

Speech of Dr. Palanivel Thiaga Rajan, Hon'ble Minister for Finance and Human Resources Management, Government of Tamil Nadu, presenting the Revised Budget for the year 2021-2022 to the Legislative Assembly on 13th August 2021.

Hon'ble Speaker Sir,

I rise to present to this August House the Revised Budget Estimates for the year 2021-2022 recalling the immortal words of Saint Thiruvalluvar:

*இயற்றலும் ஈட்டலும் காத்தலும் காத்த
வகுத்தலும் வல்லது அரசு*

(குறள் 385)

*A king is he who treasure gains, stores up, defends,
And duty for his kingdom's weal expends*

(Kural 385)

2) It is my privilege and honour to present my maiden budget as Finance Minister of Tamil Nadu. I thank our Hon'ble Chief Minister Thiru M.K. Stalin for giving this opportunity.

3) In his response to the address of the Hon'ble Governor, the Hon'ble Chief Minister of Tamil Nadu,

noted that our culture has a practice of paying homage to our ancestors. I follow in his footsteps and start by paying my respects to our ancestors.

4) As adherents to the Dravidian ideology, we are descendants of Thanthai Periyar, Perarignar Anna and Muthamizharignar Kalaignar. They have instilled in us the spirit of service to the people, of upholding self-respect and dignity, of standing up for the rights of States and autonomy of the State Government and above all, of providing clean and transparent governance.

5) This is the centenary year of the Madras Legislative Council. As Perarignar Anna said in 1967, the Dravida Munnetra Kazhagam is the political descendant of the Justice Party which formed the first Government in Madras Presidency in 1921. The Justice party was the progenitor of the Dravidian movement which has imbued Tamil Nadu's society and polity with the values of social justice, gender equality, opportunities for all through reservations, and progress through education. We are proud of our legacy.

6) The people of Tamil Nadu voted the Dravida Munnetra Kazhagam under the leadership of the Hon'ble Chief Minister Thiru M.K. Stalin to office, with high aspirations, and expectations of good performance based

on transformative governance. We are vested in fulfilling these expectations of the people.

7) Muthamizharignar Kalaignar was a member of this House continuously since 1957, and I feel his pervasive presence and direct gaze as his portrait keeps vigil over all of us present in this Chamber. Muthamizharignar Kalaignar was a champion of State autonomy and created many social protection schemes for the welfare of the people. His administrative ability and competence are widely celebrated. Our leader, the Hon'ble Chief Minister Thiru M.K.Stalin carries with him the blessings of Muthamizharignar Kalaignar.

8) The Hon'ble Chief Minister's guidance and wise counsel has a deep imprint on this Budget. The Hon'ble Chief Minister has made several promises to the people in the Election Manifesto, which find place in the Hon'ble Chief Minister's Vision Document for a New Dawn. Many elements of the Vision Document have been converted into schemes and projects in the budget to be implemented by various Government departments.

9) The Revised Budget for 2021-22 will only impact the remaining six months of this financial year. The sheer magnitude of the second wave of COVID over

the past few months, and its health and economic consequences have further constrained the Government's flexibility in what was already a precarious fiscal position. So, our primary ambition for this revised budget is to lay the strongest foundation for the full budget for the financial year 2022-23 which this Government will present in about six months.

10) The White Paper, released on 9th August 2021 and also laid on the table of House, has laid bare the dismal record of fiscal mismanagement of the past decade, including the elevated deficits and consequent debt overhang from the previous Government. **Arresting and reversing this decline is one of the important commitments we made to the people. The task is daunting and cannot be completed at one go or in one year. It will need sustained efforts over at least two to three years.**

11) **The Hon'ble Chief Minister has also clearly established the model for this Government's approach, with transparency, engagement with society, inputs from experts, and decisive action as the four key components.** This approach was very evident in the Government's response to the second wave of COVID-19, and the universally recognized results have proven the value of this model.

12) The first step in rectifying any problem is to recognise its existence and to understand its magnitude. The White Paper shows that this Government understands the complexity and depth of the problems we face, as well as our determination to address the problems through firm, determined and dedicated action. **Even as we improve the fiscal situation, we will prioritise the promises made in the election manifesto and implement them in stages. The Hon'ble Chief Minister on the day of assumption of office passed five orders implementing important promises contained in the Election Manifesto.**

13) I have no doubt that the people of Tamil Nadu fully appreciate both our intention and our capacity for responsive action. The delivery of the promised Rs.4,000, and the package of 14 essential commodities not previously committed, has convinced people that this Government will not only keep its commitments, but go above and beyond them in the interests of the people.

14) One of the promises made in the election manifesto was the presentation of a separate Agriculture Budget. I am happy to inform the House that my colleague, the Hon'ble Minister for

Agriculture and Farmers Welfare will present the Agriculture Budget tomorrow.

Ungal Thokuthiyil Muthalamaichar

15) A clear indication that this Government will deliver on its promises is the implementation of the “Ungal Thokuthiyil Muthalamaichar” programme. **I am happy to inform this House that all the 4,57,645 petitions received under the programme have been acted upon. After due field verification, 2,29,216 grievances have been positively redressed.** Specific attention has been paid not just to the expeditious disposal of the petitions but also to ensure that the grievances are satisfactorily redressed. With this, the commitment of this Government that all the grievance petitions received by the Hon’ble Chief Minister will be disposed of within 100 days from assumption of office has been implemented. This signal achievement will no doubt set the tone for the rest of this Government’s tenure in office.

Union-State Fiscal Relations

16) The White Paper detailed several national developments that have adversely affected Tamil Nadu’s fiscal situation. These include the modalities and outcomes of successive Finance Commissions of India

including the recently concluded 15th Finance Commission, structural and implementation problems with the Goods and Service Tax (GST), and the Union Government's increasing use of cess and surcharges, which doubled from about 10 per cent to over 20 per cent of Central Taxes and diverts funds away from the States. The White Paper lists the many ways in which the last few years have seen a dilution of the spirit of federalism.

17) **Nowhere is this dilution of the spirit of federalism more apparent than in the taxation of petrol and diesel at the pump. The overall Union levies on petrol were increased from Rs.10.39 per litre in May 2014 to Rs.32.90 per litre today.** Similarly, the levies on diesel were increased from Rs.3.57 in May 2014 to Rs.31.80 today. Even as the Union Government's cesses and surcharges were increased, basic Union Excise Duty was brought down sharply. Hence, in 2020-21 even as the revenue to the Union Government from petrol and diesel went up by 63 per cent from the revenue in 2019-20, the share of the States declined sharply. Hence, the onus of providing relief to the final consumers of petrol and diesel lies with the Union Government.

18) To make matters worse, the **Comptroller and Auditor General of India (CAG)** has pointed out that the **Union Government cesses levied for a specific purpose have not been fully utilised for the intended purpose, and surcharges which are meant for a limited time have continued almost indefinitely.**

19) To address these issues comprehensively, as well as propose a new and comprehensive approach, **this Government will establish an advisory council to develop a Federal Fiscal Model with renowned experts on legislation involving revenue and taxation (including GST).**

Data Centric Governance

20) The Governor's Address stated that the Covid-19 pandemic had exposed several weaknesses in governance structures, and that human resources management, back-bone data systems and audit and oversight functions will be thoroughly overhauled. Accordingly, I propose to implement the **following major initiatives relating to Data Centric Governance Reforms.**

- The lack of adequate beneficiary data is the fundamental limitation in our Government's

ability to efficiently implement welfare schemes in order to improve social and economic justice.

A cross-departmental initiative to link all available Government data sources to better understand the true economic status of all citizens and households will be undertaken.

This foundational effort which will help improve the delivery of many tens of thousands of crores worth of subsidies.

- What cannot be measured cannot be improved. **Hence, a major initiative for smart metering for all public utilities in the State will be launched.**

- **E-procurement will be mandatorily adopted across all procuring entities. A separate e-procurement portal will be created for the Government of Tamil Nadu to enhance transparency in Government procurement.**

- **The entire workflow process of all engineering departments including, updated standard data book and schedule of rates, planning and design, estimate preparation, tendering, measurement of works, payment of bills and recording completion will be**

fully electronically enabled to increase efficiency and transparency.

Government Assets & Risk Management

21) Over 2.05 lakh hectares of the Government of Tamil Nadu's land was encroached, as recorded in the Government's own "**Tamil Nilam**" database in 2017. **To improve management of the public land, an advanced Government Land Management System will be created which will contain full details of all Government lands.** This will prevent State's assets from being used inefficiently, mis-used, or even diverted.

22) Many litigations involving huge potential financial liabilities and administrative implications drag on for years or decades in the court system. To ensure that such cases are handled as expeditiously and efficiently as possible, and to reduce exponential escalation, **a Litigation Risk Management System will be established which will monitor all high-risk litigations relating to taxation, land matters, personnel matters and procurement issues to ensure that the public interest is effectively protected, and resources accrue to Government without delay. The Litigation Management System will be overseen by an experienced team of retired judges and senior legal experts.**

23) Multiple data points indicate that Government funds are often shifted to accounts outside the view of the treasury system. Upon assuming office, this Government initiated a dual-track survey to identify such funds – through Government departments and agencies and by banks holding such accounts. The initial assessment reveals substantial unutilised funds. The Government will establish a special task group under a senior officer of the Finance Department to fully reconcile the accounts and identify funds which have lapsed and which can still be utilised. In addition, using IFHRMS and PFMS, it will be ensured that all funds of the Government are always kept within view of the Treasury system.

Increased Accountability and Productivity

24) There are over 2,000 Comptroller and Auditor General audit paragraphs pending for many years. To reduce the scale of irregularities which result in audit paras, induction and in-service training programmes for Government staff will be strengthened. A robust strong internal audit mechanism within Government is essential to ensure that wrongdoing is identified early, and corrective action is taken without delay. Therefore, **fundamental reform of the audit system within Government will be taken up. All Audit Departments functioning in Government will be**

brought under the Finance Department and will be integrated seamlessly to ensure that internal audit functions are effectively carried out across all Government departments and agencies. The capacity of the Audit departments will be enhanced, and they will be professionalized.

Fortifying the Role of the Legislature

25) In many ways, the role of Legislatures across the country has diminished from the robust version envisioned in the Constitution. As the successor to Muthamizharignar Kalaignar, the doyen of the Tamil Nadu Assembly, the Hon'ble Chief Minister is eager to support and strengthen the authority and functioning of our historic Assembly. **As an observance of the 100th anniversary of the Assembly, an initiative will be undertaken to completely digitize the entire documentary archives and records of this historic house from its inception in 1921. To help strengthen the functioning of the Finance Committees of the Assembly (Estimates, Public Accounts and Public Undertakings) a computerized special secretariat will be created and staffed with the appropriate resources.**

26) Taken together, these five sets of initiatives contain a substantive, but not complete set of reforms

which are directly correlated to the findings contained in the White Paper laid on the table of this House.

Tamil Development and Culture

27) This **Government will take all necessary steps to revive the Central Institute of Classical Tamil in Chennai.** The **Kalaignar M.Karunanidhi Semmozhi Tamil Award, which has not been presented since 2010, will hereafter be awarded on June 3rd every year with a prize of Rs.10 lakh.**

28) For governance to truly reach the people, the Government needs to function in the language of the people. To this end, **the use of Tamil as the official language will be strengthened in all departments from the Secretariat down to the field level.** The uniform usage of Unicode Tamil font developed by the Tamil Virtual Academy will be ensured in all Government departments.

29) Under the Tamil Etymological Dictionary project announced in 1974 by Muthamizharignar Kalaignar, the 31 originally planned volumes have been published. Given the continuing vibrant growth of Tamil, seven more volumes have been brought out. **World famous literary classics will be translated into Tamil and internationally acclaimed Tamil works**

will be translated into different languages. Technical books will be brought out in Tamil to benefit students pursuing professional courses.

30) The archaeological excavations that are underway at Keezhadi, Adhichanallur, Sivakalai, Korkai, Kodumanal and Gangaikondacholapuram have the ancient culture and heritage of Tamil Nadu increased awareness about among Tamils living in our State and across the globe. **In order to carry out archaeological excavations in Tamil Nadu in a scientific manner, Rs.5 crore will be allocated this financial year, which is the highest among all States in the country.** The areas in Keezhadi, Sivakalai and Kodumanal where excavations have been carried out will be declared as protected archaeological sites. The excavations at Keezhadi have yielded historically important building sites, ring wells and commercial sites. These artefacts will be displayed in a world class site museum, established at Keezhadi, showcasing their historical importance to current and the future generations. **The first stage of deep-sea excavations will be undertaken in the areas where the Sangam Age harbours of Korkai and Azhagankulam were located, in co-ordination with National Institute of Oceanography, National**

Institute of Ocean Technology and Indian Maritime University.

