	-9.52
Buffalo	0.40	0.43	0.35	-18.60
Goat & Sheep	1.18	1.57	1.44	-8.28
Other Livestock	0.30	0.24	0.16	-33.33
Total Livestock	2.83	3.29	2.90	-11.85
Poultry	2.44	4.24	5.34	25.94

**Figure 7.2: Details of Livestock as per Census**



**Table 7.34: Livestock and Poultry Production**

Item	Unit	2010-11	2011-12	2012-13	2013-14	2014-15 (up to December 2014)	Percentage change in 2013-14 over 2012- 13
Milk	'000 T	5113	5448	5718	5997	5206	5.35
Meat @	Tones	123910	139553	166059	169894	153860	2.25
Wool	Tones	7179	7779	8020	7755	5773	-3.4
0Eggs	No. in crore	307	347	368	412	349	10.67

@0 Includes Poultry Meat.

689.80 lakhs vaccinations and in 2014-15, 326.70 lakhs vaccinations were carried as preventive measure for various diseases up to the end of December -2014. **Table 7.35** shows Development of Animal Husbandry and Veterinary Services.

#### **A. Performance under Artificial Insemination (AI) Programme :**

**The Artificial Insemination (AI) facility has been provided in 4112 centres. Sperm stations of frozen sperms are located at Bangalore and Dharwad. Performance under A.I. Programme is shown in Table 7.36.**

#### **B. Division wise progress of Artificial Insemination (AI) Programme and Milk Production :**

Division wise progress of AI programme and milk production is given in **Table 7.37** Achievement under AI programme and milk production is high in Bangalore division.

#### **7.14.4. National Project for Cattle and Buffalo Breeding :**

National Project for Cattle and Buffalo Breeding has been re-designated as National Project on Bovine Breeding and Dairy Development from the year 2014-15. Project proposal amounting to a tune of Rs.5.00 crore has been submitted to Government of India for implementation of programmes under this scheme.

#### **7.14.5. Cattle Development :**

Cattle breeding programme for milch animal production and conservation of indigenous breeds like Hallikar, Amrutmahal, Khilar and Deoni for drought purposes is carried out through artificial insemination and embryo transfer technology. Indigenous breeds are propagated by selective breeding in the livestock farms located at Kunikenahalli in Tumkur, Ajjampura in Chikmagalur and Bankapura in Haveri districts.

Frozen semen from the centers at Hessaraghatta and Dharwad is supplied for breeding purposes. In 2013-14, 24.47 lakh artificial inseminations were done, resulting in birth of 5.78 lakh calves. Further, 6.34 lakh castrations were also performed. During 2014-15, 20.42 lakh artificial inseminations were done giving birth to 4.6 lakh calves and 5.03 lakh castrations were performed up to the end of December -2014.

Budget Allocation for the year 2013-14 is Rs.370.00 lakhs and expenditure incurred is Rs.341.06 lakhs. Budget Allocation for the year 2014-15 is Rs.450.00 lakhs, expenditure incurred is Rs.291.18 lakhs up to December 2014.

#### **7.14.6 Karnataka Sheep and Wool Development Corporation (KSWDCL) :**

There are five Sheep Breeding Center working under Corporation. As a part of breed improvement programme 102 cross

**Table 7.35 Development of Animal Husbandry and Veterinary Services**

Sl.No.	Particulars	Unit	2011-12	2012-13	2013-14	2014-15 (Up to Dece-2014)
1	Veterinary institutions (including Artificial Insemination centres and Mobile Veterinary Clinics)	No.	4111	4112	4112	4112
2	Livestock farms	No.	11	11	11	11
3	Poultry farms	No.	23	23	23	24
4	Artificial inseminations done	Lakh	31.37	25.08	24.47	20.42
5	No. of cases treated	Lakh	111.52	111.58	123.40	78.15
6	Fodder produced	Tones	16414	5492.96	5492.57	4718.01
7	Milk produced	'000Tonnes	5448	5718	5997	5206
8	Egg produced	Lakh	34699	36773	41223	34891
9	Wool produced	Tones	7779	8020	7755	5773
10	Meat produced	Tones	139553	166059	169894	153860

Note: 1) Information pertaining to Sl.no 1 to 3 is cumulative

2) Information pertaining to Sl.no 4 to 10 is up to December 2014



**Table 7.36 : Performance under Artificial Insemination Programme**

Particulars	2012-13	2013-14	2014-15 (Up to Dece -2014)	% change in 2013-14 over 2012-13
I)Cow (AI)				
i) Cross breed	16.50	16.87	13.22	2.24
ii) Exotic	-	-	1.21	-
iii) Indigenous	3.49	2.81	2.59	-19.48
Total Cow (AI)	19.99	19.68	17.02	-1.55
No. of calves born (Cow)	5.15	4.64	3.68	-9.90
II) Buffalo(AI)	3.69	4.79	3.40	29.81
No. of calves born (Buffalo)	1.31	1.13	0.92	-13.74

**Table 7.37 : Division wise progress of Artificial Insemination (AI) Programme and Milk Production:**

Name of the Division	2012-13			2013-14			2014-15 (up to December-2014)		
	AI		Milk Production ('000 T.)	AI		Milk Production ('000 T.)	AI		Milk Production ('000T.)
	Target	% of Achievement		Target	% of Achievement		Target	% of Achievement	
Bangalore	590044	176.41	1935	719700	155.60	2065	566420	155.72	1793
Mysore	527139	130.71	1549	566700	126.95	1631	429805	136.45	1416
Belgaum	487511	133.67	1377	486800	141.10	1423	38640	143.75	1235
Gulbarga	346606	36.55	857	215900	91.68	878	159735	88.42	762

breed rams have been distributed from its sheep breeding centers to sheep farmers in 2013-14. In 2014-15, a total number of 114 cross Breed Rams were distributed by December 2014.

Under "Kendriya Bhed Palak Bheema Yojana" during 2013-14, 4316 sheep farmers were insured and Rs 35.70 lakhs has been given as compensation by Life Insurance Corporation of India to towards death of 58 sheep farmers. During the year 2014-15 up to December end 1929 farmers

are covered under Insurance and 37 sheep farmer's applications are sent to LIC for claims of Rs.22.60 lakhs as compensation. Under SSY scheme, during 2013-14 for 2926 students were given a Scholarship amount of Rs. 23.628 lakhs during 2014-15, 1653 applications are submitted to LIC of India up to the end of December -2014.

KSWDCL is implementing sheep and wool improvement scheme (SWIS) in the state in co-ordination with the Central Wool Development Board, Jodhpur. The scheme

has been implemented in the project areas of Hangal and Ranebennur during 2013-14. Under breed improvement programme 250 cross breed rams are distributed each in Ranebennur and Hangal Taluka. During 2014-15, the scheme is implemented in Muddebihal, Chikkaballapur and Molkalur Talukas.

As part of breed improvement programme, Karnataka Sheep and Wool Development Corporation under subsidized rates has distributed 210 cross breed rams during 2013-14. During 2014-15 up to December-396 rams were distributed.

In 2013-14, de-wormers to sheep and goats have been distributed to the shepherds of the State through sheep and wool producers co-operative societies registered with the KSWDCL where societies are not there, by organizing mass deworming camps at a cost of Rs.200.00lakhs.

During 2013-14 by organizing 18 camps 680 shepherds were trained in Scientific Sheep Rearing by organizing one day training programme at a cost of Rs. 0.85 lakhs. During 2014-15, it is planned to train 4800 shepherds by organizing 120 camps.

Training in scientific sheep husbandry has been provided for 67 sheep farmers at

Central Sheep Breeding Farm, Hissar with Central Wool Development Board, Jodhpur during 2013-14.

In 2013-14, it was programmed to provide Rs. 25000/- per society as share capital to 160 sheep and wool producers Co-operative societies registered with this corporation. Out of which 16 societies were provided the share capital of Rs.25000/- each, totally an amount of Rs.4.00 lakhs was provided.

#### 7.14.7 General Scheme:

During the year 2013-14 an amount of Rs. 32.00 lakhs was provided. It was planned that out of the 249 members who have registered under the corporation, will be provided (10+1) sheep & goat units at the rate of Rs. 52,000/- and Rs.49,000/- respectively 25% subsidy has granted and 143 beneficiaries have benefited up to December 2014 for this Rs. 18.41 lakh has been spent.

Under this programme sheep unit of 10+1 at the unit cost of Rs.46000/- and goat unit of 10+1 at the unit cost of 44200/- is implemented. 33% of subsidy maximum of Rs.15000/- and Rs.14500/- as subsidy released to the SC & ST members of the sheep and Wool producers Co-operative societies. Remaining Loan portion is released through local Grameena Banks and Nationalized Banks.

**Table 7.38: Progress Achieved under SCP and TSP**

Sl No.	Schemes	Year	Amount released (in lakhs)	Physical (in units of (10+1))				Financial (Rs. in lakhs)	
				Target		Achievement		Target	Achievement
				Sheep	Goat	Sheep	Goat		
1	Special Component Plan	2011-12	57.00	196	196	137	61	57.00	29.50
		2012-13	50.00	168	171	45	49	50.00	13.85
		2013-14	50.00	96	68	40	16	50.00	17.15
2	Tribal Sub-Plan	2011-12	23.00	78	78	34	24	23.00	8.60
		2012-13	30.00	140	62	140	62	30.00	10.31
		2013-14	30.00	50	28	22	04	30.00	10.049

**Table -7.39: Progress Achieved under SCP and TSP from the unspent amount of 2011-12, 12-13, 13-14 -2014**

Sl No.	Schemes	Physical (in units of (10+1))		Financial (Rs. in lakhs)	
		Target	Achievement	Target	Achievement
1	Special Component Plan	238 Sheep Unit 303 Goat Unit 541	254 Sheep Unit 125 Goat Unit 379	96.50	76.982
2	Tribal Sub-Plan	180 Sheep Unit 102 Goat Unit 282	130 Sheep Unit 77 Goat Unit 207	54.041	41.373

**Table -7.40: Progress Achieved under SCP and TSP during the year 2014-15**

Sl No.	Schemes	Amount released (in lakhs)	Physical (in units of (10+1))		Financial (Rs. in lakhs)	
			Target	Achievement	Target	Achievement
1	Special Component Plan	10.80	320 Sheep Unit 102 Goat Unit 422	10	130.00	3.084
2	Tribal Sub-Plan	6.50	128 Sheep Unit 76 Goat Unit 204	3	78.00	1.1475

upto December

Rs.130Lakhs and Rs78 lakhs is allocated in the budget for the implementation of the schemes during the year 2014-15. Under this programme 10+1 sheep units at the Unit cost of Rs.52000/- and 10+1 Goat unit at the Unit cost of Rs.49000/- Maximum of 60% and 75% of subsidy through sheep and Wool Development Corporation for the SC and ST beneficiaries of the Sheep and Wool producers Co-operative societies

#### 7.14.8. Insurance Scheme :

During 2013-14, Rs.30.00 Lakhs was allocated and Rs.13.75 was released. During 2014-15, Rs.250.00 lakhs is

allocated and under this programme it is proposed to take up the following schemes.

#### a) Shepherds Suraksh Yojane :

95.65 Lakhs sheep's and 61.57 lakhs goat were there in state. Under this scheme relief will be provided to shepherds to overcome the accidental loss due to death of sheep and goats. It is proposed to grant ex-gratia compensation of Rs. 3000/-) to each sheep and goat which is above 6 months age and which die accidentally or die due to certified epidemic diseases not covered under Natural Calamity Relief or Insurance Schemes, Government has provided

Rs. 200.00 lakhs in the revised budget during 2013-14 and Rs.52.80 lakh is spent up to 31st March 2014. The ex-gratia is enhanced to Rs.5000/- from 5th May 2014. During 2014-15 Rs.62.50 lakhs is released. 1760 beneficiary, for the year 2014-15 including unspent amount of 2013-14 Rs.199.775 lakhs has been paid as ex-gratia amount out of total budget Rs.209.70 lakhs.

### b) Sheep Insurance

Under this programme it is proposed to insure sheep above 6 months of age for a period of one year belonging to members of the societies who belong to BPL families. The Sheep will be insured for Rs. 2500/- each by Nationalized Insurance Companies at a premium of Rs. 112.36/- per sheep. Out of which the Corporation will bear an amount of Rs. 92.36/- per sheep. Balance amount of Rs. 20/- per sheep will be paid by the beneficiaries. Further, under this

programme with the assistance of Central Wool Development Board, Jodhpur, 80% of the premium amount i.e. Rs. 16/- per sheep will be reimbursed to beneficiaries. Progress achieved under sheep insurance is given in **Tale 7.41**

#### A. Special Component Plan :

Under this programme Rs.15.00 Lakhs grant is allocated for the current year. Schedule Caste registered members, who are having maximum 10 sheep will be insured at the rate of Rs.2500/- per sheep for one year. Premium amount of Rs.112.36 for each sheep will be paid through Corporation. It is targeted to insure 13350 Sheep during the current year.

#### B. Tribal Sub-plan :

Under this programme Rs.5.00 Lakhs grant is allocated for the current year. Schedule Caste registered ST members, who are having maximum 10 sheep will be insured

**Table 7.41 : Progress Achieved Under Sheep Insurance (State Funds)**

Year	Allocated amount (Rs. in lakhs)	Released amount (Rs. in lakhs)	Physical Target (No. of Sheep)	Progress achieved	
				Physical (No. of Sheep)	Financial (Rs. in lakhs)
2011-12	100.00	100.00	150000	48000	27.00
2012-13	75.00	75.00	81200	10800	10.00
2013-14	30.00	13.75	26699	-	-

**Table 7.42 : Progress Achieved Under Sheep Insurance (Central Funds)**

Sl. No	Particulars	Released amount (Rs. in lakhs)	Year	Target		Progress achieved	
				Physical	Financial	Physical	Financial
1	Sheep Insurance	20.00 Lakhs	2013-14	1.29 Lakh sheep	20.00 Lakhs	4766 sheep	76256.00
			2014-15 (Upto Dec. 14)	1.29 Lakh sheep	20.00 Lakhs	830 Sheep	13280.00

at the rate of Rs.2500/- per sheep for one year. Premium amount of Rs.112.36 for each sheep will be paid through Corporation. It is targeted to insure 4450 Sheep during the current year.

#### 7.14.9. Poultry Development

The Poultry feed Act has come into force to maintain the quality of Poultry feed, 24 poultry farms are functioning under the technical guidance of this department. The major developmental activities are breeding and rearing of Giriraja parent stock and supplying day old chick to the farmers and rearing centers of the department. During 2013-14, 2053 persons were trained in poultry rearing and 295871 Giriraja chicks were produced. During the current year up to the end of December- 2014, 1129 persons were trained in poultry rearing, 240739 eggs and 115610 chicks were produced.

Under Rural Backyard Poultry development (Central sponsored Scheme) the department has selected 6 districts namely Bangaluru Urban, Bangaluru Rural, Ramanagara, Shivamogga, Mandya and Tumakuru and so far selected 10042 BPL beneficiaries and have been distributed

with 110417 Giriraja birds at free of cost. This plan has now been taken up under National livestock mission during the year 2014-15.

Budget allocation for the year 2013-14 was Rs.74.00 lakhs and expenditure incurred was Rs73.30 lakhs. Budget allocation for the year 2014-15 is Rs.60.00 lakhs and expenditure incurred is Rs.33.51 lakhs up to December end.

#### 7.14.10. Karnataka Co-operative Poultry Federation (KCPF)

Presently 80 primary poultry Co-operative societies are affiliated to the federation receives grant-in-aid from the State Government for its activities like: Short term training programme in Poultry Farming, Rearing and Distribution of Giriraja Birds, Maintenance of Regional Centers, Providing Assistance to Un-Employed Youths for establishment of 500 Broiler Poultry Units, Government has allocated Rs.36.00 lakhs under Plan Head of Account and Rs.225.00 lakhs Non-Plan Head of Account to the Federation for the Year 2014-15. Details of Physical & Financial Progress are provided in **Table 7.43 & 7.44.**

**Table 7.43 : Financial Achievements under plan and non plan schemes of the KCPF (Rs lakhs)**

Year	PLAN			NON-PLAN		
	Amount sanctioned	Amount released	Amount Spent	Amount sanctioned	Amount released	Amount spent
2010-11	20.00	20.00	19.82	90.87	90.87	90.87
2011-12	24.75	24.75	24.73	94.50	94.50	94.50
2012-13	46.00	46.00	46.00	145.56	145.56	145.56
2013-14	26.00	26.00	26.00	215.00	215.00	215.00
2014-15 (Upto December- 2014)	36.00	27.00	27.00	225.00	168.75	168.75



**Table 7.44 : Physical Progress**

<b>Year/ Activity</b>	<b>Short term training in poultry rearing to farmers</b>	<b>Rearing and sale of Giriraja birds</b>	<b>Maintenance of regional Centers.</b>	<b>Assistance to Un- employed Youths to establishment Broiler Poultry Farm (500 birds).</b>
<b>2010-11</b>				
Target	1250	10000	-	-
Achievement	1250	10570	-	-
%	100	106	-	-
<b>2011-12</b>				
Target	1500	10000	-	-
Achievement	1511	10045	-	-
%	101	100	-	-
<b>2012-13</b>				
Target	1500	10000	-	-
Achievement	1585	12232	-	-
%	106	122	-	-
<b>2013-14</b>				
Target	800	11000	-	-
Achievement	1067	22568	-	-
%	133	205	-	-
<b>2014-15(upto December -2014)</b>				
Target	700	5250	04 Regional Centers	15 Beneficiaries
Achievement	809	4603	04 Regional Centers	15 Beneficiaries
%	115	87.6	100%	100%

**7.14.11. Piggery Development :**

In Karnataka, five Pig Breeding Stations are located in Hesaraghatta in Bangalore District, Kudige in Kodagu District, Koila in Dakshina Kannada District, Bangarpet in Kolar District and Kalasa in Chickmagalur District. Among other activities, these stations are engaged in production and distribution of pure breed piglets to beneficiaries of various socio-economic programmes, training and extension services in modern pig rearing is imparted.

There are 550 small, medium and large-scale modern piggery units in the State with the financial assistance from various banks. Under RKVY Scheme the Department of Animal Husbandry and Veterinary Services has chosen 12 districts namely Bangalore Urban, Bangalore Rural, Ramanagar, Kolar, Mandya, Tumkur, Kodagu, Hassan, Dakshina Kannada, Udupi, Chikballapur, and Chikmagalur to form a Pig Breeder's Association under the Co-operative Society Act to establish good quality pork and marketing facility etc., The performance of the Pig Breeding programme in 2014-15 is given below in **Table 7.45**.

Budget Allocation for the year 2013-14 was Rs.35.00 lakhs and the expenditure

incurred was Rs.32.88 lakhs. Budget Allocation for the year 2014-15 is Rs.50.00 lakhs and the expenditure incurred is Rs.33.96 lakhs up to December end.

**7.14.12. Rabbit rearing :**

Two Rabbit Rearing farms are functioning in the State. These farms maintain and breed New Zealand White, California White and Grey Giant breeds of rabbits. The bunnies are being sold to interested farmers. About 1326 bunnies were produced up to the end of December-2014. Budget is not allocated for the year 2013-14 and 2014-15.

**7.14.13. Implementation of Livestock Insurance Scheme in Karnataka**

During 2013-14, this scheme was implemented in 17 districts 73002 animals have been insured and during 2014-15, the tendering process for identification of the insurance company to insure livestock is under progress.

The unspent balance of Rs. 405.93 lakh. In 2012-13, has been revalidated with 2013-14 grant of Rs.200.00 lakh and out of total amount of Rs. 605.93 lakh, Rs.495.87 lakh has been spent.

Under N.L.M. for 2014-15 with financial outlay of Rs.3691.50 lakh with state share

**Table 7.45: The Progress Achieved Under The Pig Breeding Programme (Upto December -2014)**

Sl. No.	Name of the farm	Distribution of Piglets (Nos.)		Farmers Trained (Nos.)	
		Target	Achievement	Target	Achievement
1	Pig Breeding Farm, Hesaraghatta	250	200	300	161
2	Pig Breeding Farm, Kudige	375	254	200	259
3	Pig Breeding Farm, Koila	375	131	350	74
4	Pig Breeding Farm, Bangarapet	125	68	100	55
5	Pig Breeding Farm, Chikmagalur	175	78	200	41
Total		1300	731	1150	590

Rs. 1010.75 lakh and Government of India share of Rs.1270.75 lakh. Up to the end of December-2014 Rs. 1410.00 lakh expender was incurred.

#### 7.14.14. Feed and Fodder Development :

To mitigate the shortage of availability of Green Fodder, Central Minikit Testing programme, Minikits distribution under State Disaster Relief Fund and centrally sponsored scheme for fodder production were under taken. In the State livestock farms, fodder production fodder seed production and training to farmers are being u n d e r t a k e n with t h e assistance of Government of India (SDRF-State disaster relief fund ) and Calamity Relief funds. The progress made under this programme in the last three years is given in **Table 7.46**.

During 2014-15, a new scheme called special Fodder development programme has been launched under the State sector. Under this scheme, Rs.50.00 lakhs has been released for innovative programmes like establishment of fodder museums in

the interested farmers land of 01 hectare and cultivation of growing fodder through equipment (Hydroponics) is taken up by providing 25% subsidy to farmers (for 2 units only). In the year 2013-14, Rs.106.53 lakhs has been spent for Fodder Development. The Department of Animal Husbandry and Veterinary Services has selected 6 Amrith Mahal Kavals for infrastructure development, sylvipasture and fodder development during 2013-14 by clearing unauthorized cultivated lands which will be taken up for development in 3 years at a cost of Rs.487.50 lakhs by an Expert Organisation.

For concentrated feed fodder programme the budget allocation for the year 2013-14 was Rs.696.00 lakhs and expenditure incurred was Rs.19.10 lakhs. Budget allocation for the year 2014-15 is Rs.646.00 lakhs. For Fodder Development Programme budget allocation for the year 2013-14 was Rs.106.53 lakhs and expenditure incurred was Rs.99.70 lakhs. Budget allocation for the year 2014-15 is Rs.50.00 lakhs and expenditure incurred was Rs.45.00 lakhs.

**Table 7.46: Progress under Feed and Fodder development**

Sl.No.	Programme	2012-13	2013-14	2014-15 (Up to Dec-2014)
1	Minikit Distribution Programme(in nos.)	124507	272704	-
2	Fodder Production in Farms (in MT)	5492.96	2608.31	7126
3	Fodder seed production in farms (in Qtls)	22.95	10.20	539
4	Root slips distributed in farms (in lakh nos., )	17.404	14.025	13.85
5	Training to farmers regarding fodder development (in nos., )	1534	665	475

#### **7.14.15. Rashtriya Krishi Vikasa Yojane (RKVY) :**

Government released Rs. 275.00 lakhs for the implementation of programme for the genetic improvement of Sheep and goats during the year 2008-09. The implementation of the programme is under progress. An amount of Rs. 178.792 lakhs is utilized up to the end December 2014. The induction of parent stock is in progress. Financial outlay for project proposals for the year 2014-15 under RKVY given in **Table 7.47.**

Budget allocation for the year 2013-14 is Rs.7175.00 lakhs and expenditure incurred is Rs.6975.00 lakhs. Budget allocation for the year 2014-15 is Rs.5060.00 lakhs and expenditure incurred in the year 2014-15 is Rs.1664 lakhs. During 2014-15 an amount of Rs.7143.87 lakhs budget has been earmarked for establishment of Veterinary Centre and also for establishment and maintainance of Animal Sciences University and Extension, Education and Training Research. expenditure incurred in the year 2014-15 is Rs.2405.14 lakhs.

#### **7.14.16. Mass vaccination Programmes:**

This is a 100% CSS scheme. During the current year, it is planned to take up mass vaccination against FMD and PPR in the state for livestock in pulse polio manner for which Rs. 1000.00 lakhs and Rs.300.00 lacs is earmarked and 120.00 lakhs of livestock covered up to to the end of December-2014 and the vaccination programme is under progress. PPR Vaccination programme will be conducted in November 2014. During 2014-15, 44.62 lacs of sheep and goat have been vaccinated.

#### **Foot and mouth diseases programme :**

During 2013-14 Budget allocation is Rs.1315.00 lakhs and expenditure incurred is Rs.800.49 lakhs. Budget allocation for the year 2014-15 is and expenditure incurred is Rs.316.36 lakhs.

#### **PPR:**

Budget allocation for the year 2013-14 is Rs.300.00 lakhs and expenditure incurred in the year 2013-14 is Rs.201.34 lakhs. Budget allocation for the year 2014-15 Rs.300.00 lakhs.

#### **7.14.17. Assistance to State for Control of Animal Diseases (ASCAD) :**

Assistance to the State for control of animal diseases has three components viz., systematic control of livestock disease of national importance, and animal disease surveillance. For the control of animal diseases component, funds will be shared by the Centre and State on 75:25 basis except the training component where 100% central grants are envisaged. The funds will be provided for purchase of vaccines/ diagnostics / medicine and up gradation/strengthening of disease diagnostic labs/vaccine production facilities. The cost of delivery system or the manpower to undertake vaccination is borne by the State Government. During the current year, the budget provided under ASCAD is State Budget: Rs.725.00 lakhs, Z.P.Budget: Rs. 799.95 lakhs, Total Rs. 1524.95 lakhs and Rs.238.31 lakhs expenditure incurred till December-2014. 124.82 lakh of sheep and goat have been vaccinated and 7521 lakh cattle's and buffaloes have been vaccinated prophylactically .6694 cattle's have been screened for brucellosis

Total of Rs.1543.34 lakhs including State Budget of Rs. 745.00 lakh has been earmarked during 2013-14 and Rs.997.21 lakh expenditure has been incurred.

#### **7.14.18. Foot and Mouth Disease Control Program:**

According to the 19th Livestock Census-2012, there are 29.12 lakhs Nos. of crossbreed cattle, 66.04 lakhs of indigenous cattle with a total of 95.16 lakhs of cattle. 3471 lakhs of buffaloes, Rs. 95.84 lakhs of sheep and 47.96 lakhs of Goats and 3.05 lakhs of pigs are estimated in the state. Department is providing health care and veterinary services to livestock and poultry

**Table 7.47 Financial Outlay for project proposals for the year 2014-15 Under R.K.V.Y**

SI.No	Name of the Project	Implementing Agency	Financial Outlay (Rs.in Lakhs)
I	Fodder Development Programme	AH&VS	
1	Supply of Fodder Mini kits to farmers.		5.00
2	Supply of Post Harvest equipments		4.75
II	Strengthening Animal Breeding and Health and Extension Services.		
3	LN2 storage silos in 30 districts.		12.15
4	RFID	95	
5	Veterinary Livestock Inspectors training Centre at Dharwad.	0.54	
III	Dairy Infrastructure		
6	Cattle Feed Plant – Hassan 3500MT Silo	KMF	1.625
7	Cattle Feed Plant – Rajankunte 5000MT Silo		1.525
IV	Sheep and Goat Development		
8	Enhancement of productive efficiency in Goats through AI	KS & WDC	3.20
V	Strengthening of Vaccine Production Unit		
9	Centre for development of Vaccine & diagnostics	IAH & HB	6.30
VI	Infrastructure to State Veterinary University		
10	Development of new meat type cross breed sheep with exotic Dorper breed	KVA & FSU	1.45
11	Development of new meat type cross breed Goat with exotic Boer breed		1.16 (Project not approved by ICAR)
12	Strengthening of livestock research and information Centres for enhancing productivity and capacity building		2.25
<b>Total</b>			<b>48.90</b>



through 4112 different veterinary institutions. Foot and Mouth disease is one of the most contagious diseases caused by Foot and Mouth virus in cloven footed animals like cattle. Buffaloes, sheep, Goats, Pigs and wild life animals like Bosons, Deers, Elephant etc., As a preventive measure once in every 6 month i.e. 2 times in a year foot and mouth mass vaccination programme is being conducted for cattle, buffaloes and pigs in the month of August-September and February-March. Foot and Mouth disease control programme is a Centrally Sponsored Scheme being implemented in the state since September 2011.

There was an outbreak of FMD during period from August-2013 to November-2013, 55580 Nos. of Cattle and Buffaloes were affected. Causing death of 14441 Nos. of Animals in 946 villages. 5th round of FMD Vaccination was carried out during the month of September-October-2013 and 119.09 lakhs (90%) animals were vaccinated.

6th round of FMD Vaccination programme was carried out during the period from 15th February 2014 to 25th March 2014 and 119.09 lakhs (96%). As a preventive measure, during the year 2013-14, FMD vaccination was carried out among 238.69 lakhs livestock.

During 7th round totally 15991 Serum samples from vaccinated animals have been taken for laboratory examination to detect the immunity level of the herds but results are awaited. From January 14 to March 14, a total of 9 disease were identified in 1319 cattle's causing death of 211 animals. No animal has died during the period from April 2014 so far in the state due to FMD. 7TH round of FMD vaccination has been completed during September 2014 with total vaccination of 120.33 lakhs of animals 95.3%. Compensation for death of 77 animals while vaccination during 7th round of vaccination due to reaction to vaccine is required to be given.

8TH round of vaccination is due during February 2015-March 2015 for which preparations are being taken up.

During the year 2013-14, an amount of Rs.1315.00 lakhs budget has been earmarked. Government of India released an amount of Rs.1139.26 lakhs to Government of Karnataka. Out of which, an amount of 806.68 expenditure incurred up to the end March-14. Government of Karnataka has granted an ex -gratia of Rs.23.77 crores for death of 14401 animals and also granted an ex -gratia amount of Rs.10.24 lakhs for death of 47 animals while vaccination during 6th round of vaccination due to reaction to vaccine.

During the year 2014-15 an amount of Rs.1,000-00 lakhs budget has been earmarked in the state Budget estimated for Foot and Mouth disease control programme. During the year 2014-15, a total amount of Rs.987.58 lakhs was released which includes the unutilized amount of Rs.337.58 lakhs pertaining to the year 2013-14 and an amount of Rs.650.00 lakhs as 1st installment. Out of which an amount of Rs.316.36 lakhs expenditure incurred up to the end of December-2014.

#### **7.14.19. National Animals Disease Reporting System (NADRS)**

Under this scheme outbreaks information will be collected and the same will be reported to the Central and State Government and important decisions will be taken from time to time. During 2013-14, Central Government has provided a grant of Rs.3.21 lakhs for establishment of information controlling Units through website at 176 Taluks and head quarters of 30 districts and 02 centers at State level in the state. And also information on outbreaks will be provided through online.

Budget allocation for the year 2013-14 was Rs.50.00 lakhs. and expenditure incurred was Rs.3.15 lakhs. Budget allocation for the year 2014-15 is Rs.10 lakhs. An amount of Rs. 5.00 lakh has been released

from the Government of India, the scheme is under implementation.

#### **7.14.20. National Programme on Brucellosis Control**

Through regular vaccination progress abortion is prevented in cows and buffaloes which are conceived and affected with Brucellosis diseases and preventive measures have been taken from spreading this disease among public who are connected with the livestock which are affected with disease. The programme has been implemented in the state from the year 2011-12. Disease identification has been done from 1.5% to 3%. This vaccination has been carried out for calves which are under 4 months to 8 months once in every year. During 2013-14, Rs.300.00 lakhs allocated and an amount of Rs.67.77 lakhs has been spent on precautionary measures. Vaccination has been carried out for 1.81 lakhs calves against Brucellosis diseases. During 2014-15 Rs.300.00 lakhs is allocated. And expenditure Rs.4.67 lakhs incurred up to the end of Dec-14.

#### **7.14.21. Rinderpest Surveillance and Vaccination programme for Total**

##### **Eradication of Rinderpest :**

Rs.25.000 lakh is allocated for this scheme of which Rs.15.00 lakh is State share and Rs.10.00 lakhs is Central Share. Under this Scheme, the funds will be utilised for Pay and allowances. Rs.23.11 lakhs is spent up to the end of March-2014. For 2014-15, Rs 25.00 lakh has been allocated. Out of which central share is Rs.10.00 lakh and State share is Rs 15.00 lakh. Rs 9.25 lakh has been spent up to December end.

#### **7.14.22 CSS of Setting up of State Veterinary Council**

To train Doctors in capacity development, during 2013-14, Rs.70.00 lakh is allocated for this scheme, of which Rs.35.00 lakh is State share and Rs.35.00 lakh is Central share. Under this Scheme, the funds will be utilised towards staff salary, office maintenance and for conduct of

professional efficiency development programmes. Central Share of Rs.20.00 lakhs (50%) and State Share of Rs.20.00 lakhs (50%), Rs.40.00 lakhs is spent up to the end of March-2014. For 2014-15 Rs. 70.00 lakh is allocated. and expenditure of 40.00 lakhs incurred up to end of December 2014.

#### **7.14.23. Control of Animal Diseases**

During 2013-14, Rs.745.00 lakh is allocated for this scheme, of which Rs.245.00 lakh is State share and Rs.500.00 lakh is Central share. Under this Scheme, the funds will be utilised for immunization of livestock against economically important identifiable disease -Enterotoxaemia, control of Zoonotic diseases, strengthening of biological production unit and Disease Diagnostic labs, conducting Training and awareness Rs.583.85 lakhs is spent up to the end of March-2014. During 2014-15, Rs. 725.00 lakh have been allocated.

#### **7.14.24. Establishment and Strengthening of Existing Veterinary Hospitals and**

##### **Dispensaries :**

Objective of the scheme is to provide infrastructure for strengthening of institutions and also by providing instruments and other necessary materials for effective functioning of institution to carry out Animal Health Programme and for efficient functioning of field level veterinarians. During 2013-14, Rs.1000.00 lakh is allocated for this scheme, of which Rs.250.00 lakh is State share and Rs.750.00 lakh is Central share. Rs.998.53 lakhs is spent up to the end of March-2014. During 2014-15, Rs.1000.00 lakh is allocated for this scheme.

#### **7.14.25 National control programme on PPR**

It was planned to take up control and eradication of PPR disease in Sheep and Goats during 2011-12. For this, during 2013-14 with an allocation of Rs.300.00

lakhs was allocated. By utilizing Rs.201.34 lakhs, 116.33 lakh (91%) of Sheep and Goats have been vaccinated in the First round and 46 lakhs of Sheep and Goats have been vaccinated in the Second round. During 2014-15 Rs. 300.00 lakhs is allocated.

#### **7.14.26. Assistance to Poultry Farms**

Under this Scheme, the funds will be utilised for strengthening and improvement of Regional Poultry Farm, Gangavathi, Koppal Dist, Hesaraghatta, Bangalore, where rearing of Giriraja Birds and Training of Farmers is being taken up and also for establishment of mother units in the state.

During 2013-14, Rs.208.50 lakh is allocated for this scheme, Out of which Central Share is Rs.67.48 lakhs (80%) and State Share is Rs.16.87 lakhs (20%) Rs.62.68 lakhs is spent up to the end of March-2014. During 2014-15, 100.00 lakhs has been allocated, and revalidated amount of Rs.21.67 lakhs has been released.

#### **7.14.27. Enrichment of Fodder Demonstration Programme :**

During 2013-14, Rs.696.00 lakh is allocated for this scheme. Under this scheme, the funds will be utilised for fodder enrichment, grassland development, Production and distribution of seeds through Department. Rs.588.00 lakhs is released from Centre and Rs.19.10 lakhs is spent up to the end of March-2014. During 2014-15, Rs. 646.00 lakhs allocated.

#### **7.14.28. Microchip for identification of animals :**

Rs.50.00 lakh is allocated for this scheme. Under this programme, animals are registered by fixing microchip to animals and it is radio waves based livestock maintenance system. It is going to help identification of animals in a better and accurate way and it will avoid duplication in insurance claims and purchase of animals in government subsidy schemes. Rs.49.85 lakhs is spent up to the end of March-2014.

During 2014-15, Rs. 50.00 lakhs allocated. 7.14.29. Cattle and Buffalo Development-AI Centre :

For maintenance of 100 AI centers through BAIF in north Karnataka district to provide breeding services in cattle and buffaloes, during 2013-14 Rs.255.81 lakh is allocated for this scheme. Rs.127.90 lakhs is spent up to the end of March-2014. During 2014-15, Rs. 200.00 lakhs allocated, Rs. 62.81 lakhs has been spent up to December 2014.

#### **7.14.30. Suvarana Karnataka Govu Samrakshane :**

Rs.15.00 lakh is allocated for this scheme. The funds will be utilised to protect & conserve the local breeds of Cattle in the state through NGO's where in one time assistance of Rs.10.00 lakh is given per organization which has 10 acres of land and 50 native breeds. Rs.14.70 lakhs is spent up to the end of March-2014. During 2014-15, Rs. 10.00 lakhs allocated.

#### **7.14.31. Calf rearing :**

Under this scheme the budget will be utilised to provide assistance for rearing of male calves of pure breeds such as Hallikar, Amrithmahal, Khillar, Deoni and Krishna valley in the state at the rate of Rs. 4000 as 50% subsidy in the form of cattle feed initially to 2500 beneficiaries to encourage conservation of native breeds. During 2013-14, Rs.50.00 lakh is allocated under this scheme and Rs.1.00 lakh is spent up to the end of March-2014. During 2014-15, Rs. 50.00 lakh is allocated.

#### **7.14.32. New schemes 2014-15 :**

##### **1. Establishment of 44 Check posts and Quarantine Stations :**

It is necessary to check animals entering the state at interstate borders for any symptoms of disease, in case if they exhibit any symptoms those animals have to be kept in quarantine for observation and allow only disease free animals to enter the state. So it is proposed to create 44 check posts and 44 quarantine camps on the

interstate borders with Karnataka, under "The Karnataka Prevention and Control of infections and contagious diseases in Animals (Check posts and Quarantine Camps, Manner of inspection, etc.) at the cost of Rs.800 lakh stage by stage for which Rs.250 lakhs is allocated in the Budget during this year.

## **2. Incentive to vaccinators :**

Every year there is vaccination programme in the month of February-March and Aug-Sept against Foot and Mouth disease, in the month of April and October against Enterotoxaemia, in the month of December against Brucellosis, in the month of May against Hemorrhagic septicemia and in the month of June and November against PPR. So there will be vaccination programme throughout the year. Rs. 400 lakh is allocated in the Budget to provide an incentive to vaccinators who will be assisting in vaccination programme as there is a shortage of staff in the department.

## **3. Opening of new veterinary dispensaries and up gradation of primary veterinary centers to veterinary dispensaries :**

There are 4112 institutions in the state, out of which 364 Veterinary Hospitals, 1943 Veterinary dispensaries and 1181 primary veterinary centers . For this, Rs.10 crore has been provided for this Scheme.

## **4. Establishment of Regional Disease Diagnostic Laboratories :**

Regional Disease Diagnostic Laboratories will be established in 4 places in the State (Sira, Kolar, Bagalkote and Sirsi) through Animal Health and Biological Institute.

## **5. Strengthening of Polyclinics:**

Currently Veterinary dispensaries at village level and Veterinary hospitals at Taluk level are working towards providing services to the farmers, it is necessary to Establish Veterinary Polyclinic with specialized

services by subject specialists at district level. In the Government order regarding reorganization of the department 30 Veterinary Polyclinics have been sanctioned with Deputy Director and Subject Specialist Posts. For polyclinics 30 technical adviser posts have been created.

During 2014-15 an amount of Rs.10.00 crores has been earmarked in the budget for establishment of one Super Specialty Hospital at Bangalore and also for establishment of Specialty hospital one each at Mysore, Gulbarga, Belgaum, Tumkur divisional level in the state.

## **6. One time Assistance to sheep and wool producer Co- operative Societies :**

It has been announced in the Budget Speech that Rs.15 crore will be provided as a onetime assistance to sheep and wool producer Co- operative Societies which are in distress. A proposal has been submitted to the government

## **7 . Pashu Bhavan:**

It is proposed to construct "Pashu Bhavan" at Bangalore to accommodate all the offices of the department and its related organization to provide services under one roof for which Rs.1000.00 lakhs is allocated.

## **Challenges:**

1. Effective management of health coverage facilities, man-power and infrastructural facilities.
2. Creation of disease free zone against diseases of economic importance and identifiable diseases of livestock and poultry to provide/improve the export status for animals and animal produce.
3. Monitoring and control of animal diseases in view of constant migrations, bio-diversity and varied agro - climatic conditions.
4. Creation of awareness about communicable animal diseases.



5. Preparedness for control of Avian Influenza.
6. Health coverage of livestock in remote villages.

### 7.14.33. Karnataka Milk Federation

#### Introduction:

The Karnataka Milk Federation is a state level Co-operative organization implementing dairy development activities in the state under 'Operation Flood'. This organization has the responsibility of providing remunerative price and market to the rural milk producers of the state and of supplying pure milk and milk products to the consumers. The progress of Dairy Development for the past three years is given in **Table 7.48**.

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows.

(Rs in lakhs)

Year	2012-13	2013-14	2014-15
Allocation	29528.00	89250.00	89300.00

The Federation has 22 dairy processing plants with a capacity of 43.80 lakh liters a day and 43 chilling centers having 20.17

lakh liters of chilling capacity and 5 equipped dairy product units to produce 100 MT's of milk powder per day, permission is obtained for 5 cattle feed plants with ISO 9001/2000 certification for quality production and supply of cattle feed to producers. At present, 12665 dairy co-operative societies are functioning and 22.84 lakh farmers are enrolled as members.

#### 1. Dairy Programme for women :

A special programme for Women namely Amrutha Yojane was started during 2007-08 with an initial amount of Rs.5000.00 lakhs .This programme was started to help Devadasis, Widows, SC / ST women in order to improve their socio-economic condition by providing them milch animals. The cost of unit was initially Rs.20, 000/- of which the subsidy component is 50% (Rs.10000/-)for Devadasis and Widows, 60% (Rs.12000/-) for SC women and 75% (Rs.15000/-) for ST women. During the year 2010-11 the unit cost has been enhanced to Rs.35, 000/- with similar subsidy components.

For the year 2013-14 a sum of Rs.750.00 lakh has been allocated. 1050 animals have been purchased and Rs.212.10 lakhs has been utilized up to the end of October 2014 .

**Table: 7.48: CO-OPERATIVE DAIRY DEVELOPMENT IN KARNATAKA**

Sl.No.	Items	Unit	2011-12	2012-13	2013-14	2014-15* up to Dec.14
1	DCS registered	No.	696	614	441	381
2	DCS made functional	No.	752	705	481	526
3	Members enrolled	No	80.608	70878	38299	50426
4	Milk procured	Lakh/ Tones	15.68	17.92	18.86	16.19
5	Animals Treated	Lakh	0.54	0.27	0.3	0.14
6	Animals inseminated	Lakh	24.78	.27.50	27.85	22.96
7	Animals examined for pregnancy	Lakh	17.09	20.37	20.58	16.18



The programme has been continued for the year 2014-15 and a sum of Rs.750.00 lakh has been allocated. It is targeted to purchase 2300 milch animals.

## **2. Dairy infrastructure :**

In the budget for 2013-14 Government has allotted Rs.6500 lakhs for Dairy infrastructure. Out of which Rs.2500 lakh for establishment and strengthening of Shikaripura Cattle Feed Plant, Rs.500 lakhs each to Gulbarga, Raichur and Bellary Unions to strengthen the Chilling centre and Dairy units, Rs.100 lakhs for Dairy development activities at Dharwad Milk Union, Rs.500 lakhs for establishment of Cheese plant at Kolar Milk Union, Rs.700 lakhs for Fodder development activities at Nandini Sperm Station and Rs.800 lakh for strengthening of Nandini Milk Production Unit has been allocated Rs.1836.64 lakhs was spent up to the end of December 2014. For establishment and construction of the proposed Dairy and chilling centre units, tender process and other civil works are being undertaken as per the guidelines.

In the Budget for 2014-15 Government has allocated a sum of Rs.5850 lakhs for Dairy infrastructure.

## **3. Incentives to Milk Producers :**

A daily average of 7.8 lakh liters of milk is collected through DCS from farmers.

The scheme of providing incentives at the rate of Rs.2/- per liter of milk to the milk producers to the DCSs was started in the state from 9.9.2008. It was later enhanced to Rs.4/- per liter from 14.5.2013. Budget allocation for the year 2013-14 was Rs.81800 lakhs, an approximate of 7.69 lakh milk producers have been covered under the scheme.. Budget allocation for the year 2014-15 is Rs.82500 lakhs . 8.05 lakh milk producers are benefited under the scheme

## **4. Strengthening of infrastructure for quality and clean milk production :**

In order to improve the quality of the milk, the milk has to be chilled as early as

possible, For this, the Bulk Milk Coolers(BMC) are being established at village dairy cooperative societies. Training of farmers in clean and hygienic milk production, supply of detergents to dairy cooperative societies, supply of stainless steel equipments etc., are undertaken in this programme. During the year 2013-14 a sum of Rs.200 lakh has been allocated and Rs.9.53 lakh has been spent for purchase and supply of milk cans, milk utensils and detergent to the milk producer.

## **5. Rastriya Krishi vikas yojane :**

Under Rashtriya Krishi Vikasa Yojane, during the year 2013-14 a sum of Rs.200 lakhs has been allocated for establishment of Bagalkote Dairy and 100 lakh for establishment of Flexi pack unit at Belgaum. During the year 2014-15 grants are awaited.

## **6. Support to training and employment programme (STEP) :**

Karnataka Milk Federation (KMF) initiated the Support for Training and Employment Programme (STEP) for women in Karnataka from October 1977 onwards. Since then KMF has organized 1924 WDCS in STEP I to VIII phase. As on 31.10.2014 the Ministry of Women & Child Development, GOI has sanctioned Rs. 5647.00 lakh and have released Rs.4370.00 lakh. The KMF and Milk Unions have utilized Rs.4727.00 lakhs. As part of women empowerment, 2456 Nandini self help groups have been formed with a savings of Rs.1287 lakh. Milk procurement per day from these WDCS is Rs. 6.11 lakhs liters and a payment of Rs.146.68 lakhs is made directly to women.

During April 2014, Karnataka Milk Federation (K.M.F) started another scheme namely "Ksheera Sanjeevini" – Phase-I with financial assistance from Sanjeevini - Karnataka State Rural Livelihood Promotion Society (KSRLPS) GOK. It is targeted to enroll 10, 000 women as Target Group Members (TGMs) covering 250 Nos of WDCS spread in 13 milk unions. The outlay of the project is Rs.17.10 crore for three

years. In the year 2014-15 it covered 72 no's of WDCS with release of Rs.4.90 crore, 2880 TGM's are enrolled and are being trained in various programmes.

#### **Outcome :**

The Milk procurement, membership and the artificial insemination have considerably increased due intensive dairy development activities, there by bringing financial growth in the dairy sector. This growth has brought in socio-economic development at the grossroot level. Dairying has become a sustainable activity by providing continuous remunerative price for produced milk.

The Government of Karnataka has also encouraged the milk producers of the State by giving an incentive price Rs.4/- per liter of milk to the milk producers of the cooperative societies of the state.

- There is an average milk procurement of 61.45 lakhs liters per day with an average liquid milk sales of 32.67 lakh liter per day, the balance being converted into different form of milk products.
- The school children/Anganwadi children are provided with 150 ml of milk a day to overcome nutritional deficiency by introducing "Ksheera Bhagya yojane".
- Women Dairy Co-operative Societies are being organized under the STEP Scheme for Women.
- Landless farmers and other rural folk have taken up Dairy farming as a major of source of income which resulted in the economic upliftment of these farmers.
- KMF owns 5 cattle feed production plants which supply an average of 40 MT per month of balance cattle feed to milk producers.
- Input activities such Artificial insemination, Health coverage , Urea Molasses Brick, Liquid Nitrogen etc. are being provided at the door step of these dairy famers.

#### **Challenges :**

1. To ensure assured and remunerative market round the year for the milk produced by the farmer members.
2. To make available quality milk and other premier dairy products to urban consumers.
3. To compete with MNC's and private dairies with better quality of milk and milk products and in the process, sustain viability of the milk cooperatives.
4. To extend the milk procurement network in North Karnataka region.

#### **7.15 Fisheries**

Karnataka State has 320 Km long coast line along with 27000 Sq. km continental shelf area, 5.65 lakh hectares of various inland water resources and has vast scope for fisheries development. The brackish water area of 8000 hectares also provides good scope for shrimp/fish culture. There are about 9.61 lakh fishermen in the state of which 3.28 lakh fishermen in marine and 6.33 lakh fishermen are in inland who are involved in various fisheries activities. During the year 2013-14, the total fish production of the state is 5.55 lakh tonnes which contributes to 5.8% of the national fish production. Karnataka is in 6th position in marine fish production and 9th position in inland fish production when compared to fish production in the country. The total fish production during 2014-15, upto end of December 2014 is 4.12 lakh tonnes.

#### **The major objectives of Department of Fisheries are :**

- Augmentation of fish production
- Utilization of all suitable water resources for fish production
- Development and maintenance of infrastructure for fishing landing, preservation, processing and marketing
- Adoption of new technologies for fish seed production and fish culture
- Improvement in fish marketing network.

➤ Improvement of the socio-economic conditions of fishermen

The budget allocation for the department from the year 2012-13, 2013-14 and 2014-15 are as follows.

(Rs in lakh)

Year Allocation	2012-13	2013-14	2014-15
Plan	19324.44	20041.40	19214.26
Non-Plan	2263.45	2827.08	2879.51

During the current year, the new schemes initiated are as follows.

- 1) Call centre based extension service is provided to fishermen directly by consolidating information available at various levels. Under the scheme, SIM cards is provided to fishermen to facilitate free communication in Karnataka of details of Government schemes, market prices, potential fishing zone and weather information. An allocation of Rs 1 crore is provided for this scheme during 2014-15.
- 2) Action is taken to improve hygienic conditions in 8 fishing harbors and 20 fish landing centers with financial assistance from National Fisheries Development Board as per the standards

set by the European Union for import of food items.

- 3) Water and soil quality testing kits are provided to District Level Offices at a cost of Rs.30 lakh to make the service of soil and water testing easily accessible.

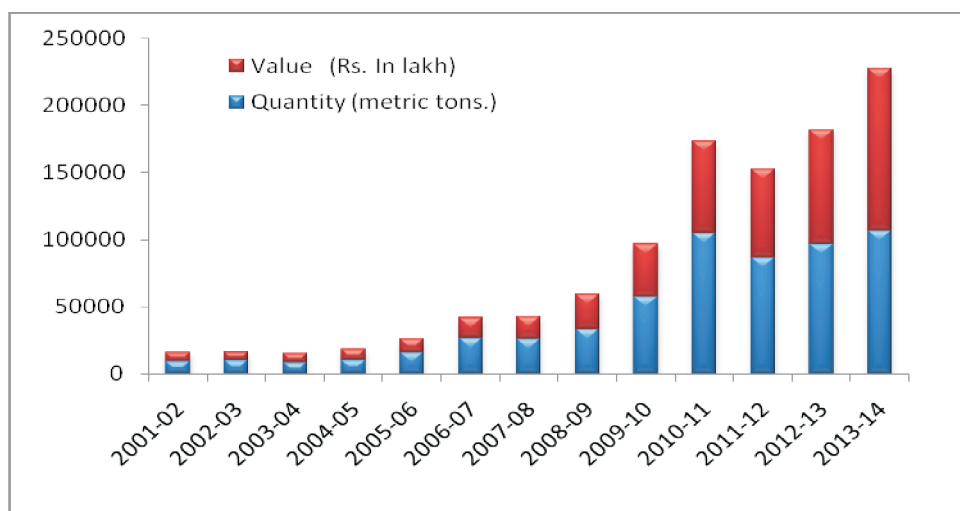
**7.15.1 Marine Fisheries:**

Development of marine fisheries sector is taken up with a focus on sustainability through empowering the traditional sector, enhancing of sea safety, rational exploitation of untapped deep-sea resources, achieving employment generation, social security of fishers, increased food security and augmenting sea food exports. The marine exports including fishmeal and fish oil exports from Karnataka was 106693 metric tons worth Rs. 121037 lakhs during 2013-14. Trends in fish exports of Marine Produce from Karnataka for the last twelve years are given in **Figure 7.3**.

**7.15.2 Fish Production:**

The annual fish production in Karnataka has shown a considerable increase from 2.51 lakh metric tons in 2004-05 to 5.55 lakh metric tons in 2013-14. Details of fish production for the last 10 years are given in **Table 7.49**.

**Figure 7.3: Exports of Marine Produce from Karnataka**



**Table 7.49: Details of Fish Production in Karnataka (MTs)**

Year	Marine	Inland	Total
2004-05	171227	80470	251697
2005-06	176974	120598	297572
2006-07	168544	123919	292464
2007-08	175566	122124	297690
2008-09	218137	143717	361854
2009-10	248728	159324	408052
2010-11	340571	186008	526579
2011-12	347383	199053	546437
2012-13	357325	168241	525566
2013-14	357358	197952	555310
2014-15 (upto Dec 2014)*	269684	142400	412084

**7.15.3 Fishing Fleet Operating In Karnataka:****7.15.4 Inland Fisheries:**

Immense scope exists for development of inland fisheries with the available vast inland fisheries resources in Karnataka as shown in **Table 7.51**.

**7.15.5 Fish seed production :**

The fish seed production detail of the state is provided in **Table 7.52**.

**7.15.6 Fish Sanctuaries in Karnataka:**

River stretches are declared as fish sanctuaries due to conservation of endangered and rare native fish species. Because of their unique and delicate ecosystem, any type of fishing is banned in these declared river stretches. These rivers stretch help in developing natural breeding of fish species. Details of fish sanctuaries in Karnataka declared by Department of Fisheries are given in **Table 7.53**

**Table 7.50: Detail of fishing boats operating**

Mechanized boats	Motorised boats	Traditional boats	Total
Trawlers-2359 Multiday trawlers-780 Purse seiners-277 Inboard gillnet-326	Gillnetters(OBM)-6670	Traditional-7515	} <b>17927</b>

Source: Department of Fisheries

**Table 7.51: Inland fisheries resources in Karnataka**

Type	Area/Length
Major Tanks	2.40 lakh ha
Minor Tanks	0.53 lakh ha
Reservoir	2.72 lakh ha
Rivers	5813 km
Canals	3187 km
Brackish water areas	0.08 lakh ha
Production Potential	4.02 lakh MT

Source: Department of Fisheries

**Table 7.52: Fish Seed Production (lakh fry)**

Year	Target	Achievement
2007-08	3000.00	2287.00
2008-09	3100.00	2068.90
2009-10	3500.00	2965.00
2010-11	4000.00	3998.00
2011-12	5454.00	5012.73
2012-13	6345.00	4282.35
2013-14	6800.00	4918.12
2014-15 (upto Dec 2014)	6750.00	4781.17

Source: Department of Fisheries



**Table 7.53: Fish sanctuaries in Karnataka**

Sl. No	Place/Taluk/District	River	Length of protected area
1	“Vanhi Puskarani” (Ramanathapur) Arakalgud, Hassan	Cauvery	-
2	Rangana thittu S.R.Patna, Mandya	Cauvery	5km
3	Muttathi area Malavalli, Mandya	Cauvery	-
4	Shishila Belthangadi, D.Kannada	Kumaradhara	500m
5	Abhirama fish sanctuary (Hariharapura) Koppa, Chikmagalur	Tunga	-
6	Dharmasthala Belthangadi, D.Kannada	Nethravathi	1km
7	Kelkaru Belthangadi, D.Kannada	Palguni	-
8	Marakatha Sulya, D.Kannada	Yenekkal (Kumaradhara)	-
9	Seethanadi Karkala, Udupi	Seethanadi	-
10	Nakurgaya Puttur, D.Kannada	Nethravathi	-
11	Nisargadhama Kushalnagara, Kodagu	Cauvery	-
12	Uppukala Sulya, D.Kannada	Kallaje	-
13	Bachanayakanagudi Sulya, D.Kannada	Yenekkal (Kumaradhara)	2.0 Km
14	Thodikana Sulya, D.Kannada	Chandragiri	500m
15	Thingale Karkala, Udupi	Seethanadi	500m
16	Sringeri Sringeri, Chikmagalur	Tunga	1km
17	Jamatagi (Hariharapura) Koppa, Chikmagalur	Tunga	500m
18	Chippalagudda Thirthahalli, Shimoga	Tunga	500m
19	Mattur-Hosahalli Shimoga Taluk & Dist.	Tunga	1.5 Km
20	Shivanasamudra Malavalli, Mandya	Shimsha	1.4 Km
21	Bhagavathi Chaya Kolla Surpura Taluk, Gulbarga	Krishna	-

Source: Department of Fisheries

### 7.15.7 Infrastructure in Fisheries Sector :

The State government has given importance for the development of infrastructure facilities like fishing harbours, landing centre's, auction halls, ice plants, cold storages, freezing plants and frozen storages. An overview of the infrastructure in fisheries sector is given below.

FARMS (INLAND): PRODUCTION: 27 REARING: 28 TALUK LEVEL NURSERY: 72 Total:127	MARINE: HARBOURS: 8 JETTIES AND BEACHLANDING CENTRES: 88 SHRIMP HATCHERY: 5
COLD STORAGES: 24(INLAND), 29 (MARINE) ICE PLANTS: 67 (INLAND), 163(MARINE) FROZEN STORAGE: 1 (INLAND), 14 (MARINE) TRAINING CENTRES: 4 (INLAND)	FISHERIES CO- OPERATIVE SOCIETIES: 346(INLAND), 109 (MARINE) FEDERATION: 1 (INLAND), 2 (MARINE)

### 7.15.8 Labour Employed in Fisheries Sector :

Fisheries sector has been faring high in terms of its foreign exchange earning potential and employability of vast majority of coastal community in the primary, secondary, and tertiary sectors associated with fishing. Improvements in technology has led to unbridled capital investment in this sector and has attracted more and more people from the adjacent coastal transects who do not necessarily belong to the fishing community. Seafood exports

from Karnataka is exploring new heights with increasing opportunities for value addition and branding of products. This has led to increasing in the number of export units employing large number of skilled and unskilled workers. Further, over the years, there is increase in the coastal fisher folk population inducing more and more people into fishing and allied activities. Employment status and opportunities in marine fisheries sector of Karnataka has increased over the years along with mechanization and increased replacement of labour-intensive fishing technologies. Fish, being a highly perishable product, needs the services of several people for its fast movement from catching point to consuming point without deterioration in its quality. The size of fisher folk in Karnataka population in the State is given in **Table 7.54**.

### MAJOR PROGRAMMES OF THE DEPARTMENT

#### 7.15.9 Marine Fisheries :

##### 1. Construction of fishing harbours (CSS) :

Under this scheme, the construction and expansion of major fishing harbours and landing centres will be taken up for the marine infrastructure development in the State. During 2013-14, against a total allocation of Rs.4350.00 lakh, Rs.4349.57 lakh was spent for construction of fishing harbours at Malpe, Mangalore and Honnavar fishing harbours. An expenditure of Rs.1672.84 lakh for Malpe fishing harbour,

**Table 7.54: Fisherfolk in Karnataka**

(in lakhs)

Sector	Total number of fishermen	Number of fishermen actively involved/employed
Marine	3.11	1.51
Inland	5.61	1.37
Total	8.72	2.88

Source: Department of Fisheries

Rs.2065.11 lakh for Mangalore fishing harbour and Rs.611.62 lakh on Honnavar fishing harbour was incurred.

An allocation of Rs.5500.00 lakhs has been provided during the year 2014-15 and an expenditure of Rs.3993.07 lakhs has been incurred upto the end of December 2014.

## **2. Dredging of fishing harbours and landing centers (CSS) :**

Siltation is a common phenomenon in fishing harbour and landing centers which adversely affects the movement of fishing boats. As a part of maintenance of fishing harbours, the centrally sponsored scheme on dredging of fishing harbours and landing centers is implemented. In the year 2013-14, an allocation of Rs.400.00 lakhs was provided and an overall expenditure of Rs.379.89 lakh was incurred for dredging of Hejamadi, Kandathapalli, Kodibengre, Amdalli, Udyavara, Bhatkal and Hangarakatte fish landing centres.

During 2014-15 an allocation of Rs.1000.00 lakh has been provided under the scheme of dredging of fishing harbours and landing centre. An expenditure of Rs.340.26 lakh has been incurred up to end of December 2014.

## **3. Renovation of fishing harbours and landing centers (CSS) :**

This scheme has been initiated for construction of small fishing harbours and landing centres with State Government plan funding and renovation of existing harbours with central assistance. In the year 2013-14 an allocation of Rs.3200.00 lakhs was provided and Rs.2663.62 lakh was spent for the construction of jetties and landing centers. This amount has been spent for works at Maravanthe, Koderi, Shirur Alvegadde, Thengingundi and Alvekodi. The fishermen were provided with hygienic places to land their fish catch by constructing jetties and landing centers in various places.

During 2014-15, an allocation of Rs.2900.00 lakh has been provided under

the scheme and Rs.1117.68 lakh was spent up to end of December 2014.

## **4. Rashtriya Krishi Vikasa Yojana :**

In the year 2013-14 under Rashtriya Krishi Vikasa Yojana, in the marine sector construction of break waters at Vannalli and Belikeri fish landing centres and fishnet mending sheds were taken up at Sasihithalu, Kagalheni, Halkari and Murudeshwara at Uttara Kannda district. In the inland sector fish seed were stocked in selected reservoirs of the state. The allocation made for the year 2013-14 was Rs.5800.00 lakh. Programmes for Rs.1720.00 lakh was approved and the expenditure of Rs.1527.32 lakh was incurred

During 2014-15 an allocation of Rs.1500.00 lakh has been provided under RKVY. State Level Sanctioning Committee has given approval for programmes of Rs.539.00 lakh. Expenditure of Rs.99.98 lakhs has been incurred upto the end of December 2014.

## **5. Maintenance of coastal link roads :**

The state has 276.51 Km long 281 fisheries link roads connecting fishing harbours and landing centres to National Highway and major processing centers in the coastal area. Every year budgetary provision is provided for construction and maintenance of these roads. In the year 2013-14 an allocation of Rs.600.00 lakh was provided and Rs.587.97 lakh was spent for development and maintenance of 63 link roads.

Against the budget outlay of Rs.500.00 lakh during 2014-15, an expenditure of Rs.291.52 lakh has been incurred up to end of December 2014.

## **6. NABARD assisted Rural Infrastructure Development Fund (RIDF) scheme :**

In the year 2013-14, NABARD has sanctioned five different fisheries works namely construction of Ideal berthing jetty near Sultanbatheri, Extension of Fisheries Jetty in Ullal Kotepura, Construction of fish

landing jetty in Harawad, Ankola Taluk, Construction of fisheries jetty in Kimmane Horabag, Kumuta taluk and Construction of fisheries landing jetty (Minor) near Hegade Ambigarakeri at a cost of Rs.1350.00 lakh under RIDF-19. During 2013-14, the budget allocation was Rs.1800.00 lakh and expenditure was Rs.320.33 lakh.

NABARD loan assistance of Rs.3000.00 lakh has been earmarked for the year 2014-15. 22 works have been sanctioned and 4 works have now been proposed to NABARD for sanction. In the budget of 2014-15 an allocation of Rs.2000.00 lakh has been provided. Expenditure of Rs.74.82 lakh has been incurred upto the end of December 2014.

#### **7. Development and maintenance of fishing harbour and landing centers :**

The allocation provided under this scheme is utilized for the maintenance including water & electricity charges, cleaning & repairs of fishing harbours. During 2013-14, out of Rs.245.00 lakh provided Rs.234.98 lakh has been spent on maintenance of fishing harbours.

Under this scheme allocation of Rs.250.00 lakhs has been provided during 2014-15 and Rs.171.64 lakh has been spent upto the end of December 2014.

#### **8. Subsidy on the electricity used by ice plants :**

In order to rejuvenate the ice plants of coastal districts, a subsidy of Rs.1.50 per unit of electricity used by these ice plants is provided under this scheme. An allocation of Rs.417.36 lakh was provided during 2013-14 and subsidy of Rs.399.95 lakh was distributed to 181 plants.

During 2014-15 an allocation of Rs.390.00 lakhs has been provided. Expenditure of Rs.193.31 lakh has been incurred upto the end of December 2014.

#### **7.15.10 Inland Fisheries :**

During 2013-14, the total fish seed

produced from different fish seed production centres of department and private centres was 4966.22 lakh fry fingerlings. In 2176 department tanks, 1563.30 lakh fish fingerlings and in 1674 Gram Panchayat tanks, 383.23 lakh fish fingerlings have been stocked. The inland fish production during the year was 1.91 lakh tonnes.

#### **Various Programmes under inland fisheries are given below :**

##### **1. Subsidy for purchase of fish seed :**

50% subsidy subject to a maximum of Rs.5000/- to individual person and Rs.20000/- to Fishermen Co-operative Societies will be provided for purchase of fish fingerlings under this scheme. This will help the farmer to get fish seed of good varieties. This also prevents the import of bad quality fish fingerlings from the neighboring state. For this, Rs.30.00 lakh allocation was provided during 2013-14 and subsidy of Rs.12.42 lakh was released for purchase of 124.20 lakh fish fingerlings.

During the year 2014-15, an allocation of Rs.50.00 lakh has been provided under the scheme and Rs.24.17 lakh has been spent upto the end of December 2014.

##### **2. Fish seeds :**

Provision is made under this scheme to take up construction and maintenance of fish seed production farms to boost the fish seed production. During 2013-14 an allocation of Rs.139.00 lakh was provided and Rs.38.97 lakh was spent for maintenance of fish seed production centre.

In 2014-15, Rs.50.00 lakh allocation is made under this scheme and no expenditure has been incurred upto the end of December 2014.

##### **3. Supply of fishery requisite kits :**

Under the scheme Supply of fishery requisite scheme, nets and other supplementary materials required to catch fish is provided to marine and inland fish farmers at 100% subsidy (Unit cost



maximum Rs.10,000) . In 2013-14, out of an allocation of Rs.370.00 lakh made Rs.368.38 lakh was spent to distribute kits to 3684 beneficiaries.

An allocation of Rs.400.00 lakhs is provided for this purpose in 2014-15 and tender process has been completed and an expenditure of Rs.179.69 lakh has been incurred upto the end of December 2014.

#### **4. Distribution of Fibre glass coracle for inland fishermen :**

The programme, distribution of fiber glass coracle was formulated keeping in mind the safety of inland fishermen. These fiber glass coracles are not only durable but also very strong and it also helps the fishermen to fish in deeper waters and also ensure the safety to the life of fishermen. In 2013-14, 1999 fishermen were provided with this facility by spending Rs.199.98 lakhs (Allocation- Rs.200.00 lakhs). The cost of each unit was Rs.10,000/-

During 2014-15, an allocation of Rs.200.00 lakhs is made for this purpose. The process of purchase is under progress. There has been no financial progress. An expenditure of Rs.110.36 lakh has been incurred upto the end of December 2014.

#### **5. Assistance for inland fisheries development :**

Under this scheme, provision has been made for the recurring expenses for production of fish seed in fish seed centres, rearing in taluk level nurseries and in fish seed rearing centres. Allocation is utilised for purchase of fish seed and transportation, purchase of vehicle, purchase and maintenance of other requisites. In general, essential and supplementary facilities required for increasing fish seed production is made under this scheme. Under this scheme an allocation of Rs.250.00 lakhs was made in 2013-14 and Rs.233.87 lakhs has been spent.

A budget allocation of Rs.301.97 lakhs has been provided during 2014-15 for this

purpose and Rs.207.29 lakhs up has been spent upto the end of December 2014.

#### **7.15.11 Schemes for development of preservation, processing and marketing**

##### **1. Assistance for construction of fish market :**

There is a need to establish hygienic fish markets. A scheme has been formulated such that local bodies can avail 90% financial assistance from National Fisheries Development Board, Hyderabad under the Department of Animal Husbandry, Dairying & Fisheries, Government of India for construction of markets and the remaining 10% can be availed from by the State Government. In 2013-14, an allocation of Rs.50.00 lakhs was provided for the scheme and an expenditure of Rs.19.12 lakhs was incurred.

In 2014-15, an allocation of Rs.30.00 lakhs has been provided for this purpose and upto the end of December 2014, Rs.17.58 lakhs has been spent.

##### **2. Distribution of insulated boxes to fisherwomen :**

Under this scheme it was intended to assist fisherwomen involved in marketing by distributing ice boxes free of cost. An allocation of Rs.210.07 lakhs was provided in the budget of 2013-14. 4614 women were distributed with insulated boxes at a cost of Rs.118.03 lakhs. The scheme has not been taken up in 2014-15.

#### **3. Fishermen Welfare Schemes**

##### **i. Centrally Sponsored Fishermen Welfare Schemes**

###### **(a) Savings cum relief scheme for marine fishermen :**

Under this Scheme, Rs.75 per month will be collected from marine fishermen for a period of 8 fishing months in a year. Thus a total amount of Rs.600 will be collected from each fisherman. A matching contribution of Rs.600 each by the State and Central Governments is provided.



Rs.1800 thus collected is distributed during 3 non fishing (monsoon months) to the beneficiaries at Rs.600 per month.

During 2013-14, a budget allocation of Rs.400.00 lakhs was provided under this component and Rs.392.90 lakhs has been spent to distribute the relief to 32742 beneficiaries.

This scheme has been modified by Central Government and monthly Rs.900/- will be given. Rs.450.00 lakh is earmarked for this scheme in 2014-15. Under this scheme 39048 fishermen have contributed their savings. Progress archived under the this scheme is given in **Table 7.55**

**(b) Group Accident Insurance Scheme :**

Under this Centrally Sponsored Group Accident Insurance Scheme, the premium amount of Rs.30.00 per fisherman, shared equally by State and Centre has been paid to the National Federation of Fishers Co-operative Ltd.,(FISHCOFED) New Delhi towards insurance coverage of 160,000 fishermen of the State. During 2013-14, an allocation of Rs.25.00 lakhs was made and Rs.24.00 lakhs has been paid to FISHCOFED, New Delhi towards premium

by the State Government. There was 32 cases claiming an insurance of Rs.31.00 lakhs during 2013-14

An allocation of Rs.26.25 lakh is made for this purpose during 2014-15 and premium amount has been paid for insuring 2,04,689 fishers.

**(c) Housing Scheme :**

Under this scheme, HUDCO loan is being reimbursed. Rs.125.47 lakh has been reimbursed in 2013-14 as against the allocation of Rs.150.00 lakh.

In the year 2014-15, an allocation of Rs.150.00 lakhs is made for this scheme and Rs.89.58 lakh has been spent upto the end of December 2014.

**ii. Reimbursement of differential interest to commercial banks :**

Fishermen can avail loan up to Rs.50,000 from commercial bank @ 2% interest to take up fisheries activities. If the Commercial Banks and Regional Rural Banks provide loans to fishermen as above then Government will reimburse the difference of interest over and above 2%. An allocation of Rs.400.00 lakhs was provided during

**Table 7.55: Savings cum relief scheme for marine fishermen**

Year	No. of beneficiaries	Amount disbursed (Rs.in lakh)
2007-08	17372	103.14
2008-09	18112	207.07
2009-10	14716	176.04
2010-11	21066	252.78
2011-12	25721	308.66
2012-13	31223	371.72
2013-14	32724	392.90

2013-14. Under this scheme an expenditure of Rs.398.45 lakhs has been incurred to clear claims of 14743 fishermen.

An allocation of Rs.250.00 lakh has been made during 2014-15 and Rs.54.03 lakhs has been spent upto the end of December 2014,

### iii. Distress Relief Fund :

Distress Relief Fund was established to provide relief to fishermen and their dependents in case of permanent disability/death while fishing. During 2013-14, the compensation provided under the scheme for death cases has been increased from a maximum of Rs.50,000 to 1,00,000 and the relief for loss/damage of boat/net and medical expenses has been increased to a maximum of Rs.25,000. During 2013-14, Rs.50.00 lakh was provided to the fund. 40 death cases have been settled. Compensation has been provided to 18 boat damage and 4 net loss cases. For these, Rs.22.26 lakh relief has been given.

An allocation of Rs.50.00 lakh is provided for contribution towards the Relief fund in the year 2014-15. An expenditure of Rs.25.00 lakh has been incurred upto the

end of December 2014.

### iv Matsya Ashraya Yojane :

Under this scheme housing facility is being provided to houseless fishermen. The subsidy under this scheme has been enhanced from 60,000 to Rs.1.20 lakh. During 2013-14, 1000 houses have been sanctioned and distributed. Further, Rs.12.00 crore has been released to Nodal Agency, Karnataka Fisheries Development Corporation for construction of houses including the ones sanctioned during previous years.

An allocation of Rs.1200.00 lakh has been earmarked for implementation of this scheme in 2014-15. An expenditure of Rs.298.00 lakh has been incurred upto the end of December 2014.

### v Assistance to fishermen for purchase of life jackets and life buoys :

The fishermen often go to sea without any safety equipments. In the inland sector also there is no practice of carrying any safety equipments. Fishermen being financially backward, do not buy life saving equipments resulting in loss of life. Therefore in order to provide these fishermen with life jackets at free of cost this scheme was formulated.

**Table7.56: Group Insurance scheme**

Year	No of cases Settled	Amount claimed (Rs. In lakh)
2007-08	35	17.00
2008-09	12	6.00
2009-10	25	12.50
2010-11	31	24.00
2011-12	56	43.11
2012-13	38	37.00
2013-14	32	31.00

During 2013-14 an allocation of Rs.100.00 lakh was made and Rs.98.95 lakh has been spent. Life jackets were distributed to 7937 beneficiaries. This scheme has been dropped for 2014-15.

### **7.15.12 District Sector Programmes**

#### **1. Construction and maintenance of fisheries buildings and facilities :**

Budget provision has been provided for construction and maintenance of office buildings, repair and improvements to fish farms and taluk level nurseries, construction and maintenance of fish landing jetties, auction halls in coastal districts and for operational costs and purchase of equipments for the aquaria at Karwar, Hassan, Belgaum, Gulbarga, D.K., Bidar, Kolar, Kodagu and Bijapur.

During 2013-14, an allocation of Rs.244.32 lakh was made under this scheme and an expenditure of Rs.240.60 lakh was incurred.

An allocation of Rs.265.37 lakh has been made in the year 2014-15 for this scheme and Rs.59.91 lakh has been spent upto the end of Dec 2014.

#### **2. Assistance for development of inland fisheries :**

Under the scheme of assistance for development of inland fisheries, subsidy for construction of fish ponds in their own land in water logged areas, assistance for supply of grass carp seed, assistance for development of fisheries in wells and ponds, etc are being implemented in district sector. During the year 2013-14 against an allocation of Rs.236.38 lakh an expenditure of Rs.219.37 lakh was incurred. 3724 beneficiaries were assisted under this scheme.

In the year 2014-15 an allocation of Rs.256.38 lakh has been made and Rs.119.30 lakh has been incurred upto the December 2014.

#### **3. Assistance to construction of fish markets and fish marketing – (ZP sector):**

In order to help fisher folk, to sell and transport harvested fish in fresh and

hygienic condition, assistance is being provided for the purchase of a bicycle and insulated boxes with 50% subsidy, subject to a maximum limit of Rs.2000/-, 25% subsidy for purchase of 2 wheeler and ice box subject to maximum of Rs.10,000/-, 25% subsidy to a maximum of Rs.30,000/- for the purchase of a 3 wheeler tempo rickshaw and 25% subsidy subject to a maximum of Rs.35000/- for the purchase of 4 wheeler will be provided to a group of 3-4 persons. An expenditure of Rs. 96.58 lakhs has been incurred against the budget provision of Rs. 100.01 lakhs under this scheme during 2013-14. Subsidy was provided to 1160 beneficiaries.

In the year 2014-15, an allocation of Rs.94.06 lakhs has been made and Rs.22.81 lakhs has been spent upto the end of December 2014.

#### **4. Centrally Sponsored Motorization of traditional crafts :**

Centrally Sponsored Scheme of Motorization of Traditional Fishing Crafts was introduced in the State during the year 1987-88 and so far 3493 traditional crafts have been motorized. During 2013-14 an allocation of Rs.89.20 lakhs was made and grants was not released by the Central Government.

In the year 2014-15 an allocation of Rs.106.20 lakhs has been provided. The central government has released Rs.44.60 lakhs. Proposal has been submitted to State Government to release Rs.89.20 lakhs including the state share.

#### **5. Exhibition and training :**

Under this scheme allocation has been provided for preparation of suitable exhibits on fisheries activities and to participate in exhibitions at State, District and Taluk level. Also there is provision to conduct one-day workshop to impart training to interested fish farmers on fish culture activities and to provide information on departmental schemes.

During the year 2013-14, an allocation of Rs.44.23 lakhs has been provided and

Rs.42.95 lakhs has been spent. 242 fishermen were trained and participated in 28 exhibition.

An allocation of Rs.49.03 lakhs has been made during 2014-15 and expenditure of Rs.10.98 lakh has been spent upto the end of December 2014.

### **7.15.13 New schemes taken up for the year 2014-15**

#### **1. Stocking of fish seed in reservoirs :**

There are 82 reservoirs in the State. The total water spread area is 2.72 lakhs hectare. There are thousands of fishermen families who depend solely on these reservoirs for their livelihood. In the recent days the fish catch in these reservoirs has reduced and life of fishermen has become difficult. Therefore in this scheme provision has been made to stock good quality fish seed. An allocation of Rs.100.00 lakhs has been made for this during 2014-15. An expenditure of Rs.25.12 lakh has been incurred upto the end of December 2014.

#### **2. Providing Information on fisheries through mobile advisory services**

This scheme has an objective of providing technical information about fisheries to interested farmers at free of cost in the form of SMS. Marine fishermen will be registered and provided with free Sim card. With this sim the marine fishermen will receive free voice messages in Kannada on Fish harvesting, Government Schemes, Market Price, Potential Fishing Zone, Weather conditions etc. An allocation of Rs.100.00 lakh has been provided.

#### **3. Distribution of Water and Soil Quality testing kit to District Level Offices :**

The information regarding the water and soil quality is necessary before constructing fish culture tanks and at present this facility is not available locally. The farmers are dependent on Universities for testing the quality of water and soil. This programme is being taken up to provide water and soil quality testing kit to District

Level Offices. An allocation of Rs.30 lakhs has been made during the current year.

#### **7.15.14 Special Component Plan :**

The following programmes will be taken for the welfare of scheduled caste beneficiaries.

##### **a) Providing Fibre glass boats and requisites to inland fishermen and pathi doni to marine fishermen:**

Under this scheme it is intended to provide Fibre glass boats and requisites to inland fishermen and pathi doni to marine fishermen at free of cost.

##### **b) Assistance to marine fishermen for purchase of gill net with OBM:**

Under this scheme it is intended to provide 90% subsidy subject to maximum of Rs.4.50 lakhs for purchase of gill net with OBM with a unit cost Rs.5.00 lakhs.

##### **c) Assistance for purchase of four wheelers:**

Under this scheme it is intended to provide 80% subsidy subject to maximum of Rs.4.40 lakhs for purchase of four wheelers with unit cost Rs.5.50 lakhs.

##### **d) Matsya Asharaya Yojane :**

Under this scheme Rs. 1.20 lakhs is given as subsidy for the construction of house. An allocation of Rs.370.00 lakhs has been provided.

#### **7.15.15 Tribal Sub plan :**

The following programmes will be taken for the welfare of scheduled tribe beneficiaries.

a) Providing Fibre glass boats and requisites to inland fishermen and pathi doni to marine fishermen: Under this scheme it is intended to provide Fibre glass boats and requisites to inland fishermen and pathi doni to marine fishermen at free of cost.

b) Assistance to marine fishermen for purchase of gill net with OBM: Under this

scheme it is intended to provide 90% subsidy subject to maximum of Rs.4.50 lakhs for purchase of gill net with OBM with a unit cost Rs.5.00 lakh.

- c) Assistance for purchase of four wheelers: Under this scheme it is intended to provide 80% subsidy subject to maximum of Rs.4.40 lakhs for purchase of four wheelers with unit cost Rs.5.50 lakhs.
- d) Matsya Asharaya Yojane : Under this scheme Rs. 1.20 lakhs is given as subsidy for the construction of house. An allocation of Rs.100.00 lakhs has been provided.

#### **7.15.16 The constraints and gaps identified in the Department:**

- There is shortage of technical and clerical staff in the department. The schemes are not being implemented effectively as many posts of Assistant Director of Fisheries working at Taluk level are vacant.
- Inland fisheries are rain dependent, the progress is being achieved based on good and in time rains received every year.

#### **7.15.17 Results (Achievements) and challenges**

##### **Achievements :**

- The increase in the overall fish production of the state during the recent years
- Construction of hygienic fish markets to provide fresh fish to the public in clean environment and strengthen the marketing system for quick transportation.
- Enhanced fish seed production within the state
- Created awareness among fishermen on stocking advanced fish fingerlings.
- Reduced the pressure on near Shore Sea fishing by encouraging deep sea fishing.

##### **Future Challenges :**

- Formulate management practices for sustainable marine fish production.
- Encourage deep sea fishing and optimum utilization of unexploited resources
- Encouragement of commercial fish culture in inland water resources
- Introduction of new species for fish culture
- Create awareness among fishermen to reduce juvenile fishing in marine fisheries

#### **7.16 Agriculture research, Education and Training**

##### **1. University of Agricultural Sciences Bangalore**

Brief Progress Report April 2014 to December 2014

The University of Agricultural Sciences, Bangalore established in 1963 is one of the earliest Agricultural Universities in the country celebrated its Golden Jubilee during 2013-14. UAS, Bangalore has jurisdiction over ten southern Districts of Karnataka covering 51 Lakh hectares of geographical area.

##### **Highlights of Progress from April 2014 to December 2014**

##### **Important Events**

- National Conference on “Productivity and Sustainability: Role of Agriculturally Important Microorganisms” was organized at GKVK campus on April 10-11 2014.
- “International Symposium on Jackfruit and Breadfruit of Tropics” was organized on May 15 to 16, 2014 at GKVK. 150 delegates and 200 farmers participated in the symposium.
- “Workshop on Linking Farmers to Markets – Opportunities and Challenges” was organized on May 24th 2014 at GKVK.



- The Department of Kannada Studies, GKVK, organized the workshop on writing Agricultural Literature in Kannada on June 3rd 2014.
- World Environment Day was organized by Directorate of Postgraduate Studies and Department of Forestry and Environmental Sciences at GKVK on June 5th 2014.
- Golden Jubilee valedictory function of UAS, Bangalore was organized on June 13th 2014. Hon'ble Chief Minister of Karnataka delivered the valedictory address and Hon'ble Agriculture Minister, Government of Karnataka presided over the function.

### **EDUCATION**

- University of Agricultural Sciences, Bangalore with its four teaching campuses, at Bangalore, Chintamani, Hassan and Mandya offers six undergraduate degree programmes, Master's degree in 21 disciplines and Doctoral degree in 13 disciplines. Masters degree programme in five disciplines are also offered at Mandya Campus. University also offers two years Diploma in agriculture at Mandya. University has also started two Distance education programs- one on Integrated Farming and the other on Food Processing & Value Addition. It has also initiated several programmes to improve the quality of education. One year Diploma and PG Diploma in agriculture were started during 2014-15 through distance education mode.
- During 2014-15 a total of 722 candidates have been admitted to various undergraduate courses, 258 candidates were admitted to Master's degree programme and 84 candidates to Doctoral degree programs.
- During the period 49 students were admitted to two year Diploma in Agriculture offered at Mandya campus. A total of 25 candidates were admitted to various certificate courses.

- In the 48th convocation held on 20.4.2014, a total of 847 students (486 Girls and 361 Boys) were conferred with various degrees, of which 566 Bachelor's Degrees, 222 Masters Degrees and 59 Doctoral Degrees.
- The University Examination Centre, GKVK launched UG Academic management (UGAM) software, this enables automation of students' progress from entry to graduation.
- From the next academic year 40% of the seats will be reserved for the children of farmers and Farm labourers for admission to Diploma, B Sc (Ag) and equivalent courses.

The University of Agricultural Sciences, Bangalore secured third position in the All India Junior Research Fellowship Examination -2013 conducted by ICAR, New Delhi. Hon'ble Prime Minister of India presented the ICAR-JRF Award on 29th July 2014 during the Foundation Day and Award ceremony of ICAR, New Delhi.

### **RESEARCH**

University is addressing agricultural research needs of the State through Thirteen Agricultural Research Stations spread across Three Agro-Climatic Zones covering 10 Southern Districts of the State.

#### **New Initiatives in Research**

120 acres of land has been provided by the Department of Horticulture, Government of Karnataka at Rangaswamy Gudda Kaval, Kunigal Taluk, Tumkur district for strengthening research on fodder and production of quality seeds and planting materials. Orders have been affected for transfer of 84.1 acres of land at Nelamakanahalli, Chikballapura District from Department of Agriculture, Government of Karnataka to take up research on Dry land Farming and seed production of millets and Minor Millets.

AICRP on Cotton at Chamarajanagra, Chamarajanagra District is being started at a total budget of Rs one crore.

ARS, Gunjevu has been identified as a Eco-Tourism center at a total outlay of Rs two crores.

### **Technical programme for the year 2014-15**

University has planned to carry out 889 experiments on Agricultural crops covering different disciplines viz., crop improvement ( 323 experiments), crop production ( 230 experiments), plant protection ( 214 experiments), horticulture (22 experiments), Agro-Forestry and Fodder ( 14 experiments), Sericulture (seven experiments), Agricultural Engineering ( 28 experiments) Home Science (14 experiments), Social Sciences (32 experiments) and Fisheries & Dairy Sciences ( five experiments).

During 2014-15 it is proposed to carry out 30 farm trials in various disciplines.

### **New Varieties Recommended for Release**

- UASB-Pigeonpea: BRG-5 is a Fusarium wilt resistant variety with duration of 165-170 days with an average yield potential of 25 q/ha under field conditions. The variety is recommended for cultivation in Zone-5 and suitable for both rainfed and irrigated conditions.
- UASB-Groundnut: KCG-6 is a Spanish bunch variety with a medium duration of 108-112 days with an average pod yield potential of 20 q/ha, kernel yield of 15 q/ha and oil yield of 735 kg/ha registering 38% increased yield over the check TMV-2 (15 q/ha) and high oil content of 49%. The variety has tolerance to late leaf spot and rust disease. It can be cultivated both under rainfed as well as irrigated condition and recommended for Cultivation in Zone -5.
- University has recommended 2 technologies in crop production, 4 in crop protection, 2 in weed control, and 2 other technologies for inclusion in package of practices.

### **Seed production**

- University produced 27,056 quintals of breeder seeds and 1,400 quintals of quality seeds during 2013-14. For the year 2014-15, University has set a target of producing 1648 quintals of breeders' seed and 115663 quintals of quality seeds.

### **EXTENSION**

Directorate of Extension plan and organize extension education activities that would supplement and complement the efforts of Development Departments in the State through Seven Krishi Vigyan Kendras, one each of Extension Education Unit, Farmers' Training Institute, Staff Training Unit, Bakery Training Unit, Agri-business and Agri-clinic Cell, Farm Information Unit, and Agricultural Technology Information Center.

- University has trained 52572 farmers, 1646 Extension personnel and 982 diversified trainees. University has also organized 141 different front line demonstrations and 89 skill demonstrations through Different units under its control. Consultation services were provided to 11915 farmers through different modes and 2219 soil & water samples were analyzed and solutions were provided to farmers. Besides 109243 SMSs have been delivered to farmers' mobiles till the end of December 2014.
- Krishimela 2014 was organized from 19-21st November at GKVK campus. His Excellency the Governor of Karnataka inaugurated the event and Honourable Chief Minister of Karnataka, graced the occasion on the second day. Over 6 lakh visitors comprising farmers and public participated in the event.
- UAS Bangalore's Agriportal was launched and combined Package of Practices for agriculture, horticulture and animal husbandry enterprises was released by the Hon'ble Chief Minister of Karnataka during Golden Jubilee Valedictory Programme.

- Nearly three thousand families have been covered under the programmed Development of SC farmers through Integrated farming system approach in the districts under the jurisdiction of UASB.

### **FINANCE**

- During 2014-15 Government has allocated Rs.15686 lakhs as Non-Plan Grants, Development grants Rs 2156.38 lakhs towards Agricultural Education, Rs 2720 lakhs allocated towards RKVY and Rs 2800 Lakhs allocated towards Agricultural Research.
- Against the said allocation the Government of Karnataka has released Rs 11764.00 lakhs towards Non-Plan, Rs 2100.00 Lakhs towards Agricultural Research, Rs 1617.285 lakhs towards Agricultural Education and Rs 157.00 Lakhs released towards RKVY plan grants up to the end of December 2014.
- Up to December 2014, the university has made an expenditure of Rs. 11829.97 Lakhs under non plan and Rs. 2974.50 lakhs under plan. The university has generated an internal receipts of Rs. 1169.14 Lakhs up to December 2014.

## **2. UNIVERSITY OF AGRICULTURAL SCIENCES, RAICHUR**

The University of Agricultural Sciences, Raichur carries out trifold activities of Research, Teaching and Extension. A brief report of progress made during 2014-15 in these activities in presented below.

### **Research:**

- University of Agricultural Sciences, Raichur is addressing agricultural research needs of the state through 11 Agricultural Research Stations spread across six Northern districts of the state.
- University is operating 14 all India co-ordinated Research projects which include 7 crop improvement projects, 6 crop production projects and 1 Home Sciences projects.

- UAS, Raichur operating externally funded ad-hoc research projects with a total outlay of Rs. 2259 lakhs.
- The University has sanctioned staff research projects from out of its own funds to the staff.
- University has planned to carry out 696 experiments on Agricultural crops and allied sectors covering different disciplines. Viz., crop improvement (236), crop production (150), Plant protection (253), Soil Science (43), Crop Physiology (26), Agricultural Engineering (81), Agricultural Microbiology (21), Environment Science agroforestry (8), Seed Science and Technology (25), Horticulture (34), Animal Science (29), Agril Economics (10) and Agricultural Extension (53).

### **Seed Production:**

The UAS, Raichur has set a target of producing 500 quintals of Breeds seeds, 2000 quintals of foundations seeds and 7000 quintals of certified seeds for the year.

### **Agricultural Education :**

- The University of Agricultural Sciences, Raichur covers six districts of Hyderabad – Karnataka region. UAS, Raichur offers two degree programmes viz., B.Sc. (Agri.) and B.Tech. (Ag. Engg.), Master's degree in 15 disciplines and doctoral degree in 11 disciplines.
- During 2014-15 a total of 299 students have been admitted to various undergraduate courses, 119 students were admitted to Master's degree programmes and 35 students were admitted to doctoral degree programmes.
- The University is offering Diploma in Agriculture and Agricultural Engineering course at four centres of the University i.e. Raichur, Yadgir, Bidar and Bellary.
- During 2014-15 a total of 139 students were admitted to 2 year Diploma in Agriculture and Diploma in Agricultural Engineering course.

- From the next academic year 40% of the seats will be reserved for the children of farmer's and farm labours for admission to Diploma and Undergraduate degree programmes in the University.
- The University is implementing Rural Agricultural Work Experience programme (RAWEX) for undergraduate students during 7th semester of the Degree programme.
- During this programme the students are attached RaithaSamparka Kendra (RSK) of Karnataka state Department of Agriculture (KSDA) and the Department pays Rs. 1500 stipend to each student to encourage them in the activity.
- The University is imparting hands on training to the degree students during last semester of their programme under the course experiential Learning.

#### **Agriculture Extension:**

- The Directorate of Extension, UAS, Raichur is planning its programmes in accordance with the activities of agriculture and other development departments of Hyderabad-Karnataka region. All these activities are being reached to the farming community through 6 KrishiVigyanKendras (KVKs) and 4 Agricultural Extension Education Centers (AEECs)
- The University organized 670 training programmes on agriculture and allied subjects and 30800 farmers got benefitted from this training programme. The University organized the frontline demonstrations on agriculture and allied technologies in 600 hectares and provided a complete in information on different crops and technologies. The farmers of this region are getting information through different media, however 32000 farmers' are getting 'Mobile Short Message' from the University. The Soil and Water Testing Laboratories established at KVKs have analyzed 1355 soil samples

and 62 water samples. The University has published 147 publications for the benefit and use of farmers.

#### **FINANCE:**

- Rs. 4103.00 lakhs has been sanctioned for the year 2014-15 financial year under Non-plan grants to UAS, Raichur. Rs. 2400.00 for Agricultural Education, Rs. 1186.25 lakhs for Agricultural Research and Rs. 2720.00 lakhs for RKVY Project was sanctioned under development grants.
- As per above sanctioned budget Government has released Non-Plan grants of Rs. 3077.25 lakhs. Although Rs. 1800.00 lakhs for Agricultural Education, Rs. 889.77 lakhs for Agricultural Research and Rs. 800.50 lakhs for RKVY project has been released under plan grants.
- UAS, Raichur has spent Rs. 3183.48 lakhs under Non-Plan grants, Rs. 1567.00 for Agricultural Education, Rs. 769.00 lakhs for Agricultural Research and Rs. 772.00 lakhs for RKVY projects till November 2014.
- Rs. 425.00 lakhs has gained by internal receipts under various resources of UAS, Raichur.

### **3. University of Agricultural and Horticultural Science, Shivamogga**

The University of Agricultural and Horticultural Science, Shivamogga is catering to the agricultural research, education and training needs of seven districts, viz., Shivamogga, Chickamagalur, Chitradurga, Davangere, Udupi, Dakshina Kannada and Kodagu. There are six educational institutions offering degree programmes in Agriculture, Horticulture and Forestry, Diploma in agriculture, M.Sc. Programmes in 13 disciplines. The University has 14 research stations located in four different agro-Climatic zones of the State. Four of the seven Krishi Vignana Kendra's (funded by ICAR, New Delhi) that are present in our jurisdictional area are



managed by our University.

Annual intake of students is around 280 for undergraduate programmes, 80 for M.Sc. programmes, 15 for Ph.D. programmes and 100 for Diploma programme.

During the academic year 2014-15, one new Diploma (Agriculture) College was started at Zonal Agricultural and Horticultural Research Station, Brahmavara, Udupi district, with an annual intake of 50 students, the intake for undergraduate programmes was increased by about 10% and for PG programme by about 20%.

The infra-structural facilities at colleges of Horticulture, Hiriyur and Mudigere were strengthened with new hostels and laboratories worth Rs. 10.00 crores. Additional infra-structural facilities like hostels, laboratories, libraries etc. worth Rs.12.00 crores are being provided to Diploma (Agri.) colleges at Kathalagere and Brahmavara.

It is planned to start new Diploma (Agri), College at Bavikere and Certificate course in commercial Apiculture at Ponnampet – Rs. 700.00 lakhs. Strengthening of infra-structural facilities like water & power supply, communication network etc in teaching campuses will be taken up at an estimated cost of Rs. 500.00 lakhs.

To provide better out reach to the farmers it is planned to take up new programmes like Distance education, village adoption,, Large scale demonstration and starting of Contingent action force to tackle emerging problems of farmers at an total budget outlay of Rs. 500.00 lakhs.

New Programme will be taken up to tackle yellow leaf disease of areca nut, Development of Small Machine and Starting of Customized centers at an Estimated Cost of Rs. 20.00 Lakhs. It is planned to demonstrate and give training in high-tech Horticulture and post harvest processing on which a budget outlay of Rs. 200.00 Lakhs is required.

During the current year the new technical programmes were planned for management and control of blast and low yield in paddy , leaf blight and low yield in maize, leaf blight and wilt disease in pomegranate, rhizome rot in Ginger, Koleroga, YLD and Hidimundige root grub in Aecanut, Mites and drying of coconut in Maidan area, management of Acid soils and nutrient management in Malnad and Coastal zones. Further, it is also decided to take up the production of quality seeds and planting materials to distribute to the farmers. The budget allocation of Rs. 4.00 crores has been given for implementation of the above technical programme at UAHS, Shivamogga.

The outreach programme through KVKs / Extension Education Units, are functioning effectively to solve the various problems of the farmers. Besides the above during the last year Government of Karnataka suggested the University to depute Scientists to visit the Raitha Samparka Kendra's (162) under the jurisdiction of University of Agricultural and Horticultural Sciences, Shmoga. Our Scientists are regularly visiting the RSKs and having direct interaction with the farmers, to understand the ground reality and are giving suitable solutions on spot.

During the coming year UAHS, Shivamogga planned to establish Farmers training Institute (FTI), Staff Training Units (STU), Agricultural Technology Information Centers (ATIC) and e-extension programmes to cater the needs of the farmers of the region. Besides these UAHS, Shivamogga has planned to take up intensification of research and demonstration in the farmer's field to give solution by live demonstration.

Therefore, it is planned to start a Research Station at "Sanekere" near challakere to conduct research on dry land agriculture, horticulture and animal husbandry at an outlay of Rs. 1000 Lakhs.



The Govt. of Karnataka has sanctioned grants under plan and Non-plan to the extent of Rs.7220.00 and Rs.3233.00 lakhs respectively and under RKVY a sum of Rs. 174.00 Lakh is released.

Out of these grants Rs. 2571.49 is the expenditure in plan grants up to end of December. While in RKVY it is 103.18 lakhs and in non plan Rs. 2032.35 lakhs.

#### **4. UNIVERSITY OF AGRICULTURAL SCIENCES, DHARWAD**

University of Agricultural Sciences Dharwad carries out trifold activities of Research, teaching and extension. A brief report of progress made during 2014-15 in these activities is presented below.

##### **Research:**

- University of Agricultural Sciences, Dharwad is addressing agricultural research needs of the state through 19 Agricultural Research stations spread across seven Northern Districts of the state.
- University is operating 26 all India co-ordinated Research projects which include 15 crop improvement projects, 7 crop production projects and 4 Home science projects.
- It is operating 24 externally funded adhoc research projects with a total outlay of Rs.683.84 lakhs.
- The University has sanctioned staff research projects from out of its own funds to the staff.
- University has planned to carry out 1347 experiments on Agricultural crops and allied sectors covering different disciplines. Viz., crop improvement (464), crop production (218), Plant protection (299), soil science (24), Crop Physiology (43), Agricultural engineering (39), Agricultural microbiology (43), Environment Science (12), Seed Science and Technology (7), Plant biotechnology (37), Horticulture(42), Agro forestry (31),

Animal Science (46) and Plant biochemistry (13).

- University has sent for registration to PPV and FRA New Delhi the following crop varieties cotton-sahana, Black gram-DW-1, Chick pea – BGD-103, Ground nut – GPBD-4, GPBD-5 DH-86, DH-101 and TGLPS – 3, Sorghum – DSH-4, SSV-74, DSV – 4 and DSV-5.
- University has registered the Germ plasm of Wheat crop – UAS – 447 and UAS – 334 with NBPGR, New Delhi.

##### **SEED PRODUCTION**

- University has set a target of producing 6716 quintals of Breeds seeds, 937 quintals of foundation seeds and 8142 quintals of certified seeds for the year.

##### **EDUCATION**

- University of Agricultural Sciences, Dharwad with its four teaching campuses, at Dharwad, Bijapur, Hanumanamatti and Sirsi offers five degree programmes, Master's degree in 20 disciplines and doctoral degree in 18 disciplines.
- During 2014-15 a total of 624 students have been admitted to various undergraduate courses, 330 students were admitted to Master's degree programme and 63 students were admitted to doctoral degree programme.
- University is offering Diploma (Agriculture) courses at six centres of the University i.e. Dharwad, Bijapur, Kumta, Akkialur, Jamakhandi and Nippani.
- During 2014-15 a total of 198 students were admitted to 2 year Diploma (Agriculture) course.
- From the next academic year 40% of the seats will be reserved for the children of farmer's and farm labourers for admission to Diploma and Undergraduate degree programmes in the University.

- University is implementing Rural Agricultural work Experience programme (RAWE) for undergraduate students during 7th semester of the Degree programme.
- During this programme the students are attached Ryoth Samparka Kendras(RSK) of Karnataka state Department of Agriculture(KSDA) and the Department pays Rs.1500 stipend to each student to encourage them in the activity.
- University is imparting hands on training to the degree students during last semester of their programme under the course Experiential Learning.

#### **EXTENSION**

- Directorate of Extension plan, organize and monitor the extension education activities that would supplement and complement the efforts of Development Departments in the state through five Krishi Vigyan Kendras (KVK), six Agricultural Extension Education Centers(AEEI), Farmers Training Unit, Staff Training Unit, Agricultural Technology Information Centre (ATIC) and Krishi community radio station (KCR 90.4 FM)
- University has organized 781 training programmes in different subjects and trained 20170 farmers. University had also organized 104 different front line demonstrations and brought about 139 publications (Pamphlets, News letters, Bulletins, Folders and Training manuals). Consultation services were provided to 7352 farmers by different modes. The soil and water testing laboratories established in 5 KVKs have analyzed more than 2450 soil and water samples. The Krishi community radio station is broad casting the latest Agri Technologies through six hours programmes everyday.

#### **FINANCE**

- During 2014-15 government has allotted Rs.10176 lakhs as Non-Plan grants, Development grants Rs.3700 lakhs towards Agricultural Education and Agricultural Research Rs.1700lakhs allocated towards RKVY Rs.2000 Lakhs allocated.
- Against said allocation the Government of Karnataka released Rs.7632 lakhs towards Non-Plan Rs.1275 lakhs Agricultural Research and Rs.1500 lakhs towards Agricultural Education and Rs.209 lakhs released towards RKVY plan grants up to the end of December, 2014.
- Up to December 2014 the University has made an expenditure Rs.8882.52 lakhs under Non-Plan and Rs.2328.70 lakhs under Plan. The University has generated an Internal Receipt of Rs.1345.43 lakhs up to December, 2014.

#### **7.17 Outcomes and Challenges**

##### **(a) Agriculture:**

Growth in agriculture production is the net result of efforts put in for implementation of various programmes of the State's Agriculture Department. A look at the past 10 years agriculture production shows significant increase in production of Cereals, Pulses, Cotton, Sugarcane and Tobacco. Slight decline has been observed in production of Oilseeds, which is mainly due to diversion of area to other crops. The State has maintained a sustained level of food grain production in 2011-12 (120.22 lakh tones), 2012-13 (109.64 lakh tones) and 2013-14 (133.10 lakh tones) in spite of drought situation in 123 taluks, 157 taluks and 125 taluks respectively in these years. However, the important challenges are:

- Low growth rate in agricultural sector - Karnataka shares large portion of the drought prone- rainfed area of the

country. Frequent climatic aberrations and failure of technology to meet the challenge have together impacted the low productivity.

- Fragmentation of land holdings and deteriorating soil health - Cultivable land in the state is declining and at the same time, land used for non-agricultural purposes is increasing. The average size of holding is 1.55 hectare and the number of holdings having land less than 1 hectare accounted for 49% of the total holdings in the state, which in itself is a cause for concern. Soil health is fast degrading. Phosphorous and potash availability has declined in many regions, and the level of micronutrients in the soil is also on a decline.
- Fragmentation of land has enormous implications on the production side. The small size of agricultural land holdings is an impediment to enhancing farmer competitiveness and incomes, farm mechanisation and systematic and adequate application of various agri-inputs. There are arguments that the land size may not impact the agricultural productivity, as suggested in the State of Indian Agriculture (2011-12). However, the small and marginal farmers with smaller land holdings face many issues of low production quantity, leading to poor incomes, lack of access to institutional credit, lack of access to extension workers providing information on market technology to name a few
- Dryland Agriculture - Rainfed/dryland areas are harsh environment and suffer from a number of constraints. The basic problem of dryland areas is one of a vicious cycle that starts with degradation of the natural resource base through poor management leading to low productivity, This, in turn, leads to over-exploitation of the existing natural resources and further degradation.
- Efficiency in Irrigation - In the irrigated areas lack of updated scientific water management techniques and proper awareness among the beneficiary is the cause of concern. The major constraints in Canal irrigation are: Untimely filling up of reservoirs and delay in letting of water in canals, Tail Enders are not getting water, Breaching of canals. Development of Saline alkali soils, major crop is Paddy whose water use efficiency is very low; Soil Health/fertility is deteriorated due to imbalanced nutrition.
- Technological and Extension Constraints - Technological innovations have always remains supply driven with least care to the demands on the field. That causes low adoption.
- Slow capital formation - The low levels of agricultural growth are associated with low investments in the sector. Agricultural credit is one of the critical non-land inputs and augmentation of agricultural growth depends on availability of credit. Public investment has also slowed down.
- Inadequate of Safety Nets - There are a few significant safety net programmes operating in the state. These include crop insurance scheme, minimum support prices, Raitha Sanjeevini, KSKs. These have to become efficient by totally revamping and bringing in decentralized administration and implementation up to Panchayat level.
- Low level of Farm Mechanization - Popularizing the farm mechanization is needed along with training to the farmers to usage of advanced machineries. Small implements needed to be popularized keeping in view the labour shortage and tiny size of holding.
- Agro processing - Agro-processing will help value addition and good returns to the farmers. Decentralized processing facilities needs to be undertaken in the state for selected crops and fruits.

**Watershed:**

75% of the cultivable land in Karnataka is depending on low and indefinite rainfall. 63.27 lakh hectares of area has already been treated under different watershed projects by the end of March-2014 and remaining 66.43 lakh hectares of land is to be treated stage by stage in future years. As a result of implementation of watershed development projects farmers have realized several benefits compared to non watershed project areas. Among them there is a shift/diversification from agriculture to agro-horti and agro-forestry, with this farmers have got significance increase in their income and there is also upgraded environment. Implementation of soil and water conservation programmes in watershed areas has resulted in the significance increase in the under ground level water through recharge.

**Agricultural Marketing**

Karnataka ranks 7th in the Infrastructure Development Index (106.12) whereas the neighbouring states like Kerala (2nd rank) and Tamil Nadu (3rd rank) are ahead in the infrastructural development. It is estimated that 15 per cent of crop produce is lost between the farm gate and the consumer because of poor roads and storage facilities thus adversely influencing income of farmers. Strengthening of rural infrastructure can lead to lower production costs which can further augment agricultural income for rural farming community. Improvement in infrastructure also leads to expansion of markets, economies of scale and better movement of factors of production, especially labour. Thus, infrastructure has a direct bearing on the overall development of the area

The outcome of the Department is that the infrastructure facilities are provided in the markets for better marketing of the commodities. The value of total arrivals in the regulated markets in the state has increased from Rs.24,000 crores to 27,000 crores. The challenges of the Department

are to provide additional required infrastructure for trade in the markets, to ensure transparency in the markets, to modernize the markets, and to ensure competitive price to the farmer's produce.

**Horticulture**

Post-harvest is the biggest linkage in the entire process of Horticulture activities. Nearly 30% of the Horticultural produce is wasted due to improper post-harvest management. Lack of awareness and education among farmers and traders and lack of adequate infrastructure such as pack houses, primary processing units, and field storage structure are some of the reasons for improper post-harvest management.

In Karnataka, only 1% of the total production of fruits and vegetables is currently being processed so as to produce value added goods of higher market value. About 25-30% the produce is lost due to inadequate cold storage and transport facilities. At present there are 79 cold storage units with a total storage capacity of 2.67 lakh MT, for handling fruits and vegetables. Of these units, 5 are in the co-operative sector, 68 are in the private sector and 6 are in public sector. Based on the estimates of per capita consumption of Horticulture produces prepared by the Task Force set up by planning commission, demand for fruits and vegetables in Karnataka would be 145 lakh tonnes by 2020 and the State's current cold storage facility would cover a mere 2% of the produce. It is imperative that the cold storage capacity is augmented to reduce the losses and to move up agro processing value chain. By enhancing the capacity of cold storage and over all improvement of post-harvest linkages to the farmers, the State can minimize the losses caused due to wastage. Infrastructure of Modern Flower Auction House at Bangalore can be used for sorting, grading, cold storage, electronic auction system, banking and other value addition facilities.



Inadequate power supply and exorbitant power tariff for floriculture and processing sector is a constraint for functioning of cold storage facilities.

Location of cold storage facilities is a problem with most of them being situated away from farms. Cold storage in rural areas do not have graded cooling for different types of produce and cold storage chain suppliers incur high power tariffs charged at commercial rates. Further, as highlighted in the Report by Planning Commission for Twelfth Five Year Plan, the scheme for Cold Chain, Value Addition and Preservation Infrastructure only provides ordinary cold chain and fruit ripening solutions for consumption of fresh fruits and vegetables and thus requires restructuring to incorporate organic linkages with processing of perishable fruits and vegetables.

The progress under the credit-link subsidy under NHM especially the "Post-harvest management" component has been very low. This needs to be strengthened adequately.

### **Animal Husbandry and Veterinary Services :**

#### **(i) Limited value addition to Dairy products**

In Karnataka, hardly 11% of the production is being converted into value added products with the remaining 89% being consumed as liquid milk. There is hence tremendous scope for giving a fillip to the dairy processing industry in the state by designing appropriate support mechanisms/schemes.

#### **(ii) Dairy Cooperative Societies**

Out of the 12,262 registered Dairy Cooperative Societies 10,766 are functional. Efforts are needed to make others functional as well.

#### **(iii) Demand –Supply mismatch in Livestock Production**

Taking an estimated human population of

690 lakh by 2020 (Karnataka Vision 2020 document), coupled with a continued Compounded Annual Rate of Growth (CAGR) for livestock production as seen in the trends in the last five years, it can be expected that demand could soon exceed supply. Except for milk, which shows availability close to demand, the CAGR required to meet the expected demand by 2020 is 19% for meat and 16% for eggs, whereas the actual CAGR for the last four years (2005-2009) is only 8% for both meat and eggs. The State needs to focus on realistic marketing intelligence to bridge the gap between supply and demand of dairy and poultry products.

#### **(iv) Lack of livestock extension**

Livestock extension remains a grossly neglected sector. Only about 5% of the total farm households in India access information on livestock. Organised slaughtering houses/facilities are too inadequate. Further lack of access to organised markets and meagre profits distract farmers from investing in to improved technologies and quality inputs.

#### **(v) Lack of focus on disease control**

Currently, a lot of pathogenic and emerging diseases namely Avian Influenza often cause heavy losses both in domestic market and international trade. Frequent outbreaks of diseases such as influenza continue to affect livestock health and productivity.

#### **(vi) Lack of human resources**

In order to meet the growing demands of sustainable safe production, there is a huge demand for trained and skilled manpower in poultry/dairy sector. Further, shortage of technical manpower for teaching, research, extension and for field services is affecting quality of manpower and services. The state needs to invest in strengthening of infrastructure for veterinary education and research. Even the 12th Five Year Plan document on Animal Husbandry and Veterinary Sciences highlights the need for Veterinary colleges/Universities to receive



grants to develop appropriate infrastructure to meet manpower within a short timeframe.

### **Fisheries**

Department's expenditure towards research and extension activities would have to be intensified to reach higher number of potential fishermen. Out of a total of 5.78 lakh persons enumerated to be inland fishermen, 4.65 lakh are said to be not engaged in fisheries activities. Rs.10.00 lakh per year was availed from GOI during the 11th five year plan for training and extension. Apart from this under NFDB scheme also a sum of Rs.1.20 crore was availed for imparting training on development of reservoir fisheries and other fisheries activities and about 9945 fishermen have been trained during the 11th Plan. From 2010-11 the annual allocation has been increased to Rs.30 lakh. During 2012-13, this allocation has been increased to Rs.50 lakh. This is because the State Government is getting funds from GOI and National Fisheries Development Board. The State can further intensify and strengthen its training and research activities. Apart from this, there are vacancies to the extent of 42% in the technical staff of the Department

### **Research and Extension services**

Agricultural research need adequate focus as it is the harbinger of new techniques and technology in agriculture. With not much scope for increasing the area under production of various crops, the only means to increase productivity of crops cultivated is by increasing the Yields of crops for which investment in research is crucial. Measures such as introducing High yielding varieties and pest-resistant crops calls for continuous and dedicated research in the state. There needs to be an increase in research funding by the state, as it needs to step in where the private sector fails. There is a high rate of return associated with agriculture research throughout the world. Agriculture research has high payoffs associated with it relative to the investment costs, which indicates that research is under-funded in the state. In order to improve productivity in the agricultural sector research, extension services and Agri-education need to be strongly established in the state Extension services are crucial to farmers as they determine when, where and how information/technology is transferred to the farmers .

## 8

## FORESTS AND ENVIRONMENT

## 8.1 FORESTS

Forests are an integral part of the natural resources and also integral part of environmental and ecological systems. The State's dense forests are located in the Western Ghats region. About 60% of the Western Ghats of the country is located in the State. In order to protect and develop biodiversity, the State has formed 4467 biodiversity management committees at Grama Panchayat level. Biodiversity heritage sites (such as the 400-year old tamarind grove at Nallur, Devanahalli taluk) have been developed to conserve and develop the unique genetic diversities.

In recent years, due to fundamental and proximate factors, Western Ghats, one of the hot spots of the world's biodiversity has been under threat. Although the depletion of forest cover is halted to a large extent and forest cover has quantitatively increased in the recent years, the natural forest stock is qualitatively still under degradation. Increased deforestation and degradation of the environmental resource base has serious implications for production and resilience of the ecosystem. The loss of forest cover is a serious threat to the environment, sustainable development and the livelihoods of millions of people in the State.

Forest resources significantly contribute to the State's Gross Domestic Product (GDP) by being a major source of timber, medicinal plants, NTFPs, grazing, recreational activities, carbon sequestration, watershed provisions etc. Forest resources are under severe pressure due to rapid population growth and in this scenario, meeting developmental, livelihood, agricultural and industrial needs and conserving forests for

productive and ecological services is a major challenge. The main factors responsible for the depletion of the forest resource base are diversion of forest areas for developmental activities, encroachment of forest area, destruction of natural habitat, mining and quarrying, poaching, smuggling of timber, erosion of common property resources, excessive fuel wood collection and live stock grazing. The Forest Department of Karnataka has succeeded in halting quantitative depletion of forest cover through afforestation programmes but the deteriorating quality of forests continues to be a major threat to the sustainability of both human beings and animals.

## 8.1.1 Area under forests

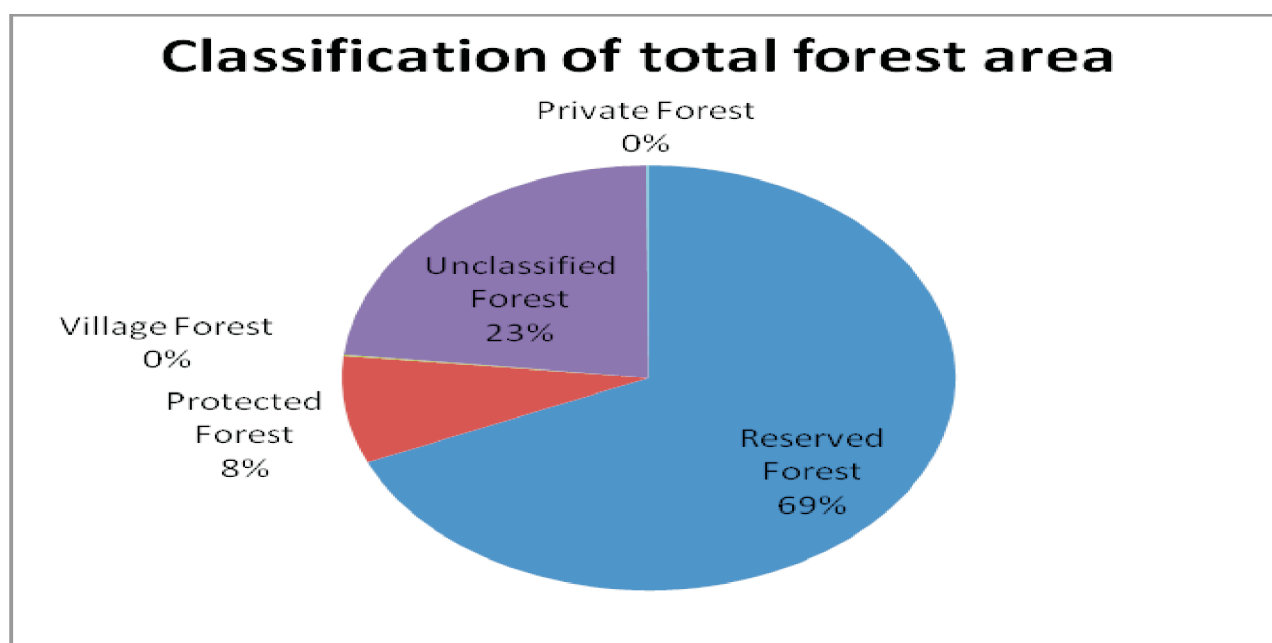
Karnataka's geographical area of 191,791 sq. km. constitutes 5.83% of India's area. Forest accounts for the second largest land use after agriculture. As per Annual Report of 2013-14, the total forests cover in the state is 43,356.47 sq.km. Thus, about 22.61% of the State's geographical area is under forest cover (**Table 8.1**).

The estimates of Forest Survey of India (FSI 2013) on the basis of satellite data show that the recorded forest area of the State is 38,284 sq.km, which is lower than the State's estimates. Thereby, about 18.96% of the geographical area is under forest cover (**Table 8.1(a)**). The estimation of forest cover, classified on the basis of forest canopy density, shows that the State has 1,777 sq. km of very dense forest, 20,179 sq. km of moderately dense forest and 14,176 sq.km of open forest. District wise forest canopy density estimates along with the changes (as compared to the 2011 assessment) are given in **Table 8.2**.

**Table 8.1: Classification of total forest area in Karnataka**

Sl. No.	Legal Status	Area (Sq. Km.)	% age of geographical area
1	Reserved Forest	29,688.37	15.48
2	Protected Forest	3,540.07	1.84
3	Village Forest	48.05	0.03
4	Unclassified Forest	10,024.91	5.23
5	Private Forest	54.07	0.03
<b>Total</b>		<b>43,356.47</b>	<b>22.61</b>

Source: Annual report 2013-14 of Karnataka Forest Department.

**Table: 8.1(a)**

Recorded Forest Area as per Forest Survey of India 2013	Area in Sq. km
Reserved Forest	28,690
Protected Forest	3,931
Unclassed Forest	5,663
<b>Total</b>	<b>38,284</b>
Of State's Geographical Areas	18.96%

**Table 8.2: District-wise Forest Cover along with Geographical Area in 2013 (sq.km)**

District	Geographical Area	Very Dense Forest	Mod. Dense Forest	Open Forest	Total Forest Area	% of Geog. area	Change over 2011	Scrub
Bagalkot	6575	0	11	189	200	3.04	0	280
Bangalore (Rural)	5815	6	133	673	812	13.96	0	253
Bangalore (Urban)	2190	0	39	111	150	6.85	0	30
Belgaum	13415	17	757	320	1094	8.16	0	478
Bellary	8450	0	110	663	773	8.15	1	250
Bidar	5448	0	18	36	54	0.99	0	12
Bijapur	10494	0	0	12	12	0.11	0	2
Chamarajnagar	5101	45	1043	1548	2636	51.68	0	179
Chikmagalur	7201	587	2,428	666	3681	51.12	0	17
Chitradurga	8440	0	56	362	418	4.95	0	435
D.Kannada	4560	253	1009	1598	2860	62.72	0	0
Davangere	5924	4	339	399	742	12.53	0	246
Dharwad	4260	0	232	153	385	8.04	0	5
Gadag	4656	0	0	122	122	2.62	0	66
Gulbarga	16224	0	87	209	296	1.82	0	51
Hassan	6814	67	752	511	1330	18.52	0	91
Haveri	4823	0	154	245	399	8.27	0	56
Kodagu	4102	246	2142	951	3339	81.40	0	0
Kolar	8223	0	59	447	506	6.15	-3	283
Koppal	7189	0	1	13	14	0.19	0	61
Mandya	4961	1	98	209	308	6.21	0	135
Mysore	6854	4	648	417	1069	15.60	0	38
Raichur	6827	0	2	22	24	0.35	0	16
Shimoga	8477	205	2808	1334	4347	51.28	-60	13
Tumkur	10597	0	62	490	552	5.21	0	219
Udupi	3880	158	1415	617	2190	56.44	0	0
Uttara Kannada	10291	184	5776	1859	7819	75.98	0	0
<b>Total</b>	<b>191791</b>	<b>1777</b>	<b>20179</b>	<b>14176</b>	<b>36132</b>	<b>18.84</b>	<b>-62</b>	<b>3216</b>

Source: Forest survey of India 2013.

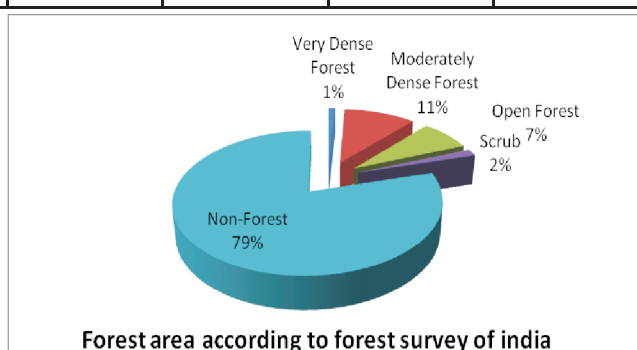
### 8.1.1 a. Changes in Forest Cover

The forest resources of the State are under severe pressure with fall in the area of dense forest cover between 2001 and 2013. The dense forest cover was estimated at about 26156 sq. km (70%) in 2001 and declined to 21956 sq. km (60%) in 2013, which is a 10%

decline over 12 years. However, the open forest cover increased from 10835 sq. km. to 14176 sq. km. during this period (**Table 8.3**). The forest cover (%) of the State has slightly declined when compared to the Country's forest cover (%) during the period (**Table 8.4a**).

**Table 8.3 : Change Matrix of Karnataka according to Forest Survey of India – 2013**  
(area in Sq.Km)

Forest Type	2013 Assessment					Total 2011
	VDF	MDF	OF	SCRUB	NF	
Very Dense Forest	1777	0	0	0	0	1777
Moderately Dense Forest	0	20173	6	0	0	20179
Open Forest	0	6	14164	0	68	14238
Scrub	0	0	0	3175	0	3175
Non-Forest	0	0	6	41	152375	152422
Total – 2013	1777	20179	14176	3216	152443	191791
Net Change	0	0	-62	41	21	



**Table 8.4a Forest cover according to Forest Survey of India (sq.km)**

Sl. No.	Forest Type	Year (Forest cover( in Sq km)				
		2005	2007	2009	2011	2013
1	Dense Forest	21968	21958	21968	21956	21956
2	Open Forest	14232	14232	14232	14238	14176
<b>Total</b>		<b>36200</b>	<b>36190</b>	<b>36200</b>	<b>36194</b>	<b>36132</b>
3	India	690171	690899	690171	692077	697898
4	Percentage forest cover of state vis-a vis India	5.25	5.24	5.24	5.24	5.17



### 8.1.1.b Comparison with southern states;

Forest cover in Karnataka is 18.84% to total geographical area of the state as per Forest Survey of India, where as, in southern states Kerala has highest proportion of forest area to its total area. The comparison with neighbouring states is given in **Table 8.4b**.

### 8.1.2 Forest cover in Different Forest Types.

The forest vegetation is classified in to seven types based on gradients of rainfall, length

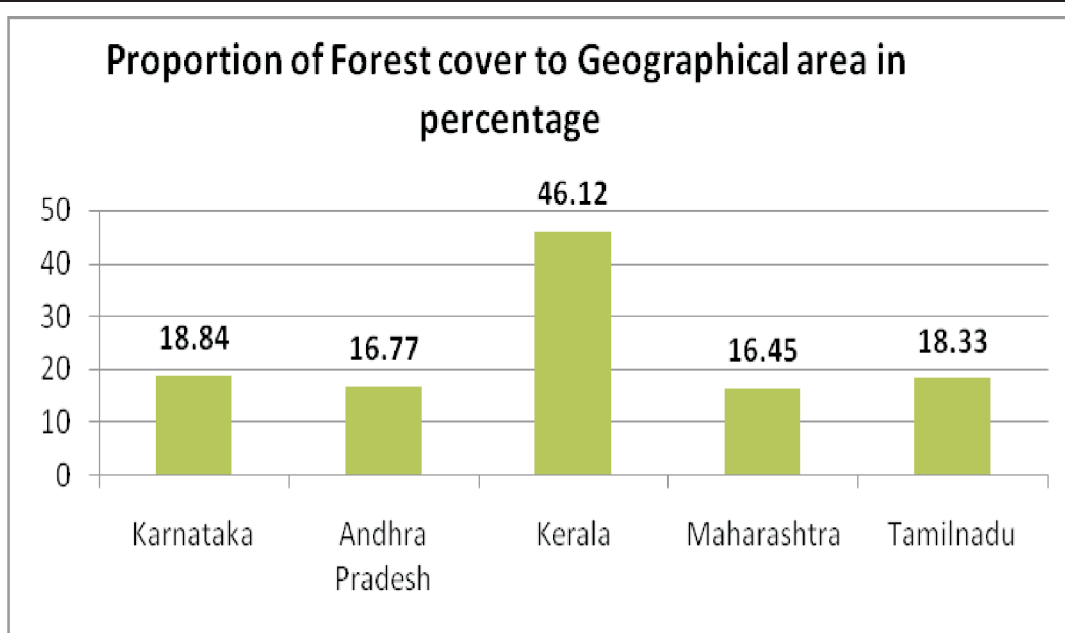
of dry season and temperature. About 16.70% of forests are wet evergreen, 13.56% is semi-evergreen, 24.20% is moist deciduous and 24.34% is dry deciduous. Thorn forests form 11.93%, plantations form 8.24% and broad-leaved hill forests form 1.03% (**Table 8.5**).

### 8.1.2.1 Tree Cover and Forest Cover

The estimated forest cover is 18.83% and the tree cover is 3.08% of the geographical area totaling 21.91% (**Table 8.6**).

**Table 8.4b: Forest cover in neighbouring States as per Forest Survey of India**

State	Geographical area	Total Forest area	Percent of Geographical area
<b>Karnataka</b>	1,91,791	36,132	18.84
Andhra Pradesh	2,75,069	46,116	16.77
Kerala	38,863	17,922	46.12
Maharashtra	3,07,713	50,632	16.45
Tamilnadu	1,30,058	23,844	18.33
<b>India</b>	32,87,263	6,97,898	21.23



**Table 8.5 : Forest cover in Different Forest Types**

Sl. No	Types of Forests	% of forest area
1	Wet Evergreen Forests	16.70
2	Semi-Ever green Forests	13.56
3	Moist Deciduous Forests	24.20
4	Plantation/TOF	8.24
5	Dry Deciduous Forests	24.34
6	Thorn Forests	11.93
7	Sub-Tropical Broad Leaved Hill Forests	1.03
<b>Total</b>		<b>100.00</b>

**Table 8.6 : Forest and Tree Cover**

Category	Area (in sq. km.)	% of Geographical Area
Tree Cover	5920	3.08
Forest Cover	36132	18.83
<b>Total Forest &amp; Tree Cover</b>	<b>42052</b>	<b>21.91</b>

### 8.2 National Parks and Wildlife Sanctuaries

The forests of Karnataka support a wide range of flora and fauna (bio-diversity) through a network of well-connected and protected wildlife sanctuaries and National Parks (**Tables 8.7a and b**). The State has 5 National Parks and 27 Wildlife Sanctuaries covering an area of 9328.187 sq. km which form 21.51% of the State's forest area.

These are spread over evergreen to scrub forests, representing different ecosystems with rare and endangered species of plants, animals and birds. With about 6072 wild elephants and nearly 300 tigers, the State is home to about 25% of wild elephants and 20% of the tigers of India. Karnataka ranks first in the tiger population of India. About 4500 species of flowering plants, 500 species of birds, 120 species of reptiles, 70 species of frogs and 800 species of fish are in the State forests.

**Table 8.7 (a): Wildlife Preservation: National Parks / Bird Sanctuary / Wildlife Sanctuaries**

Sl. No.	Circle	Division	National Park / Wildlife Sanctuary	Area (in Sq.Kms)
1	2	3	4	5
1	CCF Bangalore Circle	1. DCF, Bannerghatta National Park	1. Bannerghatta National Park	260.51
		2. DCF, Ramanagara Division.	2. Ramadevara Betta vulture Sanctuary	3.46
2	CCF, Mysore Circle.	3. DCF, WLD, Mysore	3. Adichunchanagiri Peacock Wildlife Sancutuary	0.84
			4. Ranganathittu Bird Sanctuary	0.67
			5. Arabithittu Wildlife Sanctuary	13.50
			6. Melkote Wildlife Sanctuary	48.82
3	CCF, Chamarajanagar Circle,	4. CF & Director Chamarajanagar	7. BRT Tiger Reserve	538.52
		5. DCF, Cauvery WLD, Kollegal	8. Cauvery Wildlife Sanctuary	1027.53
		6. DCF Kollegal (T) Dn,	8. Malai Mahadeshwara Wildlife Sanctuary	906.187
4	CCF, Kodagu Circle	7. DCF, WLD, Madikeri	10. Pushpagiri Wildlife Sanctuary	102.92
			11. Talacauvery Wildlife Sanctuary	105.59
			12. Brahmagiri Wildlife Sanctuary	181.29
5	CCF, Mangalore Circle	8. DCF, Kudremukh WL Dvn, Karkala	13. Kudremukh National Park	600.57
			14. Someshwara Wildlife Sanctuary	314.25
			15. Mookambika Wildlife Sanctuary	370.37
6	CCF, Kanara Circle,	8. CF & Director, Dandeli	16. Dandeli Tiger Reserve	886.41
			17. Anshi Tiger Reserve	417.34
7	CCF, Shimoga Circle	10. DCF, WL Dvn., Shimoga	18. Shettihalli Wildlife Sanctuary	395.60
			18. Sharavathi Wildlife Sancurary	431.23
			20. Gudavi Bird Sanctuary	0.73
8	CCF, Chikmagalur, Circle	11. DCF, WL Dvn., Chickmagalur	21. Bhadra Wildlife Sanctuary	500.16
9	CCF, Dharwad Circle	12. ACF, WL Sub-Dvn, Ranebennur	22. Ranebennur Blackbuck Sanctuary	118.00
			23. Attiveri Bird Sanctuary	2.23
10.	CCF, Bellary Circle	13. ACF, WL Sub-Divn, Kamalapura	24. Daroji Bear Sanctuary	82.72
		14. DCF, Davanagere (T) Dvn, Davanagere	25. Rangayyadurga Four Horned Antelope Wildlife Sanctuary	77.23
		15. DCF, Bellary	26. Gudekote Sloth Bear Sanctuary	38.48

**Table 8.7 (b): Conservation & Community Reserves**

Sl. No.	District	Name	Area (Sq. km)
1	Haveri	BankapuraPeacockConservationReserve	0.56
2	Tumkur	Mydhanhalli (Jayamangal) Blackbuck Conservation Reserve	3.23
3	Chikkamagalur	BasurAmrutMahalKavalConservationReserve	7.36
4	UttaraKannada	HornbillConservationReserve	52.50
5	UttaraKannada	AghanashiniConservationReserve	298.52
6	Uttarakannada	Shalmala Conservation Reserve	4.89
7	UttarKannada	BedthiConservationReserve	57.30
8	Mandya	KokkareBellurCommunityReserve	3.12
	<b>Total</b>		<b>428.48</b>

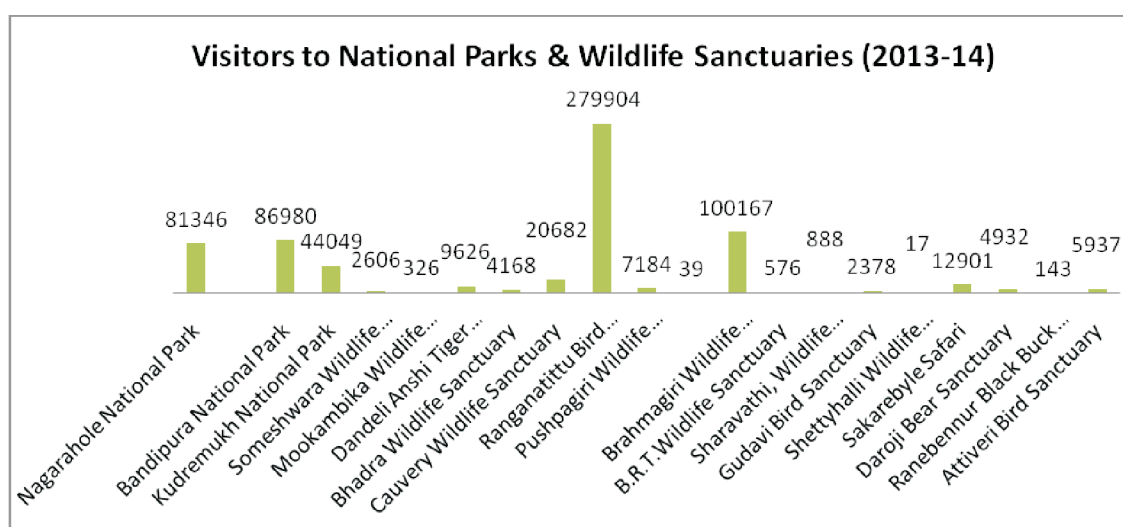
**8.2 (A) Eco-tourism Activities :****Information of visitors to National Parks / Wildlife Sanctuaries.**

1. Among the visitors to the sanctuaries, 97.80% are domestic visitors while 2.20% are foreigners (**Table 8.8**)
2. Maximum number of Foreigners visited the Nagarahole National Park, Bandipur and Ranganathittu Bird Sanctuary.
3. From this analysis it is clear that some of the Protected Areas are having high pressure of Eco-tourism while others

are underutilized. Therefore to reduce the pressure on the Protected Areas like Bandipur, Nagarahole and Kudremukh etc., it is necessary that the less visited Protected Areas like BRT, Bhadra, Dandeli and other Protected Areas may be provided with better Eco-tourism facilities / infrastructure. Their potential may also be given more publicity. Once they become popular they may also have more tourists. This will help in sensitizing the people and also creating awareness about the Wildlife conservation in the State.

**Table 8.8: Visitors to National Parks & Wildlife Sanctuaries (2013-14):**

Sl. No.	Park / Sanctuary	Indians	Foreigners	Total
1	Nagarahole National Park	74160	7186	81346
2	Bandipura National Park	86040	940	86980
3	Kudremukh National Park	44049	-	44049
4	Someshwara Wildlife Sanctuary	2606	-	2606
5	Mookambika Wildlife Sanctuary	326	-	326
6	Dandeli Anshi Tiger Reserve	9562	64	9626
7	Bhadra Wildlife Sanctuary	4136	32	4168
8	Cauvery Wildlife Sanctuary	20682	-	20682
9	Ranganatittu Bird Sanctuary	275029	4875	279904
10	Pushpagiri Wildlife Sanctuary	7148	-	7184
11	Talacauvery Wildlife Sanctuary	39	-	39
12	Brahmagiri Wildlife Sanctuary	99389	778	100167
13	B.R.T. Wildlife Sanctuary	576	-	576
14	Sharavathi, Wildlife Sanctuary	888	-	888
15	Gudavi Bird Sanctuary	2378	-	2378
16	Shettyhalli Wildlife sanctuary	17	-	17
17	Sakarebyle Safari	12670	231	12901
18	Daroji Bear Sanctuary	4412	520	4932
19	Ranebennur Black Buck Sanctuary	143	-	143
20	Attiveri Bird Sanctuary	5937	-	5937
	<b>Total:</b>	<b>650187</b>	<b>14626</b>	<b>664813</b>





**Visitors to National Parks & Wildlife Sanctuaries for the year 2014-15  
(up to Dec. 2014)**

<b>Sl. No.</b>	<b>Park / Sanctuary</b>	<b>Indians</b>	<b>Foreigners</b>	<b>Total</b>
1	Nagarahole National Park	64768	3251	68019
2	Bandipura National Park	96888	733	97608
3	Kudremukh National Park	20069	16	20085
4	Someshwara Wildlife Sanctuary	1384	1	1325
5	Mookambika Wildlife Sanctuary	160	-	160
6	Dandeli Anshi Tiger Reserve	24788	5	24793
7	Bhadra Wildlife Sanctuary	7462	174	7636
8	Cauvery Wildlife Sanctuary	28141	-	28141
9	Ranganatittu Bird Sanctuary	246359	2698	249057
10	Pushpagiri Wildlife Sanctuary	9546	-	9546
11	Talacauvery Wildlife Sanctuary	54	-	54
12	Brahmagiri Wildlife Sanctuary	96250	854	97104
13	B.R.T.Wildlife Sanctuary	2965	53	3018
14	Sharavathi, Wildlife Sanctuary	542	-	542
15	Gudavi Bird Sanctuary	5244	-	5244
16	Shettyhalli Wildlife sanctuary	76	-	76
17	Sakarebyle Safari	39970	1205	41175
18	Daroji Bear Sanctuary	3331	174	3505
19	Ranebennur Black Buck Sanctuary	374	-	374
20	Attiveri Bird Sanctuary	5053	4	5057
	<b>Total :</b>	<b>653424</b>	<b>9168</b>	<b>662592</b>

### 8.2.1 Deaths of humans and wild animals

Among the reported deaths of wild animals (including due to natural and unnatural causes) elephants has the maximum number 42%, followed by other wild animals 56% and tigers 2%. Due to attacks by wildlife, 47 persons were killed. Ex-gratia at Rs. 5.00 lakhs per person amounting to Rs. 235.00 lakhs was paid, as given in the **Table 8.9(a) and 8.9(b)**.

### 8.2.2 Expenditure on Forestry Operations and Revenue Realised

#### 8.2.2(a) Expenditure on National parks and wildlife sanctuaries

Among the schemes of the Forest Department concerning wildlife for

national parks, Project Tiger attracted the highest expenditure of 26%, Long Term Measures to mitigate Man-Animal Conflict 17.93%, development of parks and sanctuaries 4.95%, Nature conservation activities attracted 15.30% and Voluntary Rehabilitation of families from Tiger Reserves and National parks 18.62% of total expenditure during 2013-14 (**Table 8.10**).

#### 8.2.2 (b) Revenue Realized from Forestry

The State has realized revenue to the tune of Rs.10724.13 lakhs during 2013-14 from marketing of forest produce such as timber, firewood, sandalwood, bamboos, canes and other non timber forest produce (**Table 8.11**)

**Table 8.9(a): Death of wild animals during 2013-14**

Sl. No.	Name of animal	No. of death of animals	
		2013-14	2014-15 (Up to Dec.)
1	Elephants	140	75
2	Tiger	6	4
3	Other animals	188	97
	<b>Total</b>	<b>334</b>	<b>176</b>

### 8.9(b) Man – Animal conflict – Loss of Human Life & Compensation paid

Sl. No.	Loss of human life and compensation paid	Year	
		2013-14	2014-15 (Up to Dec.)
1	No. of persons killed due to attack by wild animals.	47	42
2	Total compensation paid (Rs)	235.00 lakh	210.00 lakh

**Table 8.10: Expenditure under Wildlife and National Parks / Sanctuaries****(Rs. lakh)**

Sl. No.	Scheme	Expenditure				2014-15 up to Dec. 14
		2010-11	2011-12	2012-13	2013-14	
1	Project Tiger	1938.480	2866.19	1,610.77	2,568.38	948.00
2	Development of Wildlife Sanctuaries & National Parks	710.90	657.81	588.94	483.92	56.22
3	Project Elephant	290.54	235.66	270.41	280.64	39.99
4	Nilgiri Biosphere Reserve	12.79	-	-	-	-
5	Kudremukh National Park for Rehabilitation	250.00	250.00	238.64	500.00	375.00
6	Rehabilitation in Nagarahole Tiger Reserve	784.40	943.93	470.00	-	-
7	Voluntary Rehabilitation of families from Tiger Reserves and National parks	-	-	-	1,820.00	2094.05
8	Eco-Tourism	50.00	50.00	-	-	-
9	Nature Conservation	198.32	498.51	994.48	1,495.724	708.25
10	Long Term Measures to mitigate Man- Animal Conflict	-	-	-	1,753.62	684.41
11	Development Newly Declared Sanctuary	-	-	-	871.93	324.29
	<b>Total</b>	<b>4236.43</b>	<b>5503.10</b>	<b>4,175.24</b>	<b>9,775.21</b>	<b>5230.81</b>

**Table 8.11: Revenue Realized from Forest Produce (2013-14)**

<b>Sl. No.</b>	<b>Forest Produce</b>	<b>Revenue realized (Rs. lakh)</b>
1	Timber	7252.96
2	Firewood and charcoal	2542.01
3	Bamboos	103.83
4	Sandalwood	656.91
5	Non-timber Forest Produce	168.39
	<b>Non taxable revenue of the Dept.</b>	<b>10724.13</b>
	<b>Forest Development tax (FDT )collection</b>	<b>* 77544.73</b>

\* Including FDT collection from mining and other sources

### 8.3. Developmental programs:

#### Yearwise State plan expenditure

(Rs. lakh)

<b>Year</b>	<b>Amount</b>
2009-10	23778.93
2010-11	20585.71
2011-12	22438.87
2012-13	23670.99
2013-14	21540.25

#### 8.3.1 Afforestation:

Afforestation programmes are being undertaken up regularly. During 2013-14, 84279 hectares of area has been afforested by planting 741.805 lakh seedlings. Under the farm forestry 288.072 lakh seedlings were distributed to farmers and general public for planting in private lands. In 2014-15 up to the end of December - 2014, 53240 hectares area has been covered by planting 508.95 lakh seedlings.

#### 8.3.2 JICA-Assisted Karnataka Sustainable Forest Management and Bio-diversity Conservation Project (KSFMBBC) :

The objectives of the project are ecological restoration, biodiversity conservation, afforestation, livelihood improvement and poverty alleviation among local communities through participatory forest management.

The Forest Department implemented the JICA Phase II KSFMBBC project since 2005 with an outlay of Rs.745 Crore for 8 years upto 2012-13. By availing savings due to increase in exchange rate for JPY the Project period is extended up to 2015, with total outlay of Rs.841.494 Crores. The project covers 176 taluks in all the 30 districts of the State. Rs.792.609 Crore has been spent upto 2013-14 for raising 187085 ha. of plantations, protection, and Bio-diversity Conservation activities with the active participation of VFCs (Village Forest Committees) formed under the project. Besides Research & Training, Basic Infrastructure and other

developmental works are taken up. During 2014-15 Rs.14.57 Crore is spent for maintenance of Research plots, GIS-MIS, Training and other works up to end of December 2014. Under this project 1222 Village Forest Committees and 73 Eco Development Committees are formed (**Table 8.12 & 8.13**).

Under this scheme for each VFCs and EDCs Rs.1.00 lakh amounting to Rs.12.95 crores has been provided for implementing Poverty Alleviation Programmes (1222 VFCs + 73 EDCs= 1295). This amount is utilized by the respective VFCs for income generation activirce viz., Animal husbandry, Sheep rearing, Sericulture, Bamboo/Cane articles, leaf plate making, collection and processing of Non-timber Forest Products. In total 6066 Self Help Groups formed

benefiting 48409 beneficiries. SHG beneficiaries are those living below poverty line, confirming that the project has given importance to economically and socially needy sections of the society. Besides Rs.4.945 Crores additional IGA has also been provided to 577 VFCs to take up the above IGA activities.

Convergence with other line Departments was undertaken where in 33492 enterprising beneficiaries were converged with banking institutions to take up activities.

Policy of Care and Share - Out of VFC share, 50% is credited to Village Forest Development Fund (VFDF) and 50% is credited to Village Development Fund (VDF) as per G.O.No.FEE 50 FAP 2000, dtd:19-06-2002.

**Table 8.12 : VFCs formed under JICA**

<b>Sl No</b>	<b>Division</b>	<b>No. of VFCs formed</b>
<b>1</b>	<b>2</b>	<b>3</b>
<b>Project A</b>		
1	Belgaum	55
2	Gokak	29
3	Kollegal	31
4	Chikmagalur	30
5	Koppa	33
6	Dharwad	16
7	Haveri	51
8	Mysore	18
9	Hunasur	32
10	Hassan	48
11	Shivamogga	27
12	Bhadravathi	37
13	Sagar	37
14	Madikeri	33
15	Virajpet	6
16	Karwar	47
17	Haliyal	40
18	Yellapur	47
19	Honnavar	47
20	Sirsi	60
21	Mangalore	36
22	Kundapur	38
23	Chamarajanagar	6
	<b>Total - A</b>	<b>804</b>

Contd...



<b>Project B</b>		
24	Bangalore(Urban)	8
25	Bangalore(Rural)	14
26	Ramanagar	25
27	Kolar	17
28	Chikkaballapur	20
29	Bagalakote	28
30	Bijapur	7
31	Bellary	31
32	Chitradurga	37
33	Davanagere	33
34	Koppala	19
35	Gadaga	27
36	Gulbarga	38
37	Bidar	34
38	Raichur	11
39	Mandya	30
40	Tumkur	39
	<b>Total-B</b>	<b>418</b>
	<b>GRAND TOTAL (A+B)</b>	<b>1222</b>

**Table 8.13 EDCs formed under JICA**

<b>Sl. No.</b>	<b>Name of the wildlife division</b>	<b>No. of Eco-Development Committees formed</b>
1	Shettihalli WL	13
2	Sharavati WL	08
3	Daroji WL	20
4	Ranebennur WL	10
5	Bandipur WL	22
	<b>TOTAL</b>	<b>73</b>

### 8.3.3 District Sector Schemes

**Social Forestry Scheme :** In the year 2013-14 budget provision of Rs.2122.500 lakh was provided. Out of this, Rs.2118.030 lakh has been spent for raising 3205 ha plantations is carried out and maintenance of 10750 ha. older plantations. Advance work of 944 ha, beside raising 4.10 lakh seedlings.

In the year 2014-15, Rs.2358.85 lakh is provided for forestry sector, out of which, Rs.1403.76 lakh has been spent upto the end of December 2014 for raising 2210 Ha. of plantations, maintenance of 9903 ha. of older plantations and for raising 3.26 lakh seedlings.

### 8.3.4 State Sector Plan Schemes in the wake of climate change

In the wake of climate change, the State is implementing various schemes to encourage tree planting as a mitigation measure for climate change.

#### i. Special Component Plan:

The main objective of this scheme is to uplift the economic status of Scheduled caste (SC) families by planting 150 fruit-yielding seedlings on their land and in habitations of SC families in rural areas. In addition, other benefits such as solar lamps, improved chullah (Saral ole), LPG stoves, Medari bamboo and bio-gas plant are given. During 2013-14, Rs.1195.050 lakh was allocated of which Rs. 1178.797 lakh has been spent to benefit 31879 Scheduled Caste (SC) beneficiaries.

During 2014-15, Rs. 2623.060 lakh has been allocated. Out of this, Rs.740.43 lakh has been spent up to the end of December 2014 for supplying Improved chullahs (sarala ole) to 1978 beneficiaries, supplying LPG Stove, Cylinder and regulator to 9145 beneficiaries and 1234 beneficiaries are supplied with solar water heater.

#### ii. Tribal Sub-Plan:

Under this scheme Scheduled Tribe (ST) families by planting fruit-bearing seedlings

of 150 per families on their land and in habitations of ST families in rural areas. In addition, other benefits such as solar lamps, Improved chullahs (Sarala oles) LPG stoves, Medari bamboo, bio-gas plant are given. During 2013-14, Rs.498.86 lakh has been allocated out of which Rs. 497.68 lakh is spent to benefit 13239 ST beneficiaries.

During 2014-15, Rs.576.580 lakh has been allocated out of this, Rs.158.61 lakh has been spent upto the end of December 2014 by supplying saral ole to 626 beneficiaries and 2699 beneficiaries are supplied with LPG Stoves, Cylinders and regulators and 113 beneficiaries are supplied with solar water heater.

#### iii. Sandalwood Plantations:

The scheme for protection and maintenance of valuable Sandal plantations and Sandal bearing areas is initiated by protection with chain link mesh, watch-and-ward and other protective measures. In 2013-14, Rs.546.81 lakh was earmarked, out of which, Rs.537.63 lakh has been spent towards raising of 60 ha. Sandal plantations, advance work of 186 ha. and raising 4.249 lakh Sandal seedlings.

In the year 2014-15, Rs.220.00 lakh has been earmarked, out of which Rs.99.23 lakhs has been spent upto the end of December-2014 towards raising of 186 ha. Sandal plantation.

#### iv. Development of Degraded Forests:

Under this scheme, degraded forests and the open forests which are prone to encroachment are rejuvenated through afforestation, protection, regeneration, beside soil and water conservation measures. Wherever there is adequate rootstock, such areas are protected from biotic pressure thereby encouraging natural regeneration. Alternatively, plantations are raised in other areas based on the requirement of small timber, fuel wood and fodder. In 2013-14, Rs.380.23 lakh was allocated, out of which Rs.378.472 lakh was spent for

maintenance of 2656 ha. plantations and for executing 368 ha, of advance works.

In the year 2014-15, Rs.228.00 lakh has been earmarked out of which Rs.138.62 lakh has been spent up to the end of December 2014 for raising of 368 ha, plantation and maintenance of 1041 ha, older plantations.

#### **v. Raising Seedlings for Public Distribution:**

In order to create awareness among public and farmers regarding the natural environment and to encourage planting in hiduvali (private) lands, seedlings are distributed by the Forest Department at subsidized rates. In the year 2013-14, Rs.2000.00 lakh was earmarked out of which Rs.1982.633 lakh was spent for raising 148.884 lakh seedlings for distribution in 2014 rainy season and 178.588 lakhs seedlings are distributed.

In the year 2014-15 Rs.1734.64 lakhs has been earmarked of which Rs.687.49 lakh has been spent up to the end of December 2014, for maintaining 149.88 lakhs seedlings. Besides 127.78 lakh seedlings were sold under Krishi Aranya Prothsaha Yojane and 155 lakhs seedlings are raised for distribution in 2015 rainy season.

#### **vi. Krishi Aranya Prothsaha Yojane :**

In order to encourage participation of farmers in enhancing tree cover in the areas outside the forests, the Government has launched a programme called "Krishi Aranya Prothsaha Yojane" in 2011. Under this programme, farmers, public and organizations can plant, conserve and maintain the seedlings planted in their lands. In this way tree cover can be increased by planting more number of seedlings in non forest lands and by doing so the income of the farmers can also be increased considerably.

Farmers having agricultural land can plant any number of seedlings. However, the incentive is linked to the survival of the seedlings planted and paid at the end of 1st,

2nd and 3rd year, subject to eligible ceiling number of seedlings per hectare. For all forestry species other than non eligible species the incentive shall be Rs.10 per plant at the end of first year, Rs.15 at the end of second year and Rs.20 at the end of third year for the surviving plants. The total incentive of Rs.45 per plant, subject to maximum of 400 plants per ha, is payable under the scheme.

In the year 2011-12 totally 13,634 nos. of farmers have registered their names under the scheme. 40,55,860 seedlings were distributed to the registered farmers during 2011 rains, out of which 18,67,136 seedlings survived. As per the guidelines of the scheme, farmers got the incentive of Rs.10/- for each surviving seedling amounting to Rs.1,86,71,360/-. At the end of second year totally 13,43,308 seedlings have survived for which Rs.15 for each surviving seedling was paid to the farmers amounting to Rs.2,01,49,620/- during 2013-14. In the year 2014-15 (Third year) 13,20,879 seedlings are survived for which distribution of Rs.2,64,17,580/- as incentive at Rs. 20/- per seedling is under progress.

In the year 2012-13, totally 16765 nos. of farmers have registered their name under the scheme, 76,93,796 seedlings were distributed to the registered farmers during 2013 rains of which 24,14,784 seedlings are surviving after one year in 11951 beneficiaries land and farmers got first year incentive of Rs.10/- for each surviving seedling amounting to Rs. 2,41,47,840/-. In the year 2014-15 (after second year) 19,16,032 seedlings are survived for which distribution of Rs. 2,87,40,480/- as incentive at Rs. 15/- per seedlings is under progress.

In the year 2013-14, 23215 nos. of farmers have registered their names under the scheme and 99,03,132 seedlings are distributed to the registered farmers.

In the year 2014-15, 15,806 nos. of farmers have registered their names under the scheme and 67,62,054 seedlings are distributed to the registered farmers.

### **vii. Roadside Plantation Scheme:**

Under various afforestation programmes, about 15000 km of roadside planting has been taken up for planting by the forest department since 1980. Since 2000, a large number of trees have been felled for the purpose of widening roads. Hence, the department has felt the urgency to take up roadside plantations in all the districts under the roadside plantation scheme from 2011-12 with details as under -

1. For roadside plantations, tall seedlings of native tree species of Neem, Ala, Arali, Goni, Tapasi, Tamarind, etc., are being raised in 14" x 20" size bags and planted in pits of 1M3 dimension.
2. Plants are well protected and maintained by staking, thorn-fencing, Farm Yard Manure (FYM) application and watering during summer months.
3. Tree patta has issued to adjacent land owners for maintaining them after three years.

In the year 2013-14, Rs.1563.09 lakh has been allotted out of which Rs.1538.953 lakh has been spent on raising of 176 kms of monsoon plantations, maintenance of 3784 kms older plantations and taking up 340 ha. advance works along the road side. Including raising of 1.239 lakhs seedlings.

During 2014-15, Rs.2194.01 lakh has been earmarked out of which Rs.1182.78 lakh has been spent up to the end of December 2014, for raising of 990 kms plantation and for maintenance of 3914 kms older plantations.

### **viii. A Tree for every child and a park for every school (Maguvigondumara Shalegonduvana):**

In order to create awareness regarding the nature, environment among school children and to encourage them to plant trees, this new scheme has been introduced since 2011-12 with a budgetary provision of Rs. 1.00 crore. Open areas around educational institutions will be identified for planting seedlings of fruit-yielding,

flowering and shade trees by providing seedlings to school authorities for planting. Schools from the primary level, colleges and even universities are involved. Seedlings are distributed to school children for planting in their households or fields on a voluntary basis.

In the year 2013-14, Rs.50.00 lakh has been allotted out of which Rs.48.144 lakh has been spent on raising of 7.960 lakhs seedlings for 2014 rains. Seedlings are distributed to school children for planting in their households and also to be planting in School/college/University premises.

In the year 2014-15, Rs.40.00 lakh has been earmarked. Out of which, Rs.16.79 lakh has been spent up to the end of December 2014. towards maintenance of 7.960 lakhs seedlings. Out of this 7.112 lakhs seedlings have been distributed to school children and to raise plantation in the premises of school/college/universities. In addition to this 1.671 lakh seedlings will be raised for planting in 2016 rains.

### **ix. Greening of Urban Areas:**

The main objective of this scheme is to minimize effects of pollution caused due to high intensity of population, vehicles and industries in urban areas by planting ornamental, shade and fruit-bearing trees. Tree parks, wood lots and avenue plantations are also established in towns and cities to improve aesthetics. In 2013-14, Rs.1800.00 lakh was allocated of which Rs.1788.042 lakh has been spent for raising 1641 Ha. of plantations, maintaining 4016 ha. of plantations, taking up 364 ha. advance work including raising of 5.581 lakhs seedlings for 2014 rains.

In the year 2014-15, Rs.1967.75 lakh has been earmarked out of which, Rs.1074.92 lakh has been spent up to the end of December 2014, for raising 1902 ha. of monsoon plantations, maintenance of 5700 ha. of older plantations, besides raising 3.802 lakh seedlings.



### **X. Samrudda Hasiru Grama Yojane (SHGY):**

The Government is implementing "Samrudda Hasiru Grama Yojane" in the selected villages across the state on experimental basis to make villages self reliant. Accordingly, 80 Village Forest Committees (VFCs) were selected for implementation. The objectives of the scheme are as under.

- To enhance the natural resource base in these villages by afforestation and conservation of forests and by conserving Natural Resources.
- To recharge and enhance the availability of ground water through Soil and Moisture Conservation Works.
- Promote energy efficient lifestyle by promoting gohar gas, Sarala ole, LPG, etc.,

During 2013-14, the following activities are under taken under this project; 1317 ha. plantations have been raised, maintenance of Forest Resource in 720 ha., 7.20 lakh medicinal plants have been raised and distributed, 225 Nos. Gobar Gas Plants, Sarala ole 710 Nos. and 72 Training programme are carried out. For these programmes Rs.952.949 lakhs has been spent.

During 2014-15 Rs.150 lakhs has been provided for this scheme. Out of this budget, 225 ha. raising of plantation, 1310 ha. maintenance of plantations, 2.35 lakh maintenance of seedlings, etc., are being taken up. Up to the end of December 2014 Rs.82.579 lakh has been spent under this programme.

#### **xi. Village Forest Committees**

As in 2013-14 budget speech Rs.700 lakhs has been provided for Revitalization of inactive VFCs. Under the revitalization programme 150 VFCs are covered. Under the scheme provisions have been made to provide 7500 nos. sarala ole, 3000 nos. LPG gas, 150 nos. Gobar gas plants and 150 training programme to promote energy

efficient cooking to avoid pressure on the forests. Besides this, forestry programme like advance work in 180 ha. SMC works, distribution of 7.50 lakh Seedlings were taken up in the VFCs. Rs.690.403 lakh expenditure has been incurred for the above activities.

Under the above scheme, during 2014-15, Rs.100.00 lakhs has been provided in the budget and during the year 180 ha. Raising of plantation, 7.50 lakhs maintenance of seedlings and facilitation works are being carried out. Up to December 2014 Rs.57.22 lakhs expenditure is incurred.

#### **xii. Development of Tree Parks and Urban Forests:**

Providing forestry and environmental facilities to citizens in Urban areas Tree Parks are being created for publicity and awareness regarding conservation of forests and environment. In 2013-14 for the creation and maintenance of tree parks Rs. 900.00 lakhs and One Time Additional Central Assistance (OTACA) of Rs.192.75, total amount of Rs.1092.75 lakh was allocated and the Expenditure was Rs.1085.42 lakhs. Physical achievement of 98.05 ha planting, 753.5 ha fencing and advance works and 825 ha. of plantation have been maintained.

In 2014-15 for the creation and maintenance of tree parks Rs. 700.00 lakh from State Government & Rs.192.75 from Central Government (OTACA) has been sanctioned amounting to Rs. 892.75 lakhs. Out of this, Rs.234.01 lakh has been spent up to December 2014 for maintenance of 621.98 ha. and for creation of planation of 300 ha.

#### **xiii. Devarakadu (Dyvivana):**

A unique programme for development of Dyvivana on 100 ha. area in each division is being formed by the Karnataka Forest Department by planting fruit yielding and seedlings of religious significance. In this Dyvivana separate nurseries will be established for raising of seedlings of religious, medicinal plants for distribution



to the public to plant the same in the open land of their house and in their lands. This dyvivana will be raised and developed nearest to the temple of the respective division to educate among public and children about biodiversity. In 2013-14 Rs. 200 lakhs has been earmarked for establishing Deverakadu at district head quarter. Out of which Rs. 198.626 lakh has been spent for this purpose besides 2080.10 ha. of plantation maintained.

In the year 2014-15 Rs. 200 lakhs has been earmarked out of which Rs. 80.08 lakhs has been spent up to December 2014, for maintenance of 2081 ha plantation.

### **8.3.5 Centrally Sponsored Schemes and Central Plan Schemes**

#### **i. National Afforestation Programme-Forest Development Agency (NAP-FDA)**

The scheme titled National Afforestation Programme (NAP) has been formulated by merger of four 9th Plan Centrally Sponsored Afforestation schemes of the Ministry of Environment and Forests. The scheme is operated by the National Afforestation and Eco-Development Board (NAEB), Ministry of Environment and Forest (MOEF) as a 100% Central Sector Scheme. The scheme involves two tier set up namely Forest Development Agency at the division/district level and Joint Forest Management Committees (JFMC's) at the village level.

In Karnataka, NAP is being implemented from 2002-03 under 10th and 11th year plan in 45- FDA's with the following objectives.

1. Sustainable development and management of forest resources.
2. Increase and improve forest and tree cover.
3. Rehabilitation of degraded forest and other areas by institutionalizing decentralized participatory forest management and supplementing livelihood improvement process.

Achievements in afforestation work up to the end of 2011-12 is 86163 ha. under different models. Fund received from the NAEB, GOI has been spent towards afforestation and other ancillary activities like fencing, soil moisture conservation, entry point activities, awareness, monitoring and evaluation, overheads, etc. as envisaged in the project guidelines.

Approved financial target for 2013-14 is Rs.1775.21 lakhs against this, Rs.925.55 lakhs has been released and expenditure incurred is Rs.925.55 lakhs towards advance works in 3070 Ha., spill over works in 3840 ha, maintenance of 2nd and 3rd year plantations besides taking up of approved ancillary activities.

Approved annual allocation for 2014-15 is Rs.2134.74 lakhs. Rs.2134.74 lakh has been released to Government of Karnataka.

#### **ii. National Bamboo Mission:**

The Department of Agricultural and Co-Operation, GOI has launched a new Centrally Sponsored Scheme titled National Bamboo Mission with 100% Central assistance from 2007-08 onwards. The main objective of the Scheme is to develop bamboo in forest lands through Forest Development Agencies (FDA's) with the support of Joint Forest Management Committees (JFMC's) and in non forest areas through Bamboo Development Agencies (BDA's). The project envisages development of bamboo plantations in new areas as well as special interventions in bamboo flowered areas and augmenting productivity in natural bamboo bearing forest lands apart from focus on HRD, Research and Marketing, etc., under different components of the project.

Approved annual allocation for the year 2013-14 is Rs.965.90 lakhs. Against that Rs.965.90 was released and the sum of Rs.934.86 has been spent upto the end of March 2014 for raising 2500 ha plantation and maintenance of 1st and 2nd year plantations in 5377 ha.

Approved annual allocation for 2014-15 is Rs.616.09 lakhs. Against this Rs.270.62 lakhs has been released.

### iii. Conservation and Management of Mangroves:

Under this scheme conservation of mangrove plantations in Honnavar, Kundapur, Mangalore and Karwar forest divisions has been taken up.

Approved annual allocation for the year 2013-14 is Rs.64.75 lakhs, against this Rs.37.88 lakhs was released up to the end of March 2014. The Rs.22.88 lakhs has been spent towards creation of 200 ha Mangrove plantations in Honnavar Division and other approved ancillary works. Further, for the year 2014-15, Rs.214.06 lakhs has been earmarked. Out of which Rs.69.24 lakhs have been released (Rs.41.60 lakhs for creation of 50 ha. plantation in Honnavar division and Rs.27.64 lakhs for creation of 50 ha. in Karwar division).

### iv. CSS Integrated Forest Protection Scheme:

During the year 2013-14 under CSS Intensification of Forest Management Scheme an amount of Rs.512.650 lakh was released, out of which an amount of

Rs.506.09 lakhs has been spent. This amount has been spent in the forest areas of all the 13 Territorial Circles for establishment of 47 fire camps for protection of forests from fire, creation of 4011 Kms. of new fire lines wherever necessary, construction of 30 residential quarters for frontline staff, identification of forest boundary and installation of 822 concrete pillars, and protection and maintenance of sacred groves, etc.

For 2014-15 Rs.690.00 Lakhs has been earmarked. Out of which Rs.80 lakhs has been released. Rs.56.22 lakhs has been spent up to the end of December 2014 for fixing of 90 concrete pillars.

### Revenue and Expenditure

Table 8.14 presents the details of revenue realized by sale of forest produce such as timber, firewood, bamboos, sandalwood, non-timber forest produce and also revenue realized from sanctuaries, and other miscellaneous revenue items. The expenditure component includes the establishment cost as well as cost of afforestation and other departmental programmes.

**Table 8.14 Revenue and Expenditure from Forest Department (Rs. crore)**

Year	Revenue	Expenditure
2008-09	126.07	448.57
2009-10	212.44	518.19
2010-11	163.70	555.59
2011-12	168.29	665.50
2012-13	171.51	851.12
2013-14	172.00	1015.73
2014-15 *	170.00*	1185.37*

\*Anticipated

## 8.4 ECOLOGY AND ENVIRONMENT

The State is constitutionally duty bound to ensure environment protection in all walks of life. With this objective, the Department of Ecology & Environment was established in the year 1981 in the State. The Ecology and Environment Department is functioning with the principle objective of protection of the ecology and environment, conservation of natural resources, ensuring adoption of pollution control measures for the sustainable development in the state. The Department looks after policy formulation and ensuring implementation of the rules, regulations, guidelines and instructions for the protection of environment and ecology. Inter-departmental environmental issues leading to conservation and protection of environment are also being coordinated. The Department of Ecology and Environment is at the secretariat level and is assisted by the following institutions in discharging of its functions.

- 1) Karnataka State Pollution Control Board
- 2) Karnataka Bio-diversity Board
- 3) Lake Development Authority
- 4) Environment Management & Policy Research Institute

### 8.4.1 Karnataka State Pollution Control Board

The Karnataka State Pollution Control Board has been established on 21.08.1974, under the Water (Prevention and Control of Pollution) Act 1974. It is a statutory body vested with the duties of implementing the provisions of both the Water and the Air Acts for control of pollution. The board is also enforcing rules and regulations framed by Government of India under the Environment (Protection) Act, 1986, viz., The Hazardous Waste (Management, Handling and Transboundary Movement) Rules 2008, The Plastic wastes (Management and Handling) Rules 2011, the Bio-medical Waste (Management &

Handling) Rules 1998, the Municipal Solid Wastes (Management and Handling) Rules, the Noise Pollution (Regulation and control) Rules 2000, and The Batteries (Manufacturing and Handling) Rules 2001. In addition to this, it is also discharging the duties entrusted to it both by the State and Central Governments from time to time on other environment related matters.

### Industrial Pollution

The Karnataka State Pollution Control Board is covering all the industries/activities generating effluents and emissions under the consent mechanism. The industries/activities are categorized as Red, Orange and Green based on their pollution potential. The Red category activities with high pollution potential are given priority in monitoring mechanism. The effluents/emissions discharge is regularly monitored as per the statutory norms to ensure compliance to the standards prescribed. Details of the industries covered are given in the table below:

As on 31.03.2014, there are 28019 red, 5071 orange and 29391 green category industries operating in the State.

### Comprehensive Environmental Pollution Index (CEPI):

MoEF, Government of India vide Office Memorandum No. J-11013/5/2010-IA.II (I) dated 13.01.2010 had declared Baikampady Industrial cluster in Dakshina Kannada District and Bhadravathi industrial cluster in Shimoga District as critically polluted areas with CEPI score 73.68 and 72.33 respectively and Raichur, Bidar and Peenya industrial areas are classified as severely polluted clusters ranking 53, 54, 66 respectively. In view of this, Karnataka State Pollution Control Board in co-ordination with the Central Pollution Control Board and industries located in and around Baikampady industrial cluster and Bhadravathi industrial cluster had developed separate action plans for both the clusters with an

**Table 8.15 Number of industries/institutions covered by KSPCB**

Sl. No.	Particulars	Number of Industries/ Institutions	
		Total	Operating
1.	Industries	34258	21181
2.	Stone Crushers	3091	1566
3.	Infrastructure projects- Layouts	1733	28
4.	Infrastructure projects- Apartments, Commercial Complex, etc	3177	1100
5.	Hospitality Projects	1580	1269
6.	Hospitals	23240	22609
7.	Mines	755	184
8.	Coffee Estates (Pulping units)	2595	2486
8.	Telephone Towers(DG)	11369	11238
10.	Others	975	820
	<b>Total</b>	<b>82773</b>	<b>62481</b>

objective for the enhancement of pollution control measures to bring down the prevailing pollution loads. Final action plans were submitted to CPCB during January 2011. Based on the actions initiated on Action Plans submitted, MOEF has lifted the moratorium vide Memorandum dated 23.05.2011.

Further, as per the advice of the CPCB, the KSPCB has constituted Local Area Committee (LAC) for regular follow up and to review the implementation of the action plans. Similarly, the Central Pollution Control Board has conducted monitoring of Baikampady Industrial cluster under CEPI programme during Feb-Apr 2013 and reassessed the CEPI score. The CEPI score has marginally decreased from 73.86 to 67.62, which calls for review of action plan and its implementation besides monitoring of surface water quality, ground water

quality and ambient air quality within the cluster area. Keeping in view of the above, the tenure of LAC in respect of Mangalore industrial cluster is extended up to 31.03.2014 for effective implementation of the action points and the action plan is being reviewed regularly. The Central Pollution Control Board has conducted monitoring of Bhadravathi Industrial cluster under CEPI programme during Feb-Apr 2013 and reassessed the CEPI score. The CEPI score has come down from 72.33(2009) to 45.27 (2013).

