

**Speech of Thiru O. Panneerselvam, Hon'ble Deputy  
Chief Minister, Government of Tamil Nadu,  
presenting the Budget for the year 2018-2019 to  
the Legislative Assembly on 15<sup>th</sup> March 2018.**

**Hon'ble Speaker Sir,**

ஈதல் இசைபட வாழ்தல் அதுவல்லது  
ஊதியம் இல்லை உயிர்க்கு

(குறள் 231)

**See that thy life the praise of generous gift obtain;  
Save this for living man exists no real gain**

(Kural 231)

There is no greater gift and profit to a human than that of giving to the poor and living with their praise. True to these words of the divine poet Thiruvalluvar, our sagacious leader, **the late Chief Minister Puratchi Thalaivi J Jayalalithaa**, an unparalleled leader in the history of Tamil Nadu, reached the pinnacle of glory by her compassion and commitment to uplifting the people of Tamil Nadu. It was only through her sweat and toil that this Government was elected by the historic verdict of people in 2016. Though the mortal remains of Puratchi Thalaivi Amma are at rest on the shores of Bay of Bengal, the eternal spirit of Amma continues to guide our Government under the able leadership of

the **Hon'ble Chief Minister Thiru Edappadi K. Palaniswami**, to continue our march on the path laid by her and fulfill her dream of making Tamil Nadu the **numero uno** State in the country. I bow before the great soul of Puratchi Thalaivi Amma once again and rise to present the Budget Estimates for the year 2018-2019 to this august House.

2) This Government is committed to implementing all the programmes launched by the great leader Puratchi Thalaivi Amma, who lives in the hearts of people. The development paradigm of **peace, progress** and **prosperity** spelt out by our visionary leader Puratchi Thalaivi Amma will continue to be our guiding principle on our growth path. None can deny that Tamil Nadu has evolved into a model welfare State and our welfare schemes in the realms of public health, education and social security have substantially improved our Human Development Indices. Just as the rising tide lifts all boats, accelerated economic growth will certainly improve the economic condition of all families. However, to narrow down the gap between the rich and the poor and to bring about economic equity, we continue to implement welfare schemes specially designed to target the poor and the downtrodden. Thus, while giving thrust to economic development, welfare programmes continue to be part of our development paradigm.

3) This budget is being presented under challenging circumstances. The economy needs to be steered ahead in a hazy environment due to the transformational changes that have happened in the country post demonetisation and GST implementation. At this critical juncture, the State is facing major challenges in -

- **Attracting investments and creating more jobs**
- **Training youth to make them employable**
- **Improving farm productivity and farmers' income**
- **Urban development and upgrading basic amenities and infrastructure**
- **Housing to the poor and achieving the objective of housing for all**
- **Natural resource management, particularly in water management**
- **Eradication of poverty both in urban and rural areas**
- **Providing quality education, health care and sanitation with universal coverage**

- **Mitigating the adverse impact of climate change and protecting the coast from sea erosion**
- **Fiscal consolidation against inadequate central devolution and slow growth of tax and non-tax revenues**

This Budget focuses on strategies to tackle these ten challenges and to lead our State on the path of accelerated economic growth and to prosperity.

### **Economic Development**

Hon'ble Speaker Sir,

4) The pace of economic growth in the State has picked up in 2017-2018 and will continue to improve in 2018-2019. The Gross State Domestic Product of the State in real terms is expected to grow at 8.03 percent in 2017-2018. As the economic outlook of the State is favourable, **the sustained investments made by this Government in the primary sector and the measures taken for invigorating the industrial investment in the State could drive the economic growth further to surpass 9 percent in 2018-2019.**

### **Goods and Services Tax**

5) Honourable Members are aware that the country witnessed the introduction of the Goods and

Services Tax (GST) on 1st July 2017. The Union Government will compensate the States for any loss of revenues in the first five years of GST implementation. During the period from July 2017 to February 2018, the State has received Rs.632 crore as GST compensation from the Government of India. I am confident that our State will stand to gain from GST in due course, since the gap between the projected revenue with 14 percent growth rate and actual revenue has been shrinking considerably over these eight months.

### **Planning and Development**

6) The 'Vision Tamil Nadu 2023' document, formulated and launched by our visionary leader, the late Chief Minister Puratchi Thalaivi Amma, is the guiding beacon for this Government in formulating new developmental programmes and social welfare schemes. The Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC) has been mobilizing financial resources to fund new infrastructure projects in Tamil Nadu to realize this Vision. The State Government has released Rs.30 crore as part of its commitment of Rs.300 crore to First Loss Catalytic Capital (FLCC) of TNIF. **An allocation of Rs.270 crore has been made in the Budget Estimates 2018-2019 for meeting the balance FLCC commitment and Rs.100 crore has been provided for the Project Preparation Fund**

**of the Tamil Nadu Infrastructure Development Board.**

**7) A sum of Rs.100 crore has been allocated in this Budget for the State Balanced Growth Fund (SBGF) which was instituted to bring about balanced economic development across various regions of the State. Similarly, an amount of Rs.75 crore has been allocated for the Special Area Development Programme (SADP) which caters to the specific needs of people of the hilly areas, with special focus on sustainable use of natural resources for economic development. The Tamil Nadu Innovation Initiatives (TANII) Programme will be continued with an allocation of Rs.100 crore to support innovations in administration.**

#### **Disaster Relief**

8) The Government had swiftly launched search and rescue operations in the sea after 'Ockhi' cyclone hit the coastal areas of Kanniyakumari district. So far, 3,506 fishermen and 288 fishing crafts have been rescued safely. The Government has declared 177 fishermen as untraceable and has disbursed Rs.20 lakh to each affected family. Totally, Rs.124.11 crore was released for relief and rehabilitation towards the damages caused by Ockhi cyclone and

Rs.51.05 crore was released for restoring the damaged infrastructure and providing relief to the affected families in the aftermath of incessant rains during November, 2017. **An amount of Rs.786 crore has been provided for State Disaster Response Fund (SDRF) for the year 2018-2019.**

9) As a permanent remedy to mitigate the impact of floods in Chennai and its suburban region, **a comprehensive flood management plan for North Chennai and South Chennai has been prepared at an estimate of Rs.2,055.67 crore and Rs.1,243.15 crore respectively and submitted to the Central Government for support. The Government is also preparing a Detailed Project Report (DPR) for establishing an integrated fishing harbour and fish processing park at Thengappattinam in Kanniyakumari district and will seek central support. I am confident that the Central Government would support these projects with financial assistance.**

### **Poverty Eradication**

10) The Mission for Poverty Eradication is being implemented in the State with the Tamil Nadu Corporation for Development of Women as the nodal agency. This Mission aims at alleviating poverty from rural and urban areas by extending support for health

and education, besides creating sustainable livelihood opportunities. In the Pudhu Vaazhvu Project, Self-Help Groups (SHGs) have been formed and trained adequately at village level and provided with credit linkages with banks. Consolidating the gains from this project, **the Government will commence the implementation of the Tamil Nadu Rural Transformation Project (TNRTP) funded by the World Bank, in 120 blocks of 26 districts at an estimated cost of Rs.920.63 crore.** This project will promote SHG led micro-enterprises at the village level and federate them to create producer companies at the block or district level to help the rural enterprises reap the benefits of economies of scale. **An allocation of Rs.100 crore has been provided in the Budget Estimates 2018-2019 for this project. The National Rural Livelihood Mission (NRLM) and the Tamil Nadu State Rural Livelihood Mission (TNSRLM) are also being implemented in 265 blocks, thus covering all the blocks in the State under poverty eradication programmes. A total allocation of Rs.519.81 crore has been provided in the Budget Estimates 2018-2019 for all the rural poverty eradication programmes.**

11) The Government is implementing the Tamil Nadu Urban Livelihood Mission (TNULM) by supplementing the resources of the Government of



India's National Urban Livelihood Mission (NULM). Tamil Nadu had received Rs.59.40 crore from the Government of India under the NULM in 2017-2018. **A total allocation of Rs.300 crore has been provided in the Budget Estimates 2018-2019 for urban poverty alleviation programmes.**

### **Employment and Skill Development**

12) The employment exchanges in the State have already been modernized, networked, and converted into placement facilitation centres. The Government had doubled the monthly allowance for the unemployed youth in 2017-2018 and Rs.31.01 crore has been provided in the Budget Estimates for this purpose. **A State level Career Guidance Centre will be created which will network with the district level employment exchanges through an online portal and will connect job seekers, companies and private placement agencies. The Government will also offer counselling to unemployed persons, who are registered with employment exchanges and are drawing unemployment allowance, through district level placement facilitation centres and will train them under the skill development programme to improve their employability.**

13) Vocational training is provided in the State through 88 Government Industrial Training Institutes

(ITIs), 484 private ITIs and 385 Industrial Schools. Out of the 88 Government ITIs, all except 26 have been brought under the National Council for Vocational Training (NCVT) affiliation. **This Government will upgrade these 26 ITIs also at a cost of Rs.126 crore and bring them under the NCVT affiliation over a period of 2 years. The present infrastructure gap in Government ITIs will be filled up at a cost of Rs.30 crore for enabling them to receive central grants. The Government will introduce new advanced courses, namely medical electronics, advanced machine tools, tool and dye making, power electronics and architectural assistance in 20 ITIs at a cost of Rs.38 crore, which will improve employment opportunities of the ITI students. The Government will introduce internship programmes in collaboration with industries to provide 10,000 students with industrial exposure and equip them with necessary skills for employment.**

14) The Government has nominated the Tamil Nadu Skill Development Corporation as the nodal agency for the Tamil Nadu Skill Development Mission (TNSDM). Under this Mission, 4.32 lakh youth have been trained since its inception and 1.03 lakh persons have got placements. The new higher level training programme launched with the support of M/s. Siemens Limited is

progressing well. This Government is also implementing Pradhan Mantri Kaushal Vikas Yojana to impart skill training. **The allocation for TNSDM will be enhanced from Rs.150 crore to Rs.200 crore in 2018-2019 to give further impetus to skill development. During 2018-2019, another two lakh youth will be provided with skill training by pooling resources from various schemes. The Overseas Manpower Corporation will step up its activities further to impart skill training under the Tamil Nadu Skill Development Mission in both technical skills and soft skills to the youth seeking employment abroad.**

#### **Tamil Development and Culture**

15) The Government has already sanctioned Rs.10 crore to institute a Tamil Chair in Harvard University. **To preserve and propagate Tamil language and culture internationally, the Tamil Language Propagation Centre will be established at Tamil University, Thanjavur for which Rs.2 crore will be provided as annual grant. Similarly, the Tamil Cultural Centre will also be established with an annual grant of Rs.1 crore. The monthly assistance to the artists in indigent circumstances will be raised from Rs.1,500 to Rs.2,000.** In the Budget Estimates 2018-2019,

Rs.52.56 crore has been allocated for Tamil Development Department.