31) In the Revised Budget Estimates for 2021-22, a sum of Rs.80.26 crore has been allocated for the Tamil Development Department and Rs.16.66 crore for the Archaeology Department.

Social Security Pensions

32) Tamil Nadu, under Muthamizharignar Kalaignar's leadership, was a pioneer in implementation of social security schemes, in particular the Old Age Pension scheme. Over the last 10 years, experts including Nobel laureate Prof. Esther Duflo have pointed out that the coverage of Old Age Pensions has become inadequate and many deserving persons have been deprived of pension. Ten per cent of the elderly live all alone and are particularly vulnerable. **This Government will revamp the implementation of Old Age Pensions scheme in Tamil Nadu and expand coverage to all deserving beneficiaries. Tamil Nadu will reclaim its legitimate position as the leader in provision of social security to the people of the State. In the Revised Budget Estimates for 2021-22, an enhanced amount of Rs.4,807.56 crore is provided for social security pensions.**

Land Administration

33) With a view to protect Government poramboke lands and in particular water bodies, while reducing land related disputes, this **Government will undertake a modern survey of the entire State utilizing Differential and Global Positioning System (DGPS) and other modern technologies.** The process of the natham settlement and town survey settlement are nearing completion and the records will also be made available online shortly.

34) The process of land acquisition will be simplified and it will be ensured that land owners get a fair deal and timely payments. **A separate Tamil Nadu Social Impact Assessment and Rehabilitation and Resettlement unit will be established under the Commissioner of Land Administration for this purpose.**

Disaster Management

35) This Government will ensure that the State is fully prepared to face any disaster situation to build a resilient Tamil Nadu. A comprehensive approach will be adopted to map all hazards and risks and to undertake mitigation efforts to minimise impact. 4,133 flood prone locations have been identified and mitigation works for

the flood prone areas including timely desilting, building drainage structures, construction of retaining walls will be expedited.

36) Funding for Disaster Management through the State Disaster Relief Mitigation Fund (SDRMF) of Rs.1,360 crore for the year 2021-22 recommended by the Fifteenth Finance Commission is very inadequate. In 2021-22 already a total amount of Rs.8,931.41 crore has been incurred from SDRMF. **We urge the Union Government to enhance the size of the SDRMF and in the meanwhile release funds to Tamil Nadu from the National Disaster Relief Fund.**

Police

37) This Government is determined to restore the image of the Tamil Nadu Police as one of the most efficient and effective police forces in the country. The State Police Force will be adequately resourced in terms of human resources, vehicles, equipment, arms and ammunition and infrastructure. **Effective measures will be taken to ensure that the remaining 14,317 vacancies in the police force against the sanctioned strength of 1,33,198 are filled. There will be a special focus on swift and effective investigation of serious crimes, specifically crimes against women and children, cyber crimes and**

economic crimes. In the Revised Budget Estimates for 2021-22, a total amount of Rs.8,930.29 crore has been provided for Police.

Fire and Rescue Services

38) Fires and various preventable accidents cause considerable human and economic loss. This Government's emphasis will be on prevention of fires through more technology based fire safety enforcement measures. For this purpose, **the existing Fire Services Act, 1985 will be thoroughly overhauled. The location of new fire stations will be on the basis of a scientific mapping exercise to reduce response time.** Adequate equipment including training simulators and PPE uniforms will be provided to the Fire and Rescue Services department. In the Revised Budget Estimates 2021-22, a sum of Rs.405.13 crore has been allocated for this Department.

Road Safety

39) This Government is determined to move towards an accident free Tamil Nadu. Despite the considerable reduction in the number of accidents and deaths due to road accidents, the total numbers are still unacceptably high. Even in 2020 when the Covid pandemic and the lockdown considerably reduced

vehicular traffic, 45,489 accidents and 8,060 fatalities were recorded. An **Integrated Road Safety Mission will be revamped and the Commissioner of Transport will be redesignated as Commissioner of Transport and Road Safety** to coordinate the efforts of the various departments including Highways, Transport, Police, Medical and Education departments to systematically bring down accidents further and ensure timely response. Funds of upto Rs.500 crore will be converged for the implementation of this Mission.

Administration of Justice

40) This Government is concerned about the large number of cases pending before various courts. As a legal maxim says 'justice delayed is justice denied'. A timely and transparent judicial system is the key to enhance economic activity and growth. 1,099 out of the 1,280 functioning courts in Tamil Nadu currently function from Government owned buildings. **It will be ensured that all courts have adequate buildings in the next five years. This Government will render necessary support to fill all vacancies in civil and criminal courts and support the application of Information and Communication technology for more effective functioning of the courts.** In the Revised Budget Estimates 2021-22, Rs.1,713.30 crore has been provided

for Administration of Justice including Rs.351.87 crore for the construction of new buildings.

Public Distribution System

41) The universal Public Distribution System of Tamil Nadu has been hailed as one of the most important elements of the social safety net of the State. Utilizing this system, **all the 2.1 crore rice ration card holders in the State have been given a special Covid assistance package comprising cash worth Rs.4,000 released in two instalments in May and June, 2021 and a special grocery kit at the peak of the second wave of the Covid pandemic. At a total cost of Rs.9,370.11 crore, this was the largest COVID-19 relief package undertaken by any State.**

42) This Government is determined to ensure that the Public Distribution System is further strengthened and the most deserving beneficiaries receive enhanced services. **A Committee will be appointed to review the guidelines for opening new ration shops in places where they are needed.** Under the special Public Distribution System supply of lentils and edible oil at subsidized rates will be continued during the financial year 2021-22 as well. In the Revised Budget Estimates for 2021-22 the provision for food subsidy has been further increased to Rs.8,437.57 crore.

Irrigation

43) This Government demonstrated the emphasis it places on conserving and appropriately utilising the limited water resources of the State by creating a new Ministry for Water Resources. To carry forward the vision of the Hon'ble Chief Minister 1,000 check dams and barrages are planned to be constructed over the next 10 years.

44) Immediately on assumption of office, the Hon'ble Chief Minister directed the speedy implementation of the special desilting of channels in the Cauvery delta. 647 works at a total cost of Rs.65.11 crore covering 9 districts have been taken up and completed in consultation with local farmers.

45) This Government will formulate schemes to restore the reservoir capacity for important dams including Mettur, Amaravathi, Vaigai and Pechiparai.

46) This Government will conduct constructive negotiations with Kerala to implement Inter State River Water schemes including the Anaimalaiyar scheme, Neeraru-Nallaru scheme and Pandiaru-Punnambuzha scheme. This Government to take up these schemes. The Hon'ble Minister for Water Resources has reiterated

the request for the speedy implementation of the Godavari – Cauvery link scheme to the Union Government.

47) Under the Repairs, Renovation and Restoration of water bodies component of the Prime Minister Krishi Sinchayi Yojana, 200 tanks will be taken up for upgradation in 2021-22 at a cost of Rs.111.24 crore. This Government will launch a special scheme for standardisation of 50 system minor irrigation tanks every year starting from 2021-22. The Water Resources Department will identify high priority tanks in consultation with all stake holders.

48) The functioning of the Water Resources Department would be modernised and updated through the use of modern technology including UAV based survey, deploying differential global positioning system (DGPS) and GIS based computer system. The Tamil Nadu Water Resource Information and Management System will be implemented at a total cost of Rs.30 crore.

49) This Government will continue to harness the resources from multiple agencies including the World Bank, Asian Development Bank, Asian Infrastructure Investment Bank (AIIB) and NABARD to implement

important projects for the water resources sector. **The Extension, Renovation and Modernisation programme of the Grand Anaicut Canal System at a total cost of Rs.2,639.15 crore has been taken up with the assistance from the AIIB.** The second Dam Restoration and Improvement Project at a total cost of Rs.610.26 crore has been taken up with the assistance from the World Bank. **The second phase of the Climate Change Adaptation Programme in the Cauvery Delta area will be taken up at a total cost of Rs.1,825 crore with the assistance from the Asian Development Bank.** This Government will implement Phase III and Phase IV of the Tamil Nadu Irrigated Agriculture Modernisation Project with World Bank assistance at a cost of Rs.779.89 crore. In the Revised Budget Estimates for 2021-22, a sum of Rs.326.37 crore has been provided for this project. 59 new irrigation works including check dams, restoration of tanks, channels and irrigation systems have been taken up with assistance from NABARD.

50) A total allocation of Rs.6,607.17 crore has been made for irrigation in the Revised Budget Estimates 2021-22.

Fisheries

51) Tamil Nadu with its long coast line has a large and vibrant marine fishing community. Tamil Nadu is currently second in India in marine fishing production, valued at over Rs.6,000 crore per year. In the Revised Budget Estimates for 2021-22, a total sum of Rs.303.66 crore has been provided for fishing ban period relief assistance, special allowance and for the Saving cum Relief scheme for marine fisher folk. This Government will expedite the special programme for diversification of fishing trawlers from the Palk Bay area so that more boats can be converted to gill netters and tuna long liners. Alternative livelihood schemes including sea weed cultivation, marine cage pisciculture and coastal aquaculture will also be promoted.

52) There are fishing harbour schemes currently under implementation at Tarangambadi, Tiruvotriyur, Alagankuppam and Arcottuthurai, which will be expeditiously completed. Surveys will be taken to construct new fishing harbours at a total cost of Rs.6.25 crore at six locations. **Kasimedu Fishing Harbour in Chennai will be upgraded at a total cost of Rs.150 crore in association with Chennai Port Trust. A total sum of Rs.433.97 crore has been allocated for construction of fishing harbours and**

fish landing centres in the Revised Budget Estimates for 2021-22 and Rs.143.46 crore has been allocated for improvement to fish landing facilities. The overall allocation for the welfare of the fishermen in Tamil Nadu in the Revised Budget Estimates for 2021-22 is Rs.1,149.79 crore.

Environment and Climate Change

53) Forests play an important role in conserving natural resources and ecosystems and preserving environmental balance and normal rainfall patterns. **This Government will launch the Green Tamil Nadu Mission to increase the total area under the forest and tree cover in Tamil Nadu to 33 per cent of the land area of the State. Under the Mission a massive tree plantation programme of indigenous and diverse species, in co-ordination with multiple departments, public and private institutions will be taken up with people's participation over 10 years.**

54) Combating and mitigating the impact of climate change is a major concern for a coastal State like Tamil Nadu. **This Government will launch the Tamil Nadu Climate Change Mission under the Hon'ble Chief Minister to focus on climate change adaptation and mitigation activities with a total outlay of Rs.500 crore.**

55) **Special attention will be paid to the modernization of the forest force by equipping them with modern equipment and technology** including Unmanned Aerial Vehicles (UAV), artificial intelligence, GIS and MIS based management systems, updated weaponry and forest worthy vehicles.

56) To protect the coast line and to reduce pollution in coastal stretches of Tamil Nadu action plans will be prepared and implemented. **Over the next 5 years, 10 beaches will be upgraded with the active support of local bodies to achieve the prestigious Blue Flag Certification** which mandates higher standards of quality, safety, environmental education and information and safety services.

57) As part of the Tamil Nadu River Conservation Project, the Pollution Control Board will establish permanent water quality monitoring stations along the major rivers up and down stream of major cities and industrial clusters, in a phased manner over the next three years. All Sewage Treatment Plants will be monitored online on a real time basis to ensure that they achieve the desired quality parameters and do not pollute water bodies

58) The Tamil Nadu Pollution Control Board will establish continuous ambient air quality monitoring

stations in all district headquarters and in towns with a population of more than one lakh. **India's first Integrated Environment Monitoring Studio will be established for forecasting air quality on a real time basis with an early warning system.**

59) **Under the leadership of the Hon'ble Chief Minister, this Government will launch the 'Tamil Nadu Wetlands Mission' with the objective of ecological restoration of wetlands in Tamil Nadu. The mission will identify and map 100 wetlands in 5 years and restore the ecological balance with focus on livelihood options at a cost of Rs.150 crore.**

Construction Technology

60) The bifurcation of the Public Works Department provides an opportunity to focus on applying technology to construction and maintenance practices of buildings. Building projects are technically complex and need to be built as cost efficiently, quickly and safely as possible to deliver the maximum possible benefit to citizens. Construction technology also needs to adapt to the environment and mitigate climate change. To ensure that these challenges are met, **this Government will enable the adoption of advanced information technology including Building Information**

Modelling and use innovative rapid construction technology, automation and sustainable materials. Standard data books of construction will be revised and updated. The entire estimation, tendering, project supervision and monitoring and billing processes will be fully automated and IT enabled within a year.

