



GOVERNMENT OF KARNATAKA

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# ECONOMIC SURVEY

## 1996 - 97

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PLANNING, INSTITUTIONAL FINANCE AND STATISTICS AND  
SCIENCE AND TECHNOLOGY DEPARTMENT

MARCH 1997

# **ECONOMIC SURVEY**

**1996 - 97**

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**PLANNING, INSTITUTIONAL FINANCE AND STATISTICS AND  
SCIENCE AND TECHNOLOGY DEPARTMENT**

**MARCH 1997**

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## **ECONOMIC SITUATION**

ECONOMIC SITUATION  
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The overall performance of the State's economy is good during the current year. It is anticipated that growth in Gross Domestic Product (GDP) in 1996-97 will be 5.8 per cent against 5.6% in 1995-96. Performance in industry has been encouraging at 8.7 per cent in 96-97 despite sluggish capital markets, stagnation in foreign investment and increased domestic and external competition. The agricultural sector also did well with a growth in GDP of 3.6%. In wholesale prices, in the first 7 months of the current year, the All Commodities Index (agricultural commodities only) increased from 360 in March 96 to 392 by October 1996, (an increase of 8.89 per cent) compared to a fall of 1.07 per cent during the same period of 1995-96. The inflation rate as measured in terms of the consumer price for industrial workers on point to point basis was however about 8.7 per cent against 9.4 per cent at the All India level. Inflation appears to have been lower in Karnataka. Compared to last year, the production of foodgrains is anticipated to be about 90 lakh tonnes in the current year as against 87.20 lakh tonnes in 95-96. In the production of selected industries a mixed trend is noticed in 96-97 up to November 1996. While there has been significant increase in the production of pig iron, saleable steel, soap, silk fabric, sandalwood oil and cigarettes, the production of steel ingots, paper, sugar and wristwatches has registered a decline. Progress under special employment programmes is impressive despite concern about the increasing number of jobseekers in employment exchanges.

As the final year of the Eighth Plan draws to a close, the salient features of economic performance during the period are:

an anticipated achievement of a growth rate of 5.1% in gross domestic product as against a target of 5.6 per cent.

growth in agriculture of about 3 per cent per annum.

growth in industry of about 5 per cent per annum.

In 1995-96, the primary sector did not perform well on account of fall in the production of major crops like paddy, wheat, gram, sunflower and sugarcane, industrial wood and gold, silver and copper. In the secondary sector in 1995-96, the negative growth in electricity, gas and water supply was due to fall in the generation of electricity. The performance of the secondary and tertiary sectors is anticipated to be better than that of the primary sector in 1995-96 as well as in the current year. Crop production in 1996-97 is anticipated to go up in respect of major crops like paddy, wheat, jowar, tur and sugarcane, partly due to improvement in rainfall conditions in the State during the current year. The annual average growth in GDP during the VIII Plan is expected to be around 5.1 per cent.

### **Prices**

The country witnessed single digit inflation for three consecutive years from 1993-94 to 1995-96 recording the lowest inflation rate of 7.7% in 1995-96 as measured by the wholesale price index (WPI). In the first seven months of the current year, the index has gone up from 299.4 in March 1996 to 317.4 by October 1996 (an increase of 6 per cent). Continuing its declining trend since March 1996, the inflation rate which was 5 per cent in April 1996 moved down to 4.5 per cent in May 1996 and maintained the same level in June 1996. The food procurement policy of Government of India which was extended to additional commodities during the year has resulted in rises in the prices of certain agricultural commodities.

The wholesale prices of most commodities moved steadily upwards in the first seven months of the current year. Price rise has been higher during the current year. The wholesale price index (base 1981-82 = 100) which stood at 299.4 in March 1996 has been rising continuously to reach 317.4 in October 1996, registering an increase of about 6 per cent as compared to the increase of 4.6 per cent during the corresponding period of 1995. Substantial increases in the prices of cereals, pulses, oilseeds, fibres, fuel, power, light and lubricants, edible oils, sugar, khandasari and gur were responsible for this rise.

The index of primary articles which includes all agricultural commodities recorded a higher increase of 8.9 per cent between March 1996 and October 1996 than the 5 per cent recorded in the previous year. The index of manufactured products registered a rise of 3.9 per cent in the current year between March and October 1996 which is lower than the 5.3 per cent increase of the corresponding period of the previous year. The prices of sugar, khandasari and gur have gone up by nearly 20 per cent and those of edible oil products by nearly 3.6 per cent. Prices of fuel, power, light and lubricants increased by 3.8 per cent as against a meagre fall of 0.1 per cent a year ago.

In Karnataka the wholesale price index is computed only for agricultural commodities whereas at the All India level it is broadbased and covers both agricultural and industrial products besides fuel, power, light and lubricants. Hence the wholesale price index computed in the State is not strictly comparable with the All India index. Comparison of price trends in respect of agricultural commodities in Karnataka with those at the All India level has to be in relation to the respective commodities or groups in the national index. In the first 7 months of the current year, the All Commodities Index (agricultural commodities only) increased from 360 in March 1996 to 392 by October 1996, registering an increase of 8.89 per cent compared to a fall of 1.07 per cent during the same period of 1995-96.

The wholesale prices of primary articles showed an upward trend from month to month and declined in October 1996 (0.1 per cent). With primary articles, prices of food articles have gone up by about 9.6 per cent whereas the prices of non-food articles went up by 6.1 per cent. The prices of cereals showed a hike of 11.7 per cent and those of pulses of 6.9 per cent from March to October 1996. The price of rice shot up by 10.3 per cent. The price of jowar rose by 7.5 per cent followed by ragi (1.5 per cent). The price of potato registered an increase of 69.6 per cent. Rise in the prices of turmeric and coconut were 18.1 per cent and 14.0 per cent respectively. Rise in the prices of cereals in Karnataka has been lower than the All India level except for ragi. Prices of oilseeds have declined by 2.9 per cent between March and October 1996 as against a hike of 11.7 per cent at the All India level.



In the current year, the All India consumer price index moved up without respite from month to month. In Karnataka the consumer price index in March 1996 was 207. It increased to 221 in August 1996, remained constant in September 1996 and increased to 225 in November 1996. Between March and November 1996 the rate of inflation in Karnataka as measured in terms of the consumer price index for industrial workers on point to point basis was about 8.7 per cent as against 9.4 per cent at the All India level. Inflation rate was thus lower in Karnataka than the All India level. Rise in the consumer price index in Karnataka has been slightly higher (8.7 per cent) during the first 8 months of the current year compared to the corresponding period of the previous year (7.3 per cent). At the All India level it increased by 9.4 per cent during the first eight months of the current year compared to an increase of 9.6 per cent in the corresponding period of the previous year.

### **Budgetary Trends**

The State budget for 1996-97 envisaged a total expenditure of Rs.12339.15 crores which is about Rs.1855.08 crores (17.69%) higher than in 1995-96 (RE). Aggregate receipts are placed at Rs.12286.45 crores, which is about 17.39% higher than in 1995-96. The overall deficit anticipated during the current year is Rs.132.21 crores taking into account the negative opening balance of Rs.79.51 crores. It is anticipated that the deficit will be reduced by the end of the year through buoyancy in tax collection and greater efficiency in tax administration.

Aggregate receipts during the current year are anticipated to go up by about Rs.1820 crores (17.30%) over the previous year's level. Own tax revenues of the State are expected to go up by 16.77%. Growth in the share in Central taxes is 16.74 % during the current year. Non - tax revenues are anticipated to go up by 17.90% over the previous year's level, of which grants from the Centre are expected to increase by nearly 28.39%. Capital receipts are anticipated to go up by Rs.291.09 crores or 22.73% over the previous year. Capital receipts had declined by (-)6.1% in 1995-96. Capital receipts through internal debt marked an increase of 28.43 per cent in the current year. Tax revenues as a proportion of total receipts are about 65.70% in the budget estimates for 1996-97. The per

capita own tax revenue of the State is expected to go up to Rs.1269.74 compared to Rs.1100.83 in 1995-96. The tax effort of Karnataka as measured by per capita State's own tax revenue as a percentage of per capita State income is the second among the States at 13.32 per cent, Kerala being the first with 13.38 per cent.

Revenue expenditure is likely to go up by 21.34 per cent. Capital expenditure has declined by (-)0.95 per cent compared to the previous year.

The aggregate expenditure envisaged in the budget for 1996-97 is Rs.12339.15 crores which consists of developmental (69.19%) and non - developmental expenditure (30.81%). Developmental expenditure is anticipated to go up during the current year by 16.23 per cent and nondevelopmental expenditure by 21.12 per cent. The budget envisages a higher rate of increase in the expenditure on industry and minerals (45.18%), general economic services (35.29%) and rural development (23.24%). Under social and community services expenditure is envisaged to go up on housing and urban development (52.01%), family welfare, water supply and sanitation (41.87%), education, sports and art and culture (13.89%) and social security and welfare (11.30%). There is a higher growth of 33.72% in Plan expenditure including Centrally Sponsored and Central Sector schemes. The State Plan outlay is expected to increase by about 40.65% in the current year with an increase in respect of irrigation projects pending approval of 20.25%. Non - Plan expenditure is projected to increase by 20.25 per cent in 1996-97.

### **Plans**

The Eighth Five Year Plan was launched in an environment of policy changes undertaken by the Government of India. The Eighth Plan aims at achieving an annual growth of 5.6 per cent in the State's economy as against 5.4 per cent registered in the Seventh Plan. The Plan accords higher priority to the development of crucial infrastructure like irrigation and power. It also aims at improving the well-being of people by intensifying poverty alleviation and minimum needs programmes in rural & urban areas.

The approved outlay for the Eighth Five Year Plan was Rs. 12300 crores at 1991-92 prices. The anticipated expenditure is around Rs.14584 crores. As against an approved outlay of Rs.1396 crores for the Special Component Plan and the Tribal Sub Plan the allocation made is Rs.1770 crores and the anticipated expenditure Rs.1683 crores. The share of irrigation went up from 16% in 91-92 to 27% in 96-97. Social services which accounted for 22% of the outlay in 91-92 were allocated 34% in 96-97. There was substantial increase in allocations for education, health, water supply, housing, urban development & the welfare of SCs and STs.

The approved outlay for 1996-97 is Rs. 4360 crores which constitutes 35.45% of the Eighth Five Year Plan in real terms. Rs. 732 crores ( 16.79%) have been provided to Zilla Panchayats. In 1996-97, emphasis is on the development of core infrastructural sectors like irrigation and power. The plan also aims at the maximisation of growth, poverty alleviation and improvement in the quality of life of people through intensifying rural development programmes.

65.4% of the budgetted outlay has been allocated to economic services. Irrigation and energy account for 40% of the Annual Plan outlay for 1996-97. The investment envisaged in the irrigation sector is Rs.1169 crores and outlay on the energy sector Rs. 590.06 crores. 33.7% of the total Annual Plan outlay for 1996-97 has been allocated for social services.

The budgetted outlay in 1996-97 on Centrally Sponsored schemes and Central Sector schemes (Government of India's share) is Rs. 951.42 crores which is higher than the previous year's revised estimate by 9.11%. 48.4% per cent of the Central Plan outlay is earmarked for social services and the rest for economic services. Among economic services, rural development received the highest share of 34.1% of the total outlay.

As an outcome of the Common Minimum Programme of the new Central government a special thrust was given to basic minimum services on the basis of decisions taken at a conference of Chief Ministers. Seven areas were identified - water supply, primary health care, universalisation of primary education, housing, nutrition, rural roads and the public distribution system. Karnataka has programmed a substantial outlay of Rs.686.28 crores for these areas in 1996-97.

The State has managed to obtain external assistance for a number of developmental projects. Expenditure on these projects by the end of 1995-96 was Rs.2184.03 crores. In the current year Rs.1919.45 crores were provided for these projects. In 1996-97, the State level Coordination Committee cleared eight projects at a total cost of Rs. 465.31 crores, of which Rs. 70.98 crores (15.25%) is the State's share.

Outlay on the district sector in the Annual Plan is Rs. 732 crores. Zilla Panchayats receive Rs. 541 crores as their share from Government of India for Centrally Sponsored schemes.

### **Agriculture**

As a result of favourable monsoons in the State during the current year, 82.50 lakh tonnes of cereals, 7.50 lakh tonnes of pulses and 19.50 lakh tonnes of oilseeds are estimated to be produced. Widespread rains in all parts of the State in kharif 1996 helped kharif cultivation. The State received 963 mm of rainfall as against the normal level of 932 mm in kharif. The condition of rabi crops is also stated to be good and targets are likely to be achieved in both kharif and rabi. The State has received rain from both monsoons for the summer crops. The target for the summer season is also likely to be achieved.

The production of foodgrains is anticipated to be around 90 lakh tonnes in the current year as against 87.20 lakh tonnes in 1995-96. In the case of oilseeds it is anticipated to be 19.50 lakh tonnes during the current year as against 17.15 lakh tonnes in the preceding year.

At present horticultural crops are grown over an area of 13.47 lakh hectares with a production of over 106 lakh tonnes. There is an increasing trend in the area and production of horticultural crops in the State in recent years.

### **Industry**

Nearly a quarter of the State's income comes from the secondary sector of which more than 75 per cent is accounted for by manufacturing. To remove drawbacks in policies, a new industrial policy was adopted on 1st April, 1996. It aims at active participation in the development of infrastructure, development of potential growth centres, growth in the export of value added goods measures for the optimum utilization of resources like land, water and energy and growth in industrial production. In 1994-95, beverages, tobacco and tobacco products recorded the highest growth of 23.65% followed by electrical machinery and appliances (16.0%), food products (12.76%) and machinery and machine tools (9.09%). A mixed trend is noticed in the data on the production of selected industries in 1996-97 (upto November 96). While there has been a significant increase in the production of pig iron, saleable steel, soap, silk fabric, sandalwood oil and cigarettes, the production of steel ingots, paper, sugar and wrist watches registered a decline.

In the current year a significant improvement is observed in the development of small scale industries particularly in the number of small scale units registered. 7773 units have been registered with an investment of Rs.198.60 crores generates employment of 38999. There were 5108 industrial sheds in the State at the end of 1995-96 and 553 acres of land developed and allotted to 520 units apartment from 2659 joint stock companies. The sericulture industry produced 71.2 thousand tonnes of cocoons of which 50 thousand tonnes were marketed in 1995-96. The industry also earned foreign exchange worth Rs.19940 lakhs. The share of the State in exports of silk products was 23.6% in terms of value. Industrial relations were satisfactory and there were fewer strikes and lockouts in 1996-97.

## **Economic Infrastructure**

The cumulative irrigation potential likely to be created under major, medium and minor irrigation (only surface water) upto the end of 1996-97 is expected to be 26 lakh hectares as against the ultimate irrigation potential of 35 lakh hectares for major and medium irrigation and 10 lakh hectares for minor irrigation (surface water). Additional irrigation potential of about 91 thousand hectares is anticipated during the current year from major and medium irrigation projects. The additional potential likely to be created is 80000 hectares under Plan projects {including about 24000 hectares to be created under Krishna Bhagya Jala Nigama (KBJN)} and about 11000 hectares under projects pending approval. In fact, under Upper Krishna Project alone a potential of 62410 hectares is anticipated to be created in 1996-97. In respect of minor irrigation (surface water) an additional potential of about 8000 hectares will be created during the year. In all additional irrigation potential of 99000 hectares is anticipated to be created from major, medium and minor irrigation (surface water). The responsibility of implementation of the Upper Krishna Project has been entrusted to the Krishna Bhagya Jala Nigama (KBJN). The company has raised Rs.180 crores through a private placement of bonds in 1995-96 and is expected to exceed the target of Rs.500 crores for market borrowings in 1996-97.

In 1996-97 the area likely to be brought under field irrigation channels will be about 29000 hectares. Field irrigation have to be completed in the coming years to derive the full benefit of the irrigation potential created at huge costs.

Under the Accelerated Irrigation Benefit Programme of the Government of India, three projects - Upper Krishna StageI, PhaseIII, Malaprabha and Hirehalla are proposed to be taken up with Central loan assistance of Rs.122.50 crores in 1996-97. 50 per cent of loan advance (Rs.61.25 crores) has been sanctioned for these projects.

The installed capacity of power by the end of the current year is expected to be 3588.54 MWS comprising 2618.59 MWS of hydel power and 967.92 MWS of thermal and diesel power and 2.03 MWS of wind power. The State has to still go a long way in harnessing the ultimate hydel potential of 7750 MWS.

Energy generation in 1996-97 at 14686 MUS is expected to show a decline of 5.5 per cent over the level of 15534 MUS of 1995-96. Fall of this magnitude is due to decline in hydel generation during the current year. The decline in hydel generation is anticipated to be 16.36 per cent. On account of poor inflow of water into the hydel reservoirs of the State, whereas the increase in thermal generation is anticipated to be significantly higher at 16.90 per cent on account of higher generation from the Raichur Thermal Power Station. Power generation in 1996-97 at 18886 MUS (including 4200 MUS from Central generating stations) is expected to fall short of the unrestricted requirement of 23109 MUS by 18.27 per cent. Deficit in power has been reduced by the import of energy from Central generating stations. 714 MUS are also expected to be imported from other States. An additional installed capacity of 78.80 MWS will be added to the State grid during the current year by commissioning one unit of the Kadra Power house (50 MWS) and uprating two units of the Sharavathi Generating Station (28.80 MWS). Power cuts have been imposed on industries to tide over the shortage.

Keeping in view the evergrowing demand for power in agriculture and industry, the State Government has taken several short and long term measures to improve generation. It has approved the setting up of short gestation barge mounted power stations with a total capacity of around 600 MWS. The State has initiated action to set up small capacity (20 to 30 MWS) multifuel projects with a gestation period of up to 18 months. Around 600 MWS of additional capacity are expected to be added to the grid from small multifuel projects. The government has signed memoranda of understanding with several firms to set up power projects in the State for over 7000 MWS. This includes thermal, hydel and multifuel based projects. Among the thermal projects there are two with a capacity of 1000 MWS. Cogentrix and the Nagarjuna Power Corporation at Mangalore. 500 MWS project is being set up by Deccan Power Systems at

Hospet. The hydro project being set up by Chamundi Power Corporation is a cascade. The total capacity of this project will be around 1140 MWS. These projects have been accorded in principle clearance by the Central Electricity Authority.

Commissioning of the 400 KV D/C 210 CKms transmission line from Davanagere to Sirsi and a 400/220 KV.315 MVA sub - station at Guttur are anticipated to be completed by March 1997. A 220 KV transmission line to Guttur from Davangere - Sharavathi has been completed and 220 KV transmission lines from Kadra - Kodalalli (56 CKms) and Kodalalli - Nagjhari (68 Ckms) and a DC line to Thorangal from Lingapur (84 Ckms) are likely to be completed before the end of 1996-97.

The number of major vehicles in the State went up by more than 2.36 lakhs in 1995-96. The number of major vehicles at the end of 1995-96 was 22.50 lakhs (cumulative). The largest number are motor cycles / scooters with a registered figure of 16 lakhs. The revenue realised from the Motor Vehicles Department in 1995-96 was Rs.400 crores.

Decrease is expected in the cargo handled at various ports under the control of the State Government during the current year.

### **Employment**

Additional employment anticipated to be generated 1996-97 is estimated to be about 4.99 lakhs in different sectors of the economy. The construction sector is expected to generate about 1.45 lakhs of employment followed by agriculture and allied sectors (1.25 lakhs) and other services (1.23 lakhs). These three sectors account for about 80 per cent of the additional employment.

Employment in the organised sector at the end of September 1996 is 17.82 lakhs comprising 10.69 lakhs of public sector employment and 7.13 lakhs of private sector employment. Organised sector employment at the end of March 1996 was 17.59 lakhs. Increase in organised sector employment was 1.31 per cent the first half of the current year.



According to employment exchange data, registrations at the end of November 1996 were 17.93 lakhs as against 17.39 lakhs at the end of March 1996. Total registrations increased by 3.4 per cent in 8 months during the current year, as compared to 5.4 per cent in the corresponding period of the previous year. The number of vacancies notified between April and November 1996 was about 17000 compared to about 22000 notified in the corresponding period of the previous year. Between April and November 1996 13000 placements were made as against about 8600 placements in the corresponding period of the previous year.

Key results of the survey on employment and unemployment of the National Sample Survey Organisation, 1993 show that between 1987 and 1993 there has been an increase in unemployment among rural males (current daily status). Unemployment among urban females has also shown an increase. These are two areas of concern.

The wage employment generated under various special employment programmes is estimated at 8.14 crore mandays in the first 8 months of the current year. Jawahar Rozgar Yojana, major and medium irrigation and soil conservation account for about 6.59 crore mandays (81 per cent of total wage employment generation). Non target oriented programmes like the Employment Assurance scheme and Nimmadi account for 1.55 crore mandays or 19 per cent of the total wage employment generated up to November 1996.

### **Credit and Banking**

Karnataka has made great strides in developing a good network of banking and other credit institutions and mobilising institutional finance for economic development. The number of bank branches in the State which was 755 at the time of nationalisation in 1969 has gone up to 4444 including Regional Rural Banks by the end of March 1996.

The share of rural bank branches stood at 53% at the end of March 1996 as against 25% before nationalisation. There has been a sizeable increase in the deposits and advances of commercial banks in the State. The anticipated levels of deposits and advances by the end of 1996-97 are Rs.26230 crores and Rs.18875 crore respectively (an increase of 20% and 24%). The credit - deposit ratio works out to 72%. Priority sector advances are expected to reach Rs.8175 crores, (42% of total advances as against the norm of 40% stipulated by the Reserve Bank of India). Direct agricultural advances at the end of March 1996 stood at Rs.2627 crores, (17% of total advances as against the RBI stipulation of 18%) and weaker section advances were Rs.1463 crores, (9.45% of the total advances as against the RBI stipulation of 10%).

The most popular institutional credit-linked poverty alleviation programme is the Integrated Rural Development Programme. One lakh families have anticipated been provided with loan assistance to the extent of Rs.100 crores under the scheme during the current year. Scheduled Castes and tribes are expected to receive 30% of the total assistance under the scheme during the current year. In the industrial sector, KSFC and KSIIDC are expected to disburse Rs.939 crores. All India term lending institutions are expected to extend substantial financial assistance. Anticipated disbursals are of the order of Rs.2550 crores during the current year for developmental programmes.

The State has also an extensive network of cooperative credit institutions. There are 4277 primary agricultural cooperative societies (PACS) at the village level and 177 primary cooperative agriculture and rural development banks (PCARD) at taluk level to provide long, medium and short term credit to the agricultural sector.

By the end of the current year the advances of primary agricultural credit societies under short, medium and long term credit are anticipated to be Rs.395.41 crores, Rs.19.01 crores and Rs.75.67 crores respectively. In 1995-96 the levels of recovery of loans under short, medium and long term loans were 71%, 49% and 39% respectively.

### **Social Infrastructure**

Development of social services - education, health care, nutrition, drinking water, housing, social security, environment and roads -has been accorded high priority in the allocation of funds. Universalisation of primary education by 2000 AD is a major objective of the Eighth Five Year Plan. During the Plan period 20,000 additional posts of primary school teachers have been created and 20434 classrooms taken up for construction of which 12806 have been completed. Over 7000 classrooms are in various stages of construction and will be completed by end of 1996-97.

Dropout rates fell from 27% in 92-93 to 19.69% in 96-97. Operation Blackboard continued during the Eighth Plan and provided funds for infrastructure, teachers and equipment. The DPEP started during the Plan in 94-95 in 4 districts has had great effect in improving the quality of primary education through teacher's training community involvement and the production of special learning material. The programme has now been extended to 6 more districts. District Institutes for Education & Training have been opened in all districts for training teachers. New strategies adopted for achieving the objective of universal primary education are aimed at providing a primary school at a walkable distance to all children to be enrolled in schools and improving this learning competencies. There are about 45000 primary schools with 1.82 lakh teachers. More than 82 lakh boys and girls will be enrolled in Classes I to VII in the current year. To reduce the drop-out ratio in schools, incentives are given like free textbooks, uniforms and bags, processed food at the rate of one kg. per child per month for a period of eight months in a year and 3 kgs of wheat (rice) per child per month on working days. Beneficiaries are 38 lakh children under the Central government's programme and 9.80 lakh children under the State government's programme.

For the eradication of illiteracy and to provide continuing education for neo - literates 1175 Jana Shikshana Nilayas were established in the State in rural areas in addition to 333 established under the Akshara Deepa Programme. The total literacy campaign is being implemented in all districts except Bangalore Urban. In 1996-97, 6.83 lakhs are expected to be enrolled under the campaign.

A review of the ongoing programme indicates that the campaign can be successful only through the determined efforts of all sections of society. The involvement of women, social workers, educationists, people's representatives and media persons is vital for the success of this programme.

To stabilise the literacy levels acquired during the I stage of the total literacy campaign, there is a two year post-literacy campaign (Phase II) and a subsequent continuing education programme (Phase III).

The State is following the national pattern of three tier health infrastructure in rendering primary health care through Primary Health Centres (PHCs). The proposed target for the Eighth Plan was 8093 sub centres and 1509 PHCs. By March 1996, these targets were achieved. It was targetted to set up 234 CHCs, of which 232 CHCs were functioning at the end of March 1996. In 1996-97, the crude birth rate is expected to decline from 24.5 to 24.0 and the crude death rate from 8.1 to 8.0. The proportion of couples protected is anticipated to increase from 56.97 to 59.12 per cent. In the Eighth Plan period the birth rate improved from 26.8% in 1992 to 24.2% in 1995, the death rate from 9% to 7.6% and IMR from 77 to 62. The Health Systems Development Project costing Rs.550 crores assisted by the World Bank which came into force in 1995-96 will cover 13 districts with special focus on secondary hospitals over a period of 5 years.

The nutrition programme covers the supplementary nutrition programme and the supply of foodgrains at subsidised prices. 28.88 lakh persons were provided supplementary nutrition in 1995-96. It is anticipated that about 32.32 lakh persons will be provided supplementary nutrition during the current year.

Foodgrains are distributed to the poor at subsidised rates and coverage of families increased from 49.35 lakhs in 1994-95 to 63.88 lakhs in 1996-97. Under the restructured PDS launched on 26th January 1997, families living below the poverty line will get 10 kgs. of foodgrains every month at subsidised rates. This is being implemented with Central assistance.

A massive housing programme, particularly for poorer sections has been under implementation. Under the common basic minimum services, provision of housing for weaker sections by 2000 A.D. is a cherished goal. During the Eighth plan 4.53 lakh sites were distributed up to end November 1996. During the current year more than 65000 sites have been distributed up to end November 1996. Under Ashraya 1.27 lakh houses have been constructed during the Eighth Plan up to end November 1996. The number of houses constructed in the current year up to November 1996 is more than 29000.

Water supply and sanitation are important basic needs for improvement of the quality of life and enhancement of the productive efficiency of citizens. During the Eighth Plan up to end December 1996 3843 piped water supply schemes and 5142 mini water supply schemes have been completed and 22472 borewells fitted with handpumps provided. In the current year 247 piped water supply schemes and 485 mini water supply schemes have been completed and 1928 borewells fitted with handpumps provided up to end December, 1996.

Under the Nirmala Grama Yojana 1.32 lakh household latrines were constructed from 2nd October 1995 to 31st March 1996. In the current year 2.67 lakh latrines have been constructed up to end December 1996.

Provision of basic amenities like roads, drains, street lights, community bathrooms and latrines, sewerage, community halls and drinking water are components of the programme for slum improvement. The total population covered up to end December 1996 is 12.69 lakhs. For economically weaker sections houses have been taken up by clearing huts in slums or the rehabilitation of slum dwellers on available vacant lands. During the Eighth Plan up to end December 1996, 7582 houses have been constructed.

Connectivity of villages by allweather roads improves their access to markets. Significant progress has been achieved in the State in the development of rural roads. The road length which was 0.84 lakh kms in 1970-71 increased to 1.35 lakh kms by 1994-95. Over a period of 24 years about 51,000 kms of roads have been formed. During the Eighth Plan up to the end of 1994-95 1117 kms of roads have been formed.

Social security programmes are under implementation for destitute widows, the aged and physically handicapped through monthly financial assistance. Up to end September 1996, 5.07 lakh persons have been covered under the old age pension scheme. 3.05 lakh physically handicapped persons and 5.17 lakh destitute widows have been covered under the pension scheme. Under the saree and dhoti scheme in 1996-97 (up to end December 1996) 32 lakh beneficiaries have been covered. 149 hostels for SC and ST students have been constructed in the first four years of the Eighth Plan and 25 more will be taken up in the current year. 60 Morarji Desai residential schools to provide quality education to SC and ST students have been sanctioned under a special State government scheme in the last two years.

**AGRICULTURE**

## CHAPTER 2

### A. AGRICULTURE

#### SEASONAL CONDITIONS AND CROP PROSPECTS IN 1996

##### a. Kharif

In Karnataka nearly 71% of the normal annual rainfall is received from the south west monsoon and the kharif season contributes around 72% of the foodgrains production in the State. Foodgrains production in 1996-97 has been targetted at 82.50 lakh tonnes of cereals and 7.5 lakh tonnes of pulses. The targets for oilseeds, cotton sugarcane and tobacco are 19.50 lakh tonnes, 9.50 lakh bales, 260.00 lakh tonnes and 0.55 lakh tonnes respectively. For kharif alone the targets are 59.71 lakh tonnes of cereals, 5.08 lakh tonnes of pulses and 12.90 lakh tonnes of oilseeds, over areas of about 33.66 lakh hectares, 11.51 lakh hectares and 19.05 lakh hectares respectively.

Scattered to moderate rains from the latter part of the first fortnight of April 1996 and dry weather over most of the state during from 1st May to 18th May hampered early kharif sowing. Some parts of Mysore, Mandya, Chickmagalur, Tumkur, Bangalore and Shimoga districts received only scattered rains from 19th May. Actual premonsoon rainfall was 80 mm as against a normal level of 125 mm. Thus pre-monsoon rainfall was inadequate and its distribution uneven.

The onset of the south-west monsoon in the first week of June over coastal and southern Karnataka resulted in good and widespread rains throughout the State. The deep depression over the Bay of Bengal from 13th to 15th June resulted in heavy rains even over some northern districts. An analysis of the June rainfall in June shows that all districts except Bidar experienced excess or normal rainfall during the month. The actual rainfall was 238 mm against the normal level of 182 mm.

Rainfall in July was deficit in all districts except Tumkur, Dakshina Kannada and Uttar Kannada. 133 taluks received deficit or scanty rainfall which hampered the sowing of kharif crops. The actual rainfall was 218 mm against the normal level of 283 mm - a 23% deficit. In August widespread rains were received in the State, except for parts of Dakshina Kannada, Uttara Kannada, Kodagu, Chickmagalur and Belgaum districts. However, the average rainfall was 206 mm, slightly higher than the normal level of 190 mm. In September widespread rains were received everywhere except in some parts of Shimoga and Hassan districts.



Heavy rains caused some damage to green gram, black gram, paddy, jowar, groundnut, cotton and bajra in parts of Raichur, Gulbarga and Bidar districts. The actual rainfall during the month was 213 mm against the normal level of 150 mm.

The State received 963 mm of rainfall against a normal of 932 mm in kharif 1996 (April-September). The timely onset of the south-west monsoon and its widespread distribution throughout kharif helped farmers to carry on agricultural operations.

This was good for rainfed crops like greengram, blackgram, jowar, maize, sesamum, sunflower and cotton which were sown in April-May. There was sufficient rainfall in August to the benefit of all crops in the State.

### **Coverage**

As per reports received the area covered up to the end of September 1996 is 70.74 lakh hectares, against the normal kharif level of 71.60 lakh hectares.(98.8%) Coverage during the corresponding period of the previous year was 68.35 lakh hectares.(95%)

Coverage under cereals is cent per cent and under oil seeds and pulses it is higher than the target except for sunflower coverage was below target only for cotton due to the failure of pre-monsoon rains in parts of Dharwad, Chitradurga, Belgaum and Shimoga districts.

### **b.Rabi**

The rabi production target was 15.91 lakh tonnes of cereals over about 19.05 lakh hectares, 2.32 lakh tonnes of pulses over about 5.12 lakh hectares and 2.97 lakh tonnes of oilseeds over about 6.49 lakh hectares.

Widespread rains in September helped in the sowing of jowar, wheat, bengal gram, horsegram, sunflower, safflower and cotton. The onset of the north-east monsoon from 10th October resulted in widespread rains over south interior Karnataka, northern-interior Karnataka and coastal Karnataka. But from the last week of October till the end of November dry weather prevailed except for scanty rains in parts of Gulbarga, Raichur, Bijapur and Bidar districts in the second week of November. The situation improved in December and due to the depression in the Bay of Bengal there was scattered rainfall in most parts of the State.

## Coverage and Crop Condition

Sowing was completed over 30.82 lakh hectares sowing was completed against a target of 30.66 lakh hectares. The corresponding coverage of the previous year was 30.37 lakh hectares. The condition of rabi crops is reported to be satisfactory in all parts of the State.

### c. Summer

It is targetted to cover 4.3 lakh hectares under summer crops and produce 8.86 lakh tonnes of cereals, 0.10 lakh tonnes of pulses & 1.27 lakh tonnes of oilseeds.

## 2. Production

The targets and achievements of important agricultural crops in the State from 1994-95 to 1996-97 are given in Table 2.1.

TABLE 2.1

Production of Important Agricultural Crops in Karnataka  
Lakh Tonnes

Particulars	1994-95		1995-96		1996-97 (P)	
	Target	Achievement	Target	Achievement	Target	Achievement
Cereals	76.50	74.94	80.55	80.07	82.50	82.82
Pulses	5.50	6.21	7.45	7.13	7.50	7.55
Foodgrains	82.00	81.15	88.00	87.20	90.00	90.37
Total (1+2)						
Oilseeds	19.00	15.42	19.00	17.15	19.50	19.25
Sugarcane	215.00	330.93	263.36	277.75	260.00	235.20
Cotton (lakh bales)	9.00	8.15	9.00	10.59	9.50	9.12
Tobacco	0.47	0.45	0.53	0.47	0.53	0.61

P: Provisional

Source: Directorate of Agriculture and Directorate of Economics and Statistics.

## 3. AGRICULTURAL INPUTS

### a. Production and Distribution of Seeds

Seed replacement norms fixed by the State for different crops in 1996-97 are as follows.

Cereals	-	12 per cent
Pulses	-	3 to 17 per cent
Oilseeds	-	3 to 12 per cent
Cotton	-	12 per cent
All hybrids	-	100 per cent

The production and supply of breeder seeds of different crops is the responsibility of State Agricultural Universities. ICAR institutions also produce and supply the breeder seed based on indents placed by the Department of Agriculture for national improved varieties. As per the new policy of the Government of India from 1993 kharif, the Seed Association of India has been the 'nodal agency' for supplying breeder seeds to private seed producing agencies.

Institutional agencies like the Karnataka State Seeds Corporation the Karnataka State Co-operative Oilseeds Growers. Federation, departmental seed farms and National Seeds Corporation are involved in the production and distribution of notified foundation and certified seeds. Private seed producers are also organising the production and distribution of foundation and certified seeds. 25-30% of the seed requirement is met by institutional seed producing agencies.

#### Seed Price Policy

Seed producing and distributing agencies are fixing the procurement and selling rates of seeds, taking into account production cost, procurement rate and overhead charges.

The production and distribution of certified quality seeds in the State for 1994-95 to 1996-97 are given in Table 2.2.

**TABLE 2.2**  
**Production & Distribution of Certified and Qualified Seeds**  
(Quintals)

Item	1994-95	1995-96	1996-97 (Targetted)
Production	343853	356448	410539
Distribution	461749	462494	500568

Source: Directorate of Agriculture.

## b. Consumption of Chemical Fertilisers

In 1996-97, it is programmed to achieve a consumption of 9.85 lakh tonnes of nutrients. The trend in fertiliser consumption for the last decade furnished in Appendix 2.5. The anticipated achievement compared with the consumption of the previous two years is as follows.

TABLE 2.3  
Consumption of Fertilisers  
(Lakh Tonnes)

Year	N	P	K	Total (N+P+K)
1994-95	4.95	2.12	1.26	8.33
1995-96	5.36	2.45	1.55	9.36
1996-97				
Target	6.05	2.40	1.40	9.85
Anticipated ) Achievement )	5.78	2.51	1.61	9.90

Source: Directorate of Agriculture.

In kharif the supply of urea was fairly good, but the supply of DAP & complexes like 17:17:17 and 19:19:19 was lower than that of the previous year. Fairly good supply of 20:20:20 & 14:28:14 complexes has helped to overcome this shortage. In rabi and summer too the availability of fertilisers has been fairly good.

The fertiliser concessional price scheme for decontrolled fertilisers introduced for the first time in rabi 1992-93 has been continued in 1996-97 with enhanced concession. The concession now available is Rs.500 to Rs.3000 per ton as against Rs.340 to Rs.1000 per ton in the previous year depending upon the nutrient (P & K) content. 11.98 lakh tonnes of decontrolled fertilisers are likely to be distributed at a subsidy of about Rs.196.56 crores in 1996-97.

## c. Plant Protection

The progress achieved under plant protection is furnished in the following table.

**Table 2.4  
Plant Protection**

Year	Area covered (Lakh Hects)		Technical grade material (Tonnes)	
	Target	Achievement	Target	Achievement
1994-95	64.00	58.20	44.00	3705
1995-96	60.00	58.60	40.00	3924
1996-97	60.00	45.12	36.00	2883
		(up to Oct.96)		(up to Oct.96)

Source: Directorate of Agriculture.

**4. Programme For Increased Production of Foodgrains, Pulses and Oilseeds**

**a. High Yielding Variety Programme**

Yearwise progress under HYVP from 1994-95 to 1996-97 are shown in the following table.

**Table 2.5  
Area Under HYV**

Year	(lakh hecets.)	
	Target	Achievement
1994-95	39.90	30.93
1995-96	39.50	36.03
1996-97 (Anticipated)	36.52	37.00

Source: Directorate of Agriculture.

**.Pulses**

The area and production of pulses from 1994-95 to 1996-97 has gone up considerably as can be seen from the following table.

**Table 2.6**  
**Area and Production of Pulses**

Year	Area(Lakh hectares)		Production(Lakh Tonnes)	
	Target	Achievement	Target	Achievement
1994-95	15.00	16.61	5.50	6.59
1995-96	17.64	16.50	7.45	7.13
1996-97	16.92	17.82	7.50	7.55
		(Provisional)		(Provisional)

Source: Directorate of Agriculture and  
Directorate of Economics and Statistics.

**c. Oilseeds**

Area and production targets and achievement of oilseeds are furnished in the following table.

**Table 2.7**  
**Area and Production of Oilseeds**

Year	Area(Lakh hectares)		Production(Lakh Tonnes)	
	Target	Achievement	Target	Achievement
1994-95	29.00	25.68	19.00	16.92
1995-96	28.48	26.26	19.00	17.15
1996-97(A)	28.55	27.95	19.50	19.25

A: Anticipated

Source: Directorate of Economics and Statistics.

The oilseeds production programme is being implemented in all the districts of the State, except Kodagu, since 1990-91 with the Centre and State sharing the cost at 75%:25%.

The use of certified seeds alone contributes 20 to 30% increase to the yield of oilseeds. The availability of certified or quality oilseeds is a big constraint in the programme. The actual seed supplied was less than half the total requirement.

**Technology Mission for Oilseeds Production**

To augment oilseeds production, meet the demand for edible oil and reduce the cost of imported edible oil, the Technology Mission for Oilseeds Production was constituted in 1987. An action plan to cover 28.55 lakh hectares with a production target of 19.50 lakh tonnes has been programmed with the assistance of the University of Agricultural Sciences, Bangalore, Dharwad and institutions like the Karnataka State Seeds

Corporation, the Karnataka Co-operative Oilseeds Grower's Federation, the Karnataka Agro-Industries Corporation, the Karnataka State Co-operative Marketing Federation and the National Seeds Corporation.

#### d. Dryland Development Programme

The area covered under soil conservation is furnished in the following table.

**Table 2.8**  
**Area under Soil Conservation**  
(Lakh hectares)

Year	During the year	Cumulative
1994-95	1.71	41.05
1995-96	1.18	42.23
1996-97 (A)	0.63	42.86

A : Anticipated

Source: Directorate of Agri. (Soil Conservation)

#### e. Externally Aided Projects

The DANIDA assisted Women and Youth Training and Employment Programme was taken up in July 1989 to train farmers in the latest technology in agriculture. It was extended by two years up to end of June 1997.

The Karnataka Watershed Development Programme is being implemented with DANIDA assistance. It has been extended to 1996-97. Three more watershed development projects are being implemented the Participative and Integrated Development of Watersheds Programme with Swiss assistance, the Integrated Watershed Management Project with KFW assistance and the Indo-Swiss Swiss Project for Watershed Development with assistance from the Swiss Development Corporation.

#### f. Agricultural Prices

In 1996-97, millowners had to surrender 33% of the paddy hulled on their own accounts and dealers 25% of the rice purchased or transported at the price fixed by the GOI.

The target for levy rice is 1.00 lakh mts in year 1996-97.

The procurement prices of paddy, rice and coarse

grains for 1996-97 fixed by Government of India are as follows:

Varieties	Paddy	(Per quintal)	
		(Raw)	(Parboiled)
Common variety	-	625-90	-
Fine variety	-	648-50	-
Superfine variety	-	678-60	-
Coarsegrains(per quintal)			
Jowar, Bajra and Ragi		310-00	
Maize		320-00	
Pulses Arhar (Tur), Moong & Urad		810-00	
Groundnutinshell (FAQ)		920-00	
Sunflower seeds		960-00	
Soyabean yellow		600-00	
Soyabean black		620-00	
Sesamum seeds		870-00	
Niger seeds		720-00	

The State Government has decided to procure coarse grains at the minimum support price fixed by the Government of India as detailed below:

Minimum Support Price	
<b>PADDY</b>	
Common	380-00
Fine	395-00
Superfine	410-00
<b>COARSE GRAINS</b>	
Ragi, Jowar and Bajra	310-00
Maize	320-00

The Food Corporation of India is the nodal agency of the Government of India for providing price support for coarse grains and the National Agricultural Co-operative Marketing Federation of India for oilseeds and pulses. The FCI is also the sole agent of the State Government for the procurement of levy rice and coarse grains under price support operations. The Karnataka Food and Civil Supplies Corporation and the Karnataka State Co-operative Marketing Federation undertake support price operations as sub-agents of the FCI in



respect of paddy and coarse grain and the Karnataka State Co-operative Marketing Federation and the Karnataka State Oil Seeds Federation for pulses and oilseeds respectively.

Millers and Dealers have to deliver 60% of the levy rice in 50 kg jute bags conforming to ISI specifications. Forest Department checkpoints have to ensure whether the rice or paddy transported outside the State is levy free. theState is levy free rice/paddy.

#### g. Comprehensive Crop Insurance Scheme

The comprehensive crop insurance scheme has been operation in the State from kharif 1985 through the General Insurance Corporation of India. Government of Karnataka and the Government of India are participating in the scheme in the ratio of 1:2. The State Government is monitoring the implementation of the scheme and undertaking propaganda and publicity measures.

The progress achieved under the scheme from 1993-94 to 1996-97 is given in the following table.

**Table 2.9**  
**Progress Achieved under Crop Insurance**

Year	Farmers covered (Lakhs)	Area covered (Lakh Hect)	Sum insured (Rs.in Lakhs)	Premium collected (Rs.in Lakhs)	Claims paid (Rs.in Lakhs)	Farmers benefited (Lakhs)
1993-94	1.94	3.25	6802.18	107.08	273.36	0.194
1994-95	2.28	4.04	9278.15	137.64	108.89	0.135
1995-96	3.39	5.60	13881.93	208.41	355.44*	0.477*
1996-97	1.14**	1.83**				

\* Kharif 1995 only.

\*\* Kharif 1996 only.

Source: Directorate of Agriculture.

Crop insurance scheme has been extended to hobli level.

## **B. HORTICULTURE**

At present, horticultural crops are grown over 13.47 lakh hectares with a total production of over 106 lakh tonnes. The value of horticulture produce is around Rs.4,547 crores per annum. The Department has taken up the following activities.

1. Area expansion with a thrust on dryland horticulture, mixed cropping, multi cropping, the introduction of new varieties and drip irrigation. A noteworthy development in recent years is the cultivation of export oriented flowers like rose, carnations, gerbera, anthurium under hi-tech controlled conditions.

2. Extension through demonstrations, field days, seminars, exhibitions, and farmers visits.

### **3. Input supply**

The department has undertaken a massive drive to produce good quality planting material and supplying it to farmers at reasonable rates. It has established 397 horticultural farms and nurseries, covering all taluks.

For vegetable seeds departmental efforts are limited to the production of foundation and certified seeds of selected crops, in limited quantities. It is assessing the possibility of using True Potato Seeds (TPS) as an alternative to seed tubers in potato. Infrastructural facilities have been created in two departmental farms for the production of True Potato Seeds. To ensure the supply of genuine and good quality planting material to farmers, the State Government proposes to enact the "Karnataka Private Horticultural Nurseries (Regulation) Act".

### **4. Plant Protection**

Apart from technical knowhow, the Department of Horticulture is providing subsidy for the supply of plant protection chemicals and equipment. It is also undertaking drives to control recurring pests and diseases like the black headed caterpillar in Coconut, the koleroga in arecanut, quickwilt in pepper and insect problems in cashew and mango. It is popularising the adoption of integrated pest management methods including a combination of biological mechanical and chemical control methods. The production of parasites to control the black headed caterpillar in coconut is an important activity. The Department has established 17 major laboratories and 46 minor laboratories to produce 360 lakh parasites per year.

### 5. Performance under Institutional Finance

The Department of Horticulture assists farmers in obtaining loans for the cultivation of horticultural crops through the National Bank for Agriculture and Rural Development (NABARD). NABARD's credit programmes in 1995-96 and 1996-97 are given below:

Year	Physical (in Ha.)	Financial (Rs.in lakhs)
1995-96	23,229	4,997.52
1996-97	31,237	8,312.68

### 6. Post harvest linkages

#### a. HOPCOMS

With the objective of creating an efficient post harvest system and marketing infrastructure for horticulture produce in the State, in the co-operative sector, HOPCOMS at Bangalore, 15 district level co-operatives and some commodity societies (in all 25) have been established. HOPCOMS has 9,098 farmer members and is operating in 8 districts handling about 200 tonnes of horticultural produce every day. Its annual turnover exceeds Rs.36 crores. It has also undertaken market intervention operations particularly in onion and potato.

An integrated co-operative fruit and vegetable marketing and export project costing Rs.66.00 crores has been prepared and posed to NCDC for financial assistance. As a first step, the Karnataka State Co-operative Horticulture Marketing Federation, (KHF) has been registered by the Government.

#### b. Cold Storages

There are 20 cold storages in the State with a total installed capacity of 12,500 metric tonnes. This is insufficient for the total production. Government is encouraging co-operatives and the private sector to construct cold Storages. In the last 2 years it has sanctioned a total capacity of 5,000 m.ts in the co-operative sector.

### 7. Horticultural Training

The Department of Horticulture, is conducting training programmes for farmers including women ranging between 5 and 10 days in areas like fruit and vegetable preservation, mushroom cultivation, etc.

## **8. Modernisation**

To cope with changing times, technology and requirements, the Department of Horticulture is undertaking modernisation measures.

## **9. Hi-tech Floriculture**

Under the New Seed Policy of the Government of India 1988, the Department is issuing permits for the import of plants and seeds after registering entrepreneurs with the Department of Horticulture.

Under a central sector scheme subsidy is being extended for setting up green houses.

## **10. Establishment of Tissue Culture Complex at Hulimavu, Bangalore**

The Department of Horticulture has established a small tissue culture (TC) laboratory at Lalbagh. It is constructing a huge well-equipped tissue culture laboratory at Hulimavu, near Bangalore.

## **11. Mushroom Development**

The Department has established three spawn production units at Lalbagh, Belgaum and Gundlupet and is distributing spawn to growers at reasonable rates. Two new laboratories, at Gulbarga and Mysore are proposed to be established in 1996-97.

## **12. Drip Irrigation**

Under a Central sector scheme, subsidies to the extent of 70% to 90% are available as incentives for this purpose for different categories of farmers.

## **13. Oil Palm Development**

In 1995-96, Rs.397.50 lakhs are utilised for the maintenance of 1,114 ha. demonstration plots in the Bhadra command area, the development of 20 ha. of oil palm seed gardens, frontline demonstrations on oil palm cultivation and processing in 80 ha. raising oil palm nurseries of 8 lakh seedlings and area development of 4,000 ha.

## **14. Export**

The Karnataka State Agriculture Produce Processing and Export Corporation (KSAPPEC) has been established by the State Government to promote the export of agricultural produce from the State.

The area under important horticultural crops and the development of horticulture are given in tables 2.10 and 2.11 respectively. The area and production of selected fruit crops is given in Appendix 2.6.

**TABLE 2.10**

**Area under important Horticultural Crops in Karnataka**  
(Area in Lakh hectares)

Sl.No.	Item	1994-95	1995-96(E)	1996-97(A)
1	Fruit Crops	2.66	2.76	2.86
2	Coconut	4.14	4.25	4.31
3	Spice Crops	4.46	3.91	3.96
4	Vegetable	2.40	2.43	2.45
5	Cashew	0.63	0.67	0.68
6	Flowers	0.16	0.19	0.20
(Excluding coconut, betelvine, nutmeg & cashew)				

Source: Directorate of Horticulture.

**TABLE 2.11**

**Development of Horticulture - Distribution of Seedlings**

Sl. No.	Item	Unit	1994-95	1995-96 (Estimated)	1996-97 (Anti.)
1.	Fruit Crops/ Plants	Lakhs	105.96	116.97	117.00
2.	Coconut	"	19.00	23.11	23.00
3.	Spice Crops (Cardamom & Pepper)	"	2.50	25.65	26.00
4.	Veg. Seeds (000 Kgs.)		416.00	421.00	421.00
5.	Cashew Plants	Lakhs	1.58	1.71	2.42
6.	Flower Plants	"	17.00	18.50	19.00

Source: Directorate of Horticulture.

## C. FORESTRY

Karnataka has a geographical area of 1,90,494 sq.kms. of which 38,724 sq.kms. (20%) is under the control of the Forest Department. Though 20.3% of the land area is legally classified as forests, only 11% is well wooded and the remaining is degraded. The State is facing a shortage of fuel wood, fodder and timber as demand has increased considerably due to the increase in both human and cattle population. Record afforestation work has been achieved over 64,349 has. during the year and 2.65 crores of seedlings distributed to farmers.

The Social Forestry scheme is being implemented as a State Plan scheme from 1992-93 in the district sector and through the territorial divisions under the control of the Forest department.

The Department has continued schemes like the afforestation and rehabilitation of degraded forests and wasteland development under various programmes with the object of greening the State. 6683 hectares of plantations were raised in 1995-96. It is programmed to cover 2775 has. in 1996-97 of which 2451 has. have been raised by the end of January 1997.

To maintain a pollutionfree environment and make cities, ~~and~~ roads aesthetic, roadside plantings and the greening of urban areas have been undertaken. In 1994-95 and 1995-96 about 3572 kms. of avenue plantations, the development of Bangalore city tanks and 1509 kms. of other plantations have been done. To ensure participatory forest management the Village Forest Committee scheme is under implementation. 195 Village Forest Committees were setup in 1994-95 and 1995-96 and 220 new Committees in 1996-97. A scheme of ECO-TOURISM is being implemented since 1993-94 to develop basic amenities for camping and nature tourism in and around forest areas which have tourist potential.

Beneficiary oriented programmes under the Special Component and Tribal Sub-Plans, planting in private holdings, raising seedlings for public distribution and the tree patta scheme are under implementation. Social security plantations, bamboos, cane, housing materials and chulhas are given to SCs and STs. Seedlings are distributed at subsidised rates for planting on own lands. 981 lakh seedlings have been distributed in 1996-97. To motivate farmers to take up planting an incentive of Rs. 2.00 per plant is provided for surviving plants for a maximum of 300 plants for three

years to be extended to five years. The association of Scheduled Tribes and the rural poor in the regeneration of degraded forests on usufruct sharing basis was started in 1995-96 and continued in 1996-97 under the Central sector.

The Forest Research scheme is aimed at the establishment and maintenance of tree preservation plots, silvicultural research plots, species trial plots, espacement and manurial trial plots and seed development.

The Western Ghats Forestry Project is being implemented with financial assistance from Overseas Development Administration of the United Kingdom. It aims at protecting and developing forests by natural regeneration supplemented by gap planting involving local people through a process of joint forest planning and management, research experiments and the establishment of geographical information and management information systems. 33928 has. of plantations were raised from 1992-93 to 1995-96. A new project on the above lines known as the Forestry and Environment Project for the Eastern Plains will be implemented with OECF assistance from 1997-98.

Under a CSS to conserve medicinal plants, the Forest Department has associated itself with nongovernmental organisations and DANIDA. 17 medicinal plant conservation areas have been identified and maintained in addition to the raising and distribution of medicinal plants.

Pavitravana and Devarakadu are ancient traditional groves preserved by people for centuries in Kodagu district. These are rich in bio-diversity and are natural genebanks apart from religious & spiritual spots. A new scheme has been envisaged for providing better protection of these devarakadus against theft and damage and for the identification of areas to create new devarakadus.

Under the CSS funded by the National Afforestation & Ecodevelopment Board, the Integrated Wasteland Development Scheme is being implemented. So far 3917 has. of plantations have been raised under the scheme. Infrastructure for testing, certification and storage of quality seeds of forest species is envisaged under the CSS Seed Development scheme.

The Forest Department is playing a very active role in the protection of lakes in and around Bangalore City. So far 81 lakes have been transferred to the Department. Fencing around the lakes, the eviction of encroachment, silt removal, the prevention of entry of sewage, planting on foreshores and the formation of parks been taken up. Lake protection committees have been constituted.

The Karnataka Forest Development Corporation has taken up afforestation works like the development of fuel wood and small timber, urban fuel wood, teak, bamboo, kathale and pulpwood trees in about 10400 has. of land over three years.

The following table gives the revenue realised and expenditure incurred on forestry programmes.

**TABLE 2.12**  
**Revenue Realised and Expenditure on Forestry**  
(Rs. Crores)

Year	Revenue	Expenditure
1994-95	94.78	117.98
1995-96	105.77	160.57
1996-97 (A)	100.00	205.88

Source: Forest Department.

Additional area brought under forestry has been shown in the following table and details of additional area brought under forestry for the last one decade given in Appendix 2.7.

**TABLE 2.13**  
**Additional Area Brought under Forestry**  
(Area: in Hectares)

ITEM	1994-95	1995-96	1996-97(A)
Eucalyptus Plantations	1200	1155	-
Teak Plantations	478	3518	-
Miscellaneous Plantations	52700	55379	57553
Canal and Avenue Plantations (kms.)	5063	4297	1323

Source: Forest Department.



## D. FISHERIES

Karnataka is endowed with rich aquatic resources. A continental shelf of 27000 sq. kms. with 300 kms. of coastline and 6.31 lakh has. of inland water area offers immense scope for fisheries development. For shrimp farming, there is brackish water area to the extent of 8000 has.

Emphasis has been laid on fish seed production. The existing area in fish farms is being expanded and new fish seed rearing centres set up by encouraging entrepreneurs to take up seed production and rearing. Reservoir fisheries development is being given a greater thrust.

Fish production from 1994-95 is available in the following table.

Year	Marine Fish	Inland Fish	Total
1994-95	1.74	0.70	2.44
1995-96	2.18	0.87	3.05
1996-97 (A)	2.20	0.80	3.00

Export of fish was of the order of 9099 metric tonnes and 7158 metric tonnes in 1994-95 and 1995-96 respectively earn a foreign exchange of Rs.113.12 crores and Rs.98.74 crores respectively. The Department of Fisheries is implementing several schemes to increase fish production by following scientific methods. Beneficiary oriented and infrastructure development programmes are also being implemented so that the potential wealth in both marine and inland fisheries sector is fully tapped.

The Integrated Fisheries Development programme is in operation at Tadri, Uttara Kannada district in collaboration with DANIDA. The fishermen of 65 villages of Kumta and Ankola talukas are the beneficiaries of this project. The II Phase of the project was completed by end July 1995.

Important infrastructure development programmes, are the fishing harbour project in coastal districts and the N.C.D.C. supported reservoir Fisheries Development project in Mysore district. Hatcheries are being constructed at Gundal in Kollegal and Kabini in H.D.

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Kote under the NCDC programme. There are five minor fishing harbours at Karwar, Honnavar, Tadri, Malpe and Mangalore and 24 fish landing centres.

Assistance is being given to fishermen to market fish under hygienic conditions by providing subsidy for the purchase of insulated boxes and cycles.

Major schemes under production oriented programmes are the National Fish Seed Programme fish seed production, rearing and distribution schemes and area development programmes like the D.P.A.P and the Western Ghats Development Programmes. Under the first of these a fish seed farm of 10 has. has been laid out at B.R. project and 56 ponds constructed.

Two Very High Frequency (VHF) towers have been installed at Malpe and Honnavar harbours and walkie-talkies distributed to fishermen having mechanised fishing boats for receiving information about potential fishing grounds, weather forecast and distress messages.

Highlights of achievements in the fisheries sector are presented in Table 2.14.

**TABLE 2.14**  
**Development of Fisheries**

(In Nos.)

Item	1994-95	1995-96	1996-97(A)
<b>MECHANISED BOATS</b>			
i. Purse Seines	378	327	330
ii. Gill Netters	1189	1639	1700
iii. Shrimp Trawlers	2098	2471	2500
iv. Others	1179	983	1000
Mechanised boats	4844	5420	5530
Purse Seine nets	350	402	450
Capacity of Ice Plants per day(Tons)	1741.5	1937.9	2000.0
Capacity of Cold Storages (Tons)	1911.5	2426.5	2500.0

Source: Directorate of Fisheries.

## **E. ANIMAL HUSBANDRY AND VETERINARY SERVICES**

The department provides health care to the livestock and poultry population of the State. At present there are about 4.1 crore livestock and poultry. The department provides health care and infrastructure. The services are free of cost.

### **1. Animal Health and Veterinary Services**

The department looks after the health of livestock and poultry through a network of 3437 veterinary institutions (including artificial insemination centres), comprising 244 veterinary hospitals, 700 veterinary dispensaries, 1920 primary veterinary centres, 400 artificial insemination centres and 173 mobile veterinary clinics.

It treated 89.05 lakh animals for various diseases in 1994-95 and 97.51 lakh cases in 1995-96. The vaccination programme fell from 268.86 lakhs in 1994-95 to 239.41 lakhs in 1995-96.

### **2. Cattle Development**

The department supplies frozen semen produced at Hessaraghatta to the veterinary institutions all over the State. In 1994-95, about 14.65 lakh artificial inseminations were done. This was increased to 14.94 lakhs in 1995-96.

2.75 lakh calves were born from A.I in 1994-95. This increased to 2.81 lakh in 1995-96. Even under the frozen semen technique the success rate is about 5.32 inseminations per calve. About 5.13 lakh castrations were performed in 1994-95. This increased to 5.16 lakhs in 1995-96.

### **3. Sheep and Wool Development**

Six sheep breeding farms are functioning under the control of the department. The largest is located at Challakere where crossbred rams are produced. Other breeds are the Deccani and Bandur breeds which are

crossed with Corriedale and Rambullet rams. 1994-95 and 1995-96, 682 and 847 stud rams were distributed to farmers respectively.

#### **4. Poultry Development**

The State has favourable agro-climatic conditions and infrastructural facilities to take up poultry development on a large scale. There are 31 poultry farms functioning under the technical control of the department comprising one State poultry breeding and training centre, 3 regional poultry breeding and training centres, 8 district poultry rearing and training centres, 13 poultry rearing centres, 5 intensive poultry production and egg marketing centres and one poultry and livestock quality control cell. In 1994-95 about 4512 persons were trained in poultry rearing and 1.71 lakh chicks produced. In 1995-96, this was increased to 5922 persons and 1.37 lakh chicks.

#### **5. Piggery Development**

Three pig breeding stations are functioning in the State directly under the control of the Department. The swine breeding policy aims at the usage of exotic breeds of pigs like the Landrace and Yorkshire. The Pork Marketing Centre at Bangalore is supplying clean and hygienic pork to consumers at a reasonable price.

#### **6. Rabbit Development**

This programme was mainly introduced to meet the growing demand for rabbit meat. The breeding programme is carried out through 12 Rabbit Breeding Centres in the State. Training is imparted to farmers in rabbit rearing.

#### **7. Socio-economic programmes**

The Department continued the implementation of Special Component and Tribal Sub-Plan programmes and the Special Livestock Breeding Programme. In 1994-95 and 1995-96, 2552 and 2340 families were benefitted respectively.

#### **8. Feed and Fodder Development**

Intensive fodder cultivation has been taken up in

livestock farms, which produce and supply rootslips and fodder seeds to the needy farmers to train them in fodder development. In 1994-95 and 1995-96, 17.57 and 15.53 lakh rootslips, 400.00 and 200.00 quintals of fodder seeds and 3550 and 8724 minikits were supplied, respectively to farmers.

**TABLE-2.15**  
**Development of Animal Husbandry & Veterinary Services**

Item	Unit	1994-95	1995-96	1996-97(A)
1. Veterinary Institutions (including Mobile Vety. Clinics & A.I Centres)	No.	3174	3437	200
2. Mobile Veterinary Clinics	No.	173	173	3
3. Livestock Farms	No.	12	12	12
4. Poultry Farms	No.	31	31	31
5. Artificial Inseminations done	Lakhs	14.65	14.94	14.03
6. No.of cases treated	"	89.05	97.51	-
7. Area brought under Fodder Production by Farms	Hect.	950	1120	8420
8. Fodder Produced	Tonnes	16923.70	18600	-
9. Milk Produced	'000	3003	3184	3270
10. Egg Produced	Millions	1467	1558	1612
11. Wool Produced	Lakh Kg.	40.46	41.60	42.0

Note: Information pertaining to item nos.1 to 4 for 1994-95 and 1995-96 is cumulative.