16) **The Government is celebrating this year as 'Tamil Nadu Golden Jubilee Year' to commemorate the 50<sup>th</sup> year of the State's rechristening as 'Tamil Nadu' on 14<sup>th</sup> January, 1969.** As announced earlier in the Governor's address, a Grand Memorial will be built in commemoration of the late Chief Minister Puratchi Thalaivi Amma at Marina at a cost of Rs.50.80 crore. In addition, a sum of Rs.20 crore has been allocated to convert 'Vedha Nilayam', the residence of the late Chief Minister, as a memorial. The Centenary Celebrations of Puratchi Thalaivar Dr. MGR were held in 30 districts and as a culmination to these celebrations, a grand function will be held at Chennai.

### **Law and Order**

Hon'ble Speaker Sir,

17) The State Government has been maintaining public order effectively, thus ensuring peace and tranquility in the State. The Government has taken up the construction of buildings for the Police department for various purposes including police stations at a cost of Rs.671 crore and quarters at a cost of Rs.1,659 crore since 2011. **During 2018-2019, buildings for another 15 police stations and 543 residential**

**quarters will be constructed besides taking up the construction of 35 structures for various purposes at a total estimated cost of Rs.217.41 crore.**

18) The State Police has been adequately staffed by regularly recruiting personnel and has also been equipped with vehicles and modern equipment to tackle law and order situations and crime. Under the 'Modernisation of Police Force', the Government has sanctioned additional vehicles and modern equipment for surveillance and communication at a cost of Rs.98.18 crore in 2017-2018. **The number of Chief Minister's Constabulary Medals will be increased from 1,500 to 3,000 from 2018-2019 onwards. Further, one cyber crime police station will be established in all districts and Commissionerates at a total cost of Rs.23.28 crore. In the Budget Estimates, Rs.7,877.58 crore has been allocated for the Police Department.**

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

19) The Government has been continuously modernizing the Fire and Rescue Services Department by inducting modern equipment. **In the ensuing financial year, buildings for fire stations will be taken up for construction at 20 locations at a cost of Rs.28.23 crore. Further, quarters will also be built at a cost of Rs.18.51 crore in Manali.** In the Budget

Estimates 2018-2019, Rs.347.59 crore has been allocated to the Fire and Rescue Services Department.

### **Prisons**

20) Prisons act as corrective institutions that provide the necessary environment for prisoners to reform themselves and to facilitate their integration into the society by providing them requisite skills through production centres. In the Budget Estimates 2018-2019, Rs.306.80 crore has been allocated for the Prisons Department.

### **Administration of Justice**

21) To facilitate better delivery of justice, the Government has sanctioned Rs.1,382.76 crore since 2011, for the constitution of new courts and construction of new buildings and for providing additional staff for the newly constituted courts. Further, to enhance the efficiency of courts, digitization of court records has been taken up at a cost of Rs.37 crore. In the Budget Estimates, Rs.1,197.95 crore has been allocated for the Administration of Justice and Rs.182.44 crore for construction of court buildings.

### **Governance**

22) There are 10,420 e-Sevai centres functioning across the State providing 207 public services.

In 2017-2018, these e-Sevai centres have handled 1.69 crore transactions so far and have truly evolved into 'one stop solution centres' for all public services offered by the Government. This Government will also bring more than 900 services online on a single e-platform along with a mobile version within a period of three years. **An integrated 'Tamil Nadu Makkal Portal' will be launched which will serve as a one-stop gateway for the public to access and update data related to them.** The Government will introduce the 'Tamil Nadu State Aadhaar Bill' in this Budget session which will ensure prompt and timely delivery of public services. The e-Governance policy has already been released by the Government. **A Government wide Architecture for e-Governance will be conceptualised and put in place.**

### **Revenue Administration**

23) Since May 2011, 71 new taluks and 9 new revenue divisions have been created in the State to improve the accessibility for people and enhance the service delivery of the Revenue department. The Government has been continuously strengthening the infrastructure of this department by constructing new buildings for taluk, divisional and Collectors' offices. In 2018-2019, the Government will take up the

construction of new buildings for 3 taluk offices and one revenue divisional office at a cost of Rs.22.40 crore.

24) In 2017-2018, 3.80 lakh free house site pattas have been distributed so far through Revenue Department and for the year 2018-2019, the Government has fixed a target of issuing 3 lakh free house site pattas to poor families. **As a new initiative to provide decent housing to poor people living in objectionable poramboke lands like watercourses and to restore these lands to their original purpose, the Government will acquire private lands through Revenue department in the respective villages and will issue free house site pattas to rehabilitate the displaced poor families. These families will also be covered under the regular housing programmes of the Rural Development Department.**

25) Amma Thittam is effectively redressing the grievances of the public by taking the Government services to their doorsteps. Under the 'Uzhavar Padhukappu Thittam', 3.67 lakh beneficiaries have benefitted during 2017-2018 and Rs.248.48 crore has been distributed to them. An amount of Rs.269.82 crore has been provided in this Budget for this scheme. An amount of Rs.80 crore is allocated for the Accident Relief Scheme and Rs.18.37 crore for the Distress Relief Scheme. **In the Budget Estimates 2018-2019,**



**Rs.6,144.58 crore has been allocated for the Revenue Department.**

### **Agriculture**

Hon'ble Speaker Sir,

26) Agriculture being the primary occupation of substantial population of the State, this Government is taking concerted efforts to enhance farmers' income and farm productivity. The Food Grain Mission was launched in the State in 2012-2013 to increase food grain production by adopting modern technologies. The System of Rice Intensification (SRI) will be promoted in 10 lakh hectares during 2018-2019. The State procures paddy at the rate of Rs.1,600 per quintal for the common variety and Rs.1,660 per quintal for the fine variety. A sum of Rs.200 crore will be provided as production incentive to cover the difference between Minimum Support Price (MSP) and procurement price of paddy during 2018-2019. During 2017-2018, Intensive Pulses Production Programme has been promoted through village clusters and 85,000 hectare was additionally brought under pulses cultivation. In 2018-2019, multi-pronged initiatives will be taken to increase the productivity of pulses. **In order to sustain pulses production, like procuring paddy, this Government will directly procure red gram, black gram and green gram, from 2018-2019 directly from farmers**

**through Tamil Nadu Civil Supplies Corporation at Minimum Support Price. The State Government has fixed a target of 110 lakh metric tonnes of food grain production for the year 2018-2019.**

27) The Government is giving utmost priority to promote horticultural crops for diversifying crop husbandry and improving farmers' income. **The State Government has taken a pioneering initiative for improving the Supply Chain Management for perishables in ten districts at a cost of Rs.398.75 crore. This programme aims at strengthening 487 collection centres with 58 Primary Processing Centres covering 3,400 farming clusters. This scheme also covers on-farm development to increase the production and productivity of horticultural crops.** So far, Rs.123 crore has been spent under this scheme and Rs.175.75 crore has been provided in the Budget Estimates 2018-2019.

28) A strong and dynamic food processing sector plays a vital role in reducing wastage in the farm sector and enhancing value addition. **With the aim of creating a conducive environment for the healthy growth of the food processing industry, an exclusive Food Processing Policy will be unveiled in 2018-2019. Contract Farming Act will be enacted**

**soon to sustain agricultural production and promote agro-processing industries. Further, as a major initiative, it is proposed to set up an Ultra Mega Food Park on an extent of about 450 acres at Pelakuppam village near Tindivanam. In addition, Mega Food Parks will be set up in Theni, Virudhunagar, Thoothukudi, Erode, Cuddalore, Salem, Dindigul, Tirunelveli, Tiruvannamalai and Krishnagiri districts. These composite parks will evolve as hubs for food processing in fruits and vegetables, fisheries, dairy, poultry and meat by encouraging private investment and are expected to generate substantial employment in rural areas.**

29) The Sugar industry is cyclical in nature and is currently going through an extended phase of distress due to various factors like failure of monsoons, varietal degeneration, reduced recovery, decline in area under sugarcane and the resultant reduction in capacity utilization. This has, in turn, affected timely payments to farmers. While the major States like Maharashtra and Karnataka have migrated to a more progressive revenue sharing price fixation formula based on Dr.Rangarajan Committee's recommendations, our State continues to fix State Advisory Price (SAP) over and above the Fair and Remunerative Price (FRP). **To resolve this issue, the State has decided to switch over to the revenue sharing price fixation model from the current**