The severely polluted areas viz. Peenya, Raichur and Bidar are kept under surveillance and action is taken to get the pollution control measures implemented effectively. The Board is developing separate action plans for these areas based on the Central Pollution Control Board guidelines.



**Environmental compliance by some of the identified industrial sectors:**

Mining, Thermal Power, Petro Chemicals, Sponge Iron, Chemical & Pharmaceutical industries and Stone crushers are some of the focus areas of concern in terms of pollution load and their impact on environment.

**Pollution control status in mining sector:**

Mining is one of the main industrial activities in Karnataka. The major minerals being mined are Iron Ore, Limestone and Dolomite. Iron Ore mining is mainly confined to Bellary, Chitradurga & Tumkur Districts and the Limestone mining is located mainly in the districts of Kalaburgi, Yadgir, Bagalkot, Belgavi & Vijayapura. During 1980's, major mining activity was started in Chikkamagalur District with the setting up of Kudremukh Iron Ore Company Limited (KIOCL) and the same is now closed. In recent times, due to high demand in the market, large scale mining has taken place in Bellary, Chitradurga and Tumkur Districts.

In Karnataka 755 mines are covered under the Pollution Control Acts and only 184 are operating as on 31.03.2014. Initially, KSPCB started covering only few major mining companies under the Water & Air Acts like National Mineral Development Corporation (NMDC), Donimalai, and KIOCL, as they were using water for mining activity and discharging tailings. These mines were also covered under the Air Act keeping in view emissions from crushers, DG Sets and other point and non point sources.

In 1994, the Govt of India notified the Environmental Impact Assessment Notification under the Environment (Protection) Act 1986. This notification made it mandatory for certain projects including mines to obtain prior Environmental Clearance (EC) from Ministry of Environment & Forests (MoEF), Govt of India (GOI). All mining projects

irrespective of area have covered under this notification. No objection Certificate (NOC)/ Consent for Establishment (CFE) was a prerequisite for applying to MoEF for EC. Therefore, from 1994 onwards, KSPCB started receiving applications from mines seeking NOC/CFE. The applications were considered with reference to the Rapid Environment Impact Assessment (REIA) reports and IBM approved mining plan which incorporates Environmental Management Plan (EMP) to take care of run-off, waste dumps, provision of check dams, etc., which were submitted along with the application and then NOC/CFE were issued from water & air pollution control point of view only. In the EIA notification 2006 and its amendment dated 07.10.2014, the mining area upto 50 hectares is grouped under 'B' category requiring Environmental Clearance from State Environment Impact Assessment Authority (SEIAA). Mines having area more than 50 hectares is grouped under 'A' category requiring EC from MoEF.

**Action initiated by KSPCB for control of pollution in mining activity:**

KSPCB has taken steps to strictly implement the provisions of the Water (Prevention & Control of Pollution) Act 1974, and the Air (Prevention & Control of Pollution) Act 1981 irrespective of the size of mining area. The Hon'ble Supreme Court has constituted Central Empowering Committee (CEC) for resumption of mines. The mines have been categorized as A, B and C categories. The Hon'ble Supreme Court during September 2012 have given directions to restart A and B category mines as per the Reclamation and Rehabilitation (R & R plan) approved by the CEC. The CEC has approved 27 mines under A category and 63 mines under B category. The details relating to production, water & air pollution control measures adopted by the mines, compliance to previous consent conditions, etc., are verified thoroughly while issuing consents for operation. Further, the Board stipulates and advises the following



pollution control measures while issuing consents to the mining activity in line with the R&R Plan .

- To provide check dams, gully-traps etc., to prevent the runoff from carrying the fine particles of ore and silt.
- Fines, sub-grade ore, mineral rejects, over burden and side burden etc., to be stored as dumps in the mine lease area and to be stabilized.
- Retaining walls have to be provided to stabilize the dumps.
- Afforestation has to be carried out on the slopes of the dumps.
- Sprinkling of water constantly in the mine lease area including approach roads.
- To metal and asphalt the roads inside the mine lease area as well as the approach road to the mines.
- To transport ore in a covered truck in wet condition always.
- Even at Stock yards, moisture content has to be maintained to prevent the dust nuisance.
- Providing conveyor belts within the mine lease area for ore transportation to avoid fugitive emissions due to movement of trucks.

#### **Pollution Control Status in Sponge Iron Sector:**

In Karnataka 49 sponge iron units are operating. Most of the units are located in the districts of Bellary (33) and Koppal (9) . All the units use Coal based technology.

The Ministry of Environment and Forests (MoEF), GoI has notified standards for sponge iron units vide Notification No. GSR 414(E) dated 30/05/2008. As per the Notification, the chimney height for the Kilns is calculated based on the fuel consumption and the Sulphur content of the fuel. Further, a minimum chimney height of 30 m is stipulated for all de-dusting facilities.

Sponge iron units are not significant from water pollution point of view and water is used only for domestic and cooling purposes and the cooling water is completely recycled. However, these units are not significant from water pollution but very significant from air pollution point of view. The main sources of air pollution from these units are kiln and de-dusting facilities, loading & unloading of raw materials, crushing & processing of raw materials, storage of raw material, and solid wastes vehicular movements. Following conditions are stipulated and implemented by the Board to mitigate air pollution from these industries.

- Storage of raw materials within the closed sheds.
- Bag filters for all raw material processing and de-dusting facilities.
- Electrostatic Precipitator (ESP) to the Kiln with interlocking between the working of Kiln and the ESP.
- Metalled roads within the premises.
- Sprinkling of water in raw material storage, process area and in roads for raw material transportation.
- Regular monitoring of ambient air quality .

Of the 49 sponge iron units, 47 have complied with consent conditions by providing stipulated air pollution control equipments to control source emissions. Of the two non complying units during the reporting period, one unit has not obtained EC and the other has not provided required air pollution control measures. Consent for operation for these units is refused.

#### **Pollution Control Status in Stone Crushers:**

There are 3091 Stone Crushing units in Karnataka State and as on 31.03.2014, 1566 are in operation. The Karnataka State Pollution Control Board is covering the Stone Crushing activity under the Air (Prevention & Control of Pollution) Act

1981. The State Government has passed an ordinance on 07-09-2011 called "The Karnataka Regulation of Stone Crusher Ordinance 2011", later enacted as "The Karnataka Regulation of Stone Crusher Act 2011" on 05-01-2012. The Rules have been framed on 22-06-2012. Further amendment to Act and Rules was notified on 26.12.2013 and 06.02.2014 respectively.

According to the above said Act and Rules, all crushers shall have to be operated in the safer zones only except the crushers established for temporary period for specific govt. development projects with specific time frame. The licensing authority of the district/ individual crushers shall identify the safer zones and the licensing authorities shall declare and issue notification for them after fulfilling of following distance and other siting criteria. The conditions for declaring safer zones of stone crushers are

1. 200 mtr away from National Highway or State Highway
2. 100 mtr away from Major District road (MDR) or other roads.
3. 500 mtr away from Revenue Village, temples, schools.
4. Away from boundary of municipal corporation, city municipal corporation, town municipal corporation.
5. Minimum of 1 acre land.

#### **Other highly polluting industries:**

There are 230 industries under the 17-category highly polluting industries in the State, of which 204 are in operation. The wastes are treated and disposed as per the norms of the Board. The industries, Mysore Paper Mills Limited and Visveswarayya Iron and steel Ltd are permitted to discharge the treated effluents to Bhadra River. The West Coast Paper Mills at Dandeli is permitted to discharge effluent into Kali River and Harihar Polyfibers and Grasim division at

Harihar are permitted to discharge the effluents to Tungabhadra River. The treated effluents from these industries are meeting the defined standards.

Apart from these industries, no other industry is permitted to discharge effluents to rivers. The policy is to ensure that industrial effluents are treated to the standards prescribed by the KSPCB and to use the treated effluent for irrigation/ gardening/ green-belt development.

#### **Water quality management:**

The Karnataka State Pollution Control Board is monitoring the quality of water in the State. Water samples from lakes, rivers, ponds, bore well, open wells and sea are analyzed for monitoring the water quality. Discharge of domestic sewage and trade effluents from the industries are the major sources of water pollution. Therefore, the Board is regularly monitoring these sources from time to time as prescribed in the Act/guidelines framed by Central Pollution Control Board. Regular inspections and sample collections are made to analyze the quality of water.

The Board is monitoring and analyzing river water samples at 64 locations in the State. According to the analysis report, rivers and lakes are susceptible to pollution mostly due to industrial, domestic effluent discharge and agricultural runoff. The results of samples drawn in the 64 stations located in all rivers across the State shows that the quality of water falls in category "C" which means the water is potable after treatment and disinfection. River water quality is related to seasonal variations like rainfall and flow of the river.

#### **Inference on the River Water Quality Monitoring:**

CPCB has specified water quality criteria depending on the designated best use and activities in the river. The classifications are:

Class “A” – Drinking water source without conventional treatment but after disinfection.

Class “B” – Out door bathing (organized).

Class “C” – Drinking water source with conventional treatment followed by disinfection.

Class “D” – Propagation of wild life, fisheries.

Class “E” – Irrigation, Industrial Cooling, Controlled Waste disposal.

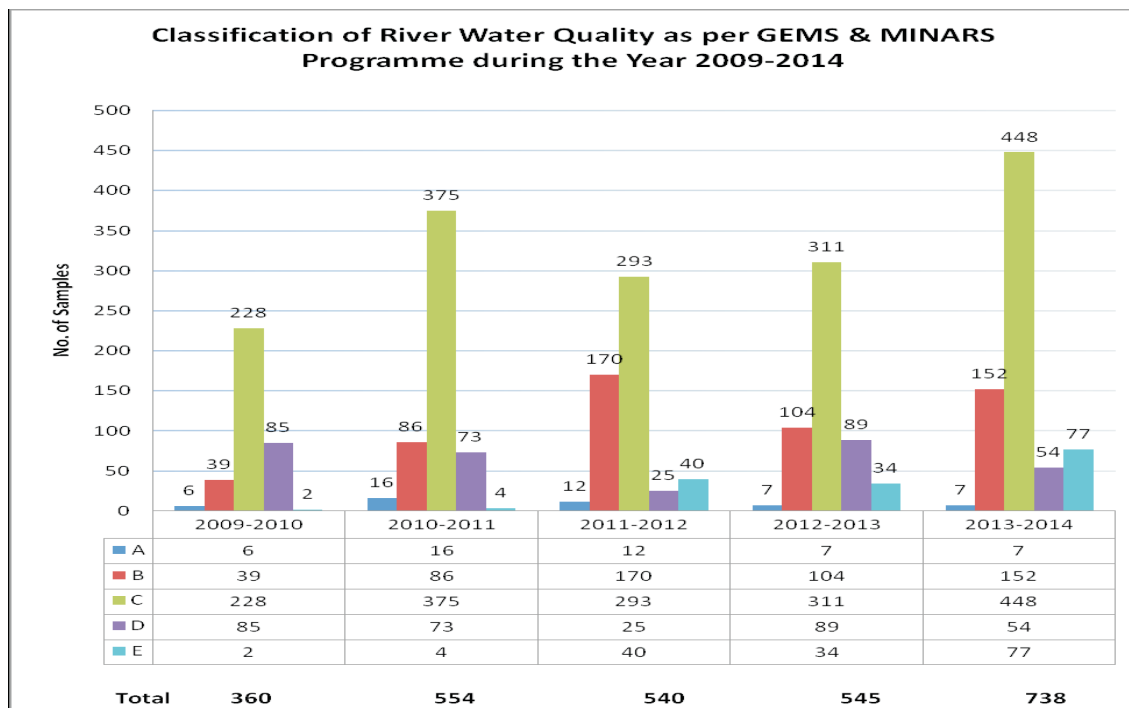
Monitoring of the major rivers under various programmes indicates that the major pollutants in these water bodies are mainly organic and bacterial contaminants. This is mainly due to domestic waste discharged into the rivers from towns and villages located on the river banks. Secondly, the quality has a bearing on the flow.

At the following three locations, the treated industrial effluents are permitted for discharge into the rivers. The water quality

at these locations about 100 meters downstream of the treated effluent discharge point are as under;

- a) Mysore Paper Mills treated effluent into Bhadra River near Bhadravathi, Shimoga district. Bhadra river water quality downstream of Bhadravathi conforms to Class-C
- b) Harihara Poly Fibres and Grasilene Division treated combined effluent into Tungabhadra River near Harihar, Haveri District. Tungabhadra river water quality downstream of Harihara Polyfibres conforms to Class-C.
- c) West Coast Paper Mills Ltd treated effluent into Kali River near Bangur Nagar near Dandeli, Uttara Kannada District.

Kali river water quality, monitored quarterly indicates that at the downstream of the industry it conforms to Class-C in the month of April, Class 'A' in the month of July and Class-B during the rest of the period.



The Board has analyzed 7588 samples from the discharge of organizations (including industries) and other waste water generating units identified. The same are being monitored with inspection and sample analysis. The Board is initiating action to ensure compliance from the concerned organizations, wherever the samples are not meeting the prescribed standards.

Out of 219 local bodies in the State, only 55 have established sewage treatment plants (STP). Out of 55 STPs established so far, 16 STPs are in Bangalore and 39 are in different locations in the State. The remaining local bodies are being pursued to install the sewage treatment facilities in order to avoid pollution of nearby water bodies due to discharge of sewage.

In order to control pollution of water bodies, 10 Common Effluent Treatment Plants (CETP) have been established in the State at different places for treatment of trade effluents generated from homogeneous type of industries in the small scale sectors.

### **Air Quality Management:**

The Karnataka State Pollution Control Board is monitoring the air quality in the State in accordance with the provisions of the Air (Prevention and Control of Pollution) Act, 1981. The main sources of air pollution are (i) vehicular emissions (ii) industrial emissions and (iii) open burning of waste in the public place.

About 1.33 crore vehicles were registered in the State as on 31.3.2014. (source: rto.kar.nic.in). Emission from the vehicles is monitored in accordance with the Motor vehicle Rules. The vehicles are being checked and penalties are being imposed by the traffic police and RTO for non-compliance of standards prescribed. The KSPCB takes up the issue with the concerned authorities as and when the air pollution levels exceeds the prescribed limits. One such measure implemented is supply of sulphur free petrol in Bangalore City.

#### Observing Ganesha Festival - Eco-Friendly Way



- KSPCB has evolved guidelines for observing the festival in environmental friendly way.
- KSPCB has taken up mass awareness to encourage
  - Use of clay for idol making rather than plaster of paris
  - Paintless idols for worship as far as possible
  - Use water soluble and non-toxic natural dyes
- Mobile idol immersion tankers deployed during the festival by the Board
- BBMP has created separate idol immersion pools within the lake area
- KSPCB monitors water quality before and after festival.
- Efforts of KSPCB has reduced the sale of painted idols considerably thus preventing pollution to that extent.

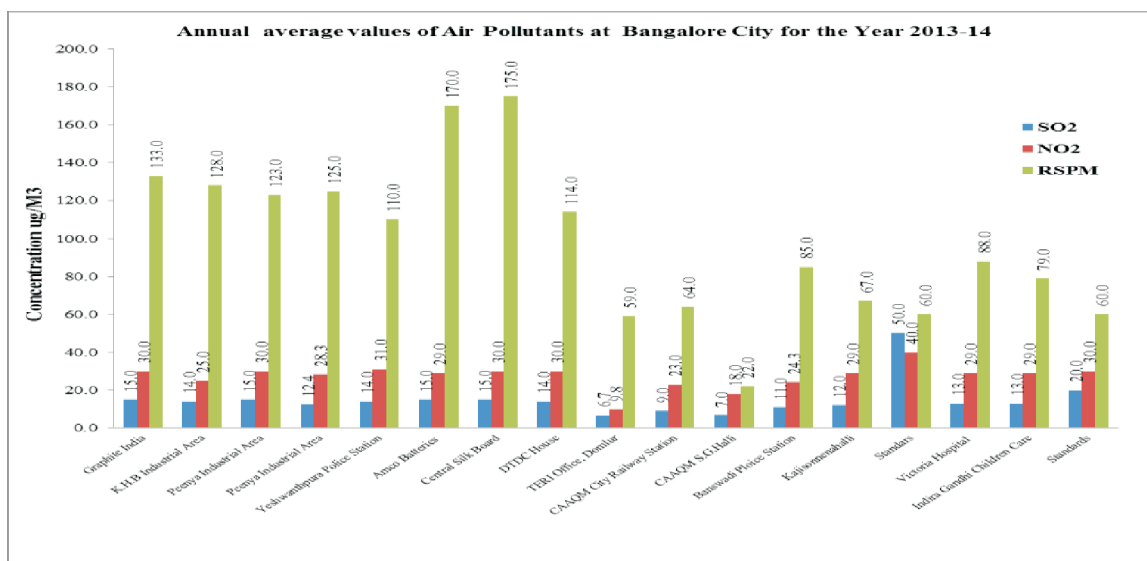
**Major sources of air pollution in Bangalore City**

Sl. No.	Source	PM10 (TPD)	% Contribution
1.	Transport	22.4	42
2.	Road dust	10.9	20
3.	Domestic	1.8	3
4.	DG Set	3.6	7
5.	Industry	7.8	14
6.	Hotel	0.1	-
7.	Construction	7.7	14
	Total	54.3	100

Source: TERI report

KSPCB is monitoring the ambient air quality of Bangalore city at 15 stations, 13 stations under the National Ambient Air Quality Monitoring Programme (NAMP) and 02 stations under the Continuous Ambient Air Quality Monitoring programme (CAAQM). Monitoring is done twice-a-week for 24 hours at 13 Stations under NAMP and 24 hours through-out the year at 2 stations under CAAQM. According to the

revised national ambient air quality standards (of 16-11-2009), 3 parameters are monitored viz Respirable Suspended Particulate Matter (RSPM), Sulphur dioxide (SO<sub>2</sub>) and Nitrogen dioxide (NO<sub>2</sub>). The data measured is compared with the revised national ambient air quality standards. Average observed values of air pollutants in the 15 stations in Bangalore city is depicted in chart below.



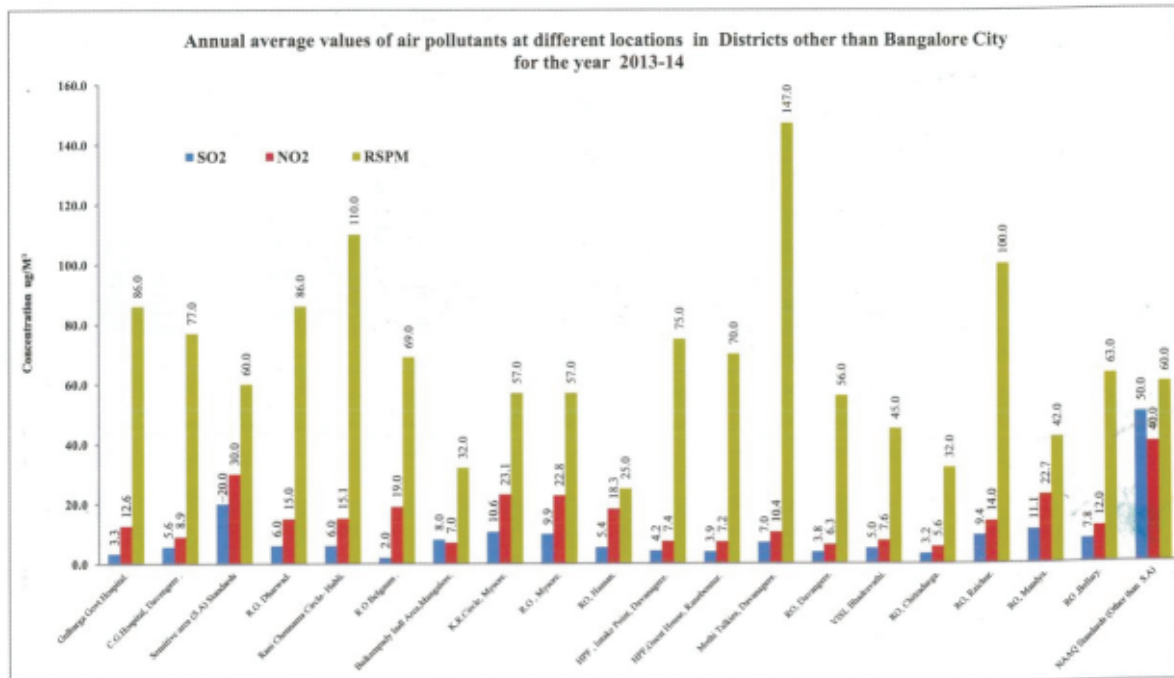


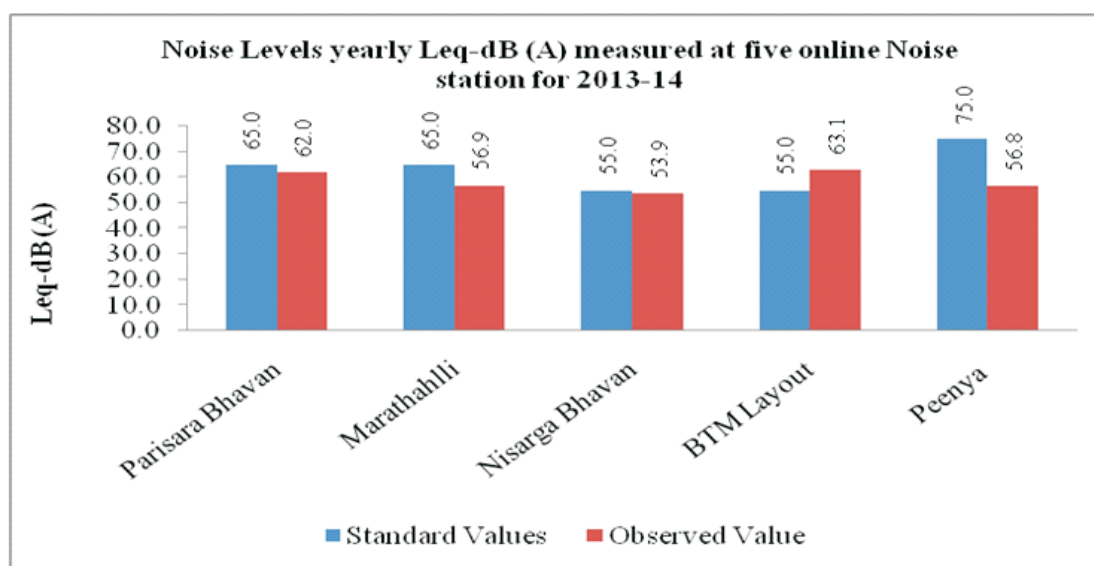
The Respirable Suspended Particulate Matter (RSPM ) values are observed to be higher than National standard of 60µg/M<sup>3</sup>, in areas of Graphite India Ltd, Whitefield; KHB Industrial Area, Yelahanka; Peenya Industrial Area, Peenya; Peenya Industrial Area, Gymkhana; Amco Batteries, Mysore Road; Yeshwanthpur Police Station; Central Silk Board; DTDC Office, Victoria Road; Kajisonnenahalli, Whitefield;TERI Office Domlur; Banaswadi Police Station ,Banaswadi; Victoria Hospital; Indira Gandhi Child Care Centre, NIMHANS; City Railway Station and KSPCB at Nisarga Bhavan , Shivanagar. The RSPM values have also exceeded the national limit in Bruhat Bangalore Mahanagarapalike area, Davanagere, Ranebennur in Haveri District, Hubli, Dharwad, Belgaum, Bellary, Raichur and Gulbarga. Increase in the RSPM level is attributed to the construction activities of Metro Station in Bangalore and other civil works in other urban areas,vehicular movement and road dust. Annual average values of air pollutants at different locations in the districts other than Bangalore is depicted in chart below.

Industrial air emissions are regularly monitored by the KSPCB through inspections and samples collections. Wherever the samples are not complied with the standards prescribed, actions are being taken to set right the problem by strict enforcement of law.

**Noise quality Monitoring:**

The Karnataka State Pollution Control Board is monitoring the noise level in 5 stations located at various places in Bangalore, since 2011-12 and the yearly noise levels monitored at these stations in Bangalore is depicted in depicted in the chart below. It is proposed to establish 10 continuous noise monitoring stations with the assistance from CPCB. During 2013-14 in the first Phase, the Board has received 05 monitoring equipments from CPCB which is installed at Parisara Bhavan and Nisarga Bhavan of KSPCB; Madivala ; Ace manufacturing System ,Peenya and BWSSB,Kadubeesanahalli to monitor the noise levels and also to suggest the authorities concerned to bring in the remedial measures.





Noise levels in the cities are generally exceeding the standards in most of the core areas due to vehicular movement and honking. The noise level measured in industrial and commercial areas are found to meet the standards.

#### **Hazardous Waste Status:**

About 3528 operating industries are found to be generating Hazardous Waste of about 2.43 Lakh Metric Tons annually in the State. Out of this 1.2 Lakhs MTPA is recyclable. The remaining waste of around 0.60 Lakh MTPA are sent to incineration and 0.60 Lakh MTPA are sent to landfill. The inert hazardous waste after recycling and incineration are sent to landfilling

(TSDF). Treatment, Storage and Disposal Facility (TSDF) for hazardous waste has been established in July, 2008 at Dobbaspet near Nelamangala in Bangalore. The Board has permitted 137 re-processors in the State, which includes State owned and private.

#### **Management and Handling of batteries:**

In the State about 645 battery handling units are identified by the Karnataka State Pollution Control Board and are being monitoring regularly. As per extended producers responsibilities, the battery manufacturing industries need to take back the old batteries from the dealers when the new batteries are sold.

#### **Details of total hazardous wastes generated and their disposal**

Type of hazardous waste	State (in MTPA)	Bangalore (in MTPA)	TOTAL
Landfillable	42157	18905	61062
Incinerable	34361	27331	61692
Recyclable	86120	34475	120595
<b>Total</b>	<b>162638</b>	<b>80711</b>	<b>243349</b>

**Plastic Waste Management:**

As per Plastic Waste (Management and Handling) Rules, 2011, the Karnataka State Pollution Control Board is the prescribed authority for enforcement of the provisions of these rules related to registration, manufacturer and recycling of plastic and the municipal authority are the prescribed authority for enforcement of the provisions of these rules relating to the use, collection, segregation, transportation and disposal of the plastic waste.

As an initiative in the State, use of plastic carry bags of less than 40 microns is prohibited and the carry bags of higher thickness are priced in order to discourage the usage. Further, the State Government has banned use of plastic in selected places like National Parks, religious places, important parks, etc. To ensure compliance to the above Rules, the State Level Advisory Body has been constituted under the chairmanship of the Principal Secretary, Urban Development Department to monitor the implementation of these Rules.

Recycling of carry bags has been encouraged and the plastic waste collected at the municipal landfill sites are being encouraged to be sent to cement kilns as fuel.

**e-Waste Management:**

The Karnataka State Pollution Control Board has authorized 48 units for recycling and dismantling of e-waste of capacity 37921 MTPA. These recyclers help in reduction of waste to the landfill sites and re-use and recovery of resources.

**Bio-Medical Waste Management:**

The Bio-medical waste generated from the Health Care establishments are being monitored in accordance with the provisions of the Bio Medical Waste (Management & Handling) Rules. The Board has identified 26,927 health care establishments in the State. It is estimated that 83.61 Tons per day of biomedical waste is generated in the State. About 78.86

Tons of waste per day is incinerable, which are either sent to 18 common bio-medical waste treatment facilities in the State are disposed in the 12 captive incinerators. There are 6893 hospitals and nursing homes in Bangalore alone producing 15.26 TPD bio-medical waste, which is huge for the city. In order to treat this 15.26 TPD bio medical waste, three common Bio-Medical Waste treatment facilities have been established.

**Municipal Solid Waste Status and Management:**

The Municipal solid waste is being managed in accordance with the provisions of Municipal Solid Waste (Management & Handling) Rules. Efforts are being made to manage the waste scientifically. Recycling and conversion of waste for useful purpose is encouraged by way of promoting composting/vermi-composting/waste to energy etc. Out of 219 local bodies in the State, 213 urban local bodies have established landfill sites. Only about 5% of waste are converted, composted and other useful purpose. Increasing the percent of usage of waste is a challenge that the urban local bodies have to face and succeed in the interest of environment protection. Safe disposal of construction debris without mixing with the municipal solid waste is another aspect the urban local bodies have to attend on top priority.

Scientific disposal of slaughter house waste is another sector which requires priority. In order to achieve this, modern abattoir is planned in major cities of the State. Proposal of establishing such modern abattoir at Harohalli for Bangalore City and 12 other towns is to be executed in a time bound manner by the local bodies.

KSPCB is the first Board to frame guidelines on (1) Buffer zone/No development Zone around landfill site (2) Municipal Solid Waste Management in big campuses/universities (3) Management of construction debris waste and (4) siting of slaughter Houses.

**Status of Landfill Sites and its implementation in Karnataka**

<b>Status</b>	<b>Number</b>
Landfill site in Possession	213
Urban Local Bodies having common landfill sites (Vijayapura TMC in landfill of Devanhalli TMC,Ullala TMC in landfill of Mangalore City Corporation and Saligrama TP in landfill of Udupi CMC)	03
ULBs which are yet to procure landfill(TMC Kumta and TMC Dandeli)	02
ULBs in which basic infrastructure at landfill sites are developed	180
ULBs in which sanitary landfill facilities are developed	13
ULBs in which composting facilities are constructed/ being constructed	70
ULBs in which Door to Door collection of waste is carried out partially in few wards	205
ULBS in which segregation is started partially in some wards	106

As per Directorate of Municipal Administration:

**Ozone Layer Protection:**

The 1987 UN Montreal Protocol outlawed chloro fluoro carbon gases (CFCs) that erode Earth's ozone layer, which protects the planet from cancer-causing solar rays. Further expansion of the Antarctic ozone hole has been halted, but full recovery is not expected until mid-century or later. Usage of CFCs is therefore discouraged.

**8.4.2 Lake Development Authority (LDA):**

The Lake Development Authority, since its inception, has rejuvenated and developed four lakes of Bangalore namely Nagawara, Vengaiahna kere, Lalbagh and

Jaraganahally lakes at a cost of Rs. 13.14 crores. In other districts namely Belgaum, Gadag, Hassan, Gulbarga, Haveri, Davangere, Chickamagalur, Bidar, Tumkur and Ramanagara districts 10 lakes have been rejuvenated at a cost of Rs. 50.46 crores under the National Lake Conservation Programme. The Lake Development Authority has also taken up the survey & demarcation of 158 lakes in BIAPPA areas at a cost of Rs. 50.62 lakh and water analysis for 86 lakes has been done at a cost of Rs. 50.39 lakh during 2009-10 in Bangalore Urban District. The LDA has implemented NLCP and NWCP in the state for conserving various lakes and wetlands.

**Table 8.16 List of lakes covered under National Lake Conservation Programme.**  
(Rs. in lakh)

Sl. No.	Name of the Lake	Approved
1	Vengaiahnakere Lake, Bangalore	212.21
2	Jaraganahalli Lake, Bangalore	335.82
3	Nagawara Lake, Bangalore	600.00
4	Lalbagh Lake, Bangalore	166.00
5	Kotekere Lake, Belgaum	564.09
6	Bhishma Lake, Gadag	250.00
7	Sharanabasaveshwara Lake, Gulbarga	488.00
8	Kundawada Lake, Davanagere	340.64
9	Tripuranthakeshwara Lake, Bidar	463.50
10	Kotetavarekere Lake, Chickmagalur	364.00
11	Akkamahadevi Lake, Hassan	264.00
12	Channapatna Lake, Hassan	497.10
13	Amanikere, Tumkur	1336.73
14	Gowramma & Hombalamma lakes in Magadi town, Ramanagar Dt.	477.46
<b>Total</b>		<b>6360.55</b>

**Note :** In addition to GOI approval of Rs. 364.00 lakh for the Integrated development of Kotetavarekere lake at Chikkamagalur, the GOK has released Rs. 66.00 lakh additional grants for the project under Budget Head 3435-03-003-0-14 LDA 139 major works, to meet the actual tender cost of Rs. 430.00 lakh.

**Table 8.17 List of Lakes taken up under National Wetland Conservation Programme**  
(Rs. in lakh)

Sl.No.	Name of Wetland	Amount released by MoEF
1	Bonal Wetland, Yadagir	36.22
2	Gudavi Wetland, Shimoga	73.93
3	Magadi Wetland, Gadag	57.40
4	Ghata Prabha Wetland, Gokak	7.02
5	Hidkal Wetland, Belgaum	10.32
6	Ranganathittu Wetland, Mysore	32.85
<b>Grand Total</b>		<b>217.74</b>



**Table 8.18 List of Lakes taken up for development under State grants during 2009-10 to 2010-11 and continued during 2014-15. (Rs. in lakh)**

Sl.No.	Name of Lakes	Project Cost	GOK Share
1	Kukkarahalli Lake, Mysore	437.00	100.00
2	Dalvoy Lake, Mysore	317.00	117.00
<b>Total</b>		<b>754.00</b>	<b>217.00</b>

The following lakes are proposed for development under National Lake Conservation Programme during 2014-15 and the estimated costs of the projects are as under ( the estimate costs of the

previous year have been revised by the concerned Deputy Commissioners / Implementing Agencies for the lakes shown at Sl. No 2,3 and 4 during 2014-15).

**(Rs. in lakh)**

Sl. No.	Name of the Lake	Estimates approved
1	Hirekere lake, Dharwad	1310.00
2	Jagaluru lake, Dhavanagere	1550.00
3	Anugola lake, Belgaum	730.35
4	Ayyanakere lake, Dhavanagere	932.00
<b>Total</b>		<b>4522.35</b>

The LDA during 2012-13 has taken up the development of lakes under Government of Karnataka Fund and Local Bodies Fund.

and the implementation of the projects are also continued in the year 2014-15.

**(Rupees in lakh)**

Sl. No.	Name of the Lake	Project Cost	Place	GOK Share	Remarks
1.	Doddakere	173.00	Sakaleshpura, Hassan District	128.75	Out of Rs. 173.00, GOK/LDA share is Rs. 128.75 and Rs. 43.25 is local body shares in 75:25 ratio.
2.	Bailahongala	100.00	Bailahongala, Belagavi District	75.00	Out of Rs. 100 .00 GOK/LDA share is Rs. 75.00 and Rs. 25.00 is local body shares in 75:25 ratio.
<b>TOTAL</b>		<b>273</b>		<b>204.75</b>	

During 2012-13 for the above mentioned 6 wetlands (namely, Bonal, Magadi, Gudavi, Ghataprabha, Hidkal and Ranganathittu /Gende Hosahally), a fresh APO's has been prepared and the components proposed were discussed in the State level Steering Committee and forwarded to MoEF, GOI for approval for an amount of Rs. 106.494 lakhs. Out of which the proposal for Ranganathittu wetland only was approved for Rs. 24.00 lakh and released the grants during March 2013. The sanction for the remaining proposals is still anticipated from the Central Government.

Under the Budget Head 3435-03-003-0-13 LDA 139 major works, the GOK allocated RS. 200.00 lakhs for development of lakes under National Lake Conservation Programme (NLCP) at the ratio of 70:30 (Central:State) for the year 2014-15. Accordingly, 2 proposals received from the concerned Deputy Commissioners /Implementing Agencies of the different districts, have been already submitted to GoK for onward submission to MoEF, and the remaining 2 proposals shall also be submitted to MoEF, through GoK after the scrutiny of the DPR's by the Technical Committee of LDA.

The GoK has made allocation of grants Rs. 456.43 lakhs to LDA for the year 2014-15 under the Budget Head 3435-03-003-0-14 LDA 139 major works. Out of which Rs. 326.00 lakhs reserved for Salaries and Allowances and Administrative Expenses, Rs. 16.00 lakhs reserved for protection and maintenance of Agara lake and as per decisions of the Empowered Committee meetings of LDA held during the year 2013-14 and 2014-15 and amount of Rs. 54.43 lakhs reserved for "Inventorisation of water bodies in Bangalore Metropolitan Region" by M/s. EMPRI, Bangalore and Rs. 60.00 lakhs reserved for construction of "Protection Wall" at Madival lake, Bangalore by the Karnataka Forest Department.

The amount of Rs. 25.00 lakhs also released under the Budget Head 3435-03-003-0-14 LDA 139 major works, to the Deputy Commissioner, Gadag District, Gadag to take up the additional works proposed by the Deputy Commissioner, Gadag around the statue of Shri. "Jagajyothi Basaveshwar" installed at the Bhishma lake premises, as per the decision of the Empowered Committee meeting of LDA held on 06.08.2014, in anticipation of the savings during the year 2014-15 under this head.

#### **8.4.3 Karnataka Biodiversity Board**

Karnataka Biodiversity Board was established vide section 22 of Biological Diversity Act 2002, by Government of Karnataka on 01.08.2003.

Main objectives of the board are:

1. Implementation of Biological Diversity Act 2002 and Karnataka Biological Diversity Rules 2005.
2. Conservation Biological Diversity.
3. Promotion of in-situ and ex-situ conservation of biological resources, incentives for research, training and public education to increase awareness with respect to biodiversity.
4. Planning schemes and programs for the sustainable utilization of Biological Diversity

#### **Activities and performance of the board**

##### **1. Constitution of Biodiversity Management Committees (BMCs):**

As per section 41 of Biological Diversity act 2002, every local body shall constitute a Biodiversity Management Committee with its area for the purpose of promoting conservation, sustainable use and documentation of Biological Diversity. Till date 4467 BMCs have been formed at Gram Panchayat level, 103 BMCs at Taluk Panchayat level and 14 BMCs at Zilla Panchayat level.

**2. Awareness and Training Programs:**

The Biodiversity awareness training program to Government employees, University students, teachers, Non Government Organizations, panchayats members and general public is being conducted throughout the state. Till date 316 training programs have been conducted.

**3. People's Biodiversity Register (PBRs):**

PBR is a panchayat level register that documents local biodiversity and local

community knowledge on biodiversity including its conservation and traditional uses. The PBRs are prepared in various districts at Gram panchayat level. PBRs are prepared both in Kannada and English. The PBR will help in opposing patenting and other legal matters. Till date 305 PBRs in different BMCs have been prepared.

**4. Declaration of Heritage sites:**

Karnataka Biodiversity Board has declared the following as heritage site under section 37(1) of Biological Diversity Act 2002.

Sl. No.	Location	Taluk	District	Extent	Remarks
1	Nallur	Devanahalli	Bangalore(R)	53 acres	400 years old unique Tamarind grove.
2	Hogrekhan	Kadur	Chickmagalur	2508.15 acres	Biodevrsity rich area and a crucial link in the western ghat ecosystem with Bababudanagari and Kemmanagundi.
3	GKVK, UAS,	Bangalore	Bangalore(U)	167 ha.	Site of urban Biodiversity
4	Ambaragudda	Sagar	Shimoga	3857.12 acres	Natural Biodiversity heritage site.

**5. Declaration of Heritage Trees:**

Karnataka Biodiversity Board has initiated a programme to identify certain trees in various districts which are unique, historical and have high significance. The same are being declared as heritage trees.

Till date board has recommended 10 trees across the state to consider for heritage tree status.

**6. Research Projects/ Studies of the Board:****a) The following Research /Studies are approved by the Board.**

Sl No	Name of the Project	Name of the Organization
1.	Project on Protection, Conservation and Cultivation method for Wild Banana in Kodagu District.	Dept. of Microbiology, Mangalore University, Madikeri.
2.	Establishment of Herbarium and Botanical Museum of the plants of Western Ghats. Survey Identification and preparation of report on sacred groves in Coastal and Western Ghats region. (Cost of the project Rs. 24.00 lakhs per year for 5 years)	Pilukula Nisarga Dhama Society, Science Centre.

<b>Sl No</b>	<b>Name of the Project</b>	<b>Name of the Organization</b>
1.	Floristic diversity, Ecological Uniqueness and conservation strategies of riparian flora of Netravati river system in Western Ghats range of Dakshina Kannada. (Total Cost of the Project Rs. 82,000)	Director, Centre for Conservation Biology and Sustainable Development, Sirsi
2.	Project on Baseline profiling of Cultural-Heritage Biodiversity Resources in selected Eco-zones of Karnataka. (Total cost of the project Rs.5.00 lakhs)	IINDICUS, Tarikere, Chickmangalore district
3.	Preparation of Documentary Film on Biodiversity of Karnataka.	Shramajeevi Agri Films, Bangalore
4.	Developing of a Web-Based Atlas depicting the spatial patterns of Biodiversity of Karnataka.	Ashoka Trust for Research in Ecology and the Environment, Bangalore
5.	Project on integrated ecological carrying capacity of Uttar Kannada district.	C.E.S, IISC Bangalore.
6.	Research project on Genetic diversity studies of the Mango Plantation in Kirugavalu village of Malavalli taluk, Mandya district. (Total Cost of the Project 3.22 lakhs Amount released Rs. 32,000/-)	Dr. R.Nandini, Asst. Prof. GKVK, Bangalore
7.	In-situ conservation of biodiversity in dry zone districts of Karnataka	FRLHT / IAIM, Bangalore
<b>b) The following are ongoing projects:</b>		
1	A study on the relation between dispersal requirements of cross-pollinated host trees and dominance hierarchy in bird guilds visiting such trees in the tourism zone of BRT Tiger Reserve	JLR, Bangalore
2	Mapping network of procurement of select plant bio resources	EMPRI, Bangalore
3	Conservation and utilization of deep water Rice Genetic resources of the Varada river course in the Western Ghats of Karnataka State	University of Agricultural Sciences, Dharwad
4	Assessment of population status and removal of bio resources in forests with special emphasis on Medicinal Plants in Karnataka	KBB, Bangalore
5	<b>UNEP - GEF MOEF ABS Project:</b> Karnataka Biodiversity Board is implementing the UNEP-FEF-MOEF ABS Project sponsored by Ministry of Environment and Forest, Government of India from October 2014. The main objective of the project is to identify the potential bio resources for ABS agreement, Formation of Biodiversity Management Committees and Preparation of PBRs.	KBB, Bangalore

### **7. Survey of Bio industries and Utilization of bio resources:**

Action was initiated to collect the information of bio resources from bio industries with the involvement of Karnataka Indian Medicine Manufacturers Association (regd). The information has been collected. A report on Bio industries and use patterns of Bio resource has been prepared and sent to Government of India (National Biodiversity Authority). Till date 152 companies filed the Form-1 applications.

### **8. News Letter:**

Karnataka Biodiversity Board has started a News letter by giving details of important activities of the Board and articles from various sources on various issues relating to Biodiversity. The 1st quarterly Newsletter was released in programme attended by various dignitaries including the Chairman, National Biodiversity Authority, and Government of India. So far 12 issues have been released.

### **9. Biodiversity Award:**

Biodiversity Board has instituted total 11 biodiversity awards in General category and Agro-Biodiversity awards i.e. vegetable, Cereal, fruit and animal diversity. The biodiversity Award is given for excellent work in conservation and sustainable utilization of biodiversity. The Award is given to individuals, Educational Institutions, Non Government Organisations, Boards and Corporations.

### **Award from National Biodiversity Authority:**

National Biodiversity Authority and Government of India has conferred The Best Biodiversity Board Award in India to Karnataka Biodiversity Board for the year 2009-10, for the overall performance of the Karnataka Biodiversity Board in implementation of Biological Diversity Act 2002 and planning Schemes and programs for Sustainable utilization of Bio-resources.

### **Details of Publications of Karnataka Biodiversity Board:**

1. Karnataka Biodiversity Act and Rules handbook in Kannada and English.
2. PBR Guidelines.
3. Model PBR – 5 villages.
4. Hand book on formation of BMCs.
5. Karnataka Biodiversity Board Broucher (English & Kannada)
6. Training Materials on Awareness Training (Kannada & English)
7. Survey Report on Coastal Biodiversity of Karnataka.
8. Survey Report on Biodiversity of Nethrani Island.
9. Karnataka State Biodiversity Strategy and Action Plan (KSBSAP).
10. Bird Diversity in Tamarind Grove, Nallur, Devenahalli taluk, Bangalore
11. Malenadige Baa – Kuvempu Memorial Bio Park
12. Trees in Ancient Indian Literature.
13. Synoptic notes on various aspects of Biodiversity Act & Rules. (1 to 8)
14. Quarterly News Letter on Biodiversity.
15. Proceeding of workshop on documentation of local traditional knowledge.
16. National Seminar on Plant Resources of Western Ghats
17. Collection of articles on Biodiversity - Samruddi
18. Proceedings of workshop on Coastal Biodiversity.
19. Research finding into the peculiar features and the complex biodiversity in the Tamarind Grove.
20. Biological Diversity Act – In a Nutshell.
21. Karnataka Biodiversity Vision 2020
22. Biodiversity of Karnataka at a glance,



23. Survey of Bio-industries using Bio-resources in Karnataka

24. Performance of Karnataka Biodiversity Board.

#### **8.4.4 Environmental Management Policy & Research Institute(EMPRI):**

EMPRI is an autonomous society established under Forest, Ecology & Environment Department, Government of Karnataka and registered under Karnataka Societies Registration Act, 1960 on 17th September, 2002. The Institute undertakes scientific research, policy research and offers training on concurrent environmental issues relevant to the society, industry and Government.

##### **1.Capcity Building Programmes:**

Capacity building is a thrust area of EMPRI. The institute conducts need based training programmes on various environmental related issues viz. Solid Waste Management, Climate Change, Lake Conservation and Management and training and workshops on research projects and such other issues of current relevance. EMPRI has developed linkages with several agencies, industries and NGO's working in related fields and intends to extend the collaboration process with eminent and reputed agencies. The details of the training programmes are furnished below.

##### **1.1. Solid Waste Management Training:**

Solid waste is the unwanted or useless solid materials generated from combined residential, industrial and commercial activities in a given area. In order to facilitate the staff of BBMP in Solid Waste Management, EMPRI has planned to organise 20 programmes in Solid Waste Management. Renowned resource persons are engaged in imparting training. The target participants of the programme are Environmental Engineers, Senior Health Inspectors, Health Inspectors, Powra Karmikas of all the 8 Zones of BBMP and

members of Stree Shakthi Groups. The object of the training is:

- To understand the waste management policies and legal framework on Solid Waste Management.
- To understand the waste management cycle involving collection, transportation, segregation, treatment and disposal.
- To explain the innovation and technologies available and addressing the best practices on Solid Waste Management.
- To sensitize the participants to develop knowledge, skill and attitude to efficient management of waste.
- To explain the steps involved in field implementation of solid waste management and to derive solid waste as an alternative energy sources.

So far 9 programmes have been organized thereby training 374 participants.

##### **1.2. Climate Change:**

The Centre for Climate Change at EMPRI has mandate to prepare State Action Plan on Climate Change periodically. Karnataka State Action Plan on Climate Change – 1st Assessment was prepared by the Centre during 2012, covering key sectors like Agriculture, Animal Husbandry, Water Resources, Biodiversity, Forestry, Urbanization and Health. The KSAPCC has also proposed action plan for every sector as roadmap for the concerned state departments. The state action plan has identified over 200 action items including 31 categorized as priority actions. Training and capacity building of stakeholders for main streaming of climate change programmes is an important action item identified in the KSAPCC.

The training and capacity building initiative under climate change programmes would have the following objectives.

- a. Build knowledge of basic climate change science

- b. Build basic understanding of climate change impact on work areas of concerned departments.
- c. Review of the KSAPCC by the respective sectors in line with mitigation and adaptation practices.
- d. EMPRI to record valuable ideas from each programme for using forthcoming programmes and also as input for subsequent revisions of the Karnataka SAPCC.
- e. Appointment of a nodal officer in each department to co-ordinate climate change activities.

It proposed to organise 16 trainings/workshops for the year 2014-15. So far 2 workshops have been organized during September 2014.

### **1.3. Lake Conservation and Management :**

To create awareness on the importance of lakes, conservation and management, EMPRI has planned to organize 12 trainings of 01day each for the year 2014-15. The target participants for this programme would be the people representatives, tank users groups, non-government organizations and general public.

### **1.4. Training Workshops on Research Projects:**

It is proposed to organise 12 training workshops on various research projects such as (i) e-Waste (ii) Water Safety Plan and (iii) Lake Conservation for the year 2014-15.

## **2. Environmental Research:**

### **2.1 Water Safety Plan for Bangalore – A quality based approach to water supply service delivery:**

Hazardous events in the Stage-I and Stage-III Cauvery drinking water supply system and in distribution system of Ward No. 90 & 91 were assessed. Totally 820 hazardous events were identified with 149 very high risk hazardous event based on the semi-

quantitative risk matrix. For each hazardous event the control measures were determined to mitigate and prevent the ingress of contamination in the water supply system. Developed control measures were implemented based on the priority and the same has been monitored and validated by the BWSSB staffs. Control measures also focus on the training of water supplier officials and create awareness on the water handling and hygienic practices. Report was released by Additional Chief Secretary of Department of Forest, Ecology & Environment and Urban Development Department on 6th August'2014 and the same has been submitted to the funding agency and stakeholders to implement the control measures for supply of safe drinking water to the community.

### **2.2 Evolving Sustainable Conservation Strategies for Waterbodies of Mysuru-Nanjangud Local Planning Area:**

To study the current status of the lakes/water bodies' series and to address the issues related to water bodies and to develop strategies to abate the current threats and give an action plan to mitigate the water scarcity problem, the Environmental Management and Policy Research Institute (EMPRI), has initiated a study entitled "Evolving sustainable Conservation Strategies for the Water bodies of Mysuru – Nanjangud Local Planning Area' from Jan, 2014 with a time frame of one year under the financial assistance from Centre for infrastructure, Sustainable Transport and Urban Planning (CiSTUP), IISc. Bangalore.

The present study area encompasses of two talukas of Mysuru District covering southern part of the Mysuru city, corridor of Mysuru-Nanjangud of Mysuru taluk and Nanjangud taluk. The entire study area comprise of 55 villages from two Talukas, in which, 35 villages of KasabaHobli, VarunaHobli, JayapuraHobli and Mysuru City Corporation are coming in the MysuruTq of the study area. Whereas, 20 villages of Chikkaiahnachatra Hobli and

Kasaba Nanjangud Hobli are coming in the NanjangudTq of the study area, in which 105 waterbodies are inventorized in the study area.

The waterbodies which were assessed witness many changes in landuse, encroachment in urbanization centre for development activity and in rural area for cultivation, pollution load due to dumping of organic and garbage wastes on the bunds which are carried into the surface through runoff water, filled by weeds like water hyacinths and others, burning of wastes on the bunds, agriculture runoff, foreshore area used for bathing and washing, inflow of sewerage. The breaching of bunds due to expansion of roads, soil excavation, destruction of natural drains, waste wires etc. Presently the study is in progress as per the objectives of the study.

### **2.3 Inventorisation of waterbodies in the Bangalore Metropolitan Region:**

The work entails GPS mapping of water spread area and an analysis of village maps, topo sheets and satellite images. Water

quality, flora and fauna is being recorded as indicators for the present work and as repository for the future. With the information collected, Lake Health Report Cards are prepared for every lake. These outline the present status of the water body side by side with recommendations for its conservation. Apart from LDA, the project co-ordinates with gram panchayats, Bangalore Development Authority (BDA), Bangalore Water Supply and Sewerage Board (BWSSB) and Bruhat Bangalore MahanagaraPalike (BBMP).

Under the financial assistance of the Lake Development Authority (LDA) the EMPRI has taken-up a project entitle as above. The key objective of this study is to identify all the waterbodies (kere, kunte and katte) coming under the Bangalore Metropolitan Region and to inventory along with their status and prepare a comprehensive database. The study area i.e. Bangalore Metropolitan Region has a total extent of 8005 km<sup>2</sup> consisting 2862 villages of Bangalore Urban, Bangalore Rural and Ramanagara districts.

<b>Sl. No</b>	<b>Study Areas</b>	<b>Talukas</b>
<b>1</b>	Bangalore Urban	Bangalore North
		Bangalore East
		Anekal
		Bangalore South
<b>2</b>	Bangalore Rural	Nelmangala
		Dodaballapura
		Devanahalli
		Hoskote
<b>3</b>	Ramanagara	Kanakapura
		Channapatna
		Ramanagara
		Magadi

Presently the study is in progress as per the objectives.

#### **2.4.1 Karnataka State Action Plan on Climate Change:**

Climate change is considered the most serious global challenge of date. Changes in the atmosphere have been detected that could drastically alter the climate system and the balance of ecosystems. Atmospheric changes are linked to an increase in greenhouse gases (GHGs), chiefly on account of anthropogenic releases attributed to fossil fuel consumption, land use changes and deforestation, agriculture and animal husbandry. Research has established that carbon dioxide (CO<sub>2</sub>) levels in the atmosphere have risen by 35% since the pre-industrial era. For South Asia, a decrease in the fresh-water availability in river basins is projected for the 2050s while flooding risks and diarrhoeal diseases are expected to rise.

India responded to the challenge of climate change in 2008 with the National Action Plan on Climate Change (NAPCC). It sets out the pursuit of development goals that offer growth with long-term “climate change co-benefits”. Through eight sectoral missions, the NAPCC focuses on key sectors impacted by or impacting climate change, including agriculture, water, forestry, energy and urban planning. In furthering its objectives, the states were asked to prepare State Action Plans on Climate Change (SAPCCs) These should keep in view the creation of an implementation framework for the NAPCC and its alignment with specific development priorities by duly considering impacts, vulnerabilities and adaptation needs. In view of this, Government of Karnataka (GoK) formed a Coordination Committee as interdepartmental facilitator. The preparation of the Karnataka SAPCC was assigned to Environmental Management & Policy Research Institute (EMPRI), an autonomous body of Department of Forest, Ecology and Environment.

#### **2.4.2 Climate trends**

Karnataka's annual rainfall is 1,151 mm on an average. Around 80% of it is received during the southwest monsoon, 12% in the post monsoon period, 7% during summer and 1% in winter.

As per the Final Report of the Karnataka Climate Change Action Plan there is a declining trend in rainfall during the southwest monsoon: -1 mm per day per 100 years or 6% in 50 years. India Meteorological Department (IMD) by contrast holds that its own data is indicative of a slight rise in annual precipitation. Projections made for the period 2021 to 2050 under a SRES A1B scenario predict a decline in annual rainfall for the south-western and north-eastern regions of the state. A wide region from the north-western part of the state including the coastal districts to the south-east is projected to see significant increases.

A warming trend in Karnataka has been observed for the period June to September in northern interior Karnataka. Both minimum and maximum temperature was found to have risen by up to 0.6°C over the last 100 years. According to projections made (SRES A1B scenario), average temperatures may rise further by 1.7°C to 2.2°C by the 2030s. Projected increases are more pronounced in the northern districts. As per the Final Report of the Karnataka Climate Change Action Plan, overall reduced precipitation and continuous warming is a possible, perhaps most probable, scenario for Karnataka. It is predicted that regions that already witness less rainfall and higher temperatures, such as northern Karnataka, will further experience lesser rainfall and increases in average temperatures.

Funded by Department of Ecology and Environment, Environmental Management and Policy Research Institute, Bangalore has prepared a Karnataka State Action Plan on Climate Change (KSAPCC)- 1st Assessment and submitted to the



Government of Karnataka for their approval. GoK has approved the report and forwarded to Ministry of Environment and Forests, GoI for their endorsement. While appreciating the report, GoI requested GoK to furnish incremental budget requirement for implementing the action plan proposed in the report along with the detailing of the entry points activity mention in the report. Accordingly, KSAPCC is revised and resubmitted to Government of Karnataka. The estimated budget proposed for the action plan is Rs.7,000 Cr. Currently the report is approved by the technical committee of Ministry of Environment & Forest and communication in this regard is awaited.

### **2.5 Green GSDP Accounting for Agriculture, Water and Forestry; Methodological Issues:**

This study has been commissioned by Karnataka State Statistical Development Agency under the aegis of Department of Planning, Programme Monitoring and Statistics, GoK as precursor to developing a framework for the Natural resource accounting in the state. The study focuses on the methodological issues pertaining to the agriculture, water and forestry sectors. The document deals with the issues related to quantification and valuation of depletion and degradation of environmental resources in these sectors. An attempt has been made to estimate adjustments to GDP to account for the depletion and degradation of natural resources in the selected sectors. The study is important as it endeavour to create a framework for environmental accounting and identifies various methodological issues and gaps in data. The study has been completed and the report is submitted to the Government of Karnataka.

### **2.6 Market survey of re-usable e-products and recycled e-components:**

The Forest, Ecology & Environment Department, Government of Karnataka has entrusted EMPRI to conduct a study on

“Market survey of re-usable products and recycled e-components” Market survey of Reusable and Recycled e-products looks at how e-Waste is a source of raw material which can and should be put back into manufacturing. More so, the life of components / equipment's can be extended through retrieval and repair. The report is based on studies carried out in Bangalore and tracks the generation of e-Waste, its flow, processes involved for retrieval and recycling and its impact on environment and livelihood. The report includes findings of survey carried out with government departments, producers, bulk waste generators, the retail sector, recyclers and small enterprises involved in supporting repair and refurbishment systems.

Attempts are made to document the flow of e-Waste from generator to the recycler. As observed from KSPCB records in January, 2014, there are 34 authorized recyclers who collectively have a capacity to recycle 37,000 metric tonnes per annum. The stakeholders considered and thoroughly studies and analyzed for issues and challenges are (i) Producers (ii) Bulk generators (iii) Government Departments (iv) Public Sector banks (v) Domestic Sector (vi) e-Waste Recyclers (vii) Informal Sector (viii) Retail Sector and (ix) Online auction portals. The report looks in detail at inefficient collection systems employed which results in e-Waste slipping into the informal sector, who are not authorised to carry out dismantling and recycling activities.

Another problem is with the retail section that encourages customers to exchange their old equipment for new products. E-Waste collected during such exchange offers are seen to be going through vendors to the informal sector. The report brings out serious violations and failures to comply with the e-Waste Management and Handling rules, 2012. India has impressive legislation, especially with regard to environmental laws. This has wide acceptance both in India and across the



world.

Issues and challenges at the stakeholder's level were identified in lines with objectives taken up and accordingly suitable recommendations have been indicated towards better management of e-Waste in Bangalore. One day workshop was conducted inviting various stakeholders and experts – producers, recyclers, Karnataka State Pollution Control Board. Thereafter, the report was finalized and submitted. Recommendations from this report on the way forward will be useful for government and other stake holders such as bulk waste generators, the retail sector and even the individual consumer.

### Outreach activities:

### Environmental Information System (ENVIS):

Ministry of Environment and Forests (MoEF) has notified EMPRI as the nodal agency for ENVIS in Karnataka and has the responsibility of running the ENVIS Centre from 01-01-2009.

Following are the components of Karnataka ENVIS Centre:

- **Indian State level Basic Environmental Information Database (ISBEID):**

An environment related database on 17 modules are accessible in the <http://www.isbeid.gov.in/>.

- **ENVIS website:**

Latest news, upcoming events, publications, glossary and other environment related information can be accessed in the link [www.karenvis.nic.in](http://www.karenvis.nic.in).

- **ENVIS newsletter:**

29th, 30th, 31st, 32nd and 33rd issues of 'Parisara Newsletter' have been published and can be accessed in the website [www.karenvis.nic.in](http://www.karenvis.nic.in).

- **Library:**

The library of EMPRI comprises of more than 2000 titles. During the year 200 titles were added.



### 2.7 National Green Corps (NGC):

During 2014-15, the National Green Corps (NGC) is being implemented in 4,388 Government High Schools, 2,586 Aided High Schools and 1,526 Government Higher Primary Schools, in total 8,500 schools, across the state, by providing an annual financial assistance of Rs.2,500/- to establish and run the eco-clubs. The programme aims at forming and running eco – clubs in schools, to inculcate love and concern for environment in young minds. As per the decision taken in State Steering Committee meeting conducted on 29-4-2014 it was agreed that school visits of at least 40 schools must be conducted. Out of which 41 school visits are over.

Apart from school visits in 12 districts, 174 teachers were trained in the workshops conducted at the end of November, 2014 in five districts as detailed below. The teachers were trained on various activities related to eco club, which includes filling up of the annual report in prescribed format and also giving them fair ideas to keep the activities of eco club in full swing.

Sl. No.	Name of the District	Number of Schools Visited	No. of Teachers trained where workshop was held
1	Davanagere	-	30
2	Chamrajnagar	3	33
3	Kodagu	2	39
4	Yadgir	4	36
5	Raichur	4	36
6	Bangalore (Urban)	5	-
7	Ramanagar	4	-
8	Bangalore (Rural)	5	-
9	Chikkaballapur	4	-
10	Mandya	4	-
11	Chitradurga	1	-
12	Mysore	5	-

### 2.8 Evaluation of Bio-Medical Waste Management Training:

As per the decisions taken in the 34th General Body of the EMPRI, evaluation of the training conducted on Bio-Medical Waste Management in selected 8 districts viz., Belgaum, Dharwad, Raichur, Bellary, Tumkur, Mandya, Mysore and Bangalore Urban Districts has been taken up during the year 2014-15. In this regard a meeting was conveyed by EMPRI to finalize the study.

The M.S. Ramaiah Medical College team has designed the evaluation process and tool. The EMPRI has conducted a workshop for the identified team members i.e. Principal Investigators and Co-Investigators from the Medical College of each district. So far evaluation work has been completed in 6 districts and the

information compiled has been sent to M.S. Ramaiah Medical College for analysis.

### 8.4.5 COASTAL REGULATION ZONE MANAGEMENT:

The coastal stretches up to 500 metres from the HTL towards the landward side all along the coast, area up to 12 nautical miles in the sea, river, creeks, bays, estuaries and backwaters up to a point till the tidal influence is felt and the land on either side of these tidally influenced water bodies up to a maximum of 100 metres is declared as "Coastal Regulation Zone" as per the MoEF Notification No. S.O. 19 (E) dated 6th January 2011 which was issued supersession of Notification No.S.O.114(E) dated 19.2.1991. The coastal stretches so declared as CRZ have been classified into 4 zones, viz., CRZ-I, CRZ-II, CRZ-III and CRZ-IV based on the ecological sensitivity and

the land use pattern. Norms for regulation of activities in these zones and the institutional mechanism for enforcement of the provisions of this notification have also been built in.

Karnataka State Coastal Zone Management Authority has been constituted under the chairmanship of the Principal Secretary to Government, Department of Forest, Ecology and Environment for ensuring compliance to the provisions of CRZ Notification.

Karnataka State Coastal Zone Management Plan which was prepared in accordance with the provisions of CRZ Notification, 1991 is being revised in accordance with the provisions of CRZ Notification, 2011. Demarcation of High Tide Line (HTL), Low Tidal Line (LTL) and other regulatory lines

have been demarcated by the National Hydrographic Office (NHO), Dehradun which is authorized by the Ministry of Environment and Forests, Government of India for this purpose. Draft CRZ maps on the cadastral scale have been prepared and were published for public comments/opinion. The comments/opinions/suggestions obtained are being incorporated in the draft maps. Preparation of Comprehensive Coastal Zone Management Plan for the coastal stretches is under way.

#### **8.4.6 ENVIRONMENT IMPACT ASSESSMENT – A Key to Ensure Sustainable Development**

The Ministry of Environment and Forests, Government of India in exercise of the powers conferred under section of the

#### *Coastal Karnataka – A Unique Feature*

*Karnataka is endowed with a coastline of around 320 kms with varied geomorphological features mainly in the form of long beaches intersected by lateritic rocky headlands, spits caused by coast parallel rivers, shallow lagoons, limited mud flats and not so wide estuaries supporting a few backwater canals. Fourteen rivers drain their water into the shore waters of Karnataka. The important estuaries include Netravati-Gurupur, Gangolli, Hangarakatta, Sharavathi, Aghanashini, Gangavali and Kalinadi. Formation of sand bars have been found in most of the estuaries. There are a number of barrier spits at Tannirbhavi, Sasihithlu, Udyavara, Hangarakatta, Kirimanjeshwara formed due to migration of coastal rivers. There are around 90 beaches with varying aesthetic potential. Among these the beaches at Someshwar-Ullal, Malpe, St. Meries Island, Belekeri and Karwar are excellent with potential for international tourism.*

*The Karnataka coast stretches across three districts of Dakshina Kannada (62 km of coastline), Udupi (98 km) and Uttara Kannada (160 km).*

*The settlements in the coastal region of Karnataka consists of 22 urban agglomeration and 1044 villages. The Occupational pressure of the region can be attributed to agricultural activities, aqua culture, fish landing and processing, port maintainancing, mining for lime shell, bauxite and silica sand and coir retting. The coast line noted with a major port at Mangalore and Nine minor ports at Karwar, Belekeri, Tadri, Honnavar, Bhatkal, Kundapur, Hangarkatta, Malpe and Old Mangalore. Besides, there are 110 fish landing centers and 150 fishing villages.*

#### **State Level Environment Impact Assessment Authority (SEIAA), Karnataka**

***Pursuant to the EIA Notification, 2006, State Level Environment Impact Assessment Authority and the State Expert Appraisal Committee were constituted during June 2007 for a period of three years. The Authority and committees were then reconstituted on the recommendations of the State Government.***

***The SEIAA, Karnataka received a total number of 2106 applications since inception upto 3rd October 2013. Out of these applications 2016 applications have been disposed and 90 are pending at various stages of decision making process for want of additional information from the proponents.***

***The Authority has followed a transparent procedure and all their proceedings are posted in the website <http://seiaa.kar.nic.in>.***

***Detailed scrutiny of the proposals with respect to the use of natural resources and the possible impact on the environment is being done. The projects that are considered for issue of Environmental Clearance are imposed with strict conditions to ensure environment safety and sustainable development.***

Environment (Protection) Act, 1986 read with rule 5 of the Environment (Protection) Rules 1986 have issued Notification No. S.O. 1533(E) dated 14th September 2006. Requirement of prior Environmental Clearance have been mandated for the activities that are listed in the Schedule to the notification. Detailed procedure and institutional mechanism has been provided in the Notification. The process of scrutinizing the projects seeking Environmental Clearance comprises of the following four steps.

**i) Screening:** The process of determining whether or not the project or activity requires further environmental studies for assessment of its impact on the environment and to arrive at the mitigative measures.

**ii) Scoping:** The process by which the Expert Appraisal Committees determine detailed and comprehensive Terms of Reference (TOR) addressing all relevant environmental concerns for the preparation of Environment Impact Assessment)

**iii) Public Consultation:** The process by which the concerns of local affected persons and others who have plausible stake in the environmental impacts of the proposed project are ascertained with a view to take into account all the material concerns in the project. Public consultation normally have two components comprising of (a) public hearing and (b) response from the concerned persons having plausible stake in the environmental aspects of project in writing. The opinion, suggestions and the concerns that emerge from the public consultation are to be incorporated in the Environment Impact Assessment Report and the same has to be appropriately addressed.

**iv) Appraisal:** The process of detailed scrutiny of the projects along with relevant details by the expert Appraisal Committee and making categorical recommendations to the regulatory Authority concerned either for grant of Environmental Clearance

on stipulated terms and conditions or rejection of the application together with reasons for the same.

The Regulatory authority concerned viz., the State Level Environment Impact Assessment Authority in the State level for 'B' category activities or the Ministry of Environment and Forests, Government of India at Central level for 'A' category activities takes appropriate decision either to grant or reject Environmental Clearance taking into account the recommendation made by the Expert Appraisal Committees.

The notification also provide for deemed clearance in order to ensure timely decision making by the concerned regulatory authority and to avoid possible hardship to the entrepreneurs in case of undue delay if any.

The notification has built in sufficient provisions to ensure fair and transparent decision making process.

#### **8.4.7 Karnataka State Action Plan on Climate Change:**

Funded by Department of Ecology and Environment, Government of Karnataka (GoK), "Karnataka State Action Plan on Climate Change (KSAPCC) - 1st Assessment" report was prepared and submitted to the GoK and the same was forwarded to the Ministry of Environment and Forests, Govt. of India (GoI). In response, GoI has suggested furnishing incremental budget required for implementing the proposed action plan along with the details of the entry points activity mention in the report. Accordingly, KSAPCC has been revised and resubmitted to GoK. The estimated budget proposed for the action plan is Rs.7000 crore.

### **8.5 WATER RESOURCES**

Irrigation is an important source of raising productivity in agricultural sector. Expansion of both the groundwater and surface water resources has helped to increase the cultivated area under



irrigation in the state over time. The net irrigated area has increased considerably from 13.62 lakh hectares in 1980-81 to 26.43 lakh hectares in 2000-01 and to 34.20 lakh hectares in 2012-13 (**Table 8.19**). Similarly, gross irrigated area which was 16.76 lakh hectares in 1980-81, has increased to 40.07 lakh hectares in 2012-13. The gross irrigated area as percentage of total cultivated area has doubled from 16% in 1980-81 to 34% in 2012-13.

**Table.8.20** presents source wise irrigation for the year 2011-12. Among all irrigation sources, tube wells/bore wells accounted for the highest proportion of 37 per cent of the net irrigated area followed by canals (34%) and dug wells (12%). The share of tanks, which were historically a major source of irrigation, has accounted for about only 5% of the net irrigated area.

### 8.5.1. Irrigation Potentials Created through Major and Minor Irrigation Projects

The surface water (canal) irrigation projects are classified into major, medium and minor irrigation projects based on the cultivated command area generated by them. The irrigation potential (anticipated) has increased by 2.76% in 2014-15. The cumulative irrigation potential under major and medium irrigation projects is expected to reach 29.55 lakh hectares in 2014-15 from 28.51 lakh hectares in 2013-14 (**Table 8.21**). (Only in Major & Medium projects) **Appendix 8.1** highlights irrigation potential created since VII Five Year Plan.

**Table 8.19 - Trends in Irrigated Area in Karnataka (Area in lakh hectares)**

Year	Gross Cultivated Area	Gross Irrigated Area	Net Irrigated Area	Gross Irrigated Area as a % of Gross Cultivated Area
1980-81	106.60	16.76	13.62	16
1990-91	117.59	25.98	21.13	22
2000-01	122.84	32.71	26.43	27
2001-02	116.70	30.89	26.83	26
2002-03	115.32	28.41	27.05	25
2003-04	114.50	27.02	28.38	24
2004-05	128.07	33.28	29.06	26
2005-06	130.27	36.32	29.70	28
2006-07	124.38	36.03	29.46	29
2007-08	128.93	37.89	31.32	29
2008-09	123.68	39.42	32.38	32
2009-10	128.73	40.96	33.91	32
2010-11	130.62	42.79	34.90	33
2011-12	120.59	41.37	34.40	34
2012-13	117.48	40.07	34.20	34

Source: Directorate of Economics & Statistics, GOK



**Table 8.20- Source-wise Irrigation during 2011-12 (Area in lakh hectares)**

Source	Irrigated Area		% share to Net Irrigated Area
	Gross	Net	
Canals	14.73	11.78	34.24
Tanks	1.96	1.78	5.17
Wells	4.75	4.23	12.30
Tube/Bore Wells	15.40	12.78	37.15
Lift Irrigation	1.17	0.90	2.62
Other Sources	3.36	2.93	8.52
<b>Total</b>	<b>41.37</b>	<b>34.40</b>	<b>100.00</b>

Source: Directorate of Economics & Statistics, GOK

**Table 8.21 - Irrigation Potential Created - Cumulative area in lakh Ha**

Source	2012-13	2013-14	2014-15 (Anticipated)
Major and Medium Irrigation	27.43	28.51	29.55
Minor Irrigation (Surface water)	10.51	10.89	10.97
<b>Total</b>	<b>37.94</b>	<b>39.40</b>	<b>40.52</b>

Source: Water Resource Department, GOK.

### 8.5.2. Yearwise allocation and Expenditure on Major & Medium Irrigation Projects:

Expenditure on major and medium irrigation projects was Rs.6527.75 crores for plan and for projects pending approval in 2013-14. The amount of expenditure anticipated in 2014-15 is Rs. 10000.90 crores. Expenditure incurred upto December 2014 was Rs.5923.10 crores (**Table 8.22**). **Appendix 8.2** highlights investment in irrigation projects since 1988-89.

### 8.5.3 Krishna Bhagya Jala Nigam Projects:

The Upper Krishna Project stage I and II has been completed in 2012-13 and completion

report has been submitted to Central Water Commission (CWC). In addition to above Nigam has been entrusted additional projects. The details of ongoing project and estimated cost, expenditure up to December 2014 and Command area and potential created up to December 2014 are given below at **Table.8.23** and **Appendix 8.2** highlights progress achieved in UKP basin.

The estimated cost of additional ongoing project works out to Rs.8534.09 crores. The expenditure incurred upto December 2014 is Rs 3391.77 crore. The potential created up to December 2014 is 44425 Ha.

### 8.5.4 Upper Krishna Project Stage – III

The Krishna Water Disputes Tribunal-II has passed an award in December, 2010

**Table 8.22: Year wise Allocation and Expenditure of Irrigation Sector****(Rs. in crores)**

Year	Allocation	Expenditure
2009-10	3144.08	2787.62
2010-11	4640.17	3394.10
2011-12	6029.25	3930.68
2012-13	6044.27	5294.50
2013-14	8007.36	6527.75
2014-15	10000.90	5923.10 (Upto Dec.2014)

Source: Water Resource Department, GOK.

allocating 177 TMC of water to Karnataka State. Out of this, 130.90 TMC is the share of UKP Stage -III. It is proposed to provide irrigation for 5.30 lakh hectares of command area falling under Bijapur, Bagalkot, Gulbarga, Yadgir, Raichur, Koppal and Gadag districts of Northern Karnataka.

#### 8.5.5. Command Area Development

The Command Area Development (CAD) programme promotes on-farm development works like construction of field channels, land leveling/shaping and realignment of field boundaries, wherever necessary, adoption of Warabandi and construction of field drains etc. In 2014-15 the anticipated expenditure is Rs.533.75 crore, out of which Rs.123.08 crore was spent in 2014-15 upto December 14. The central assistance for Command Area Development Authorities (CADAs) in 2014-15 is anticipated to be Rs. 89.53 crore. In addition, KBJNL, Karnataka Neeravari Nigam Limited (KNNL) and Cauvery Neeravari Nigam Limited (CNL) have been carrying out CADA works with an

anticipated central assistance of Rs. 64.19 crores. The physical progress made by the CADAs is shown in **Table 8.24**.

#### 8.5.6 Karnataka Neeravari Nigam Projects:

**Doodhganga:** Doodhganga Irrigation Project is an interstate project of Maharashtra and Karnataka. The project envisages construction of composite dam across the river Doodhganga near village Asangaon of Radhanagari taluk in Kolhapur District of Maharashtra state. This project would provide irrigation benefits to 44,766 Ha. in Maharashtra state and 15,167 Ha in Karnataka state.

**Hippargi Project:** The barrage works are completed. The works for the lifting systems of two foreshore LI schemes, namely Halyal and Ainapur. The works of Ainapur lifting system and Halyal stage-I & II stage completed. Canal and distributary works are nearing completion. FIC works are under progress.

**Shiggaon LIS:** The Scheme envisages to irrigate 9900Ha by sprinkler and 3600Ha

**Table.8.23 KBJN ongoing Projects**

Rs. in Crores / Area in Ha

Sl. No.	Project Components	Revised Cost	Cum. Expenditure up to December 2014	Command Area (in Ha)	Potential Created up to Dec. 2014
1	NRBC DY 9A( Includes Wadavatti,Arkera)	190.00	144.17	15250	3062
2	Ramthal Lift Irrigation Scheme-Including drip irrigation.	980.00	632.32	38728	14393
3	Sonthe Modified	600.00	244.73	16000	4544
4	Sonna LIS	9.68	9.72	1050	950
5	Rolli mannikeri LIS	22.00	18.61	2450	1650
6	Tegi Siddhapur LIS. (2010)	41.98	42.40	3000	3000
7	Thimmapur LIS (2006)	173.00	132.41	20100	16826
8	Nandawadagi LIS	1530.00	0.00	36100	0
9	Filling of tanks in Bijapur,Bagalkot (2009)	109.00	106.85		
10	Filling of 15 tanks in Bijapur,Bagalkot	325.00	0.00		
11	Filling up of tank- Anachi LIS-	63.80	0.26		
12	Filling up of tank- Sankh LIS-	26.00	0.03		
13	Filling up of tank- Bhuyar LIS-	41.00	0.05		
14	Filling up of tank- Mamdapur,Sarwad,Bableshtar,Bhutnal,Begumtalab&Tidagundi in Bijapur Dt.	197.00	0.00		
15	Manjra Barrages	281.45	254.10		
16	Budhihal-Peerapur LIS	192.00	0.04		
17	NLBC-ERM	3752.18	1806.08		
	<b>Total</b>	<b>8534.09</b>	<b>3391.77</b>	<b>132678</b>	<b>44425</b>

by drip irrigation and tank filling of Shiggaon, Savanur and Hanagal taluks of Haveri district using 1.5 TMC of water. 9900 Ha area of potential is already created and tender is under process for drip irrigation.

**Upper Tunga Project:** It is envisaged to create an irrigation potential of 80,494 hectares in Shimoga, Davanagere and Haveri Districts by utilising 12.24 TMC of water from River Tunga. Canal Distributaries and FIC works are under progress.

**Table 8.24 - Area under Command Area Development Programme in Karnataka**  
(Area in 000' hectares)

Items of work	2012-13	2013-14	2014-15
Construction field irrigation channels	54.195	56.627	10.863
Construction of field drains & leveling	193.471	134.676	27.146
Land Reclamation	27.064	5.363	2.880

Source: Water Resource Department, GOK.

**Basapura LIS:** This project envisages lifting of 1.60 Cumecs of water from River Varada near Basapura village in 2 stages to irrigate 2000 ha. of Land, pertaining to 13 villages of Hangal Taluk, Haveri District. An allocation of 0.60 TMC of water for utilisation is provided for this project by the Krishna Water Tribunal. The project is transferred to KNNL during August-03. Presently, Stage I work of Electro-Mechanical Components & other head works canal works is completed. Stage-II works entrusted on turn key basis. Work is under Progress.

**Guddada Mallapura:** The scheme envisages lifting 1.00 TMC of water in two stages from Varada river near Byatanal to irrigate 13000 acres (5261 Ha) of lands in Byadagi taluk of Haveri district.

**Sanyashikoppa:** Sanyasikoppa lift irrigation scheme envisages construction of anicut across Kumudavathi River near Sanyasikoppa village in Shikaripura Taluk, Shimoga District to irrigate 1791 hectares. work is take up on turnkey basis and works are nearing completion. Upto date 1350 Ha outlet potential is created, balance of 441 Ha is proposed to be created by the end of 2014-15.

**Amarja Project:** Dam constructed and water is being stored since 1999. The project is nearing completion.

**Karanja Project:** Dam constructed and water is being stored since 1999. The project is nearing completion.

**Bhima LIS:** Bhima Lift Irrigation Scheme comprises a barrage near Sonna village of Afzalpur taluk in Gulbarga district to irrigate 24,292 Ha. Balundgi Lift work completed canal works are nearing completion. Allagi Lift works are nearing completion and canal works are under progress.

**Singatalur LIS:** Diversion weir is constructed across Tungabhadra river near Hemmige Village Mundaragi Taluka, Gadag district. The scheme envisages to irrigate 19587 Ha by flow irrigation and 87793 Ha by Micro irrigation of Ballary, Koppal and Gadag District by using 18TMC.

**Varahi:** Varahi river is a major west flowing river in west coast. The river takes its origin near Guddakoppa village in Hosanagar Tq, Shimoga district. Across this river a dam is constructed by K.P.C.L near Mani village for power generation, there is a continuous tail race discharge of about 1100 cusecs though

out the year. It is proposed to make use of this water by constructing a diversion weir as major irrigation project.

**Yettinahole Project:** Scheme for diversion of 24.01 TMC flood water from upper reaches of Western Ghats near Sakleshpura (West) to provide drinking water to drought prone areas of Tumkur, Bangalore rural, Ramnagara, Kolar & Chikkaballapura districts (East). Estimated cost of the project is Rs.12912.36 crores. The work has been taken up in 3 packages and is in progress.

**Upper Bhadra Project:** Revised estimate cost of Upper Bhadra Project is Rs.12,340.00 crores, The project is conceived to utilize 29.90 TMC of water to irrigate 2,25,515 ha of lands of Chikkamagalur, Chitradurga, Davanagere

and Tumakuru districts and filling up of 367 tanks. A cumulative expenditure of Rs1112.42 crores for the project has been achieved so far.

**Appendix 8.3** highlights progress achieved in projects other than UKP basin.

### 8.5.7 Cauvery Neeravari Nigama Projects:

Three zones viz., Irrigation (S) zone, Mysore, Hemavathy Canal Zone, Tumkur and Hemavathy Project Zone, Gorur are coming under the jurisdiction of CNNL. Projects executed by Cauvery Neeravari Nigama is given at **Table.8.25**.

### 8.5.8. Minor Irrigation-Surface Water

Irrigation works with an atchkat up to 2000 hectares are classified as minor irrigation

**Table.8.25 Cauvery Neeravari Nigama Irrigation Projects**

Name of Zone	S1. No	Name of the Project	Status	Programme for completing the project
Irrigation (S) zone, Mysore	1	D. D. Urs Canal	Physically Completed	
	2	Kabini Project	physically completed	
	3	Harangi Project	Physically completed	
	4	Taraka Project	Physically completed	
	5	Arkavathy	Physically completed	
	6	Chiklihole Project	Physically completed	
	7	Uduthorehalla Project	Physically Completed	
	8	Iggalur Project	Physically Completed	
	9	Manchanabele Project	Physically completed	
	10	K.R.S. Modernization	Physically completed	
	11	Nanjapura LIS	Physically Completed	
	12	Bannahallyhundi LIS	Physically completed	
Hemavathy Canal Zone, Tumkur	1	Hemavathy Canal Project	On-going	2014-15
Hemavathy Project Zone, Gorur	1	Hemavathy Project	On-going	2014-15
	2	Yagachi Project	On-going	2014-15
	3	Huchanakoppalu LIS	Nearing Completion	
	4	Kam as am udra LIS	Physically Completed	
	5	Kachenahally LIS	On-going	2015-16
	6	Votehole Project	Physically Completed	



works. They have the definite advantage of providing immediate benefits from the potential created. Minor irrigation works with an atchkat up to 40 hectares come under the control of Zilla Panchayats. In 2013-14 expenditure on minor irrigation works was Rs.986.32 crores for construction of new tanks, anicuts, pickups, lift irrigation schemes and repairs & improvements of existing structures. This includes works under SCSP and TSP. Fresh irrigation facility in an atchkat of 17,360 hectares is created and irrigation facility has been stabilized in 16,669 hectares in 2013-14. The development of surface water irrigation from 2008-09 is given in **Table 8.26**.

Government has established Karnataka Jala Samvardhane Yojana Sangha (JSYS) within the framework of Registration of Societies Act, 1960 to develop and strengthen minor irrigation tanks with community participation. It will promote capacity building, provide strategic resources and logistic support for training and orientation, promote and undertake efforts for integrated, multi-dimensional interventions in related sector and ensure

timely and adequate flow of funds from all possible sources, including World Bank. This programme was continued with the state funds as the period of World Bank funding ended in February, 2012.

#### **8.5.9 Karnataka Integrated and Sustainable Water Resources Management Investment Program (KISWRMIP)**

Asian Development Bank (ADB) has come forward with a Multi-tranche Financing Facility (MFF) for Karnataka Integrated and Sustainable Water Resources Management Investment Program (KISWRMIP) estimated to cost \$ 225 Million. The ADB loan component share is \$ 150 Million & State share is \$75 Million. The program comprises of the following;

1. Strengthening of basin institutions for IWRM,
2. Modernization of Irrigation system infrastructure and management
3. Operationalization of program management system

**Table 8.26 - Development of Minor Irrigation from Surface Water**

<b>Year</b>	<b>Expenditure (Rs. lakh)</b>	<b>Potential Created (hectares)</b>
2008-09	39593.92	15686
2009-10	59408.24	17299
2010-11	82384.52	15889
2011-12	110038.45	21720
2012-13	102710.48	32769
2013-14	98632.20	17360
2014-15 (Upto Dec.2014)	48693.20	16625

Source: Department of Minor Irrigation

As a first step in the implementation of ADB assisted program, the Government vide letter dated 19-04-2013 have issued a GO, constituting Managing Director, KNNL as Project Director for the implementation of Gondhi modernization and for the implementation of all the related activities of ADB's investments into the project.

Further, the Govt of Karnataka vide GO No WRD: 50: MBI:2012, Bangalore, dated:09.10.2013 has accorded approval for Implementation of Karnataka Integrated and Sustainable Water Resources Management Investment Program (KISWRMIP) with the Loan assistance of Asian Development Bank (ADB).

As part of implementation process of the IWRM under tranche-1, following activities are initiated. Bid process is initiated for engaging Project Support consultancy (PSC) services team. The bid evaluation is under process.

- 1 For Gondhi modernization work, tender process is initiated and financial bid is under evaluation.
- 2 For installing flow measurement devices in 6 projects in K-8 sub-basin (Gondhi, Bhadra, Upper Tunga Project, Singtalur LIS, Vijayanagara Channels and Tungabhadra Project), bid document for telemetry is finalized and is submitted to ADB for approval.
- 3 For taking up CADA activities in Gondhi command area, topographic survey is taken up.

#### **8.5.10. The National Hydrology Project:**

The National Hydrology project was taken up with World Bank assistance in 1996-97. It envisages setting up of a reliable and well-designed network for the collection of hydrological and meteorological data for surface and ground water. The project estimate was revised to Rs. 34.86 crores and it was closed in December, 2003. The Hydrology Project Phase- II has allocated a provision of Rs.23.53 crore for the above purpose. This has been divided into two

components viz., (i) surface water component with Rs. 9.09 crore and (ii) ground water component with Rs.14.44 crore.

Hydrology Project - II is a follow up action project of World Bank Aided Hydrology Project-I, wherein infrastructure for collection of data was established. The data so collected is now proposed for utilization in the new Hydrology project- II. The main components are:

1. Institutional strengthening, which includes consolidation of hydrology project-I activities, awareness creation, dissemination and knowledge sharing and implementation support.
2. Vertical extension, which includes development of hydrological design aids, development of decision support system and implementation purpose driven studies.

The cumulative progress achieved from inception to December 2014 is Rs.1025.00 lakh.

#### **8.5.11. Accelerated Irrigation Benefit Programme (AIBP):**

Under AIBP, 15 projects are being implemented by using Central Assistance in Karnataka. **Tables 8.27** present the progress achieved under the AIBP programme. For the current year, 15 major and medium irrigation projects under AIBP have been proposed for central assistance. The cumulative expenditure incurred under AIBP projects till December -2014 is Rs. 9980.66 crore and the anticipated expenditure upto 2014-15 is Rs.10116.66 crore.

#### **8.5.12. Prime Minister's Special Package:**

Four major and medium irrigation projects have been proposed for Central Assistance under PM's Special Package for the year 2013-14. The cumulative expenditure incurred under PM's Special Package till December 2014 is Rs. 2621.96 crore and

**Table 8.27 - Accelerated Irrigation Benefit Programme (AIBP) (Rs. in crores)**

Name of Project	CA received (Cumulative)	Remarks
UKP Stage-I Phase-III	1380.67	Completed
UKP Stage-II	1655.73	Completed
Ghataprabha	544.82	Completed
Malaprabha	502.38	Completed
Karanja	189.03	Foreshore LIS & R&R works is nearing completion
Guddadamallapura	79.35	Nearing Completion
Bhima LIS	297.87	Under Progress.
Varahi	99.64	Under Progress.
Maskinala	3.22	Completed.
Hirehalla	64.24	Completed.
Gandorinala	116.94	Completed.
<b>Total</b>	<b>4933.89</b>	

Source: Water Resource Department, GOK.

the anticipated expenditure in 2014-15 is Rs. 2603.45 crore.

### 8.5.13. Special Development Programme (SDP):

State Government is committed to eradicate regional imbalance by implementing the recommendations of Dr. Nanjundappa Committee Report. For the completion of on-going major and medium irrigation projects in backward, more backward and most backward areas, budget allocation to Water Resources Department under Special Development Plan in 2013-14 was proposed to Rs.500.00 crores. Financial progress of Rs. 521.15 crore has been achieved. The details are furnished in **Table 8.29**.

The budget allocation to Water Resource Department for 2014-15 under Special

Development Plan is Rs. 500 crore, out of which Rs.329.27 crore has been spent upto December 2014.

### 8.5.14. New Initiatives

- i) Modernization of irrigation infrastructure on three irrigation subprojects within the selected K-8 sub-basin (Gondi subproject under Project-1, Vijaynagara and Tungabhadra left bank canal under Project-2);
- ii) Strengthening asset management and main system operation and maintenance (O&M); and
- iii) Capacity building of 120 inclusive water user cooperative societies (WUCS) with women representation for improved operation, maintenance and

**Table 8.28: Prime Minister's Special Rehabilitation Package (Rs. in crores)**

Name of Project	CA received (Cumulative)	Remarks
Hipparagi	734.96	Under Progress
Votehole	0.29	Completed
Modernisation of Bhadra	196.45	Nearing Completion
Dudhaganga	7.50	Nearing Completion
ERM of Bheemasamudra Tank	3.48	Under Progress
<b>Total</b>	<b>942.68</b>	

Source: Water Resource Department, GOK.

**Table 8.29: Special Development Programme (Rs. in crores)**

Name of Nigam	Budget Allocation for 2013-14	Progress up to 03/2014
Karnataka Neeravari Nigam Ltd.	500.00	521.15
<b>Total (WRD)</b>	<b>500.00</b>	<b>521.15</b>

Source: Water Resource Department, GOK.

water management within the command area of selected irrigation subprojects and an additional 3000 WUCS state-wide.

#### 8.5.15 The indicators for the output by 2020

- (i) 300 km of irrigation canal will be modernized
- (ii) Rolling main-system asset management plans implemented annually starting 12 months after project financed modernization works are finished in 3 selected irrigation systems
- (iii) At least 90% of Water Users's Co-operative Society (WUCS) confirm receipt of agreed water service

(iv) More than 75% of WUCS are operating and maintaining handed-over irrigation systems, including fee collection and accounting,

(v) At least 30% of WUCS management boards are women.

#### Activities to be undertaken

- (i) The installation of telemetry equipment for hydrological measurements within the sub-basin
- (ii) Preparation of feasibility studies for the identified irrigation subprojects
- (iii) Implementation of civil works for canal modernization

- (iv) Capacity building for KNNL, CADA and WUCS in improved system management

### 8.5.16. Challenges

#### I. KBJNL

- The height of Almatti Dam has to be raised from FRL 519.60 mtr to FRL 524.256 mtr.
- During the implementation of Upper Krishna Project Stage – III it is estimated that 20 villages and part of Bagalkot town will be getting submerged. Accordingly, 90,640 acres of land will be submerged in the back waters and about 37,000 acres of land is required for providing Rehabilitation and Infrastructure. Around 86,538 project displaced families both in urban and rural areas are to be shifted and resettled.
- As per present Land acquisition and Rehabilitation and Resettlement Act it is estimated that Rs. 4389.92 Crores is required. As per the right to fair compensation and transparency in LAQ and R&R Act 2013 it is estimated that Rs. 10,901.38 crores is required for Land acquisition and Rehabilitation and Resettlement.
- Mobilization of funds for completing all ongoing and fresh works within the time frame of five years will require huge funds. Mobilizing funds for the schemes is a challenge

### 8.5.17 Outcome:

#### I. KBJNL

- Under Upper Krishna Project Stage – III, it is proposed to provide irrigation facilities to 5.30 lakh hectares of land in drought prone areas of Bijapur, Bagalkot, Gulbarga, Raichur, Koppal, Gadag & Yadgir districts by taking up 9 irrigation schemes.
- As per article 371(J) following are the districts benefited from the Upper

Krishna Project Stage – III Gulbarga, Yadgir, Raichur and Koppal districts.

- Government has accorded administrative approval for implementation of Micro-Irrigation System as a Pilot project under 2nd Stage of Ramthal (Marol) LIS which increases irrigation command area under UKP Stage – III works.

### 8.6. Mining Sector

#### 8.6.1. Karnataka's Mineral Resources

Karnataka State is abundant in mineral resources which covers an area of 1.92 lakh sq.km. The state is having valuable minerals deposit such as iron ore and manganese in Bellary, Chitradurga, Tumkur, Uttara Kannada and Chikmagalur districts. Besides these ores, chromium (chromite) deposits in Hassan and Mysore districts, Aluminum (Bauxite) reserves in Belgaum, copper (malachite) reserves in Hassan, Chitradurga and Raichur are also found. State is rich in industrial minerals, ornamental stones such as kyanite, soapstone, corundum and a wide variety of granite, porphyries and felsites deposits. Karnataka has more than 40,000 sq. kms. of green stone belt which are a treasure trove of several mineral deposits and also indicates the occurrence of polymetallic deposits, diamond and gold.

In the State, the Department of Mines and Geology, is responsible for the effective and efficient administration of these mineral resources which are raw materials for various industries. Locating mineral deposits, which are not readily open on the surface is the thrust area of exploration. To achieve this, department has granted more number of reconnaissance permits and prospecting license to National and International private exploration companies for taking up exploration activities.

#### 8.6.2. Mining and Mineral industries

During 2014-15, upto December 2014 the Department of Mines and Geology has



granted a total of 4 mining lease for minerals such as Limestone and dolomite over an extent of 1038.0516 hectares and 1 Mining Lease has been granted for Lime shell over an extent of 8.31 hectares where as in the previous year the department has executed 1 mining lease for Barite over an extent of 3.75 hectares, 1 mining lease for Lime shell over an extent of 3.12 hectares and 1 mining lease for Kaolin over an extent of 121.41 hectares.

During 2014-15 upto December 2014, 30 quarry leases for ornamental stones have been sanctioned where as in 2013-14, 13 leases were sanctioned and in 2012-13 a total of 9 Quarry leases for ornamental stone and 12 leases for building stone have been granted.

The Department of Mines and Geology has realized revenues of Rs. 1282.06 crores as against target of Rs. 1259.83 crores upto December 2014 and to the target of 1750.00 crores for the year 2014-15. Details of royalty collections from 2012-13 to 2014-15 are provided in **Table - 8.30**.

### 8.6.3. Policy initiatives

#### Karnataka State Mineral Policy 2008

The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), lays down the legal frame-work for the

regulation of mines and development of all minerals other than petroleum and natural gas. These two set of rules were framed under the act to deal with major minerals (state governments are free to deal with mineral concessions related to minor minerals).

- The Mineral Concession Rules, 1960 (MCR) deals with regulating grant of reconnaissance permits (RP), prospecting licenses(PL) and mining leases (ML) in respect of all minerals other than atomic minerals and minor minerals.
- The Mineral Conservation and Development Rules, 1988 (MCDR) deals with conservation and systematic development of all minerals except coal, atomic minerals and minor minerals.
- The Draft Mines and Minerals (Development and Regulation) Bill, 2011 has been approved by Cabinet on 30th September 2011.
- FDI is permitted cent percent for the automatic route to explore and exploit all non-fuel and non-atomic minerals in India.
- FDI is permitted cent percent for the automatic route to process all metals as well as for metallurgy.

**Table 8.30 : Details of Royalty Collections (Rs. in crore)**

Year	Target	Achievement	Major Mineral (Ore and other industrial)	Minor Mineral (Building +Ornamental+ Sand)
2012-13	1500	1485.48	794.16	691.32 (as per MPR)
2013-14	1411.91	1366.99	743.04	623.95
2014-15	1750	1282.06 (Upto-Dec-14)	651.35	630.70

Source: DCB Section, Mining and Geology Department

- Optimization of state's geological potential by scientific and detailed prospecting.
- Providing transparency in granting mining concessions.
- Notification of mineral based area to avoid clash of interest between mineral exploitation and other development activities.
- Promote indigenous utilization of minerals.
- Evaluate the mineral resources including the coastal and sea belt.
- Review mining areas granted to public/private companies to adhere to mining plan discourage unproductive holding.
- The formation of New Karnataka State Mineral Policy 2014 is under progress at the Government level.
- Ordinance promulgated by the Honourable President of India, gazetted on 12/01/2015 for "The Mines And Minerals (Development And Regulation) Amendment Ordinance, 2015".
- In order to implement the developmental and environment restoration works in mines affected areas of Iron ore in Chitradurga, Bellary and Tumkur districts a new body, Karnataka Mining Environment Restoration Company (KMERC) has come into existence on 21-06-2014 under the Chairmanship of Smt. Isha Krishna Rao, Additional Chief Secretary, GOK.

### **Karnataka State Sand Policy 2011**

State government has formulated Karnataka Minor Mineral Concession rules 1994 (KMMCR 1994) and as per the order of the Supreme Court of India and model guidelines of Government of India, amendments were made to KMMCR 1994.

On December 9, 2014 a notification was issued and new rules had been framed

regarding this policy. Deputy commissioners and tahsildars were given more powers to check unauthorised extraction and sale of sand as per the new rules. The Public Works Department has been given powers to extract sand from riverbeds, to stock and sell through tender.

The policy envisaged setting up sand monitoring committees at district and taluk levels to monitor illegal sand mining which is rampant in parts of the state.

The district-level committees have been given powers for fixing retail prices of sand & taluk committee will identify the sand mining blocks and mining allowed in the blocks through tenders by Public Works Department.

In the proposed Karnataka Minor Mineral concession rules the special attention is being given the following.

- The identification of sand blocks is being the responsibilities of taluk committee.
- The each 33 sand blocks so identified by the taluk committee are marked as one unit. Out of which 1,7,14,21 & 27 blocks are reserved for scheduled caste, second block reserved for scheduled tribe by lottery system and these reserved blocks are disposed through tender cum auction [(Rule 31-T)]
- The method of disposal of confiscated sand deposits is being narrated under rule (31-U of Sub rule (3))
- 25% of the collected royalty released to the concerned Grama Panchayaths through a appropriate budget provision.
- The power are delegated to all Zilla and taluk committee members and to the officers of the lower cadre of respective department members and provisions were made to book complaints against the illegal sand mining activities and to take legal action [Rule 31 (R)12]

- The minimum extent to be fixed for grant of permission to all minor mineral quarrying and incorporated new scheduled II-A.
- The utilization of corpus fund amount by District Sand Monitoring Committee for expenditure purpose during the control of the illegal sand mining activity in the state.

#### WORKING PATTERN

- Public Works Department in the District shall deal with the sand extraction; transportation, storage and disposal through mineral dispatch permit at the rates specified by the District Committee from time to time and apportion the proceeds in accordance with sub-rule(7). [Rule 31-R of sub rule [3]].
- Use of JCB/Dredger and Mechanized boats in sand Quarrying is prohibited throughout the state.
- Provided that the loading equipments like dumpers, tractor mounted loaders

may be used on the river banks, only for loading without destabilizing the river banks.”

- Sand quarrying Permission shall be for a period of two years, which is inclusive of Non-Quarrying periods like rainy season, flood or any natural calamities for which no extension is allowed.
- The District Committees and Taluk Committees shall regulate, monitor and take legal action against any contravention of these rules. All the members of the District and Taluk Committee and the subordinate officers of the member departments authorized by the District committee may exercise the powers under section 4(1) (1A), 21 and 22 of the Mines and Mineral (Development and Regulation) Act 1957 and sub rule (3) of Rule 43 and file a complaint with jurisdictional court.”

So far 1864 sand blocks had been identified in the State. In Bangalore city and Bangalore Rural, Mysore, Tumkur,

**Table 8.31 - Revenue from royalty to the Government**

Sl. No	PARTICULARS	2012-13	2013-14	2014-15
1	Quantity e-auctioned	23.68 MMT	28.35 MMT	14.61 MMT
2	Material value of e-auctioned iron ore	5331 crore	6460 Cr	4284 Cr
3	Royalty @ 10% paid to DMG till date (in Rs.)	564.98Cr	609.15 Cr	479.13 Cr
4	FDT @ 12% paid to Forest department till date (in Rs.)	566.23Cr	617.50 Cr	437.95 Cr
5	Total Commercial Tax recovered & paid to Dept. till date (in Rs.)	297.35Cr	329.69 Cr	230.21 Cr
6	PWD Toll fee (in crores)	81.51 crore	43.17 Cr	20.09 Cr

Dakshina Kannada and Belgaum districts sand was identified as in much demand. The availability of sand stood at 9 million tonnes against a demand for 23 million tonnes a year. The new sand policy approved by the state government that provides for a levy of Rs 10 on every cubic metre sand sold to revive the environment damaged by it. It also allows to levy Rs 20 as an administrative fee at district levels.

### **Novel Projects / Programmes**

#### **A. Comprehensive Computerization of Mineral Administration**

The department has adopted a new system called Comprehensive Computerization of mineral Administration (CCOMA), which provides real time services to leaseholders and other stakeholders in the mining industry in Karnataka. The system consists of a centralized database containing information related to leaseholders, end users, payment transactions, updated mineral rates, issuance of e-permits, demand register information, weigh bridges etc. The system is designed keeping in view the framework of the mining industry and to widen the ambit of e-Governance. The project which has tremendous potential has extensively and effectively applied information and communication technologies for mineral administration.

The new system provides seamless service capturing data related to production at individual mines, e-auction transactions and payments from buyers who participate in e-auction and also dispatch and monitoring of mineral transport up to the destination. The portal has also started e-services for lease owner registration, permit system (major/ minor minerals), monthly /annual returns, rake permit system for rail transportation, online lease application and demand & collection system. Thus system has reduced the scope of using fake permits, and has made monitoring and tracking royalty payment convenient and accountable.

A major achievement through the application of this system relates to Sale of iron ore through e-auction. The quantity of iron ore e-auctioned and the material value & royalty obtained from it are compared for the year 2012-13 and 2013-14 with the current and the figures as follows:

#### **B. Curbing of illegal mining and transportation**

The department has notified the amended rules under Section 23-C of Mines and Minerals (Development and Regulation) Act, 1957, called The Karnataka (Prevention of illegal mining, transportation and storage of minerals) Rules, 2010 to curb illegal mining and transportation. End user registration, proportionate validity of the tripsheets, establishment of checkposts is some of the salient features. During the year 2014-15, four squad teams have been formed in order to control illegal mining and transportation throughout the State.

#### **C. Salient features:**

The department has adopted a new system of e-permitting online through Integrated Lease Management System (ILMS), in which (n) Code has offered integrated software development and portal application modules such as, e-Permit, e-return, Demand Collection & Assessment, M Pass through SMS for Non specified Minor Minerals, Weigh Bridge Integration and other related modules covered in a single portal for stakeholders of Geology & Mining in Karnataka. The overall intention is to introduce a controllable mechanism and framework for transportation of minerals such as Iron Ore, Manganese Ore, and Granite etc.

#### **8.6.4 Status of mining in the state:**

As on Dec 2014 the State's mining sector have registered 10849 Quarry Leaseholders, 912 Mining Leaseholders, 56799 Stockiest, 15 Weigh Bridges Integrated with Online e-Permit System for Iron ore in ILMS for FY 2014-15.

Approximately, 13816 Bulk Permits, 17,65,476 Trip sheets, 2561 Rake Permits have been generated. A special paper has been developed to make the system foolproof against misuse. M-permits have been issued for leaseholders of non specified minor minerals who have inadequate IT infrastructure at their disposal, thereby promoting transparency.

#### **A. Implementation of R&R Plan for mining-affected districts:**

As per the Hon'ble Supreme court orders dated 5.8.2011 and 26.08.2011 in S.L.P (civil) No. 736667/2010, the State is committed to develop and implement suitable Reclamation and Rehabilitation (R&R) plans for mining affected districts of Bellary, Chitradurga and Tumkur. The State Government has assigned this task to the Indian Council of Forestry Research and Education (ICFRE). The main objective of the project is to prepare R&R plan and to implement the plan after the clearance of mining leases by the Central Empowered Committee (CEC). Based on ICFRE's R&R plans, the Central Empowered Committee (CEC) has approved R&R plans for 90

mining leases till date. The Hon'ble Supreme Court in its order dated 20.4.2012, has directed the Ministry of Environment and Forests to re-visit the statutory clearances earlier granted by it in the light of R & R Plan and in its order dated 28/09/2012 has allowed mining operations in category 'A' mines and category 'B' mines to resume after the clearance of the R&R plan by CEC and, after obtaining other statutory clearances from various organizations.

#### **B. The broad objectives/parameters of R&R plan are as under.**

1. To carry out time bound R & R plan the area under illegal mining by way of mining pits, over burden/waste dumps etc. outside the sanctioned lease area.
2. To ensure scientific and sustainable mining after taking into consideration the mining resources assessed to be available within the lease area.
3. To ensure environment friendly mining and related activities and complying with the various standards stipulated under the various environmental

**Table 8.32 Stakeholders Coverage**

<b>Stake Holder</b>	<b>As on (Dec, 2014)</b>
Lease Holders (Major Minerals)	912
Lease Holders (Minor Minerals)	10849
Weigh Bridge Integration in ILMS for FY 2014-15	15
Stockist/ Buyer registered in ILMS	56799
Indian Bureau of Mines	1- Controlling Agency
District Deputy Director/ Senior Geologists	34- (Implementing Authority)
	250- Personal belong to Dy. Director/ Senior Geologist Office
Directorate of Mines & Geology	1- Overall Planning and Governing Body



/mining statues e.g. air quality, noise / vibration level, water quality, scientific over burden/waste dumping, stabilization of slopes etc.

4. For achieving 2 and 3 above, fixation of permissible annual production, and
5. Regular and effective monitoring and evaluation.

ICFRE has submitted 93 "R & R" reports on 94 mining leases. The permissible production for all 94 mining leases is 26.92 MMTS per annum for iron and 0.345 MMTS per annum for manganese.

The production limit is going to be changed or enhanced as and when ICFRE submits its R & R for all the A,B,C categories of mines after due approval of CEC.

### **C. Computerization of Mineral Administration**

The Department has taken up a project to build a geo database on GIS application system on mapping mineralized zones, developing mineral atlas, data on existing leases which will be helpful to process the mining applications online. Under this project upto the end of October 2014 digitization of 6600 leases has been completed. The main objective of the project is to delineate the mineral belts on various potential zone in the State by adopting remote sensing techniques marking the free hold areas for the benefit of the entrepreneurs. The data will be loaded to the department website. The existing data displayed on the website will be utilized by industries for filing of online application for mining/ quarry lease from elsewhere. The project has been implemented as per Government Order CI.311MMN:2014 Dated: 16.08.2014. A total of 70 online applications has been received till Nov-2014 for both major and specified minor mineral.

### **D. Check posts**

13 Integrated composite check posts have been established involving Forest, Police, Transport, Commercial Tax, PWD and

Department of Mines and Geology. It has been intended to computerize these composite check posts including already working 15 important check posts of the Department. Presently constructions of 7 modern checkposts have been completed at Malappanahatti & D.B.Kere Cross (Chitradurga district), Chowdlapura (Tumkur district), Bannihatti, Metriki, Kallahally & Kakubalu (Bellary district) and further construction work at Somanahalli & Sagarannahalli (Tumkur district), Ubbalagundi, Bandri & B.Gonal (Bellary district), Lakkihalli & 'D' Madakeripura (Chitradurga district) is under progress. Proposal to establish 3 new checkposts viz. Arkula & Mukka in D.K district) and siddarampura (Raichur District) are under progress.

### **i. Procurement of advanced instruments**

Advanced mineral exploration technology, is more beneficial in targeting the mineral deposits. In this connection, the department intends to use advanced equipments such as GPS mounted magnetometer, Differential Global Position System (DGPS), Total Station(TS) and high-end computers with software for proving the exploration data. It is also proposed to procure RFID & GPS instruments to curb illegal transportation of minerals. RFID reader have been installed in 4 check posts viz, Bannihatti, kakabalu, and Kallahalli of Bellary district and Malapanahatti of Chitradurga district. 1 RFID reader have been installed in MML Mining lease and Service provider n-code solution has received work order for installation of RFID reader in 6 mines in Bellary District. Intrust

### **ii. Action Plan 2014-2015**

The Department of Mines & Geology, being an important scientific and technical organization, has several prime functions in the field of mineral administration and mineral investigations. The objective of the Department, in the field of mineral administration is to regulate and control the mining and quarrying activities,

keeping in view the need for mineral conservation and scientific mining / quarrying. Royalty for the minerals is collected based on the amount of minerals utilized / transported. RPs / PLs / MLs & QLs are granted for extraction of major and minor minerals.

The department supports mineral exploration and development by employing modern techniques and concepts for categorizing the resources in terms of grade and industrial utility. The department implements policies for identification of mineral resources by surface geological mapping and drilling. Apart from this, the

Department undertakes Mineral beneficiation studies to build up potential. Further, in co-ordination with other National Research Institutes and Universities, special geological studies have been undertaken to assess the impact of mining / quarrying activities on the environment so as to achieve the zero waste mining and achieve the optimum utilization of natural resources.

The Department has 6 ongoing schemes and the details of these schemes, Budgetary out lay for 2014-15 and Expenditure upto the end of December 2014 are given in **Table 8.33**.

**Table 8.33 On-going Schemes of the Plan Monitoring Wing of the Department of Mines & Geology (in lakhs)**

SI. No	Name of the Scheme & Sub scheme Head of Account	Budgetary outlay for 2012-13	Expenditure upto Mar, 2013	Budgetary outlay for 2013-14	REVISED Budgetary outlay for 2013-14	Expenditure, 2013-14	Budgetary outlay for 2014-15	Expenditure upto Dec, 2014
1.	Composite Scheme 2853-02-102-0-01	250.00	186.98	250.00	272.00	227.50	449.55	229.30
2.	Training of officers and staff of the Department 2853-02-102-0-10	5.00	3.27	5.00	5.00	4.85	5.00	2.09
3.	Publication Wing in the Department 2853-02-102-0-11	5.00	1.95	5.00	5.00	4.66	5.00	2.45
4.	Mineral Conservation cell in the Department 2853-02-102-0-14	5.00	2.00	5.00	5.00	3.60	5.00	2.33
5.	Environmental Geological Wing of the Department 2853-02-102-0-15	5.00	0	5.00	5.00	3.75	305.00	303.94
6.	Modernization 2853-02-001-0-01 sub head 125	1500.00	889.26	1500.00	1395.56	1183.77	2045.56	977.38
	<b>Total</b>	<b>1770.00</b>	<b>1083.46</b>	<b>1770.00</b>	<b>1687.56</b>	<b>1428.13</b>	<b>2815.11</b>	<b>1517.49</b>



## INDUSTRY

### 9.1 Introduction

Karnataka has been spearheading the growth of Indian industry, particularly in terms of high-technology industries in the areas of electrical and electronics, information & communication technology (ICT), biotechnology and, more recently, nanotechnology. The industrial structure of Karnataka presents a blend of modern high-tech capital goods and knowledge intensive industries on the one hand and traditional consumer goods industries on the other. Given this, this chapter throws light on the industrial growth of Karnataka in 2013-14 as well as the industrial policy initiatives taken by the Government, among others.

### 9.2 Trends in Industrial Production

Trends in industrial production can be analyzed by considering the changes in the index of industrial production (IIP). Towards calculating the index, the weights of different sectors and sub-sectors are assigned based on their contribution to Gross Value Added (GVA) of industry in the base year. The manufacturing sector has the highest weight of about 81.1% followed by electricity sector (11.8%) and the mining sector (6.9%).

The general index of industrial production (IIP) of Karnataka covering mining, manufacturing and electricity sectors for 2013-14 stood at 175.59. The sector wise indices for the period from 2011-12 to 2013-14 with base year as 2004-05 are presented in **Table 9.1**. The overall organized industrial sector of Karnataka has registered 3.66% growth in 2013-14 as compared to 2012-13. Within the organized

industrial sector, Electricity sector has boosted up with highest growth of 11.49% followed by the manufacturing sector (2.92%) and mining sector registered negative growth of (-20.48%). Contraction in mining activities and deceleration in manufacturing output moderate growth was observed in industrial sector.

The average annual growth rates for the overall organized industry mainly for mining, manufacturing and electricity sectors for the period from 2005-06 to 2013-14 with base year as 2004-05 are presented in **Appendix 9.1**. The compounded average growth rate (CAGR) for this period for the entire organized industry was about 6.5% whereas it was 7.0% for manufacturing and 8.1% for electricity. A decline of 12.9% was seen in the output of the State's mining sector.

The quarterly growth in IIP under major sectors for the first three quarters from 2012-13 to 2014-15 with base year 2004-05 along with the sector-wise weights is given in **Table 9.2**. The State's industrial sector has experienced positive growth in all quarters for the current year. The mining sector has once again recorded continuously negative growth rate of 21.49%, 30.05% & 45.59% respectively, whereas Manufacture and Electricity sectors experienced positive growth in the first quarter as a result of which positive growth of 2.32% is observed for the General Index. Similarly in the second & third quarter, electricity sector and manufacturing sector perceived positive growth due to which positive growth rate of 1.58% & 1.69% were observed for General Index

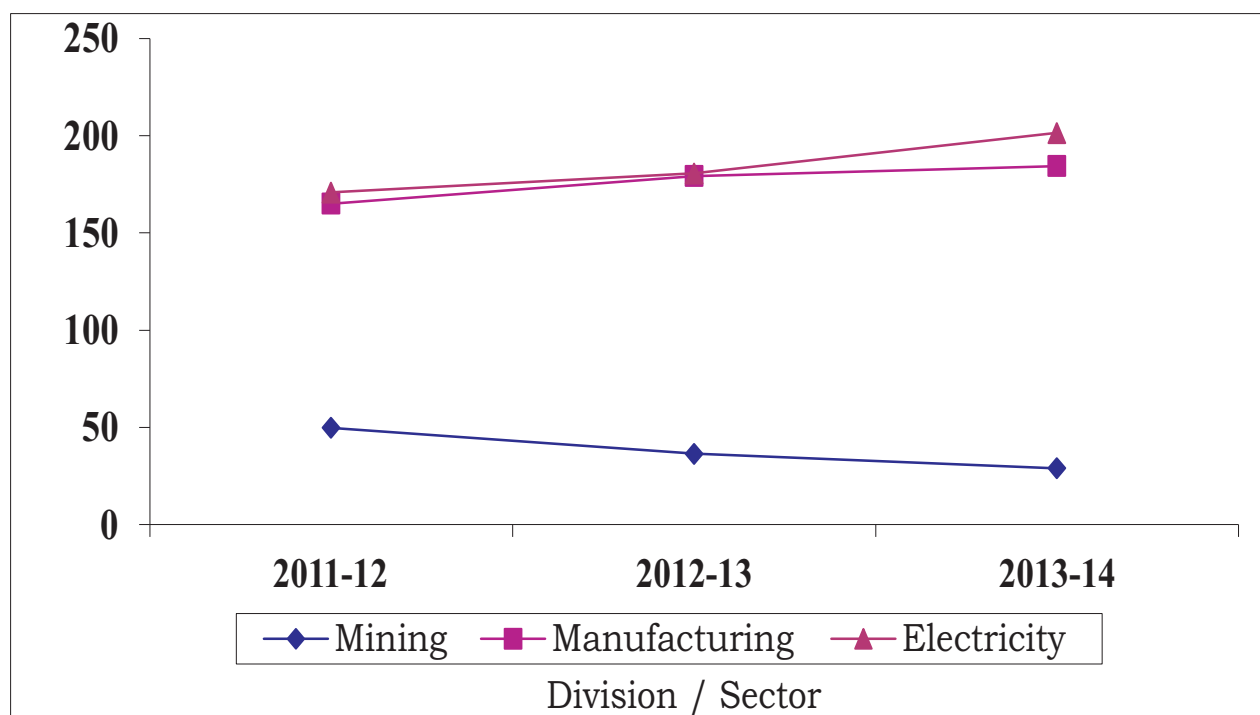
**Table 9.1- Index of Industrial Production of Karnataka: 2011-12 to 2013-14****Base Year: 2004-05**

Sector	Weight	2011-12	2012-13	2013-14
Mining	69.8321	49.79 (-57.90)	36.42** (-26.85)	28.96 (-20.48)
Manufacturing*	811.3591	165.05 (2.41)	179.19 (8.56)	184.44 (2.92)
Electricity	118.8089	170.85 (15.47)	180.59 (5.70)	201.34 (11.49)
General Index	1000.000	157.69 (0.69)	169.38 (7.41)	175.59 (3.66)

Note: 1) Figures in brackets indicate percentage changes over the previous year.

2) \* Provisional figures. 3) \*\*Index revised as per IBM, Nagpur data

Source: Directorate of Economics & Statistics.

**Figure 9.1 Index of Industrial Production of Karnataka-2011-12 to 2013-14**



**Table 9.2 - Quarterly Growth in IIP: 2012-13 to 2014-15****Base Year: 2004-05**

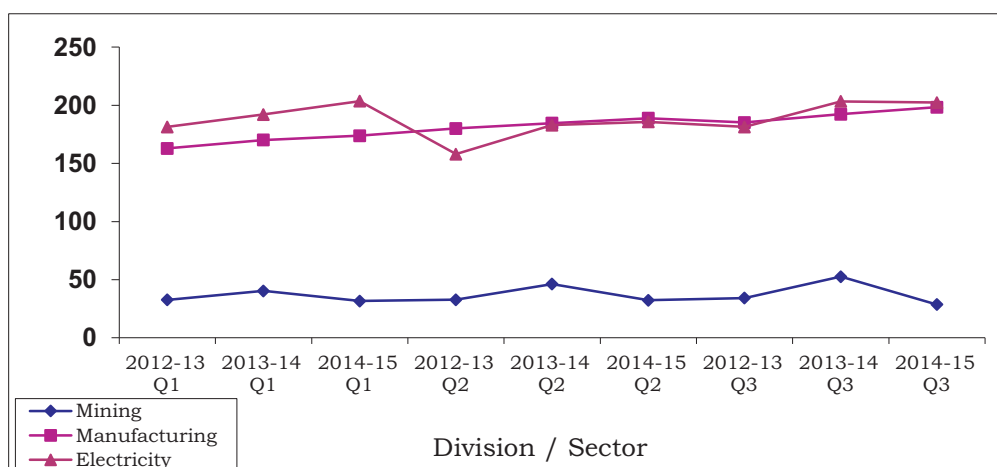
<b>Period/Sector</b>	<b>Mining</b>	<b>Manufacturing **</b>	<b>Electricity</b>	<b>General</b>
<b>Weight</b>	69.83	811.36	118.81	1000.00
<b>2012-13</b>	32.64*	162.91	181.36	156.00
Q1 April 12 - June 12	(-56.65)	(12.96)	(31.06)	(12.46)
Q2 July 12 - Sept. 12	32.72*	180.10	157.97	167.18
	(-24.10)	(20.04)	(-1.23)	(16.31)
Q3 Oct 12 - Dec. 12	34.19*	185.19	181.35	174.19
	(35.94)	(10.06)	(2.75)	(9.38)
<b>2013-14</b>	40.39*	170.12	192.07	163.67
Q1 April 13 - June 13	(23.74)	(4.43)	(5.91)	(4.92)
Q2 July 13 - Sept. 13	46.26*	184.63	182.98	174.77
	(41.38)	(2.52)	(15.83)	(4.54)
Q3 Oct 13 - Dec. 13	52.60	192.29	203.33	183.85
	(53.85)	(3.83)	(12.12)	(5.55)
<b>2014-15</b>	31.71**	173.85	203.57	167.45
Q1 April 14 - June 14	(-21.49)	(2.19)	(5.99)	(2.31)
Q2 July 14 - Sept. 14	32.36**	188.82	185.75	177.53
	(-30.05)	(2.27)	(1.51)	(1.58)
Q3 Oct 14 - Dec. 14	28.62**	198.33	202.33	186.95
	(-45.59)	(3.14)	(-0.49)	(1.69)

1.\* Revised as per IBM data. \*\* Provisional

2. Figures in the brackets indicate %age over the corresponding quarter during the previous year.

Source: Directorate of Economics &amp; Statistics.

**Figure 9.2: Quarterly Growth in IIP: 2012-13 to 2014-15  
(Quarters I,II and III)**



### 9.3 Industrial Growth by Use-Based Classification

Industrial growth in terms of use-based classification of industries is presented in **Table 9.3** for four broad groups of organized manufacturing industries: (i) Basic goods, (ii) Capital goods, (iii) Intermediate goods, and (iv) Consumer goods consisting of durables and non-durables. Among the four broad groups, the consumer goods industry sector accounts for the highest weight followed by the basic goods industry. Within the consumer goods industry sector, non-durables account for 24.7% and durables account for 3.7% of the total weight of 28.5%. These weights indicate relative importance of the different groups in the manufacturing industry of Karnataka.

Comparative growth rates of the four broad industrial groups and the two sub-groups of consumer goods from 2011-12 to 2013-14 with base 2004-05 are given in **Table 9.3**. For 2013-14, among the four broad groups, Intermediate goods registered the highest growth of 4.07% followed by Basic goods at 3.64% Capital goods at 3.21% & Consumer goods 1.14%. For the period 2005-06 to 2013-14, with the revised base year as 2004-05, the CAGR for all the groups was 7.04% of which Basic goods stood at 7.05%, Capital goods at 8.06%, Intermediate goods

at 9.14% and Consumer goods at 5.00%. Details of the compounded growth rates are presented in **Appendix 9.2**.

### 9.4. Industrial Growth by Two Digit Industrial Classification

At the two digit NIC-04 level, manufacturing industry sector has been sub-divided into 22 major industry groups. The weights of each of these major industry groups under manufacturing sector are given in **Appendix 9.3**. Among the major industry groups, Basic Metals have the highest weight of 119.93 followed by Chemical and chemical products (107.89) & Food products & beverages (71.90). These three groups contribute more than 1/3rd of total weight (811.36), for the base year 2004-05.

During 2013-14, among the two digit level industries, highest index is observed in group 22- Publishing & Printing Materials (315.23) followed by group 34- Motor vehicles, Trailers and semi - Trailers (238.45), group 20- Wood and Wood products (231.38), group 29- machinery equipment (218.76) and, group 31- Electrical Machinery & Apparatus (214.17). The indices for two-digit level industries from 2005-06 to 2013-14 with base year 2004-05 are given in **Appendix 9.3**. It is observed that the growth rate has decreased during 2008-09 & has sudden

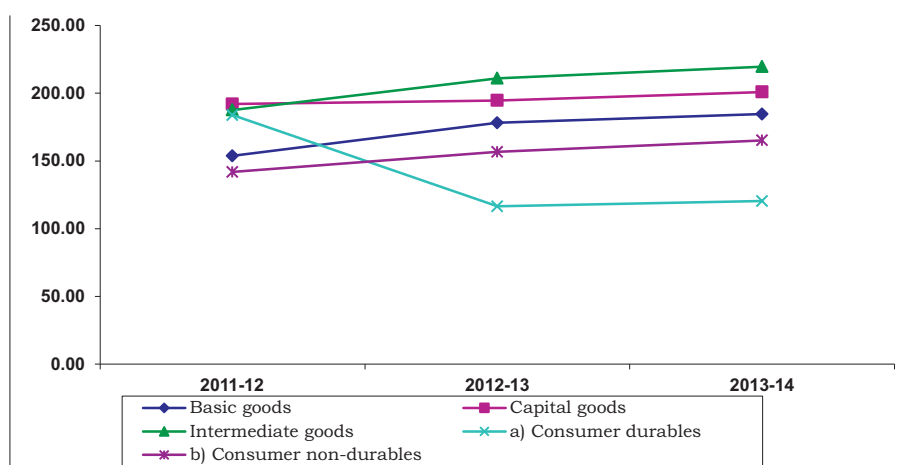
**Table 9.3 : Index of Industrial Production for Organized Manufacturing Industry in Karnataka – Use-based Classification: 2011-12 to 2013-14****Base Year: 2004-05**

Sl. No.	Industry Group	Weight	2011-12*	2012-13*	2013-14*
1.	Basic goods	219.8377	153.76	178.14	184.64
			(-6.64)	(15.85)	(3.64)
2.	Capital goods	132.8699	192.03	194.69	200.95
			(39.22)	(1.38)	(3.21)
3.	Intermediate goods	173.5747	187.68	211.07	219.67
			(28.40)	(12.46)	(4.07)
4.	Consumer goods	285.0769	147.40	153.37	155.13
			(-10.98)	(4.05)	(1.14)
	a) Consumer durables	37.4330	183.85	116.51	120.36
			(18.08)	(-36.62)	(3.30)
	b) Consumer non-durables	247.6439	141.89	156.70	165.20
			(-13.28)	(10.43)	(5.42)
<b>Total (Manufacturing sector)</b>		811.3591	165.05	179.19	184.44
			(2.40)	(8.56)	(2.92)

Note : 1. Figures in brackets indicate percentage change over the previous year.

2. \* Provisional Figures.

Source: Directorate of Economics and Statistics.

**Figure 9.3: Index of Industrial Production for Organized Manufacturing Industry in Karnataka - Use Based Classifications 2011-12 to 2013-14**

shoot up in 2009-10 & observed a fluctuation in 2011-12, 2012-13 & 2013-14.

### 9.5 Organised Manufacturing Sector

The Annual Survey of Industries (ASI) presents detailed statistics on the manufacturing sector of the organized industrial sector. **Table 9.4** presents ASI statistics for registered factories for 2010-11 to 2011-12 for Karnataka and All-India. Karnataka accounted for 5.27% of the total number of registered factories in 2011-12 in the country. The contribution of registered factories of Karnataka stood at 6.77% of total fixed capital, 6.84% of total output, and 11.51% of Gross Value Added (GVA) in the same year. The share of Karnataka in total registered factories has increased whereas total input has decreased in 2011-12 as compared to 2010-11. However, the relative contribution of Karnataka's registered factories to the national industrial performance in terms of, gross and net value added and profits has increased drastically during the same period.

According to ASI-2011-12 with NIC-2008, the major industrial groups in the registered factory sector of Karnataka in terms of value of output are (i) Basic metals (25.96%),(ii) Coke & Refined Petroleum Products (14.40%), (iii) Food Products (12.21%), (iv) Other manufacturing materials (6.82%), (v) Machinery & equipment (5.89%).(vi) Others (4.30%) and (vii) Electrical equipment (4.29%). These seven industry groups together accounted for more than 74% of the total value of output of registered factories of Karnataka in 2011-12. Details are presented in **Appendix 9.4**.

The important indicators per registered factory based on ASI results for 2010-11 and 2011-12 are presented in **Table 9.5**. Karnataka compares favorably with all-India in terms of all the indicators – per factory investment, employment, output and gross value added. Though registered factories of Karnataka, on an average are more capital intensive than that of all-India, they are also more employment-intensive and generated more value added as well as output.

**Table 9.4 - Selected Key indicators of Registered Factories: Karnataka & All-India**  
(Rs. crore)

Particulars	2010-11			2011-12		
	Karnataka	India	% share	Karnataka	India	% share
Industries (No)	10,722	2,11,660	5.07	11,460	2,17,554	5.27
Fixed Capital	1,08,690	16,07,843	6.76	1,31,921	19,49,550	6.77
Working Capital	47,255	6,20,467	7.62	48,921	5,88,794	8.31
Total Output	2,85,959	46,85,212	6.10	3,94,840	57,76,023	6.84
Total Input	2,37,093	38,51,963	6.16	2,82,332	47,98,665	5.88
Gross value added	48,866	8,33,248	5.86	1,12,507	9,77,357	11.51
Net value added	40,793	7,12,640	5.72	1,03,164	8,36,702	12.33
Profit	19,310	3,98,002	4.85	77,791	4,51,629	17.22

Source: Central Statistical Organization (CSO), GOI

The selected economic indicators per worker for Karnataka and All-India are given in **Table 9.6**. Net value added, total output per worker and annual wages per worker reveal that Karnataka was better-off than the all-India, while the State lagged behind with all India for total input per worker in 2011-12.

### 9.6 Unorganized Manufacturing Sector

The unregistered or unorganized manufacturing sector is an important component of Karnataka's manufacturing industry. The National Sample Survey Organization (NSSO), Ministry of Statistics & Programme Implementation, Government of India conducts periodic surveys covering unorganized sector at the

national level and collect data. The previous survey (67th round) covering unorganized manufacturing enterprise was conducted by NSSO in 2010-11. The highlights of the State wise results of 67th round of NSSO survey covering unorganized manufacturing enterprises are given in **Table 9.7**. Karnataka accounted for 4.37% of total number of unorganized manufacturing enterprises and 4.33% of the total unorganized manufacturing employment in the country in 2010-11.

In addition to the manufacturing sector, service sector enterprises play a crucial role in Karnataka's economy. The highlights of results of NSSO survey covering service sector enterprises (excluding trade) under the 67th round in 2010-11 are presented in

**Table 9.5 - Important Indicators per Factory**

Indicator	Unit	2010-11		2011-12	
		Karnataka	India	Karnataka	India
Investment in fixed capital	Rs.Lakh	1013.7	759.6	1151.1	896.1
Employment	No.	73	60	79	62
Value of output	Rs. Lakh	2667.0	2213.5	3445.3	2654.9
Gross Value Added	Rs. Lakh	455.7	393.6	981.7	449.2

Source: Central Statistical Organization (CSO), GOI

**Table 9.6 - Selected Economic Indicators of Industries (2008-09 to 2011-12)**

Year	Labour productivity (Net value added per rupee in wages)		Total input per worker (Rs.lakh)		Total output per worker (Rs. lakh)		Annual wages per worker (Rs.)	
	Karnataka	India	Karnataka	India	Karnataka	India	Karnataka	India
2008-09	9.9	8.8	29.6	30.3	37.8	37.3	71,120	68,103
2009-10	7.7	8.4	32.5	33.1	40.1	40.6	83,218	75,277
2010-11	6.8	8.3	38.9	38.8	46.9	47.2	97,406	86,449
2011-12	14.6	8.4	40.0	46.0	55.9	55.4	99,948	95,662

Source: Central Statistical Organization (CSO), GoI



**Table 9.7 : Unorganized Manufacturing Enterprises 2010-11**

State	Number (lakh)		Annual Gross Value Added (Rs.)	
	Enterprises	Workers	Per Enterprise	Per worker
Andhra Pradesh	16.20	31.04	74012	38634
Bihar	4.48	7.51	68434	40816
Chhattisgarh	1.65	3.52	68379	32018
Gujarat	14.17	32.15	131406	57903
<b>Karnataka</b>	<b>8.61</b>	<b>15.09</b>	<b>87299</b>	<b>49801</b>
Madhya Pradesh	8.84	15.35	42714	24603
Maharashtra	13.85	32.19	146553	63069
Orissa	6.15	12.66	44786	21762
Rajasthan	6.27	12.20	110024	56590
Tamilnadu	16.52	35.14	117350	55178
Uttar Pradesh	23.41	52.26	64716	28992
<b>All India</b>	<b>197.12</b>	<b>348.88</b>	<b>89900</b>	<b>44347</b>

Source: National Sample Survey Organization, GOI.

**Table 9.8.** The table gives figures for number of enterprises and number of workers as well as GVA per enterprise and GVA per worker. Karnataka accounted for 4.9% of the total service sector enterprises and 4.8% of the total service sector enterprise workers in the Country. In terms of both GVA per enterprise and GVA per worker, Karnataka stood first in the country and accounted for more than twice as much as that of all-India average in terms of GVA per worker and second in GVA per enterprise.

### 9.7 Micro, Small & Medium Enterprises

Micro, Small & Medium Enterprises (MSMEs) form an important and growing segment of Karnataka's industrial sector. As per the MSME Act 2006, MSME units have been categorized broadly into those engaged in manufacturing and those providing /rendering services. Under the Act, Micro, Small and Medium Enterprises (MSMEs) are classified as under.

During 2013-14, 25966 MSME Units have been registered in the State with an

Enterprises	Investment in Plant & Machinery (Manufacturing)	Investment in Equipment (Service)
Micro	Up to Rs. 25 lakh	Up to Rs. 10 lakh
Small	Above Rs.25 lakh up to` 5 crore	Above Rs.10 lakh uptoRs.2 crore
Medium	Above Rs.5 croreuptoRs.10 crore	Above Rs.2 croreuptoRs.5 crore

**Table 9.8 : Service Sector Enterprises (excluding trade) 2010-11**

State	Number (lakh)		Annual Gross value added (Rs.)	
	Enterprises	Workers	Per enterprise	Per worker
Andhra Pradesh	56.00	122.12	97420	44675
Bihar	23.09	34.37	77072	51774
Chhattisgarh	6.76	16.61	90076	44755
Gujarat	36.35	69.70	117228	61137
<b>Karnataka</b>	<b>28.11</b>	<b>53.90</b>	<b>146583</b>	<b>76459</b>
Madhya Pradesh	25.94	44.41	73604	42997
Maharashtra	51.56	101.37	149063	75824
Orissa	24.45	49.32	55235	27378
Rajasthan	21.42	37.82	117647	66649
Tamil Nadu	44.67	90.65	146494	72191
Uttar Pradesh	83.83	157.79	78537	41729
<b>All India</b>	<b>576.73</b>	<b>1079.79</b>	<b>108951</b>	<b>58193</b>

Source: National Sample Survey Organization, GOI

investment of Rs. 285056 lakh by providing employment to 167347 persons. Details of year wise registration of MSMEs in the State, persons employed in the registered MSME enterprises and employment per unit during 2012-13 to 2014-15 up to December are given in **Table 9.9**.

As compared to 2012-13, there is a 7.27% increase in the number of units registered, 31.45 % increase in investment and 7.58 % increase in number of persons employed during 2013-14. During the first Nine months of the current year (April to

Dec.2014), 19721 units have been registered with an investment of Rs. 191905 lakh by providing employment to 122286 persons. When compared to previous year for the same period (April to Dec.2013), there is an increase of 12.30 % in the number of units registered under MSME with 4.50% increase in investment and 6.69 % increase in the employment generated. Details of the MSMEs registered in Karnataka are provided in **Table 9.10**. The number of units registered every year in Karnataka has been increasing since 2007-08. Details are in **Appendix 9.5**.

**Table 9.9: Micro, Small & Medium Enterprises : 2012-13 to 2013-14**

Year	MSME units	Employment	Employment per unit
2012-13	24206	155551	6.43
2013-14	25966	167347	6.44
2014-15 (up to Dec 2014)	19721	122286	6.20

Source: Directorate of Industries and Commerce.

25996 units that were registered in Karnataka during 2013-14, about 21.41% (i.e. 5560 units) of the units were related to manufacturing of wearing apparel, dressing and dyeing of fur which occupied the top position followed by Manufacturing of Textiles around 11.09 % registration. Details of the top ten products in which

units were established during 2013-14 are given in **Table 9.11**.

During 2013-14 Manufacturing of Wearing Apparel; dressing and Dyeing of Fur recorded occupied the top position in terms of investment accounting for about 12.52% of the total investments followed by

**Table 9.10: Details of MSMEs registered in Karnataka 2011-12 to 2014-15 (Up to Dec.14)**

YEAR	MICRO			SMALL			MEDIUM			TOTAL		
	Units (Nos.)	Inv. (Rs. Lakh)	Empl. (Nos.)	Units (Nos.)	Inv. (Rs. Lakh)	Empl. (Nos.)	Units (Nos.)	Inv. (Rs. Lakh)	Empl. (Nos.)	Units (Nos.)	Inv. (Rs. Lakh)	Empl. (Nos.)
2011-12	19610	43650	86216	1370	91266	34400	41	24724	7771	21021	159641	128387
2012-13	22169	66019	105029	1981	116791	46029	56	34041	4493	24206	216851	155551
2013-14	23229	79416	110070	2661	144096	46741	76	61545	10536	25966	285056	167347
2014-15 (Up to Dec.14)	17786	59736	83779	1877	90556	33421	58	41613	5086	19721	191905	122286

Source: Directorate of Industries and Commerce.

**Table 9.11: Top-10 products (by number of units) registered in 2013-14**

Sl. No	Products	NIC-2004	No. of Units	Investment (Rs. Lakhs)	Employment (Nos.)
1	Manufacturing of Wearing Apparel; dressing and Dyeing of Fur	18	5560	35713	27431
2	Manufacturing of Textiles	17	2880	19668	17688
3	Manufacturing of wood, products of Wood, Cork, Articles of Straw & Plating Materials, except furniture	20	2305	5656	6898
4	Manufacturing of Food Products and Beverages	15	2271	33918	19946
5	Manufacturing of fabricated Metals Products, Except Machinery and Equipment	28	1710	25903	12107
6	Manufacturing of Furniture; Manufacturing N.E.C	36	1194	4940	4320
7	Manufacturing of Machinery and Equipment N.E.C	29	1152	24154	9726
8	Manufacturing of Other Non-Metallic Mineral Products	26	1090	17677	9042
9	Manufacturing of Chemical & Chemicals Products	24	1019	18451	9476
10	Publishing, Printing and Reproduction of recorded Media	22	786	9833	5839
	Grand Total during 2013-14 (62 Classification)		25966	285056	167347

Source: Directorate of Industries and Commerce.

Manufacturing of Food Products and Beverages with 11.89 % investment. Details of the top ten products classified by investments are provided in **Table 9.12**.

In terms of employment also, Manufacturing of Wearing Apparel; dressing and Dyeing of Fur stood first by generating about 16.39 %

of the total employment closely followed by Manufacturing of Food Products and Beverages with about 11.91 % employment. Details of employment generated in the units registered during 2012-13 are given in **Table 9.13**.

**Table 9.12: Top-10 products (by investment) of units registered in 2013-14**

Sl.No	Products	NIC-2004	No.of Units	Investment (Rs. Lakhs)	Employment (Nos.)
1	Manufacturing of Wearing Apparel; dressing and Dyeing of Fur	18	5560	35713	27431
2	Manufacturing of Food Products and Beverages	15	2271	33918	19946
3	Manufacturing of fabricated Metals Products, Except Machinery and Equipment	28	1710	25903	12107
4	Manufacturing of Machinery and Equipment N.E.C	29	1152	24154	9726
5	Manufacturing of Textiles	17	2880	19668	17688
6	Manufacturing of Chemical & Chemicals Products	24	1019	18451	9476
7	Manufacturing of Other Non-Metallic Mineral Products	26	1090	17677	9042
8	Publishing ,Printing and Reproduction of recorded Media	22	786	9833	5839
9	Manufacturing of Rubber and Plastic Products	25	420	9349	3822
10	Manufacturing of Basic Metals		334	7658	3068
	Grand Total during 2013-14 (62 Classification)		25966	285056	167347

Source: Directorate of Industries and Commerce.

**Table 9.13: Top-10 products (by employment generated) of units registered in 2013-14**

Sl.No	Products	NIC-2004	No.of Units	Investment (Rs. Lakhs)	Employment (Nos.)
1	Manufacturing of Wearing Apparel; dressing and Dyeing of Fur	18	5560	35713	27431
2	Manufacturing of Food Products and Beverages	15	2271	33918	19946
3	Manufacturing of Textiles	17	2880	19668	17688
4	Manufacturing of fabricated Metals Products, Except Machinery and Equipment	28	1710	25903	12107
5	Manufacturing of Machinery and Equipment N.E.C	29	1152	24154	9726
6	Manufacturing of Chemical & Chemicals Products	24	1019	18451	9476
7	Manufacturing of Other Non-Metallic Mineral Products	26	1090	17677	9042
8	Manufacturing of wood, products of Wood, Cork, Articles of Straw & Plating Materials, except furniture	20	2305	5656	6898
9	Publishing ,Printing and Reproduction of recorded Media	22	786	9833	5839
10	Manufacturing of Furniture; Manufacturing N.E.C	36	1194	4940	4320
	Grand Total during 2013-14 (62 Classification)		25966	285056	167347

Source: Directorate of Industries and Commerce.



## 9.8 Selected Industrial Sectors

### 9.8.1 Status of Implementation of Food parks

I. Food Parks with the Ministry of Food Processing Industries, Govt of India, under the 10th five year plan, the Ministry of Food Processing Industries, Govt. of India had approved the establishment of food parks in Malur in Kolar District, Hiriya in Chitradurga District, Bagalkot in Bagalkot District and Jewargi in Gulbarga District. The status of implementation of these food parks are as detailed below:

**1. M/s. Innova Agri Bio Tech Park Limited, Malur:** The Food Park is being developed in an area of 87 acres of land in Malur, Kolar District. 39.91 acres in the park has been allotted/earmarked to 10 food processing units. The balance land available for allotment is 10.57 acres. The company has started the operations on a commercial scale. The total project cost is Rs. 1800.00 lakhs. The Government of India and Government of Karnataka have sanctioned and disbursed grant of Rs. 400 lakhs each respectively. The implementing agency has mobilized the balance amount including loans from banks and commenced its activities.

The Details of Food processing units established/proposed in the Food Park were as follows:

- M/s Biovet Private Limited - Unit I
- M/s Biovent Private Limited – Unit II
- M/s Quitessence Extracts India Private Limited
- M/s RCC Laboratories India Private Limited
- M/s Cotha Associates
- M/s Century Biologicals Private Limited
- M/s. Malaxmi Agri Ventures Private Limited.,

**2. M/s. Green Food Park Limited, Bagalkot:** The Food Park is being developed

in an area of 100 acres of land at Navnagar Industrial Area, Bagalkot. The implementing agency has allotted 53 acres of land for 11 food processing units companies and the balance land available for allotment is 1.75 acres. The total project cost is Rs. 1859.00 lakhs. The Government of Karnataka and Government of India have provided grants of Rs. 400 lakhs each as against the total sanctioned amount of Rs. 800 lakhs. The implementing agency has mobilized the balance amount including the loan from banks and the project is under implementation.

The Details of Food processing units established/proposed in the Food Park were as follows:

- M/s BGK Life technologies Private Limited
- M/s Padama Industries
- M/s Bijapur & Bagalkot District Co-operative Milk Producers Societies Union Limited
- M/s Shri Kedar Industries
- M/s Shri Vijay Mahantesh Enterprises
- M/s Laxmi Food Industries
- M/s Nectar Beverages Private Limited
- M/s Mysore Fruits Products Private Limited
- M/s Suvarnamukhi Biotech Park Limited
- M/s Harsha Seeds and Agri Product Privated Limited
- M/s Kenchannavar Oils

**3. M/s. Akshay Food Park Limited, Hiriya:** The Food Park is being developed in an area of 106 acres and 37 guntas of land at Huchavanahally village, Hiriya Taluk, Chitradurga District. The implementing agency has allotted 18.35 acres of land for 6 companies and the balance land available for allotment is 38.65 acres. The total project cost is Rs. 1639.00 lakh. The Governments of India

and Karnataka have, each, sanctioned and disbursed grant/un-secured loan of Rs. 400 lakhs. The implementing agency has mobilized the balance amount including loans from banks and commenced operations.

The Details of Food processing units established/proposed in the Food Park were as follows:

- M/s Global Suppliments Unit I
- M/s Global Suppliments Unit II
- Mr. B J Jakeer Hussien
- Mr. Afizulla T A

**4. M/s. Jewargi Agro Food Park Limited, Jewargi:** The Food Park is being developed in an area of 105 acres of land. The project is under implementation. The total project cost is Rs. 1972.25 lakh. The Government of Karnataka and Government of India have released grants of Rs. 300 lakh each as against the sanctioned amount of Rs. 400 lakh each. The balance amount has been mobilized by the implementing agency.

## II. Food Parks under the State Scheme:

As part of the State Budget 2008-09, the Government of Karnataka had approved the establishment of food parks in six districts i.e., Bangalore (Rural), Tumkur, Shimoga, Davanagere, Bijapur and Belgaum. These parks are in various stages of development.

1. **Tumkur Food Park:** M/s. Ramky Infrastructure Limited has been selected for the development of Food Park at Tumkur. Allotment of land at Vasanthanarasapura industrial area, Tumkur is in progress.
2. **Shimoga Food Park:** M/s. LMJ International Limited has been selected as the developer for establishing the food park in an area of 100 acres of land at Sogane Village in NidhigeHobli, Shimoga District. KIADB is forming a connecting road from Nidhige industrial area to the food park site and

the developer is yet to commence the development activities.

3. **Belgaum Food Park:** M/s. LMJ International Limited has been selected as the developer for establishing the food park at Belgaum. KIADB is yet to allot 100 acres of land for the development of the Food Park.
4. **Davanagere Food Park:** There was no response to the notification issued for selection of the private developer for implementing the food project at Davanagere and, KIADB is yet to identify the land.
5. **Ramanagar Food Park (Harohally in KanakapuraTaluk):** The food park project at Harohally in KanakapuraTaluk of Ramanagar District would be taken up after allotment of land by KIADB along with the details of cost of land.
6. **Bijapur Food Park:** 75 acres of land acquired by the Deputy Commissioner, Bijapur at Ittangihala in Bijapur District has been allotted to Food Karnataka Limited for the proposed food park. The tendering process for selection of developer is to be taken up.

## III. Spice Park at Byadagi Haveri District:

The State Government has approved the establishment of a Spice Park at Byadagi in Haveri district. No proposals were received for the two notifications issued for selection of developer for the development of Spice Park at Byadgi. In view of this, the board of FKL has decided to initiate the re-tendering process for selection of the developer, only after considering the prevailing cost of the land and verifying the viability of the project.

### 9.8.2 Textiles Industries

#### Karnataka NuthanaJavaliNeethi 2013-18

- Karnataka is the first State in the Country to launch State Textile Policy.

- “NuthanaJavaliNeethi 2013-18” has been announced vide G.O.No. Vakai 44 JaKaiYo 2012, Dated : 31-10-2013 is being implemented after completion of SuvarnaVastraNeethi 2008-13.
  - Targets of the proposed policy are as under.
    - Attraction of investments in Textile sector to the tune of Rs.10,000 crores.
    - New employment opportunities to 5 lakhs people.
  - A budgetary provision of Rs.1000 crores has been proposed for NuthanaJavaliNeethi 2013-18 for the policy period of 5 years.
  - NuthanaJavaliNeethi 2013-18 has got the following specialities compared to other States.
    - Maximum Financial Assistance is being provided to MSME sector, 15% to 20% of investments with a ceiling of Rs.2.00 crores.
    - Power subsidy at the rate of Re.1/- per unit to all the industries in the entire gamut of Textile value chain.
    - Existing industries are also assisted with subsidy of 15% to 20% with a ceiling of Rs.1.00 crore.
    - Sick co-operative spinning mills are assisted with subsidy of 20% with a ceiling of Rs.2.00 crores.
    - Textile industries are provided with capital subsidy as well as interest subsidy.
    - Financial assistance to the tune of 40% with a ceiling of Rs.20.00 crores is provided to set up Textile parks in Green Field and Brown Field zones to facilitate Textile industries themselves with infrastructural facilities.
    - Training will be provided to 3 lakhs unemployed people in skill development centres established by Government.
      - More emphasis will be given for development of technical Textile sector.
      - Financial assistance of Rs.10.00 crores will be provided for setting up of centre of excellence for the overall development of Textile sector in the State.
  - These specialties of Nuthana Javali Neethi 2013-18 are not available in any of the other States.
  - With this background, Nuthana Javali Neethi 2013-18 of Karnataka is expected to become a special and historical policy for the development of Textile sector in the State.
- Details of handloom weavers and looms in the State are given in Table 9.14 while details of power-loom weavers and looms are given in Table 9.15. Details of production and employment in the cooperative power-loom and handloom sectors are given in Table 9.16 A and 9.16B.
- During the 11th five year plan, 3000 handloom weavers have been provided with housing facilities. 12500 Handloom weavers have been provided with loan at subsidized rate of 4% / 3% to the tune of Rs. 350.42 lakh. Rs. 4290 lakh has been utilized during the plan period for waiver of loan and interest of weavers. 120 handloom weavers' co-operative societies are being provided with 20% rebate on sale of handloom goods as marketing incentive. Power is subsidized and provided at the rate of Rs. 1.25 per unit for 25000 power-loom units having power connection up to 20 HP benefiting above 90000 weavers.1500 power-loom weavers are being provided with 2 Power-looms each at subsidized rate of 50% subject to ceiling of Rs. 1.00 lakh per beneficiary. Employment for 85000 persons is being generated by imparting skill development training in various segments of textile sector through training and setting up of training centres with an expenditure of Rs. 7000 lakh.

**Table 9.14 : Handloom Weavers and Looms in Karnataka**

Sl.No	Particulars	Rural	Urban	Total
1	Total Weaver households	33854	3826	37680
2	Weaver Population			
	a) Male	61632	6447	68079
	b) Female	60056	6203	66259
	Total	121688	12650	134338
3	Weaving workforce			
	a) No. of adult weavers	35894	4038	39932
	b) No. of adult allied workers	33762	3125	36917
	Total	69686	7163	76849
4	Looms			
	a) Working	30394	4212	34606
	b) Idle	5268	614	5882
	Total	35662	4826	40486
5	Per capita income of weaver households (Rs.)	24840	25405	24897

Source: Handloom census conducted by Govt. of India, 2009-10

**Table 9.15: Power-loom Weavers and Looms in Karnataka**

Sl. No.	Particulars	
1	No. of weaver households	30988
2	No. of weavers	127535
3	No. of looms	88566

Source: Power-loom census conducted by Govt. of India, 1995-96

**Table 9.16 (A) Production and Employment in Handloom and Power-loom Industries**  
(In Co-operative sector only)

Sl No	Item	Unit	Annual Plan 2012-13		Annual Plan 2013-14		Annual Plan 2014-15	
			Target	Acht.	Target	Acht.	Target	Acht. (Upto Dec. end)
1	Handlooms a) Production	Million mtrs	45.00	46.09	50.00	47.63	55.00	41.29
	b) Employment	Lakh	0.95	0.82	0.95	1.12	0.95	0.84
2	Power-looms a) Production	Million.mtrs	315.00	328.99	330.00	353.59	335.00	268.00
	b) Employment	Lakh	2.60	2.56	2.60	2.60	2.90	2.94

Source: Textile Department

**Table 9.16 (B) Production and Employment in Handloom and Power-loom Industries up to December end (In Co-operative sector only)**

Sl No	Item	Unit	Annual Plan 2012-13		Annual Plan 2013-14		Annual Plan 2014-15	
			Target	Acht. (Upto Dec. end)	Target	Acht. (Upto Dec. end)	Target	Acht. (Upto Dec. end)
1	Handlooms a) Production	Million mtrs	45.00	32.08	50.00	37.36	55.00	41.29
	b) Employment	Lakh	0.95	0.84	0.95	0.82	0.95	0.84
2	Power-looms a) Production	Million.mtrs	315.00	246.48	330.00	267.57	335.00	268.00
	b) Employment	Lakh	2.60	2.61	2.60	2.51	2.90	2.94

Source: Textile Department

During the 12th five year plan, it is planned that 10000 weavers would be provided with housing facilities. 30000 weavers will be provided with 3% interest loans and 10000 employment opportunities will be created for SC/ST beneficiaries by providing training, looms and accessories, working capital and housing facilities. 5000 silk weavers will be covered under catalytic development program of Government of

India for the development of the silk sector in the State. 50 clusters and groups of weavers will be identified and developed under integrated handloom development scheme with coverage of about 10000 weavers. All handloom weavers will be provided with yarn subsidy at the rate of Rs.15 per kg of yarn purchased through National handloom development corporation which is subject to change



according to market fluctuations. The benefit of power subsidy will be extended to power-loom units having power connection up to 50 HP. 20000 weavers will be provided with 2 power looms each at subsidized rate of 50% subject to ceiling of Rs. 2.00 lakh per beneficiary with 5000 SC/ST beneficiaries being provided looms with 90% subsidy. The benefit of power subsidy of Re. 1 per unit will be extended to the old spinning mills also to prevent further closure of mills. Financial assistance will be provided for taking up modernization of ginning, pressing and spinning mills. Special emphasis will be given to technical textiles sector. There would be a special focus on employment generation to the tune of 5 lakh persons and investment mobilization of Rs. 10000 crore.

During the year 2013-14, Rs.23984.79 lakhs budget has been released including central share of Rs.47.96 lakhs. Rs.1499.00 lakhs has been spent for providing living cum workshed for 1570 handloom weavers. Rs.299.63 lakhs has been paid as interest subsidy for 3% interest loan to 4989 Handloom weavers. Rs.150.00 lakhs has been released to 35 weavers co-ops. towards interest on Thrift fund scheme. Rs.600.00 lakhs has been released to 120 handloom weavers' co-operative societies towards 20% rebate on sale of handloom products. Power subsidy of Rs.4692.08 lakhs has been released to Electricity supply companies towards power subsidy of 24000 units. Rs.500.00 lakhs has been released for providing Power-looms to 444 weavers at 50% subsidized rate. Under SCP & TSP Rs.764.59 lakhs has been released. Power subsidy of Rs.249.20 lakhs has been released to Electricity supply companies towards 3483 Power-loom units in backward taluks. Rs.465.80 lakhs has been released for providing Power-looms to 405 weavers in backward taluks at 50% subsidized rate. Rs.270.00 lakhs has been released for Common facility centres in backward taluks. Under Suvarna Vastra Neethi scheme, Rs.2500.00 lakhs additional allotment has been made.

Rs.1000.00 lakhs has been released for providing Garment training to 5653 SC, 5349 ST and 11474 other beneficiaries, Rs.937.66 lakhs has been released as incentives and concession to 139 Textile units. Rs.47.96 lakhs was released for development of 7 Handloom clusters. Rs.2136.71 lakhs has been released to KHDC for implementation of the various schemes.

During the year 2014-15, Rs.11371.36 lakhs budget has been released up to December end, out of the total budget of Rs.24154.94 Lakhs. Out of the released amount Rs.427.34 lakhs has been released for incentive and concessions. Rs.267.16 lakhs has been released subsidy for Pipeline project. Rs.1236.42 lakhs has been released for training 18169 candidates under Garment manufacturing. Rs. 115.20 lakhs has been released to M/s Etco denim pvt.ltd., Bijapur subsidy for incentive and concessions. Rs. 738.10 lakhs has been released for construction of 768 Living Cum Worksheds. Rs.300.00 lakhs has been released to 94 Co-operative societies and Cauvery Handlooms to encourage the marketing of Handloom products under the 20% rebate scheme. Rs.2464.00 lakhs has been released to Electricity supply companies towards arrears of power subsidy provided to 24000 Power-loomunits .Rs. 22.67 lakhs has been released towards interest subsidy for lsons availed by the weavers under 3% interest loan scheme. Rs. 250.00 lakhs has been for the supply of 2 looms to weavers. Rs. 500.00 lakhs has been released towards Rejuvenation of woollen sectors. Rs.300.00 lakhs has been released for setting up of Wollen Textile Mill in Kamadhod, Haveri district. 1055 Scheduled caste and 558 Scheduled tribe unemployed candidates have been introduced to weaving activity for which Rs. 1012.51 lakhs respectively were released. Rs. 995.00 lakhs has been released to Karnataka Handloom Development Corporation for implementation of various schemes of the Corporation.

### 9.8.3 Sericulture

Sericulture is one of the major employment generating sectors in the State and its growth has immense employment generation potential, particularly in rural Karnataka. The area under mulberry cultivation in the State was about 88879 hectares at the end of December 2014, which is higher than the area under mulberry cultivation in 2013-14

(Table 9.17). The production of cocoons, quantity of cocoons marketed, raw silk production was high in 2014 compared to 2013 and total employment in industry was high in 2014 compared to 2013. Details of the State's production and imports of silk yarn are presented in Table 9.18. Table 9.19 provides details of expenditure incurred under various sericulture promotional programs while Table 9.20 presents details of financial assistance availed by reelers

**Table 9.17 : Sericulture industry in Karnataka 2011-12 to 2014-15 (upto December 2014)**

Category	Unit	2011-12	2012-13	2013-14	April to December		% variation 2013 over 2012
					2013	2014	
1. Area under mulberry	'000 hectares	70.96	74.13	80.87	80.57	88.88	9.09
2. Production of cocoons	'000 MTs.	55.96	49.44	61.41	44.81	50.79	24.21
3. Quantum of Cocoons marketed	'000 MTs.	55.03	48.95	45.99	33.49	36.03	-6.04
4. Raw silk production	'000 MTs.	7.79	7.06	8.57	6.25	7.11	21.38
5. Employment in sericulture	Lakh	9.22	9.63	10.51	10.47	11.55	9.13

Note: MTs -Metric Tonnes

Source: Department of Sericulture.

**Table 9.18 : Production of raw silk in Karnataka and import of raw silk in India**

(Qty: MT)

Year	Production of raw silk in Karnataka	Import of raw silk by India
2011-12	7796	5673 (P)
2012-13	7063	2588 (p)
2013-14	8574	3260
2014-15*	4329*	849*

P: Provisional Data \* April to December period; Source: DOS, Karnataka & DGCI&S, Kolkata

**Table 9.19 : Promotional Programs for Sericulture (2014-15)**

Sl No.	Programmes	2014-15 Budget allocation	December 2014 end of expenditure
1	Catalytic Development Programme	3927.00	1740.70
a	Special Development Plan (SDP)	900.00	176.77
b	Hydrabad Karnataka Regional Development programme	600.00	254.25
c	Special Component Sub Plan (SCSP)	1337.50	269.44
d	Tribal Sub-Plan (TSP)	635.50	125.53
2	RKVY	500.00	205.16
4	New Initiatives for Sericulture Development & Assistance to Stake holders	5338.00	2844.93
a	Special Component Sub Plan (SCSP)	641.00	203.29
b	Tribal Sub-Plan (TSP)	261.00	39.01
	Total	14140.00	6070.73

Source: Department of Sericulture.

**Table 9.20 : Financial Assistance availed by Reelers and Sericulturists (2014-15)**

A. Financial Assistance to Reelers	2012-13		2013-14		April - Dec 2014-15	
	Beneficiaries	Amount (Rs. Lakh)	Beneficiaries	Amount (Rs. Lakh)	Beneficiaries	Amount (Rs. Lakh)
Charaka	-	-	-	-	-	-
Cottage Basin	-	-	-	-	-	-
Multi-end basin	-	-	-	-	2	127.00
Total	-	-	-	-	2	127.00
<b>B. Financial Assistance to Sericulturists</b>						
Mulberry Plantation	146	31.392	238	46.926	67	17.895
Purchase of equipment	39	8.444	208	50.69	57	24.282
Construction of Rearing House	80	206.835	342	864.84	168	478.434
Irrigation system	1	0.442	4	1.342	14	36.50
<b>Total</b>	<b>266</b>	<b>247.113</b>	<b>792</b>	<b>963.798</b>	<b>310</b>	<b>811.111</b>

Source: Department of Sericulture.

and Seri culturists. During 2013-14, the estimated mulberry silk production in India was about 18715 MTs of which Karnataka's share was 8574.

The reduction of custom duty on raw silk from 30% to 5% during March 2011 has had a serious impact on the sericulture industry in Karnataka. It is to be noted that the raw silk price in the country is directly related to imported Chinese raw silk price. Reduction of customs duty has resulted in the drastic fall in the silk and cocoon prices in the State resulting in distress sale and large scale agitation by the farmers and other stakeholders.

Considering the above-mentioned issues, the State Government had introduced a scheme of providing incentive to cocoons to farmers in 2011-12. The State Government had announced a package upto Rs.30/- per kg cocoons as distress relief when the cocoon rates go below a package upto Rs.160/-. To encourage and motivate the farmers to continue in sericulture, the Govt. of Karnataka has introduced a scheme of providing incentive of Rs.30/- per kg. to cross-breed cocoons and Rs.50/- per kg. to bivoltine cocoons. The State Government is also actively pursuing the issue of minimum support price for silk with the Government of India.

In the Union Budget of 2013-14 the duty on raw silk imports has been raised from 5% to 15% as against the request for 30% by State Government in the interest of stake holders

with this average cocoon prices of cocoons/kg has gone up.

In 2013-14 many innovative programmes are implemented for the development of Sericulture, like up-gradation of cocoon market, equipping cold storages, pledge loan, seed cocoon incentives etc., of automatic reeling machines, benefits to landless Sericulturists.

During 2014-15 following new Programmes are announced (1) Rs.5 crore will be provided for waiver of loans taken by 1027 sericulturists and reelers during 1982-1995 under Indo-Dutch scheme. (2) 100 Customer Service Centres will be opened. Allocation of Rs.1 crore will be made to provide 90% subsidy for supply of equipment to these centres. (3) Comprehensive and transparent e-tendering system will be established for marketing of cocoon and raw silk.

#### **Karnataka Silk Marketing Board Ltd**

The Karnataka Silk Marketing Board Ltd. promoted by the Government of Karnataka was established in 1979. This was done with the intention of stabilising the prices of Silk yarn. During 2013-14 The Company has made a turnover of Rs3860.00 Lakhs as against the turnover Rs.4647.40 Lakhs in the previous year. During this year up to Dec-2014 the turnover was Rs.2190.00 Lakhs. **Table 9.21** presents details of Financial performance of Silk Marketing Board.

**Table 9.21 - Financial performance of Silk Marketing Board**

**(Rs in Lakhs)**

Particulars	2011-12	2012-13	2013-14	2014-15 (Upto Dec-2014)
<b>1. Turnover</b>	4320.00	4647.40	3860.00	2190.00
<b>2. Profit after tax</b>	(-)368.70	(-)154.47	(-) 541.82	(-) 325.00

Source : Karnataka Silk Marketing Board.

During 2014-15 upto December, the transactions in the Silk Exchanges have decreased (36 %) by 348 M. tons when compared to the corresponding period of previous year. The prices of silk yarn for filature silk has decreased by 6% and charka silk prices were decreased by 13% .

During 2013-14 the Company has purchased 132 tons of silk amounting Rs.39.09 Crores and sold 129 tons valued Rs.38.60 Crores and the loss incurred was Rs.541.82 Lakhs. **Table 9.22** presents details of Transactions of Silk Yarn at Silk Exchange and average prices for past three years.

During the year 2013-14 the prices of imported silk in the domestic market was higher than the domestic silk price and the prices of domestic silk were on higher side throughout the year, when compared to previous year.

The Company had purchased the silk by offering the day to day market price and purchased 132 tons and sold 129 tons during 2013-14 and to the end of the year 31-03-2014 the stock holding was 24 tons. During 2014-15 upto December -2014, 63 tons of silk was purchased and sold 75 tons and the closing stock at the end of December - 2014 was 15 M. tons. **Table 9.23** presents details of Particulars of Purchase

**Table 9.22 : Transactions of Silk Yarn at Silk Exchange and average prices during 2011-12 to 2014-15 ( Upto Dec-2014)**

Year	Quantity	Average Price Rs. Per Kg.	
	(Tonnes)	Filature	Charka
2011-12	1310	1913	1655
2012-13	1238	2236	2182
2013-14	1358	2860	2624
2014-15. Upto Dec-14)	1371	2672	2305

Source : Karnataka Silk Marketing Board.

**Table 9.23 : Particulars of Purchase & Sales and Profit/Loss of Silk Marketing Board from 2011-12 to 2014-15 (up to December -2014)**

(Quantity in tons and value in Rs. Lakhs)

Year	Purchase		Sales		(+ ) Profit (-) Loss Rs.	Accumulated Loss Rs.(-)
	Quantity	Value	Quantity	Value		
2011-12	270	5008	215	4320	(-)368.70	3208.74
2012-13	118	2696	209	4647	(-)154.47	3363.21
2013-14	132	3909	129	3860	(-)541.82	3905.00
2014-15 Upto Dec-14)	63	1718	75	2190	(-)325.00	4230.00

Source : Karnataka Silk Marketing Board.



& Sales and Profit/Loss of Silk Marketing Board from 2011-12 to 2014-15. The production of silk yarn and import of silk yarn in Karnataka from 2011-12 to 2013-14 is given in **Table 9.24**.

Karnataka's contribution for sericulture development is substantial. In various process of sericulture and Silk Industry, over the years, the function of KSMB has become a vital link in a stage at which effort of the farmers get money value in real terms. The government of Karnataka has given a financial support by releasing Rs.1 Crore during 2013-14 to meet the administrative expenses. Further to increase the turnover, Government has agreed to give a guarantee to Canara Bank to avail loan up to R.15 Crores. A proposal is

sent to the Government to assist with a financial support of Rs.50 Crores for the revival of the Board. The value of silk goods exports earing from Karnataka is given in **Table 9.25**.

#### **9.8.4 Karnataka Information Technology and Biotechnology Services**

The Information Technology Revolution in Karnataka began with the establishment of the multinational company viz., Texas Instruments in 1984. Recognizing the importance of dedicated telecom infrastructure and connectivity, Software Technology Parks of India (STPI) established its first Earth station at Bangalore in 1992. This catalyzed the positive growth in the Information

**Table 9.24 : Production of silk yarn and import of silk yarn in Karnataka 2011-12 to 2013-14**

Year	Karnataka Silk Production ( in tons )	Import of Silk Yarn ( in tons )
2011 - 2012	7796	5673
2012 - 2013	7063	4951
2013 - 2014	8574	3259

Source : i) Karnataka Silk Marketing Board.  
ii) Central Silk Board

**Table 9.25 - Earning from exports of Silk Goods from Karnataka and India**

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15 (April-October) (P)
Karnataka	712.62	693.47	674.92	608.81	335.44
India	2863.76	2353.34	2303.53	2480.97	1617.58
Share of Karnataka%	24.88	29.47	29.30	24.54	20.74

P = Provisional; Source: Directorate General of Commercial Intelligence & Statistics, Kolkata

Note: 1. Figure includes silk yarn & silk waste.

2. Value of export of silk-goods figures from Karnataka reflects the exports consignments dispatched from ports viz., Bangalore Air and Bangalore, ICD.

Technology sector with 13 companies in 1992 exporting software worth USD 3 million to 2425 companies in 2013 exporting software worth Rs. 1,80,000/- Crores there by maintaining a steady growth.

Karnataka continues to be the most preferred destination for all global Information Technology & Biotechnology giants due to numerous favorable factors such as:

- Pro-active Government
- Industry friendly Labour Laws
- Salubrious Climate
- Excellent Law & Order situation
- Absence of Natural Calamities
- Talent pool of highly trained professionals
- Cosmopolitan social life in the cities particularly at Bangalore
- Investor friendly opportunities

The Information Technology Industry in the State has emerged as one of the largest job providing sector. The Industry provides direct employment to over a million and indirect employment to over 3 million.

Bangalore, the 4th Best Technology Hub in the world, after Silicon Valley, Boston and London (as per United Nations Development Programme (UNDP) Report), has become a global brand in the Information Technology space. Almost all the Fortune 500 Companies have one or the other of their operations outsourced in Bangalore. Many global brands such as GE, Texas Instruments, Intel, AMD, SAP, CISCO, Microsoft, Motorola, Nokia etc., have their Research & Development (R & D) activity based in Bangalore.

The secondary cities of Mangalore, Mysore, and Hubli - Dharwad are also emerging as attractive destinations for Information Technology / Information Technology enabled Services (ITeS) Business Processing Outsourcing (BPO) and Telecom services.

## Vision

- To position Bangalore to be the Information Technology Research & Development and product hub of India.
- To maintain Karnataka's leadership in outsourced Information Technology services.
- To retain Karnataka's position as the state with largest skilled workforce in India for Information Technology services, Products and Research & Development.
- To enable Karnataka to be the most preferred destination for MSME (Micro, small and medium enterprises).
- To be the disaster recovery/ Business continuity hotspot due to the state's unique and secure geo-position.

## a) Information Technology Investment in Karnataka

The information technology (IT) sector in Karnataka has become one of the main growth drivers of Karnataka's economy. Information Technology activity in Karnataka is largely concentrated in Bangalore. Lately, other parts of Karnataka have also seen a growth in IT-related activities.