Source: Directorate of Animal Husbandry & Veterinary Services.

### 9. Integrated Sample Survey

The survey estimates the production of major livestock and poultry products. It is being regularly conducted since 1976-77. The estimated production is 3003 thousand tonnes of milk, 1467 million eggs and 40.46 lakh kgs. of wool for 1994-95. The estimated production of milk, eggs and wool for 1995-96 was 3184 thousand tonnes, 1558 million and 41.6 lakh kgs. respectively.

## F. DAIRY DEVELOPMENT

The main objective of the dairy development programme under Operation Flood is to provide hygienic milk to consumers and a guaranteed market to rural milk producers. These activities are being implemented by the Karnataka Milk Federation. The progress achieved in the last three years is presented in table 2.16.

**TABLE 2.16**  
**Dairy Development**

Sl. No.	Item	Unit	1994-95	1995-96	1996-97 (A)
1.	DCS registered	No.	276	393	415
2.	DCS made functional	No.	364	525	509
3.	Members enrolled	No.	66446	62133	74022
4.	Milk procured	Lakh Tonnes	4.14	4.42	4.94
5.	DCS under Animal Health Programme	No.	328	223	262
6.	Animals treated	Lakhs	5.31	2.68	2.44
7.	Animals inseminated	Lakhs	6.28	6.47	7.01
8.	Animals examined for pregnancy	No.	169276	144079	168518

Note: DCS - Dairy Co-operative Societies.  
Source: Karnataka Milk Federation.

877 DCS were registered in 1994-96 and 1002 societies made functional. Registered societies at the end of October 1996 were 7392 of which 6246 are functioning. Enrollment was 66,446 in 1994-95 and 62,133 in 1995-96. 74,022 are members expected to be enrolled this year. About 13.50 lakh tonnes of milk have been procured.

The average milk procurement per day in October 1996 was 16.56 lakh kgs as against 13.49 lakh kgs in October 1995. Average retail sales/day in October 1996 was 11.59 lakh litres/day compared to 10.73 lakh litres in October 1995.

At present 13 milk unions cover the State. 15 dairies, 2 product dairies, 3 cattle feed plants, 1 bull breeding farm and frozen semen bank, 3 diagnostic laboratories, 3 liquid nitrogen plants and 4 training centres are also catering to the need for various technical inputs.

**INDUSTRY**

**INDUSTRY**

Karnataka has become the preferred location for high technology industries, like electronics, software and tele-communications. There is a need to consolidate investment in these sectors and provide for the growth of the ancillary to cater to the needs of large units. There is also a need to attract investment to other important sectors like agro - based industry, textiles, leather and pharmaceuticals to ensure a more even distribution of the fruits of development throughout the State. Private sector initiative for the development of infrastructure in areas like power generation, express highways, industrial parks, townships and airports must be encouraged to build infrastructure.

At the national level the year was characterised by macro-economic development which effect the flow of capital into the industrial sector. The sluggish capital market due to investor suspicion and apathy affected the flow of equity funds into growing small and medium industries. Banking institutions were inclined to be conservative despite repeated measures by the RBI to increase the availability of loanable funds by reducing reserve ratios. Foreign investors had also adopted a wait and watch policy in the initial months. Some fresh investments were therefore put on hold and export and domestic markets became tighter. Entrepreneurs in Karnataka also had to contend with the power shortages due to poor rains in catchment areas. Nevertheless industrial production has been encouraging, showing the resilience of Karnataka's economy.

To achieve the above objectives, the State's New Industrial Policy was introduced on 1st April 1996. This will be in operation upto 31st March 2001. Special packages of incentives and concessions have also been offered by the government under the Policy. The thrust is on providing infrastructural facilities for research and development and special incentives for women entrepreneurs and technocrats as well as village and tiny industries. KSSIDC is the designated agency to plan and formulate proposals for infrastructure development projects after assessing the need for industrial parks, airports etc. KIADB, KSSIDC, KEONICS and KSIIDC will actively associate in setting up captive power generation stations and water supply, pollution control and solid waste disposal units.

The secondary sector accounts for nearly a quarter of the State Income in real terms. Within the sector manufacturing alone accounts for more than 75 percent of



output. The average annual growth rate of industrial production is about 7.1% over the period 1985-86 to 1994-95. In 1993-94 and 1994-95, industrial output has registered an increase of 7.22% and 8.35% respectively.

In the first eight months of the current year, out of selected 15 industrial products, (including minerals) (Table 3.4) -pig iron and saleable steel, soap, fertilisers, cement, sandalwood oil, cigarettes, silk fabric and aluminium - have shown an increase while steel ingots, paper, sugar, and wristwatches have shown a decline, over the corresponding period of the previous year. Among minerals, gold and silver shows a steep increase.

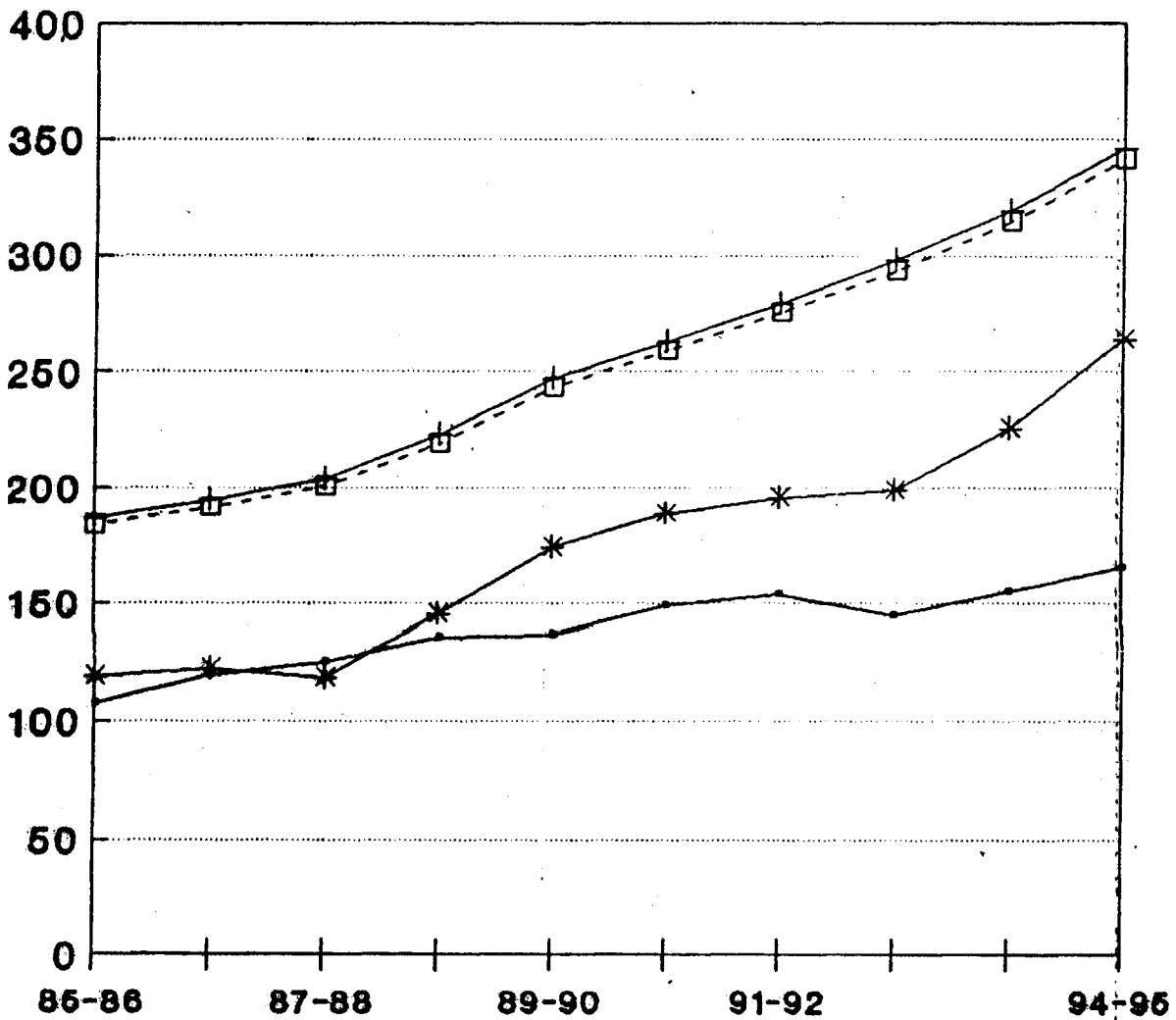
There has been significant increase in the number of small scale industrial units registered, but considerable decrease is observed in investment and employment during the current year (up to Nov. 96). The number of joint stock companies increased in 1995-96 while this has shown a slight decrease during the current year (April to Nov. 96). The authorised capital of these companies has also decreased marginally during the current year. Significant progress was made in respect of loans sanctioned and disbursed by the Karnataka State Financial Corporation and the Karnataka State Industrial Investment and Development Corporation. The electronics city maintained by KEONICS is a model for other states. In sericulture industry, while there is an increase in the area under mulberry, cocoon and raw silk production show a decline over the previous year. Export of silk goods and readymade garments has increased during the year. There has been a slight fall in the areas allotted by the Industrial Area Development Board during the current year as compared to the corresponding period of the previous year. Industrial relations were satisfactory and there were less strikes and lockouts, but absenteeism has increased in industrial workers. In the case of plantations, there is a decrease in absenteeism compared to the corresponding period of the previous year.

#### **1. Trends in Industrial Production :**

##### **a) Index of Industrial Production :**

The industrial sector covering both registered and unregistered units, contributes about 1/7th of the State's income. The latest index numbers available for Karnataka are for 1994-95 with 1980-81 as the base year. The index of industrial production is confined to mining, manufacturing and electricity (generation). Sectorwise indices for the period 1992-93 to 1994-95 are presented in Table 3.1.

# INDEX OF INDUSTRIAL PRODUCTION IN KARNATAKA, 1985-86 TO 1994-95 (Base : 1980-81=100)



—●— MINING                      —+— MANUFACTURING  
 —\*— ELECTRICITY                -□- GENERAL INDEX

Table 3.1

Index of Industrial Production of Karnataka  
1992-93 to 1994-95

Base: 1980-81 = 100

Sector	Weight	1992-93	1993-94	1994-95
01 Mining	1.41	144.44 (- 5.97)	154.84 (7.20)	165.34 (6.78)
02 Manufacturing	95.85	298.01 (6.69)	319.53 (7.22)	346.22 (8.35)
03 Electricity	2.74	199.22 (1.71)	225.52 (13.20)	263.81 (16.98)
General Index	100.00	293.14 (6.50)	314.63 (7.33)	341.41 (8.51)

Note : Figures in brackets indicate percentage change over the previous year.

Source: Directorate of Economics & Statistics, Bangalore

The annual average growth of industrial production in Karnataka was about 7.12 percent between 1985-86 and 1994-95 (Appendix 3.1). The electricity sector recorded the highest annual growth rate of 7.65% followed by manufacturing (7.13%) and mining (5.11%). The index for Karnataka which stood at 314.63 in 1993-94 moved up to 341.41 in 1994-95 registering an increase of 8.51 per cent. In the same year, the manufacturing index showed a growth of 8.35% and there was considerable increase in electricity generation (16.98%). In the case of mining also, the index showed an increase of 6.78 per cent. Manufacturing and Electricity sectors are responsible for increase in the index of industrial production in the State in 1994-95.

i) Manufacturing Sector :

The indices of 10 major industry groups in the manufacturing sector for 1994-95 in comparison with those of the previous two years are presented in Table 3.2.

The index of industrial production in the manufacturing sector registered a growth of 8.35 percent in 1994-95 as against 7.22 percent in 1993-94. Among the major groups, beverages and tobacco & tobacco products recorded the highest increase of 23.65 per cent in 1994-95 followed by electrical machinery and appliances (16.00%), food products (12.76%) and machinery & machine tools (9.09%). Increase was modest in chemical & chemical products (8.49%), paper & paper

products (7.79%), transport equipment (6.26%), non-metallic mineral products (4.76%), and basic metals & alloy industry (3.25%). The cotton textiles group registered the lowest growth of 3.13% over the previous year.

Table 3.2

Index of Industrial Production in the Manufacturing Sector by Major Industry Groups 1992-93 to 1994-95

Base : 1980-81 = 100

Sl. No.	Major Industry Group	Weight in the total	1992-93	1993-94	1994-95
01	Food Products (20-21)	12.23	351.79 (10.43)	366.93 (4.30)	413.76 (12.76)
02	Beverages, Tobacco & Tobacco products (22)	5.30	300.13 (13.32)	301.39 (0.42)	372.66 (23.65)
03	Cotton Textiles (23)	39.21	185.50 (7.06)	196.87 (6.13)	203.04 (3.13)
04	Paper & paper products (28)	3.24	307.04 (4.67)	342.06 (11.41)	368.72 (7.79)
05	Chemical & Chemical Products (31)	6.60	250.30 (7.54)	262.80 (4.99)	285.10 (8.49)
06	Non - metallic mineral products (32)	4.36	301.03 (0.20)	338.56 (12.47)	354.68 (4.76)
07	Basic metals & alloy industry (33)	9.57	385.71 (4.77)	438.06 (13.57)	452.29 (3.25)
08	Machinery & machine tools (35)	4.12	423.85 (9.08)	446.17 (5.27)	486.71 (9.09)
09	Electrical machinery and appliances (36)	6.31	487.08 (2.53)	523.96 (7.57)	607.82 (16.00)
10	Transport equipments & parts (37)	0.34	471.49 (17.15)	525.94 (11.55)	558.85 (6.26)
Total (Manufacturing)		95.85	298.01 (6.69)	319.53 (7.22)	346.22 (8.35)

- Note :
1. Figures in brackets under industry indicate NIC codes.
  2. Figures in brackets indicate percentage change over the previous year.

Source : Directorate of Economics and Statistics, Bangalore.

ii) Production of Use-Based Groups of Manufacturing Industries :

Use based groups is a part of the index of industrial production, clubbed into four major groups - basic goods industries, capital goods industries, intermediate goods industries and consumer goods industries. The indices of industrial production by use based groups from 1985-86 to 1994-95 are presented in Appendix 3.3. During the above period, the average annual growth rate was about 7.13%. The capital goods industry registered an annual average growth rate of 8.54% as compared to 6.63% in the Consumer goods industry and 6.88% in basic goods. Within the consumer goods industry group, industries producing durable consumer goods have registered an average growth rate of 7.68% per annum as against 6.83% in the production of non-durable consumer goods.

Table 3.3

Index of Industrial Production in the Manufacturing Sector in Karnataka by Use-based Groups, 1992-93 to 1994-95.

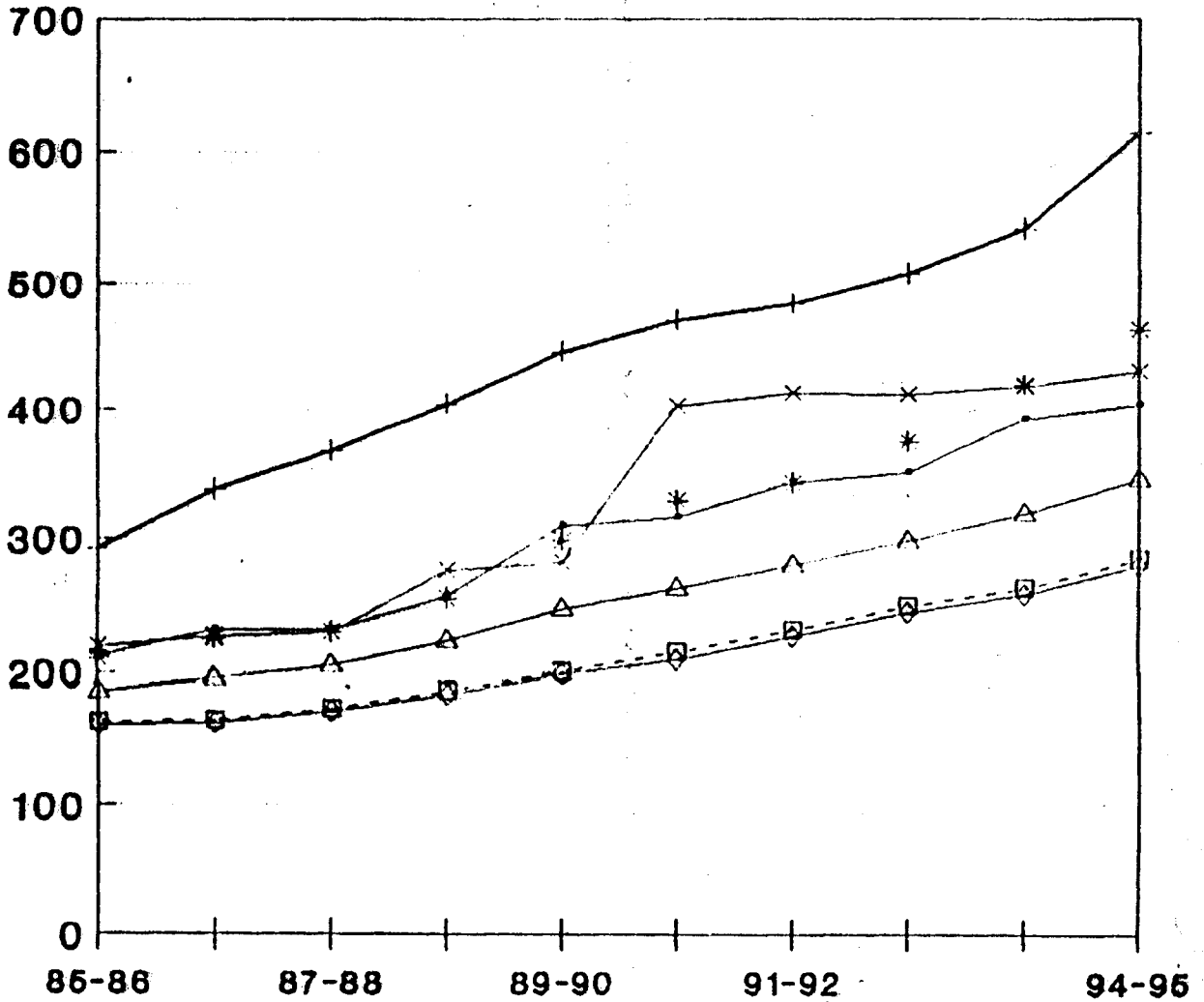
Base : 1980-81 = 100					
No.	Industry Group	Weight	1992-93	1993-94	1994-95
01	Basic goods	14.91	351.43 (2.42)	392.96 (11.82)	405.00 (3.06)
02	Capital goods	10.70	508.98 (5.12)	542.63 (6.61)	614.06 (13.16)
03	Intermediate goods	4.56	374.61 (9.42)	420.59 (12.27)	464.80 (10.51)
04	Consumer goods	69.83	249.28 (7.76)	262.94 (5.48)	284.76 (8.30)
	a) Consumer durables	2.10	412.44 (-0.19)	419.45 (1.70)	432.00 (2.99)
	b) Consumer non-durables	67.73	244.22 (8.21)	258.09 (5.68)	280.19 (8.56)
	General Index	100.00	298.10 (6.42)	319.44 (7.16)	346.13 (8.36)

Note : Figures in brackets indicate percentage change over the previous year.

Source : Directorate of Economics and Statistics, Bangalore.

# INDEX OF INDUSTRIAL PRODUCTION IN THE MANUFACTURING SECTOR BY USE BASED CLASSIFICATION

1985-86 To 94-95 (Base: 1980-81=100)



- BASIC GOODS
- +— CAPITAL GOODS
- \* INTERMEDIATE GOODS
- CONSUMER GOODS
- ×- CONSUMER DURABLES
- ◇- CONSUMER NON-DURABLE
- △- GENERAL INDEX

From Table 3.3 it can be seen that overall growth in these industrial groups was 8.36% in 1994-95 as against 7.16% in 1993-94. Capital goods recorded the highest growth of about 13.16% followed by Intermediate goods (10.51%) and basic goods (3.06%) and consumer durables occupied the last place with only 2.99% increase over the previous year.

**b) Production of selected industries.**

Only six out of twelve selected industries showed an increasing trend in production in 1995-96, compared to the previous year, while production declined in other industries. During the same period, among minerals, only the output of iron ore has slightly increased.

Industries which have shown significant growth in production during the first eight months of the current year are two components of iron and steel - pig iron (46.90%), and saleable steel (49.39%), soap (25.32%) fertilizers (6.30%), sandalwood oil (16.30%), cigarettes (14.56%) and silk fabric (17.21%). Aluminium (3.77%) showed a modest increase, while the increase in cement production (0.43%) was only marginal. Steel ingots (37.60%), paper (15.04%), sugar (0.81%) and wristwatches (25.49%) show negative growth. This may be due to the steep rise in the prices of petrol and coal coupled with increase in power rates and difficult power supply situation during the year. Among minerals, iron ore, gold and silver all show an upward trend. Details are furnished in Table 3.4.

Table 3.4

## Production of Selected Industries and Minerals in Karnataka

Products	Unit	1994-95	1995-96	April to Nov. % variation		
				1995	1996	(April to Nov.)
1. Aluminium	'000 Tonnes	8.5 (-27.4)	8.1 (-4.7)	5.3	5.5 (P)	3.77
2. Iron & Steel						
a) Pig iron	"	4.9	160.7	91.9	135.0	46.90
b) Saleable Steel	"	63.3 (-1.3)	62.5 (-1.3)	40.7	60.8	49.39
c) Steel Ingots	"	82.4 (8.7)	94.9 (15.2)	64.9	40.5	-37.60
3. Paper	"	217.3 (4.8)	233.0 (7.2)	155.6	132.2	-15.04
4. Sugar	"	1011.8 (33.0)	1020.8 (0.9)	456.9	453.2 (P)	-0.81
5. Soap	"	10.1 (6.3)	11.1 (9.9)	7.9	9.9	25.32
6. Vanaspathi	"	4.2 (-4.8)	N.A.	N.A.	N.A.	N.A.
7. Fertilisers	"	250.6 (32.3)	233.0 (-7.0)	219.1	232.9	6.30
8. Cement	Lakh Tonnes	40.4 (10.4)	37.5 (-7.2)	23.3	23.4 (P)	0.43
9. Sandalwood oil	Tonnes	15.5 (51.9)	14.7 (-5.2)	9.2	10.7	16.30
10. Cigarettes	Million No.	12996 (13.3)	16699 (28.5)	10881	12465 (P)	14.56
11. Wristwatches	'000 No.	1174.0 (13.6)	1170.5 (-0.3)	811.0	604.3	-25.49
12. Silk Fabric	'000 mtrs.	509.3 (-3.9)	474.3 (-6.9)	305.0	357.5	17.21
13. Iron ore	'000 Tonnes	12247 (-0.5)	12395 (1.2)	4087 (*)	4204 (*)	2.86
14. Gold	Kgs.	1892 (15.4)	1661 (-12.2)	963	1230	32.92
15. Silver	Kgs.	149 (15.5)	128 (-14.1)	72	102	41.67

Note: Figures in brackets indicate percentage change over the previous year.

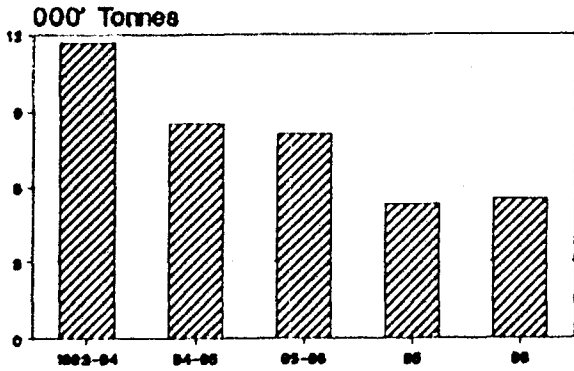
P : Provisional. (\*) : April to July only.

Source: Concerned industrial units in the State and Indian Bureau of Mines,

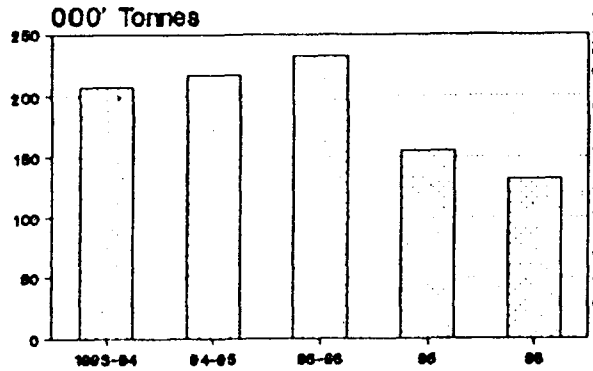


# Production of selected Industries in Karnataka 1993-94 to 1995-96

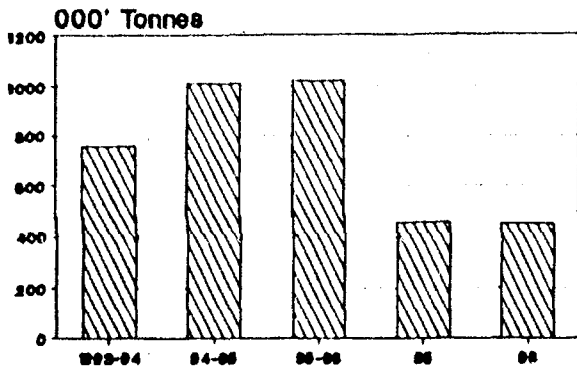
## ALUMINIUM



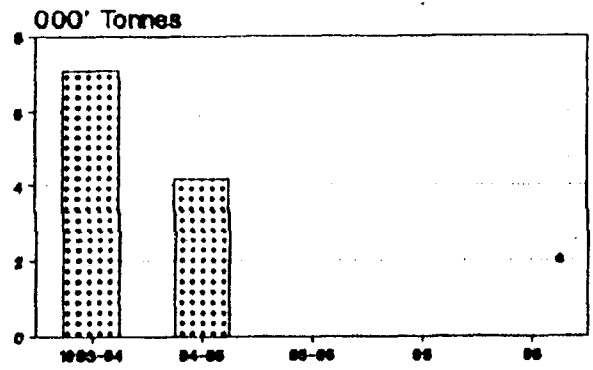
## PAPER



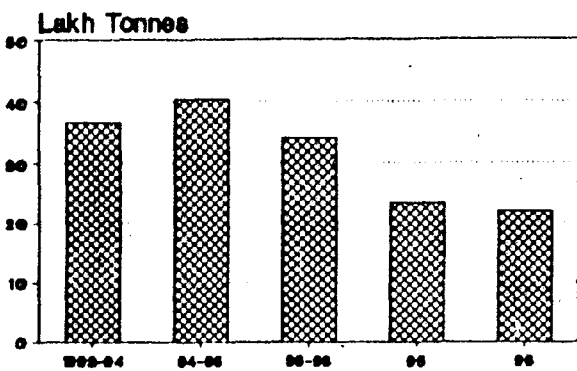
## SUGAR



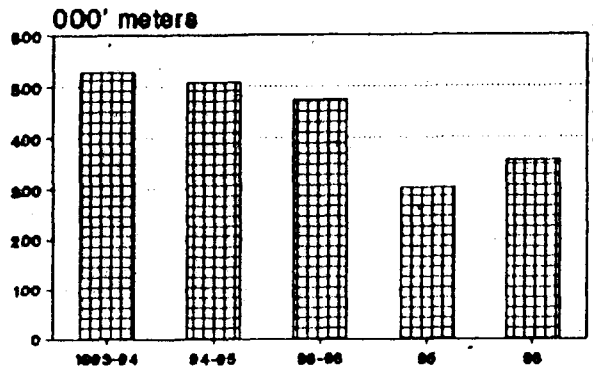
## VANASPATHI



## CEMENT



## SILK FABRIC



## 2. Development of Small Scale Industries :

The small industries (SSI) sector contributes substantially to production and more so to employment. After the introduction of the New Industrial Policy of 1996, there has been considerable increase in the number of SSI units. A main objective of the policy is to provide assistance for marketing the products of tiny and small units. Special incentives like exemption from power cut for a period of five years, exemption from stamp duty for units taking up expansion or modernization in developing areas and waiving conversion fee for converting agricultural lands to industrial use have been offered to such units.

In 1995-96, 11856 small industries (SSI) have been registered in the State, with an investment of Rs. 331.60 crores, providing employment to 70903 persons. In the first eight months of the current year (April to Nov.96), 7773 units were registered, with an investment of Rs.198.60 crores and employment of 38999. Details are shown in Table 3.5.

Table 3.5

### Registration of Small Scale Industrial Units in Karnataka

Item	1994- 1995-		April to Nov.		% variat- ion in 96 over 95 (Apr. to Nov.)
	95	96	1995	1996	
1. SSI regist- ered (No.)	13503 (7.0)	11856 (-12.2)	6840	7773	13.64
2. Investment (Rupees lakhs)	26463.26 (33.0)	33160.00 (25.3)	20525.37	19860.07	- 3.24
3. Employment (Number)	73999 (6.4)	70903 (-4.2)	44436	38999	-12.24

Note: Figures in brackets indicate percentage change over the previous year.

Source: Directorate of Industries and Commerce, Bangalore.

(a) Karnataka State Small Industries Development Corporation.

Karnataka State Small Industries Development Corporation (KSSIDC) is playing an important role in promoting the development of the small scale sector by providing services like industrial sheds, channels for the procurement and distribution of raw material and management guidance to SSI entrepreneurs. It has a network of 24 depots for the distribution of raw material.

KSSIDC has been endeavouring to assist SSI units in technology transfer. It offers databank services for the technology developed by leading Research and Development organisations. It is the nodal agency to promote exports by small units.

Under the Industrial Estate Programme, KSSIDC has set up 123 estates housing 5182 SSI units engaged in manufacturing various types of products. Peenya is one of the largest industrial estates established by KSSIDC. It is one of the biggest in South East Asia housing more than 1000 units with sheds exclusively allotted as ancillaries units to the KEB, KSRTC and KEONICS. KSSIDC has 3 industrial estates at Mysore and 2 in Gulbarga.

KSSIDC supplied raw material worth Rs.64.08 crores to SSI units in 1995-96 (Rs. 53.42 crores in 1994-95). Karnataka Small Industries Marketing Corporation, a subsidiary of KSSIDC achieved a turnover of Rs. 67.47 crores in 1995-96 in marketing products manufactured by SSI units and earned a profit of Rs. 112.04 lakhs. Details are given in Table 3.6.

Table 3.6

Karnataka State Small Industries Development Corporation-  
Selected Indicators of Progress 1994-95 & 1995-96.

Particulars	Unit	1994-95	1995-96
1. Depots for distribution of raw material	Number	24	24
2. Raw material sold	Rs. lakhs	5341.60 (50.98)	6408.00 (19.96)
3. Industrial sheds constructed (cumulative)	Number	4763 (2.08)	5108 (7.24)
4. Sheds under construction	Number	275	116
5. Marketing Corporation's turnover	Rs. lakhs	6097 (21.45)	6747 (10.66)
6. Marketing Corporation's profit	"	55.67 (156.43)	112.04 (101.26)

Note : Figures in brackets indicate percentage change over the previous year.

Source : Karnataka State Small Industries Development Corporation and Karnataka Small Industries Marketing Corporation, Bangalore.

**b) Karnataka Industrial Areas Development Board.**

In 1995-96, 553.50 acres of land were allotted to 520 units by the KIADB and incurred expenditure for the development of infrastructure of the order of Rs. 2037.70 lakhs. During the current year (up to November 96), 224 acres of land were allotted and Rs. 2500.00 lakhs spent on development.

**3. Joint Stock Companies :**

In 1995-96, 2659 new joint stock companies were registered with an authorised capital of Rs.973 crores, while 24 were liquidated. In the first eight months of 1996-97, 1264 were registered as against 1765 registered in the preceding year, showing a decrease of 28.29 per cent. In the year under review, authorised capital stood at Rs.523 crores.

Private and public companies liquidated by the end of Nov. 1996 are 6 and 1 respectively. Details are furnished in Table 3.7.

Table 3.7.

Joint Stock Companies Registered and Liquidated

Item	1994-95	1995-96	April to Nov.	
			1995	1996
<b>1. Joint Stock Companies Registered (Number)</b>				
a) Private	1770	2341	1540	1144
b) Public	298	318	225	120
<b>Total</b>	<b>2068</b>	<b>2659</b>	<b>1765</b>	<b>1264</b>
<b>2. Authorised capital (Rupees crores)</b>				
a) Private	1181.18	520.65	321.98	352.50
b) Public	*3421.92	453.12	367.22	170.86
<b>Total</b>	<b>4603.10</b>	<b>973.77</b>	<b>689.20</b>	<b>523.36</b>
<b>3. Joint Stock Cos. liquidated (Number)</b>				
a) Private	90	22	22	6
b) Public	13	2	2	1
<b>Total</b>	<b>103</b>	<b>24</b>	<b>24</b>	<b>7</b>

Note : \* Includes Krishna Bhagya Jala Nigam Limited with an authorised capital of Rs. 3000 crores registered on 19.8.94.

Source : Registrar of Companies in Karnataka, Government of India, Bangalore.

**4. Industrial Foreign Collaboration Approvals.**

From August 1991, registration under the Directorate General of Technical Development (DGTD) was discontinued and the Secretariat for Industrial Approvals (SIA) registration replaced by the Industrial Entrepreneurs Memorandum (IEM) scheme. In 1995-96, only 22 letters of intent and 4 industrial licences were issued. But in the current year (April to October 96) 40 letters of intent and 3 industrial licences were issued. The details are given in Table 3.8.

Table 3.8

Item	1994-95	1995-96	April to October 1995	October 1996
1. Letters of intent issued (No.)	22	22	10	40
2. Industrial licences issued (No.)	10	4	2	3

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

Under foreign collaboration approvals, 1995-96, financial approvals were higher than technical approvals. The relevant details are furnished in Table 3.9.

Table - 3.9

## Foreign Collaboration in Karnataka

Item	1994-95	1995-96	% variation in 95-96 over 94-95
1. Financial (No.)	77	112	45.45
2. Technical (No.)	71	76	07.04
Total	148	188	27.03

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

## 5. New Industrial Policy 1996

The main objectives of the 1996 New Industrial Policy are the active participation of industry in the development of infrastructure, the development of potential growth centres, a thrust for growth in the export of value added goods, measures for optimum utilization of precious resources such as land, water and energy, encouragement to the non-conventional energy sources, human resources and entrepreneurship development, productivity improvement, research and development and quality upgradation, improvement in the performance of the public sector and assistance for marketing the products of tiny and small units.

Government has established three growth centres at Dharwad, Raichur and Hassan with a total capital outlay of approximately Rs.120 crores. The Karnataka

Industrial Area Development Board will take up mini growth centres at Bijapur, Kolar, Chitradurga, Chikamagalur, Gadag, Nippani, Bellary and other potential locations. Export oriented industries with a minimum export turnover of 25% will be classified as thrust sector industries eligible for special incentives. Industries are being asked to adopt appropriate technology to conserve resources. Recycling plants to utilize waste water energy conservation equipment etc., will be installed. The manufacture of equipment for renewable, non-conventional energy and energy conservation will be categorised as thrust sector industries eligible for special incentives.

The science and technology parks at Mysore and Suratakal will be strengthened. Government proposes to institute State level awards in research and development to motivate local industries to achieve international standards. Latest eco-friendly technology with pollution control and effluent treatment facilities will be adopted for clearing new projects. The concept of a Memorandum of Understanding between Government and public sector undertakings will be encouraged.

#### **6. Special Incentives and Concessions**

To achieve these objectives, incentives and concessions have been offered like reclassification of developed and developing areas and investment subsidy for tiny and small units. For industrial units in developing areas, 25% of the value of fixed assets is offered as subsidy while projects falling under the thrust sector are eligible for an additional 5%. An additional investment subsidy of 5% of the value of fixed assets offered to tiny and SSI units established by Scheduled Caste and Scheduled Tribe, minority, women and physically handicapped entrepreneurs and ex-servicemen.

Additional investment subsidy at 10% of the investment for industries installing equipment for the utilisation of renewable sources of energy, permitting hi-tech and non-polluting industries in tiny, small, medium and large sectors to be located in developed areas, exempting sales tax for tiny and small industries, exempting khadi and village industries from the payment of Central sales tax, offering special incentive packages to mega projects with investment in fixed assets in excess of Rs. 100 crores are other incentives offered by the government.

Special incentives are also offered for automobile manufacturing industrial infrastructure projects and 100% export oriented units. Tiny and small industries taking up expansion and modernization in developing

areas will be exempted from stamp duty, registration charges reduced and conversion fee waived for converting agricultural lands to industrial use for tiny and SSI units. New tiny and SSI units are exempted from power cuts for five years.

## **7. Industrial Finance**

### **a) Karnataka State Financial Corporation (KSFC)**

In 1995-96 KSFC sanctioned Rs. 81881 lakhs covering 14819 cases as against Rs.52018 lakhs sanctioned for 14089 cases in 1994-95 registering a rise of 5.18 per cent in terms of numbers and 57.41 per cent in terms of amounts. Disbursements during the year were to the tune of Rs. 61263 lakhs as against Rs. 43209 lakhs in the previous year, registering an increase of 41.78 per cent.

During the first nine months of 1996-97, 9145 new sanctions were made as against 9628 during the same period of the previous year. The amounts involved were Rs. 55079 lakhs and Rs. 52905 lakhs respectively, registering an increase of 4.11 per cent.

KSFC provides special concessions to SC and ST entrepreneurs. In the first nine months of 1996-97 sanction was accorded to 2311 cases providing financial assistance to the extent of Rs. 2813 lakhs, compared to 2694 cases with financial assistance of Rs. 2290 lakhs, during the corresponding period of the previous year (an increase of 22.84 per cent in amount).

KSFC provides assistance to the small scale sector, rehabilitates sick units and aids the Vishwa programme. Details of the performance of KSFC are given in Table 3.10.



Table 3.10

Performance of Karnataka State Financial Corporation 1994-95 to 1995-96.

Rs. lakhs											
Sl. No.	Item	1994-95		1995-96		April to December 1995		April to December 1996		X variation in 96 over 95 (April to December)	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1	2	3	4	5	6	7	8	9	10	11	12
1	Sanctions	14089	52018	14819	81881	9628	52905	9145	55079	-5.02	4.11
2	Disbursements	-	43209	-	61263	-	34160	-	39687	-	16.18
3	Assistances sanctioned under selected schemes:										
	i) Technicians	70	211	48	315	40	141	10	66	(-)75.00	(-)53.19
	ii) Special capital schemes	457	195	453	320	260	274	326	301	25.38	9.85
	iii) SC/ST/BC entrepreneurs	5000	4140	5011	4287	2694	2290	2311	2813	(-)14.22	22.84
	iv) Composite loan scheme	1356	529	1280	411	963	441	790	207	(-)17.96	(-)53.06

Source: Karnataka State Financial Corporation, Bangalore.

**(b) Karnataka State Industrial Investment and Development Corporation Limited (KSIIDC)**

KSIIDC has signed a Memorandum of Understanding with Far East Levingston Shipbuilding Company, Singapore, Science and Engineering Application Corporation USA and Ashok Leyland for various projects. Other promotional activities include organising industrial exhibitions, industrial meets and potential surveys. It is aiding mega projects like the modern airport of international standards at Bangalore, the naphtha craker project at Mangalore, the southern gas grid at Kerala, Jindal Vijayanagar Steel Ltd. and Mukand Vijayanagar Steel Ltd. at Bellary, 20 steel projects of different capacities in Bellary, Hassan, Dakshina Kannada and Uttara Kannada and 9 cement projects of different capacities in Gulbarga and Bijapur.

KSIIDC, as the nodal agency is assisting infrastructure projects like the Raichur growth centre, the export promotion Industrial Park at Mangalore, minor ports along the coast of the State, minor airports at Mysore, Hubli, Belgaum, Gulbarga, Bellary and Hassan, a regional airline and the Khanija bhavan at Bangalore. With a view to broadbasing the operational activities of the corporation, measures like the introduction of Bill discounting and letters of credit through banks have been taken.

The Corporation sanctioned term loan assistance of Rs. 242.12 crores to 208 units and provided equity assistance to the tune of Rs. 30.80 crores to 38 units in 1995-96. In the first nine months of the current year (April to December 96), it sanctioned Rs. 209.91 crores to 150 units and provided equity assistance of Rs. 19.45 crores to 20 units. Details are given in Table 3.11.

Table 3.11

Performance of Karnataka State Industrial Investment and Development Corporation Limited

Assistance sanctioned	Unit	1994-95	1995-96	April to Dec. 1995	April to Dec. 1996	% variation in 96 over 95
<b>1. Loans</b>						
a) Amount	Rs.Crores	170.64	242.12	153.54	209.91	36.71
b) Indl. Units	Number	157	208	130	150	15.38
<b>2. Equity assistance</b>						
a) Investment	Rs.Crores	43.65	30.80	21.40	19.45	- 9.11
b) Indl. units	Number	32	38	24	20	-16.67

Source: Karnataka State Industrial Investment and Development Corporation, Bangalore.

**8. Electronics Industry in Karnataka**

The Karnataka State Electronics Development Corporation Limited (KEONICS) is a wholly owned State Government undertaking established in 1976 for the promotion and development of electronics in the State of Karnataka. The authorised share capital of the company is Rs. 10 crores and paid up capital Rs. 787.20 lakhs.

It continued to pursue vigorously promotional programmes in the field of electronics through direct departmental activity and joint ventures with the private sector and undertook development works at the electronics cities. Profit for 1995-96 was Rs. 35.42 lakhs as against Rs. 61.40 lakhs in the previous year. Profit was earned for the third consecutive year is due to the sale of 4 industrial sheds and interest earned on fixed deposits. The turnover of the company is Rs. 415.93 lakhs and income is Rs. 1329.19 lakhs. During the year the company received Rs. 50.00 lakhs towards share deposit for project implementation and Rs. 125 lakhs as loans for various schemes from the Government of Karnataka. 3 joint and assisted ventures are functioning well after going into commercial production. The company has made efforts to provide uninterrupted power and water to electronics city, Bangalore during

the year. The electronics city maintained by Keonics is a model for other States. The company proposes to set up another electronics city in 362 acres adjoining the present city. It also proposes to set up the Archana Technology Resources Park aimed at research and production in the field of electronics.

9. a) Sericulture :

The area covered under mulberry in the State is about 1.7 lakh hectares providing employment to 22 lakh persons. The production of raw silk in the State was about 8264 tonnes in 1995-96 as against 8865 tonnes in 1994-95. In the first eight months of 1996-97 (April to November 1996), the production of cocoons has fallen from 48.5 thousand tonnes to 41.8 thousand tonnes (13.81%), but the quantum of cocoons marketed has increased from 28.7 thousand tonnes to 30.8 thousand tonnes (7.32%). Details are presented in Table 3.12.

Table 3.12

Sericulture Industry in Karnataka						
Item	Units	1994-95	1995-96	Apl. to Nov. 1995*	Nov. 1996*	% variation in 96 over 95
1. Area under mulberry	'000 hecta.	168	167	169	173	2.37
2. Production of cocoons	'000 tonnes	77.6	71.2	48.5	41.8	(-)13.81
3. Quantum of cocoons marketed	'000 tonnes	53.6	49.5	28.7	30.8	7.32
4. Raw silk production	'000 tonnes	8.9	8.3	5.6	4.9	(-)12.5
5. Employment in sericulture	No. in lakhs	21.8	21.8	22.0	22.0	-

Note : (\*) Figures from April to November for 1995 and 1996 are provisional

Source: Department of Sericulture, Bangalore.

## b) Karnataka Silk Marketing Board

The Karnataka Silk Marketing Board markets silk yarn and fabric. It tries to stabilise the prices of silk yarn and ensures that the reeler gets a satisfactory return for his produce through direct purchases when there is a slump in the market.

In 1995-96, 343 tonnes of silk valued at Rs. 3919 lakhs were purchased, as against 386 tonnes valued at Rs. 3985 lakhs during the previous year, showing a decrease of 11 per cent in quantity and 2 per cent in value. Sales achieved in 1995-96 were 351 tonnes valued at Rs. 4176 lakhs compared to 308 tonnes valued at Rs. 3432 lakhs during the previous year (an increase in sales value of 22 per cent).

The Board had to face poor fabric market conditions, lower arrivals of silk at silk exchanges, unsteady and tight market conditions, the imposition of a sales tax on silk yarn in Tamilnadu and competition from imported silk. But the company achieved a profit of Rs. 91 lakhs in 1995-96. The turnover was Rs. 4300 lakhs in 1995-96. Details are presented in Table 3.13.

Table 3.13

### Performance of Karnataka Silk Marketing Board

Item	Rupees lakhs.	
	1994-95	1995-96
1. Turnover	3551.91	4300.28
2. Profit/Loss after tax	154.90	91.21

Source: Karnataka Silk Marketing Board,  
Bangalore.

The silk industry in Karnataka has earned foreign exchange worth Rs. 19940.61 lakhs in 1995-96. The share of Karnataka silk industry in All India exports in terms of value was about 23.6 per cent in 1995-96 as against 19.9 per cent in 1994-95. Details are in Table 3.14.

Table - 3.14

Value of Export of Silk Goods from Karnataka  
and All India - 1994-95 and 1995-96.

Particulars	(Value in Lakh Rs.)	
	1994-95	1995-96
1. Karnataka region	18642.50*	19940.61*
2. All India - " -	93753.87*	84607.61*
3. Share of Karnataka (Percentage)	19.9	23.6

Note : \* Data includes silk yarn and silk waste.

Source : Central Silk Board, Bangalore.

**10. Garment Industry :**

In 1996 (up to October 96) 1597 readymade garments exporters were registered with the Apparel Export Promotion Council in Karnataka. Bangalore is the main exporting centre with a lot of exports potential. Export of readymade garments from Karnataka was reported to be Rs. 1024 crores in 1995-96 as against Rs. 845 crores in 1994-95.

**11. Industrial Relations :**

Data on industrial relations during the first eight months (April to November) of 1996-97 shows decrease in the number of strikes and lockouts as compared to the corresponding period of the previous year. There was also decrease in the number of workers involved. The number of settlements in 1995 (as on 31-12-95) was 309, cases withdrawn 203 and failures 611. In all 920 disputes have been sorted out during the year.

Table 3.15

## Industrial Relations in Karnataka

Sl. No.	Item	Unit	1994-	1995-	April to Nov.		% variation in 1996 over 1995
			95	96	1995	1996	
1	2	3	4	5	6	7	8
<b>I. Strikes:</b>							
	a) Strikes	No.	3	15	9	7	(-)22.22
	b) Workers involved	No.	765	7663	2245	1615	(-)28.06
	c) Mandays lost	No.	42165	331621	73253	82688	12.88
<b>II Lockouts:</b>							
	a) Lockouts:	No.	8	14	8	2	(-)75.00
	b) Workers involved	No.	2466	1876	1346	30	(-)97.77
	c) Mandays lost	No.	239679	142631	170047	2364	(-)98.61

Source: Department of Labour, Bangalore.

## 12. Labour Absenteeism :

In the first eight months of 1996-97 absenteeism was 26.7 per cent, compared to 16.4 per cent reported during the corresponding period of 1995-96, absentees of plantation labour was 21.3 per cent, against 22.9 per cent in the previous year. Details are in Table 3.16.

Table 3.16

### Labour Absenteeism in Karnataka

Sl. No.	Item	Unit	1994-	1995-	April to Nov.	
			95	96	1995	1996
<b>I. Industrial Workers:</b>						
a)	Mandays scheduled to work	'000s	8880	8484	3876	4581
b)	Mandays absent		1067	1114	635	1226
c)	Proportion of absenteeism	Percent	12.0	13.1	16.4	26.7
<b>II. Plantation labour</b>						
a)	Mandays scheduled to work	'000s	877	845	459	590
b)	Mandays absent		186	179	105	126
c)	Proportion of absenteeism	Percent	21.2	21.1	22.9	21.3

Source : Department of Labour, Bangalore.

## 13. Performance of Public Sector Undertakings (PSUs)

The number of public sector undertakings considered for assessing performance in 1995-96 is 76. The turnover of public sector undertakings in 1995-96 was Rs. 6774.16 crores as against Rs. 6103.77 crores in 1994-95. Details are presented in Table 3.17.



**Table 3.17**

**Performance of Public Sector Undertakings  
1994-95 & 1995-96**

(Provisional)

Sl. No.	Item	Unit	1994-95	1995-96
1.	Public Sector Units	No.	76	76
2.	Capital Employed	Rs. Lakhs	717055	892704
3.	Total Investment	Rs. Crores	9060	11667
4.	Employment	Lakhs	1.69	1.67
5.	Turnover	Rs. Crores	6104	6774
6.	Net Profit after Tax	Rs. Lakhs	7518	7558
7.	Ratio of turnover to total investment	-	67.37	58.06

Source: Karnataka State Bureau of Public Enterprises, Bangalore.

Decrease in employment is mainly due to reduction in employment in the Karnataka Electricity Board. Even though there is increase in investment in 1995-96 as compared to 1994-95, to the extent of 28.77 per cent, proportionate increase is not observed in turnover (10.98%). There is reduction in the ratio of turnover to total investment.

The top five profit making PSUs for 1995-96 with the quantum of profit earned by them and the top five undertakings which incurred losses along with the quantum of losses during the year are given in Tables 3.18 and 3.19 respectively.

Table 3.18

Performance of Top Five Profit Making PSUs 1995-96

No.	Item	1995-96
1.	Karnataka Power Corporation Ltd.	7236.22
2.	Karnataka Electricity Board	5120.00
3.	Mysore Paper Mills Ltd.	2519.31
4.	Karnataka State Financial Corpn. Ltd.	2300.93
5.	Karnataka Forest Development Corpn Ltd.	605.62

Source: Karnataka State Bureau of Public Enterprises, Bangalore.

Table 3.19

Top Five PSUs incurring losses, 1995-96

No.	Unit	1995-96
1.	Karnataka State Road Transport Corpn.	4800.28
2.	N.G.E.F. Ltd.	4127.64
3.	Mysore Lamp Works Ltd.	1247.00
4.	Karnataka Telecom Ltd.	591.41
5.	Karnataka Silk Industries Corpn Ltd.	424.58

Source: Karnataka State Bureau of Public Enterprises, Bangalore.

Among the top five profit making PSUs, Karnataka Power Corporation and Karnataka Electricity Board have the first and second places during 1994-95 and 1995-96. Karnataka State Financial Corporation which came third in 1994-95, has come down to the fourth place in 1995-96. In 1995-96, KSRTC and NGEF incurred the maximum losses as in the previous year.

# **ECONOMIC INFRASTRUCTURE**

**ECONOMIC INFRASTRUCTURE**

The crucial areas of economic infrastructure reviewed are irrigation, power, transport and communications. The cumulative irrigation potential likely to be created under major, medium and minor irrigation (only surface water) up to the end of 1996-97 is expected to be 26.00 lakh hectares, as against an ultimate irrigation potential of 35 lakh hectares for major and medium irrigation and 10 lakh hectares for minor irrigation (surface water). If the State has to fully utilise its share of Krishna water by 2000 AD (as per the Bachawat award), it has to step up its tempo of work under the Upper Krishna Project

The installed capacity of power is expected to be 3588.54 MWs, comprising 2618.59 MWs of hydel power 967.92 MWs of thermal and diesel power and 2.03 MWs of wind power. The State has to still go a long way to fully harness the ultimate hydel potential of 7750 MWs.

An additional irrigation potential of about 91 thousand hectares is anticipated to be created during the current year through major and medium irrigation projects. The additional potential likely to be created is 80000 hectares under Plan projects (including about 24000 hectares to be created by the Krishna Bhagya Jala Nigam) and about 11000 hectares under projects pending approval. In fact, in Upper Krishna Project alone a potential of 62410 hectares is anticipated to be created in 1996-97. In respect of minor irrigation, (surface water), an additional potential of about 8000 hectares will be created during the year. Thus, in all, an additional irrigation potential of 99000 hectares is anticipated to be created from major, medium and minor irrigation (surface water) projects. The responsibility of implementation of the Upper Krishna Project has been entrusted to the Krishna Bhagya Jala Nigama (KBJN). The company has raised Rs. 180 crores through a private placement of bonds in 1995-96 and is expected to exceed the target of Rs.500.00 crores for market borrowings in 1996-97.

The area likely to be brought under field irrigation channels in 1996-97 will be about 29000 hectares. These works have to be given the required focus in coming years to derive full benefit from the irrigation potential created at huge cost.

Energy generation in 1996-97 at 14686 MUs is expected to show a decline of 5.5 % over the level of 15534 MUs of 1995-96. Fall of this magnitude is due to poor hydel generation during the current year. The decline in hydel generation is anticipated to be 16.36% this year, on account of poor inflow of water into the hydel reservoirs of the State. Increase in thermal generation is anticipated to be significantly higher at 16.90%., on account of higher generation from the Raichur Thermal Power Station. The generation of power in 1996-97 of 18886 MUs (including 4200 MUs from Central generating stations) is expected to fall short of the unrestricted requirement of 23109 MUs by 18.27%. There has been import of energy from Central generating stations. To tide over the problem to some extent, 714 MUs are expected to be imported from other States. Among the major States, the power shortage in Karnataka is one of the highest. An additional installed capacity of 78.80 MWs will be added to the State grid during the current year by commissioning one unit of Kadra Power House(50 MW) and uprating two units of Sharavathi Generating Station(28.80 MW). Power cuts have been imposed on industries to tide over the shortage of power.

In response to the Government policy of encouraging greater private sector participation in electricity generation, a number of foreign and Indian private companies have been encouraged to set up large power plants in the State.

The commissioning of one 400 KV transmission line from Davangere to Sirsi (210 Ckms) and installation of one 400/220 KV sub-station at Guttur of 315 MVA capacity are anticipated to be completed by March 1997. One 220 KV transmission line to Guttur from Davangere-Sharavathy has been completed 220 KV transmission lines from Kadra-Kodasalli (56 Ckms) and Kodasalli-Nagjhari (68 Ckms) and a DC line to Thoranagal from Lingapur (84 Ckms) are likely to be completed before the end of 1996-97.

One 220 KV sub-station of 100 MVA capacity has been commissioned at Hassan and three 100 MVA sub-stations will be installed at Ranebennur, Hebbal and Itagi before March 1997, besides augmentation of the additional substation at Belgaum(50 MVA), Raichur (100 MVA) and Gowribidanur (50 MVA). So far, additional substations have been provided at Hoody (100 MVA), Gowribidanur (50 MVA) and K.B.Cross (100 MVA).

The number of motor vehicles in the State went up by more than 2.36 lakhs in 1995-96. The number of motor vehicles at the end of 1995-96 stood at 22.50 lakhs. The highest number was in the category of motor cycles (16.00 lakhs). Revenue realisation of the Motor Vehicles Department in 1995-96 was Rs.460.00 crores. A decrease in traffic handled at Karnataka's ports is expected during the current year whereas the telecommunications sector is expected to perform satisfactorily.

A detailed review of the state of economic infrastructure is presented below.

#### **A. IRRIGATION**

The cumulative irrigation potential under major, medium and minor irrigation (surface water) is anticipated to go up to 26.00 lakh hectares (excluding groundwater) in 1996-97 from 25.01 lakh hectares at the end of 1995-96. Additional potential of 0.99 lakh hectares is anticipated to be created during the year (See Table - 4.1)

Projects, both major and medium, which have been completed have contributed by the creation of irrigation potential of 4.64 lakh hectares. Twenty major projects and twenty one medium projects are under implementation.

The progress of work on selected major projects is given below:

##### **1. Investments in Irrigation**

The revised expenditure on major and medium irrigation projects is Rs.650.50 crores under the Plan and Rs.250.00 crores under projects pending approval in 1995-96. The anticipated expenditure in 1996-97 is Rs.1035.00 crores for Plan projects and Rs.300.00 crores for projects pending approval. The expenditure incurred upto the end of December 1996 was Rs.550.04 crores for Plan projects and Rs.198.67 crores for projects pending approval. The anticipated expenditure on flood control and anti-sea erosion projects during 1996-97 is Rs.10.00 crores.

TABLE 4.1

Irrigation Potential Created by Source:  
1994-95 to 1996-97

Source	Lakh Hectares (Cumulative)		
	1994-95	1995-96	1996-97 (Anticipated)
1. Major & Medium Irrigation	15.27	15.76	16.67
2. Minor Irrigation (Surface Water)	9.18	9.25	9.33
<b>Total (1+2)</b>	<b>24.45</b>	<b>25.01</b>	<b>26.00</b>

Source: Irrigation Department. Government of Karnataka

#### a) Plan Projects

As against an estimated cost of Rs.3812.35 crores for the Upper Krishna Project, Stage I, expenditure up to the end of March 1996 was Rs.1805.07 crores including Rs.180.00 crores under KBJN. Out of a total of Rs.1035.00 crores of anticipated expenditure on major and medium irrigation projects in the Plan in 1996-97, the Upper Krishna Project alone accounts for Rs.765.00 crores, including Rs.565.00 crores under the Krishna Bhagya Jala Nigama. The first phase consists of the construction of Almatti Dam with a spillway up to a partial height of 500 metres (1640 feet) and allied works and the Narayanpur Left Bank flow canal including the Shahapur Branch Canal to irrigate an extent of 1.05 lakh hectares. It also includes advance action for embedment of six penstocks for the proposed power generation.

As against a total irrigation potential of 4.25 lakh hectares under the Upper Krishna Project, Stage I, the anticipated creation of irrigation potential by the end of March 1997 is 2.78 lakh hectares including 0.24 lakh hectares under the Krishna Bhagya Jala Nigam. Narayanpur dam is completed. Construction of the Narayanpur left bank canal and its branches have been completed as also construction of the Shahapur branch canal.

Work on the second phase of the Upper Krishna Project with World Bank Assistance is being carried out at an estimated cost of Rs.792.00 crores. The assistance is to the extent of about Rs.618.08 crores. The ban imposed by the World Bank on Upper Krishna Project since September 1995 has been lifted from October 1996 and rehabilitation and resettlement works have been speeded up.

The project comprises the following:

- (a) Raising Almatti dam to 509 metres,
- (b) Construction the Indi Branch Canal for 62 kms,
- (c) Construction of the Mudbal Branch Canal for 49 kms,
- (d) Completion of the distribution system of the Shahapur Branch Canal,
- (e) Construction of ayacut roads,
- (f) Relocation of Bagalkot town,
- (g) Rehabilitation and resettlement of project affected families,
- (h) CADA works, and
- (i) Strengthening of WALMI.

The estimated cost of the Upper Krishna Project Stage II is Rs.3064.79 crores. In November 1995 Narayanpur right bank canal works were taken up with direct entrustment by the Krishna Bhagya Jala Nigam. Expenditure of Rs.25.00 crores has been incurred up to the end of March 1996.

As against an estimated cost of Rs.977.07 crores for the Ghataprabha project, Stage III, expenditure on the project was Rs.244.13 crores by the end of 1995-96. In 1996-97, the anticipated expenditure is Rs.33.00 crores. As against the total potential of 1.78 lakh hectares under Ghataprabha, Stage III, the anticipated creation of irrigation potential up to the end of March 1997 is 0.39 lakh hectares.

Out of the total estimated cost of Rs.563.55 crores for the Malaprabha project, expenditure up to the end of March 1996 was Rs.389.04 crores. In 1996-97, the anticipated expenditure is Rs.33.00 crores. Under the Malaprabha project, as against the total irrigation potential of 2.18 lakh hectares, 1.59 lakh hectares was created by the end of 1995-96. This is anticipated to go up to 1.64 lakh hectares by the end of the current year.



## **National Water Management Project**

The NWMP Phase-I programme which commenced in 1986-87 with World Bank assistance has come to an end by March 1995. Out of 30 approved sub-projects, 9 have been completed 21 have spilled over to 1996-97. Out of Rs.15.35 crores provided in 1995-96, only Rs.2.94 crores were utilised. The grant has not been fully utilised since the World Bank and Government of India are yet to clear the NWMP Phase-II programme under which it is proposed to complete spillover works and take up fresh works. In 1996-97, an allocation of Rs.5.00 lakhs has been made. No expenditure has been incurred so far.

## **NABARD Assistance**

Loan assistance of Rs.143.92 crores has been availed of from NABARD under Rural Infrastructures Development Fund, Phase I for completing six medium irrigation projects- Votehole, Lower Mullamari, Amarja, Maskinala, Chulkinala and Manchanabele and 88 minor irrigation works lingering for from many years. Under Phase II approval has been accorded for loan assistance of Rs.50.00 crores for completing the Bennithora project by March 1999. Approval has also been accorded for loan assistance of Rs.1.14 crores for three barrages.

## **Accelerated Irrigation Benefit Programme**

Under the Accelerated Irrigation Benefit Programme of Government of India, three projects Upper Krishna Stage-I, Phase III, Malaprabha and Hirehalla are proposed to be taken up with Central loan assistance of Rs.122.50 crores in 1996-97. 50 per cent of the loan advance, that is, Rs. 61.25 crores has been sanctioned for these projects.

## **b) Projects Pending Approval**

On Harangi project, the total expenditure up to 1995-96 was Rs.205.47 crores, as against an estimated project cost of Rs.310.00 crores. Expenditure on the Hemavathy project up to March 1996 was Rs.926.06 crores, as against an estimated cost of Rs.1245.58 crores. Expenditure on the Kabini project was Rs.271.74 crores up to March 1996, as against an estimated cost of Rs.1207.00 crores.