**season under which farmers will be assured of FRP and will also receive a share in the profits over and above the FRP. In order to facilitate this transition, the State Government will protect the interests of farmers, by assuring them of the present SAP of Rs.2,750 per metric tonne excluding transportation cost of Rs.100, by paying the difference between the present SAP and the price received under a new revenue sharing formula as transitional production incentive directly to the farmers. The sugar industries shall however continue to bear the transportation costs. An amount of Rs.200 crore is provided in the Budget Estimates 2018-2019 towards the transitional production incentive. In 2018-2019, a special scheme will be formulated and implemented, in consultation with sugar mills, to cover 55,000 acres by adopting Sustainable Sugarcane Initiative to improve sugarcane productivity and sugar recovery.**

30) This Government has launched the Mission on Sustainable Dry Land Agriculture in 2016-2017 for the development of 10 lakh hectares of dryland in 25 districts on cluster basis. Along with 400 clusters already formed during 2017-2018 at a cost of Rs.175.16 crore, **another 400 new clusters will be formed during 2018-2019 with a total outlay of Rs.321.16 crore. 'Collective Farming' programme was launched by this**

**Government in 2017-2018 for promoting the functional consolidation of holdings through collective farming operations by Farmers Interest Groups and Farmer Producer Companies. Since there are 391 Farmer Producer Companies already functioning in Tamil Nadu, this Government will promote 2,000 new Farmer Producer Groups covering two lakh small and marginal farmers at a cost of Rs.100.42 crore during 2018-2019. Of these, 500 groups will eventually be upgraded to 50 Farmer Producer Companies with financial support of Rs.10 crore. As yet another innovative initiative, this Government will launch 'Integrated Farming System' during 2018-2019 for promoting mixed farming practices by integrating farming with allied sector activities like animal husbandry, agro-forestry and aqua-culture. It is proposed to implement this programme on a pilot basis in five blocks, each covering 1,000 farmers. The Tamil Nadu Agricultural University (TNAU) and Tamil Nadu University for Veterinary & Animal Sciences (TANUVAS) will be the resource organizations to support this novel initiative. I hope that this initiative will help farmers to return to their traditional practice of sustainable farming. This scheme will be implemented at an estimated cost of Rs.50 crore.**

31) Mitigation of weather risk through crop insurance is a priority of this Government. During 2016-2017, a sum of Rs.565 crore has been released under the Pradhan Mantri Fasal Bima Yojana to insurance companies as State's share of premium subsidy and so far an amount of Rs.3,113 crore has been sanctioned as compensation claims to 10.15 lakh farmers. A sum of Rs.523 crore was provided as premium for the year 2017-2018. **During 2018-2019, steps will be taken to introduce computerization of the process of crop insurance for better transparency in the enrolment of farmers for crop insurance. An amount of Rs.632 crore has been provided in the Budget Estimates 2018-2019 towards the State's share of premium subsidy under this scheme.**

32) Farm mechanization and market integration continue to be the main planks of our agricultural strategy. This Government has promoted 1,106 Custom Hiring Centres for farm machinery since 2014-2015. **Another 500 centres will be supported in 2018-2019.** During 2017-2018, Rs.71 crore was provided for promoting farm mechanization. **For the year 2018-2019, Rs.150 crore has been provided for farm machinery.** Initially, e-trading was introduced for turmeric in the Perundurai Regulated Market of Erode district using Unified Market Platform. **Further e-trading facilities will be extended to 30 regulated markets**

**and 8 Cooperative Markets by integrating with e-National Agriculture Markets (eNAM). The Market infrastructure in these 38 markets will be strengthened at an outlay of Rs.159 crore.**

33) Tamil Nadu being a water scarce State, micro irrigation needs to be promoted extensively for both the agricultural and horticultural crops. **In 2017-2018, Rs.622 crore was provided for promoting Micro Irrigation. For the year 2018-2019, an amount of Rs.715 crore is provided for this purpose. Considering the importance of farm ponds in providing life saving irrigation to crops at the tail-end of Cauvery Delta and coastal areas, the Government will take up 10,000 more farm ponds at a cost of Rs.100 crore.**

34) This Government will also take up the following initiatives:

- ❖ **Tamil Nadu Cotton Cultivation Mission will be continued with an outlay of Rs.10.62 crore.**
- ❖ **An exclusive mobile application 'Uzhavan' will be launched for the use of farmers.**

- ❖ **A new 'Amma Green Park' will be developed at Guindy at a cost of Rs.20 crore.**
- ❖ **A new flower market complex will be developed at Hosur, Krishnagiri district.**
- ❖ **A maize processing unit will be set up at Mangalur, Cuddalore district.**
- ❖ **A post harvest processing unit for flowers will be established at Thoivalai.**

**35) Overall for the agricultural sector, a sum of Rs.8,916.25 crore is allocated in the Budget Estimates 2018-2019.**

#### **Animal Husbandry**

36) This Government will continue to implement the scheme of distribution of milch cows, sheep or goats free of cost. Since 2011, 75,398 poor women have been provided with one milch cow each and 8.71 lakh poor families have been provided with 34.85 lakh sheep or goats. In 2018-2019, it is proposed to distribute 12,000 milch cows and 6 lakh sheep or goats to 1.5 lakh beneficiaries under this scheme and for this purpose, Rs.248.58 crore has been provided in this budget. In addition, Rs.50 crore has been allocated in the budget



for poultry development and Rs.25 crore has been allocated for the Fodder Development schemes.

37) The Government has immensely improved the quality and availability of veterinary services that form the backbone of the Animal Husbandry sector in rural areas. **During 2018-2019, we propose to upgrade 100 sub-centres to Veterinary Dispensaries. Further, the Institute of Veterinary Preventive Medicine at Ranipet will be upgraded at a cost of Rs.10 crore.**

38) The dairy processing infrastructure of Aavin has been continuously strengthened and as a result, the average milk processing capacity of Aavin has increased from 32.57 lakh litres per day in 2011 to 43.36 lakh litres per day in 2017. The average per day milk procurement has also gone up from 21.37 lakh litres in 2011 to 29.64 lakh litres in 2017. Aavin is actively pursuing diversification of products and is thus working on value-addition activities. To give greater impetus to the dairy sector in the State, **dairy infrastructure will be augmented with loan support of Rs.500 crore from NABARD's Dairy Development Fund. In the Budget Estimates 2018-2019, Rs.1,227.69 crore and Rs.130.82 crore have been allocated for the Animal Husbandry and Dairy sectors respectively.**

**Fisheries**

39) The Government will continue to provide Rs.5,000 per family during the lean fishing season and Rs.5,000 per family during the fishing ban period to enable them to live with dignity. To augment fisheries infrastructure, new fishing harbours at Colachel, Thengapattinam and Chinna Muttam in Kanniyakumari district and Poompuhar in Nagapattinam district are being constructed at an estimated cost of Rs.423.34 crore. As the Central Government has not released its remaining share, the State Government has borne the balance amount of Rs.41.65 crore in addition to its share of Rs.182 crore so that these projects could be completed. Further, construction of the Mookaiyur Fishing Harbour at Ramanathapuram at a cost of Rs.113.90 crore is also in progress. **This Government will undertake the construction of fish landing centre at Kunthukal in Ramanathapuram district at a cost of Rs.70 crore and fishing harbours at Vellapallam and Tarangambadi in Nagapattinam district at a total cost of Rs.220 crore in the coming financial year. In 2018-2019, the Government will also take up the construction of fish landing centres at four locations, namely Kurumpanai, Pozhikarai, Kesavanputhenthurai and Pallam Thurai in Kanniyakumari district at a total cost of Rs.16 crore.**

40) The seamless communication project has been taken up at a cost of Rs.62.14 crore with World Bank assistance in 13 coastal districts. Under this project, VHF wireless sets are being distributed to traditional fishing boats and mechanized fishing vessels. This will establish seamless communication upto 60 nautical miles and will be operational before June 2018. **As a major step towards ensuring security of our fishermen sailing in deep sea in multi-day fishing vessels, beyond 60 nautical miles, the Government will provide high frequency communication sets at subsidized cost in a phased manner.** In the Budget Estimates 2018-2019, an amount of Rs.1,016.53 crore has been allocated for the Fisheries Department.

### **Cooperation**

41) Honourable Members may recall that the late Chief Minister Puratchi Thalaivi Amma had announced the waiver of all outstanding short-term crop loans, medium term (agriculture) loans and long term farm sector loans extended by co-operative institutions to small and marginal farmers. The total financial commitment of the State Government spread over five years is Rs.6,094.89 crore. Of this, Rs.3,664.76 crore has already been paid and an amount of Rs.883.71 crore has been provided in the Budget Estimates for 2018-2019.

