



GOVERNMENT OF KERALA

# Revised **BUDGET SPEECH** 2026-2027

**V.D. Satheesan**  
CHIEF MINISTER

19 June 2026





**GOVERNMENT OF KERALA**

**REVISED  
BUDGET SPEECH  
2026-2027**

**V. D. SATHEESAN  
CHIEF MINISTER**

**19<sup>TH</sup> JUNE 2026**



## INDEX

<b>PART - I</b>	<b>1</b>
Preface	1
<b>PART - II</b>	<b>6</b>
Mission Samudra	6
Maritime Museum	7
Southern Kerala Economic Corridor & Rare Earth and Critical Minerals Corridor	8
Aviation Hub	9
Invest Keralam	10
Kerala MSME Growth Scheme	11
Global Job Watch Tower	13
Space Economy	14
Kerala Knowledge Valley	14
Wayanad Tribal University and Indigenous Knowledge Zone	15
Kerala Health and Life Sciences City	16
Research Park	16
Kerala Silver Economy	17
Care Giver Scheme	18
Reforms in Land Laws	18
Renewable Energy	19
Special Investment Zone	19
Malabar Football Stadium	20
Brand Keralam	20
Fisheries Sub-Plan	21

Kerala Urban Growth Mission	22
J.C. Daniel International Film City - Chitranagaram	23
M.T. Vasudevan Nair Cultural Park	23
Johnson Music Academy	24
Oommen Chandy Health Insurance Scheme	24
Culinary Institute	24
Kerala Disaster Resilience Program	25
Kerala School of Planning, Architecture & Design	25
Pravasi Partnership	26
Global Furniture Hub	26
Global Gold Hub	27
Thiruvananthapuram & Kozhikode Light Metro	27
Gen-Z and New Gen Technology	28
<b>PART - III</b>	29
Indira Guarantee	30
Agriculture and Allied Sectors	31
Animal Husbandry	33
Fisheries	34
Forest and Wildlife	36
Rural Development	37
Co-operation	39
Irrigation and Flood Control	39
Energy	40
Industry	40
Transport	42
Tourism	43
Science Services and Research	45

General Education	45
Higher Education	46
Art and Culture	48
Sports and Youth Affairs	48
Medical Care and Public Health	49
Labour and Labour Welfare	52
Scheduled Caste and Scheduled Tribe Welfare	52
Social Security and Welfare	55
Excise	57
Police	58
Revenue	60
Registration	62
Public Works	64
Food and Civil Supplies	64
Goods and Services Tax Department	69
Lotteries Department	69
Establishment Matters	70
<b>PART - IV</b>	70
Resource Mobilization	70
<b>PART - V</b>	75
Conclusion	75



## **Part I**

### **Preface**

1. Sir, I rise to present before this August House, the Revised Budget of the State of Kerala for the fiscal year 2026-27. This revised budget of the UDF Government will serve as a definitive blueprint for the developmental and welfare initiatives to be implemented across the State over the next five years. This Government has assumed office with a clear and decisive mandate from the people. Our State's globally acclaimed public health, educational, and social sectors have recently been confronting severe challenges and unprecedented strain. Kerala's social development indices, once a beacon of progress, have stagnated over the past few years. Compounding this crisis is the alarming spectre of youth unemployment. My Government is steadfastly committed to ushering in a 'New Age Kerala' (Puthuyuga Keralam)— an era that harmonizes economic growth driven by social justice backed by modern, environmentally responsible infrastructure development. To realize this vision, we are formulating a progressive strategy that maximizes the potential of modern technology to revitalize our healthcare and education sectors, generates robust employment opportunities, ensures the welfare of our senior citizens, and brings the marginalized and backward communities squarely into the mainstream.
2. This Government has placed a White Paper before the public to apprise them of the State's true and current fiscal position,

including unresolved commitments and financial liabilities, thereby laying the foundation for a transparent and accountable economic recovery strategy.

3. Kerala is currently grappling with colossal economic challenges: an aggregate debt burden of ₹5.07 lakh crore (as per RBI estimates), committed expenditure comprising salaries, pensions, and interest payments that consume a staggering 77% of total revenue receipts, and interest payments alone accounting for 20.9% of revenue receipts. The State's capital expenditure languishes at a dismal 1.3% of the Gross State Domestic Product, one among the lowest in the entire country. In 2015-16, Kerala's State Own Tax Revenue (SOTR) stood at 6.94% of the GSDP, which was 0.59% higher than the 6.35% average of major states. However, by 2025-26, Kerala's SOTR had declined to 6.41%, dragging us below the peer states' average of 6.84%, the major states' average of 7%, and the national average of 7.14%.
4. In the budget presented in January 2026, the previous government erroneously projected an inflated surplus of ₹20,500 crore under the heads of Revenue Deficit Grant (₹14,137.69 crore), other grants, and the State's share of Union taxes. Consequently, as this Government presents the revised budget, we are compelled to address a shortfall of ₹20,500 crore across these very categories—a direct fallout of the predecessor's flawed projections. It was in wilful disregard of this massive shortfall in anticipated revenue receipts that the

previous government had arbitrarily fixed the State Plan Outlay at ₹35,750 crore. When we account for this staggering deficit, a proportionate reduction in the realistic Plan Outlay becomes absolutely unavoidable.

5. The White Paper clearly exposes the massive backlog of unsettled liabilities due as on March 31, 2026: ₹21,670 crore in Dearness Allowance (DA) arrears, ₹14,387 crore in Dearness Relief (DR) arrears, ₹3,431 crore owed to banks and contractors through bill discounting, ₹9,245 crore in other deferred obligations, and a looming debt repayment obligation of ₹21,000 crore for KIIFB. In addition to this is the Kerala Social Security Pensions Limited company's liability of ₹17,279 crore. Consequently, this Government is now saddled with settling an aggregate accumulated liability of ₹87,012 crore. Furthermore, the formidable responsibility of mobilizing funds for ongoing KIIFB projects, estimated at approximately ₹35,000 crore, falls squarely on this Government. KIIFB relies on off-budget borrowings at interest rates significantly higher than those incurred on standard sovereign State borrowings. This has inexorably pushed the State's borrowings and debt burden beyond permissible limits, triggering grave macroeconomic imbalances. Taking cognizance of these challenges, we will constitute an Expert Committee to initiate comprehensive structural reforms and overhaul of KIIFB's current operational framework. If the Pay and Pension Revision due from July 1, 2024, is implemented alongside the restoration of leave

surrender benefits, then this Government will be forced to shoulder an even more colossal financial burden.

6. In a deliberate manoeuvre, to artificially inflate Plan expenditure without actually enhancing the Plan Outlay, the previous government surreptitiously conflated KIIFB and select Public Sector Undertaking (PSU) metrics into actual Plan figures, bypassing formal Budget Estimates. This deceptive practice obscured the true reality of Plan expenditure and further exacerbated our inherently fragile fiscal position. The geopolitical uncertainties sparked by the Middle East conflict, the consequent threat of a dip in NRI remittances, and the inflation triggered by volatile crude oil prices have further aggravated the State's financial woes. It is against this grim backdrop of profound macroeconomic distress—starkly outlined in the White Paper—and compounding global crises that I present the maiden budget of this Government.
7. Sir, even amidst these severe crises, this Government has already implemented two of the six 'Indira Guarantees' we promised: free travel for women and transgenders in KSRTC buses and the formation of a dedicated Department for the Welfare of the Elderly. Furthermore, we have successfully enhanced the honoraria for ASHA workers, Anganwadi workers/helpers, and pre-primary teachers/helpers, along with revising the wages of school mid-day meal cooks.

8. The primary objective of this Government is to catapult Kerala into a premier 'Destination Point' by aggressively ramping up investments in the health and education sectors.
9. The demographic profile of our State is undergoing a profound structural transformation. The youth population, which constitutes our demographic dividend, is steadily declining as a proportion of the total population. Simultaneously, our youth are migrating to foreign countries in search of employment. A comprehensive study on this demographic shift is imperative. Instead of letting our youth migrate out of sheer necessity, we must provide them with quality education and employment opportunities here, integrating them as active partners in the State's development to bolster our economy. At the same time, we must establish world-class facilities for our senior citizens, maximizing their vast experience and expertise to cultivate a robust 'Silver Economy'.
10. The financial constraints and structural transformations facing our State cannot be resolved through conventional paradigms alone. This Government is committed to stimulating the economy through modern and innovative strategies — attracting large-scale investments across various sectors, mobilizing resources into the exchequer, and thereby ensuring equitable distribution of this generated wealth. I shall now outline the visionary flagship projects this Government intends to implement to realize this objective.

## Part II

### Mission Samudra

11. Sir, by integrating Kerala's 600-kilometer coastline, two international seaports, a container transshipment terminal, 17 non-major ports, and numerous other aquatic resources, the Government will launch "Mission Samudra"—a visionary project aimed at elevating the State into a formidable power on the global maritime map within the next five years. Envisioning Kerala as a cohesive 'Port City,' this initiative will seamlessly integrate our road, sea, rail, and inland waterway networks with manufacturing zones and greenfield cities, thereby fundamentally transforming the State into a thriving maritime economy.
12. To seamlessly connect the Vizhinjam Transshipment Terminal with the rest of the country and significantly enhance transit networks, land acquisition and construction activities for the Balaramapuram-Vizhinjam underground railway and the Vizhinjam-Navaikulam Outer Ring Road projects will be expedited.
13. Manufacturing zones, stuffing centers, and dry ports will be established in the vicinity of the Vizhinjam and Kochi ports. Capitalizing on the global shipping industry's transition toward eco-friendly fuels, Vizhinjam will be elevated to become India's primary port offering green bunkering services. A shipbuilding hub dedicated to the construction and maintenance of mother ships will also be established. The requisite land will be

acquired, and the necessary infrastructure will be developed to support these ventures. Crucially, a specific percentage of the employment opportunities generated through these initiatives will be reserved for coastal communities.

14. The Government will formulate a comprehensive 'Kerala Maritime Policy' to catalyze the development of the State's four primary non-major ports: Vizhinjam-Kovalam, Kollam, Beypore, and Azhikkal. This policy will promote seaborne freight transport, port-led industries, logistics, and allied shipping activities. Additionally, it will leverage the land, buildings, and other assets across the remaining 13 non-major ports to foster maritime tourism, logistics, maritime industries, maritime legal education, and the establishment of a maritime museum through public-private partnerships.
15. A comprehensive water transport system interconnecting both major and minor ports will be developed in strategic phases. The initial phase will prioritize the establishment of highly efficient freight transit, followed by the rollout of passenger services, ultimately culminating in a unified, integrated network linked with the State's inland water bodies.

**An amount of Rs. 400 Crore is allotted for Mission Samudra Projects which includes the Port City.**

### **Maritime Museum**

16. Kerala occupies a pivotal place in global maritime history, spanning from the ancient port of Muziris to the renowned Dhow (Uru) makers of Beypore, and from the Quilon trade route to the

modern Vizhinjam deep-water port. To preserve, nurture, and educate the public about this legacy, an International Maritime Museum will be established, that will bring together the maritime history, shipbuilding traditions, mercantile legacy, and maritime culture of Kerala. Featuring interactive exhibits, archives of ancient manuscripts, and advanced research facilities, this institution will serve as the anchor of Kerala's maritime tourism. This museum will stand as a monumental testament to the Government's vision of transforming Kerala into a leading economy and a premier maritime logistics hub. An amount of ₹50 crore is earmarked for this.