Under the Harangi project, as against the total irrigation potential of 0.54 lakh hectares, the creation of irrigation potential up to the end of March 1996 was 0.43 lakhs hectares which is anticipated to go upto 0.436 lakh hectares. Under the Hemavathy project, as against the total irrigation potential of 2.84 lakh hectares, the potential created up to the end of March 1996 was 1.70 lakh hectares, which is anticipated to go up to 1.79 lakh hectares by March 1997. Under the Kabini Irrigation Project, as against the envisaged creation of irrigation potential of 0.88 lakh hectares, the potential created by March 1996 was 0.41 lakh hectares.

On Cauvery basin projects (pending approval), as against a budget provision of Rs.300.00 crores for the current year, expenditure up to the end of December 1996 was Rs.198.67 crores.

## **2. MINOR IRRIGATION (SURFACE WATER)**

Irrigation works with an atchkat area of up to 2000 hectares are classified as minor irrigation works. They have the advantage of providing immediate benefits from potential created. Minor irrigation works with an atchkat of up to 40 hectares come under the control of the respective Zilla Parishads and others are under the Minor Irrigation Department.

Under the Karnataka Tank Irrigation Project, with World Bank assistance, 78 tank irrigation Projects were taken up from 1981-82 to 1988-89. The total contemplated irrigation potential is 24135 hectares. 77 tank irrigation works have been completed creating a potential of 23355 hectares. In 1995-96, expenditure of Rs.315.76 lakhs was incurred, mostly on the settlement of claims out of State Plan Funds, as World Bank Credit Assistance ended March 1989.

In 1996-97 an allocation of Rs.400.10 lakhs has been made for incomplete works taken up under World Bank assistance. An allocation of Rs.216.37 lakhs has been made for the Ganga Kalyana Scheme which is intended to benefit the downtrodden people of society, especially Scheduled Castes, Scheduled Tribes, backward classes and minorities. It is programmed to create a potential of 8399 hectares. Allocations of Rs.883.14 lakhs and Rs.241.22 lakhs are provided under the Special Component Plan and Tribal Sub-Plan respectively.. The development of surface irrigation from Seventh Plan onwards is summarised in Table 4.2.

It is proposed to complete 88 minor irrigation works by September 1997, by availing of loan assistance of Rs.36.93 crores from NABARD under the Rural Infrastructure Development Fund, Phase I. It is proposed to utilise this assistance in 1995-96 and 1996-97 for completing works and create the irrigation potential contemplated under each scheme.

TABLE 4.2

Development of Minor Irrigation from Surface Water:  
1985 - 86 to 1996 - 97

Year	Expenditure (Rs.lakhs)	Potential Created (in hectares)
1985-86	2865.04	5700
1986-87	4120.95	6073
1987-88	2635.78	5602
1988-89	3176.58	10930
1989-90	2958.36	10263
1990-91	3240.00	3026
1991-92	2570.12	4653
1992-93	5152.05	6096
1993-94	6174.94	7000
1994-95	7025.00	5310
1995-96	5868.05	7000
1996-97 (A)	8809.00	8399

(A) Anticipated

Source: Irrigation Department, Government of Karnataka

### 3. COMMAND AREA DEVELOPMENT

The Command Area Development (CAD) programme which started functioning from the Fifth Five Year Plan intended to tackle the problem of non-utilisation of irrigation potential created in major and medium irrigation projects and reduce the gap between the potential created and utilised. In 1996-97 the anticipated expenditure is Rs.50.68 crores, as against an expenditure of Rs.22.52 crores in 1995-96. The progress of CAD is presented in Table - 4.3.

In 1995-96 the potential created was 49468 hectares and the area brought under field irrigation channels was 19030 hectares. It is anticipated that in 1996-97 the area likely to be brought under field irrigation channels will be 28985 hectares. The area brought under on-farm development works was 22420 hectares in 1995-96. Under the Warabandi system, the area coverage was 9770 hectares in 1995-96 and the anticipated coverage in 1996-97 is 35660 hectares.

TABLE 4.3

Command Area Development Programme in Karnataka  
1994-95 to 1996-97

( '000 hectares)

Item of work	1994-95	1995-96	1996-97 (Anticipated)
1. Construction of field irrigation channels	22.95	19.03	28.99
2. Land levelling	24.27	22.42	46.50
3. Construction of field drains	0.45	0.03	9.90
4. Warabandi	19.56	9.77	35.66

Source: Irrigation Department (CAD), Govt. of Karnataka.

## B. POWER

During the first eight months (April-November 1996) of 1996-97, power generation in the country was higher by 3.4% compared to the corresponding period of last year. Thermal and nuclear generation was more by 6.5% while hydel generation declined significantly by 7.8%. The thermal plant-load factor in April-November 1996 averaged at 62.0 per cent against 60.4 per cent in the corresponding period of 1995. The target set for power generation in 1996-97 is unlikely to be achieved.

Between April and November 1996, power generation increased by 3.7 per cent in the northern region. The western region saw an increase of 3.5 per cent in generation. The region accounted for one-third of the country's power generation. Growth in power generation in the southern region was a mere 1.4 per cent. Karnataka and Kerala registered a decline from April to November 1996 as compared to the same period of last year. The eastern region saw an increase of 6.9 per cent in generation. Generation by the Central sector increased by six per cent during the period April-November 1996 as compared to generation in the corresponding period of 1995.

A Common Minimum National Action Plan for Power was finalised by the Union Ministry of Power in December 1996. It includes, inter alia, the setting up of an independent regulatory authority, minimum agricultural tariff and exemption for projects up to 250 MWs from Central Electricity Authority clearance. The Union Cabinet has decided to give automatic approvals to foreign equity up to 74 per cent in energy and energy related industries.

In Karnataka, the anticipated energy generation in 1996-97 is now placed at 14686 MUs. Thermal generation is anticipated to be 5520 MUs as against 4722 MUs in 1995-96. Hydel generation is anticipated to be significantly lower at 8607 MUs as against 10290 MUs in 1995-96. Lower generation is on account of less inflow of water into the hydel reservoirs of the State. Generation from the Yelahanka diesel plant is expected to be 559 MUs. The overall generation is likely to be lower by 5.5% in 1996-97 compared with generation in 1995-96. The estimated demand requirement of electricity, as per the 15th Power Survey Report, was

21757 MUs in 1995-96, as against 20398 MUs in 1994-95. This is projected to increase to 23109 MUs in 1996-97. Excluding imports, shortfall in generation as compared to unrestricted demand is expected to increase to 36.44% in 1996-97 as compared with 28.60% in 1995-96.

The water level in Linganamakki stood at 544 mtrs. on 31.12.1996 as compared to 543 mtrs on 31.12.1995. The water level in Supa stood at 534 mtrs. on 31.12.1996, compared to 530 mtrs on 31.12.1995. The maximum and minimum water levels at Linganamakki and Supa reservoirs are summarised in Table 4.4. The maximum water levels recorded in these two reservoirs during the current year are the lowest in the last three years as can be seen from the table below.

TABLE 4.4

Water Levels:Linganamakki and Supa

Year	Meters			
	Linganamakki		Supa	
	Maximum	Minimum	Maximum	Minimum
1994-95	554 (22.08.94)	536 (04.06.94)	564 (22.08.94)	531 (12.06.94)
1995-96	548 (16.09.95)	531 (01.07.95)	539 (09.09.95)	523 (11.07.95)
1996-97 (Up to Nov.96)	547 (21.10.96)	530 (13.06.96)	538 (27.10.96)	513 (15.06.96)

Source:Karnataka Power Corporation.

The plant load factor (capacity utilisation) of selected hydel and thermal stations is presented in Table 4.5. The unit cost of power for selected major stations is also presented in the table. The plant load factor in the first eight months of 1996-97 has shown considerable decline in all hydel stations and RTPS Units 2 and 4. Only in RTPS, Unit 1 and 3 has it shown improvement during the current year, as compared to 1995-96.

TABLE 4.5

**Plant Load Factor and Unit Cost of Power  
Selected Power Stations:1994-95 to 1996-97**

Power Station	Plant Load Factor (Percentage)			Unit Cost*
	1994-95	1995-96	1996-97 (upto Dec.96)	1996-97 Paise/Kwh
1.Sharavathy	63.21	49.52	38.28	12.60
2.Nagjhari	52.24	43.93	25.89	35.60
3.Supa	73.55	57.17	39.84	35.60
4.Varahi	66.52	55.00	36.77	56.00
5.RTPS Unit-1	65.45	55.40	74.04	93.74
6.RTPS Unit-2	68.30	69.88	63.46	93.74
7.RTPS Unit 3	60.89	69.34	71.94	115.00
8.RTPS Unit-4	-	61.37	55.77	230.00

\* Before accounting for T&D losses.

Source: Karnataka Power Corporation,

Imports are likely to be 4914 MUs in 1996-97. This is made up of imports of 4200 MUs from Central Projects and 714 MUs from neighbouring States. Imports were 4820 MUs in 1995-96. Due to poor inflow of water in hydel reservoirs during the year, energy and demand cuts have been imposed on various categories of consumers. Domestic lighting, all electric homes and commercial lighting have been exempted from the cuts. Low tension commercial, industrial and non-industrial installations have been subjected to cuts ranging from 10 to 50% from 15.11.1996. This category is exempted from demand cuts. HT installations have been imposed a power cut of 50% and a demand cut of 25% with effect from 15.11.1996. Newsprint (paper) and fertiliser high tension industries have been imposed an energy cut of 35% and a demand cut of 15%. Certain categories of low tension and high tension installations have been exempted from the cuts. Load shedding is being effected every morning and evening.

TABLE 4.6

Progress in Power Sector:1994-95 to 1996-97

Item	Unit	1994-95	1995-96	1996-97 (Anticipated)
<b>1. Installed Capacity(Cumulative)</b>				
a)Hydel				
KEB Plants	MW	220.60	220.60	220.60
KPC Plants	MW	2286.19	2301.19	2379.99
Private Plants	MW	18.00	18.00	18.00
b)Wind Energy	MW	-	2.03	2.03
c)Thermal(KPC)	MW	840.00	840.00	840.00
d)Diesel(KEB)	MW	127.92	127.92	127.92
Total-1		3492.71	3509.74	3588.54
<b>2. Electricity Generation</b>				
a)Hydel				
KPC Generation	MU	11852	9536	8065
KEB Generation	MU	827	640	428
Private Generation	MU	114	114	114
b)Thermal(KPC)	MU	3696	4722	5520
c)Diesel(KEB)	MU	365	522	559
Total-2		16854	15534	14686
<b>3. Electricity Imported from</b>				
a)Central Project				
Project	MU	3395	4490	4200
b)Other States				
States	MU	32	330	714
Total - 3		3427	4820	4914
<b>4. Pumpsets Electrified (cumulative)</b>				
	Lakhs	9.73	10.15	10.55
<b>5. Hamlets Electrified</b>				
	No	302	243	300

Source:Karnataka Power Corporation.  
Karnataka Electricity Board.



In 1996-97 the addition to the installed capacity is likely to be 78.80 MW. The additional installed capacity is made up of 50.00 MWs from the Kadra Power House Unit 1 and 28.00 MWs by uprating units 9 and 10 of the Sharavathi Generating Station. The installed capacity is likely to be 3588.54 MW by the end of 1996-97

The tempo of construction of major transmission lines and substations and system improvement works has been intensified to bring down the percentage of transmission and distribution losses to 18.45% in 1996-97. In 1995-96 transmission and distribution losses were 18.50 per cent against a target of 18.40 per cent. A sophisticated computerised system has been acquired for analysing the system of HT distribution lines and finding out an optimum solution for reinforcement on techno-economic considerations. Karnataka is one of the few States in the country to have such a facility. The Indian Electricity Act, 1910, has also been amended to make theft of energy a cognizable offence and more stringent punishment has been provided. The Vigilance cell has been strengthened and surprise raids have yielded good results. Tamper-proof plastic seals have been provided for suspect installations in addition to systematic checking of installations.

## **I. POWER GENERATION**

### **Investment and Implementation of Projects**

Expenditure on power generation was Rs.257.49 crores in 1995-96. It is anticipated to be Rs.214.23 crores in 1996-97. The expenditure incurred in the first nine months of the current year was Rs. 154.46 crores. A substantial allocation of Rs.157.53 crores has been made in 1996-97 for the Raichur Thermal Power Station (Unit 4, 5 & 6), and Rs.94.38 crores spent up to the end of December 1996. The allocation provided to the Kalinadi Hydro electric project Stage II is Rs. 77.50 crores and to the Gerusoppa Hydel project Rs. 46.00 crores. Expenditure of Rs.36.42 crores and Rs.12.46 crores has been incurred up to the end of December 1996. on the Kalinadi Hydro-electric project, Stage II and the Gerusoppa hydel project.

The Kalinadi Hydro electric Project, Stage II consists of three units of 40 MWs each and three units of 50 MWs each. Three units of the Kadra dam of 50 MWs each are under financial assistance under the Kuwait Fund. One unit of 50 MWs is programmed to be commissioned in March 1997 and two units will be commissioned in the early part of the Ninth Plan.

Work is on the Kodasalli dam and Power House located in Uttara Kannada in progress. One unit of 40 MWs is expected to be commissioned in 1997-98 and two units of 40 MWs each in 1998-99.

The Gerusoppa hydel project consists of four units of 60 MWs each. Excavation and concreting works are in progress. Major hydro-mechanical equipment and pen stock steel plates have been supplied on site. Fabrication is in progress. All the four units of the project are expected to yield benefits by the middle of the Ninth Plan.

An outlay of Rs.10.90 crores has been earmarked for the Brindavan Small Hydel scheme for 1996-97. The project consists of two units of 6 MWs each. It is under financial assistance of the Overseas Economic Co-operation Fund (OECF) through the Rural Electrification Corporation (REC). Approach channel works are being tackled departmentally. Bids of other civil works and electrical works are under finalisation. It is programmed to commission both the units of the power house in 1998-99.

High priority has been accorded to renovation, modernisation and uprating of existing hydel power plants for increased generation and peaking benefits and minimising technical losses and operational costs. An additional unit of 6 MWs capacity of the Bhadra Right Bank Canal has been taken up with extension of civil works. Orders for the supply of electrical equipment have been placed on BHEL. It is expected to yield benefits in the Ninth Plan.

#### **NEW PROJECTS:**

##### **1. Raichur Thermal Power Station Units 5 & 6**

Techno-economic clearance for Unit 5 & 6 each of 210 MWs and the project taken up with the assistance of

a consortium of commercial banks and financial institutions who will contribute 80% of the estimated cost of Rs.1310.28 crores. 20% will be in the form of Plan assistance. Orders have been placed with BHEL for the supply of the boiler, turbo generators and auxiliaries. Orders for civil works have been placed and work is in progress.

## **2. Bidadi Combined Cycle Plant**

A gas/naphtha based combined cycle power plant has been proposed at Bidadi near Bangalore with an ultimate capacity of 1200 MWs. In the first phase, a power plant of 300 MWs will be taken up. The plant will be near Bidadi, about 30 kms from Bangalore. The site has been chosen on land availability proximity to the proposed gas line, easy accessibility by road and rail, proximity to major load centres and the availability of other infrastructure. The project is proposed to be taken up as a joint venture. The estimated cost is Rs.734.14 crores for Stage I. The first phase of the project will yield an energy of 1746 MUs per year.

## **3. Bedthi Hydro electric Project**

The Bedthi Hydro electric Project envisages development of the hydel potential in Bedthi river. The original scheme, with an FRL of 1570 feet was cleared by the Central Electricity Authority (CEA) in 1977. Subsequently this was reviewed taking into account the possibility of reduction of height and submersion area and number of affected families. After examining various alternatives, it is proposed to adopt a run of the river scheme involving a dam with minimum submersion area generating 867 MUs annually with an installed capacity of two units of 200 MWs each.

## **4. Sarpadi Hydro electric Project**

The Sarpadi multipurpose project across the Nethravathi in Dakshina Kannada District envisages the construction of a barrage for the supply of water to Mangalore city and Mangalore Refineries and Petrochemicals and other industries downstream of the

barrage. It is proposed to have a powerhouse with 3 units of 30 MWS each. The total generation will be 215 MUs. This project has been cleared from the environmental and forest angles. The estimated cost is Rs.369.00 crores.

### **5. Joint Sector Projects**

Jurala Hydel Project with a capacity of 221.40 MWS is proposed to be taken up as a joint venture with Andhra Pradesh. It will be located in Mehboobnagar district across river Krishna. A proposal to share the power on 50:50 basis has been agreed upon. The Singur hydel project with a capacity of 15 MWS is proposed to be taken as a joint venture with Andhra Pradesh by sharing energy on rates of 80:20 between Andhra Pradesh and Karnataka. This scheme is located in Medak district.

### **6. Private Participation in Power**

The State has approved the setting up of short gestation period barage mounted power stations with a total capacity of around 600 MWS. It has initiated action to set up small capacity (20 to 50 MWS) multifuel projects with a gestation period of up to 18 months. Around 600 MWS additional capacity is expected to be added to the grid from small multifuel projects. The Government has signed a Memorandum of Understanding(MOU) with several firms to set up power projects in the State aggregating to a capacity of over 7000 MWS. These include thermal, hydel and multifuel based projects. Among the thermal projects, there are two with a capacity of 1000 MWS Cogentrix and Nagarjuna Power Corporation at Mangalore. Another 500 MWS project is being set up by Deccan Power Systems at Hospet. The hydro project being set up by Chamundi Power Corporation is a cascade. The total capacity is around 1140 MWS. These projects have been accorded in principle clearance by the Central Electricity Authority.

The Nuclear Power Board has taken up for execution the Kaiga Nuclear Power Project in Karnataka at an estimated cost of Rs.726.00 crores. Forest and environment clearances have been received. Necessary

infrastructural facilities have been provided by the State Government. Work on the project is progressing satisfactorily. The first two units of 220 MW each are scheduled for commissioning in the near future.

## **2. TRANSMISSION AND DISTRIBUTION**

### **a) Rural Electrification Programme**

It is programmed to energise 40000 I.P.sets in 1996-97 besides electrification of 500 Harijan basthies 300 hamlets and 60 tribal colonies. By the end of November 1996, 12174 pumpsets, 198 Harijan basthies and 45 hamlets have been energised. In 1995-96, 41630 I.P.sets 634 harijan basthies and 243 hamlets were electrified.

### **b) Pattern of Power Consumption and Tariff Rates**

The irrigation sector consumed the maximum power at 46.37%, followed by industries at 22.39%. Increase in the consumption of the rural sector has increased the load on the transmission and distribution system, making it difficult to reduce transmission and distribution losses at a faster rate. The pattern of power consumption by various categories of consumers from 1993-94 to 1995-96 is indicated in Table 4.7 Power is being supplied at a highly subsidised rate of about 2.10 paise per unit for irrigation pumpsets. The highest tariff is charged for commercial lighting followed by H.T.industries.

Consumption of power by industries decreased to 22.39 percent in 1995-96 from 25.96 percent in 1993.94. Consumption of power by I.P.sets increased to 46.37 per cent in 1995-96 from 43.65 per cent in 1993-94.

TABLE 4.7

**Categorywise Consumption of Power and Average Tariff Rates 1993-94 to 1995-96**

Category of Consumer	Consumption (MUs)			Average Rate(Paise/ KWh -Sold) 1995-96
	1993-94	1994-95	1995-96	
1. Industries	3646 (25.96)	3855 (24.23)	3579 (22.39)	273.81
2. I.P. Sets	6131 (43.65)	7352 (46.22)	7412 (46.37)	2.10
3. Domestic Lighting & AEH	2262 (16.11)	2502 (15.73)	2654 (16.60)	107.69
4. LT Industries & Water works	1415 (10.07)	1559 (9.80)	1622 (10.15)	211.22
5. Commercial Lighting	374 (2.66)	387 (2.43)	440 (2.75)	400.11
6. Public Lighting	155 (1.10)	157 (0.99)	158 (0.99)	103.80
7. Others	62 (0.45)	95 (0.60)	119 (0.74)	97.23
<b>Total</b>	<b>14045 (100.00)</b>	<b>15907 (100.00)</b>	<b>15984 (100.00)</b>	<b>114.36</b>

Figures in brackets indicate the percentage consumption of the category in the total consumption.

Source: Karnataka Electricity Board,

### **c)Transmission Lines and Sub-stations**

A 400 KV Davangere - Sirsi D/C 210 ckms transmission line is anticipated to be completed by March 1997 and one 400/220 KV, 315 MVA substation is anticipated to be commissioned at Guttur. A 220 KV transmission line to Guttur from Davangere-Sharavathi has been completed and 220 KV transmission lines from Kadra-Kodasalli (56 Ckms) and Kodasalli-Nagjhari (68 Ckms) and a DC line to Thorangal from Lingapur (84 Ckms) are likely to be completed before the end of 1996-97. One 220 KV sub-station of 100 MVA capacity has been commissioned at Hassan and three 100 MVA, 220 KV substations will be installed at Ranebennur, Hebbal and Itagi before March 1997, besides the augmentation of additional substations at Belgaum (50 MVA), Raichur (100 MVA) and Gauribidanur (50 MVA). So far additional substations have been provided at Hoody (100 MVA), Gauribidanur (50 MVA) and K.B.Cross (100 MVA).

In 1995-96, 3.00 lakh new installations of various categories -domestic, commercial, AEH, LT, HT were serviced. In 1996-97, service connections will be given to 3.00 lakh installations.

To achieve an efficient and reliable transmission and distribution system, the existing network is being strengthened by constructing new transmission lines and substations at load centres. Other works carried out are: extension and improvement to the distribution system, conservation of energy, reduction of system losses and the installation of capacitors at substations and on rural feeders. The transmission and distribution losses in the system are proposed to be reduced to 18.45% by the end of 1996-97. In 1995-96 the transmission and distribution losses were 18.50 per cent.

### **d)Conservation of Energy**

Consumers are being asked to switch to captive sets during peak load hours, peak load shedding have been imposed in urban areas for four hours every day. Regular load shedding is being resorted to in rural areas also.

Consumers are being advised to shift peak demand to off-peak load hours, resulting in voltage improvement.

System improvement is proposed by enhancing voltage levels in sub-stations, increasing the capacities of power transformers, reconductioning, installing capacitors at substations and on feeders, shifting transformers to load centres, providing link lines and express feeders and educating people to procure appliances of standard make and quality, preferably those certified by the ISI.

### **3. Policy towards Power Intensive Industries**

Since there is a large gap between the demand and supply of electricity, KEB is not in a position to arrange power supply to power intensive units requiring bulk power supply. Power intensive units can have their own captive generation and tie up with private firms who will be putting up power plants in coming years.

#### **KEB Measures**

Through the T.V. people are being educated about the benefits of energy conservation. Slogans to conserve electricity are propagated through the press and printed on bills to make people conserve energy. The energy conservation week is being observed every year by technical lectures and demonstrations of equipment which conserve energy.

#### **C.COAL & OIL**

The industry-wise distribution of coal and coke in Karnataka from 1993-94 to 1995-96 is given in Table 4.8.



T A B L E 4.8

**Industrywise Distribution of Coal and Coke  
in Karnataka 1993-94 to 1995-96**

('000 Tonnes)

Industry	1993 - 94	1994 - 95	1995-96
1. Steel	-	44	1948
2. Cement	1534	1558	1160
3. Cotton	21	8	5
4. Paper	390	406	192
5. Power	2724	3001	8190
6. Others	151	96	186
<b>Total</b>	<b>4820</b>	<b>5113</b>	<b>11681</b>

Source: Coal Controller, Government of India, Calcutta

The sale of various petroleum products in Karnataka from period 1993-94 to 1995-96 is presented in Table 4.9. The highest sale in 1995-96 was in respect of high speed diesel, followed by kerosene and furnace oil. Sales of light diesel and LPG have increased considerably in 1995-96.

TABLE 4.9

Sale of Petroleum Products in Karnataka  
1993-94 to 1996-97

Products	(Tonnes)			
	1993-94	1994-95	1995-96	1996-97 (April-Sept 1996)
1. Liquified Petroleum Gas	149816	154841	190093	99069
2. Motor Spirit	252330	276356	317417	170396
3. Kerosene	452507	461915	497181	259458
4. High Speed Diesel	1388020	1521107	1780799	961979
5. Light Diesel Oil	21693	19696	26274	10508
6. Furnace oil	250520	359149	386270	190297
7. Lubricants	31920	N.A.	N.A.	N.A.
8. Bitumen	99321	N.A.	N.A.	N.A.

N.A.: Not Available

Note: The figures relate to:

- (i) Indian Oil Corporation
- (ii) Bharath Petroleum Corporation
- (iii) Hindustan Petroleum Corporation
- (iv) Indo-Burma Petroleum Corporation

Source: Deputy General Manager and State Level Co-ordinator, Indian Oil Corporation, Bangalore.

#### D. Non-Conventional Sources of Energy

There are three components in the Rural Energy Programme.

- i) Integrated Rural Energy Programme (IREP)
- ii) National Project for Bio-gas Development (NPBD)
- iii) National Project on Improved Chulhas (NPIC)

IREP was started in 1983-84. In 1995-96 under the NPIC, 9595 improved kerosene stoves, 134 solar cookers and 225 solar heaters were distributed

The demand for fuel-wood has grown faster than the supply. Appliances like traditional wood-stove (Chulha) used for cooking by burning firewood, agricultural wastes and cow-dung are extremely inefficient. Traditional wood-stoves have very low efficiency, ranging from 2% to 10%. At present, over 133 million tonnes of firewood are burnt in inefficient wood stoves. The National Programme on Improved Chulhas (NPIC) was launched in the 1983-84 to encourage the usage of efficient wood-stoves. Under this programme in 1995-96, 111295 wood-burning stoves were distributed.

Progress under non-conventional sources of energy from 1994-95 to 1996-97 is presented in Table 4.10.

TABLE 4.10

**Progress of Non-Conventional Sources of Energy  
in Karnataka 1993-94 and 1995-96**

Item	1994-95	1995-96	1996-97 (Anticipated)
1.Improved Wood Burning Stoves (Smokeless Chulhas)	118782	111295	110000
2.Improved Kerosene Stoves	4057	9595	3100
3.Bio-gas Plants	29360	21821	30000
4.Solar Cookers	264	134	1107
5.Solar Heaters	224	225	230
6.Wind Mills	10	-	

Source: Rural Energy Cell, RD& PR Dept.

## **E. TRANSPORT**

### **1.Road Transport**

KSRTC has an action plan of operating 9744 schedules by the end of March 1997 and purchasing 1650 buses. Of this, 350 will be new additions and 1300 will be for replacement of overaged fleet. Up to the end of November 1996 the Corporation has built 777 vehicles.

Services are provided by 19 operating divisions and 100 depots located in different parts of the State through 63000 employees. Details of fleet strength and utilisation are presented in Table 4.11.

TABLE 4.11

**KSRTC Fleet Strength and Schedules Operated  
1994-95 to 1996-97**

Item	1994-95	1995-96	1996-97 (Anticipated)
1. No. of buses at the end of the year	10053	10351	10459
2. Percentage of overaged buses	20.6	20.6	21.7
3. Fleet utilisation (percentage)	89.0	89.7	91.0

Source: Karnataka State Road Transport Corporation  
Bangalore.

## 2. Motor Vehicles

The Motor Vehicles Department is a major revenue earning department. The revenue collected in 1995-96 was Rs.460.00 crores. Revenue earnings increased by Rs.170.65 crores from Rs.289.35 crores in 1994-95. The strength of vehicles in the State went up by more than 2.36 lakhs in 1995-96. On 31st March 1996 the number of vehicles was 22.50 lakh. The highest number of vehicles is in the category of motor cycles/scooters with a registered figure of 16.00 lakhs in 1995-96. Motor cars come next with 2.04 lakhs.

Details of motor vehicles under different categories from 1993-94 to 1995-96 are presented in Table 4.12.

TABLE 4.12

Number of Motor Vehicles under Different Categories  
1993-94 to 1995-96

Thousand Numbers

Item	1993-94	1994-95	1995-96
1.Motor Cycles	1348.5	1430.2	1599.96
2.Motor Cars	167.2	187.6	204.3
3.Jeeps	24.8	28.7	33.8
4.Auto Rickshaws	73.8	81.9	92.1
5.Omni Buses	9.8	8.6	11.5
6.Motor Cabs	11.6	11.2	12.2
7.KSRTC Buses	16.2	17.2	17.7
8.Private Buses	4.0	4.9	5.0
9.Goods Carriages	81.9	85.1	93.0
10.Tractor	57.2	63.1	70.9
11.Trailors	59.2	64.8	72.0
12.Others	21.4	30.8	37.8
<b>Total</b>	<b>1875.6</b>	<b>2014.1</b>	<b>2249.9</b>

Source: Motor Vehicles Department

**3. PORTS**

The cargo handled at various ports under the control of the State Government from 1994-95 to 1996-97 is presented in Table 4.13. The traffic handled in 1995-96 was 4.48 lakh tonnes. It is anticipated that cargo handling in 1996-97 will be lower at 2.07 lakh tonnes.

TABLE 4.13

Portwise Traffic Handled 1994-95 to 1996-97  
Thousand Tonnes

Port	1994-95	1995-96	1996-97
1.Karwar	316	345	165
2.Belekeri	0	0	0
3.Tadri	6	10	2
4.Honnavar	2	1	4
5.Kundapur	2	7	0
6.Hangarakatta	1	1	0
7.Malpe	29	23	11
8.Mangalore(Old)	114	61	25
<b>Total</b>	<b>470</b>	<b>448</b>	<b>207</b>

Source:1.Planning Department, Annual Plan 1996-97

2.Director of Ports & Inland Water Transport,  
Karwar.

#### E.Railways and Telecommunications

The performance of the telecommunications sector in Karnataka was satisfactory in 1995-96. As many as 94 new telephone exchanges and a post office were opened in 1995-96. The number of telephone connections provided went up to 7.84 lakhs in 1995-96 from 6.44 lakhs in 1994-95. The progress is presented in Table 4.14.

TABLE 4.14

Railways and Telecommunications: Key Indicators  
1993-94 to 1995-96  
(Cumulative)

Item	Unit	1993-94	1994-95	1995-96
1. Railways				
	Length			
i) Broadgauge	in Kms	1195	N.A.	N.A.
ii) Metergauge	-do-	1735	N.A.	N.A.
iii) Narrowgauge	-do-	149	N.A.	N.A.
2. Post Offices	Nos.	9781	9784	9785
3. Telephone connections provided (direct exchange lines)				
	000s	508	644	784
4. Telephone Exchanges	Number	1866	1927	2021

N.A. = Not available

Source: Directorate of Economics & Statistics, Bangalore



## **INCOME AND PRICES**

## INCOME AND PRICES

## I STATE INCOME

## 1. State Income and Economic Growth

Estimates of Net State Domestic Product (NSDP) or State income, measure the value of goods and services produced within the State in the year of reference. Estimates of NSDP at current prices reflect the value of output at prices prevailing during the year. Estimates of NSDP at constant prices reflect the growth of real income or output eliminating the effects of price changes in the economy. They also serve as a tool for measuring the economic growth of a region or State. NSDP in per capita terms is another measure of the level of development of the economy of a State.

Estimates of State income from 1991-92 onwards have been revised in almost all sectors due to revisions in the figures of consumption of fixed capital supplied by the Central Statistical Organisation (CSO). Revisions have also been done in the estimates of NSDP for 1990-91 and onwards due to availability of fresh data in many sectors.

The latest estimates of State income at current and constant (1980-81) prices from 1980-81 to 1996-97 are presented in Table 5.1.

NSDP of Karnataka at current prices is anticipated to go up to Rs 47714 crores in 1996-97 from Rs. 43422 crores in 1995-96. Estimates of NSDP at constant (1980-81) prices which reveal the real growth of output in the economy are anticipated to move to Rs. 13053 crores in 1996-97 from Rs. 12361 crores in 1995-96. The growth anticipated during the current year is placed at 5.6 per cent.

Table 5.1

**Net State Domestic Product and Per Capita Income  
of Karnataka at Factor Cost, 1980-81 to 1996-97**

Year	At Current Prices		At Constant (1980-81) Prices	
	Total Income (Rupees crores)	Per Capita Income (Rupees)	Total Income (Rupees crores)	Per Capita Income (Rupees)
1980-81	5587	1520	5587	1520
1981-82	6425	1708	5954	1582
1982-83	7137	1855	6102	1586
1983-84	8619	2193	6537	1663
1984-85	9693	2416	7027	1751
1985-86	10217	2495	6734	1644
1986-87	11733	2810	7365	1764
1987-88	13434	3158	7883	1853
1988-89	15671	3620	8564	1978
1989-90	17796	4044	9047	2056
1990-91	20550	4598	9112	2039
1991-92	26736	5888	10270	2262
1992-93	29132	6315	10482	2272
1993-94	33794	7214	11275	2407
1994-95 *	39158	8237	11728	2467
1995-96 **	43422	9004	12361	2563
1996-97 \$	47714	9758	13053	2669

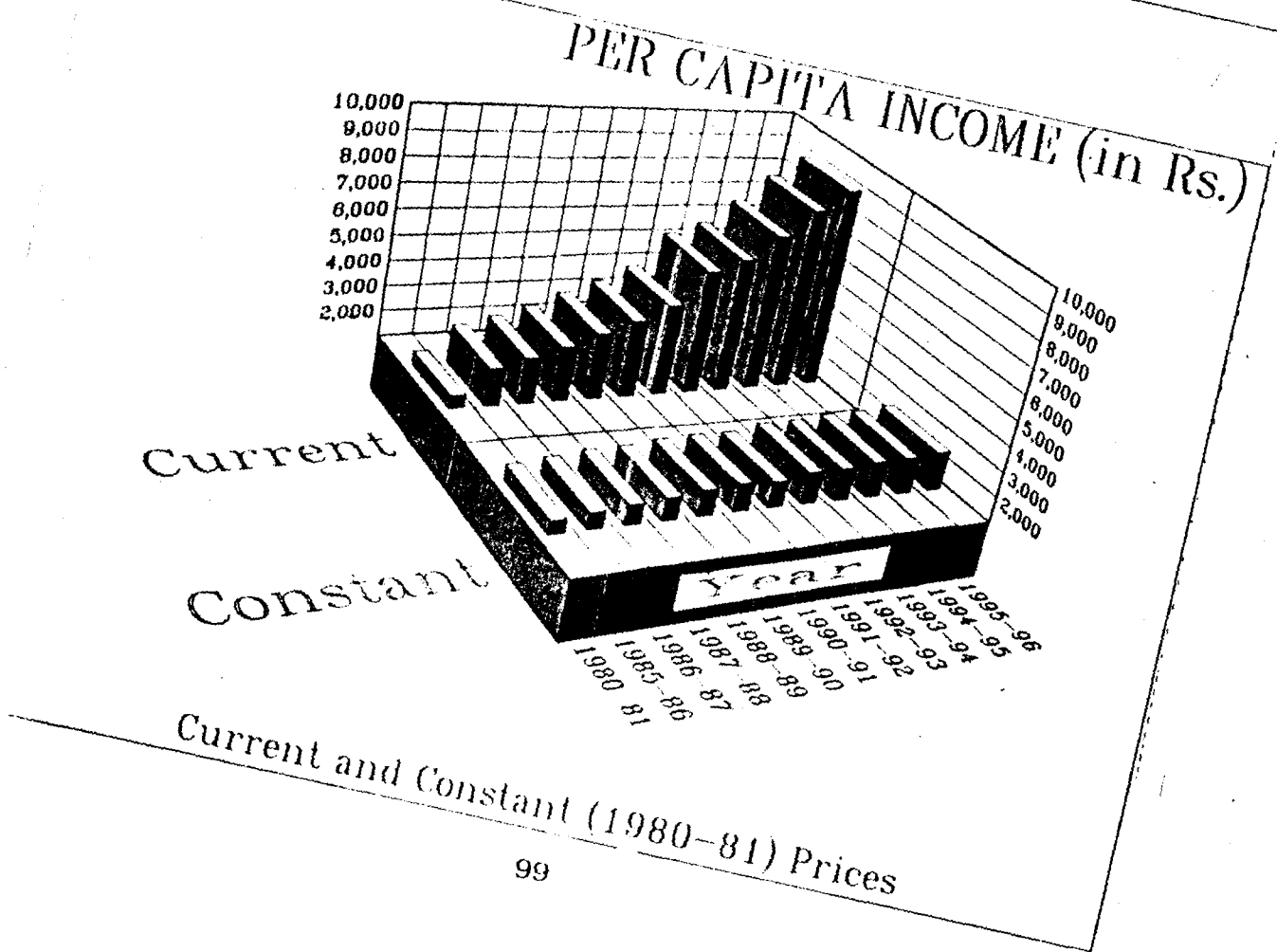
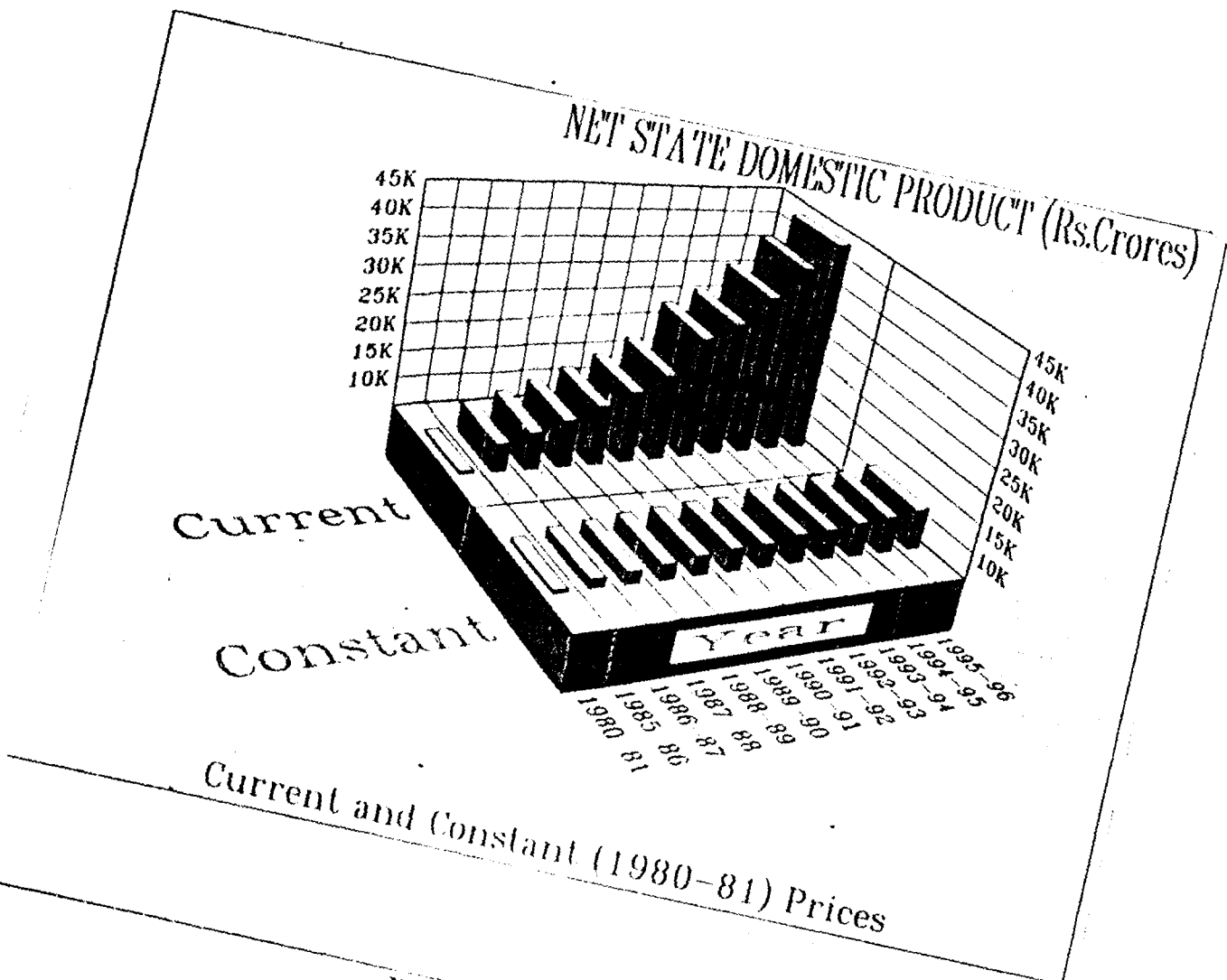
\* : Partially revised estimates

\*\* : Quick estimates

\$ : Anticipated estimates

Source: Directorate of Economics and Statistics,  
Bangalore

The State's income at constant (1980-81) prices has increased from Rs 5587 crores in 1980-81 to Rs 13053 crores in 1996-97 (anticipated). In real terms, it has gone up by 133.6 percent in 17 years. The per capita income of the State at constant (1980-81) prices is anticipated to be Rs 2669 in 1996-97 as against Rs 1520 in 1980-81, an increase of 75.6 percent during the above period.



## **2. Sectoral Shares of State Income**

Agriculture, forestry and logging, fishing and mining & quarrying constitute the primary sector, manufacturing (registered and un-registered), construction and electricity, gas & water supply constitute the secondary sector and the rest comes under the tertiary sector. The sectoral shares of NSDP at current and constant (1980-81) prices from 1980-81 and 1985-86 to 1995-96 are presented in Table 5.2.

Table 5.2 shows that at current prices, the contribution of the primary sector was 37.4 per cent and those of the secondary and tertiary sectors 21.2 per cent and 41.4 per cent respectively in 1995-96. At constant prices, the shares of these sectors in NSDP in 1995-96 were 34.3 per cent, 22.8 per cent and 42.9 per cent respectively. In 1980-81, the corresponding figures were 46.0 per cent, 20.8 per cent and 33.2 per cent. Table 5.2 shows that the shares of the primary and secondary sectors have been declining in the last three years, while the share of the tertiary sector is increasing.

## **3. Sectoral Performance of NSDP in 1995-96**

The estimates of NSDP for 1994-95 and 1995-96 by industry of origin at current and constant (1980-81) prices are presented in Table 5.3.

The growth rates achieved in 1995-96 in NSDP and PCI estimates at constant (1980-81) prices over the previous year were 5.4 per cent and 3.9 per cent respectively. A low growth rate was observed in the primary sector, but growth rates in the secondary and tertiary sectors were satisfactory.

Table - 5.2

## Sectoral Origin of Net State Domestic Product of Karnataka at Factor Cost

Rs. Crores

Sector	1980-81	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
											*	**
<b>A. At Current Prices</b>												
1. Primary	2573 (46.0)	4005 (39.2)	4818 (41.1)	5302 (39.5)	6179 (39.4)	6649 (37.4)	7626 (37.1)	10570 (39.5)	11416 (39.2)	13268 (39.3)	15155 (38.7)	16234 (37.4)
2. Secondary	1160 (20.8)	2405 (23.5)	2572 (21.9)	2833 (21.1)	3428 (21.9)	4257 (23.9)	4734 (23.0)	6006 (22.5)	6713 (23.0)	7264 (21.5)	8374 (21.4)	9198 (21.2)
3. Tertiary	1854 (33.2)	3807 (37.3)	4343 (37.0)	5299 (39.4)	6064 (38.7)	6890 (38.7)	8190 (39.9)	10160 (38.0)	11063 (37.8)	13262 (39.2)	15629 (39.9)	17990 (41.4)
<b>Total A</b>	<b>5587 (100.0)</b>	<b>10217 (100.0)</b>	<b>11733 (100.0)</b>	<b>13434 (100.0)</b>	<b>15671 (100.0)</b>	<b>17796 (100.0)</b>	<b>20550 (100.0)</b>	<b>26736 (100.0)</b>	<b>29132 (100.0)</b>	<b>33794 (100.0)</b>	<b>39158 (100.0)</b>	<b>43422 (100.0)</b>
<b>B. At 1980-81 Prices</b>												
1. Primary	2573 (46.0)	2734 (40.6)	3157 (42.9)	3134 (39.8)	3313 (38.7)	3390 (37.5)	3172 (34.8)	3766 (36.7)	3890 (37.1)	4212 (37.4)	4223 (36.0)	4237 (34.3)
2. Secondary	1160 (20.8)	1456 (21.6)	1477 (20.0)	1664 (21.1)	1932 (22.5)	2074 (22.9)	2168 (23.8)	2396 (23.3)	2390 (22.8)	2479 (22.0)	2625 (22.4)	2816 (22.8)
3. Tertiary	1854 (33.2)	2544 (37.8)	2731 (37.1)	3085 (39.1)	3319 (38.8)	3583 (39.6)	3772 (41.4)	4108 (40.0)	4202 (40.1)	4584 (40.6)	4880 (41.6)	5308 (42.9)
<b>Total B</b>	<b>5587 (100.0)</b>	<b>6734 (100.0)</b>	<b>7365 (100.0)</b>	<b>7883 (100.0)</b>	<b>8564 (100.0)</b>	<b>9047 (100.0)</b>	<b>9112 (100.0)</b>	<b>10270 (100.0)</b>	<b>10482 (100.0)</b>	<b>11275 (100.0)</b>	<b>11728 (100.0)</b>	<b>12361 (100.0)</b>

\* Partially revised estimates

\*\* Quick estimates

Note: Figures in brackets indicate percentages to total.

Source: Directorate of Economics &amp; Statistics, Bangalore

Table-5.3

## Net State Domestic Product of Karnataka at Factor Cost by Industry of Origin

Rs. Crores

Industry	At Current Prices			At Constant (1980-81) Prices		
	1994-95	1995-96	Variation	1994-95	1995-96	Variation
	PRE	QE	(%)	PRE	QE	(%)
<b>I Primary Sector</b>						
1.Agriculture	13789	14745	6.9	4072	4082	0.2
2.Forestry & Logging	909	910	0.1	86	84	-2.3
3.Fishing	212	303	42.9	41	51	24.4
4.Mining & Quarrying	245	276	12.7	24	20	-16.7
Sub Total: Primary	15155	16234	7.1	4223	4237	0.3
<b>II Secondary Sector</b>						
5.Manufacturing	5514	6170	11.9	1979	2186	10.5
5.1 Registered	3714	4215	13.5	1490	1638	9.9
5.2 Un-registered	1800	1955	8.6	489	548	12.1
6.Construction	2286	2375	3.9	474	488	3.0
7.Electricity, Gas & Water Supply	574	653	13.8	172	142	-17.4
Sub Total: Secondary	8374	9198	9.8	2625	2816	7.3
<b>III Tertiary Sector</b>						
8.Transport, Storage & Communication	2281	2669	17.0	497	548	10.3
8.1 Railways	71	75	5.6	7	8	14.3
8.2 Transport by other means	1644	1903	15.8	404	445	10.1
8.3 Storage	14	17	21.4	6	7	16.7
8.4 Communication	552	674	22.1	80	88	10.0
9.Trade, Hotels & Restaurants	6069	6679	10.1	1999	2117	5.9
10.Banking & Insurance	2332	2673	14.6	709	736	3.8
11.Real Estate, Ownership of dwellings & Business Services	1189	1316	10.7	547	568	3.8
12.Public Administration	1482	1817	22.6	424	523	23.3
13.Other Services	2276	2836	24.6	704	816	15.9
Sub Total: Tertiary	15629	17990	15.1	4880	5308	8.8
14.NSDP(I+II+III)	39158	43422	10.9	11728	12361	5.4
15.PER CAPITA INCOME (Rs.)	8237	9004	9.3	2467	2563	3.9

PRE: Partially Revised Estimates

QE: Quick Estimates

The low growth rate in the primary sector was due to fall in the output of the forestry and mining sectors. In the former, the production of some categories of industrial wood and in the latter of quartz, shale and silica sand, gold, silver and copper have declined in 1995-96. In spite of a higher growth of 24.4 per cent in fishing, income from the primary sector by 0.3 per cent in 1995-96. In the secondary sector, electricity, gas & water supply registered negative growth in 1995-96 compared to 1994-95 due to decrease in power generation in 1995-96.

#### **4. District Income**

Estimates of total income and per capita income at current prices for different districts of Karnataka for 1980-81 and 1994-95 are presented in Table 5.4.

In 1994-95, Bangalore district had the highest total income and per capita income. Kodagu stands second in per capita income, whereas Kolar district occupied the last place in per capita income. Six other districts Chikmagalur, Mysore, Dakshina Kannada, Shimoga, Uttara Kannada and Belgaum have also shown higher per capita incomes than the State average.



Table 5.4

**District Income in Karnataka  
at Current Prices  
(Provisional)**

District	Total Income (Rs. lakhs)		Per Capita Income (Rs.)	
	1980-	1994-	1980-	1994-
	81	95	81	95
1	2	3	4	5
1. Bangalore	1028110*	693403	2100*	13555
2. Bangalore R	-	132971	-	7519
3. Belgaum	41271	312441	1399	8246
4. Bellary	23217	152964	1579	7661
5. Bidar	13010	77790	1329	5865
6. Bijapur	23018	218243	971	7052
7. Chikmagalur	16795	113820	1858	10594
8. Chitradurga	28545	163647	1622	7097
9. Dakshina Kannada	39991	260782	1701	9158
10. Dharwad	37371	265450	1283	7168
11. Gulbarga	28427	183104	1381	6710
12. Hassan	18521	110966	1381	6688
13. Kodagu	13985	66661	3069	12864
14. Kolar	16075	132128	853	5638
15. Mandya	22354	133464	1592	7692
16. Mysore	37474	107801	1459	9197
17. Raichur	25528	153471	1447	6293
18. Shimoga	29510	184468	1800	9130
19. Tumkur	22961	143581	1172	5891
20. Uttara Kannada	17650	108496	1662	8422
<b>State</b>	<b>558736</b>	<b>3915751</b>	<b>1520</b>	<b>8237</b>

\* : Breakup not available

Source: Directorate of Economics and Statistics, Bangalore

## II PRICES

The country has witnessed single digit inflation during three consecutive years from 1993-94 to 1995-96 recording the lowest inflation rate of 7.7% in 1995-96 as measured by the wholesale price index (WPI). In the first seven months of the current year, the wholesale price index has gone up from 299.4 in March 1996 to 317.4 by October 96, an increase of 6.0 per cent. Continuing its declining trend since March 96, the inflation rate which was 5.0 per cent in April 96 moved down to 4.5 per cent in May 1996 and maintained the same level in June 96. 1996-97 witnessed the highest ever increase in the prices of petroleum and its products with a cascading effect on the general price index which pushed up inflation from 4.5 per cent in June 96 to 6.0 per cent in July 96. In a revenue mopping exercise aimed at reducing the fiscal deficit, Govt. of India introduced a hike in the administered prices of petroleum products. It had become necessary due to the mounting deficit in the oil pool account which is the difference between what the oil companies have paid for their products and the price that consumers pay less taxes on account of heavy subsidies on petroleum products including kerosene and liquified petroleum gas (LPG) and an increasing import bill for petroleum products. Increase in diesel prices in particular, is bound to cause an allround increase in the prices of all commodities.

The food procurement policy of Govt. of India which was extended to additional commodities during the year has resulted in rise in prices of certain agricultural commodities. Support prices for paddy and other kharif crops have been increased to arrest the shift in acreage from foodgrains to cash crops. The higher cost of fertilisers has led to an allround cost increase in agriculture.

The annual rate of inflation rose marginally in the last week of 1996 to close the year at 7.7 per cent. The general price trend in Karnataka has been more or less similar. In the current year (up to Nov. 96), price rise in Karnataka in respect of wholesale prices of agricultural commodities has been higher and the rise in consumer prices, in rural and urban areas, lower than all India levels.

## 1. Trends in Wholesale Prices - All India

Wholesale prices of most commodities moved steadily upwards during the first seven months of the current year. Price rise during the current year has been significantly lower than last year. The Wholesale Price Index (base 1981-82 = 100) which stood at 299.4 in March 1996 has risen continuously to reach 317.4 in October 1996, registering an increase of about 6.0 per cent as compared to the increase of 4.6 per cent during the corresponding period of 1995. Substantial increase

in the prices of cereals, pulses, oilseeds, fibres, fuel, power, light and lubricants, edible oils, sugar, khandasari and gur were responsible for rise in the wholesale price index.

The index of primary articles which includes all agricultural (food & non-food) commodities recorded a lower increase of 8.9 per cent between March and October 1996 as against 5.0 per cent recorded in the previous year. The index of manufactured products has registered a rise of 3.9 per cent in the current year between March and October 96 which is slightly lower than the 5.3 per cent increase of the corresponding period of the previous year. Within manufactured products, prices of sugar, khandasari and gur have gone up by nearly 20 per cent and those of edible oil products by nearly 3.6 per cent. The group of fuel, power, light and lubricants increased by 3.8 per cent as against a meagre fall of 0.1 per cent a year ago. (Table 5.5)

Analysis of variations in wholesale prices during the seven months under reference also reveals the following trends:

The wholesale prices of primary articles showed a continuous upward trend from month to month and tended to decline in October 96 (0.1%). The prices of food articles have gone up steeply by about 9.6 per cent, whereas the prices of non-food articles rose moderately by 6.1 per cent. The prices of cereals showed a steep hike of 11.7 per cent and those of pulses 6.9 per cent from March to October 1996. The price of rice shot up by as much as 10.3 per cent and with respect to Jowar, rise in price was 7.5 per cent followed by ragi (1.5 per cent). The price of potato registered a very high increase of 69.6 per cent and rise in the prices of turmeric and coconut were 18.1 and 14.0 per cent respectively.

TABLE 5.5

## Index Numbers of Wholesale Prices in India 1995 and 1996

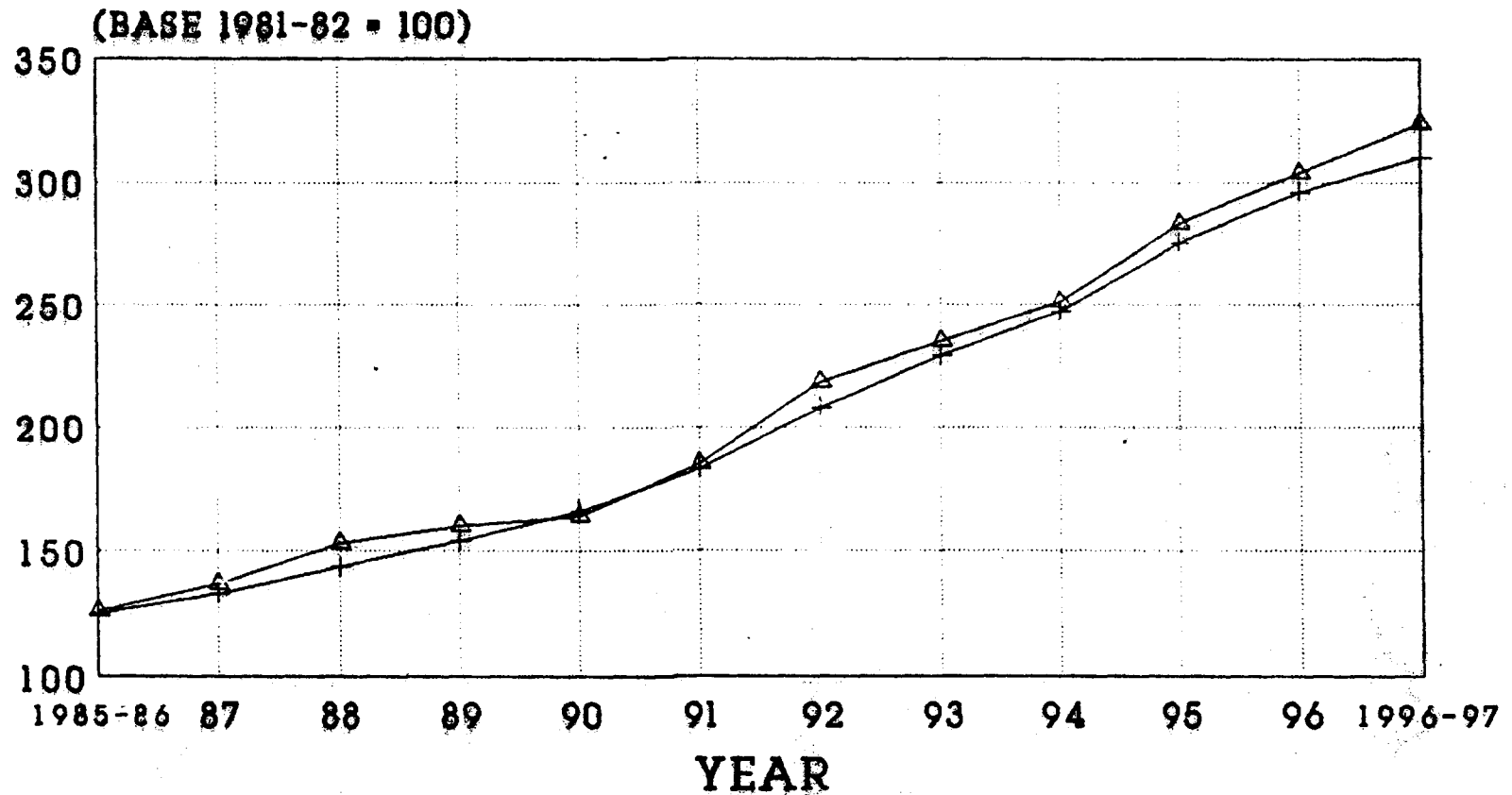
Base: 1981-82=100

Item	Weight	1995		1996		Percentage change Oct. over March	
		March	Oct.	March	Oct.	1995	1996
I. Primary Articles	32.30	292.3	306.8	306.6	330.6	5.0	8.9
a) Food articles	17.39	314.6	338.8	341.8	374.5	7.7	9.6
of which							
1. Cereals	6.83	293.8	298.6	305.2	340.8	1.6	11.7
2. Pulses	1.09	365.7	389.9	418.0	447.0	6.6	6.9
b) Non-Food articles	10.08	323.4	324.4	318.5	337.9	0.3	6.1
of which							
f) Oilseeds	3.86	285.2	291.1	271.7	303.5	2.1	11.7
l) Fibres	1.79	413.9	375.7	342.3	360.0	-9.2	5.2
II. Fuel, Power Light & Lubricants	10.66	284.7	284.3	295.1	330.0	-0.1	3.8
III. Manufactured Products	57.04	280.6	295.5	296.1	307.6	5.3	3.9
of which							
a) Edible oils	2.45	299.0	307.7	294.5	305.1	2.9	3.6
b) Sugar, Khandesari & Gur	4.06	234.9	252.8	225.4	269.8	7.6	19.7
c) Textiles	11.54	277.4	297.3	300.9	303.9	7.2	1.0
d) Paper and paper products	1.99	339.4	378.6	374.1	378.4	11.6	1.2
e) Chemical and chemical products	7.36	243.4	248.7	256.3	259.3	2.2	1.2
f) Rubber and plastic products	1.59	218.9	240.0	240.4	245.6	9.6	2.2
All commodities	100.00	284.9	297.9	299.4	317.4	4.6	6.0

Source: Office of the Economic Advisor, Ministry of Industries, Govt. of India

# ALL INDIA WHOLESALE PRICE INDEX NUMBERS 1985-86 TO 1996-97

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—△— PRIMARY ARTICLES    —+— ALL COMMODITIES

Rise in the prices of cereals in Karnataka has been a lower than the All India level, although increase in the price of ragi was higher. The prices of oilseeds declined by 2.9 per cent between March and October 1996 as against a hike of 11.7 per cent at the national level.

## 2. Trends in Wholesale Prices in Karnataka

In Karnataka, the wholesale price index is computed only for agricultural commodities, whereas at the All India level, it is broadbased and covers both agricultural and industrial products besides fuel, power, light and lubricants. Hence, the wholesale price index computed in the State is not strictly comparable with the national figure. The wholesale price indices of agricultural commodities (base 1981-82=100) of Karnataka for 1995-96 and 1996-97 by major groups are presented in Table 5.6. In the first seven months of the current year, the commodities index (agricultural commodities only) increased from 360 in March 1996 to 392 by October 1996, registering a moderate increase of 8.89 per cent as compared to a steep fall of 1.07 per cent during the same period of 1995-96.

Analysis of price trends during the first seven months of the current year reveals that the wholesale prices of all groups of agricultural commodities in Karnataka have gone up significantly, except oilseeds which registered a substantial decline in prices by 2.94 per cent. It is interesting to note that the prices of all commodities have gone up by 8.89 per cent during the current year up to October 1996. Prices of cereals have risen by nearly 9.06 per cent in Karnataka as compared to 2.81 per cent in the same period last year. Rise in cereal prices at the All India level up to October 1996 was 11.7 per cent. Prices of pulses have gone up in the State by 10.37 per cent. Coming, as it does, over and above an increase of 12.53 per cent in 1995-96, the price rise in respect of pulses adds up to nearly 40 per cent in 20 months. Prices of pulses, registered a very steep increase in the current year at the national level also. Prices of dry chillies, pepper, cardamom, coffee, coconut, coriander, gur, onion and potato registered a marked increase both in Karnataka and at the national level.

Table 5.6

Index Numbers of wholesale prices of Agricultural Commodities in  
Karnataka 1995 and 1996

Commodity group	Weight	1995		1996		Percentage change Oct. over March	
		March	Oct	March	Oct	1995	1996
Cereals	29.890	320	329	342	373	2.81	9.06
Pulses	4.920	359	404	434	479	12.53	10.37
Oilseeds	17.310	301	306	306	297	1.66	-2.94
Gur and Sugar	14.560	221	235	228	251	6.33	10.09
Fibre	9.640	406	421	317	329	3.69	3.79
Condiments and spices	2.270	291	370	358	500	27.15	39.66
Miscellaneous *	21.410	606	533	519	589	-12.05	13.49
All commodities	100.000	373	369	360	392	-1.07	8.89

\* = Miscellaneous items include coffee, onion, potato, tobacco, tamarind, coconut & arecanut.

Source: Directorate of Economics and Statistics, Bangalore.

Table 5.7

Index Numbers of Wholesale Prices & Percentage Variation  
All-India & Karnataka.

