

Karnataka Budget 2008-09

Birds Eye View

General

- Pro-farmer Budget
- Speedy Development is administrative mantra.
- Priority for equal Development of all areas.
- Economic Development with Social development.
- Continuation of pro-people programmes of the previous coalition Government.
- Desire to develop Karnataka as a model state.
- Blue Print for Comprehensive Development 2020.

Economic Scenario fo 2007-08

- GSDP as 2,15,282 crore rupees
- 7% GDP growth during 2007-08.
- Percapita income during 2007-08 at Rs.39576.
- States total debt at Rs.60588 Crores
- 2007-08 debt servicing Rs.6018 Crore

GSDP contribution

- Primary Sector 19.13%
- Secondary Sector 25.16%
- Service Sector 55.72%

2008-09 Budget at a Glance

- Total estimate Rs.55,313.41 Crores
- Revenue Expenditure Rs.45,712.86 Crores
- Capital Expenditure Rs.9,600.55 Crores.
- Plan Estimate Rs.25,953₁ Crores.

Agriculture

- From August 1, free electricity to 15 lakh

- irrigation pumpsets upto 10 H.P.
- 50 lakh small and marginal dry land farmer families will get grant of Rs.1000 each per family.
 - Subsidy of Rs.2 per litre to Milk Producers.
 - Rs.500 Crores towards agriculture revolving fund.
 - Agricultural loan at the rate of 3% will be extended to weavers and fishermen too.
 - Constitution of “Agriculture Mission” under the chairmanship of Chief Minister for the over all development of the agriculture and agricultural allied activities.
 - Special Commission to encourage organic farming. A grant of Rs.2000 will be provided to every family who practices organic farming.
 - Scheme for rejuvenation of all 36,000 tanks in the state as per salasamvardhana model
 - Establishment of special Authority for maintenance of Water resources and framing rules
 - Suitable Act for better Ground Water Management.

Removal of Imbalance

- Special assistance of Rs. 2547 Crores for redressal of regional imbalance.

Gram Panchayat

- Monthly honorarium to 90,000 Gram Panchayat Members.
- Cyber centers at Grampanchayat level.

Education

- Norms based grant-in-aid to High schools started in 1993 and 1994.
- Rs. 958 Crores assistance to Sarva Shikshana Abhiyana.
- Free bicycles to 7 lakh eighth standard children studying in Government and Aided Schools.

- Rs. 55 Crores to upgrade 37 ITI's
- Establishment of ITI's in 9 taluks.
- 6% interest subsidy to students who borrow loan for higher studies.
- Boarding expenses to SC/ST & BCM Hostel students will be increased from Rs. 450/- to Rs. 650/-.
- In order to improve quality of education, Karnataka Knowledge & Higher Education Commission will be constituted.
- Rs. 2 Crores will be provided to establish Sanskrit University in Bangalore.
- Establishment of Agriculture University in Bagalkot & Raichur.
- Rs. 25 Crores will be provided for development of KIMS in Hubli.
- To encourage establishment of private universities in the State.

HEALTH:

- To provide emergency treatment for the poor, 'Mobile treatment unit' and Call Centres under the 'Health Cover Scheme' will be started with private participation.
- 'Thayi Bhagya' Scheme in public and private hospitals for maternity facility.

Social Welfare:

- Pension through Smart Card to physically challenged, widows and aged.
- Special Development programme for Koraga community
- Rs. 20 Crores grant provides to Kambara, Kshatriya, Madivala, Devanga, Kumbara organisations etc.,
- Rs. 15 Crores grant for construction of Shadi Mahal for minority communities

Women Welfare

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- Increase of benefit in "Bhagyalakshmi" Scheme to Rs. 1 lakh

- 6% interest subsidy to stree shakthi groups

Physically challengers

- Pension of Rs. 1000/- P.M. to physically challenged persons with 75% disability.

Senior citizens

- Concession of 25% to senior citizens who are 65 years of age and above in bus fares.

Child Development

- Establishment of Balvikas Academy for allround development of children.

Housing

- Increase of unit cost of Ashraya houses to Rs. 40000 to each house.

Bangalore Infrastructure Development

- Rs. 1800 Crores for Bangalore Infrastructure Development
- Formation of 60000 sites by BDA in the Nada Prabhu Kempegowda Extension.
- Construction of 10 Flyovers and underpasses in the Bangalore Outer Ring-road for smooth traffic at a cost of Rs. 350 Crores.
- construction of peripheral ring-road at a cost of Rs. 3000 Crore under public private partnership.
- High speed Rail for Bangalore International Airport.
- A grant of Rs.700 crores for Metrol Rail
- Multistoried car parking at 40 places in Bangalore under public private partnership.