### **Southern Kerala Economic Corridor & Rare Earth and Critical Minerals Corridor**

17. The southern districts of Thiruvananthapuram, Kollam, and Alappuzha contain a unique convergence of strengths — a world-class deep-sea port at Vizhinjam, critical mineral resources along the coast, rare earth deposits, space and technology institutions, and a blue economy of unmatched potential. The 'Southern Kerala Economic Corridor' will be established, integrating these three districts into a unified economic zone of national strategic importance. Thiruvananthapuram (Zone 1) will be transformed into Kerala's Knowledge and Space Technology Hub; Kollam (Zone 2) into the nerve center for mineral processing and rare earths; and Alappuzha (Zone 3) will be elevated as India's Blue Economy capital. Modern economic growth is predominantly driven by

integrated regional clusters rather than isolated projects. By seamlessly linking logistics, technology, manufacturing, research, and natural resources into a single developmental framework, the Southern Kerala Economic Corridor will engineer a robust blended economy, attract massive private investment, and ensure Kerala's position at the vanguard of the nation's strategic and maritime development sectors in the future. To operationalize this, a detailed project report will be prepared through an expert agency to map out the necessary infrastructure and formulate the requisite administrative and policy interventions. **An allocation of ₹100 crore is provided for the Rare Earth and Critical Minerals Corridor, and ₹50 crore is earmarked for the Southern Kerala Economic Corridor.**

### **Aviation Hub**

18. Recognizing the escalating passenger demand in international air transport, alongside immense potential in the export-logistics and tourism sectors, various infrastructure development projects will be formulated to position Kerala as South India's premier aviation-logistics hub, anchored by the State's four international airports. **An amount of ₹200 crore is earmarked for the preliminary activities of this hub.**
19. The Aircraft Maintenance, Repair, and Overhaul (MRO) sector will be strengthened. Simulator-based pilot training centers, along with aviation maintenance engineering training and skill development facilities aligned with DGCA standards, will be

established. Placing paramount importance on airport-centric economic zones, flagship Aeropark and Aerocity projects will be implemented, seamlessly integrating Information Technology and IT-enabled services (IT/ITES), Global Capability Centers (GCCs), hospitality, and aviation-allied trade and service sectors. A comprehensive Aviation Policy will be promulgated in this regard.

20. To bolster exports in the agricultural, fisheries, and pharmaceutical sectors, decisive measures will be taken to develop integrated packhouses and pharmaceutical cargo facilities. Allied development projects including logistics parks and Free Trade Warehouse Zones (FTWZ) will also be initiated. A world-class Global Convention Centre will be established adjacent to the Cochin International Airport.

### **Invest Keralam**

21. Superior human capital, high literacy, exceptional health and educational indices, a vibrant consumer market, and enduring social stability constitute Kerala's most formidable strengths. However, constraints in land availability, exorbitant land and labour costs, and delays in securing multi-departmental clearances have historically played a major role in impeding the State's investment-friendly ecosystem. Only by decisively eliminating these bottlenecks can we attract high-caliber investors capable of driving robust economic growth and comprehensive regional development. To achieve this, a specialized, data-driven cell named "Invest Keralam" will be constituted. Expedited, time-bound measures will be enacted to

resolve obstacles in land acquisition. The "Invest Keralam" cell will function as an apex single-window system, guaranteeing investors seamless access to requisite land, legal clearances (both regulatory and statutory), and uncompromising post-investment support at every milestone. A standardized "Project Implementation Protocol" will be operationalized as the mandatory framework for these processes. By accelerating project execution and significantly bolstering investor confidence, this initiative will make a profound contribution to job creation, industrial diversification, technology transfer, and sustainable economic growth across Kerala. By maintaining a dynamic pipeline of investment-ready projects, this system will systematically undertake activities aligned with Kerala's long-term developmental goals, attracting targeted investments on a priority basis across high-yield sectors. To meticulously monitor project progression, ensure successful completion, and provide strategic guidelines, an **Investment Advisory Council** will be formed, chaired by the Honorable Chief Minister, with the Minister for Industries as Vice-Chairperson, alongside eminent domain experts. This will represent a decisive leap toward infusing high standards of professionalism into the Government's investment promotion mechanism, paving the way for a 'Puthuyuga Keralam'.

### **Kerala MSME Growth Scheme**

22. Sir, the role of MSMEs in the industrial growth of the State is unparalleled. In the modern economy, Micro, Small, and Medium Enterprises are not merely employment generators, but the primary engines of innovation and regional development. Empowered by digital technology, e-commerce, Artificial Intelligence (AI), and advanced automation, our MSMEs are

now fully equipped to penetrate global markets and compete effectively with multinational conglomerates. With this goal in mind, the "**Kerala MSME Growth Scheme**"—a holistic initiative designed to provide targeted assistance for establishing ten thousand new MSME ventures across the State—will be formulated. The Government will offer robust tax incentives alongside institutional backing and encouragement to launch enterprises anchored in innovative technologies.

23. To guarantee entrepreneurial success, Revolving Fund, Technology Fund, and Challenge Fund will be made readily available to those facing financial roadblocks. The expertise of specialized techno-mentors and manage-mentors will be ensured to provide guidance in technical and management domains. **An amount of ₹100 Crore is earmarked for this scheme.**

### **One Kerala Karuthal Mission**

24. A segment of the populace in Kerala endures such profound financial hardship that they are unable to afford critical medical treatment for fatal diseases or secure adequate education for their children. The 'One Kerala Karuthal Mission' will be established as a cutting-edge, technology-driven platform to deliver direct, targeted assistance to eligible beneficiaries suffering from these extreme difficulties. This Mission will operate on the uncompromisingly transparent principle that every single rupee received as donations from non-governmental organizations, CSR funds, and contributions from institutions and individuals must reach the deserving recipients

without diversion. The Government will bear all its administrative and operational expenses, thereby ensuring that public donations are utilized entirely and exclusively for charitable and welfare activities. To guarantee swift assistance to the vulnerable strata of society while instilling absolute trust among donors, advanced digital verification systems, transparent beneficiary identification protocols, and Real-Time Public Disclosure mechanisms will be rigorously deployed. **An amount of ₹1 crore is allocated for this project.**

### **Global Job Watch Tower**

25. To equip Kerala's youth for the rapidly evolving global economy and to closely align our education and skill-development ecosystems with future employment landscapes, the Government will establish the "Global Job Watch Tower"—a state-level Future Skills and Employment Intelligence Mission.
26. This Mission will actively support workforce planning across critical sectors by tracking emerging employment trends globally and domestically, identifying requisite future skills, providing strategic guidelines for curriculum overhauls, and strengthen industry-academia partnerships. The Mission will place special emphasis on Artificial Intelligence (AI), digital technologies, advanced manufacturing, healthcare, the green economy, logistics, tourism, and international labor markets. **A provision of ₹2 Crore has been made for the preliminary phase of the project.**

## **Space Economy**

27. The burgeoning ecosystem of private startups in the space sector is unlocking massive employment opportunities for young engineers, spanning the entire value chain from upstream (satellite/rocket manufacturing) to downstream (data analytics) domains. Specialized research institutions emphasizing satellite technology will be established, alongside robust measures to attract more students to this cutting-edge field.
28. Strong encouragement will be extended to private satellite manufacturing and launching enterprises, with necessary land made readily available for their operations. Furthermore, decisive steps will be taken to improve the operations of the Space Park. An amount of ₹5 crore is allocated for this purpose.

## **Kerala Knowledge Valley**

29. This Government is determined to transform Kerala into a premier destination for higher education, thereby reversing the ongoing trend of students migrating outside the state for high-quality learning. The '**Kerala Knowledge Valley**' will be established as a world-class higher education hub, bringing together the most contemporary academic programs, state-of-the-art research parks, and dynamic centers of excellence under one umbrella. Guided by a specialized legislative framework, this educational metropolis will be designed to attract leading universities - dominating both global and national rankings, as well as world-renowned Legacy Universities.

Operating under the strategic guidance of an advisory committee comprising individuals of profound academic excellence and scientific expertise, this city will forge robust industry-academia linkages in active collaboration with leading institutions in India and abroad. This will create a vibrant and self-sustaining ecosystem where students can access world-class opportunities right here in Kerala, transform research outputs into thriving enterprises, and ultimately elevate the state into the intellectual capital of Asia. To facilitate this, timely amendments to the Private University Bill will be implemented on a war footing. **An amount of ₹100 crore is allocated for this project.**

### **Wayanad Tribal University and Indigenous Knowledge Zone**

30. Acknowledging the unique cultural heritage, traditional knowledge systems, and developmental aspirations of our tribal communities, the Government intends to establish a landmark institution, the **“Wayanad Tribal University and Indigenous Knowledge Zone,”** aimed at catalyzing educational advancement, research, innovation, and socio-economic transformation. **An amount of ₹50 crore is allocated for this.**
31. Envisioned as a world-class center for indigenous studies, tribal entrepreneurship, biodiversity conservation, climate resilience, and future-ready skill development, this institution will seamlessly integrate education with livelihoods, technology, and social development while preserving the rich cultural traditions

and knowledge systems of tribal communities, simultaneously promoting national and international collaboration. An **expert committee** will be constituted to submit recommendations regarding the institutional architecture, implementation roadmap, and resource mobilization strategy of the project.

### **Kerala Health and Life Sciences City**

32. The **Kerala Health and Life Sciences City** is envisioned as an integrated healthcare ecosystem developed by seamlessly integrating multi-specialty hospitals, medical colleges, training centers, research laboratories, diagnostic centers, rehabilitation facilities, and requisite ancillary facilities for patients and their attendants. This will help deliver high-standard healthcare services, promote medical education and research, catalyze the development of medical tourism, and substantially increase employment opportunities within the health sector. This will emerge as the largest medical destination in Asia. **An amount of ₹100 crore is allocated for this project.**

### **Research Park**

33. By synergizing prominent industrial and research institutions across the country, the research ecosystems and innovative ideas within various higher education institutions in Kerala will be vastly expanded on the model of the IIT Madras Research Park, ensuring that scientific knowledge delivers tangible benefits to society and the economy. The Government Medical College, Thrissur, under KUHS and the Government

Engineering College, Thiruvananthapuram, under KTU will be formally granted 'Constituent College of the University' status. Through this, the services of our technically proficient youth can be fully utilized for the state itself, effectively stemming the tide of employment-driven migration. **An amount of ₹60 crore is allocated for this initiative.**

### **Kerala Silver Economy**

34. Kerala holds the distinction of being the very first state in India to establish a dedicated Department of Elderly Welfare. Building upon this foundation, a 'Silver Economy' will be developed, encompassing necessary institutions, financial assistance mechanisms to enhance purchasing power, entrepreneurship programs, and the strategic utilization of the vast expertise of our senior citizens, all guided by government policy documents.
35. A comprehensive Silver Economic Policy will be formulated and executed, incorporating eldercare services, retirement infrastructure, innovations in geriatric healthcare, and elderly entrepreneurship. The Government will conduct an exhaustive, statewide survey to gather the opinions of senior citizens regarding the implementation priorities and modalities of this initiative. Based on its findings, a long-term roadmap will be prepared to ensure the elderly in Kerala remain highly active and to propel the development of Silver Economy. **An amount of ₹10 crore is allocated for the operational activities of the Department of Elderly Welfare.**

## **Care Giver Scheme**

36. To provide essential vocational training to assist individuals facing chronic illnesses, age-related difficulties, and debilitating disabilities, Government-approved 'Care Giver Certificate Course' of six months' duration will be launched across government and private nursing colleges, as well as in selected hospitals. This initiative ensures professional care for those in need while providing dignified employment for unemployed youth. To keep senior citizens physically and socially active, dedicated elderly parks, day-care centres (Pakalveedu), and fitness centres will be established.