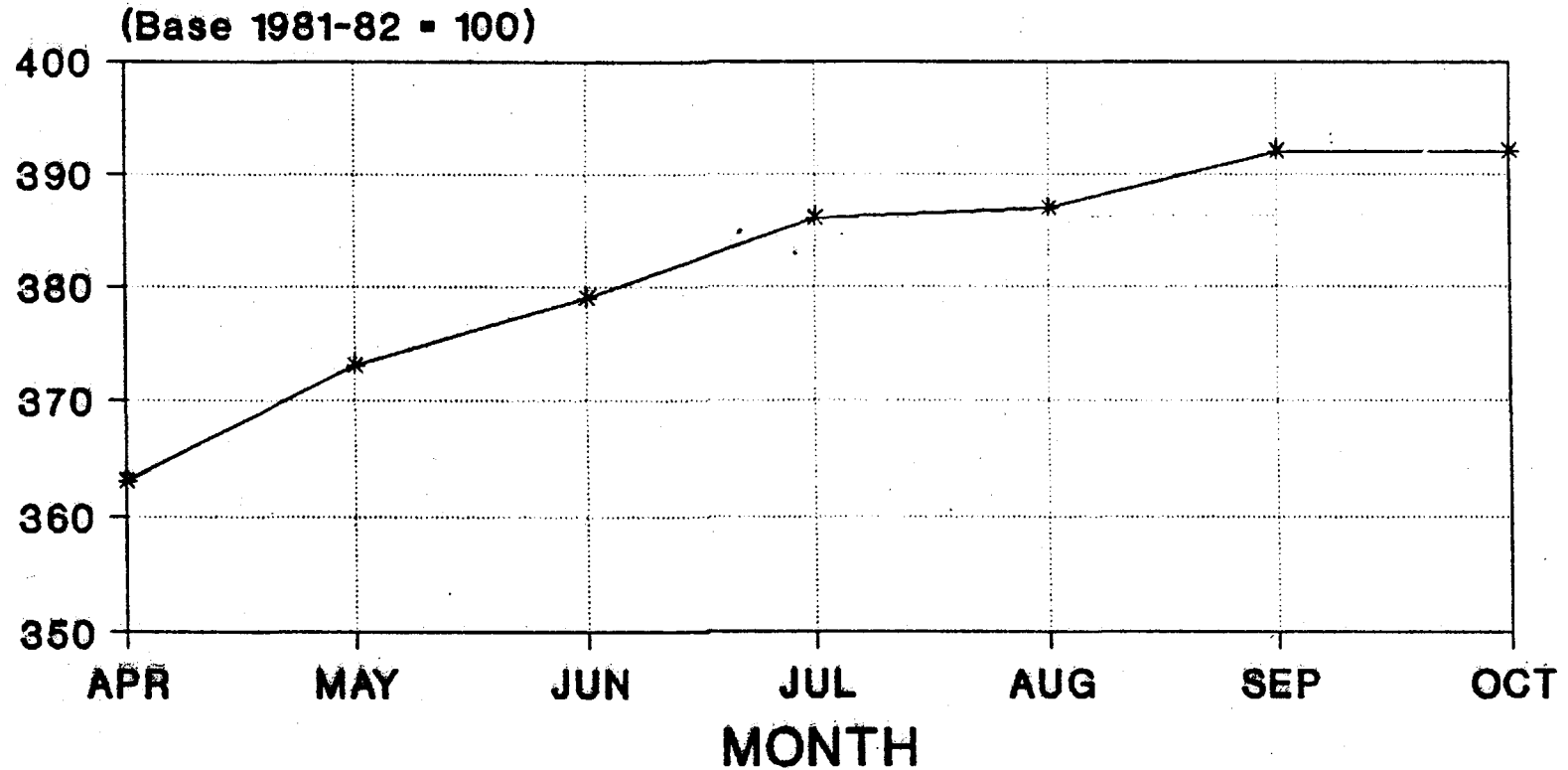
Commodity group	Monthly Average All India		Percentage Variation Oct over March 96	
	March 96	Oct. 96	All India *	Karnataka**
1. Cereals	305.2	340.8	11.7	9.1
a) Rice	319.3	352.2	10.3	8.9
b) Jowar	303.1	325.9	7.5	6.3
c) Ragi	288.9	293.1	1.5	2.2
2. Pulses	418.0	447.0	6.9	10.4
3. Oil Seeds	271.7	303.5	11.7	-2.9
4. Sugar, Khandasari & Gur	225.4	269.8	19.7	10.1
a) Sugar	-	-	-	-
b) Gur	-	-	-	-
5. Condiment & Spices	467.5	532.6	13.9	39.7
6. Miscellaneous				
a) Coffee	677.2	589.4	-13.0	17.2
b) Onion	289.0	311.0	7.6	-7.9
c) Potato	319.3	541.5	69.6	8.0
d) Tobacco	391.4	393.6	0.6	-
e) Turmaric	623.9	736.5	18.1	-
f) Coconut	276.6	315.4	14.0	6.1

Source: \* Office of the Economic Adviser Ministry  
of Industry Govt. of India.

\*\* Directorate of Economics and  
Statistics, Bangalore.



# INDEX NUMBERS OF WHOLESALE PRICES OF AGRICULTURAL COMMODITIES IN KARNATAKA APRIL 1996 TO OCTOBER 1996

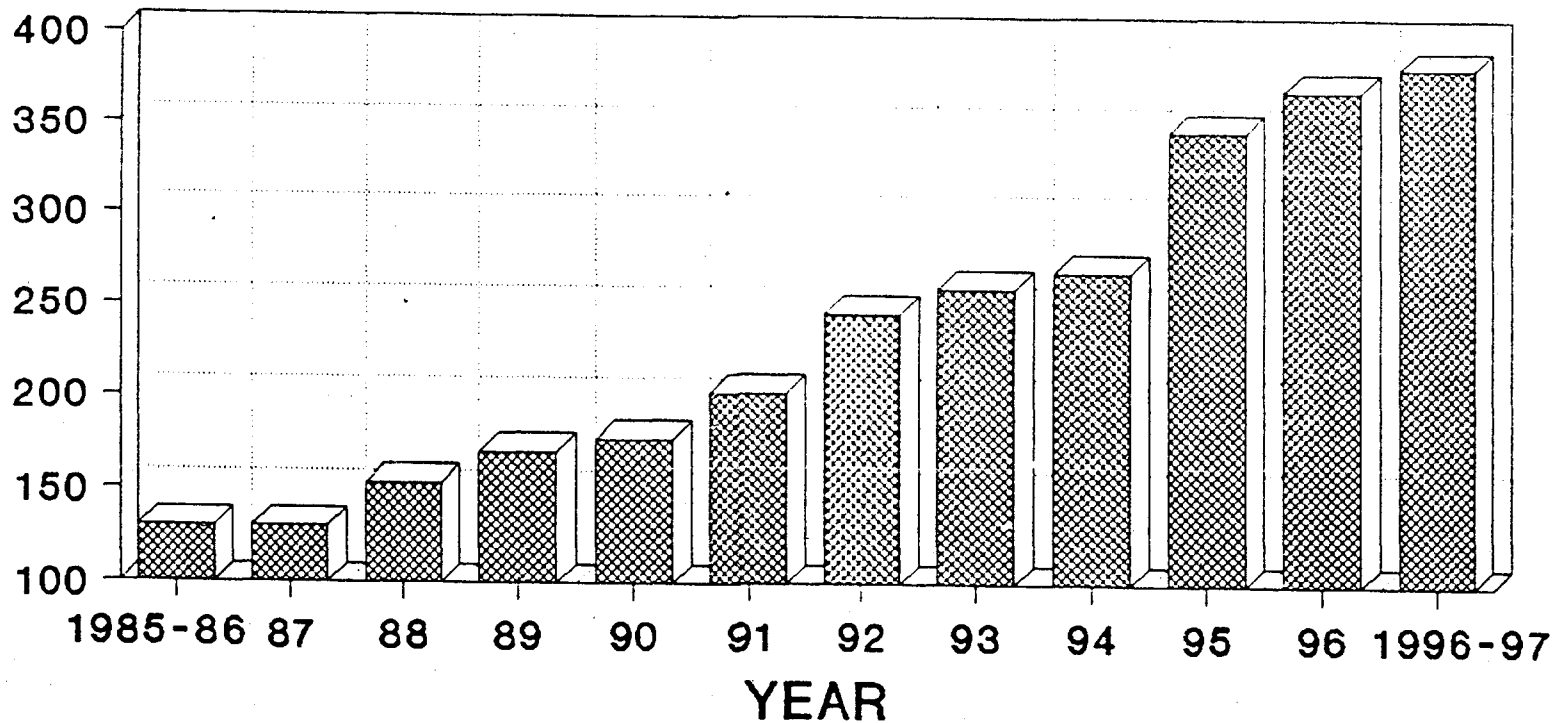


\*— ALL COMMODITIES

# WHOLESALE PRICE INDEX NUMBERS OF AGRICULTURAL COMMODITIES IN KARNATAKA 1985-86 TO 1996-97

(BASE 1981-82 = 100)

113



AGRIL.COMMODITIES

### 3. Trends in Consumer Prices - India and Karnataka

The annual average increase in the Consumer Price Index (CPI) for industrial workers was about 9.60 per cent at the All-India level in the decade 1986-96 and it was 9.95 per cent in Karnataka. In the current year, the All-India CPI moved up without respite from month to month. In Karnataka the CPI in March 1996 was 207 which increased to reach 221 points in August 1996, remained constant in September 96 and increased to 225 in November 96. Between March and November 1996, the rate of inflation in Karnataka as measured in terms of the CPI for industrial workers on point to point basis was about 8.7 per cent as against 9.4 per cent at the All India level. Rise in the CPI in Karnataka, has been slightly higher (8.7%) during the first eight months of the current year compared to the corresponding period of the previous year (7.3%). At the All-India level, the increase was 9.4 per cent in the first eight months of the current year compared to 9.6 per cent in the corresponding period of the previous year. Inflation as measured in terms of consumer prices was higher during the period March-November 1996, compared to wholesale prices in the country as a whole. Centrewise analysis of the CPI in Karnataka shows that Madikeri and Bangalore have both registered high increases of 11.91 per cent and 10.79 per cent respectively, (between March and November 96), followed by Bellary (8.96 per cent) Hassan and Mangalore (8.38 per cent), Hubli-Dhawar (7.69 per cent), Tumkur (7.65 per cent), Bhadravathi (7.58 per cent), Mandya (6.73 per cent) and Belgaum (6.67 per cent). Some centres have recorded moderate increases and decreases in the current year over the previous year. Table 5.8 presents the trends in CPI for Karnataka and the nation in 1995-96 and 1996-97.

The CPI for agricultural labourers in the country registered an increase of 9.67 per cent during the period March to October 96. The food index has registered a higher rise of 12.19 per cent and the general index 9.67 per cent as against 8.20 per cent and 8.77 per cent respectively in the previous year. In the CPI for agricultural labourers in Karnataka, the percentage increase in the food index is of the order of 7.02 per cent and it is 6.01 per cent for the general index during the current year up to October 96 as against an increase of 5.0 and 4.24 per cent in the previous year.

Table 5.8

## Consumer Price Indices - India and Karnataka 1995 and 1996

Index	1995		1996		Percentage Change Nov. over March	
	March	Nov.	March	Nov.	1995	1996
<b>I CPI for Industrial Workers (General)</b>						
a) Karnataka (1987-88=100)*	192	206	207	225	7.29	8.70
b) All India (1982=100)	293	321	319	349	9.56	9.40
<b>II CPI for Urban Non-manual Employees (1984-85=100)</b>						
a. Karnataka (Average of 4 centres)	247	266	-	-	7.69	-
b. All-India	244	264	-	-	8.20	-
<b>III CPI for Agricultural Labourers (1960-61=100)</b>						
a) Karnataka					(Oct 96)	
i) Food	1500	1575	1539	1647	5.00	7.02
ii) General	1393	1452	1447	1534	4.24	6.01
b) All-India						
i) Food	1415	1531	1518	1703	8.20	12.19
ii) General	1300	1414	1396	1531	8.77	9.67

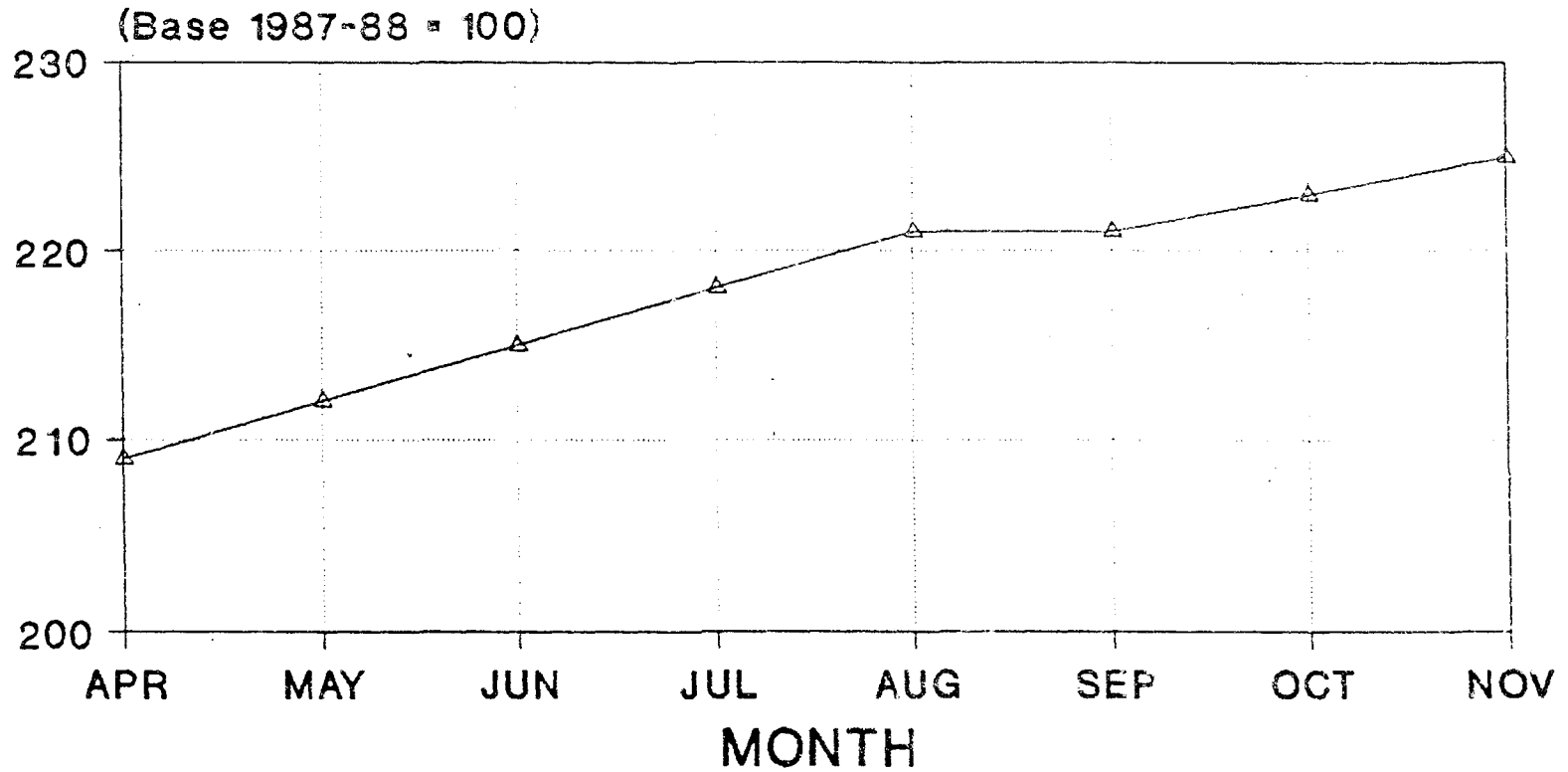
\* - Average of 16 centres (12 State series + 4 Central series).

Source: i) CPI for Industrial workers All-India and  
Agricultural Labourers - Labour Bureau, Simla.

ii) CPI for Urban Non-Manual Employees -  
Central Statistical Organisation, New Delhi.

# CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS IN KARNATAKA APRIL 1996 TO NOVEMBER 1996

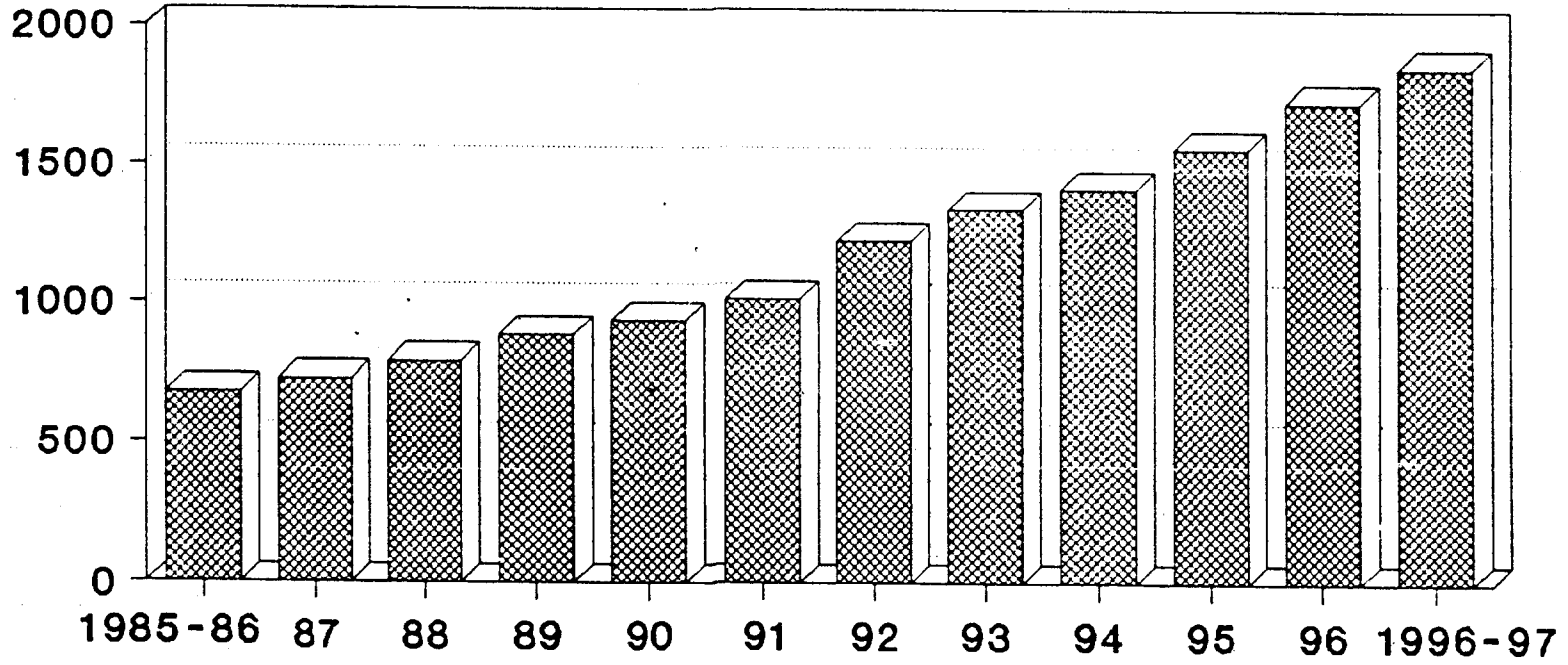
116



—△— CPI-INDUSTL.WORKERS

# INDUSTRIAL WORKERS IN KARNATAKA 1985-86 TO 1996-97

(BASE 1960 = 100)



YEAR

 CPI NUMBERS

#### 4. Price Policy

The price policy is enunciated at the national level. The State has a limited, albeit important role in implementing the national price policy and in appropriate supply management for ensuring stability and price control so to that the prices protect the interests of both consumers and producers. The price policy of Govt. of India during the current year mainly aims at bringing down inflation. Some of the measures undertaken by the Government of India to control inflation in the economy are : increasing the distribution of essential commodities through the public distribution system, open market sales of coffee, releasing large quantities of sugar to the market and curtailing budget deficits. With a view to encouraging farmers to grow more and compensate for escalation in the cost of cultivation, Govt. of India has made substantial increases in the minimum support prices during the current year. For kharif crops in 1996-97, the increase in minimum support prices was Rs. 10 for ragi, jowar, bajra and maize. For other kharif crops, open market prices were significantly higher than the support prices fixed for 1996-97. Over and above, the procurement prices prescribed by the Govt. of India, the State gives production incentives for the foodgrains produced.

#### 5. Public Distribution System (PDS)

The PDS was evolved to protect the poorer sections of society from the hoarding instincts of unscrupulous market forces to make available essential commodities of mass consumption at fair prices, through an organised network of distribution outlets. Under the restructured PDS being launched from January 26th, 1997 families living below the poverty line will be provided 10 kgs of foodgrains per family every month at subsidised prices. The Centre has already directed the States to prepare special ration cards for such eligible beneficiaries. Government has also decided to provide one kg. each of foodgrains daily to people engaged in the Employment Assurance Scheme (EAS) and JRY at half the price at which foodgrains are supplied to families below the poverty line. The affluent sections of the society will be gradually denied access to the PDS. The States have been directed to submit monthly reports on the utilisation of allocated foodgrains with the help of vigilance committee as these reports would be considered as yardsticks of the utilisation of foodgrains as against the existing undertake of offtake.

In Karnataka, the PDS is implemented through a network of 19,552 fair price shops, cooperatives and associations. Essential commodities covered under the system are rice, wheat, sugar, kerosene oil and palmolein. In rural areas, the responsibility of implementation lies with Tahsildars of taluks whereas in urban areas, cities and towns with a population of 40,000 and above there is an informal rationing system and in other towns the regular public distribution system.

Essential commodities are supplied at subsidised rates to population whose annual income is less than Rs. 6,400/- identified by green cards or tricolour cards. Government has also conducted a fresh survey to identify families residing in rural areas and in declared slums in urban areas who are eligible for green cards and tricolour cards. 63.88 lakh tricolour cards have been issued which includes replacement of earlier green cards issued to those living in slum areas with incomes less than Rs. 6,400/-. The subsidised prices for green and tricolour cardholders are shown in Table 5.9.

Table 5.9

**Subsidised Prices for Green/TriColour  
Card Holders: 1996**

Commo- dity	Variety/ specifi- cations	Prices excluding subsidy (both DPAP/ ITDP and Non DPAP/ITDP)	Rupees/Kg.			
			Extent of Subsidy Rural		Urban	
			DPAP/ ITDP	NON- DPAP/ ITDP	DPAP ITDP	NON- DPAP ITDP
1. Rice.	(i) Fine	3.10	2.96	2.99	3.46	3.49
	(ii) Super fine	3.20	3.18	3.20	3.68	3.70
	(iii) Common	2.85	2.35	2.85	2.38	2.88
2. Wheat	-	2.00	1.82	1.82	2.32	2.32

Source : Food and Civil Supplies Department,  
Bangalore.

There are 112.40 lakh cardholders in Karnataka who draw rations from fair price depots. 79.67 per cent are in rural areas. Green cardholders constitute 71.33 per



cent and saffron cardholders constitute 28.67 per cent of total ration cardholders in rural areas.

In Karnataka the system of doorstep delivery is in operation. Government has constituted a vigilance committee for each fair price shop to supervise the distribution of essential commodities. 13 mobile fair price shops have been set up in 13 Integrated Tribal Areas. In these hilly places and backward areas, mobile vans are being used for the distribution of foodgrains. Appendix 5.12 gives the areas of deployment of mobile fair price shops in the State.

In November 1996, 19,552 fair price shops were functioning in the State of which 1357 were in urban areas 3944 in Informal Rationing Areas and 14251 in rural areas. Most were run by co-operatives, associations and the K.F.C.S.C. (Table 5.10).

Table 5.10

Fair Price Shops by Agency in Karnataka  
(as at the end of November 1996)

Area	KFCSC	Number		Total
		Co-opera -tives	Private	
1. Informal Rationing	247	1706	1991	3944
2. Urban	9	744	604	1357
3. Rural	10	6654	7587	14251
Total	266 (1.36)	9104 (46.56)	10181 (52.08)	19552 (100)

Source : Food and Civil Supplies Department,  
Bangalore.

There are 273 wholesale nominees operating in the State in November 1996 for foodgrains and sugar, 337 for kerosene and 4 for palmolein.

Commodities covered under the PDS are rice, wheat, sugar, kerosene and palmolein. In October 96, the Food and Civil Supplies Department launched the distribution of kerosene coupons to ration card holders at fair price shops to put an end to blackmarketing.

**Requirement of Commodities for November. 1996.**

Items	Units	Quantity
1. Rice	(Mts)	1,22,260
2. Wheat	"	28,000
3. Sugar	"	21,815
4. Kerosene	(Kls)	54,412
5. Palmolein	(Tonnes)	2,000

The allotment and offtake of foodgrains and other essential commodities are shown in Table 5.11.

**Procurement, Stocks and Offtake**

The Food Corporation of India, Karnataka Food and Civil Supplies Corporation and Marketing Federation are the nodal agencies appointed by the State government to undertake procurement operations at various places in the State.

Procurement prices and support prices which include production incentives announced by the State for 1996-97 are as under.

**Procurement/Support Prices of Foodgrains for 1996-97.**

(in Rupees)

Commodity	Procurement price fixed by GOI (1)	Production incentives by the State (2)	Support price (1)+(2)
<b><u>Paddy :</u></b>			
Common variety	380.00	-	380.00
Fine variety	395.00	-	395.00
Superfine variety	415.00	-	415.00
<b><u>Coarse-grains :</u></b>			
Ragi, Jowar & Bajra	310.00	-	310.00
Maize	320.00	-	320.00

A target of 1.00 lakh tonnes has been fixed for the procurement of levy rice for 1996-97. The offtake of rice during the year up to the end of November 96 was 5.58 lakh tonnes. The offtake of wheat and sugar

between April and November 96 was 1.71 lakh tonnes and 1.62 lakh tonnes respectively. In 1995-96 offtake of 2.30 lakh tonnes of wheat and 2.20 lakh tonnes of sugar was reported. The offtake of kerosene was 4.36 lakh kilo litres in 1996-97 (up to November 96). Details are given in Table 5.11.

**Table 5.11**

**Offtake of Essential Commodities in Karnataka  
1995-96 and 1996-97**

Commodity	April 95 to March 96	April 96 to November 96
Rice (Tonnes)	964019	557618
Wheat (Tonnes)	230276	170852
K. Oil (Kls)	615095	436012
Sugar (Tonnes)	220275	161884
Palmolein oil (Tonnes)	175308	4790

Source: Food and Civil Supplies Department  
Bangalore.

**Revamped Public Distribution System in Karnataka.**

The proposal to sell foodgrains to people living below the poverty line at half the open market price through the revamped public distribution system (RPDS) is a reassurance to the poor that the State will support them against the backdrop of economic liberalisation. The RPDS has been implemented in 94 blocks in the most backward areas identified in 14 districts. There are 71 blocks identified under the Drought Prone Area Programme (DPAP) and 23 under Integrated Tribal Development Programme (ITDP).

The criteria followed for the allocation of commodities are 10 kgs. of foodgrains to green colour cards in RPDS areas at subsidised rate and additional quantities over and above 10 kgs. at RPDS rates. Now a uniform of 18 kgs. of rice and 2 kgs. of wheat are being given to card holders in RPDS areas. This comprises 10 kgs. of rice or wheat at the choice of the cardholder at the rate applicable to green colour cards and the rest at RPDS rates. The details are given in Appendix 5.13.

## Implementation of Consumer Protection in Karnataka.

Government of Karnataka has constituted the Consumer Protection Council for the State and also established district forums in all district headquarters to redress the grievances of consumers. Complaints can be filed by consumers in the district forum when the value of goods/services and compensation if any to be claimed is less than Rs. 5 lakhs. Where the value of claims is between Rs. 5 lakhs and Rs. 20 lakhs complaints can be filed at the State level. Cases in which claims are above Rs. 20 lakhs are to be filed at the National Commission at New Delhi.

# THE STATE BUDGET

## THE STATE BUDGET

The State budget for the 1996-97 envisaged an aggregate expenditure of Rs. 12339.15 crores comprising Rs. 10638.97 crores of revenue expenditure and Rs. 1700.18 crores of capital expenditure. Expenditure during the year is anticipated to go up by 17.69 per cent over that of 1995-96. Receipts of Rs. 12286.45 crores are anticipated during the year 1996-97, including Rs. 10503.06 crores of revenue receipts and Rs. 1783.39 crores of capital receipts. Capital receipts are expected to increase by 19.51% over the previous year's level and total receipts by 17.39 per cent. Increase in receipts in 1995-96 over the 1994-95

TABLE 6.1

Over - all Budgetary Position, Karnataka 1996-97

Receipts/Disbursements	Rs. Crores			
	1994-95 (Accounts)	1995-96 (R.E.)	1996-97 (B.E.)	Per cent variation 1996-97 over 1995-96
<b>A. RECEIPTS</b>				
1. Revenue Receipts	6968.39	8974.12	10503.06	17.04
2. Capital Receipts	1749.23	1492.30	1783.39	19.51
Total A: (1+2)	8717.62	10466.42	12286.45	17.39
<b>B. DISBURSEMENTS</b>				
1. Revenue Expenditure	7264.52	8767.63	10638.97	21.34
2. Capital Expenditure	1594.42	1716.44	1700.18	-0.95
Total B: (1+2)	8858.94	10484.07	12339.15	17.69
Surplus (+)/Deficit (-)	-141.32	-17.65	-52.70	-

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

Source:- Annual Financial Statement (Budget) 1996-97, Government of Karnataka.

level was 14.02 per cent. Taking into account the negative opening balance of Rs. 79.51 crores, the overall deficit is likely to be Rs. 132.21 crores during the current year. The overall budgetary position is presented in Table 6.1.

### Major Highlights

The Aggregate expenditure (revenue + capital disbursements) is anticipated to go up to Rs. 12339.15 crores in 1996-97. Expenditure during the year will be about 18 per cent above the 1995-96 level. Revenue expenditure is likely to go up by 21.34 per cent while capital expenditure will decline by (-) 0.95 per cent. The aggregate increase in expenditure in 1995-96 over the level 1994-95 was about 18 per cent. Development expenditure is about 69.19 per cent of the total. Aggregate receipts (revenue + capital) in 1996-97 are anticipated at Rs. 12286.45 crores (17.39 per cent above 1995-96 level). Capital receipts grew by 19.51 per cent and revenue receipts by 17.04 per cent. There has been significant increase in the State's Plan in 1996-97. The Central Plan (including Centrally sponsored schemes) also increased during the year. Plan outlay (including the State and Central Plans) in 1996-97 was about 33.72 per cent more than in 1995-96. Non - plan expenditure is envisaged to go up by 20.25 per cent. Development expenditure budgetted for 1996-97 is of the order of Rs. 8537.55 crores against Rs. 7345.30 crores in 1995-96(R.E.) - an increase of about 16.23 per cent. Non - development expenditure is likely to go up by 21.12 per cent over the previous year's level. Increases have taken place in outlays on housing and urban development, industry & minerals, medical and public health, family welfare, water supply and sanitation and rural development.

Revenue from sales tax is expected to increase in 1996-97 by 20.75 per cent over the 1995-96 level. Taxes on goods and passengers by 14.76 per cent and State excise by 10.26 per cent. The overall increase in revenue receipts will be 16.76 per cent over the 1995-96 level. The State's share in Central taxes is expected to increase by 16.74 per cent. Karnataka is second among the States in the country in tax effort.

**TABLE 6.2**  
**Important Budgetary Indicators.**

Indicator	Unit	1995-96 (R.E)	1996-97 (B.E)
1. Aggregate Receipts (Revenue + Capital)	Rs.Crores	10466.42	12286.45
2. Total Revenue Receipts	Rs.Crores	8974.12	10503.06
3. State's Own Tax Revenue	Rs.Crores	5350.04	6247.14
4. Per Capita State's Own Tax Revenue	Rupees	1100.83	1269.74
5. Total Sales Tax Collection	Rs.Crores	3189.79	3851.67
6. Share of Sales Tax in the State's Own Tax Revenue	Percent	59.62	61.65
7. Total Non-Tax Revenue including grants from the Centre	Rs.Crores	2179.41	2569.44
8. Share of Non-Tax Revenue in total Revenue Receipts	Percent	24.28	24.46
9. Total Debt Receipts	Rs.Crores	1492.30	1783.39
10. Share of Debt Receipts in the Aggregate Receipts	Percent	14.26	14.51
11. Per Capita Receipts	Rupees	2153.58	2497.23
12. Aggregate Expenditure (Revenue + Capital disbursements)	Rs.Crores	10484.07	12339.15
13. Total Development Expenditure	Rs.Crores	7345.30	8537.55
14. Per Capita Development expenditure	Rupees	1511.38	1735.28
15. Share of Development expenditure in the total expenditure	Percent	70.06	69.19
16. Per Capita Expenditure - Social and Community Services	Rupees	723.96	867.37
17. Per Capita Expenditure on Health, Family Welfare, Water Supply and Sanitation	Rupees	164.78	230.91
18. Per Capita Expenditure on Education, Sports, Art and Culture	Rupees	358.49	403.32

R.E : Revised Estimates.

B.E : Budget Estimates.

Per Capita is based on Projected Population of 1996 and 1997.



TABLE 6.3  
Revenue and Capital Receipts, Karnataka  
1994-95, 1995-96 and 1996-97

				Rs. Crores
Category of Receipts	1994-95	1995-96	1996-97	Per cent
	(A/cs)	(R.E)	(B.E)	Variation 1996-97 Over 1995-96
I. Revenue Receipts				
-----				
A. State's Tax Revenue				
-----				
(i) Taxes on Income, Expenditure, Property & Capital Transactions	501.49	733.04	875.45	19.43
(ii) Taxes on Commodities & Services				
of which	3787.82	4617.00	5371.69	16.35
(a) Sales Tax	2505.76	3189.79	3851.67	20.75
(b) Taxes on vehicles	290.99	385.28	365.08	-0.05
(c) State Excise	713.47	780.00	860.00	10.26
(d) Taxes on Goods & Passengers	117.00	110.00	126.24	14.76
Total State's Own Tax Revenue (i)+(ii)	4289.31	5350.04	6247.14	16.77
(iii) Share in Central Taxes	1135.93	1444.67	1686.48	16.74
TOTAL A: (i)+(ii)+(iii)	5425.24	6794.71	7933.62	16.76
B. Non-Tax Revenues	1543.15	2179.41	2569.44	17.90
-----				
Of which				
Grants from the Centre	695.48	1079.72	1386.27	28.39
Total I: Revenue Receipts (A+B)	6968.39	8974.12	10503.06	17.04
II. Capital Receipts				
-----				
(i) Loans from Govt. of India	1221.32	832.84	1042.69	25.20
(ii) Internal debt-open Market Loans (Net), Loans from LIC, RBI, GIC & NCDC				
(iii) Recoveries of Loans & Advances	192.63	92.59	123.89	33.80
(iv) Net of Public Account, Contingency Fund and Inter-State Settlement	322.03	285.08	254.92	-10.57
Total II : Capital Receipts (i) to (iv)	1735.98	1210.51	1421.50	22.73
AGGREGATE RECEIPTS : I + II	8704.37	10184.63	11924.56	17.39
Total Tax Revenue as Percent of Total Receipts	62.23	66.26	65.70	-
Per Capita of State's Own Tax Revenue (Rupees)	895.47	1100.83	1269.74	-

R.E : Revised Estimates.

B.E : Budget Estimates.

Source : 1) Annual Financial Statement (Budget), 1996-97.

2) Detailed Estimates of Revenue and Other Receipts 1996-97, Govt. of Karnataka.

3) Budget Speech of Minister for Finance and Planning 1996-97, Govt. of Karnataka.

4) Inter State Economic Indicators 1996, Planning Dept. Govt. of Karnataka.

Important budgetary indicators are presented in Table 6.2. There has been substantial increase in the per capita expenditure on health, family welfare, water supply and sanitation, social and community services, education sports, art and culture during the present year. The share of developmental expenditure during the present year is almost the same as that in 1995-96.

## **A. Receipts**

Receipts are likely to go up by Rs. 1820 crores (17.3 per cent) in 1996-97. Revenue receipts are expected to go up by Rs. 1529 crores (17.04 per cent) and capital receipts by Rs. 291 crores (19.5 per cent). The Revenue receipts account for 85.5 per cent of total receipts.

### **1. Revenue Receipts**

Revenue receipts comprise tax and non-tax revenue. They are anticipated to go up by 16.76 per cent and 17.90 percent respectively during the current year.

#### **(a) Tax Revenues**

Tax revenue includes taxes on income, expenditure, property and capital transactions, commodities and services and the State's share of Central taxes. Sales tax comprising about 61.7 percent of the own tax revenue is expected to go up by 20.75 per cent (Rs. 661.88 crores) 1996-97. Revenue from State excise is expected to go up by 10.26 per cent. Taxes on Income, expenditure, property and capital transactions will be 19.43 per cent more than in previous year and taxes on commodities and services are expected to increase by 16 per cent. The State's own tax revenue will increase by 16.77 per cent in 1996-97. The State's share in Central taxes is anticipated to go up to Rs. 1686.48 crores from Rs. 1444.67 crores in 1995-96 (a 16.74 per cent increase).

#### **(b) Non - tax Revenues**

The Non-tax revenue includes receipts from social economic and general services, interest and dividends. The budget 1996-97 gives details of revenue from the three services as Rs. 606.56 crores as against Rs. 559.18 crores in 1995-96 (an increase of 8.5 percent).

In the current year revenue from general services is likely to go up by Rs. 19.22 crores (18.43 per cent) Revenue from interest and dividends will go up from Rs. 540.51 crores in 1995-96 to Rs. 576.61 crores during the current year. Grants from the Government of India will rise from Rs. 1079.72 crores in the previous year to Rs. 1386.27 crores in the current year (a growth of 28.4 per cent). The State's share in Central excises will go up from Rs. 843.74 crores in 1995-96 to Rs. 1013.78 crores in 1996-97 (20.2 per cent).

## **B. Expenditure**

Expenditure during the year is estimated at Rs. 12339.17 crores Rs.1855.10 crores more than expenditure in 1995-96. Developmental expenditure will be about Rs. 8537.55 crores (69.19 per cent of total expenditure). Non - developmental expenditure will be about Rs.3801.60 crores (30.81 per cent). Revenue expenditure is Rs. 10638.97 crores or 86 per cent and capital expenditure Rs. 1700.18 crores or 14 per cent. Revenue expenditure has increased by 21.34 per cent. Details of expenditure with the breakup of developmental and non - developmental expenditure are presented in Table 6.4 and the corresponding details of revenue, capital and loan accounts are given in Appendix 6.3.

### **1. Developmental Expenditure**

Developmental expenditure comprises economic, social and community services. Expenditure on social and community services is anticipated to increase by 21.29 per cent or Rs.749 crores. Expenditure will go from Rs.3518.46 crores in 1995-96(RE) to Rs. 4267.46 crores in 1996-97. Expenditure on economic services will increase by 11.58 per cent or Rs. 443.25 crores Developmental expenditure is anticipated to increase by 16.23 per cent from Rs. 7345.30 crores in 1995-96 to Rs. 8537.55 crores in 1996-97. Per capita developmental expenditure will move from Rs. 1511.38 in 1995-96 to Rs. 1735.28 in 1996-97.

Development expenditure on industry and minerals is anticipated to go up by 45.18 per cent during the current year, general economic services by 35.29 per cent and rural development, by 23.24 per cent. Under social and community services the highest increase of developmental expenditure will be under housing and urban development (52.01 per cent) followed by family welfare, water supply and sanitation (41.87 per cent),

TABLE 6.4

Developmental And Non - Developmental Expenditure, Karnataka,  
1994-1997

Rs. Crores

Category of Expenditure	1994-95	1995-96	1996-97	Per cent
	(A/cs)	(R.E)	(B.E)	Variation 1996-97 Over 1995-96
I. DEVELOPMENT EXPENDITURE				
A. Economic Services (of Which)	3283.53	3826.84	4270.09	11.58
1. Agriculture & Allied Services	655.78	940.38	982.20	4.45
2. Rural Development	418.31	597.12	735.89	23.24
3. General Economic Services	52.75	57.32	77.55	35.29
4. Water and Power Development	1530.27	1605.17	1773.77	10.50
5. Industry and Minerals	302.02	276.31	401.14	45.18
6. Transport and Communication	311.91	327.77	259.36	-14.77
B. Social And Community Services (of which)	2909.36	3518.46	4267.46	21.29
7. Education, Sports, Art and Culture	1458.93	1742.26	1984.34	13.89
8. Medical & Public Health, Family Welfare, Water Supply and Sanitation	689.32	800.81	1136.09	41.87
9. Social Security & Welfare including Sc/St/Others	419.25	472.78	526.21	11.30
10. Housing and Urban Development	176.34	252.44	383.73	52.01
11. Information and Publicity	13.34	12.37	12.75	3.07
TOTAL DEVELOPMENT EXPENDITURE	6192.89	7345.30	8537.55	16.23

TABLE 6.4 (concluded)

Developmental And Non - Developmental Expenditure, Karnataka  
1994-97

Rs. Crores				
Category of Expenditure	1994-95	1995-96	1996-97	Per cent
	(A/cs)	(R.E)	(B.E)	Variation 1996-97 Over 1995-96
<b>III. NON-DEVELOPMENT EXPENDITURE</b>				
<b>(a) Revenue Expenditure Under</b>				
General Services	2300.89	2747.22	3285.68	19.60
(i) Organs of the State	106.88	129.29	155.39	20.18
(ii) Fiscal Services	192.22	186.23	207.08	11.20
(iii) Interest Payment and Servicing of Debt	956.64	1154.25	1403.25	21.57
(iv) Administrative Services	548.76	657.00	776.55	18.20
(v) Pension and Miscellaneous General Services	496.39	620.44	743.42	19.82
<b>(b) Compensation &amp; Assignment to Local Bodies &amp; Panchayat Raj Institutions</b>				
	146.93	153.69	233.21	51.74
<b>(c) Capital Expenditure</b>				
(i) General Services	22.19	13.06	25.85	97.93
(ii) Discharge of Internal Debt (Net)	15.87	17.41	18.48	6.14
(iii) Repayment of Loans to GOI	169.22	193.72	222.51	14.86
(iv) Loans & Advances to Govt. Servants and Miscellaneous Loans	10.95	13.67	15.87	16.09
<b>TOTAL NON-DEVELOPMENT EXPENDITURE</b>	<b>2666.05</b>	<b>3138.77</b>	<b>3801.60</b>	<b>21.12</b>
<b>AGGREGATE EXPENDITURE (I+II)</b>	<b>8858.94</b>	<b>10484.07</b>	<b>12339.15</b>	<b>17.69</b>
<b>Development Expenditure as Percent of Total Expenditure</b>	<b>69.91</b>	<b>70.06</b>	<b>69.19</b>	<b>-</b>
<b>Per Capita Development Expenditure</b>	<b>1292.88</b>	<b>1511.38</b>	<b>1735.28</b>	<b>-</b>

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

Note: 1) Per Capita is based on the Projected Population of 1994, 1995 & 1996.

education, sports and arts (13.89 per cent) and social security and welfare (11.30 per cent).

## **2. Non - developmental expenditure**

Non - developmental expenditure includes revenue and capital expenditure and compensation and assignment to local bodies and Panchayat Raj Institutions. Non - developmental expenditure is expected to rise to Rs. 3801.60 crores from Rs. 3138.77 crores. It forms about 30.81 per cent of aggregate expenditure. 86 per cent of non - developmental expenditure is likely to be under general services during the current year. Under non - developmental expenditure repayment of loans to Government of India and discharge of internal debt account for Rs. 240.99 crores during the current year compared to Rs. 211.13 crores during the previous year. The Interest payments in the current year have increased to Rs.1403.25 crores from Rs. 1154.25 crores. Expenditure on administrative services is anticipated to increase by 18.20 per cent in 1996-97 and on pension and miscellaneous general services it is higher by 19.82 per cent. Expenditure on the organs of the State has also increased by 20.18 per cent during the year. Details of non - developmental expenditure are presented in Table 6.4.

## **3. Plan and Non - plan expenditure**

Table 6.5 presents Plan and non - Plan expenditure. Of the aggregate expenditure of Rs.12339.15 crores budgetted for 1996-97, Plan outlay amounts to Rs.5311.42 crores. Rs.951.42 crores are under Centrally Sponsored and Central Sector schemes of the Government of India. Plan expenditure is expected to increase by 40.65 per cent in 1996-97. Increase in Plan expenditure over the 1994-95 level is about 34 per cent. Increase in expenditure on irrigation projects pending approval during the current year is marginal.

### **C. Tax Effort and Developmental expenditure - An Inter - State Comparison**

Tax effort is measured in terms of the per capita State's own tax revenue as a per cent of the per capita Net Domestic Product at factor cost (current prices). In 1995-96 Karnataka stood second in tax effort with 13.32 per cent Kerala being the first with 13.38 per cent. The average tax effort for All States in 1995-96 is 8.28 per cent.

TABLE 6.5

## Plan and Non-Plan Expenditure, Karnataka.

Items	Rs. Crores		
	1994-95 (Accounts)	1995-96 (R.E)	1996-97 (B.E)
I. PLAN			
1. State Plan	2973.34	3100.00 (04.26)	4360.00 (40.65)
2. Centrally Sponsored Schemes (including Central Sector)	495.11	871.97 (76.12)	951.42 (9.11)
Total Plan Outlay	3468.45	3971.97 (15.52)	5311.42 (33.72)
II. Irrigation Projects pending approval	218.10	250.00 (14.63)	300.00 (20.25)
III. Non-Plan Expenditure	7382.22	7380.41 (-0.02)	8875.25 (20.25)

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

Note: Figures in brackets indicate percentage growth over the previous year.

Source : 1. A Picture of Karnataka Budget, 1995-96,  
Government of Karnataka.  
2. Annual Financial Statement (Budget), 1996-97,  
Government of Karnataka.  
3. Details of Provisions for Plan Schemes, 1996-97,  
Government of Karnataka.

The per capita developmental expenditure in 1995-96 (BE) in Karnataka was Rs.1577 compared to the All States average of Rs.1213. Andhra Pradesh, Gujarat, Haryana, Kerala, Maharashtra, Punjab, Rajasthan and Tamil Nadu have recorded per capita average developmental expenditure higher than the All State's average.

Details of tax effort and per capita developmental expenditure of major States for 1995-96 are presented in Table 6.6.

TABLE 6.6

Inter-State Tax Effort & Developmental Expenditure  
1995-96 BE

Sl. No.	State	Tax Effort (per capita State's Own Tax Revenue as % of per capita Net Domestic Product at Factor Cost	Per Capita Developmental Expenditure
1.	Andhra Pradesh	9.87	1350
2.	Assam	5.97	1238
3.	Bihar	5.22	641
4.	Gujarat	10.94	1507
5.	Haryana	9.69	1741
6.	Karnataka	13.32	1577
7.	Kerala	13.38	1384
8.	Madhya Pradesh	7.77	1012
9.	Maharashtra	8.58	1565
10.	Orissa	6.85	1144
11.	Punjab	9.62	1613
12.	Rajasthan	9.03	1340
13.	Tamil Nadu	11.00	1339
14.	Uttara Pradesh	6.52	734
15.	West Bengal	8.03	982
Total:All States (25)		8.28	1213

Note: 1. Tax-effort has been calculated by taking into consideration Per Capita State's Own Tax Revenue 1995-96 (BE) and Per Capita Net Domestic Product at Factor Cost (at current prices for 1994-95).

2. Per Capita Developmental Expenditure is based on the Projected Population of 1996.

Source: 1. Public Finance, June 1996, CMIE.

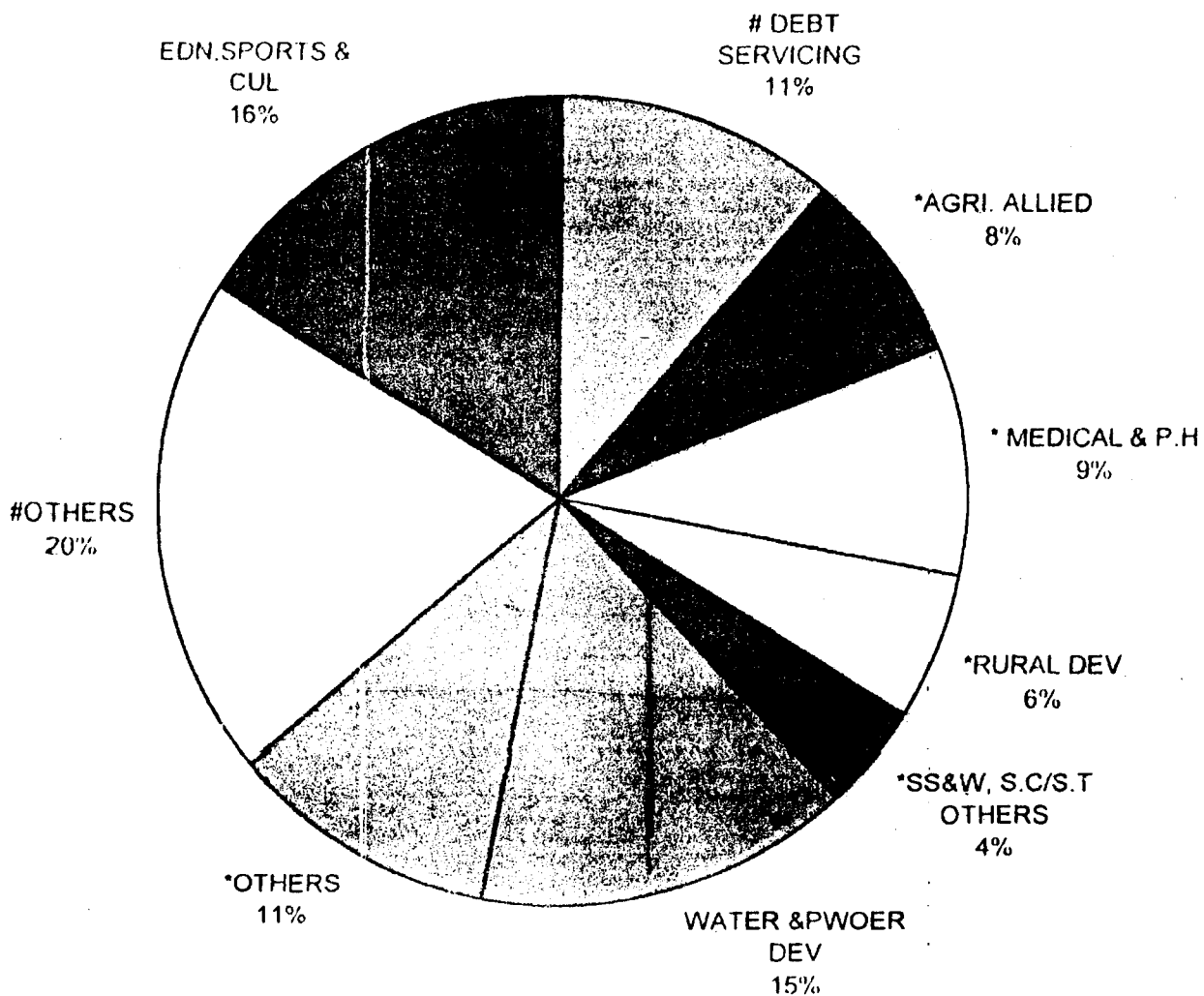
2. India's Social Sectors, February 1996, CMIE.

3. State's Domestic Product Karnataka 1996, Directorate of Economics and Statistics, Bangalore.



# Pattern of Expenditure 1996-97 (BE)

Total Expenditure Rs. 12,339.15 Crores



\*-Development Expenditure 69%

#- Non-Development Expenditure 31 %

## D. Economic Classification of Expenditure

Under the guidelines of the Central Statistical Organisation, the Directorate of Economics and Statistics classifies government expenditure in the Annual Budget every year under economic utilities. This is useful for analysing 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, drawal of the government of various resources of the State economy and contribution of the government to State income.

Table 6.7 presents a summary of the total expenditure by economic classification for 1996-97 in comparison with those of the preceding two years. Expenditure is estimated to go up by 17.85% in 1996-97.

**TABLE - 6.7**  
**Economic Classification of Expenditure of**  
**Karnataka (Budget) 1996-97**

Items	Rs. Crores			Per cent Variation 1996-97 over 1995-96
	1994-95 (Accounts)	1995-96 (R.E.)	1996-97 (B.E.)	
1. Final Outlays	2813	3301	4018	21.72
a) Government Consumption Expenditure	1750	2285	2730	19.47
b) Gross Capital Formation	1059	1006	1274	26.64
c) Acquisition of Fixed Assets	4	10	13	3.00
2. Transfer Payments to the Rest of the Economy	4637	5483	6614	20.63
a) Current Transfers *	4500	5388	6444	19.60
b) Capital Transfers	137	95	170	78.95
3. Financial investments and Loans to the Rest of the Economy	503	684	526	-23.01
<b>Total Expenditure</b>	<b>7953</b>	<b>9468</b>	<b>11158</b>	<b>17.85</b>

\* : Includes interest and subsidy also

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

Source : Report on Economic-cum-Purpose Classification of the Karnataka Government Budget 1996-97, Directorate of Economics and Statistics.

This represents the government's direct expenditure on commodities and services for current consumption and capital formation. In 1996-97, in the final outlays, the government's consumption expenditure is anticipated to go up by about 19.47 per cent and capital formation by 26.64 per cent. Consumption expenditure forms 19.47 per cent of the total expenditure during the current year. Transfer payments to the rest of the economy are anticipated to go up by 20.63 per cent during the current year. The share of transfer payments to the rest of the economy in 1996-97 in total expenditure is 59.28 per cent. In transfer payments current transfers are a major component (97 per cent). This includes interest and subsidies also. Financial investments and loans to the rest of the economy amounting to Rs.526 crores in 1996-97 have declined during the year.

#### E. Capital Formation by Government

Table 6.8 presents details of the capital formation by government. Gross capital formation by government is expected to go up by 23.96 per cent in 1996-97 over the 1995-96 level. The value of assets anticipated to be created in 1996-97 is Rs. 1274 crores of which Rs. 797 crores will be created by departmental commercial under takings and the rest worth Rs. 378 crores by government.

TABLE 6.8  
Capital Formation by the Government, Karnataka.  
Rs. Crores

Items	1994-95 (A/cs)	1995-96 (R.E.)	1996-97 (B.E.)	Per cent
				Variation in 1996-97 over 1995-96
1. Value of Assets Created	1044	1006	1274	26.64
a) By Departmental Commercial Undertakings	768	702	797	13.53
b) By Government Administration	276	304	477	57.10
2. Change in Stock in (a) and (b) above	10	-	-	-
Total: Gross Capital Formation	1054	1006	1274	23.96

R.E : Revised Estimates. B.E : Budget Estimates.  
Source : An Economic - cum - Purpose classification of Karnataka Government Budget 1996-97, DES, Bangalore.

## **INVESTMENT UNDER PLAN**

### **1. Eighth Five Year Plan 1992-97**

The Eighth Five Year Plan of Karnataka 1992-97 was approved for an outlay of Rs. 12300 crores compared the Seventh Five Year Plan level of Rs. 3575 crores. The Eighth Plan envisaged a stepup in State Plan investment, (double in real terms) over the Seventh Plan level. Growth in the State's economy during the Seventh Plan was 5.4% per annum compared to 5.6% for the country. The Eighth Plan makes a determined bid to accelerate in the growth in State's economy in addition to ensuring a better distributive justice through intensification of programmes of poverty alleviation, social welfare and basic minimum needs.

The Eighth Five Year Plan was launched in the environment of economic policy changes undertaken by the Government of India. The objectives of the Plan had to be dovetailed with those at the national level. Plan proposals focussed on investment efficiency in the public sector to maximise welfare gains, leaving some areas for private investment, productivity improvement.

The Eighth Plan aimed at realising an annual growth rate of 5.6 per cent in the State's economy as against 5.2 per cent achieved during the Seventh Plan and improvement in the living standards of people. The Plan accorded the highest priority to the development of crucial infrastructure. It also aimed at making a greater dent in poverty in urban and rural areas and improvement of the general well-being of the people. High priority was also given to schemes that help weaker sections and implementation of the Twenty Point programme. Approved outlays by major sectors of the Eighth Plan in comparison with those of the Seventh Plan are presented in Table 6.9 (see Appendix 6.4 for more details).

### **2. Annual Plan 1996-97**

The approved and budgetted outlay for 1996-97 of Rs. 4360 crores constitutes about 35.45% of the Eighth Five Year Plan in real terms. Rs.732 crores (16.79%) are provided to the Zilla Panchayat sector. The emphasis of the Annual Plan is on core infrastructural sectors irrigation and power. The plan also aims at maximisation of growth, poverty alleviation and improvement in the quality of life of people through rural development programmes.

TABLE 6.9  
Plan Outlays by Major Sectors  
(Approved Outlays)

Sectors	Rs. Crores	
	Seventh Plan (1985-90) (At 1984-85 Prices)	Eighth Plan (1992-97) (At 1991-92 Prices)
<b>A. ECONOMIC SERVICES</b>		
1. Agricultural & Allied Activities (including Co-operation)	301.80	902.00
2. Rural Development	169.12	433.00
3. Special Area Programme (including HKDP, BADP & MADP)		575.00
4. Irrigation & Flood Control	746.00	2384.00
5. Energy	800.48	3041.00
6. Industry & Minerals	241.08	984.00
7. Transport	243.00	448.00
8. Science, Technology & Environment	4.00	11.00
9. General Economic Services	29.07	110.35
<b>Total - A: Economic Services</b>	<b>2534.55</b>	<b>8888.35</b>
<b>B. SOCIAL SERVICES</b>		
10. Education Sports, Art & Culture	104.20	1026.65
11. Health	118.00	342.00
12. Water Supply, Housing & Urban Devpt.		
a) Water Supply	365.00	625.00
b) Housing	161.00	699.60
c) Urban Development	30.00	83.00
13. Information & Publicity	7.00	14.00
14. Welfare of SCs, STs & OBCs	75.80	250.00
15. Labour & Labour Welfare	28.00	37.00
16. Social Welfare & Nutrition	123.45	183.00
<b>Total - B: Social Services</b>	<b>1012.45</b>	<b>3260.25</b>
<b>C. GENERAL SERVICES</b>	<b>28.00</b>	<b>151.40</b>
<b>GRAND TOTAL - STATE PLAN (A+B+C)</b>	<b>3575.00</b>	<b>12300.00</b>

Source: Details of Provisions for Plan Schemes, 1986-87 to 1992-93, Finance Department, Government Karnataka.