**In the ensuing financial year, fresh crop loans to the tune of Rs.8,000 crore will be extended to farmers through cooperative institutions.**

### **Public Distribution System**

42) Despite adopting the National Food Security Act, 2013 with effect from 1<sup>st</sup> November 2016, the Government has retained the universal nature of the Public Distribution System (PDS) in Tamil Nadu. This has ensured a food safety net by supplying rice free of cost to 1.83 crore rice cardholders through 34,773 PDS shops. The State will continue to supply sugar, kerosene, tur / yellow lentil and edible oil at subsidized rates through PDS shops, besides supplying rice free of cost. To improve transparency in operations of the PDS and to plug leakages, the Government has issued Aadhaar linked smart cards to all families. **The Government has increased the allocations to co-operatives for reimbursing the loss incurred by rural and urban fair price shops from Rs.222.93 crore in the Budget Estimates 2017-2018 to Rs.437.69 crore in the Revised Estimates and further to Rs.460.17 crore in the Budget Estimates for 2018-2019. Besides this, an amount of Rs.6,000 crore has been provided in the Budget Estimates 2018-2019 for food subsidy.**

## **Environment and Forests**

43) The State Government is undertaking various activities at a cost of Rs.686 crore under the 'Tamil Nadu Biodiversity Conservation and Greening Project' for conserving biodiversity and uplifting the people living in villages on the fringes of forests. So far, Rs.469.40 crore has been spent for activities and Rs.86.57 crore has been provided in the Budget Estimates for 2018-2019. **In commemoration of the 70<sup>th</sup> birth anniversary of the late Chief Minister Puratchi Thalaivi Amma, the massive tree plantation scheme was launched on 24.02.2018 by the Hon'ble Prime Minister. Under this scheme, the Government will take up tree plantation in 7,000 acres in degraded forest areas to rejuvenate tree cover and convert them into dense forests as part of the Massive Tree Plantation Programme. This project will be taken up at a cost of Rs.21.43 crore in 2018-2019. Besides, tree plantation activities in Government lands and tank bunds will be continued using MGNREGS funds.**

44) **Under the National Adaptation Fund for Climate Change, in anticipation of funding from the Government of India, the Government will commence the eco-restoration of 695 hectares of Pallikaranai marsh lands which will be**

**implemented over five years from 2018-2019 to 2022-2023 at a project cost of Rs.165.68 crore.** In the Budget Estimates 2018-2019, Rs.25 crore has been allocated for this project. A sum of Rs.649.34 crore has been allocated for the Environment and Forests Department.

### **Water Resources and Irrigation**

45) This Government has revived the traditional practice of 'Kudimaramath' in mission mode since 2016-2017 with the aim of rejuvenating water bodies in the State. **An amount of Rs.300 crore has been allocated in the Budget Estimates 2018-2019 for Kudimaramath.** Hon'ble members may recall that the Hon'ble Chief Minister had earlier announced in this august House that the construction of check dams would be taken up at a cost of Rs.1,000 crore for improving groundwater recharge in the State. In 2017-2018, the Government has taken up the construction of check dams at a cost of Rs.200 crore with NABARD's loan assistance. **This Government will take up the construction of check dams at an estimate of Rs.250 crore during 2018-2019 with RIDF assistance from NABARD.**

46) With the aim of rehabilitating tanks and increasing groundwater recharge, this Government has taken up the second phase of the Irrigated Agriculture

Modernisation and Water-bodies Restoration and Management (IAMWARM) project with the financial assistance of the World Bank at the project cost of Rs.3,008 crore. Under this project, 66 sub-basins in 29 districts are being covered to rehabilitate 4,778 tanks and 477 anicuts, thereby benefiting 5.43 lakh hectares of ayacut lands. In the Budget Estimates for 2018-2019, an amount of Rs.655.29 crore has been allocated for the second phase of the IAMWARM project.

47) The 'Climate Change Adaptation Programme' is being implemented at a cost of Rs.960.66 crore with financial aid from the Asian Development Bank. This programme aims to mitigate the adverse impact of climate change in the Vennar sub-basin of the Cauvery delta and improve the drainage systems. So far, Rs.215.84 crore has been spent for this project, and Rs.437.41 crore has been allocated in the Budget 2018-2019 for this project.

48) The World Bank funded 'Dam Rehabilitation and Improvement Project' (DRIP) is under implementation in 89 dams in Tamil Nadu at a cost of Rs.745.49 crore. So far, works in 63 dams have been completed and works in 23 dams are under progress and expenditure of Rs.362.02 crore has been incurred. In the Budget Estimates for 2018-2019, Rs.166.08 crore has been allotted for the project.

49) **I am happy to inform this august House that 'Athikadavu - Avinashi drinking water supply-cum-irrigation scheme' will be sanctioned shortly at an estimated cost of Rs. 1,789 crore. This project will pump and lift 1.5 TMC feet of surplus water from downstream of Kalingarayan anicut to fill 32 PWD Tanks, 42 Panchayat Union tanks and 971 ponds in Coimbatore, Tiruppur and Erode districts. In the Budget Estimates for 2018-2019, Rs.250 crore has been allocated for the Athikadavu-Avinashi project.** As part of the intra-State river linkage project, the Government has spent a sum of Rs.349.36 crore so far for linking Tamiraparani river with Nambiyar river and Rs.100.88 crore has been allocated for this project in this Budget.

50) The Government has been continuously taking legal action in securing the legitimate rights of Tamil Nadu in inter-State river water disputes. This State Government has been continuously urging the Government of India to constitute the Cauvery Management Board and the Cauvery Water Regulation Committee within six weeks as per the orders of the Supreme Court. I am sure that the Government of India will implement the orders of the Supreme Court in true spirit.



51) In the Budget Estimates of 2018-2019, Rs.5,127.57 crore has been allocated for the Water Resources Department.

### **Highways**

52) Following the announcement made in 2011-2012 to widen all State Highways to at least two lanes and all Major District Roads (MDR) to at least intermediate lane width, the length of the State Highways with at least two lanes has been increased from 9,566 km in 2011 to 11,412 km in 2017 and that of Major District Roads (MDR) with intermediate lane has increased from 7,613 km in 2011 to 11,219 km in 2017.

**The remaining 54 km of State Highways and 34 km of MDRs will be taken up for widening at a cost of Rs.80 crore in the ensuing financial year to fulfill this objective.**

53) **Under the Comprehensive Road Infrastructure Development Programme (CRIDP), widening of 1,000 km of roads and improvement of 4,000 km of roads will be taken up in 2018-2019.** The Government has already brought the upgradation and maintenance of roads in Pollachi, Krishnagiri, Ramanathapuram, Tiruvallur and Virudhunagar divisions under the 'Performance Based Maintenance Contract' (PBMC) system. **In 2018-2019, the PBMC system will be extended to Palani Division. Allocation**

**under CRIDP has been substantially enhanced to Rs.3,800 crore in the Budget Estimates, considering the need for improving the quality of roads, by taking up renewal at regular intervals.** In addition, an amount of Rs.544 crore has been allocated for regular maintenance of roads in the Budget Estimates 2018-2019.

54) The Government has taken up works for upgrading 1,435.96 km of Panchayat Union Roads and Panchayat Roads at a cost of Rs.608 crore in 2017-2018 under the 'Programme for upgradation of rural roads'. **In 2018-2019, another 2,500 km length of roads will be taken up at a cost of Rs.1,000 crore. For this programme, Rs.675 crore has been provided in the Budget Estimates.**

55) The second phase of the Tamil Nadu Road Sector Project (TNRSP) has been taken up with the loan assistance of the World Bank at a cost of Rs.5,171 crore and the works are in progress. In 2017-2018, this Government has taken up strengthening and widening of the 45 km stretch in Tirunelveli-Senkottai-Kollam road at a cost of Rs. 413 crore and four laning of 71 km stretch in Oddanchathiram-Dharapuram-Avinashi at a cost of Rs.712 crore in Public-Private Partnership mode. An amount of Rs.482.84 crore has been allocated for the TNRSP in this Budget.

56) The Chennai-Kanniyakumari Industrial Corridor (CKIC), part of the East Coast Economic Corridor, has been envisaged to develop the coastal areas and the ports along the coast of Tamil Nadu. The Detailed Project Report for developing 14 roads with a length of 654.54 km at a cost of Rs.6,448.24 crore has been prepared as part of this corridor and is under the consideration of the Government of India for ADB's loan assistance. **The Government of India has approved the revised Detailed Project Report for the Chennai Peripheral Ring Road project at a cost of Rs.12,301 crore for funding from JICA.** Works for section-I of the proposed Chennai Peripheral Ring Road, namely the Northern Port Access Road from Ennore Port to Thatchur on NH-5 will commence shortly. An amount of Rs.200.60 crore has been allocated for this project in the Budget.

57) Under the Railway Works programme, this Government has taken up 60 Road Over Bridges (ROBs) since 2011 at a cost of Rs.1,436.66 crore and will undertake the construction of 6 ROBs in 2018-2019 at a cost of Rs.184 crore. During 2017-2018, 126 bridges at a cost of Rs.315 crore have been taken up with NABARD's assistance. In 2018-2019, the Government will take up 70 more bridges at an estimated cost of Rs.200 crore under the RIDF programme. **In the Budget Estimates 2018-2019, Rs.11,073.66 crore has been**

**provided for the Highways Department, which includes Rs.513.66 crore for the Railway Works programme and Rs.250 crore for the NABARD programme.**

### **Energy**

58) It was the visionary and firm leadership of the late Chief Minister Puratchi Thalaivi Amma that brought about a transformation in the State's power sector. The Government has added 10,777 MW of power generation capacity since 2011, which has made it possible to meet even the peak demand of 15,343 MW in the month of April 2016. The Government is taking persistent efforts to expedite the commissioning of ongoing power projects to meet the growing demand for power in the State. Works are in progress in the ongoing thermal power projects like 660 MW Ennore Expansion project, two units of 660 MW each in Ennore SEZ Project, 800 MW North Chennai Project Stage-III, two units of 800 MW each in Uppur Project and two units of 660 MW each in Stage-I in Udangudi Project.

59) This Government is steadfast in its efforts to tap the full potential of the State in the renewable energy sector and is continuously pursuing with the Union Government for the development of a dedicated Inter-State Green Energy Corridor to transmit surplus wind energy to energy deficit states. **Tamil Nadu**

**Energy Development Agency (TEDA) will enter into a Memorandum of Understanding (MoU) with the Government of India's Energy Efficiency Services Ltd (EESL). This step is expected to expedite the investment to the tune of Rs.11,000 crore in the renewable energy sector over the next three years.**

60) The 'Green Energy Corridor Project' is being actively implemented in the State with the aid of KfW at an estimated cost of Rs.1,593 crore, of which Rs.725 crore has already been spent. The 'Tamil Nadu Transmission System Improvement Project' is being implemented at a cost of Rs.5,014 crore with the assistance of JICA for upgrading the transmission capacity of the State. Allocation of Rs.258.21 crore and Rs.673 crore have been made in this Budget for these two projects respectively.