## **Reforms in Land Laws**

37. The acute scarcity of land, limitations in land mobilisation and a lack of legal clarity constitute the most formidable barriers to Kerala's industrial infrastructure aspirations. Even as investors actively seek land for projects capable of transforming the economy, vast tracts of land held by government departments and public sector undertakings remain unutilized or entangled in red tape. To systematically address this structural challenge, the Government will formulate a comprehensive Land Management Policy. A robust Land Management Framework will be established, supported by necessary legislation, to create a Land Bank utilizing surplus and unused land parcels belonging to various departments and public sector undertakings. Land laws that were relevant in the past will be rigorously reviewed, and outdated statutes will be amended (Land Reforms 2.0). The procedure for converting land for commercial enterprises will be

expedited. For large-scale projects, a Land Pooling Framework will be introduced. Government agencies like KINFRA and INKEL will be empowered to handle land acquisition processes and subsequent activities in a timely, transparent, and professional manner. This policy will be instrumental in harnessing our land resources for the prosperity of Kerala's economic future and its people.

### **Renewable Energy**

38. To overcome the prevailing global energy crisis, ecological challenges, and severe environmental pollution threats posed by fossil fuels, the large-scale adoption of renewable energy sources must be aggressively promoted. Numerous reservoirs in Kerala are well-suited for the deployment of floating solar panel systems. Pumped Hydro Energy Storage stands as a highly promising technology for Kerala's future energy landscape. Alongside conventional renewable energy sources, by converting this energy into green ammonia, green methanol, and green hydrogen, Kerala can evolve into a Green Hydrogen Hub. Additionally, large-scale battery storage systems will be installed to meet peak power demand. Measures will be taken to install Community-based Battery Energy Storage systems across all panchayats. **An amount of ₹100 crore is allocated in the budget for renewable energy, green hydrogen, and alternative energy sources.**

### **Special Investment Zone**

39. For massive industrial and economic investments that demand integrated infrastructure alongside absolute clarity in laws and regulations, Kerala urgently requires a distinct legislative and

institutional framework that transcends conventional, individual industrial parks. The Government will institute a 'Special Investment Zone' that guarantees investors access to world-class infrastructure, a dedicated and meticulously planned economic zone, highly streamlined clearance procedures, and a governance model promising unparalleled project speed and success. By formulating a specialized investment zone blueprint designed to attract massive anchor investors in manufacturing, logistics technology, and renewable energy, Kerala will be empowered to compete aggressively with the largest investment zones in India.

### **Malabar Football Stadium**

40. Today, Kerala is immersed in the fervour and excitement of Football World Cup. To systematically scout and train football talent in Kerala and to host prestigious international matches, a world-class football stadium is an absolute necessity. Recognizing the immense passion and profound love for the game among football fans in Kerala, an international standard football stadium equipped with ultra-modern facilities will be constructed in the Malabar region. **An amount of ₹50 crore is allocated for this project.**

### **Brand Keralam**

41. The exceptional quality of Kerala's indigenous products—ranging from spices, seafood, and handloom textiles to authentic Ayurvedic formulations, cashew, and coir—is world-renowned; however, they frequently reach global markets under

the labels of intermediaries. This deprives producers in Kerala of their rightful and deserved value. To address this inequity, the Government will launch a comprehensive market development initiative, 'Brand Keralam', to ensure superior quality standards and premium branding for these products. These products must provide an 'Aspirational Value' that actively compels every Malayali to purchase Kerala's finest. A specialized mechanism will be established to develop and govern the 'Kerala Mark,' a rigorous certification framework guaranteeing both quality and authenticity. This certification will reinforce consumer confidence and expand market access for producers in Kerala across both domestic and international markets.

### **Fisheries Sub-Plan**

42. The fisheries sector and our fisherfolk are navigating a profound crisis precipitated by the decline in fish availability, climate change, occupational hazards, exorbitant fuel prices, and severe price volatility. For this demographic, which remains one of the most marginalized after the SC/ST categories, decisive steps will be taken to formulate and execute a dedicated 'Fisheries Sub-plan' in Plan implementation. The current accident insurance coverage for fisher folk and allied workers will be comprehensively revised. Assistance will be provided to ensure high quality education and opportunities for overseas study for the children of fishermen. To facilitate prompt rescue operations, dedicated rescue boats will be allocated, and "She Scooters" will be provided to fisherwomen to facilitate fish

vending. As part of 'Mission Samudra', special priority will be guaranteed in employment sectors related to the Port City.

### **Kerala Urban Growth Mission**

43. Kerala is currently on a trajectory of rapid urbanization. This exponential growth must be meticulously managed to transform our urban landscapes into economically robust, ecologically sustainable and globally competitive cities. For this purpose, a comprehensive project, the '**Kerala Urban Growth Mission**', is being formulated. An amount of ₹100 crore is earmarked for this initiative. With the assistance of international-standard urban planning and infrastructure advisory firms, detailed master plans and highly investment-friendly development projects will be prepared for our cities. Urban development will be seamlessly integrated with the Government's port-centric industrialization policy. Embracing the 'Green Cities' concept, new urban development centers will be formed, congestion in existing cities will be systematically reduced, and dynamic economic corridors incorporating modern infrastructure and advanced transit systems will be developed.
44. Paramount importance will be given to overhauling public transport in cities, formulating comprehensive storm-water management projects and implementing scientific waste management protocols. The Urban Challenge Fund will be effectively utilized to drive these initiatives. Additionally, reforms to enhance the financial sustainability of urban local bodies and professionalize the governance system will be implemented. Unified Metropolitan Transport Authorities will be established in

Thiruvananthapuram and Kozhikode. The functioning of the existing authority in Kochi will be made more efficient.

### **J.C. Daniel International Film City - Chitranagaram**

45. The Government will implement comprehensive projects to develop the Malayalam cinema sector. As part of this, the '**J.C. Daniel International Film City - Chitranagaram**' will be established in Kochi. Granting formal industry status to cinema, creating a permanent venue for the international film festival, forming robust anti-piracy cells, and cultivating an environment to attract premier national and international film productions are targeted through this project. **An amount of ₹100 crore is earmarked for this endeavor.**

### **M.T. Vasudevan Nair Cultural Park**

46. With the world increasingly under the pervasive influence of digital culture, our unique cultural identity is facing an existential threat. To preserve and foster Kerala's unique art and cultural heritage, a Cultural Park will be established in Kozhikode in the name of the illustrious litterateur, the late M.T. Vasudevan Nair. This park will feature dedicated facilities for the performance of traditional art forms such as Kathakali, Koothu, Thullal, Theyyam, Oppana, Mappilapattu, Margamkali, Ayanippattu and various tribal artforms. Facilities will also be arranged for screening short films and documentaries by Gen-Z creators, and for presenting contemporary dance and music performances. Furthermore, the complex will encompass cinema theaters, a library, an art exhibition hall, an art gallery, a history museum, a literature-language museum, a voice museum archiving writers and other geniuses, dedicated zones

for children and the elderly, recreational spaces for families, food courts, bookshops, art material shops, tourist guest houses, and dormitories. This will evolve to become a premier entertainment and knowledge center for art and literature lovers, as well as students. **An amount of ₹50 crore is allocated for this initiative.** A dedicated Cultural-Tourism Trust will be formed for the professional management of this cultural park.

### **Johnson Music Academy**

47. A new Music Academy will be started in Thrissur in the name of the renowned music director, late Johnson Master. **An amount of ₹5 crore is allocated for this.**

### **Oommen Chandy Health Insurance Scheme**

48. Unexpected treatment costs frequently create crippling financial liabilities for many families. To alleviate such heavy liabilities and to lend a helping hand to families, a free "Oommen Chandy Health Insurance Scheme", providing comprehensive coverage up to ₹25 lakh for all families will be implemented. **An amount of ₹10 crore is allocated for its initial expenses.**

### **Culinary Institute**

49. To introduce Kerala's unique culinary art and taste to the world and to provide training and education in culinary arts, bakery, hotel management, food production, and food safety, a **Culinary Institute** will be established. Training professional chefs, grooming experts for the food industry, promoting innovation and research in the culinary field, and significantly increasing employment opportunities in the hospitality sector are the

primary objectives of the Culinary Institute. **An amount of ₹2 crore is allocated for this project.**

### **Kerala Disaster Resilience Program**

50. Over the past decade, Kerala has faced numerous devastating natural disasters, including severe landslides, aggressive coastal erosion, the heartbreaking tragedy at Mundakkai-Chooralmala, and recurring floods. Every single disaster has unequivocally revealed the necessity of scientific disaster preparedness and prevention. To address this, immediate steps will be taken to further improve and modernize the existing systems. A 'Kerala Disaster Resilience Center' will be established as part of the overarching 'Kerala Disaster Resilience Program', serving as a state-of-the-art command center integrating specialized early warning systems, advanced climate modeling, geospatial intelligence, risk analytics, and emergency response coordination. This center will bring together scientific expertise, technological capabilities, and community-based preparedness within a single, cohesive institutional framework. Every rupee invested in disaster resilience will help protect precious lives, livelihoods, and vital infrastructure, shielding the state from the heavy financial liabilities that may arise due to future disasters. With the establishment of this strategic coordination center, Kerala will become a model in disaster management and climate resilience. **An amount of ₹15 crore is allocated for the effective implementation of this project.**

### **Kerala School of Planning, Architecture & Design**

51. Globally, the design and architecture sector is undergoing rapid and profound changes. Contemporary design education urgently needs to shift from traditional classroom-based methods to an innovative, multidisciplinary, and industry-

oriented model fostering creativity, critical thinking, and leadership skills. To realize this goal, steps will be taken to establish the 'Kerala School of Planning, Architecture & Design' under the PPP model. This premier institution will offer our students world-class facilities to pursue undergraduate and postgraduate degrees in Architecture and Design, alongside postgraduate programs and advanced research opportunities in Urban Planning. **An amount of ₹2 crore is earmarked for this.** Re-orientation courses will be started for engineers and architects working in various departments under the State Government.

### **Pravasi Partnership**

52. NRI investments form the backbone of Kerala's economy. The remittances sent by Malayalis working in Gulf countries and various parts of the world for decades have played a pivotal role in raising Kerala's consumption capacity and standard of living. However, mere remittances will no longer suffice for Kerala's future development. NRIs must seamlessly transform into investors, entrepreneurs, and knowledge partners. They possess the capacity to make collective investments in startups, tourism, agricultural value-added enterprises, the health sector, and educational institutions. To ensure the role of NRIs in transitioning Kerala from a "Remittance based economy" to an "Investment based economy", a Pravasi Investment Trust Fund will be established.

### **Global Furniture Hub**

53. Perumbavoor is recognized as one of the largest plywood manufacturing centers in India. It has transformed into a bustling furniture and home-ware manufacturing corridor. The

Government's dream is to transform the Kochi-Aluva-Perumbavoor belt into a premier furniture manufacturing hub. **An amount of ₹10 crore is allocated for this project.** Steps will be taken to collaborate with leading international brands and make Kerala a part of their supply chain. For this, projects will be implemented to expand plywood units, improve quality standards, and provide world-class infrastructure. A comprehensive training program will be initiated focusing on the design and manufacture of furniture and homeware.