# STATE PLAN OUTLAY OF KARNATAKA

1986 - 87 TO 1996-97

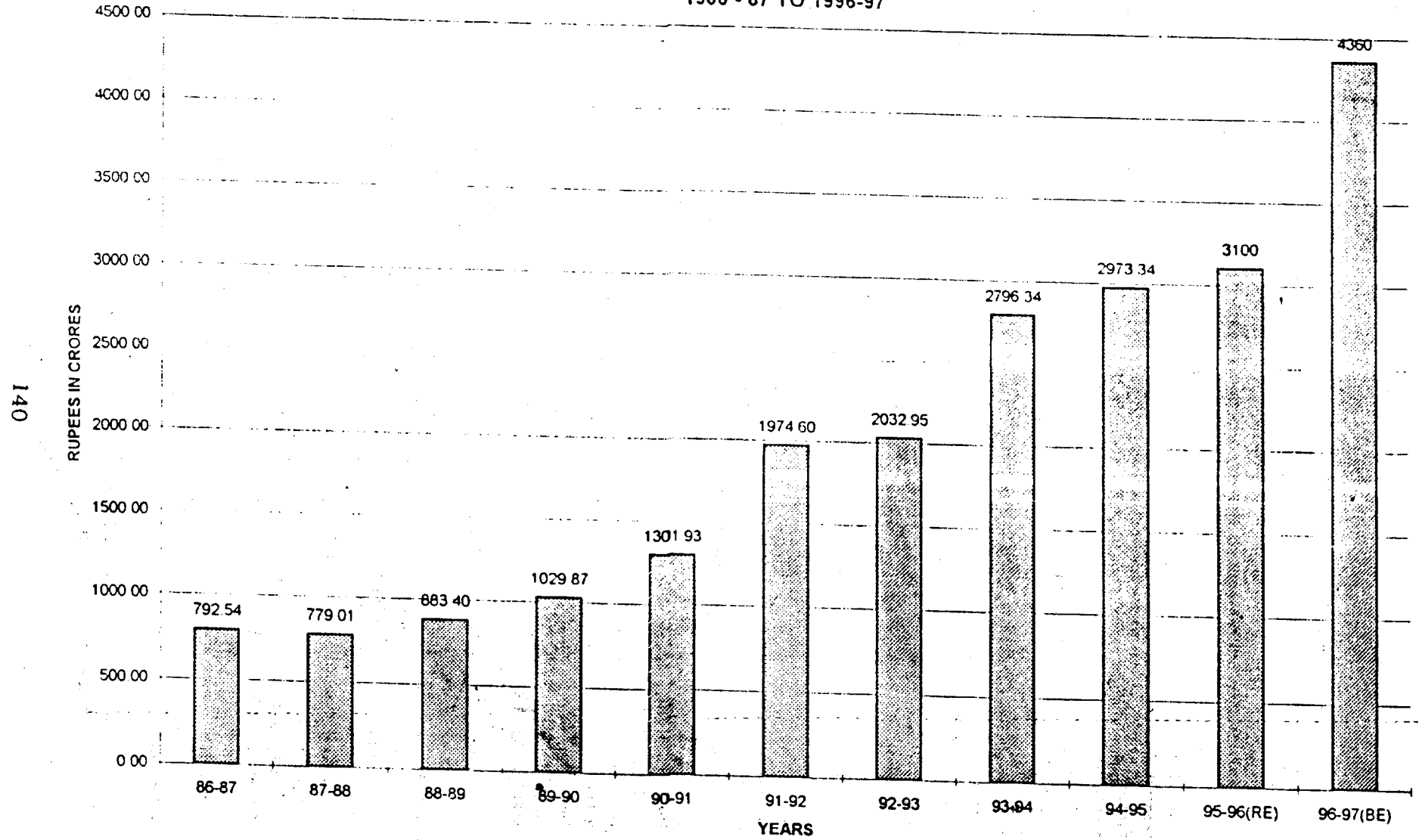


TABLE 6.10

Developmental Outlays by Major Sectors: 1992-93 to 1996-97

(Rs. Crores)

Sl. No.	Sector	1992-93 (Accounts)	1993-94 (Accounts)	1994-95 (Accounts)	1995-96 (R.E.)	1996-97 (B.E.)
<b>A. STATE PLAN</b>						
<b>I. Economic Service</b>						
1.	Agriculture and Allied Activities (including Co-operation)	147.15	177.81	206.21	187.98	251.56
2.	Rural Development	80.51	110.78	174.64	206.38	279.2
3.	Special Area Programmes (Including (H.K.D.P., BADP and MADP)	85.46	106.80	85.52	47.50	102.50
4.	Irrigation and Flood Control	356.15	532.44	566.62	725.10	1168.85
5.	Energy	587.79	698.56	711.76	527.79	590.02
6.	Industry and Minerals	115.79	167.30	179.75	145.35	257.92
7.	Transport	119.64	186.24	165.06	229.53	179.54
8.	Science, Technology & Environment	2.23	2.71	3.59	6.00	6.27
9.	General Economic Services	4.71	5.74	5.25	10.92	15.43
<b>TOTAL - I (Economic Services)</b>		<b>1499.43</b>	<b>1988.38</b>	<b>2098.40</b>	<b>2086.55</b>	<b>2851.29</b>
<b>II. Social Services</b>						
10.	Education, Sports, Art & Culture	131.11	192.72	219.39	295.36	375.08
11.	Health	63.21	69.25	91.62	89.95	191.37
12.	Water Supply, Housing & Urban Development					
	(a) Water Supply	107.03	122.79	156.92	184.27	323.29
	(b) Housing	68.66	192.30	143.09	99.01	137.55
	(c) Urban Development	13.13	16.56	27.61	98.84	198.12
13.	Information and Publicity	3.06	4.69	4.00	3.22	4.00
14.	Welfare of SCs, STs and OBCs.	78.23	143.28	165.62	149.41	148.60
15.	Labour and Labour Welfare	9.85	4.37	6.42	6.44	7.95
16.	Social Welfare and Nutrition	30.13	29.87	36.74	64.90	83.43
17.	Other Social Services	0.80	0.00	0.00	0.75	1.00
<b>TOTAL - II (Social Services)</b>		<b>505.21</b>	<b>775.83</b>	<b>851.41</b>	<b>992.15</b>	<b>1470.39</b>
<b>III. General Services</b>						
<b>TOTAL - A: STATE PLAN</b>		<b>2032.95</b>	<b>2796.94</b>	<b>2973.34</b>	<b>3100.00</b>	<b>4360.00</b>
<b>B. Irrigation Projects Pending approval</b>						
		192.68	209.62	218.10	250.00	300.00
<b>C. Centrally Sponsored and Central Plan Schemes (GOI Share Outlay)</b>						
		385.16	457.15	495.11	871.97	951.42
<b>D. Western Ghats Development</b>						
		7.91	9.65	9.50	15.30	12.43
<b>GRAND TOTAL : (A + B + C + D)</b>		<b>2618.70</b>	<b>3473.36</b>	<b>3690.05</b>	<b>4237.27</b>	<b>5623.85</b>

Source: 1. Details of Provisions of Plan Schemes 1987-1988 to 1997, Finance Department, Government of Karnataka.

2. A Picture of Karnataka Budget, 1994-95, Government of Karnataka.

### a) Inter - Sectoral Outlays

The Outlay by major sectors are presented in Table 6.10. 65.4% of the budgetted outlay for the State's Plan in 1996-97 is allocated to economic services and 40% to the core sectors of irrigation and energy. The investment envisaged in the irrigation sector including outlays on Cauvery basin projects is Rs.1169 crores and the outlay of the energy sector is Rs. 590.06 crores. In 1996-97 (B.E.), the percentage outlay on agriculture and allied services was 5.8% , rural development and Panchayat Raj 6.4%, industries and minerals 5.9% and transport 4.1%. The outlay allocated for social services was 33.7% general services accounted for 0.9% of the total outlay (see Appendix - 6.4 for more details).

### b) Basic Minimum Services (EMS)

In 1996-97 as an outcome of the Common Minimum Programmes of the new Central government, a special thrust was given to basic minimum services on the basis of decisions taken at a conference of Chief Ministers. Seven areas were identified. Water supply, primary health care, universalisation of primary education, housing, nutrition, rural roads and the public distribution system. Karnataka has programmed a substantial outlay of Rs.686.28 crores on these areas in 1996-97. Water supply received the highest priority (40.67%) of the total outlay for BMS followed by primary education (28.70%), housing (10.86%), rural roads (9.28%), nutrition (5.34%) and rural health (5.15%). The details are presented in Table 6.11.

TABLE 6.11

#### Outlay on Basic Minimum Services (State Plan)

		Rs.crores
Sl. No.	Sector	1996-97 (BE)
1.	Water supply	279.11
2.	Rural health	35.31
3.	Primary education	196.97
4.	Housing	74.55
5.	Nutrition	36.67
6.	Rural roads	63.67
TOTAL		686.28



There is a steep increase in the total approved outlay of the Eighth Plan period under MNP of Rs.2206 crores as against the expenditure during the Seventh Plan of Rs.752 crores. Expenditure under Centrally Sponsored schemes (GOI share) of MNP in the Seventh Plan was Rs. 165.9 crores.

### **c) Centrally Sponsored and Central Sector Schemes**

Outlay and expenditure under Centrally Sponsored and Central Sector Scheme by sectors during the Seventh Plan, 1992-93, 1993-94, 1994-95, 1995-96 (RE) and 1996-97 (BE) are presented in Table 6.12. In 1996-97 the budgetted outlay (Government of India share) on Centrally Sponsored and Central Sector schemes was Rs. 951.42 crores, the revised estimate of 1995-96 was Rs. 871.97 crores and expenditure in 1994-95 was Rs. 495.11 crores. In 1996-97, 48.4 percent of the total outlay was earmarked for social services and the rest for economic services. Among economic services, rural development received the highest percentage of 34.1% per cent of the total outlay followed by agriculture and allied activities (12.2%), industries and minerals (2.0%), irrigation and flood control (1.6%), general economic services (0.8%), energy (0.6%) and science technology and environment (0.3%).

TABLE 6.12  
Outlay and Expenditure on Centrally Sponsored and Central Plan Schemes  
(GOI Share)

Sector	Seventh Plan (1985-90)		(Rs. Crores)				
	Outlay	Expendi- ture	1992-93	1993-94	1994-95	1995-96	1996-97
						(R.E.)	(B.E.)
1. Agriculture and Allied Activities	94.68	100.85	78.94	71.73	59.74	98.43	116.16
2. Rural Development	147.85	268.49	129.70	184.05	129.22	313.57	324.74
3. Irrigation and Flood Control	36.15	56.24	15.65	6.59	4.10	15.76	15.20
4. Energy	17.37	13.61	9.26	1.39	12.87	5.75	5.65
5. Industry and Minerals	70.29	70.11	7.09	7.47	14.31	11.58	19.25
6. Transport	2.36	3.97	0.69	0.35	0.40	-	-
7. Science, Technology and Environment	-	0.49	0.04	0.01	0.04	2.42	2.42
8. General Economic Services	1.73	5.15	0.81	1.03	3.23	5.64	7.31
9. Social Services	673.05	443.7	148.30	184.53	271.20	418.82	460.69
<b>GRAND TOTAL:</b>	<b>1043.48</b>	<b>962.61 *</b>	<b>390.48</b>	<b>457.15</b>	<b>495.11</b>	<b>871.97</b>	<b>951.42</b>

\* Expenditure on JRY for 1989-90 is not included for Total VII Plan Expenditure since the money was directly released to Zilla Parishads by the Government of India.

Source: Details of Provisions for Plan Schemes from 1987-88 to 1996-97 (Statements II & III)

## Externally Aided Projects

In 1996-97, out of 27 projects under implementation with assistance from the World Bank and other External agencies, six are in agriculture and allied sectors, two in irrigation, two projects in energy, two in education, three in rural development, two in commerce and industries, five in health, two in urban development and one each in labour, women and child development and planning, IF and S and S&T Department. Expenditure incurred on these projects since inception up to 31.3.1996 was Rs.2,184.03 crores. Project wise details are presented in Table 6.13.

TABLE - 6.13

### EXTERNALLY AIDED PROJECTS UNDER IMPLEMENTATION

Sl. No.	Name of the Project	Name of the Aiding Agency	Year/date of commencement	Expenditure since inception and upto end of 31.3.96 (Provisional)	Outlay 1996-97
1	2	3	4	5	6
<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>					
1.	Project for training of farm women and youth Phase-II (WYTEP)	DANIDA	1988-89	12.97	2.97
2.	Karnataka Watershed Devt. Project	DANIDA	1990-91	10.36	0.84
3.	Participative Integrated Devt. of Watershed (PIDOW) - IV	SDS	Feb. 1996	1.00	0.70
4.	Western Ghats Forestry & Environmental Project	ODA	1992-93	42.82	22.50
5.	Integrated Watershed Management Project	KFW	1995-96	-	4.00
6.	Indo-Swiss Project for Watershed Development (ISPWD-K)	SDC	1995-96	9.5	5.00

TABLE - 6.13

## EXTERNALLY AIDED PROJECTS UNDER IMPLEMENTATION

Sl. No.	Name of the Project	Name of the Aiding Agency	Year/date of commencement	Expenditure since inception and upto end of 31.3.96 (Provisional)	Outlay 1996-97
1	2	3	4	5	6
<b>II. IRRIGATION DEPARTMENT</b>					
7.	Upper Krishna Project Phase-II	IDA/IBRD	1989-90	1221.93	1437.00
8.	National Water Management Project	World Bank	-	-	35.00
<b>III. ENERGY DEPARTMENT</b>					
9.	Raichur Thermal Power Station Unit-V	OECD (JAPAN)	1988-89	637.55	14.52
10.	Kadra Dam Civil Works	KUWAIT	1985-86	67.06	1.53
<b>IV. EDUCATION DEPARTMENT</b>					
11.	Strengthening of Technician Education	World Bank	1990-91	32.50	12.00
12.	District Primary Education	World Bank	1994-95	12.09	2.00
<b>V. RURAL DEVELOPMENT &amp; PANCHAYAT RAJ DEPARTMENT</b>					
13.	Integrated Rural Water Supply & Environmental Sanitation Project	World Bank	March 1992	36.26	123.37
14.	Integrated Rural Water Supply & Environmental Sanitation Project Phase-II	DANIDA	1996	10.36	5.00
15.	Integrated Rural Water Supply and Sanitation Project	Netherlands	June 1993	0.86	14.23

TABLE - 6.13

## EXTERNALLY AIDED PROJECTS UNDER IMPLEMENTATION

Sl. No.	Name of the Project	Name of the Aiding Agency	Year/date of commencement	Expenditure since inception and upto end of 31.3.96 (Provisional)	Outlay 1996-97
1	2	3	4	5	6
<b>IV. COMMERCE AND INDUSTRIES DEPARTMENT</b>					
16.	National Sericulture Project	World Bank	1989-90	62.05	11.40
17.	Mysore Paper Mills Modernisation Project	OECF (JAPAN)	1988-89	3.00	23.50
<b>VII. HEALTH DEPARTMENT</b>					
18.	Karnataka Health Systems	World Bank	1996-97	-	50.00
19.	Development of Dist. Hospital, Raichur	OPEC	-	-	8.72
20.	Secondary Level Hospital	KfW	-	-	5.00
21.	India Population Project-IX	IDA	1994-95	6.89	33.09
22.	IPP.- VIII	IDA	1994	1.33	10.00
<b>VIII. URBAN DEVELOPMENT DEPARTMENT</b>					
23.	Cauvery Water Supply Scheme Stage-IV	OECF (JAPAN)	May 1996	-	18.86
24.	Karnataka Urban Infrastructure Development	ADB	July 1996	-	65.41
<b>IX. WOMEN AND CHILD DEVELOPMENT</b>					
25.	Rural Women's Economic Devt. and Empowerment Project	IS/IFAD	Dec. 1996	-	6.60
<b>X. PLANNING, IF&amp;S &amp; S&amp;T DEPARTMENT</b>					
26.	Geographical Information System	DUTCH	-	-	1.00
<b>XI. LABOUR DEPARTMENT</b>					
27.	Skill Development Project for Vocational Training	World Bank	1989-90	15.48	5.21

## Externally Aided Projects cleared in 1996-97

In year 1996-97 the following eight projects have been cleared by the State Level Coordination Committee.

TABLE - 6.14  
Externally Aided Projects

(Rs. in Crores)

Sl. No.	Name of the Project	Total Cost	State Share
1.	OPEC-assisted project for setting up a new district hospital at Raichur	29.00	2.92
2.	DANIDA assisted integrated rural sanitation and water supply project, Phase II	51.00	11.70
3.	Rural development in the Krishna basin command area under the Karnataka World Food Programme	-	11.12
4.	India eco-development project with IDA assistance	39.49	3.94
5.	Karnataka watershed development project (KWDP), Phase I with DANIDA assistance	12.08	-
6.	ODA assisted watershed development project in Karnataka	150.00	-
7.	Improvement of water supply and sewerage system of Bangalore city with French assistance	73.60	39.50
8.	Rural women's economic development and empowerment project	39.16	1.80

## District Planning and District Sector Outlays for 1995-96

The Karnataka Panchayat Raj Act, 1993 envisages the establishment of a three-tier system of Panchayat Raj with elected bodies at village, taluk and district levels for better implementation of developmental activities. These bodies are units of local self government performing civic functions and have control and power to supervise developmental activities at appropriate levels. While allocating funds to Zilla Panchayats, weightage is given to population, backwardness in agriculture, irrigation, industrial output and other factors which will ensure that each Zilla Panchayat receives its due share of funds. Government have tentatively transferred some schemes of Zilla Panchayats to Taluk Panchayats and Grama Panchayats depending upon the functions assigned to these local bodies. As per the Act, Rs.1.00 lakh has been provided for each Grama Panchayat as maintenance grant. The State has created a model of poverty alleviation and people's participation. The District Plan contains schemes which satisfy local needs. Priority is accorded to programmes like MNP, SCP, TSP and ongoing works.

District sector outlays, districtwise from 1987-88 to 1996-97 are presented in Appendix 6.7. For 1996-97, the total outlay of the District sector is Rs.732 crores. Zilla Panchayats received Rs.541 crores as matching share from Government of India for Centrally Sponsored and Central Sector schemes. The total District Sector Plan outlay for the year 1996-97 was Rs.1273 crores.

District Sector outlays by major heads of development from 1994-95 to 1996-97 are furnished in Table 6.16 and from 1987-88 to 1996-97 in Appendix 6.8.

In 1996-97 the total outlay (State and Central) on social services has increased by 21.5 per cent. In 1996-97, the proportion of district sector outlay to total Plan outlay (State and Central) is 24.0 per cent. Details are furnished in Appendix 6.9.

TABLE 6.15

Zilla Parishad Sector Outlay by Major Heads of Development  
from 1994-95 to 1996-97

Rs. lakhs

Head of Development	1994-95			1995-96			1996-97		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
<b>ECONOMIC SERVICES</b>									
Agriculture & Allied Services (Including Co-operation)	5093	2666	7759	5431	2644	8075	6050	2391	8441
Rural Development	16823	25953	42776	17955	24663	42618	24144	24729	48873
Special Area Programme	-	-	-	-	-	-	-	-	-
Irrigation & Flood Control	1489	50	1539	1464	308	1772	1582	-	1582
Energy	189	-	189	106	-	106	258	-	258
Industry & Minerals	1181	192	1373	1232	264	1496	1258	-	1259
Transport	4650	-	4650	4276	-	4276	4409	-	4409
Science, Technology & Environment	-	-	-	-	-	-	-	-	-
General Economic Services	348	50	398	420	64	484	264	-	264
<b>TOTAL ECONOMIC SERVICES</b>	<b>29773</b>	<b>28911</b>	<b>58684</b>	<b>30884</b>	<b>27943</b>	<b>58827</b>	<b>37965</b>	<b>27121</b>	<b>65086</b>
<b>SOCIAL SERVICES</b>									
Education, Sports, Art & Culture	8216	1669	9885	12106	1958	14064	14436	2731	17167
Health	4361	4270	8631	4572	5186	9758	4572	6009	10581
Water Supply Housing & Urban Development	5369	3542	8911	5587	7100	12687	6628	10321	16949
Information & Publicity	-	-	-	-	-	-	-	-	-
Welfare of SC/STs. & other Backward classes	4290	1526	5816	4828	1507	6335	5410	3184	8594
Labour & Labour Welfare	3	3	6	1	1	2	1	1	2
Social Welfare & Nutrition	1802	3526	5328	4022	4336	8358	4188	4717	8905
<b>Total Social Services</b>	<b>24041</b>	<b>14536</b>	<b>38577</b>	<b>31116</b>	<b>20088</b>	<b>51204</b>	<b>35235</b>	<b>26963</b>	<b>62198</b>
General Services	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>53814</b>	<b>43447</b>	<b>97261</b>	<b>62000</b>	<b>48031</b>	<b>110031</b>	<b>73200</b>	<b>54084</b>	<b>127284</b>



# **INSTITUTIONAL FINANCE**

**Institutional Finance**

Effective co-ordination between financial agencies and government departments is essential for successful implementation of programmes. The State Level Bankers' Committee, constituted by the Reserve Bank of India under the Lead Bank scheme sort out problems of coordination and reviews performance under special schemes at periodical intervals. The State Level Co-ordination Committee on Institutional Finance constituted by the government under the Chairpersonship of the Chief Minister, with heads of government departments and top executives of the financial institutions of the State as members tackles State level co-ordination.

The State Level Export Promotion Committee constituted by the Reserve Bank of India chaired by the chairperson of the State Level Bankers' Committee with heads of government departments and top executives of financial institutions as members monitors growth in exports and sorts out export-oriented operational problems. The Inter governmental Bank Steering Group chaired by the Chief Secretary with representatives of government departments and financial institutions as members co-ordinates the financing of various State projects. District Consultative Committees constituted with the Chief Executive Officers of Zilla Panchayat as chairpersons and representatives of financial institutions and heads of government departments at the district level as members monitors the implementation of government sponsored schemes & Service Area Credit Plans at the district level. Block level Bankers' Committees under the service area approach reviews the implementation of service area credit plans and schemes sponsored by government.

**1. Banking and Credit**

Karnataka has a better banking network than many States. Apart from the 19 nationalised banks,

State Bank of India and its 7 associate banks and over 25 private sector banks are operating in Karnataka. Dakshina Kannada district is the birthplace of four major nationalised banks viz., Canara Bank, Syndicate Bank, Corporation Bank and Vijaya Bank and one private sector bank Karnataka Bank. State Bank of Mysore in the public sector and the Vysya Bank in the private sector are other major banks of Karnataka. There are also 13 Regional Rural Banks operating in the State.

**(a) Branch Network**

From 755 bank branches at the time of nationalisation in 1969, 4444 bank branches have been set up, of which 2357 were in rural areas. The share of rural branches in Karnataka is 53% as against 25% at the time of nationalisation.

**(b) Deposits and Advances**

Deposits of commercial banks (including Regional Rural Banks) stood at Rs.21998.95 crores at the end of March 1996. They are expected to reach Rs.26230.00 crores by the end of March 1997. As on 31st March 1996, advances of commercial banks (including Regional Rural Banks) stood at Rs.15178.12 crores. They are expected to reach Rs.18875.00 crores by March 97.

The credit deposit ratio of the State works out to 69% as against the Reserve Bank of India stipulation of 60%. Priority sector advances as on 31st March 1996 amounted to Rs.7356.25 crores, which works out to 48% of all advances, as against the RBI stipulation of 40%. Direct agricultural advances in the State stood at Rs.2627.34 crores, which is 17% of all advances as against the RBI stipulation of 18%. Weaker section advances in the State stood at Rs.1463.50 crores, which is 9.45% of all advances as against the RBI stipulation of 10%.

Details of the performance of commercial banks in Karnataka from 1994-95 to 1996-97 are given in Table 7.1. Details of advances to priority sectors are given in Table 7.2.

TABLE 7.1

PERFORMANCE OF SCHEDULED COMMERCIAL BANKS IN KARNATAKA.  
1995-97

PARTICULARS	Unit	END OF MARCH		
		1994-95	1995-96	1996-97 (Anticipated)
<b>1. Bank Branches</b>				
a) Commercial				
Banks	No.	3321	3370	3430
b) Regional Rural				
Banks	No.	1074	1074	1075
TOTAL	No.	4395	4444	4505
<b>2. Deposits</b>				
a) Commercial				
Bank	Rs.crores	18606.72	21033.82	24980.00
b) Regional Rural				
Banks	Rs.crores	767.97	964.43	1250.00
TOTAL	Rs.crores	19376.69	21998.95	26230.00
<b>3. Advances</b>				
a) Commercial				
Banks	Rs.crores	12222.76	14285.99	17710.00
b) Regional Rural				
Banks	Rs.crores	721.59	892.13	1165.00
TOTAL	Rs.crores	12944.35	15178.12	18875.00
<b>4. Credit-Deposit Ratio</b>				
a) Commercial Banks %				
		66	68	71
b) Regional Rural				
Banks	%	94	93	93
TOTAL	%	67	69	72

Source: State Level Bankers' Committee for Karnataka.

TABLE - 7.2

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PRIORITY SECTOR ADVANCES: 1994-95 to 1996-97 (Rs.crore)  
-----

SECTOR	March 1995	March 1996	March 1997 (Anticipated)
1. Agriculture and Allied Activities	2624.39	3586.90	4000.00
2. Small Scale Industries	1713.22	2032.61	2400.00
3. Tertiary sector	1704.90	1736.74	1775.00
4. Total	6042.51	7356.25	8175.00
i) SCs and STs	315.28	316.48	320.00
ii) Weaker Sections	1334.46	1463.50	1600.00
5. Percentage of priority sector advances to total advances.	47	48	42
6. Percentage of weaker section advances to total advances	10.31	9.45	8.48

-----  
Source: State Level Bankers' Committee for Karnataka.

**c) Integrated Rural Development Programme (IRDP)**

In 1995-96 9300 families were assisted under the above programme to the tune of Rs.67.09 crores. Details of advances made under the programme from 1994-95 to 1996-97 are given in Table 7.3

**d) Advances under Differential Interest Rate Scheme.**

No fresh advances seem to be taking place under this scheme in recent years. As at the end of March 96 outstanding advances were Rs.33.02 crores covering 1.13 beneficiaries. The yearwise position from 1994-95 to 1996-97 is given in Table 7.4.

**1. Regional Rural Banks**

At the end of March 1996 there were 1074 branches of 13 Regional Rural Banks covering all the districts. Regional Rural Banks had mobilised Rs.964.43 crores of deposits as at the end of March 1996 and advanced Rs.892.13 crores, resulting in a credit deposit ratio of 93%. Priority sector advances of Regional Rural Banks stood at Rs.745.37 crores, which works out to 84% of all advances. Direct agricultural advances of the Regional Rural Banks amounted to Rs.540.71 crores, which works out to 61% of all advances.

TABLE - 7.3

**Advances @ under Integrated Rural Development  
Programme 1994-95 to 1996-97**

Particulars	Unit	1994-95	1995-96	1996-97 (Anticipated)
<b>1. Disbursals</b>				
<b>a) Beneficiaries</b>				
No. in lakhs		1.00	0.93	1.00
<b>b) Amount Rs. crores</b>				
of which SCs and STs		48.16	67.09	100.00
<b>i) Beneficiaries</b>				
No. in lakhs		0.29	0.27	0.30
<b>ii) Amount Rs. crores</b>				
to SCs and STs out of		12.50	20.61	30.00
<b>2. Amount Disbursed</b>				
<b>Total Disbursals</b>				
Per cent		26	33	30
<b>3. Outstanding</b>				
<b>Advances</b>				
<b>a) Beneficiaries</b>				
No. in lakhs		7.21	6.77	6.90
<b>b) Amount Rs. crores</b>				
to SCs and STs out of		250.64	273.11	275.00

@ : Net of subsidy

Source : State Level Bankers' Committee for Karnataka.

**TABLE - 7.4**

**Advances under Differential Interest Rate Scheme  
1995 to 1997**

Particulars	Unit	End of		
		1994-95	1995-96	1996-97 (Anticipated)
1. Beneficiaries				
No.in lakhs		1.55	1.13	1.25
2. Outstanding				
Rs.crores		35.34	33.02	45.00
3. Percentage of outstanding advances of previous year				
Per cent		0.34	0.25	0.30

Source : State Level Bankers' Committee for Karnataka.

**2. State Term Lending Institutions**

State owned financial institutions like the Karnataka State Financial Corporation (KSFC) and the Karnataka State Industrial Investment and Development Corporation (KSIIDC) extended assistance to industry (Table 7.5)

**3. All India Financial Institutions**

All India financial institutions like the Industrial Finance Corporation of India (IFCI), Industrial Credit and Investment Corporation of India (ICICI), Unit Trust of India (UTI), Rural Electrification Corporation (REC), Housing and Urban Development Corporation (HUDCO) National Bank for Agricultural and Rural Development (NABARD), Small Industrial Development Bank of India (SIDBI) and Life Insurance Corporation of India (LIC) have extended assistance as at Table 7.6



TABLE - 7.5

Assistance (Loans) of State Term Lending Institutions  
from 1994-95 to 1996-97

1994-95		1995-96		1996-97 (Anticipated)	
Sanct- ions	Disbur- sals	Sanct- ions	Disbur- sals	Sanct- ions	Disbur- sals.
1. K.S.F.C.					
520.18	432.09	623.63	484.60	740.15	599.35
2. K.S.I.I.D.C.					
318.05	160.76	380.03	213.51	525.00	340.00
Total:					
838.23	592.85	1003.66	698.11	1265.15	939.35

Source : Concerned Institutions

TABLE - 7.6

Assistance by All India Financial Institutions in  
Karnataka from 1994-95 to 1996-97.

Year	Sanctions		Disbursals	
	Rs.Crores	% share at all India level	Rs.crores	% share at all India level
1. 1994-95	4753	6.9	2062	6.2
2. 1995-96 (Anticipated)	5500	-	2245	-
3. 1996-97 (Anticipated)	6350	-	2550	-

## Credit Policy

With a view to augmenting the resources of banks greater flexibility was introduced in the interest rate structure of bank deposits. Freeing of interest rates on domestic term deposits of over 2 years period effected in October 95, was extended from July 96 by fixing interest rates only for deposits with a maturity period of upto one year. The minimum period of time deposits was also reduced from 46 days to 30 days effective from July 96. The interest rate on deposits of over 30 days to one year has been fixed at 10% w.e.f. 21st October 96. The RBI's busy season credit policy during the current year had two objectives - to enhance loanable funds of banks and bring down the cost of credit.

The prime lending rate (PLR), which was 14% in October 94, had on account of increased demand for bank credit risen to 16.5% by November 95. It started declining during the year following Cash Reserve Ratio (CRR) reduction in October 96. The State Bank of India has already brought it down to 14.5%. Each percentage release in CRR enhances the banks' resources by Rs.4275 crores.

With a view to strengthening the discipline in the utilisation of bank credit, the cash credit component for borrowers with a maximum permissible bank finance (MPBF) of Rs.20 crores and above was reduced to 40% of MPBF and the loan component raised to 60% w.e.f. April 96. For MPBF of Rs.10 crores and above but less than Rs.20 crores cash credit and loan components are now in the ratio of 60:40.

With effect from November 9th 1996 scheduled commercial banks (SCBs) are provided export credit refinance to the extent of 20% (instead of 45% which existed earlier) of outstanding export credit eligible for refinance as on Feb.16th 1996 plus 100% of the increase thereafter. The target for export credit of scheduled commercial banks has been increased from 10% to 12% to be achieved by March 97.

Effective from October 21st 1996 commodities under selective credit control except buffer stocks and unreleased stocks of sugar to sugar mills are exempted from selective credit control measures of the RBI and banks free to fix margins on their own on such advances. The minimum margin on unreleased stocks of sugar to sugar mills has been reduced to 15% from 20% and in the case of buffer stocks zero per cent continues.

The general line of credit provided by RBI to NABARD to meet the short term credit requirements of co-operatives and RRBs has been enhanced to Rs.5,500 crores for the year 1996-97 from the level of Rs.4950 crores of 1995-96 enhanced to Rs.5250 crores in June 96.

NABARD has been given Rs.500 crore as advance additional share capital - Rs.100 crore by Government of India and Rs.400 crore by Reserve Bank of India - in the current year.

As per the pronouncements made in the Union budget for 1995-96 the Rural Infrastructure Development Fund (RIDF) was created in NABARD out of deficit in credit deployment by the banking community (excluding foreign banks & RRBs) in the agricultural sector compared to the RBI stipulation of 18%. While the corpus created under this fund in 1995-96 was of the order of Rs.2000 crores, in 1996-97 this has been Rs.2500 crores.

The viability of rural credit delivery agencies, in particular RRBs, continues to be a major policy concern, while a sum of Rs.223.57 crores was released by the government for capital restructuring of select RRBs in 1995-96. For 1996-97 a budget provision of Rs.200 crores has been made for the said purpose.

#### **Priority Sector Lending**

Direct and indirect advances to agriculture have to reach the overall target of 18 per cent. However, indirect lending to agriculture should not exceed 25 per

cent of the target for agriculture. The investment criterion for a small scale industrial unit is Rs.60.00 lakhs (Rs.75.00 lakhs in the case of ancillaries and export oriented units).

As at the end of March 1996 priority sector advance in the State were Rs.7356 crores accounting for 45.39% of total advances. Advances to the agricultural sector were Rs.3587 crores and this share in total advances was 22%.

#### **Co-operative Credit**

##### **a) Co-operative credit structure in the state.**

Short and medium term co-operative agricultural credit has a three tier structure. 4277 primary cooperative agricultural credit societies at village level, 19 district co-operative central bank at district level and an apex co-operative bank at the state level provide such credit. For long term credit there is the Karnataka State Co-operative Agriculture and Rural Development Bank at State level and 177 primary co-operative agriculture and rural development banks at taluk level. The National Bank for Agriculture and Rural Development is providing refinance to the Karnataka State Co-operative Apex Bank and the Karnataka State Co-operative Agriculture and Rural Development Bank.

##### **b) Agricultural Credit.**

Advances made under short, medium and long term credit in the last three years are given in Table 7.7.

TABLE - 7.7

Advances by Primary Agricultural Credit Societies  
by Type of Loan. 1994-95 to 1996-97

(Rs. crores)

Year and Type of Loan	Target	Achievement
1994-95 Short Term	220.00	303.54
Medium Term	8.50	24.42
Long Term	135.00	107.15
1995-96 Short Term	250.00	450.67
Medium Term	20.00	37.95
Long Term	120.00	153.66
1996-97 Short Term	350.00	395.41
(Upto Medium Term	40.00	19.01
30-11-96) Long Term	145.00	75.67

c) Recovery of loans.

Recovery of short, medium and long term loans for the last three years ending 30th June are shown in Table 7.8.

d) Development Action Plans of DCC Banks and Memoranda of Understanding:

DCC Banks and the Karnataka State Co-operative Apex Bank have prepared Development Action Plans (DAPs) as a part of the exercise for strengthening their financial and organisational setup. The DAPs of all DCC banks have been prepared and sent to NABARD. Based on these DAPs, the State action plan has been prepared. For strengthening the co-operative credit structure, a Memorandum of Understanding has been signed in June 1995 between the Apex Bank, NABARD and the State government. In turn memoranda of understanding have also been prepared by DCC Banks (except the North Canara DCC Bank) and signed with Apex Bank in August 1995.

e) Progress in the implementation of DAPs in 1995- 96 and 1996-97 up to 30-9-96.

Working Funds: The total working fund position of DCC Banks was Rs.1400.39 crores as on 31-3-1995. These banks had a target of Rs.1644.95 crores for 1995-96. As against this, the achievement as on 31-3-1996 was Rs.1780.53 crores, overshooting the target by 8%.

TABLE - 7.8

Recovery of Loans by type 1994-95 to 1996-97.

				(Rs.Crores)
Year and Type of Loan	Demand	Collection	Balance	% of Recovery
-----				
1994-95				
-----				
Short Term	422.31	340.66	81.65	80.67
Medium Term	44.04	26.47	17.47	60.10
Long Term	318.45	146.24	172.16	45.94
1995-96				
-----				
Short Term	500.84	357.02	143.82	71.28
Medium Term	33.69	16.54	17.15	49.08
Long Term	331.45	128.89	202.56	38.89
1996-97 (up to 31-10-96)				
-----				
Short Term	162.47	18.73	143.74	11.53
Medium Term	18.28	1.29	16.99	7.04
Long Term	251.29	19.41	231.88	7.73
-----				

As against the target of Rs.2136.86 crores under working funds projected for the entire State for 1996-97, achievement at the end of November 1996, has been Rs.1988.35 crores (a growth of 11,67% over March 96.)

#### **Deposits (Actuals).**

The deposits of DCC Banks in the State as on 31-3-1995 were Rs.921.60 crores. This has increased to Rs.1099.32 crores by 31-3-1996 showing a growth of 19.28%.

As against the deposit target of Rs.1320.26 crores for 1996-97 achievement up to November 96 was Rs.1233.58 crores (a growth of 12.21% over the March 96 position).

#### **Profits**

In 1994-95, 2544 PACS out of 4277 earned profits. At the end of 31-3-1995, 14 DCC Banks were in profits; by the end of 31-3-1996 this figure increased to 15.

#### **Business Development Plans (BDP) for Primary Co-operative Agricultural Credit Societies.**

Implementation of Business Development Plans in Primary Co-operative Agricultural Credit Societies in the State, has been taken up from 1995-96 onwards. These plans were implemented in 995 societies in 1995-96.

Business in 1994-95 in these societies was Rs.205.23 crores. A business target of Rs.314.84 crores was fixed for these societies in 1995-96. The actual business done in these societies in 1995-96 rose to Rs.293.34 crores resulting in a growth of 42.93% over the level of the previous Year. Government has released financial assistance of Rs.81.50 lakhs to 163 societies for setting up banking counters, purchasing iron chests etc.

In 1996-97 379 societies have been brought under the purview of BDPs. At present 1374 societies are implementing the Plan. In 1995-96, these societies had a working fund of Rs.321.11 crores. In 1996-97, the target set up for working funds was Rs.391.00 crores.

In 1995-96, business done by these societies in credit and non-credit was Rs.267.45 crores and Rs.175.03 crores respectively (total Rs.442.48 crores).

TABLE - 7.9

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**Progress of Business Development Plan**  
 (as on 30-9-1996)  
 (Rs. crores)

Item	Business done in 1995-96	Projection (Target) for 1996-97	Achievement as on 30-9-1996	% of achievement against the annual target
Credit	267.45	387.36	273.62	70.63
Non Credit	175.03	251.61	109.16	43.38
<b>Total</b>	<b>442.48</b>	<b>638.97</b>	<b>382.78</b>	<b>59.91</b>

Development Action Plan of Karnataka State Co-operative Agriculture and Rural Development Bank and Primary Co-operative Agriculture and Rural Development Banks:

**Progress in Long Term Loan Structure:**

The 177 PCARD Banks working in the State have a total paid up share capital of Rs.58.75 crores as at the end of March 96. These banks have set up a target for loan advancement of Rs.145.00 crores in the agricultural and non-agricultural sectors in 1996-97. Banks have advanced Rs.63.94 crores of which Rs.38.46 crores are to small and marginal farmers, Rs.4.10 crores to SCs & STs and Rs.7.59 crores to women up to the end of October 1996. Of 177 PCARD



Banks, 38 are eligible to get unrestricted finance and 139 Banks are eligible to get restricted finance. To facilitate SC and ST farmers to obtain loans from these banks Government has sanctioned Rs.8.16 crores as loan to the Karnataka State Co-operative Agriculture and Rural Development Bank, and 9901 beneficiaries have been given assistance.

Sine the financial position of KSCARD Bank and PCARD Banks has become weak, Development Action Plans have been drawn up to help them to achieve sustainable viability within 5 years from 1994-95. Government sanctioned financial assistance of Rs.75.00 lakhs as share capital and Rs.50.00 lakhs as subsidy in 1994-95 and 1995-96 to bridge the gap. Provision has been made for PCARD banks to mobilise deposits from members and improve their own resources. A budget provision of Rs.143.50 lakhs was allocated by the State in 1996-97 for providing financial assistance as share capital to these banks.

Government has provided exemption in stamp duty to the full extent for loans of Rs.50,000 and 50% for loans above Rs.50,000 for agricultural purposes. In the case of failed dug wells, government has so far sanctioned Rs.25.00 crores to 28275 beneficiaries under the failed well compensation scheme.

#### **Assistance to SCs and STs to enrol as members of co-operatives**

To enable SCs and STs to enrol as members of co-operatives, Government implemented a special programme. Rs.72.00 lakhs were provided for the purpose in the budget for 1995-96.

TABLE 7.10

-----  
**SCs and STs as Members of Co-operatives**  
 -----

Year	SCs and STs enroled as members (No)	Amount spent (in lakhs)
1993-94	68,659	36.00
1994-95	54,717	72.00
1995-96	125,000	147.00

\*\*\*\*

# **EMPLOYMENT**

**EMPLOYMENT**

In 1996-97, it is anticipated that an additional five lakhs of employment will be generated in different sectors of which nearly 80 per cent will be in Construction, agriculture and other services. Organised sector employment at 17.82 lakhs the end of September 96 has increased marginally by 1.3 per cent since March 96. In the organised sector women's employment is 4.84 lakhs constituting about 27 per cent of the total. Between April and November 96 about 8.13 crore mandays of wage employment were generated. This is more or less the same level as during the corresponding period of the previous year. The job seekers on live registers of employment exchanges were 17.98 lakhs at the end of November 96 (an increase of 3.4 per cent between April and November 96 against 5.4 per cent during the corresponding period last year).

The National Sample Survey Organisation has produced a quinquennial survey key results on employment and unemployment for 1993-94 for different States in the country. A comparison of key results with the 43rd round results for Karnataka (1987-88) shows an increase in the labour force. Although there is an improvement in employment between 1987-88 and 93-94, seasonal unemployment among male in rural areas and chronic unemployment among urban women have tended to increase. The sectoral composition of the workforce between 1987-88 and 93-94 as per the survey shows a steady shift from the primary and secondary sectors to the tertiary sector.

**Unemployment**

The latest data on employment and unemployment at the All India level with regional disaggregates has been published by the National Sample Survey Organisation in its key results on employment and unemployment for 93-94. Data relating to the number of persons employed or unemployed per thousand population with the urban and rural and male and female breakup are given. As these distributions are not related to the labour force, but to the entire population covered in the survey, they do not reflect the magnitude of employment or unemployment. A comparison with earlier survey results on the pattern of distribution of population will show changes in the direction of employment and unemployment if any.

The number of persons unemployed per thousand population as per the 50th round of the NSS for Karnataka for 1993-94 has

been compared with the 43rd round results on unemployment for Karnataka for 1987-88 in Table 8.1.

TABLE-8.1

Persons Unemployed per Thousand Persons.

Unemployment Status	Rural						Urban					
	1987-88			1993-94			1987-88			1993-94		
	M	F	P	M	F	P	M	F	P	M	F	P
Usual Principal Status	9	4	7	8	2	5	29	7	18	19	12	15
Current Weekly Status	13	8	10	11	4	8	32	6	20	22	12	17
Current Daily Status	14	14	14	27	13	20	48	17	33	31	14	22

M=Male, F=Female, P=Persons.

There is a decline in chronic unemployment in rural areas except for women in urban areas. Even intermittent unemployment in terms of current weekly status shows a decline except for women in urban areas. However unemployment in terms of current daily status (seasonal unemployment) has increased among males in the rural sector. This shows that existing wage employment programmes are not adequate to meet the demand for wage employment in rural areas. Increase in chronic unemployment among urban women shows that there is need for intensifying on going efforts to provide permanent employment for urban women.

Live register figures of employment exchanges brought out by the Directorate of Employment and Training in Karnataka are proxy for the number of job seekers particularly among literate. The number of job seekers at the end of November 1996 17.1 lakhs as per this source-has increased by 0.59 lakhs(3.4 per cent) between April and November 1996 as compared to 1.47 lakhs(5.4 per cent) during the corresponding period of the previous year. The number of registrations increased by 3853 registrations(11.8 per cent) among diploma holders and by 6842 registrations among certificate holders(13.26 per cent). In the remaining categories variations in registration were less than 5 per cent during the period. Applying a correction factor based on the Survey of Activity Status of jobseekers registered with employment exchanges conducted by the Directorate General of Employment

ining 1988, the total number of registrants in the State was 7 lakhs at the end of November 1996 compared to 7.91 lakhs for corresponding period of the previous year.

Details of the number of jobseekers as per live registrants employment exchanges in Karnataka are presented in Table 8.2.

**TABLE-8.2**  
**Registrants on the Live Registers of**  
**Employment Exchanges in Karnataka**

Registrants	At the end of			Variation	Net
	Mar.95	Mar.96	Nov.96	November96/ March 96 %	Registrants as at the end of Nov. 1996*
Post Graduates	14849	14821	14931	+0.74	9758
Graduates	160853	163588	168686	+3.12	8766
Diploma Holders	34502	32569	36422	+11.8	21150
ITI, Apprenticeship, Other Certificate Holders	49075	51580	58422	+13.26	28703
Matriculates & Stenographers	1055153	1126761	1180032	+ 4.73	520630
Below Matriculates	336686	349686	339944	- 2.78	149134
<b>Total</b>	<b>1651118</b>	<b>1739005</b>	<b>1798437</b>	<b>+ 3.42</b>	<b>817043</b>

\* Estimated figures.

**Placements and Vacancies:**

Between April and November 1996 about 13 thousand placements made ( about 1625 placements on an average per month). During the corresponding period of the previous year about 8600 placements were made with a monthly average of 1075 placements. total number of placements made during this period was formed 0.72 per cent of the registrations as compared to 0.49 per cent during the corresponding period of the previous year. Between April and November 1996 about 17 thousand vacancies notified (monthly average of 2125 vacancies) as compared to 22 thousand vacancies notified during the corresponding period of the previous year (monthly average of 2750 vacancies). The number of vacancies notified formed about 0.95 per cent of total registrations as compared to 1.25 per cent during the corresponding period of the previous year.

The total number of registrants (17.94 lakhs) in Karnataka formed about 4.8 per cent of the All India level (377.38 lakhs) as at the end of September 1996. During the preceding year this proportion was 4.7 per cent. Between January and September 1996 the total number of vacancies notified (18465 vacancies) formed about 5.6 per cent of the All India level (3.30 lakh) as compared to 8.6 per cent during the corresponding period of the previous year. The total number of placements (14492 placements) formed about 8.4 per cent of the All India level (1.73 lakhs) for the period January to September 96 as compared to 6.8 per cent for the corresponding period of the previous year.

### Employment

NSS data on employment showing the number of persons employed by residence and sex for Karnataka as per the 50th round for Karnataka for 1993-94 has been presented in the following table in comparison with the pattern of distribution as per the 43rd round results for Karnataka for 1987-88.

TABLE - 8.3

#### Number of Persons Employed per Thousand Population

Employment Status	Rural						Urban					
	1987-88			1993-94			1987-88			1993-94		
	M	F	P	M	F	P	M	F	P	M	F	P
Usual Status (Principal + Subsidiary)	568	377	474	604	430	518	494	196	348	543	181	366
Current Weekly Status	542	269	408	583	365	473	480	160	324	530	161	350
Current Daily Status	539	251	398	549	303	427	457	139	302	511	141	331

M=Male                      F=Female                      P=Persons

Between 1987-88 and 1993-94 stable employment as reflected in usual status employment has increased except for a decline in women's employment in the urban sector. Employment status as reflected in current weekly status has shown an increase in rural and urban areas. Seasonal employment as reflected in current daily status has also shown an increase during this period.

## Additional Employment:

During the current year it is anticipated that about 209 lakhs of employment will be generated as compared to 204 lakhs generated in 1995-96, resulting in additional employment of 4.99 lakhs. These estimates are based on observed income employment elasticities and gross domestic product for 1996-97. The construction sector is expected to generate about 1.45 lakhs of employment followed by agriculture and allied sectors (1.25 lakhs of additional employment) and other services (1.23 lakhs of additional employment). The three sectors account for about 80 per cent of the additional employment. Sector-wise additional employment to be generated for 1996-97 is given in the following table.

Table-8.4

### Estimated Additional Employment to be Generated in 1996-97

Sectors	(Lakh persons)
	Additional Employ- ment during 1996-97 (Anticipated)
1. Agriculture, Hunting, Forestry, Fishing	1.25
2. Mining and Quarrying	0.23
3. Manufacturing	0.27
4. Electricity, Gas and Water	0.01
5. Construction	1.45
6. Wholesale, Retail Trade Restaurants and Hotels	0.26
7. Transport, Storage and Communications	0.13
8. Financing, Insurance, Real Estate and Business	0.16
9. Other Services	1.23
Total	4.99

### Sectoral Composition of Workforce and State income:

NSS data on the distribution of workers per thousand into different sectors for 1993-94 for Karnataka as per the 50th round key results, compared with the 43rd round results for Karnataka besides the sectoral composition of State income (NSDP at constant prices) for 1987-88 and 1993-94 have been presented in Table 8.5.



TABLE-8.5

## Distribution of Workers and State Income by Major Sectors

Sector	Percentage Distribution of workers				Percentage Distribution of Income	
	1987 - 88		1993 - 94		1987 - 88	1993 - 94
	Rural	Urban	Rural	Urban		
Primary	82.7	21.8	81.9	19.1	39.78	37.56
Secondary	8.9	32.5	8.4	31.0	21.10	21.58
Tertiary	8.4	45.7	9.7	49.9	39.12	40.86
Total:	100.0	100.0	100.0	100.0	100.00	100.00

**Employment in the Organised Sector:**

Organised sector employment in the State as at the end of September 1996 is 17.82 lakhs comprising 10.7 lakhs of public sector employment and 7.12 lakhs of private sector employment. Between April and September 1996, organised sector employment increased by 0.23 lakhs (about 1.3 per cent). Women's employment as at the end of September 1996 was 4.84 lakhs (27 per cent) as compared to 4.41 lakhs or 26 per cent of the total organised sector employment during the corresponding period of the previous year. A branch-wise comparison shows that the State Government employment and State undertakings account for about 6.80 lakhs of employment (38 per cent of organised sector employment and about 64 per cent of public sector employment). Among different branches, there has been only marginal variation in both Central and State govt. employment. Employment in local bodies has shown an increase from 0.56 lakhs in March 1996 to 0.70 lakhs in September 1996 (25 per cent). Employment in the private sector on the other hand has increased from 7.01 lakhs in March 1996 to 7.13 lakhs in September 1996 (1.7 per cent). Table 8.6 shows the branch-wise details of organised sector employment as at the end of September 1996.

TABLE-8.6

Employment in Public and Private Sectors  
(Branch-wise 1995 and 1996)

(Nos. in lakhs)

Branch	Employment as on			Percentage of variation Sept.96/ March 96
	Mar.95	Mar.96	Sept.96 (provisional)	
1. Central Govt.	1.34	1.32	1.31	- 0.99
2. State Govt.	4.92	5.05	5.03	- 0.40
3. Central Govt. (Quasi)	1.93	1.87	1.88	+0.53
4. State Govt. (Quasi)	1.78	1.78	1.77	- 0.56
5. Local Bodies	0.55	0.56	0.70	+ 25.00
6. Private Sectors Act	4.55	6.27	6.38	+1.75
7. Private Sectors Non-Act	0.73	0.74	0.75	+1.35
Public Sector	10.52	10.58	10.69	+1.04
Private Sector	5.28	7.01	7.13	+1.71
TOTAL:	15.80	17.59	17.82	+1.31

Organised sector employment as per industrial classification shows that community, social and personal services which account for 6.61 lakhs of employment form about 37 per cent of organised sector employment followed by the manufacturing sector with 6.15 lakhs of employment accounting for about 35 per cent of organised sector employment as at the end of September 1996. Among different sectors between April and September 1996 in community, social and personal services, employment increased by 0.17 lakhs (an increase of 2.6 per cent). During this period, the manufacturing sector added about 0.06 lakh additional employment, an increase of about 1 per cent. Finance, insurance, real estate, and business services accounted for 6.90 per cent increased by 0.04 lakhs (about 3.4 per cent of increase) between April and September 1996. In the remaining sectors the variation has been marginal. Table 8.7 gives details of industry-wise organised sector employment.

A district-wise comparison of organised sector employment for the period ending September 1996 shows that Bangalore district accounts for 5.25 lakhs, (29 per cent of organised sector employment) followed by Dakshina Kannada (2.74 lakhs accounting for about 15 per cent) and Kodagu (accounting for 0.23 lakhs 1.2 per cent of organised sector employment-the lowest among the districts). Among the districts, organised sector employment in-

creased by about 2800, (by over 7 per cent) in Hassan district followed by an increase of 1500 or 4.1 per cent in Mandya an increase of 1600, about 2.8 per cent in Kolar and an increase of 13500 or 2.6 per cent in Bangalore as at the end of September 1996 over March 1996.

Organised sector employment in Karnataka (17.59 lakhs) forms about 6.4 per cent of the All India figure (276.4 lakhs) at the end of March 1996. Women's employment (4.73 lakhs) forms about 10.8 per cent of total women's employment for the country as a whole (43.88 lakhs) in the organised sector at the end of March 1996. Public sector employment in Karnataka (10.58 lakhs) forms about 5.5 per cent of the All India level (191.72 lakhs) and private sector employment in Karnataka (7.01 lakhs) forms about 8.3 per cent of the All India level (84.68 lakhs) at the end of March 1996.

**TABLE-8.7**  
**Employment in Public and Private Sectors**  
**( Industry group wise )**

( Nos.in Lakhs)

Industry	Employed as on 31.3.95			Employed as on 31.3.96			Employed as on 30.9.96 (provisional)		
	Pub.	Pri.	Total	Pub.	Pri.	Total	Pub.	Pri.	Total
Plantation and Fore- stry	0.41	0.17	0.58	0.41	0.16	0.57	0.41	0.16	0.57
Mining & Quarry- ing	0.20	0.07	0.27	0.20	0.07	0.27	0.19	0.06	0.25
Manufactu- ring	1.11	3.38	4.49	1.06	5.02	6.08	1.04	5.11	6.15
Electri- city, gas & Water	0.48	0.01	0.49	0.46	0.01	0.47	0.46	0.01	0.47
Const- ruction	0.57	0.05	0.62	0.56	0.03	0.59	0.55	0.02	0.57
Wholesale & Retail trade, Hotels & Restu- rants	0.10	0.24	0.34	0.10	0.26	0.36	0.10	0.27	0.37
Transport, Storage & Communi- cations	1.50	0.05	1.55	1.53	0.07	1.60	1.53	0.07	1.60
Finance, Insurance, Real estate, Business	0.94	0.22	1.16	0.94	0.25	1.19	0.96	0.27	1.23
Service Community Social Personal Service	5.21	1.09	6.30	5.33	1.13	6.46	5.46	1.15	6.61
<b>Total</b>	<b>10.52</b>	<b>5.28</b>	<b>15.80</b>	<b>10.59</b>	<b>7.01</b>	<b>17.59</b>	<b>10.70</b>	<b>7.12</b>	<b>17.82</b>

**Wage Employment**

About 8.14 crore mandays of wage employment have been gener-  
ated under various government programmes during the period April -

November 1996 (almost the same level as during the corresponding period of the previous year) for targetted and non-targetted programmes together. During the preceding year about 16.87 crore mandays of employment and during 1994-95 about 14.99 crore mandays of employment were generated under various government programmes. Target oriented programmes like J.R.Y., major and medium irrigation and soil conservation account for about 6.59 crore mandays (81 per cent of the total). Non-target oriented programmes like the Employment Assurance Scheme and Nimmadi account for 1.55 crore mandays or 19 per cent of the total wage employment generated up to November 1996. During the current year under target oriented programmes about 56 per cent of the annual target has been achieved by November 1996 as compared to 43 per cent during the corresponding period of the previous year. More than 80 per cent of the annual target has been achieved in watershed development and roads and bridges. In programmes such as Jawahar Rozgar Yojana, major and medium irrigation, minor irrigation and CADA about 50 per cent of the annual target was achieved up to November 1996. During the preceding year in programmes such as Jawahar Rozgar Yojana, minor irrigation and roads and bridges the achievement in terms of wage employment generation was in excess of the annual target. On the assumption that 200 days of employment is equivalent to employment for one person it is estimated that about 4.0 lakh persons have been provided with wage employment between April and November 1996. Table 8.8 gives details of wage employment generation under major programmes.

#### **Assistance to Artisans:**

Autonomous corporations have formulated programmes to render assistance to artisans in the form of subsidies, margin money, raw material and the provision of marketing facilities and other basic infrastructures. Details are given in Table 8.9.

TABLE-8.8

**Wage Employment Generation under Major Programmes**  
(lakh mandays)

Programmes	Annual Target		Target for April 96 to Nov.96	Achievement	
	1995-96	1996-97		1995-96 (upto Nov. 1995)	1996-97 (upto Nov.96)
1. Jawahar Rozgar Yojana	478.46	255.75	170.50	228.00 (47.65)	131.28 (51.33)
2. Employment Assurance Scheme *	-	-	-	132.00	150.90
3. Nimmadhi*	-	-	-	14.05	3.86
4. Major & Medium Irrigation & Flood Control	362.05	524.46	350.00	153.72 (42.46)	294.65 (56.18)
5. Minor Irrigation	64.15	76.45	51.00	35.95 (56.04)	40.87 (53.46)
6. CADA	24.40	26.67	17.75	7.22 (29.59)	13.97 (52.38)
7. Soil Conservation	272.00	119.97	80.00	33.98 (12.49)	49.94 (41.63)
8. Watershed Develop- ment	19.16	12.48	8.32	7.26 (37.89)	10.39 (83.25)
9. Roads & Bridges	238.16	115.61	77.00	154.17 (64.73)	93.74 (81.08)
10. Buildings	108.84	56.56	37.68	52.10 (36.20)	23.95 (42.34)
<b>Total-Target targeted programmes**</b>	<b>1567.22</b>	<b>1187.95</b>	<b>792.25</b>	<b>672.40 (42.90)</b>	<b>658.76 (55.50)</b>

NOTE: Figures in brackets indicate percentage to annual target

\* Non target oriented demand driven programmes

\*\* EAS and Nimmadhi excluded.

**TABLE-8.9**  
**Assistance to Artisans 1994-95 to 1996-97**

Programme/ Scheme	Unit	Achievement 94-95	Achievement 95-96	Target 96-97	Achievement (upto Dec.96)
<b>1. Karnataka State</b>					
Handicrafts Deve- lopment Corpn.					
Assistance to Artisans (Fresh)	Nos.	357	370	265	263
<b>2. Karnataka Handloom</b>					
Development Corpn.					
a) Assistance to "		388	247	160	135
Cotton Handlooms					
b) Assistance to "		354	39	30	11
Silk Handlooms					
<b>3. Karnataka Leather</b>					
Industries Dev. Corpn.					
a) Assistance to "		144	210	250	60
Artisans					
b) Supply of Wayside"		642	644	500	308
Cabins					
c) Value of					
Wayside	Rs.lakhs	32.40	32.20	64.02	21.56
Cabins					
<b>4. Karnataka State</b>					
Khadi & Village Industry Board					
a) Units assisted	Nos.	2864	*	698	388
b) Number of bene- ficiaries	Nos.	10375	*	1200	

\*Due to adoption of consortium approach in financing the scheme, achievement not reported.

**Self Employment Programmes:**

To tackle the problem of poverty programmes been formulated and implemented to assist beneficiaries to acquire productive assets. Self employment programmes like the Integrated Rural Development Programme and D.W.C.R.A., are implemented in rural areas. To a smaller extent similar programmes have been initiated and implemented in urban areas. Under some of these programmes lower rates of interest are offered, subsidy provided and a longer time for the repayment of loans is allowed. These are aimed at encouraging the unemployed to take to self employment. In industrial estates, industrial sheds are constructed and distributed to entrepreneurs. Loans are sanctioned

to economically weaker sections. Under the National Equity Fund scheme, assistance is given to small scale units. Details of programmes under various self-employment schemes are given in Table 8.10.

TABLE-8.10 (continued)

Beneficiaries under Self Employment Schemes  
1994-95 to 1996-97

Programme/Scheme	Unit	Achievement		Target	Achievement up to Dec.96
		94-95	95-96	96-97	
-----					
A. Integrated Rural Development Programme Beneficiaries	'000s	165	144	100	70.20
B. Development of Women and Children in Rural Area Pro- gramme (DWACRA) Groups	Number	312	-	1548	988
Activities	"	431	-	-	-
C. Karnataka State Finance Corporation					
a) Assistance to Technicians	" Rs.lakhs	70 211	48 315	Target not fixed	10 66
b) Composite Loan	Number Rs.lakhs	1356 529	1280 411	"	790 207
c) Soft Loan	Number Rs.lakhs	457 195	453 320	"	326 301
d) SC/ST Welfare	Number Rs.lakhs	2673 2169	3175 2761.27	"	1363 1916.26
e) Backward Community	Number Rs.lakhs	2327 1971	1836 1536.07	"	948 897
f) Assistance to Unemployed Graduates	Number Rs.lakhs	21 29	18 55.98	"	02 11.75
-----					



TABLE-8.10 (continued)

**Beneficiaries under Self Employment Schemes  
1994-95 to 1996-97**

Programme/ Scheme	Unit	Achievement		Target	Achievement up to Dec.96
		94-95	95-96	96-97	
g) Disabled Scheme	Number	125	76	Target not fixed	54
	Rs.lakhs	66	26.47	"	15.31
h) Mahila Udyama Scheme	Number	131	162	"	69
	Rs.lakhs	415	373.61	"	107.34
<b>D. Karnataka State Industrial Investment and Development Corporation</b>					
a) Loan	Number	157	166	"	150
	Rs.lakhs	17064	21876	30000	20991
b) Equity	Number	32	38	Target not fixed	20
	Rs.lakhs	4365	3079.5	5000	1945
<b>E. Karnataka Industrial Area Development Board</b>					
a) Entreprenurs benefitted	Number	626	520	Target not fixed	176
b) Extent of Land allotted	acres	828	553	"	224
<b>F. Scheme of Self- employment for Educated Youth (DIC)</b>					
a) Industry	Number	1965	4491	"	2314
	Rs.lakhs	1257	2526.17	"	1390.68
b) Service	Number	3372	5234	"	3952
	Rs.lakhs	1264	2739.76	"	1984.73
c) Business	Number	3135	7275	"	4870
	Rs.lakhs	1313	3086.74	"	2327.07
<b>P.M.R.Y Persons trained</b>					
	Number	11117	17000	17700	-
<b>G. National Equity Fund Scheme (Sponsored by IDBI)</b>					
a) Units assisted	Nos.	250	248	Target not fixed	156

TABLE - 8.10 (concluded)

**Beneficiaries under Self Employment Schemes  
1994-95 to 1996-97**

(Amount Rs. in lakhs)

Programme/ Scheme	Unit	Achievement			Target	Achievement up to Dec.96
		94-95	95-96	96-97		
						(Rs.lakhs)
b) Amount	Rs.	94	185.18	200		159.52
c) Employment H.Vishwa Programme	Nos.	1666	1769	-		674
a) Small and tiny units set up (Additional)	Nos.	11306	13092	10625		5744
b) Persons provided with continuous productive employ- ment	(000s)	70		68		66
c) Total value of products	Rs.	11218	10120	-		7528
procured	"	5064	5023	-		3242
sold	"	10016	9258	-		6604
d) Total amount spent out of State Budget	"	948	607	1167		262
e) Finance provided from institu- tional sources	"	752	786	4380		425

**Training for Selfemployment**

Training is provided by different organisations to help persons to start their own units. Assistance is also given to Law-graduates to set up their practice. Details of training given under some programmes are given in Table 8.11.

**TABLE-8.11**  
**Number of Persons Trained for Selfemployment**  
**1994-95 to 1996-97**

Programme/ Scheme	Unit	Achievement		Target	Achievement
		94-95	95-96	96-97	(up to Decemer 96)
1. Training of Rural Youth for Self Employment (TRYSEM) Beneficiaries	'000s	17	16.9	16.4	3.9
2. SC/ST Welfare					
a) Assistance to Law Graduates	No.	72	48	142	9
b) Training Centre for Self Employment	"	427	403	725	10
3. Entrepreneurship Development Programmes sponsored by CEDOK					
a) Persons Trained	"	3641	13000	13440	7969
b) Programmes conducted	"	86	301	448	145
4. Entrepreneurship Development Programme (SISI)					
a) Persons Trained	"	512	489	-	76
b) Programmes conducted	"	29	21	-	4
5. Vishwa Programme					
Persons trained	"	24709	22271	21563	10494

On the whole, there is improvement in employment notwithstanding a rise in chronic unemployment among urban women and seasonal unemployment in rural areas as evident from comparisons of the 50th round NSS key results with the results of the preceding quinquennial survey. If these trends are an indication remedial measures are called for to reduce the incidence of unemployment among urban women and seasonal unemployment in rural sector. Special employment programme of a sustaining nature are desirable for urban women. To meet the growing demand for wage employment in rural areas, it is necessary to accelerate on going efforts in this direction.