Rural Development

61) This Government's programmes will focus on the provision of basic infrastructure and services along with good livelihood opportunities to all people living in rural areas. **At least 55 litres per capita per day of good quality drinking water will be supplied to all the 79,395 habitations in the State. Household connections will be enabled for all the 1.27 crore dwelling units situated in rural areas. The 83.92 lakh households which currently do not have household water supply connections will be provided access to such connections by March, 2024. To achieve this objective, the Jal Jeevan Mission will be implemented at a total cost of Rs.2,000 crore during 2021-22.**

62) Under Muthamizharignar Kalaignar's leadership, Tamil Nadu was the model State in the country for provision of concrete roofed houses for the

rural poor. It is unfortunate that during 2020-21, no new houses were taken up for construction in Tamil Nadu under the Pradhan Mantri Awas Yojana (Gramin). As on date, 2,14,629 houses already taken up for construction in the period from 2016-2017 to 2019-2020 are yet to be completed. **This Government will ensure that all the incomplete houses are taken up and completed at the earliest. In 2021-22 a further 2,89,877 houses at a total cost of Rs.8,017.41 crore will be taken up for construction. This Government will ensure that 8,03,924 houseless families in rural areas are provided a house in the next 5 years. With a provision of an additional Rs.70,000 per house from the State Government's side in addition to the existing roofing cost of Rs.50,000, the unit cost has been raised to Rs.2.76 lakh per house. The Government will encourage adoption of modern low cost construction techniques on a large scale to ensure speedy, affordable construction for the poorest beneficiaries. In the Revised Budget Estimates for 2021-22 Rs.3,548 crore has been provided for the rural housing scheme.**

63) Rural sanitation is critically important to upgrade the health condition of the rural population. During 2021-22, the Swacch Bharat Mission will be implemented at a total cost of Rs.400 crore in

Tamil Nadu to provide 44,855 individual house latrines and construct 1,028 community sanitary complexes and 97 plastic waste management centres. In addition, 1,622 village panchayats will be provided solid waste management services.

64) Out of the 4,67,567 works taken up under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) during 2020-21, 2,65,016 works are yet to be completed. Prof. Jean Dreze, one of the members of the Chief Minister's Economic Advisory Council was instrumental in the enactment of the MGNREG Act. This Government will give an additional drive for the programme and ensure that 25 crore man days of employment at a total wage cost of Rs.6,825 crore and material cost of Rs.3,200 crore are taken up. This Government will also urge the Union Government to increase the permissible man days from 100 to 150 and to enhance the wage rate from Rs.273 to Rs.300 per day under MGNREGS.

65) Funding for the MLA Constituency Development Scheme will be restored to Rs.3 crore per constituency from the current year onwards.

66) **This Government will re-launch the Anna Marumalarchi Thittam with an outlay of Rs.1,200 crore during 2021-22. This programme will ensure that gaps in basic infrastructure at habitation level are addressed.**

67) **The Namakku Namae Thittam was a highly popular scheme introduced by late Hon'ble Chief Minister Muthamizharignar Kalaigarnar. This scheme will be reintroduced to take up locally important projects in partnership with local communities. A provision of Rs.100 crore has been made for this programme during 2021-22.**

68) **The Tamil Nadu State Rural Livelihood Mission will be revamped and implemented at a total cost of Rs.809.79 crore during 2021-22 to benefit one lakh Self Help Groups (SHG). A bank linked fund flow of Rs.20,000 crore including a special Covid loan will be provided to SHGs in Tamil Nadu during 2021-22. The Tamil Nadu Rural Transformation Project will be revitalised and implemented at a total outlay of Rs.212.69 crore during 2021-22.**

Municipal Administration and Water Supply

69) This Government is determined to develop liveable cities with an enhanced quality of life with a clean and green environment, necessary basic amenities and vibrant public places. Urban governance will be made responsive, transparent and participatory.

70) Water supply of 135 LPCD in all Corporations, 90 LPCD in all municipalities and 70 LPCD in all Town Panchayats will be ensured. Drinking water connections will be provided to every household. Cities will be made water secure. Water Balance Plan will be prepared for every city.

71) Every household in urban areas would be provided access to a toilet and the practice of open defecation truly eliminated. Sewage disposal systems including underground sewerage systems will be provided to fully cover the urban population. **27 cities with a population of above one lakh will be fully covered with underground sewerage systems.** The maintenance of the sewage systems will be fully mechanized.

72) **We will create litter free cities by ensuring 100 per cent source segregation and door to door collection.** Solid waste processing facilities with

adequate capacity will be provided in all cities and towns. **All unpaved roads in Municipalities and Town Panchayats will be paved. Pedestrian friendly and differently abled friendly streets will be created in all urban areas.** Street lights will be installed at a distance of 30 metres in all cities and all street lights will be converted to energy efficient fittings.

73) The Namakku Naame Thittam will be implemented with vigour in all urban areas of Tamil Nadu to restore water bodies, create parks, recreation and sports facilities, tree plantation, construct or upgrade school buildings, dispensary buildings and libraries study rooms. **Those who contribute significantly towards such works in Namakku Naame Thittam will be awarded the Hon'ble Chief Minister's Special Award every year. A provision of Rs.300 crore has been made for this scheme. Online provision of services to all citizens would be ensured through the Makkal Sevaiyil Managaratchi and Namadhu Sevaiyil Nagaratchi schemes.**

74) The non tax revenue of ULBs will be enhanced through value addition to existing revenue generating assets and creation of new assets such as modern bus stands, commercial complexes and community halls. This Government will modernize the

existing bus stands and provide modern integrated bus stands in major cities. **An integrated bus stand cum commercial centre will be established in Tiruchirapalli with the financial assistance of TUFIDCO.**

75) The Fifteenth Finance Commission has recommended much lower grants to Urban Local Bodies in Tamil Nadu. **To meet the aspirational needs of the people in urban areas while bridging the resource gap, this Government will launch the Kalaignar Nagarpura Membattu Thittam with an allocation of Rs.1,000 crore in 2021-22.**

76) All incomplete schemes under the Smart Cities Mission and AMRUT Mission will be completed by the due date of 31.3.2023. **In the Budget Estimates for 2021-22, Rs.2,350 crore has been provided for the Smart Cities Mission and Rs.1,450 crore for AMRUT.**

77) The Urban sector is receiving financing from the World Bank under the Tamil Nadu Sustainable Urban Development Programme and from the Asian Development Bank under the Tamil Nadu Urban Flagship Investment Programme. **The Integrated Storm Water Drain Network project in the Kosasthalaiyar River Basin assisted by the Asian Development Bank**

will be implemented and in the Budget Estimates for 2021-22, a provision of Rs.87 crore has been made. The KfW assisted projects will also continue to be implemented with a provision of Rs.168.69 crore in the Budget Estimates for 2021-22.

78) **Singara Chennai 2.0 will be launched with an emphasis on clean and green Chennai** with every household receiving a water tap connection. **Chennai will become a city without wall posters.** Heritage buildings and public places will be illuminated. Ongoing bio-mining process at Perungudi dump yard will be expedited. Bio-mining will also be taken up at the Kodungaiyur Dump yard and the land retrieved will be developed as urban green space. **New flyovers and over bridges will be constructed at 3 places in Chennai city at Ganesapuram subway; at the intersection of Konnur High Road – Strahans Road; and at South Usman Road at an estimated cost of Rs.335 crore. I am happy to inform the House that in the Budget Estimates 2021-22, Rs.500 crore has been provided for Singara Chennai 2.0.**

79) The 400 MLD Desalination Plant will be expeditiously implemented with JICA assistance. **Underground sewerage systems will be provided to all the added areas of Chennai city at a total cost of**

Rs.2,056 crore. The scheme to prevent outflow of sewage into waterways in Chennai will be vigorously implemented at a total cost of Rs.2,371 crore. A Feasibility Report would be prepared for transmitting Krishna water through pipelines from Andhra Pradesh to the reservoirs of Chennai.

Chennai City Partnership

80) **The Chennai City Partnership Programme will be launched with assistance from the World Bank and the Asian Infrastructure Investment Bank shortly.** This Government after assuming office has held detailed discussions with the World Bank on this project and redesigned certain elements in line with our policy approach. The project will focus on enhancing urban mobility, water security and resilience of Chennai city, strengthening governance structures including revitalizing the Chennai Urban Metropolitan Transport Authority (CUMTA) and expanding the financial resource base of Greater Chennai Corporation, Metropolitan Transport Corporation and Chennai Metropolitan Water Supply and Sewerage Board.

Urban Wage Employment

81) The COVID-19 pandemic has severely affected the livelihood opportunities for the urban poor and their ability to seek alternate jobs. The Dr. C. Rangarajan Committee has recommended that there is a need to create a special programme to provide wage employment to the urban poor. **Accordingly, this Government will implement a wage employment scheme, on a pilot basis, to provide gainful employment to urban poor by engaging them in the creation and maintenance of public assets like parks, play fields, storm water drains, roads, buildings and rejuvenation of water bodies.** This scheme will also be linked to various skill development programmes. **An initial allocation of Rs.100 crore has been made for this programme in the Revised Budget Estimates 2021-22.**

Housing and Urban Development

82) Provision of adequate and decent housing to all citizens of the State, while ensuring sustainable urbanization, is an important goal of this Government. To this end, some of the **older legislations in the housing sector including the Tamil Nadu Housing Board Act, 1961, Tamil Nadu Slum Areas (Improvement and Clearance) Act, 1971,**

Tamil Nadu Town and Country Planning Act, 1971, and Tamil Nadu Apartment Ownership Act, 1994 be reviewed.

83) Tamil Nadu is the most urbanized large State in the country, but only 7% of the total land area is covered under Master Plans. **This Government will ensure that the coverage under Master Plans is enhanced to 22%.**

84) Muthamizh Arignar Kalaignar formed the Chennai Metropolitan Development Authority in 1972. Now Tamil Nadu has many million plus cities and there is a need to regulate and ensure planned urbanization around such cities. Accordingly, **new Urban Development Authorities will be formed for Madurai, the Coimbatore – Tiruppur Area, and for the fast growing Hosur area.**

85) **This Government is committed to ensure Tamil Nadu is made entirely slum free within a period of 10 years.** The total demand for housing for the urban poor is estimated at 9,53,446 dwelling units. **The total provision for the Tamil Nadu Slum Clearance Board in the Revised Budget Estimates 2021-22 is Rs.3,954.44 crore.**

86) A new Slum Resettlement and Rehabilitation Policy will be formulated in consultation with all stakeholders to ensure that slum dwellers are treated fairly and humanely when they are resettled from objectionable poramboke lands including water courses.

87) The Second Tamil Nadu Housing Sector Strengthening Project with World Bank assistance will be taken up shortly. The negotiations for the first phase of the Inclusive, Resilient and Sustainable Housing for the Urban Poor with Asian Development Bank assistance have been recently concluded. The provision for the World Bank Projects in the Housing Sector is Rs.320.40 crore and for the Asian Development Bank project is Rs.171 crore in the Revised Budget Estimates 2021-22.

Highways:

88) Tamil Nadu has the maximum coverage of black top roads in the country. Out of 2.61 lakh KMs of roads in Tamil Nadu, 61,131 KMs are maintained by the State Highways Department and 6,606 KMs are National Highways.

89) The Comprehensive Road Infrastructure Development Programme will be implemented with a

budgetary allocation of Rs.5,421.41 crore for 2021-22. **This Government will launch the Chief Minister's Road Development Programme under which 2,200 KMs of State Highways that connect District Headquarters will be widened to 4 lane roads and 6,700 KMs of single and intermediate lane roads connecting taluk headquarters will be upgraded to double lane highways over the next 10 years. 59 Municipalities which currently do not have bye pass roads will be prioritized for the construction of bye pass roads.**

90) The Union Government will be urged to upgrade the Grand Southern Trunk Road from Chennai to Kanniyakumari into a six and eight lane highway for the entire distance. Under the Chennai Kanyakumari Industrial Corridor project with the assistance from Asian Development Bank, 16 State Highways corridors of a length of 589 KMs will be at a total cost of Rs.6,448.24 crore. The Tamil Nadu Road Sector Project Phase II is being implemented with a budgetary allocation of Rs.663 crore for 2021-22. The Chennai Peripheral Ring Road Project is being implemented with a budget provision of Rs.1,750 crore in 2021-22. **The overall provision for the Highways Department in the Revised Budget Estimates 2021-22 has been fixed at Rs.17,899.17 crore.**

Transport

91) The bus transport system of Tamil Nadu was a matter of pride for the State. It is unfortunate to note that the daily ridership on Government buses has declined from 208.36 lakh in 2010-11 to 131.42 lakh in 2019-20, even before the Covid pandemic. This has happened despite the fares on both town and mofussil bus services in Tamil Nadu being the lowest amongst neighbouring States. Clearly there is much that ails the State Transport Undertakings, including an over aged fleet and very high overhead costs. The White Paper has detailed the precarious financial position of the STUs.