Bangalore was the first city in India to set up a satellite earth station for high speed communication services to facilitate software exports in 1992. The State made a giant leap in the Information Technology sector by establishing the Country's first extended facility of the International gateway and network operations centre at the Software Technology Park of India (STPI) in the Electronic city. Karnataka is home to over 2500 IT companies, contributing to over Rs. 1.80 lakh Crores of exports, giving direct employment to over 10 lakh professionals and creating over 30 lakhs indirect jobs. The industry contributes to over 25% of the State's GDP. The share of Karnataka in Information Technology exports is nearly 38% of the country's exports.

### **Penetration of ITBT into regions other than Bangalore:**

The thrust of the Information and Communications Technology (ICT) Policy and Electronic System Design and Manufacturing (ESDM) Policy is on development of IT and ESDM Companies in the Tier – 2 / 3 Cities of Hubli – Dharwad, Mysore, Mangalore, Gulbarga and Belgaum. While IT Parks have been developed in Hubli-Dharwad, Shimoga and Gulbarga, the Government would get feasibility study done for IT Parks in Mysore, Mangalore and Belgaum. Skill Development programs are also proposed to be considered in Tier – 2 and Tier – 3 cities, especially for the Karnataka ESDM companies.

### **b) Policy Framework for Attracting Private Investments**

#### **(i) Karnataka I4 Policy (IT, ITES, Innovation Incentives Policy)**

The Government has brought out new IT Policy i.e., Karnataka I4 Policy (IT, ITeS, Innovation Incentives Policy) where in several incentives are being offered to new IT / ITES and other knowledge based sectors to set up their facility in Tier2/3 Cities across Karnataka.

The Dept. of IT, BT and S&T acts as Single Window Agency for clearance of IT / ITeS / Start-ups / other Knowledge based industries.

Some of the highlights of the i4 policy are as under:

- Employment Linked Incentivization of Land Allotment(E-LILA) outside Bangalore Urban and Rural districts' Limits
- Land allotment for IT / ITeS, Animation-Computer Graphics Imagery (CGI) / Knowledge based industries at concessional rates.
- Allotment linked to employment generation for investments outside Bangalore Urban and Rural Districts.

- Thrust to promote Tier2/3 cities.
- Incentives available only for direct end users.
- Land will be allotted at the rate of 1 acre for every 1000 jobs created.
- Start-up companies to be provided plug and play space with internet at concessional rates of Rs.5-15 per square feet depending on location
- Dept. of IT, BT and S&T to act as Single Window Agency for clearance of IT / ITeS / Start-ups / other Knowledge based industries.
- Exemption of Karnataka Industrial Employment (Standing Orders) Rules, 1964 to IT / ITeS / Start-ups / other Knowledge based industries for a period of 5 years.
- IT / ITeS / Start-ups / Animation / KPO / Knowledge based industries to be treated at par with Public Utilities.
- Reimbursement of PF/ESI of Rs.2000 Per month per employee for 2 years for all new employment created in Tier2/3 Cities.
- Industrial Power tariff will be applicable to all IT / ITeS / BPO / Telecom / KPO / Start-ups / Animation / KPO / Knowledge based industries
- Stamp Duty Exemption of 75% in Mysore and Mangalore for IT / ITeS / Start-ups / other Knowledge based industries in addition to other locations.
- Skill development programme for training unemployed youth in basic IT/BPO/ESDM/Telecom etc.

#### **(ii) Setting up of Startup ware House in Bangalore.**

Government of Karnataka (GoK) / Karnataka Biotechnology and Information Technology Services (KBITS) in partnership with National Association of Software Services Companies (NASSCOM) has set up the first start up ware house at Diamond

District, Old Airport Road, Bangalore. This is one of the recommendations of the Karnataka ICT Group (KIG) 2020 Report. The first start up ware house has been running successfully and it has facilitated 35 start ups and another 40 are waiting for the space. All the start ups incubated in the ware house are reported to be in Bangalore only and grow their operations locally.

Bangalore is now also known as the Startup Capital of India and it is reported that nearly 30% of the startups are from Bangalore. Encouraged by the success of the first ware house, GoK/KBITS now proposes to put up a second start up ware house in the city and the preliminary works have already been completed and it is expected to take off before March 2015 and is expected to accommodate around 500 work stations along with other infrastructure.

### **(iii) Karnataka Semiconductor Venture Capital Fund ( KARSEMVEN Fund)**

Traditionally, Karnataka has been the favored destination for the technology sector in software, semiconductors and biotechnology. Bangalore has been preferred hub of the Government of India (GoI) defence labs. This coupled with the talent pool, access to engineering colleges and attractiveness as an investment destination for private sector companies, has created an ecosystem giving Karnataka a national edge. Bangalore is the largest hub of semiconductor design companies, outside the Bay Area in California. Nearly 70% of the country's chip designers work here and around 80% of the sector's revenues in design are from this city alone.

Government of Karnataka focus is on 3 key activities.

- I. Promote Karnataka as a semiconductor design hub.
- II. Attract investments in high-tech semiconductor manufacturing.
- III. Promote generation and use of green energy specifically solar energy.

### **(iv) Focus on manpower development**

GoK / KBITS has set up Karnataka Semiconductor Venture Capital Fund (KARSEMVEN Fund) for assisting Companies in the Semiconductor sector. The total fund size is Rs.96.15 Crores. The fund has achieved the initial closing of Rs.50 crores on 9/5/2014.

The fund has become operational and the Investment Committee has been set up. Applications from the Companies seeking assistance are being examined.

This is a major achievement in taking the investments in Semiconductor industry forward.

**(iv) KAVGC Policy:** As per the Karnataka Animation, Visual Effects, Gaming and Comics (KAVGC) Policy the following projects are being implemented.

#### **a) Digital Art Centers**

As per the KAVGC policy Digital Training Centres (DTCs) being set up in 7 Art Colleges/Schools across Karnataka in association with Association of Bangalore Animation Industry (ABAI) providing education in traditional arts are proposed to be equipped with Digital Lab and Technologies so that the digital component can be included in the curriculum and offerings by the State's educational institutes. The Project is known as Digitalization of Art Colleges (DACs)

It is proposed to set up the above facilities in 7 DACs in the first phase in Centre for Information Science and Technology (CIST) - Mysore University, Maya Academy of Advanced Cinematics (MAAC)-Hubli, Framebox-Sirsi, Jingles-Gulbarga, Karnataka Chitrakala Parishad and AIGA in Bangalore and Hampi. MoUs have been entered into between ABAI & KBITS for setting up of Digital Art Centers (DACs) in 7 art schools across Karnataka.

#### **b) Commencement of Train The Trainer Programme (TTT)**

This is a programme which is basically aimed at bridging the gap in the current



education sector thereby improving the overall level of knowledge imparted in the Animation, Visual Effects, Gaming and Comics (AVGC) Industry and Government of Karnataka in association with ABAI has taken steps to set up a “Train the Trainer” (TTT) Hub in Bangalore.

**Objectives of TTT are:**

1. To ensure that basic curriculum is prescribed for various long term /short term courses for the development of artistic and technical talent.
2. For bringing in experts and trainers to conduct programmes to create the first batch of trainers in the proposed centres.
3. To develop know-how, tools and learning pedagogy for AVGC education at all levels.

ABAI has entered into MoU with KBITS for setting up of Train The Trainer (TTT) facility in Bangalore. The project is ready for inauguration.

**c) Setting up of AVGC Lab & Digital Media City**

Government of Karnataka / KBITS proposes to set up State of the Art AVGC Lab and Digital Media City in Bangalore under Public Private Partnership (PPP) for the benefit of the Animation Industry in Karnataka. KBITS / GoKhas entered into MoU with ABAI for selection of the Private Partner through Global tender for the project.

**(v) Karnataka's Electronics Systems Design and Manufacturing Policy 2013**

Electronic Systems Design and Manufacturing (ESDM) is the fastest growing segment of the Information and Communications Technology (ICT) sector. As per the National Electronics Policy – 2012 (NEP-2012), ESDM is expected to grow to USD \$400 Billion by the year 2020 and will generate a total employment of over 28 million. The objective of the Karnataka ESDM Policy is to facilitate, promote and

develop the “ESDM” sector in the State of Karnataka and make Karnataka a preferred destination for investment in Telecommunications, Defense, Medical, Industrial, Automotive, Consumer Products, applications and components, parts, and accessories required for the aforesaid products and applications. The following targets are set for Karnataka ESDM Policy:

Department of Electronics and IT, Government of India has approved setting up of Brownfield ESDM Clusters-One in Electronics City, Bangalore and another in Mysore. The ESDM Clusters will be set up on PPP mode, stake holders being Government of India, State Government and Industry bodies.

1. Emerge as the leading contributor to India's ESDM sector by accounting for at least 10% of the USD \$400 billion by 2020,
2. Generate over 20% of the country's total ESDM exports targeting at USD \$80 billion by 2020,
3. Develop core competencies in specific ESDM verticals such as telecom, defense electronics, avionics and energy.
4. Make Karnataka the country's preferred destination for investments in ESDM, and
5. Generate at least 240,000 new jobs, 25% of India's PhDs and 5000 patent filings in ESDM sector in Karnataka by 2020
6. Increase the value-addition that is done in Karnataka.

**(vi) ICT Skills Development Society**

As per the i4 Policy of the Government ICT Skills Development Society (ICTSDS) has been registered in March 2014 with the mandate to take up Skill Development activities in consultation with the Industry for training un-employed and under-employed youth in basic ICT domains of



sub-sectors like BPO, Telecom, ESDM, Manufacturing, Services, Health, Automation etc.

The ICT Skills Development Society has been selected to roll out a skilling program in ESDM Sector by the Department of Electronics and Information Technology, Government of India. Karnataka has been selected as one among six states in the country to implement this Govt. of India Scheme which is to the tune of Rs. 14.3 Crores per state and a provision to provide skilling in ESDM sector to 15,000 youth per state. MoUs have been signed with (i) National Institute of Electronics and Information Technology, Govt. Of India (ii) Electronics Sector Skill Council of India and (iii) Telecom Sector Skill Council.

Skilling program has been launched on Oct 30, 2014 in Bangalore. The Scheme has provision of funding Rs. 14.3 Crores from the Govt. of India for training of 15,000 youth over next four years. Best of breed solutions are being employed in implementing this project. Website of ICTSDS was launched on Sept 18, 2014 and all relevant information and details have been put on the website. The website also gives details of the courses, the industry linkages and other opportunities.

Department of Higher Education, Ministry of Human Resource Development (MHRD), Government of India, proposes to set up 20 new Indian Institute of Information Technology (IIIT) in different parts of the

country. Partners in setting up the IIITs would be Govt. of India (MHRD), State Governments and Industry, who will contribute the tentative estimated cost of Rs.128 Crores in the ratio of 50:35:15. State Government has given its commitment to provide its share of capital expenditure as well as to allot 50 acres of land free of cost. Govt. of India has given its approval for setting up of IIIT project in Dharwad. State Government has recently allotted 61.06 acres of Government land in Dharwad for setting up of Indian Institute of Information Technology (IIIT). Table 9.26 represents performance of Information and Communication Technology Sector.

### C. Investment in Biotechnology

Karnataka has played a key role in India's emergence as a significant player in the global biotechnology industry. Karnataka is home to 60% of the country's biotech units. There are over 400 biotech units in the country and in Karnataka their number has increased to 226 in 2013-14 with Karnataka contributing to 26% (1.04 Billion USD) of total Biotech Revenues of over 5.0 Billion USD

This number continues to grow with most of the well-known companies continuing to choose Karnataka for their operations. The biotech export revenues contribution of Karnataka is 530 million USD. The domestic sales revenues is currently 509 million USD.

**Table 9.26: Performance of Information and Communication Technology Sector**

Sl. No.	Particulars	Unit	2013-14	2014-15 (up to Dec. 2014)
1	IT Units	No.	2425	2560
2	IT Exports	Rs. in Crores	1,80,000	1,76,610
3	No. of Employees	No. in Lakhs	9.5	10

Source : Department of ITBT

Karnataka has put in place a strong policy framework to provide all requisite resources for enhancing this industry's research and development capabilities. Being the pioneer of the biotechnology industry, the State has built up considerable resources and talent pool that are well suited for the needs of the industry. Karnataka was one of first Indian States to frame an industry-oriented biotechnology policy. The millennium biotech policy was formulated by Karnataka Government in 2001 itself to give a thrust to the biotechnology industry in the State. Keeping in tune with rapid changes in the industry, the policy was revised in 2009 and is now being worked up to release version 3.0 of the policy to integrate adoption of new technologies as well as innovation to meet challenges that continue to persist in the society. Karnataka is highest in R&D expenditure in South India.

#### **Highlights of Progress in Alignment with Biotech Policy II:**

1. Bangalore Bio Innovation Center (BBC) on fast track to be launched by end of Dec 2014 in Bangalore Helix Park, Electronics City
2. BBC with capacity to house over 20 SMEs with access to high tech instrumentation facility will be an integral part of the Biotech Ecosystem to provide impetus for innovation.
3. Institute for Bioinformatics and Applied Biotechnology (IBAB) and Centre for Human Genetics (CHG) well established in Bangalore Helix Park are being strengthened with hostel and training facilities.
4. MOA signed with Centre for Scientific Industrial Research-Central Food Technological Research Institute (CSIR-CFTRI) to establish Phase I (Incubation Suites cum Common Instrumentation Facility) in the campus of CFTRI - Mysore with focus on Nutraceuticals and Phyto-Pharmaceuticals,. A grant of 5 Crores has been provided.
5. MOA finalized with UAS- Dharwad to establish Phase I (Incubation Suites cum Common Instrumentation Facility) in Dharwad with focus on Agriculture and Biotechnology. A grant of Rs. 6.5 Crores has been provided.
6. Biotechnology Finishing School (BTFS) program strengthened with 210 students enrolled across 12 colleges including 12 students in the Department of Biotechnology of Gulbarga University and 9 in MMAS College, Sirsi. Student fellowship increased by Government of India to Rs. 10,000/- from Rs. 5,000/- per month.
7. Over 60% of job placements of Batch II students.
8. Expert Group on Agriculture Biotechnology (EGAB) constituted as a sub group of VGBT (Vision Group on Biotechnology) has developed a comprehensive Agriculture Biotechnology Policy Document – circulated to all the relevant departments.
9. Funded University of Horticultural Sciences, Bagalkot to the extent of Rs.8.5 Crores over 3 years to carry out R&D on Tomato, Banana, Pomegranate and Garcinia, to develop resistance to diseases and establishment of germplasm / gene banks
10. Proposal sent to Department of Biotechnology-Government of India (DBT-GOI) to establish Center for Biomolecular Engineering in Bangalore – potentially Rs. 700 Crores Project.

#### **Initiatives of e-Governance**

Karnataka has an exclusive e-Governance Division in the Department of Personnel and Administrative Reforms headed by Secretary to Government, Department of

**Table 9.27 : Achievements in IT&BT Sector for the year**

Sl.No	Particulars	Units	2011-12	2012-13	2013-14	2014-15 (Apr-Dec' 14)
1	Software Exports	Rs.in crores	82110	95048	102273	75680.13
2	No STP Units Approved	Nos.	26	16	24	10
3	Investment from STP Units Approved	Rs.in crores	62.71	17.09	78.14	23.25
4	Nos. of Foreign Equity Companies	Nos.	19	14	14	5
5	Investment from Foreign Equity	Rs.in crores	21.35	1.3	29.39	21.83
6	Hardware Exports	Rs.in crores	3021	3250	4291.10	2414.36
7	No of Electronic Hardware Companies	Nos.	1	2	4	0
8	Investment from Hardware Units	Rs.in crores	0.1	0.11	182.02	0
9	No of Major India Companies	Nos.	0	1	5	0
10	Investment from Major Indian Companies	Rs.in crores	0	15.2	223.05	0
11	No of SME's Companies	Nos.	8	3	9	5
12	Investment from SME's Companies	Rs.in crores	41.46	0.79	7.72	5.2
13	No of BPO Companies	Nos.	3	0	0	0
14	BPO Exports	Rs.in crores	17775	20392	16692.73	NA
15	Investment from BPO Units Approved	Rs.in crores	1.02	0.6	0	NA

Source : Software Technology Parks of India, Bangalore

Personnel and Administrative Reforms (e-Governance). This was set up in the year 2003 with a view to accelerate the process of IT enabling of Government processes for the benefit of citizens and to improve transparency and efficiency in administration. The Department of Personnel and Administration Reformse-Governance) has created the necessary infrastructure for implementing e-Governance initiatives in the state. The various e-Governance initiatives related to the Department of Personnel and Administrative Reforms(e-Governance) are, briefly, mentioned below

- **e-Procurement:** The e-Procurement project aims at making the process of procurement more efficient and transparent by using information technology tools. As many as 272 departments/ organizations are using the e-Procurement platform as at the end of September, 2014. Procurement valued at over 2,50,341/- crores has been made through this electronic platform. This platform has enabled more competition among the bidders as more bidders are participating in the procurement process resulting in reduction of approximately 10% in bid amount vis-à-vis the estimated expenditure. More than 43,238 suppliers /bidders are registered on the platform.
- **Karnataka State Wide Area Network (KSWAN):** KSWAN project has covered 3749 Government offices comprising 64 departments and I.P. phone provided to more than 2400 offices. KSWAN connectivity has been established between district headquarters and the state capital. This enables conduct of Government programmes through this network, thereby, minimizing the need for the district officers to visit the state headquarters.
- **Human Resources Management System (HRMS):** Human Resource

Management System is fully implemented in all the departments of state Government. Besides, as many as 83,000 employees of fully aided educational institutions and employees of some of the boards/companies such as Karnataka Soaps and Detergents Ltd, Karnataka State Pollution Control Board, Karnataka Residential Schools Society, Karnataka Khadi and Gramodyog Board, Karnataka Labour welfare Board are also on the HRMS platform. Karnataka is the first State to implement HRMS in the country. Functionaries from other States are coming to the state to learn and adopt the system in their states. Government has accorded sanction to upgrade the present HRMS system to HRMS-2.0 and the process is on.

- **State Data Centre (SDC):** A new State Data Centre(SDC) has been established in Vikasa Soudha since 09.06.2011. The old SDC has 52 applications and the new SDC has 62 applications hosted for 65 departments. The State Data Centre has supported common Entrance Examination conducted by CET and Industrial Training Institute Entrance Examination conducted by the Employment and Training Department.
- **Bangalore one Centre:** This project has the objective of providing all G2C (Government to Citizen) and B2C (Business to Citizen) services under a single roof. The target is to establish one center in each of the wards of Bengaluru City. There are now 95 Bangalore one centers. The number of transactions up to September 2014 was more than 895 crore.
- **Karnataka One:** 39 Karnataka one centres have been established (similar to Bangalore One centres) in tier two cities, namely Hubli-Dharwar, Shimogga, Belagavi, Ballary, Mysuru, Mangalore, Davanagere, Kulaburgi and Tumkuru.

- **SECLAN:** LAN Connectivity has been provided to the offices in Vikasa Soudha, Vidhana Soudha, Raj Bhavan and Multi Storied Building. There are 5595 nodes.
- **Aadhar:** The objective of the scheme is to issue unique identity numbers to around 6 crores residents of the state. As many as 4.70 crores of residents have been enrolled and out of them 4.62 crores have received Aadhar numbers. Enhanced publicity measures are undertaken to enroll the remaining residents. The process of establishing permanent Aadharcentres is also on.
- **Karnataka Mobile One Project:** The objective of Karnataka Mobile One project is to render services “Any Where, Any Time, Any Device” to the residents. It is intended to provide several services to the residents through Mobile. Over 4,000 services will be provided soon. The Hon'ble President of India will inaugurate this project on 08.12.2014.
- **Karnataka Resident Data Hub:** Karnataka Resident Data Hub (KRDH) would essentially be a repository of all the Government services availed by each citizen of the State. This data hub will be populated with the beneficiary identifying key from the seeded Department's Data base against the UID of an authenticated citizen. As a result eligible people will avail the services and the volume of pilferage is going to be significantly reduced. At present seeding in 5 departments viz., Social Security Pension, Minorities, RDPR, Food and Civil Supplies, and Social Welfare is in progress.
- **Decision Support System:** The objective of the scheme is to collect data relating to implementation of development programmes of all the departments electronically (Online) and monitor the same. This will enable taking appropriate and quick decisions with regard to those development programmes. At present, this system is being implemented in eight departments. The administrative department concerned for this scheme is the Planning Department.
- **e-District:** e-District is a Mission Mode Project (MMP) under NeGP. This MMP aims at electronic delivery of identified high volume citizen centric services, at district and subdivision level. Government has accorded sanction for implementing this scheme as per the Government order No: DPAR 1 PRJ 2013 dated 02.01.2014.
- **Common Service Center:** The objective of this scheme is to establish over 5,000 Common Service Centers in the gram panchayats in the state. Government has accorded sanction for implementing this scheme as per the Government order No: DPAR 1 PRJ 2013 dated 02.01.2014.
- **State Service Delivery Gateway (SSDG):** This scheme will be enabling the State Portal with other components such as State Service Delivery Gateway (SSDG) and electronic form (e-form) application. e-form application will enable residents to download forms and submit their applications electronically.
- **Capacity Building:** Centre for e-Governance and DPAR(e-Governance) are providing services of consultants to other departments for implementing their e-Governance initiatives. An State e-Mission Team (SeMT) has been set up in the Centre for e-Governance for coordinating with other departments. Over 300 officers have been trained under the STEP training programme formulated by NISG.
- **Sachivalayavahini:** File Monitoring System (FMS), Letter Monitoring System (LMS) and Court Cases Monitoring System (CCMS) have been



operationalised in the Karnataka Government Secretariat. The upgraded Sachivalaya-2 package has been implemented.

### 9.8.5 Mining and Minerals Industries

#### Karnataka's Mineral Resources

During the year 2014-15, up to December 2014 the Department of Mines and Geology has granted a total of 4 mining lease, for minerals such as Limestone and dolomite over an extent of 1038.0516 hectares and 01 Mining Lease has been granted for Lime

shell over an extent of 8.31 hectares and 30 quarry leases for ornamental stones have been sanctioned.

The Department has realized revenues of Rs.1282.06 crores as against target of Rs.1259.83 crores upto DEC 2014 against target of 1750.00 crores for the year 2014-15. Details of royalty collections during the period 2012-13 to 2014-15 are provided in **Table 9.28**. Scheme wise details of Plan and Expenditure presented in **Appendix 9.6**.

**Table 9.28 : Details of Royalty Collections**

(Rs. in crore)

Year	Target	Achievement	Major Mineral (Ore and other industrial)	Minor Mineral (Building +Ornamental+ Sand)
2012-13	1500	1485.48	794.16	691.32 (as per MPR)
2013-14	1411.91	1366.99	743.04	623.95
2014-15	1750	1282.06 (Upto-DEC-14)	651.35	630.70

Source: DCB Section, Mining and Geology Department

**Table 9.29 : Performance of Karnataka State Small Industries Development Corporation**

Particulars	Unit	2011-12	2012-13	2013-14	2014-15 (April 14 to Dec-14)
Depots for distribution of raw material	Number	23	23	17	17
Raw material sold (Iron & Steel)	Rs. Crore	86.71	64.51	53.96	37.23
Industrial sheds constructed (Indl. Sheds / Godowns / Flats/ Shops)	Number	6163	6163	6163	6187
Industrial Plots developed (cumulative)	Number	7010	7010	7383	8127

Source: (KSSDIC)

## 9.9 Status of Public Enterprises in Karnataka

### 9.9.1 Karnataka State Small Industries Development Corporation

Karnataka State Small Industries Development Corporation Limited (KSSIDC) promotes the development of small scale industry (SSI) sector by providing industrial sheds, channels for procurement and distribution of raw materials and management guidance to SSI entrepreneurs. The Corporation has a network of 17 depots for raw material distribution in the State. It has also acquired land in and around Bangalore and in other districts for the construction of

sheds and plots for development as per the SSI units' demand. The details of raw materials sold, sheds constructed and plots developed by the corporation are given in **Table 9.29**. The financial performance of KSSIDC is shown in **Table 9.30**.

The details of 11th Five Year Plan target & achievement of the corresponding department are given in annexure 9.07. The Corporation's principal objective is promotion and development of Small Scale Industries in the State. Construction and utilization of infrastructure especially in the backward areas, procurement and marketing industrial raw-materials and extending technical support and assistance are the means to achieve the above goals.

**Table 9.30 : Financial Performance of Karnataka State Small Industries Development Corporation Limited (Rs. Lakh)**

Year	Total income	Total Expenditure	Net Profit after tax
2011-12	15660.91	13370.06	1699.50
2012-13	13058.41	11290.88	1254.10
2013-14	11147.00	9579.00	1126.00
2014-15 Upto Dec-2014 as per Budget	28177.00	26602.00	1200.00

Source: (KSSDIC)

**Table 9.31 : Financial Projections for the period 01.04.2014 to 31.03.2019 (Rs. Lakh)**

Sl. No	Year	Total income	Total Expenditure	Net Profit
1	2014-15	34100.22	32934.08	1166.13
2	2015-16	35805.23	34580.79	1224.44
3	2016-17	37595.49	36309.83	1285.66
4	2017-18	39475.26	38125.32	1349.95
5	2018-19	41489.63	40031.58	1417.44

Source: (KSSDIC)

In the last few years, the Corporation is playing a key role in the development of MSME Sector in terms of establishment of new Industrial Estates, Up-gradation of basic infrastructure in the existing Industrial Estates by introducing various entrepreneur friendly measures both in Industrial Estate and Commercial activities. KSSIDC's policy initiatives and strategies include:

- To pursue with the Govt., for allotment of minimum 25% of the lands to the Corporation for development of the Industrial estates exclusively for MSME sector whenever huge extent of lands are acquired by KIADB for the purpose of LAND BANK. Also, pursue with the Govt. for reservation and allotment of minimum 25 to 50 acres of land for KSSIDC whenever large extent of lands are allotted to Mega Investors in the proposed "Global Investors Meet" by HLSWC.
- Monitoring of the lands allotted by way of introducing strict time limit on utilisation of plots.
- Initiating participative policy in which land owners are made partners in the benefits of the Industrial Estates to be developed.
- To form new industrial clusters in about 16 places based on the availability of local skill & demand from the industry side in various districts of the State.
- Policy to develop Functional Industrial Estates / Parks on PPP Model on privately owned to avoid land acquisition and thereby, avoid blockage of funds.
- Proposals to develop new Industrial Estates keeping in mind the modern infrastructure, utility and service requirements.
- To upgrade the existing Infrastructure and to take up Critical infrastructure works in the Indl. Estates, by seeking separate funds in the State Budgets and also by bringing them under the ambit of Industrial Township Act so that the concerned Industries

**Table 9.32 - Sales Performance of KSSIDC (2013-14 & 2014-15)**

Sl. No	Items	Target for 2013-14		Target for 2014-15		Sales performance 2013-14		Sales performance up to Dec-2014	
		Qty in Mts	Value in Rs. lakhs	Qty In Mts	Value In Rs. lakhs	Qty in Mts	Value in Rs. lakhs	Qty in Mts	Value in Rs. lakhs
1	Iron & Steel	15,000	7283	15,000	7,350	11,664	5396	7612	3723
2	Coal	40,000	1200	40,000	1,250	35,415	970	15303	431
3	Wax	200	200	200	205	69	76	47	54
4	Cement	1,500	90	1,500	91	765	40	3063	144
5	Bitumen handling commission	500	10	--	--	33	0.06	-	-

Source: (KSSIDC)

Associations of the Estates collect taxes and other levies and maintain the Estates themselves efficiently.

- With a view to assist the SSI Sector in marketing their products, Marketing Assistance Scheme is being implemented which goes a long way for the SSI sector in catering to the requirements of Public Sector Undertakings / Boards and Corporations and other Agencies. In this connection KSSIDC has requested the Government to extend exemption under section 4(g) of the KTPP Act.

KSSIDC has been continuing to serve the SSI units in the State by procuring and distributing various Industrial Raw materials required by them like Iron & Steel, Coal, Cement, Paraffin Wax etc. through its 17 raw material depots throughout the State.

Since KSSIDC is procuring & distributing various industrial raw materials, this has helped the SSI units in getting quality raw materials at reasonable prices. This has acted as a deterrent to the Private Traders from exploiting the SSI units. KSSIDC has been extending 30 days interest free credit facility to the SSI units for purchase of raw materials through KSSIDC raw material depots against Bank Guarantee. Also under the provisions of MOU executed between KSFC and KSSIDC, M/s. KSFC is extending Rs. 100.00 lakhs financial Assistance per unit / per year to the SSI Sector for purchase of Industrial Raw Materials under line of credit. This has helped the SSI units to meet their raw material requirements without immediately arranging the funds.

Due to severe competition during 2014-15, the prospects of improving the sales of raw materials through KSSIDC are not encouraging. KSSIDC may find it difficult to achieve the sales target for 2014-15. However, efforts will be made to achieve maximum possible sales target through KSSIDC raw material depots. Departmental Target & Achievements given in **Appendix 9.7**.

### **9.9.2 Karnataka State Industrial Area Development Board (KIADB)**

Karnataka Industrial Areas Development Board (KIADB) is a statutory body, playing an important role in development of industries in the state. Since inception, the KIADB has developed 152 Industrial Areas in 28 districts of the state covering an area of about 48659.51 acres. In all the industrial areas developed by KIADB, basic infrastructural facilities like internal roads, water supply, power supply, street lights, common facilities centers, buildings, housing and offsite infrastructure like widening & improvement of approach roads etc., are provided.

Govt. of Karnataka vide its order dtd.13-08-2007 and 13-05-2010 in order to facilitate land acquisition activities for industrial development, has introduced a land-sharing scheme to KIADB acquired lands, wherein about 9583.00 Sq.ft. of developed land will be provided to the land owner in lieu of land compensation fixed for one acre of land acquired. The statistics on the performance of KIADB for the last four years are given in **Table 9.33**. Achievement made by KIADB in 11th five year details are presented in **Appendix 9.8**.

### **9.9.3 Karnataka State Electronics Development Corporation Limited (KEONICS)**

The activities that are presently being undertaken by KEONICS can be broadly categorized as i. IT Infrastructure Facility Services ii. Commercial & Marketing Services iii. Training Services iv. Information Technology Enabled Services (ITES) and Allied Services v. Consultancy Services and viz., Human Resources & Manpower Consultancy Services.

KEONICS is actively involved in establishing IT Parks in Tier - 2 Cities in the State such as Hubli, Gulbarga & Shimoga. The progress made in this direction is as under-

**IT Park, Hubli:** The Government of Karnataka has initiated several measures

**Table 9.33 : Performance of Karnataka State Industrial Areas Development Board 2011-12 to 2014-15 (April to December 2014)**

Sl. No.	Particulars	Unit	2011-12	2012-13	2013-14	2014-15 ( Upto Dec.2014)
1.	Area acquired	Acres	7723.25	10012.20	5497.47	2824.55
2.	Area allotted	Acres	1004.86	1006.37	458.56	145.06
	(a) SSI, L &M	Acres	5145.44	7604.72	574.88	1845.01
	(b) Single Unit Complex	Acres				
	Total	Acres	6150.30	8611.09	1033.44	1990.07
3.	Expenditure incurred for acquisition	Rs. in lakhs	98,210.00	173,100.00	118,021.00	90,550.00
4.	Expenditure incurred for development	Rs. in Lakhs	15,575.00	31,260.00	52,894.00	21,251.00
5.	Total Expenditure incurred	Rs. in Lakhs	113,785.00	204,360.00	170,915.00	111,801.00
6.	No. of Entrepreneurs	No.	438	452	359	105
	(a) SSI units, L & M	No.	20	29	10	4
	(b) Single Unit Complex	No.				
	Total		458	481	369	109

Source: Karnataka State Industrial Areas Development Board, Bangalore

to establish IT park in Hubli with state-of-the-art infrastructure. The first step in this direction was taken way back in the year 1999-2000 by setting up an IT park with 2,75,000 sq. ft. built up area in a sprawling IT complex at Hubli with a total investment of Rs 42.36 crore. The Government has offered additional incentives including providing work space at concessional lease rentals to prospective entrepreneurs to utilize the space available for establishing IT and IT enabled businesses in the complex. KEONICS has been entrusted with the responsibility of maintaining the IT Park Complex at Hubli.

**IT Park, SEZ, Shimoga:** The Government of Karnataka has announced the establishment of IT SEZ and IT PARK in Non-SEZ areas in Shimoga. KEONICS has

been mandated to establish and develop IT - SEZ and IT park in KIADB Industrial Estate, off Shimoga Bhadravathi Highway. Developmental works have been undertaken to create 1 million sq.ft built up area in 25 acres of land allotted for developing the IT SEZ with an estimated investment of Rs. 250 crore on PPP model. Co-developers have been identified and the work is in progress in the first phase in an area of 6 acres. All necessary approvals have been obtained from the Government of India and other Agencies

**IT Park Non- SEZ Shimoga:** The first phase of construction for setting up of IT Park in the non-SEZ at Shimoga for a built-up area of 67599 sq.ft out of a total area of 100000 sq.ft. has been completed and ready for occupation.



IT Park, Gulbarga: KEONICS has taken up II' Park project in Gulbarga in an area of 2 acres of land with a built-up area of 150000 sq.ft. in 3 phases with an estimated cost of Rs. 23.90 crore. The construction of the IT Park complex 1st Phase has been completed and ready for occupation. Several incentives are offered to the local entrepreneurs including allotting workspace at very nominal rates.

Along with the implementation of activities related to establishment of IT Parks, KEONICS is also involved in other activities as indicated above. The financial performance of KEONICS is given in **Table 9.34**.

Keonics is poised to play a vital role in the upcoming Information Technology Investment Region (ITIR) project conceived and being developed by the Government of India and Government of Karnataka near the international airport, Bangalore with an initial investment of Rs. 1600 crore in and area spreading over 2100 acres in the first phase. The Project is aimed at housing IT SEZ, Electronic Hardware park among other ancillary industries with an integrated township.

KEONICS has established a cyber lab at Mangalore with the support of the department of information technology, Government of Karnataka, to develop capacity building unit for law enforcement

agencies, legal fraternity, Government departments, banking, corporate, students and citizens on the fast growing cyber security risks, cyber crime investigating skills, cyber laws of India and other countries, cyber crime mitigation measures, cyber security policies and framework etc.

The mission of the KEONICS cyber lab is to provide training and investigation support to agencies and entities involved in prevention, investigation and prosecution of economic and high tech crime. The vision of the KEONICS cyber lab is i. Training of law enforcement, prosecution, judiciary in Cyber Crime Investigation (Tools and Techniques), Cyber Forensics Process & procedures and Cyber Laws for their respective roles in dealing with cyber crimes/ cyber threat incidents ii. Training Banking & Financial Institutions and Education Segment on Cyber Security to prevent security breaches iii. Conducting cyber safety sensitization programs for all Government Department iv. To act as a resource center for guiding law enforcement authorities of cyber crime cases and v. Knowledge enhancement for the core departments handling cyber crime issues.

#### **9.9.4 Department of Factories, Boilers, Industrial Safety and Health**

The Department of Factories, Boilers, Industrial Safety and Health is a regulatory

**Table 9.34: Financial Performance from 2011-12 to 2014-15 upto December 2014**

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15 up to Dec. 2014</b>
Sales and Service Turnover	137.90	208.97	191.19	125.24
Other Income	5.81	6.62	7.10	3.91
<b>Total Turnover</b>	<b>143.71</b>	<b>215.59</b>	<b>198.29</b>	<b>129.15</b>
Profit before Tax	7.59	38.08	11.23	(-)2.39
Profit after Tax	4.51	24.66	7.49	(-)2.39

Source: KEONICS

department Enforcing various labour laws related to workplace safety, health and welfare measures which include the factories Act, the payment of wages Act and the maternity benefit Act. The State has 14133 registered factories with about 14.26 lakh workmen working in such industries. The State also has 1072 hazardous industries of which 71 are major accident hazard units. The details of newly registered units under various production categories are given in **Table 9.35**. Registered Factories by Industries in 2013-14 are presented in **Appendix 9.9**.

#### 9.9.5 Karnataka State Financial Corporation (KSFC)

Karnataka State Financial Corporation (KSFC) is a State Level Financial Institution established by the State Government in 1959 under the provisions of SFCs Act, 1951 which is a Central Act. The basic objective of the Corporation is the development of Micro, Small & Medium Enterprises (MSMEs), backward areas &

first generation entrepreneurs in the State of Karnataka. The Corporation has worked in this direction since the beginning and has been successful in achieving the same. Since its inception up to the end of 31st March 2014, the Corporation has extended assistance to the extent of 66% for Small Scale Industries, 54% for Development of Backward Areas and 51% for the promotion of First Generation Entrepreneurs.

#### Major Initiatives :

**During the FY:** 2013-14, the Corporation with the 'in principle' approval of the State Government submitted a proposal for one time settlement (OTS) of outstanding liabilities with SIDBI. As against the total liability of Rs. 725 crore, the settlement amount has been arrived at Rs.450 crore. The settlement would cause a major restructuring of finances and the Corporation would explore re-defining its role and resource base with the assistance of the State Government.

**Table 9.35: Registration of New Industrial Units in Karnataka**

Sl. No	Industrial Units	2011	2012	2013	2014 (Jan- Dec)
1	Food Products	30	90	107	75
2	Paper & paper products	12	30	54	23
3	Metals & Alloys	43	82	118	44
4	Chemical manufacturing & Chemical using industries	11	30	44	26
5	Transports & Equipment	10	54	79	22
6	Textiles	28	69	104	39
7	Wood & wood Products	13	20	36	16
8	Other	647	496	307	381
	Total	794	871	849	626

Source: Department of Factories, Boilers, Industrial Safety and Health

### Major achievements during FY: 2013-14:

- During the FY: 2013-14, the Corporation Sanctioned Rs.90926 lakhs, Disbursed Rs.70747 lakhs & Recovered Rs.83652 lakhs.
- The cumulative gross Sanctions of the Corporation reached Rs.13,13,553 lakhs covering 1,68,152 cases as on 31st March 2014.
- The cumulative Disbursements reached Rs. 10,26,750 lakhs as on 31st March 2014.
- The cumulative Recovery touched Rs.13,09,441 lakhs as on 31st March 2014.
- The Standard Assets portfolio of the Corporation registered a growth of 8.58% from Rs. 1,60,726 lakhs to Rs. 1,74,519 lakhs as on 31st March 2014.
- The State Government infused an additional share capital of Rs. 5000 lakhs to augment the financials of the Corporation.
- The State Government continued the One Time Settlement (OTS) scheme till 31st March 2014 to help the small borrowers of the Corporation to come out of the debt trap and provided equity

support of Rs. 193 lakhs during the FY:2013-14.

- The State Government extended the Interest Subsidy Scheme for the SC/ST Entrepreneurs and provided Rs. 1725 lakhs during the FY: 2013-14.
- In spite of the adverse market conditions, the Corporation earned a net profit of Rs. 1,14,188 lakhs during the FY:2013-14.
- The gross Non Performing Assets of the Corporation declined from 17.08% to 15.81% during the FY:2013-14.
- The Net Performing Assets of the Corporation stood at 2.57% during the FY:2013-14 compared to 24% in 2007-08.

### Performance of the Corporation during the FY: 2014-15 (April to December 2014)

During the FY:2014-15 (April to December 2014) the Corporation has assisted 730 cases to an extent of Rs.40229 lakhs, disbursed Rs.38922 lakhs and recovered Rs.58309 lakhs.

The performance of the Corporation in the key areas of operations is summarized in **Table 9.36**. Assistance sanctioned and disbursed by KSFC are represented in **Appendix 9.10**.

**Table 9.36 : Performance of KSFC**

Period	Sanctions		Disbursements	Recovery
	No.	Amount	No.	Amount
April'11 to Dec.'11	1037	58909	41403	45707
FY 2011-12	1485	81732	59708	66090
April'12 to Dec.'12	1129	65643	50093	53401
FY 2012-13	1598	94406	73470	79289
April'13 to Dec.'13	991	62118	46448	60696
FY 2013-14	1426	90926	70747	83652
April'14 to Dec.'14	730	40229	38922	58309

Source: KSFC

### 9.9.6 Karnataka State Industrial Investment & Development Corporation (KSIIDC)

KSIIDC, established in 1964, has been greatly instrumental in the industrialization of the State, especially in the large and medium sector. KSIIDC has stopped financial lending activity since October 2002 onwards. At present, recovery of the past lending/advances and loans and disinvestment of Equity are the main activity. However, certain Investments as per the directions of Government of Karnataka are being made from time to time.

KSIIDC continued its proactive role in the promotion of infrastructure projects on Public Private Partnership model and its role as nodal agency for Bangalore International Airport Project. Duly noting the initiatives taken up by KSIIDC in the infrastructure sector, the name was changed to “Karnataka State Industrial and Infrastructure Development Corporation Limited” with effect from November 22, 2010.

As the nodal agency of the State Government, KSIIDC has initiated activities for the development of the following projects which will be pursued for completion during 12th five year plan.

- a) Expansion of the Bengaluru International Airport (Completed & commissioned during 2013-14)
- b) Bengaluru International Convention Centre Complex adjacent to the Bengaluru International Airport.
- c) Development of Devanahalli Business Park
- d) Tadadi Port
- e) Dabhol-Bangalore Gas Pipeline Completed & commissioned during 2013-14)
- f) City Gas Distribution Project

Also, KSIIDC will continue to act as Nodal Agency of the State Government in respect of the specified projects assigned from time to time by the State Government.

Govt. of Karnataka designated KSIIDC as Nodal Agency for establishing following major industrial infrastructure projects:

- National Investment and Manufacturing Zone (NIMZ), Tumkur
- Special Investment Region (SIR), Dharwad
- Peninsular Region Industrial Development (PRIDe):
  - Chennai - Bangalore - Chitradurga Industrial Corridor (CBCIC)
  - Bengaluru – Mumbai Economic Corridor (BMEC)

In addition to the above activities in the infrastructure sector, the following existing activities will be pursued.

- Thrust on recovery from advances
- Settlement of remaining loan accounts under OTS
- Sale of primary assets taken over under section 29.
- Recovery of advances through legal recourse under SFC & other Acts.

Besides, KSIIDC through its Joint Venture Company with IL & FS, Viz KSIIDC would extend advisory services for project development to the Government Agencies for development of their projects on PPP model. Performance of Karnataka State Industrial and Infrastructure Development Corporation limited is given in **Table 9.37**. Departmental Target and Achievements are presented in **Appendix 9.11**.

### 9.9.7 Department of Public Enterprises

Government of Karnataka had established the Karnataka State Bureau of Public Enterprises in the year 1981. Later on, in the year 2002 this Bureau was converted as

**Table 9.37 : Performance of Karnataka State Industrial and Infrastructure development Corporation limited From 2011-12 to 2013-14 (Upto December 2014)**

Assistance Sanctioned (Gross)	Unit	2011-12	2012-13	April to Dec		April to Dec
				2012	2013	2014 (provisional)
<b>1. Sanctions:</b>						
a) Loan	Rs. Crores	0.00	0.00	0.00	0.00	0.00
b) Equity	Rs. Crores	0.00	0.00	0.00	0.00	0.00
<b>2. Disbursements:</b>						
a) Loan	Rs. Crores	0.00	0.00	0.00	0.00	0.00
b) Equity	Rs. Crores	0.00	0.00	0.00	0.00	0.00
<b>3. Recovery:</b>	Rs. Crores	26.15	9.05	13.15	41.84	8.61

Source: KSIIDC

Note: KSIIDC has stopped financial lending activity since October 2002 onwards. At present, recovery of the past lending/advances and loans and disinvestment of Equity are the main activities.

The Department of Disinvestment and Public Enterprises Reforms. The main aim/object of this department is to take decisions in matters relating to disinvestment, restructuring, amalgamation etc. In the year 2005 Government had accorded independent status to this department and re-named it as the Department of Public Enterprises. This department is vested with the responsibility of monitoring, regulatory, evaluatory and advisory functions for the betterment of the Enterprises.

Out of the 60 operating units, details of the profit-making top 8 State-level Public Enterprises in Karnataka are given in **Table 9.38**.

The 60 State Level Public Enterprises in Karnataka are grouped into various sectors like Agriculture, Horticulture, Animal Husbandry, Energy, Housing, Transport, Co-operation etc. While more than 40 Enterprises are profit making ones, rest are experiencing loss. In order to identify the deep root cause for the sickness and non-viability of the enterprises, the Department

of Public Enterprises, through Professionalized external Institutions, has taken up evaluation studies to identify and to focus on such detrimental areas and to work out on the remedial measures which will make the Enterprises to come out of the clutches of loss making status and achieve profitability.

In order to update knowledge and skill, the Department also conducts Management Development and Training programmes to the officers and officials working in the PSEs which aim at improving the performance in the areas of productivity, marketing, finance, Human resources, administration, industrial regulations, environment and ecology, industrial safety etc., through various recognized institutions.

Further, in order to recognize, motivate and appreciate the best performing Public Sector Enterprise, this Department gives Annual 'Chief Minister's Ratna Award' for the three best performing Public Sector Enterprises, every year.



**Table 9.38 - Performance of top 8 State Level Public Enterprises in Karnataka.**

Sl. No.	Name of the Enterprise	Enterprise status as on 31-03-2014 (2013-14)			Enterprise status as on 31-12-2014 (2014-15)		
		Investment (Rs. in Lakh)	Employment (in Numbers)	Profit (Rs. in Lakh)	Investment (Rs. in Lakh)	Employment (in Numbers)	Profit (Rs. in Lakh)
1	Mysore Paints and Varnish Ltd	94.73	60	1334.38 (PBT)	94.73	60	534.59 (PBT)
2	Karnataka VidyuthKarkane Ltd	---	194	576.65	---	189	200.00 (Provisional)
3	Karnataka Soaps & Detergent Ltd	3182.21	663	3283.74	3182.21	679	2618.14
4	Karnataka Silk Industries Corporation Ltd	5800.00	690	1668.22	5800.00	670	925.00
5	Karnataka State Road Transport Corporation	GOI 4909.76 GOK 24278.94 Total 29188.70	38776	-7555.79	GOI 4909.76 GOK 24278.94 Total 29188.70	37831	-6791.31
6	Mysore Minerals Ltd	600.00	985	Profit before tax 31335.24 Profit after tax 19692.01	600.00	952	Profit before tax 30085.12 Profit after tax 19859.14
7	Hutti Gold Mines Ltd.	23982.00	4,308	8961.06	25181.42	4,301	4585.27
8	Bangalore metropolitan transport ltd	10459.48	36,080	- 14758.92	10459.48	36,709	-757.76 (Unaudited)

Source : Department of Public Enterprises

### 9.10 Industrial Policy Initiatives and Industrial Investment

Karnataka has been pursuing a pro-active industrial policy to facilitate and promote a favorable investment climate both for existing and prospective investors. The State's current industrial policy (2009-2014) has been introduced for a period of five years with effect from 1st April 2009. The policy has the major objectives of (i) building a prosperous Karnataka by developing human and natural resources in a systematic, scientific and sustainable manner (ii) creating an additional employment of 1 million with an investment of Rs.30000 crore in the industrial sector by the end of 2014 (iii) creating enabling investment for robust industrial growth and achieving inclusive industrial development in the State and (iv) enhancing the contribution of manufacturing sector to the State GDP from the present 17% to 20% by the end of March 2014.

Industrial investments proposed through filing of industrial entrepreneurs' memorandum (IEM) and issuing of industrial licenses (IL) are presented in **Table 9.39**. Even though there is decrease in the number of Industrial Entrepreneurs Memorandum filed, amount of proposed investment has increased in 2014 when

compared to 2013. Industrial approvals in Karnataka are presented in **Appendix 9.12**.

#### 9.10.1 Foreign Direct Investment (FDI)

Details of State-wise FDI inflows from 2011-12 up to 2014-15 (upto Nov' 2014) as well as cumulative FDI inflows from April 2000 till November 2014 are given in Table 9.40. The total FDI inflows to the State in the last decade accounted for 6% of the total FDI inflows to India and Karnataka stands third among Indian States, in terms of quantum of FDI inflows.

#### 9.10.2 Karnataka UdyogMitra (KUM)

Karnataka UdyogMitra (KUM) is a single contact point for all investors who are looking at setting up enterprises / business in Karnataka. As a nodal agency, its role is to facilitate investments & execute initiatives to enable a smooth transition, from receiving an investment proposal to the eventual implementation of the project.

It acts as a secretariat for State High Level Clearance Committee (SHLCC) chaired by Hon'ble Chief Minister for projects above Rs. 100.00 crores & State Level Single Window Clearance Committee (SLSWCC) chaired by Chief Secretary to Government for projects between Rs.15 to 100.00 Crores.

**Table 9.39 - Details of Industrial Approvals in Karnataka**

Particulars	2011	2012	2013	January - December	
				2013	2014
Industrial Entrepreneurs Memorandum filed (Nos.)	214	169	101	101	83
Proposed investment (Rs. crores)	94,082	47,967	10,019	10,019	21,858
Letter of Intent & Direct Industrial Licenses issued	3	-	9	9	6
Proposed Investment (Rs. crores)	65	-	31	31	8

Source : Department of Industrial Policy & Promotion, GoI

**Table 9.40 : State-wise FDI Inflows<sup>1</sup>****(US \$ in Million)**

Sl. No.	Reserve Bank of India – Regional Office <sup>2</sup>	States Covered	2011-2012	2012-2013	2013-2014	2014-15 (up to Nov. 2014)	Cumulative Inflows (April. 2000 – Nov. 2014)	% to Total Inflows
1	2	3	4	5	6	7	8	9
1	Mumbai	Maharashtra Dadra & Nagar Haveli Daman & Diu	9,553	8,716	3,420	3,657	70,414	30.0
2	New Delhi	Delhi, Part of UP & Haryana	7,983	3,222	6,242	3,239	45,775	19.0
3	Chennai	Tamil Nadu Pondicherry	1,422	2,807	2,116	2,607	15,803	7.0
4	Bangalore	Karnataka	1,533	1,023	1,892	1,498	14,174	6.0
5	Ahmedabad	Gujarat	1,001	493	860	678	10,188	4.0
6	Hyderabad	Andhra Pradesh	848	1,159	678	1,082	9,728	4.0
7	Kolkata	West Bengal Sikkim Andaman & Nicobar Islands	394	424	436	142	2,884	1.0
8	Chandigarh	Chandigarh Punjab Haryana Himachal Pradesh	130	47	91	36	1,328	0.6
9	Jaipur	Rajasthan	33	132	38	537	1,260	0.5
10	Bhopal	Madhya Pradesh, Chattisgarh	123	220	119	100	1,215	0.5
11	Kochi	Kerala Lakshadweep	471	72	70	85	1,066	0.4
12	Panaji	Goa	38	9	17	34	822	0.3

Contd...

Sl. No.	Reserve Bank of India – Regional Office <sup>2</sup>	States Covered	2011-2012	2012-2013	2013-2014	2014-15 (up to Nov. 2014)	Cumulative Inflows (April. 2000 – Nov. 2014)	% to Total Inflows
13	Kanpur	Uttar Pradesh, Uttaranchal	140	31	25	46	418	0.2
14	Bhubaneswar	Orissa	28	52	48	9	397	0.2
15	Guwahati	Assam Arunachal Pradesh Manipur Meghalaya Mizoram Nagaland Tripura	1	5	0.6	1	80	-
16	Patna	Bihar Jharkhand	24	8	1	8	47	-
17	Jammu	Jammu & Kashmir	-	0	0.2	4	4	-
18	Region Not Indicated <sup>3</sup>		11,399	4,004	8,245	5,122	60,861	25.74
	<b>Total</b>		<b>35,121</b>	<b>22,424</b>	<b>24,299</b>	<b>18,884</b>	<b>2,36,465</b>	<b>100.0</b>
19	RBI's NRI Schemes (from 2000 to 2002)		-	-	-	-	121	-
	<b>Grand Total</b>		<b>35,121</b>	<b>22,424</b>	<b>24,299</b>	<b>18,884</b>	<b>2,36,586</b>	-

Source : Department of Industrial Policy & Promotion, GoI.

1. Includes equity capital components only.
2. The regional-wise FDI inflows are classified as per RBIs – Regional Office received FDI inflows, furnished by RBI, Mumbai.
3. Represents, FDI inflows through acquisition of existing shares by transfer from residents to non residents. For this RBI Regional wise information is not provided by Reserve Bank of India.
4. On the basis of clarification received from RBI, the amount of stock swap & advance pending for issue of shares has been deleted from FDI data.

The details of projects cleared indicating the investment & employment to be generated by the projects cleared by the State Level Single Window Clearance Committee (SLSWCC) & State High Level Clearance Committee (SHLCC) from 2011-12 to 2014-15 are given in the **Table 9.41 & Table 9.42** respectively.

#### Global Investors Meet 2010

Government of Karnataka organized Global Investors Meet 2010 on 3rd & 4th June 2010 at Palace Grounds, Bangalore. During the Global Investors Meet 2010;

Government entered into MOUs with 389 companies with an investment of Rs. 3.92 lakh crores which would create an employment opportunities to more than 7 lakh people.

As a result of constant follow up and review, 83 projects were implemented with an investment of Rs.32957 crores. 25 projects are under construction stage with an investment of Rs.7735.32 crores. 194 projects are in the various stages of implementation with an investment of Rs.2.32 lakh crores.

**Table 9.41 : Projects approved by State Level Single Window Clearance Committee (SLSWCC) 2011-12 to 2014-15**

Year	Approved Projects	Investments (Rs. In crores)	Employment (In Nos.)
2011-12	410	5328.50	65549
2012-13	675	9350.79	141821
<b>2013-14</b>	209	3558.21	43759
<b>2014-15 (up to December 2014)</b>	30	1079.08	16435
<b>Total</b>	<b>4030</b>	<b>60906.08</b>	<b>1591259</b>

Source: Karnataka UdyogMitra, Bangalore

**Table 9.42 – Projects approved by State High Level Clearance Committee (SHLCC) 2011-12 to 2014-15**

Year	Approved Projects	Investments (Rs. In crores)	Employment (In Nos.)
2011-12	60	34188.8	165165
2012-13	100	133109.77	1158001
2013-14	28	24566.37	83803
2014-15 (Upto December 2014)	16	10750.94	8086
<b>Total</b>	<b>724</b>	<b>1036195.01</b>	<b>5469462</b>

Source: Karnataka UdyogMitra, Bangalore



### Global Investors Meet 2012

Global Investors Meet 2012 was held at Bangalore International Exhibition Centre (BIEC), Bangalore on 6th, 7th & 8th of June, 2012. It attracted an investment of Rs.6.78 lakh crores from 751 projects who have signed MOU / EOI / ROI with Government. Further, as a part of Global Investors Meet, MoUs in MSME and other sectors involving investment of Rs.42364 crore have been entered.

This event provided investors an excellent opportunity to explore the potential of the state & network with global investors. Several sectoral sessions were held and eminent speakers participated. An exhibition was also held as a part of the event.

As a result of constant follow up and review, 59 projects were implemented with an investment of Rs.27071.65 crores. 33 projects are under various stages of consideration / implementation with an investment of Rs.267860.8 crores.

### 9.10.3 Major Industrial Policy Initiatives

The State Government now intends to consolidate the strategies and achievements made so far by providing adequate infrastructure support with attractive enhanced incentives and improved facilitation mechanism coupled with governance reforms.

Government of India has come out with the National Manufacturing Policy in 2011 with the objective of accelerated development, inclusive growth and provision of gainful employment. The policy aims to enhance share of manufacturing in GDP to 25% within a decade and create 100 million jobs with appropriate skill sets, increase the depth in manufacturing and enhance global competitiveness.

The Karnataka Manufacturing Taskforce (MTF) constituted by the State Government to study the manufacturing sector in Karnataka and suggest interventions to drive growth in the sector in a sustainable

and holistic manner, taking into account global trends and existing challenges in the manufacturing sector has given its valuable recommendations and suggestions.

It is in this context that the State Government is desirous of formulating a new Industrial Policy to be in alignment with the objectives and goals of the National Manufacturing Policy 2011 and the recommendations of Karnataka Manufacturing Taskforce (MTF) which would enable smooth transition of policy measures for the benefit of investors in the State.

### Industrial Policy 2014-2019:

#### (i) VISION

To build a prosperous Karnataka through inclusive, sustainable and balanced industrial growth

#### (ii) MISSION

1. To make Karnataka as preferred destination for industrial investment with special focus on manufacturing sector
2. To provide opportunities across the State for Industrial growth and enable scope for local employment through private sector
3. To develop human capital to meet the needs of industry
4. To create conducive environment for optimal utilization of natural resources for sustainable industrial growth

### Salient Features

The major strategies include:

1. Creation of quality infrastructure with comprehensive facilities.
2. Human resource development through capacity building and skill up gradation.
3. Facilitation mechanism and procedural reforms.
4. Classification of Taluks

5. Encouragement for industrial development in Hyderabad Karnataka Area.
6. Promotion of MSMEs.
7. Special thrust for encouraging SC/ST entrepreneurs.
8. Encouragement to Women entrepreneurs.
9. Encouragement to Minorities, Backward Classes, Physically challenged persons, Ex-Servicemen entrepreneurs
10. Encouragement to Non Resident Kannadigas (NRKs)
11. Encouragement for export promotion.
12. Encouragements to units adopting energy efficiency measures.
13. Encouragements to renewable energy projects.
14. Encouragements for adoption of green and clean practices.
15. Support for R&D and Digital Direct Manufacturing
16. Intellectual property rights initiatives
17. Promotion of investment and trade
18. Encouragement for anchor industries
19. Incentives and concessions for Large, Mega, Ultra Mega, Super Mega enterprises:
20. Focused manufacturing industries
21. Budget Support

#### **i. Agribusiness sector**

##### **A. Integrated Agribusiness Development**

**Policy 2011:** The policy provides exemption from Stamp Duty & Concessional Registration for MSME, Large and Mega agro based industries and agri-infrastructure. Export oriented units in the agribusiness sector benefit from exemption from Entry Tax, Exemption of APMC cess/fees and Incentives. The policy facilitates the provision of Interest Free Loan on VAT for Large and Mega agro based industries and exempts agro units & agri-infrastructure from electricity duty. The

policy also enables the provision of special incentives in selected zones.

##### **B. Karnataka Grape Processing and Wine Policy, 2007:**

The policy has declared Wineries as "Horticultural & Food Processing Industries" and enabled the simplification of rules for getting lands for production of grape wine varieties. The policy envisages the production of wine and for issuing License and Permit to the Wineries. Capital Investment Subsidy and Subsidy for Grape Processing, Incentives for marketing and distribution of wines and establishment of wine Parks have been proposed as part of the policy.

##### **C. Karnataka State Policy on Organic Farming, 2004:**

This policy promotes the integrated and sustainable management of natural resources for achieving food, nutritional, environmental and livelihood security. The policy envisages improvement in soil fertility & productivity through safe farming and the use of efficient, economic, eco-friendly and sustainable crop production and protection technologies. Other related policies in the State's agribusiness sector include Karnataka Agriculture policy, Karnataka Horticulture Policy and Karnataka Industrial Policy 2009-14.

Foreign Direct Investment in the agribusiness sector: 100% FDI under automatic route is permissible for the following agricultural subsectors under Agriculture:

- Floriculture, Horticulture, Apiculture and Cultivation of Vegetables & Mushrooms under controlled conditions.
- Development and production of Seeds and Planting material.
- Animal Husbandry (including breeding of Dogs).
- Pisciculture, Aquaculture, under controlled conditions and
- Services related to agro and allied sectors.

Other than the above-mentioned subsectors, FDI is not allowed in any other agricultural sector/activity. Any import of genetically modified materials, if required, shall be subject to the conditions laid down vide Notifications issued under Foreign Trade (Development and Regulation) Act, 1992.

## **ii. Aviation/Aerospace industry**

Karnataka produces more than a quarter of India's aircraft and spacecraft and, the State is the base for most global players in India. The State is home to some of India's first and top R&D centres in Aerospace & Defence such as Indian Space Research Organization (ISRO), Defence Research and Development Organization (DRDO), etc. Boeing Research & Technology centre, Airbus Engineering Centre, and DRDO's Gas Turbine Research Establishment (GTRE) are located in Bangalore. The State has extensive experience and inherent competencies in aerospace with India's first private aircraft factory, Hindustan Aircraft Ltd, having been established here in 1940. The State has strong backward linkages in the sector with the Society of Indian Aerospace Industries and Technologies (SIATI) recording membership of approximately 300 small and medium-scale industries. 984 acres have been allocated for an exclusive industrial area and sector specific SEZ for Aerospace industries near Bangalore International Airport.

An FDI of 100% is allowed under the automatic route in this industry. In the defence sector, 100% private sector participation and 26% FDI permitted in the Defence production Sector with prior Govt approval and industrial licensing (if applicable). Defence Procurement Procedure (DPP) provides for a uniform offset of at least 30% in case of foreign contracts valued over US\$ 62.5 million (INR 300 crores).

In the civil aviation sector, 100% FDI is allowed under automatic route for green

field airport projects and for existing projects 74% can be under automatic and remaining under Government route. 74% FDI is permissible (Automatic up to 49%; Government route beyond 49% and up to 74%) for Ground Handling Services subject to sectoral regulations and security clearance. 100% FDI is permissible under automatic route for Maintenance and Repair organizations; flying training institutes and technical training institutions.

## **iii. Industrial Infrastructure**

The State is currently home to 58 Special Economic Zones that provide a Duty-free Enclave for driving FDI and Exports.

Karnataka State Policy for Special Economic Zones Act, 2009 allows for the single point clearance by unit approval committee headed by the Development Commissioner, SEZ. All industrial units and other establishments in the SEZs are declared as Public Utility Service under the provisions of the Industrial Dispute Act, 1947. Units in SEZs are eligible for 50% exemption of Stamp Duty and Registration fees, exemption of Electricity Duty or Taxes, exemption of 1% Labour Welfare Cess on construction cost and, Exemption from any other State taxes, cess, duties or levies as may be notified by the State Government.

The units are also eligible for Duty-free import/domestic procurement of goods and, 100% Income Tax exemption on Export Income for SEZ units for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years. The SEZ units benefit from exemptions from taxes such as minimum alternate tax, Central sales tax, State sales tax and other State Government levies. External Commercial borrowing by SEZ units up to US\$ 500 million (Rs. 2,400 Crore) in a year is permitted without any maturity restriction through recognized channels.

## Energy Sector

### A. Karnataka Renewable Energy Policy 2009-14:

The policy lays emphasis on Energy Conservation and Energy Efficiency by a saving of 1,500 MU per year (900 MW by 2014). The policy proposes the sublease of the developed lands to the Renewable Energy developers for a period of 30 years and renewed for a period of 5 years at a time after the lease period subject to fulfilment of conditions stipulated by the Government. The State Government will assign the Power Purchase Agreements to the ESCOMs at the time of allotment. The policy proposes the establishment of an AkshayaShakthiNidhi (Green Energy Fund) to facilitate Renewable Energy project financing and Energy Conservation and Efficiency measures. "Green Energy Cess" of INR 0.05 (five paise) per unit would be levied on the electricity supplied to commercial and industrial consumers.

### Land Policy for Renewable Energy Projects:

The availability of suitable land and making the land available expeditiously is a major issue for RE development. Renewable Energy Special Economic Zone (SEZ) (under Industrial Policy 2009) proposes that 10% portion of the lands to be at the disposal of KREDL to develop Renewable Energy projects and allied Renewable Energy industries (in proposed and future SEZs).

The State's renewable energy policy promotes the development of (i) Sugar and co-gen power in Bidar, Belgaum, Bagalkot, Shimoga and Mandya Districts.(ii) Power Generation sector specific industrial zones in Raichur, Bellary, and Bijapur & Chitradurga Districts and (iii) Renewable energy SEZs at Shimoga, Hassan, Bangalore, Udupi, Mysore and Bellary.

Clearance of Renewable Energy projects: The concerned department will give necessary approval and clearance within 90 days of the application submitted. KREDL will monitor with the concerned departments. Wheeling charges at 5% will

be applicable subject to the KERC norms and, grant of incentives available to industries would be guided by the Industrial Policy 2009.

**B. Karnataka Solar Policy 2011-16:** A major feature of the policy is that it envisages a purchase obligation that the Quantum of power that is to be procured by ESCOMs from solar resources will be 0.25% of the total consumption.

### 9.10.4 Special Economic Zones (SEZs)

In order to support the efforts of the Govt. of India in development and promotion of SEZs in the State, the Government of Karnataka has formulated a State policy for SEZs as per the Central SEZ Act 2005 & Rules 2006. The Policy aims to provide a hassle-free environment for the manufacturing & service sectors and to attract FDI. The salient features of the State Policy for SEZs are as below:

- Single point clearance to SEZ developers & units.
- Acquisition of land on consent basis.
- To set up SEZs on waste, dry and single crop land.
- Delegation of Labour Commissioner's powers to Development Commissioner – SEZ.
- Monitoring and Review committee is constituted to monitor and review the implementation of SEZs under the Chairmanship of Chief Secretary, Govt. of Karnataka.

The fiscal package of incentives & concessions extended to SEZ developers and SEZ units includes:

- Exemption from State taxes for all purchases from domestic tariff area excluding petroleum products.
- Exemption from stamp duty and electricity duty.
- Capital subsidy for common effluent treatment plant.



The Board of approval of SEZ constituted under SEZ Act 2005 has granted formal approvals for 60 SEZs and in-principle approval for 1 SEZ in the State. SEZs numbering 25 are operational in the State with an investment of Rs. 37,225 crores and generating employment for 11, 65, 560 persons. Currently there are 199 SEZ units functioning in these SEZs. The value of exports from these SEZs during the year 2013-14 accounted to Rs. 51,200 crores.

#### **ASIDE Scheme :**

VTPC is the nodal agency for the implementation of Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) scheme in Karnataka. The agency has extended financial support for the completion of 96 export infrastructure projects out of total of 120 projects in various parts of the State. The projects of connectivity to ports, formation and upgradation of roads in industrial area/estates, flyovers, by-pass, water supply, power supply, cold storage, training centres, warehouses, R&D centres, common facility centre, Human resource Development, pre-harvest & post harvest technological facilities etc. are implemented in the State. 24 projects are under various stages of implementation. Karnataka has been recognized as the Best Performing State in the implementation of ASIDE scheme.

#### **Visvesvaraya Trade Promotion Centre (VTPC):**

In order to encourage growth and development of exports from the State, the Government of Karnataka has established a dedicated nodal agency, Visvesvaraya Trade Promotion Centre (VTPC) for promotion of International Trade. In addition to compiling of data on the State's exports, VTPC conducts various capacity building programmes and also provides services across market intelligence, export documentation, finance and other critical areas to the exporting community. VTPC also organizes several export-related

programmes for both prospective and existing exporters in the State. Export awareness programmes are also conducted at district/ potential places. VTPC has established Export Information Centres at Dharwad & Mysore to facilitate exporters of the State.

The promotional activities of VTPC for exports are as follow :

- Export Awareness Programmes.
- Export Training Programmes.
- Export Management Training Programmes.
- Seminars, Workshops & Conferences.
- Interaction and Open House Meetings.
- Participation in National/International Exhibitions & Trade Fairs.
- Financial Support to the all Artisans, SC, ST, Women Entrepreneurs of Micro and Small enterprises, who participate in the Trade Fair and Exhibitions.
- Conferring State Export Awards for Export Excellence.
- Market Development Assistance (MDA) to industries / exporters for their Overseas Visits for business promotion.
- ASIDE Scheme.
- WTO and IPR Relay Cell.
- Incubation Centre & Facilitation Cell.
- Assistance to the traders/exporters in certification for the export/ import of commodities.
- VTPC is authorized to issue certificate of origin (non preferential)
- Conduct of Short term courses in association with IIFT, New Delhi.
- Trade Point to provide live trade enquiries, Global Directory Services & Online Trading Facility.
- Secretariat services for promotion of SEZs and EOUs in the State
- Liaison office for International Help Desk.



### 10.11 KARNATAKA TOURISM

Karnataka with its great Heritage and Cultural Background has vast potential for the sustainable development of tourism industry. State Government has declared 'Tourism as an industry' since 1988. The Department has brought out series of Tourism Policies with the package of incentives, concessions and subsidies for development of Tourist Infrastructure in the State through the private investment. Tourism has been given priority and it is instrumental for Socio-Economic growth of the State as well as providing lot of employment opportunities for both skilled and unskilled man power.

The Economic benefits of Tourism are far-reaching. In addition to enhancing revenues within the segment, tourism has the potential to create employment and generate wealth in a short of "ripple effect" across industries throughout an entire geographical region. By boosting local spending and generating direct job opportunities, tourism provides socio-economic benefits that, far out weight the costs. Rural areas, in particular, stand to gain the most from the improved regional infrastructure and enhanced revenue circulation engendered by tourism-related development projects.

The growth of Tourism is directly proportional to the arrivals of tourists to a particular destination. More number of arrivals will make more economic activities and generate employment and other social facilities.

The impact is measurable at a particular destination comparing with its previous position. The Road connectivity, Electrical Connection, Water Supply, Poultry, Handicrafts and various other related sectors are also improved in that particular destination. Totally, growth of community Development in that particular area is because of growth of Tourism.

The Directorate of Tourism at Bangalore is looking after the administration of Tourism Department along with promotional and developmental activities. It is supported two other Government undertaking agencies namely, Karnataka State Tourism Development Corporation Ltd and Jungle Lodges and Resorts Ltd.

Karnataka Tourism is actively participating every year in the Tourism Marts and Events. In the last year Department has actively participated in the International events like AmeGujarathi-London, ATM-2013-Dubai, ITB-Asia-Singapore, PATA-2013, China, ITB-berlin, JATA Japan-2013, Topresa-2013- Paris, WTM-London-2013, FITTUR-2014-Madrid, Along with these events Department participated in domestic exhibitions like Tourism Trade Fair-Kolkata, Hyderabad, Ahmadabad, Surat, Chennai, Bangalore, Mumbai, Pune, Jaipur, Cochin, Newdelhi, Hubli. During the current year Department has taken action to participate in International events like PATA-Combodia, Topresa-Paris, JATA-Japan, WTM-London, ILTM-Canas, Fittur-Madrid, ITB-Berlin, MITT-Russia.

Karnataka Tourism considered infrastructure development as its top priority, and has taken several concrete steps to enhance facilities at tourist destinations. Department has also made all possible efforts and took all possible steps for aggressive marketing and publicity campaigns both at National and International levels. As a result of this, Karnataka has a considerable growth in tourist arrivals, the flow of tourists registered a considerable increase compared to the past few years. The figures of arrivals are given in **Table 9.43**.

The tourist flow in to the State has continuously been increasing steadily from 8.41crores in 2011 to 9.81 crores in 2013, which indicates comprehensive increase in arrivals. In 2014 also the tourist inflow to the State is steadily increasing. This is the result of Tourism Department's work plans.

**Table 9.43 : Tourist's Arrival from 2011 to end of 2014**

Sl. No	Year	Indians	Foreigners	Total
1	2011	8,41,07,390	5,74,005	8,46,81,395
2	2012	9,40,52,729	5,95,359	9,46,48,088
3	2013	9,80,10,140	6,36,378	9,86,46,518
4	2014	11,82,83,220	5,61,870	11,88,45,090
	<b>Total</b>	<b>39,44,53,479</b>	<b>23,67,612</b>	<b>39,68,21,091</b>

Source : Department of Tourism

**Table 9.44 : Revenue Realized by the Tourism****(Rs. in lakhs)**

Name of the Organization	2010-11	2011-12	2012-13	2013-14	2014-15
Directorate of Tourism	119.70	35.61	89.21	101.63	104.50
Jungle Lodges and Resorts	3298.74	4268.21	4093.72	4524.16	3907.68
Karnataka Tourism Development Corporation	5240.00	6256.00	6684.20	6583.74	6811.00
<b>Total</b>	<b>8658.44</b>	<b>10559.82</b>	<b>10867.13</b>	<b>11209.53</b>	<b>10823.18</b>

**Table 9.45 : Details of Budget allocations and Expenditure made from 2011-12 to 2014-15****(Rs. in lakhs)**

S No	Head of account	2011-12		2012-13		2013-14		2014-15	
		Budget	Exp.	Budget	Exp.	Budget	Exp.	Budget	Exp.
1	3452-PLAN	8552.05	5721.34	8774.00	8647.79	11339.00	10454.00	11823.00	6246.97
2	3452-NON-PLAN	326.90	187.60	343.43	339.63	372.14	371.39	410.66	264.40
3	5452-CAPITAL OUTLAY	13660.00	7760.59	13205.00	13071.83	20340.00	19522.30	27677.00	8192.37
	<b>Total</b>	<b>22538.85</b>	<b>13669.53</b>	<b>22322.43</b>	<b>22059.25</b>	<b>32051.00</b>	<b>30377.69</b>	<b>39910.66</b>	<b>14703.74</b>

Source : Department of Tourism

**Tourism as an Economic Activity:**

In view of integrated development of Tourism in the State action has been taken to bring new tourism policy for (2014-19). In the overall period of this policy (5 Years), it is estimated that 15,000/- Crores of private investment will be made in tourism sector. To minimize the same period 5.4 lakhs of employment opportunities will be generated. To minimize the financial burden to state PPP scheme has been introduced to attract more number of Mega investors.

Analysis of work patterns of tourist related employees highlights that it will provide employment to not only skilled man power but also for unskilled man power. Tourism attractions, monuments etc are fall in the rural area and there is a good opportunity for the regional people to get employment.

**Income from Revenue Earnings:**

Tourism earns a handful foreign exchange compare to other products. The revenue generated by the Tourism is from various sources both by direct and indirect incomes. One of the reports issued by World Travel and Tourism Council says that the contribution of tourism sector to India's GDP is 6.6% during the year 2012. The revenue generate made under the public sector during the last 5 years are summarized as under in **Table 9.44** &

Budget allocation & Expenditure given in **Table 9.45**. Target & Achievements of 12th Five year plan given in **Table 9.46**.

**Other Initiatives taken by the Department:** In order to maximize impact, Karnataka Tourism has devised and implemented a four-pronged strategy for the development of tourism in Karnataka. The Department has focused its efforts on four separate areas-policy and implementation, infrastructure development, marketing and preservation and sustenance.

- District Tourism Promotion Councils have been created for all the 30 districts which are headed by Deputy Commissioners of the concerned district. This committee will be functioning by focusing of development of identified areas in their region and will also monitoring the progress. In order to strengthen the council opportunity has been provided to stakeholders to be the part of the council also Rs.20.00 lakhs funds has been released to all districts Tourism council to take up tourism activities at district level.
- Under the Chairmanship of Principal Secretary, Tourism Department. A State Level Monitoring Committee is also been created for monitoring the

**Table 9.46 : Department of Tourism Targets and Achievements of 12th Five Year Plan**

Sl.No	Details	Quantity	12 <sup>th</sup> Five year Plan Target	Achievement
1	Foreign Tourists arrivals	Lakhs	25	18
2	Domestic Tourists arrivals	Lakhs	4000	2883
3	Tourist Accommodation facilities			
	A) Hotels	Number	1000	1002
	B) Food Facilities (Restaurant)	Number	75	45
	C) Road side Facilities	Number	15	5
	D) Market Studies	Number	50	-
	E) Public Convenience	Number	300	50

Source : Department of Tourism

- overall developments and progress of Centrally Financial Assistance projects.
- Master Plans for all the districts has been prepared.
  - Tourist facilities are being developed near two World Heritage Sites under mega project, namely, Hampi and Pattadakal. The integrated development of the Hampi site is in progress. The detail project report for the development of circuits- Badami-Pattadakal-Aihole has been submitted to Central Government and the estimated cost of this mega project is Rs. 143.00 Crores. Action has been taken to establish tourist plazas at World Heritage Sites Hampi and Pattadakal to provide all Tourist services under single roof.
  - Development of tourist facilities at Almati Dam has been taken by providing tourist infrastructure near this Dam.
  - In addition to the existing Eco-Tourism units, initiatives have been taken for the development of more Eco-Tourism resorts centers under central financial assistance namely, Talakle near Jog, Vilaspur tank in Bidar, Daroji near Hampi, Khanapur near Belgaum, Pilikula near Mangalore.
  - A separate Budget head has been provided by NABARD for development of last mile connectivity roads leading to monuments from the main road. The works are under progress.
  - Steps have been taken to erect signages and Hoardings across the state in the importance locations.
  - A systematic approach has been followed to increase the tourism manpower specifically in Hospitality sector by imparting tourism training through Institute of Hotel Management & Food craft institute under the funds of Hunar Se RozgarTak scheme of central Government.
  - Food craft Institute at Belur has been started to give training to the local young educated youths in various hospitality courses.
  - Under the Rural Tourism Project, Anegundi, Kokkare Bellur, Banavasi and Attiveri Bird Sanctuary have been developed. Schemes will be prepared to develop Rural Tourism at other places also to showcase rural life, art and culture and heritage.
  - Works are under progress for providing tourist facilities at Hill Stations namely Kemmannugundi and Nandi Hills.
  - A separate Budget Head has been provided for development of scheduled Caste and Tribes under Special Component Plan and Tribal Sub Plan, under which tourists taxis have been provided to the eligible SC & ST candidates with subsidy. Apart from this supply of musical instruments, training under green police programme, short term courses in hospitality sector have been provided to the Youth's of these community. Karnataka Darshan Programme is being arranged for the students studying in 8th, 9th & 10thstd in Government schools.
  - On the lines of SCP/TSP programmes Karnataka Darshan Tour Programme are being organized to the students of all communities studying in 8th, 9th & 10th STD in Government schools.
  - Establishment of Karnataka Tourism Infrastructure Limited.
- Action has been taken to establish separate entity called Karnataka Tourism Infrastructure Limited in order to implement all the infrastructure projects of the Department.
- Karnataka Tourism Trade Facilitation Act

Action has been taken to enact Karnataka Tourism Trade Facilitation Act 2014. In order to Control, Encourage, Facilitate all the Tourism related activities also to provide legal frame work for Tourism Industry.

- Karnataka Tourism Policy (2014-19)
- Action has been taken to bring in New Tourism Policy (2014-19) in order to encourage the private investors by giving concessions and subsidy under this policy in the tourism sector.
- Karnataka Tourism Vision Group
- Karnataka Tourism Vision Group is established under the Chairmanship of Sri Mohandas Pai which comprises members from the experts in various sector like Art, Culture, Education, Tourism etc. to give the road map for Karnataka Tourism development and this committee submitted it's report action has been taken to implement the same at an estimated cost of Rs.50.00 crores.
- Adoption of Tourist Destinations under Corporate Social Responsibility

In India for the first time a Noval programme Adoption of Tourist Destinations under Corporate Social Responsibility has launched in Karnataka this regard Government has issued the order. Initially 46 places have been identified and tremendous response has come from corporate entities.

Execution of 7 point strategy in tourist destinations:

1. Development of Last Mile Connectivity
2. Development of Accommodation.
3. Supply of publicity Material
4. Hygiene & Sanitation
5. Safety and Security of tourists
6. Drinking Water Facility
7. Signages and Heritage

### **Investments Plans:**

The Investment for creation of infrastructure and promotional activities mainly come from State Budget, Central Financial Assistance. In the year 2014-15 central Government has been prioritized 12 projects of Karnataka State for central finance assistance. The details are given in the **Table 9.47**. District wise details & Roads taken up with NABARD assistance are presented in **Appendix 9.13 & 9.14**.

#### **a. JN-NURM Scheme:**

The Urban Development Department, Government of India, under the JNNURM scheme has sanctioned an amount of Rs. 39.45 crore for development of Heritage path around Mysore Palace in Mysore. The work is implementing through City Corporation of Mysore.

#### **b. Mega Tourism Projects:**

Ministry of Tourism Government of India in the year 2013-14 has sanctioned the development of coastal Tourism circuit (Mega project) in Karnataka at an estimated cost of Rs. 50.00 crores and released Rs. 10.00 crores as a first installment to state Government and in the year 2014-15 Mega Cauvery Tourism circuit project has been prioritized by Ministry of Tourism, Government of India under this project it is proposed to develop tourist destinations which comes under the Cauvery Valley districts Mandya, Chamarajanagar, Mysore and Coorg.

A Plan is being prepared to provide Wayside amenities of International Standard near major National and State High ways. Action has been taken to install signage and Hoardings in high ways for the tourist convenience

#### **c. Other Initiatives:**

A Biological park has been developed in the Bannerughatta National Park, which is about 22 km's from the city.

In order to provide all facilities under single roof to tourists to tourism plazas are



**Table 9.47 : Twelve Projects Prioritized by GOI in 2014-15**  
**List of Prioritised by the Ministry of Tourism, Government of India for the Year**  
**2014-15 (Rs. In Lakhs)**

Sl.No	Project Name	Estimated Cost
1	Mega Cauvery Tourism Circuit Development	5000.00
2	Introduction of Tourist Train to KukkeSubrahmanya via Sakaleshapura	2500.00
3	Development of Jog Tourism circuit	800.00
4	The Great Canara Trails by Jungle Lodges & Resorts Ltd.	800.00
5	Development of Tourism infrastructure at Sira, TumkurDist	500.00
6	Development of Tourism infrastructure at Kittur, Belgaum District	500.00
7	Development of Eco Tourism Park and Crocodile Park at Dandeli, Uttara Kannada Dist.	500.00
8	Development of Wayside amenities between Sadashivagada and Kumata	300.00
9	Development of roadside amenities near Malkhed, Gulbarga District	300.00
10	Development of roadside amenities near Basavakalyana, Bidar District	300.00
11	Development rural tourism at Molakalmuru Handicrafts village, Chitradurga District.	70.00
12	Development rural tourism at Bijapur city	70.00
	<b>Total</b>	<b>11640.00</b>

Source : Department of Tourism

proposed to be set up at Hampi, Pattadkal, Mysore, Dandeli and Bijapur and also action taken to establish tourist interpretation centers at Chamarajanagar, Karwar, Kabini.

Action has been taken to privatize 18 hotel properties of the Department in a view of providing better facilities to tourists.

Action has been taken to organize weekend cultural activities at Royal Heritage city of Mysore through out the year.

Action is initiated to establish Cauvery tourism authority, Cubbon Park Management Authority and Hoysala Heritage Trust.

## 10

## EMPLOYMENT AND LABOUR WELFARE

**10.1 Introduction**

Achieving high rate of growth along with commensurate generation of productive and quality employment opportunities for the rising labour force continues to be a major challenge for both the Central and the State Governments. Low growth in employment, prevalence of low productive and low quality employment especially in the unorganized sector and high unemployment rate among the youth and educated indicate that the expansion of productive, quality and decent employment has been the principal concern of the state government's policy in recent years to reduce poverty and to make growth process more inclusive. In Karnataka, agriculture is the predominant source of livelihood for the majority of the population and employment is largely unorganized, rural and non-industrial in nature.

**10.2 Key Labour Market Indicators (Census 2011)****10.2.1 Labour Force and Work Force Participation Ratio****Work Force Participation rate (WPR)**

According to Census 2011, the Work Participation Rate (WPR) is defined as the

proportion of total workers (i.e. main and marginal workers) to total population. In the State, 2,78,72,597 persons constituting 45.62% of the total population have enumerated themselves as workers. Among them, 1,82,70,116 are males and 96,02,481 are females. In other words, 59% of the total male population and 31.87% of the total female population are workers. In 2001 Census the WPR in the State was 44.53% comprising 56.64% male workers and 31.98% female workers. On the whole WPR in 2011 has increased in general irrespective of gender and more significantly in urban areas (4%) compared to 2001. It is noted that female WPR has marginally declined in rural Karnataka (**Table 10.1**). The proportion of total workers over the period of time from 1961-2011 is given in **Figure.10.1**

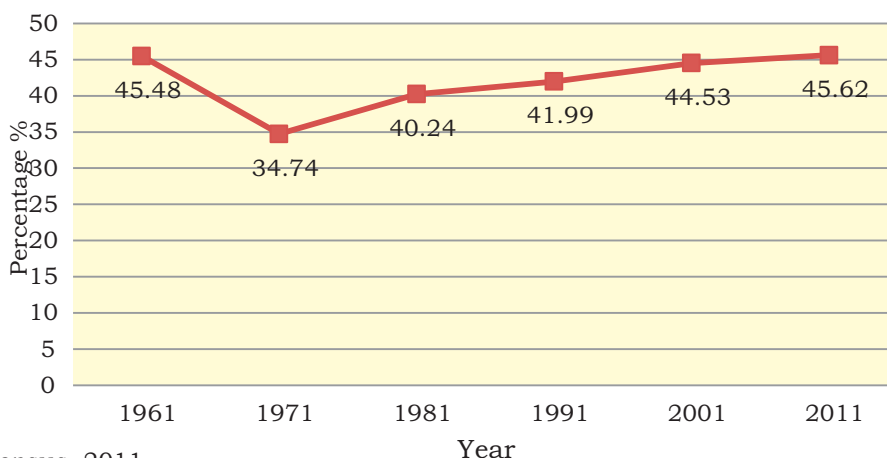
Among the districts, Chitradurga with a WPR of 51.62% occupies the top position, followed closely by Chikkaballapur, Hassan, Tumkur and Kodagu with WPR of more than 50%. The lowest WPR of 41.25% is recorded in Bidar preceded closely by Uttara Kannada, Gulbarga, Dharwad and Bijapur with WPR between 42 to 43% (**Table 10.2**). The district wise WPR is provided in

**Table-10.1: Work force Participation Rate**

(in percentage)

Total			Rural			Urban		
2001	2011	change	2001	2011	change	2001	2011	change
44.53	45.62	1.09	49.04	49.38	0.34	35.67	39.66	3.99
56.64	59.00	2.36	58.10	59.76	1.66	53.85	57.81	3.96
31.98	31.87	-0.11	39.87	38.79	-1.08	16.37	20.81	4.44

Source: Census, 2011

**Figure 10.1: Proportion of Total Workers -Karnataka 1961-2011**

Source: Census, 2011

Appendix Table. The highest proportion of male workers is registered in Mandya (63.55%) and the lowest proportion of male workers is recorded in Bijapur (52.21%) (**Table 10.3**). In respect of female workers

the highest proportion is recorded in Chitradurga (41.93%) and the lowest proportion is registered in Bangalore District (24.61%) (**Table 10.4**).

**Table-10.2 - WPR by Districts, (Male and Female) 2011**

Top 5 Districts				Bottom 5 Districts			
District	Total	Rural	Urban	District	Total	Rural	Urban
Chitradurga	51.62	55.13	37.43	Bijapur	42.61	45.40	33.30
Chikkaballapur	50.97	54.34	39.32	Dharwad	42.49	51.06	35.98
Hassan	50.87	54.55	37.17	Gulbarga	42.36	46.64	33.49
Tumkur	50.57	53.86	39.13	Uttara Kannada	42.34	45.50	34.66
Kodagu	50.30	51.96	40.62	Bidar	41.25	44.33	32.00

Source: Census, 2011

**Table-10.3 - WPR by Districts, Males, 2011**

Top 5 Districts				Bottom 5 Districts			
District	Total	Rural	Urban	District	Total	Rural	Urban
Mandya	63.55	64.47	59.09	Bagalkot	53.84	54.02	53.45
Hassan	63.42	64.94	57.82	Yadgir	53.72	54.52	50.30
Chamarajanagar	63.32	64.36	58.25	Bidar	52.72	54.32	47.98
Chikmagalur	63.16	64.28	58.95	Gulbarga	52.24	53.69	49.25
Ramanagarm	62.84	64.52	57.73	Bijapur	52.21	52.94	49.75

Source: Census, 2011

**Table-10.4 - WPR by Districts, Females 2011( Source: Census, 2011)**

Top 5 Districts				Bottom 5 Districts			
District	Total	Rural	Urban	District	Total	Rural	Urban
Chitradurga	41.93	47.78	18.65	Shimoga	28.12	35.35	15.07
Chikkaballapur	41.27	46.99	21.55	Dharwad	26.50	40.35	16.19
Yadgir	39.48	43.60	21.63	Mysore	26.35	32.22	18.14
Tumkur	38.93	44.14	20.85	Uttara Kannada	25.03	29.37	14.52
Raichur	38.69	45.24	19.32	Bangalore	24.61	28.02	24.27

When compared with the State average of WPR, Bidar (41.25%) Gulbarga (42.36%) and Bellary (45.54%) districts recorded less than State average of 45.62%. The rest of the other districts in Hyderabad Karnataka region have recorded above State average

(Table 10.5). Though the WPR of the districts are above the State average, employment is mainly in dry land agriculture, which is both insecure and less remunerative. Among Divisions, Mysore Division has highest WPR (47%).

**Table 10.5- Division Wise Work Participation Rate WPR, 2011**

Sl. No.	Districts	Total Population	Total Workers	WPR (%)
1	<b>Bidar</b>	1703300	702608	41.25
2	<b>Bellary</b>	2452595	1116880	45.54
3	<b>Gulbarga</b>	2566326	1087028	42.36
4	<b>Koppal</b>	1389920	654766	47.11
5	<b>Raichur</b>	1928812	903413	46.84
6	<b>Yadgir</b>	1174271	547696	46.64
	<b>Gulbarga Division</b>	11215224	5012391	44.69
	<b>Bangalore Division</b>	22523301	10462965	46.45
	<b>Mysore Division</b>	12563598	5926623	47.17
	<b>Belgaum Division</b>	14793174	6470618	43.74
	<b>State</b>	<b>61095297</b>	<b>27872597</b>	<b>45.62</b>

Source - Census, 2011

### 10.2.2 Main and Marginal Workers

Of the total 2,78,72,597 workers in the State, 2,33,97,181 persons, constituting 83.94% of the total workers, are main workers and 44,75,416 persons, constituting 16.06% are marginal workers. The proportion of main workers has marginally increased from 82.28% in 2001 to 83.94% in 2011 (Table 10.6). On the contrary, the proportion of marginal workers has slightly decreased from 17.72% in 2001 to 16.06% in 2011 (Table 10.7). The proportion of male main workers has decreased from 91.21% in 2001 to 89.49% in 2011, whereas, the female main workers has increased from 65.88% to 73.39%. In respect of marginal workers, the proportion of male marginal workers

has recorded a marginal increase from 8.79% in 2001 to 10.51% in 2011. On the other hand, the proportion of female marginal workers has registered a sharp decrease from 34.12% in 2001 to 26.61% in 2011. The district wise main and marginal workers are given in Appendix.

### 10.2.3. Composition of Workers

Total workers (main+marginal) have been further classified into four broad categories viz., cultivators, agricultural labourers, and workers in household industry and other workers. The details of category of workers are given in Table 10.8 and Figure 10.2.

**Agricultural Labourers:** Though the number of agricultural labourers has increased in the State by 14.92% in 2001-

**Table 10.6 - Main workers, 2011**

	Total			Rural			Urban		
	2001	2011	Change	2001	2011	Change	2001	2011	Change
Persons	82.28	83.94	1.66	78.60	81.40	2.8	92.12	88.96	(-) 3.16
Male	91.21	89.49	(-) 1.72	89.67	84.43	(-) 5.24	94.40	91.21	(-) 3.19
Female	65.88	73.39	7.51	62.09	70.34	8.25	84.17	82.49	(-) 1.68

Source: Census, 2011

**Table 10.7 - Marginal workers**

	Total			Rural			Urban		
	2001	2011	Change	2001	2011	Change	2001	2011	Change
Persons	17.72	16.06	(-) 1.66	21.4	18.6	(-) 2.8	7.88	11.04	3.16
Male	8.79	10.51	1.72	10.33	11.57	1.24	5.6	8.79	3.19
Female	34.12	26.61	(-) 7.51	37.91	29.66	(-) 8.25	15.83	17.51	1.68

Source: Census, 2011



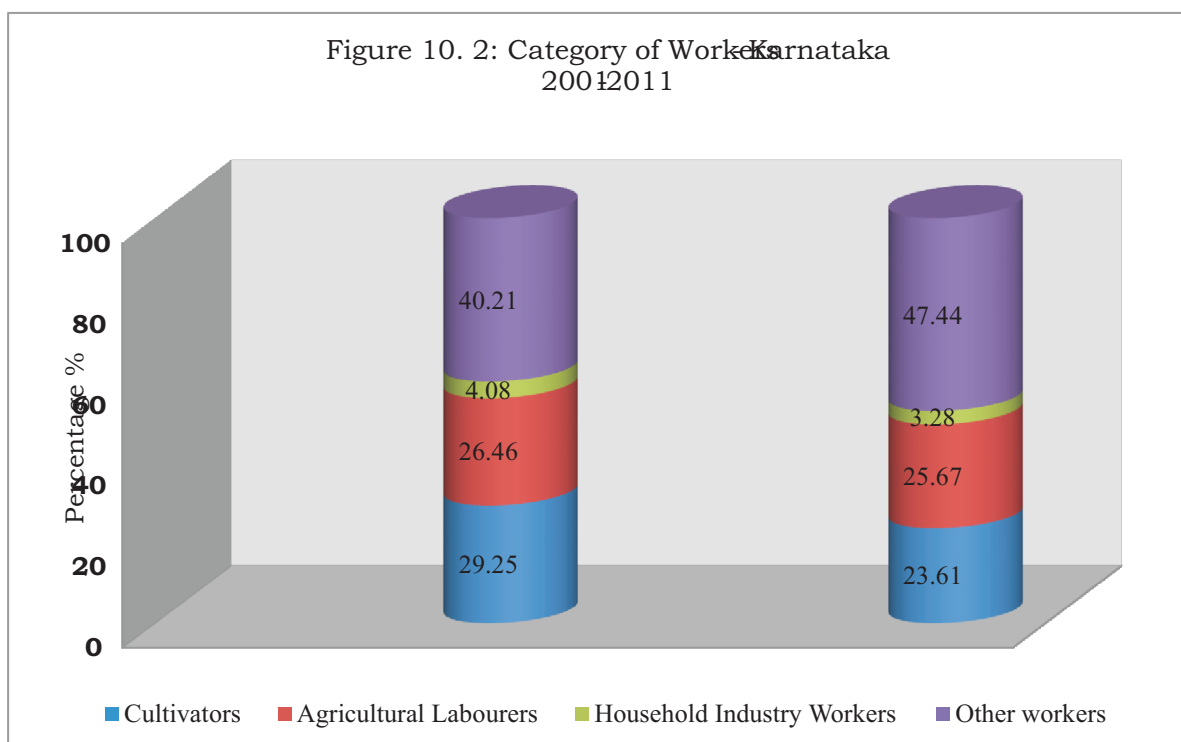
**Table 10.8 - Percentage Distribution of Category of Workers by Location, 2011**

Category of Workers	Persons						Males					
	2001			2011			2001			2011		
	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban
Agriculture Labourers	26.46	34.46	5.07	25.67	36.41	4.47	17.20	23.94	3.33	17.97	26.94	3.39
Cultivators	29.25	39.03	3.11	23.61	34.27	2.56	31.72	45.57	3.22	26.02	40.36	2.70
Household Industry	4.08	3.48	5.67	3.28	2.82	4.17	2.66	2.43	3.13	2.40	2.04	3.00
Other Workers	40.21	23.03	86.14	47.44	26.49	88.80	48.42	28.06	90.32	53.61	30.66	90.91

Category of Workers	Females					
	2001			2011		
	Total	Rural	Urban	Total	Rural	Urban
Agriculture Labourers	43.45	50.15	11.16	40.33	51.32	7.57
Cultivators	24.71	29.27	2.75	19.03	24.69	2.14
Household Industry	6.68	5.05	14.55	4.94	4.06	7.55
Other Workers	25.16	15.53	71.55	35.71	19.93	82.73

Source: Census, 2011

**Figure 10. 2: Category of Workers- Karnataka 2001-2011**



11, their proportion to total workers has marginally declined from 26.46% in 2001 to 25.67% in 2011 (Table 10.8). The district wise information is provided in Appendix. The proportion of male agricultural labourers has increased by a nominal 0.77%, their female counterparts have registered a decline of 3.12%. Among the districts, the proportion of agricultural labourers varies from 2.31% in Bangalore District to 44.49% in Chamarajanagar District. In 19 out of 30 districts, the proportion of agricultural labourers is higher than the State average of 25.67% with 16 districts reporting more than 30%. In 3 out of the remaining 11 districts, where the proportion is below the State average, the proportion of agricultural labourers is less than 6%. When compared with State average of agricultural laborers, all the districts of Hyderabad Karnataka region

recorded higher than State average of 25.7% (**Table 10.9**) but employment is mainly in dry land agriculture, which is both insecure and less remunerative.

**Cultivators** - The number of cultivators has decreased from 68,83,856 in 2001 to 65,80,649 in 2011. Of the total decrease of 3,03,207, the decrease in the number of female cultivators (2,24,075) is more than the decrease in the number of male cultivators (79,132). The proportion of cultivators to total workers has decreased by 5.64% and the decrease in the proportion in male cultivators is by 5.7%, whereas the decrease in the proportion of female cultivators is at 5.68%.

Among the districts, the decrease in the proportion of cultivators is more than 5% in 11 districts with Bangalore Rural District registering the highest decrease of 9.55%

**Table 10.9 - Percentage Distribution of Category of Workers by Division, 2011**

Districts	Agricultural Labourers	Cultivators	Household Industry workers	Other Workers
Bidar	39.90	20.11	2.58	37.45
Bellary	36.40	23.11	2.04	38.49
Gulbarga	38.20	20.26	2.38	39.16
Koppal	41.70	24.96	2.87	30.48
Raichur	42.50	27.15	2.11	28.28
Yadgiri	42.80	29.09	2.41	25.66
Gulbarga Division	39.80	23.69	2.35	34.20
Bangalore Division	18.00	19.63	3.04	59.34
Mysore Division	19.30	26.36	4.81	49.56
Belgaum Division	33.10	27.46	2.97	36.50
<b>State</b>	<b>25.70</b>	<b>23.61</b>	<b>3.28</b>	<b>47.44</b>

Source: Census, 2011

followed closely by Mysore District, i.e. by 9.26%. In the remaining 19 districts, the decrease is less than 5% with the least decrease of 0.31% recorded in Kodagu preceded by Raichur a decrease by 1.05%. Even though all the districts have registered decline in the proportion of cultivators in their work force, the proportion of cultivators is more than 45% in Hassan (48.37%) followed by Mandya (44.64%). The least proportion of cultivators is recorded in Bangalore District (2.25%) preceded by Dakshina Kannada (3.39%). The details are given in Appendix.

**Household Industry Workers** - The proportion of workers engaged in Household Industry, which was 4.08% in 2001 has declined to 3.28% in 2011. Among the districts, Dakshina Kannada with a proportion of 18.86% of household industry workers tops the ranking, followed by Bagalkot with 5.48%. In the remaining districts the proportion of workers engaged in household industry is less than 5% and the least proportion of 0.56% is recorded in Kodagu. The district wise information is provided in Appendix. Among the total 9,13,227 persons enumerated as workers engaged in household industry in the State, nearly 3 lakh workers are accounted in only Dakshina Kannada and Bangalore districts. Both these districts together accounts for more than 30% of the total workers engaged in household industry.

#### **Other Workers**

All workers engaged in any category of economic activity other than cultivation, agricultural labour or household industry are treated as 'Other Workers'. This category accounts for the highest number of workers i.e. 1,32,22,758 or 47.44% of total workers at the State level. In comparison to 2001 Census, the proportion of Other Workers has increased by 7.23% in 2011 Census. The proportion of male Other Workers has increased from 48.42% to 53.61% and the proportion of female Other Workers has increased from 25.16% to 35.71%. Among the districts, the

proportion varies from a very high of 92.88% in Bangalore District to a low of 25.66% in Yadgir. The proportion of Other Workers to total workers is more than 50% in 6 districts, whereas it is below 30% in 6 districts. In the remaining 18 districts, the proportion of Other Workers is between 30 to 50%.

#### **10.2.4 Key Labour Market Indicators of 2012-13**

In the policy context the most critical factor that impinges on labour supply is the Labour Force Participation Rate (LFPR). LFPR is a measure of the proportion of a country's/State's working-age population that engages actively in the labour market, either by actual working or seeking for work. It provides an indication about availability of labour force for production of goods and services.

Other than Labour Force Participation Rate, Worker Population Ratio and Unemployment Rates are also very important indicators in social and economic arena.

Worker Population Ratio (WPR) is defined as the number of persons employed per 1000 persons. Unemployment Rate (UR) is defined as the number of persons unemployed per 1000 in the labour force. Whereas here in this report it is given in percentage

Low LFPR primarily implies high dependency ratio. The development experience suggests a strong negative correlation between dependency and growth.

Employment and Unemployment survey: Annual Employment and Unemployment survey, 2012-13 of Labour Bureau, Government of India is third in the series. As the survey of Labour Bureau is annual, there is continuity in the data availability.

In the following analysis two approaches for each parameter are considered. They are Usual Principal and Subsidiary Status

(UPSS) or (ps+ss) approach and Current Daily Status (CDS) approach. Here the age criteria is 15 years and above for all the estimates. Following analysis gives comparisons among Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Maharashtra, Gujarat and India.

The parameters considered are Labour Force Participation Rate (LFPR), Worker Population Ratio (WPR), Proportion Unemployed (PU) and Unemployment Rate (UR).

Normally activity status are based on three reference periods, viz. (i) one year (ii) one week and (iii) each day of the reference week and the three different measures of activity status are Usual Status (US), Current Weekly Status (CWS) and Current Daily Status (CDS) respectively. The activity in which a person spent relatively longer time during the reference period termed as usual principal activity of the person. To decide the usual principal activity of a person, he/she is first categorized as belonging to the labour force or not, during the reference period on the basis of major time criterion. A person may have pursued some other activity for more than 30 days or more other than his usual principal activity, this status is termed as usual principal activity and subsidiary activity status (ps+ss) or (UPSS) approach.

The critical issues in the context of labour force enquiries pertain to defining the labour force and measuring participation of labour force in different economic activities. The activity participation of the people is not only dynamic but also multidimensional – it varies over regions, age, education, gender, industry and occupational categories.

#### 10.2.5 LABOUR FORCE PARTICIPATION RATIO:-

The statistics presented in the following tables show the scenario on employment - unemployment in Karnataka with other comparable neighboring States and with the Country. This indicates that LFPR for persons aged 15 years and above according to ps+ss status approach is 56.1% in Karnataka, whereas this is 53.1% in India. In neighboring States, lowest rate is in Kerala and highest rate is in Andhra Pradesh. This rate is 80.1% for males in rural Karnataka, which is highest among all Border States of Karnataka. Lowest rate in Karnataka is 26.7% in Urban for female, which is once again highest in neighboring states of Karnataka and much more than the all India rate of 17.8% of female for urban. Statistics comparing with Andhra Pradesh, Gujarat, Kerala, Maharashtra,

**Table-10.10 Labour Force Participation Rate for persons aged 15 Years and above according to usual principal and subsidiary status approach (in percentages)**

Sl.No	State	Rural			Urban			Urban & Rural		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1	Andhra Pradesh	78.4	53.6	65.9	77.2	25.5	51.7	78.1	46.0	62.0
2	Gujarat	81.7	22.1	52.9	73.6	10.8	43.5	78.5	17.7	49.2
3	Karnataka	80.1	36.4	58.6	74.7	26.7	51.4	78.2	33.1	56.1
4	Kerala	65.7	25.7	44.3	69.4	26.4	46.7	66.7	25.9	44.9
5	Maharashtra	76.2	42.7	60.2	71.2	20.9	47.4	74.2	34.1	55.2
6	Tamil Nadu	79.1	45.2	62.2	77.0	25.3	51.0	78.2	36.8	57.4
	All India	78.7	29.9	55.5	73.2	17.8	46.7	77.2	26.5	53.1

Tamil Nadu and India are given in **table 10.10**

LFPR by age wise distribution under (ps+ss) approach is given in the **table 10.11**. One can observe that the rates are in increasing trend in the age groups of 15-17, 18-29 and 30 and above. You find very less rate in the age group of 15-17 years as majority of the persons in this group are normally pursuing education. Having lower rate in this age group is also an indicator of development in education sector especially at 10+2 level. Kerala has only 1.3%, is a supporting indicator of above concept and may also of higher literacy level. In this group Karnataka has 14%, whereas Maharashtra (9.4%), Tamil Nadu (7.5%), India (12.9%) have less rates. In age groups 15-24 years, 18-29 years, 15-29 years and 30 years above Karnataka has LFPR of 35.3%, 50.5%, 44.3%, 63.4% respectively, are more than India's rate of 33.2%, 49.4%, 41.5%, 60.5% respectively. Andhra Pradesh is the one which has higher rates in all the groups (Table 10.11). Tamilnadu and Maharashtra are having lower rates in 15-17 age group than Karnataka indicating better in education in this age group.

LFPR as per current daily status approach the percentage of persons of age 15 years

and above for Karnataka is 54.2% which is higher than all India rate of 50.2%, which has 69.9% and obviously less than LFPR of ps+ss approach. This rate for male in rural Karnataka is 77.5%, is less than 78.7% of comparable state of Gujarat and is more than Andhra Pradesh (76.1%), Tamil Nadu (75%), Kerala (63.6%) and Maharashtra (75%). In Karnataka LFPR by CDS approach for female is 33.5% in rural and is 27.4% for urban, whereas both are higher than all India rates of 25.3% and 18.8% respectively. Urban and rural put together and male and female put together, the rates are almost equal for Karnataka (54.2%), Tamil Nadu (54.3%) and Maharashtra (54.5%) and is 59.4% in Andhra Pradesh, which is higher than Karnataka. The rate for female in urban is more in Karnataka than that of Andhra Pradesh, Kerala and Maharashtra. (Details are in **table 10.12**)

#### 10.2.6 Worker Population Ratio (WPR):

The WPR signifies the proportion of workers / employed persons in the total population. WPR under ps+ss approach for Karnataka is 55.1%, which is more than India by 4.1%, whereas India has WPR 51%. The rate is more in Andhra Pradesh and Tamil Nadu. It is less in Maharashtra, Kerala and Gujarat.

**Table-10.11 Labour Force Participation Rate for persons of different age groups according to usual principal and subsidiary status approach (in percentages)**

Sl.No	State	15-17 Years	15-24 Years	18-29 Years	15-29 Years	30 Years and above
1	Andhra Pradesh	15.9	38.2	54.5	47.9	69.9
2	Gujarat	14.0	32.5	46.9	39.8	55.3
3	Karnataka	14.0	35.3	50.5	44.3	63.4
4	Kerala	1.3	23.7	42.9	35.1	49.3
5	Maharashtra	9.4	30.7	48.0	40.4	63.7
6	Tamil Nadu	7.5	34.1	52.7	45.1	63.7
	All India	12.9	33.2	49.4	41.5	60.5



**Table-10.12 Labour Force Participation Rate of persons aged 15 Years and above according to Current Daily Status approach (in percentages)**

Sl.No	State/Uts	Rural			Urban			Urban & Rural		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1	Andhra Pradesh	76.1	49.2	62.5	76.3	25.3	51.2	76.2	42.7	59.4
2	Gujarat	78.7	19.5	50.1	72.1	10.1	42.4	76.1	15.8	47.1
3	Karnataka	77.5	33.5	55.8	73.4	27.4	51.0	76.1	31.4	54.2
4	Kerala	63.6	23.4	42.1	65.1	23.3	43.0	64.0	23.4	42.3
5	Maharashtra	75.0	40.2	58.4	71.3	23.1	48.5	73.5	33.5	54.5
6	Tamil Nadu	75.0	36.4	55.7	76.7	28.2	52.3	75.8	32.9	54.3
All India		75.3	25.3	51.6	71.9	18.8	46.5	74.4	23.5	50.2

Highest WPR in Karnataka is 78.9% for male of rural and lowest rate is 24.9% of female of urban, the same are 76.1% in male of rural and 15.7% in female of urban for India respectively. The comparison of neighboring states given in the table, the lowest is 40.6% in Kerala and highest is 60.6% in Andhra Pradesh (**Table 10.13**) whereas highest over all the categories can be seen in Gujarat for male and lowest is also in Gujarat for female

**10.2.7 Unemployment Rate (UR):**

Yet another important parameter of the labour force is Unemployment Rate (UR). It is the ratio of number of unemployed persons/person-days to the number of persons/person-days in labour force. Three sets of estimates of URs are obtained based on the estimates of unemployment obtained by the three different approaches used for classification of the activity statuses of

**Table – 10.13 Worker Population Ratio in percentages for persons aged 15 years & above according to usual principal & subsidiary status approach (in percentages)**

Sl.No	State	Rural			Urban			Urban & Rural		
		Male	Female	Person	Male	Female	Person	Male	Female	Person
1	Andhra Pradesh	76.9	53.0	64.8	74.8	23.4	49.5	76.3	44.9	60.6
2	Gujarat	80.8	20.9	51.8	72.5	9.3	42.2	77.5	16.4	48.1
3	Karnataka	78.9	35.8	57.7	73.8	24.9	50.0	77.2	32.2	55.1
4	Kerala	62.8	20.5	40.2	66.5	19.8	41.9	63.9	20.3	40.6
5	Maharashtra	74.4	41.6	58.8	68.5	19.1	45.1	72.0	32.8	53.4
6	Tamil Nadu	76.8	43.6	60.2	74.7	23.3	48.8	75.9	35.0	55.4
All India		76.1	28.7	53.6	70.4	15.7	44.2	74.5	25.0	51.0

persons. The different estimates of unemployment are: i) number of persons usually unemployed based on 'usual status' approach, ii) number of persons unemployed on an average in a week, based on the current weekly status (CWS) approach, and iii) number of person-days unemployed on an average during the reference period of seven days preceding the date of survey, based on the current daily status (CDS) approach.

Here UPSS is taken for comparison and **Table 10.14** presents the UPSS UR. Under UPSS approach, UR of Karnataka is 1.8% for all persons for urban and rural put together which is very less compared to India's 4%. This is lowest among Andhra Pradesh, Gujarat, Kerala, Maharashtra and Tamil Nadu. Kerala has highest rate of 9.6% which is more than 5 times of Karnataka. Karnataka has highest UR of 6.7% in female category of urban; same in Kerala is 25.1% which is highest among the neighboring states. Karnataka has lowest rate in UR of male in urban, which is lowest among Andhra Pradesh, Maharashtra, Tamil Nadu, Kerala and all India average. Minimum UR for all India is 3.3% for male of rural; the corresponding value of Karnataka is 1.4% which is less than the half of India's rate.

Unemployment Rate in the age group of 15-29 years at the national level is 11.3%, Karnataka fares better with an unemployment rate of 4.6% for the same age group. Highest observed unemployment rate of 30.1% is in Kerala. **[Table 10.15]**

#### 10.2.8 Proportion Unemployed (PU):

Proportion Unemployment is the ratio of number of unemployed persons to the total population. This indicator uses total population in denominator as compared to the denominator of UR, i.e. labour force which is smaller compared to total population and the rates estimated are lower than that of UR in same category. Lower the PU is a good indicator in employment scenario of the state.

Proportion Unemployment under Usual Principle and Subsidiary Status approach, Karnataka has lowest for all persons, i.e. PU of 1% for whole Karnataka, among six states as in table below whereas India has 2.1%, i.e. more than the double of Karnataka. Highest among Karnataka, Gujarath, Tamil Nadu, Kerala, Maharashtra and Andhra Pradesh is 6.6% for female Proportion Unemployment of urban of Kerala. In Karnataka highest is in

**Table-10.14 Unemployment Rate in percentage of persons aged 15 years & above according to usual principal & subsidiary status approach**

Sl.No	State	Rural			Urban			Urban & Rural		
		Male	Female	Person	Male	Female	Person	Male	Female	Person
1	Andhra Pradesh	1.9	1.3	1.6	3.1	8.5	4.4	2.2	2.4	2.3
2	Gujarat	1.2	5.4	2.0	1.5	13.6	2.9	1.3	7.3	2.3
3	Karnataka	1.4	1.6	1.4	1.3	6.7	2.7	1.4	2.9	1.8
4	Kerala	4.3	20.3	9.3	4.2	25.1	10.4	4.3	21.6	9.6
5	Maharashtra	2.4	2.4	2.4	3.8	8.9	4.9	2.9	3.9	3.2
6	Tamil Nadu	2.9	3.6	3.1	3.1	8.1	4.3	3.0	4.9	3.6
<b>All India</b>		3.3	4.2	3.5	3.9	11.7	5.3	3.5	5.6	4.0

**Table-10.15 Unemployment Rate in Percentages of 15-29 years group according to usual principal & subsidiary status approach (ps+ss) State**

Sl.No	State	Male	Female	Person
1	Andhra Pradesh	7.4	7.3	7.3
2	Gujarat	3.3	14.1	5.2
3	Karnataka	3.9	6.3	4.6
4	Kerala	15.5	53.5	30.1
5	Maharashtra	9.7	12.8	10.6
6	Tamil Nadu	10.3	15.3	11.9
All India		10.0	15.2	11.3

Source:- Employment and unemployment survey 2012-13 by labour bureau GOI

female Proportion Unemployment of urban and rate is 1.8%, the same in India is 2.1% more than Karnataka. Whereas lowest Proportion Unemployment in Karnataka is the female Proportion Unemployment of rural which is 0.60%. In fact this rate is the lowest in all categories among the six states and All India. Proportion Unemployment Rate in Karnataka is lower in all categories than that of All India. **(Table 10.16)**

### 10.2.9 Labour Force Parameters as per Social Group:-

Here Usual Principle and Subsidiary Status approach is taken to compare between National level and Karnataka (rural + urban). Here four parameters, namely, LFPR WPR, UR and PU are presented for four social sectors. The social sectors considered are Schedule Caste, Schedule Tribe, Other Backward Classes and

**Table 10.16 Proportion unemployed in percentages for persons aged 15 years & above according to usual principal & subsidiary status approach**

(in percentages)

Sl. No	State	Rural			Urban			Urban & Rural		
		Male	Female	Person	Male	Female	Person	Male	Female	Person
1	Andhra Pradesh	1.5	0.7	1.1	2.4	2.2	2.3	1.7	1.1	1.4
2	Gujarat	0.9	1.2	1.1	1.1	1.5	1.3	1.0	1.3	1.1
3	Karnataka	1.1	0.6	0.8	1.0	1.8	1.4	1.1	1.0	1.0
4	Kerala	2.8	5.2	4.1	2.9	6.6	4.8	2.8	5.6	4.3
5	Maharashtra	1.8	1.0	1.4	2.7	1.9	2.3	2.2	1.3	1.8
6	Tamil Nadu	2.3	1.6	2.0	2.4	2.1	2.2	2.3	1.8	2.1
All India		2.6	1.3	2.0	2.8	2.1	2.5	2.7	1.5	2.1

General. In each sector male, female breakup is also given.

The employment situation is better as WPR (ps+ss) increases. Over all LFPR of India is 53.1%, the same in Karnataka is 56.1%, which is higher than India's rate. LFPR in Schedule Caste, other Backward class is and General groups in a Karnataka are higher than the same groups in All India, level except the rate in male of schedule caste. In Schedule Tribes LFPR in female is 38.1% in Karnataka, whereas same in all India level is 39.7%, which resulted in lower rate of 59.3% in Karnataka for persons as against 60% of all India. Similar trend can be observed in WPR of India and Karnataka. WPR of Karnataka is higher in all groups except Schedule Tribe. Rates are lower under female and persons category of Schedule Tribes of Karnataka than that of India. Over all WPR for persons in Karnataka is 55.1% and is more by 4.1% of India. Overall Unemployment Rate of

Karnataka is very less compared to India and is less than half the rate of India. Karnataka has only 0.7% in male of schedule caste, which is lower in all the groups, and 0.9% in male of General group, the next to lowest, same in India are 3.4% and 3.9% respectively, which are more than 4 time the Karnataka's rate. Highest UR is 3.4% in Karnataka for female of Other Backward Classes. In India highest UR is 8.5% for female of General group. Trend in Proportion Unemployment in different groups of Karnataka with that of India is almost same as in Unemployment Rate. Proportion rate is minimum in male of Schedule Caste and next to minimum is male of General group in Karnataka. The minimum rate is 1.1% in India for female in Schedule Tribes, which is the only category where Karnataka has equal rate as of India. Maximum in Karnataka is 1.6% for male in Other Backward Classes group. India has maximum proportion rate as 2.9% in male category of General group. **(Table 10.17)**

**Table 10.17 Labour Force Parameters for persons aged 15 years & above according to usual principal & subsidiary status approach (ps+ss) (in percentages) Rural + Urban**

All India	Schedule Caste			Schedule Tribes			Other Backward Classes			General			Overall		
	M	F	P	M	F	P	M	F	P	M	F	P	M	F	P
WPR	77	28.7	54.1	76.6	38.6	58.3	74.7	24.7	50.9	72.1	19	46.9	74.5	25	51
LFPR	79.7	30.1	56.2	78.9	39.7	60	77.2	26.1	52.9	75	20.8	49.3	77.2	26.5	53.1
UR	3.4	4.6	3.7	2.9	2.7	2.8	3.3	5.4	3.8	3.9	8.5	4.8	3.5	5.6	4
Prop. Unemployment	2.7	1.4	2.1	2.3	1.1	1.7	2.5	1.4	2	2.9	1.8	2.4	2.7	1.5	2.1
Karnataka															
WPR	79.1	39.3	59.4	77.7	37.1	58.1	76.7	33.3	55.6	76.7	26.6	51.9	77.2	32.2	55.1
LFPR	79.6	40.6	60.3	79.1	38.1	59.3	78.3	34.5	57	77.4	27.2	52.6	78.2	33.1	56.1
UR	0.7	3.2	1.5	1.7	2.8	2	2	3.4	2.4	0.9	2.2	1.2	1.4	2.9	1.8

### 10.3.10 Employment by Education and Social Group:

Under each social group the persons employed, unemployed and not in labour force are estimated by their education qualification. For this Not Literate, Below Primary, Primary, Middle, Secondary, Higher Secondary, Diploma/Certificate, and Graduate and above, Post Graduate and above are the nine classifications used. In each social group, in each educational qualification class with age 15 years and above are classified into employed, unemployed and not in labour force based on the survey according to Usual Principal Status (UPS) approach. Rural and urban, male and female, all put together in Karnataka and India are taken for comparative analysis.

In Karnataka 65.2% persons are employed having qualifications post graduate and above. Only 1.4% is unemployed. Remaining 33.3% are not in labour force means they are not seeking for employment. The situation at all India level for post graduates and above category is 62% persons employed, 7.9% persons unemployed and 30.1% persons not in labour force, situation unemployed is five times more than that of Karnataka. Highest unemployed is in graduate and above category with 4% persons whereas India has 8.5% persons in this category. Highest in persons not in labour force is in Higher Secondary category for both in Karnataka and India with 53.6% and 56.4% persons respectively. In social groups, under Schedule Castes highest no. of persons employed is 63.5% in education qualification Primary and lowest is 47.2% in Diploma/Certificate category in Karnataka, whereas post graduate and above class with 62.2% persons employed is the highest in Schedule Caste group and 38.7% persons employed is the lowest in diploma/certificate category at all India level. Unemployed persons are high in graduate and above category in Schedule Caste, Schedule Tribe, Other Backward Classes

and overall groups in Karnataka. In India in same education category the unemployment is highest in Schedule Tribe, Other Backward Classes, General and Overall groups. Not literate category has very less unemployed persons in all social groups in Karnataka; the trend is same in India except in General group. Highest employed persons are in post graduate and above category in all social groups in India. In Karnataka one finds highest number of employed persons in post graduate and above category in Other Backward Classes, General and Overall groups. The unemployed persons in all the social groups and in all education classifications of Karnataka are much less than that of India in most of groups and classifications [Table 10.18]

### 10.2.11 Workers by occupation division by UPSS approach:

Comparison of Karnataka with Tamil Nadu, Andhra Pradesh, Kerala, Gujarat and India by occupation division is attempted here. Persons in elementary occupation are highest in all these states and in India which constitute more than 30%, except in Gujarat. It is either highest or second highest with 24.2%, 29.9%, 29.9%, 32.4% and 32.3% in Andhra Pradesh, Gujarat, Karnataka, Maharashtra and India respectively for skilled agricultural and fishery workers. Legislatures, Senior Officials and Managers are 1.6% for 1000 persons in Karnataka and highest is 2.5% in Gujarat and India with 1%. In professionals, it is 2.9 % in Karnataka, highest is 3.1% in Tamil Nadu, India has 2.4%. Technicians and associate professionals are highest in Kerala with 7%, whereas Karnataka has 3.9% and India has 4.6%. Clerks are 2.8%, Service workers and shop and market sales workers are 10.7%, craft and related trades workers are 10.1% and plant and machine operators and assemblers are 4.2%, same in India are 3.3%, 12.9%, 7.6% and 4.1 % respectively for 1000 workers [Table 10.19]



**Table 10.18 Percentage distribution for persons of age 15 years & above by educational classification according to usual principal status (ps) approach Karnataka (Rural+Urban) (Male+Female)**

Education Classification	Schedule Caste			Schedule Tribes			Other Backward Classes			General			Overall		
	Emp.	Un emp	N in LF	Emp	Un emp	N in LF	Emp	Un emp	N in LF	Emp	Un emp	N in LF	Emp	Un emp	N in LF
Not Literate	61.9	0.1	38	59.4	-	40.6	53.6	0.1	46.3	48.7	-	51.3	55	0.1	45
Below Primary	63.3	-	36.7	72.7	0.4	27	63.6	0.2	36.1	55.8	0.4	43.9	61.7	0.3	38.1
Primary	63.5	-	36.5	62.2	0.9	36.9	58.5	1.1	40.5	52.9	-	47.1	57.3	0.5	42.2
Middle	54	2.4	43.6	57.2	0.3	42.6	56.1	1.5	42.4	52.2	-	47.8	54.5	1.1	44.4
Secondary	54.4	1.2	44.4	43.2	2	54.8	53.4	1.2	45.4	47.3	0.9	51.8	50.5	1.1	48.4
Higher Secondary	47.9	2.1	50	54.9	2.2	42.8	42.4	2.9	54.8	43.5	1.2	55.3	44.3	2.1	53.6
Dip/Cert	47.2	2.6	50.3	40.5	5.7	53.8	50.1	3.6	46.3	48.9	2.5	48.5	48.3	3.2	48.4
Graduate & above	58.8	5.1	36	55.5	6.7	37.8	56.5	5.4	38.1	57.2	2.3	40.6	57	4	39.1
Post Graduate & above	54.1	3.6	42.3	60.4	-	39.6	68.9	0.2	30.9	65.5	1.9	32.6	65.2	1.4	33.3
All	58.2	1	40.8	56.8	1.2	41.9	53.9	1.5	44.6	50.4	0.7	48.9	53.6	1.1	45.3
	Emp=Employed			Unemp=Unemployed			N in LF=Not in labour Force								

**Table 10.19 Percentage distribution of workers aged 15 years & above by occupation divisions (NCO 2004) according to usual principal & subsidiary status approach (ps+ss) for each State/UT**

States	Percentage distribution of workers by occupation division									
	Legislators, senior officials and managers	Professionals	Technicians and associate professionals	Clerks	Service workers and shop & market sales workers	Skilled agricultural and fishery workers	Craft and related trades workers	Plant and machine operators and assemblers	Elementary occupations	Workers not classified by occupations
Andhra Pradesh	1.4	2.4	3.9	2.7	9.9	24.2	9.1	4.6	41.8	-
Gujarath	2.5	2.1	4.7	3	12.4	29.9	10.3	6.2	28.7	0.1
Karnataka	1.6	2.9	3.9	2.8	10.7	29.9	10.1	4.2	33.8	0.2
Kerala	2	2.9	7	5.1	16.6	8.6	12.2	8.5	37.2	-
Maharashtra	0.9	2.5	4.2	5	12	32.4	5	4	33.9	-
Tamil Nadu	1.4	3.1	4.1	4	16.4	12.7	12.5	6.6	39	0.4
All India	1	2.4	4.6	3.3	12.9	32.3	7.6	4.1	31.7	0.1

### 10.2.12 Wage/Salary Employment Scenario:

Here persons employed, unemployed and not in labour force under UPSS approach and CDS approach in Karnataka is compared with Andhra Pradesh, Gujarat, Kerala, Maharashtra, Tamil Nadu and India.

CDS approach: Out of 1000 persons Karnataka has 52.9% persons employed, 1.3% persons unemployed and 45.8% not in labour force. Number of persons employed and unemployed are the two very crucial parameters in labour economy. Out of 52.9% persons employed, 24% are Self Employed, 17.8% are casual labour, 0.9% are contract workers which is lowest among six states and all India level and 10.3% are Wage/Salaried employees. Self Employed are highest in Maharashtra with 24.8% and lowest is in Kerala i.e. 10%, whereas at all India level the Self Employed are 23.1%. Andhra Pradesh has highest casual labours. Tamil Nadu has 13.4%, Wage/Salaried employees, the highest among six states. Number of unemployed

persons out of 1000 is exactly double of Karnataka at all India level [Table 10.20]

**UPSS approach:** Under this approach the employment rate is more than that of CDS approach and unemployment rate is less than that of CDS approach. Karnataka has 55.1% persons employed, 1% persons unemployed and 43.9% persons not in labour force for 1000 persons. Out of 55.1% persons employed, 19.3% are casual labours, 0.9% are contract workers, 10.5% are wage/salaried employees and 24.5% are self-employed persons. Under casual labours India has 16% persons whereas highest among six states is in Tamil Nadu with 25% persons. Tamil Nadu has 13.6% wage/salaried employees, which is also highest in that category. In contract workers, Karnataka has lowest persons and highest is 2.3% in Kerala. 24.9% are self-employed in India and also in Maharashtra, is highest among Karnataka, Tamil Nadu, Andhra Pradesh, Kerala and Gujarat. India has 51% employed persons, 2.1% unemployed persons and 46.9% persons not in labour force [Table 10.21]. Whereas same in Karnataka are 55.1%, 1%, 43.9% respectively.

**Table 10.20 Percentage distribution of persons aged 15 years & above by broad activity according to current daily status approach for each State/UT (Rural + Urban)**

States	Self Employed	Wage/Salary	Contract Worker	Casual Labour	Emp. Total	Un employ	Not in Labour Force
Andhra Pradesh	23.9	9.6	1.2	22.3	57.1	2.3	40.6
Gujarath	22.6	9.6	1.6	12.1	45.9	1.2	52.9
Karnataka	24	10.3	0.9	17.8	52.9	1.3	45.8
Kerala	10	9.3	2	16.6	38	4.3	57.7
Maharashtra	24.8	9.1	1.5	16.7	52.1	2.4	45.5
Tamil Nadu	14.6	13.4	1.8	21.8	51.6	2.7	45.7
All India	23.1	8.4	1.5	14.6	47.6	2.6	49.8

**Table 10.21 Percentage distribution of persons aged 15 years & above by broad activity according to usual principal & subsidiary status approach (ps+ss). (Rural+Urban)**

States	Self Employed	Wage/ Salary	Contract Worker	Casual Labour	All	Un employ	Not in Labour Force
Andhra Pradesh	24.7	9.9	1.3	24.7	60.6	1.4	38
Gujarath	23.4	10	1.7	13.1	48.1	1.1	50.8
Karnataka	24.5	10.5	0.9	19.3	55.1	1	43.9
Kerala	10.6	9.5	2.3	18.3	40.6	4.3	55.1
Maharashtra	24.9	9	1.6	17.8	53.4	1.8	44.8
Tamil Nadu	14.7	13.6	2	25	55.4	2.1	42.6
All India	24.9	8.6	1.6	16	51	2.1	46.9

**10.2.13 Sectoral Distribution of workers and Labour Productivity**

The sectoral distribution of workers across industry shows that agriculture and allied

sector is the most important sector wherein about 49% of the workers in Karnataka and 53.8% of workers at all India level are engaged for their livelihood during 2011-12 (**Table 10.22**). The corresponding share in

**Table 10.22 - Sectoral distribution of Workers (in %) and Labour Productivity (Rs.) of Karnataka and India - 2011-12**

Distribution of Workers (in %)								
Sectors	Karnataka			India			Labour Productivity (inRs.)	
	Rural	Urban	Total	Rural	Urban	Total	Karnataka	India
<b>Agriculture &amp; Allied</b>	<b>70.2</b>	<b>7.8</b>	<b>49.0</b>	<b>64.1</b>	<b>6.7</b>	<b>53.8</b>	<b>54028</b>	<b>49875</b>
Mining & Quarrying	0.3	0.3	0.3	0.5	0.7	0.5	400911	706804
Manufacturing	9.4	18.4	12.4	8.6	23.6	11.3	203593	193958
Construction	4.3	9.7	6.1	11.1	9.3	10.7	251739	116728
Electricity, Gas & Water supply	0.2	0.8	0.4	0.2	1.3	0.4	814274	626747
Transport, Storage & Communication	3.3	13.8	6.9	3.0	9.9	4.2	149567	256700
<b>Industries</b>	<b>14.3</b>	<b>29.2</b>	<b>19.3</b>	<b>20.4</b>	<b>35.0</b>	<b>23.0</b>	<b>235843</b>	<b>177472</b>
Trade, Hotels & Restaurants	6.2	24.5	12.4	6.5	23.4	9.5	182914	289444
Finance, Business Real estate, etc.	1.0	8.3	3.5	0.8	6.5	1.8	1109350	1387406
Public Admn., Health, Education etc.	5.1	16.4	8.9	5.3	18.4	7.6	222670	280027
<b>Services</b>	<b>15.5</b>	<b>63.0</b>	<b>31.7</b>	<b>15.5</b>	<b>58.3</b>	<b>23.2</b>	<b>288176</b>	<b>366681</b>
<b>Total</b>	<b>100.0</b> (18.6)	<b>100.0</b> (9.6)	<b>100.0</b> (28.2)	<b>100.0</b> (448)	<b>100.0</b> (98)	<b>100.0</b> (546)	<b>163340</b>	<b>152812</b>

Source: Employment from the results of 68th NSSO round data (UPSS) and First Revised Estimates GSDP & GDP for 2011-12 from DES Karnataka and CSO, New Delhi. Figures in parenthesis are employment in millions.

the Karnataka and India was 61% and 58.17% respectively in 2004-05. This shows that the share of agricultural employment in Karnataka and all-India level has declined between 2005 and 2011-12, which is a positive trend towards structural transformation. There is an urgent need to devise appropriate policies to ensure rapid structural transformation process in coming years.

The overall labour productivity in Karnataka is Rs.1,63,340/- for 2011-12. However, given the sectoral composition of employment, there are wide variations in the labour productivity across the sectors of the economy. Labour productivity in services is Rs.2,88,176/- per worker which is almost 5 times that in agriculture (Rs.54,028 per worker). At the same time, labour productivity in industry (Rs. 2,35,843/- per worker) is more than 4 times that of agriculture. Across the sub-sectors of the economy, labour productivity is the lowest for agriculture and highest for financial intermediaries and business services. Electricity and water supply utilities is the most productive with labour productivity of Rs.8,14,274/-.

#### 10.2.14. Wages

Apart from employment status and level of education, wages and earnings is yet another indicator to judge the quality of employment in the state. Wage and earnings is an important determinant that has profound implications for bettering employment and productivity of the workers. It is well known that regular employment is considered better, secure and durable and returns associated are usually higher than casual and intermittent nature of employment. At the overall level, the average wages and earnings per day received by the regular workers are noticeably higher in the state compared to that of other southern states (Appendix). The average wage of regular workers (Rs.247/-) in rural Karnataka are lower than that of rural India (Rs. 298.96/-), while in urban Karnataka average wage of regular workers (Rs.486/-) is higher compared to urban India (Rs.449.65/-). Similarly, average wages of male regular workers in Karnataka are almost same like at all-India (Rs.417.08/-), whereas in case of female regular workers average wage (Rs.312/-) is higher as compared to their counterparts at all-India level (Rs.307.72/-) (**Table 10.23**).

**Table 10.23 - Average Daily Wages (in Rupees), 2011-12**

Category of Persons		Karnataka	
		Regular wage/ salaried employees (31, 71,72)	Casual Labour in works other than public works
Rural	Male	237.53	162.94
	Female	151.85	99.86
	Person	247.07	142.40
Urban	Male	518.58	192.24
	Female	391.97	101.77
	Person	486.92	174.05
Rural + Urban	Male	416.69	170.00
	Female	312.17	99.00
	Person	391.45	148.00

Source: Employment and Unemployment, 68th Round, 2011-12, NSSO

### 10.3 Employment in Public and Private Sector

Organized sector employment in the State has increased by 0.5% from 23.64 lakh at the end of the March-2014 to 23.80 lakh at the end of Sept-2014. Public Sector employment account for 10.46 lakh (44%) and Private Sector for 13.34 lakh (56%), while the former has decreased by -1.1%, where as latter has increased by 1.6% between March and Sept -2014.

Branch-wise comparison shows that employment in State Government (Quasi) has increased from 1.557 lakh to 1.56 lakh, from March, 2014 to Sept, 2014. Central Government, State Government and Local Bodies employment has decreased from March-2014 to Sept-2014. **Table-10.24** gives branch-wise details of the organized sector employment at the end of Sept-2014.

### (a) Employment in Public and Private Sectors (Industry group-wise)

An analysis of the organized sector employment by Industry group reveals an increase in the employment in manufacturing sector from 6.298 lakhs in March-2014 to 6.369 lakh in Sept-2014, an addition of about 7100 workers employed. In Electricity, Gas, Steam and Air-conditioning system, Transportation & Storage sector and Administrative & Support Service Activity sector, employment was increased from 0.348 lakh in March-2014 to 0.355 lakh in Sept-2014, 1.563 lakh in March-2014 to 1.564 lakh in Sept-2014 and 0.549 lakh in March-2014 to 0.585 lakh in Sept-2014 respectively, an addition of about 700, 100 and 3600 workers employed. Wholesale & Retail Trade, Repair of Motor vehicles & Motorcycles, Accommodation and Food Service activity, Education & other service

**Table 10.24 : Employment in Public and Private Sector (in Thousands)**

Branch	March, 2013	March, 2014	Sept 2014	Percentage variation Sept-2014/ March,2014
1. Central Government	95.3	95.4	95.1	-0.3
2. State Government	579.4	569.9	566.1	-0.7
3. Central Government (Quasi)	164.8	165.0	165.6	0.4
4. State Government (Quasi).	155.4	155.7	156.0	0.2
5. Local Bodies	65.0	63.6	63.2	-0.6
6. Private Sector- Act.	1227.4	1253.4	1273.4	1.6
7. Private Sector - Non-Act.	61.6	61.0	61.0	0.0
<b>Public Sector</b>	<b>1059.9</b>	<b>1049.6</b>	<b>1046.0</b>	<b>-1.1</b>
<b>Private Sector.</b>	<b>1289.0</b>	<b>1314.4</b>	<b>1334.4</b>	<b>1.6</b>
<b>Total</b>	<b>2348.9</b>	<b>2364.0</b>	<b>2380.4</b>	<b>0.5</b>

Source: Department of Labour, Gok



activity sectors have slightly increased. Agriculture, Forestry and Fishing, Construction, Information & Communication, Public Administration & Defence; compulsory Social Security, Human Health & Social work activities sector has decreased from March-2014 to Sept-2014. Organized sector employment

has remained constant in Mining and Quarrying, Water Supply, Sewerage, Waste management and Remediation Activities, Financial & Insurance activities, Professional, Scientific & Technical activities and Arts, Entertainment and Recreation Sectors. **(Table 10.25).**

**Table-10.25: Employment in Public and Private Sector (Industry Group-wise)**

**(In Lakhs)**

Sl. No.	INDUSTRY	Employment as on 31-3-2013.			Employment as on 31-3-2014			Employment as on 30-9-2014.		
		Pub	Pvt	Total	Pub	Pvt	Total	Pub	Pvt	Total
1.	Agriculture, forestry & fishing	0.278	0.126	0.404	0.271	0.121	0.392	0.267	0.121	0.388
2.	Mining & quarrying.	0.075	0.071	0.146	0.074	0.072	0.146	0.074	0.073	0.147
3.	Manufacturing.	0.599	5.664	6.263	0.597	5.701	6.298	0.595	5.774	6.369
4.	Electricity, gas, steam and air conditioning supply.	0.344	0.009	0.353	0.338	0.010	0.348	0.345	0.010	0.355
5.	Water supply; sewerage, waste management & remediation activities	0.056	0.001	0.057	0.056	0.001	0.057	0.056	0.001	0.057
6.	Construction.	0.314	0.013	0.327	0.303	0.014	0.317	0.301	0.014	0.315
7.	Wholesale, retail trade, repair of motor vehicles, & motor cycles	0.083	0.249	0.332	0.083	0.261	0.344	0.082	0.273	0.355
8.	Transportation and storage	1.349	0.201	1.550	1.364	0.199	1.563	1.359	0.205	1.564
9.	Accommodation and food service activities	0.006	0.239	0.245	0.006	0.249	0.255	0.006	0.250	0.256
10.	Information and communication	0.236	3.966	4.202	0.231	4.139	4.370	0.236	4.193	4.429
11.	Financial and insurance activities	0.887	0.222	1.109	0.881	0.224	1.105	0.882	0.231	1.113
12.	Real estate activities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
13.	Professional, scientific, and technical activities	0.332	0.082	0.414	0.324	0.081	0.405	0.323	0.080	0.403
14.	Administrative & support service activities	0.010	0.525	0.535	0.009	0.540	0.549	0.009	0.576	0.585
15.	Public administration & defence; compulsory social security.	3.166	0.000	3.166	3.170	0.000	3.170	3.154	0.000	3.154
16.	Education	1.916	1.135	3.051	1.850	1.139	2.989	1.849	1.140	2.989
17.	Human health & social work activities.	0.915	0.358	1.273	0.906	0.364	1.270	0.888	0.370	1.258
18.	Arts, entertainment & recreation	0.022	0.023	0.045	0.022	0.023	0.045	0.022	0.023	0.045
19.	Other service activities	0.011	0.006	0.017	0.011	0.006	0.017	0.012	0.010	0.022
	<b>Total</b>	<b>10.599</b>	<b>12.890</b>	<b>23.489</b>	<b>10.496</b>	<b>13.144</b>	<b>23.640</b>	<b>10.460</b>	<b>13.344</b>	<b>23.804</b>

Source: Department of Labour, Gok

#### 10.4 Employment Exchange Statistics

The number of job seekers as per the live register figures of employment exchanges was 3.62 lakh in December, 2014 as compared to 3.96 lakh in March, 2014, a decrease by 8.5 %. As compared to previous year, there is slight decrease in Graduates registrants. There has been -14.50 percent decline in the registrants of Below Matriculates followed by Diploma Holders (-21.50%), Matriculates and Stenographers (-7.7%), I.T.I. Apprenticeship, Other Certificate Holders (-7.9%) and Post-Graduates (-2.7%). Registrants on the live registers of Employment Exchanges in Karnataka are given in **Table 10.26**.

#### 10.5 Placements and Vacancies

Between April-2014 and December-2014, 7870 placements were made (656 an average every month). During the corresponding period of the previous year this number was about 9,452 (1,575 on an average per month). The number of placements was 1.61% of the total registrations at the end of December-2014. During the year 2013-14, 18,573 placements were made (1,548 on an

average every month). 1233 vacancies have been notified during the current year up to December-2014 (123 on an average every month) compared to 1,232 during the corresponding period the previous year (205 on an average every month). The number of vacancies notified was to 0.34% of registrations at the end of December-2014. During the year 2013-14, 2,629 vacancies have been notified (219 on an average every month). (**Table 10.27**)

#### 10.6. Additional Employment

Employment generation has been estimated based on three factors viz. income, employment elasticity over a period of years and anticipated estimates of gross domestic product for 2013-14. During 2013-14, it is 297.84 lakh person-days compared to 292.57 lakh person-days in the previous year.

#### 10.7. Wage Employment Programmes

##### a. Mahatma Gandhi National Rural Employment Guarantee Scheme

The National Rural Employment Guarantee Act came into operation in five districts viz., Bidar, Gulbarga, Raichur, Davanagere & Chitradurga w.e.f. 02-02-2006 for

**Table 10.26: Registrants on the Live Registers of Employment Exchanges in Karnataka**

Sl. No.	Registrants.	At the end of			Variation (Dec.-14 / March-14) %.
		March-13	March-14	Dec.-14	
1.	Post-Graduates.	4834	5062	4925	-2.7
2.	Graduates.	50216	49844	49312	-1.1
3.	Diploma Holders.	20901	18524	14545	-21.5
4.	I.T.I. Apprenticeship, Other Certificate Holders.	55481	51786	47715	-7.9
5.	Matriculates and Stenographers.	223076	211479	195125	-7.7
6.	Below Matriculation.	66707	59100	50541	-14.5
	<b>Total</b>	<b>421215</b>	<b>395795</b>	<b>362163</b>	<b>-8.5</b>

**Table 10.27: Number of vacancies notified & placements made in 2010-11 to 2014-15**

Year.	Vacancies notified	Placements made
2010-11	7421	5936
2011-12	3202	8694
2012-13	3271	15069
2013-14	2,629	18,573
2014-15 (upto Dec.-2014)	1233	7870

implementation under Phase-1. Subsequently, the scheme has been extended to 6 more districts namely Belgaum, Bellary, Chikmagalur, Hassan, Shimoga and Kodagu under II phase with effect from 1st April 2007. The Scheme was further extended to cover the remaining districts of the State from 1st April 2008. The primary object of the Act is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. If work is not provided within 15 days of the demand for work by the applicant, then unemployment allowance has to be paid. Under the scheme, related objectives such as generation of productive assets, environmental protection, empowerment of rural women, reduction of rural-urban migration etc. are also sought to be achieved. The scheme is being implemented as Centrally Sponsored Scheme on cost

sharing basis between Centre and State as wage component is fully borne by the Government of India and material component is borne by Central and State Governments in the ratio of 75:25. The fund allocated for the scheme in 2014-15 is Rs.3151.76 crore of which, Rs. 1229.30 crore has been spent upto December 2014 and 288.61 lakh person days of employment has been generated benefitting 8.26 lakh households. The cumulative picture is given **Table 10.28** and **10.29**. District wise information is given in Appendix.

#### **b. Wage Employment Generation under Major Programmes**

Wage employment generated under various state government programmes was 22.88 crore Mandays between April and Dec. 2014. During the corresponding period of the preceding year 12.17 crore Mandays were generated. The breakup is – Major medium irrigation and Flood control

**Table 10.28 - Progress achieved under MGNREGA**

Year	Available funds (lakh)	Expenditure (Rs. In Lakhs)	Person days (Lakh)	Employment provided (Households No.)	Works		
					Under taken (Nos)	Completed (Nos)	Under progress (Nos)
2013-14 (30 districts)	216099.87	209598.72	718.86	1450457	544356	39414	504942
2014-15 (uptoDec 2014)	*159683.64	*122929.96	288.61	826366	1251485	70330	1181155

\*includes state available fund & state level expenditure

Source: RDPR, Gok

**Table 10.29 - Physical progress under MGNREGS in the FY 2014-15**

Sl No	Details	Unit	Progress
1	Job card issued (since inception)	No	5696828
2	House hold demanded employment	No.	1909513
3	House hold provided with employment	No.	1450457
4	Employment generated (person days)	Lakh	718.86
5	House hold provided with 100 days of employment	Lakh	1.17
6	Average no of person days provided per household	No	49.56

Source: RDPR, Gok

generated 8.04 crore mandays, (35.13 percent), Roads and Bridges 7.50 crore mandays (32.77 percent), Minor Irrigation 2.47 crore Mandays (10.81 percent) followed by Watershed development 0.92 crore mandays (4.03 percent), Buildings 0.77 crore mandays (3.36 percent), CADA 0.06 crore mandays (0.24 percent) and MGNREGS 3.12 crore mandays.

The wage employment generated as a proportion of the annual target was the highest in respect of Minor Irrigation 2.47 crore Mandays (117.90 percent), Roads and Bridges 7.50 crore mandays (93.53 percent) followed by Buildings 0.77 crore mandays (77.50 percent), Major medium irrigation and Flood control generated 8.04 crore mandays (39.09 percent), Watershed development 0.92 crore mandays (35.45 percent), CADA 0.06 crore mandays (25.24 percent) and MGNREGS 3.12 crore mandays. During the corresponding period of the previous year 57.52 per cent of the annual target was achieved in Watershed development followed by Minor Irrigation (50.67 per cent) and CADA (42.77 per cent). Details are given in **Table 10.30**.

## 10.8 Self Employment Programmes

### 10.8.1 Swarna Jayanthi Grama Swarojgar Yojana- (SGSY)

SGSY is one of the major poverty reduction programmes being implemented by the Ministry of Rural Development. SGSY was completely closed during 2012-13 and it was restructured as NRLM. Hence there is no allocation of funds to SGSY during 2014-15.

### 10.8.2 Karnataka State Rural Livelihood Promotional Society (KSRLPS):

SGSY scheme has been restructured as National Rural Livelihood Mission. The Scheme will be implemented in the name of "Aajeevika". Every State has to establish State Mission to implement this scheme. Accordingly KSRLPS has been established in the State. The implementation of NRLM has commenced from 2013-14. The Empowered Committee of Ministry of Rural Development has approved an Annual Action Plan under NRLP for Rs.31.15 crore and under NRLM for Rs.58.02 crore. In 2013-14, the State has revised the intensive Districts and Taluks as follows where NRLP

**Table 10.30: Wage Employment Generation under Major Programmes (2014-15)**  
(Man days in lakhs)

Programmes	Annual target		Target for 2014-15 (Dec.2014)	Achievement	
	2013-14	2014-15		2013-14 (up to Dec.13)	2014-15 (up to Dec. 14)
1.Major and Medium Irrigation & Flood Control	1352.93	2056.14	1560.90	348.14 (25.73)	803.72 (39.09)
2.Minor Irrigation	218.93	209.69	115.25	110.91 (50.67)	247.23 (117.90)
3.CADA	20.48	22.03	6.88	8.76 (42.77)	5.56 (25.24)
4.Watershed Development	245.60	260.08	182.05	141.27 (57.52)	92.21 (35.45)
5.Roads & Bridges	1681.64	801.65	499.67	216.65 (12.88)	749.80 (93.53)
6.Buildings	133.43	99.20	61.57	47.38 (35.51)	76.88 (77.50)
Total Programmes (Targeted)	3653.01	3448.79	2426.32	873.14 (23.90)	1975.40 (57.28)
N.R.E.G.S	*	*	*	343.61	312.40
<b>Total Programmes</b>	3653.01	3448.79	2426.32	1216.75	2287.80

Figures in brackets indicate percentage to annual target.

\* Demand driven programme - no target

implementation is in progress. Mysore (HD Kote, Hunsur, Nanjanagudu, T.Narasipura), Tumkur (Pavagada, CN Halli, Madhugiri, Sira), Uttara Kannada (Ankola, Sirsi, Kumta, Yallapura), Koppal (Kushtagi, Koppala, Yalaburga), Gadag (Shirahatti, Naragunda, Gadaga, Rona, Mundaragi). In other taluks NRLM Scheme is being implemented. During 2014-15 Rs.105.76Crore has been allocated for NRLM. Rs.7.48Crore has been released and Rs.12.20Crores is incurred expenditure. An amount of Rs.44.24Crore has been allocated under NRLP and Rs.5.79Crore is incurred expenditure.

## 10.9. Government Initiatives - Social Security Schemes

### a) Social Security and Pension:

The Directorate of Social Security and Pension, Revenue Department of the Government is providing social security benefits to the old, widows and physically challenged. Under old age pension scheme any person aged above 60 years and below 65 years and belonging to BPL household is eligible to avail the pension of Rs. 200 per month and aged above 65 years and belonging to BPL household is eligible to



avail the pension of Rs. 500 per month. Widows aged between 18 to 65 years belonging to BPL households are eligible to avail pension under Destitute Widow pension scheme of Rs. 500 per month. Under State's non-Plan a pension amount

of Rs. 500 per month is given as pension for Disabled person having disability above 40% and below 75% and Rs. 1200 per month for those having disability above 75%. SandhyaSurakshaYojane is the programme initiated by the government in

**Table 10.31: Beneficiaries under Self Employment Schemes 2012-13 to 2014-15**

Karnataka State Finance Corporation					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec-2014)
a) Single Window	Nos	253	200	-	125
	Rs lakh	7090.00	5126.55	-	3548.55
b) Hospitals/Nursing Homes	Nos	50	28	-	15
	Rs lakh	4377.00	2224.25	-	684.00
c) Assistance to SCs and STs	Nos	286	305	-	195
	Rs lakh	10602.20	12317.05	-	6647.05
d) Minority Community	Nos	170	155	-	62
	Rs lakh	8665.20	11844.60	-	4576.10
e) Women Entrepreneurs	Nos	429	334	-	170
	Rs lakh	31945.80	24201.40	-	12916.10
f) Credit Linked Capital Subsidy	Nos	23	22	-	11
	Rs lakh	1283.00	1862.00	-	566.80
g) Privileged Entrepreneurs	Nos	340	334	-	124

Contd..

Dr. Devaraj Urs Backward Classes Development Corp.Ltd					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec.-2014)
i. Chaitanya Subsidies Cum Margin Money Scheme	No. of beneficiary	2649	4541	4000	1328
	Rs lakh	670.07	1144.70	1500.00	352.79
ii. Chaitanya Self employment direct loan Scheme	No. of beneficiary	9435	8761	4880	549
	Rs lakh	2507.93	2581.66	1814.00	180.15
iii. Micro Credit Scheme	No. of beneficiary	2939	4637	2240	-
	Rs lakh	293.90	653.95	356.00	-
iv. Arivu-Education loan Scheme	No. of beneficiary	132	325	160	126
	Rs lakh	13.60	109.76	80.00	45.06
v. Ganga Kalyana Irrigation Scheme	No. of beneficiary	4665	3695	4445	2999
	Rs lakh	4111.63	6421.32	6500.00	1983.25
vi. Assistance to Traditional Artisans and Occupational groups	No. of beneficiary	20755	15272	7620	701
	Rs lakh	5070.99	5088.40	2930.87	191.41
vii. Interest Free Loan to the Students for higher Studies in Foreign Universities	No. of beneficiary	2	8	15	3
	Rs lakh	7.00	26.25	50.00	10.50
viii. NBCFDC Loan Schemes	No. of beneficiary	7683	11923	9332	143
	Rs lakh	1578.59	2629.42	2600.00	64.30

Contd...

KSIIDC					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec.-2014)
a) Loan	Nos.				
	Rs. crore	-	-	-	-
b) Equity	Nos.	-	-	-	
	Rs. crore	-	-	-	-
Disbursements					
a) Loans	(Rs.crore)	-	-	-	-
b) Equity	“-“	-	-	-	-
c) Recovery	“-“	9.05	40.40	20.80	8.61
Stree Shakti Programme					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec.-2014)
a) No. of Groups taken loans from Bank	No. Cum	1882	125713	13779	1474
b) Loan amount	Rs. crore	50.82	83.96	-	56.86
c) Revolving Fund	Rs. Lakh	304.15	195.85	-	3520.35
Released by Govt.					

Contd...

Dr.B.R.Ambedkar Development Corporation Ltd.					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec.-2014)
i) Self Employment Scheme	Nos.	13946	13589	13448	4639
	Rs.Lakh	4861.96	6176.66	-	2073.69
ii) Land Purchase Scheme	Nos.	647	733	888	35
	Rs.Lakh	1457.62	3052.71	-	170.30
iii)Ganga Kalyana Scheme	Nos.	6179	1924	9880	4350
	Rs.Lakh	12140.43	5294.10	-	5465.79
iv)Micro Credit(Finance) Scheme	Nos.	24773	14958	12280	7265
	Rs.Lakh	2477.34	2081.02	-	1291.86
v)SafaiKarmachari Rehabilitation Scheme	Nos.	2397	1733	2986	763
	Rs.Lakh	1729.84	1526.74	-	616.09
PMEGP					
Programme/Scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	(upto Dec.-2014)
a) Projects	No.	533	1234	1687	486
b) Persons trained	No.	-	-	-	-
c)Total Amount spent (Margin Money released from Khadi and Village Industries Commission, GOI)	Rs. Lakh	1318.8	2720.25	2118.17	926.12

**Table 10.32: Number of persons trained for self employment 2012-13 to 2014-15**

(Nos.)

Programme/ Scheme	Achievement		Target	Achievement (upto Dec.-2014)
	2012-13	2 013-14	2014-15	
2. Enterpreneurship Development Programme Sponsored by CEDOK				
a) Person's Trained	12423	26,308	17,435	10,246
b) Programmes	213	250	483	177
3. Entrepreneurship Development Programme (MSME) – I. Plan Scheme				
i. Entrepreneurship Skill Development Programme (ESDPs)				
a) Persons Trained	2320	1524	2025	868
b) Programme Conducted	100	82	81	40
ii. Entrepreneurship Development programmes (EDPs)				
a) Persons Trained	574	620	625	174
b) Programme conducted	25	29	25	8
iii. Management Development Programmes ((M DP s)				
a) Persons Trained	476	429	260	42
b) Programme conducted	19	20	13	2
iv . Business Skill Development Programmes(BS DPs)				
a) Persons Trained	-	-	-	-
b) Programme conducted	-	-	-	-
v. Industrial Motivation Campaign IM C				
a) Persons Trained	10405	4368	3500	1978
b) Programme Conducted	90	95	81	37
II.No n-Plan Scheme				
1 .Skilled Development Programme				
a) Persons Trained	641	-	-	-
b) Programme Conducted	29	-	-	-
2 . CAD Training				
a) Persons Trained	-	53	-	-
b) Programme conducted	-	2	-	-
3 . CA M Training				
a) Persons Trained	-	50	-	-
b) Programme conducted	-	2	-	-
4. IPR				
a) Persons Trained	-	185	-	-
b) Programme conducted	-	2	1	-
5. Bar Coding				
a) Persons Trained	-	264	280	30
b) Programme conducted	-	8	8	1
6. QMS/ QTT				
a) Persons Trained	-	-	30	40
b) Programme conducted	-	-	1	1



2007 to provide social security benefits to small and marginal farmers, agricultural labourers, weavers, fisher men and other labourers from unorganized sector excluding construction workers. Under this programme workers in the age group of 65 years and above having income Rs. 20,000 per annum are eligible and they are paid Rs. 500 per month. The pension amount rose to Rs. 500 in case of DWP & PHP with effect from 01.09.2013. New Schemes "Manaswini" for unmarried women of age 40 to 64 and "Mythri" for Transgender implemented w.e.f .1.08.2013 beneficiaries under these schemes are paid pension

amount of Rs.500 per month. The information about number of beneficiaries and expenditure details of these programmes are given in the **Table 10.34**

#### **b) ESIS Medical Services**

The E.S.I Scheme is a premier social security scheme implemented in accordance with the E.S.I. ACT, 1948 and rules framed there under. The scheme was launched in February, 1952 in the Industrial Town of Kanpur and Delhi. The scheme provides two types of services, namely Medical and Non-Medical. Medical services are rendered by ESIS (M) Services, which is under the control of State Government, Labour Secretariat. The Non-

**Table 10.33: Releases and Expenditure Details of NRLM and NRLP 2014-15**

Particulars	(Rs. in crore)	
	NRLM	NRLP
Allocation	105.76	44.24
Releases	7.48	0
Expenditure	12.20	5.79

Medical services are rendered through ESI Corporation, which is under the control of Central Government. The Scheme made a humble beginning with 12 ESI Dispensaries and one 100 bedded ESI Hospital in Karnataka as on 27.07.1958 at Bangalore, catering to 48,000 beneficiaries with a wage limit of Rs.400/-pm. The ESI Act, 1948 envisages six benefits to the Insured Persons and their families. Further the Act has been amended to cover other sectors of employment with ten or more persons working using power/without power, shops commercial establishments, hotel preview theaters, newspapers and transport establishment are also covered under the scheme. Further the Government of Karnataka have issued notification to cover the employees of educational institutions (including private, aided or partially aided) and medical institutions under the ambit of ESI Scheme. In Karnataka full medical care has been extended to about 20.80 lakhs Insured Persons and about 100 lakhs

of their families through a network of 9 ESI Hospital (Including ESIC Model Hospital, Rajajinagar and Peenya in Bangalore) 107 full time ESI dispensaries, 11 I.M.P systems dispensaries and 1 Diagnostic Centre. The details of expenditure made by the Department from 2007-08 to 2014-15 (uptoSeptember 2014) are given in **Table 10.35** and details of numbers of persons insured are given in **Table 10.36**.

#### **c) Karnataka State Unorganized Workers Social Security Board**

To ameliorate the living conditions of the unorganized workers and to bring them under the social security net, the State Government has constituted the Karnataka State Unorganized Workers' Social Security Board under the provisions of unorganized workers Social Security Act, 2008. The State Government has identified 43 categories of unorganized workers for

**Table 10.34: Progress of Social Security Schemes**

Year	Old age pension		Financial assistance to Physically handicapped		Pension to destitute Widows		SandhyaSurakshaYojane	
	Exp. (Rs. Lakhs)	Beneficiaries (000's)	Exp. (Rs. Lakhs)	Beneficiaries (000's)	Exp. (Rs. Lakhs)	Beneficiaries (000's)	Exp. (Rs. Lakhs)	Beneficiaries (000's)
2004-05	6070	469	5790	352	8365	613	-	-
2005-06	6570	495	6619	373	8237	634	-	-
2006-07	12777	550	9817	407	16504	690	-	-
2007-08	27841	686	22491	464	32874	771	87689	262
2008-09	26253	791	17802	530	38674	865	119848	539
2009-10	41758	818	35261	636	45408	1023	166936	1018
2010-11	36936	783	42133	686	52826	1125	197213	1405
2011-12	40123	572	51434	553	59747	936	73040	1130
2012-13	30455	581	43290.00	605	49883.00	1040	71543.00	1257
2013-14	32575.63	591	55474.17	672	63936.42	1207	86930.60	1558
2014-15 (End of Dec. 2014)	29905.36	606	52393.27	718	60985.76	1319	80685.16	1793

extending social security benefits. At present the Board is implementing following social security schemes namely – (i) NPS Lite – Swavalamban Scheme, (ii) Karnataka State Private Commercial Vehicle Drivers Accident benefit Scheme. Upto December, 2014, 36,157 subscribers have been registered under the NPS Lite-Swavalamban Scheme.

#### **d) Karnataka State Private Commercial Vehicle Drivers Accident Benefit Scheme**

To safeguard the interest of the drivers engaged in private commercial vehicles, such as Auto, Taxi, Maxi cab, Lorry and Private Bus who meet with the accident

resulting in either death or suffer permanent total or permanent partial disablement, an accident compensation through insurance coverage called “Karnataka State Private Commercial Vehicle Drivers Accident Benefit Scheme” is implemented by the Board from June 2012. From August, 2013 the benefit of reimbursement of hospitalization charges in case of Temporary Disablement has also been extended. Upto December, 2014, 1,74,844 drivers have been registered under this scheme and 110 Accidental Death & Disability claims have been settled and a sum of Rs.161.14 lakhs has been disbursed by the Board.

**e) Rastriya Swasthya Bima Yojana**

Rastriya Swasthya Bima Yojana is a prestigious health insurance scheme, implemented for the labourers of unorganized sector. A health insurance provision is provided to the family of the beneficiary which is duly recognized by the Central and the State Governments along

with the cooperation of Insurance Companies and Third Party Administrators. As announced in 2013-14 budget, for the State Urban and Rural BPL families and other GoI identified unorganized categories of workers like MGNREGA, Beedi Workers, Domestic Workers, Licensed Railway Vendors-Porters –Hawkers and Rag Pickers totaling

**Table 10.35: Details of Expenditure under ESI by State Government**

Sl. No	Year	Allocation under plan scheme	Expenditure	Surrender	Achievement Rs. In lakhs (%)
1	2007-08	1673.14	1262.01	4011.13	75.42
2	2008-09	1821.32	1709.04	112.28	93.83
3	2009-10	1941.62	1762.70	178.92	90.78
4	2010-11	1760.00	1665.26	79.74	94.61
5	2011-12	5000.00 surrender-3000.00 2000.00	1552.51	447.49	77.62
6	2012-13	5200.00	4822.75	377.25	92.74
7	2013-14	5200.00	4877.87	322.13	93.80
8	2014-15 (upto Dec. 2014)	5200.00	4876.86	-	93.76

**Table 10.36: Number of Persons Insured in the State**

Sl. No	Year	Insured Persons in Lakhs
1	2007-2008	9.86
2	2008-2009	14.09
3	2009-2010	15.55
4	2010-2011	15.55
5	2011-2012	16.00
6	2012-2013	18.52
7	2013-2014	20.80
8	2014-2015	21.45

to 1.12 crore families, the scheme was implemented. A total number of 85519 beneficiary families were enrolled out of which 1038 beneficiaries have availed the Medical benefits under the scheme worth of Rs.68,48,586/- and for this task four Insurance Companies were selected (**Table 10.37**)

#### **f) Building and Other Construction Workers Welfare Board**

District wise meetings were conducted in the office of the Deputy Commissioners of each district wherein the representatives of the development departments like PWD, Irrigation, Z.P., City Corporations and Local Bodies were invited. They have been apprised of the obligation to collect cess on the cost of the building and other construction works undertaken by them and to collect cess from the permission seekers for construction of building. This has facilitated a great deal in augmenting the cess collection. With the help of Legal Services Authorities in various districts meetings with construction workers are being held to educate them regarding registration as beneficiary and the welfare benefits available to them. Doordarshan/Akashwani programmes have been conducted to create awareness about the Boards' activities. The number of construction workers registered with construction welfare board is 696926 workers of which 551213 and 145713 are

male and female workers respectively (**Table 10.38**). The cumulative figure of cess collected so far is Rs.2582.85crores. The detailed information is given in **Table 10.39**.

#### **g) Karnataka State Child Labour Eradication**

Child labour survey was conducted in all the 30 districts of state in 2011-12. 24,103 child labourers were identified in hazardous works and 27,140 child labourers in non-hazardous sector. However, all Deputy Commissioners are informed to review the survey report to arrive at real figures. In Karnataka State, National Child Labour Project (NCLP) of Central Government and State Child Labour Project (SCLP) are being implemented. At present, in 17 districts National Child Labour Project (NCLP) and in 13 districts State Child Labour projects are implemented. Under NCLP scheme 185 day bridge centres are functioning. Out of 185 day bridge centres, 132 centres are converted into special residential schools. Additional expenditure is met by the State Government. Schools functioning under SCLP are all special residential schools. Child labourers released from work are being enrolled into special residential schools. Children are admitted into mainstream of education, based on their learning capacity, in the special residential schools.

**Table 10.37: Enrollment in RSBY**

<b>Sl No</b>	<b>Insurance Company</b>	<b>Premium Amount</b>	<b>Total Enrolled</b>
1	IFFCO Tokyo General Insurance Company	Rs 219/-	6,265
2	ICICI Lombard General Insurance Company Limited	Rs 219/-	28,757
3	The New India Assurance Company Limited	Rs 173/-	-
4	Future General India Insurance Company Limited	Rs 163/-	50,497
<b>Total</b>			<b>85,519</b>

Special study material called 'Aralu Mallige' has been developed with assistance of International Labour Organisation. Life skills are also being taught to the children learning in special residential schools. In order to monitor the rescued and rehabilitated child labourers a web based child labour tracking system has been developed and installed in all the 30 districts. The special residential schools are functioning under the supervision of respective Deputy Commissioners. Details of the rescued and rehabilitated child labourers during the last 3 years are given

**Table 10.40.**

### 10.10. Skill Development

The challenge of skill development is of utmost importance in the economic development of nation today. The lack of an adequately skilled workforce is now regarded as a main obstacle to sustain the current rate of growth. The concern over skills development is also of social importance. A majority of the workforce has been left behind, untouched by the benefits of the current economic boom because their poor education and skill level prevents them from seizing gainful employment opportunities. The challenge for skill development in India is broad,

**Table 10.38: No. of Construction Workers Registered with Construction Welfare Board in 2014-15 as on 31.12.2014**

Registration Fee	Monthly Subscription	Total no. of registered workers		
		Male	Female	Total
Rs. 150+25	150 (3 years)	551213	145713	696926

**Table 10.39: Cess Collected by Construction Workers Welfare Board**

Year	Amount of Cess Collected (in Rs.)
2007-08	44,17,46,917
2008-09	154,61,10,473
2009-10	227,46,03,831
2010-11	325,20,20,674
2011-12	360,61,68,040
2012-13	467,58,87,733
2013-14	477,39,13,585
2014-15 (up to December 2014)	525,80,30,313
<b>Total</b>	<b>2582,84,81,565</b>



complex and multidimensional, covering both quantitative and qualitative aspects. It is complicated because of the size of the population, combined with vast geographical, cultural and social diversities. The requirement of training is not just to those entering the labour force for the first time, or to those currently unemployed to help build their employability, it also needs to be available to the existing workforce in order to maintain their employability, build productivity. Very few opportunities for skill development are available for young people who have dropped out of school or are workers in the unorganized sector. The problem is most severe for women and vulnerable groups such as people with disabilities, ST/SC/OBC, minority communities. Most formal training requires a minimum of 10th standard as an entry requirement, which precludes a large number of school drop-outs and other people with no or limited education, from receiving formal training. The duration of the training is too long, often 2-3 years, and requires full-time attendance, which workers cannot afford.

#### **State Government Initiatives**

The State Government has taken up skill development as a major development policy since 2008-09. The State established its own Skill Commission with representatives

from trade and industry. It also developed Skill Development Policy in line with National Skill Development Policy. Government of Karnataka adapted a state policy on skill development in the year 2008. To accomplish the desired objectives of State skill policy, the State established Karnataka Vocational Training and Skill Development Corporation (KVTSDC) under the Companies Act'1956, with a target of imparting skills and employment to 10 lakh persons in the succeeding five years from inception. KVTSDC has been proactively following the agenda of skill development in the State.

#### **a. Human Resource Development Centre (HRDC)**

Establishment of HRDCs is one of the activities of KVTSDC, through which value added services will be provided to both employers and job seekers. The mismatch between the job market demand on one hand, and the supply provided by our education system on the other is a matter of serious concern. Large number of people are added to the work force each year and their under preparedness to avail the emerging job opportunities addresses the issue of skill development on priority. In this background, Government of Karnataka has taken the steps to convert the Employment Exchanges, which are first contact point for job seekers, into "Human

**Table 10.40: Number of Child Labourers Rehabilitated**

<b>Sl. No.</b>	<b>Year</b>	<b>No. of child labourers rehabilitated</b>
1.	2010-11	2059
2.	2011-12	3902
3.	2012-13	7582
4.	2013-14	6676
5.	2014-15 (upto December 2014)	4018

Resource Development Centres” to improve the employability and to make Employment Exchanges more relevant to the job seekers.

At present, 8 HRDCs have already been established in 8 Districts, namely, Mangalore, Bijapur, Mandya, Chamarajanagar, Hubli, Kolar, Bellary and Gulbarga. In addition to 8 HRDCs, 6 more employment exchanges are being taken up for up-gradation. They are located at Chitradurga, Haveri, Bagalkot, Ramanagara, Koppala and Shimoga. The amount of Rs.30 lakhs will be spent through KVTSDC to each HRDC based on the status of existing building. The HRDCs have facilities like Reception Hall, Registration room, Assessment room, counseling rooms, Training/class room, Computer Lab, Discussion room, Record room, Pantry, Server room, Candidate Interview room, Centre Head/Employment Officer Room, Toilets and other amenities. The HRDCs possess State-of-the-art infrastructure and would function under public Private Partnership model. The ideal space requirement would be about 300sq. meters to be able to provide value added services to job seekers effectively. In 2013-14, it is planned to convert 11 DEEs, namely Belgaum, Davangere, Udupi, Hassan, Tumkur, Chikkaballapur, Gadag, Madikeri, Bidar, Chikkamagalore and Raichur is converted as HRD center with providing basic interior basic facilities with cost of Rs.10 lakh each per center. Approval has been accorded. The interior works is in progress at 25 HRDCs and also to provide Computers, Printers and other equipments in this regards purchases are in progress. The staffs may be recruited through outsource agencies and run the centers from Feb.-2015. It has been planned to set up 2 HRDCs in Bangalore and Mysore.