61) The takeover of Rs.22,815 crore debt from TANGEDCO in 2016-2017 under the Ujwal Discom Assurance Yojana (UDAY) by the Government has improved the financial position of TANGEDCO. The net loss of TANGEDCO is estimated to reduce from Rs.4,349 crore in 2016-2017 to Rs.2,975 crore in 2017-2018. For honouring the interest commitment of the State Government, Rs.1,779.42 crore has been provided in the Budget Estimates 2018-2019 and Rs.4,563 crore has been provided as grants for adjusting

the loans given to TANGEDCO. As part of the UDAY scheme, the Government has to takeover 10 percent of the losses suffered by TANGEDCO in 2017-2018 in the ensuing financial year, Rs.297.50 crore has been allocated in the Budget Estimates 2018-2019 for this purpose. In the Budget Estimates 2018-2019, an amount of Rs.13,964.08 crore has been provided for the Energy sector, which includes Rs.7,537.78 crore as power subsidy for agriculture and other purposes.

### **Transport**

62) This Government is committed to providing efficient and effective public bus transport system as it is the main mode of transport for the public. The general price rise and the increase in salary costs has adversely affected the operations of the State Transport Undertakings (STUs). In 2017-2018, the State Government released Rs.2,519.25 crore as special ways and means advance to the STUs to tide over the severely stressed financial position and settle the retirement benefit dues to pensioners, pending dues to existing employees and compensation dues to victims of road accidents. This was in addition to Rs.1,364.12 crore that was released as diesel subsidy, senior citizen subsidy, student concession subsidy and share capital assistance which were provided in the Budget Estimates 2017-2018. **Further, the existing Government debt to the**

**extent of Rs.3,001.47 crore of the STUs will be converted into share capital assistance in the financial year 2017-2018.**

**63) In 2018-2019, the State Government will infuse share capital of Rs.600 crore into the STUs for purchasing and inducting 3,000 new buses. With 2,000 new buses sanctioned during 2017-2018 and with these 3,000 new buses, we will be replacing all 4,593 old buses that have been in use for more than 10 years.** As a one-time measure, the Government is providing a ways and means advance of Rs.900 crore in this Budget to the STUs to settle their pending liabilities to financial institutions and staff commitments. An amount of Rs.2,717.34 crore has been allocated for the Transport Department, which includes Rs.799.25 crore as subsidy for free bus passes to students and senior citizens.

### **Chennai Metro Rail Project**

64) Chennai Metro Rail project has brought about a massive transformation in urban transportation in Chennai. As against the project cost of Rs.22,828 crore including Thiruvottriyur extension, expenditure to the tune of Rs.16,258.45 crore has been incurred so far. Considering its success, three metro rail corridors covering a total distance of 107.55 km under Phase-II of the Project have been proposed by the State Government

to the Government of India for its approval and for posing the same to JICA for funding. I am hopeful that the Central Government would accord approval to the Phase-II of the Chennai Metro Rail project early. The State Government has also initiated the process for preparation of Feasibility cum Detailed Project Report for the Metro Rail project in Coimbatore city. In the Budget Estimates, Rs.750 crore and Rs.1,000 crore have been allocated to provide share capital assistance and subordinate debt respectively for the Chennai Metro Rail project.

### **Tourism**

65) The efforts taken by the State Government have ensured that Tamil Nadu retained its top position in the country in 2016 also in attracting domestic tourists for the fourth consecutive year and international tourists for the third consecutive year. The first phase of the Tamil Nadu Infrastructure Development Investment Programme for Tourism has been completed with the loan assistance of Asian Development Bank (ADB). Initial preparatory works are underway for implementing the second phase of this project. In this phase, 14 packages have been sanctioned at a cost of Rs.288 crore and works will commence in 2018-2019. An amount of Rs.173.42 crore is provided in the Budget Estimates for Tourism Development.



### **Information Technology**

66) The State Government has established 8 IT Parks in Tamil Nadu, of which new IT parks at Salem and Hosur were inaugurated recently by the Hon'ble Chief Minister. For providing reliable and high-speed connectivity to the people living in rural areas, this Government will implement the Bharat Net Scheme to connect the villages with block headquarters through optical fibre network at an estimated cost of Rs.1,230 crore through Tamil Nadu Fibre Net Corporation. Similarly, the State headquarters will be connected with district headquarters and block headquarters through optical fibre network under the Tamilnet project in PPP mode. **TNSWAN Phase III project will be commenced soon at an estimate of Rs.443.64 crore to strengthen the IT network from State Headquarters to blocks.** An amount of Rs.158.11 crore is allocated for IT Sector in the Budget Estimates 2018-2019.

### **Industrial Development**

67) Tamil Nadu has always been at the forefront in industrial growth in the country. It is the priority of the Government to retain the State as a top investment destination by creating favourable eco-system to attract new investments and create new jobs. As a major structural reform initiative, the Hon'ble Chief Minister has

launched a single-window portal, which will enable investors to obtain the required clearances and renewals across 11 departments. The State has also enacted the Tamil Nadu Business Facilitation Act, 2018, to strengthen the single-window system by stipulating timelines for each approval and providing for deemed approval in respect of certain clearances. Concerted efforts are being taken to improve the ranking of the State on the ease of doing business index.

68) SIPCOT has already created a land-bank of 5,023 acres to promote new industrial units. It will develop additional land-bank of 9,030 acres to allot sufficient land to new investors. A special focus will be given for the development of industries in the southern parts of Tamil Nadu, especially along the Chennai-Kanniyakumari Industrial Corridor and the Madurai-Thoothukudi Industrial Corridor. Several initiatives have been taken by this Government to promote industrial investment like Aero Space Park at Vallam Vadagal in Kancheepuram district, TICEL Bio-Park at Coimbatore, Plastic Industrial Park at Ponneri and Medi Park at Chengalpattu. **Capitalizing on the well developed automobile sector, the Government will give a special emphasis to establish Aero Space Park and defense manufacturing corridor which is expected to attract Rs.10,000 crore investment.**

69) The first Global Investors Meet was successfully conducted in September 2015 under the leadership of Puratchi Thalaivi Amma. As against the total investment of Rs.2.42 lakh crore, for which 98 MoUs were signed, 62 projects are under implementation with a total investment of Rs.62,738 crore generating 96,341 jobs. **The State Government has proposed to conduct the second Global Investors Meet on 23<sup>rd</sup> and 24<sup>th</sup> January 2019.** The Government will continue the policy of extending structured package assistance for large investments. The package of assistance will be decided on a case by case basis depending upon the investment level, generation of employment opportunities and the potential to create ancillary and down-stream industries. **During 2017-2018, the State Government has disbursed Rs.1,600 crore as investment subsidy and this has been enhanced to Rs.2,000 crore for the year 2018-2019.**

#### **Micro, Small and Medium Enterprises**

70) There are 17.20 lakh registered Micro, Small and Medium Enterprises (MSME) units in Tamil Nadu. During the Global Investors Meet held in 2015, 10,073 Memoranda of Understanding (MoU) were signed with investors to start MSME units with an investment of Rs.16,533 crore. Out of these, 5,544 enterprises with an

investment of Rs.6,280 crore have commenced their production, creating an employment for 72,939 persons. **For constructing MSME units, plot coverage will be increased uniformly to 75 percent across the State and the Floor Space Index will be appropriately increased to facilitate optimum use of the allotted space. SIDCO will construct multi-storeyed worksheds for micro units at a cost of Rs.30 crore in Ambattur industrial estate. In necessary places, workers' hostels will be constructed by SIDCO to provide accommodation at affordable cost to MSME workers and will be run on PPP mode.**

71) The Government has created and established 105 industrial estates for motivating the MSME sector. The Government's pro-active measures to establish new industrial estates to promote MSMEs will continue. The Single Window Portal, now available to large industries is being customized for the MSMEs and will be launched shortly. The Tamil Nadu Business Facilitation Act and the Single Window Portal will complement each other and promote further development of the MSME sector. Further, the **Tamil Nadu Transparency in Tenders Act will be suitably amended to make 25 percent purchase preference to MSME mandatory in the procurement by Government and State Public Sector Undertakings.**

72) This Government's flagship scheme, the 'New Entrepreneurship-cum-Enterprise Development Scheme' (NEEDS), is a unique programme for promoting first generation entrepreneurs and since its inception in 2011, about 4,190 first generation entrepreneurs have benefitted. **Under this scheme, the ceiling limit for loan will be enhanced from Rs.1 crore to Rs.5 crore. However, the ceiling limit for subsidy will continue to be Rs.25 lakh.** In the Budget Estimates 2018-2019, Rs.100 crore has been provided for this scheme and Rs.540.66 crore has been provided for the MSME sector.