92) The Hon'ble Chief Minister had announced that women, persons with disabilities and third gender persons will travel free on town white board buses in the State. In the Revised Budget Estimates for 2021-22, a sum of Rs.703 crore has been provided as subsidy for this purpose. Rs.750 crore has also been provided as diesel subsidy to insulate against diesel price increases. Rs.623.59 crore has also been provided under the KfW assistance programme for procurement of 1,000 new buses.

93) This Government recognizes that an efficient, comfortable and affordable public transport system will

increase the modal share of public transport system, with a multiplier effect on the economy and a positive environmental impact. **The Government will take measures to ensure that Transport Corporations are cost efficient and meet norm based performance indicators. Where Government desires free or subsidized ridership, or operation of uneconomical routes explicit subsidy will be paid based on normative cost parameters. This new mechanism will be put in place during the current financial year.**

Metro Rail

94) I am happy to inform this House that although the foundation stone for the Phase II of the Chennai Metro Rail Project was laid some months ago, the construction has now commenced in right earnest. This Government will urge the Union Government to accord early formal approval for equity participation in Phase II of the Chennai Metro Rail Project as already committed in the Budget Speech of the Union Finance Minister, and the necessary counter part funding released at the earliest. **Services on the Kodambakkam to Poonamallee bye pass section of the Metro Rail Project will be commenced within four years, by June, 2025 and the entire Metro Rail Project**

Phase II will be completed by December, 2026. In parallel, this Government will speedily take up the extension of the metro rail project from Airport to Kilambakkam Bus Terminus via Tambaram. The establishment of a Metro Rail in Coimbatore will also be taken up at the earliest in consultation with the Union Government. **Detailed Feasibility Report for the Metro Rail in Madurai will be prepared.**

Energy

95) While the aggregate installed power generation capacity in Tamil Nadu is 32,646 MW including wind and solar capacity of 13,128 MW, the actual maximum availability of power during peak requirement is only 14,351 MW as against the peak demand of 16,846 MW. The main reason for peak requirements being unmet is that wind energy is seasonal and solar energy is available only during the day. **Almost 2,500 MW of power has had to be bought on the power exchanges to meet peak needs. Thus the statement that Tamil Nadu turned a power surplus State over the last few years is inaccurate.**

96) Hon'ble Members have been made aware of TANGEDCO's grim financial situation in the White Paper. The large financial losses are completely unsustainable

and require urgent attention. **Under the ADB assisted Chennai Kanyakumari Industrial Corridor (CKIC) Power Sector Investment Project, a strategic study of TANGEDCO and TANTRANSCO's governance and financial restructuring will be undertaken. The Government will act speedily on the findings of the study to revamp the electricity utilities and to save them from collapse.** To reduce costs, renewable energy will be developed and integrated at the distribution level and the distribution network will be strengthened to reduce Aggregate Technical & Commercial losses. Billing efficiency will be improved and energy conservation promoted.

97) The installed capacity of TANGEDCO's own existing thermal power plants is only 4,320 MW of which 12 units generating 2,520 MW are more than 25 years old and need to be replaced soon. This Government is determined to ensure that not only is Tamil Nadu assured of adequate supply of power, but also to enhance the installed capacity of environmentally friendly power sources, to ensure that even in the long term, Tamil Nadu does not suffer any shortage of power. **A total of 17,980 MW of power generation capacity will be added through own generating stations in the next 10 years.**

98) Adequate investments will also be made in the transmission and distribution networks to ensure uninterrupted supply of electricity. Immediately on assumption of office by this Government, TANGEDCO was directed to implement a mass maintenance programme in June, 2021 under which more than 2,72,912 maintenance works including tree clearances, repair of damaged poles, rectification of leaned poles and damaged pillars and insulators was carried out. This has considerably enhanced the quality of distribution.

99) **A total provision of Rs.19,872.77 crore has been made in the Revised Budget Estimates 2021-22 towards subsidies to free supply of agricultural power, domestic supply and for take over of losses of TANGEDCO.**

State Education Policy

100) This **Government will appoint a High Level Committee of educationists and experts to formulate a distinct State Education Policy for Tamil Nadu in keeping with the historical legacy, present situation and future aspirations of the State.**

School Education

101) **School Education is accorded the highest importance in this Budget, with an overall allocation of Rs.32,599.54 crore.** The emphasis will be on ensuring that no one is left behind. Even the 0.75 per cent drop out rate at the primary level in the year 2019-20 will be eliminated and 100 per cent net enrolment in schools will be ensured. 12 new primary schools will be opened and 22 schools will be upgraded in hilly and remote areas. Children with special needs and migrant workers' children will be given specific focus. Infrastructure service gaps in terms of functioning and accessible toilets, drinking water facilities and laboratories will be bridged.

102) The enrolment in Government schools has fallen sharply from 76 per cent of the total student population in 2012 to 53 per cent in 2020. This trend, because of perceived quality gaps will have to be reversed. Quality of teaching in Government schools and learning outcomes will now be accorded the highest priority. **This Government is determined to ensure that Tamil Nadu is brought within the first three States in terms of learning outcomes in India.**

103) Schools have to move away from rote learning and promote critical thinking amongst students.

Ensuring the availability of well trained and motivated teachers in the class, and expanding participation of parents in the learning process is critical. **All teachers will be able to receive technology enabled monitorable and evidence based training through the 40 tablets to be supplied to each of the 413 Blocks at a total cost of Rs.13.22 crore.**

104) **The Ennum Ezhuthum Mission to ensure foundational literacy and numeracy will be implemented to ensure that by 2025 all students in Tamil Nadu by age 8 are able to read with comprehension and possess basic arithmetic skills. A provision of Rs.66.70 crore is made for this purpose.**

105) **High tech laboratories will be set up in 1,784 Government Middle Schools at a cost of Rs.114.18 crore and smart class rooms will be established in 865 Government High and Higher Secondary Schools at a cost of Rs.20.76 crore.**

106) **To ensure that students who study in Government schools are afforded the opportunity to excel in academics, fine arts and sports, a special scheme will be implemented to establish model schools.**

107) **The immediate priority of this Government is to minimise the learning losses to students due to the pandemic.** Experts including members of the Chief Minister's Economic Advisory Council have voiced concern on this aspect. Through educational telecasts on the Kalvi channel and 14 private channels and audio broadcasts, continuity in learning has been attempted. **All teachers have been trained in the necessary Covid protocols and will be vaccinated so that schools can reopen and function at the earliest. A comprehensive plan for remedial education both within and outside the school hours and school premises will be launched to address learning losses.**

Higher Education:

108) Tamil Nadu is a leading State in Higher Education with a Gross Enrolment Ratio (GER) of 51.4% compared to the all India average of 27.1% and a student : teacher ratio of 17. There are still many taluks which currently do not have any Government or Government aided colleges or polytechnics. Over the next 10 years the Government will expand the reach of higher education to the under-served areas of the State. **This year 10 new Government Arts and Science Colleges will be commenced.**

109) At present, only four Government Arts and Science colleges of Tamil Nadu featured in the top 100 colleges based on the National Institutional Ranking Frame work (NIRF). **To further enhance quality, the Government will enable more institutions to obtain accreditation under the National Assessment and Accreditation Council (NAAC). The large number of vacancies, particularly of teaching staff will be filled on a priority basis. A Learning Management System integrated with an Enterprise Resource Planning Software will be established for all Higher Education Institutions in Tamil Nadu for which a Detailed Project Report will be prepared.**

110) The courses offered in colleges will be revamped in consultation with industry stakeholders to enhance the employability of students. **Smart class rooms will be provided in 25 Government Polytechnic Colleges at a cost of Rs.10 crore. New Hostel buildings will be constructed in four Government Engineering Colleges to reduce over crowding.**

111) **The decision to make Raja Muthiah Medical College as the Government Medical College for Cuddalore district and Annamalai University an affiliating university for Cuddalore, Villupuram,**

Kallakurichi and Mayiladuthurai districts will ease the financial crisis of Annamalai University and better serve the people.

112) **In a unique and pioneering initiative, the Government will establish the Tamil Nadu Unmanned Aerial Vehicles Corporation in partnership with Madras Institute of Technology, Anna University.** The Corporation will support Government agencies in Tamil Nadu and in other States with operating UAVs for different purposes.

113) **A total of Rs.5,369.09 crore has been provided in the Revised Budget Estimates 2021-22 for Higher Education.**

Health and Family Welfare:

114) 2020 and 2021 will forever be remembered as the years of the Covid pandemic. The second wave of the Covid pandemic commenced in March, 2021 and rapidly engulfed Tamil Nadu, posing the biggest challenge to the new Government. Tamil Nadu's health infrastructure was put to severe test. Members would recall that the Hon'ble Chief Minister prioritised the battle against the Covid pandemic above all other activities even as soon as the new Government was elected.

115) Based on the appeal of the Hon'ble Chief Minister, a total amount of Rs.509.56 crore has been received as contribution to the Chief Minister's Public Relief Fund. The revamped website has also enabled many overseas donors from the Tamil diaspora to contribute. Rs.241.40 crore has so far been utilised for drugs, medical equipment and payment of assistance to children who have lost both or one parent to Covid-19.

116) The Government continues to very closely monitor the Covid-19 situation with no letup in the vigil. Many carefully calibrated restrictions continue to be in place to protect the people against further waves of the Covid pandemic. **Intensifying the vaccination drive is the highest priority. Against a capacity to vaccinate 8 lakh persons a day, we receive on an average 2.4 lakh vaccines. The Hon'ble Chief Minister has repeatedly taken up the issue of adequate supply of vaccines for the people of Tamil Nadu with the Hon'ble Prime Minister.** Free vaccination in private hospitals through CSR efforts has also been tied up.

117) The Government is also committed to ensure that adequate medical facilities are kept in readiness to counter the possible third wave of Covid. Accordingly, additional health infrastructure has been created across the State and paediatric facilities are being strengthened.

118) The Hon'ble Chief Minister had conceptualised and launched the game changing 'Makklai Thedi Maruthuvam' scheme with a total outlay of Rs.257.16 crore.

119) Tamil Nadu continues to be a leading State in key health indicators like Infant Mortality Rate (IMR) which is 15 and Maternal Mortality Ratio (MMR) which is 60 in 2018. A key contributor to bringing down the IMR and MMR in Tamil Nadu is the Dr. Muthulakshmi Reddy Maternity Benefit scheme, first introduced by the late Hon'ble Chief Minister Muthamizharignar Kalaingar. The scheme with application of technology will be better integrated with the provision of ante natal services to bring down the MMR further. Rs.959.20 crore is provided for the scheme in Revised Budget Estimates 2021-22.

120) Muthamizharignar Kalaingar introduced the widely appreciated 108 Ambulance Services programme from 15.9.2008. The number of 108 ambulances operated will be expanded to 1,303 vehicles and the quality of services further enhanced.

121) The Kalaingar Kaappeettu Thittam was introduced on 23.7.2009 and continues to be implemented as the Chief Minister's Comprehensive Health Insurance Scheme. The coverage of care

and procedures have been expanded by this Government during the Covid pandemic to ensure that the poor had access to the best medical facilities even in private institutions. This scheme will be implemented at a total cost of Rs.1,046.09 crore during 2021-22.

122) The implementation of the Tamil Nadu Urban Health care project with JICA assistance which had been progressing very slowly has now been expedited. Hospital buildings and additional facilities will be constructed in 21 Government institutions located in 17 cities. Medical equipment worth Rs.741.91 crore will be procured and supplied. The Tamil Nadu Health Systems Reform Project is being implemented to improve the quality of care, strengthen the management of non-communicable diseases and injuries and reduce inequities in reproductive and child health in Tamil Nadu. This project will be implemented in 2021-22 with a provision of Rs.116.46 crore in the Revised Budget Estimates 2021-22.

123) **Muthamizharignar Kalaighar had envisioned the establishment of a Tamil Nadu Siddha University and a suitable land was also identified for the purpose. This project had subsequently been shelved. This Government will**

establish the Tamil Nadu Siddha University to ensure that Siddha occupies its due place alongside other indigenous systems of medicine. A sum of Rs.2 crore will be released initially for this purpose.

124) In the Revised Budget Estimates for 2021-22, a total amount of Rs.18,933.20 crore has been provided for the Health and Family Welfare department.