#### **b. Migrant Resource Centre (MRC)**

MRC would be established through KVTSDC in the new building which is under construction at KoushalyaBhavan, MRC will act as an instrument to build institutional capacity to assist potential

and actual migrants in the State with regard to migration and decision making process. MRCs enable providing authentic and reliable information on options, procedures and reliable contacts for international migration. It also works as a grievance redressal mechanism for the migrants in distress within the State. MRC provides overseas employment information to the migration aspirants in the State. MRC also conduct pre-departure training for the State Government Official in understanding the migration and related issues. **Table 10.41** shows the details of various activities carried out in the existing HRDCs.

#### **c. Skill and Job Fairs**

In order to enhance the Employability of unemployed/un-trained professionals through proper Skill Training followed by placement being done through “Skill n Job Fair” by creating common platform for Employers & Job Seekers. Skill N Job Fairs are being organized since October 2008, in a larger scale at State level and mini job fairs will be conducted at district level. The consolidated training details of various training programmes conducted through different organizations /Institutions/ Departments/ NGOs are shown in **Table 10.42**.

The consolidated placement details of various training programmes conducted through different organizations/ Institutions/ Departments/ NGOs are shown in **Table 10.43**.

#### **d. Karnataka Vocational Education & Training (KVET)**

The KVET Society has been established under the Department of Employment & Training. Registration of VTPs through on-line, Inspection of VTPs and implementation of Modular Employable Skills (MES) training through VTPs will be carried out through VTPs. In Karnataka about 886 training centers have been registered as VTPs. About 66000

candidates have been trained under MES. Integrated software is proposed to be developed in association with IBM and KEONICS, so as to maintain a record towards on-going training, passed out and placed details of candidates who are undergoing/have undergone training at Government and Private Institutions/VTPs. The software will also have the provision to access on real time basis the student

information, attendance etc., The special feature of software would enable quality oriented monitoring mechanism of all skill training programmes both in Government and Private sectors. Acquisition of data pertaining to job seekers- job providers – placements etc. in respect of all training and placement activities of KVTSDC, DET, HRDC, KGMSDCs, all other line Departments, UdyogMelas etc., would be

**Table 10.41**

<b>01.04.2014 to 31.08.2014</b>					
<b>Sector</b>	<b>Graduates registered</b>	<b>Employers Registered</b>	<b>Assessed</b>	<b>Training</b>	<b>Placed</b>
1) Mangalore	417	8	0	0	120
2) Bijapur	463	27	<b>21</b>	60	269
3) Kolar	992	37	0	67	406
4) Mandya	924	14	0	140	359
5) Chamarajnagar	855	14	0	74	248
6) Hubli	1362	13	0	52	348
7) Bellary	2558	13	0	186	728
8) Gulbarga	3933	27	0	351	685
<b>Total</b>	<b>11504</b>	<b>153</b>	<b>21</b>	<b>930</b>	<b>3163</b>
<b>01-09-2014 to 31.12.2014</b>					
<b>HRDC</b>	<b>Registration</b>	<b>Employer registered</b>	<b>Assessed</b>	<b>Training</b>	<b>Placement</b>
1) Mangalore	0	0	0	0	0
2) Bijapur	0	0	0	0	0
3) Kolar	0	0	0	0	0
4) Mandya	752	11	0	30	820
5) Chamarajnagar	0	0	0	0	0
6) Hubli	0	0	0	0	0
7) Bellary	1956	11	0	121	509
8) Gulbarga					
<b>Total</b>	<b>2708</b>	<b>22</b>	<b>0</b>	<b>151</b>	<b>1329</b>
<b>Grand Total</b>	<b>14212</b>	<b>175</b>	<b>21</b>	<b>1081</b>	<b>4492</b>

**Table 10.42: CONSOLIDATED SKILL DEVELOPMENT TRAINING PROVIDED**

Sl. No	Skill Initiative through	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	TOTAL
1	MES training through ATP's	9698	35088	26577	4583	306	-	76252
2	Sahayog programme in 219 colleges	-	-	14675	-	-	-	14675
3	E-learning lab-50 hostels	-	1600	6812	8340	-	-	16752
4	Human resources development centre	-	-	1037	645	2276	7575	11533
5	Karnataka employment center	-	-	1130	1380	473	-	2983
6	Through minority department	-	-	1440	10820	-	-	12260
7	ELIP training at Govt ITIs	-	-	13887	12884	11906	-	38677
8	Training for engineering candidates	-	-	3347	6055	-	-	9402
9	Training - SDP	-	-	439	15380	-	-	15819
10	Pre-training for airman selection	-	-	793	-	-	-	793
11	Special category training (for disabled)	-	-	-	887	-	-	887
12	Sabala program	-	-	-	4390	-	-	4390
13	Through Bharathiwalmart	-	-	-	-	1277	990	2267
14	NAVT & SCVT (CTS and MDTS)	68438	74676	71275	58675	86821	-	359885
15	Apprenticeship training (ATS)	8776	8567	9415	8752	20865	-	56375
16	MSDC	-	-	-	510	990	-	1500
17	Urban development - DET	-	-	4100	-	-	-	4100
18	Other line department	29089	25660	-	-	124858	-	179607
19	Through vtp's (MES)	13402	20374	4425	22179	57215	-	117595
20	Through kgtti	-	-	-	-	-	282	282
	TOTAL	129403	165965	159352	155480	306987	8847	926034

done through proposed software. The proposed project would enable easy accessibility & help maintain authenticity

of data; as there would be a single source of unique ID number per candidate to be obtained from DET. All training activities

**Table 10.43: Placement details**

SL. NO	DESCRIPTIONS	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	GRAND TOTAL
1.	SKILL N JOBFAIRS & MINI JOBFAIRS	21820	43658	24407	16596	1977	16751	125209
2.	POST TRAINING	1896	11938	19774	7658	32		41298
3.	EMPLOYMENT EXCHANGES	2232	13142	6042				21416
4.	HRDC MANGALORE			2027	2426	1249	799	6501
5.	HRDC BIJAPUR				1411	2275	1961	5647
6.	HRDC KOLAR				1370	1079	3730	6179
7.	HRDC CHAMARAJNAGAR				633	974	1921	3528
8.	HRDC MANDYA				224	1641	1997	3862
9.	HRDC HUBLI				302	1791	1639	3732
10.	HRDC BELLARY				124	987	2149	3260
11.	HRDC GULBARGA						202	202
12.	KEC			1083	3563	2714		7360
13.	CPC			1824	4313	1853		7990
14.	RETAIL TRAINING BY BHARTHI WALMART					257		257
15.	UDYOGASIRI					122	578	700
16.	ITI PLACEMENT CENTERS-DET	30121	29570	36836	43966			140493
17.	OTHER LINE DEPARTMENTS		4358	5000				9358
18.	APPRENTICE CENTRAL AND STATE	16472	13321	15000	8752			53545
19.	BESCOM INFOSYS	3703		3000				6703
20.	SAHAYOG PLACEMENT			76	899			975
21.	HELPLINE			1784	883			2667
22.	DISABLED PLACEMENT					459		459
	<b>TOTAL</b>	<b>76244</b>	<b>115987</b>	<b>116853</b>	<b>93120</b>	<b>17410</b>	<b>31727</b>	<b>451341</b>



need to be converged through DET to have effective data capturing and monitoring mechanism.

#### e. State Skill Target and Action Plan

**Table 10.44** shows the nationally entrusted state target for 12th Five year Plan with respect to Karnataka State is given below. **Table 10.45** shows the action plan made to achieve the State target of training 6.1 Lakhs candidates in 2014-15. **Table 10.46** shows the KVTSDC Financial target for 2013-14.

#### 10.11 Progress of various Labour Laws enacted in Karnataka

A major issue in the area of labour reforms is how to ensure minimum conditions of decent work and livelihood in the unorganized or informal sector of the economy. The limited applicability of important laws and the application of number filters have led to the emergency of a dual labour market with the attendant implication of the overwhelmingly larger sections of the unorganized/information sector labour being deprived of protection from laws in many spheres. Labour is a concurrent subject in the Constitution of India, on which both the Centre and the States can legislate in their respective spheres. Labour regulations can be broadly grouped into four broad area based on the aspects of employment covered by

them: conditions of work, wages and remuneration, employment security and industrial relations and social security and welfare of workers. The statistics regarding the progress of Labour laws enacted in Karnataka State is provided in **Table 10.47**. The Table illustrates the remarkable achievements in the matter of enforcement of various Acts in terms of prosecution and imposition of fine by the Department. **Table 10.48** illustrates the progress of various Labour laws enacted by Karnataka Factories and Boiler Department.

#### 10.12. Industrial Relations

**a. Strikes and Lockouts** - The number of strikes and lockouts indicate the level of industrial peace in a State. Karnataka is by and large, a peaceful State as far as industrial environment is concerned. The number of strikes, lockouts and layoffs and the consequent man days are shown in **Table 10.49**. There were 7 strikes and five lockouts and 5 layoff incidents in the current year. The number of man days lost due to strikes was more in the current year compared to the previous years.

**b. Absenteeism** - In 2014-15 (upto December 2014), the proportion of absenteeism of industrial workers was 22.35% which was 14.05% in the previous year. Absenteeism of plantation labour was 2.99%. Details are given in **Table 10.50**.

**Table 10.44 - Skill Target**

Sl. No	Five Year	National Target in Lakhs	State Target In Lakhs	% of Total target
1	2012-13	85	4.3	11
2	2013-14	120	6.1	15
3	2014-15	160	7.9	20
4	2015-16	200	9.8	24
5	2016-17	235	12.2	30
		800	40.4	100

**Table 10.45 - Action Plan to the State Skill Target**

Sl No	Training Particulars	Target for 2013-14	Achieved 2013-14	Shortfall	Target for 2014-15
1.	Modular Employable Skills (MES) training through DET	1,75,000			
2.	Skills Training through other Line Depts.	1,40,000			
3.	Apprentices Training Scheme (ATS)	65,000			
4	Craftsmen Training / Centre of Excellence (COE) Training	88,000			
5	Skill Training through HRD Centers	30,000	4064	25,936	5000
6	Skill / Orientation training for Overseas Job Seekers	10,000			
7	Hi-Tech Training Programme through Multi Skill Development Centre including special training programme for SC, ST and Minority group candidates.	10,000			
8	Special Training Programme to the Candidates of Backward, More Backward and Most Backward Talukas	30,000		30,000	10,000
9	Training through proposed 100 Skill Development Centers (SDCs) in Construction and other areas	40,000			
10	Special Need Based Training Programme for SC/ST/Minority/others through VTPs by KVTSDC	16,000		16,000	50,000
11	Motor Driving Training Programme	6,000			
<b>TOTAL</b>		<b>6,10,000</b>	<b>4064</b>	<b>71,936</b>	<b>65,000</b>

**Table 10.46 Financial Target for 2014-15 of KVTSDC**

Sl.No	Particulars	Amount in Lakhs	Remarks
01	Skill Development Training For SC/ST, Minority, SDP & Others 1,00,000 * Rs.25 per hr *180 hrs(apprx.)	4,500.00	
02	Mega Job fairs 6 Nos * 500000	20.00	
03	Mini Job fair 24 Nos *10000	2.40	
04	HRD Centers (Existing) 8 Nos * 1,50,000 per month *12 months	90,78.00	
05	Establishing New HRD Centers at 10 districts 10*30,00,000 Establishing 1 New HRD Centers at Bangalore 10*30,00,000	201.00	
06	Central Placement Cell: 1,00,000 *12 months	12.00	
07	Administration Expenditures 10,00,000*12 months ( Salary, Travelling allowances and other Expenses)	171.00	Administrative Expenditures include expenses of all DET, Expenses & Labour Secretary office Expenses etc.
08	“ UdyogaSiri” Smarter Employable Platform Project-recurring cost.	18.00	
09	Development of Integrated Software	600.00	
10	Construction of KVTSDC building with interiors for HRDC, MRC and office	304.00	KVTSDC 3 <sup>rd</sup> floor construction quotation was submitted twice for Interiors & Electrical works.
11	Sabala – Training Program for school dropout adolescent girls 30,000 Candidates *Rs 25 /hr*210 hrs	1575.00	
12	Sushakti – Training Program on clean development mechanism 15,800 Candidates *Rs 25 /hr*60 hrs+ installation cost of 2lk*158	553.00	
13	Vimochana – A reformation training program for Jail inmates 10,000 Candidates *Rs 25 /hr*230 hrs	575.00	
14	Jeevanadhar – A training program for entrepreneur development program 10,000 Candidates *Rs 25 /hr*300 hrs	750.00	
15	Tribal Development Program – Training Program for ST candidates at tribal area, 5,000 Candidates *Rs 25 /hr*210 hrs	262.50	
16	Backward Area Development Program – Training Program in Backward regions as per Dr. Nanjudappa report 10,000 Candidates *Rs 25 /hr*230 hrs	575.00	
17	KoushalyaRatha – A Mobile Training System to cater the need of a remote places and facility sharing system to maximize investment efficiency	50.00	
18	Training Payment to VTP’s IEEM Lab Y NIC	131 91.00	
Grand Total		19,468.40	

**c. Occupational Safety and Health**

Department of Factories, Boilers, Industrial Safety and Health is associated with the responsibility of ensuring Occupational Safety and Health of the persons employed in registered factories. The State of Karnataka is having 15282 registered factories having employment potential of

around 16.06 lakh persons (**Table 10.51**). 4250 registered boilers are functioning in the State. 74 Factories located in 16 districts have been identified as Major Accident Hazard Units considering the threshold of quantity of hazardous chemicals stored and handled at the worksite. 1050 factories have been identified as factories having hazardous

**Table 10.47: Progress of various labour laws enacted by labour department (January to August 2014)**

Sl. No.	Name of the Acts	No. of Cases Inspected	No. of Cases filed against the Petitioner	No. of Punishable Cases	Total Penalty Amount
1	KS & CE ACT, 1961	42343	3855	2476	5113950
2	KS & CE U/S 24	6007	57	31	161000
3	M.M. Wages Act	27627	3331	1558	3758374
4	Payment Of Wages	22717	2084	817	3315800
5	Equal Remuneration	9789	685	145	3605200
6	Motor Transport	122	15	1	1000
7	Child Labour	29583	296	234	1213194
8	Contract Labour	2641	189	94	349500
9	ISMWA	176	26	18	226400
10	Sales Promotion Act	14	2	0	0
11	Trade Union	56	0	0	0
12	PGA	5234	10	6	600000
13	B & C	100	1	2	0
14	N F H	745	20	6	17750
15	K L W F	2250	3	3	6000
16	Meternity Benefit	124	3	0	0
17	P L A	210	1	0	0
18	Building	293	8	2	8000
19	Bonus	559	0	1	0
20	Standing Order	12	0	0	0

**Table 10.48 - Progress of various Labour Laws enacted in the Karnataka by Factories & Boilers**

Sl. No.	Name of Act	2014- 15 (April - December)		
		No of Cases filed against Employer	No of punishable cases	Total Penalty Amount
1	Factories Act 1948	213	34	870500
2	The maternity Benefit Act 1961	-	-	-
3	The Payment of wages Act 1936	5	-	-
4	The Building Construction Act 1996	10	0	0

Industrial Disputes Act		
Sl. No.	Particular	No. of Cases
1	No. of Cases Pending at the Beginning of the Year	1056
2	No. of Cases Received	1379
	<b>Total No. of Cases</b>	<b>2435</b>
3	No. of Cases Compromised	83
4	No. of Cases Failed	1304
5	No. of Cases Withdrawn	58
	<b>Total</b>	<b>1445</b>
6	Pending Cases as on December 2014	990

processes. Special provisions are in place for Major accident hazard and hazardous are in respect of these categories of factories. Department provides more thrust in overseeing the compliance to the applicable provisions of rules in force to prevent the hazards in the workplace. The vision of the department is to ensure safety, health and welfare facilities to the working class. Basically the department is a

regulatory department. Over the years the department has become proactive in its sphere of work and is making its constant endeavor in providing required services to meet the present day demand of the industrial captains in the changed industrial scenario. While doing so, the department has not compromised in ensuring the aim and objectives of the laws being enforced. Statements showing the

**Table 10.49: The number of strikes, lockouts and layoffs and the consequent man days lost**

Sl. No.		Strikes	Lockouts	Lay Off
1	Number of Strike/Lockout/layoff	7	5	5
2	Workers Involved	5413	5532	87
3	Man days Lost	180496	90462	666



**Table 10.50: Absenteeism of plantation labour**

Absenteeism (Jan-2014 to Dec-2014)			
Particulars	No. of Man days Schedule to Work	No. of Man days Absent	Percentage of Absent
Industry	1430300	319704	22.35%
Plantation	422000	12644	2.99%

synopsis of important works carried out during last 3 years are given in **Table 10.52**. In addition to the regular training programme, the department is associated with conducting awareness programme for the SC and ST personnel working in the industrial domain by organizing Special Component programmes and Tribal Special programme (**Table 10.53**).

**10.13 Outcomes and Challenges:** As the employment challenge that Karnataka faces consists both of creating of new jobs and improving the quality of existing jobs, a faster economic growth is the key to meet this challenge. A faster growth even with relatively low employment elasticity can generate reasonably high employment growth with significant increase in productivity. With a view to making

employment growth faster, sectors and activities with relatively higher employment elasticity could be targeted for particularly high economic growth. But the compulsion of raising productivity with a view to improving employment quality in major part of the economy makes it imperative that economy grows at a high rate to generate the required number of new employment opportunities. Thus the strategy for creating quality employment essentially consists of a strategy for a rapid and diversified economic growth.

A faster growth of agriculture derived from geographically and crop wise diversification is an essential element of such a strategy. Agricultural growth is to be achieved not for a quantitative increase in employment but for a qualitative improvement in

**Table 10.51: Factories Details by Factories and Boiler Department**

Sl. No.	Particulars	2010 - 11	2011 - 12	2012 - 13	2013-14	2014[upto December]
1	No. of Factories registered	1118	858	949	1113	998
2	Total No. of factories	13333	13823	13906	14094	15282
3	No. of persons employed in lakhs	13.5	13.7	13.67	15.05	16.06
4	No. of Inspections conducted	7524	8489	8543	7839	6195
5	No. of Prosecutions filed	204	217	235	283	510
6	No. of convictions	131	127	103	74731	69
7	No. of Complaints received	57	59	62	4378	3842
8	No. of Boilers registered	218	205	254	199	183
9	Total No. of Boilers	339	3601	4051	2102	4250
10	Total No. of Boilers Inspections	2229	2354	2613	1306	2041

**Table 10.52 - Achievements of Occupational Safety Department**

Sl. No.	Particulars	2010 - 11	2011 - 12	2012 - 13	2013-14	2014-15 [upto December ]
1	Total No. of Training programmes conducted	144	156	187	186	105
2	No. of beneficiaries	4442	4780	5834	5876	3372
3	Major Programmes conducted	8	9	13	11	4
4	No. of persons participated	1485	1348	1484	606	423

**Table 10.53: Details of Training Programme for SC/ST under SCSP**

Sl. No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15[upto December]
1	Special Components Programme	-	9	96	92	69
	No. of beneficiaries	-	488	4754	4700	3600
2	Tribal Special Programme	-	5	29	28	22
	No. of Beneficiaries	-	267	1468	1450	1165

employment of those working in the farms sector through increase in productivity and income. So far as the numbers of workers in agriculture are concerned one should expect them to decline as more and more of them move out to other sectors. Manufacturing offers itself as the best candidate for absorbing those moving out of

agriculture as also other job seekers in relatively good quality employment and therefore, must be the another major sector to be targeted for higher growth. Transport and trade are other sectors with significant potential for generating productive employment.

## ECONOMIC INFRASTRUCTURE

### 11.1 POWER SECTOR

Karnataka State has been experiencing conditions of power shortage because of the ever-growing demand for power influenced by the rapid economic progress. The State Government has been taking various initiatives to implement projects in the public as well as private sectors for adding new installed capacities for power generation. Power generation in the public sector is managed by the Karnataka Power Corporation Limited (KPCL) whereas the Karnataka Power Transmission Corporation Limited (KPTCL) deals with transmission of power and load despatch functions. As part of the restructuring of the power sector in the State, the erstwhile Karnataka Electricity Board (KEB) was restructured as KPTCL in 1999 by giving it a corporate status. As per the Electricity Act 2003, KPTCL, being the State's transmission utility, is not empowered to engage in trading in electricity. Therefore, the distribution companies directly procure power from power generators, both public and private and ESCOMS own distribution network, and use KPTCL's transmission network to distribute electricity.

#### 11.1.1 Power Sector Reforms:

Recognizing the crucial role of power in achieving economic progress, Karnataka was one of the first Indian States to implement power sector reforms. The institutional setup for undertaking the reforms was strengthened with the enactment of the Karnataka Electricity Reforms Act in 1999. The Karnataka Electricity Regulatory Commission (KEREC) was established as a regulatory authority of

the State's power sector. Among other functions of the KEREC, it regulates the tariff for supply of power to different categories of consumers. Four Electricity Supply Companies (ESCOMs), Bengaluru Electricity Supply Company Ltd. (BESCOM), Mangaluru Electricity Supply Company Ltd. (MESCOM), Hubli Electricity Supply Company Ltd. (HESCOM), and Kalaburagi Electricity Supply Company Ltd. (GESCOM) were established during 2002 and another ESCOM, Chamundeshwari Electricity Supply Corporation Ltd. (CESC) was established in 2005. The Hukkeri Rural Electric Co-operative Society (HRECS) is engaged in distribution business in Hukkeri Taluk. These five distribution companies and HRECS are engaged in retail supply of electricity to the end consumers.

Government of Karnataka accorded approval in April, 2007 for setting up of a Special Purpose Vehicle (SPV) viz., Power Company of Karnataka Limited (PCKL) to supplement the efforts of KPCL in capacity addition. PCKL was incorporated on 20th August, 2007 under the Companies Act 1956. PCKL is responsible for capacity addition by way of setting up of new powers projects through bidding process, under Case-II bidding guidelines issued by Ministry of Power, GOI and long term procurement of power under Case-I bidding guidelines of MoP, GoI. In order to bridge the demand and supply gap, PCKL has been procuring power on behalf of the ESCOMS from various sources including purchase of power through Energy Exchange, Banking (SWAP) as well bilateral transactions. PCKL also co-ordinates with other States and

Central Government agencies on power related issues as well as through the forum of SRPC (Southern Regional power Committee).

**11.1.2 Power Generation**

The state of Karnataka depends on several sources of supply for meeting its power requirements. The state has power generation infrastructure within the state belonging to both public and private sectors. In addition, it has guaranteed allocations from the central power generating stations, and finally relies on imports from other states for bridging the demand-supply gap. Thus, the main sources of power supply in Karnataka are:

- a. Generating Stations of KPCL
- b. Independent Power Producers (IPP's) (Conventional and Non-conventional)
- c. States share from Central Generating Stations
- d. Procurement from other States through bilateral trade, purchase and energy exchanges
- e. Barter arrangement (power banking)

KPCL has been pioneering the capacity addition for power generation in the public sector in the State. Benefiting from the reform processes, various private generators have also established power plants in Karnataka. Further, the State Government has established the Karnataka Renewable Energy Development Ltd (KREDL) to harness renewable sources of energy.

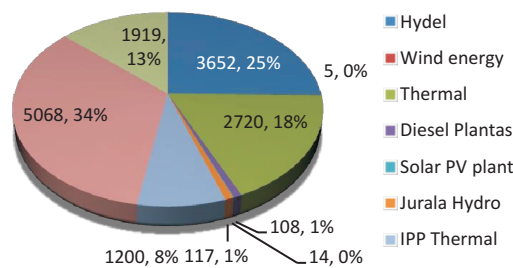
The total installed generation capacity both in the public sector and private sector including the State's share in the central generation stations (CGS) as on 31.03.2014 was 14029 MW. The installed capacity in the public sector was 8420 MW (including CGS allocation) and the private sector's share was 5609 MW. The private sector capacity includes mainly the renewable energy sources of power generation with a share of nearly 72%. The status of power sector in terms of both installed capacity and electricity generation for Karnataka is provided in **Table 11.1**.

The status of the installed capacity of Hydel power generation as on 31-12-2014 includes share of 25.54% in total installed capacity (Figure 11.1). This share increases to 30.90% if mini-Hydel is included. The contribution from wind power is the third highest at 3170.43 MW after hydro and coal thermal.

It may be observed from **Table 11.1**, out of the total installed capacity of 14803MW as on 31-12-2014, the renewable energy accounts for 5068 MW with a share of 34.23 %, The Hydro: Thermal mix in the State generation in public sector is in the ratio of about 31:69. The anticipated capacity addition during the financial year (2014-15) is 864 MW.

The total power generation in 2013-14 of 60593.53 MU was substantially higher than 57373 MU in 2012-13 due to good Monsoon. The availability factors of most of the generating plants have been found to be relatively high suggesting an efficient preventive maintenance system being in place.

**Figure 11.1: Installed capacity of Power generation in 2014-15 (Dec. 2014)**



Source: KPTCL

**Table 11.1: Progress in Power Sector**

Source	Units	2011-12	2012-13	2013-14	2014-15 (Up to Dec-2014)
a) Hydel	MW	3652	3652	3652	3652
b) Wind energy	MW	5	5	5	5
c) Thermal	MW	2240	2720	2720	2720
d) Diesel plants	MW	108	108	108	108
e) Solar PV plant	MW	9	14	14	14
<b>Total</b>		<b>6014</b>	<b>6499</b>	<b>6499</b>	<b>6499</b>
f) Jurala Hydro					117
<b>2. Private Sector</b>					
g) IPP Thermal	MW	709	1550	1550	1200
h) Mini Hydel	MW	656	701	4059	5068
i) Wind energy	MW	1976	2177		
j) Co-generation & Biomass	MW	1001	1171		
k) Solar	<b>MW</b>				
<b>Total</b>	<b>MW</b>	<b>4342</b>	<b>5599</b>	<b>5609</b>	<b>6385</b>
<b>3. Central Generating Station Allocation</b>	MW	1700	1836	1921	1919
<b>Total installed capacity</b>	<b>MW</b>	<b>12056</b>	<b>13934</b>	<b>14029</b>	<b>14803</b>
<b>B.1 Electricity Generation</b>					
l) Hydel (KPCL)	MU	13989	10022	12825.47	9407.69
m) Thermal(KPCL)	MU	12813	12723	15827.70	10882.73
n) Diesel (KPCL)	MU		189	23.87	0
o) Wind (KPCL)	MU	13	13	13.67	8.1
p) Solar PV plant	MU	8	23	17.82	11.4
q) Private sector	MU	16903	16914	17059	0
<b>Total</b>		<b>43726</b>	<b>39884</b>	<b>45767.53</b>	<b>20309.92</b>
<b>2. Electricity imports</b>					
a) Central projects	MU	11575	11619	7452	9715.59
b) Other States	MU	1627	5870	7374	3609.97
<b>Total</b>	<b>MU</b>	<b>13202</b>	<b>17489</b>	<b>14826</b>	<b>13325.56</b>
<b>Total Electricity supply</b>	<b>MU</b>	<b>56928</b>	<b>57373</b>	<b>60593.53</b>	<b>48438.48</b>

Source: KPTCL



**Table 11.2: Plant load Factors (PLF) and availability Factors of the KPCL, Thermal and Hydel plants are provided in Table 11.2.**

Sl. No	Station	2012-13			2013-14			2014-15 (Up to 31st Dec-2014)		
		Installed Capacity	PLF%	(%) Av. Factor	Installed Capacity	PLF%	(%) Av. Factor	Installed Capacity	PLF%	(%) Av. Factor
1	Raichur Thermal Power Station (1-7)	1470.00	73.37	85.75	1470.00	69.83	85.11	1470.00	74.91	86.60
2	Raichur Thermal Power Station (u-8)	250.00	28.79	39.27	250.00	36.79	75.98	250.00	33.49	63.17
3	Ballari Thermal Power Station (u-I)	500.00	68.28	82.66	500.00	69.61	85.89	500.00	56.42	69.14
	Ballari Thermal Power Station (u-II)	500.00	-	-	500.00	68.05	84.32	500.00	66.28	87.17
	<b>THERMAL TOTAL</b>	<b>2720.00</b>	<b>-</b>	<b>-</b>	<b>2720.00</b>	<b>-</b>	<b>-</b>	<b>2720.00</b>	<b>-</b>	<b>-</b>
4	Sharavathi Generating Station	1035.00	51.50	95.33	1035.00	61.07	92.63	1035.00	53.02	91.82
5	Gerusoppa Dam Power House	240.00	21.70	99.70	240.00	29.03	99.07	240.00	24.82	98.03
6	Linganamakki Dam Power House	55.00	41.43	96.84	55.00	55.18	88.71	55.00	45.54	93.34
7	Nagihari Power House	885.00	25.27	86.75	885.00	33.75	87.41	885.00	41.88	91.39
8	Supa Dam Power House	100.00	37.76	86.00	100.00	53.17	95.39	100.00	43.49	80.64
9	Kadra Dam Power House	150.00	19.56	99.01	150.00	27.46	99.20	150.00	34.48	91.41
10	Kodasalli Dam Power House	120.00	20.71	96.74	120.00	30.88	97.36	120.00	38.92	95.36
11	Varahi Under Ground PH	460.00	25.55	97.77	460.00	32.56	99.23	460.00	28.94	98.13
12	Mani Dam Power House	9.00	27.58	79.30	9.00	41.69	96.22	9.00	31.55	99.51
13	Alamatti Dam Power House	290.00	16.47	91.00	290.00	19.81	94.69	290.00	22.52	66.57
14	Ghataprabha Dam Power House	32.00	17.49	73.48	32.00	29.15	89.70	32.00	20.99	99.97
15	Bhadra Dam Power House	39.20	13.70	59.44	39.20	18.38	57.74	39.20	10.57	55.88
16	Kalmala, Sirwar, Ganekal & Mallapur	10.75	0	0	10.75	-	-	10.75	-	-
17	Shivasamudram	42.00	64.74	94.24	42.00	58.88	98.81	42.00	70.73	88.24
18	Shimsha Hydro Electric Station	17.20	33.56	96.33	17.20	45.00	92.69	17.20	60.68	73.16
19	Mahatma Gandhi H E Station	139.20	11.51	77.38	139.20	21.71	61.46	139.20	26.27	91.06
20	Munirabad Power House	28.00	26.88	67.29	28.00	41.61	74.46	28.00	45.88	83.47
	<b>HYDRO TOTAL</b>	<b>3652.35</b>	<b>-</b>	<b>-</b>	<b>3652.35</b>	<b>-</b>	<b>-</b>	<b>3652.35</b>	<b>-</b>	<b>-</b>
21	Yelahanka DG Plant	108.00	23.15	97.77	108.00	2.42	-	108.00	-	-
22	Kappatagudda Wind Farm	4.555	34.05	95.06	4.56	34.25	97.66	4.555	-	85.35
23	Solar PV Plant	14.00	-	-	14.00	-	-	14.00	-	-
	<b>OTHERS TOTAL</b>	<b>126.55</b>	<b>-</b>	<b>-</b>	<b>126.55</b>	<b>-</b>	<b>-</b>	<b>18.555</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL</b>	<b>6498.905</b>	<b>-</b>	<b>-</b>	<b>6498.905</b>	<b>-</b>	<b>-</b>	<b>6390.905</b>	<b>-</b>	<b>-</b>

Source: KPCL & KPCL

As can be observed from **Table 11.3**, the average cost of power generation is higher in thermal plants as compared to Hydel plants and the State's reliance on thermal plants for power generation has increased over the years. As a result, the average cost of power generated (paisa/kWh) has been increasing. Power generation, Imports, T & D losses and consumption of power since 1999-00 is given at **Appendix 11.1**.

#### **Purchase of power from other States and energy exchanges**

Towards meeting shortages in electricity supply, Karnataka buys power from

neighbouring States, other States and from energy exchanges. The details of such purchases during 2008-09 to 2013-14 & in 2014-15 (Up to Dec.14) are given in **Table 11.4**.

There is an increase in power purchase from IPP's, in recent year due to growing demand and delay in completion of generation projects within the State and from Central Generating Stations. Further the corridor constraints existing between southern and other region has resulted in purchase of power at higher cost within southern region.

**Table 11.3: Plant Load Factor, Unit Cost of Power of Selected Power Stations**

Sl. No.	Power Station	Plant Load Factor (%)			Unit Cost *2014-15 Paise/kwh
		2012-13	2013-14	2014-15 (upto 31st Dec.2014)	
1	Sharavathi	51.50	61.07	53.02	25.49
2	Nagihari	25.27	33.75	41.88	40.06
3	Supa	37.76	53.17	43.49	40.06
4	Varahi	25.55	32.56	28.94	111.08
5	RTPS Unit-1	63.68	58.70	73.71	378.26
6	RTPS Unit-2	53.63	67.63	69.54	378.26
7	RTPS Unit-3	79.05	70.05	74.44	378.26
8	RTPS Unit-4	82.90	79.07	81.08	378.26
9	RTPS Unit-5	79.24	76.46	69.54	378.26
10	RTPS Unit-6	76.77	77.28	85.08	378.26
11	RTPS Unit-7	78.31	59.63	71.06	378.26
12	RTPS Unit-8	28.79	36.79	33.49	679.44
13	BTPS Unit-1	68.28	69.61	56.42	392.16
14	BTPS Unit-2	-	68.05	66.28	418.61

Source: KPCL

\* Before accounting for T and D losses

**Table 11.4: Procurement from other States through bilateral trade & purchase through Energy exchanges:**

Year	Energy in MUs	Amount (Rs. in crore)	Average rate Rs/ kWh
2011-12	6298.41	3024.07	4.48
2012-13	11046.36	4839.27	4.96
2013-14	6479.15	3212.87	4.96
2014-15 (up to Dec.2014)	3727.89	1944.31	5.21

Source: Power Company of Karnataka Limited

**11.1.3 Power Transmission:****State Transmission Utility (KPTCL)**

Karnataka Power Transmission Company Ltd. (KPTCL) is the State Transmission Utility engaged in the business of transmission of electricity in the State. It is the responsibility of the KPTCL to construct power stations & lines, and strengthen the system for easing network congestion,

power evacuation etc. The status of transmission infrastructure as at the end of Dec 2014 is given in **Table 11.5**.

The transmission lines of different voltage classes, new substations and capacity augmentation in the existing substations added during the 12th Plan period from 2012-13 to 2013-14 are shown in **Tables 11.6 and 11.7**.

**Table 11.5 : Power stations & transmission lines of KPTCL (as on 31.12.2014)**

Voltage Level	No. of stations	Transmission Line in CKMs
400 kV	4	2650
220 kV	94	10055
110 kV	370	9934
66 kV	579	10196
33 kV	360	8683
<b>Total</b>	<b>1407</b>	<b>41518</b>

Source: KPTCL

**Table 11.6 : Transmission lines of different voltage class added during 12th Plan period**  
(Transmission line length in Ckms)

Voltage class in kV	2011-12	2012-13	2013-14	Total
400		671.84	0	<b>671.84</b>
220	317.73	193.13	98.65	<b>609.51</b>
110	266.85	287.70	351.97	<b>906.52</b>
66	170.22	170.82	157.27	<b>498.31</b>
<b>TOTAL</b>	<b>754.80</b>	<b>1323.49</b>	<b>607.89</b>	<b>2686.18</b>

Source: KPTCL

**Table 11.7 : Details of new sub stations added and capacity augmented during 12th Plan period.**

Voltage Class (KVA)	Substations added				Substations capacity augmented			
	2011-12	2012-13	2013-14	TOTAL	2011-12	2012-13	2013-14	TOTAL
400	-	-	-	-	-	-	-	-
220	1	3	1	<b>5</b>	1	2	4	<b>7</b>
110	17	13	15	<b>45</b>	26	15	27	<b>68</b>
66	8	17	10	<b>35</b>	29	34	43	<b>106</b>
<b>TOTAL</b>	<b>26</b>	<b>33</b>	<b>26</b>	<b>85</b>	<b>56</b>	<b>51</b>	<b>74</b>	<b>181</b>

Source: KPTCL

### Transmission & Distribution Losses: (T&D Losses)

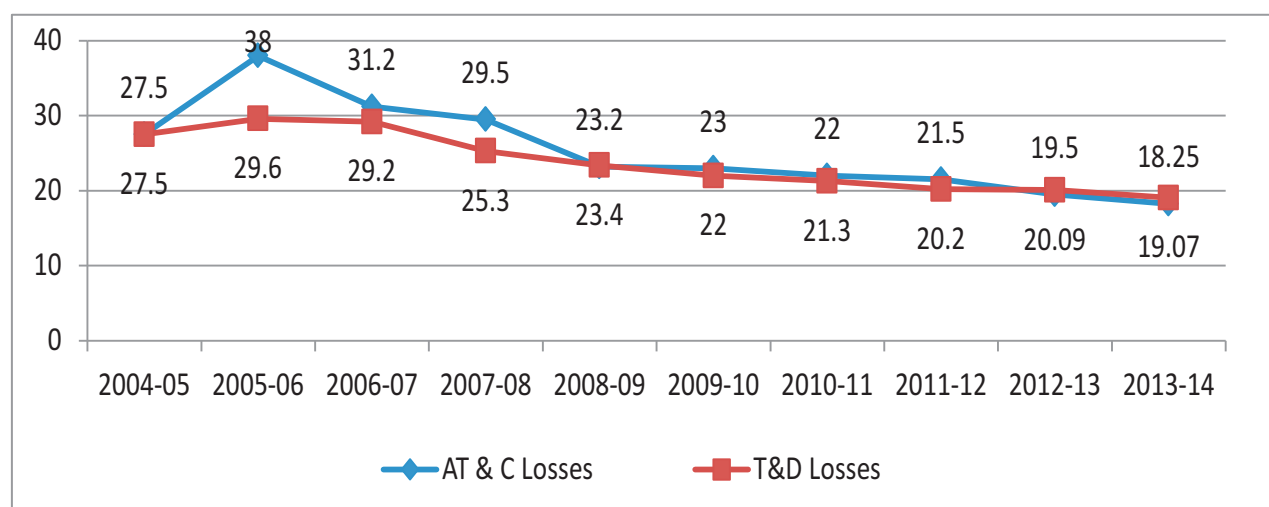
Karnataka's power sector has reduced its T&D losses from 27.5% (in 2004-05) to 19.07% in 2013-14. (Figure 11.2). It is expected to bring down T&D losses to about 18.44% by March 2015. The utilities in the sector are making planned investment for

strengthening and augmenting the network for reduction of technical losses.

Figure 11.2 also shows the trends in Aggregate Technical & Commercial (AT&C) losses during 2004-05 to 2013-14.

The vigilance efforts undertaken by the utilities have contributed to the reduction in AT&C losses (**Table 11.8**).

**Figure 11.2 : Trends in Transmission & Distribution losses and Aggregate Technical & Commercial Losses from 2004-05 to 2013-14**



Source: EMC

**Table 11.8 : Vigilance efforts in reducing theft and pilferages**

Year	No of Installations Inspected	No. of Cases Detected	Penalty Imposed (Rs. in crore)
2010-11	615101	115687	150.44
2011-12	436798	89288	111.46
2012-13	412368	85955	129.41
2013-14	482251	91067	154.90
2014-15 (upto Dec. 2014)	372806	67543	121.502

Source: KPTCL Vigilance. Source: KPTCL Vigilance.

#### 11.1.4 Power Consumption:

The electricity consumption by various category of consumers are presented in the following **Table.11.9**

As shown in Table 11.9, in the year 2013-14, the agricultural sector (water pumping through irrigation pump sets) accounted for highest share of electricity consumed with a share of 35.83.% with domestic occupying a distinct second position with a share of 20.35%. However, in terms of paying for the electricity, the agricultural sector pays the least where as the commercial consumers pay the highest tariff.

The details of the quantity and cost of power supplied by the ESCOMS during 2013-14 and 2014-15 (up to the end of December 2014) are shown in **Table 11.10**.

The ESCOMS supply electricity to various categories of customers at different price slabs. Details of revenue realized from the different categories of customers are given in **Table 11.10**. This shows that nearly 61.60% of the ESCOMS revenue arises from LT category customers even though they account for about 70.29% of the electricity consumption. The HT industrial sector while accounting for only 30% of the electricity sales contributes 38.43% of the total revenue earned in 2013-14. Electricity supplied for lift irrigation fetches the lowest average revenue of Rs 1.93/kWh where as the LT commercial category provides highest revenue realisation of Rs 7.85/kWh. Other than temporary installations, commercial LT customers and HT industrial and commercial customers pay higher prices for electricity consumed.

**Table 11.9 : Electricity Consumption Pattern**

Category of Consumers	Consumption (MU)		%of Sales		Demand (Rs. Crore)		ARR Ps / kWh	
	2013-14	2014-15 (Upto Dec-2014)	2013-14	2014-15 (Upto Dec-2014)	2013-14	2014-15 (Upto Dec-2014)	2013-14	2014-15 (Upto Dec-2014)
Industries	8472.43	6351.22	18.08%	17.33%	5056.76	4210.16	596.85	662.89
IP Sets	16788.31	13150.09	35.83%	35.88%	5449.67	4665.8	324.61	354.81
Domestic	9535.375	7937.55	20.35%	21.66%	4117.35	3623.39	431.80	456.49
LT Industries	1834.75	1388.66	3.92%	3.79%	1090.09	864.13	594.14	622.28
Water Works & Sewage pumping	2383.36	1825.63	5.09%	4.98%	1184.62	932.86	497.04	510.98
Commercial Lighting	5724.16	4611.9	12.22%	12.58%	4560.61	3716.46	796.73	805.84
Public Lighting	812.28	641.45	1.73%	1.75%	503.36	425.7	619.69	663.65
Others	1304.51	743.41	2.78%	2.03%	1026.04	577.08	786.53	776.26
<b>TOTAL</b>	<b>46855.18</b>	<b>36649.91</b>	<b>100%</b>	<b>100%</b>	<b>22988.50</b>	<b>19015.58</b>	<b>490.63</b>	<b>518.84</b>

Source: ESCOMS \* After T & D losses as on 31.03.2014



**Table 11.10 : Electricity sales and revenue realization by categories of customers**

Category	Description	Sales (MU)		Revenue (Rs. Crores)		Average revenue realization (Rs./kWh)*	
		2013-14	2014-15 Up to Dec-2014	2013-14	2014-15 Up to Dec-2014	2013-14	2014-15 Up to Dec-2014
LT1	BJ/KJ	550.20	415.62	261.18	198.70	4.75	4.78
LT2	AEH	9177.98	7429.27	3924.59	3362.17	4.28	4.53
LT3	Commercial	2603.80	2111.36	2034.73	1697.76	7.81	8.04
LT4	Irrigation Pump sets	16690.49	13096.56	5411.45	4653.04	3.24	3.55
LT5	Industries	1834.76	1388.66	1085.54	864.13	5.92	6.22
LT6	Street lights and water supply	1861.70	1407.77	1075.04	883.62	5.77	6.28
LT7	Temporary Installations	208.97	196.36	271.86	230.13	13.01	11.72
<b>Total LT</b>		<b>32927.91</b>	<b>26045.60</b>	<b>14064.39</b>	<b>11889.55</b>	<b>4.27</b>	<b>4.56</b>
HT1	Water supply installations	1333.93	1059.32	582.59	474.93	4.37	4.48
HT2	HT Industrial & Commercial	12012.50	9137.39	7799.85	6417.78	6.49	7.02
HT3	Lift Irrigation	319.08	200.75	61.33	48.88	1.92	2.43
HT4	HT Residential	207.90	135.01	92.15	82.16	4.43	6.09
HT5	HT Temporary	48.05	71.82	71.69	86.08	14.92	11.99
<b>Total HT</b>		<b>13921.45</b>	<b>10604.29</b>	<b>8607.60</b>	<b>7109.83</b>	<b>6.18</b>	<b>6.70</b>
Others / Misc. Income		0.00	0.00	170.66	16.20		
<b>Grand Total</b>		<b>46849.36</b>	<b>36649.89</b>	<b>22842.65</b>	<b>19015.58</b>	<b>4.88</b>	<b>5.19</b>

Source: Electricity Supply Companies

The energy sales, average tariff and average cost of power supplied by ESCOMs during 2013-14 and 2014-15 (up to the end of December 2014) is presented in **Table 11.11**.

There are a total of 2793296 Bhagya Jyothi/Kutira Jyothi (BJ / KJ) connections and 2173539 irrigation pump sets in the State as of December 2014. The power

supply to IP sets and BJ / KJ consumers has been made free with effect from 01.08.2008. The entire cost of supply of free power to agricultural sector has been made good by the State Government through subsidy. The subsidy provided by the State Government during the last 4 years and in 2014-15 (Upto December 2014) is provided in **Table 11.12**.

**Table 11.11 : Energy sales, average tariff and average cost of power supplied by ESCOMs**

ESCOMS	Energy sales(MU)		Average tariff (Rs./ kWh)		Average cost (Rs./kWh)	
	2013-14 (As per Actuals)	2014-15 as approved by KERC (at approved level)	2013-14 (As per Actuals)	2014-15 as approved by KERC (at approved level)	2013-14 (As per Actuals)	2014-15 as approved by KERC (at approved level)
<b>BESCOM</b>	23064.73	25,395.07	4.99	5.36	4.99	5.36
<b>MESCOM</b>	4,037.57	4143.19	5.08	5.27	5.08	5.27
<b>HESCOM</b>	8,664.05	8,855.10	4.81	5.48	4.81	5.48
<b>GESCOM</b>	5,976.50	6,204.95	4.78	5.16	4.78	5.16
<b>CESC</b>	5,112.35	5,448.45	4.72	5.11	4.72	5.11
<b>Total</b>	<b>46855.20</b>	<b>50046.76</b>	<b>4.91</b>	<b>5.08</b>	<b>4.91</b>	<b>5.08</b>

Source: ESCOMs.

**Table 11.12 : Subsidy Released by the Government**

Year	Subsidy released (Rs . in crore)
2011 -12	4851.28
2012 -13	6500.00
2013 -14	5460.00
2014-15 (up to Dec-2014)	4465.81

Source: Energy Dept

### 11.1.5 Electricity, Demand and Supply Status

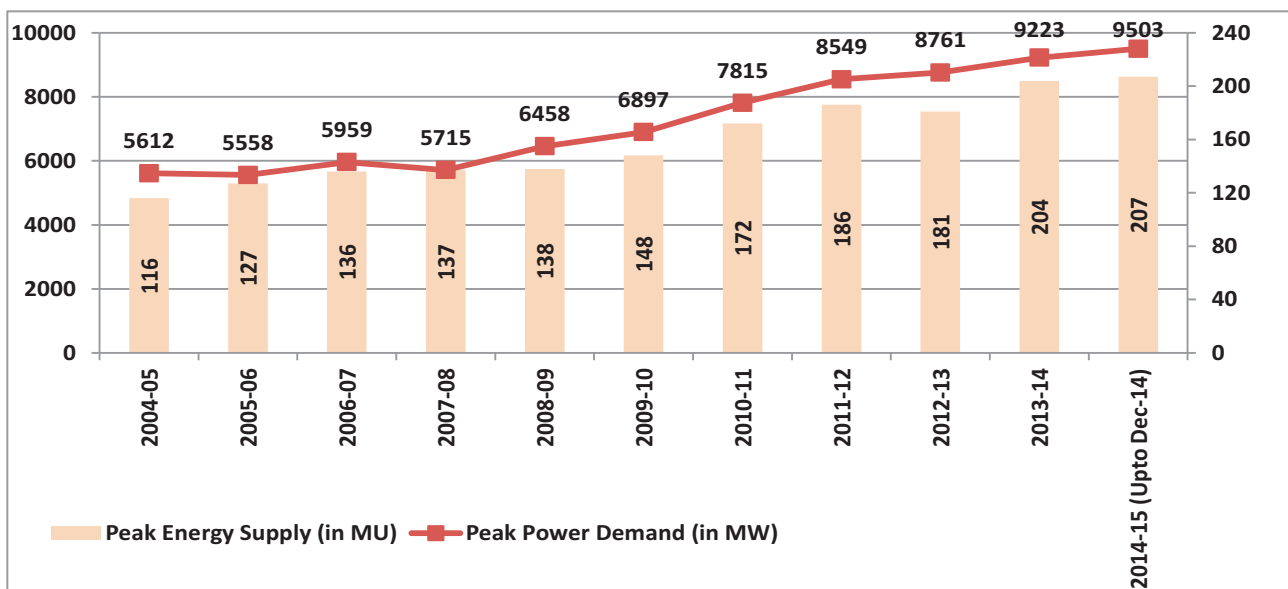
The core issue in power supply in Karnataka is the status of demand & supply to ensure that there is no shortage in supply in the State. The State of Karnataka has been facing power shortage as it is a progressive State and there is ever growing demand for power. The State Government has been planning through various means for capacity addition for adding more power to the grid to meet the growing demand.

Apart from augmenting its generation, the State has been importing power from central power-generating stations, from neighbouring States, and also through energy exchanges for minimising power shortages. In addition, the State Government is taking steps for conservation of energy through demand side management programmes. In cases where it is highly difficult to bridge the supply-demand gap, load shedding is imposed.

Trends in peak demand for power and peak energy supply per day during the years 2004-05 to 2014-15 (Up to December-2014) are given in Figure 11.3. It may be observed that both the peak demand and peak energy supply per day are showing increasing trends since 2007-08. The peak demand met during 2013-14 was 9223 MW, and in 2014-15 it was 9503MW which indicates an increase of 3.04%. The anticipated peak demand during 2014-15 is likely to be around 9600 MW.

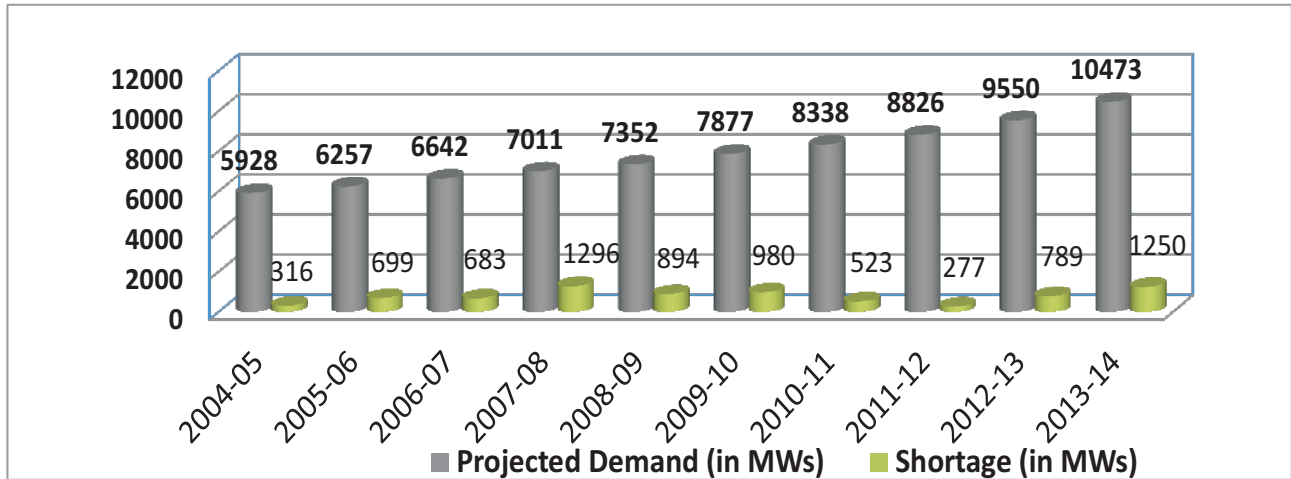
Figures 11.4 and 11.5 shows the trends in estimated gaps in demand and supply for both power and energy. The power supply shortage was highest at 1296 MW in 2007-08 and energy supply shortage was highest at 8226 MU in 2006-07. From the above it can be seen a substantial improvement in power supply situation in the State mainly due to the government's initiatives in expanding power infrastructure.

**Figure 11.3: Trends in Peak Power Demand and Peak Energy Supply**



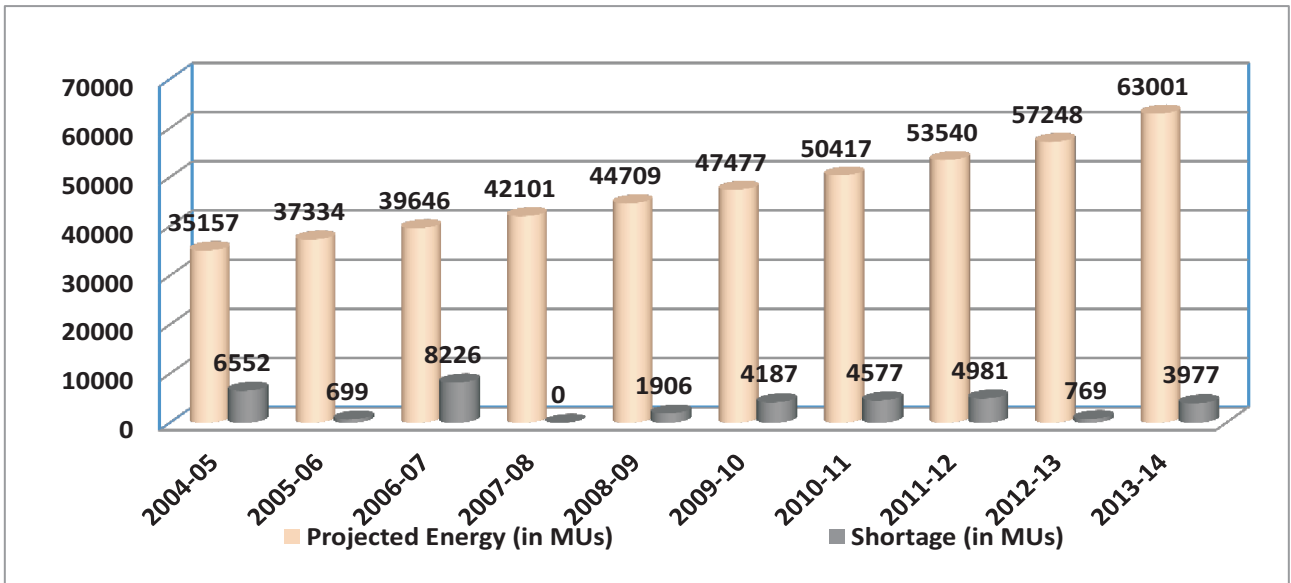
Source: KPTCL

**Figure 11.4: Power Supply & Demand Gap** (in MW)



Source: KPTCL

**Figure 11.5: Energy Supply and Demand Gap** (in Million Units)



Source: KPTCL

**Demand Side Management (DSM)**

The Government of Karnataka has implemented and in few cases proposes to implement new programmes to conserve energy as part of its demand side management (DSM) initiatives. Some of the important programmes are:

1. Making the currently optional Time of Day Tariff compulsory for industrial consumers and especially for HT consumers having sanction load of 500 KVA and above.
2. Installing Energy efficient street lighting systems and Electronic Time Switches for street light installations for switching “ON” and “OFF”.

3. Segregating agricultural loads from the existing 11kV feeders through Niranthara Jyothi scheme to provide 24X7 uninterrupted power supply to non-agricultural loads in rural areas.
4. Adoption of High Voltage Distribution System (HVDS) for agricultural loads.
5. Encouraging consumers to use solar water heaters.
6. Adoption of Bachat Lamp Yojana launched by Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India.
7. Mandatory use of solar water heating systems for all residential buildings with a built up area of 600Sq. feet and above falling within the limits of Municipalities / Corporations and Bengaluru Development Authority, etc.
8. Mandatory use of CFLs in Government buildings/Aided institutions /Boards / Corporations.
9. Mandatory uses of energy efficient irrigation pump sets that conform to standards prescribed by the Bureau of Energy Efficiency.
10. Promotion of energy efficient building designs.
11. Mandatory uses of electronic ballasts (Choke) instead of conventional copper choke in fluorescent tube lights.

BESCOM is currently implementing a smart grid pilot project and a project for implementation of smart meter technologies for online recording of energy consumption and provision of post-paid/pre-paid options to consumers of electricity.

#### 11.1.6 Rural Electrification:

Towards meeting the targets stipulated by the National Electricity Policy (NEP), the State Government has planned initiatives for energization of villages, hamlets, Harijan bastis and thandas. In Karnataka, almost all the villages have been electrified except a few for which extending the grid is extremely difficult. Electrification of such villages is being taken up by concerned ESCOMs through Decentralised Distributed Generation (DDG) under RGGVY scheme.

The ESCOMs have planned to energise hamlets and thandas in a phased manner. The details of electrification status in hamlets, Harijan bastis, thandas and IP sets during the last five years and in the current financial year are provided in **Table 11.13** and progress of Rural Electrification since 1999-00 is given at **Appendix 11.9**

**Table 11.13 : Progress in Rural Electrification**

Year	Irrigation Pump sets Electrified Cumulative No.(in lakhs)	Hamlets/Harijan Bastis Thandas Electrified (Nos.)
2011 -12	19.49	272
2012 -13	20.52	741
2013 -14	21.49	08
2014-15 (Upto Dec-2014)	22.61	101

Source: EMC



### 11.1.7 Karnataka Renewable Energy Development Limited (KREDL)

KREDL is the nodal agency for the development of renewable energy sources in Karnataka. To harness green and clean renewable energy sources in the State for environmental benefits and energy security, and to initiate energy conservation & efficiency measures in all the sectors for sustainable development, the Government of Karnataka enacted a policy on renewable energy (for the period 2009-14) on 19.01.2010. The State Government has also published its Solar Policy for 2014-2021 for giving impetus to exploitation of solar energy. KREDL is the Nodal agency of

the State for renewable energy projects and it envisages private sector investment for renewable energy development in the State. The latest data suggests that the renewable energy-based power generation capacity of 436.90 MW was added during 2011-12, and 440.16 MW was added during 2012-13, 328.74 MW has been added during 2013-14 and 310.15 MW has been added during 2014-15 (up to the end of December 2014) (**Table 11.14**).

The cumulative achievements in installed capacity additions in the renewable energy sector in the State as on 31-12-2014 are shown in **Table 11.15**. Wind energy accounts for major share in the capacity.

**Table 11.14: Capacity additions under Renewable Energy**

(in MW)

Sources	Capacity addition during 2011-12	Capacity addition during 2012-13	Capacity addition during 2013-14	Capacity addition during 2014-15 (upto 31 <sup>st</sup> December 2014)
Wind Power	215.05	201.65	183	230.50
Small/Mini Hydro	34.85	51.01	40.65	26.65
Co-Generation	184.00	180.00	76	0
Solar	3.00	5.00	17	43
Biomass	0	2.50		10
<b>Total</b>	<b>436.90</b>	<b>440.16</b>	<b>328.74</b>	<b>310.15</b>

Source: KREDL

**Table 11.15: Cumulative Progress in Renewable Energy**

Sources	Potential Available (MW)	Allotted Capacity (MW)	Installed Capacity (MW)
Wind Power	13983	12890.42	2595.84
Small/Mini Hydro	3000	2919.36	768.71
Co-Generation	1500	1677.35	1144.55
Solar	10000	782.00	74.00
Biomass	1000	369.98	113.03
<b>Total</b>	<b>29483</b>	<b>18639.11</b>	<b>4696.13</b>

Source: KREDL

### 11.1.8 National Biogas Manure and Management Programme (NBMMP)

National Biogas Manure and Management Programme (NBMMP), Karnataka State Bio-fuel Policy -2009 and Soura Belaku. have been implemented in the Rural Energy Programme. Biogas is a clean, non-polluting, smoke and soot-free fuel, containing methane gas produced from cattle dung, human waste and other organic matter in a biogas plant through a process called anaerobic digestion. The digested slurry can be used as good quality manure in agricultural fields. It is a centrally sponsored scheme being implemented since 1982-83. This is mainly 100% women programme. The Government of India has increased central subsidy with effect from 8th May 2014. The details of revised subsidy is given below.

Based on the cattle population in the State, 6.80 lakh biogas plants can be constructed. Beneficiaries are selected by GP level under NBMMP. In 2014-15, the State Government has provided State share of Rs.284.84 lakh and Central share of Rs.854.40 lakh in the State budget.

#### The Karnataka State Biofuel Policy-2009.

The Karnataka State Biofuel Policy-2009 has come into force from March 1st, 2009. It is a State Plan programme. Karnataka Biofuel Policy is implemented through Karnataka State Biofuel Development Board. An amount of Rs.130.00+200.00

lakhs was provided in the state budget for the year 2014-15. Rs.115.00 lakhs has been released to Karnataka State Biofuel Development Board for implementation of biofuel activities.

#### Institutional support for rural energy development:

The Mahatma Gandhi Institute of Rural Energy & Development, Bengaluru, (MGIRED) is a Southern Regional Institute established with the assistance of Ministry of New and Renewable Energy, Government of India and the Department of Rural Development and Panchayat Raj, Government of Karnataka. The Institute is a registered society set up in the year 2000 to cater to the training needs of Southern States/Union Territories. It is the vision of the MGIRED to create awareness and propagate the latest development in the Rural Energy, Ground Water Conservation, Rain Water Harvesting and Environmental Protection to the rural masses. MGIRED is committed itself to the following activities:-

1. Capacity Building
2. Demonstration of Rural/Renewable Energy Technologies.
3. Demonstration of De-centralized Rural Energy Based Industry.
4. Documentation and dissemination of information on Rural Energy Development/Rain Water Harvesting/ Environmental Protection etc.

#### The details of revised subsidy

(in Rs.)

Particulars	Existing subsidy	Revised subsidy
Central Subsidy	3500	9000
Turn Key Fee	700	1500
Latrine Linked Biogas Plants (LLP)-incentives State subsidy is Rs.3500	500	1000

5. Research on Rural Energy and
6. Advisory Services and Consultancy on Rural Energy, village adoption for implementing Rural Energy and related Rural Development Programme.

#### 11.1.9 Investment in Power Sector: (Planned by KPCL)

KPCL has planned various projects to augment the generation capacity in the State during the 12th Five Year Plan period (2012-17). The total planned capacity addition from these projects is expected to be about 9350 MW in the next five years. Similarly, KPTCL is constructing power stations and lines, and strengthen the system for easing network congestion etc. The Plan Outlay and expenditure incurred during the last four years are given at **Table.11.16** and investment in power development since 1999-00 is given at Appendix 11.8

Power Company of Karnataka Limited (PCKL) will implement the following projects through bidding process, under Case-II bidding guidelines issued by Ministry of Power,

- i) 1320 MW Coal based Thermal Power Project at Kalaburagi
- ii) 1320 MW Coal Based Thermal Power project at Ghataprabha.

Further, PCKL is the Nodal agency to implement the following projects under IPP and Central Generating Stations.

- i. Establishing 500 MW Coal based thermal power project at Hassan by M/s. Hassan Thermal Power (P) Limited (HTPPL) (IPP).
- ii. Kudigi Regional Thermal Power Plant 4000 MW (Central Sector).
- iii. Enhancement of Units 5 & 6 from 2X220 MW to 2X700 MW at Kaiga (Central Sector).

**Table: 11.16 Investment in Power Sector (Rs. In Crores)**

Year	IEBR				Capital Outlay for Power Projects		Loans for Power Projects		Total Outlay	
	KPCL		KPTCL		Plan Outlay	Expr.	Plan Outlay	Expr.	Plan Outlay	Expr.
	Plan Outlay	Expr.	Plan Outlay	Expr.						
2011-12	1861.18	1206.00	1376.28	1132.00	800.00	1065.00	150.00	52.64	4187.46	3455.64
2012-13	2439.65	2363.00	1200.00	747.00	300.00	1162.00	164.70	94.02	4104.35	4366.00
2013-14	2821.12	2808.00	1250.00	1250.00	800.00	800.00	80.00	80.00	4951.12	4938.00
2014-15 (Upto Dec-2014)	2850.00	972.92	1200.00	1105.42	800.00	561.72	100.00	40.43	4950.00	2680.49

Source: KPTCL

Further, in the renewable energy sector about 310.15 MW of new installed capacity is added during 2014-15 up to Dec. 2014 (**Table 11.17**).

#### **11.1.10 New Initiatives, challenges and Outcome:**

##### **Initiative taken up in 2014-15**

- The State Government has proposed to implement solar energy projects through Karnataka Renewable Energy Development Ltd.(KREDL) by providing solar water pumps to beneficiaries.
- Providing solar water pumps to SCP/TSP beneficiaries under SCSP and TSP schemes.
- Installing LED street lights in all the ESCOMs in a phased manner.
- Upgradation of Distribution Automation System in other corporation areas.
- The HVDS implemented on pilot basis will be continued in other sub division of ESCOMs after detailed study of the scheme.
- Smart Grid and Smart Meters scheme will be implemented on pilot basis.
- Implementation of Green Energy Corridor scheme with the assistance of KPTCL and KFW.

- Augmenting Transmission Capacity to future growth and evacuation.

##### **Specific challenges and the future outlook of the department**

- Optimum utilisation of natural resources under renewable energy sector.
- Generation capacity addition to meet the growing demand for achieving self sufficiency.
- Reduction of Transmission & Distribution Loss.
- Reduction of Aggregate Technical & Commercial Loss.
- Making Power Supply Consumer friendly
- Reduction of Electrical Accidents.

##### **Outcome:**

- The State Government has also published its Solar Policy for 2014-2021 for giving impetus to exploitation of solar energy. KREDL is the Nodal agency of the State for renewable energy projects and it envisages private sector investment for renewable energy development in the State.

**Table 11.17: Capacity addition of Renewable energy sources during 2014-15**

<b>Sources</b>	<b>Capacity addition (MW) upto Dec. 2014</b>
Wind Power	230.50
Small/ Mini Hydro	26.65
Co-generation	0
Biomass/Bio-gas	10.00
Waste to Energy	0
Solar	43.00
<b>Total</b>	<b>310.15</b>

Source: KREDL

- Niranthara Jyothi Yojane is a major project that aims to segregate the rural area loads into agricultural and non-agricultural loads so as to provide 24 hours of quality power supply to rural households, drinking water supply, rural industries, Milk Storage, Hospitals, Police Stations, Telephone Exchanges etc., and fixed hours of power supply to the irrigation pumpsets. As on December 2014, 1121 Niranthara Jyothi feeder works (690 feeders in phase 1 and 431 feeders in phase 2) are completed of which 960 feeders have been commissioned as of December-2014. It is aimed to complete the implementation by March-2015.
- The Department has implemented new programmes to conserve energy as part of its demand side management (DSM) initiatives. BESCOM is currently implementing a smart grid pilot project and implementation of smart meter technologies for online recording of energy consumption and provision of post-paid/pre-paid options to consumers of electricity.
- Karnataka's power sector has reduced its T&D losses from 27.5% (in 2004-05) to 19.07% in 2013-14. It is expected to bring down T&D losses to about 18.44% by March 2015. The utilities in the sector are making planned investment for strengthening and augmenting the network for reduction of technical losses.

### 11.2.1 ROADS

The State's road network consists of National Highways (NH), State Highways (SH), Major District Roads (MDR), Municipal roads and other roads including village connectivity roads. The road development works in the State are carried out by multiple agencies, which include Public Works Department (PWD) of the State Government, local Governments such as Zilla Panchayat and its wings & in urban areas, the City Corporations, City Municipal Corporations (CMC) etc.

In the State, the average length of the PWD roads (viz; NH, SH & MDR) per 100 sq.km area is 39.34 Km. Among the districts, the road length per 100 sq.km in Mandya district has the highest road length of 70.36 Km and Kalaburagi district has the lowest length of 24.58 Km. Further, the road length per 100 sq.km in Chamarajanagar, Raichur, Bidar, Chikkaballapura, Vijayapura, D.Kannada, Yadgir, Chikkamagaluru, Kodagu, Chitradurga, U.Kannada, Ballari, Shivamogga, Kolar, Koppal & Udupi districts are below the State average. In 2014-15 there has been substantial increase in the length of National Highways and reduction in length of State Highways due to declaration of new National Highways during May-2014 and there is no change in the length of Major District Roads. (**Table 11.18**)

All the National Highways and large extent of State Highways (99.2%) are covered with black top and 92% of Major District Roads are covered with black top (**Figure 11.6**).

The carriage width details of the roads show that about 18% of National Highways and 2% of Major District Roads have four lane widths. Similarly, 53% of NH, 2% of SH and 0.2% of MDRs have two lane width. Appendix 11.2 highlights the Road length in Karnataka from 1999-00 to 2013-14.

### 1. ROAD DEVELOPMENT PLAN 2001-2021

The Government of India, Ministry of Surface Transport (Road Wings) has prepared the Road Development Plan for India 2001-2021. In this plan, the concept of Primary, Secondary & Tertiary road system has been introduced for the purpose of transport planning, functional identification, earmarking administrative jurisdiction and assigning priorities on a road network.

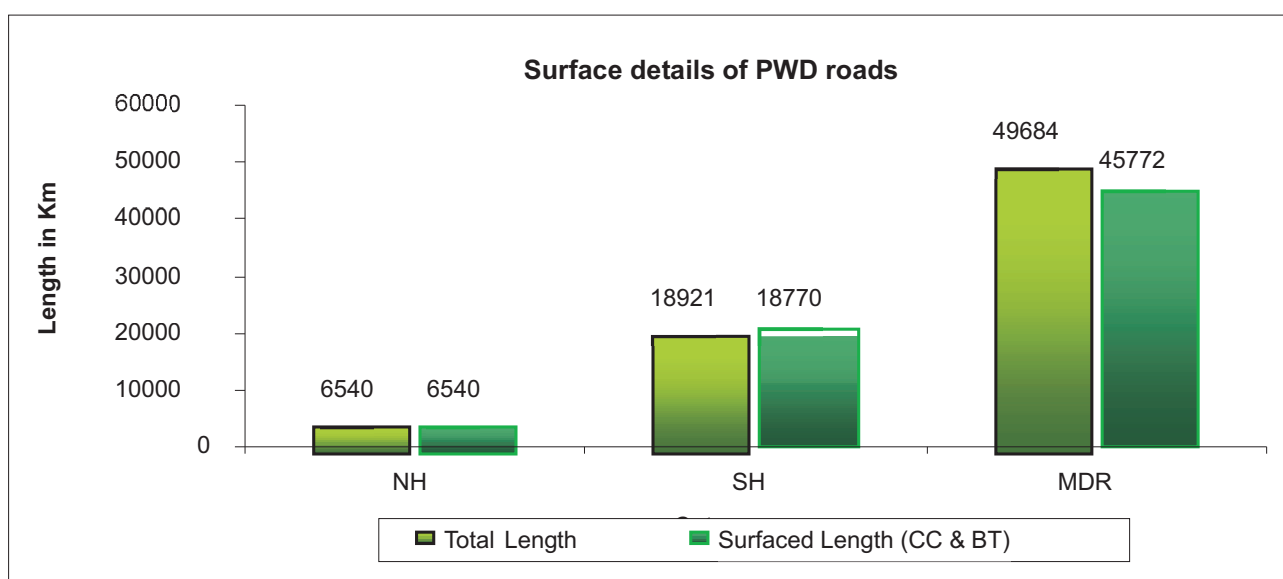
The primary system consists of proposed Express ways and the National Highways. The secondary system consists of the State Highways and Major District Roads and the Tertiary system consist of the other District



**Table 11.18 : Road length in Karnataka (In km)**

Type of Road	Year	
	2013-14	2014-15 (Dec. 2014)
National Highways	4688	6540
State Highways	20773	18921
Major District Roads	49683	49683
Municipal Roads	8366	8366
Other Roads	148412	155545
<b>Total length of the Roads</b>	<b>231922</b>	<b>239055</b>

Source: Public Works Ports and Inland Water Transport Department and Rural Development and Panchayath Raj Department .

**Figure 11.6 Length of Black Top & Cement Concrete surface**

Road and village roads. The latter two categories are also commonly known by the term “Rural Roads” since they represent the links to the rural area of the country.

In this plan, road length is defined in terms of certain fixed and tangible objectives, having due regard to the popular demands for better type of roads as suggested here under. (Appendix 11.2)

a) The length of the National Highways is calculated on the basis of the demands from the various states, subject to the

consideration that the National Highways may not be very close to each other, except in areas where no other convenient transport facility exists.

b) The length of the State Highways is calculated in such a fashion that the State Highways connect major Industrial centres. District Places, Taluk/Tahasil head-quarters, places of commercial interest, tourist centres, major agricultural produce markets and also major growth centres in tribal areas.

- c) All villages in the population group of 1500 and above should lie at least on Major District Roads.
- d) All villages in the population group of 1000 to 1500 should lie at least on other District Roads.

As per the Road Development Plan, PWD initiated State Highways Development Programme for the improvement and strengthening of the existing State Highways based on the following criteria.

- a. District HQ to District HQ connectivity.[]
- b. District HQ to Taluk HQ connectivity.
- c. Taluk HQ to Taluk HQ connectivity.
- d. Connectivity to tourist places, religious centres and other economic activity centre.

3724 km of State Highways in 66 packages under phase-I has been taken up in 2012-13 at an estimated cost of Rs. 1439 crore. As per the site conditions, 3188 km of road length is improved incurring an expenditure of Rs.1397.02 crore. The remaining 10 packages are expected to be completed by March-2015. Under SHDP-II, it is planned to improve 3262 km of State Highways in 70 packages at an estimated amount of Rs.1498 crore. All the packages are awarded and the works are under various stages of progress. So far, 1863 km length has been completed incurring an expenditure of Rs.610 crore.

In 1999, KRDC was created as a State-owned enterprise for the development of road infrastructure facilities in the State. Through this agency, the construction of 641 bridges and development of 1041 km length of roads has been completed. Further, the development of 7 State highways for a length of 234 km are taken up at an amount of Rs.732 crore and these works under various stages of progress.

Under KSHIP-II Phase-I, it is proposed to develop 1846 km of roads with the assistance of World Bank and Asian

Development Banks. Under the Asian Development Bank component, 615 km road length is proposed to be developed in 9 packages and 7 packages are in progress. Road length of 208 km has been developed.

The improvement of rural roads (MDRs and VRs) and construction/reconstruction of bridges are being taken up through NABARD assisted Rural Infrastructure Development Fund since 1996-97 (RIDF-II). The tranches from RIDF-II to RIDF-XV are completed and RIDF-XVI to XIX is under progress. Further in 2014-15, 116 roads and 153 bridges have been identified under NABARD RIDF-XX at an amount of Rs.300 crore and DPRs are forwarded to NABARD seeking sanction.

Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched in the State during December 2000 with the objective of providing rural connectivity by way of all weather roads to eligible habitations having a population of 500 and above by the end of 2007. Under this programme, Rs 3808.19 crore has been spent and 16192.00 km of road length has been asphalted as on September-2014. In order to implement the scheme more effectively, Karnataka Rural Road Development Agency has been formed during January 2005. The agency is involved in preparation of detailed project reports in each stage, implementation of the works (as approved by Government of India) as per the required standards and, release of grants provided by Government of India. As on date, the State still yet to connect 1771 (population between 250-499) unconnected habitations. The Plan Outlay and expenditure incurred during the last four years are given at **Table.11.19**.

### Issues & Challenges and Outcome:

#### (a) Issues & Challenges

- The road network in the State shows disparity in inter-district connectivity of National Highways and State Highways. This disparity in connectivity needs to be set right.

**Table.11.19: Plan Outlay & Expenditure, PWD**

(Rs. In Crores)

Year	Capital Outlay		Total Revenue		Total Plan Outlay	Expr.
	Plan Outlay	Expr.	Plan Outlay	Expr.		
2011-12	2505.00	2940.37	594.00	606.00	3099.00	3546.37
2012-13	2753.42	3324.14	462.13	463.63	3215.55	3787.77
2013-14	3299.42	4650.85	690.48	740.42	3989.90	5391.27
2014-15	3517.46		1150.04		4667.50	

Source: Details of Provision for Plan Schemes, Finance Department, GoK

- Rural Roads - Rural connectivity is a key component in the overall development of the state. Rapid development of roads can have a multiplier effect on the overall growth of backward regions. Investment in roads has one of the largest impacts on poverty alleviation and increase in total factor productivity.
- About 64% of State Highways and 99% of Major District Roads carriage way width are Single Lane. To ease the traffic congestion most of the State Highways and some of the Major District Roads needs to be upgraded to two lane width. (Widening of SHs are being taken up through KRDC and KSHIP on Core road network concept)
- The vehicular population in the State has risen to about 12.03 lakhs as of March 2013. To accommodate growing population of vehicles, roads have to be widened on National Highways. At present only 19% of National Highways are having 4 lane carriage way widths.
- Rural connectivity by providing all weather roads will improve productivity and reduce poverty. Only 48% of the village roads are all weather roads and remaining 52% of the roads are needs to be upgraded to all weather roads.

**(b) Outcome:**

- (1) Under State Highway Development Programme (SHDP) existing State Highways which have connectivity between District Headquarter to

District Headquarter, District Headquarter to Taluk Headquarter and Taluk Headquarter to Taluk Headquarter are being developed in phased manner.

- (2) Road widening projects taken up by PWD based on the PCU factor (Passenger car unit) have resulted in widening of carriage way width of State Highways and National Highways to reduce traffic congestion.

**2. TRANSPORT:**

Karnataka provides efficient public transport to people of different income groups across the State as well as in neighboring States. The Govt. of Karnataka decided to bifurcate the Corporation into four separate Corporations to fulfil the diverse needs of commuters through effective and efficient control by distributing areas. Accordingly KSRTC was bifurcated into BMTC on 15-08-1997 (for Bengaluru city), NWKRTC on 01-11-1997 (for NW districts) and NEKRTC on 01-10-2000 (for NE districts). KSRTC remained as an independent Corporation with effect from October -2000.

The progress achieved by each of the corporations during last two financial years is presented in **Table 11.20**. A number of new buses are being regularly added in all the four corporations. With the addition of new buses, over-aged buses have been withdrawn to some extent in all the corporations.

### I KARNATAKA STATE ROAD TRANSPORT CORPORATION (KSRTC)

KSRTC was established in 1961 to provide efficient, adequate, economic and well coordinated transport services to commuters. KSRTC with its Corporate office at Bengaluru, has jurisdiction of seventeen southern districts of Karnataka and provides services to 14296 villages out of 20005 villages, the percentage service provided being 71.5. As on Dec.2014, it had 15 divisions, 78 depots, two Regional

Workshops, one Central and two Regional Training Institutes, one printing press and a hospital. It operated 7702 schedules utilizing 8359 vehicles, operating 27.10 lakh kms, earning gross revenue of Rs.819.49 lakh and carrying 27.16 lakh commuters daily with workforce of 37831 employees. Operational performance statistics is presented in **Appendix 11.10**.

During the year 2013-14 KSRTC sustained loss of Rs.75.56 crore. The losses are mainly due to wage revision of employees of

**Table 11.20 : Passenger fleet strength and utilization of Fleet by different corporations**

Sl. No.	Particulars	2013-14 (upto December 2013)				2014-15 (upto December 2014)			
		KSRTC	BMTC	NWKRTC	NEKRTC	KSRTC	BMTC	NWKRTC	NEKRTC
1	Total No. of Vehicles (including scrapped vehicles)	8820	7427	4885	4504	8836	7298	5038	4550
2	% over aged vehicles	17.4	-	24.7	15.8	5.9	-	28.1	15.3
3	% Fleet utilization	91.6	91.3	95.1	89.6	91.6	90.2	94.8	87.9

The Plan Outlay and expenditure incurred during the last four years are presented in Table.11.21

**Table.11.21:Transport DepartmentPlan Outlay &Expenditure (Rs. In Crore)**

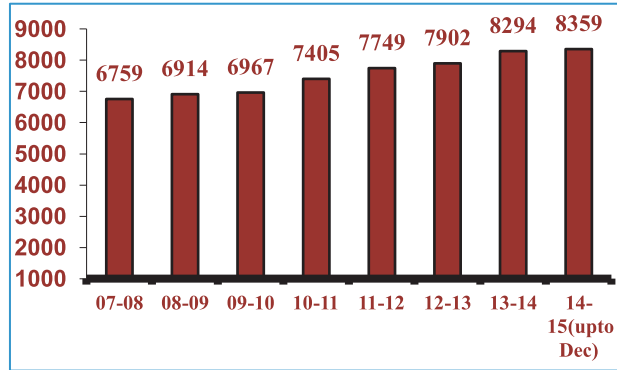
IEBR	2011-12		2012-13		2013-14		2014-15	
	Outlay	Expr	Outlay	Expr	Outlay	Expr	Outlay	Expr*
a)KSRTC	137.38	250.54	250.00	262.00	274.12	297.00	255.00	213.54
b)BMTC	125.00	200.26	250.00	173.00	258.45	171.00	258.00	101.04
c)NEKRTC	60.00	76.85	50.00	117.00	52.35	194.00	50.00	65.72
d)NWKRTC	61.75	64.50	100.00	128.00	50.00	55.00	50.00	42.57
Capital Outlay	2505.00	148.96	131.00	113.66	106.00	106.00	80.60	
Total Outlay**	621.63	741.11	796.11	792.66	745.42	825.50	698.03	

Source: Details of Provision for Plan Schemes, Finance Department, GoK

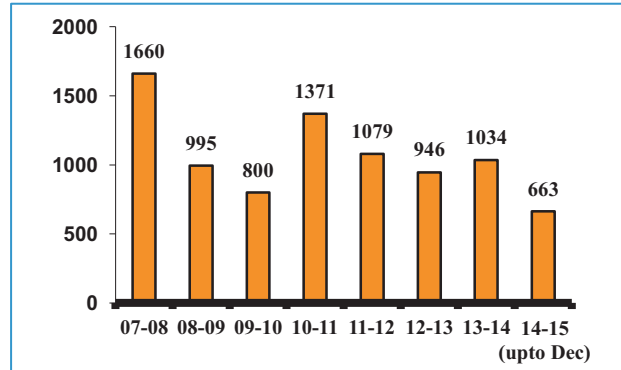
\* Expenditure is as per MPIC report (as on Dec. 2014) \*\* Includes revenue outlay

Yearwise fleet held and new vehicles inducted from 2007-08 to December 2014 are given in the following charts:

**Vehicle held as on last day**



**New vehicles added**



the Corporation, increase in dearness allowance (DA) and increase in diesel price. During the year 2014-15 for the period from April-14 to Dec-14 it operated 7702 schedules by utilizing 8359 vehicles, operated 74.53 crore kms., earned gross revenue of Rs.2404.85 crore (including subsidy), with work force of 3783 employees. KSRTC has to pay 5.55% of motor vehicle tax on traffic revenue. During the year, it paid motor vehicle tax of Rs.145.42 crore. The Corporation inducted totally 13391 buses of various types like Karnataka Sarige, Rajahamsa, Sheetal, Volvo, Volvo Multi -Axle, Mercedes Benz, Mercedes Benz Multi- Axle, Corona, Corona Sleeper and City/Suburban (from 2001-02 to 2013-14) and scrapped 8412 old buses which were not fit for operation. Financial Performance of the KSRTC is presented in

**Appendix 11.11**

**Social Obligations:**

KSRTC has been issuing free pass for the students till 7th standard, 25% concession to girl students studying in high schools, 50% concessional travel facility to the drama troupes/yakshagana troupes sponsored by the Karnataka Sangeetha Nataka Academy, free passes to Olympians, Para Olympians and Arjuna awardees. Free bus passes are issued to National Showrya Prashasti award winning children up to the

age of 18 years, free travel facility provided to all freedom fighters including in Volvo buses, within and outside the State. For freedom fighters aged 75 years and above, free travel is allowed along with a companion. Concessional travel facility has been extended to all the physically handicapped persons (for all four Corporations) within the State, restricting travel upto 100 kms from the address given by them. Free travelling coupons of Rs.2000/- are given to wife/ widows of freedom fighters to travel within and outside the State. 25% concession in fare for senior citizens of age 60 years and above, free travel facility to the totally blind persons to travel within the State, free travelling facility to ex-MLAs & ex-MLCs to travel within and outside the State in any bus along with a companion are also given. Free traveling facility to sitting MLAs & MLCs to travel within the State is given and they are issued with a Gold Card for travelling in any type of bus within the State. Free passes are given to accredited journalists working in their district and Bengaluru based journalists and are permitted to travel throughout the State in all type of buses including Volvo. Home guards (in uniform) are allowed to travel free in city services while on duty.



### City Buses in KSRTC:

City/Suburban services are in operation in the city of Mysore. City services were introduced to the cities of Tumakur, Kolar, Chikkaballapura, Mandya, Hassan, Chikkamagaluru, Mangaluru and Davanagere during the year. As at the end of 31-3-2014, it has operated 532 schedules. Operation of City/Suburban schedules represented 3.95% of the total schedule kms. This would be a new and modern urban transportation for smaller cities in Karnataka.

### New Initiatives:

- KSRTC has planned implementation of Vehicle Tracking Monitoring System (VTMS) and PIS Project in 4000 buses and PIS at 45 major Bus Stations. The estimated cost of the project is Rs.12.90 crore. On account of extended scope of the Project, the revised estimate of the project is expected at Rs.15.71 crore. Of which Rs.6.45 crore is granted by MoRTH-GOI and till now GOI has released Rs.5.16 crore to the Corporation. Till date, an amount of Rs.6.50 Crore has been spent towards this Project.
- Pilot I of this Project is completed in 138 buses of Depot – 4- Bengaluru Central Division and 81 buses of Harohally Depot – Ramanagara Division (Total 219 Buses) and Testing is completed. Pilot II is completed in Bengaluru Central (All Schedules), Ramanagara, Mysore Rural, Mangaluru and Puttur division all depots for Express and above schedules. VMUs have been fixed in 1904 buses and testing is in progress. Pilot III, balance 2007 VMUs yet to be supplied will be installed in remaining divisions express and above schedules.
- The 'Status' of a service and 'Expected time of arrival' is available at any point of time.
- Two-way voice communication helps to contact crew during needy hours.
- Better control by operational managers to monitor the operations and improve efficiency.
- Instant access to historical data for analysis and improvement.
- Analytical data for top management.
- As per Karnataka Guarantee of Services to Citizens Act, 2011, services related to KSRTC viz., issue of bus pass to school children, Accident Relief Fund, issue of bus passes to physically challenged, issue of free bus pass to freedom fighters, issue of free bus pass to blind persons, issue of Rs. 2000/- worth of free bus coupons to wife/widow of freedom fighters were implemented under SAKAL portal.
- Inside the buses, layout of the bus to identify the location of emergency exits, fire extinguishers, roof hatch and main door, and safety tips in case of emergency regarding main door, roof hatch exit, seat belts and fire extinguishers are displayed on online through social media tools like Face book, twitter.
- KSRTC website: Implemented website, concentrating more on user friendly booking interface for online users. Undertaken user interface changes in service availability pages, booking pages as per international business portal standard.
- Dynamic service search/booking facility: Modified the booking process of dynamic service search/booking on the lines of international standard to be user friendly.

## II Bengaluru Metropolitan Transport Corporation (BMTTC)

Bengaluru Metropolitan Transport Corporation (BMTTC) was formed, as an independent Corporation with effect from 15-08-1997 after bifurcation from Karnataka State Road Transport Corporation. Consequent upon the formation of BMTTC, the organization was

structured to function under a two-tier system- viz., Depots and the Corporate office and during 2011-12 the systems was switched over to three tier systems viz, Depots, Divisions and Corporate office with a view to have closer liaison and better control.

The average age of BMTC fleet is 5.5 years and is one among the youngest of urban STUs in India. BMTC is having Corporate office at Bengaluru, is operating in 25 kms radius from BBMP area of Bengaluru, with 5 divisions, 40 maintenance and service depots, two Central Workshops, one Training Institute and one Dispensary. With a workforce of 36848 and 6685 fleet, BMTC is operating 12.92 lakh kms, earning daily Rs.5.71 Crore, carrying around 50 lakh commuters and providing services to commuters in and around suburbs of Bengaluru city.

During the year 2013-14 the kilometers operated increased by 3.4% and the fleet utilization increased to 91.2%. During this year, Corporation inducted 838 new buses and replaced 495 old vehicles. The percentage of vehicles scrapped was in the order of 7.3%. Operational performance Statistics is presented in **Appendix 11.12** and Financial Statistics in **Appendix 11.13**

**Financial Performance:**

BMTC had an accumulated loss of Rs.80.50 Crore as on 1997-98. Wiping out all that

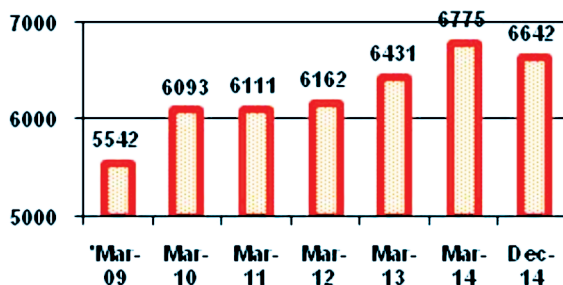
accumulated loss BMTC currently has a surplus of Rs.367.51Crore. During the year 2013-14 it has incurred a loss of Rs.147.59 crore. Further, during the year 2014-15 for the period April-14 to Dec.-14 it has operated 6314 Schedules utilizing 6685 vehicles. The Corporation earned gross revenue of Rs.1068.82 crore by operating 12.92 kms.with a work force of 36848. During the period the Corporation has earned profit of Rs.29.04 crore.

**Social Obligations:**

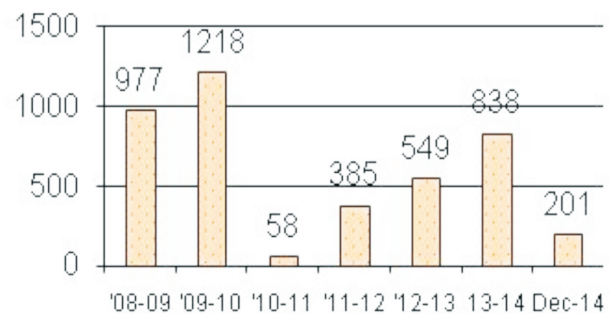
- For the benefit of student community, BMTC has issued concessional Student Passes.
- Free passes are issued for the students till 7th Standard.
- 25% concession to girl students studying in High school.
- Concessional travel facility has been extended to Physically Challenged Persons.
- 25% concession on Tickets of all services (except Vayu Vajra) to Senior citizens.
- 10% concession on Monthly Pass to Senior Citizens.
- Concessional passes to fire force personnel, Police duty personnel and summon issued police personnel.
- Concessional Pass facility to Journalist (with accreditation card)

The year-wise fleet held and new vehicles inducted are depicted in the following Charts.

**Vehicle held as on last day**



**New vehicles added**



- Concessional Pass facility to Journalist (without accreditation card).
- Free travel facility to Police personnel (with uniform)
- Free travel facility to Gunman's.
- Free pass to home guards (with uniform).

BMTC is paying 5.55% of Motor vehicle tax on traffic revenue, during the year 2013-14 it has paid Motor vehicle tax of Rs.97.99 crore.

#### **New Initiatives:**

- **User friendly integrated web portal:** BMTC has recently launched newly designed web based portal [www.mybmtc.com](http://www.mybmtc.com). The website is both in English and Kannada with customised mobile version too, which is accessible for mobile and tablet users. The website has a Trip Planner which facilitates users to plan their trip through search based on origin/destination, route number, type of service and fare. Accurate information on the aerial distance between the destination and origin with approximate journey time is provided besides a printable time-table with map and enroute bus stop details. The website also provides for feedback/suggestion from the public besides registering the complaints received by way of complaint id number wherein a sms is sent to the complainant on registering the complaint and subsequent to action taken as well.
- **Passenger Information Kiosks:** BMTC has installed Passenger Information kiosks in 12 places like major Bus Stations and TTMCs with the objective of disseminating information about the Corporation to the commuters. All the information contained in the website [www.mybmtc.com](http://www.mybmtc.com) is accessible through the kiosk. Any updation in the website is automatically reflected in the Passenger Information System.
- **Introduction of Closed Circuit Cameras in buses and Bus Stations:** BMTC has adopted Closed Circuit Camera Surveillance system along with Digital Video Recorder (Mobile) as per the safety policy of the Government keeping in view the safety of ladies and child passengers from miscreants travelling in the buses. In each bus, there will be two CC Camera and one MDVR (Mobile Digital Video recorder) with all software, hardware and other accessories. Kempegowda Bus Station in Subhashnagar and Shivajinagar bus station are the biggest and oldest bus stations of BMTC with highest number of passengers travelling enroute these bus stations.
- **SAKAL Implementation:** As per Karnataka Guarantee of Services to Citizen's Act, 2011, the services related to "BMTC viz., issue of bus passes to school children and issue of bus passes to physically challenged have been implemented under SAKAL portal. Information Technology Department has provided all the technical support and logistics towards Implementation of SAKAL.

### **III North West Karnataka Road Transport Corporation (NWKRTC)**

NWKRTC was established in the year 1997, has been providing efficient, adequate, economic and well coordinated Transport Services to the Commuters. It has its Corporate Office at Hubli and covers six Districts in the State. During 2014-15 as at the end of Dec 14 the Corporation has a workforce of about 23116 employees, operated 15.64 lakh Kms daily by utilizing Fleet strength of 4751 , catering to 22.20 lakh passengers on an average and earns Rs. 461.00 lakhs daily. NWKRTC has extended services to 4541 villages out of 4656 villages (97.5%) which are in the nationalized routes in NWKRTC.

The total loss incurred by NWKRTC in 2013-14 has increased to Rs. 66.78 Crore

from Rs. 63.31 Crore in 2012-13 and during 2014-15 (up to 30-12-2014) Corporation has incurred a loss of Rs. 48.09 Crore from Rs.57.71 Crore during the corresponding period of previous year mainly due to hike in diesel price.

NWKRTC is operating both city and mofussil services apart from premier services such as Rajhamsa, Meghdhoot, Sleeper Coach and Volvo buses. It has implemented Electronic Ticket Machines (ETM ) on all routes. Operational performance Statistics is presented in **Appendix 11.14** and Financial Statistics in **Appendix 11.15**

#### **IV North Eastern Karnataka Road Transport Corporation (NEKRTC)**

The North Eastern Karnataka Road Transport Corporation (NEKRTC), Kalaburagi, provides adequate transport facility to the people of Hyderabad – Karnataka region. Vijayapura division was transferred to NEKRTC w.e.f. 19-11-2009. Under Jawaharlal Nehru National Urban Renewal Mission (JnNurm) project central Government has sanctioned fund to procure 329 new city buses for NEKRTC, purchase order has been issued for 304 new vehicles.

New city buses will be introduced in Kalaburagi(100), Yadgir(14), Bidar(20), Ballari(30), Hospet(30), Vijayapura(35), Raichur(35), Koppal(20), Sindhanoor(20) and Gangavati(25).

Under this project city bus depot constructed at Kalaburagi,like that Construction of bus depots at Ballari, Raichur and Vijayapura were taken up under JnNURM scheme at an estimated cost of Rs. 10.94 Crore funded by the Central Government.

Financial Performance:During the current year i.e up to Dec.2014, the increase in traffic revenue is 12.1% as compared to previous year period and earned profit of Rs.10.14 Crore. The profitability of the Corporation is increased by Rs.44.15 crore,

when compared with the margin of the previous year period.

The Corporation operated 3578 routes by the end of Dec. 2014. i.e as an average of 12.53 lakh kms. per day. The average number of passengers carried per day is 13.35 lakh. Operational performance Statistics is presented in **Appendix 11.16** and Financial Statistics in **Appendix 11.17**

#### **New Initiatives:**

- **City Buses in NEKRTC:** NEKRTC has introduced city bus services in kalburgi, Bidar, vijaypur, Yadgiri, Ballari, Koppal, Raichur, Hospet and Sedam. These city buses have been fitted with GPS based present and next stop announcement, LED destination boards, pneumatic doors and comfortably ergonomically designed seat facility.
- **Computerized Audio-Video Announcement System:** The Corporation has provided the Computerized Audio-Video Announcement System in 43 bus stands.
- **Leave Management System :** The computerized leave sanction and maintenance system is introduced in 45 bus depots of the Corporation. NEKRTC is the first STU to implement this system in the country. This system is introduced to maintain the transparency in sanctioning of leave. With this system the employees can see the leave balance at his credit at any time and they can avail of the leave without intervention or help of anybody.

#### **V. D. Devaraj Urs Truck Terminals Ltd.**

The Government of Karnataka has established D. Devaraj Urs Truck Terminal Ltd., Company under the Companies Act, 1956 with the primary objective of establishing Truck Terminals for the benefit of Lorry/Truck Transporters at National Highways in Bengaluru and Other Cities of the State. The Company has constructed Two Truck Terminals at Mysore and Dharwad, which are operational. The



Company has initiated one more Truck Terminal at Dasanapura, Bengaluru North (NH-4) at a cost of Rs. 20.48 crore. Terminal is expected to be complete by 2014-15. It is also proposed to take up the construction of Truck Terminals in major cities such as Vijayapura, Raichuru, Chickmanagaluru and Gadag. The activities of the project are mainly depends on availability of Land.

#### VI. Vehicle Population:

The details of motor vehicles under different categories from 2011-12 to 2014-15(up to

end of December 2014) is presented in Table11.22. It may be observed that a large number of vehicles are added in the private sector, with highest additions of two wheelers, followed by cars. This year, upto December 2014 on an average added 91,000 two wheelers every month, compared to 80,000 per month during the previous year. During 2013-14, out of 1,33,35,000 vehicles, 1,29,000 vehicles were transport vehicles. During 2014-15, the additions of vehicles are expected to be

**Table11.22 Number of Motor Vehicles under different categories from 2011-2012 to December, 2014 (Cumulative) ('000s)**

Sl. No.	Category of Vehicles	2011-12	2012-13	2013-14	(As on December 2014)
1	Two Wheelers	7737	8575	9534	10354
2	Motor Cars	1269	1421	1572	1694
3	Jeeps	42	43	44	45
4	Omni Buses	113	117	120	123
5	Tractors	364	386	413	435
6	Trailors	252	267	283	296
7	Construction Equipment Vehicle	7	8	9	9
8	Other Vehicles	63	65	70	71
<b>Total Non-Transport Vehicles</b>		<b>9847</b>	<b>10882</b>	<b>12045</b>	<b>13027</b>
1	K.S.R.T.C. Buses	33	36	38	39
2	Private Buses	11	12	13	14
3	Contract Carriages	1	2	2	2
4	Educational Institution Buses	10	12	13	15
5	Other Buses	8	8	8	9
6	Goods Vehicles	454	506	555	592
7	Auto Rickshaws	251	286	312	334
8	Taxies	143	163	181	196
9	4 to 6 Seaters	34	35	37	38
10	Other Vehicles	117	121	131	131
<b>Total Transport Vehicles</b>		<b>1062</b>	<b>1181</b>	<b>1290</b>	<b>1372</b>
<b>Total Non Transport Vehicles and Transport Vehicles in Karnataka State</b>		<b>10909</b>	<b>12063</b>	<b>13335</b>	<b>14399</b>

Source: Transport Department



higher considering that from April 2014 to December 2014.

### 11.2 INFRASTRUCTURE

Vision 2020 for Karnataka seeks to propel a holistic growth by promoting equitable development of sectors and districts, by providing employment to all sections of people and regions of the State. Karnataka aims to grow its State GDP at 9%, which requires infrastructure investment of 9% year every year. Since the public funds may not be adequate, Planning Commission has articulated 50% of the fund requirement to come from the private sector in the 12th Five Year Plan.

Number of PPP projects under pipeline/project development in Karnataka has grown from 40(2008) to little over 180 by 2014. There is a need to generate more project ideas which can be taken up on PPP. While studying the State Project Development Machinery, several constraints for developing PPP projects by State Dept/agencies were noticed. Karnataka has identified that to bring in investment in Infrastructure through PPP route, the State has to adopt a program based approach, given the huge demand for infra projects in various sectors. To overcome the project development issues and to build sustainability in Infra Project Development in the State, Infrastructure Development Department has designed Karnataka Infrastructure Transformation-1 (KIT-1) with project shelf development, PPP institutionalization, initial capacity building, MIS updating and sector inventory and profile preparation. 58 pre-feasibility reports were got prepared under KIT-I, and the concerned departments/agencies have been requested to take them forward.

Some of the important projects proposed for development under PPP:

- International Convention Centre, Bengaluru
- Port at Tadadi under PPP framework
- Road Projects under PPP framework

- Airports at Bellary, Bijapur, Kalaburagi, Shivamogga, Hassan
- Gas based Power Projects
- TTMCS in Bengaluru
- APMC Market at Bytarayanapura

Before deciding to undertake any project on PPP, a pre-feasibility report is prepared.

### RAILWAYS

The Rail density in State is 16 kms per 1000 kms. The State Government with a view to increase the Rail density and to increase the pace of implementation of Rail projects, decided to take up new railway projects on 50:50 cost-sharing basis and to provide free of land. As on date following 5 projects have been completed & commissioned for traffic.

1. Sholapur – Gadag (GC)
2. Shivamogga – Talaguppa (GC)
3. Kadur – Chikkamagaluru New Railway Line Project
4. Kottur- Harihara New Railway Line Project
5. Kolar-Chikkaballapur Guage Conversion Railway Project

The progress of the on-going railway projects during 2014-15 are as follows:

**Ramanagaram – Mysuru Doubling Railway Line Project** - Total length of the project is 92 Kms. This project was approved by Ministry of Railway during 2001 and taken up on 1/3rd:2/3rd cost sharing basis between Government of Karnataka & Ministry of Railway. The State Government has agreed to share 50% of the cost of Electrification from Kengeri to Mysuru section. Railways have submitted the revised estimate of Rs.874.57 crore including cost of electrification Rs.208.72 crore. In which GoK share is Rs.503.98 crores & Railway share is Rs.370.60 crores. So far, Government of Karnataka has released Rs.424.14 crores for this project. It is expected that the project will be completed before June 2015.

**Bengaluru – Hassan New Railway Line Project** - Total length of the project is 166 Kms. This project was approved by Ministry of Railways during 1996-97. Before 2010, South Western Railways had taken up project and completed the work between Hassan-Shravanabelagola at the cost of Rs.355.00 crore. 2010 onwards, the remaining works of the project has been taken up on 50:50 cost sharing basis between Government of Karnataka & Ministry of Railway for balance work of Rs.572.00 crore. South Western Railways have revised estimate for Rs.1295.17 crore. In which GoK share is Rs.467.21 crores & Railways share is Rs.822.71 crores.

So far, Government of Karnataka released Rs.305.17 crores for this project and physical progress is as follows :

- Hassan-Shravanabelagola-42 Km completed
- Shravanabelagola – Hirisave – 16 km completed
- Chikkabanavara-Nelamangala-14 Km completed
- Hirisave – B.G. Nagar (16 km completed)
- BG Nagar -Nelamangala is in progress

**Bidar - Kalaburagi New Railway Line Project** - Total length 107 Kms. This project was approved by Ministry of Railways during 2007 and has been taken up on 50:50 cost sharing basis between Government of Karnataka & Ministry of Railways. Railways have submitted revised estimate for Rs.844.15 crore. for So far, the State Government has released Rs.290.00 crores this project. The progress of this project is as follows:

- Khanapur-Hallikhed section – 50 km track completed
- Khanapur-Humnabad section – 38 km completed and commissioned.
- Humanbad – Hallikhed – linking of track has been completed.

- Hallikhed – Kalaburagi under progress
- Hallikhed – Sultanpur – 10 km completed

**Bagalkot-Kudachi New Railway Line Project** - Total length 142 Kms. This project was approved by Ministry of Railway in 2010-11 and has been taken up on 50:50 cost sharing basis between Government of Karnataka & Ministry of Railways and free of land. The Original Estimated Cost is Rs.816.14 crore. Land acquisition process is in progress. So far Rs.170.7132 crore, has been released for this project. (Including land acquisition cost)

**Munirabad-Mehaboobnagar Railway Line Project:** Total length 170 kms. Administration approval was accorded to take up Munirabad – Mehboobnagar New Broad Gauge Railway Line Project at an estimated cost Rs.350.00 crores on 50:50 cost sharing basis between GoK and MoR. GoK share is Rs.175.00 crores and Railway's share is Rs. 175.00 crores. GoK is released its share amount Rs.175.00 crores to SWR. Presently the project estimate cost is revised to Rs. 1350.91 crores by Railway Board. Accordingly, GoK and MoR share is Rs. 675.455 crores. The revised estimate cost proposal is under examination.

**Tumakuru-Rayadurga Broad Guage Railway Line Project:** The length of the project is 102.63kms. In the Government Order, GoK was accorded sanction for taking up New Broad Guage line between Tumakuru – Rayadurga via Kalyanadurga total estimated cost of the project is Rs.1027.89 crores and the portion of Gok is Rs. 479.59 crores. This Railway project has been take up on 50:50 cost sharing basis (Gok Share Rs. 239.80 and MoR share Rs.239.80). GoK has released Rs.60.00 crores for this project.

**Chikkamagaluru – Sakaleshpura Railway Line Project:** The length of the project is 46 kms. GoK has accorded administrative approval to take up the work on the defrozen Chikkamagalur – Sakaleshpur

section of the earlier approved Kadur-Chikkamagaluru-Sakaleshpur New Railway Line Project at a cost of Rs.657.80 crores on 50:50 cost sharing basis between MoR and GoK and to provide the required land free of cost to SWR. GoK has release Rs.25.00 crores to the SWR for the construction of Chikkamgalure-Sakaleshpur New Railway Line Project. GoK has released Rs.15.49crores towards the cost of land acquisition to the Deputy Commissioner, Chikkamagaluru.

**Gadag – Wadi New Railway Line Project:** Total length 252.5 km. GoK accords administrative approval for the construction of Gadag – Wadi New Railway Line at a cost of Rs.1922.14 crores on 50:50 cost sharing basis between GoK and MoR sanction is also accorded to provide required land free of cost to SWR.

**Hejjala – Chamarajnar New Broadguage Railway Line Project:** In the G.O. No. IDD 16 NSW 2012, dated: 03.03.2014 GoK accords administrative approval for the construction of Hejjala – Chamarajnar New Railway Line at a cost of Rs.1245.71 crores on 50:50 cost sharing basis between GoK and MoR and also to provide the required land free of cost to SWR. GoK will bear the cost of land acquisition as per actuals.

**Kolar Coach Factory:** Government of Karnataka has agreed to set up Rail Coach Factory in Kolar district on cost sharing basis providing land free of cost (Government land 550.28 acres and Private land 568.10 acres in Srinivasapura and Kolar taluks) and sharing 50% of the construction cost.

**Railway Fiat Coach Factory, Yadagir:** GoK has approved for setting up of FIAT bogie manufacturing factory by MoR at Yadagir district. The entire cost shall be funded by MoR. 150 acres of land has been handed over to Railways free of cost.

**The Bengaluru Metro Rail project: (Namma Metro)**

Bengaluru Metro Rail, also known as Namma Metro (Our Metro), is a Mass-

Transit Rail System for the city of Bengaluru. The agency responsible for its implementation is the Bengaluru Metro Rail Corporation Ltd. (BMRCL)

The Bengaluru Metro Rail project — Phase 1 consists of Standard gauge double line, 750V DC electrified North- South and East — West Corridors weaving through the bustling commercial and residential areas of the city.

The East-West corridor is 18.10 km. long, starting from Baiyyappanahalli and terminating at Mysuru Road terminal, going via Old Madras Road, Indira Nagar, Ulsoor, Trinity Circle, M.G. Road, Cricket Stadium, Vidhana Soudha, Majestic, City Railway Station, Magadi Road, Hosahalli, Vijayanagar and Deepanjali Nagar.

The North-South Corridor is 24.20 Kms long starting from Hesarghatta Cross terminal and goes upto Puttenahalli Cross via Jalahalli, Peenya Industrial Area, Peenya Village, Yeshwantpur industrial Area, Yeshwantpur, Soap factory, Mahalakshmi, Rajajinagar, Kuvempu Road, Malleshwaram, Swastik, Majestic, Chikkapete, City Market, K.R. Road, Lalbagh, South End Circle, Jayanagar, RV Road, Banashankari and Jayprakash Nagar.

Out of the 42.3 km., 8.8 km.is underground near City Railway Station, Vidhana Soudha, Majestic, Chickpet and City Market and the rest 33.5 km will be elevated.

The funding pattern is, 14.1% equity would be from each of the Governments Gol and GoK. Subordinate debt would be 9.4% from Gol and 19.1% from GoK. Remaining 43.3% would be from borrowings from JICA, AFD, HUDCO and ADB.

The utilities shifting work for the project utility started from 2nd October, 2006 on MG Road and the first civil construction work was in Eastern corridor i.e., Reach 1 (Baiyyappanahalli to MG road- 6.7 Kms) and it started in April 2007.

The Reach 1 (Baiyappanahalli to MG road-6.7 Kms) was commissioned on 20th Oct 2011 for public and the cumulative ridership by the end of Oct 2014 The Reach 3 and 3a (Sampige Road to Peenya 10.3 Kms with 10 stations) was commissioned on 1st March 2014 for public.

The approximate ridership since inception is 250 Lakhs.

### **Metro Phase-2**

It consists of Four Extensions to the existing lines and Two New Lines (R.V. Road to Bommasandra and Gottigere-IIMB-Nagawara) with a total length of 72.095 km and 61 stations (49 Elevated and 12 Underground). The State Government commissioned DMRC for preparing a Detailed Project Report.

While the Four Extensions will give the much needed last mile connectivity to the commuters, the Two New Lines traverse through some of the densest and high traffic density affected areas of Bengaluru. The Phase-2 will also bring connectivity to the Electronics Industry and Information Technology Park. The Phase-1 (42.3 km) and Phase-2 (72.09 km), together will create a Metro Network of 114.39 km, with 101 Stations (81 Elevated, 19 Underground and 1 At-Grade) and will bring about a total transformation in the city's urban transportation scenario and as such network will be capable of carrying 14.80 Lakh passengers per day in the year 2016-17. It will considerably reduce the traffic congestion; will bring in its wake, fast, comfortable, safe, pollution-free and affordable mass transportation system for the Bengalureans, which in turn will contribute to further development and prosperity of Bengaluru.

- Four extensions to Phase-1
  - Baiyappanahalli to ITPL – Whitefield
  - Mysuru Road Terminal to Kengeri

- Hesaraghatta Cross to BIEC
- Puttenahalli Cross to Anjanapura Township

- Two New lines
  - R.V. Road to Bommasandra
  - Gottigere to Nagawara

### **Phase-2 Progress is as follows;**

- Project has been approved by Govt. of India and State Govt.
- Geo technical surveys have been completed
- Land acquisition process has been started
- Discussions with other civil agencies are started for shifting of utilities
- Calling of Tenders for execution of works are started
- Best Practices and success stories:

#### **1. Rainwater harvesting**

The phase I of the project consists 42.3 km out of which 33.5 km is viaduct with 33 stations. The viaduct is supported by concrete piers mostly at 28m apart. Rain water falling on viaducts is brought to the ground level by down take pipes installed in each pier. Initial studies on the quality of rainwater collected from the Viaduct reveals, subject to the normal filtering process, that the harvested rainwater is potable. BMRCL is exploring the possibility of public private partnership (PPP) in harvesting rainwater which could be supplied to bulk consumers like apartments, hotels, commercial complexes, local governments, etc on commercial terms.

#### **2. Pre-audit of all payments**

In BMRCL, every payment is effected only after pre-audit by the Internal Auditor, which is a Chartered Accountant Firm.



### 3. Pre-entry System in respect of all payments

The Company is following pre-entry system in ERP, this ensures that, the accounts in ERP are always up-to-date. the Up-to-date MIS reports like Expenditure -- Reach wise, Agency wise, Contractor wise, Contract wise etc. can be obtained because of the scientific classification of Account Heads made and built into ERP, coupled with the Pre-entry System. The Pre-audit allows corrections if any required before payment and thus, post-audit queries get substantially reduced.

#### 11.2.3 Airports

Kempegowda International Airport was the country's first Greenfield international airport conceived under the Public Private Partnership (PPP) mode with 26% shareholding by State promoters (13% each by Government of India and Government of Karnataka) and the balance 74% by private promoters. The airport has been developed at a cost of Rs.2470 crore at Devanahalli near Bengaluru.

The airport began operations in May 2008 and handled 8.7 million passengers in the first year. Presently, it is handling around 12 million passengers annually. With the aim of establishing Kempegowda International Airport as India's leading airport in terms of quality and efficiency and to set a benchmark for the future amongst Indian airports, it is built and operated to the best international standards and is a new start in Indian aviation with regard to the passenger experience on ground. Presently, Kempegowda International Airport is the 3rd largest airport in the county in terms of passenger traffic. The traffic at the airport is growing at a pace higher than national average. Expansion of the existing terminal building, apron area and other related facilities has been completed to cater to the growing demand. The terminal-I expansion has been completed and is able to cater passengers traffic of 17.2 million.

Preparatory work for construction of second parallel runway and terminal T2 has been taken up which are planned to be commissioned in 2015-16. With this, the airport would have capacity to handle 35 million passengers per annum. The airport has won several awards and accolades including the 'Best Airport India' award by Skytrax World Airport Awards in 2011. The 'Best Emerging Airport-Indian Subcontinent' award in 2010 and 2011, the 'Best Managed Airport' in CNBC Awaz Travel Award 2010.

The existing airport at Mysuru has been operationalised. The existing airport at Hubli is being upgraded to cater to larger air craft. The required land arounds 600 acres of land has been handed over to AAI. MoU has been signed with AAI on 23.01.2013 for the development of Hubli Airport. For the expansion of Belgaum Airport 370 acres of land has been acquired and handed over to AAI. Memorandum of Understanding has been signed on 19-01-2012 for development of the Belgaum Airport. The airport at Mangaluru has been upgraded. The second runway and new terminal building complex have been constructed. This airport is maintained by Airports Authority of India (AAI) and has been declared as International Airport on 29.10.2012.

Minor airports at Shivamogga, Kalaburagi, Vijayapura, Hassan and Ballari are being developed on PPP basis through private operators. In-principle approval of Ministry of Civil Aviation, Government of India has been obtained. Necessary land for the Shivamogga and Kalaburagi airports has been acquired and agreements have been signed with the developer for development of airports. Project works are in progress.

The development of Hassan Airport is being taken up on PPP basis. Out of the total land of 960 acres required for the Airport, 536 acres of land was acquired and transferred to the developer. The requirement of balance land has been reduced from 424 acres to 225 acres totaling to 761 acres of



land. Project development agreement was signed with the developers on 06.09.2007 and in-principle approval has been obtained from the Ministry of Civil Aviation. Environmental clearance has been obtained from the Ministry of Environment and Forests.

The existing defence airports at Bidar and Karwar are also being developed for civil operations. The government is pursuing the matter of starting the civil aviation operations at Bidar with AAI.

### **Regional Air Connectivity**

- The basic infrastructure for undertaking airline operations within the State is in place.
- It is proposed to identify a private airline operator for commencing flight operations on select routes, through a transparent bidding process.
- Newer structures need to be looked at
- GoK to underwrite seats/ offer concessions on flying miles.
- Reduce abolish taxes on ATF.
- Smaller ATRs could be considered, viz CESSNA.
- Permit Group B officials for air travel.

### **Air Strips**

The Construction of Airstrips in the Districts where there are no Airports within 150 kms is being examined and a Minor Airport Policy for the same is also being framed.

### **Issues, Challenges & Outcome**

#### **(a) Railways and Airways**

- Karnataka has poor railway density with very few districts having direct train connectivity. Karnataka has the lowest rail route and broad gauge densities as compared to other Southern States.
- While studying the State Project Development Machinery, several constraints for developing PPP projects

by State Dept/ agencies were noticed. Karnataka has identified that to bring in investment in Infrastructure through PPP route, the State has to adopt a program based approach, given the huge demand for infra projects in various sectors. The rail density in State is 16 kms per 1000 kms. The State Government with a view to increase the rail density and increase the pace of implementation, new railway projects will be taken up on 50:50 cost-sharing basis.

- To enhance the air travel to/from the State and improves Regional Air Connectivity reduction of sales tax on Aviation Turbine Fuel (ATF) and providing concession to Air operators is necessary. Currently, tax on ATF it is being charged at 28% in the State. The reduction of sales tax on ATF will bring in additional air traffic to Bengaluru International Airport (BIA) and other airports in the State which may enable the State to reap multiple benefits in terms of increasing investment in aviation sector, employment generation, socio-economic development and other catalytic benefits in tourism and hospitality sector.
- Hence, to improve Regional Air Connectivity providing concessions to Air operators by under writing seats or providing subsidy on flying miles and to reduce the tax on ATF in respect of passengers and cargo Aircrafts from 28% to 16% for Bengaluru and Mangaluru airports and @ 4% in the other airports in the State is necessary.

#### **(b) Bengaluru Metro:**

The major challenge will be new land acquisition bill which is going to be in place in Jan 2014. The various provisions of the new Act are likely to adversely affect the land acquisition for the Phase-II of Bengaluru Metro Rail Project. The main provisions which are likely to affect the acquisition are

- a) The provisions relating to preparation and publication of Social Impact Assessment Study.
- b) Appraisal of Social Impact Assessment report by an expert group.
- c) The provisions relating to Rehabilitation and Resettlement Scheme.
- d) The compensation will be paid twice the market rate in urban and four times of the market rate in rural areas.
- e) Increase in solatium from 30% to 100%.The provision relating to preparation and publication of Social Impact

Assessment Study and its appraisal by an expert group will take about 8 (Eight) months time before the Preliminary Notification U/s 11(1) of the new Act is issued. This will not only delay the land acquisition process but also make the land acquisition process difficult as the land acquisition for Metro Rail Project is linear in nature and Social Impact Assessment Study has to be conducted separately in different wards of the Bengaluru City.

BMRCCL has prepared a vision document for the year 2025 and identified the network of 265 km which covers approximately 80% of area of Bengaluru and BMRCCL hopes to increase public transportation share to 70% from current 55%.

### (c) Outcome

Some of the important projects proposed by the infrastructure department under PPP mode are as follows:

- High Speed Rail Project
- Light Rail Train systems in Bengaluru
- International Convention Centre, Bengaluru
- Port at Tadadi under PPP framework
- Road Projects under PPP framework
- Airports at Ballari, Vijayapura, Kalaburagi, Shivamogga, Hassan
- Gas based Power Projects

- Devanahally Business Park
- Logistics Parks
- TTMCS in Bengaluru
- APMC Market at Bytarayanapura
- Kempegowda International Airport was the country's first Greenfield International Airport conceived under the Public-Private-Partnership (PPP) mode with 26% shareholding by State promoters (13% each by Government of India and Government of Karnataka) and the balance 74% by private promoters. The airport has been developed at a cost of Rs.2470 crore at Devanahalli near Bengaluru.

### 11.2.4 Ports and Inland Water Transport

Karnataka has a coastline of 300 km with one major port and 12 minor ports (Two minor ports viz; Pavinakurve and Manki are newly declared minor ports). While the New Mangaluru major port is under the control of the Government of India, 12 minor ports come under the control of the State Government. Among the minor ports Karwar, Malpe and Old Mangaluru ports have handled significant volumes of cargo (**Table 11.23**). The considerable drop in cargo handled during last two years is due to ban on iron ore extraction.

Towards improving the infrastructure of the minor ports, an investment of Rs. 7.25 crore has been made by December 2014. The construction of 2nd stage of Karwar port is proposed to be taken up through PPP mode and M/s Price Waterhouse Cooper is appointed as Transaction Advisor and tender bids are under preparation. Anti-sea erosion works and flood control works have been taken up and an expenditure of Rs 4.04 crore has been incurred upto December, 2014.

The Ports and Inland Water Transport Department is also implementing the Sustainable Coastal Protection Project with assistance from Asian Development Bank at Rs.911 crore. Under tranche-I, the protection work is taken up at Ullal in

**Table 11.23 Cargo handled by Ports**

('000 MTs)

Ports	2011-12	2012-13	2013-14	2014-15 (Upto Dec. 2014)
Old Mangaluru	87.80	165.93	120.26	33.84
Karwar	497.20	441.19	377.10	285.37
Malpe	2.74	2.90	2.36	1.14

Source: Public Works, Ports and Inland Water Transport

Dakshina Kannada District at an estimated cost of Rs. 223 crore. The loan agreement has already been signed, the Project Management and Design Consultant are appointed and first tranche work is under progress. Detailed survey for finalisation of sites under 2nd tranche by the consultant is in progress. There is also proposal to develop other minor ports under PPP as per "Minor Port Policy-2014"

**11.2.5 TELECOMMUNICATION:**

The telecommunication system in the State is operated by both private and public sector undertakings. Apart from BSNL, a number of private companies are like Vodafone, Reliance, Aircel, Bharati, BSNL, Idea, TATA, MNTL etc. are providing the wireless and wireline phones. The number of Wireless and wireline Subscribers in Southern States is presented in **Table 11.24**.

**Table 11.24 : Number of Wireless and Wireline Subscribers in Southern States**

(subscribers in Millions)

States	Subscribers	Percentage
Tamil Nadu	79.34	25.3
Kerala	33.51	10.7
Maharashtra	75.03	23.9
Karnataka	56.76	18.1
Andhra Pradesh	69.29	22.0
<b>Total</b>	<b>313.93</b>	<b>100.0</b>

Source: Indian Telecom Services Performance Indicator Report for Quarter ending June, 2014

The tele density (both BSNL and private cellular operators) in the southern States is presented in **Table 11.25**. Urban teledensity in Karnataka (167.91) is above all India teledensity (146.24). However, Karnataka stands in 2nd position among the southern States in Urban teledensity and 5th in rural teledensity.

The number of telephone exchanges has increased over the years. In the last 7 years 180 new exchanges were added in the State. Though the number of exchanges has increased, the number of landline connections has declined significantly. The

decline in landlines can be partly attributed due to increased private participation in the mobile telephony sector and switchover to mobile phones. The trends in postal services suggest that there is a slight decline in the total number of post offices over the years. This may be due to merger of post offices in urban areas. The details of number of post offices, telephone exchanges and number of telephones are presented in **Table 11.26**. **Appendix 11.5, 11.6 and 11.7** indicates the No. of Post Offices, No of Telephone Exchanges and No. Telephones in Karnataka from 2007-08 to 2013-14.

**Table 11.25 : Southern States Teledensity (as on 30th June, 2014)**

Service Area	Rural Teledensity	Urban Teledensity	Total Teledensity
Tamil Nadu(including Chennai)	75.06	139.89	112.74
Kerala	63.75	185.38	94.65
Maharashtra(including Mumbai)	56.91	128.83	91.25
Karnataka	45.61	167.91	92.44
Andhra Pradesh	46.19	165.64	79.47
All India	44.50	146.24	75.80

Source: Indian Telecom Services Performance Indicator Report for Quarter ending June, 2014

**Table 11.26 : Number of Post Offices, Exchanges and Telephones**

Sl. No.	Particulars	Unit	2013-14	2014-15 (up to Sept. 2014)
1	IT Units	No.	2425	2560
2	IT Exports	Rs. crore	180000	103000
3	No. of Employees	Lakh No.	9.5	10

Source: Chief General Manager Telecom Office, Karnataka Circle, Bengaluru & Chief Post Master General office, Karnataka Circle, Bengaluru.

### 11.3 BANKING AND FINANCE INCLUDING COOPERATIVES

#### 11.3.1 Introduction:

Karnataka State has a fairly well developed financial infrastructure. The State has pioneered in establishment of many leading commercial banks and is home to a wide network of commercial bank branches in the country. The banking business is predominantly contributed by seven commercial banks constituting almost three-fourths of the banking business. Currently, twenty six public sector banks, sixteen private commercial banks and three regional rural banks are operating in the State.

Disbursement of credit in rural areas takes place through co-operatives, commercial banks and regional rural banks. Credit for industry and service sectors flow from a major State-run lending institution, such as Karnataka State Financial Corporation (KSFC), which undertakes promotion and development of industries in the State. The Karnataka State Industrial Investment and Development Corporation (KSIIDC) is another financial institution which acts as a nodal agency to formulate proposals for implementation of infrastructure projects.

National Bank for Agriculture and Rural Development (NABARD), as an apex level financial institution, plays a lead role in the promotion of agriculture and rural development, by preparing Potential Linked Credit Plans (PLPs) and annual action plans at the grass root level.

The ever growing demand for institutional finance in the state has resulted in expansion of banking network and credit flow. There were 755 bank branches at the time of nationalization in 1969. Since then, 8611 bank branches have been added by March 2014 thus taking the total number of branches to 9366. The branch expansion pattern depicted in Table 11.27 reveals that the branch network has significantly increased over the years. The branch network is providing better access of financial services to people in urban as well as in rural areas. Nevertheless, in last couple of years there is increase branch network at Rural and Semi-urban compared to Urban and Metro areas.

The population per branch in Karnataka is 7748 which is less than national average and also many states. In aggregate deposits and Gross credit the state holds 4th position respectively. Thus, Karnataka state is moderate in its banking network as well deposit mobilization and in gross credit flow.

**Table 11.27: Branch net work**

Sl. No.	Branch Network	March 2012	March 2013	March 2014	Average Increase in 2013-2014
1	Rural	3057	3295	3532	237
2	Semi-Urban	1668	1828	2210	382
3	Urban	1649	1699	1845	146
4	Metro/PT	1511	1608	1779	171
	<b>Total Branches</b>	<b>7885</b>	<b>8430</b>	<b>9366</b>	<b>936</b>

Source: SLBC, Karnataka



**Table 11.28 : Category wise Bank Branch network - year ending**

Sl. No	Banks	March 2012	March 2013	March 2014
1	Commercial Banks	5610	6052	6876
2	Regional Rural Banks	1374	1460	1547
3	Karnataka State Co-operative Apex Banks	40	40	0
4	KASCARD	177	178	201
5	DCC Bank	615	630	672
6	Karnataka Industrial Co-operative Bank	38	38	38
7	KSFC	31	32	32
<b>Total</b>		<b>7885</b>	<b>8430</b>	<b>9366</b>

Source: SLBC, Karnataka

**Table 11.29: Aggregate bank deposits and Gross credit in selected states****(Rs. in Crore)**

State	2014-15				
	Number of Reporting Offices	Aggregate Deposit	Rank	Gross Credit	Rank
Maharashtra	10,897	1962835	1	1755235	1
NCT of Delhi	3,133	852786	2	806096	2
Uttar Pradesh	14,725	600714	3	255681	8
<b>Karnataka</b>	<b>8,574</b>	<b>567004</b>	<b>4</b>	<b>385694</b>	<b>4</b>
West Bengal	6,815	509433	5	295986	7
Tamil Nadu	9,047	498428	6	605814	3
Gujarat	6,656	432663	7	305278	6
Telangana	4,273	292381	8	310726	5
Kerala	5,793	290513	9	189963	9
Madhya Pradesh	5,602	243488	10	134462	14
Punjab	5,530	237280	11	176216	12
Rajasthan	5,915	207684	12	178346	11
Haryana	4,027	201181	13	148414	13
Andhra Pradesh	5,743	166140	14	185392	10
ALL - INDIA	1,20,344	8114296		6157565	

Source: Quarterly statistics issued by R.B. I. -Sept, 2014

### 11.3.1 Deposits and Advances

The aggregate deposits of all the banks (commercial, RRBs and cooperative) stood at Rs.525425 crore at the end of March 2014, an increase of Rs.66500Crore compared to last year (March 2013), registering a growth of 14.49 percent. Similarly, the total outstanding advances of all the banks in the state stood at Rs.395327.85Crore as against the level of advances of Rs344870 crore recorded a

year ago indicating a growth rate of 14.63 per cent. The credit–deposit ratio (C-D ratio) of the state as on March 2014 is 75.24 per cent, which is higher compared to last year. (Table 11.30).

### 11.3.2 Priority Sector Advances

Domestic banks are required to provide 40 percent of their net bank credit to the Priority Sector. The Priority sector advances of all banks in the State amounted to

**Table 11.30: Performance of Scheduled Commercial Banks**

Sl. No	Indicator	UNIT	2011-12	2012-13	2013-14
1	<b>Branch network</b>				
	a) Commercial Banks	No.	5610	6052	6876
	b) Regional Rural Banks	No.	1374	1460	1547
	c) Co-operative Banks etc	No.	901	918	943
	<b>Total</b>	<b>No.</b>	<b>7885</b>	<b>8430</b>	<b>9366</b>
2	<b>Deposits</b>				
	A) Commercial Banks	Rs.in Crore	371625.70	422145.50	485183.32
	B) Regional Rural Banks	Rs.in Crore	15821.80	17727.60	22009.36
	C) Co-operative Banks etc	Rs.in Crore	14710.47	19051.90	18232.69
	<b>Total</b>	<b>Rs.in Crore</b>	<b>402158.0</b>	<b>458925.00</b>	<b>525425.37</b>
3	<b>Advances</b>				
	A) Commercial Banks	Rs.in Crore	265964.25	296123.90	355415.27
	B) Regional Rural Banks	Rs.in Crore	13024.72	15143.10	18202.34
	C) Co-operative Banks etc	Rs.in Crore	20899.09	33603.00	21710.24
	<b>Total</b>	<b>Rs.in Crore</b>	<b>299888.1</b>	<b>344870 .00</b>	<b>395327.85</b>
4	<b>Credit-Deposit Ratio</b>				
	A) Commercial Banks	%	71.57	70.15	73.25
	B) Regional Rural Banks	%	82.32	85.42	82.70
	C) Co-operative Banks etc	%	142.07	176.38	119.07
	<b>Total</b>	<b>%</b>	<b>74.57</b>	<b>75.15</b>	<b>75.24</b>

Source: State Level Bankers' Committee, Karnataka

Rs.158455 crore in March 2014 as against Rs.139283 crore as at March 2013 showing an increase of Rs.19172 crore recording a growth of 12.10% with contributing to 40.08% in total advances made by them, thus surpassing marginally the Benchmark level the norms fixed by the RBI.

The agricultural advances as on March 2014 were to the tune of Rs. 77971 Crore constituting 19.72 percent of the total advances of Banks against mandatory level of 18 percent. Out of which, direct advances to agriculture stood at Rs. 62665 Crore forming 15.85 percent of total advances as against the bench mark level of 13.50 percent.

Weaker section advances stood at Rs.57878Crore constituting 14.64% of the total advances with an increase of Rs.8174Crore over the corresponding previous year. The advances to Small & Marginal farmers was to the tune of

Rs. 38165 Crore covering about 46.96 lakh accounts, constituting 48.95% of the total Agriculture credit and 60.90 % of direct agriculture credit.

The advances paid to Minority communities amounted to Rs.16968 Crore, marking an increase of Rs.1997Crore against the advances paid during the last year as on March 2013. Credit disbursed by banks to MSME sectors in the state in March 2014 isRs.57051Crore from Rs.65953Crore in the previous year. Advances to SCs/STs accelerated to Rs.9966Crore in March 2014 as against Rs.9676Crore recorded in March 2013.

Similarly, advances to women stood atRs.26977Crore in March 2014 as against Rs.27590Crore made in the corresponding period of 2013 recording a good growth during the period. Details of advances to priority sector by banks in Karnataka from 2012 to 2014 are given in **Table 11.31**

**Table 11.31: Distribution of Priority sector advances(Amount in Rs. Crore)**

Sl. No.	Indicator	March 2012		March 2013		March 2014	
		Advances	% to Total Advances	Advances	% to Total Advances	Advances	% to Total Advances
1	Total Advances	299888	-	344870	-	395328	
2	Total Priority Sector Advances (PSA)	120981	40.34	139283	40.39	158455	40.08
3	Agriculture	54764	18.26	63724	18.48	77971	19.72
4	MSME	51605	17.21	65953	19.12	57051*	14.43
5	Weaker sections	37127	12.38	49704	14.41	57878	14.64
6	SCs/STs	8328	2.78	9676	2.81	9966	2.52
7	Women	23872	7.96	27590	8.00	26977	6.82
8	Minorities	13737	11.35	14971	10.75	16968	10.71

Source: State Level Bankers Committee, Karnataka

\* The reduction in MSME sector is due to reallocation to Mid-Corporate Sector by SBI since April 2013.

### 11.3.3 Financial Inclusion

There is significant strengthening of the policy and regulatory frameworks for the financial inclusion in recent years by Government of India and RBI. The launch and extension of Swabhiman campaign to provide banking services to all villages with population of above 1600, use of banking correspondents to extend the reach of the services, adoption of 'one-district many-banks one-leader' approach, shift to inter-agency operable technology are all some of the initiatives at the policy level. The State Government is providing the required support for ensuring comprehensive Financial Inclusion.

#### One District- Many Banks Model:

The Government of Karnataka Banks are implementing EBT Scheme on a pilot basis

in Ballari, Chitradurga, Kalburgi and Yadgir districts under "One District-Many Banks" Model by adopting Service Area Approach Under Lead Bank Scheme. It is implemented under the aegis of Syndicate Bank, Canara Bank and SBI, the lead banks in these districts. The Social Security Pension (SSP) payments are made electronically through Smart cards in Ballari and Chitradurga District.

#### One District – One Bank Model:

In other three districts, namely – Chamarajanagar(SBM), Mandya(Vijaya Bank) and Dharwad (Axis Bank), EWBT is being implemented under One District-One Bank Model. The progress in implementation of EBT is given in the following **Table.11.32**

**Table 11.32 : STATUS on 7 PILOT DISTRICTS EBT PROGRESS - as on 30.09.2014**

Sl. No.	District	NREGA				SSP			
		Data Received	Enrllmt Compltd	A/Cs Opened	Cards Issued	Data Recd	Enrollmt Compltd	A/Cs Opened	Cards Issued
1	Ballari	829018	293655	276911	271310	133099	88857	66728	63271
2	Chitradurga	822745	73334	72284	70827	99400	75674	70459	69211
3	Kalburgi	19728	7386	5263	5257	56555	30656	17770	17753
4	Yadgir	86767	12032	11030	10903	23535	10151	6246	6229
<b>One Dist Many Bank Model</b>		<b>1758258</b>	<b>386407</b>	<b>365488</b>	<b>358297</b>	<b>312589</b>	<b>205338</b>	<b>161203</b>	<b>156464</b>
5	Chamrajnagara	402703	106392	105851	105535	113134	86584	85684	82381
6	Dharwad	322947	106552	106552	106552	147065	88934	87652	87651
7	Mandya	391607	182189	181124	179929	189904	137515	137515	136844
<b>One Dist One Bank Model</b>		<b>1117257</b>	<b>395133</b>	<b>393527</b>	<b>392016</b>	<b>450103</b>	<b>313033</b>	<b>310821</b>	<b>306876</b>
<b>Grand Total</b>		<b>2875515</b>	<b>781540</b>	<b>759015</b>	<b>750313</b>	<b>762692</b>	<b>518371</b>	<b>472024</b>	<b>463340</b>

Source: Karnataka SLBC

### **Banking facilities to villages in Karnataka**

Regarding Provision of banking outlets in all villages with population above 2000, so far all the identified 3395 unbanked villages have been provided with banking outlets as below by the banks, with 100 per cent coverage.

<b>SL. No.</b>	<b>Bank outlets</b>	<b>No.</b>
1	BCAs (including USBs)	2870
2	B & M branches	499
3	Mobile Vans	26
	<b>Total</b>	<b>3395</b>

Provision of banking outlets in all villages with population below 2000 as per 2001 census, as per RBI guidelines, Banks have been allocated the villages having population less than 2000 based on Gram Panchayat model in their respective districts. There are 23126 villages identified with below 2000 population. A total of 18939 villages are covered upto September 2014 as against cumulative target of 22345 villages upto March 2015. A roadmap has been prepared with the provision of opening B & M Branches and submitted to RBI. Further, RBI has advised that at-least 5% of the villages allotted under this category shall be provided with banking outlets in the form of Brick & Mortar branches. Accordingly, 272 villages are covered by B & M branches upto September 2014.

#### **11.3.4 Status of implementation of Rural Infrastructure Development Fund (RIDF)**

Govt. of India, in 1995 announced the scheme for setting up of Rural Infrastructure Development Fund (RIDF) within the apex institution, NABARD for financing rural infrastructure projects. Domestic Scheduled Commercial Banks, both in public and private sectors which are unable to meet their targets for priority sector / agricultural lending are required to

deposit the shortfall amount in to the RIDF with NABARD such amounts as may be allocated to them by the Reserve Bank, depending upon the extent of their shortfall, subject to a ceiling of 1.5%. The initial corpus fund was Rs2000 crore in 1995-96 and this fund has since been enhanced with an additional corpus being announced every year in the Union Budget. Karnataka got the allocation of Rs900 crore in 2013-14 for implementing works under RIDF-XIX. The rate of interest charged on loans to State Government is at 7.50% with effect from 28.01.2014

Government utilized institutional finance from National Bank for Agriculture and Rural Development (NABARD) under Rural Infrastructure Development Fund Scheme for financing various developmental programmes in the State to supplement plan financing. In order to select and prioritise the works for loan assistance from NABARD a Cabinet Sub-Committee on RIDF has been constituted under the chairmanship of the Hon'ble Minister for Public Works. A High Power Committee (HPC) has also been constituted under the Chairmanship of the Development Commissioner for reviewing the implementation of RIDF projects in the State. The progress in the implementation of the scheme is also being monitored by NABARD from time to time.

The benefits accrued from RIDF programme are unlocking of sunk investments already made by State Governments, creation of additional irrigation potential, generation of additional employment, all-weather connectivity/ improved connectivity to villages and marketing centers and improvements in the quality of life through facilities in education health and drinking water supply.

#### **Programme status:**

In Karnataka, till October 2014 an aggregate amount of Rs.9257.80Crore has been sanctioned by the National Bank for Agriculture and Rural Development (NABARD) under various tranches of RIDF.



The completed projects include rural roads, rural bridges, minor irrigation projects, medium irrigation projects, school buildings, B.C. Hostels, rural godowns, rural markets, Anganwadi buildings, primary health centers, polytechnic buildings, Rural service centers and fish jetties.

### **11.3.5 NATIONAL URBAN LIVELIHOOD MISSION (NULM) & STATE URBAN LIVELIHOOD MISSION (SULM)**

The National Urban Livelihood Mission (NULM) & State Urban Livelihood Mission (SULM) are the new schemes which are implemented in the Karnataka State from the current financial year 2014-15.

a) NULM is revamped and restructured scheme of Swarna Jayanthi Shahari Rojgar Yojana (SJSRY) with effect from the financial year 2014-15. In the 12th Five Year Plan NULM will be implemented in all District Headquarters and all other cities with a population of 1,00,000 or more as per 2011 census.

At the initial stage, 35 cities with population of 1 lakh and above and the District Headquarters cities having less than 1 lakh population as per 2011 census considered for implementation of the scheme.

Directorate of Municipal Administration (DMA) has been nominated as State Level Nodal Agency for the implementation of NULM in the State. Under SEP (I&G), 14571 individual beneficiaries and 107 groups are the state annual target for the sanctioning of loan notified by the ministry and the same bifurcated upto District / ULB level. Accordingly scheme guidelines and targets have been communicated to Lead District Managers for implementation of the new scheme.

b) SULM is a replica of the Central Sponsored scheme NULM of the financial year 2014-15. The scheme will be implemented in other than NULM selected cities in all TMC & TP (179 cities) in Karnataka with the assistance of State Govt.

DMA is the State Level Nodal Agency for the implementation of State SULM. Under SEP (I&G), 6252 individual beneficiaries and 179 groups are the state annual target for the sanctioning of loan and the same bifurcated upto District / ULB level. Accordingly, scheme guidelines and targets have been communicated to Lead District Managers for implementation of the new scheme.

### **11.3.6 Micro Credit Delivery Innovations-Self Help Groups (SHGs):**

The movement of Shelf Help Groups (SHG) is deep-rooted in southern states of the country. Karnataka has been among the top three States in the country in SHG-Bank Linkage. The stake holders in this movement are State, Banks and NGOs.

The State Government through its Women & child Development Department (WCDD) continued its mission of empowering rural poor women in all the districts through its Stree Shakti Programme. WCDD has facilitated promotion of 9,00,000 families as on 31st March 2014 of which 1,88,457 Stree Shakti Groups have been credit linked. The **Table 11.33** presents the progress of the micro credit delivery innovations.

The SHG linkage programme –focus areas for the year 2014-15 is as under:

- i. Formation of 50,000 SHGs.
- ii. Credit linkage (both new and existing) 1,88,457 SHGs
- iii. Per Group average size of loan Rs.1.53 Lakh
- iv. Identification /Reactivating dormant/ Inactive Groups by providing training/ capacity building.
- v. Support various capacity building initiatives of the bank personnel, NGOs, Members of SHGs.
- vi. Encourage SHGs to prepare a Micro Credit Plan along with their loan application covering their

requirements of loan for Income Generation Activities (IGAs), liquidate high cost debt and social needs to avoid under financing.

#### Activities undertaken during 2014-15

- Implementation of GOI sponsored women SHGs (WSHG) in Chitradurga and Gulbarga districts to bring out a viable & self-sustainable model for promotion & financing of women SHGs by involving anchor NGOs, viz., SKDRDP and MYRADA respectively. So far Rs.1.00 crore has been sanctioned by NABARD towards promotion of 1000 women SHGs in each districts of the first phase.
- Promotional grants for Self Help Promoting Institutions (SHPIs)
- Capacity building of the partner agencies like NGOs, Banks, Govt. Officials, SHG leaders/members.

#### 11.3.7 Micro-Finance Institutions (MFIs)

Association of Karnataka Micro-finance Institutions (AKMI) registered under the Societies Act of 1860 and overseeing the workings of various (21) MFIs, has informed that the loan outstanding given by various MFIs as on March 2014 is Rs.5586.53 Crore covering 44,91,910 accounts, out of which overdue is only Rs.51.45 Crore spread over 84428 accounts.

#### 11.3.8 Kissan Credit Cards

For timely flow of credit to farmers the Kissan Credit Card (KCC) Scheme was introduced by the Government of India (GoI) during 1998-99. The scheme aims at providing adequate and timely credit for the requirements of farmers under a single window with flexible and simplified procedure adopting whole farm approach including short term and term credit needs. The scheme has also been tied up with

**Table 11.33: Progress of the Micro credit programme**

Sl. No.	Particulars	Unit	As on 31.03.2013	During the year 2013-14	Cumulative as on 31.03.2014
1	No. of SHGs promoted	No.	811,231	78837	890,068
2	No. of SHGs credit linked (new and repeat Groups)	No.	751,231	188457	969,388
3	Amount of Bank loan availed	Crore	10541.46	2888.20	13429.66
4	No of families covered under the programme	Lakh	121.47	9.00	130.47
5	Percentage of women SHGs	%	91.00%	91.00%	91.00%
6	Average loan per SHG (Rs. lakh)	Lakh	1.66	1.53	1.53
7	Amount of NABARD Refinance (Rs. crore)	Crore	1,573.49	770.86	2344.35

Source: NABARD Focus Paper

Personal Accident Insurance Scheme (PAIS) wherein card holders are insured up to Rs50,000/- at a nominal premium of Rs15 for three years.

NABARD is monitoring the issue of ATM enabled KCCs and the coverage of eligible farmers and also supporting RRBs and Cooperative Banks out of FITF for providing RuPay KCC to their farm loanees, which are operable in ATMs and POS services. The interchange charges will be reimbursed to RRBs and Co-operatives by NABARD. The KCCs have been issued by all the banks including Cooperatives. A total number of 613788 Kisan Credit Cards have been issued involving a credit limit of Rs.7097.28 Crore upto Sept. 2014. Agency-wise number of Cards issued and limit sanctioned as on 30.9.2014 is as under:

### 11.3.9 Regional Rural Banks (RRBs)

The Regional Rural Banks (RRBs) have evolved into a major institution towards credit dispensation in rural area since their inception. These banks have been promoted to serve the rural areas with specific objectives. Owing to various reform measures, these banks have achieved considerable operational and financial stability in recent years. Considering operation feasibility these banks were amalgamated from 13 to 6 in 2005 and from

6 to 4 in November 2012 and 4 to 3 in August 2013.

In accordance with the policy decision taken by the Government of India, 4 RRBs sponsored by Canara Bank were amalgamated into one and renamed as Pragathi Grameena Bank. Similarly, another 4 RRBs sponsored by Syndicate Bank were amalgamated and renamed as Karnataka Vikas Grameena Bank. The RRBs sponsored by the State Bank of Mysore, Corporation Bank, and Vijaya Bank were amalgamated into one w.e.f 1-11-2012 and renamed as Kaveri Grameena Bank, Mysore under the sponsorship of State Bank of Mysore. Similarly Pragathi Grameena Bank and Krishna Grameena Bank were amalgamated into a single RRB w.e.f 23.08.2013 and renamed as Pragathi Krishna Grameena Bank. The State Government in accordance with the provisions of Section 6 of RRB Act 1976 has made 15 per cent contribution towards equity share to all the RRBs in the state.

### 11.3.10 State Term Lending Institutions

Karnataka State Financial Corporation (KSFC) is a State Level Financial Institution established by the State Government in 1959 under the provisions of SFCs Act, 1951 which is a Central Act. The basic

**Table 11.34: Distribution of KCC cards agency wise (as on Sept 2013)**

(Rs.in Crore)

Agency	Target for 2014-15	During the Year		Outstanding Balance	
		No. of cards Issued	Limit sanctioned	No. of cards	Amount
Comm. Banks	522440	248073	3983.97	1029027	15272.50
RRBs	294560	303877	2862.16	798943	6887.04
Cooperatives	183000	61838	251.15	2167806	7922.93
<b>Total</b>	<b>1000000</b>	<b>613788</b>	<b>7097.28</b>	<b>3995776</b>	<b>30082.47</b>

Source: SLBC Karnataka

objective of the Corporation is the development of Micro, Small & Medium Enterprises (MSMEs), backward areas & first generation entrepreneurs in the State of Karnataka. The Corporation has worked in this direction since the beginning and has been successful in achieving the same. Since its inception upto the end of 31st March 2014, the Corporation has extended assistance to the extent of 66% for Small Scale Industries, 54% for Development of Backward Areas and 51% for the promotion of First Generation Entrepreneurs.

#### **MAJOR INITIATIVES:**

During the FY: 2013-14, the Corporation with the 'in principle' approval of the State Government submitted a proposal for one time settlement (OTS) of outstanding liabilities with SIDBI. As against the total liability of Rs.725 crore, the settlement amount has been arrived at Rs.450 crore. The settlement would cause a major restructuring of finances and the Corporation would explore re-defining its role and resource base with the assistance of the State Government.

#### **MAJOR ACHIEVEMENTS DURING FY: 2013-14 :**

- During the FY: 2013-14, the Corporation Sanctioned Rs.90926 lakhs, Disbursed Rs.70747 lakhs & Recovered Rs.83652 lakhs.
- The cumulative gross Sanctions of the Corporation reached Rs. 13,13,553 lakhs covering 1,68,152 cases as on 31st March 2014.
- The cumulative Disbursements reached Rs.10,26,750 lakhs as on 31st March 2014.
- The cumulative Recovery touched Rs.13,09,441 lakhs as on 31st March 2014.
- The Standard Assets portfolio of the Corporation registered a growth of 8.58% from Rs.1,60,726 lakhs to Rs.1,74,519 lakhs as on 31st March 2014.

- The State Government infused an additional share capital of Rs.5000 lakhs to augment the financials of the Corporation.
- The State Government continued the One Time Settlement (OTS) scheme till 31st March 2014 to help the small borrowers of the Corporation to come out of the debt trap and provided equity support of Rs.193 lakhs during the FY:2013-14.
- The State Government extended the Interest Subsidy Scheme for the SC/ST Entrepreneurs and provided Rs.1725 lakhs during the FY: 2013-14.
- In spite of the adverse market conditions, the Corporation earned a net profit of Rs.1,14,188 lakhs during the FY:2013-14.
- The gross Non Performing Assets of the Corporation declined from 17.08% to 15.81% during the FY:2013-14.
- The Net Performing Assets of the Corporation stood at 2.57% during the FY:2013-14 compared to 24% in 2007-08.

#### **PERFORMANCE OF THE CORPORATION DURING THE FY: 2014-15 (April to September 2014) :**

During the FY:2014-15 (April to September 2014) the Corporation has assisted 457 cases to an extent of Rs.25945 lakhs, disbursed Rs.24544 lakhs and recovered Rs.37679 lakhs.

The performance of the Corporation in the key areas of operations is summarized in **Table 11.35**.

Karnataka State Industrial and Infrastructure Development Corporation (KSIIDC) earlier known as Karnataka State Industrial Investment and Development Corporation, was established in the year 1964, as a wholly owned undertaking of the Government of Karnataka. KSIIDC is currently involved in recovery of the pending loan portfolios as well as major

infrastructure projects taken up on PPP basis like Development of a Sea Port at Tadadi, International Convention Centre & Devanahalli Business Park near BIA, etc. In

addition, KSIIDC has entered into joint ventures with ILFS for providing consultancy & advisory services and with GAIL for City Gas Distribution project.

**Table 11.35: Corporation in the key areas of operations**

Sl. No.	Particulars		FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	2014-15 (April to Sept.14)
1	Sanctions	No.	1537	1485	1598	1426	457
			73163	81732	94406	90926	25945
2	Disbursements	Rs. in lakh	58041	59708	73470	70747	24544
3	Recovery		58671	66090	79289	83652	37679

**Table 11.36 Socio Economic Contribution of KSFC assisted projects (2013-14)**

(Rs. in lakh)

Particulars	2013-14				
	Micro & Small scale	SRTOs	Medium Scale	Others	Total
Total Cost of projects assisted during the year	96801.38	1315.19	16708.40	50880.78	165705.75
Value of output	212553.00	-	53680.00	50236.00	316469.00
Investment Catalysed	334271.00	1383.00	90175.00	77137.00	502966.00
No. of new entrepreneurs assisted	350	41	12	73	476



### 11.3.11 Non-Performing Assets (NPA) in Banks

The health of banking sector largely depends on Non-Performing Assets (NPA). In the State the NPAs have increased compared to last year. The NPA was Rs.13,648 crore on March 2013 and it is Rs.15,563 crore as on March 2014 accounting for 3.94 per cent of total advances.

There were 678811 NPA accounts involving an amount of Rs. 15563 Crore as of March-2014, accounting for 3.94% of total advances. The Farm sector accounts 303511 with a balance of Rs. 4,140.00 Crore constituting 5.31 per cent of advances to agriculture. NPA under MSE and OPSA works out to 5.36% and 2.19% respectively.

### 11.3.12 Interest Subsidy Schemes

Governments of Karnataka vide Govt. Order No. AGD76ASC 2012 dated: 16.08.2012 has enhanced the maximum limit of crop loans provided to the farmers by Public Sector Commercial Banks and Regional Rural Banks in Karnataka from the existing Rs50,000/- to Rs1,00,000/- with the following conditions:

1. This enhancement is applicable for short-term crop loans approved & disbursed on or after 01.04.2012

2. In view of additional incentive of 3% subvention by the GOI to those farmers who repay the loans promptly, the interest subsidy payable by the State Govt. would be 1% to enable the loans at 3% interest rate per annum.
3. No interest subsidy is allowed by the State Govt. for the loans above Rs.1,00,000/-

### 11.3.13 Co-operative Credit

The Cooperative credit system in Karnataka has its own place in the credit delivery of rural and urban areas. Apart from urban cooperative banks, the major cooperative banks are operating in rural areas. Unlike in other states, in Karnataka two type of Cooperative credit institutions are functioning, one is looking after short term credit and another looking after credit needs of long term.

#### a. Short Term Credit Cooperative Credit Structure (STCCS):

The Karnataka state Cooperative Apex Bank through its affiliated District Central Cooperative Bank (DCCB) and Primary Agriculture Cooperative Societies (PACS) at the villages' level extends short term credit to the farmers and others. The total number of DCCBs is 21 with 634 branches. There are 5051 PACS functioning in the state. These institutions have prepared Business

**Table 11.37: NPA across the type of banks**

(Rs. in lakh)

Sl. No	Type of Banks	As on 30/3/2013		As on 30/3/2014	
		A/Cs	Amount	A/Cs	Amount
1	Commercial	542433	1171596	561261	1379234
2	RRBs	71553	53957	66293	52792
3	Cooperatives/KSFC	66059	139287	51257	124326
	<b>Total</b>	<b>680045</b>	<b>1364840</b>	<b>678811</b>	<b>1556352</b>

Source: SLBC Karnataka

Development Plan (BDP) with a view to strengthen capital base of their financial and organization set up in accordance with guidelines of NABARD, an MoU is signed by NABARD, State Government and Apex bank in June 1995, same was extended time to time.

As on 31-3-2013 the working capital of DCCBs was Rs.18436.90 crore by the end of March 2013, it had grown to Rs.21429.24 crore indicating a growth of 16.23 per cent. The total amount of Deposit in DCCBs was Rs.10773.70 as on 31-3-2013. It had grown by 17.27 per cent to Rs.13022.89 crore as on 31-3-2014. During 2013-14 all the 21 DCCBs in the State have shown profits. Only Kolar DCCB is in accumulated loss. These credit institutions provide short, medium and long term credit to PACS and other societies at gross root level and deal directly with individual borrowers also.

#### **b. Long Term Credit Cooperative Credit Structure (LTCCS)**

Apex Bank, Karnataka state cooperative Agriculture and Rural development Bank (KASCARD) at the State level and Primary

cooperative Agriculture and rural development bank at taluk level numbering 177 cater to the long term credit needs in the two tier credit delivery system. The National bank for Agriculture and Rural Development (NABARD) provides refinance to the KASCARD Bank.

#### **c. Agricultural loan disbursement**

As on 31-3-2014, the short term (ST), Medium term (MT) and Long term (LT) loans issued by the co-operative credit system in the state was Rs.7559.73 crore, 309.08 crore and 212.00 crore respectively as against Rs.6030.28 crore, Rs.314.38 crore and Rs.205.51 crore issued a year ago indicating a marked improvement in the issue of all type of Agricultural loans. In the current fiscal up to the end of sept 2014, the cooperative credit system issued ST, MT and LT loans to the extent of Rs.4765.71, 120.17 and 43.76 crore respectively.

#### **d. Recovery of Loans**

The Comparative position of recovery of Short, Medium and Long term loans under the Cooperative Credit System in the State

**Table 11.38 : Consolidated financial Status of DCCB**

**(Rs. crore)**

<b>Particulars</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
No of DCCBs	21	21	21
Total share capital	503.73	537.24	628.75
States' share capital	23.31	22.56	15.73
Share of state share capital %	4.62	4.20	2.50
Deposits	9158.21	107738.70	13022.89
Borrowings	3947.48	4799.92	5642.23
Loans & Adv O/S	9758.82	13181.49	15617.21
Banks showing profit	21	20	21

for the years from 2011-12 to 2014-15 is presented vide Table 11.40. The recovery figures show that there is high overdue in long term loan compared to other term and short term loans, the recovery has fallen drastically in the current year.

**e. Business Development Plans(BDP)for primary cooperative Agricultural credit Societies:**

Business Development Plans (BDP)are being implemented primary credit

cooperative societies from 1995-96. 4519 societies have been brought under this programme by the end of March 2014.

The 4519 cooperative societies which have been implenting business development scheme have done credit business of Rs.10447.11 crore and non credit busuiness of Rs.1540.21 crore and total business of Rs 11987.32 crore and has achieved 89.68% of annual target.

**Table 11.39: Performance of Short Term, Medium Term and Long Term Credit (Rs. in Crore)**

Year	Type of Loan	Target	Achievement	Percent
2011-12	Short term	5400.00	5631.05	104.57
	Medium term	300.00	243.17	78.85
	Long term	180.00	190.51	105.84
2012-13	Short term	6400.00	6030.28	94.22
	Medium term	300.00	314.38	104.79
	Long term	180.00	205.52	114.18
2013-14	Short term	7936.00	7559.73	95.26
	Medium term	375.00	309.08	82.42
	Long term	183.98	212.00	115.23
2014-15 (Sept)	Short term	10000.00	4765.71	47.66
	Medium term	400.00	120.17	30.04
	Long term	300.00	43.76	14.59

**Table 11.40 : Recovery of loans in Karnataka**

Type of loan	2011-12	2012-13	2013-14	2014-15 (September)
Short term	95.75	87.59	96.87	84.63
Medium term	80.43	84.16	86.35	61.22
Long term	24.50	57.20	65.54	21.96

**f. Subsidised loan to loans to farmers @ 3,1, and 0 per cent**

The State Government has implemented the scheme of lending agricultural loans to the farmers at 6 % from 01.04.2004 through agricultural cooperative credit Institutions in the state. The rates was further reduced during the subsequent years. During 2006-07 and 2007-08, the rate was reduced to 4% and from the year 2008-09 to 2010-11 interest rate was again reduced to 3% and 1% for 2011-12 and 0% upto 1 lakh and 1% upto 3.00 lakh 2012-13 for crop loans. For the 2013-14 Govt reduced the interest rate to 0% up to 2.00 lakhs and 1% upto 3 lakhs for short term agricultural loans. The medium term and long term agricultural loans up to 10.00 lakhs are disbursed to farmers at 3%.

During the year 2014-15 Government has accorded permission to disburse Short Term loan upto 3 lakhs at 0% and MT and LT loans upto 10.00 lakhs at 3%.

The Government is reimbursing the differential interest at pre determined rate to concerned institutions. An amount of Rs.627.50 crores has been earmarked to implement the scheme for the year 2013-14 and entire amount has been released by government to 16.66 lakhs farmers through concerned cooperative institutions. During the year 2014-15 a budget provision of

Rs.287.96 crore has been provided, upto October 2014 Rs.143.70 crore of interest subsidy amount has been released to 4.40 lakh farmers through cooperative institutions.

**g. Interest subsidy to Self helpgroups :-**

The scheme of advancing loans to Self help groups in Karnataka at 4 % has been implemented from 01-04-2007. Government is providing interest subsidy to cooperative institutions in order to implement the scheme. During the year 2013-14 an amount of Rs569.57 crores of loan has been disbursed to 36980 groups and Rs.20.00 crore of interest subsidy has been released.

During the year 2014-15 till the end of Sept 2014 is 5153 groups have been formed which have led to formation of Rs.2.22 lakh groups. Out of these groups 16745 groups have been provided Rs.293.72 crores of loans. During the year 2014-15 a budget provision of Rs.20.00 crore has been provided, upto October 2014 Rs.10.00 crore of interest subsidy amount has been released to groups through cooperative institutions.

**h. Loan waiver scheme of 2012-13**

In view of of the continued occurrence of drought in the year 2011-12 and 2012-13, Govt has waived the short term agricultural

**Table 11.41 Improvement under the project of Business Development (Rs in crore)**

Details	2011-12			2012-13			2013-14		
	Annual Target	Annual achievement	Percentage of achievement	Annual Target	Annual achievement	Percentage of achievement	Annual Target	Annual achievement	Percentage of achievement
Credit	70.51	8031.13	8772.81	10098.09	9327.87	92.37	11227.40	10447.11	93.05
Non-Credit	106.07	1615.52	1520.29	1901.35	1559.72	82.03	2139.41	1540.21	71.99
Total	74.51	9646.65	10293.10	11999.44	10887.59	90.73	13366.82	11987.32	89.68

loans up to Rs.25000 with interest, which were borrowed between 01-08-2011 to 25-07-2012 and remained out standing on 25-07-2012 from cooperative institutions.

The farmers who have borrowed loans of above Rs.25000 are also given benefit of waiver of Rs.25000, provided the loans of over Rs.25000 are paid to the respective cooperative institutions before the due date or 30-06-2013.

Under the scheme Govt has released Rs.940.00 crores to 4.02 lakh farmers during the year 2012-13, Rs.2338.64 crores to 10.16 lakh farmers. During the year 2014-15 a budget provision of Rs.4.73 crore has been provided, upto October 2014 Rs.2.36 crore of interest subsidy amount has been released to 0.02 lakh farmers through cooperative institutions.

**i. Assistance to Building construction/ Repair of PACS and PCARD Banks**

Under this scheme, Government is providing assistance for Repair/ Construction of office buildings of PACS and PCARD Banks. For the year 2013-14 Government has released Rs.3.00 crores to 24 societies. For the year 2014-15 Government has provided Rs.7.00 crores for 74 societies.

**j. Computerisation of PACS**

Under this scheme, Government is intended to provide assistance for the computerisation of PACS in a phased manner within 3 years. To implement the said scheme, Government has provided Rs.2.12 crores during the year 2014-15.



## 12

**HUMAN DEVELOPMENT****12.1 Human Development Index**

To advance human development – a choice expansion process for people to live long, healthy and creative lives – is the central objective of any planning and policy process. Given the well-proven fact that the economic growth does not necessarily correlate with progress in human development, the development needs have to be broadly viewed to build and reinforce human capabilities and opportunities to exercise choices.

The UNDP methodology of measuring quality of human development is based on the level of achievements in education, health along with per capita income in a country. The most basic and critical capabilities for human development are to live a long and healthy life, possess knowledge and skill and to have access to resources needed for a decent standard of living. The Human Development Index (HDI) is a measure of these capabilities quantified and tries to capture the development in its true and broader / multi-directional way than the single / uni-directional economic indicators like per-capita income. Thus, the measurement of human development is now broad based and considers several additional indicators although dimensions have remained more or less the same. Subsequently, UNDP enlarged the understanding of human development by considering other dimensions of human development like Multi-Dimensional Poverty Index (MPI), Gender Inequality Index (GII), etc. The methodology for estimating the Human Development Indices (HDI) also underwent minor changes from 2010 Human

Development Reports (HDR). While the UNDP has been publishing Human Development Reports since 1990, the Government of India released the first National Human Development Report (NHDR) in 2001. Efforts have been made since then to release such reports at the State level, reflecting the status of their districts.

This chapter presents human development and gender perspective of human development through related indices. **Table 12.1** presents comparative position of India with some selected countries, and similarly **Table 12.2** gives the position of Karnataka State among the major States in the country.

Globally, India ranks 119 out of 169 countries with a global HDI value of 0.504 and falls in the category of countries with medium HD. It falls short of the world average, which is 0.604.

From the **Table 12.2**, it can be observed that the performance of Karnataka in human development has been improving over the years in terms of HDI value, despite lowered ranking position of 10 in 2011 as compared to 7 in 2001. Formation of new States could be one of the reasons for the change of ranking position. Among southern states, Karnataka is marginally better than Andhra Pradesh (before the formation of Telangana State). However, Karnataka is way behind Kerala (rank 1) and Tamil Nadu (rank 5).

**12.1.1 Human Development Reports in Karnataka – An Overview**

Karnataka published its first Human Development Report in 1999. The first

**Table 12.1 : Comparison of India with its neighbouring countries in HDI, 2010**

Country	HDI Value	HDI Rank
<b>Countries with Very High HDI</b>	<b>0.788 – 0.938</b>	<b>1 to 42</b>
<b>Countries with High HDI</b>	<b>0.677 – 0.784</b>	<b>43 to 85</b>
<b>Countries with Medium HDI</b>	<b>0.488 – 0.669</b>	<b>86 to 127</b>
China	0.633	89
Sri Lanka	0.658	91
Thailand	0.654	92
<b>Kerala</b>	<b>0.625</b>	
<b>Karnataka</b>	<b>0.508</b>	
<b>India</b>	<b>0.504</b>	<b>119</b>
Pakistan	0.490	125
Bangladesh	0.469	129
Nepal	0.428	138

Source: UNDP, 2010

**Table 12.2 : Human Development Index among major states in India, 1981 – 2011**

Sl. No	States/UTs	1981 Value	1981 Rank	1991 Value	1991 Rank	2001 Value	2001 Rank	2011 Value	2011 Rank
1	Kerala	0.500	1	0.591	1	0.638	1	0.625	<b>1</b>
2	Punjab	0.411	2	0.475	2	0.537	2	0.569	<b>2</b>
3	Maharashtra	0.363	3	0.452	4	0.523	4	0.549	<b>4</b>
4	Haryana	0.360	5	0.443	5	0.509	5	0.545	<b>5</b>
5	Tamil Nadu	0.343	7	0.466	3	0.531	3	0.544	<b>6</b>
6	Gujarat	0.360	4	0.431	6	0.479	6	0.514	<b>8</b>
7	West Bengal	0.305	8	0.404	8	0.472	8	0.509	<b>9</b>
<b>8</b>	<b>Karnataka</b>	<b>0.346</b>	<b>6</b>	<b>0.412</b>	<b>7</b>	<b>0.478</b>	<b>7</b>	<b>0.508</b>	<b>10</b>
9	Andhra Pradesh	0.298	9	0.377	9	0.416	10	0.485	<b>11</b>
10	Assam	0.272	10	0.348	10	0.386	14	0.474	<b>12</b>
11	Uttar Pradesh	0.255	13	0.314	14	0.388	13	0.468	<b>13</b>
12	Rajasthan	0.256	12	0.347	11	0.424	9	0.468	<b>14</b>
13	Madhya Pradesh	0.245	14	0.328	13	0.394	12	0.451	<b>16</b>
14	Bihar	0.237	15	0.308	15	0.367	15	0.447	<b>18</b>
15	Orissa	0.267	11	0.345	12	0.404	11	0.442	<b>19</b>
	<b>All India</b>	<b>0.302</b>		<b>0.381</b>		<b>0.472</b>		<b>0.504</b>	

Source: 1. National Human Development Report 2001

[Note: The HDI for 2001 has been estimated only for a few selected States for which some data, including the Census 2001, was available]. 2. M.H. Suryanarayana, Ankush Agrawal and K. Seetha Prabhu (2011), UNDP working paper.

report helped the State to appreciate the existence of sharp socio-economic disparities between districts. The second State human development report brought out in 2005 provided a comprehensive analysis of district human development goals and outcomes especially for vulnerable sections and also examined the efficacy of service delivery mechanisms.

**Table 12.3** provides a comparative picture of the performance of the districts in human development index in 1999 and 2001. During this period, the issue of prevailing regional disparities and the need to address the same through focused interventions became paramount, leading to the constitution of High Power Committee For Redressal of Regional Imbalances (HPCFRRI) under the renowned economist, Dr. Nanjudappa. An attempt was needed to assess the status of human development indicators at the taluk levels. This led to an exercise during 2005-2008 for the preparation of district human development reports for districts of Kalaburagi, Mysuru, Udupi and Vijayapura with the assistance of UNDP. The reports were released in 2010.

It is a matter of pride that the reports of Udupi and Vijayapura districts were nationally recognized. The first ever India Human Development Award – Manava Vikas – was awarded to the DHDR of Udupi district for 'focus on innovation in measurement'.

### **12.1.2 Preparation of DHDR 2014 for all the districts**

Encouraged by the preparation of four DHDRs, Government of Karnataka decided to prepare district human development reports for all the thirty districts in the State simultaneously. Various human development indices have been computed using 126 indicators, except the Composite Dalit Development Index (CDDI). The DHDR-2014, prepared by each Zilla Panchayat is being released in the district from March, 2015 onwards.

### **12.1.3 Development of Indices**

The DHDR-2014 will present the following indices, namely:

- i. Human Development Index (HDI) – 11 indicators
- ii. Gender Inequality Index (GII) – 15 indicators
- iii. Child Development Index (CDI) – 3 indicators
- iv. Food Security Index (FSI) – 18 indicators
- v. District Composite/Composite Taluk Development Index (DCDI/CTDI) – 68 indicators
- vi. Urban Development Index (UDI) – 11 indicators, and
- vii. Composite Dalit Development Index (CDDI), which is a case study in a selected Gram Panchayat of a district.

### **12.1.4 Results of DHDR-2014**

The DHDR in every district will focus more on taluk level human developmental issues that enhance the quality of life, based on a uniform set of indicators with standardized definitions and sources.

Further, the Planning, Programme Monitoring and Statistics Department took up the task of preparing a document with an intention to provide succinct and relevant information on key human development and related indices that have been extracted from all 30 DHDRs at a single and easily referable place. The document is entitled, "Human Development: Performance of Districts, Taluks and Urban Local Bodies in Karnataka, 2014 – A snapshot". It presents details on the relative performance of districts / taluks/ urban local bodies (ULBs) on various indices. The document captures the essence of all 30 DHDRs in a nutshell and which is being released very shortly. The soft copies of all these documents will be made available on the respective districts' websites and the department's website: [www.planning.kar.nic.in](http://www.planning.kar.nic.in).