Organised sector employment growing at a marginal rate of 1.3 per cent, is not expected to make any significant impact to absorb surplus labour force particularly among educated job seekers whose numbers are increasing at a much faster rate. This necessitates further widening the scope of self-employment opportunities supported by a programme of skill development particularly for educated jobseekers who do not have competitive skills.

## **SOCIAL INFRASTRUCTURE**

**SOCIAL INFRASTRUCTURE**

The main aim of the social services programme is to improve the quality of life of the people. This depends upon development in the fields of education, health care, minimum nutrition, availability of drinking water and housing, environmental protection, communications and transport. Public sector expenditure on social infrastructure helps in the redistribution of resources, as facilities are extended to more people ensuring social justice and equality. Many of these items of expenditure have now been brought under basic minimum services for priority attention.

**1. EDUCATION**

**a) Primary Education**

The provision for free and compulsory primary education to all children up to 14 is being considered a basic minimum service and monitored under the Twenty Point Programme. The revised National Policy on Education of 1992 set 2000 AD as the target year for achieving the universalisation of primary education. Despite concerted efforts by the State and Central governments and the assistance of external agencies like the World Bank and UNICEF, we are far from the target. The measures taken to achieve our objective are

**i) Universal Access**

- a primary school within walkable distance.

**ii) Universal Participation**

- all eligible children enrolled and maintained in schools.

**iii) Universal Attainment**

- all enrolled children achieve at least 80% of the learning competencies prescribed for that stage.

The incentive schemes to promote the universalisation of primary education are the following

Name of Scheme	Beneficiaries	No. Benefitted (in lakhs)	Allocation in 1996-97 (Rs. in lakhs)
1. Free Textbooks	All Children from Std. I to IV and SC and ST children from Stds. V to VII studying in Govt. Primary Schools.	53.00	1325.00
2. Free Uniforms	All children from Std. I to IV and SC and ST children from Stds. V to VII studying in Govt. Primary Schools.	37.00	2700.00
3. Akshaya Ahara	All children studying in Stds. I to IV in Govt. Primary Schools in urban areas of 52 Non EAS Blocks.	9.80	1500.00
4. School Bags	All SC and ST Girls studying in Stds. V to VII in Govt. Primary Schools.	1.00	130.00
5. Centrally assisted Programme of Nutritional support to Pry. Edn.	All children studying in Stds. I to V in Govt. & Aided Pry. schools in 148 EAS Blocks.	38.00	GOI are giving wheat and rice free of cost.

Plan schemes being implemented to provide minimum infrastructural facilities to schools are the following

**(1) Construction of Classrooms in Government Primary Schools**

As a part of government's policy to provide one

room to each class by 2000 AD, the scheme of constructing 10,000 classrooms every year is being implemented. In 1996-97, Rs.40 crores have been provided in the State sector. The unit cost of each room is fixed at Rs.65000/ of which Rs.40000.00 is being given as the State's share. The rest has to be met out of JRY, ZP funds and local contributions. In 1996-97, 7600 rooms were completed including spillover works. 7268 classrooms are under construction.

**(2) Repairs to Classrooms**

The unit cost of repair per room is fixed at Rs.5000. In 1996-97 Rs.300 lakhs have been provided in the plan and Rs.220 lakhs under the non-Plan allocated to ZPs for implementing the programme. It is proposed to repair 10,400 classrooms.

**(3) Water and toilet Facilities in Government Primary Schools**

In 1996-97 Rs.50 lakhs are to be released to ZPs at Rs.50,000 per school for providing water and toilet facilities to 100 schools. Works are under progress.

**(4) Supply of Equipment to Government Primary Schools**

Learning Equipment and Furniture are to be given to primary schools costing Rs.350 lakhs @ Rs.7000/- per Government Higher Primary School through ZPs. 5000 schools are to be provided with equipment. Rs.56 lakhs have been spent for the supply of colour TVs and VCRs to 224 Kannada Model Primary Schools.

**(5) Supply of RCCPs and Audio Cassettes to Schools**

In 1996-97, 10592 Government Higher Primary Schools are to be supplied with an RCCP set each with Government of India aid. The State Government is supplying audio cassettes @ 10 cassettes per school.

**6) Appointment of Primary School Teachers**

As a part of government's policy to provide a teacher to each class by 2000 AD, government has sanctioned 20,000 additional teachers posts from 1993-94 to 1996-97 at 5000 teachers per year. In 1996-97, 18650 teachers were recruited against 5000 additional posts and 13650 vacant posts.



## (7) Opening of New Primary Schools

In 1996-97, 873 new Government Lower Primary schools were started and 978 existing lower primary schools upgraded. Permission has been given to open 186 private schools.

### Centrally Assisted Programmes

#### 1. OPERATION BLACK BOARD SCHEME

This is being implemented stage by stage from 1987-88. Minimum infrastructural facilities like teachers, classrooms and teaching and learning material are being provided to Government Primary Schools. So far 18,119 teachers posts have been sanctioned, 21,742 classrooms constructed and 23859 schools supplied with teaching and learning material. In 1996-97 Rs.3963.00 lakhs were spent to provide equipment, books and furniture to Higher Primary Schools.

#### OPERATION BLACKBOARD

					Numbers
Phase	Year	Blocks	Teachers posts	Classes	Schools Slected for Supply of Teaching and Learning material
I	1988-89	19	1611	2260	2473
II	1989-90	58	5003	6094	7598
III	1990-91	38	2712	3438	4009
IV	1991-92	75	4597	6761	7918
-	1992-93	-	-	-	-
-	1993-94	-	-	-	-
V	1994-95	78	427	420	283
VI	1995-96	164	2769	2760	-
VII	1996-97	24	-	-	1578

#### 2. District Primary Education Project

This is a World Bank assisted programme being implemented in the four districts of Kolar, Mandya, Belgaum and Raichur in the Ist phase and five additional districts in IInd phase. Rs.40 crores will be spent in each district in five years. The programme is being implemented from 1995-96. Educational facilities will be specially extended to tribal areas. So far

Rs.1635.16 lakhs have been released and 250 new schools started. Training is in progress to teachers, and Village Education Committee members as also construction of classrooms.

### 3. Minimum Levels of Learning

This is U.N.I.C.E.F assisted programme, aiming at universal achievement. Children who are attending schools are expected to attain at least 80% of the pre-determined learning competencies. The programme is being implemented in 2000 selected schools. Guide books for teachers and work books for students are prepared and supplied freely. Evaluation of the programme has been taken up in 1996-97.

The expenditure incurred on primary education and physical achievements are given in Tables 9.1 and 9.2 respectively. Expenditure in the earlier years and physical progress are given, respectively, in Appendices 9.1 and 9.2.

**TABLE-9.1**  
Plan and Non-Plan Expenditure on Primary Education  
(Rupees in Lakhs)

Year	Plan	Non-plan	Total
1994-95	12444.30	59212.15	71656.45
1995-96 (RE)	17464.43	64920.76	82385.19
1996-97 (BE)	22257.56	77196.49	99454.05

The allocation to primary education amounts to 63.10% of the total allocation to education for 1996-97.

**Table 9.1b**  
Enrolment and dropout rates

	1992-93	1996-97 (Anticipated)
<b>Enrolment rate</b>		
Classes I - IV	92.74	94.20
Classes V - VII	70.09	74.95
<b>Dropout rate</b>		
Classes I - IV	27.03	19.69
Classes V - VII	48.71	46.81

**TABLE 9.2**  
**Physical Progress under Primary Education**

Item/Unit	VIII plan target	1994-95	1995-96	1996-97 (Anticipated)
<b>I. Enrollment (in lakhs)</b>				
a) Standards I to IV				
i) Boys	29.62	28.32	27.25	29.43
ii) Girls	29.22	25.96	25.97	26.01
Total	58.84	54.28	53.22	55.44
b) Standards V to VII				
i) Boys	13.40	13.38	14.04	14.28
ii) Girls	13.32	11.77	12.09	12.42
Total	26.72	25.15	26.13	26.70
II. No. of Teachers	162795	167795	182866	
III. No. of Schools	41684	41664	45016	

The outlay for primary education for the VIII Plan was Rs.477.50 crores of which Rs.279.60 crores was in the State sector and Rs.197.90 crores in the district sector.

In the Plan period in addition to incentive schemes (Rs.259 crores) the outlay included provision for additional teachers (Rs.110 crores), civil work (Rs.55 crores), teachers quarters (Rs.5 crores) and grant-in-aid (Rs.10.40 crores).

During the Plan period 20,000 additional posts of primary school teachers were created and 20434 classrooms taken up for construction (of which 12806 rooms are already completed). The balance of 7000 rooms which are in various stages of construction is expected to be completed by end.1996-97.

### Secondary Education

Secondary education includes education from Standards VIII to X. The increasing emphasis on primary

education through various programmes and projects for universalisation has resulted in greater demand for secondary educational facilities in urban and rural areas. These are

1. New high schools.
2. Additional sections in existing schools.
3. Additional teachers.
4. Buildings for new schools.
5. Additional classrooms for existing schools.
6. Repair of existing school buildings.
7. Water and toilet facilities in existing schools.
8. Equipment and furniture in schools.

The no. of high schools and Teachers and enrolment in 1996-97 are as follows:

	Govt.	Aided	Unaided	Total
High Schools	2182	2649	2810	7641
Teachers	26854	29859	11339	68062
Students VIII	184735	252216	101544	538495
IX	155435	254612	87440	497487
X	128769	222932	72770	424471

The following schemes are being implemented for the improvement of secondary education in quality and quantity.

#### 1. Opening of New High Schools

In 1996-97, 237 new Government High Schools are to be sanctioned and opened in the State. In addition, 266 private managements are to be permitted to start high schools without aid. Rs.430 lakhs are being spent on staff salary and equipment of new government high schools.

#### 2. Construction of Secondary School Buildings

Rs.150.00 lakhs are to be released from the state sector to Zilla Panchayats for the construction of high school buildings and additional rooms in 1996-97. Schools have been identified and works are in progress.

### 3. Providing Water and Toilet Facilities to Government High Schools

Rs.150.00 lakhs are to be released to Zilla Panchayats for providing water and sanitary facilities for 300 government high schools. Schools have been identified and works are in progress.

### 4. Recruitment of Secondary School Teachers

In 1996-97, 2500 high school teachers are to be recruited. The process of verification of original certificates and issue of posting orders is on.

### 5. Morarji Desai Residential Schools

In 1995-96, 20 residential schools are to be started one in each district. In 1996-97 Rs.300.00 lakhs are being spent on the salary of staff and the maintenance of hotels. Each school gets Rs.15.00 lakhs. 40 students are admitted to each class. 50% reservation is given to girls and 50% to students from rural areas.

### 6. Residential Schools for Muslim Minorities

Five residential schools for Muslim students are to be started with 100% aid from the government. Rs.75.00 lakhs is being spent on these schools, staff salary and hostel maintenance. The schools are in Gulbarga, Mandya, Bangalore (Rural) Dakshina Kannada and Bijapur. The classes are from Vth to Xth Standard.

### Plan and Non-Plan Expenditure on Secondary Education (Rs. in lakhs)

Year	Plan	Non-Plan	Total
1994-95	6178.13	35998.80	42176.93
1995-96 (RE)	8222.38	41642.45	49864.83
1996-97 (BE)	10659.54	47424.61	58084.15

The allocation for secondary education amounts to 36.90% of the total allocation for education for 1996-97.

### **c) Mass Education**

A thrust area in the VIII Five Year Plan is the eradication of illiteracy and continuing education for neo-literates. A detailed plan of action has been chalked out in Karnataka to cover 80 lakh illiterates in the age group of 15 to 35.

#### **1. Jana Shikshana Nilayas**

There are 1175 Centrally sponsored Jana Shikshana Nilayas to sustain interest in reading among neo-literates. Each Janashikshana Nilaya comprises a library - (reading room) with newspapers, magazines sports, recreational and cultural material and audio cassette players-cum-recorder.

#### **2. Jana Shikshana Nilaya under Akshara Deepa Programme**

This is a State sponsored district sector scheme. At the rate of 37 Janashikshana Nilayas for each Akshara Deepa project, 333 Jana Shikshana Nilayas have been established.

#### **3. Total Literacy Campaign**

The campaign is a well planned out move for literacy to be achieved within a fixed deadline on a massive scale by motivating and mobilising every section.

In Karnataka, all districts save Bangalore Urban are working to eradicate illiteracy in the age group of 15 to 35. Specially developed IPCL of improved pace and content of learning primers are used to achieve the minimum level of learning. In IPCL primers, letters are constructed into commonly used words and taught before learners acquire mastery over the varnamala or alphabet. Learners are enabled to enjoy the gains of learning while they are in the process of acquiring literacy, enhancing motivation.

The Total Literacy Campaign awakens people not only to literacy, but to the causes of their deprivation. They are not only taught reading, writing and arithmetic, but also the values of national integration, conservation of environment, women's equality, the advantages of small families, the right to demand justice etc. They are encouraged through various

programmes to be self-reliant and increase their earning capacity.

The Total Literacy Campaign does not terminate with the literacy skills acquired in one year. It continues in the form of post-literacy programmes organised to enable neo-literates to participate in the task of nation building as equal partners.

A review of the on-going programme indicates that the campaign can be successful only through the determined efforts of all sections of society. Building the army of about 20 to 30 thousand volunteers required for each district cannot be the sole responsibility of the government or of a few voluntary agencies. The involvement of women, social learners, educationists, peoples' representatives and media persons is vital to the success of this programme.

#### 4. Post-literacy and Continuing Education Programme

To stabilise the literacy acquired during the 1st stage of the Total Literacy Campaign and empower neo-literates, there is a two year post-literacy campaign (Phase II) and a subsequent continuing education programme (Phase III).

The post-literacy and continuing education Programme is being implemented in the districts given in Appendix 9.3.

TABLE 9.3

#### Mass Education in Karnataka State

Sl.No.	Item/Unit	1994-95	1995-96	1996-97(A)
1.	No. of Centres	-	-	-
2.	No. Enrolled	-	-	-
3.	No. Enrolled in the Mass Campaign	3,00,000	1,95,000	6,83,000
4.	Expenditure (Rs. in lakhs)			
	a) Plan	980.62	800.88	587.50
	b) Non-Plan	86.32	86.32	86.32

Source: Directorate of Mass Education.  
REL P & AKSHARADEEPA were dis-

continued w.e.f. 1.1.1992 due to emphasis on the campaign of eradication of illiteracy.

The total number of neo-literates and drop-outs participating in the post-literacy and continuing education programme in the above districts is about 41.25 lakhs.

#### **d. Vocational Education**

Karnataka is the first State to implement the vocational education programme in 1977-78. The State Government established a separate Directorate of Vocational Education. Five divisions have been established at Bangalore, Dharwar, Raichur, Shimoga and Mangalore headed by Deputy Directors. A State Institute of Vocational Education has been established under the Director of Vocational Education to assist the Director in academic and developmental work in 1994-95. Chaired by the Minister for Education, a State level Advisory Committee has been constituted. The State Council of Vocational Education came into existence in 1978 to advise in examination work. 95 full time staff works on vocational courses at present. In 1996-97, about 6500 part time lecturers and worker teachers worked on 8 months salary basis in government aided and unaided institutions throughout the State.

Initially 52 courses were introduced in 13 institutions in three districts with 1275 students. Now there are 1363 courses in 808 colleges with 34788 students. Equipment and workshop grants are being provided for each course at a cost of Rs. 1.00 lakh and salary grant of Rs.31,000 per year.

The work of preparing new syllabi and textbooks for 64 trades is on. Preference is given to the Kannada medium. This will be completed by the end of this academic year. A district survey is being conducted to assess the interests and needs of students and parents in taking up vocational courses. Preference has already been given to rural areas.

The success and effective implementation of vocational education programmes depend upon the prompt absorption of passed candidates in vocational courses. 12 Departments have amended the Cadre and Recruitment Rules of their departments. Government of India have brought the vocational course under the Apprenticeship



Act. Every year nearly 1000 students are being placed under apprenticeship training in government, private and public organisations.

Arrangements have been made for registration of 102 job oriented courses for passed candidates in employment exchanges. Preference is being given to these candidates in availing loans from nationalised and co-operative banks to start their own ventures.

The main aim of vocational education is to divert 25% of the students from general education to vocational education. 10% have been so diverted. Importance is being given to strengthening vocational education. Implementation is being carried out through several programmes.

Table 9.4 gives the physical and financial progress between 1994-95 and 1996-97. Details of the progress achieved since 1986-87 are given in Appendix 9.4.

**TABLE 9.4**  
**Selected Indicators of Vocational Education in Karnataka**

Sl. No.	Item/Unit	1994-95	1995-96	1996-97 (A)
1.	No. of Institutions	681	808	815
2.	No. Enrolled	25692	34788	35000
3.	Expenditure Rs. in lakhs			
	a) Plan	-	-	-
	i) State Plan	-	-	410.00
	ii) Central Plan	302.76	434.88	1137.00
	b) Non-Plan	53.75	30.42	40.00

Source: Department of Vocational Education

## **2. Health and Family Welfare Services**

Programmes of this sector aims at providing comprehensive health care facilities through various programmes, schemes and various types of health institutions. The main objectives of the programmes are to:

- effect improvement in Medical care and to provide Medical relief;
- undertake National Health Programmes for control and eradication of communicable diseases and other major diseases;
- promote education in health protection and health development;
- take suitable measures to prevent food adulteration;
- provide services, like maternal and child health, family welfare, immunization, Prophylaxis against nutritional anemia and control of blindness; and
- promote health education and training in various medical disciplines.

### **Primary Health Care**

Primary health care is one of the items under the restructured 20 point programme i.e., Karnataka Development programme. The State is following the National Pattern of three tier Health Infrastructure in rendering Primary Health Care through Primary Health Centres, Sub-Centres and Community Health Centres. The policy of the Government is to establish one Primary Health Centre for every 30000 population in plain areas and for every 20000 population in hilly and tribal areas. One Sub-Centre with a female health worker for every 5000 population in plain areas and for every 3000 population in hilly and tribal areas and one Community

Health Centre for one lakh population or one out of four Primary Health Centres to be made to function as referral/specialised institution for the rural population.

The earlier scheme of establishing primary health units has been discontinued and the existing Primary Health Units will be upgraded into Primary Health Centres in a phased manner. At present there are 176 Hospitals, 232 Community Health Centres, 1509 Primary Health Centres, 596 Primary Health Units and 8093 sub-centres functioning in the State.

Under Rural Primary Health Care Infrastructure, the focus was on setting up of Sub-centres, Primary Health Centres and Community Health Centres. The proposed target for Eighth Plan was to set up 8093 Sub-Centres and 1509 PHCs. By March 1996, the target has been achieved. It was targetted to set up 234 CHCs of which 232 CHCs are functioning as at the end of March 1996..

The details of selected indicators of health facilities are given in Appendix 9.5.

Selected indicators of health facilities and impact; indicators of health and quality of physical life - Karnataka and India; and plan and non-plan expenditure on health and family welfare are given in tables 9.5 to 9.7 respectively.

**TABLE - 9.5**  
**Selected Indicators of Health Facilities and Impact**

Sl. No.	Physical Indicators	1994-95	1995-96	1996-97 (A)
1.	No. of Primary Health Centres	1459	1509	1559
2.	No. of Sub-Centres	7993	8093	8093
3.	Crude Birth Rate	24.9	24.5	24.0
4.	Crude Death Rate	8.1	8.1	8.0
5.	Infant Mortality Rate	65	65	63
6.	Life expectancy * Female 1991-96 projected * Male	65.30 64.15	65.30 64.15	NA NA
7.	Eligible Couples Estimated (Lakhs)	76.98	78.23	79.50
8.	Couples Protected (Lakhs)	42.19	44.57	47.00
9.	Proportion of Couples Protected (Percent)	54.81	56.97	59.12

Source: Dept. of Health & Family Welfare Services.

TABLE - 9.6

**Indicators of Health and Quality of Physical Life -  
Karnataka and India**

Sl.No.	Indicator	Karnataka	India
1.	Birth Rate (1994)		
	Rural	26.0	30.5
	Urban	22.7	23.1
	Combined	25.0	28.7
2.	Death Rate (1994)		
	Rural	9.3	10.1
	Urban	6.0	6.7
	Combined	8.3	9.3
3.	Infant Mortality Rate (1994)		
	Rural	73	80
	Urban	50	52
	Combined	67	74
4.	Expectation of Life at Birth (1991-96) Projected		
	Male	64.30	60.6
	Female	65.30	61.7
5.	Dependency Ratio (No. of persons in the age group per 1000 persons in age group 15-59)	858	854

Source: Dept. of Health & Family Welfare Services.

TABLE-9.7

**Plan and Non-Plan Expenditure on Health & Family Welfare**

(Rupees in lakhs)

Year	Plan	Non-Plan
1994-95	2941.08	5981.91
1995-96	4933.52	6246.12
1996-97 (A)	3356.00	2280.19
	(Upto, November, 1996)	(Upto, November, 1996)

Source: Dept. of Health & Family Welfare Services.

### 3. ENVIRONMENT

#### I. HOUSING

The Provision of housing to economically weaker sections is an important item under basic minimum services. The Central and State governments have evolved policies and programmes for the successful implementation of the housing scheme as follows:-

- (i) distribution of house sites in rural and urban areas;
- (ii) providing construction assistance in urban and rural areas for economically weaker sections of society and
- (iii) replacement of thatched roofs.

To assess the magnitude of the housing problem a comprehensive survey of siteless and houseless families was conducted in June 1995. The survey has revealed that there is a need to provide houses to 19 lakh families, of which only 8 lakh have sites.

Budgetary allocations on housing from 1979-80 to 1996-97 are at Appendix 9.6.

#### Rural Housing

Under the rural housing scheme Rs.60.28 crores have been provided in 1996-97. 19.7 lakh sites were distributed to beneficiaries up to the end of November 1996.

#### (a) Ashraya

People whose annual income falls below Rs.11,800 in rural and urban areas (excluding Bangalore) are the main target group under Ashraya.

The unit cost of a house under is as follows:

	In Rs.		
	Unit cost	Loan	Subsidy
Rural	20,000	10,000	10,000
Urban	24,500	19,500	5,000*

\*Beneficiaries Contribution

From 1991-92 to 1996-97 (Up to Nov.1996) 1.27 lakh houses were constructed and 8.5 lakh sites distributed of which 25,308 houses were constructed and 36,956 sites distributed in 1995-96. The number of house {sites distributed is in Appendix 9.7. From 1973-74 to 1996-97 (up to Nov.96) about 10.7 lakh houses were constructed under various housing schemes HUDCO, Ashraya, Economically Low Cost Housing, Tribal Sub-plan and Indira Awas Yojana. The schemewise progress achieved is presented in Appendix 9.8.

(b) Indira Awas Yojana

Indira Awas Yojana which was a subcomponent of Jawahar Rozgar Yojana till the end of December 1995 has now been made an independent scheme. It aims at providing houses for Scheduled Castes and Scheduled Tribes and freed bonded labourers who are below the poverty line. Its coverage is also extended to other poor people subject to the condition that the financial assistance does not exceed 33.33% of the total allocation. Since inception of the scheme till March 96, 1.08 lakh houses have been built. In 1995-96, 45,321 houses were constructed under the programme. For 1996-97 an amount of Rs.74.45 crores (including Central funds) has been provided to construct about 53000 houses, of which about 21000 were constructed (up to November 96) on an expenditure of Rs.41 crores.

(c) Urban Housing

The Housing schemes in Urban areas are:

(i) housing schemes for different income-groups operated by the Karnataka Housing Board;

(ii) Site distribution in Bangalore City by the Bangalore Development Authority and by Urban Development Authorities in other urban areas;

(iii) construction of EWS houses for slum dwellers by the Karnataka Slum Clearance Board;

(iv) housing and shelter upgradation for the urban poor as a part of Nehru Rozgar Yojana (NRY) and

(v) construction of quarters for government employees in Bangalore and other places.

About 1.06 lakh houses were constructed in urban areas under the schemes of Bhagya Mandir, Middle Income Group & Low Income Group Housing and Economically Weaker Sections Housing from 1970-71 to 1995-96 of which 37,364 houses were constructed under Bhagya Mandir alone. The schemewise progress is presented in Appendix 9.9.

During the 8th plan period 4.53 lakh sites have been distributed to siteless people as against the target of 2.50 lakhs. Under the Ashraya and Indira Avas Yojana programmes 1.27 and 2.30 lakh houses have been constructed in 1992-97 (up to Dec.1996) respectively.

## II RURAL WATER SUPPLY AND SANITATION

### (a) Rural Water Supply

Protected drinking water supply is provided through the piped water supply scheme, the mini water supply scheme and borewells with hand pumps. The rural population of the State as per the 1991 census is 310.69 lakhs which works out to 69% of the total population. It is spread over 56682 settlements (27066 revenue villages and 29616 hamlets).

These habitations ( hamlets, thandas & janatha housing colonies) have been provided with at least a single drinking water source. Government of India also supports the State Government by additional finance through the Central Sector scheme of the Accelerated Rural Water Supply Programme (ARWSP). 17,685 habitations have been covered with daily supply of water per capita in litres to the extent of the national norm of 55 LPCD. Coverage has been partial in respect of 34,893 habitations. 4,104 habitations have not been covered as per the new norm of 55 LPCD.

Considering the importance of the Rural Water Supply and Sanitation Programme, Government has made an allocation of about Rs.194 crores for 1996-97 under this component. It is also a major item of basic minimum services.

Up to the end of March 1996, 10,059 Piped Water Supply schemes and 9,920 Mini Water Supply schemes have been completed and 1.43 lakh borewells sunk and fitted with handpumps. Details are provided in Appendix 9.10.

The target and achievement in respect of different schemes of rural water supply during the 8th Plan period is indicated below:

Scheme	Eighth Plan Target 1992-97	Eighth Plan Achievement (up to Oct.1996)
Piped Water Supply	2920	3843
Mini Water Supply	7850	5142
Borewells fitted with handpumps	39916	22472

The physical targets and achievements in 1996-97 up to the end of October 1996 under borewells, mini water supply and piped water supply schemes are as detailed below:

Item	Target	Achievement
1. Borewells with Handpumps	7412	3463
2. Borewells with Powerpumps (MWS)	1246	766
3. Piped Water Supply Scheme (PWS)	1039	377
Total:	9697	4606

(b) Rural Sanitation

Nirmala Grama Yojana

To intensify the programme government has launched a campaign called Nirmala Grama Yojana on 2nd October 1995, to cover 30% of the rural families by 2000 A.D.

Beneficiaries under the scheme are selected by the Grama Panchayat. The quantum of subsidy depends upon whether the family is below the poverty line or not.



80% of the cost or a maximum of Rs.1,650 of subsidy per unit (Rs.825 State and Rs.825 Centre) is given to beneficiaries below the poverty line and Rs.1,200 to others. The State has done much in 1995-96 in the construction of household latrines under the Nirmala Grama Yojana. 1.32 lakh household latrines were constructed at an expenditure of Rs. 21.8 crores in less than six months between the period October 1995 to March 1996, as against 1.10 lakh latrines constructed in the last 10 years, since the inception of the scheme. For 1996-97 Rs.25.33 crores have been provided to construct 5 lakh household latrines. 2.67 lakh latrines were constructed up to the end of December 1996.

(c) Urban Water Supply

The Karnataka Urban Water Supply and Drainage Board (KUWSDB) is responsible for planning, designing and executing water supply and drainage schemes in urban areas of the State excluding Bangalore. The Karnataka Urban Water Supply and Drainage Board has jurisdiction over 205 towns and cities, covering a population of nearly 95 lakhs as per the 1991 census. The Board is executing the following schemes:

(i) Piped Water Supply Schemes

Works are taken up in urban areas where the population is less than 20,000 with 100 per cent grant from the government. Since inception up to December 1996, 193 towns have been covered. In 1995-96, two towns were covered at an expenditure of Rs.8.06 crores. In 1996-97 (up to the end of December 1996) Rs.4.58 crores have been spent under the programme.

(ii) Urban Water Supply Schemes

Urban areas with a population of over 20,000 come under this category. The funding pattern for urban water supply schemes has been changed with effect from 15th November 1996. Under the earlier pattern 70% was the loan component, 5% to 15% was government loan and the local bodies contribution was 15% to 20%. At present, towns with a population of above 75,000 including corporations contribute only 10%. Local body contribution has been exempted for other categories of towns.

The details are furnished below.

Population range (as per 1991 census)	Financial Institution Loan	Govt. grant	Local body share
a) Below 20,000	Nil	100%	Nil
b) 20,000 to 30,000	50%	50%	Nil
c) 30,000 to 75,000	50%	50%	Nil
d) Above 75,000 Including Corporations	66 2/3%	23 1/3%	10%

Five towns were covered in 1993-94, four in 1994-95 and two towns in 1995-96 at an expenditure of Rs.33.14 crores, Rs.37.62 crores and Rs.36.3 crores respectively. In 1996-97 (up to December 1996) of Rs. 28.9 crores were spent under the programme.

#### (iii) Board Water Supply Schemes

Board Water Supply Schemes are executed by the Karnataka Urban Water Supply and Drainage Board as per the directions of the government, after obtaining loans from the government and LIC. Debt servicing will have to be done by the Board. The Board also maintains completed works and takes up schemes out of own resources. It is executing works in the Hyderabad Karnataka region for which funds are made available by the Hyderabad Karnataka Area Development Board. In 1993-94 and 1994-95 Rs.6.21 and Rs.3.2 crores were spent respectively. There was no expenditure in 1995-96. This programme has been discontinued from 1996-97.

#### (iv) Underground Drainage Schemes

All urban areas irrespective of population come under this category of schemes financed partly by LIC and HUDCO. It aims at the development of underground drainage systems in urban areas. 23 towns were covered up to December 1996. In 1996-97 Rs.300 lakhs have been provided of which Rs.0.51 lakhs was spent up to December 1996. Progress from 1986-87 to 1996-97 (up to December 1996) is given in Appendix 9.11.

### III. SLUM CLEARANCE

The Slum Clearance Board has so far identified

1871 slum areas in the State with an estimated population of 12.69 lakhs up to the end of December 1996. The Board is implementing three schemes:

1. Slum Improvement
2. Clearance Schemes (construction of EWS Houses); &
3. Sites and Services.

1. Slum Improvement

The Board provides basic amenities like roads, drains, street lights, community bathrooms & latrines, sewerage, community halls and drinking water to slum areas. For 1996-97 a budget provision of Rs.10 crores (excluding IEBR) has been provided for the programme, of which an amount of Rs.6.07 crores has been spent up to December 1996. By end of December 1996, 29,908 persons have been covered.

2. Central Assisted Slum Development Programme

A new scheme called the National Slum Development Programme has been launched by the Government of India in 1996-97 covering water supply, sanitation, primary education, health care, preprimary and adult literacy, non-formal educational facilities, housing, community empowerment, garbage and solid waste management and environmental improvement. The Karnataka Slum Clearance Board is the nodal agency for executing the above programmes. It is in the process of formulating action plans for identified slums under NSDP. For 1996-97, Rs.12.64 crores have been provided by the Government of India.

3. Construction of Economically Weaker Section Houses (EWS)

Under the housing programme, the construction of EWS houses for slum dwellers has been taken up by clearing huts in slum areas and rehabilitating slum dwellers in available vacant land. A budget provision of Rs.360 lakhs has been made for 1996-97 to construct 2000 EWS houses, of which 820 have been constructed up to the end of December 1996. In 1995-96, 2000 EWS houses were constructed. A total of 7,582 EWS houses has been constructed during the Eighth plan period of 1992-97 (up to December 1996).

#### 4. Sites and Services

The programme of providing sites and other essential services to slum dwellers was taken up from 1991-92. Sites will be formed on vacant land and infrastructural facilities provided. A financial allocation of Rs.20 lakhs has been made for 1996-97 to provide 100 sites.

Details of the progress achieved from 1986-87 to 1996-97 (Up to December 1996) are given in Appendix 9.12.

#### 5. ROADS )

The road length which was 0.84 lakh kms. in 1970-71 has increased to 1.35 lakh kms. by 1994-95. Over 24 years about 51 thousand kms. of road length have been added (Appendix 9.14).

Road length under different agencies as at the end of 31st March 1971 and as on 31st March 1995 are given below:

Category of Road	Road Length(Kms) 1971	1995	Increase from 1971 to 1995
National Highways	1269	1997	728
State Highways	6724	11395	4671
Major Dist.Roads	14220	28284	14064
Other Dist.Roads	9522	2090	-7432*
Municipal roads	4492	8056	3564
Other roads	47522	83282	35760
<b>Total:</b>	<b>83749</b>	<b>135104</b>	<b>51355</b>

\* Reduction in road length is due to upgradation of roads to higher categories

As at the end of March 1995, out of 27,028 inhabited villages (1981 census), 13858 (51%) villages were connected by all-weather roads, 6481 (24%) by fair weather roads, 6538 (24%) by katcha and non-motorable

roads and 151 (0.6%) by no road. The number of villages unconnected by road which was 199 at the beginning of the 8th Plan has come down to 151 at the end of the Plan. 48 unconnected villages have been provided with connectivity. During the same period in 895 villages katcha and non motorable roads have been upgraded to fair weather and all weather roads and in 266 villages they have been upgraded to fair weather roads. 1209 villages have been provided with all weather roads during the 8th Plan 1992-93 to 1994-95 (Appendix 9.15).

## 6. SOCIAL SECURITY

Several programmes are being implemented for the welfare of destitutes, handicapped and the elderly without support.

### (i) Handicapped Persons

For the welfare of the handicapped, financial assistance at the rate of Rs.50/- per month was being given till 1993-94. From 1994-95 the amount has been enhanced to Rs.75/- per month. About 3.05 lakh persons were covered up to the end of September 1996. In 1996-97 Rs.10.92 crores were distributed to handicapped persons.

### (ii) The Aged

A scheme of Old Age Pension for the elderly aged over 65 years without means of support is being implemented. A pension of Rs.75/- per month is paid to such persons. In 1995-96 old age pension was paid to 4.96 lakh elderly persons. In 1996-97 Rs.18.18 crores were distributed as financial assistance up to the end of September 1996 covering 5.07 lakh persons.

### (iii) Destitute Widows

A programme of providing financial assistance to destitute widows is being implemented since 1984 and a pension of Rs.75/- per month is being provided. In 1996-97, 5.17 lakh beneficiaries were covered under this programme up to the end of September 1996.

The schemewise expenditure and the number of beneficiaries covered are presented in Appendix 9.16

(iv) Distribution of Sarees and dhotis

A scheme for providing sarees and dhotis at subsidised rates to green card holders is being implemented since October 2nd, 1985. The beneficiaries covered under the programme are landless agricultural labourers, village artisans, small and marginal farmers, old age and widow pension beneficiaries and plantation workers. The programme has also been extended to families who are living in slums. In 1995-96 Rs.14.25 crores have been spent and 32 lakh beneficiaries covered. In 1996-97 Rs.9.44 crores have been spent up to December 1996, covering 32 lakh beneficiaries.

(v) Maternity Allowance

A scheme for the grant of a maternity allowance of Rs.100 per month to women agricultural landless labourers is being implemented since 1984-85. This is payable for the birth of the first and second child for three months, covering the pre natal and post natal periods. Rs.300/- is payable in one instalment during pregnancy. The scheme has been extended to women handloom weavers from 1991-92. Rs.1.63 crores have been spent on maternity covering 54,000 beneficiaries in 1995-96. In 1996-97 Rs.10 lakhs were spent and 3,000 beneficiaries covered up to the end of December 1996.

The yearwise expenditure and beneficiaries covered are presented in Appendix 9.17.

#### 4. NUTRITION

The nutrition programme consists of two components

- a) Supplementary Nutrition Programme in the ICDS (Directorate of Women and Child Development)
- b) Supply of foodgrains to the poor at subsidised rates (Department of Food and Civil Supplies)

##### a) Supplementary Nutrition Programme

In the Integrated Child Development Programme, the Supplementary Nutrition Programme is an important element. Its aim is to improve the nutritional level of weaker sections of the population. Malnutrition is high among children of the socially and economically backward sections, leading to slow growth. In the opinion of experts, in the diet of a normal Indian child, there is a deficit of 300-500 calories of energy and 8-10 grams of proteins. Pregnant women, nursing mothers and severely malnourished children have a deficit of 500-600 calories of energy and 20 grams of proteins. To overcome this, the Integrated Child Development Programme was taken up by the Government of India in October, 1975.

The Supplementary Nutrition Programme is being implemented through Anganawadi centres. Children who attend Anganawadies in the age group of six months to three years and three years to six years are the beneficiaries of the programme. Malnutrition is high in the age group of six months to three years, with a view to developing awareness programmes are being arranged. To make up the deficit in calories, pregnant women, nursing mothers and severely malnourished children are provided with double the normal quantity of food.

In the State, the programme covers all the 175 taluks and 10 urban areas. In the 185 projects which are functioning 27% of the beneficiaries are SCs & STs and 12% belong are to minority communities.

The feeding pattern under the programme is as follows:

In 183 projects - Recipes with 60 grams of energy food mixes for 3 days in a week, 90 grams of energy food for one day in a week.

The products are manufactured by the Karnataka State Agro Corn Products. For 2 days 60 grams of rice are given. The cost per day per child works out to one rupee including the ingredients used in preparation.

Bangalore (U) - Children in the age group of 1 to 6  
2 Projects as also pregnant and nursing mothers will get two slices of milk bread. The cost per beneficiary is one rupee per day.

The cost of supplementary nutrition is borne by the State government. The administrative expenditure in respect of 155 Central projects and ICDS functionaries including the ICDS cells is met by the Central government. The State government finances 30 State sector projects.

TABLE 9.8  
Nutrition Programme in Karnataka

Item/Unit	1994-95	1995-96	1996-97 (A)
A. Supplementary Nutrition Programme			
1. Plan Expenditure (Rs. in lakhs)	1698.21	2999.18	3624.57
2. Beneficiaries (in 000's)	2388	2888	3232

Source; Directorate of Women & Child Development.



## Distribution of Foodgrains at Subsidised Rates to the Poor

Foodgrains are distributed to the poor at subsidised rates. Coverage has increased from 49.35 lakhs in 1994-95 to 63.88 lakhs in 1996-97. Persons with green cards get 10 kgs. of foodgrains. Fine quality rice is given at Rs.3.20 per kg. and wheat at Rs.2.00 per kg. Transportation charges are met by the State government. In ITDP and DPAP areas the rates are 0.50 paise less. The revamped PDS is in operation in 14 ITDP and 71 DPAP taluks. The quantity given is also higher in these areas. Vigilance committees monitor the distribution under the restructured PDS was being launched from January 26th 1997, families living below the poverty line will be provided 10 kgs. of foodgrains per family every month at subsidised prices. The center has already directed the state to prepare the special ration cards for eligible families.

**APPENDIX**  
*(DETAILED STATISTICAL STATEMENTS)*

APPENDIX - 2.1

Index Numbers of Area, Production  
and Yield of Agricultural  
Commodities, 1985-86 to 1995-96

Base: Triennium ending 1981-82=100.

Year	Area	Production	Yield
1985-86	100.8	133.1	114.4
1986-87	105.0	155.3	129.9
1987-88	104.1	148.6	121.9
1988-89	105.3	167.2	127.9
1989-90	107.1	175.4	133.5
1990-91	100.8	158.5	118.2
1991-92	105.5	192.7	135.4
1992-93	105.3	210.7	155.1
1993-94	101.3	209.3	150.7
1994-95	98.9	147.3	119.9
1995-96	N.A.	N.A.	N.A.
1996-97 (A)	N.A.	N.A.	N.A.

Source: Directorate of Economics & Statistics

A : Anticipated

NA : Not Available

APPENDIX - 2.2

'Area under Principal Crops in Karnataka

Crop	Lakh Hectares											
	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97 (A)
Rice	10.96	11.66	10.47	12.38	11.83	11.73	12.83	13.17	13.74	12.96	12.73	13.28
Ragi	11.09	11.75	11.16	11.50	11.67	10.55	11.18	10.38	10.29	9.44	10.88	10.71
Jowar	23.18	26.40	24.65	21.06	23.39	21.55	21.05	23.06	20.85	21.65	19.83	20.20
Bajra	4.47	4.85	4.70	4.54	5.14	4.25	4.14	3.75	3.00	2.94	4.00	3.95
Maize	1.67	2.27	2.05	2.55	2.53	2.50	2.83	3.15	3.18	3.44	3.74	4.23
Wheat	2.49	2.71	2.67	2.38	2.48	1.98	1.99	2.24	2.37	2.44	2.19	2.33
Minor Millets	2.55	2.41	2.55	2.17	2.05	1.59	1.29	1.17	1.18	1.04	1.08	0.96
Total Cereals	56.41	62.05	58.25	56.60	59.09	54.15	55.31	56.92	54.61	53.91	54.15	55.66
Tur	4.20	4.45	4.65	4.97	4.82	4.63	5.10	4.50	3.81	3.03	4.27	4.64
Total Pulses	15.84	16.57	17.74	16.26	16.47	16.21	17.87	16.60	15.23	16.48	16.50	18.57
Total Foodgrains	72.25	78.62	75.99	72.54	75.56	70.36	73.18	73.52	69.84	70.39	70.65	74.23
Groundnut	10.12	10.34	10.56	12.81	11.94	12.12	13.59	12.76	12.43	12.00	11.85	13.47
Total Oilseeds	18.79	21.70	27.22	23.05	22.65	25.51	30.22	27.72	31.27	25.65	26.26	27.95
Sugarcane	1.71	1.81	2.03	2.39	2.65	2.72	2.85	2.61	3.01	3.45	3.22	3.23
Cotton	6.74	4.14	4.76	6.54	6.97	5.95	5.86	6.30	5.71	6.36	6.88	6.32
Areca nut(P)	0.59	0.59	0.60	0.61	0.63	0.64	0.65	0.66	0.69	0.72	NA	NA
Coconut	2.06	2.07	2.13	2.20	2.26	2.32	2.39	2.46	2.53	2.64	NA	NA
Dry Chillies	1.49	1.43	1.27	1.42	1.52	1.29	1.37	1.61	2.01	1.68	NA	NA
Tobacco	0.47	0.47	0.44	0.51	0.50	0.46	0.52	0.58	0.61	0.59	0.58	0.59
Pepper	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	NA	NA
Cardamum	0.28	0.27	0.27	0.27	0.27	0.26	0.26	0.25	0.26	0.25	NA	NA
Coffee	1.28	1.28	1.26	1.26	1.18	NA	NA	NA	NA	NA	NA	NA

Source: 1) Directorate of Economics & Statistics 2) Coffee Board, Bangalore.

A: Anticipated

NA: Not Available

APPENDIX - 2.3

Production of Principal Crops in Karnataka

Lakh Tonnes

Crop	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97(A)
Rice	20.28	23.14	18.77	25.23	23.73	24.28	28.50	30.69	31.83	31.67	29.67	31.02
Ragi	11.28	14.61	11.47	10.87	13.31	9.76	14.72	15.36	15.67	13.53	16.57	15.26
Jowar	13.56	19.14	15.94	15.46	16.11	12.82	16.50	19.26	18.95	16.38	17.48	17.60
Bajra	2.08	2.50	2.52	2.08	2.81	2.03	1.98	2.15	1.84	1.18	2.72	1.91
Maize	3.98	5.76	5.10	6.77	7.09	6.30	8.55	9.77	9.47	9.87	11.41	10.25
Wheat	1.05	1.36	1.25	1.35	1.25	1.23	1.40	1.58	1.92	1.76	1.65	1.78
Minor Millets	0.77	1.00	1.07	0.95	0.82	0.63	0.63	0.55	0.61	0.51	0.57	0.56
Total Cereals	53.00	67.51	56.12	62.71	65.12	57.05	72.27	79.36	80.29	74.90	80.07	78.38
Tur	1.79	1.99	2.09	1.43	1.82	1.75	1.82	0.86	1.55	1.19	1.98	1.57
Total Pulses	4.89	5.87	6.68	4.61	5.46	5.39	6.73	5.62	6.30	6.21	6.95	6.10
Total Foodgrains	57.89	73.38	62.80	67.32	70.58	62.44	79.01	84.98	86.59	81.11	87.02	84.48
Groundnut	6.79	7.26	9.02	9.79	9.33	8.16	11.03	11.36	11.99	9.46	11.32	10.92
Total Oilseeds	9.81	12.54	14.94	13.70	13.86	13.39	18.12	17.55	18.89	15.42	17.15	17.14
Sugarcane	141.11	143.73	178.75	186.82	210.88	207.50	240.62	224.80	218.22	330.93	277.75	291.57
Cotton (1)	5.08	4.50	5.54	9.19	8.87	6.40	9.54	8.65	7.10	8.15	10.59	8.82
Areca nut	0.85	0.86	0.87	0.89	0.92	0.93	0.95	0.97	1.01	1.06	NA	NA
Coconut(2)	105.90	106.63	109.69	113.46	116.65	119.93	122.76	126.97	130.80	1364.15	NA	NA
Dry Chillies	0.44	0.42	0.38	0.42	0.43	0.37	0.39	0.98	1.10	1.02	NA	NA
Tobacco	0.33	0.37	0.34	0.41	0.35	0.33	0.44	0.53	0.46	0.45	0.47	0.46
Pepper (3)	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.08	0.08	0.08	NA	NA
Cardamum	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	NA	NA
Coffee	0.84	1.45	0.82	0.82	0.84	NA	1.40	1.20	NA	NA	NA	NA

(1): Lakh bales of 170 kgs each in lint form; (2) crore nuts; (3) lakh quintals

P: Provisional A: Anticipated NA: Not Available

Source: Directorate of Economics and Statistics

APPENDIX - 2.4

Average Yield of Selected agricultural Crops - India & Karnataka

Kgs/Hectare

Crop	1970-71		1980-81		1990-91		1991-92		1992-93		1993-94		1994-95		1995-96		1996-97(P)	
	India	Kar	India	Kar	India	Kar	India	Kar	India	Kar	India	Kar	India	Kar	India	Kar	India	Kar
Rice	1123	1798	1336	2134	1740	2178	1751	2338	1744	2454	1879	2377	1921	2574	NA	2453	NA	2459
Ragi	872	891	958	1059	1080	973	1210	1385	1340	1557	NA	1591	1327	1508	NA	1549	NA	1500
Jowar	466	740	660	797	814	626	655	825	989	879	894	960	783	796	NA	928	NA	917
Wheat	1307	389	1630	569	2281	651	2394	743	2323	743	2373	830	2553	761	NA	793	NA	804
Maize	1279	3494	1159	2556	1518	2659	1376	3178	1694	3263	1583	3040	1493	3025	NA	3211	NA	2551
Bajra	622	375	458	358	658	504	465	501	824	663	527	680	707	423	NA	716	NA	509
Tur	709	528	689	392	673	397	588	378	663	202	754	459	651	416	NA	488	NA	356
Groundnut	834	799	736	832	904	708	818	854	1060	397	926	1015	1042	829	NA	1006	NA	853
Cotton (Lint)	106	95	152	106	225	192	216	291	261	246	248	236	260	229	NA	275	NA	249
Sugarcane *	48	81	58	58	65	80	66	88	64	91	57	91	NA	101	NA	91	NA	95

\* Tonnes per hectare

P Provisional

NA Not Available

Source 1 Karnataka Directorate of Economics and Statistics, Karnataka

2 India Directorate of Economics and Statistics, Ministry of Agriculture, Government of India

## APPENDIX-2.5

## Fertiliser Consumption &amp; HYV Coverage in Karnataka 1985-86 to 1996-97

Year	Area Under HYV (Lakh Hectares)	Fertiliser Consumption (Lakh Tonnes)			
		N	P	K	Total (N+P+K)
1985-86	27.46	2.96	1.64	0.95	5.55
1986-87	32.60	3.02	1.61	1.03	5.66
1987-88	29.32	2.86	1.62	1.10	5.58
1988-89	31.81	4.38	2.30	1.32	8.00
1989-90	31.64	3.92	2.49	1.38	7.79
1990-91	31.56	4.12	2.56	1.65	8.33
1991-92	33.44	4.47	2.92	1.66	9.05
1992-93	30.55	4.33	2.55	1.23	8.11
1993-94	31.64	4.73	2.16	1.16	8.05
1994-95	40.36	4.95	2.02	1.26	8.23
1995-96	36.03	5.36	2.45	1.55	9.36
1996-97 (A)	37.00	5.78	2.51	1.61	9.90

A: Anticipated.

Source: Department of Agriculture

APPENDIX - 2.6

Area and Production of Selected Fruit Crops

Crop	Area in Hectares, Production in M Ts													
	1990-91		1991-92		1992-93		1993-94		1994-95		1995-96(E)		1996-97(A)	
	Area	Production	Area	Production	Area	Production	Area	Production	Area	Production	Area	Production	Area	Production
Mango	70149	671607	79016	671636	85312	810464	93357	886891	106759	957211	104588	993586	108562	1031339
Banana	45197	1136554	38233	1131696	43665	1440945	49368	1629144	48781	1609773	50635	1670955	52559	1734447
Citrus Varieties	36161	346888	34044	306396	34357	365215	34358	365225	35454	376876	36801	391195	38199	406055
Guava	11120	106163	10233	127912	11368	142100	11575	144688	12285	153563	12752	159400	13237	165463
Sapota	14234	254269	13953	256735	14666	259588	15959	282474	17976	318175	18659	330264	19368	342814
Grapes	6374	129420	5614	123508	5558	166740	5076	152280	5202	156060	5400	162000	5605	168150
Pineapple	3297	113815	2963	103409	2430	30375	2452	30650	2575	32188	2673	33413	2775	34688
Pomogranate	3208	15664	4651	45115	5081	29469	5642	32724	6243	36209	6480	37584	6726	39011
Jack	10317	253734	10943	257161	10858	255163	11110	261085	11597	272530	12038	282893	12495	293633
Papaya	4534	184948	4085	172796	4495	391065	4833	420471	5272	458664	5472	476064	5680	494160
Ber	1870	11294	2454	18650	2831	17286	3157	18942	3654	21924	3793	22758	3937	23622
Fig	145	1450	109	403	136	1360	138	1380	137	1370	142	1420	147	1470
Rose Apple	350	2005	285	1311	304	1733	294	1675	322	1835	334	1904	347	1978
Litchi	15	150	13	27	12	120	8	80	15	150	16	160	17	170
Annona Fruits	3450	31860	3550	30530	3632	41768	3592	39871	3035	33689	3150	34965	3270	36297
Butter Fruits	95	150	119	440	159	795	128	640	150	750	156	780	162	810
Other Fruits	6500	68450	6455	58095	7743	77480	10263	102630	12243	122430	12708	127080	13191	131910
TOTAL	217016	3328421	216720	3305820	232662	4031566	251310	4370850	265700	4553397	275797	4726421	285217	4906017

Source : Directorate of Horticulture



APPENDIX - 27

Additional Area under forestry 1985-86 to 1996-97

Year	Hectares								
	Planta- tion of Quick Growing Species (000 ha )	Economic & Commer- cial Planta- tions	Social Forestry	Eucalyp- tus Planta- tions	Teak Planta- tions	Matchwood Planta- tions	Misce- llaneous Planta- tions	Canal & Avenue Side Planta- tions (Km )	Affores- tation Trees Planted (Lakh No )
1985-86	29 98	1060	7336	5136	1762	1381	31044	1510	2945 98
1986-87	28 68	1476	6019	8156	1329	1185	32262	2258	2371 90
1987-88	40 48	1062	5302	5085	1832	1680	2047	1643	3152 19
1988-89	32 57	840	2255	4949	676	753	1946	2437	3091 00
1989-90	36 39	387	2949	-	255	807	1002	2030	2232 00
1990-91	21 14	3700	2843	85	155	436	1209	1070	1631 00
1991-92	16 02	3932	4108	366	2485	447	18714	1051	437 18
1992-93	15 00	2884	2470	22	375	166	28020	2445	374 38
1993-94	-	-	-	18	265	-	41513	3560	637 00
1994-95	-	-	-	1200	478	-	52700	5063	608 50
1995-96	-	-	-	1155	3518	3643	51736	4297	1055 62
1996-97 (Anticipated)	-	-	-	-	-	-	57553 50	1323	981 34

(Including  
planting on  
private land)

(Including  
planting on  
private land)

Source: Department of Forest

APPENDIX - 2.8

Fish Production 1985-86 to 1996-97

In Tonnes			
Year	Marine	Inland	Total
1985-86	200666	42118	242784
1986-87	151779	44086	195865
1987-88	129659	46384	176043
1988-89	147307	50159	197466
1989-90	186132	55838	246970
1990-91	185706	52865	238571
1991-92	180843	64343	245186
1992-93	174193	65704	239897
1993-94	174522	24632	249154
1994-95	173750	70287	244037
1995-96	217637	87354	304991
1996-97 (Anticipated)	220000	80000	300000

Source: Directorate of Fisheries.

APPENDIX - 3.1

Index of Industrial Production in Karnataka 1985-86 to 1994-95

Sector	Weight	1985 -86	1986 -87	1987 -88	1988 -89	1989 -90	1990 -91	1991 92	1992 -93	1993 -94	1994 -95
1. Mining	1.41	107.60	119.58	124.92	125.29	136.23	149.03	153.61	144.44	154.84	165.34
2. Manufacturing	95.85	186.49	194.66	204.02	222.76	246.68	262.53	279.31	298.01	319.55	346.22
3. Electricity	2.74	118.89	122.44	118.47	145.00	172.94	188.46	195.87	199.22	225.52	263.81
	100.00	183.22	191.62	200.56	219.40	243.13	259.90	275.25	293.14	314.63	341.41

Source : Directorate of Economics and Statistics, Bangalore.

APPENDIX - 3.2 (Contd.)

Annual Indices of Industrial Production in Karnataka Manufacturing Division : Group Level 1985-86 to 1994-95

Base: 1980-81 = 100

Industry Code	Name of the Industry Group	Weight within the division	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
1. 20-21	Manufacture of food Products	12.76	168.62	180.77	200.48	221.27	249.95	295.89	318.57	351.79	366.93	413.76
2. 22	Manufacture of beverages, tobacco & tobacco products	5.56	155.29	156.13	161.08	179.13	227.52	235.19	264.85	300.13	301.39	372.66
3. 23	Manufacture of cotton textiles	40.90	152.03	145.22	150.67	156.10	162.52	162.44	173.27	185.50	196.87	203.04
4. 24	Manufacture of wool, silk & synthetic fibre textiles	0.47	215.10	243.91	301.21	404.04	390.55	307.72	382.54	403.03	419.22	443.18
5. 26	Manufacture of textile products (including wearing apparel other than footwear)	0.26	512.86	535.97	556.66	571.39	625.50	737.34	771.36	833.97	965.58	1005.05
6. 27	Manufacture of wood and wood products, furniture and fixtures	0.80	449.62	473.02	487.59	565.42	721.58	614.28	862.00	932.63	1000.95	1092.64
7. 28	Manufacture of Paper and paper products and printing, publishing and allied industries.	3.32	195.21	215.00	225.77	251.11	257.71	273.47	293.05	307.04	342.36	366.72
8. 29	Manufacture of leather, leather and fur products (except repair)	0.13	707.34	717.25	774.51	856.86	1015.69	1043.14	1074.51	1100.8	1458.04	1564.14
9. 30	Manufacture of rubber, plastic, petroleum & coal products	1.43	146.76	146.27	139.00	160.20	176.95	205.95	241.30	274.29	311.69	355.73

APPENDIX - 3.2 (Concl'd.)

Annual Indices of Industrial Production in Karnataka Manufacturing Division : Group Level 1985-86 to 1994-95

Base: 1980-81 = 100

Industry Code	Name of the Industry Group	Weight within the division	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
10. 31	Manufacture of chemical & chemical products (except products of petroleum & coal)	6.89	139.65	151.11	145.92	171.68	200.07	206.90	232.76	250.30	262.80	225.10
11. 32	Manufacture of non-metallic mineral products	4.55	199.89	235.95	235.76	241.71	281.97	302.18	300.42	301.03	338.56	354.68
12. 33	Basic metal & alloys industries	9.98	226.16	242.69	247.50	273.75	330.44	343.72	366.14	385.71	438.06	452.29
13. 34	Manufacture of metal products & parts (except machinery and transport equipment)	0.56	816.97	822.00	810.87	810.91	802.62	875.37	889.33	901.61	910.66	974.16
14. 35	Manufacture of machinery, machine tools & parts (except electrical machinery)	4.00	217.25	249.70	273.67	294.71	333.44	361.69	368.55	423.65	446.17	466.71
15. 36	Manufacture of electrical machinery, apparatus & appliances & parts etc.	6.58	291.26	322.70	362.07	409.27	450.71	475.44	475.08	487.08	522.96	607.82
16. 37	Manufacture of transport equipment & parts	0.25	198.15	225.05	271.47	313.42	329.96	344.24	402.46	471.49	525.94	556.85
17. 38	Other manufacturing industries	1.00	262.28	278.27	298.93	368.23	392.40	585.19	603.31	605.95	618.03	634.93
	All groups	100.00	186.49 (7.10)	194.66 (4.33)	204.02 (4.21)	222.76 (9.19)	246.68 (10.74)	262.53 (6.43)	279.31 (6.09)	298.01 (6.69)	319.53 (7.22)	346.22 (8.05)

Note : Figures in brackets indicate percentage change over the previous year.

Source : Directorate of Economics & Statistics, Bangalore.

APPENDIX - 3.3

Index of Industrial Production in the Manufacturing sector in Karnataka by  
Use-Based Groups 1985-86 to 1994-95

Base: 1980-81 = 100

Industry Groups	Weight	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
1. Basic goods	14.91	213.14	222.12	222.20	256.88	309.44	316.71	343.12	351.43	392.56	405.00
2. Capital goods	10.70	292.18	327.40	367.64	403.83	446.11	471.24	484.17	508.98	542.63	614.06
3. Intermediate goods	4.56	210.70	225.26	230.20	254.91	298.04	329.19	342.37	374.61	420.59	464.80
4. Consumer goods	69.83	162.53	163.03	172.02	186.05	200.51	214.29	231.33	249.28	262.94	284.76
a) Consumer durables	2.10	219.49	227.46	230.21	275.91	282.18	403.03	413.23	412.44	419.45	432.00
b) Consumer non-durables	67.73	160.76	161.09	170.52	183.26	197.98	209.06	225.69	244.22	258.09	280.19
5. General Index	100.00	186.15	195.07	204.75	223.05	247.48	262.71	280.12	298.10	319.44	346.13

Note : Figures in brackets indicate percentage change over the previous year.

Source: Directorate of Economics and Statistics, Bangalore.

Appendix - 3.4 (Contd)

Production of Selected Industries in Karnataka - 1980-81 to 1995-96

Production	Unit	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88
1. Aluminium	Lakh Tonnes	0.38	0.49	0.48	0.34	0.36	0.05	0.27	0.21
2. Iron and Steel*									
a) Pig Iron	"	0.85	0.87	0.60	0.46	0.57	0.33	0.05	-
b) Saleable Steel	"	0.82	0.70	0.62	0.60	0.70	0.55	0.52	0.38
c) Steel Ingots	"	1.00	1.06	1.68	0.68	0.93	0.77	0.57	0.54
3. Paper	"	0.91	0.98	0.95	1.04	1.11	1.75	1.99	1.87
4. Sugar	"	3.12	4.99	6.89	4.54	3.83	4.90	5.18	6.60
5. Soap **	"	0.13	0.14	0.11	0.06	0.09	0.13	0.16	0.12
6. Vanaspathi	"	0.04	0.05	0.07	0.07	0.10	0.06	0.07	0.07
7. Fertilisers									
a) Urea	"	1.82	2.58	2.11	1.96	2.91	2.41	3.08	1.68
b) Superphosphate ***	"	0.20	0.32	0.35	0.42	0.38	0.40	0.21	0.29
8. Cement	"	15.57	15.33	16.25	19.58	21.66	22.74	28.16	27.47
9. Sandalwood oil	Lakh Kgs.	0.42	0.42	0.52	0.59	0.48	0.49	0.36	0.12
10. Cigarettes	Million Nos	7773	14455	14697	12240	14242	12235	12500	3525
11. Motor Cycles	'000 Nos.	32.00	21.63	28.74	34.76	27.69	26.37	17.35	15.38
12. Wrist Watches	Lakh Nos.	6.69	6.61	9.22	8.31	6.47	8.72	8.50	9.02
13. Silk Fabrics	'000' Mtrs.	119.50	151.30	193.15	240.97	378.34	594.25	517.21	465.22

Appendix - 3.4 (concl.)

Production of Selected Industries in Karnataka - 1980-81 to 1995-96

Production	Unit	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
1. Aluminium	Lakh Tonnes	0.29	0.50	0.45	0.09(1)	0.19	0.12	0.08	0.08
2. Iron and Steel*	"								
a) Pig Iron	"	0.12	0.46	0.47	0.55	0.17	Neg.	0.04	1.61
b) Saleable Steel	"	0.41	0.67	0.75	0.97	0.71	0.63	0.63	0.63
c) Steel Ingots	"	0.59	0.88	0.84	0.85	0.70	0.76	0.82	0.95
3. Paper	"	1.94	1.94	1.88	1.95	1.85	2.07	2.17	2.33
4. Sugar	"	7.49	7.60	8.83	10.14	9.31	7.61	10.12	10.21
5. Soap **	"	0.06	0.11	0.10	0.09	0.07	0.10	0.10	0.11
6. Vanaspathi	"	0.10	0.43	0.12	0.08	0.06	0.07	0.04	-
7. Fertilisers	"								
a) Urea	"	1.68	2.79	2.00	2.57	2.62	1.89	2.51	2.33
b) Superphosphate ***	"	-	-	-	-	-	-	-	-
8. Cement	"	31.04	31.50	32.83	35.15	37.20	36.58	40.35	37.45 (P)
9. Sandalwood oil	Lakh Kgs.	0.03	0.05	0.07	0.07	0.07	0.10	0.15	0.15
10. Cigarettes	Million Nos	9312	11044	26622	11621	11367	11471	12995	15699
11. Motor Cycles	'000 Nos.	5.80	12.60	5.80	Nil(2)	0.64	2.5	5.90	5.77
12. Wrist Watches	Lakh Nos.	12.92	12.69	15.00	14.97	15.23	10.23	11.74	11.71
13. Silk Fabrics <sup>a</sup>	'000 Mtrs.	493.74	484.90	671.30	501.00	645.39	533.24	509.33	474.20

Note : \* = Data pertaining to Iron and Steel relates only to Visveswaraya Iron and Steel Ltd., Bhadravathi.