Labour Welfare and Skill Development:

125) This Government is committed to protect the interests of workers and unorganised labourers including inter-state migrant workers. **An allocation of Rs.215.64 crore has been made in the Revised Budget Estimates for 2021-22 towards grants to the Unorganised Sector Workers Welfare Boards.** The functioning of the Construction Workers Welfare Board will be revamped and the substantial funds available which have been lying idle with the Board will be used to truly benefit the labourers including through provision of housing.

126) Ensuring that the youth of Tamil Nadu find meaningful and quality employment is the highest priority of this Government. The District Employment and Career Guidance Centres will be reinvigorated and

online live streamed coaching classes for competitive examinations will be introduced.

127) In partnership with industry, ITIs located near industrial clusters will be upgraded to Industry 4.0 standards so that the youth are skilled in advanced manufacturing techniques and can find better employment opportunities. A new ITI will be set up in Neyveli in partnership with NLC. Skill Development Centres will be established in 15 selected Government ITIs at a cost of Rs.60 crore to take up the Futuristic Employable Skill Training (FEST) initiative through the Tamil Nadu Skill Development Corporation, to ensure that ITI students are made industry ready. A sum of Rs.200 crore has been provided as grant for the Tamil Nadu Skill Development Corporation in the Revised Budget Estimates for 2021-22.

Industries

128) This Government is determined to improve Tamil Nadu's ranking in the Ease of Doing Business from the present 14th position to the top three positions. **The single window system will be effectively implemented and 100 more services have been brought under the single window portal by July 2021 and a further 110 services by March, 2022.**

The Tamil Nadu Business Facilitation Act, 2018 will be amended to enable new industrial units including MSMEs to establish and operate based on self certification without inspections and obtaining clearances under various State laws for the initial three years.

129) **A new Policy for “Life Sciences – Research and Development and Manufacturing” will be released shortly to enable Tamil Nadu to strengthen its presence in these emerging sectors. Networks with Tamil diaspora will be strengthened to encourage more investments. An industrial data base with more detailed and accurate information about the whole State will be prepared to enable better planning and to support investment decisions by prospective investors.**

130) **A Land Bank of 45,000 acres will be created in the next 5 years, with focus on industrially backward districts.** To expedite land assembly, procedures under the Tamil Nadu Land Acquisition for Industrial Purposes Act will be further simplified and land pooling and private negotiation will be encouraged. Expeditious and more intensive utilization of the lands acquired for industrial purpose will be ensured.

131) An International Furniture Park will be set up at a cost of Rs.1,000 crore on 1100 acres of land in Thoothukudi district, to attract investment of Rs.4,500 crore and enable employment of 3.5 lakh persons. An Electronic Vehicle Park at Maanallur in Tiruvallur district, a Medical Devices Park at Oragadam in Kancheepuram District, Leather Product Park at Panappkkam in Ranipet district and three Food Parks will be established at Manaparai, Theni and Tindivanam. A 60 MLD Sea Water Desalination Plant at Thoothukudi for industrial units and 10 MLD TTRO plant for industries at Hosur will be established.

132) Tamil Nadu has a huge potential in Fin Tech and a separate Fin Tech policy will be released shortly. A separate 'FinTech Cell' will be formed in guidance to facilitate the establishment of FinTech companies in Tamil Nadu. A Fintech city in Chennai will be developed in 2 phases at Nandambakkam and Kavanur. The first phase will be developed at Nandambakkam at an estimated cost of Rs.165 crore.

133) The establishment of Tidel Park in Chennai in 2000 by Muthamizharignar Kalaignar fueled the growth of the OMR IT corridor. Tidel parks will now be established in Tier II and Tier III

towns across Tamil Nadu, and in the first stage at Thoothukudi, Vellore, Tiruppur and at Thiruchitrabalam in Villupuram district.

134) Although the Government of India announced establishment of Defence Industrial Corridors connecting Hosur, Salem, Tiruchirapalli and Coimbatore, the support of the Union Government has been limited. The State Government will take this project forward with the establishment of a defence component manufacturing park at Coimbatore over 500 acres at a cost of Rs.225 crore. This park is expected to attract investment of Rs.3,500 crore.

135) New SIPCOT parks will be created in industrially backward districts such as Thiruvannamalai, Dharmapuri, Tirunelveli, Virudhunagar, Sivagangai, Villupuram, Namakkal, Theni and Nagapattinam. SIPCOT will provide world class infrastructure including plug and play facilities in these parks. In the first phase Rs.1,500 crore will be spent to develop 4,000 acres of land in these new parks.

Micro, Small and Medium Enterprises

136) Micro, Small and Medium Enterprises (MSMEs) have faced multiple challenges and particularly

in the Covid-19 situation. This Government is committed to fully support the MSME sector. **A committee chaired by Dr.N.Sundaradevan, I.A.S. (Retd) has been established to study the financial, infrastructural and other issues faced by MSMEs in Tamil Nadu and suggest measures to enable them to thrive.**

137) This Government recognizing that access to credit from banks and Financial Institutions (FIs) is a critical issue, will **launch a State Level Credit Guarantee Scheme to enable more MSMEs, particularly micro enterprises to access credit. A digital data driven credit rating system for MSMEs will be established to enable FIs and new age fintech companies to lend more to MSMEs based on their business potential. TAICO Bank will be repurposed to enable lending to MSMEs.** The Registration Act is being amended to facilitate online registration of Memorandum of Documents without personal appearance which will ease access to credit. **The Government will handhold MSMEs which want to raise equity capital from stock exchanges and the cost of listing, up to Rs.30 lakhs will be borne by the Government.**

138) **The Government, based on advice received from the Economic Advisory Council to the**

Hon'ble Chief Minister, will launch an innovative scheme wherein MSMEs and their creditors, will be facilitated to reach agreement on restructuring their liabilities through tripartite forums at the district level. On reaching such agreement such units will be linked to top-up loans by financial institutions with support from Government credit guarantee.

139) **To ensure that MSMEs have faster channels for realization of their dues, all State Public Sector Undertakings, Statutory Boards, Municipal Corporations and apex co-operatives will be mandated to join the Trade Receivables and Discounting Platform (TReDs).**

140) **Five mega clusters in Pharmaceutical, Petro Chemicals, Precision Manufacturing, Defence and Aerospace, and Smart Mobility sectors will be established at a cost of Rs.100 crore each.** In addition, 5 more Common Facility Centres at a cost of Rs.55 crore will be established for photography, cardboard box printing, food products, rope making and printing sectors at Chengalpattu, Tiruppathur, Kanniyakumari, Dindigul and Villupuram.

141) **TANSIDCO will also establish land banks at five places over a total extent of 265 acres. The pricing policy of unsold plots in TANSIDCO**

Industrial Parks will be rationalized to ensure they are put to beneficial use early. Speedy action will be taken to ensure that 9,264 plots situated in 62 industrial estates are accorded pattas. Affordable rental housing complexes for MSME workers will be launched in Chennai and Coimbatore initially and later in other clusters.

Mines and Minerals

142) **This Government will formulate a Sustainable Mining Policy to ensure that mining activity is carried out without affecting the environment and the ecology.** In parallel, all efforts will be taken to plug leakages in revenue from Mines and Minerals. On this basis, this Government expect that the overall revenue from Mines and Minerals will be significantly stepped up.

143) **A Green Fund will be created based on the levy of the green seignorage cess to ensure that abandoned quarry sites are appropriately secured and restored. A Fossil Geological Park will be developed in Ariyalur and Perambalur districts at a cost of Rs.10 crore** where indigenious fossils which are six crore years old are found.

Handloom Handicraft, Textiles and Khadi

144) The focus of this Government will be to ensure that handloom weavers in the State are assisted to produce value added products which will enable them to earn higher incomes. The emphasis will be on modernizing looms, ensuring supply of quality yarn and other inputs and enhancement of design features.

145) The free saree and dhoti scheme under which 1.81 crore each sarees and dhoties are distributed to families in Tamil Nadu on the eve of Pongal will be implemented to benefit handloom weavers in the State, with a total allocation of Rs.490.27 crore in 2021-22. The scheme for distribution of free school uniforms for children from classes 1 to 8 will be implemented with supplies from powerlooms and weaving units located within in Tamil Nadu. The Revised Budget allocation for the programme during 2021-22 is Rs.409.30 crore.

146) The Cluster Development Scheme will be effectively implemented. Common Effluent Treatment Plants will be revitalized and new CETPs will be set up in the Erode and Namakkal clusters. Textile products from Tamil Nadu will be marketed as fully ecologically friendly and environmentally compliant. Three Integrated Textile parks currently under implementation at Tiruppur,

Kanchipuram and Erode will be expedited and completed at the earliest.

147) Efforts will be undertaken to create more infrastructure for the textile sector with greater focus on technical textiles. **To provide a focus on the textile sector, a separate Directorate of Textiles will be created.**

Information Technology

148) This Government will provide SMART (Swift, Measurable, Accessible, Responsive and Transparent) governance by deploying Information and Communication Technology across all departments. Tamil Nadu has fallen behind a number of other States in the application of e-governance. Enabling e-Governance in citizen facing departments will be taken up on a high priority. **At present, 131 services are being provided to e-sevai centres and 55 services through open portals directly. Progressively over 600 services offered by 29 departments will be provided electronically.** The State Family Data Base will be strengthened as a single source of truth for all beneficiaries of Government schemes.

149) Bharat Net will be rolled out to provide broadband connectivity to all eligible panchayats.

15,525 village panchayats in the State will be connected with a minimum scalable bandwidth of 1 Gbps through Optical Fibre Cable. This will greatly enhance employment and learning opportunities in all parts of the State.

Hindu Religious and Charitable Endowment

150) As Members are well aware, this Government has already initiated a number of actions to protect the assets, lands and properties of temples in Tamil Nadu. Within 100 days of this Government assuming office, **encroachments have been evicted and 187.91 acres of land, 161.70 grounds of vacant plots, 1887.13 sq.ft area of buildings, 15.60 grounds of temple tanks bunds worth Rs.626 crore have been retrieved and restored to the control of temples as on date.** Renovation work of temple cars, temple tanks and temple gardens in 100 temples will be taken up this year at a cost of Rs.100 crore. Facilities for devotees will be upgraded in all temples. Non Hereditary Trustees will be appointed to administer temples.

151) **An additional corpus of Rs.130 crore will be created to provide for assistance to perform one time pooja (Oru Kaala Poojai) for 12,959 temples which do not have their own resources.** The interest

earned from the corpus will be utilised for performing daily pooja in these temples.

152) The ancient healing wisdom of Siddhars will be promoted by establishing a Siddha Medical College by Arulmigu Baladhandayuthapani Swamy Temple, Palani.

153) Oduvar Archaka training schools will be revived to create a trained pool of Oduvar and Archakas. To improve the religious and secular services of temples, a special drive has been taken up for filling up the vacancies in the temples. **Master Plans will be developed for 539 temples to conserve their rich heritage and enhance the devotees' experience.**

Tourism

154) Tourism industry is critical for increasing local employment. Covid-19 pandemic has very adversely affected the tourism industry in Tamil Nadu. This Government is determined to take all necessary measures to revive the Tourism industry. 300 tourist spots will be upgraded under the Tourism Master Plan in a phased manner. **The facilities at the Ayyan Thiruvalluvar statue in Kanniyakumari and at Poompuhar will be upgraded and restored to original glory.** Experiential and Adventure tourism

will be promoted in the State by developing camp sites in hill stations, dam sites and coastal areas. Eco tourism will be promoted through the newly established Tamil Nadu Wilderness Experiences Corporation. Tourist infrastructure will be upgraded in co-ordination with Municipal Administration and Water Supply, Highways and Minor Ports and Rural Development Departments. In the Revised Budget Estimates for 2021-22, a sum of Rs.187.59 crore has been provided for Tourism.

Social Welfare

155) Advancing the cause of women empowerment is central to the ideology of this Government. **The Marriage Assistance Schemes originally launched by Muthamizh Arignar Kalaigiar to promote the cause of women education and empowerment will be implemented with renewed vigour with an allocation of Rs.762.23 crore.**

156) **Special attention is paid to the welfare of transgender persons. An amount of Rs.1.50 crore has been allocated for the transgender pension scheme, benefiting 1,071 destitute transgender persons.** During the Covid-19 pandemic, Rs.4,000 has been provided as cash assistance to 8,493 transgender persons who do not have ration cards but were registered with the

transgender Welfare Board. They have also been permitted to travel free of cost in white board town buses.