**Table 12.3 : Performance of Districts in Human Development: 1991 and 2001, Karnataka**

Sl. No	District	HDI - 1991		HDI - 2001	
		HDI	Rank	HDI	Rank
1	Bagalkot	0.505	20	0.591	22
2	Ballari	0.512	18	0.617	18
3	Belagavi	0.545	9	0.648	8
4	Bengaluru Rural	0.539	11	0.653	6
5	Bengaluru Urban	0.623	4	0.753	1
6	Bidar	0.496	23	0.599	21
7	Chamarajanagar	0.488	24	0.576	25
8	Chikkamagaluru	0.559	7	0.647	9
9	Chitradurga	0.535	13	0.627	16
10	Dakshina Kannada	0.661	1	0.722	2
11	Davanagere	0.548	8	0.635	12
12	Dharwad	0.539	10	0.642	10
13	Gadag	0.516	17	0.634	13
14	Hassan	0.519	16	0.639	11
15	Haveri	0.496	22	0.603	20
16	Kalaburagi	0.453	25	0.564	26
17	Kodagu	0.623	3	0.697	4
18	Kolar	0.522	15	0.625	17
19	Koppal	0.446	26	0.582	24
20	Mandya	0.511	19	0.609	19
21	Mysuru	0.524	14	0.631	14
22	Raichur	0.443	27	0.547	27
23	Shivamogga	0.584	5	0.673	5
24	Tumakuru	0.539	12	0.630	15
25	Udupi	0.659	2	0.714	3
26	Uttara Kannada	0.567	6	0.653	7
27	Vijayapura	0.504	21	0.589	23
<b>Karnataka</b>		<b>0.541</b>		<b>0.650</b>	

Source: Human Development Report, 2005, Planning Department, GoK

### 12.1.5 Gender Perspective of Human Development

Inclusive Development cannot be attained unless women participate equally in the development process. Developing countries like India face huge gender inequalities, which have a direct bearing on their human development. For instance, in a patriarchal set-up where gender discrimination is rampant, a female child is ignored when it comes to health or education. Females have little control over their lives and suffer a great deal from intra-household discrimination. Thus, HDI dimensions by themselves do not portray a complete picture of human development. In order to account for such inequalities, UNDP developed the Gender-related Development Index (GDI) in 1995.

The Gender Perspective in Human Development emphasizes the need to assess the relative levels of progress or backwardness of status of women, on different development indicators covering various issues of education, health, income, safety, survival, work, participation in decision making, political participation, etc. The indicators include either attainment levels or gaps between men and women or both in selected spheres. The Gender Perspective also highlights the need for the effective adoption and implementation of policies / programmes to achieve the set attainment levels and remove gaps between men and women.

According to UN Human Development Report, 2013, India has poor Gender Inequality Index (GII), apart from the overall poor Human Development Index (HDI). India got the rank of 132 amongst all countries. All the countries in the region of South Asia were ranked very higher on GII. China was also ranked very high on GII. This GII measures the inequality in terms of achievements between males and females in three main aspects namely, labour market, reproductive health and empowerment.

The State-wise GII in India with improved methodology has not been calculated by UNDP or any other organization so far.

However, the Ministry of Women and Child Development (2009) calculated GDI using old methodology for 1996 and 2006 for 35 States / UTs. The all India GDI for 2006 was 0.590 compared to 0.514 in 1996. The HDI for the same years was 0.605 and 0.530, respectively, as calculated by MWCD (**Table 12.4**). This shows that the loss in HDI on account of gender inequalities (which is the difference between HDI and GDI) has decreased over the decade, albeit only marginally. The GDI for Karnataka was 0.611 in 2006 compared to 0.545 in 1996. Karnataka GDI has gained 0.066 points during 2006 and the GDI score is higher than all-India GDI.

Within Karnataka, the variations for GDI among districts are high. Nevertheless, all districts reported positive change in GDI between 1991 and 2001. Four districts where HDR was prepared on a pilot basis in 2010 also showed that this increasing trend is being continued (**Table 12.5**). As expected, north-eastern districts have the lowest ranks. The district HDRs indicate that it is not necessarily the same factor to pull down GDI for different districts, but different factors can act simultaneously as pull factors of GDI. Thus, District HDRs can play an important role in providing a base for district specific analysis, planning and interventions.

The State HDR, 2005 for Karnataka provides GDI estimates for SC (GDI: 0.564) and ST (GDI: 0.527) groups for the year 2004. These are much lower than that for the whole of Karnataka GDI estimate for 2001 (GDI: 0.637). This also establishes the need for understanding various social groups separately.

From the **Table 12.5** it can be seen that the GDI in the districts of Karnataka has been on a progressive trend which is a good sign, though a lot needs to be done for the gender equality. However, the DHDRs, 2014 will present and discuss the inequality factors between men and women in the taluks of the concerned district.



**Table 12. 4 : GDI for major States and India, 1996-2006**

Sl. No	State / UTs	GDI in 1996		GDI in 2006	
		Value	Rank	Value	Rank
1	Chandigarh	0.706	2	0.763	1
2	Kerala	0.721	1	0.745	2
3	Maharashtra	0.616	3	0.677	3
4	Himachal Pradesh	0.585	5	0.664	4
5	Punjab	0.605	4	0.663	5
6	Tamil Nadu	0.576	6	0.655	6
7	Uttarakhand	0.457	13	0.647	7
8	Haryana	0.555	8	0.632	8
9	Gujarat	0.559	7	0.624	9
10	West Bengal	0.553	9	0.622	10
<b>11</b>	<b>Karnataka</b>	<b>0.545</b>	<b>10</b>	<b>0.611</b>	<b>11</b>
12	Assam	0.523	11	0.585	12
13	Andhra Pradesh	0.509	12	0.574	13
14	Jharkhand	0.404	19	0.558	14
15	Chattisgarh	0.434	16	0.542	15
16	Rajasthan	0.448	14	0.526	16
17	Orissa	0.445	15	0.524	17
18	Madhya Pradesh	0.417	18	0.516	18
19	Uttar Pradesh	0.429	17	0.509	19
20	Bihar	0.399	20	0.479	20
<b>All India</b>		<b>0.514</b>		<b>0.590</b>	

Source: Ministry of Women and Child Development, GOI, 2009

**Table 12.5: GDI in the districts of Karnataka: 1991, 2001 and 2008 (four districts)**

Sl. No	District	GDI 1991		GDI 2001		GDI 2008*
		Value	Rank	Value	Rank	Value
1	Bagalkot	0.483	21	0.571	<b>23</b>	
2	Ballari	0.499	17	0.606	<b>17</b>	
3	Belagavi	0.525	11	0.635	<b>9</b>	
4	Bengaluru (R)	0.524	12	0.640	<b>6</b>	
5	Bengaluru (U)	0.592	4	0.731	<b>1</b>	
6	Bidar	0.477	23	0.572	<b>22</b>	
7	Chamarajanagar	0.472	24	0.557	<b>25</b>	
8	Chikkamagaluru	0.550	6	0.636	<b>8</b>	
9	Chitradurga	0.514	13	0.618	<b>14</b>	
10	Dakshina Kannada	0.645	1	0.714	<b>2</b>	
11	Davanagere	0.530	9	0.621	<b>13</b>	
12	Dharwad	0.531	8	0.626	<b>11</b>	
13	Gadag	0.502	16	0.625	<b>12</b>	
14	Hassan	0.507	14	0.630	<b>10</b>	
15	Haveri	0.480	22	0.596	<b>19</b>	
16	Kalaburagi	0.432	25	0.543	<b>26</b>	<b>0.573</b>
17	Kodagu	0.617	3	0.690	<b>4</b>	
18	Kolar	0.505	15	0.613	<b>16</b>	
19	Koppal	0.428	26	0.561	<b>24</b>	
20	Mandya	0.491	19	0.593	<b>20</b>	
21	Mysuru	0.496	18	0.605	<b>18</b>	<b>0.666</b>
22	Raichur	0.422	27	0.530	<b>27</b>	
23	Shivamogga	0.572	5	0.661	<b>5</b>	
24	Tumakuru	0.528	10	0.618	<b>15</b>	
25	Udupi	0.644	2	0.704	<b>3</b>	<b>0.747</b>
26	Uttara Kannada	0.548	7	0.639	<b>7</b>	
27	Vijayapura	0.486	20	0.573	<b>21</b>	<b>0.619</b>
	<b>Karnataka</b>	<b>0.525</b>		<b>0.637</b>		

Source: Human Development Report, 2005 for 1991 and 2001;

\* DHDRs were prepared only for four districts in 2008.

### 12.1.6 Regional Disparity against Human and Gender Development in Karnataka

The dimension of regional development is an integral phenomenon of inclusive development. Policy making, therefore, must address and redress the human development disparity between regions.

The regional disparity in human development as observed through human development indices (HDI and GDI) can be seen from the **Table 12.6**. It is evident from the table that all the districts from Kalaburagi division are in the bottom of half, reflecting their very poor performance in terms of the considered human development indices.

**Table 12.6 Division-wise performance in HDI and GDI, 2001**

Sl. No	Division / District		HDI		GDI	
			Value	Rank	Value	Rank
1	2		3	4	5	6
1	<b>Belagavi Division</b>	Bagalkot	<b>0.591</b>	<b>22</b>	<b>0.571</b>	<b>23</b>
2		Belagavi	<b>0.648</b>	<b>8</b>	<b>0.635</b>	<b>9</b>
3		Dharwad	<b>0.642</b>	<b>10</b>	<b>0.626</b>	<b>11</b>
4		Gadag	<b>0.634</b>	<b>13</b>	<b>0.625</b>	<b>12</b>
5		Haveri	<b>0.639</b>	<b>11</b>	<b>0.596</b>	<b>19</b>
6		Uttara Kannada	<b>0.653</b>	<b>7</b>	<b>0.639</b>	<b>7</b>
7		Vijayapura	<b>0.589</b>	<b>23</b>	<b>0.573</b>	<b>21</b>
8	<b>Kalaburagi Division</b>	Ballari	<b>0.617</b>	<b>18</b>	<b>0.606</b>	<b>17</b>
9		Bidar	<b>0.599</b>	<b>21</b>	<b>0.572</b>	<b>22</b>
10		Kalaburagi	<b>0.564</b>	<b>26</b>	<b>0.543</b>	<b>26</b>
11		Koppal	<b>0.582</b>	<b>24</b>	<b>0.561</b>	<b>24</b>
12		Raichur	<b>0.547</b>	<b>27</b>	<b>0.530</b>	<b>27</b>
13	<b>Bengaluru Division</b>	Bengaluru Rural	<b>0.653</b>	<b>6</b>	<b>0.640</b>	<b>6</b>
14		Bengaluru Urban	<b>0.753</b>	<b>1</b>	<b>0.731</b>	<b>1</b>
15		Chitradurga	<b>0.627</b>	<b>16</b>	<b>0.618</b>	<b>14</b>
16		Davanagere	<b>0.635</b>	<b>12</b>	<b>0.621</b>	<b>13</b>
17		Kolar	<b>0.625</b>	<b>17</b>	<b>0.613</b>	<b>16</b>
18		Shivamogga	<b>0.673</b>	<b>5</b>	<b>0.661</b>	<b>5</b>
19		Tumakuru	<b>0.630</b>	<b>15</b>	<b>0.618</b>	<b>15</b>
20	<b>Mysuru Division</b>	Chamarajnar	<b>0.576</b>	<b>25</b>	<b>0.557</b>	<b>25</b>
21		Chikkamagaluru	<b>0.647</b>	<b>9</b>	<b>0.636</b>	<b>8</b>
22		Dakshina Kannada	<b>0.722</b>	<b>2</b>	<b>0.714</b>	<b>2</b>
23		Hassan	<b>0.639</b>	<b>13</b>	<b>0.630</b>	<b>10</b>
24		Kodagu	<b>0.697</b>	<b>4</b>	<b>0.690</b>	<b>4</b>
25		Mandya	<b>0.609</b>	<b>19</b>	<b>0.593</b>	<b>20</b>
26		Mysuru	<b>0.631</b>	<b>14</b>	<b>0.605</b>	<b>18</b>
27		Udupi	<b>0.714</b>	<b>3</b>	<b>0.704</b>	<b>3</b>

Source: Karnataka State Human Development Report, 2005, Planning Dept., Govt. of Karnataka

It is quite interesting to observe from the table, further, that while Belagavi division is comparatively better-off in terms of development than the worst-hit Kalaburagi division, Bengaluru and Mysuru divisions are more or less on the same higher development plane.

Thus, while striking development disparity is witnessed – through the empirical findings on human development index – mostly in Belagavi and Kalaburagi divisions, it is spread to a little extent across other divisions also. Development is more pronounced in Bengaluru and Mysuru divisions while backwardness is more pronounced in Kalaburagi and Belagavi divisions.

The gender development has regional dimension. Different aspects of gender relations cannot be ignored. It also has to consider development of women in general, women belonging to Scheduled Castes and Scheduled Tribes in particular, disabled and aged. The information provided above would help to address the issues of regional development deficits in order to ensure balanced, fair and just regional and social development that, in true sense, demonstrates inclusive development.

## 12.2 EDUCATION

The positive externalities of Education make it a public good, and therefore it needs to be supplied by the State as markets cannot provide it to the socially optimal levels. The human development paradigm

recognizes the role of education in the expansion of choices for well being, security and comfort. Therefore, the right to education is recognized as one of the fundamental human rights and, the drive towards universal elementary education aims at ensuring its delivery. Karnataka State is a fast growing economy and this growth is largely based on the knowledge base of the society. The State has embarked on significant reforms in the education sector with increased public investment to ensure access, equity and quality in education, with community involvement.

### 12.2.1 LITERACY IN KARNATAKA

A review of growth of literacy during the 2001 – 2011 decade shows that Karnataka has achieved significant progress. The literacy rate in the State during 2001 was 66.64 per cent, which increased to 75.60 per cent in 2011 (**Table 12.7**)

Urban male literacy rate in the State has crossed 90 per cent. In contrast, however, rural female literacy rate in the State is yet to cross 60 per cent. The literacy rank of the State was 9th among 16 major States (States with a population of more than 100 lakh) during 2001. It maintained this position even in 2011. The overall gain in literacy in the State during the decadal period was 9 per cent. The performance of the State is slightly higher than that of the national average on every literacy rate parameter. Some districts with a lower base rate in 2001, including Gulbarga (undivided), Bengaluru Rural, Bagalkot,

**Table 12.7 : Literacy rates in Karnataka and India**

	<b>Karnataka</b>	<b>India</b>	<b>Karnataka (Rural)</b>	<b>Karnataka (Urban)</b>
Persons	75.60	74.04	68.86	86.21
Males	82.85	82.14	77.92	90.54
Females	68.13	65.46	59.60	81.71

Source: 2011 Census

Raichur, Kolar, Chamarajanagar, Vijayapura and Bidar have crossed the State average growth rate. This is on account of the fact that literacy programmes implemented by the Department of Mass Education were concentrated in backward districts/regions of the State.

### 12.2.2 STATUS OF SCHOOL EDUCATION

School education in Karnataka is imparted through Lower Primary Schools (LPS, class I to V), Higher Primary Schools (HPS, class I to VII / VIII) and High Schools (VIII to X). These schools fall under three categories based on type of management, namely (i) Government schools managed by the Departments of Education, Social Welfare and local self-governments (ii) Government aided schools and (iii) Private unaided schools. There are also a few 'other' schools consisting of assorted categories. There are 26308 Lower Primary, 34604 Higher Primary and 14937 High Schools (2014-15) in the State (Table 12.8).

The Education Department participation in elementary education is significant as 82.93 per cent of the lower and 64.96 per cent higher primary schools are managed by the Department of Education. But Education Department participation is low in secondary education as only 30.89 per cent of the high schools are managed by Government. Government schools are mainly located in rural areas, but private schools are largely urban based.

#### ELEMENTARY EDUCATION

Article 21 A of the Constitution of India and the Right of Children to Free and Compulsory Elementary Education (RTE) Act 2009 became operative in April 2010. The State Rules under the RTE Act were notified in 2011. These developments have thrown open fresh opportunities for quality schooling for children.

#### a) Access:

There has been significant progress in improving access to schools in the State. The State has the policy to start a new

**Table 12.8 : Schools by Management in Karnataka (2014-15)**

Category	Lower Primary Schools		Upper Primary Schools		Elementary Schools		Secondary Schools		Total (Elementary + Secondary)	
	No.	%	No.	%	No.	%	No.	%	No.	%
Education Department	21816	82.93	22479	64.96	44295	72.72	4614	30.89	48909	64.48
Social Welfare + Local body	129	0.49	587	1.70	716	1.18	566	3.79	1282	1.69
Aided	238	0.90	2803	8.10	3041	4.99	3765	25.21	6806	8.97
Un-Aided	4123	15.67	2641	24.97	12764	20.95	5906	39.54	18670	24.61
Others + Central	2	0.01	94	0.27	96	0.16	86	0.58	182	0.24
Total	26308	100.00	34604	100.00	60912	100.00	14937	100.00	75849	100.00

Source : DISE 2014-15



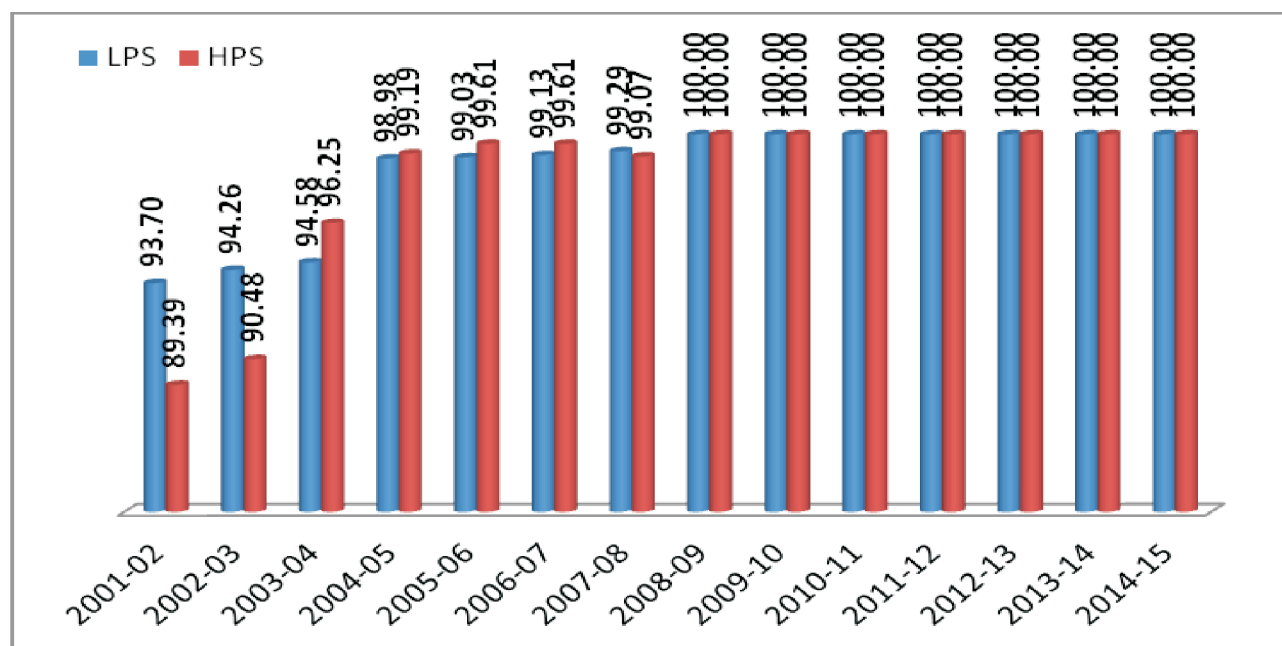
primary school within one kilometer in habitations where the population is more than 100 and child population is more than 10. HPS is provided within 3 Kilometer radius and High Schools in 5 Kilometer radius. Feeder schools or transportation facilities are provided in small and sparsely populated habitations. All habitations with a population of 100 and above now have access to a primary school within a distance of one kilometer. HPS are being upgraded to include class 8, wherever there are no High Schools within 3 Kilometers. A total of 7817 HPS has been upgraded so far. The increase

in access facilities over the years are given in **Figure 12.1**.

#### b) Institutions :

There are 60912 Elementary schools in the State, of which 26308 are LPS, 34604 are HPS during 2014-15. In 2013-14, the State had 26058 lower primary, 34427 higher primary. The number of HPS increased by 177 between 2013-14 and 2014-15. There are 14469 high schools in the state during 2013-14 which is increased to 468 during 2014-15 (**Table 12.9**).

**Figure 12.1: Increase in Access over the years**



**Table 12.9 : Schools in Karnataka**

Schools /Enrolments (All School)	2010-11	2011-12	2012-13	2013-14	2014-15
Lower Primary School (Number)	26302	25951	25950	26058	26308
Higher Primary School (Number)	33126	33604	34086	34427	34604
Secondary School (Number)	12904	13862	14194	14469	14937

It is noted that there is a decrease of 8 schools in the number of lower primary schools during the period 2010-11 to 2014-15. This decrease is not a natural but a notional decrease, as the lower primary schools get upgraded as higher primary schools every year. In contrast, there is an observed increase of 1478 higher primary and 2033 high schools in the State.

**c) Enrolments:**

**(i) Trends:** Enrolments during 2014-15 in primary (class I to V) and in upper primary (class VI to VIII) stage is estimated to be 53.73 lakh and 29.72 lakh respectively (**Table 12.10**). Over the years the enrolment

has decreased marginally in the primary stage due to decline in the growth rate of population, and consequent decline in school going age group. The State is making continued efforts for successful completion of schooling at class V, and increasing retention at upper primary stage. Both gender parity and gender equity are nearing unity in the State. The number of SC / ST children in class I to VII in the State is 1979197. Further, it is significant to note that 82.13 per cent SC / ST children in the State are in Government schools, and their share in total enrolments is 27.07 per cent. Likewise, it is noted that nearly 72.70 per cent of children in schools in rural areas are in the government sector.

**Table 12.10 : Schools and Enrolments in Karnataka 2010-11 to 2014-15 (in No's)**

Enrolments (All types of Schools)	2010-11	2011-12	2012-13	2013-14	2014-15
Enrolments classes I to V					
Total ( in lakh)	54.15	54.14	53.78	53.51	53.73
Boys ( in lakh)	28.02	28.06	27.90	27.62	27.71
Girls (in lakh)	26.13	26.07	25.88	25.89	26.01
Enrolments classes VI to VIII					
Total ( in lakh)	20.11	20.75	30.17	29.70	29.72
Boys ( in lakh)	10.37	10.72	15.68	15.40	15.37
Girls (in lakh)	9.73	10.03	14.49	14.30	14.34
Enrolments IX to X					
Total ( in lakh)	26.04	26.07	16.67	16.85	17.67
Boys ( in lakh)	13.51	13.55	8.64	8.75	9.21
Girls (in lakh)	12.54	12.52	8.03	8.10	8.46
Enrolment Total 1 to 10	100.29	100.97	100.62	100.07	101.12
Boys (in lakh)	51.90	52.34	52.22	51.78	52.28
Girls (in lakh)	48.40	48.63	48.40	48.29	48.84
Total Schools in State [ 1 to 10]	72875	73417	74230	74954	75849

The detailed enrollment statistics for gender and social group are given in **Appendix 12.1 and 12.2**.

Gender Parity in enrolment at Primary and Upper Primary are 1.01 and 0.99 in Government + Aided schools. Gender Parity is counted as number of boys and number of girls in school for every 100 boys and girls in population of respective age-groups, taken as a ratio of each other.

Enrolments in the State in 1 to 10 standards have marginally increased from a figure of 100.29 lakh in 2010-11 to 101.12 lakh in 2014-15. This increase is due to gains at higher primary and high school stages. Decrease at LPS is due to fertility effects. This phenomenon is true in general as well as in case of boys and girls.

**(ii) Gross Enrolment and Net Enrolment Ratios (GER & NER)**

GER and NER lower primary are 102.97 and 95.47 respectively. At higher primary stage the GER and NER is 89.18 and 81.37 respectively (**Table 12.11**). Changes in GER and NER across the years are marginal.

**d) Drop-out Rates:**

Sarva Shiksha Abhiyan (SSA) had identified 160779 (7 to 14 years) out-of-school children. Most of the out-of-school children were in the districts namely Vijayapura, Bidar, Yadgir, Kalaburagi, Koppal, Bengaluru North, Bengaluru South, Ballari, Dharwad, Raichur, Gadag, Haveri, Chikkodi, Chitradurga, Davanagere, Chikkaballapura, Kolar and Chamarajanagar (Source: Annual Report, SSA 2013-14). The RTE Act specifies that out-of-school children should be mainstreamed in regular schools. Every out-of-school child is expected to be enrolled in a nearby school and provided Special Training. Progress of the child is periodically assessed on a learning ladder on the basis of which, the child is admitted to an age-appropriate class. Three primers that are harmonized with the State school syllabus are used for the purpose. A gestation time of 3 to 24 months is provided for the purpose.

Drop-out rates have steadily declined over the years. The dropout rate has increased from 2.96% in LPS and 5.05% in HPS (2013-14) to 2.37% and 2.54% (during 2014-15) respectively. (**Table 12.12**)

**Table 12.11 : GER and NER at Lower Primary, Upper Primary and Secondary Stages (in %)**

Year	Primary level		Upper primary level		Secondary Level	
	GER	NER	GER	NER	GER	NER
2005-06	121.83	97.51	103.04	98.75	-	-
2006-07	108.28	98.43	107.25	98.52	62.00	-
2007-08	110.93	96.10	107.53	95.61	65.00	-
2008-09	107.15	97.33	107.48	98.09	69.77	39.03
2009-10	106.53	95.21	103.10	95.15	75.29	45.07
2010-11	107.53	98.86	103.92	93.57	81.42	58.47
2011-12	107.46	99.21	105.16	96.95	85.65	65.76
2012-13	106.81	97.69	105.66	94.83	84.54	69.30
2013-14	102.36	93.56	90.47	81.78	75.99	55.33
2014-15	102.97	95.47	89.18	81.37	77.31	55.97

**Table 12.12: Drop-out Rates in Lower Primary and Higher Primary Stages (2014-15)**  
(in %)

Stage	All children	All (Boys)	All (Girls)	SC (All)	SC (Boys)	SC (Girls)	ST (All)	ST (Boys)	ST (Girls)
Lower Primary	2.37	2.48	2.26	2.27	2.44	2.09	3.59	3.63	3.55
Higher Primary	2.54	2.34	2.76	2.40	2.00	2.85	3.96	4.04	3.88

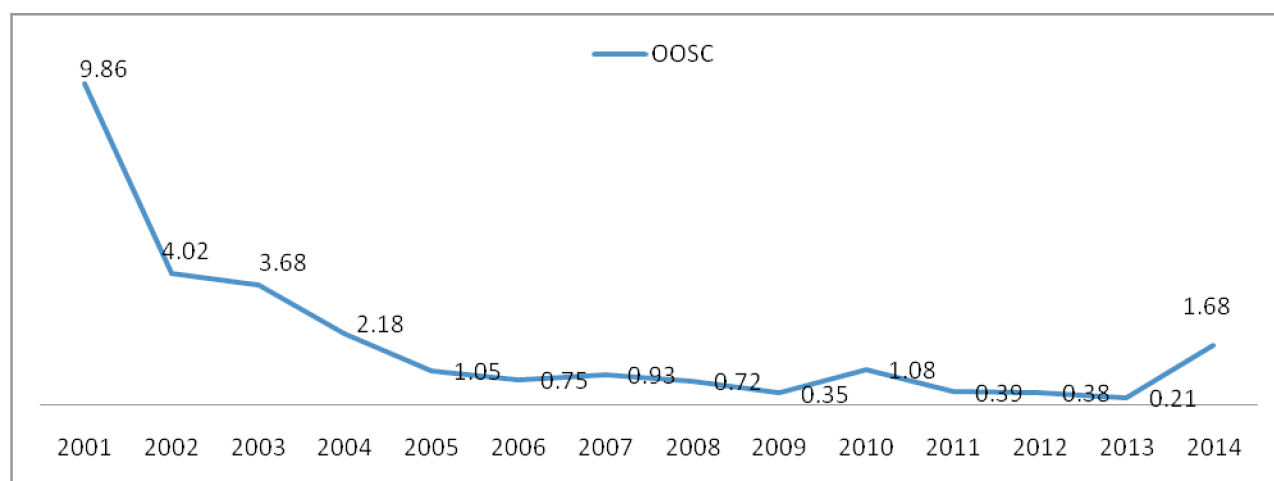
**e) Household Survey/out of School Children:**

In order to identify the educational status of all school-going age children in the age group of 7 to 14 years, a comprehensive child census programme was conducted throughout the State in two phases during November 2013 through this updation Survey 168621 children were identified as out of school children. This figure includes

160779 children who are dropped out before completing elementary education and 7842, who have never enrolled at all. The details are given in **Figure 12.4**.

The number of never enrolled children is quite low as compared to Dropout children. It showed a decreasing trend over the years. The children in the age group of 6+ below 7 years are enrolled directly during the special enrollment drive.

**Figure 12.2: Reduction in Out of School Children over the years (7 to 14 years)**  
(figures in lakhs)



### **f) Out of School Children (OOSC) Annual Work strategies**

Providing Elementary Education to children in the age appropriate of 6 to 14 is the duty of the Government according to the article 45 of the Indian constitution. In this regard State Government of Karnataka in being made serious attempt to give Elementary Education to concerned age group of children by providing basic and academic facilities. Children leaving the school before completing the Elementary Education is one of the academic problem facing by the Department of the Public Instruction.

According to children special census of 2001-02, 10.35 lakh children were identified as OOSC. Since 2001-02 every year conducting children special census / updation of children census and curative measures have been taken to tackle the Dropout problem by intruding various strategies. As per RTE 2009, all children in the age group of 6 to 14 years have the right to receive free and compulsory education in the neighbourhood school till the completion of elementary education.

Provision has been made for Special Training for out of school children. Section-4 of the RTE act makes specific provision for Special Training for age appropriate admission for OOSC. A majority of OOSC belong to disadvantaged Communities, Scheduled castes Scheduled tribes, Muslims, Migrants, CWSN, UDC, working children, children in other difficult circumstances. Special Training for never enrolled children or those who dropped out before completing elementary education would require an authentic identification of children who must be enrolled.

As per the updation survey conducted during December 2012, 22741 children in the age group of 7 to 14 were identified as OOSC. In addition there were 8587 OOSC who had been identified earlier and subjected to special training in 2012-13 and needed to continue in OOSC strategies

even during 2013-14. Out of 22741 children 13944 no. of children are covered. Out of 8587 children continued from the previous year, 7171 no. of children are covered even during 2012-13. So the total achievement is 21115 for the year 2013-14

### **g) Strategies adopted for Out of School Children:**

#### **1. Residential Special Training (Fresh) - 3 month RST**

These centers are opened during summer holidays, out of 9962 children 2687 children are covered. 735 children are covered in various hostels. 215 children are in BCM hostels, 128 are in SC/ST hostels, 85 girls are in KGBV's and 307 girls are in KKGBVs. They were provided special training in the hostels

#### **2. Non-Residential Special Training (NRST)-Fresh**

##### **i. 3 month NRST**

These NRST centers are opened for three months. Special training was given during summer vacation. Out of 5509 children 3165 children are mainstreamed

##### **ii. School Based Special Training**

As per RTE, OOSC to be given special training in the school itself, so that the children feel that they are part of the regular system. School based training was organised for 3 months. Out of 3986 children 5545 mainstreamed

##### **iii. National Child Labour Project (NCLP) Schools**

As the NCLP schools are run by the labour department an MOU is signed between State Project Director and Commissioner of Labour Department, as per the agreement SSA has extended financial aid to the NCLP residential schools. These schools are run by the NGO's and they are supervised by the Education department, Deputy Commissioners of the district and Labour Department officials. After providing special training these children are mainstreamed to



the regular schools. Out of 202 children 105 children are mainstreamed.

#### iv. Madarasa (10 month NRST)

Children who are studying in Madarasa and not getting formal education are covered under this sub-strategy. Rs. 5000/- per child is given to provide snacks, teaching learning materials and honorarium to the EV's. After the implications of RTE most of the madarasas are coming forward to give formal education. 976 children covered, achieved more than the target.

#### v. Tent Schools (6 month NRST)

"If children do not come to school, the school should go to the children." These schools are opened for the children who migrate along with their parents in the immigrating places. A make shift shelter to run the schools is constructed using low cost materials. Along with the primers, Nali-Kali and reading cards are used in classroom transaction. Out of 1432 children, 759 children are covered

### 3. Seasonal Hostel - 6 months SRST

Seasonal migration may be a part of the normal livelihood strategy of the poor, or may be caused by natural disasters or agricultural downturns. This facility is provided for the dropout children due to their parents migration, children stay in the schools which provides residential facility as a hostel. The target was 8587, the coverage is 7171.

### 4. Urban Deprived children -UDC (12 month RST)

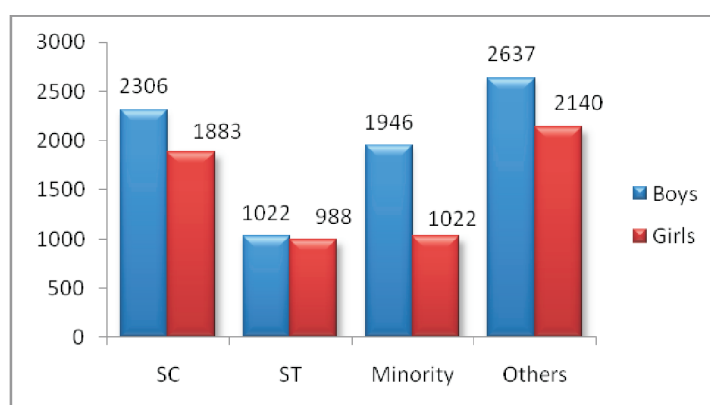
No doubt the provisions have contributed significantly in improving the situation on equity and inclusion in elementary education. However the gaps have simply narrowed and not yet eliminated. UDC are largely synonymous with homeless and street children. Getting OOSC into the formal school system need to be addressed systematically. These centres are opened in 8 corporate cities. Out of 799 children, 707 children are covered. These centers are run by the NGO's who have experience in handling and taking care of these children

**Table 12.13: Category wise out of school children covered–Fresh**

SC			ST			Minority			Other			Total		
B	G	T	B	G	T	B	G	T	B	G	T	B	G	T
2306	1883	4189	1022	988	2010	1946	1022	2968	2637	2140	4777	7911	6033	13944

Note: proportion of SC – 30.04% , ST – 14.41% , Minority –21.29%

**Figure 12.3: Category wise out of school children covered –Fresh**



### **h) Steps taken to ensure continuation of mainstreamed children in regular schools**

- Mainstreaming / inducting children of special training centres in schools is the most important part of interventions. The net outcome of enrolment of OOSC in special training depends upon the mainstreaming the students of special training in regular schools. Most of the special training centres are in the schools premises of regular school, it is easy for the purpose of mainstreaming / inducting and providing academic support.
- The regular school acts as a lead school.
- C.R.P is the attendance officer at the cluster level, to monitor and supervise.
- In the cluster sharing meetings, teachers are sensitized in handling these children.
- The SDMC members and the community are oriented.
- The mainstreamed children are constantly supervised at all levels – school/cluster/block, district, local leaders, social organizations.
- These children are given preference in educational tour, Chinnara Zilla Darshana, Adventure camp, Agri Darshan.
- Children who are deprived of residential facilities are accommodated in the near by hostels run by social welfare , BCM etc.,
- Girls from disadvantaged groups are enrolled in KGBV's and KKGBV's.
- Updating child tracking of mainstreamed children.
- Their interests and abilities are recognised and appreciated.
- Environment is created in such a way that they feel they are a part of the system and have the freedom to express their views.

### **i) Infrastructure**

#### **(i) Pancha Saulabhya and Other Basic Facilities under Sarva Shiksha Abhiyan :**

Under the national flagship programme of Sarva Shiksha Abhiyan for universalizing elementary education, the State has accorded special significance for the provision of infrastructure facilities such as school buildings, additional classrooms, maintenance and repairs of school buildings. The State has made efforts to comply with the basic infrastructure mandated under the RTE Act, comprising barrier free access to schools, adequate classrooms, separate toilets for boys and girls, playgrounds, library, compound walls/fencing, drinking water, kitchen sheds, etc.. The State government has identified five facilities as most essential for schools. These are drinking water, toilets, playgrounds, compound wall and the school building (Pancha Soulabhya). The State has made significant progress in this regard as shown in **Table 12.14** and **Table 12.15**. It is observed that there is considerable progress in regard to provision of girls' toilets.

#### **(ii) School Buildings and Classrooms**

Out of a total of 60912 elementary schools in the State 44295 belong to the DoE. About 98.46% of schools of the department possess own buildings (**Table 12.16**). The remaining 1.54 per cent include those operating in rent free or rented building and schools without any building facility. During 2014-15, there were 207652 classrooms (1,88,941 in 2008-09) in elementary schools indicating an increase of 15009 classrooms in about six years. 71.11% of classrooms are in good condition. 16.39% classrooms need minor repairs, while 12.50 % of classrooms require major repairs. Out of a total of 14937 Secondary schools in the State, 4614 belong to the DoE. About 95.21% of schools of the Department possess own buildings (**Table 12.17**).

**Table 12.14 : Infrastructure Provision in Elementary Schools of the State (in %)**

Years	Boys Toilet	Girls Toilet	Electricity	Play Ground	Ramps	Compound	Drinking Water	Library
2010-11	91.97	74.26	91.89	54.41	72.95	66.61	93.59	91.86
2011-12	97.91	98.81	95.49	54.34	78.27	69.21	99.55	98.66
2012-13	99.72	99.90	99.56	55.74	79.83	73.48	99.92	99.35
% Increase/ Decrease	1.85	1.10	4.26	2.57	1.99	6.17	0.37	0.70
2013-14	99.97	99.98	98.71	56.30	80.96	75.48	99.99	99.66
% Increase/ Decrease	0.25	0.08	-0.85	1.00	1.42	2.72	0.07	0.31
2014-15	99.76	99.94	98.99	56.87	83.37	77.33	99.98	99.73
% Increase/ Decrease	-0.21	-0.04	0.28	0.57	2.41	1.85	-0.01	0.07

Source: Education in Karnataka 2014-15, an Analytical Report, SSA, GoK, Dept. of Public Instruction.

**Table 12.15 : Infrastructure Provision in High Schools of the State (in %)**

Years	Boys Toilet	Girls Toilet	Electricity	Play Ground	Ramps	Compound	Drinking Water	Library
2010-11	69.47	68.09	73.49	74.75	24.99	58.16	86.77	92.94
2011-12	88.87	93.01	82.69	75.01	38.18	62.02	97.86	94.05
2012-13	99.30	99.59	92.32	76.65	40.05	63.94	99.32	96.49
% Increase / Decrease	11.74	7.07	11.64	2.19	4.90	3.09	1.49	2.59
2013-14	98.70	99.74	92.76	78.53	45.29	67.68	99.47	98.11
% Increase / Decrease	-0.60	0.15	0.48	2.45	13.08	5.85	0.15	1.68
2014-15	99.78	99.93	97.33	82.16	55.74	74.12	99.87	99.09
% Increase / Decrease	1.08	0.19	4.57	3.63	10.45	6.44	0.40	0.98

**Table12.16 : Classification of Elementary Schools by type of ownership of buildings – Education Department Schools only**

Category	Govt. Building	Rented	Rent Free	No Building	Others	Total
Elementary Schools	43611	299	249	15	191	44295
Percentage to Total Schools	98.46	0.52	0.56	0.03	0.43	100.00

**Table12.17 : Classification of Secondary Schools by type of ownership of buildings – Education Department Schools only**

Category	Govt. Building	Rented	Rent Free	No Building	Others	Total
Secondary Schools	4393	11	164	2	44	4614
Percentage to to Total Schools	95.21	0.24	3.55	0.04	0.95	100.00

**(j) TEACHERS**

A total of 204430 teachers of the sanctioned 171542 teachers (83.91%) are working in the LPSs and HPSs under the State Government (2014-15). In addition, 22519 teachers out of the sanctioned 17543 teachers are working in aided schools at the elementary stage 77.90 % of the teachers in Government schools at the elementary stage are female teachers. Teacher-Pupil

ratio is satisfactory in Government schools, the average PTR being 1: 23.33 at the elementary stage. However, variations are seen across districts, blocks and at school levels. The State has adopted a policy to rationalize teacher deployment to correct such imbalances. PTR in private aided and unaided schools is comparatively high at 1:42.04 and 1:30.33 respectively (**Table12.18**).

**Table12.18 : Teachers in various types of schools (2014-15)**

Teachers (Working)	Education Dept.	SW + LB	Aided	Unaided	Others	Total
Elementary level	171543	2555	17543	95133	937	287721
PTR	23.23	35.29	42.05	30.33	44.43	26.98
High Schools	39113	2640	28835	36606	706	107900

Source: Education in Karnataka, 2014-15. An Analytical Report, SSA, GoK, Dept. of Public Instruction.

### 12.2.3 Quality Improvement Initiatives

Elementary Education: Quality Initiatives are classified based on their focus on distinct stakeholders groups: Schools, Students, Teachers, Community and Administration. Programmes under these initiatives serve more than one stakeholder groups simultaneously.

#### (i) School-based initiatives

**(a) Infrastructure:** Provision of infrastructure facilities and adequate classrooms is the basic strategy for quality schooling. In addition, every school is given the following grants: School Grant and Maintenance Grant. They are directly transferred from the district educational office to individual schools and jointly operated by the President of the School Development and Monitoring Committee (SDMC) and the Head Teacher. The School Grant is used for procurement of charts, maps, specimens, newspapers, consumable chemicals, chalk and other sundry items.

Maintenance Grant is used for paying electricity, water bills, white-washing, hygienic maintenance of school and similar heads. Major repairs grants are given on the basis of evidence-based demands. An update of the grants given during 2013-14 is shown in **Tables 12.19 and 12.20**.

#### **b) Teaching Learning Equipment Grants :**

All new schools and schools upgraded from class VII to VIII are given Rs.20000/- and Rs.50000/- respectively This grant is used for laboratory / library / furniture and other essential items.

**(c) Nali-Kali (Joyful Learning) -** All the 45476 schools in the State have adopted Nali-Kali method of learning-teaching. At a rate of two teachers per school, more than 90,000 teachers have been trained to engage Nali-Kali classes. Heads of all the schools have also been trained. Nali-Kali kits that include learning cards have been supplied to all schools. Nali-Kali toll-free helpline has been set up in all district offices.

**Table12.19 : School Grants (2014-15)**

Level	Physical	Financial (Rs.in Lakh)	Achievement %
Primary (I to V)	46270	2313.50	100
Upper Primary (VI to VIII)	26738	1871.66	100
Total Elementary (I to VIII)	73008	4185.16	100
Secondary schools	4614	22710.00	100

Note: Rs. 5000 is given to LP and Rs.7000 is given to UP Govt. and aided schools

**Table12.20 : School Maintenance Grant (2014-15)**

Level	Physical	Financial (Rs. in lakhs)	Achievement %
Primary / Upper Primary Schools	66577	4986.68	100%
Secondary schools	-	-	-

Note: Only Government schools with own buildings are provided Maintenance Grant.



Other programmes which reach the schools are EDUSAT (in Chamarajanagar, Kalaburagi, Bengaluru Rural and Ramanagaram districts), as well as the Radio lessons programmes that are integrated with school syllabus and daily time-table. Classes 1 to 2, 3 to 5 and 6 to 8, receive Chinnara Chukki, Chukki Chinna and Keli-Kali Programmes respectively. 921 Higher Primary Schools are treated as Nodal Schools for organizing activities and providing leadership to neighbouring H P S for the benefit of Education of girls in 71 Educationally Backward Blocks (EBB).

**(d) Kasturba Gandhi Balika Vidyalayas :** 71 KGBVs have been set up in backward blocks of the State for the benefit of drop-out, disadvantaged, nearly destitute girls. They are all residential since 2010-11. 8079 girls are enrolled and studying in KGBVs as on 2013-14.

**(e) Residential Schools for Specific category of children :** Five residential schools for specific category of children, one each in Bengaluru Urban, Dakshina

Kannada, Dharwad, Mysuru and Shivamogga sanctioned under RTE has been established during 2011-12. The intake capacity of each school is 100 and presently 408 children are studying in these schools. In Bengaluru Urban, Mysuru and Dharwad these schools are catering to the needs of deprived children in Urban areas whereas in Shivamogga and Dakshina Kannada, children from forest and Naxal affected areas are being benefitted. The construction of fully fledged building for each of these schools is in progress and has presently reached up to plinth level. The construction is expected to be completed within 3 months. Teachers are provided to these schools both from the Department and on outsource basis. Other staff like warden, accounts assistants, D-group and Watch man have also been appointed. Apart from providing good education, children are also being trained in sports, life skills and self defense. Enrolment in Residential Schools for Specific category of children during 2013-14 as below **Table 12.21**.

**Table No 12.21 : Enrolment in Residential Schools for Specific category of children during 2014-15**

District & Place	Enrolment						
	Gender wise		Social category wise				
	Boys	Girls	SC	ST	Muslims	others	Total
Bengaluru Urban-Talaghattapura,	50	25	24	05	01	45	75
Mysuru- Nazarbad	44	38	63	05	02	12	82
Dharwad - Ghantakeri, Hubballi city	63	15	19	01	16	41	78
Dakshina Kannada - Beltangadi	50	49	15	03	04	77	99
Shivamogga - Agumbe	38	36	19	07	0	48	74
<b>Total</b>	<b>245</b>	<b>163</b>	<b>140</b>	<b>21</b>	<b>23</b>	<b>223</b>	<b>408</b>

### Facilities provided in Residential Schools:

- 4 posts of teachers are sanctioned to all residential schools. Among them, 1 post is of the cadre of Secondary Assistant Teacher having qualification of B.A/B.SC with B.Ed who serves as HM to the school. The other 3 teachers are Primary teachers with qualification of PUC with D.Ed. Salary of these teachers is being drawn from the schools.
- Other staff like warden, teachers for Hindi Language or for any other subject as per need, computer teachers, Accounts Assistant/clerk, D-Group and Watchman have been appointed through outsourced agencies.
- An agency has been selected to supply food to each school through open tender process. A menu chart has been issued to all schools.
- Children are provided training in self defence and vocational skills.
- Adequate measures are taken for safety and security of the children. Proper medical care is also provided.

**(f) Supplementary Material :** The schools also receive a monthly newsmagazine known as 'Shikshana Vaarthe'. A flannel board for every standard is also supplied to every school for displaying the creative works of children.

### ii. Student-based Initiatives

#### a. Rights-based Planning :

There are several initiatives that address the variety and diversity of needs of more than 100 lakh children in the school system in the State. With regard to nearly 84 lakh children in classes 1 to 8, the whole perspective of planning has metamorphosed as a result of relocation of elementary education from its earlier position as a Directive Principle under Article 45 of the Constitution to a new position as a Fundamental Right under Article 21 A. The substantive change has been from an

incremental planning of the 1990s, through a need-based planning of the first decade of the 21st century to a fresh perspective of rights-based planning. Although the texture of basic programmes has not changed much, the way they are looked at and planned has changed. For instance, the Government of India, in partnership with the States has been providing eight basic facilities under SSA. District planning for these facilities was based on demand and capacity of the State in India. After the adoption of Article 21A, these provisions have become mandatory, and are treated as child entitlements.

#### b. Other Entitlements :

The Model rules of the Government of India, Framework of Implementation of Right to Education Act (RTEA) document, treat other programmes as entitlements. The entitlements include free distribution of textbooks, two sets of uniforms and workbooks. In Karnataka, free textbooks, uniforms Nali-Kali workbooks and mid-day meals are served to all children in Government sector schools and private aided schools (**Table 12.22**).

#### c. Children with special Needs (CWSN):

127553 children were identified in the State out of this 113547 children are enrolled, Children with Special Needs 7315 children with severe disabilities are facilitated with home-based education. 6691 are covered through School Readiness Programme for the year 2013-14, instead of adventure camp state has given emphasize to conduct Nature study camp for CWSN along with normal CWSN.

#### iii. Teacher-based Initiatives :

The quality of education is dependent on the quality of teachers. All teachers in Karnataka are qualified and trained as per expected norms. There are no para-teachers, contract teachers, and stipendary teachers. Professional development and capacity building of teachers are accorded high priority. The following programmes are specific to teachers:

**Table 12.22: Incentives in Primary Schools & Secondary Schools (no. in lakhs)**

	2010-11	2011-12	2012-13	2013-14	2014-15(A)
Free Text Books to pupils in primary (I-VII)	57.19	62.57	42.73	46.32	46.29
Free Uniforms to pupils in primary (I-VII)	46.00	57.03	54.49	53.89	51.95
Free school bags to pupils in primary (I-VII)	11.58	11.12	6.52	3.82	-
Free bicycles to class VIII Boys	2.73	2.72	2.64	2.78	2.75
Free bicycles to class VIII Girls	2.69	2.62	2.65	2.69	2.68
No. of children provided with mid-day meal	66.76	63.02	61.48	61.48	61.40

(A) -Anticipated

- Pre-service training of two years duration (D.Ed.) mandatory for recruitment
- Induction programme of 30 days duration for all newly recruited teachers
- 15 days of in-service teacher training for all teachers, of which seven days are at District Institutes of Education and Training (DIETs) / Block Resources Centres (BRCs) / Cluster Resource Centres (CRCs), and eight days are earmarked for monthly sharing meeting of all teachers at cluster level.
- Satellite-based training to teachers
- Head Teachers' training on school leadership and management
- An annual grant of Rs.500 for every teacher to develop teaching-learning materials
- Best teacher awards
- Exposure visits

**a. Teacher Training :**

226624 teachers working at the elementary level were trained. The Department of State Educational Research and Training (DSERT) is the academic authority of the State and nodal agency for all training. DSERT works through a network of 30 DIETs, 204 BRCs and 4103 CRCs. There are 3 major heads of trainings, excluding ICT-related 42 trainings. During 2013-14 the average number of person days covered for training was 6.25 mandays out of a target of 7 mandays.

**b. Teacher Grants :**

All teachers in Government and aided schools were given teacher grants of Rs. 500 each.

**iv. Community-based Initiatives :**

Community-based management of schools is the ultimate level in decentralization of education. The management of schools by SDMCs is a step in this direction. The shifts have been from participation to involvement and currently, ownership. SDMCs are

extension wings of Panchayats. The Civic Amenities Committee (CAC) of the Panchayat oversees the functioning of SDMCs.

For the academic year 2013-14, PAB has approved an amount of Rs 536.06 lakhs to train 6 SDMC members from each of the Government school of Karnataka with a training duration of two days. There are 44,672 schools with a physical target of 2,68,032 SDMC MEMBERS.

#### **a. Community-Based Initiatives for Minorities :**

Sensitisation programmes on the need of enrolment, retention, transition and completion of formal education by children of Muslim Community was held during June and November 2010 for fathers, mothers and religious leaders in separate groups. Policy Planning Unit (PPU) is a joint collaboration of GoK and Azim Premji Foundation for promotion of excellence in elementary education. Apart from several ICT as well as leadership development programmes operated by the PPU, an action research project on School Community Connect known as 'Namma Shale', is operated in 3 districts (Kalaburagi, Yadgir, Raichur) during 2012-13. Government of Karnataka has partly funded PPU activities.

#### **v. Administration-based Initiatives :**

**a. SISLEP:** The State Institute for School Leadership and Educational Planning and Management (SISLEP) was established in Dharwad in 2009-10. SISLEP is essentially an institution for capacity building and professional development of educational administrators in the State. During 2012-13, 161 Managers & Gazetted Assistants were given training in 4 batches for two days. 60 members of DIET, T&M faculties trained for 4 days in CLHRD regarding facilitators skills. Module regarding Leadership issues for Primary School HMs, titled 'Sangathi' was developed for this purpose.

In addition to the community-based initiatives, the PPU conducted Educational Leadership Development Programmes and trained BRCs/CRCs. DSERT/DIETs also conducted several programmes for BRCs/CRCs. There are 606 Inclusive Education Resource Teachers (IERTs) in the Department, who are regular school teachers and function as teacher-administrators for CWSN programmes. They were given training in collaboration with All India Institute of Speech and Hearing (AIISH), Mysuru, for identification of children with learning disabilities in regular schools. 90 days foundation Course training in CWSN concerns was arranged for 605 regular teachers at a cost of Rs. 24.20 lakh. Training for identification of multi-category challenges was arranged during 2012-13 for 565 IERTs and special teachers with the association of National Association for the Blind, Manovikasa and Seva-in-action.

**b. Multi-Level Monitoring System :** The DoE engages in a highly systematized monitoring mechanism. The department's senior officers, directors and joint directors are allotted districts of the State and, they are expected to act as nodal officers for review, feedback and efficiency monitoring. A similar exercise is adopted in SSA/Rashtriya Madhyamik Shiksha Abhiyan (RMSA) using Project officers for efficiency monitoring. Monthly Monitoring Reviews at all levels is a convention.

The DIETs use Attainment Survey results for quality monitoring of schools. A specific tool, QMT, is also used for quality monitoring. DIETs and BRCs also adopt nodal blocks/clusters convention of monitoring schools.

**Attainment Survey:** Karnataka's work on attainment surveys has a good record. The NCERT's Learner Achievement Surveys and the Karnataka School Quality Assessment Organisation (KSQAO) surveys are well known. The attainments levels of children at class 3/5/7 [completed] were completed



under the aegis of SSA. The State-level update is as follows:

**Student learning achievement study (BAS):** The State has initiated a study on students' learning assessment. The major findings of the study are being disseminated with all senior officers and section officers. The average achievements are as follows (**Table 12.23**).

DIETs and Deputy Project Coordinators (DYPCs) are preparing modules for training on monitoring the classroom processes, and to create a child-friendly environment in the classroom. DIETs have conducted various studies to improve learning levels. SSA will conduct learning achievement study for evaluation of the action-taken points. These findings will be compared with QMT data, National Council for Educational Research and Training's (NCERT) achievement test data and other assessments conducted through NGO's. A State-level workshop for DIET nodal officers on BAS provided indicators and data to prepare block and district analytical reports. Based on these reports, action plans are being prepared for conducting training programmes.

**vi. Research , Evaluation, Monitoring & Supervision (REMS):**

REMS is one of the major interventions that focuses on Quality Dimension of education under Sarva Shiksha Abhiyan Mission. The approved activities under REMS focus on Research and Evaluation which helps in assessing the strengths and weaknesses of

the educational practices. Monitoring and Supervision activities was conducted as per RTE compliance. The activities conducted under REMS are means to achieve quality in education. There is a provision of Rs.1,500/- per school per annum under REMS for both the Government and Aided Schools. Out of this amount Rs.50 per school will be made available for SCPCR activities.

**12.2.4 SECONDARY EDUCATION**

With significant gains in primary education, the State has set in motion the planning process for universalisation of secondary education to achieve the target of 65% enrolment in 14-18 age group in classes 9 to 12. The State is also committed to strengthening the knowledge base of the society to sustain higher rate of economic growth.

**a) Institutions / Enrolment / Teachers**

The State has a total of 14937 secondary schools of which 4614 schools are run by the DoE, 566 SW and LB schools, 3765 by aided managements, 5906 by private unaided managements and 86 by others. The concentration of the secondary schools in the private unaided sector may be one of the reasons for the low access of children from marginalized groups to higher education 43.89 percent of girls are enrolled in Govt. schools, and only 24.91 percent of them study in private unaided schools.

A total of 107900 out of 36573 teachers are working in unaided secondary schools

**Table 12.23 : Average Achievement Levels (in %)**

Students / Class	III	V	VII	Average
Boys	53.96	47.15	47.21	48.72
Girls	55.67	48.55	49.14	50.46
Total	54.65	47.86	48.05	49.49



**(Table 12.24).** The State has set the goal of making secondary education of good quality available, accessible and affordable to all children in the age group of 14 to 16 years.

**b) Rashtriya Madhyamik Shiksha Abhiyan (RMSA) :**

Under this scheme 333 upper primary schools were upgraded as high schools upto 2013-14. During 2013-14, a budget of Rs.14256.78 lakhs was approved by the GoI. Provision has been made for Rs.50,000 per school for maintenance of laboratory, library, classrooms, office and school; Rs25,000 for minor repairs to Government schools with own buildings; minimum of

five days in-service teacher training to all Government high school teachers, upgradation of 333 schools with class 8 to 9th & 10th standards; infrastructure and human resource strengthening of existing Government high schools. 74 model high schools, Adarsha Vidyalayas were started in educationally backward blocks (6th to 10th standards) in English medium during 2012-13. Further, 62 girls hostels for 9th & 10th standard girls, with residential facilities for 50 girls of 9th & 10th, have been opened in educationally backward blocks. 9th standard BAS was sponsored by RMSA and completed by KSQAO. The State level update is given in **Table 12.25**.

**Table 12.24 : Schools, Teachers & Enrolment in High Schools (2014-15)**

Particulars	Govt.	Aided	Unaided	Others	Total
No. of Schools	4614	3765	5906	652	14937
Enrollment of Boys (VIII to X)	532584	421198	436403	46002	1436187
Enrollment of Girls (VIII to X)	534338	387123	350698	48934	1321093
Total Enrollment	1066922	808321	787101	94936	2757280
No. of Teachers Working	39113	28835	36573	3379	107900

**Table 12.25 : Subject wise, Gender wise Learning Achievement in 9th Std. (in %)**

Medium	First Lang.	Second Lang.	Third Lang.	Maths	Social Science	Science	Part-B	Boys	Girls
Kannada	58.17	39.93	58.92	33.99	47.17	42.78	69.23	48.06	51.09
English	59.52	54.17	63.21	32.75	41.30	37.75	64.29	48.33	51.62
Urdu	76.49	54.33	62.16	49.53	59.23	57.79	71.68	54.08	57.41
Marathi	68.03	51.80	54.24	45.13	52.78	52.68	68.46	57.16	62.30
Tamil	62.51	43.54	32.08	27.60	39.61	47.29	59.32	44.27	46.29
Telugu	69.56	43.77	67.96	51.74	60.35	61.80	75.18	62.64	59.96
Overall	65.71	47.92	56.43	40.12	50.07	50.02	68.03	48.44	51.83

### 12.2.5 Pre-University Education:

A one year pre university course was introduced in the state in 1956-57, with the abolition of the 'Intermediate Course'. The examination for this one year Pre-University Course was being conducted by the respective universities. As per the report of the Education Commission (1964-66), the state accepted the 10+2+3 pattern of education and the one year pre university course was converted in to a two year pre-university course from 1971-72.

In order to administer the +2 stage of education, the 'Karnataka Pre University Board' was established in 1971. The Board was abolished in 1988 and it was converted into the 'Directorate of Pre-university Education' in 1992. All colleges imparting PU education come under the purview of the Directorate. The Directorate looks after the administration, examination and academic matters of the PU stage.

Since, the government created a separate department to manage pre university education and created a separate cadre of lecturers and principals to staff the government PU colleges, PU stage has come to be treated as a separate stage as well as a separate sub sector of education in Karnataka. However for budgetary purposes, PU education gets its funds from secondary education budget-head only.

Pre University education is mainly regarded as preparation for university courses. The course provides for two languages and 4 electives, which are to be selected from a wide range of subjects. These electives are classified under three different subject combinations: Arts, Science and Commerce. Pre-University education is an important milestone between school education and higher education. A separate Pre-University education department has been established in the state to design, plan and implement the whole Pre-University education programme. The Government participation is more in pre-university education (**Table 12.26**). It is observed that the number of girl students is more in Government Pre-University Colleges. This indicates the need for expansion of these colleges in future to promote girls education. Financial assistance is provided under NABARD-RIDF and special Development plan to meet the infrastructure requirements of PU Colleges. Orientation programmes are organized by the department for lecturers to upgrade their knowledge and improve the results. The focus is on those districts where the pass percentage is low. Henceforth, as per National policy, pre-university stage of education will be a part of secondary education. It will not be tailored to University needs and, it will not be pre-university stage but senior secondary stage.

**Table 12.26 : Institutions at Pre-University level (Nos.)**

Institutions	Govt.	Aided	Unaided	Corporation	Total
2009-10	1188	640	1533	13	3536
2010-11	1191	640	1737	13	3743
2011-12	1200	675	1874	13	3924
2012-13	1201	775	1995	13	4127
2013-14	1203	795	2145	13	4318
2014-15	1203	795	2346	13	4519

**a) Enrolments :**

The year 2007-08 has been significant with regard to enrolments in the pre-university stage (Table 12.27). There is a direct relation between percentage of passes at X standard public examination (SSLC) and demand for pre-university education. Results at X standard were between 50% to 60 % till 2007. X standard results suddenly jumped from 2007 onwards and is currently around 60% to 75%. Still, it is observed that there is an attrition of around 17% to 20% between I and II years of pre-university education. This attrition has implications for expenditure levels across two years. Career guidance and counseling, if conducted immediately after the announcement of the X standard examination results, may help in reduction of drop outs. The Education Commission of 1966 had suggested an enrolment limit of 30% to 35% for Arts courses. However, even by 2008-09, nearly 50% of enrolments are in Arts courses

(Table 12.28). Relative proportions at II PUC stage do not change substantially. The low enrolments in science courses are a cause for concern. There is a rush for professional courses from science stream. This is not the case with respect to Arts and Commerce Courses. Low proportion of science enrolments and the attraction of professional courses lead to low enrolments in graduate science courses. Graduate science courses serve as nurseries for preparation and supply of science teachers for secondary schools, as well as for creation of pool of scientists in the Country after post-graduate and research courses. Both school science education and scientific pursuits suffer because of this trend. Initiatives by the Indian Institute of Science (Bengaluru) to attract science talent for integrated 5-years, post-graduate courses after the pre-university stage by offering a variety of incentives need to be emulated and expanded.

**Table 12.27 : Students Strength in Pre-University courses**

Year	Ist PUC	IIInd PUC	Attrition	%age
2005-06	412240	340296	-	-
2006-07	427988	361807	50433	12.23
2007-08	528879	433183	5195	1.2
2008-09	534430	434425	94454	17.86
2009-10	555977	428580	105850	19.80
2010-11	518179	450700	105277	18.94
2011-12	575673	430625	67479	15.67
2012-13	6,25,542	4,80,268	95405	16.57
2013-14	5,62,449	4,67,985	157557	25.18

**Table 12.28 : Enrolments across Courses in Pre-University (2013-14)**

Stage	Arts	Commerce	Science	Total
I year (No.s)	227074	204151	157316	588541
II year (No.s)	171669	165896	142173	479738
Proportions (%)				
I year	38.58	34.69	26.73	100
II year	35.78	34.58	29.64	100

**a) Completion Rates :**

Pass percentage at pre-university is about 62.30% in science courses **Table 12.29**. This will normally be around 25% to 50% of previous year's enrolments. It is also seen that girls fare better than boys in II PUC examination. Girls who reach II PUC are from among those who are left out after being subjected to higher degree of screening at various levels. This is not the case of boys. It is also noted that English medium results are always better than Kannada medium results.

**Training :**

It is generally acknowledged that promoting Lecturer quality is a key element in improving higher secondary education in any country. It is a proven fact, now, that systematic in-service lecturer training improves the quality of PU education programs and promotes students development. So systematic in-service training, over and above lecturer's formal education and experience, is a predictor of educational program quality. Without a doubt, one of the primary goals of the training policy of the PU education is to have a "highly qualified and trained lecturers in every classroom". The PU

Education has been engaged in in-service training of lecturers and Principals as a part of its mandate for the last decade. These are conducted throughout the state to support continuous professional development of the lecturers and the Principals.

**c) Sports/Games/NSS at PU level :**

In the Academic year 2013-14 under the able leadership & guidance of Director, DPUE, Sports Section has successfully completed Taluk Level, District level, State Level and National Level Sports Competitions. Students also get groomed for National competitions. Colleges also facilitate NCC and NSS activities. 920 pre-university colleges in the State have NSS units.

**12.2.6 Collegiate Education :**

The Department of Collegiate Education was set up in the year 1960, and has since been striving to make quality higher education affordable and accessible to all sections of students. The Department of Collegiate Education oversees the administration of 411 Government First Grade Colleges and 320 Private aided colleges affiliated to 14 state universities, through its 6 regional offices located at Bengaluru, Mysuru,

**Table 12.29 : Pass percentage at pre-university level across courses (2013-14)**

Performance	Arts	Commerce	Science	Total
Appeared (No's)	240540	199815	173355	613710
Passed (No's)	123345	140164	107993	371502
Percentage	51.28	70.15	62.30	60.53

**Table 12.30 : Institutions for graduate education 2014-15**

Management	Govt.	Pvt. Aided	Total
Institutions	411	320	731
Students	2,94,802	2,40,262	5,35,064
Av. Per college (Nos.)	717.28	750.82	731.96

Mangaluru, Shivamogga, Dharwad and Kalaburagi.

**a) Institutions :**

The average strength in government and aided degree colleges is 717.28 and 750.82 respectively (Table 12.30). The details of spread of government sector degree colleges are given Table 12.31.

**b) Enrolments :**

Analysis and discussion in this section is confined to Government and private-aided colleges.

Enrolments for degree courses are not increasing year by year (Tables 12.32 and 12.33). In fact, negative growth has been observed in case of boys during 2010-11. The male-female ratio which was in favour of boys during 2007-08 to 2009-10 has got reversed during 2010-11. This is not a case of improvement in gender parity.

Enrolment in Science courses is very poor as a proportion of total enrolments in general higher education. This is a carry-over concern of pre-university enrolments. Improving the proportion of enrolments in Science courses along with general

**Table 12.31 : Spread of Govt. sector Degree Colleges**

Region	Bengaluru	Mysuru	Shivamogga	Mangaluru	Dharwad	Kalaburagi	Total
Number	140	106	88	71	204	122	731
Proportion	19.15	14.50	12.04	9.71	27.91	16.69	100.00
Revenue Blocks	32	26	27	11	49	31	176

**Table 12.32 : Growth of Enrolments in Degree colleges**

Year	Boys	% growth	Girls	% growth	Total	% growth	M:F Ratio
2007-08	174729	-	154584	-	329313	-	53:47
2008-09	179380	2.66	163731	5.92	343111	4.19	52:48
2009-10	181779	1.34	176226	7.63	357975	4.33	51:49
2010-11	181018	-0.42	186790	3.28	367605	2.69	49:51
2011-12	226785	25.28	235313	25.98	457097	24.34	49:51
2012-13	229681	1.28	235471	0.06	465152	1.76	49:51
2013-14	247140	7.60	282867	20.14	530007	13.94	47:53
2014-15	251078	1.56	283986	1.21	535064	0.89	47:53

**Table 12.33 : Enrolments across courses (2014-15)**

Courses	BA (BA & BSW)	B.Sc (B.Sc & BCA)	B.Com (B.com & BBM)	Total
Number of students	234679	65369	235016	535064
%	43.86	12.22	43.92	100%



increases is a significant challenge. There has been a significant increase in the funds released to the Department of Collegiate Education by the Government. Investment under plan increased from Rs. 90.87 crore in 2007-08 to Rs.570.39 crore in 2014-15. Total budget under plan and non-plan increased from Rs. 487.5 crore in 2007 to Rs.1931.30 crore in 2014-15. The major share in the plan budget was for the additional infrastructure and facilities required for newly established colleges. The SC/ST students enrolment in degree college is given in **Table 12.34**.

**c) Fresh Incentives :**

**i. Naipunya Nidhi :** The Government of Karnataka has initiated a Skill Development Programme "NaipunyaNidhi" during the academic year 2014-15, for all the degree students studying in 411 Government First Grade colleges across the State. "Naipunya Nidhi" Skill Training programme aims at capacity building, Skill enhancement, instilling moral values, social responsibility and enhancing skills of employability amongst the students.

Under this programme 97,439 students, belonging to 1st year, received 50 hrs. of training in Communication Skill, 92,311 students belonging to 2nd year were trained for Social Skills for 50 hrs. The 3rd year degree students, 83,668 were trained in Job Skills. These training programmes have helped to increase the skills and employability among the students.

**ii. Placement Cell:** Placement Cell has been established in all the 411 Government

First Grade colleges. This Cell has conducted programmes for students such as Campus selection, Job mela and given information about competitive examinations. By the efforts of the Department 14 students of Government first grade colleges have been selected by the company Wipro for Higher Education i.e. MS (Master of Science). Every student is given Rs.8.00 lacs stipend during the course of study. In this direction, Infosys is giving free training programme titled Train of Trainer for lecturers.

**iii. Spoken Tutorial Project, IIT Bombay:** Spoken Tutorial Project 'Talk to a Teacher' is the activity of National Mission on education through Information & Communication Technology (ICT) launched by the Ministry of Human Resources and Development, Government of India. In collaboration with IIT Bombay all Students and Teachers of Government First Grade Colleges learn Computer Programming and Skills in IT. These new programmes such as Spoken Tutorial and Teachers basics in Computer are taught through Distance Education. The training is provided through audio/video modes. Through Spoken Tutorial many Free and Open Source Software (FOSS) courses that can be learnt are Linux-Ubuntu, Libre Office, Writer, Calc, Impress, Base, Draw, Math, PHP, MySQL, C/C++, Java, Netbeans, Python&Scilab. Through Online / Offline the above mentioned Software courses can be learnt. This is a special feature of the course. After the training, students can take the online examination conducted by IIT Bombay. Certification is given for

**Table 12.34 : SC /ST Students Enrolment for Academic year (2014-15)**

	No of SC Students			No of ST Students		
	Male	Female	Total	Male	Female	Total
Govt Colleges	31925	31082	63007	10408	21342	31750
Pvt. Aided Colleges	14540	14125	28665	5927	5439	11366

successful students who complete the examinations. This programme enhances the values among degree students and it is helpful for them. Through distance education, this programme teaches quality computer education for the backward & minority women and all students.

**iv. Upgradation of 30 Government First Grade colleges into Model Science Colleges:** To encourage Science, 30 Colleges teaching Science subjects shall be upgraded stage by stage as declared in the 2014-15 Budget Para 122.

**v. Karnataka Co-operative Milk Producer's Federation Limited (KMF) :** It has been decided to open Nandini Parlours in all the Government First Grade Colleges. This process is in progress. By establishing these parlours, the beneficiaries are the Teachers & Students.

**vi. Best Teacher & Research Award:** Honourable Chief Minister in his Budget Speech Page 41 Para 117 declared that 30 Best Teachers & Researchers shall be given Awards by recognizing their valuable service in the field of Education. This process is in progress.

**vii. EDUSAT :** For all the First Grade Colleges students through EDUSAT programmes such as English, Computer Fundamentals & Life Skills were taught for an hour with a scheduled time table every day. Students coming from rural areas were specially benefited by these programmes.

**viii. To commence B.Voc Courses in Government & Government Aided colleges:**

For Students who pass out Undergraduate courses, the Department of Higher Education has decided to provide enhanced Job opportunities by imparting skill & training. This present day situation demands education based on varied skills. Hence to start B.Voc courses was thought of. The needs of the

market were felt in the following areas: Automobiles, Entertainment, Information Technology and Telecommunications & Marketing. Further depending on the UGC guidelines and the demands of the market the following courses, Tourism and Travel, Tourism and Hospitality Management, Public Relations (PR), Human Resource Management (HRM), Fashion Designing shall be included in the B.Voc course also. This process is in progress.

### 12.2.7 Technical Education

Technical Education all over the world is gaining importance day by day because of rapid advancements in science, technology and innovations. With this background, to compete with the developed countries in the world and to keep Karnataka ahead in Industrial growth and in the field of Information Technology, the Directorate of Technical Education is playing a vital role.

#### a) Institution :

There were only 57 technical institutes, under Department of Technical Education initially but now there are a staggering 588 institutes across the state ranging from Degree to Diploma, Junior Technical Schools and Fine Arts Schools/Colleges (Table 12.35).

#### b) Budget Provision :

The Budget provided for government polytechnics and engineering colleges under plan & non-plan for previous 5 years is given in Table 12.36.

#### c) Staff Training and Apprenticeship Training Programme :

To provide the Human Resources and enhance the teaching efficiency of the staff, the teaching faculties have been deputed to higher education and also improve their skills through short term training programmes. The details are given in Tables 12.37 and 12.38.

As per the Govt. Apprenticeship Act 1973 (amended) and 1986 the State Govt./ Central Govt./Private Companies will

**Table 12.35 : Classification of Technical Institutes in the State during 2013-14**

Technical Institutes	Classification				
	Govt.	University	Pvt. Aided	Pvt.	Total
Engineering Degree					
Engineering Colleges	10	2	9	177	198
Women's Engineering Colleges	-	-	-	3	3
Evening Engineering Colleges	1	1	2	1	5
Total	11	3	11	181	206
Diploma					
Co-Education Polytechnics	69	-	42	159	270
Women's Polytechnics	9	-	1	5	15
Evening Polytechnics	1	-	1	4	6
Non- Engineering Polytechnics	2	-	-	-	2
Total	81	-	44	168	293
Others					
Junior Technical Schools	6	-	-	6	12
Fine Arts Colleges	-	-	3	-	3
Fine Arts Schools	2	-	23	49	74
Total	8	-	26	55	89
Total No. of Technical Institutions					588

Note: There are 14 institutes conducting Engineering courses and 12 Institutes conducting Diploma courses on 2nd shift basis. During 2012-13 these institutes were not separated from the list.

**Table 12.36 : Budget Provision for Technical Education (Plan & Non-Plan)**

Year	Plan		Non-plan	
	Allocation	Expenditure	Allocation	Expenditure
2009-10	16127.27	13576.11	10070.65	10998.18
2010-11	26934.00	27064.11	14740.82	15129.57
2011-12	23557.51	23497.22	26117.39	23460.66
2012-13	33609.92	29219.11	26175.06	23972.80
2013-14	53919.72	49754.74	26734.11	27840.18

**Table 12.37: No. of Teaching Staff deputed for the higher education during last five years**

Subject	2009-10	2010-11	2011-12	2012-13	2013-14
M.E /M.Tech.	7	24	33	40	51
PhD	0	1	1	9	26

**Table 12.38: No. of Teaching/Non-teaching staff deputed for short term training programmes during last 5 years**

Subject	2009-10	2010-11	2011-12	2012-13	2013-14
Programs conducted at the NITTR, Chennai	103	105	108	102	167
Staff deputed (No.)	1545	1500	1793	1440	1924

**Table 12.39 : No. of beneficiary students who got benefitted from the ATS during 2013-14**

Subject	Others		SC		ST		Differently-abled		Minority				Total	
	Eng	Dip	Eng	Dip	Eng	Dip	Eng	Dip	Christians		Muslims		Eng	Dip
									Eng	Dip	Eng	Dip		
Civil	60	35	11	9	7	12	3	1	7	3	16	10	104	70
Electrical	401	126	56	12	19	7	0	0	8	3	3	1	487	149
Mechanical	305	158	196	26	16	9	2	0	9	5	8	4	536	202
Computer Science	255	91	68	22	18	6	1	0	7	4	5	2	354	125
Automobile	44	29	29	11	6	3	0	0	4	2	10	2	93	47
Others	368	241	39	27	19	10	4	2	19	12	46	29	495	321
<b>Total</b>	<b>1433</b>	<b>680</b>	<b>399</b>	<b>107</b>	<b>85</b>	<b>47</b>	<b>10</b>	<b>3</b>	<b>54</b>	<b>29</b>	<b>88</b>	<b>48</b>	<b>2069</b>	<b>914</b>

**Table 12.40 : Details of the Scholarship/Merit awards during 2013-14 (Rs. in lakhs)**

Year	SC Students		ST Students	
	No. of Students	Amount in Rs.	No. of Students	Amount in Rs.
2010-11	1264	332.01	87	18.74
2011-12	2184	586.79	671	191.37
2012-13	2666	793.82	865	275.40
2013-14	2664	851.58	78	14.49
<b>Total</b>	<b>8778</b>	<b>2564.20</b>	<b>1701</b>	<b>500.00</b>

impart training to specific number of students for duration of one year under this scheme. The objective of the scheme is to provide a connection between the technical institutes and industries, to improve the technical-know-how and to introduce the

students to all fields of the industry. The number of beneficiaries of the training during 2013-14 is given in **Table 12.39** .

**d) Scholarship/Merit awards:** The number of SC/ST students getting scholarship/Merit awards is given in **Table 12.40**.

### **Technical Education Quality Improvement Programme (TEQIP) :**

In order to strengthen Technical Education, the Government of India with the assistance of World Bank has introduced Technical Education Quality Improvement Programme (TEQIP) in three phases. The first phase was started during the year 2003 and was completed on March 2009.

An amount of Rs. 139.50 crores budget provision has been made for the financial year 2014-15 for this project. As of today Government of India and State Government has released a total amount of Rs.86.40 crores to the colleges. The Project is deemed to be completed by October 2016.

The Objectives of the Project :

1. Strengthening institutions to improve learning outcomes and employability of graduates.
2. Scaling-up PG education and demand driven R & D and innovations.
3. Establishing centre of excellence.
4. Faculty development for effective teaching.
5. Capacity building to strengthen the management.
6. Project Management, Monitoring and evaluation.

### **Other programmes :**

#### **1) Innovation Clubs :**

In view of this, Department of Technical Education has started Innovation clubs in all Polytechnics and Govt. Engineering colleges with an aim to harness collaborative potential of students across disciplines and colleges to solve persistent problems of our state in formal and informal sectors, apart from addressing unsolved problems of our society, which have remained unsolved for long. 293 Polytechnics and 19 Engineering Colleges have already started this program.

#### **2) Service Advisor - Toyota Technical Education Program (SAT-TEP) :**

Department of Technical Education, Govt of Karnataka, in association with Toyota Kirloskar Motor (TKM), Bengaluru has implemented a unique program called Service Advisor - Toyota Technical Education Program (SAT-TEP) at Govt. CPC Polytechnic, Mysuru. The program, which has been introduced by Toyota in Service Advisor Category, is the first of its kind in the world & is being implemented in India from this year itself.

#### **3) All India Survey on Higher Education (AISHE) :**

From the year 2010-11 to build a database and to assess the correct picture of higher Education in the country. The DTE is participating in this survey since 2010-11, by providing all the necessary information to MHRD. Department of Technical Education was the first department in the country to complete the 100% survey work in the inaugural AISHE (2010-11) program. Apart from participating in the national survey the department is conducting similar type of survey to build a robust data base pertaining to State Technical Education with the intention of helping the Government in framing proper policies both at national and state levels.

#### **4) MHRD's National Mission on Education through Information & Communication Technology (NMEICT) :**

The Spoken Tutorial Project, an initiative of the Indian Institute of Technology-Bombay (IITB), as a part of the MHRD's National Mission on Education through Information and Communication Technology (NMEICT), supports the student teacher community in their efforts to train students on software available in open source. Department of Technical Education through Polytechnics and Engineering colleges has successfully trained more than 7000 students in different FOSS programs in a short duration of six months and stood second in



the country. In view of this unique achievement made by the Technical Education Department, IIT Bombay has issued a letter of appreciation to the Director.

### **5) Rashtriya Uchcharat Shiksha Abhiyan (RUSA) :**

This program aims for the development of higher education in the country by ensuring access, equity and quality. It also aims attain higher levels of access, equity and excellence in the State higher education system with greater efficiency, transparency, accountability and responsiveness.

**Programs in Polytechnics:** (1) Infrastructure (2) Research, innovation & quality improvement (3) Equity initiatives (4) Leadership developments of Education administrators (5) Support to Polytechnics – Strengthening of existing Polytechnics; Construction of women hostel; Community Development through Polytechnics (CDTP); Starting of new Polytechnics.

### **Programs in Engineering Colleges:**

(1) Creation of University (2) Up-gradation of Colleges to Model Colleges (3) Starting of new colleges (4) Infrastructure (5) Research, innovation and quality improvement (6) Equity initiatives (7) Faculty recruitment (8) Leadership developments of Education administrators. 80 Govt. and 43 Aided Polytechnics, 10 Govt. and 4 Aided Engineering Colleges totaling 137 institutes have participated in this program.

### **6) EDUSAT Programme :**

To overcome and enhance the academic excellence among the students coming under the polytechnics of the state, full-fledged programmes were broadcasted through satellite. Till now about 1 lakh students from both Govt and Private Polytechnics have benefited by these programmes.

### **7) 37th State Level Inter-Polytechnic Sports Meet :**

To exhibit and to bring out the Sports talents among the student community in

the Polytechnics the 37th Sports meet was held successfully in the Govt. Women's Polytechnic Mangaluru premises in coordination with the Govt. Polytechnic Bantwal on 1-3-2014.

The Sports meet had as many as 766 boy students, 280 girl students, 16 differently-abled students from 50 Govt, 21 Aided, and 15 Private Polytechnics have participated. Moreover, 37 students from the 2 JTS have also participated. In every event of the sports three medals Gold, Silver and bronze were given.

### **8) 2013-14 State Level Project Competition and Exhibition “DoItYourself”:**

To nurture and exhibit the creativity among the student community every year the State Level Project Competition and exhibition was successfully held in the Acharya Polytechnics, Soleddevanhalli, Bangaluru, during 16-2-2014 to 17-2-2014. In this competition, about 450 students with 158 projects from nine different branches of Engineering and Non-Engineering from 44 polytechnics across the state have participated

### **9) Administrative reforms:**

The transfer process in the department has been completed successfully through counseling for the first time after introduction of the Transfer Act. The process of online admission to the Diploma courses in the department has been successfully completed. Biometric Attendance system has been introduced in the department.

### **12.2.8 Medical Education**

There are 47 Medical Colleges (MBBS degree) in the State which have a summated intake capacity of 6675 students (Tables 14.41 and 14.42). 10 colleges are run by the Government along with 7 other Super Speciality Institutions. The Government's presence is visible in nominal strength in other system. Relatively, the turnout of Ayurvedic doctors (GCIM) is quite significant. 2843 Doctors graduate from 56 Ayurvedic Colleges. Ayurvedic,

Homoeopathic and Unani Doctors serve rural India in larger proportions. the 287 Nursing Colleges recognized by Indian Nursing Council turn out 17540 Nurses (B.Sc. graduates) every year. Kanataka functions as a nursery for nursing services not only for the State but also for other regions of India, Gulf countries and Europe.

Availability of dependable and internally consistent data across various sources needs serious attention. There is considerable clarity with regard to under graduate and post graduate medical education. However, there are a large number of institutions which offer para medical certificate and diploma courses

about which there is hardly any reliable date. Various autonomous councils, boards of examinations, universities regulate medical education.

**Rural Services:** There are 19 district hospitals, 10 other hospitals (specialized) and 29 teaching hospitals with cumulative bed strength of 25294 beds. In addition, there are 325 community health centres (CHC) with bed strength of 20400 with 144 CHCs operating in taluk head quarters. There are also 2220 Primary Health Centres (PHCs) of which 27 are urban PHCs. Which together possess bed strength of 10,639 beds. There are also sub-centres (Primary Health Units) whose number is 8143 and

**Table 12.41 : Medical Education Institutions and Enrolments for the year 2014-15**

Sl. No.	Type of Institution	No.	Enrolments
1	Medical Colleges (MBBS)	47	6675
2	*Ayurvedic Colleges (GCIM)	56	2843
3	*Homoeopathic Colleges (BHMS)	11	856
4	*Unani Colleges	05	201
5	*Naturopathy & Yogic Sciences (BNYS)	04	172
6	Dental Colleges (BDS)	38	2600
7	*Pharmacy Colleges (B.Pharm)	61	4784
8	Nursing Colleges (B.Sc.)	287	17540

\* Not applicable to Medical Education

**Table 12.42 : Medical Education Institutions by Managements for the year 2014-15**

Sl. No.	Type of Institution	Govt.	Aided	Enrolments
1	Allopathy: Colleges Super Speciality Institutions	10 07	- -	35 -
2	*Ayurveda	03	05	48
3	*Homoeopathy	01	-	10
4	*Unani	01	-	03
5	*Naturopathy & Yogia	01	-	03
6	Dental	02	-	38
7	*Pharmacy Colleges (B.Pharm)	01	-	60

\* Not applicable to Medical Education

bed strength is 56,495. Qualified doctors are needed for all these hospitals and health centres. There is a shortage and imbalanced distribution of doctors, nurses and para medical staff in all these health care institutions. There is especially true in rural areas.

### **Post Graduate Institutions & Enrolments in the State:**

Medical Colleges are permitted to provide Post Graduate Courses in the State. They offer Degree and Diploma Courses in various specialities. There are several Super Specialities of which training is imparted in subjects like Cardiology, Cardio Thoracic Surgery, Cardiac Anaesthesia, Neurology, Nephrology, Urology, Surgical Gastro Enterology, Plastic Surgery, Medical Oncology and Surgical Oncology. There has been a great demand for specialists, due to which many Medical Graduate of the State who do not get P.G. seats enroll themselves with the National Board of Examinations and qualify as Diplomate of the National Board (DNB). Post Graduate Degree Courses and Diploma Courses seats are given in **Table No.12.43, 12.44 & 12.45.**

#### **12.2.9 Mass Education**

During 2014-15, the Saakshar Bharath Programme was implemented with Central and State grants in 20 districts of the State where female literacy is less than 50%. The aim is to provide literacy to rural non-literates of 15+ age group, with priority to women, SC, ST and Minority groups. Saakshar Bharath Programme is being implemented in 20 District Lok Shikshana Samithis, 117 Taluk Loka Shikshana Samithis and 3788 Gram Panchayat Lok Shikshana Samithis. Household Survey in 3788 Gram Panchayaths has already been conducted. 73.66 lakhs non-literates were identified. Further 290 RPs, 6453 MTs, 197 Co-ordinators, 7576 preraks and 108959 VTs have been selected and were trained and 108959 learning centres have been started. Totally 1086769 learners were enrolled and 531315 learners have

completed the Basic Literacy Course. Assessment of Basic Literacy has been conducted by National Institute of Open School (NIOS) and National Literacy Mission Authority (NLMA) in 17 districts during March 2014 nearly 379487 neo-literates were registered, 259460 appeared for examination and 196397 neo-literates were succeeded in the NIOS exam. During August 2014, 233850 neo-literates have appeared for examination and 185710 neo-literates were succeed in the NIOS exam.

During 2014-15, five month period of vocational training is being given to the educated rural youth through vidyapeethas coming under Karnataka State Adult Education Council. In the Ist Phase 448 students were enrolled, 433 learners were completed out of Rs. 25.00 lakhs of grants. The 2nd Phase training was also started. In addition to this action plan has been prepared with a target of providing vocational training to 3000 neo-literates of the age group of 15+ belonging to SCs under SCP out of the available grant of Rs. 45.00 lakhs and 1146 neo-literates under TSP out of the available grant of Rs. 17.20 lakhs, 5020 neo-literates under General Category out of 75.30 lakhs. The action plan for the same has been submitted to the Govt for approval. Further under Dr. Nanjundappa's Report in 6 districts, 20 backward taluks, 22318 illiterates were identified to provide Basic Literacy out of Rs.43.52 lakhs of grants.

In the 12th plan period, the Directorate of Mass Education will focus mainly on four objectives namely:

- (i) Basic literacy for non-literates.
- (ii) Equivalency for those who wants to continue their education
- (iii) Vocational training to improve standard of life.
- (iv) Continuing education for Life Long Learning.

**Table 12.43 : Enrollment Capacity across Medical Course – Post Graduate Degree for the year 2013-14**

PG Degree	No.of seats	PG Diploma	No.of seats	Super Specialities	No.of seats
M.D.(General Medicine)	287	DMRD	45	M.Ch (Urology)	12
M.D.(R.D)	99	DMRT	05	M.Ch (Plastic Surgery)	04
M.D. Paediatrics	143	D.Ortho.	63	M.Ch (Surgical Oncology)	08
M.D.(R.T)	19	D.G.O.	97	D.M.(Oncology)	06
M.D.(Anesthesia)	159	D.L.O.	54	D.M. (Cardiology)	21
M.D.(Psychiatry)	39	D.A.	90	M.Ch (Cardio Thoracic Surgery)	12
M.D. (Pathalogy)	168	D.Bacteriology	06	M.Ch. (Paediatric Surgery)	03
M.S. (Anatomy)	100	D.V.D.	25	D.M. (Neurology)	03
M.D.(Community Medicine)	93	D.P.M.	13	D.M. Cardiac	08
M.D.(Forensic Medicine)	58	D.F.M.	06	M.Ch (Neuro Surgery)	02
M.D.(Pharmacology)	103	D.T.C.D.	04	M.Ch.Surgical Gastro Enterology)	02
M.D.(Physiology)	98	D.O.M.S.	56	D.M. Nephrology	02
M.D.(Bio Chemistry)	81	D.C.H.	71		
M.D.(Micro Biology)	105	D.C.P.	77		
M.D.(Skin & VD)	77				
M.D.(T.B)	19			-	-
M.D.(Emergency Medicine)	05				
M.S. (General Surgery)	237				
M.S.(Ophthalmology)	91				
M.S.(ENT)	77				
M.S.(Orthopaedics)	115				
M.S.(OBG)	160				
<b>Total:</b>	<b>2338</b>	<b>Total:</b>	<b>615</b>	<b>Total:</b>	<b>83</b>

**Table 12.44 : Total P.G.Degree seats for 2014-15 as on 30-11-2014**

Sl. No.	Subject	Govt/COMEDK/ KRLMPCA	Deemed Universities	Total Seats
	Pre-Clinical:			
1	M.D. (Anatomy)	33	05	38
2	M.D.(Physiology)	29	03	32
3	M.D.(Bio Chemistry)	28	06	34
	Para Clinical:			
4	M.D.(Pharmacology)	31	05	36
5	M.D.(Pathology)	39	04	43
6	M.D.(Micro)	35	04	39
7	M.D.(Com.Med.))	26	01	27
8	M.D.(F.M.)	21	03	24
	Clinical:			
9	M.S.(Ophthalmology)	25	01	26
10	M.S.(ENT)	25	0	25
11	M.S.(Orthopaedics)	21	02	23
12	M.D.(Skin & D)	13	0	13
13	M.D.(RT)	06	0	06
14	M.D.(Anesthesia)	49	04	53
15	M.D. Paediatrics	36	01	37
16	M.D.(General Medicine)	57	03	60
17	M.S. (General Surgery)	64	02	66
18	M.S.(OBG)	30	01	31
19	M.D.(R.D)	19	01	20
20	M.D.(Psychiatry)	10	0	10
21	M.D.(T.B)	04	01	05
22	M.D.(Hospital Admn.)	01	02	03
23	M.D.(Emergency Medicine)	05	0	05
	Total:	607	49	656



**Table 12.45 : Total P.G. Diploma seats for 2014-15 as on 30-11-2014**

Sl. No.	Subject	Govt. & Private Medical Colleges	Deemed Universities	Total Seats
Para Clinical:				
1	D.C.P.	19	-	19
2	D.Bact	0	0	0
3	D.P.H.	1	-	1
4	D.F.M.	1	-	1
Clinical:				
5	D.O.M.S.	17	1	18
6	D.L.O.	13	2	15
7	D.Ortho.	16	-	16
8	D.V.D.	6	1	7
9	D.M.R.T.	3	-	3
10	D.A.	23	1	24
11	D.C.H.	17	-	17
12	D.G.O.	25	1	26
13	D.M.R.D.	6	-	6
14	D.P.M.	3	-	3
15	D.T.C.D.	2	-	2
Total:		152	6	158

### 12.2.10 Karnataka State Higher Education Council (KSHEC)

The Karnataka State Higher Education Council (KSHEC) was established in the year 2010 with the objective of formulating policies related to Higher Education and lending suggestions to the State Government, universities and Higher Educational Institutions regarding issues related to Higher Education. This council executes responsibilities related to new courses, development of Higher Education, publicity for research and design of syllabus. In this context, several programmes were designed in the previous years and these are being implemented.

For the year 2014-15, out of Rs.250.00 lakh allocated for the Higher Education Council, according to the GO No. ED 61 HPU 2014, Dt.23.04.2014, under the Accounts Head 2202-03-800-09-02-059, as per GO No. ED 264 URC 2014, Dt: 27.06.2014, the first of trimonthly grant for April, May, June 2014 a grant of Rs.62.5 lakh and as per GO No:ED 264 URC 2014, Dt:27.06.2014, second and third trimonthly grant i.e. for July to September, October to December 2014 Rs.62.5 +Rs.62.5=125 Lakh has been released.

The 10th General Body Meeting of Higher Education Council was held on 30-06-2014 and unanimous decisions were

taken regarding the following issues and it has been forwarded to the Government for further action:

1. Prof.Sa.Shi.Marulaiah report that was submitted to Government regarding the problems faced by students learning Social Sciences in Kannada medium and the solutions to these problems were approved.
2. Approval in principle was given to all the Universities currently offering Geography to design uniform syllabus beneficial to students by including Geographical Information System (GIS), Global Positioning and Remote Sensing (GPRS) in it.
3. It was decided to establishment an Enquiry Authority in all Universities of Karnataka under the chairmanship of retired Magistrate.
4. It was decided to establish Parents' Relation Centre (PRC) in all the Universities and Colleges of the state.
5. It was decided to earmark specific number of classes every month for physical education to create awareness among college students about Indian Culture, Patriotism, Indianness, ethical values social commitment, health.
6. It was decided to design the guidelines for a rating system suitable for Indian Universities.
7. It was decided to instruct all the Universities and colleges to make use of the Free and Open Source software facility under the Spoken Tutorial Scheme sponsored by IIT-Mumbai.
8. The Academic Council and the Board of Studies of all the Universities were instructed to discuss in detail the recommendations of Prof. Chidananda Gowda committee regarding redesigning the B.A, B.Sc courses and submit the decision taken to the Higher Education Council within 30 days. It was also decided to implement these guidelines from the academic year 2015-16.
9. It was decided to formulate guidelines regarding increasing the intake limit of colleges that have obtained "A" grade from NAAC, from the next academic year.
10. It was decided that all Universities can take 50% financial assistance from the Higher Education Council to conduct three seminars within 31-03-2015.

The 11th General Body Meeting of Higher Education Council was held on 11-08-2014 and unanimous decisions were taken regarding the following issues and for the implementation, it has been forwarded to the Government for further action:

1. It was decided unanimously that University Grant Commission (UGC) guidelines should be strictly adhered to for the direct recruitment for the posts of Assistant Professors in colleges and Universities by making NET/ SLET/ SET examinations compulsory.
2. As per the ruling of the Supreme Court and within the frame work of UGC directives, to sustain the quality of education the universities of the state are not to extend their academic activities beyond the Territorial Jurisdiction of the State, and according to Karnataka State University Act 2000, should restrict their academic activities within the Territorial Jurisdiction of the State. The Govt. should not permit the Universities of other States to conduct academic activities in Karnataka State.
3. After a detailed discussion regarding establishing Research Centers in the Jurisdiction of the State Universities., according to the Supreme Court ruling it was decided that the State Universities should not establish any Research Centre in the Universities of other States and the Universities of other States should not establish any Research Centre in Karnataka.

4. It was opined that the following criteria should be adopted to select VIPs unobjectionably in the process of awarding Honorary Doctorate degrees:
- Each University should constitute a committee of Educationists under the chairmanship of Retd. Vice Chancellor /Retd. Supreme Court Judge/Retd. High Court Judge.
  - To place before the committee of Educationists, the draft approved by the syndicate ah.
  - The Govt. shall submit this final list to the Chancellor for approval.
  - Respective Universities shall take suitable action for awarding Honorary Doctorate degrees as per the final decision of the Chancellor.
5. It was decided to forward the proposal with recommendations to the Department of Personnel & Administrative Reforms for enhancing the employability of UG/PG students in women studies by considering this degree as equivalent to other degrees.
6. It was decided to include Soft Skill Training in the syllabus of common UG courses like B.A, B.Sc, B.Com, B.B.M, B.C.A. etc in all the Universities of the state.
7. It was decided to recommend to the Govt. to consider awarding of Research Guide status to all the eligible Professors with Ph.D degree, if the Govt. and Aided colleges affiliated to State Universities have basic facilities to do research.
- A proposal for establishing a private University in the state has been received by the Higher Education Council and a study committee has been constituted. This committee has already examined and the report will shortly be submitted to the Government.
- For obtaining grants from the Ministry of Human Resource Development, Govt. of India, under the Rashtriya Uchchar Shiksha Abhiyan (RUSA), the Karnataka state perspective plan has been prepared and submitted to the Ministry of Human Resource Development (MHRD).

### 12.3 FOOD SECURITY THROUGH PUBLIC DISTRIBUTION SYSTEM

The Department of Food and Civil Supplies and Consumer Affairs, GOK enforces the Essential Commodities Act, 1955 and

**Table 12.46 : Sector wise Plan allocation to Education Department and Medical Education**

Name of the Sector	2012-13	2013-14	2014-15
Education Department			
Elementary Education	192439.23	241961.73	376269.57
Secondary Education	97088.21	74283.39	180713.13
University and Higher Education	38154.47	55701.01	63871.53
Mass Education	1848.84	1234.00	965.00
Others	8448.06	53993.27	32393.01
Total	337978.81	427173.40	654212.24
Medical Education			
Medical Education Training & Research	18469.37	21926.03	25797.30

Source: Detailed Estimates of Expenditure Volume-III & IV

various control orders issued there and to ensure proper control of the supply and distribution of food grains and trade and commerce in certain commodities. The Department also implements Targeted Public Distribution System (TPDS) which is an important constituent of the strategy for Food Security to population Below Poverty Line (BPL).

### **12.3.1 Provision of Food to the Poor through Public Distribution System in Karnataka.**

The Public Distribution System (PDS) is jointly managed by GOI and State Government where in the responsibility of procurement, storage, transportation and bulk allocation of food grains rest on the Central Government, where as the State Government holds the responsibility of distributing the same to the consumers through the network of Fair Price Shops (FPS) established in the State. It is also responsible for the operational responsibilities including allocation and identification of BPL families, issued of ration cards and supervising & monitoring the functions of FPS. Major commodities distributed are Wheat, Rice, Sugar and Kerosene.

FPS are opened taking into consideration the convenience of the card holders and topography of the area. There were 20400 FPS operating in the State of which nine are mobile FPS in the hilly areas of Dakshina Kannada, Kodagu, Raichur, Mysore and Chamarajanagara districts.

### **12.3.2 Targeted Public Distribution System (TPDS)**

Unit system is adopted under TPDS where in rice and wheat are distributed to the BPL families for the south and north Karnataka as given in **Table 10.54**. Rice is procured from the central government at the rate of Rs.3/kg, while wheat is purchase in the market through e-auction every week.

**In North Karnataka :** For Single person 6kg rice and 4 kg wheat, for families 2 persons 14 kg rice and 6 kg wheat and families with 3 or more persons 20 kg rice and 10 kg wheat will be provided.

**In South Karnataka :** For Single person 8kg rice and 2 kg wheat, for families 2 persons 16 kg rice and 4 kg wheat and families with 3 or more persons 24 kg rice and 6 kg wheat will be provided.

### **12.3.3 Wholesale Depots and Fair Price Shops**

At present release of foodgrains to the state from the Central Government have been lifted from the district FCI godowns to the talukwholesale depots, then the same has been distributed to the taluk Fair Price Shops. The above system is prevailing in the State. Details of the number of FPS in various districts of the State are given in **Appendix 12.1**.

### **12.3.4 National Food Security Act-2013 (NFSA)**

National Food Security Act-2013 is in force wef. January-2014 in the State. According to this by removing the concept of BPL and APL families, the concept of "Priority families" and "Non-Priority families" concept can be adopted. Under this Act the Central Government has selected 76.04 % population of rural area and 49.36% population of urban area and each these members are availing five kg of foodgrains allotment. In Karnataka State, AAY and BPL cards families has been considered as Priority Families under this Act. According to this Act AAY families are availing 35 kgs of foodgrains and the rest of the Priority Families are availing foodgrains on the bases of unit system. Under PDS system in Karnataka there are 4.4 Crores beneficiaries which is according to the directions of the Central Government. As APL families are considered as Non-priority families there is no food grains allotment for these cards. At present 2,17,403 MT rice is releasing under NFSA.

### 12.3.5 Anthyodaya Anna Yojane (AAY)

The State is implementing the GOI scheme of Anthyodaya Anna Yojane (AAY) from August-2002. Under which the poorest segment of the population which includes landless agricultural laborers, households headed by widows, terminally-ill persons affected by HIV, households headed by non specified income source old age persons will be the beneficiaries. Under this scheme so far 1034812 families have been identified and getting the benefit of 35 kgs foodgrains for each such families.

### 12.3.6 Annabhagya Yojane

The Government has launched its much awaited ambitious programme called ANNA BHAGYA YOJANE (ABY) with July-2013 in Karnataka to supply 30 kg of foodgrains @ Rs. 1/- per kg to BPL families across the State. A total of 98.35 lakh BPL card holders will be eligible to receive foodgrains through network of FPS.

While a single member family eligible for 10 kg foodgrains, a family of two members will get 20 kg and a family of 3 or members is entitled for 30 kg food grains per month.

The Central Government NFSA-2013 and the State Annabhagya schemes are implemented on combination in the State. According to this combined scheme the requirement of food grains every month is 3 lakh MT. But the Central Government monthly allotment of foodgrains is 2,17,403 MT which is lakh of State foodgrains requirement. As such this lakh of foodgrains is met by purchasing rice from Chhattisgarh food corporation and also purchase of rice through NCDEX E-auction, levy rice, MSP paddy converted rice. And also this lakh of foodgrains is met by the Central government by purchasing with higher rate of Economic Cost rice and Economic Cost wheat, OMSS wheat and MSP., NCDEX, Ragi.

**Table 12.47 : The quantity and rate of foodgrains that is being distributed in the State under Annabhagya yojane**

Sl.No	Category of ration cards	Rice			Rate per kg (in. Rs.)	Wheat		Sugar	
		Scale of issue (in Kgs)				Scale of issue (in Kgs)		Scale of issue (in Kgs)	Rate per kg (in. Rs.)
1.	AAY	29			1.00	6		1.00	
			North Karnataka Districts	South Karnataka Districts		North Karnataka Districts	South Karnataka Districts		
2.	BPL	Single Person	6	8	1.00	4	2	1.00	1
		Two Persons	14	16		6	4		13.50
		Three & above person families	20	24		10	6		



**Table 12.48 : Details of Number of PDS Cardholders**

Parameters	Card type	No of Card Holders				
		2010-11	2011-12	2012-13	2013-14	2014-15*
As per Government order No. FCS/ 80/ DRA/2012/24-08-2012 24 Parameters have been Prescribed (GO copy enclosed )	AAY	1128912	1199700	11,18,371	11,00,340	1017034
	BPL	8504993	8401792	87,15,869	84,86,938,	9325498
No	APL	3996511	3832931	34,99,056	27,67,627	1957100
<b>Total Cards in the State</b>		<b>13630416</b>	<b>13434423</b>	<b>1,33,33,296</b>	<b>1,24,54,905</b>	<b>12299632</b>

(\* till January-2015 Allotment)

### 12.3.7 PaditharaKhatari Scheme

PaditharaKhatari Scheme has been introduced in the state during February - 2014. under this scheme availability of foodgrains in fair price shops guarantees from 1st of every month cardholders can draw foodgrains from 1st of every month till 10th during 8-00 AM to 8-00 PM (Excluding lunch hours between 1-00 PM to 2-00 PM and national holidays) Rest of the days in the month fair price shops functions between 8-00 AM to 12-00 AM and 4-00 PM to 8-00 PM (Excluding Tuesday and National holidays). It guarantees the foodgrains availability from the first of every month. Other-wise card holders are entitle for compensation.

### 12.3.8 Food grains Allotment and Offtake:

Foodgrains allotted by the FCI godown to the State are being transported to the concerned taluk godown by the agencies appointed by the State Government.

The State Government has identified agencies for lifting and distribution from FCI wholesale godowns to the talukgodowns in the State. The State Government has two agencies, Karnataka Food And Civil Supplies Corporation Ltd, (KFCSC) which is a Government organization, and Taluk Agricultural Produce Cooperative Marketing Societies (TAPCMS). Under PDS, food grains are lifted from FCI godowns and stored in State-owned or hired godowns. The total capacity of State-owned godowns and hired godowns is indicated in **Appendix 12.2**.

### 12.3.9 Sugar Allotment and Offtake :

At present G O I in its sugar directorate was not allocating levy sugar to the State. Hence sugar is being purchased from the two sugar factories of the State Govt. and 13 co-operative sugar factories @ Rs. 2900/- per qtl.(taxes extra) and the same has been distributed 1 kg per card to the AAY and BPL card holders. Details of allotment and offtake during the past years are given in the **table 12.50**.

**Table 12.49 : The percentage of allotment and off take of food grains by the State**  
(In MTs)

Year	Rice			Wheat		
	Allotment	offtake	%	Allotment	offtake	%
AAY						
2010-11	384480	384473	100	75553	75348	99
2011-12	411120	411120	100	86253	85413	99
2012-13	366439	366243	100	73866	73771	100
2013-14	158244	158244	100	32573	32573	100
BPL						
2010-11	808606	807617	99	168145	167203	99
2011-12	932982	922982	99	114005	113975	99
2012-13	869891	869488	100	205743	205524	100
2013-14	288080	288127	100	38378	37269	97
*2014-15 (including AAY)	949826	904054	95	208535	206683	99
APL						
2010-11	912078	832084	91	129743	103320	79
2011-12	970067	902392	93	92094	87484	94
2012-13	10,37,940	9,61,963	92	97,512	90,052	93
2013-14	5,41,661	5,29,697	98	24,686	24,533	99
2014-15	No allotment					

(\* upto July-2014)

**Table 12.50: Allotment and Offtake of Sugar.**

Year	Allotment (in MTs)	Offtake (in MTs)
2012-13	109630	95863
2013-14	73012	35849
*2014-15	280293	280293

(\* upto July-2014)

### 12.3.10 Superior Kerosene Oil

The GOI has limited the quantity of Kerosene allotment to 40.788 Kl wef. January-2015. SKO is being distributed to the FPS through wholesale dealers who appointed by the oil companies. For the purpose of kerosene distribution to the card holders, ration cards have been categorized as gas and non-gas cards. Ration cards which are having LPG connections are not entitled for kerosene allotment.

AAY and BPL cards having one and two members are entitled kerosene of three ltrs. and AAY BPL cards having three and more members are entitled kerosene of four ltrs. Rural area non-gas APL card holders are entitled for kerosene of two ltrs. For all these cards the rate of kerosene is 18/- Rs. per card. There are 306 SKO wholesale dealers of different oil companies and 21833 kerosene retailers are functioning in the State. District-wise details of SKO dealers is given in **appendix-12.3**.

In order to avoid misuse in the PDS kerosene it has been converted into blue colour and it will be issued only to non-gas card holders. SKO is also given to the fishing purpose through permits issued by the Deputy Commissioners in the coastal districts like Dakshina Kannada, Udupi and Uttara Kannada. Each permit holder is eligible for 300 ltrs of kerosene per month during the fishing season.

### 12.3.11 Food Subsidy and Transportation:

The cost of maintenance for the purchase, stocking and the difference between the procurement prices and issue prices that borne as subsidy which is provided for the supply of foodgrains under PDS by the State Govt. is collectively called as food subsidy. The state is also bearing the cost of transportation of foodgrains from FCI godown to taluk wholesale points and from taluk wholesale points to FPS. The details of food subsidy and transportation cost spent is given in **table 12.51**.

### 12.4 HEALTH AND FAMILY WELFARE :

Health as an important indicator of human development has a great significance for the overall development of the State. Achieving and maintaining health status of people are an important ongoing process. The Government of Karnataka has given significant importance to the health sector during the last few years. Provision of quality health care to the people is an essential component of the health strategy adopted by the State.

The focus of possible health intervention is to prevent and manage diseases, injuries and other health conditions through surveillance of cases and the promotion of healthy behaviors, communities and environments. Provision of good health care to the people is an essential component of

**Table 12.51 : Subsidy and Transportation**

**(Rs. in Lakhs)**

Year	2010-11	2011-12	2012-13	2013-14	2014-15*
Food subsidy	82,296	67,642	46,131	1,61,560	1,13,840
Transportation charge (including BPL and AAY)	10,041	11,377	9,228	11,550	16,017
<b>Total</b>	<b>92,337</b>	<b>79,019</b>	<b>55,359</b>	<b>1,73,110</b>	<b>1,29,857</b>

(\*upto September-2014)

the development strategy adopted by the State to achieve overall socio-economic development.

Karnataka has made significant progress in improving the health status of its people in the last few decades. However, despite the progress, the State has a long way to go in achieving the desired health goals. The State has made substantial progress in building credible health infrastructure at different levels. The public expenditure on Health constitutes about 0.9% of GSDP during the 11th plan period.

#### **12.4.1 HEALTH INFRASTRUCTURE AND PERFORMANCE:**

The State has a wide institutional network providing health services both in urban and rural areas. **Table 12.59** presents information on health infrastructure in the State. There are 20 District Hospitals, 11 Other Hospitals and 29 Autonomous &

Teaching Hospitals in the State. The primary health infrastructure in rural areas has fulfilled the norms required under the “minimum needs programme” at the aggregate level. There are 8871 Sub centres, 2355 Primary health centres (PHC), 206 community health centres (CHC) and, 146 taluk hospitals catering to the health needs of the rural population. District wise distribution of health facilities is given in **Appendix 12.1**.

The Twelfth Five year Plan (2012-17), in respect of the health sector, has aimed at controlling population and reducing infant and maternal mortality through strengthening health services. In addition, attempts have been made to remove intra-regional and regional disparities by improving health services. The progress of the health indicators has been encouraging in the State during the last few years. The death rate is already at a lower level and the birth rate is declining faster.

**Table 12.52: Infrastructure of Public Health Services of the State Govt.**

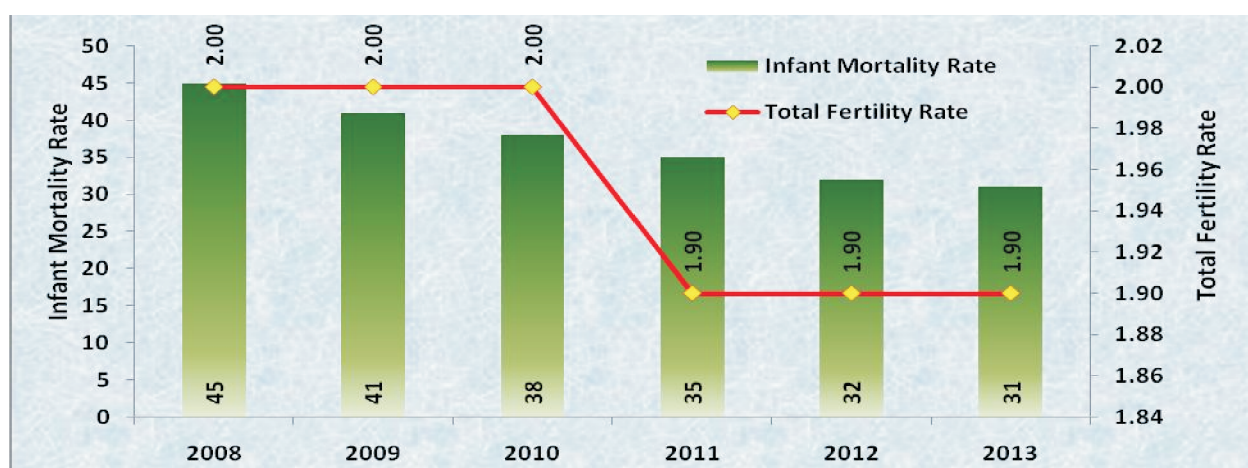
**(as on Dec-2014)**

<b>Type of Institution</b>	<b>No.</b>
District Hospitals	20
Other Hospitals under Health & FW	11
Autonomous & Teaching Hospitals	29
Taluk / General Hospitals	146
Community Health Centres	206
Primary Health Centres	2355
Urban PHCs	27
Health Centres under IPP	108
Mobile Health Clinics	130
Sub-Centres	8871

Karnataka has performed relatively better in population control with total fertility rate likely to reach the twelfth five year plan target of 1.9 children per woman for the year 2013. The infant mortality has declined faster during the last few years to the tune of around 10 per 1000 live births from about 41 in 2009 to 31 in 2013 (Fig.

12.4). However, the infant mortality rate (IMR) of about 31 in 2013 is far higher than the eleventh five year plan target of 24 set for the year 2012 (**Table 12.53**). Considering these imminent challenges, the state has been at the forefront of introducing several programmes.

**Figure 12.4 : Infant Mortality Rate and Total Fertility Rate in Karnataka 2008-13**



**Table 12.53 : Achievement of the Family Welfare Programme in Karnataka**

Sl No	Indicator	2008	2009	2010	2011	2012	2013	
1	Birth Rate (for 1000 Population)	19.8	19.5	19.2	18.8	18.5	18.3	
2	Death Rate (for 1000 Population)	7.4	7.2	7.1	7.1	7.1	7.0	
3	Total fertility rate	2.0	2.0	2.0	1.9	1.9	1.9	
4	Maternal Mortality Rate (for every 1,00,000 live births)	213	178	-	178	144	144	
5	Infant Mortality Rate (per 1000 Live births)	45	41	38	35	32	31	
6	Under-Five Mortality Rate (per 1000 children)	-	50	45	40	37	37	
7	Eligible Couples protected (%)	54.9	54.9	-	66.42	66.89	62.5	
8	Average life expectancy (years)	Male	63.6	63.6	-	63.6	63.6	63.6
		Female	67.1	67.1	-	67.1	67.1	67.1



### 12.4.2 FAMILY WELFARE

The State offers an excellent family welfare programme operating through the existing health infrastructure. The main objective of the programme is to provide better health services in general and family planning services in particular to check the rapid growth of population. **Table 12.54** provides details of the State's achievements in sterilization and IUD during the last three years.

Though sterilization continues to be the main method of family planning, the spacing between the births of two children is also equally emphasized.

### 12.4.3 NATIONAL HEALTH MISSION

National Health Mission (NHM) was launched on 12th April, 2005 by the Government of India to improve medical facilities in the rural areas of the country. The NHM seeks to provide accessible, affordable and quality health care to the rural population, especially the vulnerable sections.

The following programmes are implemented under National Health Mission:

- National Vector Borne Disease Control programme (NVBDCP)

- Revised National Tuberculosis Control Programme (RNTCP)
- National Leprosy Eradication Programme (NLEP)
- National Programme for Control of Blindness (NPCB)
- Integrated Disease Surveillance Project (IDSP)
- Reproductive and child Health Programme. (RCH)
- Additional Services to Under National Rural Health Mission
- Vaccine & Immunization Programme
- Programme of Pulse Polio
- Health Education, Training, Preventive of Deafness and other Programmes.

In each of The Districts, Program implementation is being done through its district Chief Medical Officer's office, blocks, CHCs, PHCs, sub-centres (SCs) and village health sanitation committees (VHSC's). Certain activities are managed at the State level such as drug procurement, information education and communication (IEC), civil works, training using specialized entities such as State Institute of Health and Family Welfare (SIHFW), IEC bureau

**Table 12.54 : Performance of Family Welfare Sterilization Programme:**

Year	Sterilization				IUD		Couples Protected (%)
	Target	Achievement			Target	Achievement	
		Vasectomy	Tube ctomy	Total			
2011-12	5,03,047	3894	3,08,876	3,12,770	2,77,404	1,95,487	72.00
2012-13	4,84,980	2857	3,30,445	3,33,302	3,11,822	1,89,981	66.42
2013-14	4,07,102	1390	3,10,025	3,11,415	3,11,883	1,59,540	66.89
2014-15 (upto Dec-2014)	449495*	776	241311	242087	303924*	143186	62.50

\*Target for 2014-15

and, Directorate of Health & Family State Institute, Directorate of Health and Municipal Corporation for the urban Health components. In addition, implementation schemes for Private Partnership such as EMRI, Vajpayee Arogyasree and Suvarna Arogya Chaitanya.

### **1 NATIONAL LEPROSY ERADICATION PROGRAMME:**

#### **Introduction:**

National Leprosy Programme is one of the oldest and the most successful National Health Programmes. National Leprosy Control Programme was started in 1955. With the advent of Multi Drug Therapy (MDT), the National Leprosy control Programme (NLCP) was redesignated as a National Leprosy Eradication Programme (NLEP) in the year 1983. In the early 1990s the NLEP adopted the goal of elimination of leprosy by the year 2000. Karnataka has achieved the Goal of elimination in the year 2005.

The main objectives under NLEP are:

1. Elimination of leprosy i.e prevalence of less than 1 case per 10000 population in all the districts of the State.
2. Strengthening Disability Prevention & Medical Rehabilitation of persons affected by leprosy.
3. Reduction in the level of stigma associated with leprosy.

Tremendous achievement was made in the Programme with regard to accessibility and service delivery, with the successful implementation of the Programme. The prevalence rate of leprosy dropped from 40/10000 population in the year 1986 to 0.45/10000 population in 2014 thus achieving the goal of elimination i.e., prevalence rate less than 1/100000 population. All the districts have achieved a prevalence rate of less than one per 100000 population except Chamarajanagar which has prevalence rate -1.15.

The Infrastructure facilities available for Eradication of Leprosy in Karnataka is provided in **Table 12.55**.

**Table 12.55 : Infrastructure for Leprosy Eradication Programme, Karnataka,**

<b>Infrastructure</b>	<b>Nos.</b>
Joint Director (Leprosy) -	1
State Survey & Assessment Unit (SSAU)	1
District Leprosy Officers (DLOs)	30
National Leprosy Control Centres (NLCCs)	20
Modified Leprosy Control Units (MLCUs)	09
Urban Leprosy Centres (ULCs)	48
Twenty Bedded Hospital Wards	22
Leprosy Training Centres	02
Leprosy Rehabilitation & Physiotherapy Unit	01
Non Governmental Organizations (NGOs)	08

**Table 12.56 : PHYSICAL TARGET AND ACHIEVEMENTS FROM 1999-2014-15**

New Cases Detected				Cases Cured			PR	Deformity Rate
Year	Target	Ach	%	Target	Ach	%		
99-2000	10000	23095	230.95	14000	21154	151.10	3.10	1.07
2000-01	8000	17882	223.52	14000	19986	142.75	2.18	1.02
2001-02	8000	21307	266.34	14000	19584	139.84	2.45	0.79
2002-03	13890	13070	94.09	19720	15340	78.00	1.90	1.00
2003-04	-	10598	-	-	12522	-	1.40	0.79
2004-05	-	6133	-	-	7486	-	1.08	0.40
2005-06	-	5253	-	-	6705	-	0.56	0.42
2006-07	-	4299	-	-	4455	-	0.50	1.23
2007-08	-	4522	-	-	4225	-	0.52	0.92
2008-09	-	4411	-	-	4277	-	0.50	1.60
2009-10	-	4299	-	-	4236	-	0.49	3.30
2010-11	-	3071	-	-	3011	-	0.48	2.79
2011-12	-	3718	-	-	3491	-	0.46	3.63
2012-13	-	3436	-	-	3355	-	0.45	3.28
2013-14	-	3461	-	-	3295	-	0.45	3.72
2014-15 up to Dec 2014	-	2339	-	-	2197	-	0.46	4.92

**Table 12.57 : Budget Allocation and Expenditure**

Year	Govt. of India Cash Assistance 100% CSS (Plan)			State Plan	
	Budget Allocation (in lakhs)	Actual Release from Govt. of India	Expenditure (in lakhs)	Budget Allocation (in lakhs)	Expenditure (in lakhs)
99-2000	71.00	64.54	44.71	70.66	113.51
2000-01	62.00	55.18	8.50	105.07	125.55
2001-02	62.00	30.00	28.74	155.09	133.32
2002-03	50.00	30.00	14.18	50.00	39.54
2003-04	50.00	22.17	15.11	50.07	41.35
2004-05	50.00	12.50	12.50	42.15	33.70
2005-06	63.25 (ZP)	14.00	14.00	3.50	-
2006-07	56.25	14.29	13.35	3.59	-
2007-08	70.89	-	-	5.59	1.18
2008-09	67.20	13.00	13.00	3.25	-
2009-10	-	-	-	4.00	-
2010-11	-	-	-	4.00	-
2011-12	-	-	-	-	-
2012-13	-	-	-	-	-
2013-14	-	-	-	-	-
2014-15	-	-	-	-	-

### **Budget Allocation and Expenditures From 1999-2014**

**Integration:** As per Government of India guidelines, during 2002-03, Integration of Leprosy Programme into General Health Care Services has been implemented. All the Leprosy Staff along with Other General Health Care Staff, are involved in the Leprosy Control Work, as part of their duty. With the decreasing case load, running a vertical programme was considered not cost effective. There was restructuring of leprosy control activities, so that they would be

offered through the General Health care. For the process of integration to go smoothly, General health care staff were involved by including them in four modified leprosy elimination campaigns (MLECs) between 1997 & 2003 and detected 18911 New cases.

The Annual New Case detection Rate was more than 10/100000 population in 31 Blocks as on 31st March 2013. The Special Activity is done in all these blocks during this year 2013-14.

Welfare measures for the Persons Affected by Leprosy:

- 95 Reconstructive Surgery Operations done as on Dec 31st 2014 Rs.8000/- paid as incentive for RCS undergone Persons Affected by Leprosy.
- Micro Cellular Rubber Footwear provided to 2536 Persons Affected by Leprosy (PALs).
- 1326 Self care kits provided to foot ulcer cases.
- 241 Lepra reaction cases treated with supportive drugs.
- Splints crutches and other needed appliances provided.
- 5% of Group 'D' Jobs reserved for the Persons affected by Leprosy during recruitment..
- Prevention of Deformity (POD) camps conducted regularly in all the Taluk level hospital.
- Civic amenities and Medical facilities provided to the Persons Affected by Leprosy family member residing in 20 Leprosy colonies in the State.
- Grant-in Aid is provided by State Govt. for the NGO, hospitals providing treatment to the Persons Affected by Leprosy at the rate Rs.500/bed for adults and Rs,275/bed for children per month.

NLEP Results proposed to be achieved at the end of the 12th Plan period :

- i. Improved early case detection
- ii. Improved case management
- iii. Stigma reduced
- iv. Development of leprosy expertise sustained
- v. Monitoring supervision and evaluation system improved
- vi. Increased participation of persons affected by leprosy in society

vii. Programme management ensured Plan of Action for Expected outcomes by 2014-15:

- v IEC activity to be improved.
- v General Health staff to be trained for leprosy and public awareness for the disease is arranged.
- v The Rehabilitation for leprosy disabled persons is arranged in districts.
- v PR rate less than 1/10000 population to be achieved by 2015 in all the districts of State.
- v The detected Leprosy patients are monitored to get early, regular and quality treatment. Cases to get treatment in the nearest hospital and referred to higher hospital for further specialized treatment.

It is expected a world with a reduced burden of leprosy, reduced stigma and discrimination, activities based on the principles of equity and social justice, and strong partnerships based on equality and mutual respect at all levels.

## **2 The Integrated Disease Surveillance Project (IDSP) :**

The Integrated Disease Surveillance Project was launched on 28.05.2005 by the Hon'ble Minister for Health & Family Welfare, Government of Karnataka in the presence of the Principal Secretary, Health & Family Welfare.

The project aims to establish a decentralized state based system of surveillance for communicable and non-communicable diseases, so that timely and effective public health actions can be initiated in response to health challenges in the country at the state and national level.

To improve the efficiency of the existing surveillance activates of disease control programs and facilitate sharing or relevant information with health administration community land other stakeholders so as to detect disease trends over time and evaluate control strategies.



The Specific Objectives of Integrated Disease Surveillance Project are:

- To integrate and decentralize surveillance activities.
- To establish systems for data collection, reporting, analysis and feedback using Information Technology.
- To improve laboratory support for disease surveillance.
- To develop human resources for disease surveillance and action;
- To involve all stakeholders including private sector and communities in surveillance.

#### **Existing System (IDSP) :**

- **Reporting:** Surveillance of communicable diseases involving Public and Private health care facilities throughout the state. Weekly reporting system was introduced instead of the old monthly reporting system. Involvement of Private institutions which cater for 60%- 80% population.
- **Data Analysis and Feedback:** Ongoing weekly reporting through SPL formats by peripheral institutes and analysis at State and District Surveillance unit as vigilance against identifying impending outbreaks. Weekly feed back by higher institutions to the peripheral reporting units/health staff.
- **Network of Laboratories:** Including Referral labs (Involving of 8 Medical Colleges), Priority labs and District Public Health labs supported financially to confirm outbreaks.
- **Human Resource & Training:** Recruitment of epidemiologists, Microbiologists, Entomologist, Data Managers and Data Entry operators on contractual basis to support surveillance. Peripheral/District Health staff are trained to identify and report various diseases under IDSP. Committed State & District authorities with capable and trained support staff.

- **Initiation of media scanning:** To identify outbreaks reported by media and follow-up with districts on the genuineness and actions initiated against them.
- **IT Strengthening:** Online reporting capacities at PHC/ CHC/ Taluk/ District and State level. Communication has been made faster to report of surveillance data on weekly basis on web portal. Conducting Video conference in outbreak management.
- **Outbreak Management:** Designating District Rapid Response teams involving Physician, Pediatrician, Epidemiologist Microbiologist, Entomologist headed by District Surveillance Officer to investigate cause and contain the outbreaks. outbreak reporting with in 48 hrs of occurrence.

#### **Financial Line Items of IDSP:**

##### **I. Operational Cost:**

- a) **Field visit**
- b) **Office expenses:** - Printing of Reports, Formats, Maintenance & monitoring reports of ICT equipment.
- c) **Board band expenses :-** Payment of Telephone bills etc.,
- d) **Outbreak investigation :-** Transpiration of samples including collection during outbreak
- e) **Review meetings**

##### **II. Human Resources:**

- a) Remuneration of Epidemiologists, Microbiologists, Entomologist, Consultant Finance/procurement, Consultant Training & Technical, Data Managers, Data Entry Operators .

##### **III. Laboratory Support:-**

- a) **District Priority Labs:** - Purchases of Lab equipments, Digenetic Kits, Glassware, culture Media and reagents required for up gradation of testing facility

for Dengue, Malaria, Chikungunya, cholera & Leptospeirusis.

b) **Referral Network Lab:** - for specimen test of Elisa/ repaid test for Leptospeirusis, Dengue, viral hepatitis , measles, meningococci, blood culture for phypoid, Diphtheria, cholera & others.

**Physical & Financial progress from inception:-**

#### 12.4.4 Other Major Health Programme Initiatives

The Department of health and family welfare services implements various National and State health programs of public health importance and also provides comprehensive health care services to the people of the State through various types of health and medical institutions. The progress of the health programmes are presented in **Table 12.59**.

#### 1 JANANI SURAKSHA YOJANE (JSY):

The goals of JSY are reduction in maternal and infant mortality rate as well as to increase the institutional deliveries of BPL and SC/ST families. Under this scheme, besides ensuring maternity services like 3 antenatal checkups and referral transport, cash assistance is provided for deliveries taking place both in health institutions and home. In rural areas, cash assistance to the mother for institutional delivery is Rs. 700 per case whereas in urban areas, cash assistance to the mother is Rs. 600 for institutional delivery. The cash assistance is also available for women delivering at home with an amount of Rs. 500 being given per case. If specialists are not available in Government-run health centers or hospitals, the institution can hire such specialists to manage complications or for caesarean section. Assistance up to Rs. 1500 per delivery could be utilized by the health institution for hiring services of specialists.

**Table 12.58 : Physical and financial Progress for various years**

Year	Physical progress reporting under S.P.L. Formats	Total Budget allocated	Expenditure
2004-05	Not reporting	421.11	---
2005-06	15%	---	70.11
2006-07	25%	353.00	206.00
2007-08	52%	306.79	104.97
2008.09	78%	207.64	146.71
2009- 10	83%	180.61	163.42
2010- 11	80%	269.90	146.01
2011- 12	85%	211.53	178.50
2012- 13	89.3%	373.56	214.65
2013- 14	92%	444.02	308.53
2014-15 (upto Dec-2014)	92%	283.61	180.11 (prov)

**Table 12.59 : Progress of Various Health Programmes (Unit in Numbers)**

Sl. No.	Programmes	2011-12	2012-13	2013-14	2014-15 (up to Dec-2014)
1	Prasuti Aaraike	6,82,402	5,14,327	4,85,795	2,23,648
2	Madilu	3,46,177	3,13,332	3,23,155	2,39,202
3	Tayi Bhagya	42,582	38,832	42,471	28,726
4	Janani Suraksha Yojane	4,54,794	2,85,500	3,83,251	3,05,775
5	Suvarna Arogya Chaitanya	1,241	1,219	1,744	559
6	Arogya Kavacha	5,91,439	5,09,440	6,03,762	5,02,456
7	Dialysis	32,124	19,239	46,315	36,528
8	Telemedicine	13,944	18,603	34,624	28,923
9	Vajpayee Arogyashree	7,565	12,842	32,212	27,859
10	Geriatric	7872	11549	58650	72542
11	Burns Care Wards	1,275	926	1,076	732

**2 THAYI BHAGYA:**

In order to reduce IMR and Maternal Mortality Rate (MMR) in the backward districts of Bijapur, Bidar, Gulbarga, Yadgir, Raichur, Koppal, Bagalkot and Chamarajanagar, empanelled private hospitals are given an incentive of Rs. 3 Lakhs for every 100 deliveries conducted including surgeries with treatment being free to the patients. 184595 beneficiaries are took the benefits in this scheme upto Dec-2014.

**3 AROGYA KAVACHA 108:**

This programme provides free first aid and referral transport in case of medical, police, and fire emergencies. As of this year, about 4.55 crore calls have been received. Of the calls attended, 42% were pregnancy-related. 711 ambulances have been deployed under this programme.



**4 SUVARNA AROGYA CHAITANYA PROGRAMME/RASHTRIYA BAL SWASTHYA KARYAKRAM:**

This is a unique programme being implemented for the first time in the Country. In this programme, about one crore school children (both private and Govt. sector) are medically screened and, children needing surgeries are provided surgical treatment at free-of-cost in empanelled hospitals. Between 2008-09 to 31-12-2014 a total of 10901 surgeries have been done. From January-2014 onwards the programme was renamed as Rashtriya Bal Swasthya Karyakram as per Government of India, MoHFW, Instruction.

**5 MADILU:**

It is one of the schemes started by the State Government to provide post natal care for the mother and the child. The objective of the scheme is to encourage poor pregnant women to deliver in health centres and hospitals in order to considerably reduce maternal and infant mortality in the state. Under this programme, a kit is

provided to women belonging to below poverty line families delivering in Government hospitals. The benefit is limited to two deliveries with live birth.

As per Government Order No. HFW 52 FPR 2014, dated: 15.10.2014 the parity and age limit is removed for 10 High Priority Districts of Karnataka (i.e. Bagalkote, Bijapur, Gulbarga, Yadgiri, Koppal Raichur, Bellary, Bidar, Gadag and Chamarajanagar).

**6 PRASOOTIARAIKE:**

Under This scheme, BPL pregnant women (including SC/ST) who undergo deliveries in Government Hospitals are given an incentive of Rs. 2000(Including Janani suraksha Yojane) for getting their nutritional requirement.

As per Government Order No. HFW 52 FPR 2014, dated: 15.10.2014 the parity and age limit is removed for 10 High Priority Districts of Karnataka (i.e. Bagalkote, Bijapur, Gulbarga, Yadgiri, Koppal Raichur, Bellary, Bidar, Gadag and Chamarajanagar).





**7 AROGYA VANI-104:**

This programme enables citizen to ask health related queries. People from any part of the state can avail their service by calling 104 round the clock throughout the year. After the launch of 104 services in the state, around 6500 calls day and more than 21,98,770 calls have been received by the services.

**8 VAJPAYEE AROGYASHREE:**

GOK sponsored Vajpayee Arogyashree Health Assurance Scheme for BPL families is implemented by Suvarna Arogya Suraksha Trust since 2010 onwards. The scheme provides cashless treatment facility in any network of super specialty hospitals for any of the identified seven tertiary ailments like Cardiology, Cancer, Neurology, Genito Urinary, Burns, Polytrauma and Neonatal with paediatric surgery.

As tertiary treatment is very expensive and beyond the means of BPL families, the scheme has been beneficial in protecting them from incurring out of pocket expenditure as well as ensuring that qualitative health care treatment is accessible to them in super specialty hospitals.

From 2010 till 2013-14, the scheme has benefitted 56714 BPL persons and the project has reimbursed Rs. 338.59 crores to the hospitals. During the current financial year from April 2014 till Dec-2014, a total of 27859 BPL persons have availed treatment and an amount of Rs. 148.64 crores have been paid to the network hospitals for treating these beneficiaries.

Since inception till Dec-2014, a total of 84573 BPL beneficiaries have availed treatment and the total scheme expenditure is Rs. 487.23 crores.

**9 INITIATIVES TO REDUCE MMR:**

1. On confirmation that the woman is pregnant, ANC card is given through Auxiliary Nurse Midwife of the said

locality and registered in MCTs.

2. 4ANC Checkup is a must.
3. Supply of 100 IFA Tablets is compulsory.
4. Two TT injections are given compulsorily during pregnancy.
5. If the pregnant woman is found to be anemic (7gm) an addition 100 IFA tablets are given.
6. If the pregnant woman is suffering from severe anemic (<7gm) then she is referred to the upgraded hospital for injection iron sucrose.
7. A cash benefit of Rs 1000 is given under Prasuthi Araiike programme for supplementing nutrition.
8. The pregnant woman is advised to have food with more iron content and nutrition and is advised to have institutional delivery.
9. After delivery 100 IFA tablets are given to the mother to prevent anemia both in mother and the new born.
10. In order to give 24 hours health services, 24x7 facilities are given in selected Primary Health Centres.
11. As soon it is found that it is a complicated pregnancy and to give additional facilities 192 upgraded hospitals have been identified in the State.
12. Advised to stay compulsorily in the health Institution for 48 hours after delivery.
13. From the stage of pregnancy till the delivery, free delivery, drugs, diet, blood and transport arrangements are made free of cost under Janani Suraksha Yojane.
14. Before the mother leaves from hospital to home Government facilities like madilu, Prasuti Araiike, Janani Suraksha yojane are given to BPL/SC/ST beneficiaries.



15. The mother is advised on family planning before leaving the hospital for home.

#### **10 INITIATIVES TO REDUCE IMR:**

1. Integrated Management of Neonatal and Childhood Illnesses (IMNCI) is implemented in all Districts. The supervision of the activity is being under taken in 8 districts where Government Medical Colleges are functioning.
2. 972 Newborn Care Corners (NBCC) have been established in 24X7 PHCs.
3. 166 New Born Stabilization Units (NBSUs) have been established in Taluka Hospitals and Community Health Centres.
4. 33 Special Newborn Care Units (SNCUs) have been established in Medical College Hospitals, District & District Level Hospitals.
5. 10 Bedded, 32 Nutritional Rehabilitation Centers (NRCs) and 27 Modified Nutritional Rehabilitation Centers (MNRCs) are functioning in the state.
6. Screening and Treatment of Retinopathy of Prematurity (ROP) in Premature and Low-birth weight babies is taken up in the 23 districts of Karnataka (Raichur, Gulbarga, Yadgir, Koppal, Bijapur, Bagalkot, Bidar, Davanagere, Haveri, Gadag, Chitradurga, Bellary, Dharwar, Bangalore(urban & rural), Ramnagar, Mandya, Mysore, Chamarajanagar, Kodagu, Chikballapur, Kolar & Tumkur).
7. Janani Shishu Suraksha Karyakram (JSSK) is implemented in all Government hospitals. Screening, Investigations and Treatment are free of cost for the infants up to 1 year.
8. Home Based Neonatal Care (HBNC) - Health Workers and ASHA Workers visit at least for a minimum of six times,

identify the danger signs among the new borns and guide them to the hospitals in time and in advise the mother about the importance of Breast feeding and age appropriate infant feeding.

9. Infant Death Audit (IDA) review meeting is taken up in all Districts every month in the presence of DC to discuss about the medical & social factors leading to death, and corrective measures to reduce infant death.

#### **ACHIEVEMENTS OF THE DEPARTMENT OF HEALTH AND FAMILY WELFARE SERVICES:**

1. IMR has been brought down from 47 to 31 per 1000 live births during 2007-2013
2. MMR has been reduced from 178 to 144 for 100000 live births between 2007-09 to 2010-13
3. Total fertility rate has been reduced to replacement level (2 children per couple). The Govt. of India had set a target of total fertility rate of 1.9 to be achieved by 2014. The state has already achieved the target.
4. Institutional delivery for 2013-14 is 98.58%.

Fully Immunized children from 80% to 100%. From 2009-10 to 2013-14

#### **12.4.5 NATIONAL URBAN HEALTH MISSION:**

The mission aims to provide Health Services to the urban poor, migrant population, Marginalized population. An amount of Rs 5081.05 Lakhs is provided during 2013-14, of which State share is Rs 1270.00 Lakhs and Central share is 3811.00 Lakhs. Sanction has been accorded by the Government for implementation Of National Urban Health Mission in 135 wards of BBMP, 63 wards of Bangalore Urban, Mysore, Bagalkote, Mangalore and Ullal of Dakshinakannada.

#### **12.4.6 HMIS & MCTS IN KARNATAKA:**

HMIS (Health Management Information System) is an initiative undertaken under the National Health Mission (NHM) launched by Government of India.

To collect the information uniformly timely from all the states, Government of India has prescribed HMIS formats throughout the country. The System of collecting information uploading online at the primary level & to get various reports by compiling the information for effective implementation of Health Schemes is Health Management Information System.

In Karnataka uploading of Information on HMIS portal from facility level is existing since Aug 2010 by which it is easier to get timely information. As there is provision of various reports at all levels it is possible to make use of these reports for various schemes & their implementation.

In Karnataka, after a few years of the implementation of the scheme, the data are captured at the facility level and uploaded. Nearly 98% of the information collected through online data is being uploaded before 5th of every month & more emphasis is given to improve the quality of the data.

#### **MCTS:**

In order to bring down Maternal Mortality Rate (MMR) & Infant Mortality Rate (IMR), it is essential to provide services to pregnant women & child. As a result of this MCTS (Mother & Child Tracking System) was introduced to keep track of services provided. Karnataka State is implementing MCTS Technology in co-ordination with NIC, Bangalore & looking into state needs since Jan 2011.

The information in the Thyacards distributed to each & every pregnant women are uploaded in MCTS Portal. Moreover, information is provided to ANM regarding the services to be given to Pregnant Women in the prescribed time by sending SMS to the beneficiary as to which service she has to avail. All the services

provided to the Pregnant Women & Child are uploaded automatically through sending SMS to the MCTS Portal. Apart from this MCTS allows to creating work plan to ANM regarding services to be given so that the activities of the ANM can be monitored by any officer at all levels.

#### **12.4.7 SCHOOL HEALTH PROGRAMME:**

The Rashtriya Bal Swasthya Karyakram is a major initiative specifically focusing on '4Ds' from 0-18 years children. Its aim is to holistically address the health and nutrition needs of children in a manner which fulfils the needs of today's lifestyle. School health program is envisaged as an important tool for the provision of preventive, promotive and curative health services to the population. The programme at the national level has been developed to provide guidance to States which are already implementing or plan to implement their own versions of the programme and to give guidance. The progress achieved under the school health programme of the State is presented in **Table 12.60**.

#### **WEEKLY IRON & FOLIC ACID SUPPLEMENTATION FOR ADOLESCENTS:**

Adolescence is a transition from childhood to adulthood characterized by rapid physical, biological and hormonal changes resulting in psycho-social, behavioral & sexual maturation in an individual. It is the second growth spurt of life and both boys & girls undergo different experiences in this phase. During this period of life, there is a significant increase in nutritional requirements, especially for iron.

Anemia, a manifestation of under-nutrition and poor dietary intake of iron is a public health problem, not only among pregnant women, infants & young children but also among adolescents. Anemia in India primary occurs due to iron deficiency & is the most wide spread nutrition deficiency disorders in the country today. The prevalence of Anemia in girls (Hb<12%) and in boys (Hb<13%) is alarmingly high as per

**Table 12.60 : Achievement under School Health Programme**

Year	No. of Students Examined (Lakhs)		No. of Students Treated for Minor ailment (Lakhs)	No. of Major operations performed (Nos.)
	Target	Achievement		
2011-12	89.91	86.06	7.88	1241
2012-13	92.82	84.85	9.74	1219
2013-14	91.92	22.74	0.18	1744
2014-15 (up to Dec.2014)	176.23	54.53	9.70	559

the reports, over 55% of both adolescent boys & girls are anemic. Adolescent girls are more vulnerable to anemia due to rapid growth of the body and loss of blood during menstruation. Highest prevalence of anemia is reported between the ages 12-13 years, which also coincides with the average age of menarche with increase in age, the prevalence of anemia among girls remains almost stagnant.

Regular consumption of IFA supplement is therefore considered essential for

prevention of IDA. Hence as per the Govt. of India's suggestion, during the year 2012-13 all 30 districts are selected for implementing the weekly Iron & Folic Acid supplementation for adolescents. To reduce the prevalence and severity of anaemia amongst adolescents (10-19 years) the following intervention is recommended:

- Administration of weekly iron-folic acid supplements (WIFS). Each IFA tablet containing 100 mg elemental iron &



**Table 12.60A: Target and Achievement of IFA & Albendazole**

Year	Target	Achievement
2013-14(July-13 to Mar-14)	49,44,839	46,51,659
2014-15 (Apr-14 to Dec-14)	49,44,839	25,65,022

500 mg Folic acid for 52 weeks in a year. (An adolescents pregnant girl is advised to consume one IFA daily tablet – ANC guidelines)

- b) Screening of target groups for moderate/ severe anemia and referring these cases to an appropriate health facility.
- c) Biannual de-worming (Albendazole 400 mg), six months apart, for control of helminthes infestation.
- d) Information and counseling for improving dietary intake and for taking actions for prevention of intestinal worm infestation.

Tablets given to Adolescents under Weekly Iron & Folic Acid Supplementation Programme :

#### 12.4.8 UNIVERSAL IMMUNIZATION:

The universal immunization programme was started to achieve 100 % immunization and to reduce the mortality and morbidity among infants and young children due to vaccine-preventable diseases such as tuberculosis (T.B.), diphtheria, whooping cough, tetanus, polio and measles. It is clear that coverage of different vaccination is increasing. **Table 12.61** presents information on the achievement of different vaccinations in the State. The full immunization rate is 67% currently till Dec 14.

**Table 12.61: Performance of Universal Immunization Programme:**

Vaccine Name	No. of Beneficiaries			
	2011-12	2012-13	2013-14	2014-15 (upto Dec-2014)
BCG	1178976	1159252	1131948	847043
Pentavelent*	-	-	853719	815052
OPV	1115886	1127987	1057854	813434
Measles	1062082	1085495	1030082	782797
DPT (Booster)	1130349	860455	894994	703019
Polio (Booster)	1115886	850957	893404	700436
TT (10Years)	777183	735010	703318	592439
TT (16Years)	663688	677897	639792	541272
TT (Mothers)	1259156	1245414	1195491	912851
Fully Immunized Children (%)	95	100	93	67

\*Pentavelent has been introduced in state since 2013 april.

**12.4.9 CAUSES OF DEATH:**

For the effective control of maternal and infant mortality, it is important to understand the causes of such mortality. **Tables 12.62** and **12.63** present information on top five causes of mortality for infants and females in the age group 15-49

respectively. The major causes of infant deaths are due to prematurity or low birth weight. Pneumonia, Heart Disease and birth asphyxia also account for a major proportion of deaths. Among females in the age group of 15-49, post-partum hemorrhage is the leading causes of death. This is followed by Sepsis and Abortion.

**Table 12.62 : Top Five Causes of Infant Mortality:**

<b>Cause of Death</b>	<b>% of total Death during 2014-15 (upto Dec-14)</b>
Low birth weight & Pre maturity	25
Sepsis /Pneumonia & Diarrhea	15
Birth Asphyxia	21
Heart Disease	7
Jaundice	1
Others	31
<b>Total</b>	<b>100</b>

**Table 12.63 : Top five Causes of Death for women of age group 15-49**

<b>Cause of Death</b>	<b>Death during 2014-15(upto Dec-14)</b>
Post partumhaemorrhage +Anaemia +Ante partum haemorrhage	<b>119</b>
Sepsis	<b>46</b>
Abortion	<b>2</b>
Obstructed labour	<b>8</b>
Hypertensive disorders in pregnancy	<b>30</b>
Others	<b>299</b>
<b>Total</b>	<b>504</b>



#### **12.4.10. KARNATAKA HEALTH SYSTEM DEVELOPMENT & REFORM PROJECT (KHSDRP):**

The Karnataka Health System Development & Reform Project (KHSDRP) is a World Bank-assisted project, aims to increase utilization of curative, preventive and Public health services particularly in underserved areas and among vulnerable groups, to accelerate achievement of the health related Millennium Development Goals. Keeping in view the positive contributions of the project in enhancing health outcomes (reducing maternal & child mortality and communicable diseases) and understanding the need to sustain/continue the innovative programs, an extension of the project is given till March 2016 (original closing date 31.03.2012), with additional financing of US\$ 70.00 million (Rs 374.50 Crores). Additional financing effected from 22.01.2013.

KHSDRP is a part of the overall system improvement programme integrated with NHM activities. KHSDRP is being used as an instrument to undertake reforms within the Health sector and to finance

- (i) Activities that cannot be easily done through other mechanisms,
- (ii) Activities that benefit from technical engagement with the Bank,
- (iii) Evaluations to validate such activities, and
- (iv) To facilitate pilot programs which if successful, could be scaled-up using Government funds.

#### **THE PROJECT HAS TWO WINDOWS OF FINANCING VIZ. PROJECT FINANCE & PROGRAM FINANCE:**

##### **Program Finance:**

Program Finance is an incentive funding to the Government of Karnataka for increased spending on health & family welfare programs and thereby, promotes the cause

of universal health & improved availability of health care to all, particularly to the weaker & deprived sections of society. The IDA share of credit is to be availed on the basis of the incremental expenditure by the Government of Karnataka on the ongoing State sector schemes related to primary health care subject to achievement of the agreed reform milestones. Credit under this scheme is fully used up.

##### **Project Finance:**

Project Finance involves implementation of agreed components and State Project Monitoring Unit (SPMU) is directly responsible for implementation of the Project Finance components and achieving the physical and financial goals/targets. Successful initiatives started under the Project includes running of Mobile Health Clinics, Citizen Help Desks, Sourcing-in-specialists, Health Care Waste Management of health facilities, Quality Assurance Program including accreditation of Pilot Hospitals, training and Capacity Building of Health Personnel, support to Vajpayee Arogya Shree Programme to benefit poor households requiring tertiary care intervention etc., New activities planned to support Road Safety and Emergency Health Services, and Prevention & Control of Non-Communicable Diseases etc.

Project has two lines of Credit Original financing and Additional financing. Outlays, expenditure and disbursement in each of these credits are presented in Table 12.64.

1. Change and managerial capacity building workshops", aimed at better service delivery.
2. Medical manual for medical officers developed and disseminated.
3. Model public health Act is under wide consultation.
4. Clinical Protocols and Standard Treatment Guidelines developed and disseminated.

**Table:12.64 : KHSDR Project Outlay, Expenditure and Disbursement**

Credit	Project Cost			IDA Share			Exp. till 31st Dec-2014
	SDR (millions)	US \$ (millions)	INR (Crores)	SDR (millions)	US \$ (millions)	INR (Crores)	INR (Crores)
4229-IN							
Original	140.46	206.48	897.77	96.50	141.83	616.67	
Revised*	140.46	216.78	1040.03	96.50	148.70	714.38	1039.80
Disbursed				92.79	143.30	678.38	
5161-IN (Addl. Finance)	69.75	105.00	561.75	46.50	70.00	374.50	115.81
Disbursed				6.76	10.36	63.38	
Total Outlay	210.21	321.78	1601.78	143.00	218.70	1088.88	1155.61
Total Disbursed				99.55	153.66	741.76	

\*Revised Cost is due to additional funds available on account of appreciation of SDR vis-à-vis US\$ and INR

5. Fostering knowledge implementation links in the health field taken up in collaboration with IIM-B.
  6. Reorganization of the department by developing a separate public health cadre/wing is being actively pursued.
  7. Health accounts, IEC, PPP, Quality Assurance, and Health Care Waste Management cells set up for capacity augmentation of the personnel.
  8. Major Hospitals viz., K.C.General Hospital, Bangalore and jayanagara General Hospital, Bangalore along with District Hospital Gadag, Bijapur, Chamarajanagar & Chitradurga have been taken up for NABH accreditation.
  9. In-service personnel have been deputed for various trainings & workshops conducted by institutions as ASCI, ESCI, IIMR, AIIMS etc
  10. State and District Quality Assurance Cells established
  11. Quality Management System (QMS) Manuals prepared for District Hospitals, Taluk Hospitals, CHCs and PHCs and training being imparted.
- PUBLIC HEALTH COMPETITIVE FUND (PHCF)**
1. Training & capacity building for about 4.50 lakh members in 8463 VHSCs and Arogya Raksha Samithis (ARS) has been completed.
  2. Services of 44 NGOs across the State engaged for creating health awareness & social mobilization in non-curative services like immunization, TB, public health, maternal health etc.
  3. District nodal environment officers appointed for all the 30 districts to monitor Liquid & Solid Waste Management in the health facilities and thereby contribute to improved public health.

4. 345 Health care facilities have established Liquid Waste Management system disinfection units and 91 Health care facilities have established Solid Waste Management system under KHSDRP

#### **NON COMMUNICABLE DISEASE PROGRAMME**

1. Formulated the roles and responsibilities of state Technical Advisory Committee and the District Level Committee for prevention and control of Non-Communicable Diseases.
2. Major focus is early detection and treatment of hypertension, diabetes and Cervical Cancer. Project will undertake screening for Hypertension, Diabetes and Cervical Cancer in 2 Pilot districts viz., Dakshina Kannada & Davangere from PHC level. Community-Level health promotion efforts planned

#### **ROAD SAFETY & EMERGENCY HEALTH SERVICE PROGRAMME**

1. Procurement of 150 new Ambulances Advance Life Support (ALS) & Basic Life Support (BLS) is in progress.
2. KHSDRP in association with the Karnataka state Highway Improvement project (KSHIP) will undertake a pilot road safety strategy and systems approach in 2 demonstration corridors. The project will finance necessary investments- equipment's, human resources, standards/guidelines, and training

#### **SERVICE IMPROVEMENT CHALLENGE FUND (SICF)**

1. 109 Mobile Health Clinics (MHCs) in most backward, hilly and inaccessible areas operationalized.
2. 37 Citizen Help Desks operationalised in the district and major hospitals.

3. 50 specialists contracted to address the problem of shortage of specialists in Govt. health facilities.
4. Two Regional Diagnostic Laboratories contracted out on pilot basis.
5. To improve health infrastructure, 254 civil facilities comprising of 35 PHCs, 152 Sub Centres, and 9 ANM training centres & 13 drug warehouses, 45 24x7 Model PHCs, completed and handed over to the Do H&FW. 73 facilities have been repaired and renovated including 3 Regional food labs. 6 more facilities including 24 x 7 Model PHCs, State food laboratory is under up gradation/construction.
6. 45 more 24 x 7 Model PHCs are planned

#### **HEALTH FINANCING (HF)**

1. GoK sponsored Vajpayee Arogyashree Scheme is implemented by Suvarna Arogya Suraksha Trust, to support the BPL families in the state of Karnataka, for tertiary care and serious ailments, under a cashless benefit scheme. The project has reimbursed Rs 90.85 crores for 19635 beneficiary claims by the trust.

#### **INFRASTRUCTURE FACILITIES IMPROVED/UPGRADED**

1. 1133 computers provided to PHC/taluk hospitals towards infrastructure development and improving communication & managing HMIS effectively along with furniture & essential equipments to new facilities. High end equipment's - 42 No's of HPLC systems, 7 No's UV Spectro-Photometer, 7 Water Purification Systems, 15 Dissolution Test Apparatus- provided to strengthen the Drug Controllers Office
2. Equipments, Furniture to State Food Lab and Regional Food Labs
3. Equipment to 13 newly constructed Drug Ware Houses

4. Procurement of computers & equipments for upgrading/enhancing enforcement measures by the drugs control department and State food laboratories in progress.

#### IMPACT ASSESSMENT AND EVALUATION STUDIES TAKEN UP

1. Impact evaluation of MHCs and citizen helpdesks completed. In house monitoring of MHCs is being conducted to ensure optimal utilization and also provision of MHCs services.
2. Baseline survey for Thaiy Bhagya Yojane in progress and health facility survey is completed.
3. Public expenditure review (PER) & medium-term expenditure framework (MTEF) for the Do H& FW for the period of 5 years from 2011-16 is completed. Rolling MTEF work is being done.
4. Support provided for the establishment of a State health informatics center and a new integrated health management information system (HMIS).

#### 12.4.11 KARNATAKA STATE AIDS PREVENTION SOCIETY (KSAPS):

Karnataka State AIDS Prevention Society (KSAPS) was registered as a Society on 9th December 1997; it is an autonomous institution and the highest policy-making structure with respect to HIV/AIDS in

Karnataka. The governing council is headed by the Chief Minister and the Vice chairman is the minister for Health and Family Welfare Services.

The Chairman of Executive Committee is Secretary to Government Health & Family Welfare Department. As per NACO, Karnataka is one of the "High Prevalent States" in India. The other high prevalent states in India are Andhra Pradesh, Mizoram, Maharashtra, Manipur and Nagaland. KSAPS is implementing NACP IV. Karnataka has 29 Category "A" districts and 1 Category "C" district.

#### KSAPS is implementing NACP IV funded by NACO, New Delhi:

Karnataka has been conducting the HIV Sentinel Surveillance since 1998. Surveillance is carried out annually by testing for HIV at designated sentinel sites. The prevalence among antenatal clinic (ANC) attendees as per HSS 2010-11 was 0.69%. This is close to the NFHS-3 estimate of 0.69% in 2006. HIV prevalence among the ANC attendees indicates decline in adult HIV prevalence in the state from 1.5% in 2004 to 0.69% in 2010-11. HIV prevalence level (as per HSS 2010-11) among Female Sex Workers (FSW), Men who have Sex with Men (MSM) and Injection Drug Users (IDU) is 5.1 %, 5.4% & 0 % respectively. **Table 12.65** Presents statistics regarding HIV/AIDS cases tested and found positive in ICTC.

**Table: 12.65. Tested and found Positive in ICTC**

Year	General clients					ANC				
	Target	Achievement				Target	Achievement			
		Tested	% Achievement	+ve	% Positivity		Tested	% Achievement	+ve	% Positivity
2007-08	500000	195124	39.02	28279	14.49	400000	276301	69.08	2399	0.87
2008-09	650000	445761	68.58	44847	10.06	550000	568467	103.36	3249	0.57
2009-10	800000	745292	93.16	48417	6.50	700000	796748	113.82	3501	0.44
2010-11	1000000	775712	77.57	41617	5.37	900000	784794	87.20	2542	0.32
2011-12	1000000	1179801	117.98	39477	3.35	1000000	1010822	101.08	2333	0.23
2012-13	1491400	1239661	83.12	33611	2.71	1207268	962034	79.69	1831	0.19
2013-14	1467137	1664848	113	29437	1.77	1292519	1178907	91	1443	0.12
2014-15 (April to Dec)	1540494	1463413	94.99	20147	1.37	1253456	963719	76.88	1345	0.13

## **Karnataka State AIDS Prevention Society Programmes:**

### **1. Targeted Intervention:**

Response from Karnataka State AIDS Prevention Society (KSAPS) has been to saturate targeted interventions (TIs) in Karnataka under the thrust area of NACP - IV.

#### **i. Core TI (FSW, MSM ,TG & IDU)**

This saturation currently covers around 86417 Female Sex Workers (FSWs) under targeted interventions and 27963 Men who have sex with Men (MSM). The TG covers 1796, The TI is funded by NACO through KSAPS .There are 4 IDU TI programmes in Karnataka. 3 in Bangalore & 1 in Kolar covers 1804 IDUs and 3 OST centers 2 in Bangalore & 1 in Kolar which covers IDU population.

#### **ii. Bridge TI (Migrant & Truckers)**

The 21 TI projects in Karnataka covers 2,10,000 migrants. 7 truckers TIs cover a population of 80,000 long distance male truckers. The Truckers program is implemented at Transshipment Locations.

### **2. HIV Counseling & Testing at Integrated Counseling and testing Centre:**

During 2013-14, 16,64,848 General clients were counseled and tested with a positivity rate of 1.77% and 11,78,907 ANCs were counseled and tested with a positivity rate

of 0.12% in ICTCs. From April to Dec 2014, 14,63,413 General clients were counseled and tested with a positivity rate of 1.37% and 9,63,719 ANCs were counseled and tested with a positivity rate of 0.13% in ICTCs.

### **3. Care Support & Treatment:**

During 2014-15, 61 ART centers and 194 Link ART Centers and Link Plus ART Centers have been functioning. The cumulative number of HIV cases registered at ART Centers till Dec-2014 were 2,61,260, out of which, 1,15,295 cases are alive and on ART. The progress of ART centers is given in **Table 12.66**.

### **4. Information, Education & Communication:**

KSAPS put all its efforts in strategizing IEC activities during the year 2014-15 in the state. IEC strategy aims at creating enabling environment to empower individuals and communities. It also enables to make correct decisions about safe behavior practices and to dispel some of the prevailing misconceptions and reduces stigma and discrimination attitude toward people living with HIV/AIDS among youth and adolescents.

The Strategy of adapting of communication tools and methods of BCC and IPC, traditional and folk media bringing the changes in the behaviors of youth, women and rural folk and increases the level of knowledge and motivates people to go for

**Table12.66 : Status report on ART (till Dec-2014)**

<b>Indicator</b>	<b>Adult Male</b>	<b>Adult Female</b>	<b>TS/TG</b>	<b>Child Male</b>	<b>Child Female</b>	<b>Total</b>
Pre ART Registration	1,23,802	1,20,005	582	9,208	7,663	2,61,260
Ever Started on ART	83,419	76,983	307	5,020	3,960	1,69,689
Alive on ART	51,262	56,617	212	4,001	3,203	1,15,295
Reported Death	23,902	13,722	70	675	517	38,886



HIV tests and adopt safe sex practices, stigma and discrimination, available services for infected and affected people HIV/AIDS treatment for STIs and TB.

All IEC initiatives and Messages focused on behavior change, risk reduction, adopting health seeking behavior and safe sex and reduce the prevailing stigma and discrimination. A full range of key activities that are being implemented includes Mass and mid media campaigns and IPC for the general public and targeting specific interventions for youth, rural community and tribes. IEC interventions integrated within the various components of the program such as PPTC, ICTC services, STD services, Condom promotion, Blood safety, TIs, etc. These messages and IEC material have been utilized to raise awareness, and social mobilizations at various levels.

Airing programs on HIV/AIDS different stations of AIR Gulbarga, Dharwad and Bangalore educating and providing information to people both in urban and rural area. Display of messages on 250 Hoardings/4000 Sun boards creates awareness in general public throughout the state. Spots on prevention and available services of HIV/AIDS in 367 Digital Theaters in Karnataka aims at creating the importance of prevention of HIV/AIDS and Blood Donation. Broadcasting audio spots on HIV/AIDS (prevention and available services) in 43 NERTC bus stands of North Karnataka. Roll maps were printed and supplied to all Gram panchayats and PHCs of 7 districts during Link Work Scheme.

As part of mid media activities that are being implemented an awareness campaign on HIV/AIDS Jagruthigagi Janpada-through different folk medium reaching out the rural community. Thousands of performances on HIV/AIDS by the 30 folk teams make impact on rural folk since few years. Unique tribal folk campaign reached the different tribal pockets of Karnataka. Functioning of 1,500 Red Ribbon Clubs in colleges are supporting to know HIV/AIDS and STOP the HIV/AIDS among youth in

Karnataka. Prevention of HIV/AIDS in Karnataka is an effort to main stream the HIV/AIDS in different departments of Government of Karnataka. Few departments have been taken the initiatives to inbuilt the HIV/AIDS prevention and awareness programs in their respective departments. Awareness programs through Audio/Visual programs and distribution of IEC printed materials in village fairs and local village festivals motivating people to know their HIV/AIDS status and preventive measures, available services. Combining IEC activities are contributing to create a HIV/AIDS free state and getting to zero HIV/AIDS in Karnataka.

#### **Blood Safety:**

State Blood Council was established in Karnataka during 1998-99 to provide adequate & safe blood and blood products at reasonable rates. At present there are 184 registered blood banks in Karnataka of which 66 are supported by NACO. Out of 184 Blood Banks, 45 are in Government Sectors, 32 are Voluntary/Charitable sectors and 118 are in Private sector (Table 12.67)

#### **6. Financial Progress:**

##### **12.4.12 DEPARTMENT OF AYUSH:**

The Department of AYUSH includes Health care and Medical Education System. AYUSH Department is an independent department works parallel to the Health and Family Welfare.

#### **Aim:**

The Department is providing primary health care through AYUSH System to the public. The main aim is to give Preventive, Promotive and Curative health care particularly in the management of life style disorders.

#### **Health Sector:**

Ayush Health sector is providing primary health care services through AYUSH system to the public.

**Table 12.67 : Blood Safety Indicators (2007-08 to 2014-15)**

Indicator	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 (upto Dec-14)
Total blood units collection	3,79,735	4,66,047	5,36,783	6,14,787	5,94,512	6,60,138	6,94,151	5,60,407
Blood units collected from Voluntary Donors (VBD)	2,26,251	274596	326482	3,78,933	3,93,694	4,35,258	4,08,974	3,81,120

**Table 12.68 : Programme Component wise expenditure of KSAPS Budget**

Sl. No.	Programme	Year 2014-15 (April to Dec-2014)		
		Approved Budget (in Lakhs)	Expenditure (in Lakhs)	Expenditure by Programme (%)
1	Targeted Interventions	2470.57	1212.45	49.08
1.1	Link Worker Scheme	217.02	58.59	27.00
2	Sexually Transmitted Infection / Reproductive Tract Infections Services	142.46	57.90	40.64
3	Blood Safety	515.99	94.20	18.26
4	Lab Services	31.14	18.11	58.16
5	ICTC/HI-TB/PPTCT	2333.10	1129.14	48.40
6	Information, Education & Communication	792.89	246.06	31.03
7	ART/CCC	2385.26	881.74	36.97
8	Institutional Strengthening	693.31	555.77	80.16
9	Strategic Information Management System	82.49	8.63	10.46
10	UNICEF			
<b>11</b>	<b>State Fund</b>			
11a	2210-06-101-7-15 Grant in aid Salary	200.00	261.18	86.01
11b	2210-06-101-7-17 Reimbursement of Travel cost to HIV patient	100.00	374.27	113.55
11c	2210-06-101-7-18 - LWS programme	200.00	99.09	30.94
11d	2210-06-800-0-14- TB & HIV patients nutrition foods	300.00	0	0.00
	Total	<b>10464.23</b>	<b>4997.13</b>	<b>47.75</b>

\*\* Expenditure including unspent balances

There are 661 AYUSH Dispensaries, 153 AYUSH Hospitals and Teaching Hospitals are rendering

**AYUSH Health care facilities:**

- Providing Panchakarma, Ksharasutra and other special treatment.
- Giving Training to the AYUSH staff, thereby bring AYUSH in to the mainstream.
- Strengthening regulatory mechanism for ensuring quality control.
- Government Central Pharmacy manufactures AYUYSH medicines. These manufactured AYUYSH medicines will be supplied to AYUSH Dispensaries, AYUSH Hospitals and Teaching Hospitals.

- Drug controlling Authority regulates Ayurveda, Unani & Homoeopathy drug and cosmetics manufacturers & manufacturing units.

**MEDICAL EDUCATION:**

There are 77 Government, Government Aided, and Un-aided AYUSH Medical Institutions functioning in the state. The details are given in **Table 12.69**.

**Cadre strength details in AYUSH**

During the year 2011-12 the Government sanctioned schemes for AYUSH department under Health and IEC programme. In this regard, the department successfully conducted all AYUSH programmes in various taluks across the state. Anemia and Yoga training are two important

**Table 12.69 : Number of AYUSH medical colleges / institutions in Karnataka**

Faculty	Government		Government aided		Unaided		total	
	Institutions	Students enrolled	Institutions	Students enrolled	Institutions	Students enrolled	Institutions	Students enrolled
Ayurveda	-	-	-	-	-	-	-	-
Graduate	3	150	5	310	50	1765	58	2225
Postgraduates		59	-	43	-	94	-	196
Unani	-	-	-	-	-	-	-	-
Graduate	1	50	-	-	3	120	4	170
Postgraduates	-	-	-	-	-	-	-	-
Homoeopathy	-	-	-	-	-	-	-	-
Graduate	1	40	-	-	10	740	11	780
Postgraduates	-	-	-	-	-	24	-	24
Yoga and nature cure	-	-	-	-	-	-	-	-
Graduate	1	25	-	-	3	210	4	235
Postgraduates	-	-	-	-	-	2	-	2
Total	6	324	5	353	66	2955	77	3632

**Table 12.70: Details of in-patient and out- patient in AYUSH Hospitals**

Year	Ayurveda		Unani		Homeopathy		Yoga and Naturopathy		Total	
	In-patient	out-patient	Inpatient	out-patient	In-patient	out-patient	In-patient	out-patient	Inpatient	Out-patient
2008-09	4,766	4083,262	773	5,62,050	412	2,15,318	-	34,177	5951	48,94,807
2009-10	8,199	31,77,807	1594	5,66,104	545	7,64,418	144	26,639	10,482	45,34,968
2010-11	5,443	37,83,417	794	4,91,148	280	5,20,335	41	18,045	6538	48,13,005
2011-12	60,587	38,59,795	748	4,75,501	429	3,85,394	31	20,974	7265	47,41,664
2012-13	13,661	38,00,729	473	5,74,435	565	1,37,975	21	24,492	15,020	47,39,828
2013-14	10,569	43,87,176	897	3,46,428	565	3,59,673	0	50,697	12,081	51,43,974
2014-15 (upto Dec 2014)	25,180	22,68,388	10,589	2,93,851	281	1,92,389	435	28,538	39,085	27,83,065

**Table 12.71 : Details of teaching and non-teaching staff in AYUSH hospitals**

Group	Teaching			Non-teaching			total		
	Sanctioned	Filled	vacant	Sanctioned	Filled	vacant	Sanctioned	Filled	vacant
Gr-A	194	87	107	995	816	179	1189	903	286
Gr-B	121	56	65	28	16	12	149	72	77
Gr-C	-	--	--	932	414	518	932	414	518
Gr-D	-	--	--	1300	716	584	1300	716	584
TOTAL	315	143	172	3255	1962	1293	3570	2105	1465

**Table 12.72 : AYUSH INSTITUTIONS AND THEIR INTAKE CAPACITY**

Sector/ Faculty	2011-12			2012-13			2013-14		
	No.Of Institutions	Intake Capacity	Enrolment	No.Of Institutions	Intake Capacity	Enrolment	No.Of Institutions	Intake Capacity	Enrolment
Ayurveda	58	2780	1930	58	2780	2750	58	2800	2225
Unani	04	170	127	04	170	140	04	170	165
Homeopathy	11	780	780	11	790	780	11	780	765
Nature cure and yoga	04	235	209	04	235	225	04	235	235

programmes under this Health and IEC activity. In Yoga training, first the high school teachers are trained; in turn the teachers are made to teach Yoga to their school children. By this programme many number of school children are benefitted. Anemia is another important programme. The anemic children are identified and treated with AYUSH Hematenics, and now, the proposal is given to the Government to continue this programme in all taluks across the state.