#### **Handlooms, Handicrafts, Textiles and Khadi**

73) A sum of Rs.490.45 crore has been provided for implementation of the scheme of 'Free Distribution of Sarees and Dhoties' in 2018-2019 to ensure continuous employment to handloom weavers in the State. The Government of India has imposed severe restrictions in providing Marketing Incentive to cooperative societies under the Integrated Handloom Development scheme. These restrictions are bound to adversely impact the handloom sector and therefore to counteract this, the State Government will enhance the allocation for the Rebate scheme. **This Government will launch a new 'Handloom Support Programme' to provide financial assistance for innovation and diversification of products in the handloom sector.**

**Budgetary allocation for the rebate on the sale of handloom cloth will be substantially increased from Rs.80 crore to Rs.150 crore and Rs.40 crore will be provided for the Handloom Support Programme. The Government will come up with a 'New Integrated Textile Policy' to sustain, strengthen and develop handloom, powerloom and knitwear and garment sectors. The policy will give special focus to sunrise sectors like technical textiles besides coming up with a comprehensive strategy to increase textile exports.**

74) The 'Market Development Assistance' scheme for promoting Khadi cloth produced by Sarvodaya Sangams will continue with an allocation of Rs.30 crore in the Budget 2018-2019. Allocation of Rs.1,240.72 crore for Handlooms and Textiles sectors and Rs.227.46 crore for Handicrafts and Khadi sectors have been provided in the Budget Estimates 2018-2019.

### **Rural Development**

75) The State Government is committed to providing road connectivity and other basic amenities to all rural habitations. **At present, 16 tribal habitations having a population of more than 500 people that remain unconnected by all-weather roads will be provided with road connectivity during 2018-2019.** Under the 'Pradhan Mantri Gram Sadak Yojana' (PMGSY),

improvement of 573 roads of length 1,367 km and construction of 22 bridges have been taken up in 2017-2018 at a cost of Rs.758.44 crore.

**The Government will take up the improvement of 769 roads of length 2,658.58 km and construction of 25 bridges at a cost of Rs.1,244.35 crore in 2018-2019 under the PMGSY.**

76) This Government has been implementing the 'Mahatma Gandhi National Rural Employment Guarantee Scheme' (MGNREGS) in letter and spirit and has been continuously appreciated by the Government of India for its good performance. In 2017-2018, so far, 22.77 crore person-days of employment has been generated and Rs.5,186.19 crore has been disbursed as wages to beneficiaries. Of these, 19.50 crore person-days have been on account of women participation. This has taken Tamil Nadu to the foremost position in the country in terms of women's participation in MGNREGS. In 2018-2019, the Government estimates that Rs.5,200 crore will be directly received as grants from the Government of India and Rs.1,000 crore has been provided as State's share in the Budget.

77) Hon'ble Members may recall that this Government had enhanced the development fund under the 'Member of Legislative Assembly Constituency Development Scheme' (MLACDS) from Rs.2 crore to

Rs.2.5 crore per MLA in 2017-2018. **In the Budget Estimates 2018-2019, a sum of Rs.587.50 crore has been provided for the MLACDS and a total amount of Rs.17,869.93 crore has been allocated for the Rural Development Department.**

### **Municipal Administration**

78) There is a growing demand for providing better amenities and upgrading infrastructure facilities in urban areas due to the increasing urbanisation in the State. **For providing basic amenities and upgrading urban infrastructure like roads, drinking water supply and sewerage facilities in the extended areas of Greater Chennai Corporation, the Government will re-launch the 'Chennai Mega City Development Mission' for which Rs.500 crore is being allocated in this Budget for 2018-2019. Similarly, for improving urban infrastructure facilities of towns and cities, which are not covered under the 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT) scheme, this Government have decided to re-launch the 'Integrated Urban Development Mission' (IUDM) from 2018-2019 and Rs.750 crore is allocated in this Budget for this purpose.**

79) Under the Government of India's 'Smart Cities Mission', the Union Government has



included the cities of Erode, Tiruppur, Thoothukudi, Tirunelveli and Tiruchirappalli in 2017-2018. With this inclusion, 11 cities of Tamil Nadu are now being funded under the Smart Cities Mission. Under this scheme, 198 projects have been sanctioned at a cost of Rs.15,213 crore, and works in 33 projects are under execution. The Central Government has released Rs.828 crore so far and the State's share of Rs.840 crore has also been released. In the Budget Estimates, Rs.1,400 crore has been provided for the Smart Cities scheme.

80) Under AMRUT scheme, 28 urban local bodies have been selected. So far, approval has been accorded for 428 infrastructure development works to be taken up in 28 towns at an estimated cost of Rs.11,498.41 crore. A sum of Rs.1,468.28 crore has been released including State's share, to the local bodies under this scheme. An amount of Rs.1,200 crore has been allocated for the AMRUT scheme in this Budget.

81) **The State will also be implementing the 'Tamil Nadu Urban Flagship Investment Programme' (TNUFIP) with the assistance of Asian Development Bank (ADB) at an estimated cost of Rs.4,790 crore for supporting urban local bodies to meet their financial commitments under the AMRUT scheme.** The programme is expected to be approved by

ADB soon. The State has been implementing the World Bank assisted 'Tamil Nadu Sustainable Urban Development Programme' (TNSUDP) since 2015 at a project cost of Rs.3,831 crore. Under this scheme, Rs.854.59 crore has been spent in 13 urban local bodies so far. In the Budget Estimates of 2018-2019, Rs.712.70 crore has been allocated for TNSUDP. **The Government will also take up the upgradation of 400 km length of roads at an estimated cost of Rs.200 crore in town panchayats with NABARD funding in 2018-2019.**

82) The Government has also been constructing underground sewerage systems (UGSS) in urban and peri-urban areas through TWAD Board and the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB). Consequently, 8 Corporations, 27 Municipalities and 3 Town Panchayats have functional UGSS at present. UGSS works are under progress in 11 Corporations, 21 Municipalities and 6 Town Panchayats. Currently, 38 UGSS projects are under implementation at a cost of Rs.5,844.70 crore. Similarly, CMWSSB is currently executing 13 UGSS works in Chennai city at a cost of Rs.704.26 crore and will take up UGSS works in newly added areas of the Greater Chennai Corporation in 2018-2019 at a cost of Rs.614.84 crore.

83) In the Budget Estimates 2018-2019, Rs.13,896.48 crore has been allocated for the Municipal Administration Department.

### **Water Supply**

84) Tamil Nadu Water Supply and Drainage Board (TWAD) is currently implementing 55 water supply schemes at an estimated cost of Rs.4,466 crore covering 2 corporations, 17 municipalities, 49 town panchayats and 14,218 rural villages thus benefitting a population of 101.67 lakh. Water supply projects are under implementation in 27 added areas in Chennai at a cost of Rs.599.66 crore. Under AMRUT, 7 water supply schemes covering 5 corporations and 2 municipalities have been taken up at an estimated cost of Rs.1,823.60 crore benefitting a population of 23.17 lakh.

85) Despite the reduction in allocation by the Government of India for the 'National Rural Drinking Water Programme' (NRDWP), the State Government is implementing water supply projects with NABARD's loan assistance. During 2017-2018, works have been taken up for Rs.300 crore under the NRDWP, for Rs.186 crore under the Minimum Needs Programme (MNP) and for Rs.600 crore under the NABARD's RIDF. **In the Budget Estimates 2018-2019, Rs.300 crore, Rs.186 crore and Rs.600 crore have been allocated for the**

**NRDWP, MNP and NABARD funded works respectively.**

**86) Totally, Rs.1,853.38 crore is provided in the Budget Estimates for provision of drinking water.**

#### **Housing for the poor**

87) This Government lives by the vision of the late Chief Minister Puratchi Thalaivi Amma to create hut-free villages and slum-free cities in Tamil Nadu. This Government has sanctioned the construction of 1.30 lakh houses in 2017-2018 at a cost of Rs.2,276 crore, with part funding of Rs.975 crore from Government of India under the Pradhan Mantri Awas Yojana (PMAY-Gramin). **In 2018-2019, another 1.30 lakh houses will be constructed at an estimated cost of Rs.2,276 crore. Further, 20,000 houses will be taken up under the 'Chief Minister's Solar Powered Green House Scheme' at a cost of Rs.420 crore. An amount of Rs.2,696.14 crore has been allocated for the rural housing schemes in the Budget Estimates 2018-2019.**

88) The Tamil Nadu Slum Clearance Board (TNSCB) has made an assessment that 13.92 lakh poor families living in urban areas would require housing

before 2023. So far, construction of 4.25 lakh tenements and housing units has been taken up at a cost of Rs.16,776.04 crore under the 'Housing for All - Pradhan Mantri Awas Yojana (PMAY-Urban)'. Of the total sanctioned cost, the Government of India's commitment is Rs.6,373.29 crore of which, Rs.1,497.97 crore has been released so far for this purpose. During 2018-2019, it is proposed to take up construction of 1 lakh more dwelling units. **A sum of Rs.2,301.30 crore has been allocated in the Budget Estimates 2018-2019 for Housing for All – PMAY Urban.**

89) The Tamil Nadu Housing Board (TNHB) has completed the construction of 4,746 units in 2017-2018 at a cost of Rs.1,278.87 crore. **In 2018-2019, the TNHB will take up the construction of 20,095 housing units at an estimated cost of Rs.2,894.63 crore for Lower Income Groups (LIG) and Economically Weaker Sections (EWS).**

#### **Mission for a clean Tamil Nadu**

90) Under the Swachh Bharat Mission (Gramin), this Government has so far completed the construction of 45.63 lakh individual toilets at a cost of Rs.4,975.52 crore. During 2017-2018, this Government has taken up construction of 19.42 lakh individual toilets at an estimate of Rs.2,528.54 crore. 17 Districts in the State have been declared as Open Defecation Free

(ODF), with every household having a functional toilet. Tamil Nadu will be declared as an Open Defecation Free State under the Swachh Bharat Mission (Gramin) by the end of the current financial year, 2017-2018. An allocation of Rs.1,074 crore is made for Swachh Bharat Mission (Gramin) in the Budget Estimates 2018-2019.

