

Government of Karnataka

Annual Plan 2010-11

**Chief Minister's Meeting
with the Deputy Chairman,
Planning Commission, New Delhi**

Speech of

Shri. B.S. Yeddyurappa

Chief Minister of Karnataka

9th March, 2010

Annual Plan 2010-11

Hon'ble Deputy Chairman, Hon'ble Members and senior officers of the Planning Commission,

1. I am grateful to the Hon'ble Deputy Chairman, Planning Commission, and the Members and officers of the Planning Commission for having organized this meeting for the finalization of Karnataka's Annual Plan 2010-11.
2. Karnataka has successfully implemented Five Year Plans. In the last two years, we have identified the core sectors where we need to concentrate our efforts and resources. We have taken several new initiatives in these areas.
3. Our annual Plan for 2010-11 reflects these priorities of the Government of Karnataka. We have proposed a Plan of Rs.31,000 crore for 2010-11 which is about 19% more than the revised estimates of 2009-10.
4. We expect that we shall be able to mobilize the required resources to support our development initiatives. The fiscal deficit is well within 3% of the GSDP and the consolidated debt of the State is less than 28% of the GSDP.

5. We need to step up our efforts in certain areas in order to achieve prosperity and development that we dream of for Karnataka. For many years our national ranking has remained more or less the same.
6. We had very heavy rains and floods in September-October 2009 in 15 districts of our State, causing severe damage to about 4300 villages, resulting in collapse of 6.55 lakh houses, causing enormous crop and infrastructure damage.
7. The State Government has submitted a Memorandum to Central Government for release of Rs.7047 crore from NCCF for permanent rehabilitation.
8. I wish to express our heart-felt gratitude to the Central Government for providing timely assistance Rs.1457 crore from the NCCF.
9. My government has therefore taken many initiatives to improve agricultural incomes. We propose to set up Antharaganga Micro-irrigation Corporation to focus on drip irrigation.
10. We are also providing crop loans through both cooperative societies and commercial banks at 3% rate of interest. This will facilitate farmers to obtain loan from Commercial banks at subsidised interest rate.

11. We are also promoting organic farming. We have already taken up 71,000 hectares under organic farming. Around 52,000 farmers have enrolled themselves on a voluntary basis. In addition, the “**Bhoochetana programme**” taken up in 2009-10 in rain-fed lands covering 2.25 lakh hectares has shown immense improvement in yield rates up to 35%. The programme will be extended to 12.5 lakh hectares.
12. Jalasiri programme will be started for building 2 lakh water harvesting structures.
13. We also intend to supply Quality power during specified hours for supporting agricultural operations under the ‘**Niranthara Jyothi**’, which involves segregation of feeders. In the first phase, 70 taluks will be taken up at an estimated cost of over Rs. 1200 crores.
14. We have set up a Skill Development Corporation, which provides modular training linked to employment for young people of varied educational attainments in both rural and urban areas. Already 1.95 lakhs people have been given skilled training and 1.11 lakh persons have been facilitated with jobs.
15. It is expected that this will eventually provide sufficient off farm employment to wean people from agriculture.

16. The government has therefore resolved to provide all necessary facilities in the next three years so that children of every school in the State can acquire education at least up to 10th standard.
17. Particular emphasis will be on girls' education. The scheme of providing free bicycles to the boys and girls studying in high schools has given great encouragement to the rural children for continuing their studies. Around 150 Morarji Desai and Kittur Rani Chennamma residential schools are under construction.
18. Under the **Rashtriya Madhyamika Shiksha Abhiyan**, programmes have been formulated to achieve all-round development of 545 high schools at a cost of Rs.700 crore. 74 Model High Schools will also be established under the above scheme in the year 2010-11.
19. As many as 2.64 lakhs teachers are working in government primary schools, with a ratio of one teacher for every 28 students.
20. The above ratio is very favourable when compared to the ratio of one teacher to 40 students as per the national yardstick.

21. At present only 12 percent of the youth are studying for higher education in Karnataka. It is proposed to increase this to 25 percent in the coming years.
22. We have taken various initiatives in the health sector. 517 ambulances have been deployed under **Arogya Kavacha scheme**, operating through the toll-free help-line providing free ambulance service for emergency treatment in all talukas of the State. The Arogya Kavacha Scheme is expected to increase the institutional deliveries substantially.
23. A new scheme called '**Vajpayee Arogya Shri Yojana**' started recently in Gulbarga Division seeks to help BPL families by providing free treatment including surgery. This scheme will be expanded to other divisions.
24. We have converted 975 PHCs into 24 hour health centres. A new scheme will be formulated to provide free medical checkup to all girl children registered under the Bhagyalakshmi scheme. Free medical treatment will also be provided to them.
25. We have identified 114 talukas as comparatively backward in terms of economic and social infrastructure and have set apart Rs. 2584 crore in the Plan to provide as an additionality to these talukas.

26. These additional allocations will be used to improve the educational and health facilities in these areas and also to provide necessary infrastructure such as roads and irrigation facilities.
27. The largest sectoral outlay in our Plan for 2010-11 is for Water Supply, Housing and Urban Development. For Industries, we intend to acquire and development one lakh acres of land for industrial layouts.
28. We are also giving a lot of importance to the development of tier two cities through better connectivity and living conditions.
29. We are aware that mere allocation of resources and incurring of expenditure does not guarantee development. The quality of expenditure and the effective utilization of resources are equally important.
30. My government will implement the recommendation in the Interim Report of Expenditure Reforms Commission. We shall continuously emphasize the importance of outcomes rather than merely inputs or even outputs.
31. We have made the assessment of outcomes a part of our monitoring frame work.

32. I would now like to bring to your notice some critical areas which need the intervention of the Planning Commission:

- (a) In order to take up comprehensive rehabilitation and restoration of damaged infrastructure in the flood affected districts of Northern Karnataka, State Govt. has asked for special allotment of 2 lakh house under IAY. The State Govt. has also asked for Rs.3546 crore for Road and Bridges, Rs. 360 crores irrigation, Rs.285 crore for drinking water and Rs. 297 crores for electricity.
- (b) Captive coal block allotments for Chattisgarh, Yermarus, Edlapur Kudagi, Gulbarga and Belgaum power projects.
- (c) Speedier execution of Dabhol to Bangalore gas pipeline including resolving the issue of pricing.
- (c) Upper Bhadra Project and De-sitting of Tungabhadra Reservoir to be declared as National Projects.
- (d) To endorse a special package of Rs. 8,500 crores (half of the estimated deficit) for taking up infrastructure projects in Bangalore.
- (f) Funds in the ratio of 90:10 on the line of RMSA to be provided to implement Right to Education act.
- (g) Karnataka may be included under JnNURM+ as and when launched.

33. I shall now request my colleagues to elaborate on other important points and look forward to your valuable suggestions.

Thank you.

Jai Hind – Jai Karnatak