During the year 2012-13, to popularize the AYUSH health care services in general public, the department has implemented some more programmes along with the above schemes. They are:

1. AYUSH Health camp
2. Seminar and Work shop
3. Home remedy and AYUSH awareness
4. Diabetic control programme
5. School health programme
6. Vector borne diseases control programme
7. Yoga and Naturopathy programme [Micro]
8. AYUSH health expo
9. AYUSH Trainings

#### **Other Programmes:**

1. During the year 2012-13 started AYUSH Grama Yojane as a pilot project.
2. During the year 2012-13 started AYUSH Pusti Karyakrama as a pilot project.
  - Free health check up programmes to popularize AYUSH system in rural areas.
  - To update the knowledge the AYUSH Doctors, Nurses, Pharmacists and others are given periodical Seminar and work shop are conducted.

- Home Remedy programme is started in view to provide Health awareness and Primary Health Care to the rural population. In this programme, the participants are trained about the use of locally available medicinal plants to their common ailments.
- There is a raise in life style disorder like diabetes in the population due to increased mental tension, improper food habit and others. To modify their life style in control of diabetes, the department is conducting Diabetes control programme to the general public.
- To maintain mental and physical well being, the school children are taught Yoga.
- Vector borne diseases are controlled through plantation of some medicinal plants.
- First the high school teachers are given yoga training; in turn the teachers are made to teach Yoga to maintain physical and mental health of their school children.
- Health expo is conducted in state and district to promote and popularize AYUSH System.
- Trainings are given to Medical and Paramedical staff, General Public, ASHA worker, Anganawadi worker and others regarding AYUSH health system.
- Providing AYUSH Health care services to rural people at their door steps. This programme was introduced as a pilot project with 3 years tenure. In this programme is introduced to provide AYUSH Health care from pediatric to geriatric level.
- AYUSH Pusti programme is a pilot project. In this project, it is designed to correct malnourishment in



children aged between 3 to 6 years. AYUSH medicines are given in the form of Syrup and Biscuits to correct malnourishment. These Syrup and Biscuits improves digestion as well as appetite and corrects the malnourishment.

During the year 2013-14, to popularize AYUSH health care services in general public, the department has implemented the following programmes:

1. AYUSH Health camp
2. Seminar and Work shop
3. Home remedy and AYUSH awareness
4. Diabetic control programme
5. School health programme
6. Vector borne diseases control programme
7. AYUSH health expo
8. AYUSH Trainings

During 2014-15 the following programmes were implemented.

1. Yoga Training for School Teachers
2. AYUSH Arogya Shibhira
3. AYUSH Seminar / Workshop
4. AYUSH Manemaddu Karyakrama
5. AYUSH Arogya Mela
6. AYUSH Grama Yojane

#### **12.4.13 DRUGS CONTROL :**

The State Drug Control Department is existing since 1956 as an Independent body under the control of the Ministry of Health and Family Welfare. It is headed by the State Drug Controller. The main objective of the Department is to implement the Drugs and Cosmetics Act, 1940 and Rules there under and to ensure the quality control over the Drugs and Cosmetics manufactured and marketed in the state in the interest of the public health. By exercising strict control and vigilance on the drug marketed

in the State, the Department eradicates the menace of Spurious and substandard drugs , ensures safety of drugs and its availability on the controlled prices to the public. The Department has three wings: (1) The Enforcement Wing (2) Drugs Testing and Laboratory and (3) The Pharmacy Education.

During the period of 2014-15 financial year, a total provision of Rs. 1992.00 lakhs - under Plan scheme, Rs. 1971.49 lakhs under the State Non-plan scheme and around Rs. 118.00 lakhs -under Centrally Sponsored schemes have been allocated for this Department.

The establishment and construction work of laboratory buildings for the 2 Regional Drugs Testing Laboratories at Hubli and Bellary in North Karnataka, are completed through KHSDRP and have already started functioning in its own buildings as proposed under the State budget 2008-09. The Department is taking initiatives to get the NABL accreditation in the National level for these two laboratories as proposed in the State budget 2014-15.

Karnataka State is the first state to bring the Pharmaceutical Policy. The Department is providing five services under SAKALA Scheme to assure the accomplishment of services to the public within the specified time frame. The licensing activity of the drugs sales establishments is fully computerized while, the computerization of process of licensing to drug manufacturing units is under progress. The Department has successfully adopted the LMS/FMS software under e-governance for its internal files and letters management.

The Department has also successfully implemented e-sampling programme for the process of Drug Testing and Analysis in the State Drugs Testing Laboratories as a part of e-governance. The information about the substandard drugs is being published through the Departmental web portal, as soon as it is declared as substandard quality. Not only that, around

28,000 auto generated SMS alerts have made this possible to prevent the usage and distribution of the substandard drugs by reaching the various stock holders like retailers, wholesalers, Doctors and Enforcement officers.

As announced in the 2013-14 financial year budget, the Department has got an allotment of 4.30 acres of land, by the District Commissioner, Gulbarga, for the establishment of a Government College of Pharmacy at Gulbarga, with an estimated cost of Rs. 26.00 crores.

In order to encourage the Pharmacy Education in the State, Admissions through CET has been introduced for the B.Pharm Education, from this Academic Year. For the functioning of said college, totally 158 teaching and non-teaching staff created in different faculty.

The joint venture with the Karnataka Power Corporation Ltd., for the construction of a Multi-storied building comprising an area of 1,19,000 Sq.ft., at Bangalore for the Department, is under progress.

In the present Financial year a provision of Rs. 492.00 lakhs has been allocated for the construction of office buildings at Mysore, Belgaum, Ramanagara and Bidar. The work is under progress.

#### **12.4.14 KARNATAKA STATE DRUGS LOGISTIC AREHOUSING SOCIETY**

##### **Introduction and Objectives:**

Karnataka State Drug Logistics and Warehousing Society, Bangalore was established with an objective to cater to the needs of Health Institutions coming under the Directorate of Health and Family Welfare Services as well as those Hospitals coming under the control of Directorate of Medical Education and such other programmes coming under Health and Family Welfare Services.

##### **Objectives:**

Karnataka State Drug Logistics and Warehousing Society, Bangalore is headed by Additional Director. He functions under the Administrative control of the Commissioner, Health & Family Welfare Services and the Director of Health & Family Welfare Services. The requirement of Drugs, Chemicals & other items of all State Sector Hospital, Teaching Hospitals under the Directorate of Medical Education and the Hospitals/Institutions coming under ZP, are procured and supplied in accordance with the budget allotted and the indent of individual Hospitals/Institutions through District Drugs Warehouses.

**Table 2.73 : Budget released for procurement of Drugs and Chemicals and expenditure for the past five years**

<b>Year</b>	<b>Budget Released (Rs. In lakhs)</b>	<b>Expenditure (Rs. In lakhs)</b>
2009-10	6758.52	6758.49
2010-11	6000.00	5161.05
2011-12	6600.00	5920.85
2012-13	9375.00	9375.00
2013-14	10,500.00	10,500.00
2014-15 (upto Dec-2014 )	10,920.00	7,280.00

**Budget Allocations:****Plan of Action:**

1. The erstwhile Government Medical Stores has been restructured into a society and is functioning as Karnataka State Drugs Logistic & Warehousing Society ® which was formed with the financial assistance of the European Commission through Government of India during the year 2003. 14 District Drug Warehouses catering to the needs of two districts each were constructed and fully equipped and they are functioning effectively. Cold Storage Room have been installed in all 14 District Drug Warehouses. As per the indents of the Health Institutions drugs are supplied to them through the Troop Carrier Vehicles of Warehouses.
2. The essential equipments and necessary materials were supplied to all the 14 Drug Warehouses, All the warehouses are computerized and internet connection is also provided. Karnataka State Drugs and Logistics Warehousing Society is connected to all District Drug Warehouses, where in data is feed through Warehouse Information System WIS.
3. 13 new District Drug Warehouses have been constructed, and handed over. Measures have been taken to convert Karnataka State Drug Logistics Warehousing Society into Corporation on the lines of Tamil Nadu Medical Services Corporation.
4. As per the indents of the Health Institutions, drugs are procured through different firms and K.A.P.L. and distributed through 14 District Drug Warehouses.

5. Drugs and Chemicals are also supplied by this Society to combat Natural calamities like floods, droughts which are supplied as per the directions of the Government from time to time.
6. The Equipments and Furniture required for different health institutions are procured through KDLWS from the year 2011-12.
7. Equipment Monitoring Cell has been established at the State Level in KDLWS. This Cell compiles the Equipments information of the state, monitors the repair work and AMC/CMC of the equipments.

**1. Other Department Programmes:**

1. Under “AksharaDasoha” Programme of the Education Department certain drugs like Tab. Albendazole, Iron with Folic Acid and vitamins 'A' Capsules are being procured and supplied to BEO's which are in turn supplied to schools for distribution to students from class I to 7th Std. as per requirement of education Dept.
2. Drugs, Chemicals diagnostic kits, Lab consumables, Blood Bank Consumables and instruments medical equipment required under AYUSH, National Health Mission, Karnataka Aids Prevention Society are procured and supplied as per their requirements.

**12.4.15 EXPENDITURE ON HEALTH:**

The plan and non-plan outlays for the health sector during the last three years is given in Table 12.74. The details of the central assistance and its disbursement are also provided in **Table 12.75**.

**Table 12.74 : Plan & non-plan Expenditure on Health & Family Welfare (Rs.in lakh)**

Year	Plan	Non-Plan	Total
2012-13 A/c	1,85,051.98	2,07,858.32	3,92,910.30
2013-14 BE	3,08,298.99	2,48,679.85	5,56,978.84
2013-14 RE	2,50,811.72	2,39,608.32	4,90,420.04
2014-15 BE	3,64,223.29	2,53,854.07	6,18,077.36

**Table 12.75 : Funds received from Government of India and Utilization (Rs.in lakh)**

Financial Year	GoI releases thro' State Health Society	GoK releases thro' State Health Society	Opening Balance (Unspent Balance)	Total Fund	Expenditure of State Health Society	Expenditure as % of GoI releases
2011-12	64,082.59	16,000.00	23,544.96	1,03,627.55	76,323.70	119.10
2012-13	64,028.62	18,036.00	25,084.42	1,07,149.04	86,225.41	134.66
2013-14	60,972.19	20,784.00	27,958.15	1,09,714.34	79,887.51	131.19
2014-15 (31 <sup>st</sup> Dec-2014)	58,604.17	21,256.04	42,909.48	1,22,769.69	56,897.97	97.09

Note: 2011-12 and 2012-13, 2013-14, 2014-15 – Expenditure as % of GOI release- higher than 100% because of the carry-over of unspent funds from previous years.





## GENDER AND SOCIAL EQUITY

Social development of any State is important for the economic development of the State. The main focus of Social Sector is to improve the conditions of the weaker sections and the vulnerable.

Under Article 46 of the Constitution, the State Govt. shall promote special care to the educational and economic interest of the weaker sections and in particular of SCs and STs to protect them from social injustice and all forms of exploitation.

Social justice is a justice where in fair treatment and equal share of social benefits are given to all, especially Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities, Persons with disabilities and vulnerable sections of the societies. Government is taking up various welfare programmes like Stree Shakti, ICDS, Santhwana, Udyogini, Scholarships for pre and post matric students, hostel facilities, Ganga Kalyana scheme, skill development training and margin money loans scheme etc., for equalisation of the weaker sections with other sections of the society at all stages and levels of educational and socio economical development through various departments like women and child development, social welfare, backward classes welfare and minorities welfare departments.

Development of social sectors have direct impact on the Human Development. The State has given priority to this sector by allocating about Rs. 16031.19 crores for all welfare departments and their related development corporation in the last 3 years and the expenditure made during this period is 11692.61 crores.(72.94%)

### 13.1 WOMEN AND CHILD DEVELOPMENT

#### 13.1.1 Women Population

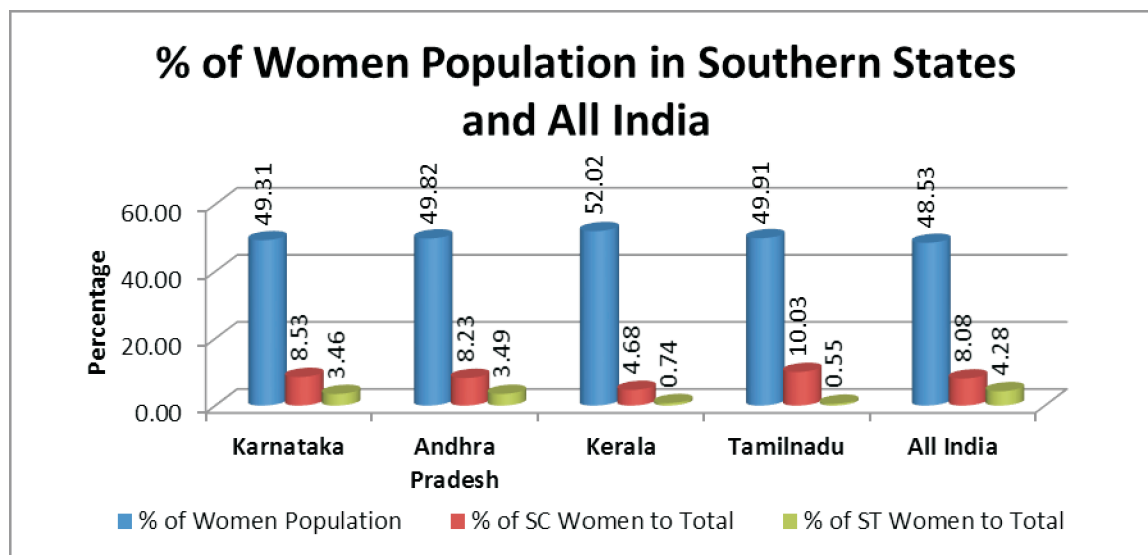
Women comprise nearly half the population in Karnataka. According to the recent 2011 Census, women comprise 49.31 % of the total state population The pattern is more or less same in the southern States of India. However, the percentage of SC women to total population is more in Tamil nadu (10.03%) compared to Karnataka (8.53%) and All India (8.08%). But percentage of ST women to total population is more in Andhra Pradesh (3.49%) compared to other Southern States.

#### 13.1.2 Women Empowerment Schemes

It is in the recent years that the issue of women's empowerment as a development objective has moved centre stage. With this objective in mind, the Department of Women and Child Development, Government of Karnataka, has designed the following schemes that aims, not only on empowering women, but also for their well-being in various spheres.

##### A. Stree Shakthi

For economic empowerment, it is necessary for a woman to have access to and control over productive resources to ensure financial autonomy. SHG is a good medium to congregate women. Stree Shakthi programme was launched in 2000-01 and is implemented throughout the State. Each group comprises of about 15 to 20 women members who come from below the poverty line families. Women belonging to families that are landless or agricultural labourers,

**Figure 13.1 Percentage of Women Population in southern states and All India**

and largely SC/ST women who have come together to form 1.40 lakhs Stree shakthi Groups. At present there are 1.40 lakh self help groups, comprising 20 lakh women members.

Upto December, 2014 the groups had saved Rs.1578.54 crore since inception. Bank loans have been availed by 127356 groups to the extent of Rs.2547.49 crore and there has been internal loan circulation to the tune of Rs.4354.47 crore and used for taking up various Income Generating Activities

Several programmes like revolving fund, financial incentives, loans at the subsidized interest rate of 6%, providing marketing facilities for the products produced by SHGs etc are taken up by the Dept.

#### **The budgetary allocations for various activities under Stree Shakthi are**

- Rs.7500 lakhs (Rs.7400 lakhs for rural groups and Rs.100 lakhs for urban Streeshakthi groups to be created by KSWDC) for strengthening of SHGs, of which an expenditure of Rs.3233.84 lakh was incurred as of December-2014.

- With focus on the backward areas, under the Special Development Programme an amount of Rs.100 lakhs is allocated towards incentives to groups which are involved in income generating activities. For Hyderabad Karnataka Region Development Plan Rs.40.00 lakhs and for groups in other regions Rs.60.00 lakhs has been provided and up to December-2014 an expenditure of Rs.28.30 lakhs and Rs.13.50 lakhs was incurred respectively
- In view of the large number of groups taking up income generating activities it was proposed to provide marketing facilities at the taluk level in a phased manner from the year 2007-08. During 2014-15, Rs.325.00 lakhs is allocated for construction of 5 new taluk bhavans and to complete 27 incomplete buildings of which an expenditure of Rs.74.00 lakhs was incurred as of December-2014.

#### **B. Santhwana**

Santhwana is a scheme aimed at rehabilitation of women who have been subjected to atrocities like rape, domestic

**Table 13.1: District-wise Women Population in Karnataka 2001-2011**

Sl. No.	Name of the District	As per 2001 census	As per 2011 census	Percentage of women population (Census 2011)
1	Bangalore (Urban)	3100313	4563412	15.2
2	Bangalore (Rural)	916081	479743	1.6
3	Chitradurga	737578	816967	2.7
4	Kolar	1242253	760830	2.6
5	Shimoga	810230	875695	2.9
6	Tumkur	1267575	1326679	4.4
7	Davangere	872373	957303	3.2
8	Ramanagar	0	534679	1.8
9	Chikkaballapur	0	616873	2.1
10	Mysore	1289070	1483538	4.9
11	Chikkamagalur	564829	570270	1.9
12	Dakshina Kannada	958752	1051048	3.5
13	Hassan	862696	890414	3.0
14	Kodagu	272112	280037	0.9
15	Mandya	874411	899239	3.0
16	Chamarajanagar	474380	507603	1.7
17	Udupi	587953	615012	2.0
18	Belgaum	2059518	2351335	7.8
19	Bijapur	880313	1062149	3.5
20	Dharwad	780379	907866	3.0
21	Karwar	666273	709423	2.4
22	Bagalkote	816548	937924	3.1
23	Gadag	478160	526758	1.7
24	Haveri	697553	779211	2.6
25	Gulbarga	1533479	1257831	4.2
26	Bellary	996761	1251981	4.2
27	Bidar	730695	829168	2.8
28	Raichur	815860	958280	3.2
29	Koppal	591470	689813	2.2
30	Yadgiri	0	581881	1.9
<b>Total</b>		<b>25877615</b>	<b>30072962</b>	<b>100</b>

**Table 13.2: Progress under Stree Shakthi Scheme**

Years	Expenditure (Rs.in lakhs)	Achievement (No.)
2012-13	1040.48	20904
2013-14	1458.80	41980
2014-15 upto December-2014	3233.84	60992

**Table 13.2.A Stree Shakthi Programme**

Programmes/ scheme	Unit	Achievement		Target	Achievement
		2012-13	2013-14	2014-15	Upto December-14
No. of Groups taken loans from Banks	with Nos.	1882	2119	13779	1474
Loan Amount	Rs. in Crores	50.82	83.96		56.86
No. of Groups	No.	6083	3917	1.20 lakhs Stree Shakthi Groups	70407
Revolving Fund released by Government	Rs. in Lakhs	304.15	195.85		3520.35

violence, dowry, sexual harassment, etc. In addition to provision of legal assistance, support is also provided in the form of financial aid, temporary shelter and training / education to equip them with

skills needed to get back into the normal course of life through 172 Santhwana Centers, which are run with assistance from various NGOs. Progress given in **Table 13.3.**

**Table 13.3 Progress under Santhwana Scheme**

Year	Expenditure (Rs. lakhs)	Physical Achievement (Centers)
2012-13	468.85	173
2013-14	442.50	169
2014-15 (Upto December 2014)	350.46	177

### 13.1.3 Karnataka State Women's Development Corporation (KSWDC)

The Karnataka Women's Development Corporation was established in 1987 for social and economic upliftment of women and has, since then, been implementing various schemes benefitting women.

#### A. Udyogini

Udyogini is designed to promote income generating activities by women and the same is encouraged through loans from banks and subsidies from KSWDC. For special category women, a subsidy of 30% of the project cost subject to a maximum of Rs. 10000 and for general category women, a subsidy of 20% of the project cost subject to a maximum of Rs. 7500 is provided. (Table 13.4).

An evaluation of the scheme by the Institute for Social & Economic Change has revealed that the scheme has been highly useful to

women across different castes, classes, regions and demographic backgrounds. It is particularly true of women who were deserted by their husbands or for widows and physically challenged women, by providing them a source of independent livelihood.

#### B. Women Training Programme

Various job oriented and skill training programmes are organized through State/Central Govt and bank sponsored organisations to aid women for self employment with a special focus on widows, physically challenged and the destitute. During 2014-15, Rs. 360.00 lakhs has been provided to cover 7200 beneficiaries. (Table 13.5)

#### C. Devadasi Rehabilitation Programme

Devadasis are provided with financial assistance by way of 50% subsidy from the Corporation and 50% loan from the banks,

**Table 13.4: Progress of Udyogini scheme**

Year	Physical (Nos.)		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	9332	9742	835.00	941.18
2013-14	10500	10259	935.00	636.54
2014-15	11598	5035	1030.00	295.00

\* Upto December 2014.

**Table 13.5: Progress of Women Training Programme**

Year	Physical (Nos.)		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	6080	3360	300.00	139.44
2013-14	6080	-	300.00	-
2014-15	7200	3000	360.00	-



for taking up income generating activities with a unit cost of Rs. 20000 in 14 districts of North Karnataka. In addition, awareness campaigns against this evil system, formation of self help groups providing microcredit to the groups at 6% p.a. interest and health camps are also being implemented.

During 2014-15, Rs. 500.00 lakhs has been provided to cover about 2565 beneficiaries. Upto December 2014 Rs. 125.00 lakh has been spent for rehabilitating 813 devadasies **Table 13.6.**

A pension of Rs 500 per month is provided to Devadasis aged above 45 years and houses are constructed for those devadasis who own sites through Rajiv Gandhi Rural Housing Corporation.

#### **D. Marketing Assistance Scheme**

To provide a platform to sell products produced by women entrepreneurs and Stree Shakthi Groups Rs. 110.00 lakhs has been provided during 2014-15 to cover about 3975 women. **(Table 13.7).**

**Table 13.6: Progress of schemes pertaining to Upliftment of Devadasis**

(Rs. lakh)

Name of the Scheme	2012-13		2013-14		2014-15*	
	Target	Achvt	Target	Achvt	Target	Achvt
Devadasi Rehabilitation	400.00	541.93	450.00	366.70	500.00	125.00
Pension Programme	1000.00	1165.00	1350.00	1012.50	1688.00	412.90
Housing Programme for Devadasis	500.00	500.00	1000.00	625.30	1100.00	275.00

\*Achievement upto December 2014

**Table 13.7: Progress of marketing assistance scheme**

Year	Physical (Nos.)		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	1520	1367	100.00	32.98
2013-14	1620	1728	100.00	32.75
2014-15*	3975	800	110.00	27.50

\* Upto December 2014

**E. State Resource Centre**

To provide information /counseling about self employment, training, market assistance, economic activities etc., to women, 30 Women's self employment counseling centers have been established by KSWDC. **(Table 13.8).**

**F. Micro Credit Scheme**

To improve the economic status of SHGs, loans of Rs 5000 to Rs 10000 are being sanctioned to each member subject to

a maximum of Rs 1.00 lakh to each SHG at the rate of 6% per annum. **(Table 13.9)**

**G. Rehabilitation of Transgenders Scheme**

To bring the transgenders (Hijidas, Kotis, Jogappas, F to M, M to F, Mangala Mukhi) who were exploited by the Society to the main stream the Corporation is extending the financial assistance of Rs.20000/- to the beneficiaries and also 3 days enterpreunership training is given to them for taking up self employment.

**Table 13.8: Progress of the Resource Centre Scheme**

Year	Physical (Nos.)		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	9000	6921	100.00	50.69
2013-14	9000	3808	100.00	27.19
2014-15*	7500	3760	110.00	10.59

\* Upto December 2014

**Table 13.9: Progress of the Micro Credit Scheme**

Year	Physical (Nos.)		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	4500	3210	300.00	190.00
2013-14	4500	2195	300.00	131.00
2014-15*	4960	1085	330.00	69.00

\* Upto December 2014

**Table 13.10: Progress of the Rehabilitation of Transgenders Scheme**

Year	Physical (Nos)		Financial(Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	1050	1050	75.00	33.35
2013-14	1212	759	100.00	151.88
2014-15*	545	140	110.00	28.00

\*upto December 2014.

## H. Rehabilitation of Sex Workers

The situation of the sex worker are in pitiable condition. To lead honorable life in the society, the Government has introduced rehabilitation of sex workers scheme. Self employment training programme and loan facilities are provided through Nationalized Banks/Co-operative Banks upto a unit cost of Rs.1.50 lakhs and a subsidy of 30% of the project cost or Rs.30, 000/- whichever is less is being extended by the Corporation for those who are willing to come out of their profession,.

### 13.1.4 Women Component Plans (KMAJ and Gender Budget)

#### a) Karnataka Mahila Abhivrudhi Yojane (KMAJ)

Karnataka Mahila Abhivrudhi Yojane (KMAJ) functions under the aegis of the Department of Women and Child Development. Karnataka is the first State in the Country to introduce KMAJ by earmarking 1/3rd resources for women in individual beneficiary-oriented schemes and labour intensive schemes across various sectors. Since its introduction in 1995-96, 25 departments have been identifying schemes to benefit women. During 2014-15, 237 schemes are involved in the Yojane across Central, State and District sectors. Allocation towards KMAJ for the current financial year is Rs.19045.41 crore, of which 1/3 allocation for women is Rs.6061.17 crore. An amount of Rs.4421.40 crore was spent upto December 2014.

#### b) Gender based Budgeting

Karnataka has taken major steps towards promoting gender equality and Gender based budgeting is yet another development in the direction. Making a beginning in 2006-07, gender based budgeting helps to prioritize and orient public expenditure to reflect the concerns of women. Subsequently, the Finance Department also established a Gender Budget Cell (GBC) to identify the quantum of resource allocation and expenditure for women and proper translation of policy commitments. Karnataka is one of the 3 States in India that has implemented Gender based budgeting.

The GBC has been regularly bringing out a Gender budget document reflecting allocation of funds under various schemes cutting across various departments. The schemes are presented in two parts; Category-A and Category-B. The classification is broadly on the lines adopted by GOI in the Expenditure Budget Vol-II. The categorization of schemes is based on;

- Category – A that presents women specific budget provisions in which 100% budget provisions are meant for women.
- Category – B presents women-specific budget provisions wherein atleast 30% provisions are meant for women. Details of allocation are given in **Table 13.12**.

**Table 13.11: Progress of the Rehabilitation of Sex Workers**

Year	Physical		Financial (Rs. lakh)	
	Target	Achievement	Target	Achievement
2012-13	282	282	50.00	28.20
2013-14	800	71	100.00	6.53
2014-15*	550		110.00	

\* Upto December 2014

**Table 13.12: Allocation under Gender based Budget (Rs. in lakhs)**

Year	No. of Departments	Category A			Category B		
		No. of schemes	Allocation (Rs. lakhs)		No. of schemes	Allocation (Rs. lakhs)	
			Plan	Non-Plan		Plan	Non-Plan
2012-13	39	50	105448	532	773	1861815	1916746
2013-14*	39	40	155962	35568	760	2641377	2865344
2014-15*	39	59	319988	45003	798	3273692	3355467

\* Budget Estimates

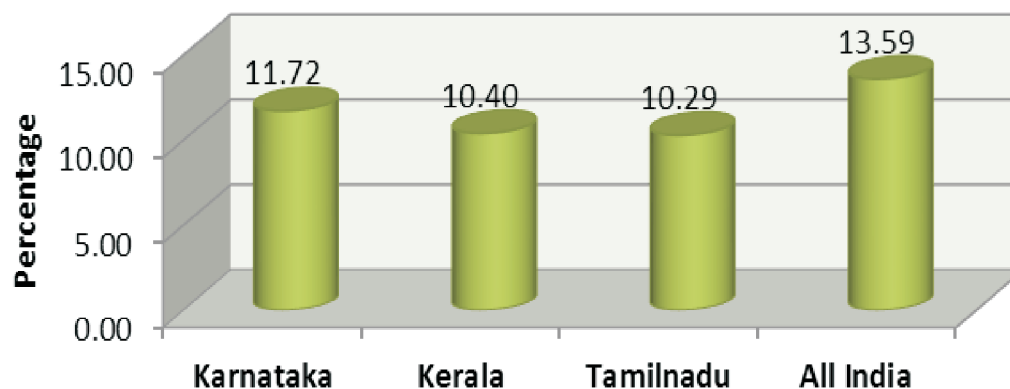
### 13.1.5 Protection of Women from Domestic Violence

With the objective of checking violence against women, achieving gender equality and saving women from oppression Karnataka is implementing the Protection of Women from Domestic Violence Act, 2007. To provide shelter and counseling to victims of domestic violence, 116 Service providers have been notified. In addition to

this, 34 Swadhar Centers, 30 Short Stay Homes and 164 Santhwana Centers have been notified as Shelter Homes in the State. Free legal aid is provided to the victims.

### 13.1.6 Child Population in Karnataka

Though the child population of Karnataka is less than All India level, when compared to other southern states of India, it is at the higher side as represented in the chart below.

**Figure 13.2 Percentage of Child population in southern states and All India**

**13.1.7 Child Development Programmes**

The department is laying greater stress on implementation of policies and

programmes for the welfare and development of children.

**Table 13.13 - District-wise Child Population in Karnataka 2001-2011 (0-6 years)**

Sl. No.	Name of the District	As per 2001 census		As per 2011 census	
		Male	Female	Male	Female
1	Bangalore (Urban)	397648	374892	541656	511181
2	Bangalore (Rural)	116172	109446	54908	52154
3	Ramanagar	0	0	54963	52878
4	Chitradurga	102512	97023	94629	89651
5	Davanagere	123496	116779	111793	105938
6	Kolar	171728	164741	86845	83578
7	Chikballapur	0	0	67734	64552
8	Shimoga	106423	101740	93221	89530
9	Tumkur	158079	150083	135671	130071
10	Chikkamagalur	70779	67865	53493	51835
11	Dakshina Kannada	116854	111206	106985	101312
12	Udupi	58509	56072	52689	50471
13	Hassan	101971	97694	83971	81666
14	Kodagu	35192	34382	27676	27057
15	Mandya	106058	99089	89063	83622
16	Mysore	164934	158621	155807	149754
17	Chamarajanagar	58511	56426	51529	49119
18	Belgaum	324816	299215	323761	302508
19	Bijapur	148750	138081	164856	153550
20	Bagalkote	136564	128308	140551	131357
21	Dharwad	112335	105927	113127	106815
22	Gadag	70627	67208	68025	64417
23	Haveri	104119	99593	100369	94948
24	Karwar	89149	84354	76794	73321
25	Bellary	163892	155194	175543	168609
26	Bidar	124401	117116	115550	108892
27	Gulbarga	276843	259611	188076	177296
28	Yadgir	0	0	97522	92757
29	Raichur	144097	138971	145468	138265
30	Koppal	106499	101505	103016	98638
<b>Total</b>		<b>3690958</b>	<b>3491142</b>	<b>3675291</b>	<b>3485742</b>



### A. Bhagyalakshmi

Bhagyalakshmi a flagship programme implemented by Government of Karnataka wherein a fixed amount will be deposited in the name of girl child and the maturity amount will be paid to the girl child after completing 18 years of age along with the accrued interest. This is aimed at improving the sex ratio in the State by encouraging the birth of girl child in the BPL families and also to eradicate social evils such as child labour, female foeticide, child marriage, and child trafficking. 2 girl children born in a BPL family are eligible to enroll under the scheme.

During 2014-15 an amount of Rs.340.11 crores budget has been earmarked under this scheme. So far Rs.125.69 crores has been released and 65668 beneficiaries have been covered up to the end of December 2014. The period of the 11th five year plan saw an expenditure of Rs. 1686.85 crores against an allocation of Rs. 1612.38 crores with benefits accruing to 11,07,788 girl Children. Details of achievements under the Bhagyalakshmi scheme are given in **Table 13.14**

**Table 13.14: Progress of Bhagyalakshmi Scheme through the 11th and 12th Five year plan**

Year	Physical		Financial (Rs. in crore)		Percentage of achievement	
	Target	Achievement	Target	Achievement	Physical	Financial
2007-08	150000	123789	150.00	132.43	82.53	88.29
2008-09	200000	299764	266.65	316.65	148.91	118.75
2009-10	200000	144999	229.89	229.89	72.50	100.00
2010-11	185493	284763	558.00	521.98	153.51	93.54
2011-12	211316	254473	407.84	485.90	120.42	119.13
<b>Total of 11<sup>th</sup> Five year Plan</b>	<b>946809</b>	<b>1107788</b>	<b>1612.38</b>	<b>1686.85</b>	<b>117.00</b>	<b>104.62</b>
<b>12<sup>th</sup> Five year Plan</b>						
2012-13	242575	401370	755.40	755.39	165	100
2013-14	205403	187982	396.43	359.47	91.5	90.7
2014-15	176223	65668	340.11	125.69	37.2	37.0

\* Upto December 2014

### B. Prohibition of Child Marriage

Child Marriage is a social evil. To eradicate Child Marriage from the society, to create awareness among the general public and to stop Child Marriages, Child Marriage Prohibition Cell has been established in the department of Women and Child Development. During the year 2014-15 (from April-2014 to December-2014) 559 child marriages has been prevented in the State.

### C. Integrated Child Development Services (ICDS)

ICDS is a centrally sponsored scheme, which provides a package of six services i.e., supplementary nutrition, immunization, health check-up, referral services, nutrition and health education for mothers and non-formal pre-school education for children between the ages of 3-6, This scheme is running since 1975. Under this scheme, 61187 AWCs and 3331 mini AWCs were functioning. Under Supplementary Nutrition Programme, supplementary nutrition will be provided (per day)

**Health and Nutrition Education :** All Anganwadi Centers are provided with a Hand book and flip chart on Health and Nutrition which is used for educating the mothers of the Anganwadi Centers

**Pre-school Education:** For effective Pre School Education, Activity Bank called "Chili Pili" a book has been developed and distributed to all Anganwadi centers.

### Improvements in the monitoring system:

- Government of Karnataka has taken up a new initiative- '**sakala**' under Karnataka Guarantee of Services to Citizen Act- 2011.
- Toll free help line has been started from April 2012 to receive complaints and suggestions in implementing ICDS scheme. **The Toll free help line no is 1800-425-25250.**
- Supply of revised MIS Registers (11+1) to all AWCs.

### D. Sabala

With the objective of empowering adolescent girls in the age group of 11-18 years, Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG)-SABAL is being implemented in 9 districts of the State on a pilot basis with 100% central assistance for improvement in their nutritional and health status and upgrading various skills like home skills, life skills and vocational skills. The scheme aims to benefit about 1,28,000 adolescent girls during 2014-15. Budgetary allocation for the 2014-15 is Rs.433.87 lakhs.

**Table 13.15: Progress of Supplementary Nutrition Programme under ICDS**

Year	Expenditure (Rs. in lakhs)	(No. of beneficiaries)
2012-13	67708.24	5415895
2013-14	84632.89	5472021
2014-15 (upto December 2014)	60160.53	5479064

### **E. Kishori Shakthi Yojana (KSY)**

KSY is being continued in rest of the 143 ICDS projects other than 9 districts where SABALA is being implemented. Under KSY, 180 adolescent girls in each project are given 5 days residential training every year and supplementary nutrition is being provided to 2 adolescent girls in each anganwadi centre.

### **F. Balasanjivini**

To focus on rehabilitation and treatment of severely malnourished children Balasanjivini scheme introduced. An amount of Rs.750 is being given to meet therapeutic and medical needs of malnourished children. Children requiring tertiary care receive a maximum of Rs.35000 and in cases of neonatal care, the amount goes up to Rs.50000. In 2014-15 an allocation of Rs. 2000 lakhs is earmarked. Rs. 276.88 lakh has been incurred to meet therapeutic and medical expenses of 36918 severely malnourished children. Rs. 638.85 lakhs has been incurred to treat 6477 children under Balasanjeevini till December 2014.

### **G. Indira Gandhi Matrutwa Sahayoga Yojana (IGMSY)**

To improve the health and nutrition status of Pregnant and Lactating women and their young infants, IGMSY a Centrally Sponsored Scheme has been introduced in Dharwad and Kolar districts from 2011. This Scheme envisages providing cash directly to pregnant and lactating women during pregnancy and lactation. It would address short term income support objectives with long term objective of behavior and attitudinal change.

During 2014-15, Rs. 2369.75 lakhs budgetary provision has been made and an expenditure of Rs. 551.23 lakhs has been incurred upto December 2014.

### **H. Integrated Child Protection Scheme (ICPS)**

For comprehensive development of children who are in need of care and protection and

in conflict with the law, ICPS was launched in 2010-11, with the objective of providing a safe and secure environment in the State. ICPS provides preventive and statutory care and rehabilitation services to any vulnerable child in the society. For the current financial year an expenditure of Rs. 2655.39 lakh has been incurred out of an allocation of Rs.7723.46 lakhs.

There are 56 Government run children homes and 40 NGO run institutions, to provide Shelter & Rehabilitation along with 30 Specialized Adoption Agencies (SAA). During the current year, 80 children were placed in In-country adoption and 6 placed in Inter-country adoption.

Financial assistance is provided to children in the form of sponsorship to enable the child to remain in the family environment. This is an effort towards preventing children from becoming destitute or vulnerable, run away from home, forced into child marriage, child labour etc. The District Child Protection Unit (DCPU) will identify vulnerable families or children for sponsorship support. During 2014-15, 3811 children are benefited under the programme.

District child protection units have been formed in all districts of Karnataka. The Juvenile Justice Act envisages an after care programme for children who needs support after attaining the age of 18 years with an objective of rehabilitating such children and help them to bring them to the main stream of the society.

### **I. Registration of Child Care Institutions (CCI)**

State Child Care Institutions (CCI) should be registered as per Section 34(3) of the J.J. Act. During the current year 29 CCIs are registered up to the end of Dec-2014, and 510 CCIs were registered in the State.

### **J. Track the missing child.gov.in / track child**

To track the progress of children of every Child Care Institue in the country, the

Ministry of Women and Child Development, Government of India has developed a portal called Track the missing child.gov.in / track child. Karnataka is implementing this programme from June 2013 and so far information of about 2107 children is entered in this portal.

#### **K. Need Assessment Survey**

Need assessment survey is taken in all 30 district of Karnataka to identify children in need care and protection and to prepare a child protection plan. Survey has been completed in 20 districts and action plan has been prepared in 15 districts and 5 are under process. Survey has been taken up in the remaining 10 districts.

#### **L. Child Adoption Resource Information and Guidance System-CARINGS**

Child Adoption Resource Information and Guidance System is GOI's dynamic response for a systematic, transparent and friendly adoption process. CARINGS is an on line platform, building bridges, creating links through a web based management system which facilitates expeditious and smooth adoption and ensures transparency and accountability of the implementing agency with a national data base. Adoption process in Karnataka is done through online using the software - CARINGS developed by CARA.

#### **M. Open shelters**

24 open shelters are functioning in urban and semi urban areas to provide care and protection to the children who are in need. During 2014-15, 18 new Open shelters were sanctioned.

#### **N. Constitution of High Level Committee for the effective implementation of the guidelines issued to look into the safety of children in schools**

Government had constituted a High Level Committee for the effective implementation of the guidelines issued to look into the safety of children in schools. The committee

headed by the Additional Chief Secretary consists of 13 members and Commissioner for Public Instructions is the Member Secretary.

#### **13.1.8 New Initiatives for the year 2014-15**

##### **A. Special Gram Sabhas**

As announced by Hon'ble Chief Minister in 2014-15 Budget Speech, General Gram Sabhas are being conducted in all the Gram Panchayats of the State. Government will facilitate holding of Special Gram Sabhas for women to get their facilities and also to select suitable women beneficiaries under various schemes of development departments.

##### **B. Special Treatment Units for Women**

As announced by Hon'ble Chief Minister in 2014-15 Budget Speech, Special Treatment Units for Women have been set up where in assistance for medical treatment, consultation for police and legal help are provided under a single roof to women victims of atrocities. These units have been set up, one each in all district hospitals of the State and in Bowring and Lady Curzon Hospital, KC General Hospital and Bangalore Medical College's and Vani Vilas Hospital. These units function round the clock and services of Toll free Women's Helpline 181 is available.

##### **C. Sneha Shivir**

This is a new scheme for the year 2014-15, in which 4-5 anganwadi centres in a cluster are selected and parents and care-givers of severely and moderately malnourished children are given training for 12 days in preparation of nutrition food, feeding practices, health and hygiene. Further, follow up action is undertaken for 18 days to support to implement the new practices learnt during training. Administrative sanction has been given to implement this scheme in 4 high burdened districts of Bagalkote, Kolar, Bellary and Gulbarga. Rs. 423.76 lakhs is provided during 2014-15

### D. Multi - Sectoral Nutrition Programme

To address the problem of under nutrition in maternal and child health 4 high burden districts of Kolar, Bagalkote, Bellary and Gulbarga districts multi-sectoral nutrition programme is being implemented from 2014-15 with the financial assistance from Central and State Government in the ratio of 75:25 . During 2014-15, GOI has decided to address the maternal and child under nutrition issue. Under this programme, IEC activities, strengthening training programmes, meeting/workshop with related departments, programmes with community interventions will be organized and District nutrition councils will be established in the leadership of District Commissioner. During 2014-15, Rs. 155.32 lakhs is provided.

#### 13.1.9 Nutrition Scenario in Karnataka – Child Malnutrition

The Nutritional status of children in the State showed that about 72.84% of children were normal, 26.30% were moderately malnourished and 0.86% were severely malnourished as at the end of March 2014. However there is a marginal increase in the proportion of normal children which stands at 73.86% and marginal decrease in moderately and severely malnourished children with 25.33% and 0.81% respectively.

#### 13.1.10 Way Forward

Though the State has taken many initiatives for empowerment of women and protection of children through the five year plans, the results are muted. The Census of India 2011 has shown a marginal improvement in the sex ratio(973) from 965 in 2001. Notwithstanding the achievements, Karnataka is much behind other southern states. The sex ratio at 0-6 years range in 948 which is a marginal increase from 946 in 2001 (Table 13.16)

Specifying Challenges and the future outlook of the Department

#### Stree Shakthi

- Strengthen marketing capacity by the Block Level Societies and among group members. Mobile marketing van is launched in 20 districts on a pilot project.
- For strong sustainability of the groups it is proposed to establish District Federation so as to delink hand holding by SHGs and make them self reliant and independent.

#### Integrated Child Development Services

- Restructuring of the programme team management; creation of post, up gradation of existing posts
- Addressing the nutritional issues-eradicating malnutrition

**Table 13.16: Comparison of sex ratios among South Indian States**

States	2001		2011	
	Sex Ratio Total Population	Sex Ratio 0-6 years	Sex Ratio Total Population	Sex Ratio 0-6 years
Karnataka	965	946	973	948
Andhra Pradesh	978	961	993	943
Tamil Nadu	987	942	996	943
Kerala	1058	960	1084	964
All India	933	927	943	919



- Strengthening training and capacity building
- Encouraging public private partnership
- Strengthening partnership with PRI, NGO and voluntary sector.
- Lack of basic infrastructure, toilets, stores, kitchen, drinking water, play ground, compound, electricity and fan etc.,

### Future Outlook

The ICDS Scheme has the potential to give satisfactory nutritional and child development outcomes. The strengthening and restructuring of the scheme in the "Mission Mode" will address these concerns. The focus is on supervision and capacity building of ICDS functionaries from grass root level to state level by decentralizing the control system.

### Integrated Child Protection Scheme

- To bring all children below age 18 years in a safety net and to address children

in vulnerable situation in short duration by providing child protection services.

- To improve the quality of services and efficiency at all levels.
- Awareness to public on child rights and protection services.
- Reduce the number of children depending on institutional services by increasing non-institutional programmes like Adoption, Sponsorship and Foster care and after care services.
- Create mechanism for Child Protection Management system including MIS for effective implementation and monitoring of child protection services.

### 13.2 Welfare Programmes for Scheduled Castes

In its endeavor towards ensuring "faster, sustainable and more inclusive growth", the Government of Karnataka has committed itself to improving capabilities and productive endowments among the

**Table 13.17: Comparison of SC Literacy Rates among South Indian States**

States	SC literacy Rate					
	2001			2011		
	Total	Male	Female	Total	Male	Female
All India	54.69	66.64	41.90	66.07	75.17	56.46
Andhra Pradesh	53.52	63.51	43.35	62.28	70.23	54.44
Karnataka	52.87	63.75	41.72	65.33	74.03	56.58
Kerala	82.66	88.07	77.56	88.73	92.64	85.07
Tamilnadu	63.19	73.41	53.01	73.26	80.94	65.64

**Table 13.18: Comparison of ST Literacy Rates among South Indian States**

States	ST literacy Rate					
	2001			2011		
	Total	Male	Female	Total	Male	Female
All India	47.10	59.17	34.76	58.95	68.51	46.36
Andhra Pradesh	37.04	47.66	26.11	49.21	58.35	40.09
Karnataka	48.27	59.66	36.57	62.08	71.14	52.98
Kerala	64.35	70.78	58.11	75.81	80.76	71.08
Tamilnadu	41.53	50.15	32.78	54.34	61.81	46.80

economically disadvantaged and socially marginalized sections of the State, Social Welfare department and Dr. Ambedkar Development Corporation are implementing several multi-faceted and multi-pronged programs for welfare of SCs in the field of education, health care facilities, housing, sanitation, productive assets like land, etc., thereby placing them on the path of mainstream of development.

Education is the foundation for any economic development. Greater thrust has

been given for education through various schemes in order to bring the socially deprived class into the mainstream.

Though the literacy rates among SCs and STs remain below that of rest of the population, but the gap has closed significantly in the last decade. During this period (2001-2011) SC and ST women made rapid progress in literacy rate as revealed by 2011 Census data.

**Table 13.19: Population of SC/ST**

Name	2001		2011	
	SC	ST	SC	ST
Bagalkot	250604	80181	319149	97203
Bangalore	851047	86018	1198385	190239
Bangalore Rural	377679	61555	213700	52903
Belgaum	462020	243451	577418	297198
Bellary	374218	364638	517409	451406
Bidar	298812	182219	399785	235822
Bijapur	334254	30051	442773	39314
Chamarajanagar	237624	106111	259445	120219
Chikkaballapura			312565	156487
Chikmagalur	233134	41019	253651	44970
Chitradurga	336487	266235	389117	302554
Dakshina Kannada	131160	62936	148178	82268
Davanagere	333227	209701	392595	233112
Dharwad	131969	70442	177855	87548
Gadag	137414	54410	174196	61654
Gulbarga	717595	154195	648782	65259
Hassan	311726	26451	345031	32329
Haveri	175360	127163	219976	141380
Kodagu	67422	46115	73584	58054
Kolar	671692	205711	465867	78875
Koppal	185209	138588	258608	164271
Mandya	247213	17193	265294	22402
Mysore	467640	271351	536643	334547
Raichur	317276	303042	400933	367071
Ramanagara			203819	22946
Shimoga	269519	55997	308158	65412
Tumkur	474044	193819	506901	209559
Udupi	67689	41613	75429	52897
Uttara Kannada	101896	23781	116431	34239
Yadgir			273315	146849
<b>KARNATAKA</b>	<b>8563930</b>	<b>3463986</b>	<b>10474992</b>	<b>4248987</b>

### 13.2.1 Population of SC & ST

#### i. Admission of Meritorious Students in Prestigious Schools

In order to provide quality education, meritorious SC students are being admitted to 5th to 10th standards in reputed institutions in the State. **(Table 13.20)**

#### ii. Pre-matric Scholarships

In order to encourage children belonging to SC households, whose annual income is less than Rs. 2.00 lakhs, a pre-matric scholarship of Rs. 400 for boys studying from 1st to 7th standards, and Rs.450 for girls studying from 1 to 5th standard and Rs. 550 for girls studying from 6th to 7th standards and for boys Rs. 650 and for girls Rs. 900 for students

studying from 8th to 10th standards is being sanctioned annually. **(Table 13.21)**

#### iii. Post-matric Scholarships

Post-matric scholarship is sanctioned for children whose parents' annual income is less than Rs. 2.5 lakhs. **(Table 13.22.)**

#### iv. Prize Money to Meritorious Students

In order to encourage the SC students to score higher marks and secure ranks, various incentive schemes such as prize money to SSLC students, prize money to college students, one-time financial assistance to students who secure admission in prestigious institutions like IITs/IIMs & IISc, prize money to rank holders and financial assistance to SC students who study in foreign universities

**Table 13.20: Progress of the Scheme for Admission of Meritorious Students**

(Rs. in Lakhs)

Year	Budget allocation	Expenditure	% of expenditure	Physical achievement (Students)
2012-13	1200.00	1000.00	83.33	2761
2013-14	1000.00	986.52	98.65	1977
2014-15*	1500.00	0.00	0.00	00

\* Upto December 2014

**Table 13.21: Progress of the Scheme for Pre-Matric Scholarships**

(Rs. lakhs)

Year	Budget Allocation	Expenditure (Rs. lakhs)	% of expenditure	Physical achievement (Students)
2012-13	3541.41(RE)	2534.92	71.57	781312
2013-14	4435.93	3939.09	95.44	650423
2014-15*	8073.66	3383.70	47.33	399863

\* Upto December 2014

are sanctioned, as per the criteria set by the department. The progress of the scheme is given in **(Table 13.23)**.

#### v. Pre-matric Hostels

Pre-matric hostel facilities such as boarding and lodging with free textbooks and notebooks, toothpaste, hair oil, uniform dress, bedding, etc are being provided to SC students who are studying from 5th to 10th standards. **(Table 13.24)**.

#### vi. Post-Matric Hostels

In order to encourage SC students to pursue their higher education in college level, the Government is running 487 post-matric hostels by accommodating students

who are eligible for the Government of India scholarship. For the maintenance of these hostels, the Government has incurred expenditure as shown in **Table 13.25**.

#### vii. Construction of Hostel Buildings:

Pre-matric and post-matric hostel buildings for students belonging to the SC community are constructed. There is a sharp increase of 85% in the budgetary allocation of 2014-15 over that of 2013-14. (For details, see Table 13.26).

#### viii. Assistance to Grant-in-aid Hostels:

Financial assistance to voluntary organizations will be provided by the

**Table 13.22 Progress of Post-Matric Scholarship Scheme**

**(Rs. lakhs)**

Year	Budget allocation	Expenditure	% of Expenditure	Physical achievement (Students)
2012-13	22982.14	18628.15	81.05	249441
2013-14	25244.14	25098.21	99.42	258370
2014-15*	28769.25	11116.51	38.64	61476

\* Upto December 2014

**Table 13.23: Progress of the Scheme for Prize Money to Meritorious Students**

**(Rs. lakhs)**

Year	Budget allocation	Expenditure	% of expenditure	Physical target and achievement
2012-13	2200.00	2066.75	93.95	31583
2013-14	2930.00	2900.40	98.99	34146
2014-15	4700.00	0.00	0.00	0.00

\* Upto December 2014

**Table 13.24: Progress of Pre-matric Hostel Scheme**

Year	Budget Allocation (Rs. Lakhs)	Expenditure (Rs. Lakhs)	% of Expenditure	Physical achievement (Student)
2012-13	16414.68	15614.65	95.12	75554
2013-14	17980.92	17125.19	95.24	74007
2014-15*	20830.12	11145.77	53.50	56971

Note: \*Upto December 2014

**Table 13.25: Progress of Post-matric Hostel Scheme**

Year	Budget allocation (Rs. Lakhs)	Expenditure (Rs. Lakhs)	% of expenditure	Number of beneficiaries (Students)
2012-13	4625.12	4042.90	87.41	62368
2013-14	5199.77	2207.54	42.45	54800
2014-15*	5937.38	3597.97	60.60	19041

Note: \*Upto December 2014

**Table 13.26: Progress of the Scheme for Construction of Hostel Buildings**

(Rs.in Lakhs)

Year	Budget Allocation	Expenditure	% of expenditure	Physical Target	Physical achievement
2012-13	12732.00	8711.72	76.88	69	69
2013-14	10732.00	9332.00	100.00	59	96
2014-15*	19875.00	0.00	0.00	0	0

Note: \*Upto December 2014

Department for maintenance of 241 grant-in-aid hostels in the State for meeting out the boarding charges of the students. **(Table 13.27)**

#### ix. Residential schools

##### (a) Residential schools

In order to encourage the SC children studying from 1st to 5th standards, the Social welfare department is running 68 residential schools. Food, books, uniforms, beds, oil, soap, medical facility etc., are being provided to the children.

##### (b) Morarji Desai Residential Schools

The Department of Social Welfare is running 178 Morarji Desai Residential schools and 2 Atal Bihari Vajapayi Residential schools for Boys and Girls studying from 6th to 10th standards. The department is also running 83 Kittur Rani Chennamma residential schools exclusively for SC Girls studying from 6th to 10th standards. Besides that 12 PU Colleges in science subject were also started for the welfare of schedule castes. The Department is providing basic requirement



to the students and medical facility etc. During the past three years, the budgetary allocation and expenditure is progressive. The details of progress of the Morarji Desai Residential Schools is given in the **Table 13.28**

#### **x. Ambedkar Housing Scheme under Scheduled Caste Sub-Plan**

Towards providing housing facilities to SC households living below the poverty line, the Ambedkar housing scheme is being implemented by the Rajiv Gandhi Rural Housing Corporation. For the year 2009-10, a sum of Rs. 625.00 lakhs was spent against the earmarked amount of Rs.2500.00 lakhs. During 2010-11, the earmarked amount of Rs.3000.00 lakhs had been spent for construction of houses. From the year 2011-12 onwards no funds have been earmarked for this scheme under pooled fund of the Social Welfare Department. However, housing facilities are being provided through Housing Department under SCSP.

#### **xi. Compensation to SC/ST Victims**

Atrocity cases against SC/ST persons by the non-SC/ST persons are registered under the Prevention of Atrocity Act 1989. The district administrator is in-charge of initiating measures for immediate relief under rehabilitation of victims of atrocity apart from giving them security under law and order. The progress of the scheme is presented in **Table 13.29**.

#### **xii. Scheduled Caste Sub-Plan (SCSP)**

In order to ensure overall development of the SC community, the Scheduled Caste Sub-Plan (SCSP) is being implemented through various departments in the State. A specific budgetary provision under all sectors of the State Annual Plan is made by the State Government for socio-economic development of SCs. THE KARNATAKA SCHEDULED CASTES SUB-PLAN AND TRIBAL SUB-PLAN (PLANNING, ALLOCATION AND UTILISATION OF FINANCIAL RESOURCES) ACT, 2013 came

**Table 13.27: Progress of the Scheme for Assistance to Grant-in-aid Hostels**

(Rs.in lakhs)

Year	Budget allocation	Expenditure	% of expenditure	Number of students
2012-13	644.33	362.29	56.22	13030
2013-14	663.20	39.98	6.02	2569
2014-15*	547.81	25.67	26.87	225

\* Upto December 2014

**Table 13.28: Progress of the Scheme for Morarji Desai Residential Schools**

Year	Budget Allocation	Expenditure	% of expenditure	No of Beneficiaries
2012-13	12400.00	13464.28	108.58	51179
2013-14	24304.00	19876.83	81.78	58028
2014-15*	25834.00	13267.43	51.36	58665

\*Upto December 2014

into effect from 20-03-2014. Accordingly, the funds are earmarked under SCSP as per SC population percentage (17.15%) and TSP as per ST population percentage (6.95%) of 2011 Census. The progress of the Scheduled Caste Sub Plan during the last three years is given in Table 13.30.

During the year 2014-15, the Action Plan of all the Development Departments are approved in the State Council for Development of the Scheduled Castes / Scheduled Tribes meeting held on 10.10.2014 under the Chairmanship of Hon'ble Chief Minister.

### xiii. SCSP Pooled Funds

The pooling of funds under SCSP allocation is also another strategic approach adopted by the department for socio-economic upliftment of SCs. The funds were pooled from the departments which fail to submit their action plan under the SCSP and are unable to formulate scheme/ programmes that directly benefit the SC community. The progress of the scheme during the last three years is presented in Table 13.31.

During the year 2014-15, instead of Pooled Fund concept, Rs.555.00 cr. (Revenue Head RS.222.00 cr. + Capital Head Rs.333.00 cr.) has been earmarked for various development Schemes for SCs under Social Welfare Dept. Budget.

### 13.2.2 Dr. B.R. Ambedkar Development Corporation (BRADC)

The Government of Karnataka is implementing several programmes for economic upliftment of SC communities through Dr. B.R. Ambedkar Development Corporation. The Progress of important programmes implemented by the Corporation is given below.

#### I. Self-employment Programme:

The basic aim of the programme is to enable unemployed, underemployed SC persons to take up income generating activities and thereby improving their economic status in the society. The Corporation provides financial assistance through banks and financial institutions for setting up of self-employment activities. Details are presented in Table 13.32. The important

**Table 13.29: Progress of the Scheme for Compensation to SC/ST Victims**

(Rs. lakhs)

Year	Budget Allocation	Expenditure	% of expenditure	No of beneficiaries
2012-13	400.00	500.00	125.00	1968
2013-14	400.00	583.94	146.00	2277
2014-15*	1000.00	500.00	50.00	860

Note: \* Upto December 2014.

**Table 13.30: Progress of Scheduled Caste Sub-Plan**

(Rs. lakhs)

Year	Allocation	Expenditure	% of expenditure
2012-13	512501	418178	81.59
2013-14	613557	525331	85.62
2014-15 *	1151899	143529	12.46

\* Upto December 2014

**Table 13.31: Progress of SCSP Pooled funds Scheme (Rs. crores)**

Year	Pooled fund Allocation	Expenditure	% of expenditure
2012-13	930.00	930.00	100.00
2013-14	1050.00	1050.00	100.00
2014-15	555.00	416.25	75.00

Note: Upto December 2014

**Table 13.32: Progress of Self-employment Programme (Rs. in lakhs)**

Year	Budget Allocated	Funds Released	Expenditure				No. of beneficiaries
			Subsidy (State)	Margin Money	Term Loan (NSCFDC)	Total	
2012-13	2200.00	2200.00	2268.33	596.86	1365.87	4231.06	9834
2013-14	1254.00	1254.50	4551.71	166.09	741.26	5459.06	10657
2014-15*	2000.00	1000.00	1995.23	19.12	25.22	2073.69	4639

Note: \* Upto November 2014, Margin money component spent out of Share capital funds. Funds released include pooled funds also.

features of the scheme are illustrated below:

- For project cost upto Rs.100,000/-, the Corporation sanctions a maximum subsidy of Rs.35,000/- and the remaining amount will be the loan from financial institutions.
- For project cost above Rs.1,00,000/-, the Corporation provides 33% as Subsidy (Maximum of Rs.2.00 lakh), 62% as loan from Banks/ financial institutions.
- For a few selected schemes, Direct Loan is sanctioned by the Corporation after availing loan from National Scheduled Castes Finance and Development Corporation and National Safai Karmachari Finance Development Corporation (NSCFDC & NSKFDC), 5% beneficiary contribution, 20% margin money from the Corporation and the remaining 75% is loan from the NSFDC & NSKFDC.

## II. Land Purchase Scheme

The scheme has been launched during 1990-91 to make the landless agricultural labourers land holders by purchasing lands from non-SC/ST land holders. Under this scheme, 2 acres of dryland or 1 acre of wetland will be distributed to the beneficiaries. Under this scheme, 50% will be subsidy and 50% as term loan with 6% interest rate which has to be repaid in 10 annual equal installments. The lands will be registered in the name of women beneficiary of the family. The progress of the programmes is given in **Table 13.33**.

## III. Gangakalyana Scheme

A. Community Irrigation/Lift Irrigation Scheme: Under this scheme, a group of 8 to 15 acres of land belonging to SC landholders will be provided irrigation facility at free of cost by lifting water from the perennial rivers, streams, etc. The unit cost fixed provide irrigation for 8 acres and

**Table 13.33: Progress of Land Purchase Scheme (Rs. in lakhs)**

Year	Budget Allocated	Funds Released (Subsidy)	Expenditure			No. of beneficiaries	Land Purchase (Acres)
			Subsidy (State)	Term Loan (NSCFDC)	Total		
2012-13	1300.00 (Pooled funds)	1300.00	728.81	728.81	1457.62	647	955.36
2013-14	0.00	0.00	1526.71	1526.00	3052.71	733	978.06
2014-15*	0.00	0.00	85.15	85.15	170.30	35	40.08

\* Upto December 2014

15 acres of land is Rs.2.53 lakhs and Rs.3.59 lakhs respectively.

**B. Individual Irrigation Borewell Scheme:** Individual Irrigation borewells along with pumpsets will be provided to small and marginal SC farmers. The unit cost of the scheme is Rs.2.00 lakhs, Rs.1.50 lakh will be subsidy and remaining Rs.50,000/- will be term loan from NSCFDC. The Progress details of the scheme are provided in Table 13.34.

**C. Energisation of Irrigation Borewells:** Rs.50,000/- per borewell will be provided under the SCSP pooled funds to ESCOMS for energisation of irrigation borewells drilled by the Corporation. The status of the scheme is provided in **Table 13.35**.

#### **IV. Micro Credit Finance Scheme (Small Loan)**

Under this scheme, the beneficiaries of semi-urban and urban areas will be assisted to start their own petty business activities. The unit cost is Rs.15,000/-, Rs.10,000 will be subsidy and Rs.5,000 in loan. The details of budget allocation, expenditure and number of beneficiaries covered are provided in **Table 13.36**.

#### **V. Micro Credit Scheme (NSCFDC)**

Under this scheme, financial assistance will be provided to better performing Self-Help Groups and groups constituted under the Stree Shakthi Scheme. The unit cost is Rs.25000, Rs.15000 is term loan from

**Table 13.34: Progress of Individual Irrigation Borewell Scheme (Rs. in lakhs)**

Year	Budget Allocated	Funds Released (Subsidy)	Expenditure			No. of beneficiaries
			Subsidy (State)	Term Loan (NSCFDC)	Total	
2012-13	6689.00	8689.00	7936.62	1028.40	8965.02	5900
2013-14	8584.00	8584.00	3048.76	495.34	3544.10	1924
2014-15*	14863.00	9742.50	3106.16	109.63	3215.79	4350

Note: \* Upto December 2014, Budget Allocation and funds released includes Pooled Funds.

**Table 13.35: Status of Energisation of Irrigation Borewells (Rs. in lakhs)**

Year	Budget Allocated	Funds Released	Expenditure	No. of wells energized
2012-13	4000.00	4000.00	3000.00	8992
2013-14	3000.00	3000.00	1750.00	8353
2014-15*	4622.00	0.00	2250.00	2920

\* Upto December 2014

**Table 13.36: Progress of Micro Credit Finance Scheme (Rs. in lakhs)**

Year	Budget Allocated	Funds Released	Expenditure	% of expenditure	No. of beneficiaries
2012-13	1550.00	1550.00	2477.34	159.84	24773
2013-14	1632.00	1632.00	2081.02	127.51	14958
2014-15*	2020.00	755.00	1291.86	171.10	7265

\* Upto December 2014

NSCFDC and the remaining amount of Rs.10000 is subsidy received from Zilla Panchayat, Urban Development Department, Social Welfare Department and other departments. 5% interest rate is charged on the term loan. Details are furnished in **Table 13.37**.

#### **VI. Safai Karmachari Rehabilitation Programme:**

This is a GOI Scheme, to promote socio economic upliftment of Safai Karmacharies

and their dependents by providing financial assistance for income generation activities. For the project cost upto Rs.1.00 lakh, 50% is subsidy subject to a maximum limit of Rs.25,000 is provided and the remaining amount is NSCFDC/Bank loan. For project cost above Rs.1.00 lakh, 90% is loan from NSCFDC, 5% is margin money from BRADCL and 5% is promoter's contribution. The details of the programme are provided in **Table 13.38**.

**Table 13.37: Progress of Micro Credit Scheme (NSCFDC) (Rs.in lakhs)**

Year	Term Loan from NSCFDC	Expenditure (Rs. in lakhs)				No. of beneficiaries
		Subsidy	Margin Money	Term Loan (NSCFDC)	Total	
2012-13	150.00	9.60	3.10	618.20	630.90	2390
2013-14	0.00	279.00	111.60	327.00	717.60	2932
2014-15*	0.00	35.50	34.75	18.75	89.00	355

\* Upto December 2014



**Table 13.38: Progress of Safai Karmachari Rehabilitation Programme (Rs.in lakhs)**

Year	Term Loan from NSCFDC	Expenditure (Rs. in lakhs)				No. of beneficiaries
		Subsidy	Margin Money	Term Loan (NSCFDC)	Total	
2012-13	4186.90	170.40	13.65	1545.79	1729.84	2397
2013-14	2822.50	171.40	2.48	1352.86	1526.74	1733
2014-15*	0.00	75.70	0.22	540.17	616.09	763

Note: \* Upto December 2014: Margin money spent out of Share Capital funds. Subsidy spent out of Govt. of India funds.

#### **Initiative taken by the corporation:**

To improve the efficiency in implementation of its schemes, the Corporation has developed online software in collaboration with NIC for all the schemes. The NIC has developed comprehensive software wherein the beneficiary can apply for loan on online and even can visit website till disposal of his application.

#### **Best practices and success stories:**

The Corporation has adopted RTGS payments system to the beneficiary account in all the schemes in order to avoid delay and misuse of schemes funds.

The Corporation has taken initiative to launch its own website wherein the public can avail information about the benefits of the corporation without intervention of the middlemen and instructions are given to all districts offices to maintain transparency during the implementation of the schemes.

#### **Identifying gaps and constraints:**

In past the corporation has not evaluated the outcome of the schemes. Hence the end result is not known to the corporation. Now the corporation has decided to evaluate all the schemes in order to know the end result.

Professional training is being given to the existing staff in order to implement the schemes effectively and with in the stipulated time period.

#### **Specifying challenges and the future outlook:**

All the schemes implemented by the Corporation are funded through the budgetary support by Government of Karnataka. The fund allocated by the Government is not adequate compare to the SC population in the state. The Corporation on an average provides benefits to 40000 to 50000 SCs per annum. There is a huge gap when compare to the population. The corporation is receiving large number of application and selection process is a difficult tasks which results criticism and opposition from the general public. Corporation is expecting more funds from Government to cover major chunk of population which is uncovered.

#### **13.2.3 Welfare Programmes For Scheduled Tribes**

In order to improve productive endowments and exchange entitlements among the ST households, the State Government has been implementing various programmes in social and economic domains. It has been attempted through a) Department of Scheduled Tribes Welfare and b) Karnataka Scheduled Tribes Development Corporation.

##### **i. Admission of Meritorious ST Students in Prestigious Schools**

The meritorious ST students studying in 5th standard and above are provided

admission in reputed residential or non-residential schools for quality education. All fees and maintenance charges are borne by the department. For the year 2014-15, out of Rs.500.00 lakh, an amount of Rs.450.00 lakh has been spent for the benefit of 1422 students in the State till the end of December 2014. The detailed progress of the scheme is provided in **Table 13.39**.

### ii. Pre-matric Scholarships

For educational advancement and reduction of dropouts from the schools, pre-matric scholarship for ST boys and girls students will be provided. An amount of Rs.400 for students studying from 1st to 7th standard and Rs. 650 per annum for students studying 8th standard will be provided. Rs. 450 for girl students studying from 1st to 5th standard, Rs. 550 studying from 6th to 7th standard and Rs. 900 for students of 8th standard is being provided annually (**Table 13.40**).

### iii. Post-matric Scholarships

Financial assistance is being provided to ST students whose family income is less than Rs. 2.50 lakhs per annum, and are pursuing post-matric education including professional courses. This is a Central Sector Scheme (CSS) implemented to encourage the ST students to pursue college education in the State (**Table 13.41**).

### iv. Provision of Cash Incentives

For continuation of the college education, a cash incentive scheme to ST students is being implemented since 2009-10. A cash incentive of Rs.7,000 will be provided to ST students who secure more than 60% and Rs.15,000 will be awarded to those who secure more than 75% in the SSLC examination. (**Table 13.42**)

**Table 13.39: Progress of Admission of Meritorious Students in Prestigious Schools**  
(Rs.lakhs)

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	450.00	1413	450.00	1413	100.00	100.00
2013-14	350.00	1200	350.00	1200	100.00	100.00
2014-15*	500.00	1422	450.00	1422	90.00	100.00

\* Upto December 2014

**Table 13.40: Progress of Pre-matric Scholarship**  
(Rs.lakhs)

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	641.45	185928	547.20	185019	85.30	99.59
2013-14	1085.57	310163	753.29	163803	69.39	52.81
2014-15*	1639.84	310163	378.20	45248	23.06	14.58

\* Upto December 2014.

**Table 13.41: Progress of Post-matric Scholarship Scheme (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	5756.92	71972	3895.57	52732	67.66	73.26
2013-14	5576.22	79660	2780.79	33174	49.86	41.64
2014-15*	6123.02	81660	970.47	14146	15.85	17.32

\* Upto December 2014.

**Table 13.42: Progress of Provision of Cash Incentives Scheme (Rs.lakhs)**

Year	Achievement	
	Financial	Physical
2012-13	669.90	10569
2013-14	1300.00	11381
2014-15*	1300.80	14579

\* Upto December 2014.

#### **v. Incentive Scholarship to ST Meritorious Students:**

In order to encourage the meritorious ST students, an incentive scholarship of Rs.10000 per student is awarded to the first 5 meritorious ST students in each district who have passed II PUC annual examination in the first attempt itself. The progress of the scheme is given in **Table 13.43**.

#### **vi. Construction of Residential School Buildings**

To promote educational development among the ST community, Morarji Desai and Kittur Rani Channamma residential schools are built and they are provided financial assistance for construction of school buildings and other infrastructure facilities. (**Table 13.44**).

#### **vii. Construction of Hostels and Residential Schools (Ashram Schools)**

For provision of basic amenities to ST inmates of hostels and ashram schools,

buildings are being constructed for the institutions which are housed in rented buildings. This has been implemented by the department and financially assisted by the Central Government under the Central Sector Scheme. (**Table 13.45**)

#### **viii. Maintenance of Morarji Desai Residential Schools**

Morarji Desai Residential Schools, which provide basic school facilities, have been provided maintenance expenditure during the first year of their establishment. The detailed progress of the scheme is given in **Table 13.46**.

#### **ix. Book Banks Scheme**

Book banks for accessing expensive books of professional courses such as medical, engineering, agriculture, veterinary, law etc., are established for the benefit of ST students who cannot afford such books prescribed for their courses. It is implemented by the zilla Panchayat at the district level. The progress of the scheme is given in **Table 13.47**.

**Table 13.43: Progress of Incentive Scholarship Scheme (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	15.00	150	15.00	150	100	100
2013-14	15.00	150	15.00	150	100	100
2014-15*	15.00	150	15.00	150	100	100

\* Upto December 2014.

**Table 13.44: Progress of the Scheme for Construction of Residential School Buildings (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	400.00	10	400.00	10	100.00	100.00
2013-14	400.00	10	400.00	10	100.00	100.00
2014-15*	5952.00	34	2976.00	18	50.00	50.00

\* Upto December 2014.

**Table 13.45: Progress of the Scheme for Construction of Hostels and Residential Schools (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	1500.00	15	500.00	02	33.00	13.00
2013-14	1600.00	15	600.00	03	37.50	20.00
2014-15*	2000.00	14	1000.00	03	50.00	21.42

\* Upto December 2014.

**Table 13.46 Progress of the Scheme for Maintenance of Morarji Desai Residential School (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	100.00	4	100.00	4	100.00	100.00
2013-14	185.00	6	185.00	6	100.00	100.00
2014-15*	1050.00	10	525.00	10	50.00	100.00

\* Upto December 2014.

**Table 13.47: Progress of Book Banks Scheme (Rs.lakhs)**

Year	Target		Achievement		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	69.32	2528	66.62	1052	96.00	41.62
2013-14	72.54	2800	59.80	817	82.43	29.17
2014-15*	76.34	900	-	-	-	-

\* Upto December 2014.

#### x. Construction of Valmiki Bhavan

Valmiki Bhavans are being constructed at the cost of Rs. 3.00 crores at District level, Rs. 1.00 crore at Taluk level and Rs.50.00 lakhs at Hobli level for the benefit of Scheduled Tribe people. The grants for the construction of the Bhavans at different levels is being released to the Deputy Commissioner of the concerned districts. The details of Valmiki Bhavan sanctioned are shown in **Table 13.48**.

#### xi. Scheme for Primitive Tribal Groups (particularly Vulnerable Tribal Groups)

Socio-economic status of primitive tribal groups (PTGs) such as Jenu Kuruba and Ko

ra g a Tribal communities is much below the average level of STs. They are the most vulnerable section among the tribes. Hence, several programmes have been implemented by the department for their social and economic advancement in a holistic manner by adopting habitat development approach especially in the five districts viz. Mysore, Chamarajanagar, Kodagu, Dakshina Kannada and Udupi where there is a large PVTGs population. (**Table 13.49**)

#### xi. Financial Incentives to PVTG Students:

Financial assistance of Rs.2500 and Rs.5000 will be provided for the PVTG

**Table 13.48: Details of Valmiki Bhavan (Rs. lakh)**

Year	Number of valmiki Bhavan	Amount Allocation	Expenditure
2012-13	47	2000.00	2000.00
2013-14	213	2500.00	2500.00
2014-15	-	3000.00	2500.00

Note : During 2013-14 07 valmiki bhavans and 206 community halls have been sanctioned

**Table 13.49: Progress of the Schemes for Development of PVTGs (Rs. lakh)**

Year	Budget Allocation	Expenditure	% of Expenditure
2012-13	1225.61	1490.00	121.57
2013-14	395.07	395.07	100.00
2014-15*	300.00	00.00	00.00

\* Upto December 2014.



students who completed 7th standard and 10th Standard examination respectively in the first attempt itself. **(Table 13.50)**

### xii. Tribal Sub-Plan

In an effort to promote overall development of STs, the Tribal Sub-Plan (TSP) has been implemented by the department. As per the plan, the due share of funds and benefits from all developmental sectors in the State's annual plans are channelized exclusively for the welfare of the ST community in proportion to their population. The grant-in-aid under Article 275 (1) is also being provided to take up such special development programmes which are otherwise not included in the plan programmes. The progress of TSP is given in **Table 13.51**.

#### 13.2.4 Karnataka Maharshi Valmiki Scheduled Tribes Development Corporation Ltd.,

A large number of ST households continue to be deprived of productive assets and income earning avenues. Therefore, Karnataka Maharshi Valmiki Scheduled

Tribes Development Corporation has been set up by the Government of Karnataka to implement several developmental schemes such as Self-Employment Scheme, Land Purchase Scheme, Ganga Kalyana Scheme & Micro Credit Scheme for the economic development of Scheduled Tribes households in the State.

#### i. Self Employment Scheme

**a. Self Employment Scheme** for unemployed youths - Unemployed Scheduled Tribe beneficiaries are assisted up to Rs.1.00 lakh to start small business activities like petty shop, vegetable vending, cycle shop, dairy, etc., through their service area bank. The Corporation is releasing 50% of the unit cost or maximum of Rs.35,000 whichever is less, as subsidy and the remaining portion will be the bank loan. The detailed progress of the scheme is shown in **Table 13.52**.

**b. Industries, Service and Business (ISB)** - Under the scheme, financial assistance is provided to the projects having unit cost ranging from Rs.1.00 lakh to Rs.10.00

**Table 13.50: Progress of PVTG Scheme**

(Rs. lakh)

Year	Achievement	
	Financial	Physical
2012-13	29.06	995
2013-14	15.00	628
2014-15*	16.25	487

\* Upto December 2014.

**Table 13.51: Progress of Scheduled Tribal-Sub Plan**

(Rs. lakh)

Year	Allocation	Expenditure	% of expenditure
2012-13	207560.00	167978.91	80.93
2013-14	248073.53	195026.06	78.62
2014-15*	431518.00	97297.00	22.55

\* Upto December 2014.

**Table 13.52:- Progress of Self-employment Scheme. (Rs. lakh)**

Year	No of beneficiaries	Subsidy	Bank Loan	Total
2012-13	3661	765.54	1094.93	1860.47
2013-14	6085	1420.20	293.58	3433.78
2014-15	3371	1004.89	1499.16	2504.05

\* Upto December 2014.

lakhs to start small scale industry/to purchase passenger or goods transport vehicles, tractor etc,. The corporation releases 33% of the unit cost subject to a maximum of Rs. 2.00 lakh as subsidy and the remaining portion of the unit cost is bank Loan. Progress of the scheme is provided in **Table 13.53**.

#### c. Direct Loan

This scheme is implemented with the Term Loan assistance from the National Scheduled Tribes Finance and Development Corporation (NSTFDC). The Project cost ranges from Rs.58,500 to Rs.10 lakh. Rs.25,000/- subsidy will be released to projects with unit cost up to Rs.1 lakh. The Project cost comprises of 5% promoter's contribution, 20% Margin Money subject to Maximum of Rs.1 lakh and remaining

portion will be the Term Loan from NSTFDC, New Delhi. The progress of the scheme is furnished in **Table 13.54**.

#### d. Micro Credit Finance (Small Loan) Scheme

- Financial assistance will be extended to skilled and unskilled Scheduled Tribe women members of the Self Help Groups (SHGs) in rural, semi urban and urban areas. The unit cost is Rs.15,000/- per member, out of which subsidy is Rs.10,000/- and loan is Rs.5,000/- . The loan carries interest at the rate of 4% per annum. The progress of the scheme is furnished in **Table 13.55**.

**e. Land Purchase Scheme** - Under this Scheme, the landless agricultural women labourers belonging to Scheduled Tribes will be made land owners by providing

**Table 13.53:- Progress of Self-employment Scheme for Industries Service and Business. (Rs. lakh)**

Year	No of beneficiaries	Subsidy	Margin Money	Bank Loan	Total
2012-13	230	134.30	61.32	628.93	824.55
2013-14	556	463.25	0.00	1529.99	1993.24
2014-15	326	300.03	0.00	1012.17	1312.20

\* Upto December 2014.

**Table 13.54: Progress of Direct Loan Scheme. (Rs. lakh)**

Year	No of beneficiaries	Promoters contribution	Subsidy	Margin money	Term loan	Total
2012-13	112	8.82	7.70	40.92	147.95	113.41
2013-14	0	0.00	0.00	0.00	0.00	0.00
2014-15	0	0.00	0.00	0.00	0.00	0.00

\* Upto December 2014.

**Table 13.55: Progress of Micro Credit Scheme. (Rs. lakh)**

Year	No of beneficiaries	Subsidy	Margin money	Total
2012-13	11365	568.25	568.25	113.65
2013-14	7498	401.20	401.20	802.40
2014-15	6214	719.10	310.70	1029.80

\* Upto December 2014.

agricultural lands purchased from the non-SC/ST land owners. Under this scheme, either 2-00 acres of dry land or 1-00 acre of wet land / ½ acre of garden land will be provided to each selected beneficiary. The value of the land to be purchased under this scheme will be determined and fixed by the Scheme Implementation Committee headed by the Deputy Commissioner of the district. Progress of the Scheme is furnished in **Table 13.56**.

## ii. Ganga Kalyana Scheme

### a. Individual Irrigation Borewell Scheme:

Irrigation facility will be provided to the agricultural lands of the small and marginal farmers belonging to the Scheduled Tribes by drilling borewells, installing pumpset and accessories and energization. The unit cost under the Scheme is Rs.2.00 lakh, out of which Rs.1.50 lakhs is subsidy and the remaining Rs.50,000/- will be the NSTFDC

term loan. The progress of the scheme is furnished in **Table 13.57**.

### 13.3.1 Developmental programmes implemented in Backward Classes Welfare Dept.:

The Backward Classes (BCs) constitute a major chunk of population who are deprived of educational and economic advancement in the State. The Department of Backward Classes Welfare and the D Devaraj Urs Backward Classes Development Corporation (DBCDC) have been implementing various developmental programmes for socio-economic welfare of the Backward Classes in the state. Some of them are summarised as follows.

#### A. Department of Backward Classes Welfare:

##### 1. Pre-matric and Post-matric scholarships:

**Table 13.56: Progress of Land Purchase Scheme (Rs. lakh)**

Year	No of beneficiaries	Subsidy	Term loan	Total
2012-13	218	243.74	243.74	487.48
2013-14	276	622.93	622.93	1245.86
2014-15	75	182.55	182.55	365.10

\* Upto December 2014.

**Table 13.57: Progress of Ganga Kalyana - Individual Irrigation Borewell Scheme.****(Rs. lakh)**

Year	No of beneficiaries	Subsidy (Rs. lakh)	Term loan (Rs. lakh)	Total (Rs. lakh)
2012-13	3756	5047.77	973.49	6021.26
2013-14	1485	1839.42	309.00	2148.42
2014-15	2914	1147.39	90.92	1238.31

\* Upto December 2014.

Pre-matric and post-matric scholarships are being sanctioned to the pre matric and post matric backward class students whose annual family income is less than Rs. 44500. A scholarship of Rs. 225 and Rs. 500 per annum will be granted for the backward class students studying from 5th to 7th and 8th to 10th class, respectively. Similarly, a sum of Rs. 300 for the students studying in PUC and degree education, Rs. 400 for the students studying in post-graduation courses and Rs. 500 for the students studying in technical and professional courses will be sanctioned annually. The progress of the schme is presented in **Table 13.58**

## 2. Maintenance of Morarji Desai

## Residential Schools.

In order to provide qualitative education to the poor and meritorius students of BC, whose annual family income is Rs.1.00 lakh for category 1 and less than Rs.44,500/- for other categories, 133 morarji desai residential schools have been established. The students of Morarji school have been provided with free education from class VI to XII with boarding & lodging facilities. The progress of the scheme is illustrated in **Table. 13.59**.

## 3. Ashram School

In order to encourage the students of Backward Classes especially category – I to avail formal education. 78 ashram schools have been established. The students get

primary education from class 1st to 4th and from boarding and lodging facilities in ashram school. The progress of the scheme is given in Table 13.60

#### 4. Maintenance of Pre and post matric Hostels.

Under the scheme, students of backward classes ( with annual family income is for cat-1 R.1.00 lakh and Category-2a, 2b, 3a and 3b is Rs.44,500/-) studying in pre matric and post matric courses are provided with free boarding, lodging and academic facilities in the hostels run by the Department of Backward Classes Welfare. The progress of the scheme during the last 5 years is provided in Table 13.61.

#### 5. Grant – in – aid to Private Hostels

With a view to encourage backward classes students for pursuing their education, pre matric and post matric hostels run by the voluntary / private organizations are granted boarding charges of Rs. 500 and Rs. 600 per month per boarder for a period of 10 months, respectively. The detailed

progress of the scheme is shown in Table 13.62.

#### 6. Fee Concession

In order to encourage the poor backward classes students to avail higher education, fee concession is sanctioned. (This facility is being given to the Backward classes students, whose annual family income of Cat-1 is Rs.2.50 lakhs and other Categories is Rs.1.00 lakh). Table 13.63 provides the detailed progress of the scheme.

#### 7. Reimbursement of Extra Boarding and Lodging Charges

Under this scheme, the college students of Category-1, who are not getting hostel facilities are given extra boarding and lodging charges. The nominal financial assistance of Rs. 200 per month will help the students to make their own boarding and lodging facilities. (Table 13.64)

#### 8. Financial Assistance to Foreign Studies

**Table 13.58 : Progress of Pre-matric and post matric scholarships ( Rs. In lakhs )**

Year	Targets		Achievements		%of achievements	
	Fin	Phy	Fin	Phy	Fin	Phy
2012-13	3995.71	338617	5621.73	504645	141	149
2013-14	14367.20	771487	14071.83	570591	98	74
2014-15*	18320.72	891487	1848.24	251188	10	28

\* Upto December 2014.

**Table 13.59 : Progress of Morarji Desai Residential Schools. ( Rs. In lakhs )**

Year	Targets		Achievements		% of achievements	
	Fin	Phy	Fin	Phy	Fin	Phy
2012-13	6000	30250	5060.19	28500	84	94
2013-14	11682	30250	11682.00	30130	100	99
2014-15*	12000	30250	6000.00	28000	50	93

\* Upto December 2014.



In order to encourage the students of backward classes (with annual household income limit of Rs.1,44,000 to study in foreign universities financial assistance is being given . Under the scheme, students of backward classes are provided with interest free loan for higher studies like Post-doctoral, Ph.D. and Master degrees in Foreign universities at a maximum allowance of Rs.3.50 lakhs per annum for maximum of Rs. 10.00 lakhs for entire course. The progress of the scheme is shown in Table 13.65.

### 9. Stipend to Law Graduates

Under the scheme, unemployed law graduates are provided with monthly

stipend of Rs.1000 till their 4 years training under a Senior Advocate/Government Pleader. The progress of the scheme is shown in Table 9.4.41. since November 2011 the monthly stipend has been increased from Rs. 1000/- to Rs. 2000/-. (Table 13.66)

### 10. Koushalya (Skill) Training Programme

Under Koushalya scheme unemployed women is being imparted training in various computer courses and plastic processing technology, aimed at enabling to seek employment. The progress of the scheme in presented in Table 13.67

**Table 13.60: Progress of Ashrama Schools.**

(Rs. lakh)

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	716.44	2910	614.96	1286	86	44
2013-14	320.51	2910	306.44	2515	96	86
2014-15*	319.30	2910	169.56	2645	53	91

\* Upto December 2014.

**Table 13.61 : Progress of Pre and post matric Hostels scheme**

(Rs. In lakhs)

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	25933.07	140338	27585.45	120809	99	86
2013-14	35967.09	149000	37243.28	148522	98	99
2014-15*	46596.81	174058	27436.76	149735	79	83

\* Upto December 2014.

**Table 13.62 : Progress of GIA to private Hostels scheme**

(Rs. In lakhs)

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2009-10	324.90	6824	247.06	5185	76.04	75.98
2010-11	320.10	5874	267.47	5722	83.56	97.41
2011-12	This scheme merged with regular hostels head of account from 2011-12					

\* Upto December 2014.

### 11. Tailoring Training Centers

Under this scheme, unemployed women of backward classes are provided with tailoring training in the training centers run by the Department and paid stipendiary of Rs.300 for 12 months for each trainee. They are also given sewing machine after they complete the training successfully. The detailed progress of the scheme is illustrated in Table 13.68

### 12. Nursing Training

Under this scheme the students of Backward classes family whose income is less than Rs. 1 lakh, provided with free education, boarding and lodging facilities in reputed and recognised nursing institutes

for GNM/ BSc nursing training. The detailed progress of the scheme is shown in Table 13.69

### 13. Scheme for Nomadic and Non-nomadic Tribes

With a view to uplift the socio-economic status of NT/SNTS, a scheme has been launched in the year 2007. The basic objectives of this scheme is-

- Providing educational facilities and financial assistance for education
- Infrastructural development in NT/SNT colonies
- Providing housing facilities
- Providing self employment training and

**Table 13.63: Progress of the Scheme for Concession**

**(Rs. In lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	10000.00	374581	9814.00	217537	98	58
2013-14	23500.00	374581	23500.00	337123	100	90
2014-15*	13999.96	374581	0	0	0	0

\* Upto December 2014.

**Table 13.64 : Details of Reimbursement of Extra Boarding and Lodging Charges**

**(Rs. In lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	312.79	21679	295.07	12982	94	60
2013-14	222.09	11028	192.90	7617	87	69
2014-15*	585.77	21679	49.61	3726	11	17

\* Upto December 2014.

**Table 13.65: Progress of Financial Assistance to Foreign Studies (Rs. In lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2009-10	50.00	15	37.50	13	75.00	86.67
2010-11	30.00	9	30.00	6	100	66.67
2011-12	This programme has been transferred to D Devaraj urs development Corp. from 2011-12					

subsidy.

- Irrigational facilities through Ganga Kalyana.

The detailed progress of the scheme during the last 3 years is shown in Table 13.70

### 13.3.2 D. Devaraj Urs Backward Classes Development Corporation (DBCDC)

In order to improve economic status of the backward classes, various schemes

sponsored by the State Government and the National Backward Classes Finance and Development Corporation (NBCFDC) have been implemented in the State by D.Devaraj Urs Backward Classes Development Corporation (DBCDC).

#### 1. Chaitanya Subsidy cum Soft Loan Scheme:

**Table 13.66: Progress of the Scheme for Stipend to Law Gradates (Rs. in lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	183.57	1067	174.11	940	95	88
2013-14	160.97	1067	123.46	917	77	86
2014-15*	145.19	1067	49.20	897	34	84

\* Upto December 2014.

**Table 13.67: Progress of Skill Training Programme (Rs. In lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	300.00	500	0	0	0	0
2013-14	100.00	500	27.00	71	27	14
2014-15*	254.00	1000	4.64	16	2	1

\* Upto December 2014.

To take up ISB activities like industry, service, business and agriculture & allied activities etc., subsidy and margin money starting from Rs.25000/-to Rs.5.00lakh is being sanctioned in collaboration with the banks to the Backward Classes.

The Corporation releases 30% subsidy for the project cost upto Rs.25,000 and remaining is banks share of loan. For the project cost of Rs. 25,001 to Rs. 1.00 lakh, the Corporation releases 20% margin money and 30% subsidy or maximum of Rs.10,000/- per beneficiary and remaining is bank share of loan. For the projects above Rs.1.00 lakh, the Corporation releases 20% Margin Money and remaining is bank share

of loan. The Corporation charges interest at 4% p.a. on margin money. The Bank charges interest at the prevailing lending rates for their portion of loan.

During the year 2014-15 an amount of Rs.634.00 lakh against the target amount of Rs.1500.00 lakh has been spent benefitting 2351 people as against the target of 4000 till the end of December-2014 Table. 13.71

## 2. Chaitanya Self employment Direct loan:-

A financial assistance upto Rs. 50000/- per beneficiary is being sanctioned to the members of backward classes whose

**Table 13.68 : Financial and Physical Progress of Tailoring Training Centers**

(Rs. In lakhs)

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	170.01	1206	164.92	759	97	63
2013-14	187.40	1206	149.93	945	80	78
2014-15*	210.77	1181	79.03	1000	37	85

\* Upto December 2014.

**Table 13.69: Financial and physical progress of Nursing Training** (Rs. In lakhs )

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	380.00	3810	367.00	2147	97	56
2013-14	400.00	3810	389.50	3336	99	88
2014-15*	500.00	4000	177.07	1255	47	31

\* Upto December 2014.

**Table 13.70 : Progress of scheme for Nomadic and Non-nomadic Tribes (Rs.In lakhs)**

Year	Targets		Achievements		% of achievements	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	5000.00	10979	4000.00	15705	80	143
2013-14	5000.00	12000	5000.00	11719	100	98
2014-15*	4781.56	12000	1845.69	6921	39	58

\* Upto December 2014.

**Table 13.71: Progress of Chaitanya Subsidy cum Soft Loan Scheme (Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	850.00	5000	670.07	2649	78.83	52.98
2013-14	1500.00	6000	1144.70	4541	76.31	69.01
2014-15 (upto Dec.-14)	1500.00	4000	634.00	2351	42.27	58.78

\* Upto December 2014.

annual family income is below Rs.40000/- in rural and Rs.55000/- in urban area to enable them to take up self-employment activities such as petty business, service and agricultural and allied activities. The maximum subsidy under this scheme is Rs.10000/- or 30% of the project cost and the rest is loan at 4% interest rate per annum. **(Table 13.72)**

### 3. Micro Credit Scheme:-

To take up small economic activities, this scheme is being implemented by the Corporation. Loan and subsidy to skilled/unskilled backward classes families, who are below the poverty line are being assisted. A financial assistance of Rs.15000/- which includes Rs.5000/-

**Table 13.72: Progress of Chaitanya Self employment direct loan (Rs. in lakh)**

Sl. No.	Year	Target		Achievement		Percentage	
		Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
1	2012-13	2650.00	10000	2507.93	9435	94.63	94.35
2	2013-14	1800.00	4757	2581.66	8761	143.42	184.17
3	2014-15	1814.00	4880	1039.64	3215	57.31	65.88

\* Upto December 2014



subsidy and Rs.10000/- loan at 4% interest rate per annum is being sanctioned per beneficiary. **(Table 13.73)**

**4. Arivu-Education Loan Scheme:** The Corporation extends educational loan to the students who are studying in the field of Medical and Engineering and other professional courses. The corporation releases an amount of Rs.1.00 lakh per year or actual cost incurred by the student towards admission fees, tuition fee, laboratory fee, examination fee etc. for his/her education. The rate of interest is 2% per annum. **(Table 13.74)**

**5. Ganga Kalyana Irrigation Scheme:**

**Individual irrigation:** In order to provide irrigation facilities to the backward classes small and marginal farmers whose family

income is less than 40000/- per annum are eligible for individual irrigation scheme implemented by the Corporation. The maximum unit cost fixed is Rs.2.00 lakh, out of which Rs.1.50 lakh is subsidy and Rs.0.50lakh is loan at 4% rate of interest. The Corporation is drilling the borewell in the land of eligible farmers, supply pump sets and accessories assist the farmers in getting energisation to the borewells from the Electricity Supply Companies.

**Community Irrigation:** A group of small and marginal backward classes farmers with 8 to 15 acres of land will be provided community irrigation facilities for those whose family income is less than Rs.40,000/- per annum. The unit cost fixed is Rs. 2.53 lakh to irrigate 8 acres and above of dry land and Rs.3.59 lakhs to irrigate 15

**Table 13.73: Progress of Micro Credit Scheme**

**(Rs. in lakh)**

Sl. No.	Year	Target		Achievement		Percentage	
		Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
1	2012-13	500.00	5000	293.90	2939	58.79	58.78
2	2013-14	600.00	4000	653.95	4637	109.00	116.00
3	2014-15	356.00	2240	70.85	447	19.90	19.95

\* Upto December 2014

**Table 13.74: Progress of Micro Credit Scheme**

**(Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	-	-	13.60	132	-	-
2013-14	100.00	200	109.76	325	109.76	162.50
2014-15	80.00	160	125.49	311		

\* Upto December 2014

acres and above dry land. The cost includes drilling of borewells, supply of pumps sets and accessories. The Corporation is releasing Rs.50000/- per borewell to the Electricity Supply Companies towards energisation of borewells. **(Table 13.75)**

#### **6. Assistance to Traditional Artisans & Occupational Groups**

With a view to upgrade the professional and technical skill of the traditional artisans and occupational groups belonging to backward classes, financial assistance upto Rs.45000/- as loan and Rs.5000/- as subsidy per artisan is being provided. **(Table 13.76)**

#### **7. Interest free loan for Higher Education in Foreign Universities**

In order to assist backward class students to study in Foreign Universities, the

Corporation is sanctioning interest-free loan upto Rs.3.50 lakh per year and a maximum of Rs.10.00 lakh for the course (for 3 years) of the backward classes students for higher education in the courses such as PhD, MS, Post-Doctoral courses etc., The progress of the scheme is given in **Table 13.77.**

#### **8. Schemes with the Financial assistance of National Backward Classes Finance & Development Corporation (NBCFDC):**

For the economic upliftment of the backward classes, the Government of India has established the National Backward Classes Finance and Development Corporation (NBCFDC). This Corporation is also providing funds to the State Corporation as loan with 4 to 6% rate of interest. The Corporation is implementing several schemes such as Term loan scheme,

**Table 13.75: Progress of Ganga Kalyana Irrigation Scheme**

**(Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	9500.00	7490	4111.60	4665	43.28	62.28
2013-14	6500.00	4442	6421.32	3695	98.79	83.18
2013-14	6500.00	4445	2302.56	3358	35.42	75.55

\* Upto December 2014

**Table 13.76: Progress of Assistance to Traditional Artisans & Occupational Groups**

**(Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	5500.00	22000	5070.99	20755	92.19	93.34
2013-14	2930.87	6527	5088.40	15272	173.61	233.98
2014-15	2930.87	7620	1539.62	4764	52.53	62.52

\* Upto December 2014

**Table 13.77: Progress of Interest free loan for Higher Education in Foreign Universities (Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	-	-	7.00	2	-	-
2013-14	-	-	26.25	8	-	-
2014-15	50.00	15	14.00	4	28.00	26.67

\* Upto December 2014

Mahila Samrudhi, Education loan, Micro Finance scheme, Krushi Sampada, Shilpa Sampada, New Swarnima for women etc., **(Table 13.78)**

#### 13.4 Minority Department Schemes

In order to Promote and uplift Minority Communities of Muslims, Christians, Jains, Sikhs, Buddhist and Parsis on par with other Communities Government of Karnataka has introduced various developmental Schemes. These Schemes are being implemented through Directorate of Minorities and Karnataka Minorities Development Corporation.

#### I. Incentives Scheme for Minority Students

A cash incentive of Rs. 3000, Rs. 4000 and Rs. 5000 is being provided per annum to the meritorious minority students (whose annual household income is not more than Rs. 2.00 lakh) studying in SSLC, PUC and Degree courses respectively. **(Table 13.79)**

#### II. Skill Development Scheme

To enable unemployed boys/girls of minorities to take up self-employment activities, skill development programmes in nurse training, ACCPL (Call Centre, Animation, BPO and Training in Tally will be provided. **(Table 13.80)**

**Table 13.78: Progress of National Backward Classes Finance & Development Corporation (NBCFDC) (Rs. in lakh)**

Year	Target		Achievement		Percentage	
	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
2012-13	2000.00	9298	1578.59	7683	78.93	82.63
2013-14	2600.00	9332	2629.42	11923	101.13	127.76
2014-15	2600.00	9332	803.84	3134	30.92	33.58

\* Upto December 2014

**Table 13.79: Progress of Incentives Scheme for Minority Students (Rs in Lakhs)**

Year	Targets		Achievements		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	508.00	12700	508.00	16527	100	130.13
2013-14	800.00	25000	800.00	20650	100	82.60
2014-15	500.00	12500	375.00	10614	75	84.91

Note: \*Upto November-2014.

**Table 13.80: Progress of Skill Development Scheme (Rs.In Lakhs)**

Year	Targets		Achievements		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	860.00	90000	910.00 Rs. 50 lakhs re- appropriated from other schemes	7540	105.81	83.77
2013-14	700.00	10300	700.00	6754	100	65.67
2014-15*	350.00	4500	262.50	3180	75	70.50

\* Upto December 2014.

### III. Shaadi Mahal/Community Hall

The department is providing financial assistance for the minorities institutions to construct Shadi Mahals/Community Halls for promoting social and cultural activities including marriages of minority communities. **(Table 13.81)**

A maximum amount of Rs. 1.00 Crore for District Head Quarters and upto Rs. 50.00 Lakhs in other places will be provided.

### 13.4.1 Karnataka Minorities Development Corporation Limited, Bangalore.

The Karnataka Minorities Development Corporation Ltd., Bangalore was established on 7.2.1986 by the Government of Karnataka for the upliftment of religious minorities educationally, socially and economically who forms 15.69% i.e., 82,93,576, of the population of Karnataka,

**Table 13.81: Progress of the Scheme for Construction of Shadi Mahal /Community Hall**

Year	Targets		Achievements		% of achievement	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	1040.00	100	1089.22 Rs. 49.22 lakhs re-appropriated from other schemes	115	104.73	115
2013-14	2500.00	100	1911.75	120	76.47	120
2014-15*	2500.00	100	1017.76	62	40.71	62

as per 2001 Census. In this regard, the Corporation has been implementing the following schemes out of the share capital and grants given by State Government and also the schemes of the National Minorities Development and Finance Corporation, (NMDFC) Delhi in the State. The progress of some important schemes is described as follows.

### 1. Swavalambana Margin Money Loan Scheme

Under the scheme, margin money loan facilities are provided through various Nationalized Banks/Financial Institutions for business, services, industries and agriculture based activities. For a

maximum project cost upto Rs.5,00,000, 20% of the project cost will be sanctioned by the Corporation as margin money loan @ 6% interest. (The balance is provided by the Banks/Financial Institutions). A subsidy upto Rs.25,000 is also provided by the Corporation.

### 2. Subsidy Scheme

The scheme is linked with the Swavalambana Margin Money Loan Scheme, under this scheme, a subsidy element of 5% of the unit cost or maximum amount of Rs.25,000/- will be released to the beneficiaries of the religious minorities. The financial and physical progress of the margin money with subsidy is as under.

**Table 13.82: Progress of Subsidy Scheme (Rs.in lakhs)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	600	4000	552.35	2867	92.06	71.68
2013-14	600	4000	604.41	3263	100.73	81.57
2014-15*	900	4400	906.84	3806	100.76	86.50

Note \*Upto December 2014



### 3. Arivu (Education Loan) Scheme

The Government of Karnataka has introduced "Arivu" (Education loan) Scheme to help the minority students with financial assistance of Rs.5,000/- to Rs.50,000/- per year till completion of professional courses like Medical, Engineering, Dental, MBA, MCA and other Master Degree Courses, Diploma Courses, Nursing, B.Ed, D.Ed ITI Under the scheme. Financial assistance is also provided to the employment attached training programmes through NIIT. The loan has to be repaid after completion of the course @ 2% interest. The financial and physical progress of the scheme is as under.

### 4. Ganga Kalyana Scheme (Community Irrigation Scheme)

This scheme is applicable for only small and marginal farmers with 8 acres of land consisting of 3 beneficiaries who are eligible

to get 2 borewells and with 15 acres of land consisting of 5 beneficiaries who are eligible to get 3 borewells (the unit cost per borewell increased from Rs.1.00 lakh to Rs.1.50 lakh, and each beneficiary should have 2 to 3 acres of land. Borewells are drilled underground, submersible pump sets will be installed and energisation for the borewells will be done by the Corporation. This Scheme is entirely a subsidy scheme.

### Individual Borewell or Open Well

Under individual borewell scheme, for the beneficiary 2 to 5 acres of land, one borewell will be drilled and pumpset will be supplied. The total cost is Rs. 1.50 lakh this also includes energisation charges. where ever drilling of individual borewells is difficult Open wells are dug and provided along with pumpsets in the areas. The total expenditure upto Rs.1,50,000 will be extended as subsidy which includes energisation. This scheme is entirely

**Table 13.83: Progress of Arivu(Education Loan) Scheme (Rs.in lakhs)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	3300	16500	3028.37	13071	91.77	79.22
2013-14	3600	14400	4158.15	15963	115.50	110.85
2014-15*	5000	16667	4747.71	17114	94.95	102.68

Note \*Upto December 2014

**Table 13.84: Progress of Individual Borewell or Open Well Scheme (Rs.in lakhs)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	1900.00	1900	1409.00	1409	74.16	74.16
2013-14	4446.00	2300	2799.00	1866	62.95	81.13
2014-15*	2700.00	1800	165.00	110	6.11	6.11

Note \*Upto December 2014

subsidy scheme. The performance under the scheme is as under.

### 5. Shrama Shakthi Scheme

Under this scheme, the artisans belonging to religious minorities to encourage the artistic and technical skills, maximum loan of Rs.25,000 will be provided @ 4% interest rate per annum to improve and setup their business. Out of the unit cost, 75% as loan and 25% will be considered as back-end subsidy. The progress of the scheme is as under.

### 6. Land Purchase Scheme (new Scheme)

The basic objective of the scheme is to improve the productive assets like land among the landless minority farmers. Under this scheme, the landless farmers

belonging to the religious minority are eligible for purchase of 2 acres of dry land or 1 acre of wet land in rural areas. The unit cost is limited to Rs.2.50 lakhs including the registration expenses, of which 50% is treated as loan @ 6% interest and 50% as subsidy. The land is mortgaged with the Corporation till the recovery of loan.

### 7. Micro Loan and Micro Subsidy Scheme

In order to improve the existing petty business and regular income for their livelihood in city and rural areas, the religious minorities will be provided with a micro loan of Rs.10,000/- @ 5% interest per annum including Rs.5,000/- subsidy. The financial and physical progress of the scheme is as under.

**Table 13.85: Progress of Sharama Shakthi Scheme (Rs.in lakhs)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	1800.00	9000	1598.23	11137	88.79	123.74
2013-14	1800.00	9000	2324.05	13497	129.11	149.97
2014-15*	2221.00	11105	2464.65	13009	110.97	117.14

Note \*Upto December 2014

**Table 13.86: Progress of Micro Loan and Micro Subsidy Scheme (Rs.in lakhs)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	2400	24000	1766.75	17814	73.61	74.22
2013-14	2400	24000	1554.22	15584	64.76	64.93
2014-15*	2400	24000	1900.40	19004	79.18	79.18

Note \*Upto December 2014

### 8. Christian Development Programme

During 2011-12, Karnataka Christian Development Parishath was established on 05.11.2011 for over all development of Christian Community with a Budget allocation of Rs.50.00 Crores to Directorate of Minorities. Out of this 40% has been provided to KMDC for implementing the on going schemes of the Corporation viz., Arivu (Educational) Loan Scheme, Shrama Shakthi Scheme, Micro Loan with subsidy Scheme and Interest subsidy Scheme for housing loans, as per the existing guidelines for the development of the Christian community.

### 9. NMDFC's Term Loan Schemes

With a view to uplift the poor religious minorities in the country by providing term

loans to take up self-employment pursuits, the NMDFC (National Minorities Development and Finance Corporation) was setup at the national level in 1994. The term loan is provided through the State Channelising Agency viz., KMDC for the benefits of religious minorities in the State. The Corporation is releasing 90% of the project cost as NMDFC share, 05% share of the project cost will be released from KMDC and balance 5% of the project cost has to be borne by the beneficiary, and 6% interest rate per annum is being charged by the Corporation for the loan released. There are different schemes implemented by the Corporation. In the case of micro credit for self-employment, the unit cost is Rs.10,000 to Rs.50,000 of which 90% is from NMDFC and 10% is from KMDC and there is no

**Table 13.87: Progress of Christian Development Programme (Arivu)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	500.00	2500	212.93	732	42.59	29.28
2013-14	1000.00	4000	340.42	1122	34.04	28.05
2014-15*	1000.00	3333	333.13	1001	33.33	30.03

Note \*Upto December 2014

**Table 13.88: Progress of Christian Development Programme (Shrama Shakthi)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	500.00	2500	496.30	3531	99.26	141.24
2013-14	1000.00	5000	563.70	3352	56.37	64.04
2014-15*	1000.00	5000	699.15	3248	69.91	64.96

Note \*Upto December 2014

**Table 13.89: Progress of Christian Development Programme (Micro Loan)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	500.00	5000	209.20	2092	41.84	41.84
2013-14	1000.00	10000	131.40	1314	13.14	13.14
2014-15*	1000.00	10000	250.20	2502	25.02	25.02

Note \*Upto December 2014

**Table 13.90: Progress of Christian Development Programme (Interest Subsidy Scheme For Housing Loan)**

Year	Targets		Achievement		% of achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	500.00	667	106.80	148	21.36	22.19
2013-14	1000.00	1334	64.12	88	6.41	6.60
2014-15*	1000.00	1334	25.47	36	2.55	2.70

Note \*Upto December 2014

**Table 13.91: Progress of NMDFC's Term Loan Schemes (Rs.in lakhs)**

Year	Amount Received from NMDFC	Total loan sanctioned and spent under NMDFC schemes				No. of Beneficiaries
		Beneficiary amount	KMDC amounts	NMDFC Amounts	Total	
2012-13	-	-	-	-	-	-
2013-14	1850.00	-	159.88	1438.92	1598.80	585
2014-15*	2000.00	-	21.64	411.08	432.72	87

Note \*Upto December 2014

beneficiary contribution. During 2009-10, as the total loan amount was used to provide micro loans to take up self-employment, there was no beneficiary contribution. The detailed progress of the schemes is provided is as under. An interest of 6% is charged in the scheme.

### 13.5 Dept. for Empowerment of Differently Abled & Senior Citizens

#### 13.5.1 Programmes for Empowerment of Differently Abled

Disability is often described in terms of lack of normal functioning of physical, mental or psychological processes.

As per 2011 census, Karnataka has a disabled population of 13,24,205 out of which 8,70,150 persons live in villages and 4,54,055 in urban areas. The literate disabled population is 7,87,286 which constitutes 59.45% of the total disabled population. Most of the families with disabled persons live below poverty line. Lack of facilities and opportunities prevent disabled persons from gaining suitable, Education, Training & Employment. Unemployment remains a major challenge and inactiveness results in multiple disability and depression among the disabled persons. It is necessary to provide opportunities for them to study, to get trained in skill sets and get jobs to work.

Government of Karnataka have taken serious view about this and have taken keen interest from the beginning to help the specially challenged persons and understanding the need of this vulnerable section of the Society the State Government has created separate department for the welfare of the disabled in the year 1988 and added the welfare of the Senior Citizens in the year 2003 to look into the programmes of the PWDs and Senior Citizens separately

with the motto to serve and provide services to them only.

The Directorate of the Welfare of Disabled implements several programme in order to bring the persons with disabilities in to mainstream of the society and to focus on their abilities rather than their disabilities. Karnataka is the first state to give monthly maintenance allowance of Rs.400 to 4 lakhs persons with disabilities.

Persons with the Disability (Equal Opportunities, Protection of Rights and Full Participation) Act 1995:- A boon to persons with disabilities

Appropriate education, training and opportunities shall be give to the persons with disabilities as they can also contribute to the Economic Development of the country. In this context the Government of India have passed a comprehensive legislation called Persons with the Disability (Equal Opportunities, Protection of Rights and Full Participation) Act 1995. Which came into force from 7.2.1996. Karnataka State is also implementing this Act.

**Achievement of a Person with Disabilities who emerged  
as successful entrepreneur.**

Sri.Siddarama Yellappa Molegae who hailed from a small village Badigavada, Gokak Taluk, Belgaum District is a degree holder in Arts & also Diploma in Education with an ambition of becoming Teacher. But due to some constraint it could not be achieved. However, he went into agriculture field for his lively hood, but he was finding it very difficult to lead his life. Then he thought off making a his carrier in Self Employment in Goat/Sheep rearing. In this regard he took the guidance of Dr. Subhash Taklikki, and in 2010 he started his carrier. Intially he started with 10 sheeps and after a span of time he became the owner of 100 sheeps by adopting technological/scientific innovative methods of rearing foreign races of sheep/goats like Boyer Jamunapuri etc. For this he has utilise the the provisions of NHFDC to the tune of Rs.2.00Lakhs as loan and emerged as successful entrepreneur.



Some of the major interventions undertaken for the welfare of the disabled are as follows:

### 1. Maintenance Allowance to the Disabled:

Monthly Maintenance Allowance of Rs.500/- and Rs.1200/- per month is provided to persons with disabilities, of 40 to 75%, and 75% above who are severely disabled respectively. **(Table 13.92)**

### 2. Aids and Appliances to the Disabled:

Various Aids & Appliances costing up to a maximum of Rs.10,000/- worth are provided free of cost to the persons having 40% of disability and upto 50% of the cost of Motorized Tricycles are subsidized. **(Table 13.93)**

### 3. Medical Relief Fund:

Under this scheme, financial assistance is provided to persons with disabilities to

undergo corrective surgery up to maximum cost of Rs.35000/- or actual expenditure incurred whichever ever is less. Persons who are disabled are eligible to avail this assistance. **(Table 13.94)**

### 4. Financial Assistance to NGO's to run the Special School:

Under District sector scheme NGO's are given grants on the basis of regular salary and perks to the teaching and non teaching staffs as well as Rs.600/-per month to the child as maintenance charges, to run special schools and vocational Training Centers. **(Table 13.95)**

### 5. Sadhane and Prathibe:

Under this scheme, persons with disabilities are given financial assistance for Sports and Cultural activities upto a maximum of Rs.10,000/- and 30,000/- respectively or actual expenditure incurred whichever is less. **(Table 13.96)**

**Table 13.92: Progress of Maintenance Allowance to the Disabled (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	42240.00	700000	43290.58	641000	102.48	91.57
2013-14	56809.00	750000	55474.17	672934	97.65	89.72
2014-15	56809.00	750000	52393.27	718466	92.22	95.79

\* Upto December 2014

**Table 13.93: Progress of Maintenance Allowance to the Disabled (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	100.00	1500	95.60	1332	95.60	88.8
2013-14	100.00	4200	96.64	3047	96.54	72.54
2014-15	100.00	4200	26.17	3500	26.17	83.33

\* Upto December 2014

**Table 13.94: Progress of Medical Relief Fund (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	25.00	50	16.38	45	65.52	90.00
2013-14	33.65	100	26.21	99	77.00	99.00
2014-15	20.00	100	4.73	13	23.65	13.00

\* Upto December 2014

**Table 13.95: Progress of Financial Assistance to NGO's (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	343.10	3000	298.38	2030	86.96	67.66
2013-14	1223.39	9000	1185.76	8680	96.90	96.04
2014-15	1188.00	10000	1188.00	10000	100.00	100.00

\* Upto December 2014

**Table 13.96: Progress of Sadhane and Prathibe (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	25.00	150	14.89	93	59.56	62.00
2013-14	25.00	150	25.00	75	100.00	50.00
2014-15	25.00	100	-	-	-	-

\* Upto December 2014

## 6. Scholarship and incentives to the disabled

In order to encourage disabled students for continuation of their education, a monthly Scholarship of Rs.50/-to 300/- is provided for disabled students studying from 1st Std to Post Graduate Courses **(Table 13.97)**

## 7. Grameena Punarvasathi Yojane

Grameena Punarvasathi Yojane is implemented wherein persons with disabilities are rehabilitated and also

awareness is provided about various Government schemes regarding Social Security, Education, Training and Employment reserved for them in various department at their door step. Where one disabled person at the Grama panchayat level as Village Rehabilitation Worker (VRW) at the rate of Rs.1500/- per month and one disabled person at Block level as Multipurpose Rehabilitation Worker (MRW) at the rate of Rs.4000/- per month are engaged on honorarium basis to provide services. **(Table 13.98)**

**Table 13.97: Progress of Scholarship and incentives to the disabled (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	251.00	35000	247.22	29983	98.49	8566
2013-14	260.00	35000	244.18	25757	93.90	73.59
2014-15	270.00	35000	96.53	30000	35.75	85.71

\* Upto December 2014

**Table 13.98: Progress of Grameena Punarvasathi Yojane (Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	540.00	5803	499.91	4560	78.58	92.57
2013-14	1031.72	5803	834.30	4657	80.86	80.25
2014-15	498.00	5803	425.87	4657	85.52	80.52

\* Upto December 2014

### 8. Self Employment Scheme for the Disabled (ADHARA)

Under the scheme a Kiosk of Rs.15000/- will be provided at free of cost and Rs.20000/- interest free loan as working capital to undertake self employment programme such as Petty Shop or any other such business. During 2014-15 an amount of Rs.100.00 Lakhs is earmarked for the scheme. (Table 13.99)

### 9. Job portal

Job portal scheme is framed to provide employment opportunities to persons with disabilities. The Government has accorded administrative approval to M/S Enable India, Koramangala, in 2014-15. (Table 13.100)

### 10. Incentive Scheme for those who marry Differently Abled Men and Women:

In the prevailing circumstances men or women are hesitant or reluctant to marry persons with disabilities, as they feel that they would face difficulties in the married life due to social stigma. It is essential to

encourage integrated marriages among persons with disabilities and their able bodied individuals. A financial incentive of Rs.50,000/- is paid to such eligible couple. This amount is deposited in Joint Account for 5 years (FD) Interest accrued can be utilized by the couple. (Table 13.101)

### 11. Reimbursement of fees for Differently Abled students for Higher and Technical Education:

To encourage disabled students for pursuing Higher/Technical Education fees reimbursement will be provided for those who have availed ID cards, through Medical boards under this scheme.

### 12. Child Care Allowances towards the Health and Nutritional Care of the new born baby of Visually Impaired Women:

It is observed that the women with visual impairment experiences greater hardship in upbringing the newly born child. Under this scheme a sum of Rs 2,000/- per month for two years is paid to the beneficiary towards the services of ayah, health care, nutritional food, medical treatments, for a maximum of two children.

**Table 13.99: Progress of Self Employment Scheme for the Disabled (ADHARA)**  
(Rs.in Lakhs)

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2012-13	100.00	285	99.75	285	99.75	100.00
2013-14	100.00	285	99.75	285	99.75	100.00
2014-15	100.00	285	38.39	110	38.89	35.08

\* Upto December 2014

**Table 13.100: Progress of Job Portal** (Rs.in Lakhs)

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2013-14	69.00	600	55.50	248	80.40	41.33
2014-15	74.00	-	74.00	-	-	-

\* Upto December 2014

**Table 13.101: Progress of Incentive Scheme** (Rs.in Lakhs)

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2013-14	150.00	300	143.50	287	95.66	95.66
2014-15*	150.00	300	41.00	82	27.33	27.33

\* Upto December 2014

### 13. Establishment of Day Care Centers for Children with Autism and Multiple Disabilities:

Children between the age of 6 to 18 years who are suffering from mental retardation, brain damage, autism and multiple disability requires day care services such as protection, shelter, education and food. The parents of these children are usually found

to be engaged in some occupation for their livelihood. Two(2) Day Care Centers are being established to provide such services in the urban areas.

### 14. NIRAMAYA Health Insurance Scheme:

As per the requirement of National Trust Act 1999, NIRAMAYA Health Insurance

**Table 13.102: Progress of Reimbursement of fees****(Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2013-14	99.95	1200	84.86	1103	84.90	91.91
2014-15*	70.50	300	33.40	250	44.23	83.30

\* Upto December 2014

Scheme for the children belonging to BPL families and suffering from autism, cerebral palsy, Mental retardation and multiple disabilities has been launched during 2014-15. The scheme provides the beneficiaries who make a one time payment of Rs.250 as premium with a medical insurance coverage upto Rs. 1 lakh per year. For this purpose an amount of Rs. 1.12 Crore is allocated. This scheme intends to benefit initially 40296 PwDs.

#### **15. Unemployment allowance for the persons with disabilities:**

Under the scheme those PwDs who have passed SSLC and unemployed are eligible to avail unemployment allowance. An amount of Rs. 2.16 Crore is earmarked for providing benefit. During 2014-15, 21600 Pwds are intended to benefit from the scheme.

#### **16. Laptop to Students with visual impairment:**

In order to facilitate latest technology and pursue higher education, talking laptops are provided to visually impaired students. An amount of Rs. 4.00 Crores is earmarked for this purpose.

#### **17. Revision of Financial Assistance to Day Care Centers for the mentally retarded, cerebral palsy, autism and multiple disabilities:**

Two Day Care Centers will be established in urban areas to cater to the needs of children above three years suffering from mentally retardation, cerebral palsy, autism and

multiple disabilities. It is proposed to increase the monthly maintenance allowance in respect of these children from Rs. 2500 to Rs.10.000. An allocation of Rs.50 lakhs is earmarked for this purpose.

#### **18. Revised for Medical Relief fund:**

Currently an assistance of Rs.35,000/- is being provided to disabled persons for undergoing surgeries to reduce or completely treat the disabilities. This has been enhanced to Rs.1.00 lakh to cover hospitalization, treatment, medicine and other costs in addition to cost of surgery Rs.1 crore will be earmarked for this purpose.

#### **19. Enhancement Scholarship to PwDs Students:**

Scholarship amount being given to students with disabilities has been doubled to incentivize them to continue the education and to bring them into main stream. An amount of Rs.540.00 Lakhs is provided for this purpose.

#### **13.5.2 Senior Citizens Welfare Programmes**

##### **1. Financial Assistance to NGO's to run the Old Age Home:**

For the Welfare of Senior Citizens Old Age Homes are established in 30 districts through NGOs at the unit cost of Rs.8 Lakhs each for 25 beneficiaries for availing the benefit of food, medicine, entertainment and shelter.



**Table 13.103: Progress of Child Care Allowances****(Rs.in Lakhs)**

Year	Targets		Achievements		% of Achievements	
	Financial	Physical	Financial	Physical	Financial	Physical
2013-14	8.58	50.00	2.25	13	26.22	26.00
2014-15*	5.00	15.00	1.82	09	32.73	60.00

\* Upto December 2014

**2. Helpline**

For the welfare of senior citizens 15 help lines are established in Bangalore Urban, Gulbarga, South Canara, Belgaum, Dharwad, Mysore, Raichur, Kolar, Bellary, Davangere, Shimoga, Bagalkot, Bijapur and Tumkur districts through NGOs in coordination with District Police Commissioner /Superintendent of the police of the District at the rate of Rs.7.15 lakhs each.

**3. Day Care Centres for Senior Citizens**

Four(4) day care center are established in, Belgaum, Gulbarga, Hubli-Dharwad and Bangalore through NGOs at the rate of Rs.11.20 Lakhs each. During 2014-15 Day Care Centres are established in Mysore, Hassan, Chikkaballapura, Bidar, Bellary,Mangalore, Dharawada, Tumkur, Chithradurga and Bagalkote Districts. An amount of Rs.393.36 lakhs is earmarked and Rs.25.16 is incurred till December 2014.

**4. Senior Citizen ID Cards**

Senior citizens who are 60+ years of age are given Identity Card through recognized voluntary organizations in the Districts. So for 12,95,858 such Identity cards have been issued.

**5. Old age Pension**

As per Government order No: RD:5:DSP:2012 dt:11.01.2012 Indira Gandhi Pension scheme. The age limit has been reduced to 65 to 60 years. For Senior Citizens aged between 60 to 64 Rs.200/- is

being paid has old age pension every month and for senior citizen aged between 65 and 79 are paid Rs.200/- from the state Govt. along with Rs.200/-by the Government of India amounting to Rs.400/.

**6. Sandhya Surasha Yojene**

As per Revenue Department order dated: 02-07-2007, maintenance Allowance of Rs.400/- is given to Senior Citizens above 65 years of age. For the Senior citizens above 80 years of age Rs.750/- is paid as old age pension under sandhya Surasha Yojene and Indira Gandhi National pension schemes.

**7. Indira Gandhi Pension scheme**

As Per Government order No:RD:147: MST:2007 dt:12.01.2012, under Indira Gandhi Pension scheme, Sandya Suraksa Yojane, Poor Widow Pension and Handicapped pension (disability of above 40% and below 79%) Received 500/-. Whose disability is 75% and above, Received Rs.1200/- and senior citizens who are above 80 years of age Received Rs.500/- by the end of 5,91,532 beneficiaries are availed benefitted per Annum.

**8. Revision and Enhancement of Grant for the Day care centers for the Senior Citizens:**

The annual grant provided to NGOs running Day care centers for senior citizens enhanced from Rs .4.15 lakhs to Rs.11.20 lakhs. This scheme will be extended to another 10 districts. An allocation of Rs.1.40 crore is provided during 2014-15 for this purpose.

## BALANCED REGIONAL DEVELOPMENT

### 14.1 SPECIAL DEVELOPMENT PLAN

Karnataka has always demonstrated vibrant potential for growth. Despite the natural resource constraints and unfavorable conditions, the State could maintain above average performance in basic development indicators. It is placed at the median level on most of the development indicators. During the last five decades, the State has made efforts to achieve rapid growth through investments in agriculture, industry, infrastructure and other sectors. But, this growth has not been inclusive with 25% of the State's population living below poverty line with the sharp North-South divide existing in the State. The regional gap emerged in the State on the eve of the reorganization of States in 1956. The new areas that joined the State from Hyderabad State and Bombay State were relatively less developed than the Old Mysore State. This area formed the Northern part of the State. In the absence of focused efforts in the past, the development gap increased over a period of time leading to marginalization and exclusion of the region and its people from the mainstream development process. Efforts have been made over a period of time to reduce the development gap. However, there has been a growing realization that investment and focus on the area especially on initiatives to improve the human development indicators must be further accelerated.

#### 14.1.1 High Power Committee on Redressal of Regional Imbalances (2000-2002)

The High Powered Committee for Redressal of Regional Imbalances (HPCRRI),

popularly known as Dr. Nanjundappa Committee, submitted its report in June 2002. The committee, on the basis of 35 socio-economic indicators, assessed the level of development of 175 taluks in the state. These indicators were spread over various sectors such as agriculture, industry, economic infrastructure, social infrastructure, and financial and technical infrastructure. Taking the State average of development in these indicators as the benchmark (equal to 1), the Committee estimated Comprehensive Composite Development Index (CCDI) with appropriate weights and identified 114 taluks as backward taluks. These taluks were further classified into most backward, more backward and backward based on the value of CCDI. Taluks with CCDI of 0.53 - 0.79 were classified as most backward, those with CCDI of 0.80 - 0.88 as more backward and, taluks with CCDI of 0.89 - 0.99 as backward. The distribution of the taluks in these various groups in the State is given in **Table 14.1**.

**Table 14.1** indicates the extent of regional imbalances existing in the State which was identified by the Nanjundappa Committee. Out of the 39 most backward taluks in the State, 26 taluks are in North Karnataka, 21 in Kalburgi Division and out of the total 61 relatively developed taluks, 40 are in South Karnataka. The Committee has recommended a policy mix of resource transfer, fiscal incentives and special programmes for development of the 114 backward taluks in the State.

**Table 14.1 – Regional Development in Karnataka State**

Sl. No.	Division	Relatively Developed	Backward	More Backward	Most Backward	Total Taluks
1.	Bangalore	18	09	13	11	51
2.	Mysore	22	10	10	02	44
3.	Belgaum	18	14	12	05	49
4.	Kalburgi (HK Region)	03	02	05	21	31
5.	North Karnataka	21	16	17	26	80
6.	South Karnataka	40	19	23	13	95
	<b>Total (State )</b>	<b>61</b>	<b>35</b>	<b>40</b>	<b>39</b>	<b>175</b>

#### 14.1.2 Major Recommendations of the Committee

##### A) Institutional support to speed up the development

The Committee has recommended establishing an appropriate institutional setup to accelerate the process of development in different sectors. Some of the specific recommendations by the Committee which are implemented are given in the box below:

##### Important Recommendations Achieved

- Establishment of a Central University at Kalburgi.
- A High Court Bench at Dharwad and Kalburgi have been implemented.
- A Women's University has been established at Vijayapura.
- Established IT parks in Kalburgi and Hubli
- Establishment of Food Park

- a Textile Park and an Airport are in process in Kalburgi.
- 6 new Government Medical colleges are established at Hassan, Mandya, Shimoga, Raichur, Belagavi and Bidar
- In Dharwad mental hospital has been upgraded.
- 38 Burns and dayalasis wards are newly opened.
- Horticulture University at Bagalkot and Horticulture College at Bidar has been established.
- Revolving fund established to support agricultural pricing.
- Karnataka Veterinary and Fisheries Science University at Bidar is Established.
- Dairy Science College at Gulbarga is Established
- Established Kasturi ba Gandhi Girls Schools In all the 39 Most backward Taluks

## **B) Additional resource transfer to meet the development requirements**

An eight-year Special Development Plan (SDP) has been recommended for implementation by investing Rs. 31000 crore which includes Rs. 15000 crore from Normal Plan and Rs. 16000 crore as additionality. The Committee has also stated that the amount allocated every year should be escalated by a factor to include rise in prices. The recommendations prescribe a participatory approach involving the people, voluntary organizations and Self Help Groups and adoption of a Decentralized planning approach to promote development and find long term solutions to the problems of regional development.

### **14.1.3 Review of Recent Efforts towards Promoting Balanced Regional Development**

The State Governments has initiated programme for development of backward regions. The Special Development Plan (SDP) is a major recommendation of the Dr. Nanjundappa Committee. The Committee has estimated the required resource flow in the 114 backward taluks to bring them at par with other taluks in the State.

#### **A) Objectives**

The objectives of the Special Development Plan are

- To give a thrust to the development programmes in the 114 backward taluks to move towards a more balanced development in the State as a whole.
- To accelerate growth in the backward taluks through the stimulus of additional investment in various sectors and areas.
- To build infrastructure to make good the identified sector backlog in backward taluks.
- To establish the needed institutions/ organizations to redress the

imbalances in the concerned sectors in backward taluks.

- To provide location-specific sectoral schemes in backward taluks in order to raise the level of services in these sectors to the level of State average.
- To help the planning authorities in preparing action plans with three priorities: First, priority is for most backward taluks which are to be covered in the first two years. More backward taluks shall have the second priority for the allocation of funds during the next two years and, backward taluks shall have their allocation for the terminal period of the eight-year plan.

#### **B) Allocations under Special Development Plan**

The Committee has estimated the financial resources required to promote development in various sectors, The focus of the SDP is on irrigation, rural development and social services. Sectors like energy and agriculture are also allotted additional financial assistance for development. The allocation to education, health and other social services is Rs. 8025 crore. The allocation to irrigation is Rs. 8000 crore and to rural development, Rs. 7100 crore. This allocation considers the rural character and agrarian conditions of most of the taluks among the 114 backward taluks. The allocations in SDP across the divisions were based on the Cumulative Deprivation Index (CDI). This is estimated on the basis of the distance of the CCDI Value from the State average ( $CDI=1-CCDI$ ). The allocations within the division and among the districts and taluks are again based on the respective CDI values. an the total additional investment of Rs. 16000 Crore, the share of Kalburgi division is maximum i.e. Rs. 6400 crore and the share of North Karnataka is 60 % of the total allocation. This is because the extent of development deprivation is more in Kalburgi Division i.e. 8.06 ( $8.06/20.26 = 40\%$ ) which is just equal to the total deprivation of entire South

Karnataka. The Government started implementation of Special Development Plan from 2007-08. Budget provision was made from 2007-08 every year for implementation of these recommendations in the backward taluks by various departments.

#### 14.1.4 Implementation of Special Development Plan

The programmes under SDP are planned on the basis of the requirements sent by the taluks to the concerned departments. The progress of the works under SDP is reviewed at the State and district levels in KDP meetings every month and a MIS system has been developed for providing on-line information about the programmes undertaken under SDP and the physical and financial progress achieved. A special head of account with the object code 133 is allotted for schemes under SDP and object

code 186 (from 2014-15 ) for Hyderabad Karnataka Region Development Plan. A Special Cell has been established in the Planning Department to coordinate and monitor the implementation process. The amount allocated, releases made and expenditure incurred so far is given in **Table 14.2**. A state level monitoring committee is constituted under the chairmanship of Additional Chief Secretary and Development commissioner by Government Order No. PD 03 SDP 2014, Bangalore, Dated: 30.12.2014.

As seen in **Table 14.3**, the amount released is 72.69% of the planned allocations but the utilization is 95.07%. The release of funds is slow under SDP due to the fact that the allocations are made from the provisions under various schemes in Centre/State and District Sectors and further the release depends on the amount received under these schemes.

**Table 14.2 – Allocations Releases and Expenditure under Special Development Plan**

Year	Allocation (Rs.crores)	Releases (Rs.crores)	Expenditure (Rs.crores)	% of exp.to allocation	% of exp.to releases
2007-08	1571.50	951.44	945.99	60.20	99.43
2008-09	2547.34	1710.42	1739.41	68.28	101.69
2009-10	2578.83	2033.29	1919.95	74.45	94.42
2010-11	2584.00	2072.86	2066.55	80.19	99.70
2011-12	2984.14	2729.39	2407.33	80.67	88.20
2012-13	2680.00	2268.91	2201.31	82.14	97.02
2013-14	2925.60	2428.20	2285.38	78.12	94.12
2014-15( Upto Dec 2014)	2267.18	1203.99	1073.12	47.33	85.52
<b>Total</b>	<b>20138.59</b>	<b>15398.50</b>	<b>14639.04</b>	<b>72.69</b>	<b>95.07</b>



**Table 14.3- Distribution of Outlay Releases and Expenditure among various Sectors (2007-14) (Rs. Crores)**

Sl. No.	Sectors	Total allocation	Amount Released (upto Dec 2014)	Expenditure (upto Dec 2014)	% release to allocation	%exp. to release
		2007-2014	2007-2014	2007-2014		
1	Agriculture & allied sectors (including forest)	1338.76	989.47	951.90	71.10	96.20
2	PWD	1252.75	1013.71	953.50	76.11	94.06
3	Rural Development	3022.27	2281.05	2054.85	67.99	90.08
4	Housing	2168.01	1887.96	1806.59	83.33	95.69
5	Irrigation (Major & Minor)	3928.83	3514.38	3305.65	94.06	84.14
6	Power	1311.58	879.91	1103.46	78.45	125.41
7	Industries	278.70	128.11	92.77	33.29	72.42
8	Infrastructure	1193.10	916.45	916.44	76.81	100.00
9	Transport	583.50	472.78	447.72	76.73	94.70
10	Home	128.20	93.20	56.58	44.14	60.71
11	Social Sectors (health & education)	1866.40	1225.47	1146.44	61.43	93.55
12	Labour & Social Welfare	1258.71	1043.92	934.07	74.23	89.48
13	Women & Child Development	387.20	315.07	239.33	61.81	75.96
14	Tourism Development	428.58	317.61	317.61	74.11	100.00
15	Urban Development	938.00	282.43	279.60	29.81	99.00
16	Information & Technology	54.00	36.98	32.53	60.24	87.97
<b>Total</b>		<b>20138.59</b>	<b>15398.50</b>	<b>14639.04</b>	<b>72.69</b>	95.07

Source: Special Cell, Planning Department

## Major Achievements under SDP

### A. Additional Resource Transfer to Most Backward Taluks

The allocations under SDP have helped the backward taluks in different categories to get additional resources to accelerate the development process. A comparison of distribution of allocation among three categories viz., most backward, more backward and backward taluks is presented in **Table 14.4**. It is observed that the share of most backward taluks in total allocations has increased from 23.93% in 2007-08 to 51.80% in 2014-15. These also include the allocations made under district sector schemes. However, this has to increase to 60% as per the recommendations of HPCRRRI Committee. However, this additional resource transfer

has promoted development activities in the backward areas.

### B. Major successful works undertaken under SDP

The SDP has concentrated on the following core sectors in which allocations are being made on priority basis so that outcomes are visible – (i) Agriculture and Allied Sectors; (ii) Health; (iii) Education; (iv) Housing; (v) Infrastructure; (vi) Irrigation and (vii) Tourism.

#### 1. Agriculture and Allied Sectors

The major programmes being implemented under this sector include Rashtriya Krishi Vikas Yojane (Central Sector Scheme), Enrichment of soil fertility (State Sector), and Raitha Samparka Kendras (State Sector).

**Table 14.4- Aggregate Additional Resource Transfer to Backward taluks in Different Categories (Rs. crore)**

Year	Most Backward Taluks	More Backward Taluks	Backward Taluks	District Schemes in Backward Taluks	Total Allocation
2007-08	376.00 (23.93%)	161.66 (10.29%)	136.62 (8.69%)	897.22 (57.09%)	1571.50 (100)
2008-09	870.09 (34.16%)	615.05 (24.14%)	406.87 (15.97%)	655.34 (25.73%)	2547.35 (100)
2009-10	1270.18 (49.25%)	554.57 (21.50%)	384.40 (14.91%)	369.68 (14.34%)	2578.83 (100)
2010-11	908.89 (35.17%)	639.65 (24.75%)	382.05 (14.79%)	653.41 (25.29%)	2584.00 (100)
2011-12	1204.50 (40.36%)	793.39 (26.59%)	528.00 (17.69%)	458.25 (15.36%)	2984.14 (100)
2012-13	1182.09 (44.11%)	748.99 (27.95%)	377.30 (14.08%)	371.62 (13.87%)	2680.00 (100)
2013-14	1477.18 (50.49%)	916.75 (31.34%)	531.67 (18.17%)	-	2925.60 (100)
2014-15	1174.47 (51.80%)	701.54 (30.94%)	391.17 (17.26%)	-	2267.18 (100)

**i). Rashtriya Krishi Vikas Yojane (RKVY):**

Under RKVY, mechanization of agriculture is being promoted through supply of various agricultural implements at subsidized rates in 114 backward taluks. This is essential to overcome the growing labour costs and labour shortages and complete the agricultural operations in time. These implements include power tillers (50% subsidy - max. Rs. 50,000), high tech agricultural implements (50% subsidy -max Rs.70000), diesel pumpsets (50% subsidy – maximum Rs.20000) and agro processing units (50% subsidy - max Rs.65000). Total amount allocated during 2014-15 is Rs. 62 crore under this scheme.

**Watershed Development:.** Watershed training centre at Vijayapura is established in the backward regions. The rejuvenation of dried open wells is taken up under this programme and Jalasiri programme is promoted with people's participation.

**ii. Health**

In the health sector, construction and upgradation of primary health centers have been taken up. Action has also been initiated for improvement of health facilities by establishing Suvarna Aarogya Suraksha Trust.

**iii. Education**

Dr. Nanjundappa Committee had recommended the establishment of top educational institutions in north Karnataka, more specifically in the Hyderabad - Karnataka region. The major institutions established in this sector include the Women's University at Vijayapura, Central University at Kalburgi, University of Horticulture Sciences at Bagalkot, Karnataka Veterinary and Fisheries Sciences University at Bidar and Dairy Science College at Kalburgi. To promote education in 39 most backward taluks, additional programmes have been introduced to strengthen the school infrastructure. Cluster complex is being established in 39 most backward taluks with a view to provide teachers' quarters in

backward taluks/regions to enable the teachers to stay in rural areas and provide quality education to children. Opening of residential schools on Kasturba Gandhi Balika Vidyalaya (KGBV) model is also taken up in these taluks as female literacy rate is low. Many of the schools that do not have compound wall, play grounds and drinking water and sanitation facilities, are being provided with these on a priority basis in 39 most backward taluks with additional funds under Pancha Soulabhya programme under Sarva Shikshan Abhiyan (SSA). Funds are also allocated to start model high schools in these backward taluks. Construction and improvement of high school buildings is taken up with assistance from NABARD.

**iv. Housing**

Rural housing is one of the major sectors under SDP. The programmes that are being implemented in the backward taluks under SDP include the Ashraya-SDP and Vajpayee urban housing scheme. The allocation for these schemes during the period 2014-15 is Rs. 90.00 crore.

**v. Infrastructure Development**

One of the prime objectives of SDP is to fill up the gaps in infrastructure in the backward taluks and hasten the development process in these taluks. Under energy sector, the focus is on provision of electricity to villages, hamlets and tandas. Schemes of Nirantara jyothi and Rural Load Management System (RLMS) are being implemented. The Minor airports at Bidar, Kalburgi, Vijayapura, Belgaum and Hubli are provided with additional funds for completion. The Committee had identified 90 taluks (61 in north Karnataka and 29 in south Karnataka) out of 175 taluks which have road length less than the State average. Under SDP, road development programme is undertaken in rural areas under the schemes District other Roads. The Programmes are implemented by PWD. The allocation during the year 2014-15 is Rs. 116.00 crores. Under road transport sector,

assistance is given to three divisions for construction of new depots, upgradation of existing bus stands, provision of toilet facilities, asphaltting within busstands and construction of waiting rooms etc. The allocation for road transport is Rs. 45.00 crore and for railway projects, allocation has been Rs. 157.00 crore during 2014-15. The allocation for rural development during 2014-15 is Rs. 167.00 crore.

#### **vi. Irrigation**

Assistance is provided for development of major irrigation in backward taluks. The Dr. Nanjundappa Committee had recommended development of irrigation as a major strategy for increasing agricultural production and productivity in backward taluks. Assistance is provided under the programmes of Karnataka Neeravari Nigama Limited (KNNL) and Additional funds are being provided for early completion of major irrigation schemes to KNNL. Works such as promotion and modernization of tanks, rejuvenation of tanks, lift irrigation and construction of barrages are taken up in most backward and more backward taluks. Expenditure for irrigation is around 20.1 % of total SDP expenditure during the 11th Five Year Plan. Assistance is given to complete the existing schemes soon so that benefits reach the farmers in time. This may thus help to expand the irrigation facilities and increase agricultural productivity and output. Allocation to major irrigation is Rs. 680 crore during 2014-15.

#### **vii. Tourism**

Innovative works have been proposed and are in the process of implementation in tourism sector which is emerging as a high growth area in the service sector. Tourist infrastructure at various places in backward taluks has been taken up for development. An amount of Rs.317.61 crore has been spent so far as against the earmarked outlay of Rs. 428.58 crore. Approach roads to tourist places have also been constructed at various tourist places such as Pattadakal in Badami taluk,

Idagunji Baligar and Satodi water falls in Siddapur taluk of U. Kannada Dist., Renuka Yellamma temple in Soundatti taluk, Channakeshava Temple in Belur. Kemmananagundi hill station, Nimishamba Temple in Ganjam, Srirangapatna taluk, Kokkarebellur Bird Sanctuary, Kaiwara temple in Chintamani taluk etc.

#### **14.2 Backward Region Grant Fund (BRGF) (2007-2012)**

The Backward Region Grant Fund, a more comprehensive programme with wide coverage, has been introduced to redress regional imbalances in development. Along with other objectives, the fund provides financial resources for supplementing and converging existing developmental inflows into identified districts so as to bridge critical gaps in local infrastructure and other development requirements that are not being adequately met through existing inflows.

The basic objectives of the programme are as follows -

- Provision of additional resource transfer to bridge the local infrastructure gap that is left unfilled due to shortage of resources and thus reduce the development gap across the regions.
- Involvement of people in Planning Process. Capacity building of local institutions in decision making process, plan preparation and implementation.
- Provision of expert assistance to local institutions in Plan formulation & implementation.
- Undertaking support activities required for Improving functional delivery of services through Panchayat institutions.

In Karnataka, the programme is being implemented in six backward districts of Kalburgi, Yadgir Bidar, Chitradurga, Raichur and Davanagere. Central

assistance has been earmarked on the basis of share in population and share in geographical area. An amount of Rs. 550 crores has been earmarked for this scheme as a whole for 11th Five year Plan. Similarly

an amount of Rs.595.00 crores has been earmarked for this scheme for 12th Five year Plan. **Table 14.7** provides details of the scheme's implementation in Karnataka.

**Table 14.5 - Progress achieved under BRGF in Karnataka (Rs. In crore)**

Year	Details	Bidar	Kalburgi/ Yadgir	Raichur	Davangere	Chitradurga	ANSIRD
2007-08	Allocation	17.14	28.25	19.56	18.18	20.21	5.00
	Release	17.11	25.34	7.50	16.33	20.21	10.00
	Expenditure	17.11	25.34	7.50	16.33	20.21	10.00
2008-09	Allocation	17.11	28.25	19.56	17.51	20.21	8.39
	Release	17.11	28.25	19.56	17.51	20.21	8.39
	Expenditure	17.11	28.25	19.56	17.51	20.21	8.39
2009-10	Allocation	17.11	28.15	19.56	18.14	20.21	5.00
	Release	17.11	28.15	19.56	18.14	20.21	5.00
	Expenditure	17.11	28.15	19.56	18.14	20.21	5.00
2010-11	Allocation	18.54	31.82	21.49	19.79	22.27	5.00
	Release	18.54	17.56	21.49	19.79	17.45	2.69
	Expenditure	18.54	17.56	21.49	19.79	17.45	2.69
2011-12	Allocation	18.54	31.82	21.49	19.79	22.27	5.00
	Release	18.54	17.56	21.49	19.79	17.45	2.69
	Expenditure	12.25	5.00	17.00	15.25	13.00	2.69
2012-13	Allocation	18.54	31.82	21.49	19.79	22.27	5.00
	Release	18.44	22.75	21.39	13.19	22.27	3.5
	Expenditure	38.06	30.89	21.12	8.74	22.05	-
2013-14	Allocation	22.75	52.70	26.36	24.27	27.33	6.00
	Release	13.04	13.66	-	20.74	23.78	-
	Expenditure	18.19	30.55	21.39	22.18	33.67	-
2014-15	Allocation	20.56	47.62	23.82	21.93	24.69	06.00
	Release	18.29	12.50	15.74	-	-	-
	Expenditure	24.97	19.5	-	22.21	33.83	8.40

Source: RDPR Department



### Development of Soft Infrastructure

The development of soft skills has been facilitated through various training programmes for students, unemployed youths and Self Help Groups.

- Training programmes in local skills for local markets. These include training in computer skills, mobile repairs, repairs of home appliances etc.
- To improve quality of education, training programmes for teachers are organized Remedial teaching programmes are arranged for slow learners.
- Training programmes are arranged for Self help groups to take up the economic activities.
- Capacity building programmes are also organized for elected representatives in Local Self Governments.
- Exposure visits are organized to increase the knowledge of people's representatives in introducing novel programmes and policies.

The programme has been successful in strengthening the human resource base in these backward districts. The programme has promoted the development of economic infrastructure in backward districts.

The implementation of recommendations of Nanjundappa Committee remains as an ongoing agenda. The Special Development Plan and the Backward Region Grant Fund are major programmes operating to reduce regional imbalances. These efforts have led to an increase in the levels of economic and human development in most backward and more backward taluks. This is evident from the growing enrolment of children in schools, decline in dropouts and out-of-school children etc. Road connectivity has increased and most villages are now covered by all-weather roads. Levels of employment and income are on the rise.

### 14.3 Area Development Boards:

#### 14.3.1 MALNAD AREA DEVELOPMENT BOARD, SHIVAMOGGA

Malnad Area Development Board came into existence by the Act Malnad Area Development Act, 1991 on 18.5.1993. The main objective of the board is to achieve overall development of the Malnad Area specifically.

#### Objectives:-

The area under the jurisdiction of the board extends over 13 Districts of Malnad Area along the Western Ghats in 61 Taluks extending over 65 Assembly Constituencies.

- Development of infrastructure of road & bridges (foot bridges, hanging bridges)
- Development of Buildings of schools, colleges, hospital and hostels.
- Rural and Urban water supply schemes such as minor irrigation and rural electrification programmes.

During the current year almost 526 works have been completed incurring an expenditure of Rs.2222.70 lakh.

#### Initiatives taken up in 2014-15:

The Board has taken up many initiatives including the formation of concrete roads in the areas inhabited by the weaker sections, providing of safe drinking water in rural areas especially those affected by fluoride, construction of foot bridges and hanging bridges as well as formation of roads. The implementation of the safe drinking water is sought to be enhanced by involving the Srikshehra Dharmasthala Rural Development Project (R) Dharmasthala and K.H.Patil trust which will share the cost of the installation of the unit

**Best practices and success stories.**

Some of the success stories are related to the supply of play articles to the anganawadi children in most backward taluks as identified in the Report of Dr.D.M.Nanjundappa which was named Chinnara Loka program. For the all round development of a child, along with the curricular activities, the sports plays import role. Facilities provided for sports would play a major role by physical development of the child. Which attracts the children to come to Anganawadi. This considerably it reduces number of children who keeps away from the School. This formed the main objective of "Chinnara Loka" in the Anganawadi. It was implemented in the taluks of channagiri, H.D.Kote, Chamarajanagar and Joida.

Another success story is the construction of 17 hanging bridges incurring a cost of about Rs.1063.37 lakh. This facilitates the children and others to cross the streams in the rainy season to access the schools and other facilities which otherwise would be circuitous or inaccessible during the rainy season.

Another success story is the involvement of Srikshehra Dharmasthala Rural Development Project (R), in the developmental programs. They have been involved in many different programs notable the providing of the safe drinking water in which the board contributes Rs.5.00 lakhs and they contribute an equal amount. Similarly they have executed the solid waste disposal system in Kadaba and Ujire villages. The solid waste was getting into the river system during the rainy season affecting the drinking water supply during the summer which is the lean season.

In some locations depending upon the water level and pressure where naturally flowing water is available, in the remote areas, independent Hydro Electric Units have been established to provide electricity.

**Challenges and the futures outlook of the Board:**

The future challenge is in identification of the specific requirement in the hinterland and to supplement the various works carried out by different agencies.

**Table-14.6** shows the details of expenditure incurred since inception of the Board.

**Table-14.7** shows the physical achievement made since inception of the Board.

**14.3.2 BAYALUSEEME AREA DEVELOPMENT BOARD, CHITRADURGA**

The Bayaluseeme Area Development Board was established in the year 1995 under Karnataka Act No.38 BSDB Act 1994. Bayaluseeme (Maidan Area) comprises 57 Taluks of the State. Which have been recognized as drought prone taluks, and pose special Problems of development. This Board established to hasten the phase of development of this area for bringing it to the level of other parts of the State. There are 70 assembly constituencies spread over 14 districts. Since from the inception of the Board up to 2014-15 Financial year till October-2014. The Board has incurred an expenditure of Rs. 14050.32 lakh completing 4507works.

**Objectives:-**

- Development and conservation measures in rain fed agriculture system.
- Adopting soil and water conservation measures in rain fed agriculture system and Forest Development.
- Promoting Horticulture Development.
- To promote and support activities in the agriculture and allied sectors.
- To promote animal husbandry.

Out of total amount allocated to the Board 60% shall be utilized for water and soil conservation works and remaining 40% shall be for other developmental works in Bayaluseeme area.

**Table-14.6: Malnad Area Development Board, Shimoga**  
**Statement showing the details of Financial Progress since inception**

(Rs. in lakh)

Sl. No	Year	Budget	Releases	Expenditure
1	1993-94	3300.00	3300.00	1558.740
2	1994-95	3500.00	2400.00	3805.770
3	1995-96	3000.00	2250.00	2022.440
4	1996-97	3000.00	2100.00	1913.940
5	1997-98	1570.00	1570.00	2736.330
6	1998-99	3850.00	1875.00	2022.780
7	1999-00	3284.00	2463.00	2564.100
8	2000-01	3400.00	3256.00	3010.040
9	2001-02	1725.00	1135.00	1740.470
10	2002-03	1645.00	1533.75	1556.850
11	2003-04	1250.00	1350.00	1382.320
12	2004-05	707.00	707.00	668.320
13	2005-06	1400.00	1400.00	1344.880
14	2006-07	3355.00	3355.00	1432.690
15	2007-08	3450.00	2824.50	2712.320
16	2008-09	2300.00	1057.50	2696.570
17	2009-10	1600.00	1596.56	1052.043
18	2010-11	2000.00	2000.00	2158.450
19	2011-12	3400.00	3360.00	1024.182
20	2012-13	3400.00	3400.00	3233.271
21	2013-14	3430.00	2572.50	3111.009
22	2014-15	3800.00	1900.00	2222.70
	Total	<b>58366.00</b>	<b>47405.81</b>	<b>44867.085</b>

The expenditure incurred in a year includes unspent balance of previous year also.

The expenditure incurred in the year 2014-15 includes administrative expenditure of Rs.76.160 lakh.

**Table-14.7: Malnad Area Development Board, Shivamogga**  
**Statement showing the details of Physical Progress since inception**

Sl. No	Year	Approved Works				Total No. of work	Total completed work
		Roads and Bridges	Social Sector	MI & GWR	Soil Water		
1	1993-94	3039	264	0	90	3393	419
2	1994-95	1947	361	93	118	2519	631
3	1995-96	896	99	12	47	1054	1793
4	1996-97	845	196	18	33	1092	1803
5	1997-98	915	295	12	46	1268	1344
6	1998-99	1500	359	15	35	1909	927
7	1999-00	131	10	1	1	143	618
8	2000-01	605	143	11	4	763	1265
9	2001-02	226	60	0	0	286	862
10	2002-03	50	32	1	0	83	195
11	2003-04	53	9	2	0	64	195
12	2004-05	0	0	0	0	0	1290
13	2005-06	0	0	0	0	0	874
14	2006-07	399	247	63	41	750	658
15	2007-08	304	215	42	25	586	790
16	2008-09	282	210	9	1	502	438
17	2009-10	2	19	0	0	1621	1283
18	2010-11	316	200	24	9	549	429
19	2011-12	402	267	54	0	723	532
20	2012-13	529	266	12	19	826	575
21	2013-14	690	271	75	0	1036	636
22	2014-15	691	267	70	0	1028	526
	Total	<b>13822</b>	<b>3790</b>	<b>514</b>	<b>469</b>	<b>20195</b>	<b>18083</b>

1. MI: Minor Irrigation

2. GWR: Ground Water Resources

**Challenges and the futures outlook of the Board:**

The future challenge is in identification of the specific requirement in the hinterland and to supplement the various works carried out by different agencies.

**Table-14.8** shows the details of expenditure incurred since inception of the Board.

**Table-14.9** shows the physical achievement made since inception of the Board.

**14.3.3 Karavali Abhivrudhi Pradhikara, Mangalore**

The Project under taken for the welfare of Three Coastal Districts of Karnataka as well as economic and social development of the Coast.

**Table 14.8: Bayaluseeme Development Board, Chitradurga Statement Showing Details of Financial Progress Since Inception** **Rs. in lakhs**

Sl.No.	Year	Allotment	Actual Releases	Expenditure
1	1995-96	597.00	372.75	4.56
2	1996-97	474.00	418.00	346.20
3	1997-98	740.00	590.00	471.00
4	1998-99	850.00	637.50	704.30
5	1999-2000	1550.00	499.50	497.66
6	2000-01	900.00	660.00	518.25
7	2001-02	380.00	230.00	440.75
8	2002-03	1420.00	1200.00	603.87
9	2003-04	675.50	193.75	1132.50
10	2004-05	500.00	352.50	477.55
11	2005-06	630.00	630.00	373.09
12	2006-07	780.00	780.00	203.94
13	2007-08	1911.00	1669.50	1117.41
14	2008-09	1375.00	610.00	1165.39
15	2009-10	727.50	572.50	1048.91
16	2010-11	700.00	700.00	729.18
17	2011-12	1000.00	800.00	757.57
18	2012-13	1700.00	1275.00	1012.66
19	2013-14	1730.00	1297.50	1140.67
20	2014-15	2000.00	1000.00	1304.86
<b>Total</b>		<b>20640.00</b>	<b>14488.50</b>	<b>14050.32</b>



**Table 14.9: Bayaluseeme Development Board, Chitradurga Statement showing  
Details of Physical Progress since inception**

Sl No.	Year	Approved Works						Completed Works					
		Roads Bridges	Social Sector	MI & GWR	Soil Water	Engineer works	Total	Roads Bridges	Social Sector	MI & GWR	Soil Water	Engineer Works	Total
1	1995-96	0	0	0	0	0	0	0	0	0	0	0	0
2	1996-97	119	64	105	77	3	368	119	64	105	77	3	368
3	1997-98	97	19	67	105	3	291	97	19	67	105	3	291
4	1998-99	156	48	112	162	16	494	156	48	112	162	16	494
5	1999-00	400	66	342	351	41	1200	400	66	342	351	41	1200
6	2000-01												
7	2001-02												
8	2002-03												
9	2003-04	85	8	111	59	4	267	85	7	111	59	4	266
10	2004-05												
11	2005-06												
12	2006-07	70	37	45	103	1	256	70	36	45	103	1	255
13	2007-08	137	83	68	268	15	571	137	83	68	268	15	571
14	2008-09	46	55	53	197	4	355	46	49	53	197	4	349
15	2009-10	0	2	1	1	0	4	0	1	1	1	0	3
16	2010-11	24	10	22	75	0	131	24	8	22	73	0	127
17	2011-12	33	9	31	156	9	238	33	7	22	132	9	203
18	2012-13	71	18	41	223	38	391	35	9	25	137	19	225
19	2013-14	117	17	356	102	63	655	12	2	48	12	3	77
20	2014-15	117	55	160	244	22	598	4	0	62	7	0	78
	<b>Total</b>	<b>1472</b>	<b>491</b>	<b>1514</b>	<b>2123</b>	<b>219</b>	<b>5819</b>	<b>1218</b>	<b>399</b>	<b>1087</b>	<b>1685</b>	<b>118</b>	<b>4507</b>

Due to Lack of Funds Action Plan not prepared

Due to Lack of Funds Action Plan not prepared

Karavali Abhivrudhi Pradhikara was established vide G.O NO: 582 CÅ 2008, dated: 8.9.2008. Karavali Abhivrudhi Pradhikara is the advisory body to the Government of Karnataka on matters pertaining to the Comprehensive development of the three coastal districts of Karnataka, namely Dakshina Kannada, Udupi and Uttara Kannada.

**Objectives:-**

- Identification of potential projects for promotion and development of basic infrastructure-Roads, Tourism, Ports, Industries, Technology Parks, Over-Bridges.
- Preparing of Project Reports of the identified potential projects in construction with concerned administrative departments.
- Identifying projects for conservation and development of various coastal zones and recommending such works for inclusion in the state level planning.
- Taking measures for effective time bound supervision of implementation of projects for coastal conservation and development.

**Project under taken in three Coastal Districts of Karnataka.**

**1. NEW PROPOSED HIGH SPEED AIRPORT ROAD BETWEEN MANIPAL TO BAJPE INTERNATIONAL AIRPORT**

The present proposal of Athradi (Manipal) to Bajpe International Airport road is two lanes (Converting into four lane) is proposed to have direct axis for 80 K.M speed. Completely reformation of the road by avoiding all the curves, gradients etc. If this road is formed the reaching time is expected to be within one hour by the shortening the road distance to 55. K.M. and straight with flyovers etc. The preparation of the D.P.R has been completed and has already been submitted to the Government. (Apprx Project Cost Rs. 580 Crore)

**2. PROPOSED CONNECTIVITY ROAD PARALLEL TO N.H 66 AND BEACH SIDE THROUGH OUT PASSING IN THREE COASTAL DISTRICTS KNOWN AS FISHERIES ROAD.**

The proposed road will be connected between Talapady (Mangalore) to Majali (Uttara Kannada District) converting into two lane concrete road. Presently there is asphalted road in this area not connecting through and through but only some places available. Thick population of fishermen communities reside throughout the beach.

The main purpose of the this project is overall development of fishermen communities. This being a parallel road through the coastal area of Karnataka through N.H 66. The traffic conjunction of National Highway will be greatly reduced.

The proposed road is on the bank of Arabian sea. Hence national strategically important in the national interest. The preparation of the D.P.R has been completed and has already submitted to the Government. (Apprx Project Cost Rs. 780 crore)

**3. CONSTRUCTION OF MODERN HI - TECH FISH MARKETS IN COASTAL DISTRICTS**

The work is already taken up by the Costal Development Authority funded by National Fisheries Development Hyderabad, Government of India (Providing 90% of the project cost) and Department of Fisheries, Government of Karnataka. (Providing 10% of the project cost) The construction work of Padubidri, Yedthare-Byndoor, Katapadi and Uppunda in Udupi District and Ankola, Shirali Fish Markets In Uttara Kannada District and Kinnigoli in Dakshina Kannada District has already been completed and handed over to the local Panchayath. The construction work of Udupi (Town).Kota and Shirva in Udupi District and Panemangalore in Dakshina Kannada District under progress.

The action has already been taken for the construction of hi-tech fish market at Ullala

in Dakshina Kannada District and proposal has been sent to N.F.D.B through State Fisheries Department.

#### 4. CONSTRUCTION OF FOOT BRIDGES/ HANGING BRIDGES IN COASTAL DISTRICTS.

As per the proposal submitted by the Coastal Development Authority, the Government has released Rs.3.00 Crore to Dakshina Kannada and Rs. 2.00 Crore to Udupi District for the construction foot bridges/ hanging bridges. The construction work has been taken up by Panchayath Raj Engineering Division.

The Proposal has already been submitted to the Government for the construction of foot bridges in Coastal Districts of Karnataka are as follows

#### 5. MULTI VILLAGE WATER SUPPLY PROJECT

The preparation of Preliminary Scheme Report in regard to Multi Village Water Supply Scheme in Dakshina Kannada (25 Villages) and Udupi District (26 Villages) has been completed and report submitted to the Government. The main objective of this project is to support the Government's effort to increase access to safe drinking water for deprived villages in Udupi and Dakshina Kannada District.

#### 6. Other Aspects

During the year 2014-15 the following programmes are proposed to be implemented in three districts of Coastal Karnataka after consultation with New Board Members of Pradhikara and

**Table 14.10: Proposal submitted to Government for the construction of foot bridges in Coastal districts**

Sl. No.	Name/Place of Work	District	Taluk	Grama Panchayath	Grama	Estimated Cost (in.Crore)	Date of Submission of D.P.R to the Govt of Karnataka
1	Badabagilu	Uttara Kannada	Bhatkal	Haduvalli		0.37	5.1.2011
2	Kudurugi	Uttara Kannada	Honnavar	Kudrugi		1.78	17.12.2012
3	Datasala River	Uttara Kannada	Honnavar	Chikkanagodu	Hirebailu	3.00	23.01.2012
4	Nethravathi River	Dakshina Kannada	Belthangadi	Bandharu	Illanthila-Mogru	1.49	23.01.2012
5	Mutturu-Phalguni River	Dakshina Kannada	Mangalore	Kuppepadavu	Muttur	0.90	17.12.2012
6	Bolmanaru	Dakshina Kannada	Belthangadi	Pudhuvettu	Bolmanaru	4.50	2.2.2013
7	Madisalu	Udupi	Udupi	Udupi	Aroor	2.00	19.10.2011

Planning Department. And action will be taken to prepare PSR/DPR separately.

1. Tourism, 2. Development of Roads,
3. Construction of Hi-Tech Fish Markets,
4. Multi Village Water Supply Scheme etc

#### **14.4 KARNATAKA LEGISLATORS' LOCAL AREA DEVELOPMENT SCHEME**

Government had introduced the Karnataka Legislator's Local Area Development Scheme (KLLADS) in 2001-02 with a budget allocation of Rs. 75 crore under non-plan. From 2008-09 onwards the scheme was shifted from non-plan to plan.

The investment in development programmes based on a sectoral planning process to benefit local area leaves some infrastructure gaps, despite best planning effort. This under-mines the investment, which is not optimally beneficial to the local area. The domination of the sectoral planning process has limited the potential scope for participation by people's elected representatives and the user community. There have been occasions where some important works have not been undertaken, as they are not covered by any existing plan or non-plan scheme.

In order to accommodate local aspirations and needs better, and to ensure responsive

planning and delivery of services, the Government has taken up schemes for asset creation, infrastructure development and employment generation for the benefit of the poor and weaker sections, whose planning and execution can be done at the Legislator's Constituency Level.

The KLLADS follows a participatory demand responsive development approach to address infrastructure development requirements of the local area within a Legislator's Constituency. It also provides flexibility in taking up works which are otherwise not covered by other government programmes.

#### **14.5 MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)**

MPLADS is a Grant-in-Aid Plan Scheme started in December 1993 by Government of India, as a special central assistance to states for expenditure to be incurred for the creation of community assets based on the recommendation of the Hon'ble Members of Parliament. The Scheme is governed by a set of guidelines. Under the scheme a sum of Rupees 5 crore per annum per Member of Parliament is released by GOI directly to the Deputy Commissioners of the Nodal Districts for execution of the works of

**Table 14.11: Funds Allocated to Karavali Abhivrudhi Pradhikara since inception is show as follows:**

<b>Year</b>	<b>Budget Allocation (in lakh)</b>	<b>Amount Released (in lakh)</b>	<b>Expenditure (in lakh)</b>
2009-10	100.00	100.00	37.10
2010-11	300.00	150.00	126.00
2011-12	300.00	150.00	117.00
2012-13	1000.00	250.00	106.05
2013-14	100.00	50.00	45.60
2014-15	100.00	29.20	15.51 (till December 2014)

**Table 14.12: shows the amount released under scheme since inception****(in.crore)**

Year	Amount Provided	Amount Released
2001-02	75.00	75.00
2002-03	31.00	31.00
2003-04	<b>Amount not provided due to drought.</b>	
2004-05		
2005-06	150.00	150.00
2006-07	300.00	300.00
2007-08	300.00	183.25
2008-09	200.00	150.00
2009-10	460.50	460.50
2010-11	399.20	399.20
2011-12	300.00	298.62
2012-13	300.00	300.00
2013-14	600.00	581.53
2014-15	600.00	303.50

Source: Director, ADB, Planning Department.

development nature based on the locally felt needs recommended by the Member of Parliament concerned. Karnataka is represented by 28 Members of Lok Sabha, 12 Members of Rajya Sabha and one nominated member of Rajya Sabha. The MPLADS Cell of the Planning Department is the Nodal Department between GOI and the Deputy Commissioners. The Parliamentary Committee of Lok Sabha and Rajya Sabha periodically visit the State for review and inspection of the MPLADS works. The features of the scheme, list of prohibited works and list of permissible works and

works of non-durable nature, detailed guidelines, Government Orders and circulars are available on the website [www.mplads.nic.in](http://www.mplads.nic.in)

The MPLADS Cell is responsible for co-ordination with the Ministry of Statistics and Programme Implementation, Government of India for proper and effective supervision of the implementation of the scheme in the State. The Cell also co-ordinates with the District Authorities for timely submission of Utilization Certificates and Audit Certificates to the Ministry.



### 14.6 Article 371J – Special Status for Hyderabad-Karnataka Region

Hyderabad-Karnataka region is located in the north-eastern part of the State. The region, encompassed by the Kannada speaking people, was earlier ruled by the Nizams of Hyderabad until 1948. After merging with the Indian Union, the region was a part of the then Hyderabad State until 1956. The Hyderabad-Karnataka region comprises of Bidar, Yadgir, Raichur, Koppala, Ballary and Kalaburagi districts. The Hyderabad-Karnataka region is the second largest arid region in India. Article 371J will grant special status to six backward districts of Hyderabad-Karnataka region to:

1. Establish a separate Development Board
2. The Board ensures sufficient funds are allocated for Development of the region.
3. Local reservation in education and Government-jobs (Domicile requirement)

The State had constituted a high power committee under Prof. Nanjundappa to study regional imbalances in the State and to recommend strategies to address them. The committee identified 35 indicators to measure the extent of development in various sectors and had built a Comprehensive Composite Development Index (CCDI) and Composite Deprivation Index (CDI). On the basis of CDI all taluks are categorised as most backward, more backward, backward and relatively

developed taluks. 21 taluks of HK region are categorized as most backward, 5 taluks as more backward and 2 taluks as backward.

### Salient features of Hyderabad Karnataka Region

- HK region account for 23% of state geographical area
- Uncultivated area of the region is 23% of state uncultivated area
- Decadal population growth of the region is 17.73% whereas state growth rate is 15.60%
- HKRDB region is having 18% of the State population
- 24% of State SC population is residing in the region
- 34% of State ST population is residing in the region
- Literacy rate of the region is 64.45% whereas State literacy is 75.36%
- Dropout rate in the HKRDB region is 5.77 where as the State Dropout rate is 2.96
- Child Mortality Rate of the region is 59 where as State Child Mortality rate is 41
- Infant Mortality Rate of the region is 51 where as State Infant Mortality Rate is 35
- Net District domestic product of HKRDB region is Rs. 44832 per capita whereas the State average is Rs. 68053 per capita

### 14.13 Funds allocated and spent under MPLADS since inception (Rs. crore) (as of 01.12.2014)

Area	Amount Sanctioned	Released by GOI	% of released over sanctioned	Expenditure Incurred	% of Utilisation over released
LokSabha	1232.62	1223.90	99.29	1102.80	90.11
RajyaSabha	510.22	494.60	96.94	453.51	91.69

**Article 371(J)**

(1) The Hon'ble President may, by order, made with respect to the State of Karnataka, provide for any special responsibility of the Hon'ble Governor for –

- (a) Establishment of a separate development board for Hyderabad-Karnataka Region with the provision that a report on the working of the board will be placed each year before the State Legislative Assembly;
- (b) Equitable allocation of funds for developmental expenditure over the said region, subject to the requirements of the State as a whole; and
- (c) Equitable opportunities and facilities for the people belonging to the said region, in matters of public employment, education and vocational training, subject to the requirements of the State as a whole.

(2) An order made under sub-clause (1) may provide for –

- (a) Reservation of a proportion of seats in educational and vocational training institutions in the Hyderabad-Karnataka region for students who belong to that region by birth or by domicile; and
- (b) Identification of posts or classes of posts under the State Government and in any body or organisation under the control of the State Government in the Hyderabad-Karnataka Region and reservation of a proportion of such posts for persons who belong to that region by birth or by domicile and for appointment there to by direct recruitment or by promotion or in any other manner as may be specified in the order.