157) The Government has taken special efforts to protect children who have lost either both or one parent in the Covid-19 pandemic. Responding with urgency and with compassion, Hon'ble Chief Minister announced that a sum of Rs.5 lakh will be provided to every child who lost their parents, Rs.3 lakh for a child belonging to family below poverty line family who lost one parent. In addition, the cost of education for these children will be borne by the Government. **So far 5,963 children have been identified and Rs.95.96 crore provided as assistance from the Chief Minister's Public Relief Fund.**

158) Despite Tamil Nadu being a forerunner in the implementation of the Noon Meal Programme and implementing the Integrated Child Development Services Scheme (ICDS) for decades, it is a matter of concern that in many districts the average rates of children being underweight and of stunting and wasting are above the State average. This issue will be addressed on a priority basis to ensure that Tamil Nadu becomes truly malnutrition free. **Accordingly, ICDS will be**

reinvigorated to ensure that early childhood care including early childhood education is provided to the youngest children. A special provision of Rs.48.48 crore has been provided for upgradation of Anganwadi Centres for the year 2021-22 and Rs.23.33 crore has been allocated for provision of pre-school educational materials.

159) **The procurement process of eggs and other supplies for the Noon Meal Programme and ICDS have been streamlined and will result in substantial cost savings.** Rs.1,725.41 crore has been provided for the Puratchi Thalaivar MGR Noon Meal Programme. A total sum of Rs.2,536.69 crore has been allocated for the ICDS scheme in the Revised Budget Estimates for the year 2021-22.

Adi Dravidar and Tribal Welfare

160) Ensuring that the socio economic status of the Scheduled Castes and Scheduled Tribes communities is brought on par with the rest of the society is at the core of the inclusive philosophy of this Government. This Government will ensure that the allocations are made in the Special Component Plan for Scheduled Castes and the Tribal Sub Plan in proportion to the population of these communities in Tamil Nadu are effectively utilized for the advancement of these communities.

In the Revised Budget Estimates 2021-22 Rs.14,696.60 crore is the overall outlay for Special Component Plan and Rs.1,306.02 crore for the Tribal Sub Plan.

161) **The Post Matric Scholarship scheme is the flagship scheme for the educational advancement of the Scheduled Castes and Scheduled Tribes with a provision of Rs.1,884.70 crore in the Revised Budget Estimates 2021-22. To enhance opportunities for students belonging to Scheduled Castes and Scheduled Tribes to pursue higher education, the scheme for scholarship to study abroad will be revamped. It is unfortunate that since the inception of this scheme only 4 students have benefitted so far. The provision for this scheme will be enhanced to Rs.5 crore. Similarly the scheme for scholarship for Ph.D courses will also be restructured and the scholarship enhanced to Rupees one lakh per annum to benefit more students. The budgetary provision will be enhanced to Rs.16 crore. A sum of Rs.123.02 crore has been provided in Revised Budget Estimates 2021-22 to upgrade infrastructure facilities including additional class room and laboratories with assistance from NABARD RIDF.**

162) Special efforts will be taken to ensure that students are provided quality food in the hostels and their study times are appropriately regulated. **The monthly miscellaneous expenditure allowance for hostel students will be doubled to Rs.100 for school students and Rs.150 for college students. This Government will completely overhaul the existing hostels for school and college students and a special capital allocation for upgradation of hostels of Rs.25 crore has been made.**

163) The economic development schemes for Scheduled Caste persons through the Tamil Nadu Adi-Dravidar Housing Development Corporation (TAHDCCO) will be revamped to promote entrepreneurship amongst Scheduled Castes. **The overall provision for Adi-Dravidar and Tribal Welfare is enhanced to Rs.4,142.33 crore in the Revised Budget Estimates 2021-22.**

Welfare of Backward Classes, Most Backward Classes and Denotified Communities

164) To enhance the educational status of Backward Classes, Most Backward classes and Denotified Communities, 77.88 per cent out of the total budget outlay for the Department is earmarked education related programmes. At present, scholarships are being

disbursed to 7,43,853 students. 86,514 students are residing in hostels. In addition, 3,77,286 students benefit from the distribution of free bicycles. This Government will upgrade the quality of hostels, particularly college hostels with a special capital allocation of Rs.25 crore.

165) In view of the continuous efforts of the Hon'ble Chief Minister and by seeking legal remedies in the Hon'ble High Court and Supreme Court, the Union Government has decided to grant 27% reservation for Other Backward Classes (OBCs) in the All India Quota for undergraduate and postgraduate medical courses from the current academic year.

Minorities Welfare

166) This Government will ensure that the benefits of the scholarship scheme reach nearly 4.25 lakh school and college students belonging to minorities. A total sum of Rs.114.65 crore is expected to be disbursed in 2021-22 to these students.

167) Muslim and Christian Women Aid Societies have been set up in Tamil Nadu since 2007 and the Government sanctions as grant twice the amount of donations collected by these societies. In 2021-22 Rs.4.15 crore will be disbursed to Muslim Women Aid

Societies and about Rs.2.97 crore to Christian Women Aid Societies.

168) A budgetary provision of Rs.6 crore each has been made for renovation of mosques and churches. This Government will ensure that the administration of Tamil Nadu Wakf Board is strengthened so that wakf properties belonging to the community are effectively protected. The Ulema and other Employees Welfare Board formed in 2009 will be reinvigorated to provide genuine services to deserving persons.

169) The Tamil Nadu Minorities Economic Development Corporation will support at least 7,000 beneficiaries to receive an overall economic development loan assistance of Rs.50 crore.

Welfare of Differently Abled

170) Displaying characteristic compassion towards the most vulnerable, Muthamizharignar Kalaignar had established a separate department for the Welfare of the Differently Abled giving Tamil Nadu the unique distinction of being the first State with such a department. In a similar display of concern and care, the Hon'ble Chief Minister has retained the Department for the Welfare of the Differently Abled under his direct control. The Hon'ble Chief Minister has announced that all differently abled

persons will be permitted to travel free along with an attendant in State Government operated buses throughout the State.

171) To ensure that all the 9,173 eligible persons in the wait list are immediately provided maintenance allowance of Rs.1,500 per month the budget for payment of maintenance allowance is being enhanced to Rs.404.64 crore. The budget provision for aids and appliances has been enhanced to Rs.50.66 crore to ensure that 9,185 persons in the waiting list are provided with the appliances of their choice during 2021-22. This Government will introduce a direct subsidy payment mechanism for various types of rehabilitation devices and equipment to offer eligible persons a greater range of choice.

172) In another pioneering move for this sector, Tamil Nadu will launch the RIGHTS programme with the assistance from the World Bank to cover early detection and prevention of disabilities, greater access to maintenance, rehabilitation and educational services; promotion of skilling and establishment of productive enterprises by differently abled persons and expanding the implementation capacity of the Department of the

Differently Abled, with outreach to all parts of the State. This project will be a forerunner not only for other States but for other countries in the world as well and will be implemented at a total cost of Rs.1,702 crore over a period of 6 years.

Youth Welfare and Sports Development

173) This Government will encourage sporting culture and ensure that the youth of the State are directed towards constructive activities that build character and social commitment. Investments in developing sports infrastructure across the State will be enhanced. Greater participation in sporting activities by school and college students and by the community will be encouraged. Individual excellence in sports will be recognised, nurtured and rewarded. **Mini stadia at a cost of Rs.3 crore each will be established in all Assembly constituencies of the State where such sporting facilities are not currently available.** The Hon'ble Members of the Legislative Assembly will be encouraged to contribute to these projects from the MLA Constituency Development Scheme. **A financing mechanism to maintain infrastructure of the Sports Development Authority of Tamil Nadu will be put in place.** The overall budgetary allocation for Youth Welfare and Sports Development will be

enhanced to Rs.225.62 crore in the Revised Budget Estimates for 2021-22.

174) The Hon'ble Chief Minister had given special cash award of Rs.5 lakh to each of the 12 sport persons from Tamil Nadu who participated in the recently held Tokyo Olympic Games. Two of the sports women participated in the Tokyo Olympics were also provided Government jobs. These measures will inspire more sports persons to perform at the international level.

Integrated Financial and Human Resources Management System (IFHRMS)

175) The IFHRMS has been operational State wide from 1.1.2021. This system aims at integration of financial management and human resources management provide real-time effective budgetary control and up-to-date monitoring of the ways and means position of the Government enhance efficiency and transparency in Government transactions and enable online remittances into the Government account, which eases access for citizens. The system has now gained acceptance among stakeholders, which includes more than 9 lakh Government employees, 7 lakh pensioners and nearly 40 lakh recipients of direct cash benefits including old age pensions, maternity assistance and scholarships.

176) With the integration of major external stakeholders like the Accountant General, Reserve Bank of India and commercial banks IFHRMS will become the single repository of financial transactions. This will enable real-time Management Information System (MIS) and data base to support improved and speedier decision making.

177) In the next stage, the implementation of IFHRMS will enable a further expansion and upgradation of the Treasury network with pre audit functions and an eventual role as a payments bank for Government of Tamil Nadu and all local bodies.

Public Financial Management

178) The White Paper highlights the urgent need to revamp and strengthen public financial management. This Government will actively pursue the recommendations given by the International Monetary Fund (IMF) in its Technical Assistance Report for reforming and modernizing budgetary practices, notably budget formulation and fiscal risk management.

179) The Government will prepare a detailed Medium Term Fiscal Framework (MTFF) embedded with macro-fiscal projections, as the basis for the future budget formulation process and bring out a Fiscal Risk

Statement, highlighting the looming fiscal liabilities of the State owned entities, including TANGEDCO and STUs. **The Government will also publish a Citizen's Budget along with the Budget from 2022-23 onwards in simple and non-technical language to encourage greater public understanding and informed debate on Government's finances.**

180) With stronger budgetary control, a clear line of sight of financial transactions and strong audit mechanisms, the Finance Department can delegate greater powers to line departments to sanction expenditure within their own budgets. This will speed up decision making, improve implementation and save costs.

Welfare of Government Employees

181) I am happy to inform the Members of this House that this Government will implement the commitment made in the Election Manifesto of enhancing the period of maternity leave from 9 months to 12 months for women Government employees with less than two surviving children with effect from 1.7.2021.

182) The lumpsum grant from the Family Security Fund paid to the family of a Government

employee who dies while in service will be enhanced from Rs.3 lakh to Rs.5 lakh. Accordingly, the subscription to the Fund shall be enhanced to Rs.110/- per month. This benefit is also applicable to the employees covered under Group Insurance Scheme.

183) Unlike in many other States, Government servants in Tamil Nadu have been paid salaries in full and without any delay throughout the entire Covid-19 pandemic period. In many departments, Government servants have served selflessly, often putting their own life to risk in this period. I am sure that Government servants will appreciate the difficulty that the Government will face in enhancing Dearness Allowance at this stage. **Enhanced Dearness Allowance to Government servants and to pensioners will be paid with effect from 1.4.2022.**

Entitlement to a Basic Income

184) There are many expectations from this Government led by Hon'ble Chief Minister. The difficult financial situation makes the fulfilment of all the promises at one go difficult. The Government is carefully examining the promises made to determine how to go about implementing them.

185) An important scheme relates to the payment of Rs.1,000 every month to women heads of households. There has been a mistaken perception that this assistance would be provided only to female headed households and many people are attempting to get their ration cards changed to show a female member of the female as the head of the household. **Let me assure all of you that the intention of the Government is to provide this assistance to "home makers" (இல்லத்தரசி). Therefore there is no need to change the name of the head of the household in ration cards on this account.**

186) This scheme is intended for the genuinely poor. At the time of the Covid-19 pandemic when the Government paid Rs.4,000 to all rice card holders in the State, there was criticism and litigation that such a universal payment should not be made to the well off and the salaried. To ensure that the payment of basic entitlement income is targeted to the genuinely poor, the Government in consultation with experts is formulating guidelines on the objective criteria by which the eligible households will be identified for this scheme. These guidelines will be extensively publicised. As soon as the eligible households are identified, the Government will ensure that this scheme is effectively implemented.

Co-operative Loan Waiver

187) The promised waiver of co-operative jewel loans and loans to Self Help Groups is also high on the agenda of this Government. The previous Government had announced a Crop Loan Waiver scheme just before they demitted office. That Government left us with the onerous legacy of meeting the cost of the scheme estimated at Rs.12,110.74 crore. In the Revised Budget Estimates 2021-22, a provision of Rs.4,803.95 crore has been made for the Crop Loan Waiver scheme.

188) Many irregularities have been found in the implementation of the Crop Loan Waiver scheme. In certain districts, a suspiciously large amount of loans was disbursed just prior to the announcement of the scheme. There have been violations at the individual beneficiary level including disbursement of loans without crop details as per the Adangal, loan sanction in excess of the cropped area or in excess of the approved scale of finance. At the co-operative society level, some societies have disbursed loans without obtaining sanctions or without release of cash credit from the District Co-operative Credit Banks. In some cases societies retained loan collections and disbursed them again, which amounts to evergreening of the portfolio. Further, in the case of agricultural jewel loans, it was found that jewels were not valued properly

and were short in weight or poor in quality. Writing off such loans amounts to rewarding wrong doers. Hence, a detailed inquiry is required before the scheme is fully implemented.