### **Global Gold Hub**

54. Kerala is a state that has made notable contributions to the Indian gold jewellery trade sector. Although Kerala ranks as the largest gold-consumer state in India, it lags behind in the jewellery manufacturing sector. We possess immense potential to transform Kerala into a global gold exchange hub. For this, the Kochi-Thrissur belt needs to be transformed into a major jewellery manufacturing corridor. The Government will provide support for establishing a dedicated gold exchange hub and a jewelry manufacturing park. Furthermore, necessary training will be provided to raise our children as jewellery designers and manufacturers. **An amount of ₹10 crore is allocated for this project.**

### **Thiruvananthapuram & Kozhikode Light Metro**

55. To position Thiruvananthapuram and Kozhikode at the forefront of urban infrastructure development, the Thiruvananthapuram and Kozhikode Light Metro projects, promised by successive governments over the years, but never realized, will finally be implemented. The Detailed Project Report (DPR) of the

Thiruvananthapuram Light Metro project is currently being prepared. Accelerated steps are being taken for the feasibility study of the Kozhikode Light Metro project. **An amount of ₹20 crore is allocated for these project activities.**

### **Gen-Z and New Gen Technology**

56. Generation Z (Gen-Z) is one of the forces transforming the world rapidly today. Born and raised in the digital age, technology is an integral part of their lives. Generation Z (Gen-Z) is the fastest demographic to adopt and utilize breakthroughs in fields such as Artificial Intelligence, Robotics, Data Science, Internet of Things (IoT), and Virtual Reality (VR). The creative abilities and technological excellence of the younger generation can be brought together to develop Kerala's startups, innovation hubs, research centers, and smart industries, while emphasizing digital ethics, privacy protection, cyber security, and core human values. By striving to develop technological solutions to complex problems and create systemic changes, this generation will become an important driving force of the future economy and industries. **An amount of ₹50 crore is allocated for this purpose.**
57. Malayalam is our pride and knowledge heritage, and must not be left behind in the age of Artificial Intelligence. Kerala will launch a Malayalam AI Initiative — funding an open Malayalam dataset, free for all, and supporting the development of Malayalam AI models that innovators can take to market. **An amount of ₹10 crore is allocated for this.**

### **PART- III**

58. Sir, considering the significant shortfall in the anticipated revenue estimated in the last Budget presented by the previous Government, the Plan Outlay for the year 2026-27 has been revised from ₹35,750 crore to ₹30,370 crore. In view of the reduction in the Plan Outlay due to the Scheduled Caste and Scheduled Tribe Sectors, additional allocations of ₹527.68 crore and ₹152.52 crore are earmarked to compensate for the shortfall which occurred due to the erroneous calculation for this respective sectors included in the last Budget Estimate prepared by the previous Government. **In addition to this, an extra allocation of 50 Crore is provided for the fisheries sector.**

#### **Local Governments**

59. Kerala is one of the States that constitutes a State Finance Commission every five years and duly implements the recommendations of the Commission after accepting them. The 7th State Finance Commission has submitted its revised recommendations for the period 2026-27, and the Government has accepted the same. As per the revised Budget for 2026-27, an amount of ₹3,236.77 crore has been allocated as General Purpose Grant and ₹4,315.69 crore as Maintenance Grant for Local Governments. In accordance with the recommendations of the State Finance Commission, an amount of ₹8,655.45 crore, constituting 28.5 per cent of the revised Plan Outlay, is earmarked as the Development Fund for Local Governments. In addition to the Development Fund, an amount of ₹160 crore has

also been earmarked as ULB Grant for Urban Local Bodies coming under the Kerala Solid Waste Management Project (KSWMP). Necessary steps will be taken to ensure the timely release of the eligible share due to Local Self-Government Institutions.

### **Indira Guarantee**

60. Government issued orders granting free bus travel for women at the very first Cabinet meeting itself after this Government assumed office. Simultaneously, the Department for the Welfare of the elderly was constituted and preliminary steps have been initiated for the Oommen Chandy Insurance Scheme. Free travel has been extended to all women and transgenders, irrespective of age, in all ordinary services of KSRTC. **An allocation of ₹600 crore is made for meeting the expenditure under this scheme.**

### **Welfare Schemes**

61. The monthly honorarium of the Anganwadi Workers and Helpers in the State has been increased by ₹1,000 with effect from 1 June 2026 considering the valuable services rendered by them in the field of child welfare. **An amount of ₹66.20 crore is earmarked for this purpose.**
62. The monthly honorarium of ASHA workers, who are the backbone of the public health sector, has been increased by ₹3,000 with effect from 1 June 2026, raising it from ₹9,000 to ₹12,000. **An allocation of ₹78.40 crore is made for this purpose.**

63. To improve the living standards of noon meal cooks who play a crucial role in the implementation of the school mid-day meal scheme, measures have been taken to increase the wage by ₹1,000. **An allocation of ₹13.30 crore is made for this purpose.**
64. In recognition of the services rendered by teachers and ayahs in the pre-primary education sector in the State, their monthly honorarium has been increased by ₹1,000 over the existing rate with effect from 1 June 2026. **An amount of ₹4.72 crore is earmarked for this purpose.**

### **Think-Tank**

65. In accordance with the recommendation contained in the recently published White Paper (Status Report) on the fiscal position of Kerala, the State Planning Board will be reconstituted as a Government “Think Tank”. The Planning Board will play a greater role in monitoring the implementation of priority projects and in acting as a link between civil society organizations and the State Government to transform ideas into practical projects.

### **Agriculture and Allied Sectors**

66. Sir, an allocation of ₹1,534.98 crore is provided for the Agriculture and Allied Sectors.
67. The existing support price of rubber under the “Rubber Production Incentive Scheme”, which was introduced to help the rubber farmers from dwindling prices of rubber will be increased to ₹250 from ₹200 as of now.

68. Steps will be taken to promote fruit farmers in Kerala. Incentives will be provided to producers of export-quality fruits and flowers.
69. Measures will be taken to improve the efficiency of the Agricultural Debt Relief Commission and to return the title deeds of farmers for whom awards have been declared by the Commission.
70. Steps will be taken to improve the efficiency of paddy procurement and to ensure timely payment of procurement prices to farmers.
71. New coconut procurement centres will be established at the Government level.
72. To ensure strong presence of women in Kerala's agricultural sector and to promote women-led agricultural enterprises and farmers' collectives, a scheme titled "*Krishi Sakhi – Women Farmers Development Programme*" will be implemented.
73. Advanced technologies including Artificial Intelligence (AI), drones and IoT-based agricultural technologies will be entertained to enhance agricultural productivity, ensure efficient utilization of resources and strengthen climate resilience.
74. Steps will be taken to promote farm tourism in our State.
75. Steps will be taken to ensure fair prices for agricultural produce. A scheme will be formulated to attract youth to agriculture.

### **Soil and Water Conservation**

76. The Government will implement the Kerala Carbon Farming and Soil Credit Framework to promote sustainable agriculture,

improve soil quality, strengthen resilience against climate change and create new income opportunities for farmers.

### **Animal Husbandry**

77. An allocation of ₹258.88 crore is made for the Animal Husbandry sector. This includes ₹137.24 crore for the Animal Husbandry Department, ₹29.89 crore for the Kerala Livestock Development Board, ₹8 crore for the Kerala State Poultry Development Corporation, ₹5.85 crore for Meat Products of India, ₹19.20 crore for Kerala Feeds, ₹52 crore for the Kerala Veterinary and Animal Sciences University and ₹6.70 crore for the Kerala Co-operative Milk Marketing Federation.
78. As part of the Kerala Chicken Project, a modern poultry processing plant with a capacity to process 1,000 chickens per hour and a pet food factory will be established at Kottukkal in Kollam district.
79. The Government will implement the “*KEPCO Ash raya*” scheme aimed at poverty alleviation, women’s empowerment and ensuring the financial security of widows and destitute persons; the *School Poultry Club Scheme* to improve the nutritional status of school children and foster interest in poultry farming; the innovative “*Poultry Rearing in Cages*” scheme to increase egg production through women beneficiaries in urban and semi-urban areas and improve nutritional levels among the population including children; and schemes for establishing heifer rearing centres to improve the quality and productivity of livestock.

### **Dairy Development**

80. An allocation of ₹102.88 crore is made for the Dairy Development sector. This includes ₹9 crore for rural dairy

extension and agricultural advisory services, ₹21 crore as assistance to dairy co-operative societies, ₹7 crore for strengthening laboratories ensuring the quality of milk and milk products, ₹36.37 crore for strengthening commercial dairy development and milk shed development activities, ₹7 crore for cattle feed subsidy and ₹8.50 crore for fodder production and conservation.

81. At present, Kerala produces 70 lakh litres of milk per day, whereas the State's requirement is 86 lakh litres per day. The Government aims to increase daily milk production to one crore litres within the next three years and convert surplus milk into value-added products.
82. The Ksheera Santhwanam Scheme will be implemented through the Kerala Dairy Farmers' Welfare Fund Board to ensure the socio-economic security of dairy farmers. Steps will also be taken to develop unified accounting software to simplify, standardize and make transparent the accounting systems of dairy co-operative societies, and to establish a new State Fodder Farm/Model Dairy Unit at Nettukalthery in Thiruvananthapuram district.

### **Fisheries**

83. A total allocation of ₹200.93 crore is made for the Fisheries sector, including ₹133.43 crore for the Fisheries Department, ₹34 crore for the Harbour Engineering Department and ₹33.50 crore for the Kerala University of Fisheries and Ocean Studies. In addition to this an amount of ₹ 50 Crore is set apart for the various activities of fisheries department.

84. The kerosene subsidy being provided to fishermen is enhanced to ₹75.
85. Steps will be taken to ensure that the rights over the sea remain with the children of the sea.
86. Measures will be taken to uplift the socially and economically backward sections in the fisheries sector, similar to the support extended to Scheduled Castes and Scheduled Tribes in Kerala. A special housing scheme will be implemented for the fishermen.
87. Training programmes will be launched to create diversified employment opportunities in fishing communities and to help fishermen identify alternative livelihood options.
88. Necessary assistance will be provided for the formation of self-help groups for women in the fisheries sector to undertake self-employment activities.
89. Land titles (pattayam) will be provided to all coastal residents who do not possess title deeds.
90. Wage assistance will be provided to fishermen on days when they are unable to venture out to sea due to Government-issued warnings.
91. Government support will be extended for hi-tech fish nurseries and ornamental fish farming.
92. Scientific measures, including sea walls, breakwaters and beach nourishment, will be undertaken to protect coastal areas.

93. Steps will be taken to rectify the flaws arising from the unscientific construction of the Muthalapozhi Harbour.

### **Forest & Wildlife Department**

94. An amount of ₹ 243.80 Crore is allocated for the forest and wildlife protection activities.
95. Farmers and other residents in the hilly regions of the State are under constant threat from wild animal attacks. A scientific census of tigers and leopards in Kerala will be conducted and legally permissible measures will be taken for their relocation. The possibilities offered by modern technology will be utilized to mitigate human-wildlife conflict. **An amount of ₹192.20 crore is allocated for this purpose.**
96. Steps will be taken to deploy additional Rapid Response Teams (RRTs) in areas severely affected by wildlife threat.

### **Environment**

97. An amount of Rs.22.02 Crore is allocated for various activities related to environment sector.
98. A “Zero Tolerance” policy will be implemented as part of effective measures to prevent air, water, land and light pollution.
99. Kerala will be made a completely carbon-neutral State by 2050. Agricultural practices that increase soil carbon and carbon sequestration will be promoted, and a State-level mechanism will be established to enable farmers to claim carbon credits and secure direct financial benefits.

### **Welfare of Hill Farmers**

100. Multi-crop farming practices will be promoted in the hilly regions. Necessary legislation will be enacted for this purpose.

101. All issues hindering the distribution of land titles (pattayam) in hilly regions will be resolved in a time-bound manner. Steps will be taken to expedite the disposal of the C.H.R. case before the Hon'ble Supreme Court, matters relating to the 1964 Rules, and the cases before the Hon'ble High Court concerning land title distribution, so as to protect farmers' interests and restore the distribution of title deeds. The Government Order prohibiting construction activities on cardamom patta land will be legally reviewed. Existing constructions on patta land will be regularized unconditionally.