The Constitutional obligation consequent to Amendment of Article 371(J) by insertion of Article 371(J), binds the State and

Central Governments to put forth all out efforts for development of the Hyderabad-Karnataka region besides ensuring the same by way of providing reservation in the Education and Public Employment sectors. A Cabinet Sub-Committee was constituted to advise the State Government for effective implementation of Article 371(J). The Cabinet Sub-Committee has held wide range of discussions with all stakeholders of the region and has submitted a report to the Government. In pursuance to the implementation of Article 371J the State has issued the following orders:

- a. The Hyderabad-Karnataka Region Development Board Order, 2013
- b. The Karnataka Public Employment (Reservation in Appointment for Hyderabad- Karnataka Region) Order, 2013 – Provides for creation of a local cadre and reservation in the Hyderabad- Karnataka Region as under, besides reservation of 8% of the posts in the State level offices or institutions or apex institutions
- c. The Karnataka Private Un-aided Educational Institutions (Regulations of Admission in the Hyderabad-Karnataka Region) Order, 2013. - provides for reservation of 70% of the available seats in every course of study in any regional university or educational institution referred to in the First Schedule, besides 8% of the available seats in every course of study provided in a State wide university or a State wide educational institution.
- d. The Karnataka Educational Institutions (Regulations of Admission in the Hyderabad – Karnataka Region) Order, 2013 – provides for reservation of 70% of available seats.

To address the issue of backwardness in the State, Government has been implementing a Special Development Programme (SDP) since 2007-08. 40% of budget of SDP is earmarked for Hyderabad-Karnataka

region. Besides, Hyderabad Karnataka Development Board was also engaged in the development of this region till it was repealed on 22/02/2014. In pursuance to the Article 371(J) Hyderabad Karnataka Region Development Board was formed on 06/11/2013. It was constituted with 28 members on the 23rd January 2014. Sri Qamrul Islam honourable Minister of Municipal Administration, Haj & Walkf and Minorities Welfare has been nominated as the Chairman of the Board. Besides the Chairman, the board consists of 5 official members, 12 nominated members, 4 invited members and 6 experts. The Board has convened one special meeting on 7/2/2014 and three general meetings on 30/6/2014, 1/12/2014 and 27/1/2015 till date.

#### **Action Plan of 2013-14**

During 2013-14 HKRDB has prepared an Action Plan for Rs. 150.00 crore to undertake 778 works. The action plan was approved by the Hon'ble the Governor of Karnataka.

70% of budget is earmarked for bridging infrastructure gaps whereas 30% is for institutional gaps. 4% of institutional allocation is reserved for administrative charges. 448 works worth Rs. 100 crores were approved. 205 works pertain to roads and bridges while 243 works are in water supply and sanitation sector.

330 works of institutional gaps worth Rs. 50 crores was approved. Out of these 330, works 207 works are of health sector and 123 works are of other social sectors.

Rs. 3 crore is earmarked for administrative expenses.

During 2013-14, Rs. 30 crore was released to HKRDB for execution of approved works.

#### **Action Plan of 2014-15**

The HKRDB finalised the action plan of 2014-15 for Rs. 600 crore. The action plan is approved by Hon. the Governor of Karnataka during September-2014. Earmarking in the Action Plan is as follows:

- Rs. 420 crores for infrastructure gaps
- Rs. 172.80 crores for institutional gaps
- Rs. 7.20 crores for administrative expenses

In the action plan of 2014-15, HKRDB has earmarked 70% of budget for bridging infrastructure gaps and 30% for institutional gaps. Administrative charges continued to be 4% of institutional gap allocation.

Rs. 600 crore has been budgeted for 2014-15 against which Rs.300 crore has been released so far. The Board has incurred an expenditure of Rs. 11.62 crore so far. Besides, Rs.400 crore of additional allocation for taking up works of Rs.120 crore already approved in the action plan of 2013-14 has been sanctioned.

#### **Issues and Challenges**

Despite the interventions to develop the HK region on par with the relatively developed regions, vital indicators relating to human development, in particular, of the region depicts that the gaps in the indices still persists. This indicates that the barriers to development are still strong enough to retard the development processes. The focus of the Twelfth Five Year Plan viz., faster, more inclusive and sustainable growth implies that people in all the regions of the Country should gain access to development.

In this context, intensive efforts are required to bridge the development gap and attain equitable distribution of gains from development across regions and people in the State. Therefore to plug the backwardness of the Hyderabad-Karnataka region, State has made a conscious effort by substantially increasing the allocations provided to the HKRDB during 2014-15. The focus, however, needs to be on education, health and nutrition and skill development along with development of farm and non-farm activities. Therefore, formulation and effective implementation of development programmes tailored to the needs of the region are required to meet the challenges of this region.

## EVALUATION OF GOVERNMENT PROGRAMMES/SCHEMES

Karnataka was one of the first States in the Country to come out with an “Evaluation Policy” in the year 2000. After the implementation of the year 2000 Evaluation Policy, introspection was done about its implementation a decade later by the Planning, Programme Monitoring and Statistics department of the State. With a view to overcome the shortcomings and lacunae in evaluations of the past and to have a professional, unbiased and independent body with the responsibility of carrying out evaluations, the Government of Karnataka constituted the “Karnataka Evaluation Authority” in the year 2011. The Karnataka Evaluation Authority is a society registered under the Karnataka Societies Act 1960. It receives funds for evaluation studies from the Government of Karnataka and also some of its departments. It has been exempted from paying Income Tax by the Income Tax department.

### Main Points of Evaluation Policy of 2011:

The mission of the Evaluation Policy of 2011 is to have a “transparent, effective and efficient policy of evaluation of its development policies and programmes”. It provides for prescribing standards of evaluation and strives to enhance the technical capacities within the departments of the Government and independent evaluation agencies to undertake and utilize evaluation outputs. This policy includes all departments, urban and rural local bodies, Corporations and State owned industries. The policy envisages two broad types of Evaluation, namely –

#### A. External Evaluation:

This is where the Karnataka Evaluation Authority (KEA) initiates Evaluation studies

that are paid by its own funds. When a scheme is taken up for external evaluation by KEA, it cannot get evaluated by the concerned department. The line department is duty bound to furnish all information to KEA in time, and extend all help in the carrying out the evaluation.

#### B. Internal Evaluation:

An evaluation taken up by the line departments from their own resources is referred to as Internal Evaluation. In order to ensure that there is no conflict of interest, it is mandatory for the concerned department to take advice from the KEA on the Terms of Reference (ToR) of the evaluation study, data collection tools, vendor outsourcing, all other technical matters and to follow the rules and procedures prescribed by KEA. The Evaluation Policy has made provision that any evaluation can be handed over to KEA at any stage.

#### Functions of the Karnataka Evaluation Authority:

The functions of KEA are –

- a. To supervise, facilitate, build capacity and handhold departments for effective Planning, Monitoring and fine tuning the policies, programmes and schemes.
- b. To undertake or commission training, consultancy, advocacy activity to further goals of effective and meaningful scheme formulation, Monitoring and Evaluation.
- c. To keep record of all Terms of Reference(ToR) of Evaluation Studies, data collection tools, evaluation reports and to follow up utilization of evaluation outputs.



- d. To formulate rules and procedures for selection of agency for Evaluation and publication of a training manual on Evaluation.
- e. To disseminate the findings of evaluation studies.

**Procedure of Evaluation:**

Briefly, Evaluations follow the following stages:

- a. The department whose scheme or programme is being evaluated prepares a Terms of Reference (ToR) for the study. This ToR is discussed between the KEA and the concerned department. A final ToR is prepared jointly by them.
- b. The ToR is put before the Technical Committee of KEA. The Committee has academicians and officers of KEA as its members and is headed by the Principal Secretary, Planning. The Technical Committee goes through the contents of the ToR and approves it after making such changes as deemed appropriate.
- c. The Evaluation is outsourced to a Consultant Evaluation Organization. It prepares a Work Plan and submits to the Technical Committee of KEA.
- d. The Work Plan is put before the Technical Committee of KEA. The Technical Committee goes through the contents of the Work Plan and approves it after making such changes as deemed appropriate.

- e. The Consultant Evaluation Organization does the study and submits a draft report to KEA. This is given to an Independent Assessor of KEA for suggestions, comments and improvements.
- f. The Consultant Evaluation Organization complies with the suggestions of the Independent Assessor of KEA and submits the final draft report to the Technical Committee of KEA.
- g. The Final draft report is put before the Technical Committee of KEA. The Technical Committee goes through its contents and a presentation made on it by the Consultant Evaluation Organization and approves it with or without appropriate changes.
- h. The final approved Evaluation report is sent to the Independent Assessor of KEA for rating. This rating has a bearing on the ranking of empanelled Consultant Evaluation Organizations.

In 2014-2015, 39 Consultant Evaluation Organizations were empanelled following the procedure prescribed by the Empanelment Manual and Six Independent Assessors were appointed for rating the evaluation reports as prescribed by the Empanelment Manual.

**Progress made by the KEA:**

Karnataka Evaluation Authority has prepared and published the following

**Table 15.1: Achievement of KEA in conducting Evaluation Studies**

Sl. No.	Work Type	Achievement in	
		2013-14	2014-15 up to February 2015
1.	Approval of Terms of Reference of Evaluation Studies.	19	42
2.	Outsourcing External Studies.	15	26
3.	Completing Evaluation Studies.	6	30



**Table 15.2: List of Completed studies up to January 2015**

<b>Sl. No.</b>	<b>Name of the Evaluation Study</b>	<b>Department</b>
1	Performance of Karnataka Vidyuth Karkhane (KAVIKA) Limited, Bangalore.	Public Enterprises
2	Performance of The Mysore Paints and Varnishes Ltd.	
3	Performance of North East Karnataka Road Transport Corporation (NEKRTC)	
4	Performance of North Western Karnataka Road Transport Corporation (NWKRTC)	
5	Evaluation of Forestry Works -Unit-I.	Forest
6	Evaluation of Forestry Works- Unit-II.	
7	Evaluation of Forestry Works -Unit-III.	
8	Evaluation of Forestry Works- Unit-IV.	
9	Evaluation of Nirmal Grama Puraskara scheme.	Rural Development
10	Evaluation of Samudaya Souchalayas.	
11	Evaluation of Suvarna Gramodaya scheme.	
12	Performance of Karnataka State Tourism Development Corporation (KSTDC).	Tourism
13	Rapid Assessment of Madhuvana (Apiculture) Scheme.	Horticulture
14	Evaluation of Suvarna Bhoomi Yojane,	
15	Evaluation of the Karnataka Road Development Corporation Limited (KRDCL).	Public Works Department
16	Evaluation of the functioning of Santwana centres in Karnataka.	Women and Child Development
17	Functioning of Destitute Cottages in Karnataka.	
18	Evaluation of Restoration of Historical Monuments under 12 <sup>th</sup> Finance Commission funds.	Archaeology
19	Evaluation of Savings cum relief scheme.	Fisheries
20	Evaluation of Mathsya Mahila Swavalambana scheme.	
21	Performance of the Hubli Electricity Supply Company Limited.	Energy
22	Evaluation of Bhoochetana scheme.	Agriculture

Sl. No.	Name of the Evaluation Study	Department
23	Evaluation of Farm Mechanisation Scheme in Agriculture.	
24	Performance of Oil Palm Development Programme in Karnataka	
25	Evaluation of Micro Irrigation Scheme.	
26	Evaluation of performance of NGOs engaged by the Karnataka Biofuel Development Board.	Karnataka State Biofuel Development Board
27	Evaluation of the performance of Sakala programme.	DPAR (Administrative Reforms)
28	Evaluation of the performance of Karnataka-One Integrated Citizens Service Centers in Karnataka.	e-Governance
29	Performance of Karnataka Handloom Development Corporation (KHDC).	Handlooms & Textiles
30	Evaluation of Shram Shakthi Yojane/Traditional Artisan's scheme.	Backward Classes

Manuals relating to Evaluation Studies during 2014-2015.

- The Manual for Empanelment of Consultants and Independent Assessors.
- The Manual for Output Grading of Evaluation Studies.
- The technical Manual for Evaluation.

#### Objectives of KEA for 2015-16:

KEA has a programme of completing 35 Evaluation studies in 2015-16, with preference given to schemes and programmes where departments and parastatals take the initiative. KEA programs to approve the Terms of Reference of 40 Evaluation studies in 2015-16.

**Table 15.3: List of Final Reports of studies commenced in 2014-15, expected to be available in next year**

Sl. No.	Name of the evaluation study	Related Department
1	Need and performance of Malnad Area Development Board (MADB)	Planning
2	Need and performance of Bayaluseeme Area Development Board (BADB)	
3	Performance of the Karnataka Legislature Area Local Dev. Fund	
4	Status and impact of Joint Forest Planning and Management in Karnataka	Forest
5	Functioning of Working Women's Hostels in Karnataka	Women & Child Development

<b>Sl. No.</b>	<b>Name of the evaluation study</b>	<b>Related Department</b>
6	Streeshakthi scheme in Karnataka State for the period 2009-10 to 2013-14.	
7	Evaluation study of Specialized Skill Development Institutions (SSDIs) of Industries and Commerce Dept	Industries & Commerce
8	Evaluation of Performance of The Mysore Sugar Company Limited	
9	Evaluation of the Performance of Karnataka State Coir Development Corporation (KSCDC)	
10	Evaluation of Rajiv Gandhi Rural Housing Corporation Limited	Housing
11	Transfer of Development Rights Scheme in BBMP	Urban Development
12	Impact of Individual Land Development Activity undertaken under MGNREGA.	Rural Development
13	Study on Utilisation Pattern of Crop loan availed by famers at concessional interest rates through co-op institutions.	Co-operation
14	Impact Assessment of "Help Line for Senior Citizens" for Disabled Welfare Department	Welfare of the Disabled and Senior Citizens
15	Microcredit loan Scheme implemented by the D.Devaraj Urs Backward Class Development Corporation Limited	D.Devaraj Urs Backward Class Development Corporation Limited
16	The Scheme of Financial Assistance For Self Employment to Nomadic & Semi Nomadic Tribes implemented by Backward Class Development Corporation Ltd for the Period 2009-10 to 2013-14.	



Economic Survey of Karnataka  
2014-15

**STATISTICAL APPENDIX**





# List of Appendix

Appendix No.	Title	Page No.
	<b>CHAPTER 1: STATE OF KARNATAKA ECONOMY: AN OVERVIEW</b>	
1.1	Selected Socio- Economic indicators of States in India	..... 1-5
	<b>CHAPTER 2: STATE INCOME AND PRICES</b>	
2.1	Gross State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 6
2.2	Gross State Domestic Product At Factor Cost By Industry Of Origin - At Constant (2004-05) Prices	..... 6
2.3	Net State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 7
2.4	Net State Domestic Product At Factor Cost By Industry Of Origin - At Constant (2004-05) Prices	..... 7
2.5	Growth Rates Of Gross State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 8
2.6	Growth Rates Of Gross State Domestic Product At Factor Cost By Industry Of Origin - At Constant(2004-05) Prices	..... 8
2.7	Growth Rates Of Net State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 9
2.8	Growth Rates Of Net State Domestic Product At Factor Cost By Industry Of Origin - At Constant(2004-05) Prices	..... 9
2.9	Sectoral Composition Of Gross State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 10
2.10	Sectoral Composition Of Gross State Domestic Product At Factor Cost By Industry Of Origin - At Constant(2004-05) Prices	..... 10
2.11	Sectoral Composition Of Net State Domestic Product At Factor Cost By Industry Of Origin - At Current Prices	..... 11
2.12	Sectoral Composition Of Net State Domestic Product At Factor Cost By Industry Of Origin - At Constant(2004-05) Prices	..... 11
2.13	Gross / Net State Domestic Product And Per Capita Income	..... 12
2.14	Gross / Net District Domestic Product And Per Capita Net District Income For The Year 2012-13 (Provisional)	..... 13
2.15	Net District Income In Karnataka At Current And Constant (2004-05) Prices - 2012-13 (Provisional)	..... 13
2.16	Index Numbers of Wholesale Prices in India	..... 14
2.17	All - India Wholesales Prices Index Numbers	..... 14
2.18	Wholesale Price Index Numbers of Agricultural Commodities in Karnataka	..... 15
2.19	Groupwise Index Numbers of Wholesale Prices of Agricultural Commodities in Karnataka	..... 15
2.20	Consumer Price Index Numbers for Industrial Workers at All India and Karnataka	..... 16
2.21	Consumer Price Index Numbers for Industrial Workers in Karnataka	..... 16
2.22(a)	Consumer Price Index Numbers for Industrial Workers at selected centres in Karnataka State (Central Series)	..... 17
2.22(b)	Consumer Price Index Numbers for Industrial Workers at selected centres in Karnataka State (State Series)	..... 17-18
2.23	Consumer Price Index Numbers for Agricultural Labourers at All India and Karnataka	..... 18
2.24	Consumer Price Index Numbers for Agricultural Labourers at All India and Karnataka	..... 19
2.25	Rural Retail Price Index Numbers in Karnataka	..... 19
2.26	Urban Retail Price Index Numbers in Karnataka	..... 20
	<b>CHAPTER 3: FISCAL DEVELOPMENT AND STATE FINANCES</b>	
3.1	Allocation of Plan Outlay to Panchayat Raj Institutions (PRI) in Karnataka	..... 21
3.2	Trends in revenue and capital receipts in Karnataka	..... 22
3.3	Trends in developmental and non-developmental expenditure in Karnataka	..... 22
3.4	Developmental and non-developmental expenditure, Karnataka 2012-13 to 2014-15: revenue, capital and loans	..... 22-23
3.5	Plan expenditure, outlays by minor sectors and programmes	..... 24-26
3.6	Expenditure on annual plans, centrally sponsored & central plan schemes : irrigation projects pending approval and western ghats development for 1990-91 to 2014-15	..... 27
3.7	Expenditure in Karnataka by Economic Classification of the budget 1990-91 to 2014-15	..... 27
3.8	Capital formation by the Government of Karnataka 1990-91 to 2014-15	..... 28
3.9	Devolution of funds by 14th Finance Commission (FC-XIV): Karnataka - Extract of important decisions	..... 29-35
	<b>CHAPTER 4: INVESTMENT AND EXPORTS</b>	36
4.1	Export Performance of Karnataka State 2007-08 to 2013-14	.....
	<b>CHAPTER 5: RURAL DEVELOPMENTS</b>	
5.1	Hutdwellers	..... 37
5.2	Urban Housesites	..... 38
5.3	Rural Ambedkar Financial yearwise achievement	..... 38
5.4	IAY Financial yearwise achievement	..... 39
5.5	Vajapayee Urban Housing Scheme - Financial yearwise achievement	..... 39
5.6	Rural Housesites	..... 40
5.7	Urban Housesites	..... 40
	<b>CHAPTER 6: URBAN DEVELOPMENTS</b>	
6.1	District wise Urbanisation in Karnataka 2011	..... 41

# List of Appendix

Appendix No.	Title	Page No.
6.2	Construction of Houses in Various Schemes	..... 42
6.3	Authorized & Unauthorized Slums in various Districts in Karnataka	..... 42
6.4	Use of Energy for Cooking in ULBs of Various Districts in Karnataka- 2011	..... 43
6.5	List of number of Slums in Karnataka as per 2011 Census	..... 43
<b>CHAPTER 7: AGRICULTURAL AND ALLIED SECTORS</b>		
7.1(a)	Statement showing District-wise & Month-wise Normal & Actual Rainfall with percentage Departure from normal From January to May 2014	..... 44
7.1(b)	Statement showing District-wise & Month-wise Normal & Actual rainfall with percentage Departure from normal during Southwest monsoon 2014	..... 45
7.1(c)	Statement showing District-wise & Month-wise Normal & Actual rainfall with percentage Departure from normal during Northeast monsoon 2014	..... 46
7.1(d)	Statement showing Number of Districts/Taluks/Hoblis under different rainfall category during pre-monsoon 2014	..... 47
7.2	Production of Principal Crops in Karnataka State 2013-14 & 2014-15	..... 48
7.3	Area of Principal Crops in Karnataka State- 2013-14 & 2014-15	..... 48
7.4	Index numbers of area, production and yield of agricultural commodities	..... 49
7.5	Area Under Principal Crops in Karnataka	..... 49
7.6	Production of Principal Crops in Karnataka	..... 49
7.7	Average Yield of Selected Crops - India and Karnataka 2011-12, 2012-13 and 2013-14 Final advance estimates	..... 50
7.8	Area Irrigated by various sources in Karnataka State	..... 50
7.9(a)	Land use classification in Karnataka	..... 50
7.9(b)	Land utilisation Statistics	..... 50
7.10	Cropping Pattern in Karnataka	..... 51
7.11	Fertilizer Consumption and HYV Coverage in Karnataka	..... 51
7.12	Progress made under NAIS since inception of the scheme till Kharif 2013-14	..... 52
7.13	MSP announced by GOI for the year 2014-15	..... 52
7.14	Area and production of selected fruit crops	..... 53
7.15	Financial progress achieved under NHM	..... 54
7.16	Year wise Livestock Population	..... 54
7.17	Target and Estimate of Milk, Egg, Wool and Meat Production from 2009-10 to 2013-14	..... 55
<b>CHAPTER 8: NATURAL RESOURCES AND ENVIRONMENT</b>		
8.1	Trends in Irrigation in Karnataka Cumulative Potential Created	..... 56
8.2	Public Investment in Irrigation in Karnataka	..... 56
8.3	Details of Progress achieved in the Projects in Upper Krishna Basin (Other than Upper Krishna Project)	..... 57
<b>CHAPTER 9: INDUSTRY</b>		
9.1	Sector-wise Growth in Index of Industrial Production (IIP): 2005-06 to 2013-14	..... 58
9.2	Index of industrial production in the manufacturing sector in Karnataka by use-based groups : 2005-06 to 2013-14	..... 58
9.3	Annual indices of industrial production in Karnataka manufacturing division by groups : 2005-06 to 2013-14	..... 58
9.4	Two Digit Level (NIC-2008) Industrial Composition based on ASI 2011-12	..... 59
9.5	Registration of Small-Scale Industrial units in Karnataka (Cumulative)	..... 59
9.6	Scheme wise details of Plan and Expenditure (XI & XII Five Year Plan)	..... 59
9.7	Departmental Target and Achievements (XI five year plan)	..... 60
9.8	Achievements made by KIADB in XI five year plan	..... 60
9.9	Registered Factories by Industries	..... 61
9.10	Assistance sanctioned and disbursed by Karnataka State Financial Corporation	..... 61
9.11	Departmental Target and Achievements	..... 62
9.12	Industrial approvals in Karnataka	..... 63
9.13	Twelve Projects prioritized by GOI in 2013-14 District wise Details	..... 63
9.14	Tourism Roads Taken up with NABARD Assistance	..... 63
<b>CHAPTER 10: EMPLOYMENT AND LABOUR WELFARE</b>		
10.1	Financial Performance Under MGNREGA during the Financial Year 2013-2014	..... 64-65
<b>CHAPTER 11: ECONOMIC INFRASTRUCTURE</b>		
11.1	Generation, Imports, T&D Losses and Consumption of Power in Karnataka	..... 66
11.2	Road length in Karnataka	..... 66
11.3	District & Bank Group-Wise Distribution Of The Number Of Reporting Offices, Aggregate Deposits And Gross Bank Credit Of All Scheduled Commercial Banks - June 2014	..... 67
11.4	Activity-wise RIDF projects sanctioned and amount disbursed under various tranches (upto tranches RIDF XX)	..... 67
11.5	No. of Post offices from 2007-08 to 2013-14	..... 68
11.6	No. of Telephone exchanges from 2007-08 to 2013-14	..... 68
11.7	No. of Telephones 2007-08 to 2013-14	..... 69
11.8	Investment in Power Development in Karnataka	..... 70
11.9	Progress of Rural Electrification in Karnataka	..... 70
11.10	Operational performance Statistics KSRTC	..... 71

## List of Appendix

Appendix No.	Title	Page No.
11.11	Financial Performance of the KSRTC	..... 71
11.11	Operational statistics of BMTC	..... 71
11.13	Financial statistics of BMTC	..... 72
11.14	Operational performance Statistics (NWKRTC)	..... 72
11.15	Financial Performance of NWKRTC	..... 72
11.16	Operational Statistics of NEKRTC	..... 73
11.17	Financial Statistics of NEKRTC	..... 73
<b>CHAPTER 12: HUMAN DEVELOPMENT</b>		
12.1	Management, Class and Gender - Wise Enrollment [2014-15]	..... 74
12.2	Managementwise/Classwise/Categorywise/Sexwise Enrollment-All Management [2014-15]	..... 74
12.3	Incentives for children in schools	..... 75
12.4	Plan and Non-plan Expenditure on Education-2014-15	..... 76
12.5	Statement Showing the Categrorywise Wholsale Points and F.P.D.Existing in the State . (As On October-2014)	..... 77
12.6	Godown details of the State	..... 77
12.7	Details of Kerosene Whole Salers & Retailers in the State	..... 78
12.8	District wise Ration Cards as on December 2014	..... 79
12.9	Health Institutions in Karnataka (As on 31-12-2014)	..... 80
<b>CHAPTER 13: GENDER AND SOCIAL EQUITY</b>		
13.1	Departmentwise Consolidated Financial and Physical Progress Report under Karnataka Mahila Abhivrudhi Yojane for the year 2014-15 (upto Dec 2014)	..... 81





**Appendix 1.1**

**Selected Socio- Economic Indicators of States in India**

<b>State</b>	<b>Geographical Area(in Lakh Sq. Km. ) *</b>	<b>Population (in lakh) *</b>	<b>Density of Population(per Sq Km) *</b>	<b>% of Urban Population to total Population *</b>	<b>% of State Population to all India Population *</b>	<b>Decennial growth rate of Population % *</b>	<b>Sex Ratio *</b>
<b>Reference Year/Date</b>	<b>2011 Census</b>	<b>2011 Census</b>	<b>2011 Census</b>	<b>2011 Census</b>	<b>2011 Census</b>	<b>2001-2011 Census</b>	<b>2011 Census</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Andhra Pradesh	2.75	845.81	308	33.36	6.99	11.0	993
Arunachal Pradesh	0.84	13.84	17	22.94	0.11	26.0	938
Assam	0.78	312.06	398	14.10	2.58	17.1	958
Bihar	0.94	1040.99	1106	11.29	8.60	25.4	918
Jharkhand	0.80	329.88	414	24.05	2.73	22.4	949
Delhi	0.01	167.88	11320	97.50	1.39	21.2	868
Goa	0.04	14.58	394	62.17	0.12	8.2	973
Gujarat	1.96	604.39	308	42.60	4.99	19.3	919
Haryana	0.44	253.51	573	34.88	2.09	19.9	879
Himachal Pradesh	0.56	68.65	123	10.03	0.57	12.9	972
Jammu & Kashmir	2.22	125.41	124	27.38	1.04	23.6	889
Karnataka	1.92	610.95	319	38.67	5.05	15.6	973
Kerala	0.39	334.06	860	47.70	2.76	4.9	1084
Madhya Pradesh	3.08	726.27	236	27.63	6.00	20.3	931
Chattisgarh	1.35	255.45	189	23.24	2.11	22.6	991
Maharashtra	3.08	1123.74	365	45.22	9.28	16.0	929
Manipur	0.22	25.70	115	32.45	0.21	18.6	992
Meghalaya	0.22	29.67	132	20.07	0.25	27.9	989
Mizoram	0.21	10.97	52	52.11	0.09	23.5	976
Nagaland	0.17	19.79	119	28.86	0.16	-0.6	931
Odisha	1.56	419.74	270	16.69	3.47	14.0	979
Punjab	0.50	277.43	551	37.48	2.29	13.9	895
Rajasthan	3.42	685.48	200	24.87	5.66	21.3	928
Sikkim	0.07	6.10	86	25.15	0.05	12.9	890
Tamil Nadu	1.30	721.47	555	48.40	5.96	15.6	996
Tripura	0.10	36.74	350	26.17	0.30	14.8	960
Uttar Pradesh	2.41	1998.12	829	22.27	16.51	20.2	912
Uttarakhand	0.53	100.86	189	30.23	0.83	18.8	963
West Bengal	0.89	912.76	1028	31.87	7.54	13.8	950
<b>India *</b>	<b>32.87</b>	<b>12105.93</b>	<b>382</b>	<b>31.15</b>	<b>100.00</b>	<b>17.7</b>	<b>943</b>

\* excludes Union Territories

(Contd..... )

**Appendix 1.1**

**Selected Socio- Economic Indicators of States in India**

State	Percentage of SC & ST Population to total population *	Percentage of main workers to Total Workers *	Percentage of Agricultural Labourers to Total Workers *	Female work participation rate *	Literacy Percentage		
					Total *	Male *	Female *
Reference Year	2011 Census	2011 Census	2011 Census	2011 Census	2011 Census	2011 Census	2011 Census
1	9	10	11	12	13	14	15
Andhra Pradesh	23.4	83.8	43.0	36.2	67.02	74.88	58.68
Arunachal Pradesh	68.8	81.5	6.2	35.4	65.38	72.55	53.52
Assam	19.6	72.6	15.4	22.5	72.19	77.85	63
Bihar	17.2	61.5	52.8	19.1	61.8	71.2	46.4
Jharkhand	38.3	52.1	33.9	29.1	66.41	76.84	52.04
Delhi	16.8	95.0	0.7	10.6	86.21	90.94	68.85
Goa	11.9	82.5	4.6	21.9	88.7	92.65	82.16
Gujarat	21.5	82.2	27.6	23.4	78.03	85.75	63.31
Haryana	20.2	78.7	17.1	17.8	75.55	84.06	56.91
Himachal Pradesh	30.9	57.9	4.9	44.8	82.8	89.53	73.51
Jammu & Kashmir	19.3	61.2	12.7	19.1	67.16	76.75	49.12
Karnataka	24.1	83.9	25.7	31.9	75.36	82.47	66.01
Kerala	10.6	80.3	11.4	18.2	94.00	96.11	100.76
Madhya Pradesh	36.7	71.9	38.6	32.6	69.32	78.73	54.49
Chattisgarh	43.4	67.7	41.8	39.7	70.28	80.27	59.58
Maharashtra	21.2	88.5	27.3	31.1	82.34	88.38	69.87
Manipur	38.9	73.8	9.6	38.6	79.21	86.06	71.73
Meghalaya	86.7	77.7	16.7	32.7	74.43	75.95	71.88
Mizoram	94.5	85.3	8.6	36.2	91.33	93.35	86.72
Nagaland	86.5	76.1	6.5	44.7	79.55	82.75	70.01
Odisha	39.9	61.0	38.4	27.2	72.87	81.59	62.46
Punjab	31.9	85.4	16.0	13.9	75.84	80.44	62.52
Rajasthan	31.3	70.5	16.5	35.1	66.11	79.19	47.76
Sikkim	38.4	74.8	8.4	39.6	81.42	86.55	66.39
Tamil Nadu	21.1	85.0	29.2	31.8	80.09	86.77	73.14
Tripura	49.6	73.3	24.1	23.6	87.22	91.53	78.98
Uttar Pradesh	21.3	67.8	30.3	16.7	67.68	77.28	51.36
Uttarakhand	21.7	74.1	10.4	26.7	78.82	87.4	67.06
West Bengal	29.3	73.9	29.3	18.1	76.26	81.69	66.57
<b>India *</b>	<b>25.2</b>	<b>75.2</b>	<b>30.0</b>	<b>25.5</b>	<b>74.04</b>	<b>82.14</b>	<b>65.46</b>

\* excludes Union Territories

(Contd..... )

**Appendix 1.1**

**Selected Socio- Economic Indicators of States in India**

State	Birth Rate	Death Rate	Infant Mortality Rate	Per capita Income at Current Prices* (Rs)	No. of Students in Primary and Secondary Schools per 000' Population ( I - VIII )	Average Yield (qntls/Ha )	
						Total Cereals	Total Pulses
Reference Year/ Date	2011	2011	2011	2013-14	2013-14	2011-12	2011-12
1	16	17	18	19	20	21	22
Andhra Pradesh	17.5	7.5	43	88876	131	32.0	6.4
Arunachal Pradesh	19.8	5.8	32	84869	235	18.0	11.1
Assam	22.8	8.0	55	46354	186	17.6	5.7
Bihar	27.7	6.7	44	31229	204	21.9	9.8
Jharkhand	25.0	6.9	39	46131	201	20.3	8.9
Delhi	17.5	4.3	28	219979	175	47.8	19.4
Goa	13.3	6.7	11	NA	136	25.7	8.4
Gujarat	21.3	6.7	41	NA	153	21.4	8.2
Haryana	21.8	6.5	44	132089	156	40.1	7.1
Himachal Pradesh	16.5	6.7	38	92300	141	19.5	9.5
Jammu & Kashmir	17.8	5.5	41	58593	147	17.2	5.1
Karnataka	18.8	7.1	35	89545	136	21.4	4.9
Kerala	15.2	7.0	12	NA	123	27.3	7.5
Madhya Pradesh	26.9	8.2	59	54030	201	19.5	8.0
Chattisgarh	24.9	7.9	48	58297	180	15.4	6.1
Maharashtra	16.7	6.3	25	114392	144	13.6	6.9
Manipur	14.4	4.1	11	NA	214	25.6	9.4
Meghalaya	24.1	7.8	52	58522	249	19.0	9.0
Mizoram	16.6	4.4	34	NA	199	13.8	13.9
Nagaland	16.1	3.3	21	77529	208	20.2	10.9
Odisha	20.1	8.5	57	54241	152	14.5	4.7
Punjab	16.2	6.8	30	92638	145	43.7	7.9
Rajasthan	26.2	6.7	52	65098	179	17.1	5.5
Sikkim	17.6	5.6	26	176491	197	15.6	9.1
Tamil Nadu	15.9	7.4	22	112664	130	38.5	5.5
Tripura	14.3	5.0	29	NA	161	26.8	7.0
Uttar Pradesh	27.8	7.9	57	37630	184	27.0	9.9
Uttarakhand	18.9	6.2	36	103349	169	20.1	8.9
West Bengal	16.3	6.2	32	69413	145	27.1	7.1
<b>India</b>	<b>21.8</b>	<b>7.1</b>	<b>44</b>	<b>74380</b>	164	<b>24.2</b>	<b>7.0</b>

\*2004-05 Series N A: Not Available

(Contd..... )

**Appendix 1.1**

**Selected Socio- Economic Indicators of States in India**

State	Average Yield (qntls/ha)			Per-capita Food grains production (Kgs)	Consumption of fertilizers per ha. of cropped area (Kg. per ha.)	Percentage of Net Area irrigated to total cropped area	Percentage of Net Area sown to total cropped area	Factor y Employment per lakh popn.
	Total Food Grains	Cotton	Sugar-cane					
Reference Year/Date	2011-12	2011-12	2011-12	2011-12	2012-13	2010-11	2010-11	2011-12
1	23	24	25	26	27	28	29	30
Andhra Pradesh	25.2	4.4	817.9	217	189.30	34.69	77.05	1611
Arunachal Pradesh	17.7	-	193.6	460	2.05	20.14	76.62	0
Assam	17.0	#	386.1	149	66.26	3.89	67.57	579
Bihar	21.0	-	517.1	135	212.23	42.12	73.10	122
Jharkhand	18.0	-	692.2	127	158.22	10.01	86.87	597
Delhi	47.5	-	-	9	27.27	50.00	50.00	692
Goa	22.7	-	506.3	89	33.63	22.50	81.88	4522
Gujarat	18.7	6.9	631.2	147	109.58	34.56	84.12	2290
Haryana	38.8	7.0	732.5	708	207.56	44.38	54.08	2297
Himachal Pradesh	19.1	#	137.1	220	50.23	11.38	56.80	2381
Jammu & Kashmir	16.9	-	15.8	126	96.21	28.07	64.21	508
Karnataka	16.3	3.7	902.5	198	117.23	26.72	80.56	1483
Kerala	27.0	#	1011.7	17	104.71	15.72	78.28	1178
Madhya Pradesh	15.1	4.8	386.9	281	84.79	32.38	68.58	433
Chattisgarh	13.8	#	26.8	269	106.10	23.93	82.82	728
Maharashtra	11.6	3.0	848.7	112	102.73	13.53	72.32	1674
Manipur	24.0	-	579.1	260	31.15	20.98	100.00	206
Meghalaya	18.7	#	27.1	84	14.35	18.64	84.02	371
Mizoram	13.8	#	52.8	62	13.23	9.77	97.74	0
Nagaland	19.2	#	435.1	287	4.80	18.36	80.09	127
Odisha	13.0	5.4	610.1	153	90.29	23.65	86.24	678
Punjab	43.6	7.0	706.6	1023	250.19	51.63	52.75	2163
Rajasthan	13.5	4.8	702.9	284	51.70	25.62	70.57	693
Sikkim	15.0	-	-	169	0.00	9.21	50.66	1460
Tamil Nadu	31.6	5.8	1113.8	141	164.58	50.60	86.11	2690
Tripura	26.2	#	489.1	199	72.69	17.14	73.14	815
Uttar Pradesh	25.0	#	595.8	252	183.23	52.74	65.37	433
Uttarakhand	19.5	-	584.4	184	130.35	28.72	61.79	3395
West Bengal	26.5	#	1045.7	175	163.17	30.90	52.19	706
<b>India</b>	<b>20.8</b>	<b>4.9</b>	<b>716.70</b>	<b>214</b>	<b>128.34</b>	<b>31.97</b>	<b>71.16</b>	<b>1109</b>

(Contd..... )

**Appendix 1.1**  
**Selected Socio- Economic Indicators of States in India**

State	Percapita gross Output in Industries (Rs.in lakhs)	Percapita value added in industries (Rs.in lakhs)	No.of. Motor Vehicles per lakh of Population	Total Road Length per 100 Sq. Km. of Area	No.of Banking Offices per lakh of Population	Percapita Deposits (Rs.)	Percapita Bank Credit (Rs.)
Reference Year/Date	2011-12	2011-12	2011	2011	31.03.2013	31.03.2013	31.03.2013
1	31	32	33	34	35	36	37
Andhra Pradesh	1767.01	358.76	12046	86.53	10	46029	50604
Arunachal Pradesh	0.00	0.00	NA	25.74	7	49772	10561
Assam	1844.17	268.51	5070	308.26	5	24167	8884
Bihar	2096.43	216.14	2568	138.74	5	15215	4580
Jharkhand	4440.69	1032.31	9437	29.99	7	30788	9733
Delhi	1587.96	231.95	43055	1999.18	17	433880	423250
Goa	7478.12	2249.53	54147	287.06	36	270557	76193
Gujarat	5695.78	630.31	21498	79.68	10	57716	41664
Haryana	5059.24	740.36	21210	94.38	13	64591	49143
Himachal Pradesh	3649.35	1121.13	9060	86.15	18	64818	22455
Jammu & Kashmir	2769.04	546.51	7392	12.14	10	45337	16629
Karnataka	4174.23	1189.42	16253	146.92	12	73794	52655
Kerala	1825.70	176.65	18176	517.77	16	69487	50943
Madhya Pradesh	4236.58	614.68	10128	64.01	7	26662	15371
Chattisgarh	4256.94	710.24	10828	69.51	7	31501	16723
Maharashtra	4445.62	792.49	15514	133.41	9	154165	136154
Manipur	652.82	68.32	8054	85.70	4	19167	5258
Meghalaya	3058.26	882.04	5932	53.43	8	44831	10503
Mizoram	0.00	0.00	8478	46.53	10	37223	13119
Nagaland	681.55	89.44	13795	205.96	6	32633	9105
Odisha	4642.77	973.74	7953	166.23	8	33419	15395
Punjab	1757.98	358.11	19010 #	167.18	17	70556	57150
Rajasthan	2498.75	576.98	11650	70.51	8	24828	22883
Sikkim	10300.37	6447.76	6393	65.25	16	80200	21627
Tamil Nadu	2287.22	345.46	21675	147.89	11	60079	73892
Tripura	280.74	56.72	5117	322.07	8	31556	10247
Uttar Pradesh	2860.07	383.41	6650	161.98	6	24873	10852
Uttarakhand	5741.67	1368.27	9885	92.14	15	63407	22086
West Bengal	3179.72	342.69	3573	337.13	7	46756	28792
<b>India</b>	<b>3287.25</b>	<b>556.23</b>	<b>11719</b>	<b>142.68</b>	<b>9</b>	<b>56380</b>	<b>44028</b>

Note:- # Data relates to 2010., P=Provisional. NA: Not Available.



**Appendix - 2.1**

**GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CURRENT PRICES**

(Rs. Crore)

Sl. NO	Industry	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	26455	32588	33268	39022	40613	46792	62440	61985	70848	87716	103574
2	Forestry and Logging	4104	4876	5177	6182	7127	6099	8847	8640	11832	13420	15221
3	Fishing	630	833	942	911	1496	1751	2465	2724	3090	3836	4300
4	Mining and Quarrying	1926	2316	2936	5363	5381	4640	7627	4005	3989	5135	5422
5	Registered Manufacturing	23781	25766	34864	38336	45382	43462	48977	54753	58459	62775	67012
6	Un-registered Manufacturing	6818	7619	8810	10118	12385	11833	13653	15255	16185	17543	19008
7	Construction	14260	17881	21298	26933	29652	30828	38730	45128	48641	54058	59030
8	Electricity, Gas and Watersupply	3704	4458	4793	5346	4441	7456	8714	9969	10420	12169	13629
9	Railways	1003	1085	1309	1586	1520	1689	1660	2044	2289	2472	2657
10	Transport by other means	7356	8589	9790	11221	13608	16203	19367	24198	28760	34598	39155
11	Storage	30	36	46	48	50	83	76	94	109	131	137
12	Communication	3203	3465	3585	3813	4417	5370	5141	5702	6560	10041	11992
13	Trade, Hotels and Restaurants	23139	28472	32099	39047	43780	47444	58421	61754	69089	74790	80369
14	Banking and Insurance	10212	11004	12856	15112	18279	19979	22718	26639	30445	36357	41711
15	Real estate, Ownership of Dwellings and Business services	21596	26561	32398	39559	48039	56291	66502	78845	95025	116340	139834
16	Public Administration	6616	7320	8301	10023	12322	12059	13598	14688	18042	20143	23499
17	Other services	11915	13035	14766	18008	21820	25578	31768	38787	48890	63083	75581
	<b>Total GSDP</b>	<b>166747</b>	<b>195904</b>	<b>227237</b>	<b>270629</b>	<b>310312</b>	<b>337559</b>	<b>410703</b>	<b>455212</b>	<b>522673</b>	<b>614607</b>	<b>702131</b>
	Population ('00)	553270	559920	566470	572920	579270	585520	591700	597800	603820	609750	615600
	<b>Per Capita GSDP( Rs.)</b>	<b>30138</b>	<b>34988</b>	<b>40115</b>	<b>47237</b>	<b>53570</b>	<b>57651</b>	<b>69411</b>	<b>76148</b>	<b>86561</b>	<b>100797</b>	<b>114056</b>
	Primary Sector	33116	40613	42322	51478	54617	59282	81379	77354	89759	110107	128518
	Secondary Sector	48563	55725	69765	80733	91859	93579	110074	125106	133705	146545	158679
	Tertiary Sector	85069	99566	115150	138417	163836	184697	219251	252753	299209	357955	414934
	<b>Total GSDP</b>	<b>166747</b>	<b>195904</b>	<b>227237</b>	<b>270629</b>	<b>310312</b>	<b>337559</b>	<b>410703</b>	<b>455212</b>	<b>522673</b>	<b>614607</b>	<b>702131</b>
	I. Agriculture	31190	38297	39387	46115	49236	54642	73752	73349	85770	104972	123095
	II. Industry	50489	58041	72701	86096	97240	98219	117700	129111	137694	151680	164102
	III. Services	85069	99566	115150	138417	163836	184697	219251	252753	299209	357955	414934
	<b>Total</b>	<b>166747</b>	<b>195904</b>	<b>227237</b>	<b>270629</b>	<b>310312</b>	<b>337559</b>	<b>410703</b>	<b>455212</b>	<b>522673</b>	<b>614607</b>	<b>702131</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.2**

**GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CONSTANT(2004-05) PRICES**

(Rs. Crore)

Sl. NO	Industry	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	26455	29377	28350	32330	32768	34063	39573	36317	37491	41228	43002
2	Forestry and Logging	4104	4178	4293	4409	4643	4826	5472	5599	5625	5922	6261
3	Fishing	630	730	667	692	868	948	1235	1295	1146	1285	1373
4	Mining and Quarrying	1926	1882	1978	2813	2716	2448	2385	1233	905	1275	1305
5	Registered Manufacturing	23781	24409	31255	32999	36908	35124	37082	38508	38930	40170	41452
6	Un-registered Manufacturing	6818	7293	8060	8888	10201	9190	9992	10353	10392	10726	11069
7	Construction	14260	16837	18798	22112	21561	21700	25703	27554	27362	28341	29942
8	Electricity, Gas and Watersupply	3704	4295	3952	4171	3247	5079	5385	5403	5206	5761	6263
9	Railways	1003	1103	1216	1388	1318	1307	1384	1661	1657	1700	1756
10	Transport by other means	7356	8207	8634	9399	10292	10872	11929	13413	14601	15754	17304
11	Storage	30	32	40	38	40	48	50	53	73	74	76
12	Communication	3203	3783	4479	5155	5903	6839	7408	7872	8404	8996	9771
13	Trade, Hotels and Restaurants	23139	26761	28885	32389	33639	34287	38583	37573	39925	40052	40952
14	Banking and Insurance	10212	11853	14212	16876	19448	21318	22507	25403	28451	32003	35199
15	Real estate, Ownership of Dwellings and Business services	21596	24144	27232	31146	34987	34197	35998	40270	45498	50260	55483
16	Public Administration	6616	6988	7456	8451	9406	8306	8702	8659	9713	9871	10982
17	Other services	11915	12406	13153	14945	16476	17038	19335	21618	24612	28037	31917
	<b>Total GSDP</b>	<b>166747</b>	<b>184277</b>	<b>202660</b>	<b>228202</b>	<b>244421</b>	<b>247590</b>	<b>272721</b>	<b>282784</b>	<b>299991</b>	<b>321455</b>	<b>344106</b>
	Population ('00)	553270	559920	566470	572920	579270	585520	591700	597800	603820	609750	615600
	<b>Per Capita GSDP( Rs.)</b>	<b>30138</b>	<b>32911</b>	<b>35776</b>	<b>39831</b>	<b>42195</b>	<b>42286</b>	<b>46091</b>	<b>47304</b>	<b>49682</b>	<b>52719</b>	<b>55898</b>
	Primary Sector	33116	36166	35287	40244	40995	42285	48664	44445	45167	49711	51941
	Secondary Sector	48563	52834	62066	68170	71917	71094	78162	81818	81891	84997	88726
	Tertiary Sector	85069	95277	105307	119788	131509	134211	145895	156521	172934	186747	203439
	<b>Total GSDP</b>	<b>166747</b>	<b>184277</b>	<b>202660</b>	<b>228202</b>	<b>244421</b>	<b>247590</b>	<b>272721</b>	<b>282784</b>	<b>299991</b>	<b>321455</b>	<b>344106</b>
	I. Agriculture	31190	34284	33310	37431	38279	39837	46279	43211	44262	48436	50636
	II. Industry	50489	54716	64043	70983	74633	73542	80547	83052	82795	86273	90031
	III. Services	85069	95277	105307	119788	131509	134211	145895	156521	172934	186747	203439
	<b>Total</b>	<b>166747</b>	<b>184277</b>	<b>202660</b>	<b>228202</b>	<b>244421</b>	<b>247590</b>	<b>272721</b>	<b>282784</b>	<b>299991</b>	<b>321455</b>	<b>344106</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.3**

**NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CURRENT PRICES**

(Rs. Crore)

Sl. NO	Industry	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	24402	30346	30766	36281	37445	42990	57821	56997	64959	81060	95714
2	Forestry and Logging	4051	4816	5114	6103	7023	6022	8742	8537	11717	13258	15038
3	Fishing	549	730	825	798	1282	1488	2102	2292	2638	3252	3645
4	Mining and Quarrying	1594	1886	2382	4406	4258	3565	6114	3214	3080	3993	4216
5	Registered Manufacturing	17783	18559	27251	29174	34320	30979	35351	39096	39851	45141	48470
6	Un-registered Manufacturing	5619	6273	7283	8484	10533	9722	11357	12721	13527	15428	16775
7	Construction	13636	17093	20306	25637	28252	29216	36736	42751	45956	50899	55580
8	Electricity, Gas and Watersupply	2092	2469	2591	2861	2313	4166	4852	5082	4931	5834	6534
9	Railways	652	737	926	1169	1030	1259	1165	1559	1749	1931	2075
10	Transport by other means	6653	7809	8916	10271	12455	14800	17764	22158	26261	31303	35700
11	Storage	28	34	44	45	47	78	71	88	101	119	124
12	Communication	2689	2886	2970	3204	3651	4308	4056	4229	4850	7362	8792
13	Trade, Hotels and Restaurants	22568	27768	31239	38012	42509	46027	56630	59462	66375	71840	77199
14	Banking and Insurance	10033	10808	12633	14859	17989	19666	22389	26277	30029	35863	41144
15	Real estate, Ownership of Dwellings and Business services	19641	24354	29839	36542	44382	52027	61444	73155	88436	103003	123803
16	Public Administration	5362	5926	6703	8082	10326	10167	11512	12285	14979	16971	20218
17	Other services	11378	12418	14033	17100	20718	24268	30231	36919	46520	58745	70383
	<b>Total NSDP</b>	<b>148729</b>	<b>174911</b>	<b>203819</b>	<b>243028</b>	<b>278534</b>	<b>300747</b>	<b>368338</b>	<b>406821</b>	<b>465959</b>	<b>546001</b>	<b>625412</b>
	Population ('00)	553270	559920	566470	572920	579270	585520	591700	597800	603820	609750	615600
	<b>Per Capita NSDP( Rs.)</b>	<b>26882</b>	<b>31239</b>	<b>35981</b>	<b>42419</b>	<b>48084</b>	<b>51364</b>	<b>62251</b>	<b>68053</b>	<b>77168</b>	<b>89545</b>	<b>101594</b>
	Primary Sector	30595	37778	39086	47588	50007	54064	74780	71040	82394	101563	118614
	Secondary Sector	39130	44394	57431	66157	75418	74083	88296	99650	104265	117301	127359
	Tertiary Sector	79004	92739	107302	129284	153108	172600	205263	236131	279300	327137	379439
	<b>Total NSDP</b>	<b>148729</b>	<b>174911</b>	<b>203819</b>	<b>243028</b>	<b>278534</b>	<b>300747</b>	<b>368338</b>	<b>406821</b>	<b>465959</b>	<b>546001</b>	<b>625412</b>
	I. Agriculture	29002	35892	36704	43182	45750	50499	68666	67826	79314	97570	114398
	II. Industry	40723	46280	59813	70562	79676	77648	94410	102864	107345	121294	131575
	III. Services	79004	92739	107302	129284	153108	172600	205263	236131	279300	327137	379439
	<b>Total</b>	<b>148729</b>	<b>174911</b>	<b>203819</b>	<b>243028</b>	<b>278534</b>	<b>300747</b>	<b>368338</b>	<b>406821</b>	<b>465959</b>	<b>546001</b>	<b>625412</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.4**

**NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CONSTANT(2004-05) PRICES**

(Rs. Crore)

Sl. NO	Industry	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	24402	27224	26095	29997	30276	31376	36579	33287	34190	37359	38966
2	Forestry and Logging	4051	4120	4236	4342	4575	4772	5406	5539	5563	5846	6180
3	Fishing	549	629	553	581	735	738	957	991	846	1039	1110
4	Mining and Quarrying	1594	1469	1470	1968	1780	1595	1257	677	299	887	909
5	Registered Manufacturing	17783	17436	24126	24666	27340	24668	26060	26326	24998	27125	28150
6	Un-registered Manufacturing	5619	6003	6661	7443	8633	7459	8189	8449	8461	9324	9642
7	Construction	13636	16075	17868	20932	20351	20361	24111	25732	25385	26133	27694
8	Electricity, Gas and Watersupply	2092	2387	1940	1982	1467	2500	2498	1933	1485	2656	2888
9	Railways	652	762	860	1027	929	955	1003	1310	1283	1344	1388
10	Transport by other means	6653	7449	7808	8525	9287	9690	10622	11808	12712	13825	15303
11	Storage	28	30	38	35	37	44	47	49	68	67	69
12	Communication	2689	3237	3926	4628	5533	5996	6603	6800	7205	8220	8929
13	Trade, Hotels and Restaurants	22568	26080	28099	31495	32624	33191	37274	35999	38174	38190	39048
14	Banking and Insurance	10033	11664	14004	16649	19199	21058	22247	25126	28146	31660	34823
15	Real estate, Ownership of Dwellings and Business services	19641	22008	24934	28644	32210	31095	32568	36681	41621	43499	48019
16	Public Administration	5362	5646	5993	6753	7773	6876	7237	7072	7838	7935	8982
17	Other services	11378	11810	12477	14142	15558	15988	18160	20262	22976	25450	28972
	<b>Total NSDP</b>	<b>148729</b>	<b>164031</b>	<b>181086</b>	<b>203810</b>	<b>218309</b>	<b>218363</b>	<b>240817</b>	<b>248040</b>	<b>261250</b>	<b>280561</b>	<b>301071</b>
	Population ('00)	553270	559920	566470	572920	579270	585520	591700	597800	603820	609750	615600
	<b>Per Capita NSDP( Rs.)</b>	<b>26882</b>	<b>29295</b>	<b>31967</b>	<b>35574</b>	<b>37687</b>	<b>37294</b>	<b>40699</b>	<b>41492</b>	<b>43266</b>	<b>46012</b>	<b>48907</b>
	Primary Sector	30595	33443	32354	36888	37366	38481	44199	40495	40898	45131	47165
	Secondary Sector	39130	41901	50594	55024	57791	54988	60858	62440	60328	65238	68373
	Tertiary Sector	79004	88687	98138	111898	123152	124894	135760	145106	160024	170192	185533
	<b>Total NSDP</b>	<b>148729</b>	<b>164031</b>	<b>181086</b>	<b>203810</b>	<b>218309</b>	<b>218363</b>	<b>240817</b>	<b>248040</b>	<b>261250</b>	<b>280561</b>	<b>301071</b>
	I. Agriculture	29002	31974	30884	34919	35586	36886	42942	39817	40599	44243	46256
	II. Industry	40723	43370	52063	56992	59572	56584	62115	63117	60627	66125	69282
	III. Services	79004	88687	98138	111898	123152	124894	135760	145106	160024	170192	185533
	<b>Total</b>	<b>148729</b>	<b>164031</b>	<b>181086</b>	<b>203810</b>	<b>218309</b>	<b>218363</b>	<b>240817</b>	<b>248040</b>	<b>261250</b>	<b>280561</b>	<b>301071</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.5**

**GROWTH RATES OF GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CURRENT PRICES**

(Percent)											
Sl. NO	Industry	2005-06 over 2004-05	2006-07 over 2005-06	2007-08 over 2006-07	2008-09 over 2007-08	2009-10 over 2008-09	2010-11 over 2009-10	2011-12 over 2010-11	2012-13 over 2011-12	2013-14 over 2012-13	2014-15 over 2013-14
1	Agriculture	23.2	2.1	17.3	4.1	15.2	33.4	-0.7	14.3	23.8	18.1
2	Forestry and Logging	18.8	6.2	19.4	15.3	-14.4	45.1	-2.3	36.9	13.4	13.4
3	Fishing	32.3	13.0	-3.2	64.2	17.0	40.8	10.5	13.5	24.2	12.1
4	Mining and Quarrying	20.2	26.8	82.7	0.3	-13.8	64.4	-47.5	-0.4	28.7	5.6
5	Registered Manufacturing	8.3	35.3	10.0	18.4	-4.2	12.7	11.8	6.8	7.4	6.8
6	Un-registered Manufacturing	11.8	15.6	14.8	22.4	-4.5	15.4	11.7	6.1	8.4	8.4
7	Construction	25.4	19.1	26.5	10.1	4.0	25.6	16.5	7.8	11.1	9.2
8	Electricity, Gas and Watersupply	20.4	7.5	11.5	-16.9	67.9	16.9	14.4	4.5	16.8	12.0
9	Railways	8.2	20.7	21.1	-4.1	11.1	-1.7	23.1	12.0	8.0	7.5
10	Transport by other means	16.8	14.0	14.6	21.3	19.1	19.5	24.9	18.9	20.3	13.2
11	Storage	20.6	28.9	3.3	4.4	65.8	-8.2	23.7	15.7	20.1	4.6
12	Communication	8.2	3.5	6.4	15.8	21.6	-4.3	10.9	15.1	53.1	19.4
13	Trade, Hotels and Restaurants	23.0	12.7	21.6	12.1	8.4	23.1	5.7	11.9	8.3	7.5
14	Banking and Insurance	7.8	16.8	17.5	21.0	9.3	13.7	17.3	14.3	19.4	14.7
15	Real estate, Ownership of Dwellings and Business services	23.0	22.0	22.1	21.4	17.2	18.1	18.6	20.5	22.4	20.2
16	Public Administration	10.6	13.4	20.8	22.9	-2.1	12.8	8.0	22.8	11.6	16.7
17	Other services	9.4	13.3	22.0	21.2	17.2	24.2	22.1	26.0	29.0	19.8
	<b>Total GSDP</b>	<b>17.5</b>	<b>16.0</b>	<b>19.1</b>	<b>14.7</b>	<b>8.8</b>	<b>21.7</b>	<b>10.8</b>	<b>14.8</b>	<b>17.6</b>	<b>14.2</b>
	<b>Per Capita GSDP( Rs.)</b>	<b>16.1</b>	<b>14.7</b>	<b>17.8</b>	<b>13.4</b>	<b>7.6</b>	<b>20.4</b>	<b>9.7</b>	<b>13.7</b>	<b>16.4</b>	<b>13.2</b>
	Primary Sector	22.6	4.2	21.6	6.1	8.5	37.3	-4.9	16.0	22.7	16.7
	Secondary Sector	14.7	25.2	15.7	13.8	1.9	17.6	13.7	6.9	9.6	8.3
	Tertiary Sector	17.0	15.7	20.2	18.4	12.7	18.7	15.3	18.4	19.6	15.9
	<b>Total GSDP</b>	<b>17.5</b>	<b>16.0</b>	<b>19.1</b>	<b>14.7</b>	<b>8.8</b>	<b>21.7</b>	<b>10.8</b>	<b>14.8</b>	<b>17.6</b>	<b>14.2</b>
	I. Agriculture	22.8	2.8	17.1	6.8	11.0	35.0	-0.5	16.9	22.4	17.3
	II. Industry	15.0	25.3	18.4	12.9	1.0	19.8	9.7	6.6	10.2	8.2
	III. Services	17.0	15.7	20.2	18.4	12.7	18.7	15.3	18.4	19.6	15.9
	<b>Total</b>	<b>17.5</b>	<b>16.0</b>	<b>19.1</b>	<b>14.7</b>	<b>8.8</b>	<b>21.7</b>	<b>10.8</b>	<b>14.8</b>	<b>17.6</b>	<b>14.2</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.6**

**GROWTH RATES OF GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CONSTANT(2004-05) PRICES**

(Percent)											
Sl. NO	Industry	2005-06 over 2004-05	2006-07 over 2005-06	2007-08 over 2006-07	2008-09 over 2007-08	2009-10 over 2008-09	2010-11 over 2009-10	2011-12 over 2010-11	2012-13 over 2011-12	2013-14 over 2012-13	2014-15 over 2013-14
1	Agriculture	11.0	-3.5	14.0	1.4	4.0	16.2	-8.2	3.2	10.0	4.3
2	Forestry and Logging	1.8	2.8	2.7	5.3	3.9	13.4	2.3	0.5	5.3	5.7
3	Fishing	15.9	-8.6	3.8	25.4	9.2	30.2	4.9	-11.5	12.1	6.8
4	Mining and Quarrying	-2.3	5.1	42.2	-3.4	-9.9	-2.6	-48.3	-26.6	41.0	2.3
5	Registered Manufacturing	2.6	28.0	5.6	11.8	-4.8	5.6	3.8	1.1	3.2	3.2
6	Un-registered Manufacturing	7.0	10.5	10.3	14.8	-9.9	8.7	3.6	0.4	3.2	3.2
7	Construction	18.1	11.6	17.6	-2.5	0.6	18.4	7.2	-0.7	3.6	5.7
8	Electricity, Gas and Watersupply	15.9	-8.0	5.5	-22.2	56.5	6.0	0.3	-3.6	10.7	8.7
9	Railways	10.0	10.3	14.1	-5.1	-0.8	5.9	20.1	-0.3	2.6	3.3
10	Transport by other means	11.6	5.2	8.9	9.5	5.6	9.7	12.4	8.9	7.9	9.8
11	Storage	6.6	27.5	-6.6	6.1	20.1	3.9	5.2	38.7	1.9	1.7
12	Communication	18.1	18.4	15.1	14.5	15.9	8.3	6.3	6.8	7.0	8.6
13	Trade, Hotels and Restaurants	15.7	7.9	12.1	3.9	1.9	12.5	-2.6	6.3	0.3	2.2
14	Banking and Insurance	16.1	19.9	18.8	15.2	9.6	5.6	12.9	12.0	12.5	10.0
15	Real estate, Ownership of Dwellings and Business services	11.8	12.8	14.4	12.3	-2.3	5.3	11.9	13.0	10.5	10.4
16	Public Administration	5.6	6.7	13.4	11.3	-11.7	4.8	-0.5	12.2	1.6	11.3
17	Other services	4.1	6.0	13.6	10.2	3.4	13.5	11.8	13.8	13.9	13.8
	<b>Total GSDP</b>	<b>10.5</b>	<b>10.0</b>	<b>12.6</b>	<b>7.1</b>	<b>1.3</b>	<b>10.2</b>	<b>3.7</b>	<b>6.1</b>	<b>7.2</b>	<b>7.0</b>
	<b>Per Capita GSDP( Rs.)</b>	<b>9.2</b>	<b>8.7</b>	<b>11.3</b>	<b>5.9</b>	<b>0.2</b>	<b>9.0</b>	<b>2.6</b>	<b>5.0</b>	<b>6.1</b>	<b>6.0</b>
	Primary Sector	9.2	-2.4	14.0	1.9	3.1	15.1	-8.7	1.6	10.1	4.5
	Secondary Sector	8.8	17.5	9.8	5.5	-1.1	9.9	4.7	0.1	3.8	4.4
	Tertiary Sector	12.0	10.5	13.8	9.8	2.1	8.7	7.3	10.5	8.0	8.9
	<b>Total GSDP</b>	<b>10.5</b>	<b>10.0</b>	<b>12.6</b>	<b>7.1</b>	<b>1.3</b>	<b>10.2</b>	<b>3.7</b>	<b>6.1</b>	<b>7.2</b>	<b>7.0</b>
	I. Agriculture	9.9	-2.8	12.4	2.3	4.1	16.2	-6.6	2.4	9.4	4.5
	II. Industry	8.4	17.0	10.8	5.1	-1.5	9.5	3.1	-0.3	4.2	4.4
	III. Services	12.0	10.5	13.8	9.8	2.1	8.7	7.3	10.5	8.0	8.9
	<b>Total</b>	<b>10.5</b>	<b>10.0</b>	<b>12.6</b>	<b>7.1</b>	<b>1.3</b>	<b>10.2</b>	<b>3.7</b>	<b>6.1</b>	<b>7.2</b>	<b>7.0</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.7**

**GROWTH RATES OF NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CURRENT PRICES**

Sl. NO	Industry	(Percent)									
		2005-06 over 2004-05	2006-07 over 2005-06	2007-08 over 2006-07	2008-09 over 2007-08	2009-10 over 2008-09	2010-11 over 2009-10	2011-12 over 2010-11	2012-13 over 2011-12	2013-14 over 2012-13	2014-15 over 2013-14
1	Agriculture	24.4	1.4	17.9	3.2	14.8	34.5	-1.4	14.0	24.8	18.1
2	Forestry and Logging	18.9	6.2	19.4	15.1	-14.3	45.2	-2.3	37.2	13.2	13.4
3	Fishing	33.0	13.0	-3.3	60.7	16.1	41.3	9.0	15.1	23.2	12.1
4	Mining and Quarrying	18.4	26.3	84.9	-3.4	-16.3	71.5	-47.4	-4.2	29.6	5.6
5	Registered Manufacturing	4.4	46.8	7.1	17.6	-9.7	14.1	10.6	1.9	13.3	7.4
6	Un-registered Manufacturing	11.6	16.1	16.5	24.1	-7.7	16.8	12.0	6.3	14.1	8.7
7	Construction	25.4	18.8	26.3	10.2	3.4	25.7	16.4	7.5	10.8	9.2
8	Electricity, Gas and Water supply	18.0	5.0	10.4	-19.2	80.1	16.5	4.7	-3.0	18.3	12.0
9	Railways	13.1	25.7	26.3	-11.9	22.2	-7.5	33.8	12.2	10.4	7.5
10	Transport by other means	17.4	14.2	15.2	21.3	18.8	20.0	24.7	18.5	19.2	14.0
11	Storage	19.9	28.6	2.7	3.4	66.6	-8.7	23.7	15.2	17.6	4.6
12	Communication	7.3	2.9	7.9	14.0	18.0	-5.9	4.3	14.7	51.8	19.4
13	Trade, Hotels and Restaurants	23.0	12.5	21.7	11.8	8.3	23.0	5.0	11.6	8.2	7.5
14	Banking and Insurance	7.7	16.9	17.6	21.1	9.3	13.9	17.4	14.3	19.4	14.7
15	Real estate, Ownership of Dwellings and Business services	24.0	22.5	22.5	21.5	17.2	18.1	19.1	20.9	16.5	20.2
16	Public Administration	10.5	13.1	20.6	27.8	-1.5	13.2	6.7	21.9	13.3	19.1
17	Other services	9.1	13.0	21.9	21.2	17.1	24.6	22.1	26.0	26.3	19.8
	<b>Total NSDP</b>	<b>17.6</b>	<b>16.5</b>	<b>19.2</b>	<b>14.6</b>	<b>8.0</b>	<b>22.5</b>	<b>10.4</b>	<b>14.5</b>	<b>17.2</b>	<b>14.5</b>
	<b>Per Capita NSDP( Rs.)</b>	<b>16.2</b>	<b>15.2</b>	<b>17.9</b>	<b>13.4</b>	<b>6.8</b>	<b>21.2</b>	<b>9.3</b>	<b>13.4</b>	<b>16.0</b>	<b>13.5</b>
	Primary Sector	23.5	3.5	21.8	5.1	8.1	38.3	-5.0	16.0	23.3	16.8
	Secondary Sector	13.5	29.4	15.2	14.0	-1.8	19.2	12.9	4.6	12.5	8.6
	Tertiary Sector	17.4	15.7	20.5	18.4	12.7	18.9	15.0	18.3	17.1	16.0
	<b>Total NSDP</b>	<b>17.6</b>	<b>16.5</b>	<b>19.2</b>	<b>14.6</b>	<b>8.0</b>	<b>22.5</b>	<b>10.4</b>	<b>14.5</b>	<b>17.2</b>	<b>14.5</b>
	I. Agriculture	23.8	2.3	17.7	5.9	10.4	36.0	-1.2	16.9	23.0	17.2
	II. Industry	13.6	29.2	18.0	12.9	-2.5	21.6	9.0	4.4	13.0	8.5
	III. Services	17.4	15.7	20.5	18.4	12.7	18.9	15.0	18.3	17.1	16.0
	<b>Total</b>	<b>17.6</b>	<b>16.5</b>	<b>19.2</b>	<b>14.6</b>	<b>8.0</b>	<b>22.5</b>	<b>10.4</b>	<b>14.5</b>	<b>17.2</b>	<b>14.5</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.8**

**GROWTH RATES OF NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN - AT CONSTANT(2004-05) PRICES**

Sl. NO	Industry	(Percent)									
		2005-06 over 2004-05	2006-07 over 2005-06	2007-08 over 2006-07	2008-09 over 2007-08	2009-10 over 2008-09	2010-11 over 2009-10	2011-12 over 2010-11	2012-13 over 2011-12	2013-14 over 2012-13	2014-15 over 2013-14
1	Agriculture	11.6	-4.1	15.0	0.9	3.6	16.6	-9.0	2.7	9.3	4.3
2	Forestry and Logging	1.7	2.8	2.5	5.4	4.3	13.3	2.5	0.4	5.1	5.7
3	Fishing	14.7	-12.1	4.9	26.6	0.4	29.8	3.5	-14.6	22.8	6.8
4	Mining and Quarrying	-7.8	0.0	33.9	-9.6	-10.4	-21.2	-46.1	-55.9	196.7	2.4
5	Registered Manufacturing	-2.0	38.4	2.2	10.8	-9.8	5.6	1.0	-5.0	8.5	3.8
6	Un-registered Manufacturing	6.8	11.0	11.8	16.0	-13.6	9.8	3.2	0.1	10.2	3.4
7	Construction	17.9	11.2	17.2	-2.8	0.1	18.4	6.7	-1.4	2.9	6.0
8	Electricity, Gas and Water supply	14.1	-18.7	2.2	-26.0	70.3	-0.1	-22.6	-23.2	78.9	8.7
9	Railways	17.0	12.8	19.4	-9.5	2.8	5.0	30.7	-2.0	4.8	3.3
10	Transport by other means	12.0	4.8	9.2	8.9	4.3	9.6	11.2	7.7	8.8	10.7
11	Storage	5.5	27.6	-7.4	5.8	18.4	4.8	4.4	40.6	-1.4	1.7
12	Communication	20.4	21.3	17.9	19.6	8.4	10.1	3.0	6.0	14.1	8.6
13	Trade, Hotels and Restaurants	15.6	7.7	12.1	3.6	1.7	12.3	-3.4	6.0	0.0	2.2
14	Banking and Insurance	16.3	20.1	18.9	15.3	9.7	5.6	12.9	12.0	12.5	10.0
15	Real estate, Ownership of Dwellings and Business services	12.1	13.3	14.9	12.4	-3.5	4.7	12.6	13.5	4.5	10.4
16	Public Administration	5.3	6.1	12.7	15.1	-11.5	5.2	-2.3	10.8	1.2	13.2
17	Other services	3.8	5.6	13.3	10.0	2.8	13.6	11.6	13.4	10.8	13.8
	<b>Total NSDP</b>	<b>10.3</b>	<b>10.4</b>	<b>12.5</b>	<b>7.1</b>	<b>0.0</b>	<b>10.3</b>	<b>3.0</b>	<b>5.3</b>	<b>7.4</b>	<b>7.3</b>
	<b>Per Capita NSDP( Rs.)</b>	<b>9.0</b>	<b>9.1</b>	<b>11.3</b>	<b>5.9</b>	<b>-1.0</b>	<b>9.1</b>	<b>1.9</b>	<b>4.3</b>	<b>6.3</b>	<b>6.3</b>
	Primary Sector	9.3	-3.3	14.0	1.3	3.0	14.9	-8.4	1.0	10.3	4.5
	Secondary Sector	7.1	20.7	8.8	5.0	-4.9	10.7	2.6	-3.4	8.1	4.8
	Tertiary Sector	12.3	10.7	14.0	10.1	1.4	8.7	6.9	10.3	6.4	9.0
	<b>Total NSDP</b>	<b>10.3</b>	<b>10.4</b>	<b>12.5</b>	<b>7.1</b>	<b>0.0</b>	<b>10.3</b>	<b>3.0</b>	<b>5.3</b>	<b>7.4</b>	<b>7.3</b>
	I. Agriculture	10.2	-3.4	13.1	1.9	3.7	16.4	-7.3	2.0	9.0	4.5
	II. Industry	6.5	20.0	9.5	4.5	-5.0	9.8	1.6	-3.9	9.1	4.8
	III. Services	12.3	10.7	14.0	10.1	1.4	8.7	6.9	10.3	6.4	9.0
	<b>Total</b>	<b>10.3</b>	<b>10.4</b>	<b>12.5</b>	<b>7.1</b>	<b>0.0</b>	<b>10.3</b>	<b>3.0</b>	<b>5.3</b>	<b>7.4</b>	<b>7.3</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.9**

**SECTORAL COMPOSITION OF GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN -  
AT CURRENT PRICES**

Sl. NO	Industry	(Percent)										
		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	15.9	16.6	14.6	14.4	13.1	13.9	15.2	13.6	13.6	14.3	14.8
2	Forestry and Logging	2.5	2.5	2.3	2.3	2.3	1.8	2.2	1.9	2.3	2.2	2.2
3	Fishing	0.4	0.4	0.4	0.3	0.5	0.5	0.6	0.6	0.6	0.6	0.6
4	Mining and Quarrying	1.2	1.2	1.3	2.0	1.7	1.4	1.9	0.9	0.8	0.8	0.8
5	Registered Manufacturing	14.3	13.2	15.3	14.2	14.6	12.9	11.9	12.0	11.2	10.2	9.5
6	Un-registered Manufacturing	4.1	3.9	3.9	3.7	4.0	3.5	3.3	3.4	3.1	2.9	2.7
7	Construction	8.6	9.1	9.4	10.0	9.6	9.1	9.4	9.9	9.3	8.8	8.4
8	Electricity, Gas and Watersupply	2.2	2.3	2.1	2.0	1.4	2.2	2.1	2.2	2.0	2.0	1.9
9	Railways	0.6	0.6	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.4
10	Transport by other means	4.4	4.4	4.3	4.1	4.4	4.8	4.7	5.3	5.5	5.6	5.6
11	Storage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Communication	1.9	1.8	1.6	1.4	1.4	1.6	1.3	1.3	1.3	1.6	1.7
13	Trade, Hotels and Restaurants	13.9	14.5	14.1	14.4	14.1	14.1	14.2	13.6	13.2	12.2	11.4
14	Banking and Insurance	6.1	5.6	5.7	5.6	5.9	5.9	5.5	5.9	5.8	5.9	5.9
15	Real estate, Ownership of Dwellings and Business services	13.0	13.6	14.3	14.6	15.5	16.7	16.2	17.3	18.2	18.9	19.9
16	Public Administration	4.0	3.7	3.7	3.7	4.0	3.6	3.3	3.2	3.5	3.3	3.3
17	Other services	7.1	6.7	6.5	6.7	7.0	7.6	7.7	8.5	9.4	10.3	10.8
	<b>Total GSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Primary Sector	19.9	20.7	18.6	19.0	17.6	17.6	19.8	17.0	17.2	17.9	18.3
	Secondary Sector	29.1	28.4	30.7	29.8	29.6	27.7	26.8	27.5	25.6	23.8	22.6
	Tertiary Sector	51.0	50.8	50.7	51.1	52.8	54.7	53.4	55.5	57.2	58.2	59.1
	<b>Total GSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	I. Agriculture	18.7	19.5	17.3	17.0	15.9	16.2	18.0	16.1	16.4	17.1	17.5
	II. Industry	30.3	29.6	32.0	31.8	31.3	29.1	28.7	28.4	26.3	24.7	23.4
	III. Services	51.0	50.8	50.7	51.1	52.8	54.7	53.4	55.5	57.2	58.2	59.1
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.10**

**SECTORAL COMPOSITION OF GROSS STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN -  
AT CONSTANT(2004-05) PRICES**

Sl. NO	Industry	(Percent)										
		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	15.9	15.9	14.0	14.2	13.4	13.8	14.5	12.8	12.5	12.8	12.5
2	Forestry and Logging	2.5	2.3	2.1	1.9	1.9	1.9	2.0	2.0	1.9	1.8	1.8
3	Fishing	0.4	0.4	0.3	0.3	0.4	0.4	0.5	0.5	0.4	0.4	0.4
4	Mining and Quarrying	1.2	1.0	1.0	1.2	1.1	1.0	0.9	0.4	0.3	0.4	0.4
5	Registered Manufacturing	14.3	13.2	15.4	14.5	15.1	14.2	13.6	13.6	13.0	12.5	12.0
6	Un-registered Manufacturing	4.1	4.0	4.0	3.9	4.2	3.7	3.7	3.7	3.5	3.3	3.2
7	Construction	8.6	9.1	9.3	9.7	8.8	8.8	9.4	9.7	9.1	8.8	8.7
8	Electricity, Gas and Watersupply	2.2	2.3	2.0	1.8	1.3	2.1	2.0	1.9	1.7	1.8	1.8
9	Railways	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.6	0.5	0.5
10	Transport by other means	4.4	4.5	4.3	4.1	4.2	4.4	4.4	4.7	4.9	4.9	5.0
11	Storage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Communication	1.9	2.1	2.2	2.3	2.4	2.8	2.7	2.8	2.8	2.8	2.8
13	Trade, Hotels and Restaurants	13.9	14.5	14.3	14.2	13.8	13.8	14.1	13.3	13.3	12.5	11.9
14	Banking and Insurance	6.1	6.4	7.0	7.4	8.0	8.6	8.3	9.0	9.5	10.0	10.2
15	Real estate, Ownership of Dwellings and Business services	13.0	13.1	13.4	13.6	14.3	13.8	13.2	14.2	15.2	15.6	16.1
16	Public Administration	4.0	3.8	3.7	3.7	3.8	3.4	3.2	3.1	3.2	3.1	3.2
17	Other services	7.1	6.7	6.5	6.5	6.7	6.9	7.1	7.6	8.2	8.7	9.3
	<b>Total GSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Primary Sector	19.9	19.6	17.4	17.6	16.8	17.1	17.8	15.7	15.1	15.5	15.1
	Secondary Sector	29.1	28.7	30.6	29.9	29.4	28.7	28.7	28.9	27.3	26.4	25.8
	Tertiary Sector	51.0	51.7	52.0	52.5	53.8	54.2	53.5	55.3	57.6	58.1	59.1
	<b>Total GSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	I. Agriculture	18.7	18.6	16.4	16.4	15.7	16.1	17.0	15.3	14.8	15.1	14.7
	II. Industry	30.3	29.7	31.6	31.1	30.5	29.7	29.5	29.4	27.6	26.8	26.2
	III. Services	51.0	51.7	52.0	52.5	53.8	54.2	53.5	55.3	57.6	58.1	59.1
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.



**Appendix - 2.11**  
**SECTORAL COMPOSITION OF NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN**  
**- AT CURRENT PRICES**

Sl. NO	Industry	(Percent)										
		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	16.4	17.3	15.1	14.9	13.4	14.3	15.7	14.0	13.9	14.8	15.3
2	Forestry and Logging	2.7	2.8	2.5	2.5	2.5	2.0	2.4	2.1	2.5	2.4	2.4
3	Fishing	0.4	0.4	0.4	0.3	0.5	0.5	0.6	0.6	0.6	0.6	0.6
4	Mining and Quarrying	1.1	1.1	1.2	1.8	1.5	1.2	1.7	0.8	0.7	0.7	0.7
5	Registered Manufacturing	12.0	10.6	13.4	12.0	12.3	10.3	9.6	9.6	8.6	8.3	7.8
6	Un-registered Manufacturing	3.8	3.6	3.6	3.5	3.8	3.2	3.1	3.1	2.9	2.8	2.7
7	Construction	9.2	9.8	10.0	10.5	10.1	9.7	10.0	10.5	9.9	9.3	8.9
8	Electricity, Gas and Water supply	1.4	1.4	1.3	1.2	0.8	1.4	1.3	1.2	1.1	1.1	1.0
9	Railways	0.4	0.4	0.5	0.5	0.4	0.4	0.3	0.4	0.4	0.4	0.3
10	Transport by other means	4.5	4.5	4.4	4.2	4.5	4.9	4.8	5.4	5.6	5.7	5.7
11	Storage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Communication	1.8	1.6	1.5	1.3	1.3	1.4	1.1	1.0	1.0	1.3	1.4
13	Trade, Hotels and Restaurants	15.2	15.9	15.3	15.6	15.3	15.3	15.4	14.6	14.2	13.2	12.3
14	Banking and Insurance	6.7	6.2	6.2	6.1	6.5	6.5	6.1	6.5	6.4	6.6	6.6
15	Real estate, Ownership of Dwellings and Business services	13.2	13.9	14.6	15.0	15.9	17.3	16.7	18.0	19.0	18.9	19.8
16	Public Administration	3.6	3.4	3.3	3.3	3.7	3.4	3.1	3.0	3.2	3.1	3.2
17	Other services	7.7	7.1	6.9	7.0	7.4	8.1	8.2	9.1	10.0	10.8	11.3
	<b>Total NSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Primary Sector	20.6	21.6	19.2	19.6	18.0	18.0	20.3	17.5	17.7	18.6	19.0
	Secondary Sector	26.3	25.4	28.2	27.2	27.1	24.6	24.0	24.5	22.4	21.5	20.4
	Tertiary Sector	53.1	53.0	52.6	53.2	55.0	57.4	55.7	58.0	59.9	59.9	60.7
	<b>Total NSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	I. Agriculture	19.5	20.5	18.0	17.8	16.4	16.8	18.6	16.7	17.0	17.9	18.3
	II. Industry	27.4	26.5	29.3	29.0	28.6	25.8	25.6	25.3	23.0	22.2	21.0
	III. Services	53.1	53.0	52.6	53.2	55.0	57.4	55.7	58.0	59.9	59.9	60.7
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix - 2.12**  
**SECTORAL COMPOSITION OF NET STATE DOMESTIC PRODUCT AT FACTOR COST BY INDUSTRY OF ORIGIN -**  
**AT CONSTANT(2004-05) PRICES**

Sl. NO	Industry	(Percent)										
		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 SRE	2013-14 FRE	2014-15 AE
1	Agriculture	16.4	16.6	14.4	14.7	13.9	14.4	15.2	13.4	13.1	13.3	12.9
2	Forestry and Logging	2.7	2.5	2.3	2.1	2.1	2.2	2.2	2.2	2.1	2.1	2.1
3	Fishing	0.4	0.4	0.3	0.3	0.3	0.3	0.4	0.4	0.3	0.4	0.4
4	Mining and Quarrying	1.1	0.9	0.8	1.0	0.8	0.7	0.5	0.3	0.1	0.3	0.3
5	Registered Manufacturing	12.0	10.6	13.3	12.1	12.5	11.3	10.8	10.6	9.6	9.7	9.3
6	Un-registered Manufacturing	3.8	3.7	3.7	3.7	4.0	3.4	3.4	3.4	3.2	3.3	3.2
7	Construction	9.2	9.8	9.9	10.3	9.3	9.3	10.0	10.4	9.7	9.3	9.2
8	Electricity, Gas and Water supply	1.4	1.5	1.1	1.0	0.7	1.1	1.0	0.8	0.6	0.9	1.0
9	Railways	0.4	0.5	0.5	0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.5
10	Transport by other means	4.5	4.5	4.3	4.2	4.3	4.4	4.4	4.8	4.9	4.9	5.1
11	Storage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Communication	1.8	2.0	2.2	2.3	2.5	2.7	2.7	2.7	2.8	2.9	3.0
13	Trade, Hotels and Restaurants	15.2	15.9	15.5	15.5	14.9	15.2	15.5	14.5	14.6	13.6	13.0
14	Banking and Insurance	6.7	7.1	7.7	8.2	8.8	9.6	9.2	10.1	10.8	11.3	11.6
15	Real estate, Ownership of Dwellings and Business services	13.2	13.4	13.8	14.1	14.8	14.2	13.5	14.8	15.9	15.5	15.9
16	Public Administration	3.6	3.4	3.3	3.3	3.6	3.1	3.0	2.9	3.0	2.8	3.0
17	Other services	7.7	7.2	6.9	6.9	7.1	7.3	7.5	8.2	8.8	9.1	9.6
	<b>Total NSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Primary Sector	20.6	20.4	17.9	18.1	17.1	17.6	18.4	16.3	15.7	16.1	15.7
	Secondary Sector	26.3	25.5	27.9	27.0	26.5	25.2	25.3	25.2	23.1	23.3	22.7
	Tertiary Sector	53.1	54.1	54.2	54.9	56.4	57.2	56.4	58.5	61.3	60.7	61.6
	<b>Total NSDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	I. Agriculture	19.5	19.5	17.1	17.1	16.3	16.9	17.8	16.1	15.5	15.8	15.4
	II. Industry	27.4	26.4	28.8	28.0	27.3	25.9	25.8	25.4	23.2	23.6	23.0
	III. Services	53.1	54.1	54.2	54.9	56.4	57.2	56.4	58.5	61.3	60.7	61.6
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates, TRE : Third Revised Estimates

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix 2.13**  
**Gross / Net State Domestic Product and Per Capita Income**

Sl. No	Year	Gross State Domestic Product (GSDP) at Current Prices (Rs. Lakhs)	Gross State Domestic Product (GSDP) at Constant Prices (Rs. Lakhs)	Net State Domestic Product (NSDP) at Current Prices (Rs. Lakhs)	Net State Domestic Product (NSDP) at Constant Prices (Rs. Lakhs)	Per Capita Income (Per Capita Net State Domestic Product (NSDP) at Current Prices) (in Rs.)
1	1960-61a			69164	69164	296
2	1961-62a			76445	74095	320
3	1962-63a			81180	78174	333
4	1963-64a			94137	81348	378
5	1964-65a			108609	81084	427
6	1965-66a			116372	75647	448
7	1966-67a			142621	85711	537
8	1967-68a			152521	85644	562
9	1968-69a			163106	93338	588
10	1969-70a			176316	99881	622
11	1970-71b			185811	185811	641
12	1971-72b			191564	188522	646
13	1972-73b			201243	176970	664
14	1973-74b			281535	204113	907
15	1974-75b			317771	203296	1000
16	1975-76b			309240	216477	951
17	1976-77b			328291	207012	986
18	1977-78b			381307	244450	1117
19	1978-79b			399507	253858	1142
20	1979-80b			482171	261228	1345
21	1980-81c	621032	621032	558736	558736	1520
22	1981-82c	716860	661709	642344	595740	1707
23	1982-83c	801276	680456	713722	610171	1855
24	1983-94c	961003	727767	861717	653582	2192
25	1984-85c	1083088	780809	969723	702315	2416
26	1985-86c	1157468	756897	1021834	673330	2495
27	1986-87c	1327121	824469	1173306	736513	2810
28	1987-88c	1515827	881547	1343482	788292	3159
29	1988-89c	1770911	956698	1567132	856321	3620
30	1989-90c	2021422	1013026	1779770	904572	4044
31	1990-91c	2330040	1025982	2055120	911210	4598
32	1991-92c	3009173	1149444	2673762	1026985	5889
33	1992-93c	3303585	1181049	2916231	1050758	6321
34	1993-94d	4107905	4107906	3698228	3698229	7838
35	1994-95d	4791516	4338693	4306510	3891705	8960
36	1995-96d	5621456	4616681	5002819	4097390	10217
37	1996-97d	6517572	5030220	5807078	4473655	11670
38	1997-98d	7304576	5377782	6475689	4751682	12832
39	1998-99d	8784091	6061964	7875624	5396093	15396
40	1999-00e	10124741	10124741	9053192	9053192	17502
41	2000-01e	10836170	10268651	9634777	9113592	18344
42	2001-02e	11284650	10555966	9889675	9278843	18547
43	2002-03e	12088876	11035977	10589474	9776504	19621
44	2003-04e	13098974	11417352	11423011	9966856	20901
45	2004-05f	16674713	16674713	14872897	14872898	26882
46	2005-06f	19590407	18427703	17491121	16403065	31239
47	2006-07f	22723706	20266010	20381918	18108596	35981
48	2007-08f	27062879	22820215	24302840	20380990	42419
49	2008-09f	31031233	24442138	27853414	21830924	48084
50	2009-10f	33755850	24759029	30074742	21836349	51364
51	2010-11f	41070316	27272131	36833840	24081677	62251
52	2011-12f	45521235	28278400	40682123	24804028	68053
53	2012-13f SRE	52267274	29999067	46595879	26125013	77168
54	2013-14f FRE	61460704	32145528	54600118	28056052	89545
55	2014-15f AE	70064130	34237931	62392215	29934436	102324

Note: Estimates of Net State Domestic Product only were computed from 1960-61 to 1979-80.

- a) Computed with base year as 1960-61
- b) Computed with base year as 1970-71
- c) Computed with base year as 1980-81
- d) Computed with base year as 1993-94
- e) Computed with base year as 1999-2000
- f) Computed with base year as 2004-05

AE : Advance Estimates, FRE : First Revised Estimates, SRE : Second Revised Estimates,  
Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix 2.14**

**Gross / Net District Domestic Product and Per Capita Net District Income for the year 2012-13 (Provisional)**

(Rs. Crore)

Sl. No	District	At Current Prices		At Constant (2004-05) Prices		Per capita Income (Net District Domestic Product (NDDP) at Current Prices) (in Rs.)
		Gross District Domestic Product (GDDP)	Net District Domestic Product (NDDP)	Gross District Domestic Product (GDDP)	Net District Domestic Product (NDDP)	
1	Bagalkote	10688	9581	5902	5170	50765
2	Bengaluru Urban	170712	151122	99325	85567	202340
3	Bengaluru Rural	12552	10635	7557	6197	109380
4	Belagavi	28222	25159	15967	13895	52250
5	Ballari	19811	17267	10169	8536	74554
6	Bidar	8568	7773	4546	4036	45282
7	Vijayapura	10357	9478	5608	5041	45912
8	Chamarajanagar	4872	4443	2969	2659	40275
9	Chickballapur	6412	5800	3526	3110	44183
10	Chikkamagaluru	9513	8651	5223	4693	66366
11	Chitradurga	9152	8243	5226	4595	47534
12	Dakshina Kannada	23530	21371	14290	12802	98572
13	Davangere	12861	11620	6963	6183	56788
14	Dharwad	14563	13172	8865	7907	71865
15	Gadag	6306	5669	3565	3141	51054
16	Kalaburagi	13350	12008	7310	6392	48329
17	Hassan	11603	10426	6612	5836	53000
18	Haveri	7767	7001	4452	3940	42581
19	Kodagu	7973	7304	3930	3564	116533
20	Kolar	10661	9448	6512	5652	59614
21	Koppal	13401	11337	7942	6471	82954
22	Mandya	10306	9279	5849	5155	46049
23	Mysuru	23311	21049	13648	12085	69759
24	Raichur	10147	9110	5213	4563	47752
25	Ramnagara	9511	8253	5640	4806	70095
26	Shivamogga	12961	11498	7586	6587	61271
27	Tumakuru	16704	15033	10076	8904	50906
28	Udupi	11875	10633	6909	6063	83679
29	Uttara Kannada	10414	9436	6266	5605	61015
30	Yadagiri	4571	4162	2347	2095	38097
	<b>State</b>	<b>522673</b>	<b>465959</b>	<b>299991</b>	<b>261250</b>	<b>77168</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix 2.15**

**Net District income in Karnataka at current and constant (2004-05) prices - 2012-13 (Provisional)**

(Rs. Crore)

Sl. No	District	NSDP Current Prices				NSDP Constant Prices			
		Primary	Secondary	Tertiary	Total	Primary	Secondary	Tertiary	Total
1	Bagalkote	3188	2031	4361	9581	1507	1128	2535	5170
2	Bengaluru Urban	2021	35626	113476	151122	907	21009	63650	85567
3	Bengaluru Rural	1504	3448	5683	10635	782	2057	3358	6197
4	Belagavi	6509	5919	12731	25159	3133	3385	7376	13895
5	Ballari	5309	3963	7995	17267	1720	2309	4507	8536
6	Bidar	2340	1472	3961	7773	1096	832	2108	4036
7	Vijayapura	2975	2032	4470	9478	1416	1125	2500	5041
8	Chamarajanagar	1604	716	2122	4443	1112	398	1149	2659
9	Chickballapur	1949	1028	2824	5800	1066	549	1494	3110
10	Chikkamagaluru	3373	1184	4093	8651	1642	673	2378	4693
11	Chitradurga	2577	1558	4108	8243	1418	875	2303	4595
12	Dakshina Kannada	3250	4708	13413	21371	1483	2685	8634	12802
13	Davangere	3546	2056	6017	11620	1644	1156	3384	6183
14	Dharwad	1136	3183	8854	13172	632	1826	5450	7907
15	Gadag	869	1045	3755	5669	443	595	2102	3141
16	Kalaburagi	3224	2287	6497	12008	1420	1315	3657	6392
17	Hassan	3161	1984	5281	10426	1641	1131	3065	5836
18	Haveri	2177	1324	3501	7001	1218	756	1966	3940
19	Kodagu	3353	668	3284	7304	1277	383	1904	3564
20	Kolar	2746	2248	4453	9448	1862	1301	2490	5652
21	Koppal	2525	3955	4857	11337	1209	2389	2873	6471
22	Mandya	3122	1960	4197	9279	1692	1095	2368	5155
23	Mysuru	3098	4950	13001	21049	1775	2839	7471	12085
24	Raichur	3100	1848	4162	9110	1237	1050	2276	4563
25	Ramnagara	1601	1563	5088	8253	1010	914	2882	4806
26	Shivamogga	2831	2686	5981	11498	1547	1498	3543	6587
27	Tumakuru	3833	3553	7646	15033	2373	2051	4481	8904
28	Udupi	2153	2574	5906	10633	959	1491	3614	6063
29	Uttara Kannada	2046	2127	5263	9436	1125	1208	3273	5605
30	Yadagiri	1275	569	2318	4162	555	306	1234	2095
	<b>State</b>	<b>82394</b>	<b>104265</b>	<b>279300</b>	<b>465959</b>	<b>40898</b>	<b>60328</b>	<b>160024</b>	<b>261250</b>

Source: Directorate of Economics and Statistics, Government of Karnataka.

**Appendix -2.16**

**Index Numbers of Wholesale Prices in India**

Base Year : 2004-05=100

Sl. No	Item group	Weight	2012-13		2013-14		2014-15		Percentage variation in December over April		
			April	December	April	December	April	December	2012-13	2013-14	2014-15
1	Primary Articles	20.12	215.6	219.9	226.5	243.7	242.4	249.0	1.99	7.59	2.72
2	Fuel & Power	14.91	178.8	190.4	193.7	211.1	211.8	194.6	6.49	8.98	-8.12
3	Manufactured Products	64.97	143.8	148.0	149.1	152.5	154.6	154.9	2.92	2.28	0.19
All Commodities		100.00	163.5	168.8	171.3	179.6	180.8	179.8	3.24	4.85	-0.55

Source: Office of the Economic Adviser, Ministry of Commerce and Industry, GOI.

**Appendix - 2.17**

**All - India Wholesales Price Index Numbers**

Year	Primary Articles	All Commodities	Percentage variation over previous year/month	
			Primary Articles	All Commodities
<b>Base year: 1993-94=100</b>				
2000-01	162.5	155.7	2.85	7.16
2001-02	168.4	161.3	3.63	3.60
2002-03	174.0	166.8	3.33	3.41
2003-04	181.5	175.9	4.31	5.46
2004-05	188.1	187.3	3.64	6.48
<b>New Base year: 2004-05=100</b>				
2005-06	104.3	104.4	4.30	4.40
2006-07	114.3	111.3	9.59	6.61
2007-08	123.9	116.6	8.40	4.76
2008-09	137.5	126.0	10.98	8.06
2009-10	154.9	130.8	12.65	3.81
2010-11	182.0	143.3	17.50	9.56
2011-12	200.3	156.1	10.05	8.93
2012-13	220.0	167.6	9.84	7.37
2013-14	241.6	177.6	9.82	5.97
<b>(April 2014 to December 2014)</b>				
April 2014	242.4	180.8	8.65	6.29
May 2014	246.8	182.0	1.82	0.66
June 2014	250.3	183.0	1.42	0.55
July 2014	256.6	185.0	2.52	1.09
August 2014	261.2	185.9	1.79	0.49
September 2014	257.8	185.0	-1.30	-0.48
October 2014	253.3	183.7	-1.75	-0.70
November 2014	250.8	181.2	-0.98	-1.36
December 2014	249	179.8	-0.71	-0.77

Source: Office of the Economic Adviser, Ministry of Commerce and Industry, GOI.

**Appendix - 2.18**

**Wholesale Price Index Numbers of Agricultural Commodities in Karnataka**

Base year : 1981-82=100

Year	Index	Percentage variation over previous year/month
2000-01	402	-6.29
2001-02	387	-3.73
2002-03	397	2.58
2003-04	428	7.81
2004-05	439	2.57
2005-06	461	5.01
2006-07	501	8.68
2007-08	546	8.98
2008-09	671	22.89
2009-10	754	12.37
2010-11	794	5.31
2011-12	891	12.22
2012-13	978	9.76
2013-14	1042	6.54
<b>(April 2014 to December 2014)</b>		
April 2014	1065	0.47
May 2014	1115	4.69
June 2014	1142	2.42
July 2014	1199	4.99
August 2014	1214	1.25
September 2014	1179	-2.88
October 2014	1165	-1.19
November 2014	1140	-2.15
December 2014	1143	0.26

Source : Directorate of Economics and Statistics, GOK.

**Appendix -2.19**

**Groupwise Index Numbers of Wholesale Prices of Agricultural Commodities in Karnataka**

Base Year 1981-82=100

Sl. No	Commodity Group	Weight	2012-13		2013-14		2014-15		Percentage variation in December over April		
			April	December	April	December	April	December	2012-13	2013-14	2014-15
1	Cereals	29.89	941	1085	1162	1131	1121	1100	15.30	-2.67	-1.87
2	Pulses	4.92	898	1185	1142	1114	1113	1502	31.96	-2.45	34.95
3	Oilseeds	17.31	964	1152	1126	967	901	898	19.50	-14.12	-0.33
4	Gur & Sugar	14.56	617	674	674	644	668	634	9.24	-4.45	-5.09
5	Fiber	9.64	705	711	751	761	750	736	0.85	1.33	-1.87
6	Condiments and Spices	2.27	705	734	799	966	1004	1072	4.11	20.90	6.77
7	Miscellaneous *	21.41	1053	1166	1154	1291	1527	1854	10.73	11.87	21.41
<b>All Commodities</b>		100.00	892	1015	1034	1026	1065	1143	13.79	-0.77	7.32

Note: \* Miscellaneous items include coffee, onion, potato, tobacco, tamarind, coconut and arecanut.

Source: Directorate of Economics and Statistics, GOK.



**Appendix - 2.20**

**Consumer Price Index Numbers for Industrial Workers at All India and Karnataka**

Month	All India			Karnataka*		
	Base year : 2001=100			Base year : 1987-88=100		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
April	205	226	242	587	667	715
May	206	228	244	594	674	720
June	208	231	246	595	686	731
July	212	235	252	606	690	744
August	214	237	253	601	695	745
September	215	238	253	604	699	744
October	217	241	253	611	705	745
November	218	243	253	622	709	752
December	219	239	253	626	704	751
January	221	237		635	706	
February	223	238		644	704	
March	224	239		649	708	

Note : \* Average of 16 centres (11 State series + 5 Central series)

Source : 1) Labour Bureau, Shimla, GOI. 2) Directorate of Economics and Statistics, GOK.

**Appendix- 2.21**

**Consumer Price Index Numbers for Industrial Workers in Karnataka**

Sl. No.	Centres	2012-13		2013-14		2014-15		Percentage variation in December over April		
		April	December	April	December	April	December	2012-13	2013-14	2014-15
<b>Central Series (Base year: 2001=100)</b>										
1	Bengaluru	209	219	236	243	247	262	4.78	2.97	6.07
2	Belagavi	213	222	239	246	247	257	4.23	2.93	4.05
3	Hubbali-Dharwad	213	234	239	256	260	272	9.86	7.11	4.62
4	Madikere	198	221	236	248	246	262	11.62	5.08	6.50
5	Mysuru	203	218	239	252	256	262	7.39	5.44	2.34
<b>State Series (Base year : 1987-88=100)</b>										
6	Ballari	503	553	578	626	634	659	9.94	8.30	3.94
7	Bhadravathi	547	600	631	677	692	710	9.69	7.29	2.60
8	Davanagere	590	647	677	737	745	774	9.66	8.86	3.89
9	Dandeli	547	586	611	675	688	722	7.13	10.47	4.94
10	Kalaburagi	512	530	545	608	616	646	3.52	11.56	4.87
11	Harihar	495	552	582	630	638	663	11.52	8.25	3.92
12	Hassan	523	583	603	671	684	720	11.47	11.28	5.26
13	Mandya	581	642	676	734	744	774	10.50	8.58	4.03
14	Mangaluru	483	508	536	594	612	641	5.18	10.82	4.74
15	Raichur	592	638	668	726	735	766	7.77	8.68	4.22
16	Tumakuru	438	473	505	558	566	597	7.99	10.50	5.48

Source: 1. Labour Bureau, Shimla, GOI.

2. Directorate of Economics & Statistics, GOK.

**Appendix - 2.22(a)**

**Consumer Price Index Numbers for Industrial Workers at selected centres in Karnataka State**

**CENTRAL SERIES**

**Base Year: 2001=100**

Year/ Month	BENGALURU		BELAGAVI		HUBBLAI-DHARWAD		MADIKERI		MYSURU		
	Food	General	Food	General	Food	General	Food	General	Food	General	
Weight →	45.53	100.00	51.76	100.00	49.51	100.00	55.41	100.00	48.05	100.00	
2006-07	128	128	126	127	126	125	118	116	125	125	
2007-08	140	138	140	135	138	135	128	122	135	132	
2008-09	163	154	156	147	159	151	153	139	156	146	
2009-10	185	171	183	167	181	169	176	160	180	165	
2010-11	198	185	201	184	196	185	191	176	193	177	
2011-12	206	197	226	204	217	204	202	191	204	191	
2012-13	235	217	247	222	245	225	228	216	231	212	
2013-14	279	242	281	246	268	252	269	244	286	248	
<b>(April 2014 to December 2014)</b>											
April 2014	283	247	276	247	269	260	269	246	289	256	
May 2014	286	248	281	250	278	264	280	252	292	257	
June 2014	292	254	285	254	282	269	278	253	294	259	
July 2014	301	260	293	259	284	273	288	259	303	265	
August 2014	300	260	293	259	278	270	290	263	296	261	
September 2014	298	259	293	259	280	272	289	263	291	260	
October 2014	297	259	288	256	279	271	287	262	291	259	
November 2014	302	263	291	257	283	273	285	261	294	261	
December 2014	300	262	290	257	281	272	287	262	294	262	

Source: Directorate of Economics & Statistics, GOK.

**Appendix -2.22(b)**

**Consumer Price Index Numbers for Industrial Workers at selected centres in Karnataka State**

**STATE SERIEIS**

**Base Year: 1987-88=100**

Year/ Month	BALLARI		BADRAVATHI		DAVANAGERE		DANDELI		KALABURAGI		HARIHARA	
	Food	General	Food	General	Food	General	Food	General	Food	General	Food	General
Weight →	54.73	100.00	48.53	100.00	52.53	100.00	49.22	100.00	49.23	100.00	49.58	100.00
2006-07	340	315	382	330	390	328	381	353	337	308	343	304
2007-08	381	341	406	349	434	355	415	371	390	330	387	328
2008-09	452	387	464	388	498	405	475	408	452	373	439	362
2009-10	530	429	547	436	574	461	538	449	485	398	491	388
2010-11	560	457	557	451	615	495	580	474	527	425	525	407
2011-12	583	479	619	508	674	549	656	524	606	478	583	457
2012-13	669	539	718	586	785	629	736	575	658	524	674	534
2013-14	755	612	825	665	916	718	828	654	744	587	781	616
<b>(April 2014 to December 2014)</b>												
April 2014	776	634	840	692	934	745	839	688	764	616	788	638
May 2014	784	639	852	697	942	750	848	693	773	621	794	642
June 2014	796	645	858	700	950	756	848	697	777	625	802	647
July 2014	801	650	874	706	963	762	859	702	785	630	814	653
August 2014	807	654	884	711	968	767	866	708	794	637	823	658
September 2014	809	655	883	712	974	771	869	712	791	638	826	661
October 2014	802	656	880	712	972	774	877	716	796	641	821	663
November 2014	802	660	871	710	973	775	872	721	795	645	821	664
December 2014	799	659	871	710	965	774	861	722	794	646	802	663

Source: Directorate of Economics & Statistics, GOK.

**Appendix -2.22(b) (Contd....)**

**Consumer Price Index Numbers for Industrial Workers at selected centres in Karnataka State**

**STATE SERIEIES**

**Base Year-1987-88=100**

Year/ Month	HASSAN		MANDYA		MANGALURU		RAICHUR		TUMAKURU	
	Food	General	Food	General	Food	General	Food	General	Food	General
Weight →	56.02	100.00	53.48	100.00	58.11	100.00	52.71	100.00	41.29	100.00
2006-07	342	315	363	328	348	312	335	339	349	279
2007-08	366	328	405	351	375	332	384	371	393	300
2008-09	419	368	473	393	444	373	457	423	456	335
2009-10	490	415	543	438	494	408	550	482	527	373
2010-11	538	453	583	481	548	444	578	510	564	395
2011-12	583	497	637	538	584	479	654	563	576	421
2012-13	670	561	740	621	592	501	738	626	649	463
2013-14	795	648	871	716	688	575	833	708	796	542
<b>(April 2014 to December 2014)</b>										
April 2014	818	684	899	744	725	612	849	735	821	566
May 2014	824	689	901	748	729	616	854	740	827	571
June 2014	831	693	908	754	740	622	863	744	832	574
July 2014	841	699	916	758	747	627	869	748	846	580
August 2014	849	705	926	764	753	632	879	754	851	583
September 2014	854	709	929	768	755	634	879	756	858	585
October 2014	861	713	937	773	755	636	881	761	871	591
November 2014	864	718	937	775	760	638	882	763	881	596
December 2014	861	720	935	774	763	641	883	766	873	597

Source: Directorate of Economics & Statistics, GOK.

**Appendix - 2.23**

**Consumer Price Index Numbers for Agricultural Labourers at All India and Karnataka**

**Base Year: 1986-87=100**

Item	2012-13		2013-14		2014-15		Percentage variation in December over April			
	April	December	April	December	April	December	2012-13	2013-14	2014-15	
<b>Karnataka</b>										
i)	Food	692	763	793	832	827	860	10.26	4.92	3.99
ii)	General	684	776	775	817	824	871	13.45	5.42	5.70
<b>All-India</b>										
i)	Food	616	674	695	752	751	782	9.42	8.20	4.13
ii)	General	633	688	711	765	771	807	8.69	7.59	4.67

Source: Labour Bureau, Shimla, GOI.

**Appendix - 2.24**

**Consumer Price Index Numbers for Agricultural Labourers at All India and Karnataka  
Base Year : 1986-87=100**

Year/Month	All India		Karnataka	
	Food	General	Food	General
2000-01	303	305	311	306
2001-02	302	309	303	306
2002-03	312	319	319	320
2003-04	325	331	340	338
2004-05	333	340	343	343
2005-06	345	353	332	339
2006-07	376	380	349	358
2007-08	406	409	394	397
2008-09	452	450	451	445
2009-10	522	513	536	517
2010-11	572	564	595	575
2011-12	602	611	657	649
2012-13	658	672	737	724
2013-14	737	750	836	815
<b>(April 2014 to December 2014)</b>				
April 2014	751	771	827	824
May 2014	757	777	838	835
June 2014	766	785	850	846
July 2014	783	799	866	860
August 2014	791	808	869	866
September 2014	794	811	866	868
October 2014	794	813	862	869
November 2014	793	813	861	870
December 2014	782	807	860	871

Source : Labour Bureau, Shimla, GOI.

**Appendix - 2.25**

**Rural Retail Price Index Numbers in Karnataka**

**Base Year : 1970=100**

Year	Index	Percentage variation over previous year/month
2000-01	1395	1.53
2001-02	1445	3.58
2002-03	1458	0.90
2003-04	1528	4.80
2004-05	1606	5.10
2005-06	1669	3.92
2006-07	1825	9.35
2007-08	1922	5.32
2008-09	2171	12.96
2009-10	2641	21.65
2010-11	2911	10.22
2011-12	3231	10.99
2012-13	3565	10.34
2013-14	3923	10.05
<b>(April 2014 to December 2014)</b>		
April 2014	3934	1.82
May 2014	3963	0.74
June 2014	4059	2.41
July 2014	4203	3.56
August 2014	4263	1.43
September 2014	4291	0.66
October 2014	4296	0.12
November 2014	4271	-0.58
December 2014	4264	-0.16

Source : Directorate of Economics and Statistics, GOK.

**Appendix - 2.26**  
**Urban Retail Price Index Numbers in Karnataka**

**Base Year : 1970=100**

<b>Year</b>	<b>Index</b>	<b>Percentage variation over previous year/month</b>
2000-01	1012	-5.33
2001-02	1045	3.26
2002-03	1087	4.02
2003-04	1193	9.75
2004-05	1257	5.36
2005-06	1296	3.10
2006-07	1347	3.94
2007-08	1425	5.79
2008-09	1589	11.51
2009-10	1878	18.19
2010-11	1982	5.54
2011-12	2161	9.03
2012-13	2441	12.96
2013-14	2810	15.12
<b>(April 2014 to December 2014)</b>		
April 2014	2716	2.30
May 2014	2802	3.17
June 2014	2877	2.68
July 2014	2944	2.33
August 2014	3095	5.13
September 2014	3104	0.29
October 2014	3112	0.26
November 2014	3103	-0.29
December 2014	3093	-0.32

Source : Directorate of Economics and Statistics, GOK.



### Appendix 3.1

#### Allocation of Plan Outlay to Panchayat Raj Institutions (PRI) in Karnataka

(Rs. Crore)

Year	State Plan Outlay			Allocation of Plan Outlay to PRIs			% of PRI Plan Outlay to State Plan Outlays		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
1991-92	1558	379	1937	357	318	675	23	84	35
1992-93	2159	466	26925	374	296	670	17	63	25
1993-94	3025	596	3621	471	322	793	15	54	22
1994-95	3383	792	4175	538	435	973	16	55	23
1995-96	3758	890	4648	620	480	1100	16	54	24
1996-97	4360	951	5311	732	541	1273	17	57	24
1997-98	4545	1090	5635	732	688	1420	16	63	25
1998-99	5353	1160	6513	732	715	1447	14	65	22
1999-00	5888	1199	7087	792	736	1528	13	61	22
2000-01	7274	1232	8506	962	735	1697	13	60	20
2001-02	8588	1017	9605	1083	751	1834	13	74	20
2002-03	8611	911	9522	617	624	1241	7	69	13
2003-04	9780	890	10670	688	614	1302	7	69	12
2004-05	12323	988	13311	1013	655	1668	8	66	13
2005-06	13555	1054	14609	1992	877	2869	15	83	20
2006-07	16166	1640	17806	2176	1256	3432	13	77	19
2007-08	17783	2749	20532	2241	1330	3571	13	48	17
2008-09	25953	2246	28199	2632	1785	4417	10	79	16
2009-10	29500	2931*	32431	2880	1857	4737	10	63	15
2010-11	31000	2764*	33764	3010	1860	4870	10	67	14
2011-12	38070	2802*	40872	3726	2316	6042	10	83	15
2012-13	39764	3208*	42972	4055	3754	7809	10	48	16
2013-14	48450	7243*	55693	4841	4080	8921	10	40	15
2014-15	65600	1476*	67076	9676	804	10480	15	54	15

\* Includes Centre's share of allocation under Mahatma Gandhi NREGS, Swarna Jayanti Grama Swarozgar Yojana, District Rural Development Agency, Integrated Waste Land Development Programme, Drought Prone Area Programme and Desert Development Programme as per the budget link document.

**Appendix 3.2**

**Trends in revenue and capital receipts in Karnataka**

(Rs. Crore)

Year	State's Own Tax Revenues	Share in Central Taxes	Total Tax Receipts	Total Non-Tax Receipts	Total Revenue Receipts	Total Capital Receipts	Aggregate Receipts
1990-91	2332.12	660.35	2992.47	517.20	3892.18	1117.92	5010.10
2000-01	9042.68	2573.83	11616.51	1659.97	14822.72	4807.6	19630.32
2005-06	18631.55	4213.42	22844.97	3874.71	30352.05	4401.54	34753.59
2006-07	23301.03	5374.33	28675.36	4098.41	37586.94	6444.85	44031.79
2007-08	25986.76	6779.23	32765.99	3357.66	41151.14	6275.47	47426.61
2008-09	27645.66	7153.77	34799.43	3158.99	43290.68	9466.32	52757.00
2009-10	30578.61	7359.97	37938.58	3333.80	49155.70	13012.46	62168.16
2010-11	38473.13	9506.30	47979.43	3358.28	58206.23	12215.64	70421.86
2011-12	46476.01	11074.99	57551.00	4086.86	69806.27	15317.53	85123.80
2012-13	53753.56	12647.14	66400.70	3966.11	78176.22	16878.51	95054.73
2013-14(RE)	61530.40	13975.00	75505.40	3859.03	94270.37	20357.35	114627.72
2014-15(BE)	69869.75	16560.01	86429.76	4473.43	111038.62	22534.72	133573.34

RE=Revised Estimates, BE=Budget Estimates

**Appendix 3.3**

**Trends in developmental and non-developmental expenditure in Karnataka**

(Rs. Crores)

Year	Developmental Expenditure	Developmental Expenditure as % of Total Expenditure	Non-Developmental Expenditure	Non-Developmental Expenditure as % of Total Expenditure	Aggregate Expenditure
1990-91	4504.64	72.09	1743.57	27.91	6248.21
2000-01	12921.21	65.06	6742.44	34.94	19663.65
2001-02	14351.59	65.67	7500.27	34.33	21851.86
2002-03	14551.24	60.70	9421.93	39.30	23973.17
2003-04	15483.22	53.22	13607.47	46.78	29090.69
2004-05	19321.24	56.72	14742.56	43.28	34063.80
2005-06	22733.77	65.47	11990.24	34.53	34724.01
2006-07	29952.24	68.30	13899.82	31.70	43852.06
2007-08	33642.14	70.72	13926.45	29.28	47568.59
2008-09	37133.30	69.79	16072.05	30.21	53205.35
2009-10	44923.87	72.55	16993.52	27.44	61917.39
2010-11	51626.38	72.74	19344.94	27.26	70971.32
2011-12	60929.69	72.14	23533.97	27.86	84463.66
2012-13	68067.53	71.66	26922.26	28.34	94989.79
2013-14(RE)	81454.10	71.07	33163.81	28.93	114617.90
2014-15(BE)	94133.19	70.46	39466.68	29.54	133599.87

RE=Revised Estimates, BE=Budget Estimates

**Appendix 3.4**

**Developmental and non-developmental expenditure, Karnataka 2012-13 to 2014-15: revenue, capital and loans**

(Rs. Crore)

Category of Expenditure		2012-13 (Accounts)			
		Revenue	Capital	Loan	Total
<b>I.</b>	<b>Developmental Expenditure (A+B)</b>	<b>52093.99</b>	<b>14889.00</b>	<b>1084.55</b>	<b>68067.53</b>
<b>A.</b>	<b>Economic Services of which</b>	<b>21674.19</b>	<b>11973.01</b>	<b>269.26</b>	<b>33916.47</b>
1	Agriculture & Allied Services	7417.47	707.42	89.56	8214.44
2	Rural Development	2377.75			2377.75
3	General Economic Services	1150.99	190.55	5.00	1346.55
4	Irrigation & Power Development	7818.34	6276.03	94.02	14188.39
5	Industry & Minerals	722.95	115.64	80.68	919.27
6	Transport & Communication	2023.87	4683.37		6707.24
7	Special Area Programmes	102.73			102.73
8	Science and Technology	60.09			60.09
<b>B.</b>	<b>Social Services of which</b>	<b>30419.80</b>	<b>2915.98</b>	<b>815.28</b>	<b>34151.07</b>
1	Education, Sports, Art & Culture	14624.26	361.43		14985.70
2	Medical and Public Health, Family Welfare, Water Supply and Sanitation	3849.51	1799.71	812.28	6461.50
3	Social Security & Welfare including SCs, STs & OBCs	7394.74	405.58		7800.32
4	Housing and Urban Development	2078.15	325.93		2404.08
5	Information and Publicity	71.30	5.68		76.97
6	Labour & Employment	294.10			294.10
7	Nutrition	761.23			761.23
8	Natural calamities	967.55			967.55
9	Other social services	353.78	17.66	3.00	374.44
10	Sec. Social Services	25.18			25.18
<b>II.</b>	<b>Non-Developmental Expenditure(a+b+c)</b>	<b>24199.26</b>	<b>589.47</b>	<b>2133.52</b>	<b>26922.26</b>
<b>a.</b>	<b>Revenue Expenditure under General Services</b>	<b>20180.84</b>			<b>20180.84</b>
	i) Organs of the State	779.10			<b>779.10</b>
	ii) Fiscal Services	820.77			<b>820.77</b>
	iii) Interest Payment & Servicing of Debts	6833.43			<b>6833.43</b>
	iv) Administrative Services	4455.93			<b>4455.93</b>
	v) Pension & Miscellaneous General Services	7291.62			<b>7291.62</b>
<b>b.</b>	<b>Devolution to ULBs</b>	<b>4018.42</b>			<b>4018.42</b>
<b>c.</b>	<b>Capital Expenditure</b>		<b>589.47</b>	<b>2133.52</b>	<b>2722.99</b>
	i) General Services		589.47		<b>589.47</b>
	ii) Discharge of Internal Debt (Net)			1419.16	<b>1419.16</b>
	iii) Repayment of loans to Government of India			696.53	<b>696.53</b>
	iv) Loans and Advance to Govt. Servant & Miscellaneous loans			17.83	<b>17.83</b>
	v) Market borrowings and ways & means advances from RBI				
	<b>Aggregate Expenditure : (I + II)</b>	<b>76293.26</b>	<b>15478.47</b>	<b>3218.06</b>	<b>94989.79</b>

**Appendix 3.4 (Contd..)**

**Developmental and non-developmental expenditure, Karnataka 2012-13 to 2014-15: revenue, capital and loans**

Category of Expenditure		2013-14 (RE)			
		Revenue	Capital	Loan	Total
<b>I.</b>	<b>Developmental Expenditure (A+B)</b>	<b>63887.33</b>	<b>17192.61</b>	<b>374.16</b>	<b>81454.10</b>
<b>A.</b>	<b>Economic Services of which</b>	<b>29003.69</b>	<b>12711.70</b>	<b>212.40</b>	<b>41927.79</b>
1	Agriculture & Allied Services	13586.20	1018.82	29.00	14634.02
2	Rural Development	3229.00			3229.00
3	General Economic Services	1472.38	194.71	2.00	1669.10
4	Irrigation & Power Development	6934.50	6101.60	80.00	13116.10
5	Industry & Minerals	1039.52	233.70	101.40	1374.62
6	Transport & Communication	2475.69	5162.87		7638.56
7	Special Area Programmes	207.16			207.16
8	Science & Technology	59.23			59.23
<b>B.</b>	<b>Social Services of which</b>	<b>34883.63</b>	<b>4480.91</b>	<b>161.76</b>	<b>39526.30</b>
1	Education, Sports, Art & Culture	17287.00	372.77		17659.77
2	Medical and Public Health, Family Welfare, Water Supply and Sanitation	5114.73	2253.12	150.00	7517.86
3	Social Security & Welfare including SCs, STs & OBCs	8015.81	1337.45	11.76	9365.02
4	Housing and Urban Development	2200.15	479.05		2679.21
5	Information and Publicity	80.45	4.50		84.95
6	Labour & Employment	406.09			406.09
7	Nutrition	1138.25			1138.25
8	Natural calamities	417.77			417.77
9	Other Social Services	189.93	34.02		223.95
10	Sec. Social Services	33.44			33.44
<b>II.</b>	<b>Non-Developmental Expenditure(A+B+C)</b>	<b>30318.49</b>	<b>589.09</b>	<b>2256.22</b>	<b>33163.81</b>
<b>a.</b>	<b>Revenue Expenditure under General Services</b>	<b>23988.05</b>			<b>23988.05</b>
	i) Organs of the State	1174.49			1174.49
	ii) Fiscal Services	1073.74			1073.74
	iii) Interest Payment & Servicing of Debts	7800.00			7800.00
	iv) Administrative Services	5769.42			5769.42
	v) Pension & Miscellaneous General Services	8170.40			8170.40
<b>b.</b>	<b>Devolution to ULBs</b>	<b>6330.44</b>			<b>6330.44</b>
<b>c.</b>	<b>Capital Expenditure</b>		<b>589.09</b>	<b>2256.22</b>	<b>2845.31</b>
	i) General Services		589.09		589.09
	ii) Discharge of Internal Debt (Net)			1534.52	1534.52
	iii) Repayment of loans to Government of India			681.75	681.75
	iv) Loans and Advance to Govt. Servant & Miscellaneous loans			39.95	39.95
	v) Market borrowings and ways & means advances from RBI				
	<b>Aggregate Expenditure : (I + II)</b>	<b>94205.82</b>	<b>17781.70</b>	<b>2630.39</b>	<b>114617.90</b>

**Appendix 3.4 (Contd..)**

**Developmental and non-developmental expenditure, Karnataka 2012-13 to 2014-15 : revenue, capital and loans**

Category of Expenditure		2014-15 (BE)			
		Revenue	Capital	Loan	Total
<b>I.</b>	<b>Developmental Expenditure (A+B)</b>	<b>74515.55</b>	<b>19242.81</b>	<b>374.83</b>	<b>94133.19</b>
<b>A.</b>	<b>Economic Services of which</b>	<b>32398.78</b>	<b>14416.92</b>	<b>221.53</b>	<b>47037.23</b>
1	Agriculture & Allied Services	12793.43	1367.85	28.98	14190.27
2	Rural Development	5143.74			5143.74
3	General Economic Services	1693.08	307.17	2.00	2002.25
4	Irrigation & Power Development	8083.43	8825.08	100.00	17008.51
5	Industry & Minerals	1111.91	218.36	90.54	1420.82
6	Transport & Communication	3197.52	3698.46		6895.98
7	Special Area Programmes	304.97			304.97
8	Science & Technology	70.69			70.69
<b>B.</b>	<b>Social Services of which</b>	<b>42116.77</b>	<b>4825.89</b>	<b>153.30</b>	<b>47095.96</b>
1	Education, Sports, Art & Culture	20235.45	694.63		20930.09
2	Medical and Public Health, Family Welfare, Water Supply and Sanitation	6636.47	1750.98	300.00	8687.45
3	Social Security & Welfare including SCs, STs & OBCs	9301.82	1701.34	3.30	11006.46
4	Housing and Urban Development	3381.32	640.04	-150.00	3871.36
5	Information and Publicity	86.26	5.60		91.86
6	Labour & Employment	589.94			589.94
7	Nutrition	1278.63			1278.63
8	Natural calamities	377.75			377.75
9	Other Social Services	179.19	33.30		212.49
10	Sec. Social Services	49.94			49.94
<b>II.</b>	<b>Non-Developmental Expenditure(a+b+c)</b>	<b>36241.79</b>	<b>770.97</b>	<b>2453.92</b>	<b>39466.68</b>
<b>a.</b>	<b>Revenue Expenditure under General Services</b>	<b>29570.19</b>			<b>29570.19</b>
	i) Organs of the State	1219.57			1219.57
	ii) Fiscal Services	1183.36			1183.36
	iii) Interest Payment & Servicing of Debts	10200.00			10200.00
	iv) Administrative Services	7546.95			7546.95
	v) Pension & Miscellaneous General Services	9420.32			9420.32
<b>b.</b>	<b>Devolution of ULBs</b>	<b>6671.60</b>			<b>6671.60</b>
<b>c.</b>	<b>Capital Expenditure</b>		<b>770.97</b>	<b>2453.92</b>	<b>3224.89</b>
	i) General Services		770.97		770.97
	ii) Discharge of Internal Debt (Net)			1577.72	1577.72
	iii) Repayment of loans to Government of India			774.43	774.43
	iv) Loans and Advance to Govt. Servant & Miscellaneous loans			101.77	101.77
	v) Market borrowings and ways & means advances from RBI				
	<b>Aggregate Expenditure : (I + II)</b>	<b>110757.34</b>	<b>20013.79</b>	<b>2828.75</b>	<b>133599.87</b>

Source : 1. Annual Financial Statement (Budget) 2014-15, Government of Karnataka  
2. Detailed Estimates of Expenditure of (Volume - II), Government of Karnataka

Appendix 3.5: Plan expenditure, outlays by minor sectors and programmes

(Rs. Crore)

Head of Developments	Eleventh Plan (2007-12) Approved Outlay (2006-07)	Eleventh Plan (2007-12) Expenditure at Current Prices)	Annual Plan					BE	
			Accounts						
			2008-09	2009-10	2010-11	2011-12	2012-13		RE
<b>A. Economic Services</b>	57931.28	79580.48	14132.86	16320.43	17040.63	22023.62	22591.04	30162.41	34272.87
<b>I. Agriculture &amp; Allied Services</b>									
1 Crop Husbandry	3666.10	3919.44	713.02	749.57	685.70	1419.98	1350.48	2425.11	2962.06
2 Soil & Water Conservation	759.50	481.84	74.59	33.99	66.36	138.78	99.95	211.07	839.27
3 Animal Husbandry	772.70	884.16	124.74	167.56	192.53	292.24	262.55	460.83	425.07
4 Dairy Development	440.00	1055.40	114.80	247.73	312.85	350.53	340.86	864.50	895.00
5 Fisheries	376.54	283.21	35.06	65.23	61.32	102.61	83.03	181.52	132.36
6 Forestry & Wild Life	739.37	1021.61	194.07	237.79	194.08	208.29	228.20	299.36	376.15
7 Food, Storage & Warehousing	65.00	82.65	15.76	18.11	16.07	24.98	40.00	25.75	24.07
8 Agricultural Research & Education	490.00	540.13	69.13	72.45	75.60	170.91	172.45	260.08	276.23
9 Investment in Agricultural Financial Institutions	16.00	28.63	8.79	3.30	3.48	4.73	4.00	4.00	4.00
10 Marketing & Quality Control	57.11	29.95	10.00	2.00	3.25	3.50	10.00	20.00	50.50
11 Co-operation	1044.53	1898.73	181.44	234.43	404.45	547.80	1470.72	3081.46	398.95
<b>Total (1 to 11)</b>	<b>8426.85</b>	<b>10225.75</b>	<b>1541.40</b>	<b>1832.16</b>	<b>2015.69</b>	<b>3264.35</b>	<b>4062.24</b>	<b>7833.68</b>	<b>6383.66</b>
<b>II. Rural Development</b>									
12 Special Programmes for Rural Development	1732.80	2510.47	613.54	1107.6	1103.56	1334.65	415.87	270.24	503.30
(a) I.R.D.P. & Allied Programmes									
(b) DPAP (Including State DPAP)									
(c) Int. Rural Energy Programmes									
13 National Rural Employment Programme (Includes REGS & RLEGP) Jawahar Rojgar Yojana (JRY)	1315.93	1015.09					26.21	369.19	1664.45
14 Land Reforms	7.5	8.26	195.76	299.67	99.13	202.95	7.39	19.00	71.25
15 Other Programmes of Rural Development (Anthyodaya, 100 Walls & CRT & Community Development (Includes Grants to ZPs) + others	2144.04	2133.00	134.07	60	78.5	79.5	817.03	557.23	988.81
<b>Total (12 to 16)</b>	<b>5200.27</b>	<b>5666.82</b>	<b>1322.42</b>	<b>1774.68</b>	<b>1585.87</b>	<b>2104.40</b>	<b>1266.50</b>	<b>1215.66</b>	<b>3227.81</b>
<b>III. Special Area Programmes</b>									
17 Hyderabad Karnataka Development Programmes	1369.11	2086.74	88.06	132.53	139.69	332.17	485.29	996.16	1377.52
<b>Total (17)</b>	<b>1369.11</b>	<b>2086.74</b>	<b>88.06</b>	<b>132.53</b>	<b>139.69</b>	<b>332.17</b>	<b>485.29</b>	<b>996.16</b>	<b>1377.52</b>
<b>IV. Irrigation &amp; Flood Control</b>									
18 Major & Medium Irrigation Projects	10905.00	15078.53	2043.16	2939.4	3470.17	4567.39	3831.32	6090.43	8737.81
19 Minor Irrigation	3254.36	3301.22	457.13	551.85	687.63	1242.65	1082.69	1076.67	1136.80
20 Command Area Development (CADA)	550.00	479.52	47.82	73.00	97.68	196.33	172.95	244.87	533.75
21 Flood Control Projects (including Anti-Sea Erosion, etc.)	86.00	116.58	33.29	14.08	23.34	26.50	67.21	59.00	45.78
<b>Total : IV (18 to 21)</b>	<b>14795.36</b>	<b>18975.85</b>	<b>2581.4000</b>	<b>3578.33</b>	<b>4278.82</b>	<b>6032.87</b>	<b>5154.17</b>	<b>7470.97</b>	<b>10454.14</b>
<b>V. Energy</b>									
22 Power	5781.00	7594.15	3597.47	4058.70	3540.74	3457.80	2003.02	2808.00	2850.00
23 Generation (KPC)									
24 Transmission & Distribution (KPTCL) Non-conventional	4269.55	9145.98	3.23	4.68	4.80	6.61	2380.53	1557.93	2130.87
<b>Total : V (22 TO 24)</b>	<b>10050.55</b>	<b>16740.13</b>	<b>3600.70</b>	<b>4063.38</b>	<b>3545.54</b>	<b>3464.41</b>	<b>4383.55</b>	<b>4365.93</b>	<b>4980.87</b>

Appendix 3.5: Plan expenditure, outlays by minor sectors and programmes

(Rs. Crore)

Head of Developments	Eleventh Plan (2007-12) Approved Outlay (2006-07)	Eleventh Plan (2007-12) Expenditure at Current Prices)	Annual Plan						RE	BE
			Accounts							
			2008-09	2009-10	2010-11	2011-12	2012-13	2013-14		
<b>VI. Industry &amp; Minerals</b>										
25 Village & Small Scale Industry	1818.74	1594.57	163.25	162.45	199.87	225.03	314.21	518.81	598.56	
25a. Major & Medium Industry (Other than SSI) (including Mining: Mineral Exploration)	297.63	1326.56	316.22	325.40	432.34	591.67	264.36	361.23	295.44	
26	27.00	29.25	3.20	3.09	3.07	16.68	11.81	13.25	28.15	
<b>Total : VI (25 to 26)</b>	<b>2143.37</b>	<b>2950.38</b>	<b>482.67</b>	<b>490.94</b>	<b>635.28</b>	<b>833.38</b>	<b>590.38</b>	<b>893.29</b>	<b>922.15</b>	
<b>VII. Transport</b>										
27 Ports and Lighthouses	41.00	7.71	-6.49			7.71	15.47	54.67	55.70	
28 Roads and Bridges	8555.25	15194.95	2852.28	2813.98	3381.07	4252.55	4858.72	5427.01	4706.50	
29 Road Transport	4343.01	3804.57	934.54	901.19	512.95	741.11	793.66	825.50	698.03	
a) Pollution Control (MV Dept.)	20.00	2.92	0.75	0.46	0.75	0.33	0.58	1.00	1.00	
b) Inland Water Transport										
<b>Total : VII (27 to 29)</b>	<b>12959.26</b>	<b>19010.15</b>	<b>3781.08</b>	<b>3715.63</b>	<b>3894.77</b>	<b>5001.70</b>	<b>5668.43</b>	<b>6308.18</b>	<b>5461.23</b>	
<b>VIII. Science, Tech &amp; Environment</b>										
30 Scientific Research (Incl. S & T)	84.22	126.62	13.66	22.17	34.36	37.08	59.01	53.52	63.17	
31 Ecology & Environment	59.00	39.67	7.15	6.90	9.90	25.31	9.08	13.00	15.50	
Information Technology	193.00	316.59	51.70	65.13	85.79	105.50	142.25	174.88	272.92	
<b>Total : VIII (30 to 31)</b>	<b>336.22</b>	<b>482.88</b>	<b>72.51</b>	<b>94.20</b>	<b>130.05</b>	<b>167.89</b>	<b>210.34</b>	<b>241.40</b>	<b>351.59</b>	
<b>IX. General Economic Services</b>										
32 Secretariat Economic Services	5.00	2.20	2.30	2.72	3.59	4.79	0.20	1.00	1.00	
33 Tourism	650.00	860.62	114.41	181.14	201.29	272.97	212.20	259.21	395.00	
34 Survey & Statistics	1.00	0.78	0.81	0.36	13.95	2.98	0.17	0.20	0.20	
35 Other General Economic Services										
a) Legal Metrology	12.00	2.58	17.34	54.73	39.24	42.04	0.97	0.20	1.00	
b) Other-District Level Sub-Plan	10.30	12.26					3.22	3.17	17.48	
c) Modernization of Administration	4.00	3.24					0.70			
d) Civil Supplies										
e) Transfer of cess to the infrastructure initiative fund										
f) Block Grants / Market Research							1.55	2.05	2.52	
g) Technical Assistance for VAT	93.50	52.70					7.99	6.15		
h) Infrastructure Development	1800.00	2345.00	527.76	399.63	556.85	499.67	464.26	486.04	632.80	
i) One time ACA		24.99								
j) NABARD assisted improvement		44.01					9.35	10.00	11.60	
k) Rashtriya Krishi Vikas Yojana	74.49	27.70					12.33	34.67	25.30	
l) Private Whole sale Markets										
m) Karnataka state Statistical System		16.29					1.19	4.00	9.00	
n) Evaluation Authority		5.75					7.50	3.25	3.00	
o) Infrastructure for New District Development Yadagir		24.50					13.31	16.20	14.00	
p) Investment in trading Institutions		13.83					35.00	10.00		
q) Decision Support System		0.85					0.20	1.00	1.00	
r) Result Frame work Document										
<b>Total : IX (32 to 35)</b>	<b>2650.29</b>	<b>3441.78</b>	<b>662.62</b>	<b>638.58</b>	<b>814.92</b>	<b>822.45</b>	<b>770.14</b>	<b>837.14</b>	<b>1113.90</b>	
<b>B. Social Services</b>	41770.92	53852.62	7926.67	10058.57	13566.92	15574.98	16360.77	17429.53	29797.61	
<b>X. Social Services Education, Sports, Art &amp; Culture</b>										
36 General Education	7167.12	9903.99	1773.78	1722.96	2649.44	2729.66	2962.38	2956.56	7126.19	
37 Technical Education	598.95	852.36	68.51	84.09	188.17	192.36	292.19	404.43	527.30	



Appendix 3.5: Plan expenditure, outlays by minor sectors and programmes

(Rs. Crore)

Head of Developments	Eleventh Plan (2007-12) Approved Outlay (2006-07)	Eleventh Plan (2007-12) Expenditure at Current Prices)	Annual Plan					RE	BE
			Accounts						
			2008-09	2009-10	2010-11	2011-12	2012-13		
38 Art & Culture	478.34	725.27	101.72	146.58	203.47	178.94	219.88	226.96	274.12
39 Sports & Youth Services	167.61	318.23	55.36	97.37	67.40	71.94	109.21	93.80	124.94
<b>Total : X (36 to 39)</b>	<b>8412.02</b>	<b>11799.85</b>	<b>1999.37</b>	<b>2051.00</b>	<b>3108.48</b>	<b>3172.90</b>	<b>3583.66</b>	<b>3681.75</b>	<b>8052.55</b>
<b>XI. Health</b>									
40 Medical & Public Health	3376.22	4587.56	763.13	824.68	1148.50	1248.29	1292.04	1917.94	3095.16
<b>Total : XI (40)</b>	<b>3376.22</b>	<b>4587.56</b>	<b>763.13</b>	<b>824.68</b>	<b>1148.50</b>	<b>1248.29</b>	<b>1292.04</b>	<b>1917.94</b>	<b>3095.16</b>
<b>XII. Water Supply, Housing &amp; Urban</b>									
41 Water Supply	5409.35	5493.12	704.27	1297.47	1460.76	1743.98	2225.78	1640.81	2501.46
42 Housing (incl. Police Housing & Saimik Welfare)	3393.05	3680.39	604.80	580.61	788.16	1120.33	1103.26	1434.01	2342.57
43 Urban Development	13027.41	13246.45	2049.66	2725.87	3211.98	3687.81	2732.87	4402.13	5272.35
<b>Total : XII (41 to 43)</b>	<b>21829.81</b>	<b>22419.96</b>	<b>3358.73</b>	<b>4603.95</b>	<b>5460.90</b>	<b>6552.12</b>	<b>6061.91</b>	<b>7476.95</b>	<b>10116.38</b>
<b>XIII. Information &amp; Publicity</b>									
44 Information & Publicity	59.00	105.20	18.88	13.96	34.09	30.21	33.31	32.14	35.21
<b>Total : XIII (44)</b>	<b>59.00</b>	<b>105.20</b>	<b>18.88</b>	<b>13.96</b>	<b>34.09</b>	<b>30.21</b>	<b>33.31</b>	<b>32.14</b>	<b>35.21</b>
<b>XIV. Welfare of SCs, STs &amp; OBCs</b>									
45 Welfare of SCs, STs, Backward Classes and BCMs	3626.33	7095.41	930.71	1233.81	1818.89	2261.36	2867.01	1936.63	4949.03
<b>Total : XIV (45)</b>	<b>3626.33</b>	<b>7095.41</b>	<b>930.71</b>	<b>1233.81</b>	<b>1818.89</b>	<b>2261.36</b>	<b>2867.01</b>	<b>1936.63</b>	<b>4949.03</b>
<b>XV. Labour &amp; Labour Welfare</b>									
46 Labour and Labour Welfare	572.18	786.84	124.84	188.35	181.43	182.40	211.53	290.53	473.02
<b>Total : XV (46)</b>	<b>572.18</b>	<b>786.84</b>	<b>124.84</b>	<b>188.35</b>	<b>181.43</b>	<b>182.40</b>	<b>211.53</b>	<b>290.53</b>	<b>473.02</b>
<b>XVI. Social Welfare &amp; Nutrition</b>									
47 Social Security & Welfare	824.76	3255.67	615.10	884.53	1551.95	1813.34	982.36	1015.19	1147.60
a) Nutrition and Civil supply	3070.60	3802.13	115.91	258.29	262.68	314.36	1328.95	1078.40	1928.66
<b>Total : XVI (47)</b>	<b>3895.36</b>	<b>7057.80</b>	<b>731.01</b>	<b>1142.82</b>	<b>1814.63</b>	<b>2127.70</b>	<b>2311.31</b>	<b>2093.59</b>	<b>3076.26</b>
<b>C. General Services</b>									
48 Fire Protection	1961.80	2919.14	517.19	565.09	546.87	851.38	811.76	858.50	1529.27
49 Stationery & Printing	77.00	24.07	1.00	1.11	10.95	6.00	6.46	13.44	7.64
50 Public Works - Administrative Buildings	40.00	52.85	20.24	10.49	9.99	11.29	11.41	21.00	29.00
51 Training - ATI, Mysore	1779.20	2566.02	352.14	331.24	297.97	479.00	668.13	589.27	1296.47
52 Administration of Justice	1.60	8.15	0.59	0.72	0.69	5.70	5.81	5.92	3.88
53 Others	55.40	129.97	18.16	26.08	34.45	39.87	60.01	41.14	40.86
<b>Total C: General Services (48 to 53)</b>	<b>1961.80</b>	<b>2919.14</b>	<b>517.19</b>	<b>565.09</b>	<b>546.87</b>	<b>851.38</b>	<b>811.76</b>	<b>858.50</b>	<b>1529.27</b>
<b>Total - State Plan Outlay (A+B+C)</b>	<b>101664.00</b>	<b>136352.24</b>	<b>22576.72</b>	<b>26944.09</b>	<b>31154.42</b>	<b>38449.98</b>	<b>39763.57</b>	<b>48450.44</b>	<b>65599.75</b>
D. Irrigation projects pending approval			317.30	540.83	560.72	429.35	276.79	265.48	3.58
E. CSS/CPS			1829.19	1477.68	1572.35	1620.50	3208.00	7243.00	1477.00
F. Western Ghats Development			31.49	26.30	28.82	31.02	32.10	32.40	4.05
<b>Grand Total</b>	<b>101664.00</b>	<b>136352.24</b>	<b>24754.70</b>	<b>28988.90</b>	<b>33316.31</b>	<b>40530.85</b>	<b>43280.46</b>	<b>55991.32</b>	<b>67084.38</b>

**Appendix 3.6**

**Expenditure on annual plans, centrally sponsored & central plan schemes : irrigation projects pending approval and western ghats development for 1990-91 to 2014-15**

(Rs. Crore)

Year	State Plan	Centrally Sponsored & Central Plan Schemes (GOI) Share	Irrigation Projects Pending Approval	Western Ghats Development	Total	
					Outlay	Per Capita Outlay(Rs.)
1990-91	1301.93	264.35	89.09	9.47	1664.84	372.47
2001-02	8347.55	818.96	205.93	8.16	9380.50	1634.00
2002-03	8163.91	806.49	200.02	14.96	9185.38	1681.44
2003-04	8619.45	737.56	82.02	15.43	9454.46	1732.27
2004-05	11888.72	766.32	7.83	16.50	12679.37	2296.99
2005-06	12678.29	941.53	3.44	13.81	13637.07	2413.64
2006-07	18308.69	1122.53	3.55	14.89	19449.66	3406.25
2007-08	17226.91	1487.05	928.51	23.01	19665.48	3402.33
2008-09	22576.74	1829.19	317.30	31.49	24754.72	4238.82
2009-10	26944.10	1477.68	540.83	26.30	28988.91	4921.72
2010-11	31154.44	1572.35	560.72	28.82	33316.33	5452.75
2011-12	38450.00	1620.50	429.35	31.02	40530.87	6537.24
2012-13	39764.00	3208.00	276.79	32.10	43280.89	6980.79
2013-14(RE)	48450.00	7243.00	265.48	32.40	55990.88	8901.57
2014-15 (BE)	65600.00	1477.00	3.58	4.05	67084.63	10547.90

RE: Revised Estimates, BE: Budget Estimates

Source: Details of Provisions for Plan Schemes, Budget document

**Appendix 3.7**

**Expenditure in Karnataka by Economic Classification of the budget 1990-91 to 2014-15**

(Rs. Crore)

Year	Final Outlays				Transfers Payments			Financial Investments and Loans to the Rest of the	Total Expenditure
	Govt's Consumption Expenditure	Gross Capital Formation	Acquisition of Fixed Assets	Total	Current Transfers	Capital Transfers	Total		
1990-91	1024.19	425.95	1.31	1451.45	2428.65	75.04	2503.69	514.90	4470.04
2000-01	4125.62	1586.92	15.97	5728.51	10444.79	259.78	10704.57	1204.78	17637.86
2001-02	4685.29	1970.86	12.34	6667.79	12227.09	418.17	12645.26	1176.46	20489.51
2002-03	4509.36	1964.41	51.20	6524.97	12741.45	196.05	12937.50	1846.75	21309.22
2003-04	5818.99	2107.48	1.28	7927.75	13302.34	164.49	13466.83	2713.95	24108.53
2004-05	5512.64	3380.89	-0.06	8893.47	15320.36	146.71	15467.07	3258.99	27619.53
2005-06	6724.23	3815.51	-0.12	10539.62	18208.83	33.53	18242.36	3414.12	32196.10
2006-07	8499.05	5822.44	-0.21	14321.28	20923.85	234.30	21158.15	5364.81	40844.24
2007-08	7676.82	6400.08	-244.41	13832.49	25374.63	654.42	26029.05	4176.83	44038.37
2008-09	9714.64	8441.81	-180.56	17975.89	22760.72	475.35	28236.07	4196.17	50408.13
2009-10	10218.46	9570.80	-67.46	19721.80	30747.02	509.49	31256.51	5854.19	56832.50
2010-11	11810.47	11416.37	-66.57	23160.27	35627.21	193.96	35821.17	7258.61	66240.05
2011-12	14603.23	13039.69	-81.13	27561.79	43136.54	200.59	43337.13	7062.98	77961.90
2012-13	18755.89	13852.51	-27.06	32581.34	52261.41	936.60	53198.01	6084.80	91864.15
2013-14(RE)	24031.07	19018.56	-51.10	42998.53	63019.10	999.63	64018.73	5671.23	112688.49
2014-15(BE)	31119.34	21142.09	-66.74	52194.69	69632.28	1328.90	70961.18	6685.78	129841.65

RE: Revised Estimates, BE: Budget Estimates

Source : An Economic-cum-Purpose Classification of the Karnataka Government Budget - Earlier Issues and 2014-15, Directorate of Economics & Statistics

### Appendix 3.8

#### Capital formation by the Government of Karnataka 1990-91 to 2014-15

(Rs. Crore)

Year	Value of Assets Created by		Total	Changes in Stock	Gross Capital Formation
	Departmental Commercial Undertakings	Government Administration			
1990-91	279.41	135.78	415.19	14.58	429.77
2000-01	746.49	834.73	1581.22	5.00	1586.22
2001-02	1069.69	890.86	1970.55	-0.39	1970.16
2002-03	1054.43	907.85	1962.28	2.13	1964.41
2003-04	1641.49	445.99	2107.48	1.40	2108.83
2004-05	835.30	2545.19	3380.49	-2.80	3377.69
2005-06	889.69	2959.23	3851.46	2.54	3851.46
2006-07	922.80	5133.73	6056.53	16.22	6072.75
2007-08	1012.93	5797.16	6810.09	-4.45	6805.64
2008-09	1318.61	7417.99	8736.60	-8.09	8728.51
2009-10	2048.07	7964.76	10012.83	-0.93	10011.90
2010-11	9392.06	2151.70	11543.76	-4.57	11539.19
2011-12	2552.45	10606.70	13159.15	-1.36	13157.79
2012-13	12298.16	2463.89	14762.05	-0.79	14761.26
2013-14(RE)	17009.36	2957.73	19967.09	-20.04	19947.05
2014-15(BE)	18322.96	4081.29	22404.25	-28.62	22375.63

RE: Revised Estimates, BE: Budget Estimates

Source : Reports on An Economic-cum-Purpose Classification of the Karnataka Government Budget - Earlier Issues and 2014-15, Directorate of Economics and Statistics.

### **Appendix : 3.9**

#### **Devolution of funds by 14<sup>th</sup> Finance Commission (FC-XIV): Karnataka – Extract of important decisions**

The Fourteenth Finance Commission (FC-XIV) headed by Dr. Y. V. Reddy as chairman has presented the report to the Government of India. Various views and recommendations were presented in the report. Extract of the recommendation of the report is presented below.