91) The Government has assessed that 4.37 lakh individual toilets will have to be provided in town Panchayats, Municipalities and Corporations in the State. Under the Swachh Bharat Mission (Urban), 1.56 lakh individual toilets in 2016-2017 and 2.27 lakh toilets in 2017-2018 have been constructed and another 54,278 toilets are under construction. The Government of India has so far declared 11 Corporations, 93 municipalities and 60 town Panchayats as Open Defecation Free in this State. By October 2018, the targeted number of 4.37 lakh toilets will be built. An allocation of Rs.550 crore is provided under Swachh Bharat Mission (Urban) in the Budget Estimates 2018-2019.

### **Urban Development**

92) The Government is keen to promote planned development of urban areas. In the first phase, the Government has completed the preparation of master plans for six planning areas viz., Tiruchirappalli, Madurai,

Coimbatore, Erode, Tiruppur and Hosur, covering 7,979 square km. The Government will now prepare regional plans for the whole State, dividing the State into 9 zones. The regional plan for the Coimbatore region will be prepared with technical assistance from the German Government's GIZ agency and those for the Madurai, Thoothukudi and Tirunelveli regions will be prepared with the assistance of ADB under the Chennai- Kanniyakumari Industrial corridor project.

### **Elections to Local Bodies**

93) The elections to local bodies in the State have been delayed due to various litigations and also on account of the process of delimitation of territorial wards of local bodies being undertaken by the Tamil Nadu Delimitation Commission, based on 2011 Census. After the completion of the delimitation process, the State Election Commission will be in a position to notify the elections to the local bodies. However, in the Budget Estimates, Rs.172.27 crore has been allocated for conducting the local body elections.

### **Devolution to Local Bodies**

94) During 2018-2019, a sum of Rs.5,980.33 crore and Rs.4,834.75 crore will be devolved to the rural and urban local bodies respectively, as per the State Finance Commission's recommendations. Similarly, based

on the Central Finance Commission's recommendations, Rs.1,975.07 crore and Rs.1,877.10 crore will be devolved to the rural and urban local bodies respectively.

### **Health and Family Welfare**

95) Tamil Nadu has always been a forerunner in providing affordable and quality health care to its people by strengthening the physical infrastructure and providing adequate human resources at all three levels of public healthcare – primary, secondary and tertiary. Due to these concerted efforts, the major health indicators of the State have been steadily improving. The Infant Mortality Rate (IMR) has been reduced to 17 in 2016 from 24 per 1,000 live births in 2010 and is now the second best in the country. Against the national target for Maternal Mortality Ratio (MMR) of 109 per lakh live births, the State has already achieved MMR of 62 in the year 2016-2017 as per our State records. I am happy to note that institutional deliveries in Tamil Nadu have reached the level of 99 percent.

96) The State's effective public healthcare system rests on the strong foundation of its dedicated doctors and trained medical personnel. **With the aim of further improving the availability of medical doctors, another 345 MBBS seats will be created in Government Medical Colleges at Tirunelveli,**



**Madurai, Kanniyakumari and Coimbatore in the coming financial years.**

97) The 'Chief Minister's Comprehensive Health Insurance Scheme' (CMCHIS), a flagship programme of this Government has been able to provide state-of-the-art treatment to the needy in both Government and private hospitals. This initiative has enabled the State to achieve the goal of universal health care. This scheme will be suitably dovetailed with the National Health Protection Scheme under Ayushman Bharat programme that has been recently announced by the Government of India. An amount of Rs.1,361.60 crore has been provided in the Budget Estimates 2018-2019 for the 'Chief Minister's Comprehensive Health Insurance Scheme'.

98) This Government has taken concerted efforts to systematically upgrade secondary and tertiary hospitals. To carry them forward,

- ❖ **Two Linear Accelerators, 6 CT Scans and 4 MRI Scans will be provided at a cost of Rs.66.50 crore to Government Medical College Hospitals and Government Hospitals.**
- ❖ **Accident and Trauma Care Centres will be established in Ponneri and**

**Nazarethpettai at a total cost of Rs.24 crore.**

- ❖ **New Cobalt units for cancer therapy will be established in Government Medical College Hospitals at Villupuram, Dharmapuri, Thiruvannamalai and Pudukottai at a cost of Rs.34 crore and the existing Cobalt units will be replaced in 10 Government Medical College Hospitals at a cost of Rs.35 crore.**
- ❖ **Comprehensive Emergency Obstetric and Newborn Care (CEmONC) Centres at Government RSRM Hospital, Chennai, Thiruvarur Medical College, Kanniyakumari Medical College and Theni Medical College Hospitals will be upgraded at a total cost of Rs.48 crore.**
- ❖ **Maternal and Child Health wing will be established in 4 District Headquarters Hospitals at Virudhunagar, Kancheepuram, Thirupathur and Ramanathapuram at a total cost of Rs.80 crore.**
- ❖ **Another 6 Cath Labs will be sanctioned to the Government Medical College**

**Hospitals at Villupuram, Dharmapuri, Kanniyakumari, Thoothukudi, Theni and Thiruvavarur at a cost of Rs.21 crore for providing Cardiac and Neuro care services to the poor people.**

**In the Budget Estimates 2018-2019, Rs.1,551.22 crore has been allocated for the National Health Mission.**

99) Under the 'Dr. Muthulakshmi Reddy Maternity Benefit Scheme', aimed at reducing IMR and MMR, the State Government has already enhanced the assistance from Rs.12,000 to Rs.18,000 per beneficiary. **An amount of Rs.4,000 from this assistance will be used for providing 'Amma Maternity Nutrition Kit', comprising iron tonic and nutrition supplements to reduce anaemia amongst pregnant women and improve the birth weights of infants.** In the Budget Estimates of 2018-2019, Rs.1,001.33 crore has been allocated for this flagship scheme. This Government will continue to implement the 'Amma Baby Care Kit' and the 'Amma Magapperu Sanjeevi' schemes. Besides, an amount of Rs.60.58 crore has been provided for the implementation of sanitary napkin distribution scheme under the Menstrual Hygiene Programme.

100) The State is preparing a Detailed Project Report (DPR) for seeking World Bank's loan assistance for the second phase of the 'Tamil Nadu Health Systems Project' with a project cost of Rs.2,685.91 crore for strengthening various public healthcare institutions in the State. This Government is also implementing the 'Tamil Nadu Urban Health Care Project' with JICA assistance at a cost of Rs.1,634 crore for improving the access for the poor and the disadvantaged to the Government health facilities in urban areas. The health infrastructure, including buildings and high-tech equipment in 11 Government Medical College Hospitals and 10 other district-level hospitals will be upgraded under this project. An amount of Rs.100 crore has been provided for this project in this Budget.

101) In this Budget Estimates 2018-2019, Rs.11,638.44 crore is allocated for Health Department.

### **School Education**

102) The Government is committed to improving the accessibility of schools for all children and the quality of education. In 2016-2017 and 2017-2018, this Government has opened 6 new primary schools and upgraded 4 primary schools into middle schools, 169 middle schools into high schools and 102 high schools into higher secondary schools. **In 2018-2019, this Government will upgrade 100 middle schools**

**into high schools and 100 high schools into higher secondary schools. The Government has also identified 33,519 out- of-school children who will be brought under the mainstream education during 2018-2019.**

103) The school curriculum is being revised in consultation with various boards including the Central Board for Secondary Education (CBSE) for tackling the growing challenges. This Government will refurbish the existing libraries in all high schools and higher secondary schools to inculcate reading habit among students. **In 2018-2019, this Government will take up strengthening of school infrastructure with NABARD's loan assistance at a cost of Rs.200 crore and Rs.333.36 crore has been provided in the Budget Estimates for 2018-2019 for the development of school infrastructure.** For maintaining school toilets hygienically, local bodies have contributed Rs.54.50 crore in 2017-2018 and this scheme will continue in the ensuing financial year also.

104) With the noble intention of imparting quality education to all children, students are being provided four sets of uniforms, school bags, footwear, study materials including notebooks, textbooks and geometry boxes, cycles and bus passes free of cost. **In the Budget Estimates 2018-2019, Rs.1,653.89 crore**

**has been allocated for these welfare schemes.** As a measure to reduce drop-out rates in classes X, XI and XII, a special cash incentive of Rs.5,000 is being extended to all students studying in Government and Government aided schools. An amount of Rs.313.58 crore has been allocated in this Budget for this purpose.

105) The Government has taken many initiatives to leverage technology for improving conceptual learning of students. Virtual Classrooms have been already established in 770 high and higher secondary schools. Smart classrooms are being provided to 3,000 primary and middle schools at a cost of Rs.60 crore. In this financial year, Hi-Tech labs with 10 to 20 computers are being set up in 3,090 High Schools and 2,939 Higher Secondary Schools at a cost of Rs.462.60 crore. This will ensure that every Government High and Higher Secondary school will have Hi-Tech Lab. **A sum of Rs.758 crore has been allocated in this Budget for providing laptops to school students during 2018-2019.**

106) The Sarva Shiksha Abhiyan (SSA) and Rashtriya Madhyamik Shiksha Abhiyan (RMSA) are being successfully implemented by the State Government, despite the fact that the Government of India has not yet released the pending arrear claims of the previous years

of Rs.1,312.04 crore and Rs.934.10 crore towards SSA and RMSA respectively. Allocations of Rs.1,750 crore and Rs.850 crore have been made for SSA and RMSA respectively in the Budget Estimates 2018-2019. For the effective implementation of the 'Right of Children to Free and Compulsory Education Act', Rs.200.70 crore has been provided for 2018-2019.