INFRASTRUCTURE DEVELOPMENT

- Special Development Plan of Rs. 700 Crores for the development of Hubli-Dharwar, Belgaum,4 Gulbarga, Davanagere, Bellary, Mysore and Bangalore City Corporations. A grant of Rs. 175 Crores during this year.

- An assistance of Rs. 136 Crores for providing drinking water to Hubli-Dharwad City.
- Improvement of Karwar Port under Public-private participation.
- An amount of Rs. 12 Crore for the development of Malpe Fishing Harbour.
- Constitution of "Karavali Karnataka Development Authority".
- In order to improve the transport facilities in rural areas, grant of Rs. 50 Crores to NWKRTC.
- Establishment of Karnataka Minorities Board.
- 1000 MW additional power generation in this year.
- In order to establish an International Airport at Hubli, 700 acres of land and for the development of Belgaum Airport 370 acres of land will be acquired.

Railways:

- Gauge conversion of Shimoga-Talaguppa Railway line.
- Construction of new Railway Line between Bidar-Gulbarga.
- Gauge conversion of Solarpur-Bagalkot Gadag Railway Line.
- Doubling of Bangalore-Ramanagar Railway Line.

Commerce & Industries:

- Action to formulate New Industrial policy.
- "Samrudha Karnataka" global investors meet in Jan 2009.
- Formation of "Vision Group" for overall development of the state.
- Establishment of steel Zone, cement Zone, Textile Zone on the basis of natural resources available in the state.

Employment

- Establishment of "Skill development Commission" for the first time in the state.
- Skill training for providing ⁵ employment to ten lakh persons in the next 5 years
- One lakh employment creation this year.

Revenue

- Disposal of 25 lakh podi cases under "Tatkal Scheme" in Revenue Department.
- Constitution of a committee for survey and proper utilization of Muzrai and wakf properties.
- Rs. 20 crores for development of Basavakalyan.
- Rs. 10 crores for development of Kaginele.
- Rs. 25 crores for the upliftment of Banjara Community.
- Establishment of "Karnataka Public Land Corporation" for disposal of valuable Government land.

Kannada and Culture

- Rs.5 Crore for Dr. Rajkumar Memorial
- Rs.5 Crore for establishment of four Suvarna Karnataka Bhavans at regional level
- Rs.25 Crore assistance for Vishwa Kannada Sammelana to be held at Belgaum
- Construction of Suvarna Vidhana Soudha at Belgaum and preparations for Legislative session.
- Establishment of Non-resident Kannadiga (NRK) Cell
- Rs.1 Crore for K.P. Poornachandra Tejasvi Research Centre
- Rs.1 Crore for development of Shivayogi Shishunala Shariff's Chair
- Rs.1 Crore for development of Sangaolli Rayanna Memorial
- Rs.1 Crore for Bada village (Kanakadasa Birth Place) – improvement in Haveri District
- Rs.1 Crore for improvement of Vignaneshwara Garden and Rangamandira at Marthur in Gulbarga district.
- Rs.5 Crore for⁶ commencement of Swamy Vivekananda Centre at Mysore
- Rs.25 Crore for Tricentenary celebration of Gur-ta-Gaddi

and development of infrastructure at Biadar

Dasara

- Rs.10 Crore assistance for celebrating Mysore Dasara as Nada Habba on a grand scale

Forest and Environment

- Special Task Force for protection of Western Ghats
- New plan to grow more sandal wood trees in the State

Government servants

- Retirement age of Government servant increased from 58 to 60 years

Administrative Reforms

- High Power Committee under the Chairmanship of Chief Minister will be set up for overall development of State, Bangalore and other

Information Highways

- Information highways linking Vidhana Soudha with district and taluka level offices to be completed this year.

Commercial Tax

- Tax on all kinds of parts including packing materials used by textile industry reduced to 4%.
- Tax exemption on imported textiles
- Entry tax on readymade garments exempted.
- VAT on sale of used motor vehicles reduced to 4%.
- VAT on vermicelli reduced to 4%
- Provision for filing appeals against revision orders of the Joint Commissioners before the₇ Karnataka Appellate Tribunal.

Sales Tax

- Partial refund of Sales Tax paid on ATF purchased in centers

other than Bangalore and Mangalore.

Luxury Tax

- 20% luxury tax on conference halls in hotels and marriage halls.

Entertainment Tax

- Tax exemption on all kannada films excluding dubbed films

State Excise

- Issue of licences for opening new retail shops (CL-2) and Bar & Restaurants (CL-9)

Stamps & Registration

- Collection of Duty through electronic stamping extended to other parts of the state.
- Stamp duty on merger and reconstruction of companys reduced from 7.5% to 5% of the market value of properties.
- Formation of enforcement wing to prevent stamp duty evasion.

Motor Vehicle Tax

- Life Time tax on motor vehicles excluding two wheelers increased

Forest Development Tax

- Collection of Forest Development Tax from licencees mining in forest areas.