189) A preliminary assessment shows that the situation regarding jewel loans is similar. Hence, a detailed assessment of all the jewel loans disbursed is required before the waiver is taken up, so that the truly eligible beneficiaries are benefitted and wrong doers are not rewarded.

190) On the other hand, a quick assessment of the Self Help Group loans shows that these loans have by and large been disbursed to deserving groups. Due to the Covid-19 pandemic, many of these groups deserve a special dispensation. **Accordingly, the Government will waive loans to the tune of Rs.2,756 crore due from self help groups to the co-operative credit societies.** The Government will work out a suitable mechanism to infuse equity into the cooperative credit structure in stages to ensure that the lending capacity of the co-operatives is not affected. **In the Revised Budget Estimates for 2021-22 a provision of Rs.600 crore has been made for this purpose.**

Petrol Prices

191) Tamil Nadu has 2.63 crore two wheelers. This has become the most popular mode of transport for the working poor. They keenly feel the pinch of the rising cost of petrol. Earlier in my speech I had pointed out that how the Union Government is solely responsible for the increase in cost of the fuel and has benefitted tremendously from the increase in taxation on petroleum products at the cost of the States. The Hon'ble Chief Minister keenly feels the pain of the working poor and the middle class. **I am happy to inform the House that this Government has decided to reduce the effective rate of tax on petrol by Rs.3 per litre and thereby provide major relief to the toiling working class people in the State. This measure will result in a loss of revenue of Rs.1,160 crore a year.**

PART B**Resources for Financing the Budget****Hon'ble Speaker Sir,**

192) I have so far highlighted major initiatives the new Government proposes to implement. I now turn to the aggregate fiscal position. In the Interim Budget Estimates for 2021-22 presented by the previous Government in February 2021, total revenue receipts has been estimated at Rs.2,18,991.96 crore. This was 21.19 per cent above the Revised Estimates for 2020-21. Eventually the Revised Estimates 2020-21 targets were not met. Interim Budget Estimates targets were unrealistic to begin with and became even more difficult to achieve after the second wave of Covid-19 pandemic in the month of May, 2021. **As a result, I am forced to scale down the total revenue receipt estimates from Rs.2,18,991.96 crore in the Interim Budget Estimates to Rs.2,02,495.89 crore in the Revised Budget Estimates 2021-22.**

193) Out of the total revenue receipts, the largest component is State Own Tax Revenue. **As against the Interim Budget Estimates of Rs.1,35,641.78 crore, the State's Own Tax Revenue estimates in the Revised Budget Estimates 2021-22 are expected to be Rs.1,26,644.15 crore.** The share of Central taxes

for Tamil Nadu has been retained at Rs.27,148.31 crore which is the estimated amount in the Union Budget Estimates for 2021-22 for Tamil Nadu. **Non tax revenue estimated at Rs.14,139.01 crore in the Revised Budget Estimates 2021-22 which are marginally lower than the Interim Budget Estimates 2021-22, on account of the Covid-19 pandemic.**

194) In the Interim Budget Estimates 2021-22 it has been estimated that the entire GST compensation for the current year would be received as grant from the Compensation Cess Fund. However, the Union Government has now indicated that the mechanism of releasing a portion of the GST compensation as grant and the balance portion as back-to-back loan will continue in the year 2021-22 as well. On that basis, the estimates in receipt as grants in aid have been scaled down from Rs.40,553.45 crore in the Interim Budget Estimates 2021-22 to Rs.34,564.42 crore in the Revised Budget Estimates 2021-22.

195) The total expenditure on the revenue account in the Interim Budget Estimates 2021-22 had been pegged at Rs.2,60,409.26 crore. The sudden decision to increase the retirement age from 59 to 60 announced in February, 2021 some savings have accrued in the

budgeted revenue expenditure. On the other hand, this Government has had to incur an additional total expenditure of Rs.17,618.80 crore on Covid related relief including the livelihood cash support and additional food subsidy. Additional provisions have also been made for some important schemes in the Revised Budget Estimates 2021-22. **On this basis, the overall revenue expenditure is expected to be Rs.2,61,188.57 crore in the Revised Budget Estimates 2021-22.**

196) **Given that the economy is still just recovering from the impact of successive waves of the Covid-19 pandemic, the time is not yet ripe for fiscal consolidation. Hence, revenue deficit for the year 2021-22 is expected to go up from the unrealistic Interim Budget Estimates of Rs.41,417.30 crore to Rs.58,692.68 crore in the Revised Budget Estimates 2021-22. I want to assure Members that this increase in revenue deficit is on account of the exceptional times that we find ourselves in and does not detract in the least from this Government's commitment to fiscal rectitude and consolidation in the coming years, so emphatically indicated in the White Paper.**

197) In the guise of boosting capital expenditure to provide economic stimulus during the Covid-19 pandemic, the previous Government had sanctioned several half baked and ill thought out projects in the last minute in the Highways and Irrigation sectors and for Urban Local Bodies. We have made a careful analysis of such projects. Only genuinely beneficial projects justified on the basis of detailed cost benefit analysis will be implemented. Further some innovative schemes have been added. **Accordingly, the overall capital outlay for the Revised Budget Estimates 2021-22 has been scaled down to Rs.42,180.97 crore from the Rs.43,170.61 crore provided in the Interim Budget Estimates.**

198) **On this basis, the fiscal deficit for the financial year 2021-22 is estimated to be at Rs.92,529.43 crore in the Revised Budget Estimates 2021-22.** The fiscal deficit does not include a sum of Rs.8,095.00 crore expected to be received as back to back loan in lieu of GST compensation, since the repayment of this loan is not met from the Consolidated Fund of the State, but from the Compensation Cess Fund maintained by the Union Government.

199) The 15th Finance Commission in its fiscal glide path has permitted a fiscal deficit of 4% for the

States. Further, an additional 0.5% of GSDP is to be permitted as additional borrowing as an incentive for the State to take up reforms in the power sector. Even though this Government opposes the use of Article 293 (3) of the Constitution to place conditions on borrowing by States, we have studied the detailed guidelines received from the Union Government. We are confident that Tamil Nadu will be able to avail 0.35 per cent of the 0.5 per cent of GSDP additional borrowing allocation made for power sector reform, without compromising on our core principle of maintaining free supply of electricity to the farm sector. **On this basis, the fiscal deficit for 2021-22 at 4.33% of GSDP will still be within the overall norms prescribed by the 15th Finance Commission.**

200) However this is not a situation that this Government is satisfied with. **As soon as the impact of the Covid-19 pandemic is overcome, deeper reforms will be undertaken to ensure that Tamil Nadu's debt overhang is corrected without any delay.** This is a solemn assurance that I make through this House to the people of Tamil Nadu.

201) **The most critical reform that we need to undertake is to increase the tax GSDP ratio of Tamil Nadu. The most significant finding in the**

White Paper is the deterioration of the tax GSDP ratio of Tamil Nadu by 3.02 per cent from 8.48 per cent in 2006-07 to just 5.46 per cent in 2020-21. In current GSDP terms, this represents loss of about Rs.65,000 crore worth of revenue per annum. This is the loss that has to be made up by this State.

202) One of the key causes for the loss of revenue is the lax tax administration over the past decade. With the support of my colleagues, the Minister for Commercial Taxes and Registration, the Minister for Transport and the Minister for Excise, we are in the process of revamping tax administration in the Commercial Taxes, Registration, Motor Vehicle Tax and State Excise Departments. **We are confident that through improved administration and plugging of leakages, revenue collections can be substantially stepped up.**

203) The Commercial Taxes department will be restructured to place more human resources at the cutting edge level and to strengthen the Intelligence and Audit Wings. The department's field offices will be reorganised to ensure that each revenue district has at least one co-terminus Commercial Tax district. **Targeted actions would be taken against tax evasion based**

on advanced data analytics. The total number of roving squads will be increased to 100 and equipped with vehicles and RFID reading devices to prevent movement of vehicles without bills. Stringent action including criminal action will be taken against tax evaders, especially bill traders, whose activities under cut compliant businesses. An effective Samadhan Scheme will be launched to clear the pending dues of Rs.28,000 crore under Tamil Nadu Value Added Tax and other legacy legislations.

204) To provide relief to genuine property owners who are victims of fraud and fake registration of document, the Registration Act, 1908 will be amended to empower the Inspector General of Registration to cancel such registration. Criminal action will also be pursued in such cases. A High Level Committee will be constituted to study the on-ground situation and make recommendations on the mechanism of fixation of guideline value. Online registration of documents like Memorandum of Deposit of Title Deeds and rental agreements will be enabled. Currently encumbrance certificates registered from 1.1.1975 can be viewed online. This facility will be extended to documents registered after 1.1.1950, and as

more records are digitised and indexed, the facility will be enabled for older documents.

205) I thank the Hon'ble Chief Minister for having been a pillar of strength and support to me as I prepared this Budget in these difficult times. His close involvement and guidance have greatly helped me in preparing the Budget.

206) Hon'ble Speaker, I will conclude my speech as I began it, paying homage to ancestors. First, to the leaders from the DMK who have served as Finance Minister of our great state of Tamil Nadu and presented budgets to this August house: Perarignar Anna, Muthamizharignar Kalaignar, and Perasiriar K. Anbazhagan. It is the greatest privilege of my life to follow in their hallowed footsteps, and I thank the Hon'ble Chief Minister for reposing great faith and vesting me with this enormous responsibility.

207) I am also duty bound to pay my respects to my forefathers who have forged the path I now tread: my great-grandfather Thiru M. T. Subramaniam, a founding subscriber and Vice President of the South Indian Liberal Federation (SILF), the precursor of the Justice Party; my grandfather Thamizhavel P. T. Rajan, a former Member of this August House starting in 1921, the Ruling Party Whip, and Minister of the Justice Party;

and my father Panbalar P.T.R. Palanivel Rajan, a former Member and Speaker of this August House, and a DMK Minister. Without every one of them, I would not be here.

208) I convey my gratitude and appreciation to Thiru S.Krishnan, I.A.S. Additional Chief Secretary, Finance Department who assisted me tirelessly and all the other officials of the department who have worked hard on the preparation of the Budget.

209) Hon'ble Speaker Sir, with these words, I commend the Revised Budget Estimates for the year 2021-2022 for the approval of this August House.

**Nanri
Vanakkam**

Dr.Palanivel Thiaga Rajan
Minister for Finance and Human
Resources Management

Chennai,
13th August 2021,
Pilava, Aadi-28
Thiruvalluvar Aandu 2052

APPENDIX**MEDIUM TERM FISCAL PLAN**

The State Government is required to lay a Medium Term Fiscal Plan (MTFP) before the Legislative Assembly along with the Budget in accordance with section 3(1) of the Tamil Nadu Fiscal Responsibility Act, 2003 (TNFRA). As per Section 3(2) of the said Act, the MTFP shall also set forth a multi-year rolling target for the prescribed fiscal indicators like Revenue Deficit, Fiscal Deficit and Debt to GSDP ratio, specifying the underlying assumptions made to arrive at those projections. Complying with the said provisions under the Tamil Nadu Fiscal Responsibility Act, 2003, a Medium Term Fiscal Plan for the period from 2021-22 to 2023-24 is hereby placed before the Legislative Assembly.

Objectives

The MTFP has been framed with the aim of facilitating higher economic growth which, in turn, will create enough fiscal space to create opportunities for the disadvantaged and the needy to participate in the growth process and thereby fulfilling the objective of inclusive growth with equity.

The State has been spending heavily on various welfare schemes, especially social security schemes, scholarships and capital expenditure on roads and bridges, irrigation and power projects.

This MTFP outlines the fiscal road map, aiming at progressive fiscal consolidation and debt sustainability which will be achieved by adherence to the following fiscal norms:

- Fiscal Deficit to Gross State Domestic Product (GSDP) within 4 per cent in 2021-22, 3.5 per cent in 2022-23 and 3 per cent from 2023-24.
- An additional borrowing of 0.5 per cent of GSDP for a period of four years from 2021-22 to 2024-25 on fulfillment of Power Sector Reforms.
- Outstanding Debt to GSDP within 28.7 per cent in 2021-22, 29.3 per cent in 2022-23 and 29.1 per cent in 2023-24 as prescribed by 15th Finance Commission.
- A fiscal path is also being laid to reduce the Revenue deficit in a phased manner and thereby enhance the allocation for creation of productive assets.