### **Rural Development**

102. An allocation of ₹2,138.80 crore is made for the Rural Development sector. This includes ₹583.24 crore for rural development programmes, ₹1,136.07 crore for social development and Panchayats, and ₹419.40 crore for special programmes for area development.

### **Employment Guarantee Scheme**

103. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), implemented by the UPA Government, was a people-oriented programme that greatly benefited ordinary citizens across India. However, the Central Government has effectively weakened the scheme by renaming it as VB-G RAM G and increasing the State's share to 40 per cent. When it functioned as the Mahatma Gandhi Employment Guarantee Scheme, the State's contribution was ₹250 crore. Due to the incorrect policies of the Central Government, this has increased to ₹2,090.96 crore. An amount of ₹1,422.60 crore has

been allocated as the State's contribution in the first phase to ensure the sustained and effective implementation of this people-oriented scheme.

### **Online Grama Sabha**

104. Facilities will be provided for Grama Sabha members who are unable to participate directly in Grama Sabha meetings to attend them online. This will enable people from any part of the world to participate in the Grama Sabha of their native place, express their views and contribute to local development activities. Necessary steps will be taken for this purpose.

### **Vilangad Package**

105. The landslide that occurred in 2024 caused extensive damage to houses, commercial establishments and agricultural activities in Vilangad Village of Nadapuram Constituency in Kozhikode district. With the objectives of rebuilding infrastructure, rehabilitating affected families, revitalizing the agricultural sector and creating a model capable of withstanding natural disasters, a comprehensive and sustainable "*Vilangad Package*" is announced for the reconstruction of Vilangad Village. **An allocation of ₹5 crore is made for this purpose.**
106. Under the special packages for the backward districts of Wayanad, Kasaragod and Idukki, development projects focusing on education, healthcare and livelihood opportunities are being implemented. Special emphasis will be given to projects aimed at mitigating human-wildlife conflict. Steps will be taken to expedite the implementation of the packages for Wayanad, Kasaragod and Idukki districts.

## **Financial Assistance for Endosulfan Victims**

107. All eligible benefits will be provided to Endosulfan victims. Steps will be taken for the Government to assume responsibility for affected families.

## **Co-operation**

108. An amount of ₹114.44 crore is allocated for the Co-operation sector.
109. Recently, the credibility of the co-operative sector has suffered among depositors. Measures will be taken to restore confidence in the sector.
110. A scheme will be implemented to restore the confidence of depositors by introducing necessary changes to the Deposit Guarantee Scheme so as to ensure timely repayment of deposits in co-operative societies.
111. The co-operative sector will be made a partner in the supply chain management initiatives proposed under the leadership of Supplyco and in renewable energy projects undertaken under the leadership of the Power Department. A scheme titled “*100% Energy Self-Sufficient Co-operative Societies*” will be implemented to promote the participation of the co-operative sector in the State’s renewable energy potential.
112. Incentives will be provided for launching projects in the co-operative sector under the PCP (Public Co-operative Partnership) model.

## **Irrigation and Flood Control**

113. An allocation of ₹559.39 crore is made for irrigation, flood control and coastal management. This includes ₹213.39 crore

for major and medium irrigation, ₹176.27 crore for minor irrigation, ₹1.50 crore for command area development, and ₹168.23 crore for flood control and coastal protection.

114. As part of strengthening water distribution efficiency, the Neyyar Irrigation Project will be improved through enhancement of irrigation infrastructure and repair and maintenance of canal systems.
115. The Irrigation Museum, dam tourism initiatives, canal tourism projects and construction of irrigation guest houses under the Irrigation Department will be developed under the PPP model.

### **Energy**

116. An allocation of ₹1,284.75 crore is made for the Energy sector. Of this, ₹1,218.71 crore is allocated to KSEB through various funding sources for energy sector development, and ₹66.04 crore is allocated for non-conventional and renewable energy sources.

### **Industry**

117. The total allocation for the industrial sector is ₹1,115.48 crore. This includes ₹445.51 crore for village and small-scale industries, ₹669.97 crore for small, medium and large-scale industries, ₹8.20 crore for minerals and ₹434.40 crore for information technology. In total, an allocation of ₹1,558.08 crore is made for the Industries and Minerals sector.

### **Information Technology**

118. Cyberpark at Kozhikode will be upgraded to the level of Infopark at Kochi and Technopark at Thiruvananthapuram.

## **Traditional Industries**

119. Traditional industries in the State are facing severe challenges. Government support is essential for traditional industries such as cashew, coir and handloom, which employ a large number of women workers in rural areas.
120. Income support schemes will be provided to traditional industries to ensure sustainable incomes for workers in this sector.
121. A comprehensive package will be formulated to address the crisis in the cashew industry. Steps will be taken in consultation with banks to implement a one-time settlement scheme for closed factories.
122. Special incentives will be provided to handloom and handicraft industries for creating digital platforms to market their products globally, making modern machinery available and improving working conditions.
123. Special benefits will be introduced for pottery workers in the State who are facing hardships.
124. Government assistance will be provided to increase exports to foreign countries, in order to ensure markets for coir products.
125. An allocation of ₹107.64 crore is made for the coir sector and ₹56 crore for the cashew sector.
126. An allocation of ₹10 crore is made as market development assistance for the sale of coir and coir products, representing a 50 per cent matching contribution by the State.

127. An allocation of ₹11 crore is made for a scheme to promote the production, marketing and export of coir products. **An amount of ₹35 crore is allocated as a Price Stabilisation Fund.**

### **Incubation Centre**

128. An incubation centre serves as a platform that helps next-generation entrepreneurs transform innovative ideas into viable business proposals. Its primary objective is to create conditions for emerging entrepreneurs to establish business ventures with minimal risk. The incubation centre will provide management training, office facilities and seed capital assistance for start-ups and individual entrepreneurs to develop business enterprises. Steps will be taken to modernize existing incubation centres and strengthen their activities. The incubation centre will function as an instrument for the development of Kerala. **An allocation of ₹10 crore is made for its activities.**

### **Transport**

129. An allocation of ₹1,578.83 crore is made for the Transport sector. This includes ₹77.17 crore for Ports, Lighthouses and Shipping, ₹985.77 crore for Roads and Bridges, ₹179.47 crore for improving road transport facilities, ₹113.59 crore for improving inland water transport and ₹222.83 crore for other transport services.
130. A Hydrofoil Transport System, capable of high-speed travel with low fuel consumption by moving above the water surface, will be introduced in the State to improve coastal and water transport.

## **Motor Vehicles Department**

131. A comprehensive traffic policy will be formulated to promote safe driving, strengthen enforcement of traffic regulations and ensure the safety of pedestrians. A special scheme will also be formulated to reduce the increasing number of road accidents in the State.
132. The Motor Vehicles Department (MVD) is a technology –driven service delivery department providing essential public services, such as vehicle registration, driving licenses, permits, tax collection, fitness certification and enforcement. Therefore, it is proposed to allocate 30 crore for upgrading ICT infrastructure in the department. The proposal will enable faster and more efficient service delivery and transform MVD into a modern, citizen-centric and future-ready department. **An amount of ₹20 crore is allocated for this purpose.**
133. A dedicated tax intelligence and investigation wing will be created to detect tax evasion, prevent revenue leakage, and strengthen compliance.

## **Tourism**

134. **An allocation of ₹325.36 crore is made for the Tourism sector.**
135. Steps will be taken to make tourism a priority sector in Kerala. Measures will be initiated to declare tourism as an industry so that all incentives available to industries may also be extended to the tourism sector.
136. Necessary amendments to the law will be brought in to enable the use of more land in plantation areas for tourism purposes.

137. Tourism amenity centres and houseboat terminals constructed under the Mega Tourism Circuit Project implemented in Alappuzha district with Central assistance during the UPA Government period will be renovated and put to effective use.
138. A waste treatment plant will be established in Alappuzha for the treatment of houseboat waste and other waste.
139. A Pilgrimage Tourism Circuit Project will be implemented connecting pilgrimage centres such as Arthunkal Basilica, Ambalappuzha Temple, Kakkazham Mosque, Mannarasala, Krishnapuram Palace, Mata Amritanandamayi Math and Ochira Temple.
140. A master plan-based project will be implemented for the comprehensive development of Pathiramanal Island Eco-Tourism Centre. In addition, ropeway facilities will be provided for tourists from Muhamma Jetty to the island.
141. The Muziris Tourism Project will be expanded and transformed into India's foremost heritage tourism destination by promoting environmentally sustainable tourism while preserving the ancient monuments in the project area. The project will include a live museum, heritage museums and boat journeys through traditional waterways. **A total allocation of ₹19 crore is made for this project.**
142. A new "Green Marshals" scheme will be introduced on a pilot basis in major tourist destinations including Fort Kochi, Munnar, Kovalam and Alappuzha. Under this scheme, women will be trained and deployed as Green Marshals to promote cleanliness, responsible visitor behaviour and environmental awareness.

143. Various schemes will be implemented to develop Kerala's tourism sector in an environmentally sustainable and eco-friendly manner. Greater emphasis will be given to eco-tourism, biodiversity tourism, mangrove tourism, farm tourism, agri-tourism and rural experiential tourism. In addition, community-based tourism hubs and cultural tourism hubs will be established to generate employment while preserving Kerala's unique heritage, food culture and cultural traditions. The "Brand Wayanad" concept will be introduced. Ashtamudi tourism will be promoted. Women-led tourism enterprises, homestays and responsible tourism projects will be expanded across the State. Smart tourism applications, including AI-enabled advanced digital tourism platforms, will be developed.

### **Science Services and Research**

144. **An allocation of ₹205.18 crore is made for Science Services and Research.**
145. Scientific and technological institutions such as JNTBGRI, CWRDM, MBGIPS, NATPAC, the Institute of Advanced Virology, NHRI, KFRI and the Srinivasa Ramanujan Institute will be reorganized in a manner that gives greater emphasis to research activities.

### **General Education**

146. An allocation of ₹1,477.57 crore is made for the General Education sector.
147. An allocation of ₹1,032.28 crore is made for the school education sector to further improve the quality and academic standards of school education.

148. Participation of children in sports and games is essential and will be made a part of the school curriculum. An allocation of ₹8 crore is made for improving physical fitness through progressive and sustainable infrastructure and for nurturing future sporting talent.
149. The primary objective of the “*Menstrual Hygiene Initiative for Empowering Girls*” is to promote and ensure menstrual hygiene among girls. Other objectives of the scheme include ensuring the availability of sanitary napkins to all girls, providing facilities for their safe and environmentally friendly disposal, maintaining clean and hygienic school toilets, creating girl-friendly campuses, generating awareness, conducting workshops and ensuring State and district-level monitoring.

### **Jawaharlal Nehru Centre for Scientific Temper**

150. A new scheme titled Jawaharlal Nehru Centre for Scientific Temper will be introduced to promote scientific awareness among students and transform Kerala into a global knowledge hub. **An allocation of ₹25 crore is made for this scheme.**

### **Higher Education**

151. Comprehensive reforms will be introduced in Kerala’s higher education sector. Along with transforming education into a system that ensures employability, an academic environment that gives importance to research and innovation will be created.
152. Curricula and skill development programmes will be revised in line with changing employment opportunities.
153. A Future Readiness Think Tank will be constituted to anticipate and utilize the opportunities offered by advanced technologies

including Artificial Intelligence, Quantum Computing and Biotechnology.