#### **Recommendations of Chapter 8: Sharing of Union Tax Revenues**

- i. “Considering all factors, in our view, increasing the share of tax devolution to 42 per cent of the divisible pool would serve the twin objectives of increasing the flow of unconditional transfers to the States and yet leave appropriate fiscal space for the Union to carry out specific purpose transfers to the States. (Para 8.13)
- ii. We have not consented to the submission of States on minimum guaranteed devolution. (Para 8.14)
- iii. Though we are of the view that the use of dated population data is unfair, we are bound by our ToR and have assigned a 17.5 per cent weight to the 1971 population. On the basis of the exercises conducted, we concluded that a weight to the 2011 population would capture the demographic changes since 1971, both in terms of migration and age structure. We, therefore, assigned a 10 per cent weight to the 2011 population. (Para 8.25)
- iv. For area, we have followed the method adopted by the FC-XII and put the floor limit at 2 per cent for smaller States and assigned 15 per cent weight. (Para 8.26)
- v. We believe that a large forest cover provides huge ecological benefits, but there is also an opportunity cost in terms of area not available for other economic activities and this also serves as an important indicator of fiscal disability. We have assigned 7.5 per cent weight to the forest cover. (Para 8.27)
- vi. We have decided to revert to the method of representing fiscal capacity in terms of income distance and assigned it 50 per cent weight. We have calculated the income distance following the method adopted by FC-XII. (Para 8.28 and 8.29)
- vii. Table 8.1 shows the criteria and weights assigned for inter-se determination of the shares of taxes to the States. State-specific share of taxes is presented in Table 8.2. (Para 8.30)
- viii. As service tax is not levied in the State of Jammu & Kashmir, proceeds cannot be assigned to this State. We have worked out the share of each of the remaining twenty-eight States in the net proceeds of service taxes and presented this in Table 8.3. (Para 8.31)

#### **Recommendations Chapter 9 : Local Governments**

- i. We recommend that the local bodies should be required to spend the grants only on the basic services within the functions assigned to them under relevant legislations. (Para 9.56)

- ii. We recommend that the books of accounts prepared by the local bodies should distinctly capture income on account of own taxes and non-taxes, assigned taxes, devolution and grants from the State, grants from the Finance Commission and grants for any agency functions assigned by the Union and State Governments. In addition to the above, we also recommend that the technical guidance and support arrangements by the C&AG should be continued and the States should take action to facilitate local bodies to compile accounts and have them audited in time. (Para 9.61)
- iii. We recommend distribution of grants to the States using 2011 population data with weight of 90 per cent and area with weight of 10 per cent. The grant to each State will be divided into two - a grant to duly constituted gram panchayats and a grant to duly constituted municipalities, on the basis of urban and rural population of that State using the data of Census 2011. (Para 9.64)
- iv. We have worked out the total size of the grant to be Rs. 2,87,436 crore for the period 2015-20, constituting an assistance of Rs. 488 per capita per annum at an aggregate level. Of this, the grant recommended to panchayats is Rs. 2,00,292.2 crore and that to municipalities is Rs. 87,143.8 crore. The grant assessed by us for each State for each year is fixed. (Para 9.69)
- v. We have recommended grants in two parts - a basic grant and a performance grant for duly constituted gram panchayats and municipalities. In the case of gram panchayats, 90 per cent of the grant will be the basic grant and 10 per cent will be the performance grant. In the case of municipalities, the division between basic and performance grant will be on a 80:20 basis. The shares of the States for these grants are set out in Annex 9.1. (Para 9.70)
- vi. We recommend that the grants should go to gram panchayats, which are directly responsible for the delivery of basic services, without any share for other levels. We expect that the State Governments will take care of the needs of the other levels. The earmarked basic grants for gram panchayats will be distributed among them, using the formula prescribed by the respective SFCs for the distribution of resources. Similarly, the basic grant for urban local bodies will be divided into tier-wise shares and distributed across each tier, namely the municipal corporations, municipalities (the tier II urban local bodies) and the nagar panchayats (the tier III local bodies) using the formula given by the respective SFCs. The State Governments should apply the distribution formula of the most recent SFC, whose recommendations have been accepted. (Para 9.72)
- vii. In case the SFC formula is not available, then the share of each gram panchayat as specified above should be distributed across the entities using 2011 population with a weight of 90 per cent and area with a weight of 10 per cent. In the case of urban local bodies, the share of each of the three tiers will be determined on the basis of population of 2011 with a weight of 90 per cent and area with a weight of 10 per cent, and then distributed among the entities in each tier in proportion to the population of 2011 and area in the ratio of 90:10. (Para 9.73)



- viii. We are providing performance grants to address the following issues: (i) making available reliable data on local bodies' receipt and expenditure through audited accounts; and (ii) improvement in own revenues. In addition, the urban local bodies will have to measure and publish service level benchmarks for basic services. These performance grants will be disbursed from the second year of our award period, that is, 2016-17 onwards, so as to enable sufficient time to State Governments and the local bodies to put in place a scheme and mechanism for implementation. (Para 9.75)
- ix. To be eligible for performance grants, the gram panchayats will have to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which the gram panchayat seeks to claim the performance grant. It will also have to show an increase in the own revenues of the local body over the preceding year, as reflected in the audited accounts. To illustrate, the audited accounts required for performance grants in 2016-17 will be for the year 2014-15; for performance grants in 2017-18, the audited accounts will be for the year 2015-16; for performance grants in 2018-19, the audited accounts will be for 2016-17; and for performance grants in 2019-20, the audited accounts will be for 2017-18. (Para 9.76)
- x. We are of the opinion that it may be better that the detailed procedure for disbursement of the performance grant to gram panchayats based on revenue improvement be designed by the State Governments concerned, keeping in view the two conditions given above. The operational criteria, including the quantum of incentive to be given, is left to the discretion of the State Governments. In case some amount of the performance grant remains after disbursement to the eligible gram panchayats, this undisbursed amount should be distributed on an equitable basis among all the eligible gram panchayats. The scheme for disbursement of the performance grant will be notified by the State Governments latest by March 2016, in order to enable the preparation of the eligibility list of local bodies entitled to them. The concerned Ministries of the Union Government will also be informed in order to facilitate release of the instalment of performance grants. (Para 9.77)
- xi. A detailed procedure for the disbursement of the performance grant to urban local bodies would have to be designed by the State Governments concerned, subject to certain eligibility criteria. To be eligible, the urban local body will have to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which it seeks to claim the performance grant. It will also have to show an increase in own revenues over the preceding year, as reflected in these audited accounts. In addition, it must publish the service level benchmarks relating to basic urban services each year for the period of the award and make it publically available. The service level benchmarks of the Ministry of Urban Development may be used for this purpose. The improvement in revenues will be determined on the basis of these audited accounts and on no other basis. For computing the increase in own revenues in a particular year, the proceeds from octroi and entry tax must be excluded. In case some amount of the performance grant remains after disbursement to the eligible urban local bodies, the undisbursed

amount should be distributed on an equitable basis among all the eligible urban local bodies that had fulfilled the conditions for getting the performance grant. (Para 9.78)

- xii. These guidelines for the disbursement of the rural and urban performance grants will remain in force for the period of our award. We recommend that the Union Government accept the detailed procedure prepared by the State which incorporates our broad guidelines without imposing any further conditions. (Para 9.79)
- xiii. We recommend that no further conditions or directions other than those indicated by us should be imposed either by the Union or the State Governments for the release of funds. (Para 9.80)
- xiv. The grants recommended by us shall be released in two instalments each year in June and October. This will enable timely flows to local bodies during the year, enabling them to plan and execute the works better. We recommend that 50 per cent of the basic grant for the year be released to the State as the first instalment of the year. The remaining basic grant and the full performance grant for the year may be released as the second instalment for the year. The States should release the grants to the gram panchayats and municipalities within fifteen days of it being credited to their account by the Union Government. In case of delay, the State Governments must release the instalment with interest paid from its own funds. (Para 9.81)
- xv. We recommend that stern action should be ensured if irregularities in the application of funds are noticed or pointed out. (Para 9.82)
- xvi. We recommend that the State Governments should strengthen SFCs. This would involve timely constitution, proper administrative support and adequate resources for smooth functioning and timely placement of the SFC report before State legislature, with action taken notes. (Para 9.84)
- xvii. We suggest that the existing rules be reviewed and amplified to facilitate the levy of property tax and the granting of exemptions be minimised. The assessment of properties may be done every four or five years and the urban local bodies should introduce the system of self-assessment. We recommend that action be taken by the States to share information regarding property tax among the municipalities, State and Union Governments. (Para 9.90)
- xviii. We suggest that the levy of vacant land tax by peri-urban panchayats be considered. In addition, a part of land conversion charges can be shared by State Governments with municipalities and panchayats. (Para. 9.91)
- xix. We recommend that the States should review the position and prepare a clear framework of rules for the levy of betterment tax. (Para 9.92)
- xx. We suggest that States may like to consider steps to empower local bodies to impose advertisement tax and improve own revenues from this source. (Para 9.93)
- xxi. We recommend that States review the structure of entertainment tax and take action to increase its scope to cover more and newer forms of entertainment. (Para 9.94)

- xxii. We recommend raising the ceiling of professions tax from Rs. 2,500 to Rs. 12,000 per annum. We further recommend that Article 276(2) of the Constitution may be amended to increase the limits on the imposition of professions tax by States. The amendment may also vest the power to impose limits on Parliament with the caveat that the limits should adhere to the Finance Commission's recommendations and the Union Government should prescribe a uniform limit for all States. (Para 9.97)
- xxiii. We recommend that State Governments take action to assign productive local assets to the panchayats, put in place enabling rules for collection and institute systems so that they can obtain the best returns while leasing or renting common resources. (Para 9.98)
- xxiv. We recommend that the urban local bodies rationalise their service charges in a way that they are able to at least recover the operation and maintenance costs from the beneficiaries. (Para 9.99)
- xxv. We are of the view that mining puts a burden on the local environment and infrastructure, and, therefore, it is appropriate that some of the income from royalties be shared with the local body in whose jurisdiction the mining is done. This would help the local body ameliorate the effects of mining on the local population. (Para 9.101)
- xxvi. We recommend that the Union and State Governments examine in depth the issue of properly compensating local bodies for the civic services provided by them to government properties and take necessary action, including enacting suitable legislation, in this regard. (Para 9.102)
- xxvii. We recommend that the local bodies and States explore the issuance of municipal bonds as a source of finance with suitable support from the Union Government. The States may allow the larger municipal corporations to directly approach the markets while an intermediary could be set up to assist medium and small municipalities who may not have the capacity to access the markets directly. (Para 9.107)
- xxviii. We urge the Union Government to consider a larger, sustained and more effective direct intervention for the upgradation of administration as well as development of the areas covered under the proviso to Article 275(1) and excluded from the consideration of Finance Commissions in the ToR, in order to bring such areas on par with other areas. (Para 9.110)

### **Recommendations Chapter 10 : Disaster Management**

- i. The financing of the NDRF has so far been almost wholly through the levy of cess on selected items, but if the cesses are discontinued or when they are subsumed under the GST in future, we recommend that the Union Government consider ensuring an assured source of funding for the NDRF. (Para 10.26)
- ii. While making appropriations into the NDRF, we recommend that past trends of outflows from it should be taken into account by the Union Government to ensure adequacy of the Fund in order to assure timely availability and release of funds to the States. (Para 10.27)

- iii. Recognising that contributions from the public and institutions could be another source of financing the NDRF, we recommend that a decision on granting tax exemption to private contributions to the NDRF be expedited and that the Union Government consider invoking the use of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules 2014 as an enabling provision for financing the NDRF. (Paras 10.28 and 10.29)
- iv. We recommend a review of the current arrangements for the reimbursement of expenditure incurred by the defence forces on disaster relief, since we are convinced that these could have an adverse impact on their operational efficiency. (Para 10.30)
- v. Considering the usefulness of a scientifically validated risk vulnerability indicator to measure the type, frequency and intensity of disasters, and in view of the very wide responsibility cast on governments at different levels by the statute, we recommend that the Union Government should expedite the development and scientific validation of the Hazard Vulnerability Risk Profiles of States. (Para 10.34)
- vi. We adopted the practice of the previous Commissions and used past expenditure on disaster relief for the period 2006-07 to 2012-13 to determine the SDRF corpus for each State. Further, we followed the methodology of the FC-XIII to arrive at an aggregate corpus for all States of Rs. 61,219 crore for the award period. (Para 10.36)
- vii. We recommend that all States contribute 10 per cent to SDRF during our award period, with the remaining 90 per cent coming from the Union Government. (Para 10.40)
- viii. We are in agreement with the views of the FC-XIII that the decision of constituting DDRFs is best left to the wisdom of the State Governments, and hence, separate grants for the financing of DDRFs are not recommended. (Para 10.42)
- ix. We note with satisfaction that the norms for expenditure have undergone periodic revisions and that the States are being consulted in the process of reviewing the norms. We urge the Union Government to take account of the genuine concerns of the States in the consultative mechanism already in place. (Para 10.46)
- x. Considering the need for flexibility in regard to state-specific disasters, we recommend that up to 10 per cent of the funds available under the SDRF can be used by State Governments for natural disasters that they consider to be 'disasters' within the local context in the State and which are not included in the notified list of disasters of the Ministry of Home Affairs. (Para 10.52)
- xi. While calculating the requirement for funds from the NDRF during severe calamities, the existing practice of adjusting the contribution made by the Union Government to the SDRF should continue. (Para 10.55)

### **Recommendations Chapter 11 : Grants-in-Aid**

- i. A total revenue deficit grant of Rs. 1,94,821 crore is recommended during the award period for eleven States (Table 11.3). (Para 11.37)

- ii. There is a case for transfers from the Union Government to the States to augment expenditure in specific sectors with a high degree of externalities in order to ensure desired minimum level of expenditures in every State. However, past experience shows that achieving this through the mechanism of Finance Commission grants may not be appropriate. Further, we are informed that Finance Commission grants on this account often operate in parallel with other transfers. We, therefore, conclude that all such transfers, in whichever sectors are considered necessary, should be addressed through a different institutional arrangement described in Chapter 12. (Para 11.42)
- iii. We endorse the proposal made by the Department of Justice to strengthen the judicial systems in the States and urge State Governments to use the additional fiscal space provided by us in the tax devolution to meet such requirements. (Para 11.44)
- iv. Our assessment of the expenditure needs of the States has taken into account the high base of expenditure for both general administration and police. Therefore, in our view, the States have the appropriate fiscal space to provide for the additional expenditure needs as per their requirements. This should help them address the problems and facilitate them to build capacity and bridge the existing gaps in regard to general administration and police. (Para 11.45)
- v. We have provided appropriate fiscal space for maintenance expenditures and this should enable the States to meet the additional expenditure needs according to their requirements. We also urge the States to enhance expenditure on maintenance of capital assets to the appropriate levels. (Para 11.48)
- vi. We consider health, education, drinking water and sanitation as public services of national importance, having significant inter-state externalities. However, in our view, the grants to these sectors should be carefully designed and implemented and an effective monitoring mechanism put in place with the involvement of the Union Government, State Governments and domain expertise. Therefore, we have desisted from recommending specific-purpose grants and have suggested that a separate institutional arrangement be introduced for the purpose. (Para 11.59)”



**Appendix 4.1 Export Performance of Karnataka State 2007-08 to 2013-14**

Sl. No	Commodity	(Rs.Crore)									
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14			
1	Electronics, Computer Software & BT	69518	82153	90735	105351	135660	156000	178000			
2	Readymade Garments	4125	5395	5125	6866	8143	7670	8900			
3	Petroleum & Petroleum Products	11232	11642	11041	14602	23418	33915	35392			
4	Engineering Products	8301	6185	4387	7324	8263	12568	17978			
5	Iron Ore & Minerals (incl Granite)	10197	7275	4693	868	1134	1735	739			
6	Silk Products	912	897	702	678	673	654	650			
7	Coffee Products	1308	1579	1423	2184	3173	3534	3598			
8	Basic Chemicals , Pharmaceuticals & Cosmetics	2070	2531	2761	2893	5077	7233	8300			
9	Agriculture & Processed Food Products	416	712	663	670	763	1149	1300			
10	Gem and Jewellery	9749	10893	17409	19897	23728	24483	24175			
11	Cashew and Cashew Kernals	527	638	644	587	882	847	1200			
12	Handicrafts	428	429	257	293	267	374	516			
13	Leather Products	201	214	194	202	320	452	450			
14	Chemicals and Allied Products	399	457	311	339	480	491	562			
15	Marine Products	153	236	412	528	605	632	1067			
16	Plastic Goods	215	266	327	563	604	788	700			
17	Spices	245	479	382	450	700	905	1150			
18	Wool & Woolwn Products	148	153	144	91	129	151	176			
19	Miscellaneous and Other	2560	2120	1261	1038	4819	4789	5565			
	<b>Total</b>	<b>122704</b>	<b>134254</b>	<b>142871</b>	<b>165424</b>	<b>218838</b>	<b>258370</b>	<b>290418</b>			

**Appendix 5.1 Hutdwellers**

<b>District Code</b>	<b>District</b>	<b>No. of Hut-dwellers</b>
1	Belgaum	84656
2	Bagalkot	9733
3	Bijapur	33586
4	Gulbarga	94754
5	Bidar	54989
6	Raichur	86676
7	Koppal	36441
8	Gadag	27422
9	Dharwad	10889
10	UttaraKannada	19349
11	Haveri	33961
12	Bellary	75918
13	Chitradurga	29958
14	Davanagere	34093
15	Shimoga	39368
16	Udupi	5901
17	Chikmagalur	8053
18	Tumkur	91965
19	Kolar	14445
20	Bangalore Urban	797
21	Bangalore Rural	1486
22	Mandya	23115
23	Hassan	30982
24	DakshinaKannada	5296
25	Kodagu	2396
26	Mysore	40714
27	Chamarajanagar	27788
28	Ramanagara	31618
29	Chikkaballapur	33262
30	Yadgiri	60389
	<b>Grand Total</b>	<b>1050000</b>

**Appendix 5.2**  
**Urban Housesites**

Sl. No.	District	2011-2012		2012-2013		2013-2014		Total		2014-15	
		Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	completed Upto Sept-2014
1	Bagalkot	2890	4345	1165	2101	572	0	4627	6446	572	54
2	Bengaluru Rural	1127	31	446	0	219	0	1792	31	219	0
3	Bengaluru Urban	1573	200	647	1039	356	120	2576	1359	356	0
4	Belagavi	3913	3150	1428	797	709	166	6050	4113	709	0
5	Ballari	2467	3016	989	850	500	5323	3956	9189	500	0
6	Bidar	1480	278	595	644	296	19	2371	941	296	0
7	Vijayapura	1303	0	514	309	251	0	2068	309	251	0
8	Chamarajanagar	1234	401	502	85	250	37	1986	523	250	0
9	Chikkballapura	1480	368	595	39	296	0	2371	407	296	0
10	Chikkmagaluru	1375	0	550	90	259	13	2184	103	259	0
11	Chitradurga	1163	224	464	1432	223	0	1850	1656	223	0
12	DakshinaKannada	1868	183	747	170	377	100	2992	453	377	361
13	Davanagere	1657	66	717	363	372	61	2746	490	372	174
14	Dharwad	1516	697	611	0	313	0	2440	697	313	0
15	Gadag	1551	2242	643	2510	305	64	2499	4816	305	0
16	Kalaburagi	2291	1114	921	565	468	332	3680	2011	468	0
17	Hassan	1515	0	600	1022	287	0	2402	1022	287	0
18	Haveri	1832	359	731	1731	360	0	2923	2090	360	0
19	Kodagu	741	31	303	0	145	0	1189	31	145	0
20	Kolar	1550	0	620	356	310	1	2480	357	310	0
21	Koppal	1128	8	459	175	232	0	1819	183	232	0
22	Mandya	1339	0	532	66	255	0	2126	66	255	0
23	Mysuru	1974	22	790	295	395	200	3159	517	395	0
24	Raichur	1480	28	595	0	296	0	2371	28	296	0
25	Ramanagara	1198	0	484	1368	258	0	1940	1368	258	0
26	Shivamogga	1975	91	805	113	413	61	3193	265	413	0
27	Tumkuru	2291	0	923	0	473	72	3687	72	473	0
28	Udupi	951	0	378	0	193	85	1522	85	193	0
29	UttaraKannada	2257	0	893	150	438	0	3588	150	438	0
30	Yadgiri	881	7	353	0	179	0	1413	7	179	0
	<b>Grand Total</b>	<b>50000</b>	<b>16861</b>	<b>20000</b>	<b>16270</b>	<b>10000</b>	<b>6654</b>	<b>80000</b>	<b>39785</b>	<b>10000</b>	<b>589</b>

**Appendix 5.3**  
**Rural Ambedkar Financial yearwise achievement**

Sl. No	District Name	2011-12		2012-13		2013-14		Total		2014-15	
		Target	completed	Target	completed	Target	completed	Target	completed	Target	completed Upto Sept-2014
1	Bagalkot	270	129	217	105	154	130	641	364	0	9
2	Bengaluru Rural	79	51	16	37	14	20	109	108	0	4
3	Bengaluru Urban	121	30	149	33	91	41	361	104	0	2
4	Belagavi	223	414	1426	840	725	359	2374	1613	0	58
5	Ballari	257	186	202	154	235	249	694	589	0	53
6	Bidar	270	258	206	307	41	339	517	904	0	138
7	Vijayapura	353	182	826	631	671	595	1850	1408	0	446
8	Chamarajanagar	1277	194	915	497	473	306	2665	997	0	59
9	Chikkaballapura	648	276	370	176	95	73	1113	525	0	13
10	Chikkmagaluru	202	94	181	87	42	47	425	228	0	12
11	Chitradurga	389	200	508	215	197	61	1094	476	0	85
12	Dakshina Kannad	60	60	7	32	12	32	79	124	0	13
13	Davanagere	334	320	264	226	203	152	801	698	0	47
14	Dharwad	66	75	39	75	11	67	116	217	0	5
15	Gadag	83	100	127	57	134	29	344	186	0	20
16	Kalaburagi	249	231	906	762	130	175	1285	1168	0	56
17	Hassan	316	149	335	144	341	175	992	468	0	94
18	Haveri	121	139	362	170	71	146	554	455	0	57
19	Kodagu	17	11	17	13	14	23	48	47	0	7
20	Kolar	271	146	151	53	49	6	471	205	0	4
21	Koppal	250	175	501	213	150	239	901	627	0	73
22	Mandya	302	144	388	92	133	63	823	299	0	47
23	Mysuru	249	91	419	187	329	165	997	443	0	70
24	Raichur	238	82	432	96	252	69	922	247	0	20
25	Ramanagara	343	214	248	63	104	30	695	307	0	13
26	Shivamogga	191	61	56	65	24	54	271	180	0	24
27	Tumkuru	521	445	407	365	98	201	1026	1011	0	37
28	Udupi	31	29	0	4	4	5	35	38	0	1
29	Uttarakannada	49	37	40	17	43	53	132	107	0	2
30	Yadgiri	220	199	285	222	160	197	665	618	0	101
	<b>Total</b>	<b>8000</b>	<b>4722</b>	<b>10000</b>	<b>5938</b>	<b>5000</b>	<b>4101</b>	<b>23000</b>	<b>14761</b>	<b>0</b>	<b>1570</b>

**Appendix 5.4**

**IAY Financial yearwise achievement**

Sl. No	District Name	2011-12		2012-13		2013-14		Total		2014-15	
		Target	completed	Target	completed	Target	completed	Target	completed	Target	Completed Upto Sept-2014
1	Bagalkot	2818	714	3374	4316	7647	4648	13839	9678	5745	398
2	BengaluruRural	1683	405	1481	1331	112	799	3276	2535	927	263
3	BengaluruUrban	1902	146	1467	1002	731	864	4100	2012	215	188
4	Belagavi	10147	4846	11789	11310	14762	11753	36698	27909	9432	3363
5	Ballari	6970	645	8145	8007	9730	7646	24845	16298	7396	1620
6	Bidar	2725	930	2360	2393	297	2335	5382	5658	3448	318
7	Vijayapura	3274	1024	3444	6377	8316	6860	15034	14261	6001	1084
8	Chamarajanagar	2465	292	2054	1880	1281	1745	5800	3917	2347	636
9	Chikkaballapura	3076	336	1584	1541	18	1197	4678	3074	2155	374
10	Chikkmagaluru	3129	641	2184	2288	46	1480	5359	4409	567	326
11	Chitradurga	4622	1933	5318	5625	4667	3602	14607	11160	5591	1402
12	DakshinaKannada	528	364	1019	1012	110	816	1657	2192	825	560
13	Davanagere	3959	2268	3671	6183	1583	3359	9213	11810	2847	1164
14	Dharwad	807	248	2233	3872	884	3026	3924	7146	448	392
15	Gadag	2014	1047	1842	2487	1136	1908	4992	5442	1054	451
16	Kalaburagi	3224	640	3948	4959	1421	2262	8593	7861	2949	280
17	Hassan	2514	412	1883	1533	4281	2451	8678	4396	2826	890
18	Haveri	2969	884	2562	2868	1189	2989	6720	6741	1601	643
19	Kodagu	994	307	931	1247	75	425	2000	1979	246	152
20	Kolar	3188	450	1931	1227	192	1275	5311	2952	1294	422
21	Koppal	5653	705	4831	5375	7400	5174	17884	11254	5448	839
22	Mandya	2899	483	2102	2020	472	2034	5473	4537	393	321
23	Mysuru	3220	337	3347	2888	1290	2495	7857	5720	4237	892
24	Raichur	11604	2025	10726	10107	24865	13167	47195	25299	22365	2231
25	Ramanagara	1592	570	1582	1736	842	1524	4016	3830	606	275
26	Shivamogga	3757	605	3108	2855	1136	2517	8001	5977	1091	954
27	Tumkuru	4290	2303	5712	7288	1366	4987	11368	14578	2713	1643
28	Udupi	840	276	1109	737	32	641	1981	1654	162	311
29	UttaraKannada	2708	766	2402	1915	2282	3285	7392	5966	1722	593
30	Yadgiri	429	167	1861	2114	1837	1551	4127	3832	3349	403
	<b>Total</b>	<b>100000</b>	<b>26769</b>	<b>100000</b>	<b>108493</b>	<b>100000</b>	<b>98815</b>	<b>300000</b>	<b>234077</b>	<b>100000</b>	<b>23388</b>

**Appendix 5.5**

**Vajapayee Urban Housing Scheme - Financial yearwise achievement**

Sl. No	District Name	2011-12		2012-13		2013-14		Total		2014-15	
		Target	completed	Target	completed	Target	completed	Target	completed	Target (up to Sept.2014)	Completed Upto Sept-2014
1	Bagalkot	1329	170	623	1330	666	384	2618	1884	190	341
2	BengaluruRural	515	2	236	64	66	76	817	142	60	17
3	BengaluruUrban	9832	200	5004	0	0	0	14836	200	52	1
4	Belagavi	1791	23	742	229	918	406	3451	658	222	206
5	Ballari	1134	295	549	1050	1582	543	3265	1888	390	397
6	Bidar	681	34	308	18	417	160	1406	212	124	178
7	Vijayapura	590	487	271	455	498	203	1359	1145	130	306
8	Chamarajanagar	563	88	254	189	357	152	1174	429	90	48
9	Chickballapura	681	106	308	193	435	95	1424	394	122	24
10	Chikkmagaluru	630	25	271	76	189	68	1090	169	40	12
11	Chitradurga	530	30	235	301	253	19	1018	350	62	19
12	DakshinaKannada	855	46	373	258	216	166	1444	470	48	116
13	Davanagere	760	299	369	388	420	143	1549	830	108	162
14	Dharwad	693	81	326	168	90	289	1109	538	26	63
15	Gadag	708	217	356	735	1321	530	2385	1482	352	255
16	Kalaburagi	1095	222	462	457	1392	1004	2949	1683	342	345
17	Hassan	692	5	319	138	186	73	1197	216	50	20
18	Haveri	837	90	352	318	453	254	1642	662	204	184
19	Kodagu	338	10	165	44	84	75	587	129	12	8
20	Kolar	707	65	319	77	297	210	1323	352	98	75
21	Koppal	516	19	236	165	189	148	941	332	32	9
22	Mandya	612	40	299	89	276	86	1187	215	100	80
23	Mysuru	900	1073	405	657	228	252	1533	1982	72	169
24	Raichur	681	59	300	94	2919	277	3900	430	762	60
25	Ramanagara	548	1	294	70	126	101	968	172	42	37
26	Shivamogga	902	48	409	351	480	928	1791	1327	78	50
27	Tumkuru	1051	201	423	569	228	152	1702	922	70	65
28	Udupi	435	42	251	130	12	27	698	199	2	0
29	UttaraKannada	1038	19	400	119	57	60	1495	198	16	14
30	Yadgiri	356	74	141	253	645	94	1142	421	154	27
	<b>Total</b>	<b>32000</b>	<b>4071</b>	<b>15000</b>	<b>8985</b>	<b>15000</b>	<b>6975</b>	<b>62000</b>	<b>20031</b>	<b>4050</b>	<b>3288</b>

**Appendix 5.6**  
**Rural Housesites**

Sl. No.	District	2011-2012		2012-2013		2013-2014		Total		2014-15	
		Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	completed Upto Sept 2014
1	Bagalkot	4348	1852	849	1074	295	101	5492	3027	301	0
2	BengaluruRural	2615	245	515	97	168	0	3298	342	169	92
3	BengaluruUrban	2293	2407	450	4581	154	541	2897	7529	156	0
4	Belagavi	12931	2903	2550	0	928	0	16409	2903	944	0
5	Ballari	5040	2106	1291	149	346	97	6677	2352	346	0
6	Bidar	4665	808	923	0	322	0	5910	808	332	0
7	Vijayapura	5306	50	1054	0	343	26	6703	76	334	368
8	Chamarajanagar	3200	0	627	120	217	0	4044	120	215	0
9	Chikkaballapura	4031	1146	793	155	276	0	5100	1301	279	0
10	Chikkmagaluru	6028	74	1194	0	380	0	7602	74	378	48
11	Chitradurga	4935	843	981	201	343	131	6259	1175	348	0
12	DakshinaKannada	5412	72	1070	691	357	459	6839	1222	358	94
13	Davanagere	6132	3186	1213	785	401	0	7746	3971	399	202
14	Dharwad	3388	339	667	343	218	86	4273	768	217	102
15	Gadag	2827	607	556	1272	201	1104	3584	2983	196	0
16	Kalaburagi	5866	0	1158	0	392	188	7416	188	398	51
17	Hassan	6880	404	1365	411	443	105	8688	920	432	0
18	Haveri	5548	2012	1100	815	359	31	7007	2858	360	0
19	Kodagu	2613	215	516	107	178	34	3307	356	175	54
20	Kolar	4159	0	829	0	264	0	5252	0	260	0
21	Koppal	3571	138	715	469	240	0	4526	607	240	0
22	Mandya	6187	97	1236	40	405	179	7828	316	405	0
23	Mysuru	6266	225	1245	189	415	128	7926	542	419	100
24	Raichur	4373	828	870	501	277	100	5520	1429	283	116
25	Ramanagara	3466	1172	685	468	228	78	4379	1718	231	0
26	Shivamogga	6932	636	1378	677	462	268	8772	1581	450	37
27	Tumkuru	8503	264	1698	170	564	238	10765	672	564	217
28	Udupi	3867	89	772	361	253	385	4892	835	248	98
29	Uttara Kannada	5498	259	1082	61	361	0	6941	320	356	0
30	Yadgiri	3120	1357	618	0	210	0	3948	1357	207	160
	<b>Grand Total</b>	<b>150000</b>	<b>24334</b>	<b>30000</b>	<b>13737</b>	<b>10000</b>	<b>4279</b>	<b>190000</b>	<b>42350</b>	<b>10000</b>	<b>1739</b>

**Appendix 5.7**  
**Urban Housesites**

Sl. No.	District	2011-2012		2012-2013		2013-2014		Total		2014-15	
		Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	Sites Distributed	Target	completed Upto Sept-2014
1	Bagalkot	2890	4345	1165	2101	572	0	4627	6446	572	54
2	BengaluruRural	1127	31	446	0	219	0	1792	31	219	0
3	BengaluruUrban	1573	200	647	1039	356	120	2576	1359	356	0
4	Belagavi	3913	3150	1428	797	709	166	6050	4113	709	0
5	Ballari	2467	3016	989	850	500	5323	3956	9189	500	0
6	Bidar	1480	278	595	644	296	19	2371	941	296	0
7	Vijayapura	1303	0	514	309	251	0	2068	309	251	0
8	Chamarajanagar	1234	401	502	85	250	37	1986	523	250	0
9	Chickballapura	1480	368	595	39	296	0	2371	407	296	0
10	Chikkmagaluru	1375	0	550	90	259	13	2184	103	259	0
11	Chitradurga	1163	224	464	1432	223	0	1850	1656	223	0
12	DakshinaKannada	1868	183	747	170	377	100	2992	453	377	361
13	Davanagere	1657	66	717	363	372	61	2746	490	372	174
14	Dharwad	1516	697	611	0	313	0	2440	697	313	0
15	Gadag	1551	2242	643	2510	305	64	2499	4816	305	0
16	Kalaburagi	2291	1114	921	565	468	332	3680	2011	468	0
17	Hassan	1515	0	600	1022	287	0	2402	1022	287	0
18	Haveri	1832	359	731	1731	360	0	2923	2090	360	0
19	Kodagu	741	31	303	0	145	0	1189	31	145	0
20	Kolar	1550	0	620	356	310	1	2480	357	310	0
21	Koppal	1128	8	459	175	232	0	1819	183	232	0
22	Mandya	1339	0	532	66	255	0	2126	66	255	0
23	Mysuru	1974	22	790	295	395	200	3159	517	395	0
24	Raichur	1480	28	595	0	296	0	2371	28	296	0
25	Ramanagara	1198	0	484	1368	258	0	1940	1368	258	0
26	Shivamogga	1975	91	805	113	413	61	3193	265	413	0
27	Tumkuru	2291	0	923	0	473	72	3687	72	473	0
28	Udupi	951	0	378	0	193	85	1522	85	193	0
29	UttaraKannada	2257	0	893	150	438	0	3588	150	438	0
30	Yadgiri	881	7	353	0	179	0	1413	7	179	0
	<b>Grand Total</b>	<b>50000</b>	<b>16861</b>	<b>20000</b>	<b>16270</b>	<b>10000</b>	<b>6654</b>	<b>80000</b>	<b>39785</b>	<b>10000</b>	<b>589</b>



## Appendix 6.1

### District- wise Urbanisation in Karnataka 2011

Sl. No	Districts	Urbanisation %
1	Bagalkote	32
2	Bangaluru	91
3	Bangaluru (Rural)	27
4	Belagavi	25
5	Ballari	38
6	Bidar	25
7	Vijayapura	23
8	Chamarajanagar	17
9	Chikkaballapura	22
10	Chikkmagaluru	21
11	Chitradurga	20
12	Dakshina Kannada	48
13	Davanagere	32
14	Dharawad	57
15	Gadag	36
16	Kalaburgi	33
17	Hassan	21
18	Haveri	22
19	Kodagu	15
20	Kolar	31
21	Koppal	17
22	Mandya	17
23	Mysuru	41
24	Raichur	25
25	Ramanagara	25
26	Shivamogga	36
27	Tumkuruu	22
28	Udupi	28
29	Uttara Kannada	29
30	Yadagiri	19
<b>Karnataka</b>		<b>39</b>

Source:2011 Census

**Appendix 6.2 Construction of Houses in Various Schemes**

District/ Year	Ashraya Housing Scheme		Dr. B.R. Ambedkar Grameena Housing Scheme		Indira Awas Housing Scheme	
	Rural	Urban	Rural	Urban	Rural	Urban
1	2	3	4	5	6	7
2010-11	48422	685	3692	0	95311	0
2011-12	69529	4071	4722	0	26769	0
2012-13	158422	8985	5938	0	108493	0
<b>2012-13</b>						
Bagalkote	3863	1330	105	0	4316	0
Bangaluru	1674	0	33	0	1002	0
Bangaluru (Rural)	2791	64	37	0	1331	0
Belagavi	17237	229	840	0	11310	0
Ballari	6019	1050	154	0	8007	0
Bidar	3899	18	307	0	2393	0
Vijayapura	9922	455	631	0	6377	0
Chamarajanagar	3498	189	497	0	1880	0
Chikkaballapura	2066	193	176	0	1541	0
Chikkmagaluru	3438	76	87	0	2288	0
Chitradurga	3742	301	215	0	5625	0
Dakshina Kannada	4123	258	32	0	1012	0
Davanagere	9662	388	226	0	6183	0
Dharawad	4032	168	75	0	3872	0
Gadag	2496	735	57	0	2487	0
Kalaburagi	7976	457	762	0	4959	0
Hassan	5772	138	144	0	1533	0
Haveri	11065	318	170	0	2868	0
Kodagu	1400	44	13	0	1247	0
Kolar	3062	77	53	0	1227	0
Koppal	4355	165	213	0	5375	0
Mandya	5438	89	92	0	2020	0
Mysuru	6202	657	187	0	2888	0
Raichur	3812	94	96	0	10107	0
Ramanagar	7105	70	63	0	1736	0
Shivamogga	2838	351	65	0	2855	0
Tumkuru	11434	569	365	0	7288	0
Udupi	2200	130	4	0	737	0
Uttara Kannada	3870	119	17	0	1915	0
Yadagiri	3431	253	222	0	2114	0

Note: Inclusion of SC/ ST and others Source: RGRHCL

**Appendix 6.3 Authorized & Unauthorized Slums in various Districts in Karnataka**

SI No.	District Name	Authorized Slums	Unauthorized Slums	Total Slums
1	Bagalkote	62	57	119
2	Bangaluru (Rural)	25	22	47
3	Bangaluru	232	353	585
4	Belagavi	104	63	167
5	Ballari	143	38	181
6	Bidar	64	30	94
7	Vijayapura	67	4	71
8	Chamarajanagar	53	23	76
9	Chikkaballapura	44	22	66
10	Chikkmagaluru	33	45	78
11	Chitradurga	50	47	97
12	Dakshina Kannada	14	62	76
13	Davanagere	71	55	126
14	Dharawad	118	44	162
15	Gadag	83	27	110
16	Kalaburagi	121	58	179
17	Hassan	93	23	116
18	Haveri	56	35	91
19	Kodagu	8	10	18
20	Kolar	48	21	69
21	Koppal	41	18	59
22	Mandya	52	15	67
23	Mysuru	37	110	147
24	Raichur	61	71	132
25	Ramanagar	34	18	52
26	Shivamogga	150	31	181
27	Tumkuru	82	132	214
28	Udupi	9	40	49
29	Uttara Kannada	17	25	42
30	Yadagiri	15	5	20
<b>Total</b>		<b>1987</b>	<b>1504</b>	<b>3491</b>

Source: Karnataka Slum Development Board

**Appendix 6.4 Use of Energy for Cooking in ULBs of Various Districts in Karnataka- 2011**

Districts	Firewood	Crop Residue	Cow-pat	Coal/Lignite	Kerosene	LPG/PNG	Electricity	Bio-Gas	Other Sources	Non Cooking Items
Bagalkote	60.42	1.31	0.15	0.10	2.74	34.00	0.07	0.72	0.07	0.42
Bangaluru	4.10	0.31	0.07	0.06	15.85	77.89	0.18	0.80	0.09	0.66
Bangaluru (Rural)	16.38	0.54	0.07	0.05	19.97	61.54	0.21	0.70	0.06	0.49
Belagavi	26.24	1.33	0.23	0.15	5.62	64.77	0.14	0.93	0.19	0.39
Ballari	41.15	1.07	0.13	0.16	9.00	46.77	0.24	0.86	0.07	0.56
Bidar	47.95	5.11	0.41	0.33	6.99	37.42	0.15	0.78	0.46	0.41
Vijayapura	41.60	2.22	0.20	0.61	6.48	47.38	0.08	1.01	0.08	0.35
Chamarajanagar	41.99	1.35	0.05	0.06	11.43	42.79	0.06	1.54	0.43	0.30
Chikkaballapura	32.42	0.90	0.06	0.05	16.71	48.50	0.20	0.70	0.04	0.42
Chikkmagaluru	20.71	0.42	0.05	0.10	7.34	69.67	0.08	0.87	0.04	0.72
Chitradurga	33.77	1.18	0.10	0.10	8.00	55.36	0.09	0.98	0.02	0.40
Dakshina Kannada	27.90	0.29	0.04	0.05	2.91	68.03	0.06	0.31	0.11	0.31
Davanagere	35.80	2.37	0.08	0.05	4.28	55.89	0.10	0.92	0.03	0.48
Dharwad	27.07	1.54	0.22	0.13	7.75	61.69	0.10	0.65	0.38	0.47
Gadag	58.94	2.75	0.11	0.21	2.77	33.19	0.09	1.48	0.17	0.30
Kalaburagi	42.34	2.90	0.24	0.64	7.87	44.63	0.13	0.78	0.10	0.37
Hassan	16.85	0.38	0.05	0.04	15.42	65.44	0.11	1.17	0.07	0.48
Haveri	51.84	4.08	0.03	0.20	2.04	40.82	0.06	0.56	0.10	0.27
Kodagu	17.12	0.64	0.06	0.02	3.00	77.53	0.04	1.22	0.03	0.36
Kolar	30.52	1.09	0.13	0.10	19.51	47.29	0.29	0.53	0.06	0.47
Koppal	58.45	1.04	0.07	0.04	3.87	34.89	0.35	0.71	0.04	0.53
Mandya	27.41	0.83	0.05	0.06	18.21	51.90	0.21	0.73	0.15	0.43
Mysuru	11.45	0.36	0.09	0.05	15.62	71.23	0.11	0.65	0.08	0.38
Raichur	52.55	2.27	0.21	0.13	3.77	36.44	2.34	1.22	0.48	0.60
Ramanagar	31.79	0.88	0.24	0.15	21.95	43.34	0.21	0.82	0.07	0.55
Shivamogga	23.07	0.71	0.07	0.16	10.58	63.59	0.49	0.74	0.10	0.49
Tumkuru	26.58	0.56	0.05	0.08	12.79	58.03	0.14	1.30	0.04	0.42
Udupi	37.31	0.40	0.04	0.15	0.98	59.90	0.03	0.79	0.08	0.32
Uttara Kannada	36.28	0.57	0.11	0.04	2.85	58.72	0.53	0.37	0.04	0.49
Yadagiri	58.67	2.02	0.11	0.11	2.17	35.83	0.28	0.35	0.06	0.41
<b>Karnataka</b>	<b>21.23</b>	<b>0.91</b>	<b>0.10</b>	<b>0.11</b>	<b>11.67</b>	<b>64.33</b>	<b>0.21</b>	<b>0.80</b>	<b>0.11</b>	<b>0.52</b>

Source:2011 Census

**Appendix 6.5 List of number of Slums in Karnataka as per 2011 Census**

District Name	Total Houses in Slums	Total Number of Slums	Share of Slums Population in the State	Grade
Bangaluru	167551	722290	21.94	1
Dharwad	41169	204340	6.21	2
Ballari	41049	200499	6.09	3
Shivamogga	39393	170891	5.19	4
Tumkuru	37412	164368	4.99	5
Kalaburagi	26550	141951	4.31	6
Belagavi	29392	141515	4.30	7
Raichur	23224	122034	3.71	8
Mysuru	27093	117232	3.56	9
Bidar	19713	107117	3.25	10
Davanagere	21358	104092	3.16	11
Bagalkote	20504	103611	3.15	12
Kolar	21888	101713	3.09	13
Hassan	20730	87875	2.67	14
Chitradurga	18525	84013	2.55	15
Koppal	15560	79835	2.43	16
Chikkaballapura	15971	72508	2.20	17
Chamarajanagar	14807	65076	1.98	18
Gadag	13212	64730	1.97	19
Yadgiri	11437	63356	1.92	20
Haveri	11518	56235	1.71	21
Vijayapura	10564	55087	1.67	22
Mandya	12192	53938	1.64	23
Uttara Kannada	11230	50902	1.55	24
Bangaluru (R)	9559	42037	1.28	25
Chikkmagaluru	9067	38423	1.17	26
Ramanagar	8341	37199	1.13	27
Ududpi	3667	17095	0.52	28
Dakshina Kannada	2758	12523	0.38	29
Kodagu	2228	8949	0.27	30
<b>State Total</b>	<b>707662</b>	<b>3291434</b>	<b>100</b>	

Source:2011 Census

**Appendix 7.1 (A)**  
Statement showing District-wise & Month-wise Normal & Actual Rainfall with percentage Departure from normal  
From January to May 2014

Sl. No.	District Name	January Rainfall Pattern (1st to 31st Jan 14)			February Rainfall Pattern (1st Feb to 28th Feb 14)			March Rainfall Pattern (1st Mar to 31st Mar 14)			April Rainfall Pattern (1st April to 30th April 14)			May Rainfall Pattern (1st May to 31st May 14)		
		Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP
	<b>South Interior Karnataka</b>	<b>1.8</b>	<b>0.3</b>	<b>-86</b>	<b>3.5</b>	<b>1.8</b>	<b>-48</b>	<b>8.1</b>	<b>22.2</b>	<b>175</b>	<b>40.5</b>	<b>29.6</b>	<b>96.3</b>	<b>116.0</b>	<b>20</b>	
1	Bangalore Urban	2.1	0.1	-97	7.3	0.0	-99	8.7	17.9	106	37.6	12.5	105.1	95.0	-10	
2	Bangalore Rural	1.5	0.0	-100	5.1	0.1	-98	6.6	38.0	476	34.5	20.4	91.9	87.6	-5	
3	Ramanagara	0.9	0.0	-99	4.8	1.3	-74	9.7	45.6	370	47.6	24.0	119.9	99.6	-17	
4	Kolar	2.7	0.0	-100	4.8	0.1	-99	10.4	15.5	49	29.4	4.1	76.0	78.2	3	
5	Chikballapur	2.2	0.0	-99	4.6	0.0	-99	8.2	15.9	94	26.6	9.7	68.5	108.4	58	
6	Tumkur	2.1	0.0	-99	3.2	2.1	-33	7.2	30.6	325	32.8	26.0	86.8	101.5	17	
7	Chitradurga	1.2	0.2	-83	1.2	3.0	147	3.8	14.4	279	25.6	31.9	67.2	132.2	97	
8	Davanagere	0.9	0.8	-10	1.0	1.8	78	4.1	8.2	100	36.0	55.5	74.7	115.2	54	
9	Chamarajanagar	2.3	0.2	-92	5.7	3.8	-33	12.7	24.1	90	67.4	31.6	142.1	126.7	-11	
10	Mysore	2.1	1.1	-50	4.5	1.2	-73	12.9	13.8	7	61.9	40.3	128.0	148.8	16	
11	Mandya	2.0	0.1	-96	4.6	2.7	-42	8.8	32.2	266	49.5	40.1	118.7	137.2	16	
	<b>North Interior Karnataka</b>	<b>2.1</b>	<b>0.1</b>	<b>-98</b>	<b>1.8</b>	<b>5.8</b>	<b>220</b>	<b>4.9</b>	<b>27.3</b>	<b>457</b>	<b>25.3</b>	<b>29.1</b>	<b>55.2</b>	<b>91.6</b>	<b>66</b>	
1	Bellary	1.3	0.0	-99	1.3	2.2	65	2.8	15.8	464	25.2	25.0	64.5	106.7	65	
2	Koppal	1.0	0.0	-100	0.5	8.8	1658	2.8	22.1	688	22.5	31.2	54.6	92.4	69	
3	Rachur	1.5	0.0	-100	1.5	2.8	87	4.2	33.0	686	18.5	23.6	41.6	89.5	115	
4	Gulbarga	4.1	0.0	-100	3.6	5.7	57	6.6	38.2	479	19.3	32.0	37.6	83.6	122	
5	Yadgir	4.0	0.0	-100	2.8	1.6	-43	5.1	35.0	586	20.2	17.8	37.0	73.9	100	
6	Bidar	5.9	0.0	-100	6.1	13.6	123	10.7	74.6	597	19.8	23.1	31.1	49.3	58	
7	Belgaum	0.8	0.0	-100	0.6	3.6	507	5.4	13.6	152	28.4	32.9	72.1	95.9	33	
8	Bagalkote	1.3	0.3	-78	1.4	11.5	722	4.2	25.7	512	23.1	25.3	56.3	102.0	81	
9	Bijapur	2.5	0.2	-94	2.7	6.5	140	4.9	33.1	574	19.9	21.5	45.6	65.7	44	
10	Gadag	1.1	0.0	-98	1.3	12.7	878	4.3	16.3	279	34.0	33.0	71.6	111.0	55	
11	Haveri	0.3	0.0	-90	0.5	1.9	276	4.0	8.7	118	42.7	52.2	79.7	124.2	56	
12	Dharwad	1.9	0.0	-99	2.9	3.3	14	6.8	11.1	64	44.4	36.2	84.6	139.2	64	
	<b>Mahad</b>	<b>2.0</b>	<b>0.8</b>	<b>-61</b>	<b>2.0</b>	<b>1.8</b>	<b>-9</b>	<b>10.9</b>	<b>8.9</b>	<b>-18</b>	<b>56.0</b>	<b>63.4</b>	<b>13</b>	<b>111.5</b>	<b>34</b>	
1	Shimoga	0.7	0.2	-79	0.7	3.0	331	5.8	9.8	69	39.7	53.1	99.7	101.9	2	
2	Hassan	2.2	0.1	-94	2.7	0.7	-73	10.5	8.9	-15	54.8	56.6	106.0	144.7	37	
3	Chikmagalur	1.7	0.8	-54	2.4	1.9	-22	12.2	9.6	-22	58.4	83.0	104.9	173.7	66	
4	Kodagu	3.3	3.1	-7	4.0	1.1	-72	19.9	6.1	-69	86.9	78.2	155.9	212.9	37	
	<b>Coastal</b>	<b>1.0</b>	<b>0.1</b>	<b>-92</b>	<b>0.1</b>	<b>0.5</b>	<b>390</b>	<b>4.8</b>	<b>3.1</b>	<b>-35</b>	<b>30.5</b>	<b>43.9</b>	<b>44</b>	<b>134.7</b>	<b>13</b>	
1	Dakshina Kannada	2.5	0.1	-98	0.7	1.5	114	9.7	3.9	-60	50.3	65.0	168.6	252.3	50	
2	Udupi	1.0	0.0	-97	0.4	0.2	-50	4.0	2.2	-45	28.4	34.6	167.8	119.0	-29	
3	Uttara Kannada	0.3	0.1	-80	0.1	0.1	40	2.7	3.1	15	22.2	30.2	107.1	116.1	8	
	<b>STATE</b>	<b>1.7</b>	<b>0.2</b>	<b>-89</b>	<b>2.</b>	<b>3.5</b>	<b>41</b>	<b>6.9</b>	<b>20.9</b>	<b>202</b>	<b>34.8</b>	<b>33.6</b>	<b>83.2</b>	<b>112.9</b>	<b>36</b>	

**Appendix 7.1 (B)**  
Statement showing District-wise & Month-wise Normal & Actual rainfall with percentage Departure from normal during  
**Southwest monsoon 2014**

Sl. No.	District Name	June			July			August			September			South-West monsoon Cumulative Rainfall Pattern (1st June to 30th September 14)		
		Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP	Normal (mm)	Actual (mm)	%DEP
	<b>South Interior Karnataka</b>	<b>64.2</b>	<b>67.2</b>	<b>5</b>	<b>78.5</b>	<b>71.2</b>	<b>-9</b>	<b>81.1</b>	<b>123.7</b>	<b>53</b>	<b>135.0</b>	<b>116.7</b>	<b>-14</b>	<b>358.8</b>	<b>378.8</b>	<b>6</b>
1	Bangalore Urban	71.3	94.0	32	94.9	62.4	-34	119.9	81.1	-32	174.0	138.6	-20	460.1	376.1	-18
2	Bangalore Rural	67.9	77.2	14	91.0	65.0	-29	115.2	126.2	10	166.6	159.7	-4	440.7	428.1	-3
3	Ramanagara	70.2	86.4	23	80.9	47.2	-42	100.6	98.5	-2	178.4	164.4	-8	430.1	396.5	-8
4	Kolar	63.3	86.2	36	75.9	50.6	-33	93.7	47.9	-49	153.9	78.1	-49	386.8	262.8	-32
5	Chikballapur	62.6	56.9	-9	86.1	34.6	-60	100.1	72.7	-27	150.2	56.7	-62	399.0	221.0	-45
6	Tumkur	61.7	62.5	1	70.3	50.6	-28	80.9	136.8	69	148.4	129.3	-13	361.3	379.2	5
7	Chitradurga	49.6	55.5	12	57.1	69.2	21	60.4	161.4	167	108.5	76.9	-29	275.6	362.9	32
8	Davanagere	76.0	62.5	-18	99.3	147.6	49	83.5	199.5	139	114.0	97.0	-15	372.8	506.6	36
9	Chamarajanagar	52.1	64.8	24	56.0	56.8	1	65.5	115.3	76	130.9	99.0	-24	304.5	335.9	10
10	Mysore	89.1	69.0	-23	123.8	113.9	-8	80.1	123.0	54	102.2	156.7	53	395.2	462.6	17
11	Mandya	54.1	66.5	23	52.9	60.4	14	62.8	91.1	45	133.8	168.8	26	303.6	386.8	27
	<b>North Interior Karnataka</b>	<b>101.1</b>	<b>52.9</b>	<b>-48</b>	<b>130.8</b>	<b>131.5</b>	<b>1</b>	<b>117.6</b>	<b>204.0</b>	<b>73</b>	<b>144.5</b>	<b>86.5</b>	<b>-40</b>	<b>494.0</b>	<b>474.9</b>	<b>-4</b>
1	Bellary	69.4	59.9	-14	72.4	88.8	23	82.6	167.2	102	127.8	76.9	-40	352.2	392.8	12
2	Koppal	72.8	44.1	-39	72.3	85.0	18	86.5	224.7	160	144.6	97.7	-32	376.2	451.5	20
3	Raichur	80.7	33.8	-58	103.1	84.2	-18	114.9	238.7	108	151.0	106.9	-29	449.7	463.6	3
4	Gulbarga	113.3	47.8	-58	151.5	110.6	-27	160.7	229.5	43	188.6	102.7	-46	614.1	490.5	-20
5	Yadgir	110.8	33.9	-69	147.5	104.6	-29	157.7	235.7	49	175.5	109.4	-38	591.5	483.6	-18
6	Bidar	127.5	55.0	-57	186.7	111.3	-40	195.8	196.4	0	174.2	80.1	-54	684.2	442.7	-35
7	Belgaum	137.5	79.3	-42	222.9	275.8	24	136.5	211.6	55	115.2	81.8	-29	612.1	648.4	6
8	Bagalkote	78.0	50.8	-35	72.4	87.3	21	69.7	168.7	142	130.3	66.2	-49	350.4	373.0	6
9	Bijapur	93.1	42.9	-54	90.0	86.6	-4	90.1	177.4	97	154.6	66.3	-57	427.8	373.2	-13
10	Gadag	86.0	56.5	-34	75.9	96.6	27	82.0	205.3	150	138.1	79.8	-42	382.0	438.2	15
11	Haveri	111.1	63.4	-43	165.4	212.6	29	108.7	206.0	90	99.6	92.5	-7	484.8	574.5	19
12	Dharwad	113.6	51.1	-55	157.1	156.8	0	104.9	179.5	71	122.1	86.8	-29	497.7	474.3	-5
	<b>Malnad</b>	<b>358.4</b>	<b>198.6</b>	<b>-45</b>	<b>597.8</b>	<b>664.6</b>	<b>11</b>	<b>382.0</b>	<b>476.2</b>	<b>25</b>	<b>165.4</b>	<b>248.4</b>	<b>50</b>	<b>1503.6</b>	<b>1587.8</b>	<b>6</b>
1	Shimoga	450.4	254.4	-44	780.8	878.2	12	477.7	620.3	30	180.1	248.4	38	1889.0	2001.3	6
2	Hassan	143.6	88.3	-39	247.5	317.5	28	158.7	213.5	35	123.6	198.2	60	673.4	817.4	21
3	Chikmagalur	301.9	167.7	-44	537.0	647.4	21	355.4	480.2	35	155.0	229.1	48	1349.3	1524.4	13
4	Kodagu	622.4	320.1	-49	904.7	824.8	-9	597.7	604.4	1	219.9	365.1	66	2344.7	2114.4	-10
	<b>Coastal</b>	<b>813.0</b>	<b>443.0</b>	<b>-46</b>	<b>1155.7</b>	<b>1126.0</b>	<b>-3</b>	<b>760.0</b>	<b>943.2</b>	<b>24</b>	<b>290.3</b>	<b>351.6</b>	<b>21</b>	<b>3019.0</b>	<b>2863.8</b>	<b>-5</b>
1	Dakshina Kannada	939.5	494.6	-47	1281.3	1218.2	-5	894.8	1029.8	15	325.4	452.8	39	3441.0	3195.3	-7
2	Udupi	1127.3	543.6	-52	1457.0	1211.6	-17	1048.0	1244.2	19	438.9	436.2	-1	4071.2	3435.6	-16
3	Uttara Kannada	645.9	384.3	-40	992.2	1051.7	6	597.4	798.2	34	221.7	274.4	24	2457.2	2508.7	2
	<b>STATE</b>	<b>194.9</b>	<b>115.4</b>	<b>-41</b>	<b>279.5</b>	<b>283.8</b>	<b>2</b>	<b>205.7</b>	<b>289.2</b>	<b>41</b>	<b>158.6</b>	<b>143.9</b>	<b>-9</b>	<b>838.7</b>	<b>832.3</b>	<b>-1</b>



**Appendix 7.1 (C)**  
Statement showing District-wise & Month-wise Normal & Actual rainfall with percentage Departure from normal during  
**Northeast monsoon 2014**

Sl. No.	District Name	October 2014			November 2014			December 2014			North East Monsoon Cumulative Rainfall Pattern		
		Normal (mm)	Actual (mm)	% DEP	Normal (mm)	Actual (mm)	% DEP	Normal (mm)	Actual (mm)	% DEP	Normal (mm)	Actual (mm)	% DEP
	<b>South Interior Karnataka</b>	<b>146.4</b>	<b>167.0</b>	<b>14</b>	<b>50.0</b>	<b>22.0</b>	<b>-56</b>	<b>14.9</b>	<b>14.0</b>	<b>6</b>	<b>210.4</b>	<b>203.9</b>	<b>-3</b>
1	Bangalore Urban	159.7	232.8	46	57.3	31.7	-45	4.1	16.7	-75	233.7	268.6	15
2	Bangalore Rural	161.4	215.8	34	53.8	31.8	-41	9.5	13.7	-31	228.9	257.1	12
3	Ramanagara	168.7	183.5	9	53.4	19.7	-63	6.2	15.6	-60	237.7	209.4	-12
4	Kolar	151.0	138.9	-8	62.0	32.1	-48	10.4	23.3	-55	236.3	181.5	-23
5	Chikballapur	154.9	114.4	-26	52.5	21.8	-58	6.6	14.8	-56	222.2	142.8	-36
6	Tumkur	147.0	190.7	30	46.7	20.2	-57	9.8	10.2	-4	203.9	220.7	8
7	Chitradurga	117.3	169.7	45	34.4	34.1	-1	8.6	8.5	2	160.2	212.4	33
8	Davanagere	120.7	146.8	22	43.7	30.7	-30	34.3	8.3	313	172.7	211.8	23
9	Chamarajanagar	166.1	149.6	-10	66.8	15.6	-77	11.9	23.6	-49	256.5	177.1	-31
10	Mysore	145.8	143.3	-2	50.7	5.9	-88	31.7	14.2	123	210.7	180.9	-14
11	Mandya	165.1	189.7	15	51.2	8.1	-84	19.5	16.7	17	233.0	217.3	-7
	<b>North Interior Karnataka</b>	<b>110.5</b>	<b>74.7</b>	<b>-32</b>	<b>27.8</b>	<b>22.6</b>	<b>-19</b>	<b>14.4</b>	<b>6.6</b>	<b>118</b>	<b>144.9</b>	<b>111.8</b>	<b>-23</b>
1	Bellary	106.8	98.7	-8	31.7	15.9	-50	28.0	11.0	154	149.5	142.5	-5
2	Koppal	107.7	89.4	-17	26.6	16.6	-38	18.5	8.0	131	142.3	124.4	-13
3	Raichur	114.2	55.9	-51	23.1	4.5	-81	6.3	5.9	7	143.2	66.8	-53
4	Gulbarga	100.9	41.8	-59	20.8	30.4	46	7.7	5.0	54	126.7	79.9	-37
5	Yadgir	121.0	71.8	-41	23.3	13.6	-42	2.4	5.6	-58	149.9	87.8	-41
6	Bidar	90.7	24.4	-73	19.1	14.4	-25	10.5	6.2	70	116.0	49.3	-58
7	Belgaum	116.2	109.0	-6	30.5	40.1	31	17.7	5.8	205	152.5	166.8	9
8	Bagalkote	111.3	63.5	-43	25.6	9.4	-63	13.2	7.2	83	144.1	86.1	-40
9	Bijapur	109.7	47.4	-57	24.8	14.7	-41	8.9	6.4	39	140.9	71.0	-50
10	Gadag	120.6	85.6	-29	33.5	21.7	-35	24.2	7.5	222	161.6	131.4	-19
11	Haveri	118.1	128.2	9	42.7	48.2	13	11.6	7.3	59	168.1	188.0	12
12	Dharwad	113.9	103.7	-9	39.2	39.4	0	32.9	6.3	421	159.4	176.0	10
	<b>Mainad</b>	<b>161.1</b>	<b>133.2</b>	<b>-17</b>	<b>54.7</b>	<b>17.6</b>	<b>-68</b>	<b>19.8</b>	<b>12.6</b>	<b>57</b>	<b>228.4</b>	<b>170.7</b>	<b>-25</b>
1	Shimoga	145.7	120.7	-17	46.3	16.0	-66	18.9	9.7	95	201.7	155.6	-23
2	Hassan	159.3	137.1	-14	53.6	13.5	-75	16.2	12.4	30	225.3	166.7	-26
3	Chikmagalur	158.8	142.1	-11	56.3	21.7	-62	15.4	13.1	17	228.2	179.1	-22
4	Kodagu	200.7	136.9	-32	70.0	20.9	-70	35.5	17.7	101	288.4	193.3	-33
	<b>Coastal</b>	<b>187.1</b>	<b>196.7</b>	<b>5</b>	<b>61.0</b>	<b>37.4</b>	<b>-39</b>	<b>26.4</b>	<b>12.9</b>	<b>105</b>	<b>261.0</b>	<b>260.5</b>	<b>0</b>
1	Dakshina Kannada	261.4	254.1	-3	89.4	52.0	-42	30.2	16.2	87	367.0	336.3	-8
2	Udupi	212.9	240.6	13	70.0	48.0	-32	21.1	15.6	35	298.5	309.6	4
3	Uttara Kannada	142.9	153.9	8	44.4	26.9	-39	26.4	10.3	156	197.6	207.2	5
	<b>STATE</b>	<b>136.0</b>	<b>122.7</b>	<b>-10</b>	<b>41.3</b>	<b>23.3</b>	<b>-44</b>	<b>16.5</b>	<b>10.2</b>	<b>62</b>	<b>187.5</b>	<b>162.4</b>	<b>-13</b>

Source: KSNDMC, Bangalore.

Appendix 7.1 (D)

Statement showing Number of Districts/Taluks/Hoblis under different rainfall category during pre-monsoon 2014

Rainfall Classification	January			February			March			April			May			Pre-Monsoon Rainfall Pattern		
	Dist	Taluk	Hobli	Dist	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli
Excess	0	6	23	15	67	228	23	125	502	11	68	250	19	117	467	0	6	23
Normal	2	4	8	1	18	51	3	15	60	11	50	172	10	41	192	2	4	8
Deficit	2	4	19	6	15	65	3	15	72	5	44	209	1	18	81	2	4	19
Scanty	19	72	173	8	55	225	1	19	95	3	14	116	0	0	7	19	72	173
Nil Rainfall	7	90	524	0	21	178	0	2	18	0	0	0	0	0	0	7	90	524

Statement showing Number of Districts/Taluks/Hoblis under different rainfall category during Southwest monsoon 2014

Rainfall Classification	June			July			August			September			Cumulative Rainfall Pattern		
	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli
Excess	5	19	106	9	53	202	21	126	504	8	43	191	5	49	218
Normal	6	45	160	12	69	257	6	32	141	6	47	201	21	93	348
Deficit	18	95	362	9	47	246	3	16	89	15	72	280	4	34	171
Scanty	1	17	119	0	7	42	0	2	13	1	14	75	0	0	10
Nil Rainfall	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Statement showing Number of Districts/Taluks/Hoblis under different rainfall category during Northeast monsoon 2014

Rainfall Classification	October			November			December			Northeast monsoon (No. of Dist./Taluk/Hobli)		
	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli	Dist.	Taluk	Hobli
Excess	5	34	159	2	23	84	18	101	371	2	25	111
Normal	16	72	247	3	20	70	5	17	118	15	74	278
Deficit	8	63	276	15	65	260	5	38	109	13	73	326
Scanty	1	7	65	10	68	333	2	20	149	0	4	32
Nil Rainfall	0	0	0	0	0	0	0	0	0	0	0	0

Source: KSNDMC, Bangalore.

**Appendix 7.2**

**Production of Principal Crops in Karnataka State 2013-14 & 2014-15**

Unit: Lakh Tonnes, Cotton in Lakh bales

Crops	KHARIF		RABI		SUMMER		ANNUAL	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Rice	30.58	30.50	1.03	0.94	8.92	9.63	40.53	41.57
Jowar	2.39	1.43	10.71	10.53	0.07	0.09	13.17	12.21
Ragi	12.07	12.59	0.36	0.42	0.14	0.20	12.57	13.21
Maize	39.50	38.96	3.18	3.11	0.88	0.89	43.56	42.96
Bajra	3.31	2.92	-	-	-	0.02	3.31	2.84
Wheat	-	-	2.10	1.86	-	-	2.10	1.86
Minor Millets	0.13	0.13	-	-	-	-	0.13	0.13
<b>Total Cereals</b>	<b>87.98</b>	<b>86.52</b>	<b>17.38</b>	<b>16.86</b>	<b>10.01</b>	<b>10.83</b>	<b>115.37</b>	<b>114.77</b>
Tur (Red gram)	7.57	4.64	-	0.00	-	-	7.57	4.64
Bengal gram (Gram)	-	-	7.16	7.75	-	-	7.16	7.75
Horse gram	0.30	0.33	0.59	0.78	-	-	0.89	1.11
Black gram	0.46	0.22	0.04	0.03	-	0.02	0.50	0.23
Green gram	0.79	0.51	0.02	0.01	-	0.01	0.81	0.56
Avare	0.41	0.46	0.06	0.04	-	0.004	0.47	0.50
Cowpea & other pulses	0.25	0.31	0.05	0.07	0.03	0.07	0.33	0.45
<b>Total Pulses</b>	<b>9.78</b>	<b>6.46</b>	<b>7.92</b>	<b>8.68</b>	<b>0.03</b>	<b>0.10</b>	<b>17.73</b>	<b>15.24</b>
<b>Total Food grains</b>	<b>97.76</b>	<b>92.98</b>	<b>25.30</b>	<b>25.54</b>	<b>10.04</b>	<b>10.92</b>	<b>133.10</b>	<b>130.00</b>
Groundnut	3.99	2.86	0.07	1.16	1.59	1.85	5.65	6.10
Sesamum	0.23	0.23	-	-	-	0.01	0.23	0.24
Sunflower	1.09	0.86	1.25	1.12	0.19	0.35	2.53	2.33
Castor	0.11	0.11	-	0.00	-	-	0.11	0.11
Niger seed	0.03	0.02	-	0.01	-	-	0.03	0.03
Mustard	0.01	0.01	-	0.000	-	-	0.01	0.01
Soyabean	2.70	2.57	-	0.00	-	0.01	2.70	2.58
Safflower	-	-	0.34	0.27	-	-	0.34	0.27
Linseed	-	-	0.02	0.02	-	-	0.02	0.02
<b>Total Oilseeds</b>	<b>8.16</b>	<b>6.65</b>	<b>1.68</b>	<b>2.57</b>	<b>1.78</b>	<b>2.22</b>	<b>11.62</b>	<b>11.67</b>
Cotton	17.32	19.33	1.38	1.20	0.07	0.02	18.78	20.55
Sugarcane (Harvested)	-	-	-	-	-	-	379.05	397.10
Sugarcane (Planted)	-	-	-	-	-	-	-	-
Tobacco	-	-	-	-	-	-	0.90	1.10

Source: 2013-14 Final Estimates by DE&S, 2014-15 First Advance Estimates of Agriculture Department.

**Appendix 7.3**

**Area of Principal Crops in Karnataka State- 2013-14 & 2014-15**

Unit: Area in Lakh Hectares

Crops	KHARIF		RABI		SUMMER		ANNUAL	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Rice	10.35	10.00	0.41	0.36	2.64	2.75	13.40	13.11
Jowar	1.68	1.14	9.67	9.57	0.04	0.05	11.39	10.76
Ragi	6.39	6.80	0.25	0.28	0.07	0.10	6.71	7.18
Maize	12.46	12.57	1.04	1.00	0.27	0.27	13.77	13.84
Bajra	2.80	2.44	-	0.00	-	0.02	2.80	2.46
Wheat	-	-	2.09	1.86	-	-	2.09	1.86
Minor Millets	0.24	0.23	-	0.00	-	-	0.24	0.23
<b>Total Cereals</b>	<b>33.92</b>	<b>33.18</b>	<b>13.46</b>	<b>13.08</b>	<b>3.02</b>	<b>3.19</b>	<b>50.40</b>	<b>49.45</b>
Tur (Red gram)	8.24	7.13	-	0.00	-	-	8.24	7.13
Bengal gram (Gram)	-	-	9.46	10.34	-	-	9.46	10.34
Horse gram	0.60	0.60	1.03	1.30	-	-	1.63	1.90
Black gram	0.95	0.65	0.07	0.05	-	0.03	1.02	0.74
Green gram	3.14	2.53	0.06	0.04	-	0.03	3.20	2.60
Avare	0.56	0.59	0.07	0.06	-	0.01	0.63	0.65
Cowpea & other pulses	0.69	0.66	0.11	0.15	0.08	0.15	0.88	0.96
<b>Total Pulses</b>	<b>14.18</b>	<b>12.16</b>	<b>10.80</b>	<b>11.94</b>	<b>0.08</b>	<b>0.22</b>	<b>25.06</b>	<b>24.32</b>
<b>Total Food grains</b>	<b>48.10</b>	<b>45.34</b>	<b>24.26</b>	<b>25.02</b>	<b>3.10</b>	<b>3.41</b>	<b>75.46</b>	<b>73.77</b>
Groundnut	4.73	4.76	0.04	0.61	1.78	1.85	6.55	7.22
Sesamum	0.41	0.46	-	-	-	0.01	0.41	0.47
Sunflower	1.87	1.56	2.11	1.86	0.19	0.35	4.17	3.77
Castor	0.12	0.12	-	0.00	-	-	0.12	0.12
Niger seed	0.14	0.11	-	0.02	-	-	0.14	0.13
Mustard	0.03	0.02	-	0.00	-	0.002	0.03	0.03
Soyabean	2.19	2.85	-	0.00	-	0.01	2.19	2.86
Safflower	-	-	0.43	0.35	-	-	0.43	0.35
Linseed	-	-	0.06	0.05	-	-	0.06	0.05
<b>Total Oilseeds</b>	<b>9.49</b>	<b>9.88</b>	<b>2.64</b>	<b>2.90</b>	<b>1.97</b>	<b>2.22</b>	<b>14.10</b>	<b>15.01</b>
Cotton	5.85	7.94	0.75	0.63	0.02	0.01	6.62	8.57
Sugarcane (Harvested)	4.20	5.17	-	0.48	-	-	4.20	6.26
Sugarcane (Planted)	1.33	-	0.76	-	0.38	0.60	2.47	-
Tobacco	1.09	1.02	-	0.03	-	-	1.09	1.05

Source: 2013-14 Final Estimates by DE&S, 2014-15 First Advance Estimates of Agriculture Department.

**Appendix 7.4**  
**Index numbers of area, production and yield of agricultural commodities**

Base Triennium ending 1981-82 = 100

Year	Area	Production	Yield
2008-09	98.8	192.4	124.8
2009-10	105.1	211.8	126.7
2010-11	110.8	252.0	151.6

**Appendix 7.4**  
**(Additional information)**  
**Index numbers of area, production and yield of agricultural commodities**

Base Triennium ending 1981-82 = 100

Year	Total Cereals			Total pulses			Total food crops			Total Oil seeds		
	Area	Production	Yield	Area	Production	Yield	Area	Production	Yield	Area	Production	Yield
2008-09	90.5	167.6	123.6	134.3	320.6	113.3	99.5	187.1	122.4	100.7	133.1	104.1
2009-10	92.2	163.1	115.0	159.4	420.3	109.9	106.1	195.9	114.3	100.1	140.1	112.1
2010-11	91.7	198.7	139.2	179.4	494.8	131.1	109.9	236.5	138	111.7	133.6	120.2

Source: Directorate of Economics and Statistics

**Appendix 7.5**  
**Area Under Principal Crops in Karnataka**

Lakh Hectares

	2011-2012(P)	2012-2013(P)	2013-2014(P)
Rice	14.16	12.79	13.40
Ragi	6.85	6.45	6.71
Jowar	11.42	12.64	11.39
Bajra	2.86	2.75	2.80
Maize	13.49	13.22	13.77
Wheat	2.25	2.25	2.09
Minor millets	0.24	0.22	0.24
<b>Total cereals and Minor Millets</b>	<b>51.27</b>	<b>50.32</b>	<b>50.40</b>
Tur	7.67	6.60	8.24
<b>Total pulses</b>	<b>23.03</b>	<b>22.68</b>	<b>25.06</b>
<b>Total foodgrains</b>	<b>74.30</b>	<b>73.00</b>	<b>75.46</b>
Groundnut	6.77	5.89	6.55
<b>Total oilseeds</b>	<b>14.16</b>	<b>14.22</b>	<b>14.10</b>
Sugarcane*	4.31	4.25	4.20
Cotton	5.70	4.95	6.62
Areca nut(processed)	2.16	2.21	2.17
Coconut	4.43	4.40	4.30
Dry chillies	1.01	0.55	0.90
Tobacco	1.15	1.06	1.09
Pepper	0.22	0.27	0.28
Cardamom	0.19	0.19	0.19

**Appendix 7.6**

**Production of Principal Crops in Karnataka**

Crop	2011-2012(P)	2012-2013(P)	2013-2014(P)
Rice	39.55	33.64	40.53
Ragi	12.72	9.74	12.57
Jowar	11.66	13.15	13.17
Bajra	2.78	2.85	3.31
Maize	40.85	34.76	43.56
Wheat	1.93	1.79	2.10
Minor millets	0.12	0.09	0.13
<b>Total cereals and Minor Millets</b>	<b>109.61</b>	<b>96.02</b>	<b>115.37</b>
Tur	3.54	4.67	7.57
<b>Total pulses</b>	<b>10.61</b>	<b>13.62</b>	<b>17.73</b>
<b>Total foodgrains</b>	<b>120.22</b>	<b>109.64</b>	<b>133.10</b>
Groundnut	4.85	3.95	5.65
<b>Total oilseeds</b>	<b>9.42</b>	<b>9.00</b>	<b>11.62</b>
Sugarcane	400.10	357.32	379.05
Cotton (1)	12.78	10.38	18.78
Areca nut (processed)	0.70	3.54	3.49
Coconut (2)	4408.34	4336.79	4206.34
Dry Chillies	1.07	0.61	1.14
Tobacco	1.06	0.67	0.90
Pepper (3)	0.61	0.69	0.80
Cardamom	0.02	0.02	0.01

1) Lakh bales of 170 Kgs, each in lint form. (2) Million nuts (3) Interms of quintals

P: Provisional

Note: Figures for 2011-12 , 2012-13 & 2013-14 are based on Final Advance Estimates

**Appendix 7.7**

**Average Yield of Selected Crops - India and Karnataka 2011-12, 2012-13 and 2013-14 Final advance estimates**

Crop	2011-12(P)		2012-13(P)		2013-14(P)	
	India**	Kar	India**	Kar	India**	Kar
	Kgs/Hect.					
Rice	2393	2940	2462	2769	Not Available	3184
Ragi	1641	1955	1428	1590		1972
Jowar	957	1075	863	1095		1217
Wheat	2393	902	2462	836		1057
Maize	2478	3188	2553	2768		3330
Bajra	1171	1023	1214	1093		1243
Tur	662	486	806	745		967
Groundnut	1323	754	996	706		908
Cotton(lint)	491	340	483	375		508
Sugarcane*	71	98	67	88		95

\* Tonnes per hectare

P: provisional N.A: Not Available

\*\* Source: Ministry of Agriculture & Co operation, G O I

**Appendix 7.8**

**Area Irrigated by various sources in Karnataka State**

Year	Net Area irrigated		Total Irrigated Area		Intensity of irrigated cropping	No of irrigation wells*(000)	Net area irrigated per well (ha.)	Gross cropped area	Percentage of gross irrigated area to gross cropped area
	Wells*	Other sources	Net	Gross					
	1	2	3	4					
2010-11	1718	1772	3490	4279	122.6	1116	1.5	13062	32.8
2011-12	1701	1739	3440	4137	120.3	1133	1.5	12059	34.3
2012-13	1729	1692	3421	4007	117.1	1268	1.4	11748	34.1

Note:\* including borewells

**Appendix 7.9(a)**

**Land use classification in Karnataka**

Year	Geographical Area	Forest	Land put to non agriculture use	Barren & Uncultivable land	cultivable waste land	Permanent pastures and other grazing land	Miscellaneous tree crops, groves not included under net area sown	Current fallow	Other fallow	Net area sown	Area sown more than once	Area '000 hectares	
												Gross cropped area	Cropping Intensity
2010-11	19050	3072	1430	787	414	912	286	1199	427	10523	2540	13062	124.13
2011-12	19050	3072	1433	787	413	908	285	1672	539	9941	2118	12059	121.31
2012-13	19050	3073	1436	787	413	908	283	1822	535	9793	1955	11748	119.96

**Appendix 7.9 (b)**

**Land utilisation Statistics**

(lakh hectares)

Classification	2010-11	2011-12	2012-13
<b>Total Geographical Area</b>	190.50	190.50	190.50
1. Forest	30.72	30.72	30.73
<b>2. Not available for cultivation</b>			
a. Land put to non agriculture use	14.30	14.33	14.36
b. Barren and uncultivable land	7.87	7.87	7.87
<b>3. Cultivable waste</b>	4.14	4.13	4.13
<b>4. Uncultivated land excluding fallow land</b>			
a. Permanent Pastures and other grazing land	9.12	9.08	9.08
b. Miscellaneous tree crops, groves not included under net area sown	2.86	2.85	2.83
<b>5. Fallow land</b>			
a. Current fallow	11.99	16.72	18.22
b. Other fallow	4.27	5.39	5.35
<b>6. Net area sown</b>	105.23	99.41	97.93
<b>7. Total cropped Area</b>	130.62	120.59	117.48
<b>8. Area sown more than once</b>	25.39	21.18	19.55
Cropping Intensity	124.13	121.31	119.96

**Appendix 7.10  
Cropping Pattern in Karnataka**

Area in Lakh Hectares

Sl.No.	Crops	Year		
		2012-13	2013-14	2014-15*
1	Rice	12.79	13.40	13.05
2	Jowar	12.64	11.39	10.47
3	Ragi	6.45	6.71	7.20
4	Maize	13.22	13.77	13.87
5	Bajra	2.75	2.80	2.46
6	Wheat	2.25	2.09	2.00
7	M.Millets	0.22	0.24	0.23
	<b>Total Cereals:</b>	<b>50.32</b>	<b>50.40</b>	<b>49.28</b>
1	Tur	6.60	8.24	7.13
2	Bengal gram	9.69	9.46	8.75
3	Horse gram	2.06	1.63	1.85
4	Black gram	1.09	1.02	0.73
5	Green gram	1.75	3.20	2.58
6	Cowpea & other Pulses	0.85	0.88	0.93
7	Avare	0.64	0.63	0.67
	<b>Total Pulses:</b>	<b>22.68</b>	<b>25.06</b>	<b>22.63</b>
	<b>Total Food grains:</b>	<b>73.00</b>	<b>75.46</b>	<b>71.91</b>
1	Groundnut	5.89	6.55	7.21
2	Sesamum	0.73	0.41	0.47
3	Sunflower	5.10	4.17	3.71
4	Castor	0.11	0.12	0.12
5	Niger	0.12	0.14	0.14
6	Mustard	0.02	0.03	0.05
7	Soyabean	1.70	2.19	2.86
8	Safflower	0.48	0.43	0.25
9	Linseed	0.07	0.06	0.05
	<b>Total Oilseeds:</b>	<b>14.22</b>	<b>14.10</b>	<b>14.85</b>
	<u>Annual Crops:</u>			
1	Cotton	4.95	6.62	8.70
2	Sugarcane	4.25	4.20	4.40
3	Tobacco	1.06	1.09	1.05
	<b>Total of above @</b>	<b>97.48</b>	<b>101.47</b>	<b>100.91</b>

**Appendix 7.11  
Fertilizer Consumption and HYV Coverage in Karnataka**

Sl. No.	Area under HYV (Lakh hectares)	Fertilizer Consumption (Lakh Tonnes)			
		Nitrogen	Phosphorous	Potash	TOTAL
1970-71	5.30	0.92	0.37	0.24	1.53
1980-81	24.00	1.93	0.81	0.70	3.44
1990-91	31.56	4.12	2.56	1.65	8.33
2000-01	41.28	7.03	3.60	2.31	12.94
2001-02	39.34	6.71	3.60	2.18	12.49
2002-03	38.41	6.01	3.03	1.95	10.99
2003-04	38.74	4.93	2.40	1.86	9.19
2004-05	45.445	6.55	3.63	2.73	12.91
2005-06	47.99	9.85	4.96	3.25	18.06
2006-07	47.50	7.56	4.38	2.91	14.85
2007-08	48.52	7.92	3.93	3.43	15.28
2008-09	47.73	8.64	5.59	4.09	18.32
2009-10	49.06	9.63	6.30	4.66	20.59
2010-11	49.66	10.16	6.96	3.98	21.10
2011-12	46.59 #	11.04	7.87	3.33	22.23
2012-13	46.72 #	8.92	3.89	2.49	15.30
2013-14	47.66#	9.45	4.42	2.54	16.41
2014-15	45.24*	9.20	4.84	3.17	17.21@

# Provisional , \*Anticipated Achievement @ up to end of December 2014, Source: Department of Agriculture



**Appendix 7.12**

**Progress made under NAIS since inception of the scheme till Kharif 2013-14**

Season / Year	No. of farmers Enrolled (lakhs)	Premium collected (Rs. in lakhs)	Area covered (lakh Hectares)	Sum insured (Rs. in lakhs)	No. of farmers Benefitted (lakhs)	Claims settled (Rs. in lakhs)
1	2	3	4	5	6	7
Kharif - 2011	4.92	1988.00	5.80	76821.86	0.66	3989.60
Rabi & Summer 2011-12	8.76	1560.78	21.73	113639.93	4.64	10001.00
<b>TOTAL 2011-12</b>	<b>13.68</b>	<b>3548.78</b>	<b>27.53</b>	<b>190461.79</b>	<b>5.30</b>	<b>13990.60</b>
Kharif - 2012	4.21	1947.06	4.72	75068.42	1.82	12686.00
Rabi & Summer 2012-13	1.24	443.80	1.84	-	0.66	2911.39
<b>TOTAL 2012-13</b>	<b>5.45</b>	<b>2390.86</b>	<b>4.72</b>	<b>75068.42</b>	<b>2.49</b>	<b>15855.73</b>
Kharif-2013	2.36	1523.54	2.95	58192.47	0.22	1310.23
<b>GRAND TOTAL</b>	<b>131.62</b>	<b>48426.67</b>	<b>230.96</b>	<b>1653513.48</b>	<b>49.02</b>	<b>195532.29</b>

**Appendix 7.13**

**MSP announced by GOI for the year 2014-15**

**(Rs per quintal)**

Sl. No.	Commodity	Variety	2014-15
<b>KHARIF CROPS</b>			
1	Paddy	Common	1360
		Grade 'A'	1400
2	Jowar	Hybrid	1530
		Maldandi	1550
3	Bajra		1250
4	Ragi		1550
5	Maize		1310
6	Arhar (Tur / Red gram)		4350
7	Moong (Green gram)		4600
8	Urad (Black gram)		4350
9	Groundnut in shell		4000
10	Sunflower seed		3750
11	Soybean	Black	2500
		Yellow	2560
12	Sesamum		4600
13	Niger seed		3600
14	Cotton	Medium Staple Cotton	3750
		Long Staple	4050

Source: Agriculture Department. CACP Website

**Appendix - 7.14**  
**Area and production of selected fruit crops**

(Area in hectares, Production in metric tonnes)

crops	2000-01		2007-08		2008-09		2009-10		2010-11		2011-12		2012-13		2013-14 E	
	Area	prodn.	Area	prodn.	Area	prodn.	Area	prodn.	Area	prodn.	Area	prodn.	Area	prodn.	Area	prodn.
<b>Mango</b>	119172	1098547	134567	1223258	140490	1607595	153875	1694051	162648	1762531	168723	1693462	170308	1656191	180527	1755563
<b>Banana</b>	53377	1217169	70472	1793284	75892	1890785	104436	2132320	87238	2239540	92718	2409166	97823	2548223	102715	2675634
<b>Citrus Fruits</b>	15524	326324	13513	295680	15651	274249	15122	312541	17824	388993	17497	387386	16792	368197	17296	379243
<b>Gauva</b>	9087	157102	6871	134783	6882	132699	7168	138810	6944	132461	6690	132268	6306	140577	6432	143388
<b>Sapota</b>	20216	193737	26199	283590	27541	309740	29313	359828	28909	355896	29862	352210	29401	344952	31165	365649
<b>Grapes</b>	8509	150334	14310	258814	15461	278560	17356	317643	16286	278912	19058	310388	19764	292653	20462	302387
<b>Pineapple</b>	4873	272475	2877	177431	2909	180515	2857	177238	2228	130007	2631	164379	2642	155643	2721	160312
<b>Pomgranate</b>	10803	112241	13858	134109	14996	140682	13187	138488	14688	147312	14649	145914	16137	130270	16621	134179
<b>Jack</b>	7855	236524	6166	244409	5995	235144	5825	213817	5421	204204	5341	204759	5339	189867	5499	195563
<b>Papaya</b>	4889	332858	5214	389540	5117	419951	5830	419254	5829	422509	6333	442472	6495	457415	6755	475711
<b>Ber</b>	1023	26580	408	13077	621	13713	392	10647	860	25065	905	25922	663	19014	663	19014
<b>Fig</b>	352	2868	1389	13262	1498	13643	1179	12907	1167	13099	1192	14594	1262	8551	1274	8637
<b>Rose Apple</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Lichi</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Seetaphal</b>	2031	15975	1913	14839	1899	14405	1651	13868	1706	12892	1677	13306	1426	11931	1454	12170
<b>Butter Fruit</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Others</b>	3022	21878	2136	24495	2641	22526	2054	21245	1980	19949	2004	21479	2230	23636	2275	24109
<b>Total</b>	<b>260733</b>	<b>4164612</b>	<b>299893</b>	<b>5000571</b>	<b>317593</b>	<b>5534207</b>	<b>360245</b>	<b>5962657</b>	<b>353728</b>	<b>6133370</b>	<b>369279</b>	<b>6317704</b>	<b>376588</b>	<b>6347120</b>	<b>395859</b>	<b>6651559</b>

E:Estimated, Source : Department of Horticulture

**Appendix 7.15**  
**Financial progress achieved under NHM**

(Rs.in lakhs)

Sl. No.	Year	Opening Balance	Releases			Accrued Interest	Total available Grants (3+6+7)	Grants utilized	Closing Balance
			GOI	GOK	Total				
			85%	15%					
1	2	3	4	5	6	7	8	9	10
1	2005-06	-	4455.17	0	4455.17	-	4455.17	56.49	4398.68
2	2006-07	4398.68	8448.25	0	8448.25	75.76	12922.69	4450.59	8472.10
3	2007-08	8472.10	8571.04	1499.90	10070.94	413.43	18956.47	17064.13	1892.34
4	2008-09	1892.34	12536.88	1000.00	13536.88	218.49	15647.71	10953.65	4694.06
5	2009-10	4694.06	8001.67	1499.00	9500.67	228.47	14423.20	13117.09	1306.11
6	2010-11	1306.11	9325.00	2611.38	11936.38	168.00	13410.49	12522.02	888.47
7	2011-12	888.47	9970.85	1954.58	11925.43	246.36	13060.26	12574.46	485.80
8	2012-13	485.80	11303.81	2026.20	13330.01	246.31	14062.12	10556.14	3505.98
9	2013-14	4283.33	6974.00	1868.85	8842.85	-	13126.18	11351.18	1769.23
10	2014-15*	1769.23	5108.13	901	6009.13		7778.36	6159.78	
	<b>Total</b>	-	<b>84694.8</b>	<b>13360.91</b>	<b>98055.71</b>	<b>1596.82</b>	-	<b>98805.53</b>	

\* up to the end of December-2014

**Appendix 7.16**  
**Year wise Livestock Population**

(in number)

Year	Cattle	Buffalo	Sheep	Goat	Pig	Others	Total livestock	Poultry
1951	8815269	2565959	4192078	2676408	161889	134580	18546183	5705132
1956	8965693	2668713	4059473	2583995	185493	102851	18566218	7667845
1961	9673001	3025890	4764972	2894355	206513	103456	20668187	8840927
1966	9685581	2946027	4747964	2813682	207078	115160	20485462	8276797
1972	10018717	3036873	4662420	3726016	261125	82211	21965362	10163177
1977	10221960	3278128	4536481	3388139	296368	79128	21800204	9696012
1983	11300223	3647967	4791650	4546928	318862	1542755	26148385	12096535
1990	10175501	4037193	4727238	3888799	303969	1835301	24968021	15693580
1997	10831134	4367184	8003078	4874759	405444	2206468	30688067	21398756
2003	9595930	4023832	7272241	4491473	320433	2654625	28358534	24450809
2007	10507325	4329076	9565696	6157134	279763	2044257	32883251	42433692
2012	9516484	3470505	9583761	4796147	304798	1329089	29000784	53442030
% of variation over the previous year 2007	-9.43	-19.83	0.19	-22.10	8.95	-34.98	-11.81	25.94

**Appendix 7.17**  
**Target and Estimate of Milk, Egg, Wool and Meat Production**  
**from 2010-11 to 2014-15**

Sl. No	Year	Milk (in'000 tonnes)		% of Achievements	Egg ( in lakhs)		% of Achievements	Wool(in tonnes)		% of Achievements	Meat(in tonnes)		% of Achievements
		Target	Production		Target	Production		Target	Production		Target	Production	
1	2010-11	4675	5113	104.94	19558	30674	136.09	6176	7179	113.03	116949	123910	100.56
2	2011-12	4815	5448	113.15	19883	34699	174.52	6300	7779	123.48	120341	139553	115.96
3	2012-13	5639	5718	101.40	37475	36773	98.13	8090	8020	99.13	145000	166059	114.52
4	2013-14	5836	5997	102.36	40473	41223	101.85	8414	7755	92.17	150941	169894	112.56
5	2014-15	6040	3571*	59.12	43711	23837*	54.53	8750	3452*	39.45	157000	104418*	66.51
	<b>Total</b>	<b>27005</b>	<b>25847</b>	<b>95.71</b>	<b>161100</b>	<b>167206</b>	<b>103.79</b>	<b>37730</b>	<b>34185</b>	<b>90.60</b>	<b>690231</b>	<b>703834</b>	<b>101.97</b>

\*upto the end of September -2014

**Appendix 8.1**  
**Trends in Irrigation in Karnataka Cumulative Potential Created**

**(Lakh hectares)**

End of Plan/year	Major and Medium Projects	Minor (surface)	Total
<b>VII Plan (1985-1990)</b>			
1985-86	12.27	8.59	20.86
1986-87	12.75	8.65	21.40
1987-88	12.87	8.71	21.58
1988-89	12.97	8.82	21.79
1989-90	13.09	8.92	22.01
<b>Annual Plan</b>			
1990-91	13.36	8.95	22.31
1991-92	13.80	9.00	22.80
<b>VIII Plan</b>			
1992-93	14.25	9.06	23.31
1993-94	14.94	9.13	24.07
1994-95	15.28	9.18	24.46
1995-96	15.77	9.25	25.02
1996-97	16.13	9.30	25.43
<b>IX Plan</b>			
1997-98	16.58	9.35	25.93
1998-99	16.93	9.38	26.31
1999-00	17.41	9.43	26.84
2000-01	18.12	9.51	27.63
2001-02	19.05	9.58	28.63
<b>X Plan</b>			
2002-03	19.70	9.65	29.35
2003-04	20.38	9.71	30.09
2004-05	21.17	9.75	30.92
2005-06	21.97	9.82	31.79
2006-07	23.21	9.61	32.82
<b>XI Plan</b>			
2007-08	23.64	9.69	33.33
2008-09	24.28	9.81	34.09
2009-10	24.56	9.87	34.43
2010-11	25.06	10.06	35.12
2011-12	25.56	10.28	35.84
<b>XII Plan</b>			
2012-13	27.43	10.51	37.94
2013-14	28.51	10.89	39.40
2014-15(A)	29.55	11.83	41.38

A: Anticipated, Source: Water Resources Department, Government of Karnataka

**Appendix 8.2**  
**Public Investment in Irrigation in Karnataka**

**(Rs. in crores)**

Year	Major and Medium projects*	Minor Irrigation works**	Total
1998-99	1719.80	89.17	1808.97
1999-00	2027.27	107.92	2135.19
2000-01	2595.09	121.18	2716.27
2001-02	2547.17	103.16	2650.33
2002-03	2689.96	110.58	2800.54
2003-04	2308.08	129.88	2437.96
2004-05	3531.24	203.96	3735.20
2005-06	3579.39	194.19	3773.58
2006-07	3951.75	354.70	4306.45
2007-08	2058.41	353.11	2411.52
2008-09	2020.85	395.94	2416.79
2009-10	2939.40	594.08	3533.48
2010-11	3470.17	823.85	4294.02
2011-12	4666.06	1100.38	5766.44
2012-13	6107.94	1027.10	7198.30
2013-14 (RE)	8007.36	1078.70	9086.06
2014-15 (BE)	10000.90	1186.04	11186.94

RE: Revised Estimates, BE: Budget Estimates

\* : Includes outlay on irrigation projects pending approval, \*\* : Surface water only

Source: Details of Provisions for Plan Expenditure 2014-15

**Appendix 8.3**

**Details of Progress achieved in the Projects in Upper Krishna Basin  
(Other than Upper Krishna Project)**

**(Financial Rs. in lakhs, Potential in hectares)**

Sl. No.	Name of the Project	Financial			Potential		
		Estimated cost	Cum. Expt. Till3/2014	Expected Expt. During 2014-15	Planned Potential	Potential created upto 3/2014	Anticipated Potential to be created in 2014-15
1	Bennethora	45000.00	42821.00	5000.00	20234	19978	-
2	Bhadra Modernisation	120000.00	110357.00	3000.00	-	-	-
3	Bhima Lift	55193.00	43197.00	9000.00	24292	11694	13179
4	Dudhganga	30980.00	15859.00	1908.00	15167	3800	1000
5	Ghataprabha III	209577.00	182294.00	560000.00	310823	308326	-
6	Hipparagi	170000.00	162403.00	400000.00	74742	72137	2605
7	TBLBC Modn.*	215250.00	105593.00	16500.00	-	-	-
8	Malaprabha	160000.00	145796.00	5200.00	-	-	-
9	Markandeya	40713.00	35299.00	1625.00	-	-	-
10	Ramthal Lift	98000	38515	26900	38728	14393	350
11	Singatlur	576804.00	112437.00	10000.00	107380	23387	10000
12	Upper Tunga	56188.00	176794.00	23700.00	80494	55134	20000
13	Upper Bhadra Stage-I	1234000.00	86170.00	17500.00	225515	-	-
14	Modified Sonthi LIS	60000.00	20739.00	6000.00	16000	2604	8000
15	Timmapura LIS	17300.00	12255.00	1500.00	20100	16833	1300
16	Amarja	28000.00	24974.00	3500.00	8903	7501	1402
17	Basapur Lift	2696.00	2296.00	200.00	2267	890	1376
18	Gandhorinala	30000.00	28869.00	1000.00	8094	7943	-
19	Lower Mullamari	24000.00	22406.00	1200.00	9713	9400	-
20	Harinala	7700.00	7569.00	-	3480	3480	-
21	Hirehalla	39600.00	-	1039.00	8206	-	-
22	Kenchanagudda LIS	1360.00	-	100.00	-	-	-
23	Y-Kaggal	6325.00	-	100.00	-	-	-
24	Itagi Sasalwad Lift	2589.00	2098.00	100.00	1983	1983	-
25	Thimmapur LIS	13300.00	12255.00	1500.00	20100	16833	1300
26	Bhakrihalla	-	-	-	-	-	-
27	Javalahalla	500.00	461.00	100.00	-	-	-
28	Bellarynala Lift	57601.00	16766.00	1200.00	8200	-	-
29	Guddadamallapur	11540.00	9428.00	2500.00	5261	-	3000
30	Srirameshwar LIS	33155.00	31044.00	10000.00	13800	10759	3041
31	Hiranyakeshi LIS	3000.00	1881.00	20000.00	-	-	-
32	Bennihalla, Kolchi & Konnur	2573.00	2373.00	30000.00	-	-	-
33	Ubrani Amrutapur	13000.00	12649.00	541.00	-	-	-
34	Sanyasikoppa	1500.00	1106.00	300.00	1791	1350	441
35	Shiggaon LIS	53100.00	24950.00	2000.00	9900	9771	129
36	Dandavathi	27200.00	538.00	100.00	3642	-	-
37	Tiluvalli LIS	3400.00	779.00	1500.00	10011	-	-
38	Kalluvaddahalla Tank	2042.000	-	25.00	-	-	-
39	Teggi-Siddapur LIS	4198.00	4145.00	500.00	3000	2878	125
40	Sonna & Ronnimannikeri LIS	3168.00	2784.00	250.00	3500	2556	725
41	Rajanakollur LIS	1334.00	1193.00	250.00	1100	1100	0
42	Bhima Barrages	11243.00	11067.00	0	8375	8375	0
43	Manjra Barrages	28145.00	25028.00	1000.00	12672	12672	0
<b>TOTAL</b>		<b>3501274.00</b>	<b>1537188.00</b>	<b>1166838.00</b>	<b>1077473</b>	<b>655777</b>	<b>67973</b>

Source: Water Resources Department



**Appendix 9.1**  
**Sector-wise Growth in Index of Industrial Production (IIP): 2005-06 to 2013-14**

Base year: 2004-05

Sector	Weight	2005-06*	2006-07*	2007-08*	2008-09*	2009-10*	2010-11*	2011-12*	2012-13*	2013-14*	CAGR**
Mining	69.83	102.73	101.77	119.90	128.77	117.02	118.29	44.98	36.42	28.96	-12.9%
			(-0.94)	(17.81)	(7.40)	(-9.12)	(1.09)	(-61.97)	(-19.03)	(-20.48)	
Manufacturing*	811.36	105.89	114.18	123.05	129.83	146.90	161.18	165.05	179.19	184.44	7.0%
			(7.83)	(7.77)	(5.51)	(13.15)	(9.72)	(2.40)	(8.57)	(2.93)	
Electricity	118.81	104.93	118.37	126.24	126.33	146.27	147.96	170.85	180.59	201.34	8.1%
			(12.81)	(6.64)	(0.08)	(15.79)	(1.15)	(15.47)	(5.70)	(11.49)	
General	1000.00	105.73	114.13	123.18	129.28	145.08	156.62	157.35	169.38	175.59	6.5%
			(7.95)	(7.93)	(4.95)	(12.22)	(7.96)	(0.47)	(7.65)	(3.67)	

\* Provisional, \*\*CARG = Compound Average Rate of Growth

Note: Figures in brackets are percentage growth compared to the previous year, Source: Directorate of Economics and Statistics

**Appendix 9.2**

**Index of industrial production in the manufacturing sector in Karnataka by use-based groups : 2005-06 to 2013-14**

Base year: 2004-05

Sl. No	Industry Group	Weight	2005-06*	2006-07*	2007-08*	2008-09*	2009-10*	2010-11*	2011-12*	2012-13*	2013-14*	CAGR**
	Basic goods	219.8377	111.40	132.95	150.99	154.60	156.49	164.71	153.76	178.14	184.64	7.05%
				(19.34)	(13.57)	(2.39)	(1.23)	(5.25)	(-6.64)	(15.86)	(3.65)	
2	Capital goods	132.8699	108.48	113.28	120.75	113.69	131.29	137.93	192.03	194.69	200.95	8.06%
				(4.42)	(6.60)	(-5.85)	(15.47)	(5.06)	(39.22)	(1.39)	(3.22)	
3	Intermediate goods	173.5747	104.84	106.06	111.06	115.31	133.50	146.16	187.68	211.07	219.67	9.14%
				(1.16)	(4.72)	(3.83)	(15.77)	(9.48)	(28.40)	(12.46)	(4.07)	
4	Consumer goods	285.0769	105.17	113.45	122.39	131.45	150.12	165.59	147.40	153.37	155.13	5.00%
				(7.87)	(7.88)	(7.41)	(14.20)	(10.31)	(-10.98)	(4.05)	(1.15)	
	a) Consumer durables	37.4330	103.66	111.39	119.90	143.37	146.16	155.69	183.85	116.51	120.36	2.08%
				(7.46)	(7.65)	(19.57)	(1.94)	(6.52)	(18.08)	(-36.63)	(3.30)	
	b) Consumer non-durables	247.6439	105.70	114.16	123.25	127.39	150.90	163.62	141.89	156.70	165.20	5.74%
				(8.01)	(7.96)	(3.36)	(18.45)	(8.43)	(-13.28)	(10.44)	(5.42)	
	<b>Manufacturing Index*</b>	811.3591	105.89	114.18	123.05	129.83	146.90	161.18	165.15	179.19	184.44	7.04%
				(7.83)	(7.77)	(5.51)	(13.51)	(9.72)	(2.40)	(8.57)	(2.93)	

\* Provisional, \*\*CARG = Compound Average Rate of Growth

Figures in the brackets indicate percentage change over the previous year, Source: Directorate of Economics and Statistics.

**Appendix 9.3**

**Annual indices of industrial production in Karnataka manufacturing division by groups : 2005-06 to 2013-14**

Base Year: 2004-05

Sl. No	NIC Code	Name of the Industry Group	Weight within dvn.	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1	15	Manufacture of Food Products & Beverages	71.2978	104.39	115.03	125.66	152.40	181.07	206.87	163.81	179.92	188.48
2	16	Manufacture of Tobacco Products	50.1473	114.40	101.72	109.60	89.97	128.38	153.33	130.00	142.44	148.32
3	17	Manufacture of Textiles	20.4432	92.89	93.39	96.36	112.51	119.70	128.78	150.88	167.95	175.76
4	18	Manufacture of Wearing Apparel	51.7851	88.64	103.67	109.94	96.00	122.95	137.30	136.61	150.29	158.45
5	19	Manufacture of Leather Goods	1.6970	72.95	80.95	86.73	124.45	133.95	139.00	134.84	145.24	149.24
6	20	Manufacture of Wood & Wood Products	0.9559	90.81	93.09	96.11	100.86	102.30	106.99	205.84	221.48	231.38
7	21	Manufacture of Paper & Paper products	13.4892	107.78	114.35	123.01	153.13	161.86	170.51	171.29	190.56	197.67
8	22	Manufacture of Publishing & Printing Materials	8.4155	98.96	103.30	109.04	211.50	219.71	241.83	200.12	307.06	315.23
9	23	Manufacture of Coke, Refined Petroleum Products & Nuclear fuel	68.0032	95.29	108.08	114.96	144.64	157.50	167.83	148.61	162.26	169.10
10	24	Manufacture of Chemical & Chemical Products	107.8921	112.00	123.34	133.36	106.14	113.59	119.93	137.42	153.31	156.61
11	25	Manufacture of Rubber & Plastic Products	12.4670	103.58	115.66	124.09	173.11	179.34	195.95	177.92	196.53	200.38
12	26	Manufacture of other Non-metallic Mineral products	37.0224	112.17	140.34	160.54	144.56	149.30	155.41	183.35	193.03	196.25
13	27	Manufacture of Basic Metals	119.9261	118.95	138.09	157.43	157.82	166.64	179.03	153.45	173.24	176.33
14	28	Manufacture of Fabricated metal products	13.0763	90.23	98.52	102.62	120.46	126.71	131.72	183.22	203.81	208.14
15	29	Manufacture of Machinery Equipments	50.4417	95.49	103.15	110.22	110.00	116.17	120.32	196.39	213.73	218.76
16	30	Manufacture of Office, Accounting & Computing Machinery	7.1733	103.58	115.66	124.09	171.71	181.52	197.51	187.20	189.46	196.97
17	31	Manufacture of Electrical Machinery & Apparatus	33.4176	107.77	119.49	128.71	117.19	125.15	130.30	209.24	209.75	214.17
18	32	Manufacture of Television and other Communication equipments	25.2076	112.09	132.13	147.41	144.99	163.62	182.61	194.96	198.43	203.04
19	33	Manufacture of Medical, Optical Instruments & Watches	36.0535	115.55	139.22	158.99	123.40	127.70	130.77	164.91	173.75	177.41
20	34	Manufacture of Motor Vehicles, Trailers and Semi-Trailers	54.2817	106.83	97.40	98.91	101.34	119.44	136.45	228.64	232.42	238.45
21	35	Manufacture of Other Transport Equipment	8.2089	105.25	106.27	111.15	59.04	61.59	71.02	201.39	204.58	213.05
22	36	Manufacture of Furniture	19.9570	90.59	87.40	92.95	135.64	148.60	151.74	161.56	163.39	167.25
		<b>Manufacturing Index*</b>	<b>811.3591</b>	<b>105.89</b>	<b>114.18</b>	<b>123.05</b>	<b>129.83</b>	<b>146.90</b>	<b>161.18</b>	<b>165.05</b>	<b>179.19</b>	<b>184.44</b>
					(7.83)	(7.77)	(5.51)	(13.15)	(9.72)	(2.40)	(8.56)	(2.93)

\* Provisional figures, Note: Figures in brackets indicate percentage change over the previous year,

Source: Directorate of Economics and Statistics

**Appendix 9.4**  
**Two Digit Level (NIC-2008) Industrial Composition based on ASI 2011-12**

Sl. No.	Industrial Group (NIC-2008)	Value of Output* (Rs. lakh)	Percentage
1.	Agriculture and related activities (01)	131120	0.33
2.	Manufacture of Food Products (10)	4821360	12.21
3.	Manufacture of Beverages (11)	345935	0.88
4.	Manufacture of Tobacco Products (12)	215504	0.55
5.	Manufacture of Textiles (13)	391558	0.99
6.	Manufacture of Wearing Apparels (14)	1334600	3.38
7.	Manufacture of Leather and Related Products (15)	95090	0.24
8.	Manufacture of Wood & Wood Products (16)	65832	0.17
9.	Manufacture of paper & Paper Products (17)	393508	1.00
10.	Manufacture of Printing & Reproduction of Recorded Media (18)	345147	0.87
11.	Manufacture of Coke & Refined Petroleum Products (19)	5685326	14.40
12.	Manufacture of Chemical & Chemical Products (20)	888872	2.25
13.	Manufacture of Pharmaceutical, medicinal chemical and Botanical products (21)	908897	2.30
14.	Manufacture of Rubber products (22)	1027656	2.60
15.	Manufacture of other non metallic mineral products (23)	1118150	2.83
16.	Manufacture of basic metals (24)	10250244	25.96
17.	Manufacture of Fabricated metal products (25)	581281	1.47
18.	Manufacture of Computer, electronic & optical products (26)	783883	1.99
19.	Manufacture of electrical equipment (27)	1691956	4.29
20.	Manufacture of machinery & equipment (28)	2323766	5.89
21.	Manufacture of motor vehicle, trailers & semi trailers (29)	1210881	3.07
22.	Manufacture of other transport equipment (30)	344272	0.87
23.	Manufacture of furniture (31)	99339	0.25
24.	Manufacture of other manufacturing materials (32)	2693554	6.82
25.	Manufacture of repair & installation of machinery (33)	34935	0.09
26.	Manufacture of waste collection treatment of disposal activities (38)	2445	0.01
27.	Others	1698904	4.30
	<b>State Total</b>	<b>39484015</b>	<b>100.00</b>

\*Provisional, Source: Central Statistical Office, Kolkata

**Appendix 9.5**  
**Registration of Small-Scale Industrial units in Karnataka (Cumulative)**

Item	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
No. of SSI Units set up	298148	310368	321606	334386	346966	361950	377655	394850	413284	434305	458511	484549
Investment (Rs. in lakh)	616374	653428	691969	735616	782158	894817	996434	1119250	1239873	1399514	1616365	1901082
Employment ('000s)	1723	1780	1830	1888	1946	2069	2174	2285	2396	2524	2680	2846

Source: Directorate of Industries and Commerce

**Appendix 9.6**  
**Scheme wise details of Plan and Expenditure (XI & XII Five Year Plan)**

Name of the Scheme	2009-10		2010-11		2011-12		2012-13		2013-14		2014-15	
	Annual Plan	Actual Expenditure	Annual Plan	Actual Expenditure	Annual Plan	Actual Expenditure	Annual Plan	Actual Expenditure	Annual Plan	Actual Expenditure	Annual Plan	Actual Expenditure (Up to Dec 14)
Composite Scheme	209.12	159.21	210.00	193.76	250.00	143.44	1500	998.44	272.00	227.50	449.55	229.30
Training of Officers and Staff	5.00	1.62	3.00	2.10	5.00	0.81	250.29	203.46	5.00	4.85	5.00	2.09
Scheme for Establishment of Publication Wing in the Department	5.00	4.94	3.00	0.93	5.00	2.97	5.00	2.12	5.00	4.66	5.00	2.45
Creation of Mineral Conservation Cell of the Department	1.00	0.4	5.00	2.53	5.00	0.00	5.00	1.83	5.00	3.60	5.00	2.33
Environmental Geological Wing of the Department	10.00	10	10.00	0.00	15.00	0.00	5.00	2.00	5.00	3.75	305.00	303.94
Modernization	200.00	134.82	169	99.4	800	270.84	5.00	0.00	1237.569	1183.77	2045.56	977.38
<b>Total</b>	<b>430.12</b>	<b>310.99</b>	<b>400</b>	<b>298.72</b>	<b>1080</b>	<b>418.06</b>	<b>1770.29</b>	<b>1207.85</b>	<b>1529.569</b>	<b>1428.13</b>	<b>2815.11</b>	<b>1517.49</b>

Source: Planning section, Department of Mines and Geology

### Appendix 9.7

Departmental Target and Achievements (XI five year plan)

#### 1- Iron & Steel

SI No	Year	Targets		Achievement	
		Sales(MTs)	Value (Rs Lakhs)	Sales (MTs)	Value (Rs Lakhs)
1	2008-09	20500	9600	13525	6315
2	2009-10	15000	5400	18696	6723
3	2010-11	25000	10000	20502	8924
4	2011-12	27500	12600	19096	6642
5	2012-13	18500	8982	13795	8671
6	2013-14	15000	7283	11664	5396
7	2014-15	15000	7350	7612 (Up to Dec -14)	3723

Source: KSSIDC

#### 2 - Coal

SI No	Year	Targets		Achievement		Remarks
		Sales(MTs)	Value(Rs Lakhs)	Sales(MTs)	Value(Rs Lakhs)	
1	2008-09	16670	290	16670	290	Coal is an allocation material by M/s Coal India Ltd,
2	2009-10	39665	693	39665	693	
3	2010-11	36582	685	36582	685	
4	2011-12	40000	985	31702	726	
5	2012-13	40000	985	40781	1056	
6	2013-14	40000	1150	35415	969	
7	2014-15	27340	770	15303 (Upto Dec- 2014)	431	

#### 3-Others Paraffin Wax

SI No	Year	Targets		Achievement	
		Sales(MTs)	Value(Rs Lakhs)	Sales(MTs)	Value(Rs Lakhs)
1	2008-09	0	0	0	0
2	2009-10	0	0	0	0
3	2010-11	38	34	38	34
4	2011-12	200	200	124	120
5	2012-13	200	210	98	107
6	2013-14	200	210	69	76
7	2014-15	200	210	47 (Upto Dec-2014)	54

Note: KSSIDC has entered into a distributorship agreement with M/s Indian Oil Corporation Ltd, for distribution of Paraffin wax.

Source: KSSIDC

### Appendix 9.8

#### Achievements made by KIADB in XI five year plan

Particulars	Unit	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
		Achievements	Achievements	Achievements	Achievements	Achievements	Achievements	Achievements
Land acquired	Acres	13,556.39	7105.25	3778.08	25058.50	7723.25	10012.20	5497.47
Expenditure incurred on acquisition	Rs. in Crores	615.34	1275.00	1375.00	1749.00	982.10	1731.00	1180.21
Expenditure incurred on development	Rs. in Crores	245.66	225.00	156.70	286.25	155.75	312.60	528.94
Total Expenditure	Rs. in Crores	861.00	1500.00	1531.70	2035.25	1137.85	2043.60	1709.15
No. of Entrepreneurs	Nos.	891	874	1080	1009	458	481	369

Source: Karnataka State Industrial Areas Development Board, Bangalore

**Appendix 9.9 Registered Factories by Industries**

<b>NIC GROUP 2008</b>	<b>Description</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15 (Apr - Dec)</b>
01	Cotton Ginning, Cleaning & Baling	326	358	21
11	Manufacture of Food Products and Beverages	2010	2190	136
12	Manufacture of Tobacco Products	45	52	6
13	Manufacture of Textiles	215	357	21
14	Manufacture of Wearing Apparel; Dressing and Dyeing of Fur	297	439	94
15	Tanning and dressing of Leather; Manufacture of Luggage, Handbags, Saddlery, Harness and Footwear	52	73	14
16	Manufacture wood and of Products of wood & cork, Except Furniture; Manufacture of articles of straw and plaiting materials	997	1032	29
17	Manufacture of Paper & Paper Products	282	317	32
18	Printing, Publishing & allied Industries	317	450	25
19	Manufacture of Coke, Refined Petroleum Products & Nuclear Fuel	282	285	2
20	Manufacture of Chemicals & Chemical Products	517	601	49
22	Manufacture of Rubber and Plastic Products	545	616	46
23	Manufacture of other Non Metallic Mineral Products	332	365	25
24	Basic Metal metals	539	565	22
25	Manufacture of Fabricated Metal Products & Parts, Except machinery & Transport Equipments	1588	2128	45
28	Manufacturing of Machinery and Equipment NEC*	1427	439	63
27	Manufacture of Electrical, Machinery & Apparatus NEC	504	567	36
26	Manufacture of Radio, Television and Communication Equipment and Apparatus	110	194	6
29	Manufacture of Motor Vehicles Trailers & Semi Trailers	125	133	6
30	Manufacture of other Transport Equipments	43	58	11
31	Manufacture of Furniture Manufacturing NEC	110	122	19
35	Electricity Gas Steam and Hot Water Supply	56	59	20
36	Collection Purification and Distribution of Water	32	37	3
45	Sale Maintenance and Repair of Motor Vehicles, Motor Cycles; retail sale of Automotive Fuel	575	725	58
46	Wholesale Trade and Commission Trade, Except of Motor Vehicles and Motor Cycles;	2	6	4
49	Land Transport; transport Via pipelines	1	4	6
	OTHERS	2561	2801	212
	<b>Total</b>	<b>13890</b>	<b>15973</b>	<b>998</b>

Source: Factories, Boilers, Industrial Safety & Health

**Appendix 9.10 Assistance sanctioned and disbursed by Karnataka State Financial Corporation**

(Rs. Lakh)

<b>Item</b>	<b>2000 - 01</b>		<b>2001 - 02</b>		<b>2002 - 03</b>		<b>2003 - 04</b>		<b>2004 - 05</b>		<b>2005-06</b>		<b>2006-07</b>	
	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>
Sanction	2677	44005	1625	30371	1352	34067	1309	30277	1244	24287	1161	31620	1326	42453
Disbursements	-	32878-	-	29242	-	26828	-	24879	-	24034	-	19986	-	31039

<b>Item</b>	<b>2007-08</b>		<b>2008-09</b>		<b>2009-10</b>		<b>2010-11</b>		<b>2011-12</b>		<b>2012-13</b>		<b>2013-14</b>		<b>2014-15 (April - Dec 14)</b>	
	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>	<b>No. of cases</b>	<b>Amount</b>
Sanction	1195	36815	1420	56524	1461	63149	1537	73163	1485	81732	1598	94406	1426	90926	730	40229
Disbursements	--	30313	-	38392	-	43439	-	58041	-	59708	-	73470	-	70747		38922

Source: Karnataka State Financial Corporation.

**Appendix 9.1.1 Departmental Target and Achievements**

PARTICULARS SOURCES:	FY 2006-07		FY 2007-08		FY 2008-09		FY 2009-10		FY 2010-11		FY 2012-13		FY 2013-14	
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
Opening Balance of Cash/Bank	1013.65	1544.1	9135.34	9135.34	6099.49	5192.68	11849.2	12262.96	12237.36	12139.37	18945.32	18945.32	12353.33	12353.33
Increase in CRPS	0	0	0	157.56	100	179	0	0	0	0	0	0	0	0
Structured Obligation to GOK(HUDCO)	1090.32	1090.32	1092.32	1090.32	1090.32	1090.32	1090.32	1090.32	1090.32	1090.43	1090.32	1090.32	1090.32	1090.32
Government of Karnataka/BIAP cell	13513	8522.14	20732	17016.72	9239	6043.13	1687.24	78	1525	5025	25	6034.61	25	300
Bank loans/Int. accrued but not due	5567.8	4250.58	1753.71	1692.85	895	889.45	865	865	844.53	892.53	402.42	411.3	0	0
Bonds Subscription	10870	12480	0	0	0	0	0	0	0	0	0	0	0	0
Projects	150	2478.01	4175	853.74	1691.5	1493.89	870	517.15	523	637.45	7848.82	431.02	6410.26	1844.64
KITVEN fund	0	0	600	0	575	0	50	225	50	12.5	37.5	37.5	0	100
Government of India-Interest Arrears	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73	13.73
Recovery from Staff Advance	75	83.69	80	72.14	60	60	60	64.83	60	62.17	50	45.87	40	39.08
Recovery from Operations	14458.28	19100.83	13510	10302.4	8070	10495.01	5430	4028.23	4924.64	5157.29	3276.5	2185.99	1786.91	5148.95
Revenue Receipts	7952.08	8802.53	7647.9	9541.17	5947.92	7117.75	5755.32	5343.65	4881	5156.12	4954.21	4523.61	5645.5	6283.1
Income tax refund	0	0	0	473.91	0	0	0	0	188.75	184.39	0	0	0	0
<b>Total</b>	<b>54703.86</b>	<b>58365.93</b>	<b>58740</b>	<b>50349.88</b>	<b>33781.96</b>	<b>32670.26</b>	<b>27670.81</b>	<b>24488.87</b>	<b>26338.33</b>	<b>30370.98</b>	<b>36643.82</b>	<b>33719.27</b>	<b>27365.05</b>	<b>27173.15</b>
<b>APPLICATIONS:</b>														
Investments	1091	962	1769	1771.5	4287	822.98	1999.24	200	1790	290	0	0	0	0
KITVEN fund	0	0	500	0	500	0	850	125	725	126	125	125	325	424
Repayments to HUDCO	1090.32	1090.32	1092.32	1090.32	1092.32	1090.32	1090.32	1090.32	1090.32	1090.43	1090.32	1090.32	1090.32	1090.32
Repayments to Banks	22592.98	22905.8	18560.83	18871.2	2196.34	2209.86	0	0	0	0	0	0	0	0
Redemption of Bonds	5000	6610	255	217	255	255	275	275	7740	520	9550	9550	5940	5940
Staff Advances	50	42.31	50	38.73	41.5	40.5	40.5	41.45	40	39.23	35	27.37	30	19.97
Discharge of other liabilities	0	954.13	190.63	732.51	251	7536.15	3010	5759.42	2674.5	4943.74	2115	1589.74	1075.34	2981.3
Capital Expenditure	20	339.77	20	11.26	20	18.94	50	18.94	60	11	20	5504.86	20	2.32
Project expenditure/Deployment	17946.77	10511.58	25866	16980.69	7281.63	4644.62	2299.25	1052.98	2420.09	2872.73	9909.78	702.29	5804.92	195.09
Current Assets	100	604.28	50	547.05	50	100.58	510	58.42	75	166.66	200	354.83	400	900.43
Income Tax/Sales Tax/FBT	20	98.58	30	391.92	183	724.58	75	399.34	0	231.13	184	353.18	300	863.34
Revenue payments	5682.55	5111.82	4040.56	4505.02	4937.03	2912	2869.41	3328.63	3011.83	2924.04	2478.77	2068.35	1208.99	1298.78
Closing Balance of Cash/Bank	1110.24	9135.34	6315.66	5192.68	12687.14	12262.96	14602.09	12139.37	6711.59	17156.02	10935.95	12353.33	11170.48	13457.6
<b>Total</b>	<b>54703.86</b>	<b>58365.93</b>	<b>58740</b>	<b>50349.88</b>	<b>33781.96</b>	<b>32670.26</b>	<b>27670.81</b>	<b>24488.87</b>	<b>26338.33</b>	<b>30370.98</b>	<b>36643.82</b>	<b>33719.27</b>	<b>27365.05</b>	<b>27173.15</b>

CRPS = Cumulative redeemable preference shares

Source: Karnataka State Industrial & Infrastructure Development Corporation Limited

**Appendix 9.12**  
**Industrial approvals in Karnataka**

Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014 (Up to December)
Letter of Intent Issued	5	4	3	-	-	9	10	12	-	8	3	-	9	6
Industrial Licenses issued	2	3	4	-	-	-	-	-	-	-	-	-	-	

Source: Technical Consultancy Services Organisation of Karnataka (TECSOK)

**Appendix 9.13**  
**Twelve Projects prioritized by GOI in 2013-14 District wise Details**

(Rs. in Lakhs)

Sl. No.	District	No. of Works	Estimated Cost	Total amount released	Amount released in 2013-14
1	Ballari	32	5519.40	3236.79	2984.51
2	Gadag	5	1048.61	565.00	379.61
3	Belagavi	21	2494.96	1787.63	804.80
4	Dharwad	2	300.00	156.11	114.75
5	Bagalkot	7	708.38	290.12	337.94
6	Vijayapura	15	1204.22	480.00	292.00
7	Haveri	8	855.00	257.43	375.00
8	Davanagere	4	559.96	65.00	189.45
9	Bidar	7	12132.11	11706.00	748.25
10	Raichur	15	1260.37	421.02	592.48
11	Koppal	16	1414.00	450.00	607.45
12	Kalaburagi	19	2561.35	767.01	958.79
13	Yadagiri	10	1232.20	465.00	483.84
14	Tumkuru	2	360.00	200.00	160.00
15	Kolar	3	310.20	200.00	41.73
16	Chikkaballapura	4	527.27	280.00	215.64
17	Kodagu	1	173.22	100.00	50.00
18	Udupi	5	520.00	45.00	475.00
19	Dakshina Kannada	5	184.85	38.00	146.85
20	Chamarajanagara	4	178.00	100.00	223.00
21	Chikkmagaluru	10	3282.74	1768.88	789.79
22	Mandya	10	1301.22	649.59	662.57
23	Mysuru	2	50.00	0.00	25.00
24	Hassana	15	870.08	306.50	377.44
25	Uttara Kannada	34	5888.00	989.17	3670.07
26	Shivamoga	4	914.20	315.48	209.99
27	Ramanagraa	7	555.00	225.70	249.30
28	Bangaluru Urban	1	150.00	0.00	50.00
29	Bangaluru Rural	2	110.00	40.00	60.00
30	Chitradurga	2	340.00	60.00	171.13
	<b>Total</b>	<b>272</b>	<b>47005.34</b>	<b>25965.43</b>	<b>16446.38</b>

Source: Department of Tourism

**Appendix 9.14**  
**Tourism Roads Taken up with NABARD Assistance**

RIDF No	Number of Roads	Length (KM)	Total Project Cost	Total Amount Released	Balance Amount to be released
RIDF- XIV	8	94.80	1704.78	1621.78	83.00
RIDF- XV	2	13.50	460.00	387.25	72.75
RIDF- XVI	7	38.85	1240.66	679.69	560.97
RIDF- XVII	11	59.83	2080.00	1203.71	876.29
RIDF- XVIII	12	16.98	1296.00	400.00	890.00
RIDF- XIX	28	76.11	4610.00	3536.00	1074.00
<b>Total</b>	<b>68</b>	<b>300.07</b>	<b>11391.44</b>	<b>7828.43</b>	<b>3557.01</b>

Source: Department of Tourism



**Appendix 10.1 Financial Performance Under MGNREGA during the Financial Year 2013-2014**

Sl. No	District	Opening Balance(OB)		Release of Last FY but Received during the Current FY		Misc Receipt	Borrowed Fund		Inter-district fund transfer		Total Availability (09-12) (10-1)	Cumulative LB Expenditure upto Reporting months (March)	Cumulative Expenditure						%age Utilization	Payment due**															
		OB	Entered OB	Centre	State		From other district or revolving Fund	Refund to district/state	Fund transfer to other districts	Fund received from other districts			Actual Expenditure			Total Adm. Exp	Balance	On Unskilled Wage		On Semi-skilled and Skilled Wage	On Material	Tax	Total												
													Unskilled Wage	Semi-skilled and Skilled Wage	Material									Tax	Rec Exp	Non-Rec Exp	Total Adm. Exp								
		3	4	5	6		7	8	9	10			11	12	13+(4+5-6+7-8+9-12)	14	15	16		17	18	19	20	21-19-20	22-15+16-17+18-21	23-122/10310	24-13-22	25	26	27	28	29-24+25+26-28			
Phase I																																			
1	Bidar	870.75	384.07	0	0	5898.25	6.43	0	0	0	0	6288.75	0	4179.84	29.44	1726.47	28.67	154.45	3.8	158.26	6122.68	97.36	166.07	25.56	0.4	36.71	0.58	63.25							
2	Chitradurga	757.89	808.28	0	0	17910.55	13.56	0	0	0	0	18732.39	0	12987.22	40.79	5256.66	7.89	264.33	4.81	269.14	18561.7	99.09	170.69	82.4	5.14	878.12	2.08	967.74							
3	Davanagere	1660.8	1412.09	0	0	18670.1	6.87	0	200	0	0	19889.06	20110.33	13250.21	139.87	5903.71	60.1	390.67	7.37	398.03	19751.93	99.31	137.13	124.01	10.8	500.78	5.23	640.82							
4	Gubanga	752.5	1142.89	0	0	13521.6	0.79	0	0	0	0	14665.28	0	10420.79	121.44	3617.47	20.05	225.73	2.29	228.02	14407.77	98.24	257.51	119.26	50.19	404.55	4.98	578.98							
5	Ranebennur	401.23	538.17	0	0	9057.6	3.84	0	0	0	0	9599.61	0	6981.8	0	2013.74	29.81	219.94	2.03	221.96	9247.31	96.33	352.3	32.24	0.03	97.76	5.25	135.28							
Phased Total		4443.16	4285.51	0	0	65058.1	31.49	0	200	0	0	69175.1	20110.33	47819.87	331.54	18518.05	146.52	1255.12	20.3	1275.41	68091.39	98.43	1083.7	383.47	66.56	1917.92	18.12	2386.07							
Phase II																																			
6	Belgaum	255.99	317.69	0	0	8779.9	34.44	0	0	0	0	9132.02	29731.1	6310.16	79.18	1914.4	105.44	540.27	9.62	549.88	8959.06	98.11	172.96	16.01	9.69	49.26	3.24	78.2							
7	Bellary	1094.24	136.95	0	0	4196.35	1.54	0	0	0	0	4334.85	0	3009.89	2.48	825.32	37.79	269.12	0.95	270.07	4145.56	95.63	189.28	1.73	0.44	14.73	1.14	18.04							
8	Chikmagalur	288.91	312.01	0	0	2779.3	14.29	0	0	0	0	3105.6	0	2037.49	21.18	636.6	23.34	288.49	3.39	291.88	3010.48	96.94	95.12	9.87	4.87	15.26	1.32	31.32							
9	Hassan	2252.2	142.28	0	0	6494.1	82.63	0	0	0	0	6719.01	0	4078.98	40.93	2060.01	1.09	339.64	6.21	345.85	6526.87	97.14	192.13	19.97	9.32	103.23	0	132.52							
10	Kodagu	311.61	99.95	0	0	1453.3	11.16	0	0	0	0	1564.41	0	990.94	0	422.68	22.64	49.36	1.72	51.08	1487.33	95.07	77.08	2.18	0	6.82	0.41	9.41							
11	Shimoga	671.49	160.07	0	0	6183.4	75.23	0	0	0	0	6418.71	7920.79	4509.94	112.28	1164.04	31.68	379.25	3.66	382.91	6200.86	96.61	217.85	6	12.51	33.7	2.25	54.46							
Phased II Total		4874.45	1168.95	0	0	29886.35	219.29	0	0	0	0	31274.6	37651.89	20937.4	256.06	7023.05	221.98	1866.14	25.54	1891.68	30330.16	96.98	944.42	55.76	36.83	223	8.36	323.95							
Phase III																																			
12	Bagalokote	2730.49	197.58	0	0	8324.65	0	0	0	0	0	8522.23	0	6244.19	14.21	1730.02	32.96	229.45	1.83	231.28	8252.66	96.84	269.57	22.15	1.97	76.13	1.49	101.74							
13	Bangalore	411.63	400.54	0	0	287.3	3.41	0	0	0	0	691.26	166.24	248.03	36.98	16.07	0.78	18.26	0.35	18.61	320.47	46.36	370.78	0.21	1.2	0.13	0	1.54							
14	Bangalore Rural	1161.8	104.51	0	0	3826.3	0.45	0	0	0	0	3931.26	0	2311.3	30.12	1291.58	98.97	124.81	3.01	127.82	3859.79	98.18	71.47	8.2	1.45	23.56	1.94	35.15							
15	Bijapur	775.62	643.14	0	0	9937.05	0	0	150	0	0	10430.19	0	7291.03	0	2663.75	1.2	138.36	4.86	143.23	10099.21	96.83	330.98	51.74	0	240.66	0.1	292.5							
16	Chamarajana Nagar	762.24	167.01	0	0	4439.8	6.49	0	0	0	0	4613.3	0	2650.33	28.26	1682.25	0.05	116.72	1.25	117.97	4478.86	97.09	134.44	96.5	4.95	92.13	0.27	193.85							
17	Chikkaballapura	410.69	435.81	0	0	2418.65	5.03	0	50	0	0	2809.49	0	2094.73	0.03	260.13	8.83	63.08	1.01	64.08	2427.8	86.41	381.69	13.67	0	24.11	1.05	38.83							
18	Dakshina Kannada	71.81	71.69	0	0	1899.05	6.92	0	0	0	0	1977.66	0	1447.51	21.28	301.25	6.34	96.95	2.02	98.97	1875.36	94.83	102.3	4.81	1.91	11.78	0.45	18.95							
19	Dharwar	1846.69	169.48	0	0	7393.05	3.25	0	0	0	0	7565.78	8009.84	4869.34	158.72	2012.47	10.83	234.96	2.86	237.82	7289.18	96.34	276.6	9.61	17.4	26.58	0.4	53.99							
20	Godag	455.54	215.34	0	0	3856.1	65.11	0	0	0	0	4136.55	0	2639.33	37.48	1047.44	8.71	274.41	5.28	279.69	4012.65	97	123.9	28.86	4.71	59.2	0.1	92.87							
21	Haveri	534.77	649.25	0	0	6849.4	11.96	0	0	0	0	7510.61	9612.26	4530.11	101.12	2340.27	8.8	197.9	4.1	202	7182.3	95.63	328.31	14.51	4.67	81.19	2.26	102.63							
22	Kolar	1295.3	898.27	0	0	8712.8	45.25	0	0	0	0	9656.31	0	6985.32	0.12	2108.76	118.39	124.69	9.51	134.2	9346.79	96.79	309.52	53.53	0	118.08	5.82	177.43							
23	Koppal	1096.07	741.12	0	0	6160.3	5.68	0	0	0	0	6907.1	8096.04	4423.18	94.51	1896.26	58.01	163.77	1.97	165.73	6637.69	96.1	269.4	69.48	0	58.72	2.04	130.24							
24	Mandya	342.08	223.89	0	0	4541.8	3.67	0	0	0	0	4769.36	0	3230.24	48.25	1219.12	40.83	144.66	4.02	148.68	4687.12	98.28	82.24	9.57	7.66	49.38	2.45	69.06							
25	Mysore	1553.98	397.81	0	0	4012.45	32.07	0	0	0	0	4442.32	0	2954.29	34.84	1115.1	0.11	113.02	1.01	114.04	4218.39	94.96	223.94	6.36	3.97	124.4	0.13	134.86							
26	Ramanagara	417.38	364.88	0	0	6017.7	0	0	0	0	0	6382.58	0	4202.32	11.51	1861.21	33.88	101.99	1.01	102.99	6211.92	97.33	170.66	5.95	7.13	93.77	2.66	109.51							
27	Tumkur	4200.97	372.31	0	0	17120.2	18.05	0	350	0	0	17160.56	0	11711.53	141.11	4932.92	10.03	339.43	1.99	341.42	17137.01	99.86	23.55	852.86	63.61	855.97	2.15	1774.59							
28	Udupi	1574.08	392.68	0	0	281.1	15.68	0	29.36	0	0	660.1	0	377.64	0	17.6	0.08	46.15	0	46.16	441.48	66.88	218.62	1.06	0	0.88	0.03	1.97							
29	Uttara Kannada	120.95	53.63	0	0	2640.6	9.75	0	0	0	0	2703.98	3887.66	1897.47	19.65	468.76	1.39	233.5	0.66	234.16	2621.43	96.95	82.55	1.27	0.87	7.47	0.08	9.69							
30	Yadgri	2021.03	1192.53	0	0	9031.95	3.74	0	0	0	0	10228.22	0	6714.12	1.17	2545.25	3.02	164.85	0.78	165.63	9429.2	92.19	799.02	753.74	1.69	849.48	1.1	1606.01							
Phase III Total		21783.1	7691.47	0	0	107750.25	236.5	0	579.36	0	0	115098.87	29772.04	76822.04	779.37	29510.22	443.21	2926.95	47.52	2974.48	110529.33	96.03	4569.54	2004.08	123.19	2793.62	24.52	4945.41							
All District Total		31100.71	13145.93	0	0	202694.7	487.29	0	779.36	0	0	215548.57	87534.26	145579.31	1366.96	55051.33	811.71	6048.21	93.36	6141.57	208950.88	96.94	6597.66	2443.31	226.58	4934.54	51	7655.43							
State Fund		15576.85	15702.89	0	0	202694.7	653.45	0																											



### Appendix 11.1

#### Generation, Imports, T&D Losses and Consumption of Power in Karnataka

Year	Power Generation installed capacity (MWs)	Electricity Generation in MUs	Import in MUs	Transmission & Distribution Loss (%)	Power Consumption in MUs
1999-00	4423.87	21092	6056	38.00	16151
2000-01	4525.14	21119	6621	35.50	17867
2001-02	4411.54	19214	7609	35.86	18639
2002-03	4699.03	18105	9043	31.95	19888
2003-04	4713.90	18032	13178	30.88	21526
2004-05	5836.00	22677	14375	29.44	23173
2005-06	6278.71	24070	11453	29.38	24463
2006-07	6563.08	30719	11174	29.68	28454
2007-08	7278.94	30344	11634	25.16	29988
2008-09	8524.28	30188	11600	24.03	32020
2009-10	8685.91	31566	11009	22.07	33810
2010-11	11366.00	30474	16798	21.27	37216
2011-12	12056.00	43726	13202	20.20	42356
2012-13	13934.00	41296	17489	20.09	45658
2013-14	14029.00	45767	14826	19.07	46849
2014-15*	14803	20309	13325.56	18.44	36649

\*Up to September,2014

Source: Karnataka Power Transmission Corporation Limited

### Appendix 11.2

#### Road length in Karnataka

(in Kms)

Year	National Highways	State Highways	Major District Roads	Other District Roads	Municipal Roads	Other Roads including Village Roads	All Roads (2 to 7)
1	2	3	4	5	6	7	8
1999-00	3728	9829	28247	1644	8366	96775	148589
2000-01	3728	9829	28247		8366	104034	154204
2001-02	3728	9829	28247		8366	104034	154204
2002-03	3728	9829	28247		8366	104034	154204
2003-04	3967	9590	28247		8366	94034	144204
2004-05	3973	17228	30760		8366	115574	175901
2005-06	3958	17405	32572		8366	146713	209014
2006-07	3958	18642	37671		8366	147212 <sup>\$</sup>	215849
2007-08	3958	20739	47763		8366	147212 <sup>\$</sup>	228038
2008-09	3982	20905	47836		8366	147212 <sup>\$</sup>	228301
2009-10	4490	20528	50436		8366	147212 <sup>\$</sup>	231032
2010-11	4490	20528	50436		8366	147212 <sup>\$</sup>	231032
2011-12	4490	20770	49959		8366	148412 <sup>\$</sup>	231997
2012-13	4490	20770	49959		8366	148412 <sup>\$</sup>	231997
2013-14	4688	20773	49683		8366	155545 <sup>\$</sup>	239055

**Note: 1.**Source: Public Works Department and RDPR Department

**2.** \$ includes ODR and village roads

**Appendix 11.3**  
**District & Bank Group-Wise Distribution Of The Number Of Reporting Offices, Aggregate Deposits And Gross Bank Credit Of All Scheduled Commercial Banks - June 2014**

(Amount in ₹ Crore)

Sl. No	District	TOTAL BANKS		
		OFFICES	DEPOSITS	CREDIT
1	Bagalkote	216	5,103	5,315
2	Bangalore Rural	184	4,801	3,576
3	Bangalore Urban	1963	3,71,731	2,45,736
4	Belgaum	519	15,458	11,445
5	Bellary	271	8,831	8,386
6	Bidar	146	2,683	2,148
7	Bijapur	193	4,854	4,356
8	Chamarajanagar	103	1,478	1,683
9	Chikkaballapura	134	2,431	2,432
10	Chikmagalur	218	4,846	3,506
11	Chitradurga	186	3,147	3,076
12	Dakshin Kannad	529	27,941	14,898
13	Davangere	195	4,714	4,853
14	Dharwad	327	13,682	8,601
15	Gadag	139	2,617	2,172
16	Gulbarga	223	6,325	4,735
17	Hassan	271	5,205	4,553
18	Haveri	175	2,812	2,800
19	Kodagu	143	3,453	2,097
20	Kolar	150	3,470	2,688
21	Koppal	134	2,375	2,763
22	Mandya	209	3,289	3,142
23	Mysore	429	20,305	12,691
24	Raichur	185	3,986	4,405
25	Ramanagara	146	4,067	2,586
26	Shimoga	252	8,275	4,730
27	Tumkur	267	5,898	5,987
28	Udupi	328	14,166	6,622
29	Uttar Kannad	246	7,618	2,093
30	Yadgir	93	1,444	1,619
<b>Total</b>		<b>8,574</b>	<b>5,67,004</b>	<b>3,85,694</b>

**Appendix 11.4**  
**Activity-wise RIDF projects sanctioned and amount disbursed under various tranches ( upto tranches RIDF XX)**

(Rs. Lakh)

Sl. No.	Sector	No. of Projects	No. of Projects Completed	PCR Received	RIDF Assistance	Expenditue made by department as of 11.11.2014	RIDF Disbursement	Gap
1	Agriculture Dept.	354	0	0	8690.22	1330.00	1263.50	7426.72
2	Animal Husbandry	620	182	153	9926.74	3678.92	3494.97	6431.77
3	BCWD	112	3	3	7663.85	3146.75	2674.74	4989.11
4	Industry & Commerce	1	0	0	637.50	210.00	178.50	459
5	DCE	128	39	39	11211.49	12441.31	10575.11	636.38
6	DHE	27	0	0	10221.25	3222.66	2739.26	7481.99
7	DOS	14	11	11	997.10	451.94	429.34	567.76
8	DPI	2,312	2121	2123	24708.75	27388.52	23280.24	1428.51
9	DPU	1588	743	733	30610.92	17366.38	14761.42	15849.5
10	Fisheries Dept.	46	8	8	5080.17	2085.17	1980.91	3099.26
11	Health Dept	89	9	13	13060.12	1556.96	1323.42	11736.7
12	KREIS	14	14	14	4427.34	5208.11	4426.89	0.45
13	KRRDA	149	125	124	8421.04	10153.15	8122.52	298.52
14	KSAMB	389	335	334	9057.57	5529.15	5252.69	3804.88
15	KSWC	164	122	122	15794.41	16073.42	15269.75	524.66
16	Labour	57	4	3	14729.40	4415.41	3753.10	10976.3
17	PWD	3,280	2721	2115	188628.89	180978.56	144782.85	43846.04
18	RDPR	3203	1264	316	68630.65	51387.73	41110.18	27520.47
19	Tourism	93	12	12	11601.60	6004.66	4803.73	6797.87
20	WCDD	5408	1775	1763	18463.43	8520.76	7242.65	11220.78
21	WDD	59	0	0	14399.90	14131.15	11304.92	3094.98
22	WRD(M&M)	289	0	0	18828.64	2861.46	2289.17	16539.47
23	WRD(MI)	2614	1473	1433	102020.77	84545.20	80317.94	21702.83
24	WRD(MJP)	30	18	18	7600.00	3384.61	3215.38	4384.62
<b>Total</b>		<b>21040</b>	<b>10979</b>	<b>9337</b>	<b>605411.75</b>	<b>466071.98</b>	<b>394593.18</b>	<b>210818.57</b>

### Appendix 11.5

#### No. of Post offices from 2007-08 to 2013-14

Districts	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Bengaluru Urban	345	294	289	251	184	289	222
Bengaluru Rural	122	181	171	180	203	133	201
Ramanagara	180	290	290	181	172	181	181
Chitradurga	294	294	293	320	308	317	317
Davanagere	172	172	172	259	152	262	325
Kolar	224	223	223	274	401	218	269
Chikballapura	198	198	198	147	210	198	147
Shivamogga	476	475	475	357	471	355	355
Tumakuru	569	569	559	566	562	560	559
Chikkmagaluru	310	310	310	305	300	302	302
Dakshina Kannada	549	562	562	549	424	473	472
Udupi	263	258	254	268	286	334	334
Hassan	421	420	420	421	418	419	418
Kodagu	220	220	220	216	212	216	216
Mandya	364	364	364	364	350	352	352
Mysuru	285	285	285	282	436	392	388
Chamarajanagar	326	321	320	324	161	205	204
<b>Southern Karnataka</b>	<b>5318</b>	<b>5436</b>	<b>5405</b>	<b>5264</b>	<b>5250</b>	<b>5206</b>	<b>5262</b>
Belagavi	726	545	541	727	719	727	728
Vijayapura	419	419	419	419	410	401	405
Bagalkot	330	430	430	330	327	339	335
Dharwad	218	218	218	217	210	213	213
Gadag	171	171	171	171	169	170	171
Haveri	259	259	260	258	257	259	259
Uttara Kannada	525	496	490	496	489	491	491
Ballari	426	454	454	454	444	446	384
Bidar	304	304	304	305	304	305	305
Kalaburagi	622	622		421	411	333	428
Yadgir			620	202	210	291	195
Raichur	290	290	290	290	286	287	286
Koppal	218	218	218	218	217	218	219
<b>Northern Karnataka</b>	<b>4508</b>	<b>4426</b>	<b>4415</b>	<b>4508</b>	<b>4453</b>	<b>4480</b>	<b>4419</b>
<b>STATE</b>	<b>9826</b>	<b>9862</b>	<b>9820</b>	<b>9772</b>	<b>9703</b>	<b>9686</b>	<b>9681</b>

### Appendix 11.6

#### No. of Telephone exchanges from 2007-08 to 2013-14

Districts	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Bengaluru Urban	139	159	169	183	183	196	199
Bengaluru Rural	47	58	93		102	92	92
Ramanagara	0	0	0	103	12	12	12
Chitradurga	82	82	82		81	82	82
Davanagere	0	0	0	129	48	48	49
Kolar	144	144	143		73	73	73
Chikballapura	0	0	0	143	70	70	70
Shivamogga	141	118	117	140	140	140	140
Tumakuru	112	112	112	112	112	112	112
Chikkmagaluru	148	148	148	148	148	148	148
Dakshina Kannada	148	147	148		147	147	146
Udupi	103	103	103	250	103	103	103
Hassan	103	107	104	104	104	103	103
Kodagu	76	76	76	76	76	76	76
Mandya	65	65	65	64	64	63	63
Mysuru	97	97	100		100	98	99
Chamarajanagar	41	41	41	141	41	41	41
<b>Southern Karnataka</b>	<b>1446</b>	<b>1457</b>	<b>1501</b>	<b>1593</b>	<b>1604</b>	<b>1604</b>	<b>1608</b>
Belagavi	189	190	189	189	189	189	190
Vijayapura	110	111	110		192	109	108
Bagalkot	82	82	82	192	81	82	82
Dharwad	50	51	50		53	55	55
Gadag	62	63	63	171	64	63	63
Haveri	57	55	56		55	55	55
Uttara Kannada	152	152	152	152	152	152	152
Ballari	116	116	116	116	117	117	117
Bidar	80	80	81	81	81	81	81
Kalaburagi	160	160	160		148	125	125
Yadgir	0	0	0	160	13	35	35
Raichur	65	72	72		72	72	72
Koppal	57	62	62	135	63	63	63
<b>Northern Karnataka</b>	<b>1180</b>	<b>1194</b>	<b>1193</b>	<b>1196</b>	<b>1280</b>	<b>1198</b>	<b>1198</b>
<b>STATE</b>	<b>2626</b>	<b>2651</b>	<b>2694</b>	<b>2789</b>	<b>2884</b>	<b>2802</b>	<b>2806</b>

**Appendix 11.7**  
**No. of Telephones 2007-08 to 2013-14**

<b>Districts</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Bengaluru Urban	880435	859281	917290	872095	868968	713963	666476
Bengaluru Rural	47073	39311	47953	57541	54610	22692	19455
Ramanagara	44432	18011	8000		2413	1397	1200
Chitradurga	40637	27765	28130	53640	19890	18802	22088
Davanagere	36812	37858	37719		24651	23472	16080
Kolar	52404	35967	52437	56402	26187	24229	19371
Chikballapura	31674	23841	6722		14153	13044	10259
Shivamogga	91372	59150	54816	55715	53000	49367	43619
Tumakuru	65099	48156	42784	39420	36292	31358	29750
Chikkmagaluru	61310	49236	44659	42336	41780	37400	31800
Dakshina Kannada	186446	153139	144095	210797	130194	123868	115608
Udupi	116502	88438	82480		70152	65745	62250
Hassan	69482	48013	40962	38958	38046	32973	24918
Kodagu	48591	39043	37160	36069	35450	31948	27932
Mandya	33349	23267	22873	17314	18017	17148	15946
Mysuru	91748	230877	87875	86578	76996	72567	65282
Chamarajanagar	17389	12612	11274		10574	7932	8068
<b>Southern Karnataka</b>	<b>1914755</b>	<b>1793965</b>	<b>1667229</b>	<b>1566865</b>	<b>1521373</b>	<b>1287905</b>	<b>1180102</b>
Belagavi	137509	113463	108483	99921	83387	77075	73477
Vijayapura	43801	35098	29045	48669	24944	22059	21567
Bagalkot	37437	28715	24977		22451	18290	13567
Dharwad	74736	64856	62875	100232	61197	59686	62705
Gadag	37448	24352	41938		19187	17130	13961
Haveri	32206	21202	18896		14268	13241	10454
Uttara Kannada	93913	79758	76758	74094	68580	61274	56853
Ballari	61465	43244	40143	38032	37641	32327	29279
Bidar	34326	26441	23200	22389	21937	18435	16777
Kalaburagi	79080	52786	51156	49527	40438	29358	27816
Yadgir	0	0	0		7631	4468	3793
Raichur	35537	23623	24086	40727	13081	15691	14069
Koppal	28140	19029	19016		15763	13439	11511
<b>Northern Karnataka</b>	<b>695598</b>	<b>532567</b>	<b>520573</b>	<b>473591</b>	<b>430505</b>	<b>382473</b>	<b>355829</b>
<b>STATE</b>	<b>2610353</b>	<b>2326532</b>	<b>2187802</b>	<b>2040456</b>	<b>1951878</b>	<b>1670378</b>	<b>1535931</b>



**Appendix 11.8**  
**Investment in Power Development in Karnataka**  
(Rs. in crore)

Year	Power Corporation	Power Transmission Corporation
1	2	4
1999-00	188	846.80
2000-01	354	892.50
2001-02	437	946.89
2002-03	301	1082.16
2003-04	429	959.01
2004-05	534	1199.73
2005-06	696	1320.70
2006-07	1063	869.55
2007-08	717	1755.12
2008-09	1238	1808.93
2009-10	952	1334.00
2010-11	1026	1094.69
2011-12	1206.00	1132.00
2012-13	2363.2	747.00
2013-14	2808.00	1250.00
2014-15(A) up to Dec-2014	1670.93	387.61

(A):Anticipated

Source 1: Karnataka Power Transmission Corporation Limited

2 : Karnataka Power Corporation Limited

**Appendix 11.9**  
**Progress of Rural Electrification in Karnataka**  
(Lakhs)

End of Year	Pumpsets energised ( cumulative)
1999-00	11.82
2000-01	12.64
2001-02	13.16
2002-03	14.02
2003-04	14.16
2004-05	14.34
2005-06	15.09
2006-07	17.05
2007-08	17.23
2008-09	17.53
2009-10	17.91
2010-11	18.23
2011-12	19.49
2012-13	20.50
2013-14	21.49
2014-15(A)	22.61

(A):Anticipated

Source: Karnataka Power Transmission Corporation Limited

**Appendix 11.10**  
**Operational performance Statistics KSRTC**

Sl. No	Item	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% change
1	No. of buses as at the end of the year	7902	7834	8320	8359	.05
2	% over aged buses	11.60	10.3	17.4	5.9	--
3	Routes operated at the end of the year (No.)	5824	5573	5833	5907	1.3
4	Route length at the end of the year.	5.50	5.35	5.66	5.70	0.7
5	Avg. Eff. Kms. operated /day (in lakh)	25.8	25.85	27.01	27.1	0.3
6	Avg. pass. carried/day ( in lakh)	25.73	25.21	25.76	27.16	5.4
7	Avg. number of buses held	7813.40	7793.0	8201.1	8279.9	1.0
8	Avg. number of buses on road	7184.00	7182.6	7511.7	7583.3	1.0
9	% Fleet utilization	92.20	92.2	91.6	91.6	
10	Avg. Vehicle utilization (in kms.)	359	360	360	357	-0.8
11	Crew duty (in kms.)	100	99	97	100	3.1
12	Total traffic receipts (Rs. in crore) inc. subsidy	2592.33	1873.79	2123.44	2404.85	13.3
13	Avg. seating capacity.	52.0	52.0	52.0	52.0	--
14	% Load factor	75.30	77.3	69.3	69.7	0.6
15	Bus staff ratio (on sch.)	4.90	4.96	4.94	4.91	-0.61
16	Total vehicles (including scrapped vehicles held)	8638	8348	8820	8836	0.18

Source: Karnataka State Road Transport Corporation

**Appendix: 11.11**  
**Financial Performance of the KSRTC**

(Rs. in crore)

Sl. No	Item	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% change
1	Total receipts	2592.33	1873.79	2123.44	2404.85	13.3
	Total expenses (Ex. Taxes)					
2	a) Operating expenses	2516.94	1717.32	2060.59	2284.59	10.09
	b) Non operating expenses	73.65	50.00	51.79	68.04	31.4
3	Profit before taxes	1.74	11.82	-45.68	-35.17	--
	Total taxes					
4	a) Passenger tax	1.30	--	--	--	--
	b) Motor vehicle & other taxes	126.84	96.50	107.95	120.13	11.3
5	Total expenses	2590.59	1863.82	2220.33	2472.76	11.4
6	Net profit/loss (inc subsidy)	1.74	9.97	-96.89	-67.91	--
7	Prior period adjustment (profit/loss)	--	--	--	--	--
8	Total profit/loss	1.74	9.97	-96.89	-67.91	--

Source: Karnataka State Road Transport Corporation

**Appendix 11.12**  
**Operational statistics of BMTC**

Sl. No	Item	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% change
1	Routes operated at the end of the year(No.)	2430	2442	2430	2440	0.41
2	Routes length at the end of the year (Lakh Km)	0.57	0.57	0.57	0.59	3.51
3	Average Effective Kms. operated per day (Lakhs)	12.71	12.63	13.09	12.92	-1.30
4	Average number of passengers carried per day (lakhs)	48.46	48.00	49.00	50.25	
5	Avg. No. of buses held per day (No.)	6327.8	6280.3	6572.2	6779.8	1.64
6	Average number of buses on-road per day (No.)	5745.1	5691.0	5985.5	6018.6	0.55
7	Average Fleet utilization (% age)	90.8	90.6	91.3	90.2	-0.98
8	Avg.Vehicle utilization (in Kms.)	221.1	221.4	218.4	214.7	-1.83
9	Total traffic receipts (Rs. In Crores)	1516	1144.52	1322.99	1529.37	15.59
10	Average seating capacity	44.1	45.5	44.1	43.5	1.36
11	Average seat capacity utilization	1401.19	743.11	594.25	601.12	1.16
12	Bus staff ratio (on schedule as on 31 <sup>st</sup> March)	5.5	5.4	5.4	5.9	7.27
13	Total vehicles (including scrapped vehicle as on 31 <sup>st</sup> March) (No.)	6699	6635	7427	7298	-1.74
14	Routes operated at the end of the year(No.)	2430	2442	2430	2440	0.41

**Appendix 11.13**  
**Financial statistics of BMTC**

(Rs.in crore)

Sl. No	Item	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% variation
1	Total receipts	1660.46	1228.56	1435.31	1710.97	19.20
	a)Traffic Revenue	1516.00	1144.52	1322.99	1529.55	15.61
	b) Non-traffic Revenue	144.46	84.04	112.32	181.42	61.52
2	Total expenses (Exsl. Taxes)	724.27	1215.95	1482.64	1633.68	10.19
	a) Operating expenses	1666.36	1172.01	1426.85	1641.85	15.06
	b) Non-Operating expenses	57.91	43.94	55.79	76.69	37.46
3	Profit before taxes	-63.81	12.61	-47.33	77.29	
4	Total taxes					
	a) Passenger-tax	84.14	63.52	73.43	84.86	15.57
	b) Motor vehicle & other taxes	84.14	63.52	73.43	84.86	15.56
5	Total expenses	1808.41	1279.47	1556.07	1718.54	10.44
6	Net profit/loss	-147.95	-50.91	-1.21	-7.57	
7	Prior period adjustment (profit/Loss)					
8	Total profit/Loss	-147.95	-50.91	-1.21	-7.57	

Source:- B.M.T.C.

**Appendix 11.14**  
**Operational performance Statistics (NWKRTC)**

Sl. No	Particulars	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% variation
1	No. of buses at the end of the year	4718	4715	4617	4751	2.9
2	Routes operated at the end of the year (No.)	3776	3888	3771	3895	3.3
3	Route length at the end of the year (in lakhs)	3.59	3.71	3.61	4.03	11.6
4	Avg. Eff. Kms. operated /day (in lakh)	14.45	14.39	14.98	15.64	4.4
5	Avg. pass. carried/day (in lakhs)	22.00	21.05	22.00	22.20	0.9
6	Avg. number of buses held	4523	4494.01	4594.18	4742.44	3.2
7	Avg. number of buses on road	4209.50	4177.92	4367.02	4498.08	3.0
8	% Fleet utilization	93.10	93.0	95.1	94.8	-0.2
9	Avg. Vehicle utilization (in kms)	343	344	343	348	1.5
10	Total traffic receipts (Rs. In Crores)	1157.23	877.39	1016.13	1153.73	13.5
11	Avg. seating capacity.	52	52	51	51	0.0
12	% Load factor	63.0	59.7	61.9	61.7	-0.3
13	Bus staff ratio (on schedules)	5.19	4.62	4.77	4.87	2.0
14	% age of overaged vehicles	21.1	15.8	24.7	28.1	13.8
	Total vehicles (including scrapped vehicles held)	5128	5039	4885	5038	3.1

Source:- NWKRTC

**Appendix 11.15**  
**Financial Performance of NWKRTC**

(Rs. in crore)

Sl. No	Particulars	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% variation
1	Total receipts	1313.99	628.98	726.58	845.41	16.4
2	Total expenses (Ex. Taxes)					
	a) Operating expenses	1277.74	886.66	1079.71	1205.80	11.7
	b) Non operating expenses	56.64	46.31	44.71	49.75	11.3
3	Profit before taxes	-4.54	-932.97	-1124.42	-1255.55	
4	Total taxes					
	a) Passenger tax	0.00	0.00			
	b) Motor vehicle & other taxes	58.78	45.67	53.02	59.66	12.5
5	Total expenses	1377.31	978.64	1177.44	1315.21	11.7
6	Net profit/loss	-63.32	-978.64	-1177.44	1315.21	
7	Prior period adjustment (profit/loss)	- -				
8	Total profit/loss	-63.32	978.64	-1177.44	-1315.21	

Source:- NWKRTC

**Appendix 11.16**  
**Operational Statistics of NEKRTC**

Sl. No	Item	2012-13 upto 31-3-2013	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% variation
1	Routes operated at the end of the year (No.)	3435	3431	3435	3578	4.2
2	Routes length at the end of the year (Lakh Km.)	3.62	3.61	3.62	3.73	3.0
3	Average Effective Kms. operated per day (Lakhs)	12.30	12.35	12.51	12.53	0.1
4	Average Number of passengers carried per day (Lakhs)	13.25	13.08	13.30	13.35	0.4
5	Avg. No. of buses held per day (No.)	4058.2	4051.4	4234.0	4343.4	2.5
6	Average number of buses on-road per day (No.)	3630.9	3624.9	3791.7	3816.6	0.6
7	Average Fleet utilisation (% age)	89.5	89.5	89.6	87.9	-1.9
8	Avg. Vehicle Utilisation (in Kms)	339	341	330	328	-0.6
9	Total traffic receipts (Rs. in Crores)	1019.76	768.77	888.47	996.20	12.1
10	Average seating capacity	52.4	52.6	52.5	52.4	0.0
11	Average seat capacity utilisation buses on road (Load factor) (% age)	72.30	66.6	64.4	70.0	8.6
12	Bus Staff ratio (on schedule as on 31st March)	4.96	4.99	4.98	4.89	-1.8
13	Total vehicles (including scrapped vehicles as on 31st March) (No.)	4642	4244	4504	4550	1.0
14	% age of old age vehicles	12.30	13.2	15.8	15.3	-3.2

Source:- NEKRTC

**Appendix 11.17**  
**Financial Statistics of NEKRTC**

(Rs. in Crores)

Sl. No	Item	2012-13 upto 31-3-13	2012-13 upto 30-9-12	2013-14 upto 30-9-13	2014-15 upto 30-9-14	% variation
1	Total receipts	1133.41	533.35	636.46	729.25	14.6
	a) Operating Reveune	1019.76	508.56	599.00	683.43	14.1
	b) Non-Operating expenses	113.65	25.05	37.46	45.81	22.3
2	Total expenses (Excl. taxes)	1100.90	522.28	602.54	681.76	13.1
	a) Operating expenses	880.33	422.04	486.35	547.03	12.5
	b) Non-Operating expenses	220.57	100.24	116.19	134.73	16.0
3	Profit before taxes	32.51	11.07	33.92	47.49	40.0
4	Total taxes	53.43	26.56	31.20	35.57	14.0
	a) Passenger-tax	-	-	-	-	-
	b) Motor vehicle & other taxes	53.43	26.56	31.20	35.57	14.0
5	Total expenses	1154.33	548.84	633.74	717.33	13.2
6	Net profit /loss	-20.92	-15.49	2.72	11.92	-
7	Prior period adjustment (Profit /Loss)					-
8	Total Profit /Loss	-20.92	-15.49	2.72	11.92	-

Source:- NEKRTC

## Appendix 12.1

## MANAGEMENT, CLASS AND GENDER - WISE ENROLLMENT [2013-14]

CLASS	EDUCATION				PRIVATE AIDED				PRIVATE UNAIDED				OTHERS				ALL							
	BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL	
I	254539	287350	541889	46519	94209	279608	213815	493423	4086	3568	7654	585923	551252	1137175										
II	257866	290157	548023	47034	96596	251949	191309	443258	4217	3661	7878	563594	532161	1095755										
III	261746	291116	552862	48069	99154	233770	183624	417394	4439	3995	8434	551040	526804	1077844										
IV	269694	271735	541429	52400	101012	213162	172707	385869	4685	3822	8507	539941	496876	1036817										
V	271957	279674	551631	54873	104936	198708	162096	360804	4571	3892	8463	530109	495725	1025834										
VI	257916	263920	521836	59367	112844	177835	145696	323531	1503	16425	31460	510153	479518	989671										
VII	266918	272999	539917	60925	115105	167437	135845	303282	16042	17205	33247	511322	480229	991551										
VIII	210293	213517	423810	130808	248893	158492	125696	284188	16088	17371	33459	515681	474669	990350										
IX	168097	165556	333653	149097	285899	146841	118005	264846	15788	16563	32351	479823	436926	916749										
X	154194	155265	309459	141293	132236	131070	106997	238067	14126	15000	29126	440683	409498	850181										
I to V	1315802	1420032	2735834	255610	495907	1177197	923551	2100748	21998	18938	40936	2770607	2602818	5373425										
VI to VII	735127	750436	1485563	251100	476842	503764	407237	911001	47165	51001	98166	1537156	1434416	2971572										
I to VII	2050929	2170468	4221397	506710	466039	1680961	1330788	3011749	69163	69939	139102	4307763	4037234	8344997										
I to VIII	322291	320821	643112	290390	559428	277911	225002	502913	29914	31563	61477	920506	846424	1766930										
VIII to X	2373220	2491289	4864509	797100	1532177	1958872	1555790	3514662	99077	101502	200579	5228269	4883658	10111927										
I to X	254539	287350	541889	47690	94209	279608	213815	493423	4086	3568	7654	585923	551252	1137175										

## Appendix 12.2

## MANAGEMENT, CLASS WISE / CATEGORY WISE / SEX WISE ENROLLMENT - ALL MANAGEMENT [2013-14]

CLASS	GENERAL				SC				ST				OTHERS				ALL							
	BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL		BOYS		GIRLS		TOTAL	
I	89569	79208	168777	106576	217448	45325	43420	88745	340157	322048	662205	585923	551252	1137175										
II	83570	73793	157363	106704	209187	44538	42367	86905	328782	313518	642300	563594	532161	1095755										
III	81085	72594	153679	104794	207070	43950	42557	86507	321211	309377	630588	551040	526804	1077844										
IV	78220	70128	148348	103443	199196	42500	38742	81242	315778	292253	608031	539941	496876	1036817										
V	77059	69222	146281	101088	195978	41148	38773	79921	310814	292840	603654	530109	495725	1025834										
VI	74333	66034	140367	90463	187542	39223	37058	76281	299518	285963	585481	510153	479518	989671										
VII	73360	65159	138519	96231	186051	39686	37438	77124	302045	287812	589857	511322	480229	991551										
VIII	95258	83227	178485	86796	182633	39555	36266	75821	285031	268380	553411	515681	474669	990350										
IX	97787	86143	183930	86858	163352	35516	31372	66888	259662	242917	502579	479823	436926	916749										
X	91289	82406	173695	78612	148506	31361	28327	59688	239421	228871	468292	440683	409498	850181										
I to V	409503	364945	774448	526901	1028879	217461	205859	423320	1616742	1530036	3146778	2770607	2602818	5373425										
VI to VII	242951	214420	457371	289147	556226	118464	110762	229226	886594	842155	1728749	1537156	1434416	2971572										
VI to VIII	652454	579365	1231819	816048	1585105	335925	316621	652546	2503336	2372191	4875527	4307763	4037234	8344997										
I to VII	189076	168549	357625	165470	311858	66877	59699	126576	499083	471788	970871	920506	846424	1766930										
I to VIII	841530	747914	1589444	981518	1969663	402802	376320	779122	3002419	2843979	5846398	5228269	4883658	10111927										
VIII to X	89569	79208	168777	106576	217448	45325	43420	88745	340157	322048	662205	585923	551252	1137175										
I to X	83570	73793	157363	106704	209187	44538	42367	86905	328782	313518	642300	563594	532161	1095755										

**Appendix: 12.3**  
**Incentives for children in schools**  
**A. PRIMARY EDUCATION**

Sl. No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15 (A)
<b>1</b>	<b>Free Uniforms, Text Books and School Bags- I to VII Standard (Number in lakhs)</b>					
	a) No. of students provided with Free Uniforms	46.00	57.03	54.49	53.89	51.95
	b) No. of students provided with School Bags	11.58	11.12	6.52	3.82	-
	c) No. of students provided with Text Books	57.19	62.57	42.73	46.32	46.29
<b>2</b>	<b>Akshara Dasoha</b>					
	a) No. of children provided with mid-day meal in school - I to X standard (Number in lakhs)					
	i) Government	52.83	53.12	46.62	46.62	47.06
	ii) Aided	13.93	9.90	14.86	14.86	14.34
	b) No. of Non-Government organizations involved	100	100	105	92	80
<b>3</b>	<b>Distribution of Bicycles to student for VIII standard (Number in lakhs)</b>					
	a) No. of Boys	2.74	2.72	2.64	2.78	2.75
	b) No. of Girls	2.69	2.62	2.65	2.69	2.68
	c) SC	1.40	1.45	1.09	1.13	1.29
	d) ST	0.60	0.62	1.04	0.45	0.46
<b>4</b>	<b>Reimbursement of Non-Government fee (Number in lakhs)</b>					
	a) No. of reimbursement of Non-Government fees-VI & VII	12.35	10.86	952.14	638.94	726.45
	b) of which SC	5.48	3.56	356.84	9042.89	432.20
	c) of which ST	0.72	1.59	-	-	-
	A = Anticipated					

**B. SECONDARY EDUCATION**

Sl. No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15 (A)
<b>1</b>	a) No. of Secondary Schools	13447	13500	14194	14469	14469
	b) No. of Teachers	122401	122500	114347	117941	117941
	c) Enrolment in VIII to X					
	i) Boys	1350548	1350600	1367581	1377203	11377203
	ii) Girls	1253698	1253720	1267140	1269641	1269641
	iii) Total	2604246	2604320	2634725	2646844	2646844
<b>2</b>	<b>Free Uniforms and Text Books provided for VIII to X std.(Number in lakhs)</b>					
	<b>a) Free Uniforms</b>					
	i) Boys	6.03	6.20	6.90	5.19	5.43
	ii) Girls	4.99	5.18	4.55	5.24	5.41
	iii) Total	11.02	11.38	11.45	10.43	10.84
	<b>b) Free Text Books</b>					
	i) Boys	6.03	7.58	6.30	12.66	12.48
	ii) Girls	4.99	7.59	6.34	12.30	12.18
	iii) Total	11.02	15.17	12.64	24.96	24.66
<b>3</b>	<b>Reimbursement of Non-Govt. Fees studying in Govt. High Schools (Number in lakhs)</b>					
	a) No. of Girls Benefited	1.77	1.78	1.18	0.12	1.08
	b) SCs Benefited	0.77	0.80	1.34	1.36	1.39
	c) STs Benefited	0.13	0.20	0.48	0.49	0.50
	d) Amount Rs. Lakhs	328.66	350.68	9749.84	9621.33	9629.23
<b>4</b>	<b>Reimbursement of Examination Fees studying in Xth Standard (Number in lakhs)</b>					
	a) No. of Girls Benefited	1.20	1.17	1.11	1.12	1.08
	b) No. of SCs Benefited	2.23	1.93	1.95	1.95	1.92
	c) No. of STs Benefited	0.75	0.67	0.65	0.66	0.68
	d) Amount (Rs. in Lakhs)	1053.66	1075.42	1180.02	1180.02	1165.92

A = Anticipated, Source: Public Instruction Department, GOK



**Appendix – 12.4**

**Plan and Non-plan Expenditure on Education-2014-15**

**(Rs. in Lakhs)**

<b>Year</b>	<b>Plan</b>	<b>Non- Plan</b>
<b>Primary Education</b>		
2008-2009	105736.76	366668.83
2009-2010	83151.11	365686.04
2010-2011	127541.13	407479.56
2011-2012	123872.83	481372.82
2012-2013	192439.23	555524.02
2013-2014 (RE)	241961.73	605087.05
2014-2015 (BE)	376269.57	681147.49
<b>Secondary Education</b>		
2008-2009	4044.12	215658.27
2009-2010	52923.64	214898.75
2010-2011	59930.77	249766.93
2011-2012	86632.84	278237.75
2012-2013	97088.21	326672.63
2013-2014 (RE)	74283.39	390618.90
2014-2015 (BE)	180713.13	418490.05
<b>Higher Education</b>		
2008-2009	11008.81	58629.87
2009-2010	14142.80	61079.13
2010-2011	36110.78	107945.45
2011-2012	30636.10	129759.96
2012-2013	38154.47	147539.47
2013-2014 (RE)	55701.01	187467.75
2014-2015 (BE)	63871.53	195775.54

RE- Revised Estimate

BE- Budget Estimate

**Appendix 12.5**

**Statement Showing the Categorywise Wholesale Points and F.P.D.Existing in the State . (As On October-2014)**

Sl. No	NAME OF THE DISTRICT	FAIR PRICE SHOPS				WHOLESALE POINT		
		KFCSC	CO.OP	INDIVIDUALS	TOTAL	KFCSC	CO.OP	TOTAL
1	North Range	18	151	133	302	3	1	4
2	South Range	24	132	104	260	4	2	6
3	East Range	23	76	86	185	3	0	3
4	West Range	21	188	139	348	3	1	4
5	Central Range	5	21	60	86	1	0	1
6	Bengaluru IR	91	568	522	1181	14	4	18
7	Bengaluru (U)	4	132	408	544	3	5	8
8	Bengaluru ( R )	0	205	177	382	0	5	5
9	Bagalkot	5	531	140	676	8	3	11
10	Belagavi	2	763	942	1707	8	11	19
11	Bellary	2	240	359	601	11	0	11
12	Bidar	0	129	613	742	4	1	5
13	Vijayapura	15	157	529	701	11	0	11
14	Chamarajnagar	2	93	383	478	8	2	10
15	Chickballapur	0	157	409	566	4	2	6
16	Chickmagaluru	5	337	190	532	7	4	11
17	Chitradurga	4	178	394	576	6	3	9
18	Davanagere	0	256	545	801	11	1	12
19	D.Kannada	1	318	175	494	5	3	8
20	Dharwad	8	249	258	515	7	1	8
21	Gadag	0	280	80	360	6	1	7
22	Kalaburugi	0	168	824	992	9	0	9
23	Hassan	4	312	532	848	13	0	13
24	Haveri	6	299	158	463	4	3	7
25	Kodagu	4	167	119	290	2	4	6
26	Kolar	0	254	385	639	6	1	7
27	Koppala	1	129	311	441	4	0	4
28	Mandya	3	321	403	727	4	7	11
29	Mysuru	2	367	688	1057	11	6	17
30	Ramnagar	0	152	411	563	4	4	8
31	Raichur	1	89	616	706	5	0	5
32	Shivamogga	0	223	380	603	10	1	11
33	Tumakuru	3	393	690	1086	9	4	13
34	Udupi	0	266	23	289	0	3	3
35	U.Kannada	12	293	143	448	5	8	13
36	Yadgir	0	99	293	392	2	1	3
	<b>TOTAL</b>	<b>175</b>	<b>8125</b>	<b>12100</b>	<b>20400</b>	<b>201</b>	<b>88</b>	<b>289</b>

**Appendix 12.6**

**Godown Details of the State**

Sl. No	DISTRICT	KFCSC	CO-OPERATIVE	CAPACITY IN MTS
1	Bagalakote	8	4	10027
2	Bengaluru (U)	0	6	12650
3	Bengaluru (R)	1	5	5050
4	Belagavi	7	11	18250
5	Bellary	11	0	6800
6	Bidar	6	0	5400
7	Vijayapura	10	2	7400
8	Chamaraja Nagar	6	2	6450
9	Chikamagaluru	6	2	8200
10	Chikkaballapura	5	2	5200
11	Chitradurga	6	4	7440
12	Dakshina Kannada	5	4	3800
13	Davanagere	11	1	11105
14	Dharwad	7	1	4550
15	Gadag	6	1	7200
16	Kalaburgi	9	0	18000
17	Haveri	4	3	8100
18	Hassan	11	0	7390
19	Kodagu	0	4	3620
20	Kolar	6	1	9040
21	Koppal	4	0	43500
22	Mandya	6	7	13880
23	Mysuru	13	7	12164
24	Ramanagara	4	3	7545
25	Raichur	5	0	7250
26	Shimoga	10	1	14640
27	Tumkuru	9	4	18560
28	Udupi	0	3	2250
29	Uttara Kannada	4	10	6010
30	Yadagir	2	1	60000
31	Bengaluru IRA	16	8	127700
	<b>TOTAL</b>	<b>198</b>	<b>97</b>	<b>479171</b>

**Appendix 12.7**

**Details of Kerosene wholesalers and Retailers in the State.**

Sl. No	DISTRICT	Wholesalers			Retailers			Total
		KFCSC	Others	Total	KFCSC	Co-operative	Others	
1	Bagalkote	0	9	9	5	170	713	888
2	Bengaluru (U)	0	11	11	4	10	688	702
3	Bengaluru (R)	0	6	6	0	0	341	341
4	Belagavi	0	24	24	0	0	97	97
5	Bellary	0	13	13	0	96	1169	1265
6	Bidar	0	11	11	0	23	650	673
7	Vijayapura	0	14	14	0	0	664	664
8	Chamaraja Nagar	0	5	5	0	91	768	859
9	Chikamagaluru	0	6	6	0	1	281	282
10	Chikkaballapura	0	7	7	0	43	827	870
11	Chitradurga	0	6	6	3	249	616	868
12	Dakshina Kannada	0	15	15	1	316	175	492
13	Davanagere	0	14	14	0	256	1229	1485
14	Dharwad	0	10	10	2	68	1008	1078
15	Gadag	0	8	8	0	8	312	320
16	Kalaburgi	0	13	13	0	102	876	978
17	Haveri	0	8	8	0	63	683	746
18	Hassan	0	6	6	4	2	140	146
19	Kodagu	0	4	4	0	0	2	2
20	Kolar	1	6	7	1	135	794	930
21	Koppal	0	3	3	1	48	492	541
22	Mandya	1	8	9	3	13	195	211
23	Mysuru	0	14	14	0	367	938	1305
24	Ramanagara	0	5	5	0	134	548	682
25	Raichur	0	6	6	1	89	640	730
26	Shimoga	0	9	9	0	118	632	750
27	Tumkuru	1	8	9	3	321	1117	1441
28	Udupi	1	8	9	0	266	23	289
29	Uttara Kannada	1	14	15	0	0	4	4
30	Yadagir	0	4	4	0	99	472	571
31	Bengaluru IRA	1	25	26	26	572	1025	1623
	<b>TOTAL</b>	<b>6</b>	<b>300</b>	<b>306</b>	<b>54</b>	<b>3660</b>	<b>18119</b>	<b>21833</b>

Appendix 12.8: District wise Ration Cards

Sl. No.	Name of the District	AAY			BPL			BPL WITHOUT CYLINDER			APL WITH CYLINDER			APL WITHOUT CYLINDER			APL		
		AAY		TOTAL	BPL WITH CYLINDER		TOTAL	BPL WITHOUT CYLINDER		TOTAL	APL WITH CYLINDER		TOTAL	APL WITHOUT CYLINDER		TOTAL	APL		
		URBAN	RURAL		URBAN	RURAL		URBAN	RURAL		URBAN	RURAL		URBAN	RURAL		URBAN	RURAL	TOTAL
1	Bagalkote	9672	35239	44911	12962	6624	19586	81102	199607	280709	2571	10226	12797	1959	54442	1959	54442	12797	56401
2	Bengaluru Urban	3747	5827	9574	95702	74292	169994	139486	138059	277545	8941	24037	32978	1250	9925	1250	9925	32978	11175
3	Bengaluru Rural	1941	9447	11388	11376	30205	41581	30582	129510	160092	1098	9794	10892	374	15099	374	15099	10892	15473
4	Belagavi	5038	61526	66564	42959	56445	99404	89323	577839	667162	26032	74961	100993	6675	191874	6675	191874	100993	198549
5	Ballari	11698	52265	63963	23217	11777	34994	80016	195077	275093	4953	11378	16331	1989	39271	1989	39271	16331	41260
6	Bidar	5467	37996	43463	6411	3008	9419	47564	186285	233849	2904	6717	9621	2822	53342	2822	53342	9621	56164
7	Vijayapura	6356	38001	44357	7580	12699	20279	68285	248193	316478	2879	7983	10862	1881	52055	1881	52055	10862	53936
8	Chamaraja Nagara	2421	22352	24773	8773	24214	32987	22497	170371	192868	2201	13834	16035	513	20271	513	20271	16035	20784
9	Chikamagaluru	1936	13979	15915	22444	45358	67802	16709	132176	148885	4290	29617	33907	319	23830	319	23830	33907	24149
10	Chitradurga	5047	33658	38705	18151	24636	42787	32035	245976	278011	1924	8814	10738	438	20121	438	20121	10738	20559
11	Dakshina Kannada	3636	25390	29026	18704	35070	53774	13181	116303	129484	48565	76688	125253	2720	44138	2720	44138	125253	46858
12	Davanagere	7513	35654	43167	40961	39062	80023	57159	221857	279016	2885	13849	16734	638	24410	638	24410	16734	25048
13	Dharwar	8272	17080	25352	38154	5674	43828	103728	142860	246588	8309	4575	12884	3015	26958	3015	26958	12884	29973
14	Gadag	3348	24668	28016	8457	3310	11767	53509	120544	174053	2178	5189	7367	1164	24674	1164	24674	7367	25838
15	Kalaburgi	9704	57492	67196	14683	4757	19440	110800	276371	387171	5997	5697	11694	4313	54204	4313	54204	11694	58517
16	Hassan	2169	14860	17029	29874	40710	70584	31268	299057	330325	2758	12778	15536	356	20767	356	20767	15536	21123
17	Haveri	6892	33084	39976	13894	16004	29898	36638	232883	269521	3240	9330	12570	644	30216	644	30216	12570	30860
18	Kodagu	553	7683	8236	5121	25873	30994	4333	57539	61872	3071	26847	29918	272	9066	272	9066	29918	9338
19	Kolar	4600	23564	28164	16745	27511	44256	45020	198059	243079	3951	7878	11829	1550	14801	1550	14801	11829	16351
20	Koppal	3361	38672	42033	3901	4630	8531	33580	187932	221512	631	4363	4994	559	25330	559	25330	4994	25889
21	Mandya	3256	24339	27595	14785	51421	66206	39131	324317	363448	2489	23952	26441	908	42687	908	42687	26441	43595
22	Mysore	4111	28336	32447	72732	97478	170210	68204	325336	393540	13150	32275	45425	2192	45486	2192	45486	45425	47678
23	Raichur	9263	45202	54465	5428	5698	11126	63996	211537	275533	2192	9881	12073	1518	46290	1518	46290	12073	47808
24	Shivamogga	6444	20766	27210	56212	47674	103886	39477	161035	200512	11399	35351	46750	639	34061	639	34061	46750	34700
25	Tumkuru	2615	32527	35142	36777	42340	79117	73140	409533	482673	4093	23665	27758	1291	53970	1291	53970	27758	55261
26	Udupi	2899	29918	32817	9702	25284	34986	10113	78255	88368	18534	53828	72362	1578	23075	1578	23075	72362	24653
27	Uttara Kannada	819	12727	13546	15146	29617	44763	31298	170540	201838	14785	37140	51925	2209	36950	2209	36950	51925	39159
28	Chikkaballapura	1821	21870	23691	11696	22720	34416	31713	191933	223646	1723	8201	9924	405	19115	405	19115	9924	19520
29	Ramanagara	1875	12145	14020	8941	17939	26880	41350	206068	247418	1211	7434	8645	804	19849	804	19849	8645	20653
30	Yadgir	4184	29037	33221	3351	2157	5508	23210	143322	166532	958	2052	3010	822	19808	822	19808	3010	20630
31	Bangalore Central	1913	0	1913	6887	0	6887	12870	0	12870	1632	0	1632	1298	0	1298	0	1632	1298
32	Bangalore East	2876	0	2876	11686	0	11686	26034	0	26034	4243	0	4243	1771	0	1771	0	4243	1771
33	Bangalore North	2580	0	2580	19197	0	19197	37270	0	37270	3457	0	3457	1461	0	1461	0	3457	1461
34	Bangalore South	4900	0	4900	17728	0	17728	45939	0	45939	4405	0	4405	942	0	942	0	4405	942
35	Bangalore West	4815	0	4815	48563	0	48563	51165	0	51165	4979	0	4979	2434	0	2434	0	4979	2434
	Total	157742	845304	1003046	778900	834187	1613087	1691725	6298374	7990099	228628	598334	826962	53723	1096085	53723	1096085	826962	1149808

Appendix 12.9  
Health Institutions in Karnataka (As on 31-12-2014)

Sl. No.	District	District Hospital		Other Hospitals under HFW		Autonomous & Teaching Hospitals		Community Health Centres				Primary Health Centres		PHU with Maternity Annex		Urban PHCs		Health Centres under IPP	Mobile Health Clinics	Sub-Centres	Total Beds		
		Nos.	Beds	Nos.	Beds	Nos.	Beds	Nos.	Beds	Nos.	Beds	Nos.	Beds	Nos.	Beds	Nos.	Beds						
		Total		Taluk Hospitals		Others		Total		Nos.		Beds		Nos.		Beds		Nos.		Beds			
	<b>BANGALURU</b>																						
1	Bangaluru (U)			6	1475	14	6273	3	300	5	220	8	520	105	688			2	12		195	8968	
2	Bangaluru (R)							4	400	2	60	6	460	48	321						167	781	
3	Chikballapura	1	100					5	510	2	60	7	570	57	393	2	20			2	199	1083	
4	Chitradurga	1	450					5	500	11	330	16	830	85	510					6	283	1790	
5	Davanagere	1	1030					5	500	6	180	11	680	105	686				3	4	301	2396	
6	Kolar	1	400	2	305			4	400	2	60	6	460	63	434			3	18	2	275	1617	
7	Ramanagara	1	100					3	300	5	150	8	450	65	423	1	10			2	230	983	
8	Shivamogga					1	1000	6	650	7	210	13	860	103	654	2	20	1	6	7	4	305	2540
9	Tumkuru	1	400					9	900	5	150	14	1050	149	992	2	20	1	6	2	10	487	2468
	<b>BELAGAVI</b>																						
10	Bagalkote	1	300					5	500	7	230	12	730	50	290			1	6		5	234	1326
11	Belagavi					1	1000	9	900	16	500	25	1400	150	848	1	10	2	12	5	14	549	3270
12	Vijayapura	1	400					4	400	9	270	13	670	67	366					2	4	309	1436
13	Dharwad	1	250			2	1375	3	300	0	0	3	300	34	214			1	6	11	2	194	2145
14	Gadag	1	304					4	400	3	90	7	490	39	244					4	168	1038	
15	Haveri	1	250					6	600	5	150	11	750	68	414	2	20			4	303	1434	
16	U. Kannada	1	400					10	1000	3	110	13	1110	83	538	1	20	2	12	8	343	2080	
	<b>KALABURAGI</b>																						
17	Ballari			1	288	2	1110	6	600	11	350	17	950	80	502			1	6	3	6	272	2856
18	Bidar					1	1000	4	400	8	240	12	640	55	334	3	30	1	6		5	280	2010
19	Kalaburagi	1	750					6	600	16	480	22	1080	92	518			2	12	7	4	347	2360
20	Koppal	1	250					3	300	9	270	12	570	50	296			1	6		3	185	1122
21	Raichur					2	1200	4	400	6	180	10	580	56	330	1	10	1	6	6	5	223	2126
22	Yadgiri	1	100					2	200	6	180	8	380	49	284					2	176	764	
	<b>MYSURU</b>													0									
23	Ch'nagar	1	250					3	350	2	60	5	410	60	434	1	16			6	245	1110	
24	Chikmagalur	1	400					6	600	5	170	11	770	92	624	3	40	2	12		6	375	1846
25	D. Kannada	1	965	1	100			4	400	8	240	12	640	69	416					5	440	2121	
26	Hassan					1	1000	7	950	14	420	21	1370	134	894	5	54	1	6		2	456	3324
27	Kodagu	1	410					2	360	7	290	9	650	30	275			1	6		3	206	1341
28	Mandya					1	1000	6	600	10	300	16	900	114	871	3	26	2	12		1	385	2809
29	Mysore			1	50	4	2050	6	600	10	300	16	900	132	905	6	120	2	12	7	8	438	4037
30	Udupi	1	350					2	200	6	180	8	380	71	458	1	10			3	301	1198	
	<b>State Total</b>	<b>20</b>	<b>7859</b>	<b>11</b>	<b>2218</b>	<b>29</b>	<b>17008</b>	<b>146</b>	<b>15120</b>	<b>206</b>	<b>6430</b>	<b>352</b>	<b>21550</b>	<b>2355</b>	<b>15156</b>	<b>34</b>	<b>426</b>	<b>27</b>	<b>162</b>	<b>108</b>	<b>130</b>	<b>8871</b>	<b>64379</b>

**Appendix 13.1**

**Departmentwise Consolidated Financial and Physical Progress Report under Karnataka Mahila Abhivrudhi Yojane for the year 2014-15 (upto Dec 2014)**

Sl. No	Name of the Department	Annual Allocation		1/3 Allocation for Women		Progress for the month of Dec-14		Cumulative Progress at the end of Dec-14		Percentage		No. of Schemes
		Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	
1	Agriculture	57448.15	1945238	19149.38	648413	1422.40	34895	4988.79	282363	26.05	43.55	16
2	Washed	74771.11	-	1929.35	175448	0.16	-	2094.62	24493	108.57	13.96	2
3	Sericulture	516.47	-	142.93	276960	18.95	20737	67.570	130434	47.27	47.09	3
4	Industries & Commerce	335731.23	52816	110635.12	17392	11704.61	1445	67508.310	10038	61.02	57.72	6
5	Handloom & Textiles	73444	-	2448	44671	390.45	4819	891.71	25262	36.43	56.55	9
6	Forest Department	6616.00	-	1310.090	4.781	89.100	0.325	571.909	2.087	43.65	43.65	5
7	Youth Services & Sports	6976.92	85317	2285.09	28956	205.62	3796	409.79	19177	17.93	66.23	15
8	Disabled & Senior Citizen's Welfare	58814.00	715089	19609.62	236985	216287.00	227005	17595.56	232371	89.73	98.05	7
9	Backward Class Welfare	67277.63	-	20816.03	354381	-	-	2670.43	31218	12.83	8.81	15
10	Social Welfare Dept.											
11	D.Devaraj Urs Backward Class Dev. Corporation	13430.87	23360	5772.00	9344	406.09	1439	1562.47	3977	27.07	16.72	4
12	Minorities Dev. Corporation	17221.00	-	5683.00	27172	1380.70	14572	5690.17	53983	100.13	20.94	8
13	Tribal Welfare Dept.	28508.85	-	14278.69	140375	886.57	1377	6411.54	19439	44.90	13.85	12
14	Minorities Department	33231.51	930790	11077.17	310262	881.73	7248	7457.25	147751	67.32	47.62	22
15	Dr. B.R. Ambedkar SC/ST Dev. Corp.	38740.00	52356	11937.70	17277	146004.00	1798	2629.57	11823	22.03	68.43	7
16	Fisheries	850.00	41500	281.00	13736	32.50	334	47.10	7937	16.76	57.78	2
17	Animal Husbandry	1196.00	116888	909.80	116943	56.61	2678	130.26	38922	14.32	33.28	5
18	Horticulture	2778.29	94310	920.13	31123	117.81	3551	254.99	8462	27.71	27.19	6
19	Employment & Training	46450.79	202300	15738.76	67429	997.39	11778	5537.99	14836	35.19	22.00	16
20	Municipal Administration	14632.67	142256	9049.78	89154	-	24775	-	24775	-	27.79	3
21	R.D.P.R	331530.49	38539.05	110550.24	15390.24	8317.74	16214.55	46497.95	16327.7	42.06	106.09	2
22	Co-operative Societies	7766.95	180257	3805.21	89512	1956.84	57426	971.32	105884	25.53	118.29	9
23	Education Department	204735.50	-	70661.83	-	187.68	-	14894.31	-	21.08	-	15
24	Housing	219820.00	320000	72540.86	105600	23239.12	41993	204192.42	176863	281.49	167.48	6
25	Health Dept.& RCH	262052.22	3855344	94585.54	3848165	19618.67	1026105	49064.31	3410242	51.87	88.62	42
	<b>Total</b>	1904540.65	8796360	606117.32	6664693	434201.74	1503986	442140.34	4796580	72.95	71.97	237

Note: As the physical target of Sl.No 6 Forest Dept & Sl..No 21R.D.P.R are Lakh Human Days, physical target is not considered.



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