This objective is intended to be achieved by:

- Prioritizing focus on resource availability, including exploring resource augmentation measures.
- Improving efficiency in expenditure and accounting for probable fiscal contingencies without compromising on growth creating expenditure and at the same time meeting committed expenditure needs.
- Maintaining the balance between receipts and expenditure within the overall framework of debt sustainability.

Economic scenario

The Indian economy is presently facing a slowdown with the growth estimates projected at negative growth rate of 7.3 per cent in 2020-21 in constant price terms. This slowdown is however expected to make way for good growth in the coming years. Tamil Nadu's GSDP has been projected at 2.02 per cent for 2020-21 at constant prices, which shows the resilience of the State economy to shocks. This resilience has been enabled by the diversification of the economy and sustainable policy initiatives of the Government. We expect better growth in the ensuing years compared to the current year

projections. The GSDP growth of Tamil Nadu is estimated to be 11.5 per cent in 2022-23 and 12.0 per cent in 2023-24 as recommended by 15th Finance Commission.

I. Revenue Receipts

The Total Revenue Receipts of the State Government, including the Central Transfers, are estimated to be Rs.2,02,495.89 crore in Revised Budget Estimate 2021-22 as against the Interim Budget Estimates of Rs.2,18,991.96 crore, in 2021-22. The estimates for 2022-23 is, estimated to be Rs.2,30,024.71 crore and Rs.2,56,208.94 crore in 2023-24 which indicates a growth of 13.59 per cent and 11.38 per cent respectively. The important components are discussed below:

1. State's Own Tax Revenue

The State's Own Tax Revenue (SOTR) is estimated to be Rs.1,35,641.78 crore in the Interim Budget Estimates 2021-22. It is estimated to decrease to Rs.1,26,644.15 crore in the Revised Budget Estimates for 2021-22. The SOTR is estimated to be Rs.1,46,044.83 crore in 2022-23 and Rs.1,63,222.95 crore in 2023-24.

Salient features of the major components of the State's Own Tax Revenue and related assumptions are discussed below:-

■ In the case of receipts related to Goods and Services Tax, an assured growth of 14 per cent relative to 2015-16 is expected till 2021-22. Tamil Nadu is performing relatively well in terms of GST collection and we expect the Government of India will settle the arrears pertaining to GST in time, the Revised Budget Estimates 2021-22 is estimated at Rs.42,300.19 crore. The receipt from Sales tax especially from petroleum products is expected to witness a significant growth in the next two years.

■ The receipts from Commercial Taxes are estimated to be Rs.96,109.66 crore in Revised Budget Estimate. The growth rates for Commercial tax is estimated to be 16.0 per cent in 2022-23 and 12.0 per cent in 2023-24 based on the present trends of tax collection.

■ The State Excise collection has been estimated as Rs.8,769.83 crore in Revised Budget Estimate 2021-22. The collection under State Excise is estimated to increase by 12.0 per cent in 2022-23 and in 2023-24 based on the present trends.

■ Receipts from Stamp Duty and Registration Charges are expected to be Rs.13,252.67 crore during Revised Budget Estimate 2021-22 as against Rs.14,879.37 crore estimated in Interim Budget Estimate 2021-22. The growth is expected to be about 15.0 per cent in 2022-23 and 10.0 per cent in 2023-24 based on general economic growth expectations and improvement in tax collection efficiency.

■ The collections from the Taxes on Motor Vehicles is estimated at Rs.6,581.75 crore in Revised Budget Estimate 2021-22 which is the same when compared to Interim Budget Estimate 2021-22. Since motor vehicles tax is primarily levied on registration of vehicles, the tax collections in the coming years is expected to be in accordance with improved economic growth prospects. The collection under Taxes Motor Vehicles has been estimated at Rs.6581.75 crore. The impact of the exemption for Electric Vehicles, more of which are expected to be registered, has also been factored in. The growth rate of 12.0 per cent is expected for the years 2022-23 and 2023-24.

2. Non-Tax Revenue

The State's Own Non-Tax Revenue has been estimated at Rs.14,139.01 crore in the Revised Budget Estimates for 2021-22. This shows a decline of 9.65

per cent compared to Interim Budget Estimates 2021-22. Based on the various resource augmentation measures and improvements in non-tax collection being undertaken by the Government, the Non-tax revenue is estimated at a growth rate of 10.0 per cent in 2022-23 and 2023-24.

3. Share in Central Taxes

Tamil Nadu's share in Central Taxes is estimated at Rs.27,148.31 crore in Revised Budget Estimate 2021-22 which is same as Interim Budget Estimate 2021-22. This is based on the estimates in the Union Budget 2021-22. The 15th Finance Commission has come up with its recommendations, wherein it has reduced the vertical devolution to States from 42 per cent to 41 per cent but has marginally increased the horizontal inter-se share of Tamil Nadu from 4.023 per cent to 4.189 per cent in 2020-21 and 4.079 per cent from 2021-22. Considering that the Indian economy will also see a positive reversal in terms of real growth in the coming years, the Share in Central Taxes collection of Tamil Nadu is estimated to be Rs.30,406.11 crore in 2022-23 and Rs.34,054.84 crore in 2023-24 by assuming a growth rate of 12.0 percent for 2022-23 and 2023-24.

4. Grants-in-Aid from the Union Government

The Grants-in-Aid from the Government of India have been estimated at Rs.34,564.42 crore in the Revised Budget Estimate 2021-22 by considering the existing trends and provisions in the Union Budget 2021-22. The State is also hopeful of Government of India releasing the arrears due to Tamil Nadu in a time bound manner in 2021-22. For the financial years of 2022-23 and 2023-24, a growth rate of 10.0 per cent has been assumed. These estimates are based on the commitments towards on-going Centrally sponsored schemes as well as other transfers to States such as local body grants recommended by the Union Finance Commission.

II. Revenue Expenditure

■ The Revenue expenditure is estimated at Rs.2,61,188.57 crore in Revised Budget Estimate 2021-22 which shows a marginal increase of growth of 0.30 per cent over Interim Budget Estimate 2020-21. In the year 2022-23, the Revenue expenditure is estimated to be Rs.2,66,400.74 crore and Rs.2,84,196.95 crore in 2023-24.

The important components are discussed below:

- The expenditure on account of Salaries is a committed expenditure and has been estimated to be Rs.63,919.16 crore in the Revised Budget Estimates 2021-22. This shows a decline of 8.66 per cent over Interim Budget Estimate 2021-22. The expenditure under Salaries is expected to be Rs.67,754.31 crore in 2022-23 and Rs.71,819.57 crore in 2023-24. The estimates for 2022-23 and 2023-24 are based on trends as well as probable hike in components like Dearness allowance in the coming years which in turn depends on the current trends as well as general economic conditions.

- The Non-wage Operations and Maintenance is estimated to be Rs.14,618.73 crore in the Revised Budget Estimates 2021-22. This expenditure has been estimated at Rs.15,203.48 crore in 2022-23 and Rs.15,811.62 crore in 2023-24.

- The expenditure outlay on account of the committed expenditure of Pensions and Retirement benefits is estimated to be Rs.25,066.20 crore in Revised Budget Estimate 2021-22. Considering the expenditure on retirement on superannuation during 2022-23, the expenditure under Pension and Retirement benefits is estimated at a growth rate of

23.75 per cent in 2022-23 and 10.0 per cent in 2023-24.

- The expenditure on account of Subsidies and Transfer is estimated to at Rs.1,14,632.71 crore in the Revised Budget Estimates 2021-22 which shows a growth rate of 13.30 per cent over Interim Budget Estimate 2020-21. During the year 2021-22, a significant amount has been sanctioned towards Disaster preparedness / preventive measures to contain the outbreak of Covid-19 and significant cash support measures to family ration cardholders during the COVID-19 lockdown. The State Government has to sanction a grant of Rs.4,563.00 crore to TANGEDCO for a period of 5 years from 2017-18 to 2021-22 under UDAY Scheme. The expenditure under Subsidies and Transfers is estimated at Rs.1,04,323.94 crore in 2022-23 and Rs.1,09,540.14 crore in 2023-24 based on the commitment towards on-going schemes. The ongoing commitments also include those related to State Public Undertakings, mainly the Power and Transport sectors. These fiscal contingencies have also been assessed and incorporated in the preparation and forecast of estimates in MTFP.

III. Capital Account

In the Revised Budget Estimates for 2021-22 an amount of Rs.42,180.97 crore has been provided as Capital Expenditure as against Rs.43,170.61 crore in the Interim Budget Estimates 2021-22. This shows a decline of 2.29 per cent over Interim Budget Estimate 2021-22. The capital expenditure is expected to grow further at 10.0 per cent in 2022-23 and 2023-24. The Capital account outlay including Capital expenditure and Loans and Advances (Net) is expected to be Rs.46,699.07 crore in 2022-23 and Rs.51,838.98 crore in 2023-24. This shows the commitment of the State to constantly improve the allocation for growth oriented expenditure while maintaining fiscal discipline.

IV Revenue Deficit and Fiscal Deficit

The Revenue Deficit in Revised Budget Estimates 2021-22 is estimated at Rs.58,692.68 crore which is much greater than the Revenue Deficit of Rs.41,417.30 crore projected in Interim Budget Estimate 2021-22. Towards reducing Revenue Deficit systematically and eventually achieving NIL revenue deficits, this Medium Term Fiscal Plan has been devised within an overall framework of adherence to TNFRA norms to ensure fiscal consolidation and debt sustainability. This is intended to be achieved by striking a balance between revenues and expenditure. Towards this, priority will be for revenue

resources and exploring possible measures to improve it. Secondly, improving the expenditure profile by enhanced allocation to growth-oriented expenditure and rationalise revenue expenditure. The Revenue Deficit is expected to reduce to Rs.36,376.03 crore in 2022-23 compared to Revised Budget Estimates 2021-22 and subsequently reduce to Rs.27,988.01 crore in 2023-24. This creates additional space for capital spending.

The 15th Finance Commission has permitted the states to maintain the ratio of Fiscal Deficit to GSDP as 3.5 per cent 2022-23 and 3.0 per cent in 2023-24. In addition, the 15th Finance Commission has providing an additional space of 0.5% of GSDP during 2021-22 to 2024-25 on fulfilment of required Power Sector Reforms. In Revised Budget Estimate 2021-22, the Fiscal Deficit is estimated at 4.33 per cent of GSDP. In the forthcoming years, Fiscal Deficit to GSDP ratio is estimated to be 3.49 per cent in 2022-23 and 2.99 per cent in 2023-24 which is within the norms prescribed by 15th Finance Commission.

V Borrowings

The estimates for receipt and repayment of borrowings have been finalised on the basis of overall borrowing ceiling fixed by the Government of India. The Government plans to borrow a net amount of

Rs.92,484.50 during 2021-22. This excludes an amount of Rs.8,095 crore released by Government of India towards Back to Back Loan for GST Compensation shortfall. The outstanding debt as on 31st March 2022 will be Rs.5,77,987 crore after excluding Back to Back loan for GST Compensation shortfall released by Government of India during 2020-21 and 2021-22. This constitutes 27.05 per cent of GSDP in 2021-22. The Outstanding Debt as a percentage of GSDP is expected to be 27.76 per cent in 2022-23 and 27.79 per cent in 2023-24, which are well within the norms prescribed by 15th Finance Commission. Thus the State aims to maintain debt sustainability as part of its fiscal consolidation roadmap.

VI Guarantees

The outstanding guarantees for each year have to be restricted at a level of 100 per cent of the Total Revenue Receipts in the preceding year or 10 per cent of the GSDP, whichever is lower. The outstanding guarantees as on 31st March, 2021 were 31.08 per cent of Total Revenue Receipts in the preceding year and 2.79 per cent of GSDP. The outstanding risk weighted guarantees for each year have to be kept at a level of 75 per cent of the Total Revenue Receipts of the preceding year or 7.5 per cent of GSDP whichever is lower. The

outstanding risk weighted guarantees as on 31st March, 2021 stood at 11.83 per cent of Total Revenue Receipts of preceding year and 1.06 per cent of GSDP.

Conclusion

Though there is slowdown at present, the Indian economy is expected to gain momentum in the coming years. Despite the current economic downturn, Tamil Nadu's growth is higher than that of national GDP, which is a positive sign. This growth is expected to further strengthen in the coming years.

Various steps like resource augmentation measures and improvement of resource collection efficiency is bound to help maintain a healthy growth in Revenue Receipts of the State. With the fiscal consolidation as the fundamental principle ensured through debt sustainability and fiscal balance between receipts and expenditure, the State will continue to adhere to TNFRA norms and expects to bring down revenue deficit in the coming years, while continuing to invest in growth-oriented expenditure.