154. The “Semester in Kerala” programme, which provides opportunities for foreign students to study in Kerala, will be revived to strengthen academic tourism.
155. Credit transfer will be implemented among State Universities. This will help ensure student mobility. Education fairs will be organized to showcase Kerala’s education sector internationally.
156. All leading universities across the world give importance to student diversity. For instance, students from nearly one hundred countries study at Harvard University. JNU is also a reflection of India’s diversity. Student diversity will be accorded due importance in Kerala’s campuses.
157. Ragging and campus violence continue to be major issues in colleges across the State and act as barriers to student admissions. To prevent ragging in educational institutions in Kerala, the “Sidharthan Student Distress App” will be introduced, and the “Sidharthan Anti-Ragging and Student Welfare Act” will be enacted to prevent ragging and ensure student welfare.
158. Bridge programmes and courses will be introduced to help graduates secure employment more quickly.
159. An Academic Council will be constituted to prevent excessive political interference in academic matters.

160. An Ombudsman system will be introduced in colleges to investigate and resolve student grievances.

### **Technical Education**

161. An allocation of ₹232.11 crore is made for Technical Education.

### **Jawaharlal Nehru Scientific City**

162. ₹10 crore is apportioned for establishing the Jawaharlal Nehru Scientific City.

### **Art and Culture**

163. An amount of ₹203.93 crore is earmarked for the Art and Culture sector.

164. Steps will be taken to renovate the historic Thekkinkadu Maidan in Thrissur district. **An amount of ₹10 crore is allocated for this purpose.**

165. Construction of the Sivagiri Pilgrimage Platinum Jubilee Memorial Convention Centre with international standards under the Sivagiri Sree Narayana Dharma Sangham Trust is progressing. Considering the historical significance, humanitarian values and social commitment of the institution, **an allocation of ₹5 crore is made as financial assistance for the construction of the Centre.**

### **Sports and Youth Affairs**

166. **An allocation of ₹173.77 crore is made for the Sports and Youth Affairs sector.**

167. Playgrounds in college campuses will be fully utilized and participation in any sporting discipline or NCC will be made mandatory for students. This will help to discourage involvement of students in drug abuse and other undesirable activities. The services of retired coaches will be utilized for sports training.
168. 'Vision 2036' will be implemented to nurture athletes capable of competing in the 2036 Olympic Games. Steps will be taken to identify children with special sporting talent and provide them with intensive training to enable participation in national, international and Olympic competitions.

### **Medical Care and Public Health**

169. Priority will be accorded to the health sector. An allocation of ₹2,076.02 crore is made for Medical Care and Public Health.
170. Government will intervene to reduce the high out-of-pocket expenditure on healthcare in Kerala.
171. The condition of the Medical Colleges at Kasaragod, Idukki, Wayanad and Manjeri continues to be pathetic. Steps will be taken to improve infrastructure, staffing and equipments in these institutions. The second Medical College in Thiruvananthapuram will be made operational and a new Medical College will be established at Haripad. **An allocation of ₹100 crore is made for these purposes.**
172. The scheme "Reach Kerala" will be introduced to transform Kerala into a destination for health tourism. As part of this

initiative, steps will be taken to coordinate the activities of the Health, AYUSH, Tourism and other related departments to provide high-quality healthcare services.

173. Selected Medical Colleges will be granted autonomous status and Government will support them to attain AIIMS-level standards in services and academic excellence.
174. A School Health Brigade will be constituted in cooperation with the Education Department to provide students and the younger generation with training and practical knowledge on healthy and hygienic lifestyles.
175. The 'Golden Hour Project' will be implemented to ensure the availability of emergency and trauma care within the shortest possible time through improved coordination among healthcare institutions and a digitized system.
176. Mechanisms will be created to strengthen coordination between the Health Department and the Medical Education Department for the effective prevention and management of communicable diseases.
177. A scheme will be introduced to provide financial assistance with annual health check-ups for individuals aged 40 years and above, with the objective of detecting and preventing diseases at an early stage and reducing treatment costs.
178. Hospital Management Committees and Hospital Development Societies will be reformed to improve the efficiency and to ensure that the funds collected are properly utilized for the

benefit of patients. Steps will also be taken to prevent excessive political interference in the administration of Government hospitals.

179. The medicine procurement process of KMSCL will be reviewed and measures will be taken to improve its efficiency.
180. Arrears under the Karunya Arogya Suraksha Scheme will be cleared in a phased manner to ensure the effective functioning of the scheme.
181. Tribal Health Clusters will be initiated to improve healthcare services for people living in tribal areas.
182. Special Coastal Care Units will be established to ensure healthcare services for people residing in coastal regions.
183. In view of the alarming increase in the number of cancer patients in the State, priority will be given to preventive measures. Special schemes will be formulated for this purpose.
184. Mobile testing laboratory facilities will be established in rural areas where laboratory facilities for diagnostic tests are inadequate. In the first phase, 10 laboratories will be established at a cost of ₹2 crore each. **An allocation of ₹20 crore is made for this purpose.**
185. Availability of medicines for rare diseases, including Spinal Muscular Atrophy (SMA) will be ensured, in the State.

### **Water Supply and Sanitation**

186. An allocation of ₹895.59 crore is made for Water Supply and Sanitation. As many communicable diseases originate from drinking water, new laboratories will be established to ensure

the quality of drinking water. College laboratories will also be utilized for this purpose.

### **Housing**

187. Housing sector will be allocated with ₹58.15 crore.

### **Urban Development**

188. An amount of ₹997.88 crore is made for Urban Development under the State Plan.

### **Information and Public Relations**

189. An amount of ₹36.23 crore is earmarked for the Information and Public Relations sector.

### **Labour and Labour Welfare**

190. An allocation of ₹650.46 crore is made for the Labour and Labour Welfare sector.
191. Steps will be taken to merge welfare boards of a similar nature in order to reduce administrative expenditure and enhance operational efficiency.
192. Special schemes will be formulated for the welfare and advancement of gig workers and online platform workers.
193. Measures will be taken to ensure workplace wellness in professional sectors, including the IT industry.

### **Scheduled Castes and Scheduled Tribes Welfare**

194. An amount of ₹2,979.32 crore, constituting 9.81% of the total State Plan outlay, is allocated to the Scheduled Caste Sub Plan

(SCSP) for the development of Scheduled Castes. Of this, ₹1,638.02 crore is allocated to the Scheduled Caste Development Department and the remaining ₹1,341.30 crore to local governments. **Additionally, ₹ 527.68 is allocated to scheduled caste sub-plan.**

195. An amount of ₹859.48 crore, constituting 2.83% of the State Plan outlay, is earmarked for the Tribal Sub Plan (TSP). Of this, ₹657.93 crore is allocated to the Scheduled Tribe Development Department and the remaining ₹201.55 crore to local governments. **Additionally, ₹ 152.52 is allocated to scheduled tribe sub-plan.**
196. Legislation will be introduced to ensure that funds allocated in the budget for Scheduled Castes and Scheduled Tribes are utilized properly and that schemes are implemented in a time-bound manner.
197. A new housing scheme will be implemented for Scheduled Castes and Scheduled Tribes.
198. Special recruitment drives will be conducted to ensure adequate representation of Scheduled Castes and Scheduled Tribes in government service.
199. Steps will be taken to ensure the timely disbursement of e-grants to students belonging to Scheduled Caste and Scheduled Tribe communities.

### **Backward Classes Welfare**

200. An allocation of ₹164.16 crore is made to support the education, employment and livelihood of backward classes.

## **Minority Welfare**

201. An amount of ₹77.91 crore is allocated for scholarships, skill development programmes, employment-oriented schemes, the Imbichi Bava Housing Scheme, modernization of the Minority Welfare Department, establishment of a Minority Research Institute under the University of Calicut, equity assistance to the Kerala State Minority Development Finance Corporation Ltd., the Margadeepam Pre-Matric Scholarship, self-employment schemes for widows belonging to minority communities, the Chief Minister's Minority Research Fellowship, and overseas scholarships for minority communities.

## **Welfare of Forward Communities**

202. An allocation of ₹31.29 crore is made for merit scholarships, organization and conduct of coaching classes, interest subsidies for self-employment promotion, skill and entrepreneurship development activities, restoration of deteriorating aghrahams, marriage assistance, operational expenses, capital subsidy for women's entrepreneurship programmes (dairy sector), capital subsidy for women to purchase electric autorickshaws, and capital assistance to the Kerala State Welfare Corporation for Forward Communities.

## **Disability Welfare**

203. Measures will be taken to transform Kerala into a disability-friendly State. Strict action will be taken to ensure barrier-free travel for persons with disabilities. As part of this, the

Government will ensure the provision of facilities such as ramps in public places.

204. The Government will create opportunities for persons with disabilities to showcase their artistic talents. Screening mechanisms through Anganwadis will be strengthened for the early identification of learning disabilities and other disabilities.

### **Social Security and Welfare**

205. An amount of ₹590.11 crore is apportioned for the Social Security and Welfare sector.
206. The Government will revive schemes that were effectively implemented during the previous UDF period to aid poor patients and vulnerable groups, including Karunya Benevolent Fund, Shruthitharangam, Snehapoorvam, Snehasparsham, Thalolam, Cancer Suraksha, Sneha Santhwanam, Pakal Veedu, Vayomithram, Ashwasakiranam and Sukrutham.
207. Steps will be taken to grant aided status to eligible special schools.
208. Measures will be taken to provide quality insulin to children affected by Type 1 diabetes, insulin pumps to children with brittle diabetes, and Continuous Glucose Monitoring (CGM) sensors to children with exigent circumstances. Government assistance will also be provided for the indigenous manufacture of insulin pumps.
209. Appropriate reforms will be introduced in the implementation of the 'Mittai scheme'. Measures will be taken to prevent diversion of funds allocated for the scheme, ensure the services of

endocrinologists at Mittai Satellite Centres in all districts, and facilitate the availability of quality medicines.

210. Mental health issues arising from financial, family and health-related causes are increasing significantly in the State. To address this, support of social work professionals will be made available.

### **Pravasi Welfare**

211. Steps will be taken to improve the efficiency of the Pravasi Welfare Fund Board.

### **Devaswom Development Activities**

212. Temples such as Sabarimala, Guruvayur, Kottiyoor and Thiruvallam have emerged as major pilgrimage centres. Measures will be taken to develop these temples on the Tirupati model and elevate them as national pilgrimage centres.
213. An amount of ₹ 5 crore is allocated for the renovation of sacred groves (kavu) and temple ponds associated with temples.
214. An amount of ₹ 5 crore is allocated towards the annual annuity payable to the Travancore Devaswom Board.
215. Steps will be taken to strengthen the functioning of the Malabar Devaswom Board, grant it greater powers and bring it on par with other Devaswom Boards.
216. Measures will be taken to address the issues faced by employees of the Malabar Devaswom Board and to frame service rules for them as in other Devaswom Boards.

## **Excise**

217. An allocation of ₹ 23.31 crore is made for the functioning of the Excise Department and the implementation of new schemes. A comprehensive plan will be formulated and implemented in coordination with other departments to identify and eliminate the source and distribution chain of narcotics.
218. Anti-drug campaigns will be organized under the Vimukthi Mission to create awareness among students, youth and the general public regarding the harmful effects of substance abuse and alcoholism.
219. A dedicated Chemical Examination Laboratory will be established exclusively for the Excise Department.
220. Infrastructure facilities will be provided to the State Narcotic Control Bureau.
221. AI-enabled CCTV cameras and X-ray and Gamma-ray scanners will be installed at all check posts to prevent drug trafficking.
222. Drug detection kits capable of identifying all types of narcotic substances, including new-generation synthetic drugs, will be made available in all Excise offices.
223. By taking Chettikulangara and Bharanikkavu panchayt from Mavelikkara Range, pathiyoor panchayat from Kayamkulam range and Vallikkunnu panchayat from Nooranadu range a new model Range Office will be established at Chettikulangara or Bharanickavu.