\*\* = Data pertaining to Soap relates to Karnataka Soaps and Detergents Ltd., Bangalore.

<sup>a</sup> = Data pertaining to Government Silk Weaving Factory, Mysore.

\*\*\* = Factory has been closed since 15th Nov. 1987.

(1) = Excluding Indian Aluminium Co.

(2) = Factory was under lock out from Feb. 1991 to Sept. 1992. P = Provisional

Source : Concerned Industrial Units in the State.



## APPENDIX - 3.5

## Registration of Small Scale Industrial Units in Karnataka 1980-81 to 1995-96

Item	Cumulative															
	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
No. of SSI Units set up	27669	31065	37161	40751	52713	64347	75526	86056	95867	105567	115411	125969	137337	149951	163454	175310
Investment (Rs. lakhs)	26414	31369	37624	40559	46854	55671	65079	75244	85777	97024	108867	127490	147262	167153	193316	226776
Employment (1000 No.)	345	384	430	427	462	543	600	653	703	755	808	870	933	1003	1077	1146

Source: Directorate of Industries and Commerce, Bangalore.

APPENDIX - 3.6

Registration of New Industrial Units  
in Karnataka, 1980-81 to 1994-95

Year	Number	
	Registered factories	Employment
1980-81	11175	531000
1981-82	10377	550000
1982-83	10710	695146
1983-84	11073	719248
1984-85	11342	739641
1985-86	11677	762504
1986-87	12095	782840
1987-88	12436	803285
1988-89	12762	816906
1989-90	12746	816898
1990-91	7768 *	777864 (R)
1991-92	7107	760600
1992-93	7084 @	760207
1993-94	7080	789045
1994-95	7762	818000

Note: \* Factories registered under Section 25 (1) were denotified by the Govt. of India in June 1991. Hence, the reduction in the no. of factories and employment

R - Revised.

@: 18 Factories have been closed.

Source: Chief Inspector of Factories and Boilers in Karnataka, Bangalore.

APPENDIX - 3.7

Joint-Stock Companies Registered and Liquidated by Public and Private Sectors, 1980-81 to 1995-96.

Item	1980 -81	1981 -82	1982 -83	1983 -84	1984 -85	1985 -86	1986 -87	1987 -88	1988 -89	1989 -90	1990 -91	1991 -92	1992 -93	1993 -94	1994 -95	1995 -96
1. Joint-Stock Companies Registered (No.)																
(a) Private Companies	355	499	518	694	761	693	666	685	949*	826	900	1103 ‡	1004	1161	1770	2011
(b) Public Companies	20	27	28	51	44	54	63	37	30	52 **	60	90	131	122	298	318
Total	375	526	546	745	805	747	729	722	979	878	960	1223	1135	1283	2068	2329
2. Authorised Capital (Rs. in crores)																
(a) Private Companies	248.36	52.68	64.82	162.15	51.93	132.20	64.22	91.06	104.69	157.25	107.09	157.75	166.07	202.65	1191.18	520.65
(b) Public Companies	9.42	26.30	27.02	14.55	14.09	93.77	17.54	60.62	109.55	217.06	109.55	217.06	202.98	137.27	2421.42	453.12
Total	257.78	78.98	91.84	176.70	66.02	225.97	81.76	151.68	214.24	374.31	216.64	374.81	369.05	339.92	1433.60	973.77
3. Joint-Stock Companies liquidated and struck off																
(a) Private Companies	112	22	62	19	12	41	12	17	7	37	16	26	56	26	90	22
(b) Public Companies	25	-	-	-	-	-	1	-	1	6	2	7	3	8	13	2
Total	137	22	62	19	12	41	13	17	8	43	18	33	59	34	103	24

\* Including one guarantee company \*\* Including two guarantee companies

‡ Including 6 guarantee companies.

Source: Registrar of Companies in Karnataka, Government of India, Bangalore.

APPENDIX - 3.8

Industrial Approvals in Karnataka, 1980-81 to 1995-96

Item	Number															
	1980 -81	1981 -82	1982 -83	1983 -84	1984 -85	1985 -86	1986 -87	1987 -88	1988 -89	1989 -90	1990 -91	1991 -92	1992 -93	1993 -94	1994 -95	1995 -96
1. DCTD Registration	N.A.	N.A.	130	93	82	66	67	70	36	29	31	31 *	-	-	N.A.	N.A.
2. Registrations issued by SIA	N.A.	N.A.	N.A.	N.A.	N.A.	78	94	91	40	74	79	83	-	N.A.	N.A.	N.A.
3. IEM Filed	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	109 **	NA **	N.A.	N.A.	N.A.
4. Letters of intent issued	58	74	70	80	75	89	77	73	87	71	61	64	21	39	22	10
5. Industrial licences issued	29	31	60	58	53	63	44	37	38	39	23	33	7	6	10	2

Note : (i) DCTD = Directorate General of Technical Development

(ii) SIA = Secretariat for Industrial Approvals

(iii) IEM = Industrial Entrepreneurs memorandum.

\* = Revised

\*\* = During the year 1991-92, DCTD Registrations were discontinued and SIA Registrations were replaced by IEM scheme with effect from August 1991.

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

APPENDIX - 3.9 (Contd..)

Assistance Sanctioned and Disbursed by Karnataka State Financial Corporation 1980-81 to 1995-96

Particulars	1980-81		1981-82		1982-82		1983-84		1984-85		1985-86		1986-87		1987-88	
	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)
1. Sanctions	1022	2117	1292	3249	1871	4378	2660	5826	4002	7562	4795	10227	4910	1179	5053	12559
2. Disbursements	-	1441	-	2164	-	3144	-	4267	-	5364	-	6813	-	8967	-	10479
3. Assistance sanctioned under selected schemes																
i) Technicians scheme	75	125	57	97	125	190	133	205	218	411	351	567	301	613	221	461
ii) Special capital scheme	42	15	44	22	89	43	101	43	215	117	222	134	282	155	217	195
iii) SC/ST/BC entrepreneurs	169	148	166	214	312	254	702	552	1158	617	1360	601	1170	666	1241	766
iv) Composite Loan scheme	164	8	174	10	196	30	551	60	1260	128	1823	158	1968	202	1996	285

APPENDIX - 3.9 (Concl'd)

Assistance Sanctioned and Disbursed by Karnataka State Financial Corporation 1980-81 to 1995-96

Particulars	1988-89		1989-90		1990-91		1991-92		1992-93		1993-94		1994-95		1995-96	
	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)	NO. of cases	Amount (Rs. lakhs)
1. Sanctions	6178	14466	7641	18620	8284	25089	10611	33288	14952	33625	13224	35477	14089	52019	14819	61381
2. Disbursements	-	12460	-	14702	-	19071	-	24634	-	29981	-	31001	-	43209	-	51263
3. Assistance sanctioned under selected schemes																
i) Technicians scheme	241	561	185	406	161	413	111	391	49	165	69	229	70	211	48	315
ii) Special capital scheme	277	171	225	188	214	136	453	316	519	320	406	256	457	195	453	320
iii) SC/ST/BC entrepreneurs	1356	1063	2021	1766	1748	1833	2177	2489	5227	2724	4800	3532	5000	4140	5011	4297
iv) Composite loan scheme	2447	298	3125	448	2736	531	3748	666	2220	1239	1100	321	1356	529	1280	411

Note : Includes soft loan, soft steel capital under Mahila Udyama Nishi Scheme and Seafex Scheme.

Source : Karnataka State Financial Corporation, Bangalore.

APPENDIX - 3.10

Karnataka State Industrial Investment and Development Corporation Limited Assistance sanctioned from 1980-81 to 1995-96

Item	Unit	1980 -81	1981 -82	1982 -83	1983 -84	1984 -85	1985 -86	1986 -87	1987 -88	1988 -89	1989 -90	1990 * -91	1991 -92	1992 -93	1993 -94	1994 -95	1995 -96
<b>1. Loans</b>																	
	Rs.																
(a) Amount	Lakhs	832	1409	1832	3260	2613	2819	3081	3150	4016	6220	6660	6883	7009	9295	17064	24212
(b) Industrial Units	Number	23	40	54	82	58	56	60	58	74	108	85	82	78	106	157	208
<b>2. Equity Assistance</b>																	
	Rs.																
(a) Investment	Lakhs	N.A.	137	227	123	358	33	350	281	177	594	530	747	627	732	4365	6080
(b) Industrial Units	Number	N.A.	6	19	7	9	5	6	8	10	12	5	14	18	10	32	38

\*: Revised

N.A.: Not Available

Source : Karnataka State Industrial Investment and Development Corporation Limited, Bangalore.

APPENDIX - 3.11

Industrial Relations in Karnataka 1980-81 to 1995-96

Particulars	Unit	1980 -81	1981 -82	1982 -83	1983 -84	1984 -85	1985 -86	1986 -87	1987 -88	1988 -89	1989 -90	1990 -91	1991 -92	1992 -93	1993 -94	1994 -95	1995 -96
<b>1. Strikes</b>																	
a) Strikes	Numbers	41	12	23	21	21	22	25	54	38	22	17	9	4	9	3	15
b) Workers involved	000's	198.0	2.5	9.9	11.7	17.6	7.0	22.0	23.9	16.1	7.37	50.54	1.37	5.44	4.60	0.77	7.67
c) Mandays lost	"	5475.7	23.0	254.0	212.9	448.5	228.1	112.0	478.9	214.2	168.4	45.2	35.5	105.7	171.1	42.20	361.62
<b>2. Lock-outs</b>																	
a) Lockouts	Numbers	6	6	2	4	8	5	16	16	18	7	3	5	Nil	11	8	14
b) Workers involved	000's	1.7	1.2	0.2	0.6	7.7	0.4	9.2	5.6	15.0	8.4	1.4	0.7	Nil	4.00	2.47	1.88
c) Mandays lost	"	32.6	10.5	4.7	9.4	213.5	390.6	123.0	243.4	9267.4	27.1	2.1	40.2	Nil	188.00	209.68	142.63
<b>3. Lay-offs</b>																	
a) Layoffs	Numbers	24	10	5	6	14	21	11	15	13	4	5	1	6	Nil	Nil	Nil
b) Workers involved	000's	27.7	0.9	0.4	1.2	4.8	7.0	26.9	4.5	4.0	0.1	0.6	0.5	0.3	Nil	Nil	Nil
c) Mandays lost	"	49.1	19.8	6.5	6.0	55.8	168.8	1638.1	305.0	18.5	2.8	3.2	12.6	3.2	Nil	Nil	Nil

Source : Department of Labour, Bangalore.



APPENDIX - 3.12

Labour Absenteeism, in Karnataka 1980-81 to 1995-96

Thousands

Particulars	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
	-81	-82	-83	-84	-85	-86	-87	-88	-89	-90	-91	-92	-93	-94	-95	-96
<b>1. Industrial Workers</b>																
a) Mandays scheduled to work	1291	1425	1335	1290	16071	17277	15302	8969	10495	14193	15656	14495	10359	9700	8880	8484
b) Mandays absent	220	241	225	236	2877	2798	2551	1542	1494	1971	2166	3091	1542	1331	1067	1114
<b>2. Plantation Labour</b>																
a) Mandays scheduled to work	95	86	85	83	1004	999	960	875	882	936	1013	903	805	1000	877	845
b) Mandays absent	19	16	15	15	172	165	157	159	165	184	194	175	153	166	186	179

Source : Department of Labour, Bangalore.

APPENDIX 4.1

Public Investment in Irrigation in Karnataka:  
1970-71, 1975-76, 1980-81 to 1996-97.

(Rupees in Crores)

Year	Major and Medium Projects*	Minor Irrigation works	Total
1970-71	26.49	5.49	31.98
1975-76	39.04	7.73	46.77
1980-81	97.90	16.56	114.46
1981-82	105.77	13.00	118.77
1982-83	114.41	12.66	127.07
1983-84	124.74	17.24	141.98
1984-85	140.21	21.65	161.86
1985-86	156.46	28.65	185.11
1986-87	170.68	41.21	211.89
1987-88	138.46	26.36	164.82
1988-89	166.81	31.77	198.58
1989-90	209.68	29.58	239.26
1990-91	243.81	32.40	276.21
1991-92	354.35	25.70	380.05
1992-93	480.17	51.52	531.69
1993-94	655.68	61.75	717.43
1994-95	684.63	70.25	754.88
1995-96 (RE)	900.50	58.68	959.18
1996-97 (P)	1335.00	88.09	1423.09

P : Provisional. @ : Anticipated.

\* : Includes outlay on Irrigation Projects Pending Approval.

Source: 1. Economic Survey : 1995-96

2. Irrigation Department, Government of Karnataka.

APPENDIX 4.2

Trends in Irrigation in Karnataka  
Cumulative Potential Created

Lakh Hectares			
End of Plan/Year	Major & Medium Projects	Minor Irri- gation (Surface)	Total
1984-85	11.61	8.53**	20.14
VII Plan(1985-1990)			
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
Annual Plan			
1990-91	13.36	8.95*	22.31
1991-92	13.79	9.00*	22.79
VIII Plan			
1992-93	14.23	9.06	23.29
1993-94	14.93	9.13	24.06
1994-95	15.27	9.18	24.45
1995-96	15.76	9.25	25.01
1996-97(A)	16.67	9.33	26.00

A : Anticipated.

\* : Revised

\*\* : Excludes area of 0.77 lakh hectares under the Cauvery anecut which is accounted for under major & medium irrigation. ?

Source: 1. Economic Survey 1995-96  
2. Irrigation Department,  
Government of Karnataka.

APPENDIX 4.3

Potential created under selected Major Irrigation  
Projects (1993-94 to 1996-97)

Hectares.

Project	1993-94	1994-95	1995-96	1996-97 (Anticipated)
1. Upper Krishna Stage-I	24593	13497	34269	62410
2. Ghathaprabha Stage-III	3866	2351	3226	3300
3. Malaprabha	1171	738	3374	5000
4. Harangi	1449	100	-	600
5. Hemavathy	33231	14423	1162	9574
6. Kabini	-	-	15	85

(\*) Includes 24139 hectares to be created  
by Krishna Bhagya Jala Nigam.

Source: Irrigation Department, Government  
of Karnataka.

APPENDIX 4.4

Investment in Power Development in Karnataka 1970-71,  
1975-76 and 1981-82 to 1995-96  
Rupees Crores

Year	Power Corporation		Electricity Board		Total
	Plan	Non-Plan	Plan	Non-Plan	
1970-71	0.95	-	10.32	5.76	17.03
1975-76	34.76	1.58	20.83	16.49	73.66
1981-82	93.33	5.48	46.03	2.17	147.01
1982-83	107.15	4.11	45.91	7.14	164.31
1983-84	114.02	4.24	43.97	24.34	186.57
1984-85	114.28	4.53	46.31	20.60	185.72
1985-86	87.44	2.29	63.60	27.65	180.98
1986-87	82.00	0.52	67.20	40.05	181.00
1987-88	74.60	1.33	75.64	37.53	189.20
1988-89	118.34	0.14	87.51	35.01	241.00
1989-90	134.35	0.20	100.88	32.43	267.86
1990-91	176.37	-	108.35	45.92	330.64
1991-92	195.24	-	211.38	69.82	476.44
1992-93	339.80	-	238.39	276.87	855.06
1993-94	239.92	-	316.08	85.02	641.02
1994-95	272.98	-	281.17	159.80	713.95
1995-96	337.79	-	184.00	294.60	816.39
(RE)					
1996-97	320.80	-	260.20	247.00	828.00
(A)					

A = Anticipated

RE = Revised Estimate

Source: 1. Karnataka Power Corporation Records.  
2. Karnataka Electricity Board Records.  
3. Economic Survey 1995-96.

APPENDIX 4.5

Generation, Imports, T&D Losses and Consumption of Power  
in Karnataka:1970-71, 1975-76 and 1981-82 to 1995-96

Year	Power Genera- tion In stalled Capacity (M.W.)	Electri- city Ge- neration (Million Units)	Imports (Million Units)	Transmi- ssion & Distri- bution losses (Percen- tage)	Power Consump- tion (Million Units)
1970-71	877.5	4883	2	13.89	2947
1975-76	966.6	5390	406	15.78	4396
1981-82	1739.8	7189	1010	21.03	6032
1982-83	1874.8	7720	736	21.74	6116
1983-84	2009.8	7821	846	21.75	6251
1984-85	2219.8	8415	1364	22.56	7277
1985-86	2529.8	7611	1990	22.79	7573
1986-87	2529.8	7821	2629	22.85	7831
1987-88	2529.8	7569	3186	21.34	8185
1988-89	2529.8	9261	2938	20.74	9445
1989-90	2645.2	11113	2622	20.48	10658
1990-91	2984.6	12041	3061	19.48	12182
1991-92	3013.4	13262	3026	18.91	12568
1992-93	3108.50	12757	3628	18.70	12963
1993-94	3282.61	14256	3530	18.60	14045
1994-95	3492.71	16854	3427	18.60	15906
1995-96	3509.74	15534	4820	18.50	15984
1996-97 (P)	3588.54	14686	4914	18.45	14345

P: Provisional.

- Sources: 1. Karnataka Electricity Board, Records.  
2. Karnataka Power Corporation, Records.  
3. Economic Survey 1995-96.  
4. Draft Annual Plan 1996-97.

APAPENDIX 4.6

Progress of Rural Electrification in Karnataka  
1970-71, 1975-76 and 1981-82 to 1995-96

End of Year	Pumpsets energised (lakhs - Cumulative)
1970 - 71	1.31
1975 - 76	2.23
1981 - 82	3.32
1982 - 83	3.58
1983 - 84	3.96
1984 - 85	4.41
1985 - 86	4.90
1986 - 87	5.37
1987 - 88	5.96
1988 - 89	6.31
1989 - 90	6.73
1990 - 91	7.43
1991 - 92	8.15
1992 - 93	8.67
1993 - 94	9.14
1994 - 95	9.73
1995 - 96	10.15
1996 - 97(A)	10.55

A: Anticipated

Sources : 1. Economic Survey 1995 - 96  
2. Karnataka Electricity Board Records

APPENDIX 5.1

All- India Wholesale Price Index Numbers 1985-86 to 1996-97

Base: 1981-82=100

Year	Primary Articles	All-Commodities	Percentage change over previous year/month	
			Primary Articles	All-Commodities
1985-86	125.7	125.4	0.16	4.41
1986-87	137.1	132.7	9.07	5.82
1987-88	152.6	143.5	11.31	8.14
1988-89	160.1	154.3	4.91	7.53
1989-90	163.6	165.7	2.19	7.39
1990-91	184.9	182.7	13.02	10.26
1991-92	218.3	207.8	18.06	13.74
1992-93	234.6	228.7	7.47	10.06
1993-94	250.8	247.4	6.91	8.18
1994-95	283.2	274.7	12.92	11.03
1995-96	304.1	295.8	7.38	7.68
1996-97	323.5	309.8	6.38	4.73
(April to Oct.96)				
April '96	314.0	302.8	2.41	1.14
May "	318.6	304.7	1.46	0.62
June "	321.1	305.9	0.78	0.39
July "	322.8 (p)	309.0 (p)	0.52	1.01
August "	327.0 (p)	312.6 (p)	1.30	1.16
September "	330.7 (p)	316.4 (p)	1.13	1.21
October "	330.6 (p)	317.4 (p)	0.03	0.31

Source: Economics Advisor's Office, Ministry of Industry, Government of India.

P = Provisional.



APPENDIX 5.2

Wholesale Price Index Numbers of Agricultural Commodities in Karnataka, 1985-86 to 1996-97.

Base: 1981-82=100		
Year	Index	Percentage change Over Previous year/month
1985-86	130	5.69
1986-87	130	-
1987-88	153	17.69
1988-89	170	11.11
1989-90	177	4.12
1990-91	202	14.12
1991-92	245	21.29
1992-93	259	5.71
1993-94	268	3.47
1994-95	346	29.10
1995-96	369	6.65
1996-97	382	3.52
(April to Oct.96)		
April '96	363	0.83
May "	373	2.75
June "	379	1.60
July "	386	1.84
August "	387	0.25
September "	392	1.29
October "	392	-

Source: Directorate of Economics & Statistics, Bangalore.

APPENDIX 5.3

Index Numbers of Wholesale Prices of Agricultural Commodities in  
Karnataka by Commodity Group in 1996.

Base: 1981-82=100

Month	Cereals	Pulses	Oil seeds	Sugar & Gur	Cotton	Condi- ments and Spices	Misce- llane- ous	All Commo- dities
1. April 1996	343	446	317	231	271	374	538	363
2. May "	351	447	322	241	293	382	549	373
3. June "	358	480	327	243	293	412	554	379
4. July "	372	458	333	244	292	442	565	386
5. Aug. "	372	448	334	249	308	444	553	387
6. Sept. "	378	445	325	250	320	468	574	392
7. Oct. "	373	479	297	251	329	500	589	392

Source: Directorate of Economics and Statistics, Bangalore.

APPENDIX 5.4

Consumer price Index Number for Industrial  
Workers, in Karnataka 1985-86 to 1996-97

Year/Month	Index	Percentage variation over previous year/ month
-----		
Base 1960 = 100		
1985-86	673.78	5.64
1986-87	721.27	7.04
1987-88	786.25	9.01
1988-89	882.87	12.29
1989-90	933.75	5.76
1990-91	1012.63	8.45
1991-92	1220.60	20.54
1992-93	1334.50	9.33
1993-94	1411.00	5.73
1994-95	1558.31	10.44
1995-96	1727.63	10.87
1996-97	1853.00 *	7.26
1996	Base = 1987-88 = 100	
-----		
April 1996	209	0.96
May "	212	1.43
June "	215	1.41
July "	218	1.39
August "	221	1.37
Sept. "	221	-
Oct. "	223	0.90
Nov. "	225	0.90
-----		

\* : Eight Months Average

NOTE : The above index is the average of 13 centers for 1985-86 to 1989-90, 10 centres for 1990-91, 15 centers for 1991-92 and 16 centres for subsequent years.

APPENDIX 5.5

Consumer Price Index Numbers for Industrial Workers  
India & Karnataka 1995-96 and 1996-97.

Month	i) India Base:1982=100		ii) Karnataka * Base: 1987-88=100	
	1995-96	1996-97	1995-96	1996-97
	1. April	295	324	194
2. May	300	328	196	212
3. June	306	333	200	215
4. July	313	339	204	218
5. August	315	343	205	221
6. September	317	344	204	221
7. October	319	346	205	223
8. November	321	349	206	225
9. December	317	-	206	-
10. January	315	-	206	-
11. February	316	-	206	-
12. March	319	-	207	-

Note :- \* = Average of 16 centres  
(12 State Series + 4 Central

APPENDIX 5.6

Consumer Price Index Numbers for Industrial Workers  
in Karnataka 1995-1996 and 1996-97.

Centre	1995		1996		Percentage Change over March	
	March	Novr.	March	Novr.	1995	1996
<b>Central Series</b> (Base: 1982=100)						
1. Bangalore	295	314	315	349	6.44	10.79
2. Belgaum	311	341	345	368	9.65	6.67
3. Hubli-Dharwar	301	322	325	350	6.98	7.69
4. Mercara	288	319	319	357	10.76	11.91
<b>State Series</b> (Base: 1987-88=100)						
5. Bellary	186	206	201	219	10.75	8.96
6. Bhadravathi	185	198	198	213	7.03	7.58
7. Davanagere	191	205	208	219	7.33	5.29
8. Dandeli	194	213	219	232	9.79	5.94
9. Gulbarga	197	215	213	219	9.14	2.82
10. Harihar	185	199	201	213	7.57	5.97
11. Hassan	175	193	191	207	10.29	8.38
12. Mandya	191	210	208	222	9.95	6.73
13. Mangalore	187	189	196	203	1.07	3.57
14. Mysore	174	188	191	207	8.05	8.38
15. Raichur	199	220	220	233	10.55	5.91
16. Tumkur	168	182	183	197	8.33	7.65

Source: (i) Labour Bureau, Shimla.

(ii) Directorate of Economics & Statistics, Bangalore.

APPENDIX 5.7

Consumer Price Index Numbers for Urban Non-Manual Employees, India and Karnataka 1990-91 to 1996-97

Base: 1984-85=100

Year	All India	Karnataka				Average of four Centres.
		Bangalore	Gulbarga	Hubli-Dharwar	Mercara	
1990-91	161	161	158	161	162	161
1991-92	183	182	182	183	185	183
1992-93	202	202	203	203	204	203
1993-94	216	216	212	217	217	216
1994-95	237	236	241	239	236	238
1995-96	258	254	272	261	253	260
(upto Dec. 95)						
1996-97	-	-	-	-	-	-
April 1996	-	-	-	-	-	-
May "	-	-	-	-	-	-
June "	-	-	-	-	-	-
July "	-	-	-	-	-	-
August "	-	-	-	-	-	-
September "	-	-	-	-	-	-
October "	-	-	-	-	-	-
November "	-	-	-	-	-	-

Source: Central Statistical Organisation, New Delhi.

Note: Reports received up to December 1995.

APPENDIX 5.8

Consumer Price Index for Agricultural Labourers  
1989-90 to 1996-97

Base: 1960-1961=100

Year/Month	All-India		Karnataka	
	Food	General	Food	General
1989-90	811	747	801	757
1990-91	869	803	812	781
1991-92	1048	958	1015	953
1992-93	1180	1076	1240	1143
1993-94	1214	1114	1146	1093
1994-95	1361	1247	1290	1223
1995-96	1507	1381	1548	1440
1996-97 (April to Oct. 96)	1628	1478	1626	1514
April 1996	1538	1414	1563	1458
May "	1563	1431	1581	1482
June "	1595	1455	1617	1505
July "	1633	1484	1653	1534
August "	1672	1508	1653	1540
Sept. "	1691	1526	1665	1545
October "	1703	1531	1647	1534

Source: Labour Bureau, Shimla.

APPENDIX 5.9

Procurement and Public Distribution in Karnataka  
1993-1994 to 1996-97

Item	Hundred tonnes			
	1993-94	1994-95	1995-96	1996 (up to
<b>1. Procurement</b>				
Rice (Kharif & Rabi)	1330	1360	-	
<b>2. Stock position as on 31st March 1996</b>				
a) Rice	1330	1360	-	
b) Wheat	-	-	-	
<b>3. Off-take position</b>				
a) Rice	8285	7001	9640	
b) Wheat	2950	2707	2302	
c) Kerosene (K.L)	5752	5807	6175	
d) Sugar	2279	2155	2202	
e) Palmolein	27	0.92	17	

Source: Food and Civil Supplies Department, Bangalore



Appendix 5.10

Procurement and Minimum Support/Statutory Prices  
1994-95 to 1996-97.

Commodity	Variety	1994-95	1995-96	1996-97	Rs./Quintal	
					1995-96 over 1994-95	1996-97 over 1995-96
<b>I. Procurement Prices</b>						
1. Wheat	FAQ	360.00	-	-	-	-
2. Paddy	Common	340.00	360.00	380.00	5.88	5.56
3. Coarse Cereals	FAQ	280.00	-	-	-	-
<b>II. Minimum Support Prices</b>						
1. Barley	FAQ	285.00	-	-	-	-
2. Gram	"	-	-	-	-	-
3. Arhar (Tur)	"	760.00	800.00	810.00	5.26	1.25
4. Mung	"	760.00	800.00	810.00	5.26	1.25
5. Urad	"	760.00	800.00	810.00	5.26	1.25
6. Toria	"	-	-	-	-	-
7. Rape & Mustard	"	830.00	-	-	-	-
8. Groundnut	"	860.00	900.00	920.00	4.65	2.22
9. Soyabean	Black	570.00	600.00	680.00	5.26	13.33
10. Cotton (kapas)	H4	1200.00	1350.00	-	-	-
<b>Statutory Minimum prices.</b>						
1. Sugarcane	FAQ	42.50	-	-	-	-
2. Copra	Milling	2475.00	-	-	-	-

\* = For a recovery rate of 8.5 per cent

FAQ:- Fair Average Quality

■) Including Central Bonus of Rs.25/- Per Quintal

Source: 1) Government of India, Economic Survey 1993-94.

2) G.O.No. PCS 15 RPR 94 dt. 11.10.94

3) Marketing Board.

APPENDIX 5.11

Issue Prices in Fair Price Shops 1982-83 to 1996-97.

Year	RICE			Wheat (all Varieties)	Coarse Grains	Rupees/Quintal	
	Common Variety	Fine	Super Fine			Kerosene (per- litre)	Palmol (per K)
1. 1982-83	188.00	200.00	215.00	160.00	118.60	1.80	9.
2. 1983-84	208.00	220.00	235.00	132.00	124.00	1.85	Nil
3. 1984-85	217.00	224.00	229.00	172.00	130.00	2.25	12.
4. 1985-86	231.00	243.00	258.00	190.00	130.00	2.44	14.
5. 1986-87	266.00	234.00	251.00	195.00	132.00	2.35	14.
6. 1987-88	270.00	315.00	315.00	220.00	135.00	Nil	15.
7. 1988-89	270.00	365.00	230.00	230.00	145.00	2.40	16.
8. 1989-90	270.00	365.00	365.00	230.00	169.00	2.95	18.
9. 1990-91	315.00	410.00	410.00	260.00	-	2.72	23.
10. 1991-92	425.00	510.00	510.00	320.00	-	2.73	30.
11. 1992-93	575.00	575.00	575.00	375.00	-	2.74	30.
12. 1993-94	595.00	675.00	705.00	445.00	* 280.00 ** 285.00	2.74	30.
13. 1994-95	595.00	675.00	705.00	445.00	* 280.00 ** 285.00	2.74	32.
14. 1995-96	595.00	675.00	705.00	445.00	-	2.74	32.
15. 1996-97 (Up to Nov.96)	595.00	675.00	705.00	445.00	-	2.90	32.

\* Ragi

\*\* Jowar

Source: Food and Civil Supplies Department, Bangalore.

## APPENDIX 5.12

## MOBILE FAIR PRICE DEPOTS

Name of the District	Name of the Taluk Covered under Mobile F.P.D.	Whether Remote/ Inaccessible/ Hilly
1. Chickmagalur	Mudigere	Hilly and Remot
2. "	N.R.Pura, Sringeri and Koppa	"
3. Mysore	H.D. Kote	"
4. "	Gundlupet	"
5. "	Nanjangud	"
6. "	Periyapatna	"
7. "	Chamarajanagar	"
8. "	Yelandur/Hunsur	"
9. Dakshina Kannada	Belthangadi/Puttur	"
10. Kodagu	Somwarpet	Hilly, Remote & Farflung areas.
11. "	Madikeri	"
12. Raichur	Devadurga, Lingasugur Kustagi and Yelburga.	Farflung and Remote areas

Source : Food and Civil Supplies Department, Bangalore.

## APPENDIX 5.13

## DPAP / ITDP Blocks

Sl. No.	Name of the District	DPAP Blocks
1.	Bidar	3
2.	Gulbarga	8
3.	Raichur	4
4.	Bellary	5
5.	Chitradurga	6
6.	Tumkur	6
7.	Kolar	9
8.	Chickmagalur	1
9.	Dharwar	14
10.	Belgaum	4
11.	Bijapur	11
	<b>Total</b>	<b>71</b>
		<b>ITDP Blocks</b>
1.	D.Kannada	8
2.	Mysore	8
3.	Chickmagalur	4
4.	Kodagu	3
	<b>Total</b>	<b>23</b>

Source: Food and Civil Supplies  
Department, Bangalore.

## APPENDIX 6.1

## TRENDS IN REVENUE AND CAPITAL RECEIPTS IN KARNATAKA

Rs. Crores

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
1975-76	236.73	86.65	323.38	190.94	514.12	137.44	651.56
1976-77	269.25	91.54	360.79	198.32	559.11	163.17	722.20
1977-78	297.27	97.89	395.16	203.33	598.49	227.00	825.49
1978-79	334.00	106.30	440.30	248.25	688.55	236.71	925.24
1979-80	404.91	177.75	582.61	236.69	819.30	239.89	1059.19
1980-81	474.68	197.71	672.41	281.05	953.46	312.56	1256.02
1981-82	607.04	222.54	829.58	337.06	1166.64	281.54	1448.18
1982-83	674.11	240.08	914.19	366.47	1280.66	412.48	1693.14
1983-84	759.51	271.15	1030.66	458.79	1489.45	454.29	1943.74
1984-85	909.39	298.88	1208.27	531.63	1739.90	674.76	2414.66
1985-86	1075.58	555.99	1431.57	581.54	2013.11	1183.76	3196.87
1986-87	1205.98	403.73	1609.71	674.42	2284.13	659.49	2943.62
1987-88	1414.66	451.11	1865.77	691.12	2556.89	921.59	3478.48
1988-89	1690.78	498.51	2197.45	766.12	2963.57	826.44	3789.71
1989-90	1932.24	632.90	2565.14	771.34	3336.48	1999.70	4436.24
1990-91	2332.12	660.35	2992.47	899.71	3892.18	1117.92	5010.10
1991-92	2900.20	782.07	3682.27	1093.19	4775.46	1432.21	6207.67
1992-93	3097.81	931.97	4029.78	1391.88	5421.66	1604.19	7025.85
1993-94	3812.34	1017.40	4829.75	1494.90	6324.65	1728.65	8053.27
1994-95	4289.31	1135.93	5425.24	1543.15	6968.39	1749.23	8717.62
1995-96							
(R.E.)	5350.04	1444.67	6794.71	2179.41	8974.12	1492.3	10466.42
1996-97							
(B.E.)	6247.14	1686.48	7933.62	2569.44	10503.06	1783.39	12286.45

R.E: Revised Estimates

B.E: Budget Estimates.

APPENDIX 6.2

TRENDS IN DEVELOPMENT AND NON-DEVELOPMENTAL EXPENDITURE  
IN KARNATAKA

Rs. crores

Year	Develop- mental Expendi- ture	Develop- mental Expdr as % of Total Expendi- ture	Non- Develop- mental Expen- diture	Non-Devptl. Expen- diture as % of Total Expdr.	Aggre- gate Expendi- ture
1975-76	466.24	72.10	180.00	27.90	646.24
1976-77	509.97	71.80	200.73	28.00	710.70
1977-78	553.02	68.40	255.32	31.60	808.34
1978-79	658.50	71.60	261.33	28.40	919.83
1979-80	892.27	72.00	303.25	28.00	1082.38
1980-81	779.13	69.30	394.68	30.70	1286.95
1981-82	1011.15	71.80	397.51	28.20	1408.66
1982-83	1233.69	70.90	505.42	29.10	1739.11
1983-84	1364.21	69.00	612.86	31.00	1977.10
1984-85	1664.72	64.00	930.82	36.00	2595.54
1985-86	1916.85	66.20	977.27	33.80	2894.12
1986-87	2215.18	72.20	853.80	27.80	3068.98
1987-88	2424.96	70.60	1011.35	29.40	3436.51
1988-89	2606.68	69.00	1171.55	31.00	3778.23
1989-90	3032.00	68.90	1378.15	31.10	4410.15
1990-91	3533.08	71.00	1445.64	29.00	4978.72
1991-92	4504.64	72.10	1743.57	27.90	6248.25
1992-93	5017.04	70.84	2064.63	29.16	7081.67
1993-94	5804.37	71.98	2259.66	28.02	8064.93
1994-95	6192.89	69.91	2666.05	30.09	8858.94
1995-96 (R.E)	7345.30	70.06	3138.77	29.94	10484.07
1996-97 (B.E)	8537.55	69.19	3801.60	30.81	12339.15

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

DEVELOPMENTAL AND NON-DEVELOPMENTAL EXPENDITURE, KARNATAKA, 1994-95 - 1996-97: REVENUE, CAPITAL AND LOANS.

Rs. crores

Category of Expenditure	1994-95 (Accounts)				1995-96 (R.E.)				1996-97 (B.E.)			
	Revenue	Capital	Loan	Total	Revenue	Capital	Loan	Total	Revenue	Capital	Loan	Total
<b>I. DEVELOPMENTAL EXPENDITURE</b>												
<b>A. ECONOMIC SERVICES (OF WHICH)</b>	2062.96	1046.01	174.56	3283.53	2505.12	996.14	325.58	3826.84	3072.24	1002.20	195.65	4270.09
1. Agriculture & Allied Services	623.38	16.06	16.34	655.78	897.55	25.25	17.58	940.38	934.45	25.08	22.67	982.20
2. Rural Development	418.31	-	-	418.31	597.12	-	-	597.12	735.89	-	-	735.89
3. General Economic Services	53.10	-0.35	-	52.75	56.96	0.36	-	57.32	77.30	0.18	0.07	77.55
4. Water and Power Development	543.55	864.45	122.27	1530.27	512.21	805.00	287.96	1605.17	776.48	864.35	132.94	1773.77
5. Industry and Minerals	218.67	47.40	35.95	302.02	229.10	27.17	20.04	276.31	312.70	48.47	39.97	401.14
6. Transport and Communication	193.47	118.44	-	311.91	189.41	138.36	-	327.77	215.24	64.12	-	279.36
<b>B. SOCIAL SERVICES (OF WHICH)</b>	2753.74	68.61	87.01	2909.36	3361.60	81.56	75.30	3518.46	4047.84	100.57	119.06	4267.47
7. Education, Sports, Art & Culture	1448.13	10.50	0.30	1458.93	1736.44	5.52	0.30	1742.26	1973.68	10.56	0.10	1984.34
8. Medical & Public Health, Family Welfare, Water Supply & Sanitation	638.29	11.20	39.83	689.32	734.22	19.52	47.07	800.81	1016.67	28.78	90.64	1136.09
9. Social Security and Welfare including SC/ST/OBCs	384.75	34.41	0.09	419.25	432.07	40.61	0.10	472.78	490.32	35.79	0.10	526.21
10. Housing & Urban Development	118.96	10.59	46.79	176.34	209.31	15.30	27.83	252.44	331.27	24.24	28.22	383.73
11. Information and Publicity	12.72	0.62	-	13.34	12.15	0.22	-	12.37	12.45	0.30	-	12.75
<b>DEVELOPMENTAL EXPENDITURE : TOTAL (A+B)</b>	<b>4816.70</b>	<b>1114.62</b>	<b>261.57</b>	<b>6192.89</b>	<b>5866.72</b>	<b>1077.70</b>	<b>400.88</b>	<b>7345.30</b>	<b>7120.08</b>	<b>1102.77</b>	<b>314.71</b>	<b>8537.56</b>

APPENDIX 6.3 (concluded)

DEVELOPMENTAL AND NON-DEVELOPMENTAL EXPENDITURE, KARNATAKA, 1994-95 - 1996-97: REVENUE, CAPITAL AND LOANS.

Rs. crores

Category of Expenditure	1994-95 (Accounts)				1995-96 (R.E.)				1996-97 (B.E.)			
	Revenue	Capital	Loan	Total	Revenue	Capital	Loan	Total	Revenue	Capital	Loan	Total
<b>II. NON-DEVELOPMENTAL EXPENDITURE</b>												
a. Revenue Expenditure under General Services	2300.89	-	-	2300.89	2747.22	0.00	0.00	2747.22	3285.68	0.00	0.00	3285.68
(i) Organs of the State	106.88	-	-	106.88	129.29	-	-	129.29	155.39	-	-	155.39
(ii) Fiscal Services	192.22	-	-	192.22	186.23	-	-	186.23	207.08	-	-	207.08
(iii) Interest Payment and Servicing of Debt	956.64	-	-	956.64	1154.25	-	-	1154.25	1403.25	-	-	1403.25
(iv) Administrative Services	548.76	-	-	548.76	657.00	-	-	657.00	776.55	-	-	776.55
(v) Pension & Misc. Genl. Services	496.39	-	-	496.39	620.44	-	-	620.44	743.42	-	-	743.42
b. Compensation and Assignment to Local Bodies and Panchayat Raj Institutions	146.93	0.00	0.00	146.93	153.69	0.00	0.00	153.69	233.21	0.00	0.00	233.21
c. Capital Expenditure	-	22.19	196.04	218.23	0.00	13.06	224.80	237.86	0.00	25.85	256.86	282.71
(i) General Services	-	22.19	0.00	22.19	-	13.06	-	13.06	-	25.85	-	25.85
(ii) Discharge of Internal Debt (Net)	-	-	15.87	15.87	-	-	17.41	17.41	-	-	18.48	18.48
(iii) Repayment of loans to GOI	-	-	169.22	169.22	-	-	193.72	193.72	-	-	222.51	222.51
(iv) Loans and Adv. to Govt. servants and Misc. loans	-	-	10.95	10.95	0.00	0.00	13.67	13.67	-	-	15.87	15.87
<b>NON-DEVELOPMENTAL EXPENDITURE: TOTAL (a+b+c)</b>	<b>2447.82</b>	<b>22.19</b>	<b>196.04</b>	<b>2666.05</b>	<b>2900.91</b>	<b>13.06</b>	<b>224.80</b>	<b>3138.77</b>	<b>3518.89</b>	<b>25.85</b>	<b>256.85</b>	<b>3801.59</b>
<b>AGGREGATE EXPENDITURE : (I) + (II)</b>	<b>7264.52</b>	<b>1136.81</b>	<b>457.61</b>	<b>8858.94</b>	<b>8767.63</b>	<b>1090.76</b>	<b>625.68</b>	<b>10484.07</b>	<b>10638.97</b>	<b>1128.62</b>	<b>571.56</b>	<b>12339.15</b>
Developmental Expenditure as percent of Total Expenditure				69.90				70.06				69.19
Per Capita Developmental Expenditure (Rupees)				1292.88				1511.38				1735.28

R.E. : Revised Estimates

B.E. : Budget Estimates

Source: 1) Annual Financial Statement (Budget) 1996-97, Government of Karnataka. a.

2) Detailed Estimates of Expenditure (Vol-II), Government of Karnataka.



## APPENDIX 6.4

## Plan Expenditure / Outlays by Minor Sector / Programme

Rs. crores

Sl. No.	Heads of Development	Seventh	Eighth	Annual	Annual	Annual	Annual	Annual
		Plan Expenditure (1985-90)	Plan (Approved) Outlay (1992-97)	Plan (Accts) 1992-93	Plan (Accts) 1993-94	Plan (Accts) 1994-95	Plan (R.E.) 1995-96	Plan (B.E) 1996-97
1	2	3	4	5	6	7	8	9
<b>I. AGRICULTURE &amp; ALLIED SERVICES</b>								
1.	Crop Husbandry	97.35	163.00	24.82	36.15	30.99	36.63	48.31
2.	Soil & Water Conservation	56.20	145.82	19.15	24.25	16.27	17.53	30.01
3.	Animal Husbandry	22.35	117.84	11.27	14.20	21.41	27.71	35.10
4.	Dairy Development	11.17	32.71	3.15	5.11	7.50	1.96	3.36
5.	Fisheries	15.23	43.00	8.73	7.63	8.60	10.01	15.43
6.	Forestry & Wild Life	75.93	206.76	36.35	51.46	53.93	46.57	59.21
7.	Food, Storage & Warehousing	0.43	1.00	1.75	1.52	0.52	0.20	0.20
8.	Agril. Research & Education	14.79	72.07	0.70	18.21	20.98	16.78	26.06
9.	Investment in Agricultural Financial Institutions	17.56	36.40	7.27	7.17	4.90	10.19	8.33
10.	Marketing & Quality Control	0.34	81.90	0.08	0.52	0.39	0.40	0.40
11.	Co-operation *	64.69	1.50	23.80	11.59	40.72	20.00	25.15
<b>TOTAL: I (1 to 11)</b>		<b>376.04</b>	<b>902.00</b>	<b>147.15</b>	<b>177.81</b>	<b>206.21</b>	<b>187.98</b>	<b>251.56</b>
<b>II. RURAL DEVELOPMENT</b>								
12.	Spl. Programmes for Rural Devp.							
a)	II.R.D.P & Allied Programmes	74.51	116.15	9.66	19.01	20.29	28.82	40.16
b)	IDPAP (including State DPAP)	30.59	35.00	5.77	8.56	9.92	10.37	12.94
c)	Int. Rural Energy Programme	1.54	5.50	1.40	1.46	1.79	1.70	3.23
13.	National Rural Employment Programme (includes REGS & RLEGP)- Jawahar Rojgar Yojana (JRY)	167.19	133.90	28.51	43.45	60.73 *	69.77	71.06
14.	Land Reforms	4.36	4.05	0.92	0.67	-	2.55	1.70
15.	Other Programmes of Rural Development (Anthodaya, 100 Wells & CRT&TC)	17.21	17.05	34.08	37.42	79.13	2.49	-
16.	Community Development (includes Grants to ZPs)	84.82	121.35	0.17	0.21	2.78	90.68	150.11
<b>TOTAL: II (12 to 16)</b>		<b>380.22</b>	<b>433.00</b>	<b>80.51</b>	<b>110.78</b>	<b>174.64</b>	<b>206.38</b>	<b>279.20</b>
<b>III. SPECIAL AREA PROGRAMME</b>								
17.	Hyderabad-Karnataka Development Programme (including MADP & BADP)		575.00	85.46	106.80	85.52	47.50	102.50
<b>Total (III)</b>		<b>0.00</b>	<b>575.00</b>	<b>85.46</b>	<b>106.80</b>	<b>85.52</b>	<b>47.50</b>	<b>102.50</b>

\* Excludes Consumer Protection Scheme.

## APPENDIX 6.4 (continued)

## Plan Expenditure / Outlays by Minor Sector / Programme

Rs. crores

Sl. No.	Heads of Development	Seventh	Eighth	Annual	Annual	Annual	Annual	Annual
		Plan Expenditure (1985-90)	Plan Outlay (1992-97)	Plan (Accts) 1992-93	Plan (Accts) 1993-94	Plan (Accts) 1994-95	Plan (R.E.) 1995-96	Plan (B.E.) 1996-97
1	2	3	4	5	6	7	8	9
<b>IV IRRIGATION AND FLOOD CONTROL</b>								
18.	Major & Medium Irrig. Projects	531.07	1936.09	287.49	445.12	1466.61	650.50	1035.00
19.	Minor Irrigation	191.46	306.91	50.40	60.12	71.04	56.19	90.85
20.	Command Area Development (CADA)	47.82	130.00	12.41	16.15	20.44	8.69	33.00
21.	Flood Control Projects (including Anti-Sea Erosion, etc.,)	3.23	11.00	5.85	11.05	8.53	9.72	10.00
<b>TOTAL: IV (18 to 21)</b>		<b>773.58</b>	<b>2384.00</b>	<b>356.15</b>	<b>532.44</b>	<b>1566.62</b>	<b>725.10</b>	<b>1168.85</b>
<b>V ENERGY</b>								
22.	Power							
i.)	Generation (KPC)	495.56	1863.77	340.84	361.76	1463.04	194.33	432.00
ii.)	Transmission & Distribution (KEB)	384.89	1161.09	246.47	321.88	1242.28	327.46	149.00
23.	Non-conventional Sources of Energy	3.25	16.14	0.48	14.92	6.44	6.00	9.02
<b>TOTAL: V (22 to 23)</b>		<b>883.70</b>	<b>3041.00</b>	<b>587.79</b>	<b>698.56</b>	<b>1711.76</b>	<b>527.79</b>	<b>590.02</b>
<b>VI INDUSTRY AND MINERALS</b>								
24.	Village & Small Scale Industry	169.11	756.31	66.85	66.72	96.27	89.77	161.42
25.	Major & Medium Industry (other than SSI) (including KSBPE)	185.18	224.19	48.87	100.41	82.86	50.11	95.77
26.	Mining: Mineral Exploration	1.00	3.50	0.07	0.17	0.62	5.47	0.73
<b>TOTAL: VI (24 to 26)</b>		<b>355.29</b>	<b>984.00</b>	<b>115.79</b>	<b>167.30</b>	<b>179.75</b>	<b>145.35</b>	<b>257.92</b>
<b>VII TRANSPORT</b>								
27.	Ports and Lighthouses	9.81	17.50	5.64	8.69	12.19	6.72	6.57
28.	Roads and Bridges	139.92	329.90	88.98	105.97	123.84	114.66	102.29
29.	Road Transport	93.77	98.00	24.92	71.06	28.47	107.51	69.75
30.	(a) Pollution Control - (MV Department)	0.12	2.00	0.02	0.52	0.51	0.51	0.61
	(b) Inland Water Transport	0.39	0.60	0.08	0.00 *	0.05	0.13	0.32
<b>TOTAL: VII (27 to 30)</b>		<b>244.01</b>	<b>448.00</b>	<b>119.64</b>	<b>186.24</b>	<b>165.06</b>	<b>229.53</b>	<b>179.54</b>
<b>VIII SCIENCE, TECH. AND ENVIRONMENT</b>								
31.	Scientific Research (incl. S & I)	3.12	8.00	1.58	1.96	2.74	2.52	2.80
32.	Ecology & Environment	0.77	3.00	0.65	0.75	0.85	3.48	3.47
<b>TOTAL: VIII (31 to 32)</b>		<b>3.89</b>	<b>11.00</b>	<b>2.23</b>	<b>2.71</b>	<b>3.59</b>	<b>6.00</b>	<b>6.27</b>

\* Rs. 0.13 lakhs

APPENDIX 6.4 (continued)

Plan Expenditure / Outlays by Minor Sector / Programme

Rs.Crores

Heads of Development	Seventh	Eighth	Annual	Annual	Annual	Annual	Annual
	Plan	Plan	Plan	Plan	Plan	Plan	Plan
	Expendi-	(Approved	1992-93	1993-94	1994-95	1995-96	1996-97
	ture	Outlay)	(Accts)	Accts.	Accts.	(R.E.)	(B.E)
	(1985-90)	(1992-97)					
2	3	4	5	6	7	8	9
<b>GENERAL ECONOMIC SERVICES</b>							
Secretariat Economic Services	3.15	3.60	0.62	0.53	0.70	1.06	1.49
Tourism	5.53	69.01	2.69	4.36	3.86	4.54	10.00
Survey & Statistics	1.08	3.35	0.41	0.39	0.77	1.06	1.19
Other General Economic Services							
Legal Metrology	0.13	0.75	-	0.25	0.00	4.00	2.64
Other-District Level Sub-Plan	10.85	20.50	0.99	0.21	-0.08	0.26	0.11
Modernisation of Administration	0.91	3.50	-	-		-	-
<b>TOTAL:IX (33 to 36)</b>	<b>21.65</b>	<b>100.71</b>	<b>4.71</b>	<b>5.74</b>	<b>5.25</b>	<b>10.92</b>	<b>15.43</b>
<b>TOTAL:A.ECONOMIC SERVICES</b>	<b>3038.38</b>	<b>8878.71</b>	<b>1499.43</b>	<b>1988.38</b>	<b>2098.40</b>	<b>2086.55</b>	<b>2851.29</b>
<b>SOCIAL SERVICES</b>							
<b>Education, Sports, Art &amp; Culture</b>							
General Education	129.86	905.55	114.71	169.55	188.75	256.01	329.40
Technical Education	5.62	50.00	4.97	7.10	13.06	17.53	19.00
Art & Culture	12.74	45.15	6.86	9.72	8.42	10.12	12.43
Sports & Youth Services	5.51	26.30	4.57	6.35	9.16	11.70	14.25
<b>Total:X (37 to 40)</b>	<b>153.73</b>	<b>1027.00</b>	<b>131.11</b>	<b>192.72</b>	<b>219.39</b>	<b>295.36</b>	<b>375.08</b>
<b>HEALTH</b>							
Medical and Public Health	153.79	342.00	63.21	69.25	91.62	89.95	191.37
<b>Total: (XI)</b>	<b>153.79</b>	<b>342.00</b>	<b>63.21</b>	<b>69.25</b>	<b>91.62</b>	<b>89.95</b>	<b>191.37</b>
<b>WATER SUPPLY, HOUSING &amp; URBAN</b>							
Water Supply	276.79	625.00	107.03	122.79	156.92	184.27	323.29
Housing (incl.Police Housing							
Jail Buildings & HBA)	161.49	706.00	68.66	192.30	143.09	99.01	137.55
Urban Development	17.44	83.00	13.13	16.56	27.61	98.84	198.12
<b>Total:(XII) (42 to 44)</b>	<b>455.72</b>	<b>1414.00</b>	<b>188.82</b>	<b>331.65</b>	<b>327.62</b>	<b>382.12</b>	<b>658.96</b>
<b>INFORMATION &amp; PUBLICITY</b>							
Information & Publicity	8.33	14.00	3.06	4.69	4.00	3.22	4.00
<b>Total: (XIII)</b>	<b>8.33</b>	<b>14.00</b>	<b>3.06</b>	<b>4.69</b>	<b>4.00</b>	<b>3.22</b>	<b>4.00</b>

APPENDIX 6.4 (continued)

Plan Expenditure / Outlays by Minor Sector / Programme

		Rs.Cro						
Sl. No.	Heads of Development	Seventh Plan Expenditure (1985-90)	Eighth Plan (Approved) Outlay (1992-97)	Annual Plan 1992-93 (Accts)	Annual Plan 1993-94 (Accts)	Annual Plan 1994-95 (Accts)	Annual Plan 1995-96 (R.E)	Annual Plan 1996- (B.E)
1	2	3	4	5	6	7	8	9
XIV	WELFARE OF SC, ST & OBCs							
46.	Welfare of SCs, STs & Other Backward Classes	71.32	250.00	78.23	144.74	165.62	149.41	148.
	Total: (XIV)	71.32	250.00	78.23	144.74	165.62	149.41	148.
XV	LABOUR & LABOUR WELFARE							
47.	i. Labour & Labour Employment	16.08	26.71	3.05	3.09	6.42	6.44	7.
	iii. Special Employment Scheme							
	Stipendiary Employment Scheme	26.37	10.29	6.80	1.28	-	-	-
	TOTAL : (XV)	42.45	37.00	9.85	4.37	6.42	6.44	7.
XVI	SOCIAL WELFARE & NUTRITION							
48.	Social Security & Welfare	55.54	125.50	20.95	18.64	21.08	31.75	46.
49.	1a) Nutrition	183.39	57.50	9.04	10.04	15.66	33.15	36.
	1b) Consumer Protection	-	9.29	0.14	1.19	-	-	-
	Total: (XVI)	238.93	192.29	30.13	29.87	36.74	64.90	83.
XVII	OTHER SOCIAL SERVICES							
50.	Fire Protection	0.97	4.62	0.80	0.00 *	0.75	1.00	1.
	Total: (XVII)	0.97	4.62	0.80	0.00	0.75	1.00	1.
	Total:B: SOCIAL SERVICES	1125.24	3280.91	505.21	775.83	862.23	1159.64	1470.
C.	GENERAL SERVICES							
51.	Stationery & Printing	1.96	6.00	0.98	1.19	-	1.06	1.
52.	Public Works - Administrative Buildings	52.23	133.00	27.33	31.54	23.52	19.04	35.
53.	Training - ATI, Mysore	-	1.38	-	-	0.01	0.20	0
54.	Administrational Justice	-	-	-	-	-	1.00	0
	TOTAL: C: GENERAL SERVICES	54.19	140.38	28.31	32.73	23.53	21.30	38
	TOTAL - STATE PLAN OUTLAY (A+B+C)	4217.81	12300.00	2032.95	2796.94	2973.34	3100.00	4368

\* Negligible

APPENDIX 6.4 (Concluded)

Plan Expenditure / Outlays by Minor Sector / Programme.

Rs.Crores

Sl. No.	Heads of Development	Seventh	Eighth	Annual	Annual	Annual	Annual	Annual
		Plan Expenditure (1985-90)	Plan (Approved Outlay) (1992-97)	Plan (Accts) (1992-93)	Plan (Accts) (1993-94)	Plan (Accts) (1994-95)	Plan (R.E.) (1994-95)	Plan (B.E.) (1994-95)
1	2	3	4	5	6	7	8	9
D.	Irrigation Projects pending approval	306.53	-	192.68	209.62	218.10	250.00	300.00
E.	ICSS/CPS	962.61	-	385.16	457.15	495.11	871.97	951.42
	TOTAL DEVELOPMENTAL OUTLAY: (A TO E)	5486.95	12300.00	2610.79	3463.71	3686.55	4221.97	5611.42
F.	Western Ghat Development	34.81	-	7.91	9.65	9.50	15.30	12.43
	GRAND TOTAL : (A TO F)	5521.76	12300.00	2618.70	3473.36	3696.05	4237.27	5623.85

Note: The total Seventh Plan Expenditure is arrived at after deducting Rs.38.96 crores anticipated savings with ZPs in the year 1987-88.

Source:1. Details of Provisions for Plan Schemes, 1987-88 to 1992-93, 1993-94 & 1994 and 1995-96, Finance Department, Government of Karnataka.

2. A Picture of Karnataka Budget, Finance Department, Government of Karnataka.

APPENDIX 6.5

Expenditure on Annual Plans, Centrally Sponsored & Central Plan Scheme:  
Irrigation Projects Pending Approval And Western Ghats Development  
for 1974-75 to 1992-93 and outlays for 1995-96 and 1996-97

Rs.Crores.

Year	State Plan	Centrally Sponsored & Central Plan Schemes (GOI) share	Irrigation Projects Pending Approval	Western Ghats Development	Total (col. 2 to 5) Outlay	Per Capita Expenditure/Outlay (Rs.)
1	2	3	4	5	6	7
1974-75	120.93	17.27	10.68	0.30	149.19	48.00
1975-76	170.52	23.02	13.49	0.24	207.27	65.00
1976-77	221.52	28.72	16.34	1.10	267.68	82.00
1977-78	232.33	32.42	16.94	1.08	282.77	85.00
1978-79	277.91	39.95	24.12	1.18	343.16	101.00
1979-80	321.74	40.61	27.00	1.56	396.91	115.00
1980-81	359.43	53.79	25.13	1.94	470.28	126.00
1981-82	456.60	59.14	25.55	1.77	543.06	141.17
1982-83	525.89	87.99	35.43	2.22	651.53	165.76
1983-84	631.77	95.57	39.51	3.21	770.06	195.91
1984-85	706.80	143.32	54.41	3.73	908.26	226.29
1985-86	693.32	188.36	66.03	4.01	951.72	232.39
1986-87	792.54	181.94	66.28	5.95	1050.71	251.64
1987-88	779.71	193.27	49.12	7.81	1029.91	242.13
1988-89	883.40	215.37	55.17	8.10	1161.94	268.42
1989-90	1029.57	183.77	73.93	8.94	1296.21	294.52
1990-91	1301.93	264.35	89.09	9.47	1664.84	372.47
1991-92	1774.53	277.96	131.13	9.53	2193.15	483.01
1992-93	2032.95	390.48	192.68	7.91	2624.02	564.31
1993-94	2796.95	457.69	209.62	9.65	3473.91	736.00
1994-95	2973.34	495.11	218.10	9.50	3696.05	771.94
1995-96	3100.00	871.97	250.00	15.30	4237.27	872.58
(RE)						
1996-97	4360.00	951.42	300.00	12.43	5623.85	1142.83
(BE)						

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

- Sources: 1. Details of Provisions For Plan Schemes (old issues & 1994-95 Finance Department, Government of Karnataka.  
2. A Picture of Karnataka Budget, 1993-94 Finance Deptt.  
3. Per Capita outlay is worked out using the estimates of population 1981-2000 of India's Social Sectors, CMIE - February 1996 (page 76).