## **Governance**

224. Measures will be taken to transform the State Secretariat into one of the best in the country. Steps will be initiated to evaluate the performance of officials and improve service delivery. Administrative reforms, including reduction of hierarchical layers for faster file movement, will be implemented.
225. Cabinet decisions will be made available within the prescribed time and will be published promptly on the official website.

## **Police Department**

226. A zero-tolerance approach will be adopted towards crimes against children. Confidential toll-free helplines and portal will be established for reporting such incidents. The Kerala Police will strengthen anti-drug operations through ANTF, DANSAF and SOG mechanisms. Drug-free campuses, dark-web monitoring, financial fraud investigations and awareness programmes will be implemented in collaboration with educational institutions, local self-government institutions and PTAs.
227. Measures will be taken to appoint more women as Station House Officers in police stations. Strong and stringent legal action will be initiated against officials who suppress cases involving crimes against women and children, as well as against individuals who abuse women through social media platforms. Safe travel for women will be ensured, and night-time police patrolling in major towns will be intensified.

228. **An allocation of ₹10 crore is provided for Operation Toofan**, a State Government initiative aimed at eradicating drug mafias by implementing a special task action protocol to reduce drug availability and strengthen preventive systems in schools and colleges.
229. A scheme titled 'Makalkkoppam' will be implemented to prevent crimes against women.
230. New police stations will be established at Pattazhi and Edappal.

### **Prisons Department**

231. Various projects will be implemented under the schemes "Prison Modernisation" and "Prisoners' Welfare" with the objectives of infrastructure development, strengthening of security, and prisoner rehabilitation. To reduce overcrowding in prisons, the construction and development of prisons at Mannarkkad, Taliparamba, Pathanamthitta and other locations will be undertaken on a priority basis.

### **Fire and Rescue Services Department**

232. Priority will be given to the modernization and strengthening of emergency response systems, including the establishment of fire and rescue stations in various Legislative Assembly constituencies, operationalization of new stations in Wayanad district and deployment of emergency rescue teams along National Highway 66.

### **Judiciary**

233. To improve the efficiency transparency and service delivery of Judicial system, modernization, digital transformation and

infrastructure development will be done on a priority basis. ICT facilities will be provided to the High Court and district judiciary, and priority will be given to digitizing judicial and administrative records in court complexes across the State. An Arbitration Court will be established in Kochi.

### **Survey and Land Records**

234. An allocation of ₹17.50 crore is made for various activities of the Survey Department.

### **Revenue**

235. An amount of ₹76.70 crore is earmarked for the Revenue Department. To support regional spatial governance activities in the State, the Kerala State Remote Sensing and Environment Centre (KSREC) will develop Kerala Geo-Spatial Governance Platform (K-GIS) on par with international standards. A Drone Lab Centre will also be established for the collection and processing of high-resolution data and DEM data required for disaster management activities in the State.
236. A commission will be constituted for studying the requirements of forming new districts and taluks.

### **Kerala Administrative Tribunal**

237. An allocation of ₹24.01 lakh is made for the various activities of the Kerala Administrative Tribunal.

### **Department of Economics and Statistics**

238. An allocation of ₹6.31 crore is made for the functioning of the Department of Economics and Statistics.

239. The State Academy on Statistical Administration (SASA) will be renamed as the “Mahalanobis National Statistical Research Academy” and developed into a data hub of world class standard.

### **Mission Geo Keralam**

240. In this new era of data driven governance, just as physical infrastructure facilities are important, spatial intelligence has also become equally essential. Accordingly the government aims to transform KSREC into the state’s primary geo spatial governance in institution and establish an integrated Kerala Geospatial intelligence platform (KGIS).
241. Kerala will become one of the first state’s in India to mainstream spatial governance in public administration by make use of Artificial Intelligence, real-time analytics and advanced geospatial technologies. To achieve these objectives, KSREC will be reorganized and a corpus fund will be created.

### **Treasury Department**

242. An allocation of ₹20 crore is made for various activities of the Treasury Department.

### **Kerala Financial Corporation (KFC)**

243. To further strengthen entrepreneurship and promote the growth of small and medium enterprises (MSMEs), the Chief Minister’s Entrepreneurship Development Programme (CMEDP), a flagship scheme of KFC, will be strengthened. The scheme aims to support about 400 new MSME’s in Five Years. Under this

scheme, Entrepreneurs will be provided with loans at low interest rate of 6%. The Government will provide 3% interest subvention for the first 5 years. To ensure greater participation in starting enterprises, steps will be taken to increase the upper age limit of applicants under CMEDP from 50 to 60 years and to increase the maximum loan amount from the existing ₹2 crore to ₹5 crore. Through this, the entrepreneurs will be able to start and expand their business, create employment opportunities and contribute to the economic growth of the State.

### **Registration Department**

244. An allocation of ₹27.70 crore is made for the Registration Department.
245. Fair value constitutes the foundation for the levy and collection of stamp duty and registration fee on property transactions and, therefore, has a direct bearing on State revenue. It is, however, observed that the existing fair value structure does not accurately reflect prevailing market conditions in several parts of the State. In some areas, the notified fair value is significantly higher than the actual market value of land, while in others it remains substantially lower than prevailing market rates. To address these disparities and to ensure a fair, transparent and scientific valuation framework, Government proposes to undertake a comprehensive, technology-enabled and data-driven revision of land fair values across the State.
246. A large number of appeals relating to fair value determination in 2010 under Section 28A of Kerala Stamp Act 1959 are pending disposal. Special measures, including dedicated adalats, will be

undertaken to ensure that all pending appeals are disposed of by 31 October 2026.

247. To promote paperless transactions and improve ease of doing business, Government will expand digital stamping facilities for documents that are not compulsorily registerable under the Registration Act, 1908. This will enable seamless online payment of stamp duty and contribute to higher revenue mobilization for the State.
248. To ensure that the stamp duty for insurance taken from Kerala is realised within the State, the e-stamping facility will be extended to private insurance companies. The existing e-stamping facility available for banking institutions will be extended to Non-Banking Financial Companies enabling online payment of stamp duty.
249. Under the Kerala Stamp Act, 1959, where the deficit stamp duty determined in an undervaluation case remains unpaid even after the issuance of the final order and exhaustion of all appellate remedies, such outstanding amount shall be treated as a charge on the property covered by the instrument. This will facilitate the effective recovery of Government dues while ensuring greater transparency in property transactions by enabling prospective purchasers to be aware of such liabilities before entering into transactions.
250. To improve public access to stamp papers for medium-value transactions, and enhance the efficiency of stamp paper distribution, the existing ceiling for sale of stamp papers through licensed stamp vendors will be increased from **₹1 lakh to ₹3 lakhs**.

## **Public Works Department**

251. **An amount of ₹ 5,952.29 Crore is set apart for Public Works Department.**
252. A new legal framework will be introduced to improve the efficiency of works carried out through the Public Works Department (PWD). The existing PWD Manual will be revised.
253. A new Road Architecture Wing will be established to upgrade and modernize roads, bypasses, and junctions in Kerala to international standards. Over the next five years, all PWD roads in Kerala will be upgraded in phases to BM & BC standards. An AI-based road inspection system, similar to those used in foreign countries, will also be implemented.

## **Food & Civil supplies Department**

254. The operations of institutions such as Supplyco and HortiCorp will be coordinated to address deficiencies in the supply chain. These agencies will be made self-sufficient. Essential commodities will be procured and stored under a supply chain management model, and modern storage facilities will be established to make Supplyco self-reliant. Steps will also be taken to recover arrears due to Supplyco from the Central Government.

## **Other major projects**

255. Necessary steps will be taken for the construction of the Punchakkolli Bridge across the Punnappuzha River, benefiting hundreds of residents of the Punchakkolli–Alakkal tribal settlement. An amount of ₹1 crore is allocated for this purpose.

256. An amount of ₹1 crore is allocated for the construction of its own building for Government College, Nilambur.
257. Steps will be taken for the construction of the Pathanapuram Town Ring Road. An amount of ₹1 crore is allocated for this purpose.
258. An amount of ₹1 crore is allocated for establishing the Aranmula Kannadi Exclusive Exhibition Centre and Training Centre.
259. Necessary steps will be taken for the construction of the Poonthura Fishing Harbour, a long-term demand of the fishermen community in Poonthura, and for the construction of the Poonthura–Idayar Bridge.
260. An amount of ₹1 crore is allocated for conducting a feasibility study for the construction of an elevated highway from Kohinoor on NH-66 to Kozhikode Airport.
261. Steps will be taken to establish fire stations at Chelari in Vallikkunnu Constituency and Sreekandapuram in Irikkur Constituency.
262. An amount of ₹4 crore is allocated for establishing of Revenue Tower in Karunagappally and Chalakudy, Mini Civil Station in Manjeswaram Taluk and construction of Vadakara Taluk Office building.
263. An amount of ₹1 crore is allocated for infrastructure development of the Edakulangara Industrial Park.
264. Works of the Kottayam Skywalk project will be resumed.

265. For initial steps to be taken an amount of ₹2 crore is allocated for a Government Arts and Science College in Sulthan Bathery Constituency.
266. An amount of ₹1 crore is allocated for the initial steps of the construction of the Goshree–Bolgatty Parallel Bridge, land acquisition and construction of the Goshree–Mamangalam Road, and ₹1 crore for taking initial steps of the construction of the Ottapalam Court Complex.
267. An amount of ₹3 crore is allocated for the construction of Ponnani Coastal Protection Wall. The balance amount required for this construction will be received from institutions including NABARD.
268. ₹5 crore will be provided for the initial phase of construction of ROB at Vaniyambalam, Wayanad.
269. To preserve the memory of Saint Chavara, an amount of ₹1 crore is allocated for the continuation of construction works relating to the 175-year-old room, the monastery building, and the historical and cultural museum at the Koonammavu St. Philomina's & St. Chavara Pilgrimage Centre.
270. The grant of ₹10,000 provided to the 52 'Palliodams', the main organizers of the famous Aranmula Boat Race is increased to ₹15,000.
271. Malabar – Thindis Cultural Biennale centered at Ponnani will be organized.

272. For the initial works, an amount of ₹2 crore is allocated under the Wayanad Package for the construction of the Mysuru–Nanjangud Road (Nilambur Road).
273. An amount of ₹1 crore is provided as grant to establish a cultural centre and museum in memory of artist Namboothiri with the assistance of the Namboothiri Trust.
274. An amount of ₹1 crore is provided for construction of a memorial for the late actor Salim Kumar in Ernakulam.
275. An amount of ₹1 crore will be provided for initial expenses for establishing a music academy in the name of the renowned ghazal singer Umbayi.
276. Steps will be taken to construct an international stadium at Chelad in Kothamangalam Constituency.
277. An amount of ₹5 crore is allocated for initial expenses of upgrading Malappuram Taluk Hospital into a Super-Speciality General Hospital and constructing the buildings, and ₹10 crore to meet the initial expenses of establishing a modern Cancer Centre in Malappuram.
278. An amount of ₹10 crore is allocated for the modernization of Ernakulam Medical College.
279. An amount of ₹5 crore is allocated for the initial expenses of construction of a Skyway and Urban Park at Chinnakada, Kollam.
280. Steps will be taken for the renovation of the Koottayi Regulator-cum-Bridge. An amount of ₹5 crore is allocated for this purpose.