## APPENDIX 6.6

## Minimum Needs Programme: Expenditure \ Outlay

Rs. Lakhs

Programme	Seventh Plan			1990-91			1991-92			Eighth Plan			
	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total	
	1. Rural Electrification	5368	0	5368	580	-	580	2593	0	2593	7493	-	7493
	2. Rural Domestic Cooking Energy												
a) Improved Chullahs	-	-	-	0	-	0	-	-	-	527	-	527	
b) Rural Fuelwood Plantation	449	450	899	115	115	230	461	0	461	700	700	1400	
3. Rural Roads	4944	0	4944	1562	-	1562	2154	0	2154	12000	-	12000	
4. Elementary Education	4681	720	5401	1944	1058	3002	3983	1810	5793	64200	7457	71657	
5. Adult Education	793	1424	2217	152	572	724	318	301	619	1870	411	2281	
6. Rural Health													
(includes IPP)	4274	3597	7871	1851	-	1851	2175	0	2175	13050	-	13050	
7. Rural Water Supply	10249	10302	20551	1941	1887	3828	3279	2274	5553	33750	19360	53110	
8. Rural Sanitation	21	23	44	54	2	56	1	0	1	500	1500	2000	
9. Rural Housing	8440	0	8440	1935	-	1935	1052	0	1052	46920	-	46920	
10. Environmental													
Improvement of Slums	1136	0	1136	329	-	329	592	0	592	4440	-	4440	
11. Nutrition													
(SNP, MMS & Subsidised Foodgrains for poor)	18283	78	18361	825	-	825	1105	0	1105	5750	-	5750	
12. Consumer Protection				29	-	29							
<b>GRAND TOTAL</b>	<b>158638</b>	<b>16594</b>	<b>75232</b>	<b>11317</b>	<b>3634</b>	<b>14951</b>	<b>117713</b>	<b>4385</b>	<b>22098</b>	<b>1191200</b>	<b>29428</b>	<b>220628</b>	

APPENDIX 6.6 (concluded)

Minimum Needs Programme: Expenditure \ Outlay

Rs. lakhs

Programme	1992-93			1993-94 (Accounts)			1994-95 (Accounts)			1995-96 (R.E.)		
	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total	State Plan	CSS/CPS (GOI Share)	Total
	1. Rural Electrification	8290.00	0.00	8290.00	5259.18	0.00	5259.18	10675.00	0.00	10675.00	3300.00	0.00
2. Rural Domestic Cooking Energy												
a) Improved Chullahs	0.00	66.12	66.12	148.72	0.00	148.72	41.30	88.86	130.16	24.00	100.00	124.00
b) Rural Fuelwood Plantation	615.50	0.00	615.50	258.25	258.21	516.46	283.49	1184.50	1467.99	290.00	461.00	751.00
3. Rural Roads	1855.65	0.00	1855.65	2012.82	0.00	2012.82	1785.86	0.00	1785.86	1502.27	0.00	1502.27
4. Elementary Education	6239.00	829.00	7068.00	11046.69	0.00	11046.69	13742.46	2170.42	15912.88	15518.28	2011.92	17530.20
5. Adult Education	664.80	55.83	720.63	695.43	0.00	695.43	811.01	80.31	891.32	574.82	82.25	657.07
6. Rural Health												
(includes IPP)	149.61	0.00	149.61	3600.00 <sup>a</sup>	0.00	3600.00 <sup>a</sup>	2864.88	0.00	2864.88	3719.23	0	3719.23
7. Rural Water Supply	4025.00	2251.00	6276.00	5177.72	3339.13	8516.85	9849.43	3274.50	13123.93	9774.59	5133.70	14908.29
8. Rural Sanitation	8.00	0.00	8.00	259.03	126.10	385.13	311.60	294.00	605.60	1880.79	2000.00	3880.79
9. Rural Housing	4764.00	0.00	4764.00	6747.55	0.00	6747.55	5978.06	0.00	5978.06	4365.15	0.00	4365.15
10. Environmental												
Improvement of Slums	727.00	0.00	727.00	912.00	0.00	912.00	774.50	0.00	774.50	709.00	0.00	709.00
11. Nutrition												
(SNP, MMS & Subsidised Foodgrains for Poor)	1031.00	0.00	1031.00	1124.02	0.00	1124.02	1779.29	0.00	1779.29	3315.17	0.00	3315.17
<b>GRAND TOTAL</b>	<b>128369.56</b>	<b>3201.95</b>	<b>31571.51</b>	<b>137241.41</b>	<b>3723.44</b>	<b>40964.85</b>	<b>148896.88</b>	<b>7092.59</b>	<b>55989.47</b>	<b>144973.30</b>	<b>9788.87</b>	<b>54762.17</b>

Source: Annual Plan 1996-97 (Volume - II).

<sup>a</sup> 1993-94 as per Budget Estimates.



APPENDIX 6.7

Zilla Parishad Sector Outlay By District 1987-88 to 1996-97

Rs.Lakhs

District	1987-88			1988-89			1989-90		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
1. Bangalore	511	384	895	499	366	865	518	438	956
2. Bangalore Rural	1069	649	1718	1074	620	1694	1223	822	2045
3. Chitradurga	1150	731	1881	1197	756	1953	1319	947	2266
4. Kolar	1348	806	2154	1346	849	2195	1497	1090	2587
5. Shimoga	952	686	1638	1132	728	1860	1273	933	2206
6. Tumkur	1342	735	2077	1405	803	2208	1556	1035	2591
7. Mysore	1661	1017	2678	1693	1131	2824	1828	1302	3130
8. Chickmagalur	806	452	1258	793	516	1309	892	619	1511
9. Dakshina Kannada	1204	842	2046	1208	985	2193	1335	1069	2404
10. Hassan	998	554	1552	1075	613	1688	1183	750	1933
11. Kodagu	441	302	743	441	340	781	521	384	905
12. Mandya	985	543	1528	993	520	1513	1064	636	1700
13. Belgaum	1466	1232	2698	1680	1296	2976	1887	1338	3225
14. Bijapur	1502	1034	2536	1678	1048	2726	1832	1161	2993
15. Dharwad	1646	1188	2834	1734	1240	2974	1939	1402	3341
16. Uttar Kannada	822	554	1376	949	587	1536	995	673	1668
17. Gulbarga	1428	893	2321	1686	982	2668	1899	1118	3017
18. Bellary	919	606	1525	1059	635	1694	1185	747	1932
19. Bidar	698	475	1173	878	512	1390	997	569	1566
20. Raichur	1121	733	1854	1458	790	2248	1564	942	2506
<b>Total (20 Districts)</b>	<b>22069</b>	<b>14416</b>	<b>36485</b>	<b>23978</b>	<b>15317</b>	<b>39295</b>	<b>26507</b>	<b>17975</b>	<b>44482</b>

## APPENDIX 6.7 (continued)

Zilla Parishad Sector Outlay By District: 1987-88 to 1996-97

District	Rs. lakhs					
	1990-91			1991-92		
	State	Centre	Total	State	Centre	Total
1. Bangalore	593	678	1271	738	895	1633
2. Bangalore Rural	1358	1086	2444	1649	1322	2971
3. Chitradurga	1544	1497	3041	1928	1945	3873
4. Kolar	1636	1483	3119	2046	2040	4086
5. Shimoga	1338	1239	2577	1651	1512	3163
6. Tumkur	1726	1567	3293	2157	1953	4110
7. Mysore	1955	1859	3814	2400	2442	4842
8. Chickmagalur	1047	875	1922	1232	1169	2401
9. Dakshina kannada	1537	1308	2845	1844	1675	3519
10. Hassan	1222	1099	2321	1482	1454	2936
11. Kodagu	584	439	1023	675	627	1302
12. Mandya	1234	873	2107	1498	1088	2586
13. Belgaum	2077	1712	3789	2549	2127	4676
14. Bijapur	2125	1721	3846	2537	2010	4547
15. Dharwad	2047	1835	3882	2511	2097	4608
16. Uttar Kannada	1065	730	1795	1299	1067	2366
17. Gulbarga	2022	1841	3863	2405	2261	4666
18. Bellary	1259	1105	2364	1553	1317	2870
19. Bidar	1173	797	1970	1462	966	2428
20. Raichur	1771	1471	3242	2130	1790	3920
Total (20 Districts)	29313	25215	54528	35748	31757	67503

## APPENDIX 6.7 (Continued)

## Zilla Parishad Outlay By District 1987-88 to 1996-97

Rs. lakhs.

District	1992-93			1993-94		
	State	Centre	Total	State	Centre	Total
1. Bangalore	804	852	1656	1213	983	2196
2. Bangalore Rural	1749	1258	3007	2100	1360	3460
3. Chitradurga	1993	1745	3738	2575	1975	4550
4. Kolar	2135	2121	4256	2648	2207	4855
5. Shimoga	1655	1493	3148	2221	1635	3856
6. Tumkur	2373	2027	4400	2876	2027	4903
7. Mysore	2467	2119	4586	3156	2343	5499
8. Chickmagalur	1335	945	2280	1767	1037	2804
9. Dakshina Kannada	1952	1559	3511	2513	1740	4253
10. Hassan	1685	1077	2762	2082	1186	3268
11. Kodagu	674	552	1226	897	624	1521
12. Mandya	1575	1080	2655	1915	1154	3069
13. Belgaum	2631	2006	4637	3299	2179	5478
14. Bijapur	2642	1891	4533	3225	2066	5291
15. Dharwad	2544	2092	4636	3149	2217	5366
16. Uttar Kannada	1352	1017	2369	1597	1125	2722
17. Gulbarga	2484	1896	4380	3165	2130	5295
18. Bellary	1772	1292	3064	2269	1422	3691
19. Bidar	1454	998	2452	1732	1033	2765
20. Raichur	2156	1561	3717	2698	1787	4485
Lumpsum				34		34
Total (20 Districts)	37432	29581	67013	47131	32230	79361

APPENDIX 6.7 (Concluded)

Zilla Parishad Outlay By District 1987-88 to 1996-97

Rs. lakhs

District	1994-95			1995-96			1996-97		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
1. Bangalore	1392	1076	2468	1650	1299	2949	1817	1479	3296
2. Bangalore Rural	2390	1639	4029	2874	2050	4924	3140	2595	5735
3. Chitradurga	2960	2980	5940	3453	2613	6066	3777	3264	7041
4. Kolar	3050	3546	6596	3462	3574	7036	3787	3662	7449
5. Shimoga	2567	1784	4351	2949	2283	5232	3173	2849	6022
6. Tumkur	3276	2994	6270	3691	3222	6913	4043	3589	7632
7. Mysore	3609	2867	6476	4258	2917	7175	4659	3345	8004
8. Chickmagalur	2035	1421	3456	2291	1454	3745	2499	1770	4269
9. Dakshina Kannada	2879	2025	4904	3225	2162	5387	3511	2870	6381
10. Hassan	2362	1177	3539	2738	1395	4133	2974	2004	4978
11. Kodagu	1031	646	1677	1152	898	2050	1267	1042	2309
12. Mandya	2178	1420	3598	2555	1555	4110	2784	1829	4613
13. Belgaum	3746	2405	6151	4612	3361	7973	4977	3462	8439
14. Bijapur	3676	3178	6854	4229	3297	7526	4620	3397	8017
15. Dharwad	3607	3659	7266	4143	3852	7995	4491	3942	8433
16. Uttar Kannada	1802	1224	3026	2089	1691	3780	2271	1875	4146
17. Gulbarga	3624	3445	7069	4044	3170	7214	4438	3716	8154
18. Bellary	2586	2320	4906	2883	2865	5748	3171	3111	6282
19. Bidar	1974	1551	3525	2200	1695	3895	2424	1779	4203
20. Raichur	3070	2090	5160	3502	2678	6180	3834	2503	6337
Lumpsum							5544	0	5544
<b>Total (20 Districts)</b>	<b>53814</b>	<b>43447</b>	<b>97261</b>	<b>62000</b>	<b>48031</b>	<b>110031</b>	<b>73201</b>	<b>54083</b>	<b>127284</b>

## APPENDIX 6.8

Zilla Parishad Sector Outlay by Major Heads of Development  
1987-88 to 1996-97

Rs. Lakhs

Head of Development	1987-88			1988-89			1989-90		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
<b>A. ECONOMIC SERVICES</b>									
1. Agriculture & Allied Services (Including Co-Operation)	2975	1621	4596	3633	1579	5212	4132	1955	6087
2. Rural Development	6173	6124	12297	6419	5816	12235	7631	6843	14474
3. Special Area Programme	-	-	-	-	-	-	-	-	-
4. Irrigation & Flood Control	758	-	758	920	452	1372	991	476	1467
5. Energy	21	-	21	87	-	87	89	-	89
6. Industry & Minerals	749	119	868	1144	154	1298	1144	205	1349
7. Transport	1464	-	1464	2184	-	2184	2184	-	2184
8. Science, Technology & Employment	-	-	-	-	-	-	-	-	-
9. General Economic Services	410	20	430	33	20	53	328	24	352
<b>TOTAL ECONOMIC SERVICES</b>	<b>12550</b>	<b>7884</b>	<b>20434</b>	<b>14420</b>	<b>8021</b>	<b>22441</b>	<b>16499</b>	<b>9503</b>	<b>26002</b>
<b>B. SOCIAL SERVICES</b>									
1. Education, Sports art & Culture	1000	249	1249	1794	250	2044	2298	1640	3938
2. Health	1249	2287	3536	1484	2648	4132	1485	2766	4251
3. Water Supply Housing & Urban Development	3053	2283	5336	3841	2953	6794	3674	2453	6127
4. Information & Publicity	-	-	-	-	-	-	-	-	-
5. Welfare of SC/Sts. & Other Backward classes	2387	823	3210	658	225	883	778	218	996
6. Labour & Labour Welfare	656	206	862	640	133	773	627	133	760
7. Social Welfare & Nutrition	1174	684	1858	1141	1087	2228	1146	1262	2408
<b>SOCIAL SERVICES</b>	<b>9519</b>	<b>6532</b>	<b>16051</b>	<b>9558</b>	<b>7296</b>	<b>16854</b>	<b>10008</b>	<b>8472</b>	<b>18480</b>
<b>GENERAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>22069</b>	<b>14416</b>	<b>36485</b>	<b>23978</b>	<b>15317</b>	<b>39295</b>	<b>26507</b>	<b>17975</b>	<b>44482</b>

APPENDIX 6.8 (Continued)

Zilla Parishad Sector Outlay by Major Heads of Development  
1987-88 to 1996-97

Head of Development	Rs. Lakhs					
	1990-91			1991-92		
	State	Centre	Total	State	Centre	Total
<b>1A. ECONOMIC SERVICES</b>						
11. Agriculture & Allied Services (including Co-operation)	4638	1929	6567	3956	3667	7623
12. Rural Development	8370	13260	21630	9568	16397	25965
13. Special Area Programme	-	-	-	-	-	-
14. Irrigation & Flood Control	1142	530	1672	1782	33	1815
15. Energy	92	-	92	47	-	47
16. Industry & Minerals	1386	253	1639	1288	244	1532
17. Transport	2684	5	2689	3891	5	3896
18. Science, Technology & Environment	-	-	-	-	-	-
19. General Economic Services	248	29	277	472	25	497
<b>Total Economic Services</b>	<b>18560</b>	<b>16006</b>	<b>34566</b>	<b>21004</b>	<b>20371</b>	<b>41375</b>
<b>1B. SOCIAL SERVICES</b>						
11. Education, Sports art & Culture	3038	2384	5422	4398	2632	7030
12. Health	2340	2928	5268	2853	3513	6366
13. Water Supply Housing & Urban Development	2855	2079	4934	4066	2634	6700
14. Information & Publicity	-	-	-	-	-	-
15. Welfare of SC/STs & other Backward classes	1018	309	1327	1635	422	2057
16. Labour & Labour Welfare	530	8	538	582	-	582
17. Social Welfare & Nutrition	1008	1501	2509	1208	2184	3392
<b>Total Social Services</b>	<b>10789</b>	<b>9209</b>	<b>19998</b>	<b>14742</b>	<b>11385</b>	<b>26127</b>
<b>1C. General Services</b>	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>29313</b>	<b>25215</b>	<b>54528</b>	<b>35746</b>	<b>31756</b>	<b>67502</b>

APPENDIX 6.8 (Continued)

Zilla Parishad Sector Outlay by Major Heads of Development  
1987-88 to 1996-97

Rs. lakhs.

Head of Development	1992-93			1993-94		
	State	Centre	Total	State	Centre	Total
<b>A. ECONOMIC SERVICES</b>						
1. Agriculture & Allied Services (including Co-operation)	4058	2395	6453	5063	1568	6631
2. Rural Development	8849	14672	23521	10303	17426	27729
3. Special Area Programme	-	-	-	-	-	-
4. Irrigation & Flood Control	1790	56	1846	1857	48	1905
5. Energy	47	-	47	56	-	56
6. Industry & Minerals	1308	266	1574	1219	187	1406
7. Transport	4483	-	4483	5274	-	5274
8. Science, Technology & Environment	-	-	-	-	-	-
9. General Economic Services	285	33	318	440	40	480
<b>TOTAL ECONOMIC SERVICES</b>	<b>20820</b>	<b>17422</b>	<b>38242</b>	<b>24212</b>	<b>19269</b>	<b>43481</b>
<b>B. SOCIAL SERVICES</b>						
1. Education, Sports art & Culture	6491	1693	8184	7887	1696	9583
2. Health	3491	3796	7287	4564	3525	8089
3. Water Supply Housing & Urban Development	3206	3384	6590	4780	4360	9140
4. Information & Publicity	-	-	-	-	-	-
5. Welfare of SC/Sts. & Other Backward classes	2072	900	2972	3978	967	4945
6. Labour & Labour Welfare	5	-	5	6	6	12
7. Social Welfare & Nutrition	1347	2386	3733	1704	2407	4111
<b>TOTAL SOCIAL SERVICES</b>	<b>16612</b>	<b>12159</b>	<b>28771</b>	<b>22919</b>	<b>12961</b>	<b>35880</b>
<b>GENERAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>37432</b>	<b>29581</b>	<b>67013</b>	<b>47131</b>	<b>32230</b>	<b>79361</b>

APPENDIX 6.8 (Concluded)

Zilla Parishad Sector Outlay by Major Heads of Development  
1987-88 to 1996-97

Rs. Lakhs

Head of Development	1994-95			1995-96			1996-97		
	State	Centre	Total	State	Centre	Total	State	Centre	Total
<b>A. ECONOMIC SERVICES</b>									
1. Agriculture & Allied Services (including Co-operation)	5093	2666	7759	5431	2644	8075	6050	2391	8441
2. Rural Development	16823	25953	42776	17955	24663	42618	24144	24729	48873
3. Special Area Programme	-	-	-	-	-	-	-	-	-
4. Irrigation & Flood Control	1489	50	1539	1464	308	1772	1582	0	1582
5. Energy	189	-	189	106	-	106	258	0	258
6. Industry & Minerals	1181	192	1373	1232	264	1496	1258	1	1259
7. Transport	4650		4650	4276		4276	4409	0	4409
8. Science, Technology & Environment	-	-	-	-	-	-	-	-	-
9. General Economic Services	348	50	398	420	64	484	264	0	264
<b>TOTAL ECONOMIC SERVICES</b>	<b>29773</b>	<b>28911</b>	<b>58684</b>	<b>30884</b>	<b>27943</b>	<b>58827</b>	<b>37965</b>	<b>27121</b>	<b>65086</b>
<b>B. SOCIAL SERVICES</b>									
1. Education, Sports art & Culture	8216	1669	9885	12106	1958	14064	14436	2731	17167
2. Health	4361	4270	8631	4572	5186	9758	4572	6009	10581
3. Water Supply Housing & Urban Development	5369	3542	8911	5587	7100	12687	6628	10321	16949
4. Information & Publicity	-	-	-	-	-	-	-	-	-
5. Welfare of SC/Sts. & Other Backward classes	4290	1526	5816	4828	1507	6335	5410	3184	8594
6. Labour & Labour Welfare	3	3	6	1	1	2	1	1	2
7. Social Welfare & Nutrition	1802	3526	5328	4022	4336	8358	4188	4717	8905
<b>TOTAL SOCIAL SERVICES</b>	<b>24041</b>	<b>14536</b>	<b>38577</b>	<b>31116</b>	<b>20088</b>	<b>51204</b>	<b>35235</b>	<b>26963</b>	<b>62198</b>
<b>GENERAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>53814</b>	<b>43447</b>	<b>97261</b>	<b>62000</b>	<b>48031</b>	<b>110031</b>	<b>73200</b>	<b>54084</b>	<b>127284</b>

During 87-88 SCP and TSP Outlay was pooled and included in welfare of SC/Sts and other BCs, However during 1988-89 to 1996-97, this outlay is included in the outlay of the respective sectors.



APPENDIX 6.9  
Proportion of District Sector Outlay to total  
Plan Outlay 1987-88 to 1996-97

Year	Particulars	Total Plan Outlay	District Sector	
			Outlay	As % of Total Outlay
1987-88 (BE)	State	917	221	24.10
	Centre	215	144	66.98
	Total	1132	365	32.24
1988-89 (BE)	State	900	240	26.67
	Centre	252	153	60.71
	Total	1152	393	34.11
1989-90 (BE)	State	1040	265	25.48
	Centre	266	180	67.67
	Total	1306	445	34.07
1990-91 (BE)	State	1145	293	25.59
	Centre	221	252	114.03
	Total	1366	545	39.90
1991-92 (BE)	State	1558	357	22.91
	Centre	379	318	83.91
	Total	1937	675	34.85
1992-93 (BE)	State	2159	374	17.32
	Centre	466	296	63.52
	Total	2625	670	25.52
1993-94 (BE)	State	3025	471	15.57
	Centre	596	322	54.03
	Total	3621	793	21.90
1994-95 (BE)	State	3383	538	15.90
	Centre	792	435	54.92
	Total	4175	973	23.31
1995-96 (BE)	State	3758	620	16.50
	Centre	890	480	53.93
	Total	4648	1100	23.67
1996-97 (BE)	State	4360	732	16.79
	Centre	951	541	56.89
	Total	5311	1273	23.97

In 1990-91 the Central share of total State Plan outlay was less than the Central share of district sector outlay as the Central share of JRY funds was released directly to Mandal Panchayats.

APPENDIX - 6.10

Total Expenditure in Karnataka by Economic Classification of Budget, 1980-81 to 1996-97  
Rs.Crores

Year	Final Outlays			Total	Transfer Payments to		Total	Financial Investment and loans to the rest of the Economy	Total Expenditure
	Govt's Consumption Expdr.	Gross Capital Formation	Acquisition of fixed Assets		Current Transfer	Capital Transfer			
1980-81	383.72	219.72	2.98	606.42	212.13	20.41	232.54	161.13	1000.29
1981-82	437.53	246.83	7.23	691.59	248.43	22.49	270.92	200.80	1163.31
1982-83	514.21	278.20	6.55	798.96	311.93	33.89	345.82	242.84	1387.62
1983-84	568.46	321.29	10.71	900.46	372.63	45.99	418.62	244.85	1563.62
1984-85	745.95	428.14	0.63	1174.72	552.73	28.78	581.51	262.49	2018.72
1985-86	800.40	443.44	0.44	1244.28	701.02	31.70	732.72	296.40	2273.40
1986-87	807.23	455.68	10.57	1273.48	812.13	41.44	853.57	405.67	2612.72
1987-88	709.95	265.31	4.08	979.34	1580.17	9.26	1589.43	378.04	2946.81
1988-89	769.52	295.09	2.95	1067.56	1845.49	5.69	1851.18	348.69	3267.43
1989-90	913.80	364.02	4.50	1282.32	2138.22	21.23	2159.45	417.18	3858.95
1990-91	1024.19	425.95	1.31	1451.45	2428.65	75.04	2503.69	514.90	4470.04
1991-92	1285.89	574.21	2.34	1862.44	3080.10	47.23	3127.33	659.43	5649.04
1992-93	1393.70	750.50	6.01	2150.21	3430.85	151.15	3582.00	666.45	6398.66
(A/cs)									
1993-94	1530.00	997.00	1.00	2528.00	3656.00	208.00	3864.00	801.00	7193.00
1994-95	1750.00	1059.00	4.00	2813.00	4500.00	137.00	4637.00	503.00	7953.00
(A/cs)									
1995-96	2285.00	1006.00	10.00	3301.00	5388.00	95.00	5483.00	684.00	9468.00
(R.E.)									
1996-97	2730.00	1274.00	13.00	4018.00	6444.00	170.00	6614.00	526.00	11158.00
(B.E.)									

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

Source: Report on an Economic-cum Purpose Classification of the Karnataka Government Budget-Past Issues 1996-97 Directorate of Economics & Statistics.

## APPENDIX 6.11

Capital Formation by the Government, Karnataka  
1980-81 to 1996-97

Rs. Crores

Year	Value of Assets Created			Changes in Stock in 1(a) and 1(b)	Gross Capital Forma- tion
	By Departmental Commercial Undertakings	By Govt Adminis- tration	Total		
1980-81	112.20	101.45	213.65	6.27	219.92
1981-82	109.69	114.33	224.02	22.81	246.83
1982-83	117.12	151.28	268.40	9.80	278.20
1983-84	151.83	159.46	311.29	10.00	321.29
1984-85	185.60	228.06	413.66	14.48	428.14
1985-86	213.34	227.70	441.04	2.40	443.44
1986-87	229.01	220.51	449.52	6.16	455.68
1987-88	188.36	80.07	268.43	(-) 3.12	265.31
1988-89	220.41	76.93	297.34	(-) 2.25	295.09
1989-90	265.93	92.61	358.54	5.48	364.02
1990-91	279.41	135.78	415.19	14.58	429.77
1991-92	398.91	158.92	557.83	16.38	574.21
1992-93	547.35	187.42	734.77	15.73	750.50
(Accounts)					
1993-94	738.00	249.00	987.00	10.00	997.00
1994-95	768.60	275.69	1044.29	14.43	1058.72
(Accounts)					
1995-96					
(RE)	702.12	303.89	1006.01	0.00	1006.01
1996-97	796.58	476.72	1273.30	0.00	1273.30
(BE)					

R.E: Revised Estimates

B.E: Budget Estimates

Source: Reports on An Economic-cum-Purpose Classification  
of the Karnataka Government Budget 1996-97 and earlier  
issues, Directorate of Economics and Statistics.

## Appendix 7.1

## Progress of Scheduled Commercial Banks at a Glance (As at the end of June)

Sl.	Indicator	Unit	1982	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
1.	Total Branches : (Offices)	Nos.	2992	3966	4018	4164	4227	4263	4300	4326	4360	4412	44
	Of which Rural Branches :	Nos.	1531	2168	2180	2282	2337	2378	2385	2391	2387	2356	22
2.	Population per branch	Nos.	12412	9364	9242	8918	8785	10511	10420	10402	10321	10199	100
	Population per Rural branch	Nos.	17248	12180	12113	11571	11299	13018	12979	12994	13015	13187	137
3.	Total Deposits :	Rs.crore	2305	5249	6107	7105	8218	9632	11217	13078	15800	19115	239
	Of which Rural :	"	410	889	1015	1173	1399	1645	1938	2202	2824	3188	35
4.	Deposits per Branch:	Rs.Lakh	77	132	152	171	194	226	261	302	362	433	5
	Of which Rural :	"	27	41	47	51	60	69	81	92	118	135	1
5.	Per Capita Deposits :	Rs	621	1415	1646	1915	2215	2150	2504	2966	3511	4248	53
	Of which Rural :	Rs	155	337	384	444	530	531	625	710	910	1026	11
6.	Total Advances :	Rs.crore	1794	4720	5490	6550	7476	8263	8793	9826	10108	13691	166
	Of which Rural	"	317	947	1120	1278	1489	1468	1595	1713	1887	2563	26
7.	Advances per Branch:	Rs.lakh	60	119	137	157	177	194	204	227	231	310	3
	Of which Rural :	"	21	44	51	56	64	62	67	72	79	109	1
8.	Per Capita Advances :	Rs.	484	1272	1480	1765	2015	1844	1963	2183	2246	3043	37
	Of which Rural :	Rs.	120	359	424	484	564	484	515	551	608	825	8
9.	Credit-Deposit ratio:	%	78	90	90	92	91	86	78	75	64	72	7
	Of which Rural	%	77	107	110	109	106	89	82	78	66	81	7

Note: Per capita figures are based on 1981 Census population for 1982 to 1990 and 1991 Census population (provisional) for 1991 and 1992 & 1991 Census population for 1993 to 1996.

Source: Banking Statistics - Quarterly Handout, Reserve Bank of India, Bombay Souvenir 1992 - State L

## Appendix 7.2

Progress of Regional Rural Banks at a Glance - Karnataka  
(As at the end of June)

Indicator	Unit	1981	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
1. Total Regional Rural Banks	Number	5	13	13	13	13	13	13	13	13	13	13	13
2. Districts covered by RRBs	"	9	19	20	20	20	20	20	20	20	20	20	20
3. Total Branches	"	334	973	1008	1039	1059	1068	1074	1075	1075	1075	1074	1074
4. Population served per branch	000s	79.10	27.10	26.20	25.40	24.90	24.70	24.60	29.40	29.90	30.50	31.00	31.00
5. Total Deposits	Rs.crores	20.37	89.56	115.36	151.28	189.97	233.24	274.87	354.68	427.70	524.40	767.97	964.43
6. Deposits per Branch	Rs.lakhs	6.18	9.21	11.44	14.56	17.94	21.84	25.59	32.99	39.82	54.46	71.51	89.80
7. Per Capita Deposits	Rs.	9.00	34.00	44.00	57.00	72.00	88.00	89.00	112.24	132.83	178.72	230.63	284.50
8. Total Advances	Rs.crores	37.46	171.73	209.47	258.37	315.63	370.54	343.53	391.48	463.46	548.13	721.59	892.13
9. Advances per Branch	Rs.lakhs	11.22	17.65	20.78	24.86	24.40	34.69	31.99	36.41	43.15	50.90	67.19	83.07
10. Per capite Advances	Rs.	15.90	65.00	79.00	98.00	120.00	140.00	111.00	123.89	143.93	167.01	216.70	263.17
11. Credit-Deposit Ratio	per cent	184.00	192.00	182.00	171.00	166.00	159.00	125.00	110.00	108.00	93.00	94.00	93.00

Appendix - 7.3

Advances given under Integrated Rural Development Programme.

Indicator	Disbursements made during the year ending March												
	1981	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
1. Beneficiaries (000s)	108.89	182.65	148.79	145.27	160.13	156.17	140.27	125.02	108.84	103.85	132.36	125.81	119.68
Of which SC/STs (000s)	17.74	49.16	36.6	39.86	41.07	14.93	40.37	45.52	44.29	39.88	50.1	48.4	45.17
2. (a) Loan Component (Rs. crores)	22.86	42.6	37.24	41.9	52.52	55.72	51.65	47.84	42.17	42.74	60.14	67.2	81.99
(b) Subsidy (Rs. crores)	6.42	18.69	16.38	18.16	22.34	23.45	22.44	24.09	21.91	21.93	31.87	34.28	42.57
(c) Total (Rs. crores)	29.28	61.29	53.62	60.06	74.86	79.17	74.09	71.93	64.08	64.67	92.01	101.48	124.56

Source : Rural Development and Panchayat Raj Department

Purposewise Classification of Advances (outstandings) of Regional Rural Banks in Karnataka.

(Rs. Lakhs)

Indicator	December 1985	June 1988	March 1989	March 1990	March 1991	March 1992	March 1993	March 1994	March 1995
1. Direct Advances									
a) Short term Loans									
Crop Loans	4735.61	6619.8	7974.96	10401.64	8939.24	8957.95	12194.77	15594.87	22324.03
b) Term Loans									
i) Agri- Investments	2791.35	5801.01	6814.79	6557.22	5740.04	6188.81	7141.57	9040.92	13151.36
ii) Allied Activities	2684.15	4466.42	5032.72	5969.45	4997.76	5922.31	5892.06	6110.10	7514.28
c) Rural Artisans: Village & Cottage Industries	371.79	829.65	1030.60	1225.56	1260.28	1359.13	1644.86	1948.62	3048.73
d) Retail Trade, Small Business, & Self employed etc.	1961.20	3859.81	4677.69	5427.03	5649.87	5856.66	6980.65	8041.64	10998.40
e) Consumption Loans	92.81	139.03	48.30	305.11	483.84	483.84	1211.10	1452.94	1186.77
f) Other purposes	1436.79	2101.10	4041.05	4646.38	5076.85	5087.97	9009.88	11202.03	12958.09
2. Indirect Advances	1253.57	1086.50	1511.89	1653.45	206.37	206.37	1193.80	1212.82	979.93
Total Advances (1 + 2)	15327.29	24883.12	31132.15	36185.84	32354.25	34063.04	45268.69	54603.94	72161.59

Source: Statistics on Regional Rural Banks, NABARD.

Appendix - 7.5

Advances under Differential Interest Scheme

Indicator	As at the end of March									
	1981	1988	1989	1990	1991	1992	1993	1994	1995	1996
1. Beneficiaries (000's)	206.90	606.40	591.90	541.00	448.90	366.90	306.8	209.00	155.00	113.00
2. Outstanding Advances (Rs.crore)	14.14	95.13	92.09	88.67	75.52	71.67	60.05	47.23	35.34	33.02
3. Percentage to Total Advances:	0.97	2.05	1.51	1.30	0.90	0.90	0.61	0.48	0.34	0.25

Source: State Level Bankers' Committee for Karnataka.



Appendix 7.6

Sanctions and Credit Disbursement by Term  
Lending Institutions in Karnataka

(Rs. in lakhs)

	K S F C		K S I I D C	
	Sanctions	Disburse- ments	Sanctions	Disburse- ments
1980-81	2116	1441	994	694
1981-82	3249	2164	2901	953
1982-83	4378	3144	3113	1330
1983-84	5826	4267	3209	604
1984-85	7562	5364	3542	1831
1985-86	10357	6829	2818	2451
1986-87	11179	8967	3431	2748
1987-88	12559	10479	3568	3292
1988-89	14049	12460	4041	3081
1989-90	18355	14702	6220	4090
1990-91	24651	19071	7190	4998
1991-92	33288	24634	6883	5959
1992-93	33625	29981	6933	5496
1993-94	35477	31001	10956	6680
1994-95	52018	43209	31805	16076
1995-96	62363	48460	38003	21351

Source : KSFC & KSIIDC

Appendix 7.7

Sanctions and Disbursals of All India Financial Institutions in Karnataka.

Rs. crore

Financial Institutions	1980-81		1989-90		1990-91		1991-92		1992-93		1993-94		1994-95	
	Sanctions	Disbursals	Sanctions	Disbursals	Sanctions	Disbursals	Sanctions	Disbursals	Sanctions	Disbursals	Sanctions	Disbursals	Sanctions	Disbursals
1. IDBI	126.10	88.30	417.20	287.88	344.40	208.70	350.70	252.20	568.30	343.70	540.80	478.10	1379.60	583.10
2. IFCI	21.10	9.90	43.20	55.80	131.10	80.90	80.90	52.10	168.40	79.10	238.60	140.80	288.50	92.10
3. ICICI	20.60	14.70	55.30	47.60	158.40	59.80	254.50	112.20	457.30	149.60	576.00	228.30	1063.60	497.80
4. LIC	17.90	8.60	3.30	5.50	11.40	11.90	103.50	19.70	13.30	22.00	21.00	40.00	110.00	27.00
5. UTI	4.30	3.50	8.80	6.90	30.80	27.90	44.80	46.30	111.40	69.60	12.60	36.60	325.00	29.10
6. GIC	2.70	2.10	2.10	1.30	4.00	12.90	75.80	5.40	75.80	5.40	6.10	25.10	53.20	4.20
7. IRBI	-	-	1.10	4.90	6.10	4.60	22.80	3.70	17.50	12.90	3.60	7.20	85.80	12.20
8. REC	8.10	5.89	24.00	35.00	39.50	24.80	73.80	22.00	7.00	29.70	38.70	35.10	61.37	50.01
9. HUDCO	12.10	7.60	66.80	31.40	96.50	44.90	96.80	30.60	68.30	48.20	66.10	79.30	453.57	148.86
10. NABARD	36.10	17.80	197.80	139.50	207.70	143.60	162.30	152.60	402.30	198.80	430.80	235.70	333.48	236.76
11. NCDC	N.A	3.30	2.90	8.80	12.20	17.10	N.A	39.60	29.80	28.00	22.70	15.20	26.79	9.56
12. RCTC	-	-	0.20	0.50	1.90	0.90	0.10	0.20	1.50	0.90	-	0.20	-	-
13. TDICI	-	-	4.00	2.30	2.20	2.50	3.30	3.70	5.40	5.40	5.60	5.80	14.30	12.20
14. SCICI	-	-	0.50	-	1.20	-	2.00	-	1.20	-	248.00	266.60	229.20	78.60
15. TFCI	-	-	5.10	1.20	13.30	3.70	10.00	4.30	24.20	10.30	2.50	3.70	-	2.20
16. SIDBI	-	-	-	-	203.60	145.60	225.70	178.20	260.20	217.10	272.60	252.80	331.50	269.60
17. EXIM	-	-	-	-	-	-	-	-	-	-	-	-	47.20	8.90
<b>TOTAL</b>	<b>249.00</b>	<b>161.60</b>	<b>832.30</b>	<b>628.50</b>	<b>1264.30</b>	<b>789.80</b>	<b>1529.70</b>	<b>922.80</b>	<b>2211.90</b>	<b>1220.70</b>	<b>2493.70</b>	<b>1850.50</b>	<b>4753.11</b>	<b>2062.19</b>

NOTE: LIC : Excluding Short Term Loans  
 NABARD : Only Schematic lending.  
 TFCI : Established in February 1989

SISBI : Established in April 1990.  
 RCTC : " in January 1988 - relates to 1987 (Calendar Year)  
 TDICI : " in July 1988.  
 SCICI : " in December 1985

SOURCE: 1. IDBI: Report on Development Banking in India

Appendix 7.8

Particulars of Loans Disbursed by  
Co-operative Credit Institutions  
1982-83 to 1996-97

Year	Rs. crore		
	Short Term Loans	Medium Term Loans	Long Term Loans
1982-83	82.56	8.13	30.00
1983-84	105.06	8.32	34.23
1984-85	109.19	10.12	43.02
1985-86	102.94	6.84	16.87
1986-87	101.35	3.40	52.31
1987-88	109.47	4.04	42.88
1988-89	229.18	8.66	89.48
1989-90	185.90	7.80	76.80
1990-91	58.65	5.75	58.12
1991-92	73.50	3.59	97.21
1992-93	195.93	6.34	120.57
1993-94	230.00	9.12	134.54
1994-95	303.54	24.42	107.15
1995-96	450.67	37.95	153.66
1996-97 (Up to Nov.96)	395.41	19.01	75.67

Source : Department of Co-operation

Appendix 7.9

Demand, Collection and Balance of Co-operative Loans. 1984-85 to 1996-97

Rs.crore

Year	Short Term Loan				Medium Term Loan				Long Term Loan			
	Demand	Collec- tion	Balance	Percentage of Recovery	Demand	Collec- tion	Balance	Percentage of Recovery	Demand	Collec- tion	Balance	Percentage of Recovery
1984-85	175.00	103.63	71.38	59.21	29.63	9.04	20.60	30.49	42.99	24.57	18.38	57.20
1985-86	172.15	96.47	35.68	56.04	13.92	7.41	23.51	23.95	46.62	22.45	24.18	48.14
1986-87	175.07	97.34	77.70	56.62	46.64	12.32	34.31	26.42	80.54	33.37	47.01	55.00
1987-88	215.37	164.02	51.34	76.18	58.03	33.00	25.03	58.87	61.83	40.31	21.52	65.08
1988-89	274.78	167.06	107.71	60.80	43.25	13.57	29.68	31.36	77.61	40.03	37.58	51.58
1989-90	285.92	53.27	232.25	18.65	46.53	4.30	42.23	9.24	111.92	26.87	85.03	24.00
1990-91	306.26	110.00	196.24	26.60	54.74	23.00	32.00	4.79	162.00	52.00	110.00	32.00
1991-92	267.53	137.55	129.28	51.41	49.57	16.72	33.25	33.46	187.26	71.53	115.73	38.20
1992-93	305.37	162.60	142.57	53.31	43.33	11.57	31.76	42.42	210.10	68.09	143.01	32.26
1993-94	351.86	215.02	136.84	61.11	42.64	14.48	28.16	33.91	261.45	89.59	171.87	34.27
1994-95	422.31	340.66	81.65	80.67	44.04	26.47	17.47	60.10	318.45	146.29	172.16	45.94
1995-96	500.84	357.02	143.82	71.28	33.69	16.54	17.15	49.08	331.45	128.89	202.56	38.89
1996-97 (Up to Oct.96)	162.47	18.73	143.74	11.53	18.28	1.29	16.99	7.04	251.29	19.41	231.88	7.73

APPENDIX 8.1

Registrants on the Live Register of Employment  
Exchanges in Karnataka 1975-76 to 1996-97

(Thousands)

Year	Post Graduates	Graduates	Diploma Holders	ITI	Matric	Below Matric	Total
75-76	4.36	37.90	3.5	6.41	166.04	145.08	373.3
80-81	5.51	69.10	5.52	8.40	290.78	228.48	607.4
81-82	5.37	70.28	6.88	12.38	308.26	227.91	631.0
82-83	6.00	71.32	8.01	11.96	348.21	249.05	694.5
83-84	6.79	69.78	9.21	14.04	385.64	258.32	743.7
84-85	7.83	77.71	10.00	15.67	422.56	257.79	785.5
85-86	7.10	88.35	12.96	19.55	517.34	309.14	954.7
86-87	8.39	100.35	15.75	24.23	581.37	339.79	1069.8
87-88	6.89	86.74	16.91	27.98	538.01	313.75	990.2
88-89	8.18	93.76	20.48	31.63	604.89	323.75	1082.6
89-90	9.72	105.60	25.88	36.66	699.74	371.05	1248.6
90-91	10.35	112.71	24.31	38.53	773.49	368.37	1327.7
91-92	11.96	119.61	28.38	41.95	867.77	374.00	1443.6
92-93	13.02	129.38	31.20	45.94	941.61	350.33	1511.4
93-94	14.11	156.07	33.13	45.92	1007.87	323.56	1580.6
94-95	14.85	160.85	34.50	49.08	1055.15	336.69	1651.1
95-96	14.82	163.59	32.57	51.58	1126.76	349.69	1739.0
96-97	14.93	168.67	36.42	58.42	1180.03	339.94	1798.4

(up to  
Nov 96)

Source: Directorate of Employment and Training.

APPENDIX 8.2

Number of Vacancies Notified and Placements made  
1975-76 to 1996-97

(Thousands)

Year	Vacancies notified	Placements made
70-71	27.8	15.7
75-76	26.9	14.1
80-81	33.8	20.0
81-82	30.1	16.8
82-83	38.0	18.7
83-84	32.0	13.2
84-85	32.6	15.4
85-86	20.7	13.3
86-87	23.5	9.2
87-88	18.6	8.4
88-89	15.9	9.1
89-90	19.6	10.2
90-91	18.0	5.8
91-92	18.9	14.4
92-93	24.0	12.4
93-94	30.0	17.0
94-95	24.0	25.5
95-96	29.5	14.3
96-97 (Nov. 96)	17.0	13.0

Source: Directorate of Employment and Training  
Karnataka Government.

**APPENDIX-8.3**  
**Employment in the organised sector in Karnataka**  
**1970-71 to 1996-97**

(Thousands)

Year	Public Sector Total	Women	Private Sector Total	Women	Public and Private Sector Total	Women
70-71	558.7	52.6	274.2	56.7	832.9	109.3
75-76	669.1	65.6	305.5	52.5	974.6	118.1
80-81	794.2	90.0	348.3	55.5	1142.5	145.5
81-82	816.1	95.0	355.9	57.1	1171.6	152.1
82-83	831.8	97.3	359.9	59.6	1191.7	156.9
83-84	863.5	103.0	355.2	58.5	1218.7	161.5
84-85	894.1	114.4	367.1	61.5	1261.2	175.9
85-86	926.2	124.0	372.2	63.9	1298.4	197.9
86-87	948.9	128.5	374.4	64.4	1323.3	192.9
87-88	962.1	135.5	389.3	67.2	1351.4	202.7
88-89	987.5	146.7	398.0	75.9	1385.5	222.6
89-90	1004.9	149.4	403.0	82.3	1407.9	231.7
90-91	1017.3	160.0	430.0	92.1	1447.3	252.1
91-92	1028.0	167.0	451.5	98.2	1479.5	262.5
92-93	1026.0	170.7	475.0	110.7	1501.0	280.7
93-94	1032.8	178.6	497.6	127.8	1530.4	306.4
94-95	1050.6	190.5	527.6	138.5	1578.2	329.0
95-96	1058.4	199.0	700.9	273.8	1759.3	472.8
96-97	1067.2	205.7	712.9	278.7	1780.2	484.4

(Sept.  
96)

Source: Directorate of Employment and Training,  
Govt. of Karnataka

APPENDIX-8.4

Per capita emoluments of state Public Sector employees in Karnataka in relation to All India Consumer Price Index for Industrial Workers 1981-82 to 1995-96.

Year	Public Sector Employees	A.I. Consumer Price Index for Industrial workers	Total employees	Total emoluments	Per capita Emoluments	% increase over previous year	Index (1982=100)	% increase over previous year
(lakhs)	(Rs. crores)	Rupees	(lakhs)	(Rs. crores)	Rupees	% increase over previous year	Index (1982=100)	% increase over previous year
81-82	1.36	140.82	10354			-	91	-
82-83	1.35	146.84	10877			5.0	98	7.7
83-84	1.40	184.72	13408			23.3	111	13.3
84-85	1.38	224.41	16262			21.3	118	6.3
85-86	1.53	261.23	17074			5.0	126	6.8
86-87	1.53	296.93	19497			13.7	137	8.7
87-88	1.59	347.88	21879			12.7	149	8.8
88-89	1.64	448.39	27341			25.0	159	6.7
89-90	1.60	458.06	28629			4.7	173	8.8
90-91	1.63	513.98	31608			10.4	193	11.5
91-92	1.63	672.53	41358			30.8	219	13.5
92-93	1.63	677.12	41551			0.5	240	9.6
93-94	1.62	935.05	57720			38.9	258	7.5
94-95	1.62	1017.94	62836			8.9	293	13.6
95-96	1.67	1166.70	69862			11.2	319	8.9
(provisional)								

Note: Relates to State Public Sector only.  
Source: Karnataka Bureau of Public Enterprises.



Appendix 9.1

Plan and Non-Plan Expenditure on Primary Education

(Rs. in lakhs)

Year	Plan	Non-Plan
1985-86	889.57	18808.65
1986-87	701.37	21917.94
1987-88	1686.23	27592.12
1988-89	1326.80	31162.44
1989-90	1893.43	35041.49
1990-91	3335.77	37422.57
1991-92	5789.80	41047.34
1992-93	13515.20	46364.44
1993-94	12805.48	54456.44
1994-95	12444.30	59212.15
1995-96	17464.43	64920.76
1996-97(A)	22257.56	77196.49

Source: Dept. of Education

A : Anticipated

Appendix 9.2

Physical Progress under Primary Education

Item/Unit	1965-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97(A)
<b>1. Enrolment (in lakhs)</b>												
a) Standards I to IV	40.51	42.49	44.49	46.32	47.21	48.32	48.03	50.70	52.66	54.28	53.22	
i) Boys	22.45	23.28	24.27	25.07	25.37	25.73	25.81	26.01	27.76	28.32	27.25	
ii) Girls	18.06	19.21	20.22	21.25	21.84	22.59	22.22	24.69	24.90	25.96	25.97	
b) Standards V to VII	16.05	16.53	19.39	18.81	20.44	21.19	21.76	23.27	24.67	25.15	26.13	26.13
i) Boys	9.61	9.68	10.68	11.52	11.81	12.17	12.42	12.32	13.65	13.38	14.04	14.28
ii) Girls	6.44	6.84	7.71	6.29	6.63	9.02	9.34	10.95	11.02	11.77	12.09	12.42
<b>2. No. of Teachers</b>	135362	135362	127699	131093	132311	135724	140530	142921	147921	162795	167795	182866
<b>3. Facilities (No. of Schools)</b>	38855	38933	38831	38983	39857	40207	40768	40540	40776	41684	41664	45016

Source: Department of Education  
A: Anticipated

## Appendix 9.3

## Adult Education - Karnataka State

Item/Unit	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97(A)
1. No. of Centres	17203	18350	18726	16099	15183	9000	7200	-	-	-	-	-
2. No. enrolled	518238	710677	795183	639712	608534	270000	216000	-	-	-	-	-
3. No. enrolled under Mass Campaign	-	-	-	-	232230	989799	1391000	1213000	4125000	300000	195000	683000
4. Expenditure(Rs lakhs)												
- Plan	309.60	413.03	391.98	507.00	529.02	455.93	476.39	721.56	906.57	980.62	800.88	587.50
- Non-Plan	39.37	40.35	66.70	15.00	39.59	39.13	56.11	71.13	87.19	86.32	86.32	86.32

Source: Directorate of Mass Education

Appendix 9.4

Selected Indicators of Vocational Education in Karnataka

Item/Unit	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97 (Anticipated)
1. No. of Institutions	138	197	197	243	260	283	328	474	591	681	808	815
2. Students enrolled	5477	7014	8300	11000	13500	14500	16000	25000	27500	25692	34788	35000
3. Expenditure (Rs.lakhs)												
- Plan (State)	0.24	5.00	15.00	8.71	8.85	11.58	-	-	-	-	-	410.00
- Centrally Sponsored Schemes	-	-	-	91.80	122.29	172.73	267.00	600.00	645.33	302.76	434.88	1137.00
- Non-Plan	65.00	57.00	93.87	95.54	104.83	188.17	152.16	177.85	48.67	53.75	30.42	40.00

Source: Department of Vocational Education

## Appendix 9 5

## Selected Indicators of Health Facilities and Impact

Physical Indicators	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97 Anticipated
1. No of Primary Health Centres (Cum.)	415	465	545	836	1148	1198	1248	1297	1357	1459	1509	1559
2. No. of Sub-Centres (Cum.)	6977	7177	7677	7877	7793	7793	7793	7793	7993	7993	8093	8093
3. Crude Birth Rate	29.6	29.0	28.9	28.7	27.9	27.9	26.8	26.2	25.5	25.00	24.20	NA
4. Crude Death Rate	8.80	8.70	8.70	8.80	8.70	8.70	9.00	8.50	8.00	8.30	7.60	NA
5. Infant Mortality Rate	69.00	73.00	75.00	80.00	71.00	80.00	77.00	73.00	67.00	67.00	62.00	NA
6. Eligible Couples Estimated (millions)	6.74	6.89	7.05	7.21	7.37	7.17	7.29	7.42	7.57	7.70	7.87	7.95
7. Couples protected (millions)	2.44	2.70	2.96	3.14	3.28	3.41	3.58	3.73	3.97	4.22	4.45	4.70

Source: Department of Health &amp; Family Welfare Services

## APPENDIX 9.6

PLAN EXPENDITURE / OUTLAY ON HOUSING  
Rupees crores

Year	Allocation	to total State Plan Outlay
1979-80	19.93	6.08
1980-81	14.20	3.65
1981-82	16.67	3.65
1982-83	22.98	4.37
1983-84	25.30	4.00
1984-85	33.37	4.72
1985-86	35.99	5.19
1986-87	30.42	3.87
1987-88	26.97	3.48
1988-89	29.76	3.37
1989-90	22.65	2.20
1990-91	32.36	2.49
1991-92	67.53	3.81
1992-93	68.66	3.38
1993-94	215.14	7.11
1994-95	143.09	4.81
1995-96 (R.E)	99.01	3.19
1996-97 (B.E)	137.55	3.15

Source: Housing Department.

APPENDIX 9.7

HOUSE SITES DISTRIBUTED (RURAL)

Number

Year	House sites Distributed
1975-76	3,15,896*
1976-77	28,450
1977-78	30,546
1978-79	45,912
1979-80	42,000
1980-81	43,850
1981-82	52,147
1982-83	1,38,134
1983-84	83,703
1984-85	79,606
1985-86	45,967
1986-87	45,184
1987-88	46,618
1988-89	43,371
1989-90	40,143
1990-91	38,200
1991-92	4,00,544
1992-93	1,57,213
1993-94	81,095
1994-95	1,11,940
1995-96	36,956
1996-97	65,467

(Up to Nov.96)

\*Cumulative up to the end of 1975-76.  
Source: Housing Department

## APPENDIX 9.8

## HOUSES CONSTRUCTED IN RURAL AREAS

People's Housing Scheme								Number
Year	Non Assisted	HUDCO Assisted	BANK Assisted	Ashraya	Tribal Sub Plan	Indira Awas Yojana	Economically weaker secn. Housing	Total
1973-74	14392	-	-	-	-	-	-	14392
1974-75	21006	-	-	-	-	-	-	21006
1975-76	17495	-	-	-	-	-	-	17495
1976-77	22003	-	-	-	257	-	8750	31010
1977-78	16292	-	-	-	244	-	9844	26380
1978-79	14215	49613	-	-	850	-	16544	81222
1979-80	2523	78075	-	-	1200	-	4140	85938
1980-81	-	20625	14800	-	1200	-	14305	50930
1981-82	-	39765	29100	-	1400	-	29608	99873
1982-83	-	-	-	-	1080	-	-	1080
1983-84	-	44651	-	-	779	-	12859	58288
1984-85	-	54521	-	-	1057	-	19069	74647
1985-86	-	52469	-	-	822	5190	26071	84552
1986-87	-	43770	-	-	902	10555	22692	77919
1987-88	-	32979	-	-	442	-	1566	34987
1988-89	-	43064	-	-	250	5202	-	48516
1989-90	-	23010	-	-	233	6321	-	29564
1990-91	-	2571	-	-	120	5214	-	7905
1991-92	-	-	-	-	98	5216	-	5314
1992-93	-	-	-	2458	-	5118	-	7576
1993-94	-	-	-	32879	-	11514	-	44393
1994-95	-	-	-	37257	-	8388	-	45645
1995-96	-	-	-	25308	-	45321	-	70629
1996-97	-	-	-	29427	-	20933	-	50360
(Up to Nov.96)								
Total:	107926	485113	43900	127329	10933	128972	165448	1069621

Source: Housing &amp; Rural Development &amp; Panchayat Raj Departments



## APPENDIX 9.9

## HOUSES CONSTRUCTED IN URBAN AREAS

Year	Number				
	Bhagya- Mandir	MIG	LIG	EWS	Total
1970-71	-	144	359	-	503
1971-72	-	76	666	-	742
1972-73	-	124	553	-	677
1973-74	-	27	267	-	294
1974-75	-	30	339	-	369
1975-76	-	125	723	-	848
1976-77	-	42	342	-	384
1977-78	-	80	339	175	594
1978-79	-	240	354	739	1333
1979-80	6815	66	164	706	7751
1980-81	5109	137	374	803	6423
1981-82	5581	580	1503	3734	11398
1982-83	6525	165	321	1521	8532
1983-84	100	491	980	3347	4918
1984-85	4151	650	1736	4056	10593
1985-86	820	818	1529	1803	4970
1986-87	1099	1129	928	1547	4703
1987-88	1289	1259	1240	1014	4802
1988-89	946	566	919	932	3363
1989-90	992	1036	1218	1415	4661
1990-91	588	617	2086	1227	4518
1991-92	1128	559	1221	1480	4388
1992-93	1698	955	960	1420	5033
1993-94	388	1664	1348	1648	5048
1994-95	120	1035	1158	1779	4092
1995-96	15	788	1033	2046	3882

Source: Housing Department.

## APPENDIX 9.10

## ACHIEVEMENT UNDER RURAL WATER SUPPLY

Year	Number		
	Borewells fitted with Handpumps	Piped water supply schemes	Mini water supply schemes * *
1970-71	54		
1971-72	783		
1972-73	1091		
1973-74	1106	941*	
1974-75	1710		
1975-76	1631		
1976-77	5387		
1977-78	7126	93	
1978-79	4890	146	
1979-80	5790	126	
1980-81	6067	137	
1981-82	9235	173	
1982-83	9978	335	
1983-84	15218	427	
1984-85	13830	284	
1985-86	10294	104	772
1986-87	8049	289	988
1987-88	4712	498	497
1988-89	5297	452	730
1989-90	4009	870	860
1990-91	3285	740	705
1991-92	3258	848	711
1992-93	3878	922	893
1993-94	4085	950	1189
1994-95	4654	826	1224
1995-96	7927	898	1351
1996-97 (up to Oct.96)	1928	247	485

\*Indicates no.of schemes from 1970-71 to 1976-77.

\*\* Scheme started in 1985-86

Source:Department of Public Health Engineering.

APPENDIX 9.11

PROGRESS UNDER KARNATAKA URBAN WATER SUPPLY  
AND DRAINAGE SCHEMES

Year	Towns Covered (Cum)			
	Piped Water Supply Schemes	Urban Water Supply Schemes	Board Water Supply Schemes	Underground Drainage Schemes
1986-87	147	31	17	15
1987-88	158	32	17	17
1988-89	160	32	17	18
1989-90	161	33	17	19
1990-91	169	33	17	19
1991-92	176	36	18	21
1992-93	186	39	20	21
1993-94	191	44	20	21
1994-95	191	48	20	23
1995-96	193	50	20	23
1996-97 (up to Dec. 96)	193	50	20	23

Source: Karnataka Urban Water Supply & Drainage Board.

## ENVIRONMENTAL IMPROVEMENT OF SLUMS FROM 1986-87 TO 1996-97

Year	Environmental Improvement of Slums				Construction of EWS houses	
	Slums identified as at the end of the year	Slums covered as at the end of the year	Works completed as at the end of the year	Population benefitted as at the end of the year(000s)	EWS houses constructed during the year	as at the end of year
1986-87	1020	527	693	653	620	4720
1987-88	1108	597	801	720	803	5523
1988-89	1190	671	889	781	850	6373
1989-90	1270	741	971	847	1000	7373
1990-91	1370	801	1060	898	922	8295
1991-92	1370	851	1129	947	1109	9404
1992-93	1370	911	1296	996	1387	10791
1993-94	1550	982	1471	1071	1600	12391
1994-95	1532	1052	1923	1156	1775	14166
1995-96	1532	1124	2201	1239	2000	16166
1996-97 (up to Dec. 96)	1871	1210	2366	1269	820	16986

Source: Karnataka Slum Clearance Board.

Appendix - 9.13

Nutrition Programme in Karnataka: Expenditure and Coverage

Item/Unit	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97 Antici- pated
<b>A. Supplementary Nutrition Programme</b>												
- Expenditure (Rs lakhs)	56.63	380.60	302.32	520.97	514.89	709.12	661.09	894.53	1035.78	1698.21	2999.18	3624.57
- Beneficiaries (in '000)	1005.00	1014.00	1068.00	1068.00	1124.00	1281.00	1673.00	1875.00	2056.00	2388.00	2888.00	3232.00

Source: Directorate of Women & Child Development.

ROAD LENGTH IN KARNATAKA FOR THE PERIOD  
1970-71 TO 1994-95

KMS

Year	National Highways	State Highways	Major District Roads	Other District Roads	Municipal Roads	Other roads	All roads (col.2 to 7)
1	2	3	4	5	6	7	8
1970-71	1269	6724	14220	9522	4492	47522	83749
1971-72	1968	6005	14213	9573	4552	48103	84414
1972-73	1968	6005	14229	9652	4740	50789	87383
1973-74	1968	6086	14222	9193	4859	50725	87053
1974-75	1968	6090	14258	9213	5197	54199	90925
1975-76	1968	7554	12980	9138	5622	62602	99864
1976-77	1968	7615	12921	9145	5786	63664	101099
1977-78	1968	7652	12921	9145	5941	65602	103229
1978-79	1968	7802	12895	9048	5998	68137	105848
1979-80	1968	7802	12912	9048	6196	70268	108194
1980-81	1968	7813	12901	9049	6253	71567	109551
1981-82	1968	7813	12901	9049	6267	74239	112237
1982-83	1968	7912	12901	9049	6307	75494	113631
1983-84	1968	7912	15972	7095	6307	75446	114700
1984-85	1968	7912	15981	7082	6828	85335	125106
1985-86	1968	7912	15999	7072	6828	85640	125419
1986-87	1968	7912	16016	7082	6828	86080	125886
1987-88	1968	11199	18012	3167	7036	84431	125813
1988-89	1968	11255	17992	3189	7036	85171	126611
1989-90	1968	11260	17997	3188	7222	87247	128882
1990-91	1997	11282	18035	3179	7369	89061	130923
1991-92	1997	11288	18063	3179	8056	91404	133987
1992-93	1997	11288	28169	2155	8056	82927	134592
1993-94	1997	11395	28139	2117	8056	83128	134832
1994-95	1997	11395	28284	2090	8056	83282	135104

Note: Reduction in road length under some categories is due to upgradation of roads to higher categories.

Source: Public Works Department.

## APPENDIX 9.15

ACCESSIBILITY OF VILLAGES BY ROADS IN KARNATAKA DURING THE PERIOD  
1980-81 TO 1994-95

Year	Number			
	All Weather Roads	Fair Weather Roads	Katcha & Non-Motorable Roads	Villages not Connected by Road
1980-81	7448	5932	11451	2040
1981-82	7721	6044	11500	1606
1982-83	8124	6257	11538	1109
1983-84	8477	6614	11414	523
1984-85	10013	6745	9909	361
1985-86	10685	6850	9206	287
1986-87	10392	6841	8932	263
1987-88	11741	6782	8281	224
1988-89	12415	6761	7637	215
1989-90	12518	6814	7488	208
1990-91	12592	6775	7461	200
1991-92	12649	6747	7433	199
1992-93	13138	6555	7164	171
1993-94	13666	6455	6749	158
1994-95	13858	6481	6538	151

Source: Public Works Department.

## APPENDIX 9.16

## PROGRESS ON SOCIAL SECURITY SCHEMES

Year	Old Age Pension		Financial Assistance to Physically Handicapped		Pension to Destitute widows	
	Expenditure (Rs.lakhs)	Beneficiaries (000's)	Expenditure (Rs.lakhs)	Beneficiaries (000's)	Expenditure (Rs.lakhs)	Beneficiaries (000's)
1980-81	125	312	200	50	-	-
1981-82	140	349	286	71	-	-
1982-83	158	382	393	95	-	-
1983-84	1437	375	252	117	-	-
1984-85	2709	452	863	142	277	153
1985-86	3058	535	1026	188	1590	318
1986-87	3065	543	1147	204	1970	366
1987-88	4000	563	1321	222	2252	400
1988-89	3067	554	1225	234	2295	411
1989-90	2838	526	1460	234	2474	420
1990-91	3047	507	1425	242	2366	427
1991-92	3617	552	1490	266	2300	469
1992-93	3637	509	1212	276	2631	482
1993-94	3530	503	1531	280	2336	485
1994-95	3503	496	1913	289	2237	495
1995-96	3979	496	2614	300	4181	508
1996-97 (up to Sept.96)	1818	507	1092	305	1892	517

Source: Director of Treasuries.



## APPENDIX 9.17

PROGRESS UNDER THE SCHEMES OF DISTRIBUTION OF SUBSIDISED  
SAREES & DHOTIS AND MATERNITY ALLOWANCE

Year	Sarees & Dhotis Distributed		Maternity Allowance	
	Expenditure (Rs.lakhs)	Beneficiaries (lakhs)	Expenditure (Rs.lakhs)	Beneficiaries (thousands)
1984-85	-	-	137	46
1985-86	660	48	255	85
1986-87	764	57	382	127
1987-88	1214	53	364	121
1988-89	1322	55	329	110
1989-90	855	41	306	102
1990-91	409	37	246	82
1991-92	680	31	232	77
1992-93	428	28	242	81
1993-94	422	21	232	77
1994-95	1002	30	227	76
1995-96	1425	32	163	54
1996-97 (up to Dec 96)	944	32	10	3

Source: 1. Karnataka Handloom Development Corporation.  
2. Department of Women & Child Development.

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