281. An amount of ₹1 Crore is provided for a statue and cultural centre dedicated to Sree Narayana Guru in Delhi.
282. The Government will provide financial assistance for various welfare activities implemented by the Kerala Union of Working Journalists (KUWJ).
283. Steps will be taken to enhance the Non-Journalist Pension.
284. Steps will be taken to construct the Panampilly Govinda Menon Memorial at Chalakudy. For this purpose ₹1 crore is allocated.
285. As part of the 150<sup>th</sup> birth anniversary celebrations of Mahakavi Ulloor S. Parameswara Iyer, a special financial assistance of ₹ 25 lakh is provided to the Ulloor Memorial Library and Research Institute.
286. An amount of ₹10 crore is allocated for completing the first phase of land acquisition for the Oradam Bridge–Manathumangalam Bypass Road project in Perinthalmanna Constituency.
287. An amount of ₹5 crore is allocated for the eco-friendly dynamic lighting project in Athirappally.
288. An additional amount of ₹5 crore is allocated for repair and maintenance works under the Periyar Valley Irrigation Project.
289. A District Collector's Fund will be constituted for providing each District Collector with an annual corpus fund of ₹50 lakh for emergency situations and for other important projects. An amount of ₹7 crore is allocated for this purpose. Detailed guidelines regarding its utilization will be issued.

290. An amount of ₹100 crore is allocated for the Balaramapuram–Navayikulam Ring Road Project.
291. An amount of ₹2 crore is allocated for the Chalissery Community Health Centre (CHC) building.
292. An amount of ₹50 lakh is allocated for the K. R. Narayanan Civil Service Academy in Thrithala Constituency.
293. An amount of ₹1 crore is allocated to the R. Shankar Foundation of Kerala for the construction of a memorial building for the late former Chief Minister R.Sankar in Pattom.

### **Goods and Services Tax Department**

294. To strengthen the State Goods and Services Tax Department, monitoring and return scrutiny will be made more efficient by leveraging technology and AI-based data analytics. Special emphasis will be given for the recovery of arrears under the pre-GST laws. A sector-based audit system will be implemented, with priority given to the services sector. Pending appeals will be disposed off expeditiously. Areas with untapped tax potential will be identified, and intelligence and enforcement activities will be strengthened, along with enhanced data sharing with other financial and regulatory agencies.
295. A Data-Driven Decision Support System will be implemented, leveraging modern IT infrastructure and Artificial Intelligence tools tailored to the requirements of the Department. For this purpose, an amount of Rupees 30 Crore will be allocated.

### **Lotteries Department**

296. Sir, to transform the Lotteries Department, the Government will undertake a comprehensive redevelopment of the official State

Lotteries website alongside the introduction of Electronic Point of Sale (E-POS) machines to facilitate cashless agent transactions. Operational efficiency will be improved by overhauling the core sales module to allow online ticket requests and automated invoicing via the Agent Portal. To support evidence-based governance, a modern data analytics platform will be deployed to monitor sales and inventory trends. Finally, a newly constituted Social Media Committee will spearhead digital outreach and promote responsible lottery participation.

### **Establishment Matters**

297. Dearness Allowance of Government employees and Dearness Relief of pensioners shall be paid without any hindrance.
298. Appropriate decision will be taken in the case of Leave Surrender.
299. Government Employees Health Insurance Scheme, 'Medisep', shall be comprehensively revamped.
300. There is ambiguity in the Assured Pension Scheme announced by the previous Government. Therefore, after reviewing it, the existing NPS scheme shall be revamped.

## **Part – IV**

### **Resource Mobilisation**

#### **Goods and Services Tax Department**

##### **Flood Cess Arrears Settlement Scheme, 2026**

301. To mobilize additional resources required by the State in the wake of natural disasters, a one percent Flood Cess was levied

on GST applicable in Business-to-Customer (B2C) supplies during the period from 1<sup>st</sup> August 2019 to 31<sup>st</sup> July 2021. Although the levy period of Flood Cess has ended, substantial arrears in this regard are still outstanding.

302. The amnesty schemes introduced earlier for this category were of short duration. Considering the demand from taxpayers for an opportunity to settle such arrears and with a view to providing relief to the business community, the Government announces the 'Flood Cess Arrears Settlement Scheme, 2026'.
303. The taxpayers covered by the scheme will be granted a complete waiver of interest and penalty associated with Flood Cess arrears, provided they remit the entire outstanding principal amount of Flood Cess.
304. The last date for settlement of arrears under this scheme shall be 31<sup>st</sup> March 2027.

### **Small arrear waiver scheme, 2026**

305. A substantial number of arrears continue to remain outstanding under various tax laws that existed before the introduction of the GST. Many of these arrears are long pending and involve relatively small amounts.
306. Therefore, in respect of assessment orders up to the financial year 2017–18 under the pre-GST tax laws namely The Kerala Surcharge on Taxes Act, The Kerala General Sales Tax Act, The Kerala Tax on Luxuries Act, The Kerala Agricultural Income Tax Act, The Kerala Value Added Tax Act, and The Central Sales Tax Act, all arrears involving tax amounts above ₹50,000/- but not exceeding ₹2,00,000/-, shall be fully waived, along with the

related interest and penalty. However, this benefit shall not apply to arrears relating to the sale of liquor under the Kerala General Sales Tax Act, 1963. This benefit shall be applicable only for the arrears of tax involved in the assessment orders issued on or before 31<sup>st</sup> March 2027.

### **Sales Tax rate of Low Strength Alcohol under KGST Act, 1963**

307. Based on the Abkari Policy for 2022–23, to permit the sale of low-alcohol beverages in the State, amendments to the Foreign Liquor Rules had been notified during the tenure of the previous Government. Under the said amendment, alcoholic products with an alcohol strength ranging from 0.5% v/v to 20% v/v, excluding beer and wine, were classified as ‘Low Alcoholic Beverage’.
308. In order to bring clarity to the tax structure applicable to products falling under this category, it is necessary to prescribe an appropriate tax rate under the Kerala General Sales Tax Act.
309. Accordingly, a sales tax rate of 120% is decided to be fixed for such products having a strength of alcohol from 0.5% v/v up to 10% v/v, and a sales tax rate of 175% is decided for products having alcohol strength above 10% v/v and up to 20% v/v.

### **State Goods and Services Tax Act**

310. In line with the amendments introduced to the Central Goods and Services Tax Act, 2017 through the Union Finance Act, 2026, based on the recommendations of the GST Council, corresponding amendments will be made to the Kerala State Goods and Services Tax Act, 2017.

## Motor Vehicles Department

311. To support the public transport sector, a 50 percent concession on quarterly tax is given to stage carriage buses.
312. Quarterly taxes on all India tourist permit (AITP) buses are being reduced to encourage more all India tourist permit buses to register in Kerala and to increase inter-state travel facilities.

AITP	Existing Tax Rate	Revised Tax Rate
Per seat	2000	900
Per Sleeper	3000	1500

The current quarterly tax rate of ₹2,000/- per seat is being reduced to ₹ 900/- and the current rate of ₹3,000/- per sleeper is being reduced to ₹ 1,500/-.

313. Tax slabs for trailer vehicles are being unified and revised to attract more trailer vehicle registrations in Kerala.

Gross Vehicle Weight of Trailer	Existing Quarterly MV Tax	Revised Quarterly MV Tax
15,000 kg to 20000 Kg	₹2,550+130 Per 250 kg excess	₹2,550 + ₹130 per 250 kg excess
Above 20,000 kg	₹5150 + ₹250 per 250 kg excess	

The additional tax slab imposed on trailer vehicles weighing more than 20 tons has been removed, and the tax rate has been reduced to the rate applicable to vehicles weighing more than 15 tons.

314. Electric vehicle tax structure has been reviewed and is revised as below.

ELECTRIC VEHICLE PRICE	EXISTING TAX	REVISED TAX
Up to ₹10 lakh	5%	3%
₹10–15 lakh	5%	5%
₹15–20 lakh	8%	5%
₹20–30 lakh	10 %	10 %
₹30–40 lakh	10 %	10 %
Above ₹40 lakh	10 %	15%

Road tax on electric vehicles priced up to ₹10 lakh has been reduced from the current 5% to 3%. Road tax on electric vehicles priced between ₹15 lakh and ₹20 lakh has been reduced from the current 8% to 5%. Road tax on electric vehicles priced above ₹40 lakh has been increased from the current 10% to 15%. Other tax rates remain unchanged.

315. It is decided to enhance motor vehicle tax concession for differently-abled persons by increasing the eligible vehicle value limit from the existing rupees seven lakh to rupees fifteen lakh.
316. The e-challan Amnesty scheme is announced to provide an opportunity to citizens to settle pending challans by paying 50% of the challan amount.

### **Registration Department**

317. The accumulation of 1,46,355 undervaluation cases involving approximately ₹703 crore in deficit stamp duty dues during the period 1986–2023 underscores the urgent need for structural reforms in the undervaluation adjudication and recovery

framework. To provide relief to the general public and to improve revenue mobilisation, Government proposes to introduce a One-Time Settlement Scheme with appropriate concessions for the disposal of such cases.

318. As a one-time measure, to bring closure to long-pending small-value liabilities, Government proposes to waive the additional stamp duty payable in cases relating to the period up to 31<sup>st</sup> March 2010 where the amount determined in the final order is below ₹10,000. This measure will enable Government to focus on higher-value revenue recovery cases.
319. To promote environment-friendly construction, the existing 4% concessional stamp duty available for eligible flats and apartments will be extended to Kerala Real Estate Regulatory Authority (K-RERA) registered villas complying with the prescribed standards.
320. If the deficit stamp duty determined in an undervaluation case remains unpaid, after the exhaustion of all appellate remedies available under the Kerala Stamp Act, 1959, within sixty days from the date of the final order, an interest at the rate of 1 per cent per month (12 per cent per annum) shall be payable on the outstanding amount until the date of actual payment.

## **PART V**

### **CONCLUSION**

321. Sir, development is not merely the development of infrastructure facilities. The view of this Government is that it should also include care for the people and welfare activities for them.

322. The aim of this Government is to build a data-driven administrative system which will help accelerate implementation of schemes and programmes and take the results of development to all Keralites, while keeping the people close to its heart.
323. Governance will be dynamic and energetic, based on technology as well as social justice, which ensures care and assistance to the marginalised and the vulnerable.
324. By ensuring cooperation and unity among all sections of the people, with the support of the people of Kerala and the cooperation of this August House, and by providing Governance with Empathy, let us together create a “Puthuyuga Vikasitha Keralam” which the future generation can inherit with pride and confidence.
325. Sir, in the world-famous speech, “Tryst with Destiny”, Pandit Jawaharlal Nehru dreamed of a modern, equitable and prosperous country. Let us keep these words in our hearts:
326. *“The future beckons us. Whither do we go and what shall be our endeavour? To bring freedom and opportunity to the common man, to the peasants and workers of India; to fight and end poverty and ignorance and disease; to build up a prosperous, democratic and progressive nation, and to create social, political and economic institutions which will ensure justice and fullness of life to every man and woman.”*
327. Sir, I am now presenting the summarised form of the Revised Budget Estimates for 2026–27.

## Revised Budget Estimate for 2026–27

*(Rs. in crore)*

<b>Item</b>	<b>Amount</b>
Revenue Receipts	1,69,646.37
Revenue Expenditure	2,05,001.67
Revenue Deficit	(-) 35,355.30
Capital Expenditure (Net)	(-) 19,651.41
Loans & Advances (Net)	(-) 1,398.65
Public Debt (Net)	52,364.13
Public Account (Net)	4,000.00
Overall Deficit	(-) 41.23
Opening Balance at the beginning of the year	(-) 382.45
Closing Balance at the end of the year	(-) 423.68
Additional Expenditure announced	(-) 1,080.95
Cumulative Deficit at the end of the year	(-) 1,504.63

Sir,

I am placing the revised Budget 2026–27 for the approval of the August House.

**Jai Hind**



Printed by the Superintendent of Government Presses  
at the Government Central Press, Thiruvananthapuram-2026

---

Cover Design: Godfrey Das