**107) In the Budget Estimates of 2018-2019, Rs.27,205.88 crore has been allocated for School Education Department.**

### **Higher Education**

108) The Government is committed to improving the accessibility, affordability and quality of higher education. The efforts taken by this Government to promote higher education in Tamil Nadu has enabled the State to achieve the *numero uno* status in the country with the Gross Enrolment Ratio (GER) in higher education at 46.90. In 2017-2018, this Government has sanctioned eight new Government Arts and Science colleges, three new University constituent Arts and Science Colleges and one new Government polytechnic college at a cost of Rs.186.87 crore. The Government has also introduced 271 new courses in Government Arts and Science colleges and sanctioned 89 new courses to University constituent colleges in 2017-2018. For strengthening the infrastructure of Government arts

and science colleges, this Government has taken up the construction of 862 classrooms and 172 laboratories at a cost of Rs.210 crore. **During the ensuing financial year, the heritage buildings at Government arts and science college in Kumbakonam, Victoria Hostel in Presidency college and Queen Mary's college in Chennai will be restored at a cost of Rs.26 crore.**

109) This Government is implementing the scheme of reimbursement of tuition fees to first generation graduate students to improve access to higher education for the educationally backward families. In 2017-2018, 2.17 lakh students have benefitted from this scheme and Rs.682.87 crore has been provided in the Budget Estimates 2018-2019. **This Government has decided to revise the block grants from 2018-2019, to Universities which has not been revised for several years. The Government has allocated Rs.500.65 crore for providing grants to Universities, including Rs.250 crore for Annamalai University.** In the Budget Estimates 2018-2019, Rs.4,620.20 crore has been allocated for the Higher Education Department.

### **Youth Welfare and Sports Development**

110) In the current year, Rs.5.52 crore has been disbursed as incentive to the National and International



award winners and their coaches. A Centre of Excellence in Sports Biomechanics is being established at a cost of Rs.13.12 crore in the Tamil Nadu Physical Education and Sports University. In the Budget Estimates of 2018-2019, Rs.191.18 crore has been allocated for the Youth Welfare and Sports Development Department.

### **Adi-Dravidar and Tribal Welfare**

111) There are 1,324 Adi-Dravidar hostels with a strength of 98,539 students, 42 Tribal hostels with a strength of 2,782 students and 314 Government Tribal Residential (GTR) schools with 27,652 students functioning in the State. This Government is constructing new buildings for these hostels and schools to improve the facilities. **Another 19 new hostel buildings will be constructed at a cost of Rs.46 crore in 2018-2019.** The Government has enhanced the monthly food charges of school hostel boarders from Rs.755 to Rs.900 and college hostel boarders from Rs.875 to Rs.1,000 in 2017-2018. In the Budget Estimates 2018-2019, Rs.32.20 crore and Rs.118.48 crore have been provided for constructing hostel buildings and for food charges respectively.

112) In 2017-2018, Rs.98 crore has been provided as scholarships to 3.60 lakh students under the pre-matric scholarship scheme. Despite the huge arrears of Rs.1,546.88 crore awaiting release by the Government

of India, this Government has been providing post-matric scholarships to students to enable them to pursue higher education without any financial obstacle. In 2017-2018, 8.75 lakh students have benefitted from the post-matric scholarship scheme. **In the Budget Estimates 2018-2019, Rs.129.16 crore and Rs.1,838.24 crore have been allocated for the pre-matric and post-matric scholarship schemes. In the Budget Estimates 2018-2019, Rs.71.01 crore has been provided for the free bicycle scheme, and Rs.150 crore has been provided for extending Special Central Assistance. Considering the importance of providing basic amenities to Adi-Dravidar habitations, Rs.100 crore will be set apart every year from devolution grants to rural local bodies to execute such works from 2018-2019.**

113) Under the 'Comprehensive Tribal Development Programme' (CTDP), the Government has taken up infrastructure development activities in tribal areas and has been providing financial assistance to tribal families for taking up income-generating activities by allocating Rs.50 crore annually. **In the Budget Estimates 2018-2019, Rs.3,207.04 crore has been allocated for the Adi-Dravidar Welfare Department and Rs.333.82 crore has been allocated for the Tribal Welfare Department.**

**Welfare of Backward Classes, Most Backward Classes and Denotified Communities**

114) The Government is resolute in its commitment to ensuring the well-being and development of the Backward Classes, Most Backward Classes and Denotified Communities. The scheme of providing bicycles free of cost to the students belonging to these communities and studying in class XI in Government and Government aided schools will continue in 2018-2019 with a budgetary allocation of Rs.229.98 crore. The Government has sanctioned Rs.13.07 crore in 2017-2018 to improve infrastructure facilities in Kallar Reclamation Schools with NABARD's loan assistance and the works are in progress. In the Budget Estimates 2018-2019, Rs.20.10 crore and Rs.80.37 crore have been provided for construction of hostels and for food charges respectively. In the Budget Estimates 2018-2019, Rs.972.86 crore has been allocated for the Department of Backward classes, Most Backward classes and De-notified Communities Welfare.

**Labour welfare**

115) There are 17 unorganised workers' welfare boards including the Tamil Nadu Construction Workers' Welfare Board. So far, 68.52 lakh workers have been registered under the various unorganised workers' welfare boards in the State, including 17,949 migrant

members who have been registered with the Construction Workers Welfare Board. In 2017-2018, an amount of Rs.54.38 crore has been distributed to the members of these boards as welfare assistance. An online portal has been developed to facilitate easy registration and availing of welfare assistance. An allocation of Rs.87.80 crore has been made in this Budget for grants to Unorganised Workers' Welfare Boards.

### **Social Security**

116) The Government is committed to ensuring social security net to all vulnerable and poor sections of the society by providing Rs.1,000 per month to senior citizens, widows, destitute, differently abled and transgenders. **While 29.18 lakh persons are now benefitting under this scheme, as a one-time measure, to clear all the pending petitions of eligible persons, the ceiling of sanction will be increased to 29.80 lakh persons. Therefore, all the qualified persons will be able to receive social security pension.** In this Budget, Rs.3,881.66 crore has been allocated for these social security pensions.

### **Women and Child Welfare**

117) The pioneering schemes launched by Puratchi Thalaivi Amma, the 'Cradle Baby Scheme' and the

'Girl Child Protection scheme' have contributed significantly to reducing the female infanticide and foeticide in the State. In the Budget Estimates 2018-2019, Rs.140.50 crore has been allotted for these schemes. Under the marriage assistance schemes, this Government is giving eight gram gold coin for Thirumangalyam and cash assistance of Rs.25,000 to non-graduates and Rs.50,000 to graduates and diploma holders. **An amount of Rs.724 crore has been provided in the Budget Estimates for 2018-2019 for these Marriage Assistance schemes.**

118) The Hon'ble Prime Minister recently launched the 'Amma Two Wheeler subsidy assistance scheme' on 24.02.2018 in the presence of Hon'ble Chief Minister for empowering working women by improving their mobility, under which they are being provided 50 percent subsidy not exceeding Rs.25,000 per beneficiary to purchase two wheelers. In 2017-2018, the Government has distributed subsidy to 5,306 women against one lakh beneficiaries. **The remaining will be covered during 2018-2019 along with an additional one lakh beneficiaries. An amount of Rs.250 crore has been provided in the Budget Estimates.**

119) This Government will continue to implement the 'Puratchi Thalaivar MGR Nutritious Meal Programme' through 43,143 noon meals centres. In the Budget

Estimates, Rs.1,747.72 crore and Rs.2,146.30 crore have been allocated for the Nutritious Meal programme and the ICDS scheme respectively. An amount of Rs.100.71 crore is provided for the Integrated Child Protection Scheme (ICPS). In the Budget Estimates for 2018-2019, Rs.5,611.62 crore has been allocated for the Social Welfare Department.

### **Welfare of Government Employees and Pensioners**

120) The Government has revised the pay and allowances of Government employees and pension for pensioners based on the report of the Officials Committee with effect from 1<sup>st</sup> October 2017. This entails an increased financial commitment of Rs.14,718.90 crore per annum. In the Budget Estimates 2018-2019, Rs.260 crore has been allocated for the payment of premium towards the New Health Insurance Scheme for employees and Rs.126.25 crore for the New Health Insurance Scheme for pensioners. In the Budget Estimates 2018-2019, Rs.25,362.20 crore has been allocated for pensions and other retirement benefits.

### **Welfare of Sri Lankan Tamil Refugees**

121) This Government has been extending various social welfare schemes like social security pensions, marriage assistance and health insurance schemes to the Sri Lankan Tamils living in refugee camps. In the Budget

Estimates, Rs.109.42 crore has been provided for the welfare of Sri Lankan Tamil refugees.

### **Welfare of the Differently Abled**

122) The Government is running 435 special schools and 42 vocational training centres for the differently abled. **In accordance with the Rights of Persons with Disabilities Act 2016, a state fund will be constituted for the differently abled persons with an allocation of Rs.10 crore. A statewide survey of persons with disabilities will be undertaken to create a dynamic database for designing specific welfare programmes to enable them to lead a secure life. Motorised mobility assistive devices have been sanctioned for the first time to 1,000 persons affected by muscular dystrophy and paraplegia during the current year. In the ensuing financial year, these motorised mobility assistive devices will be sanctioned to another 2,000 beneficiaries at a cost of Rs.13 crore. Further, another 2,000 retrofitted scooters will be distributed to the differently abled persons at a cost of Rs.12 crore. The present margin money subsidy will be enhanced from Rs.10,000 to Rs.25,000 to encourage self-employment of differently abled persons and the number of beneficiaries under this scheme will be doubled**

**from the present level of 1,000 per year to 2,000 per year.** In the Budget Estimates 2018-2019, Rs.545.21 crore has been allocated for the Welfare of Differently Abled Department.

### **Welfare of the Minorities**

123) The Government has introduced a scheme to provide grants for repair and renovation of churches from 2016-2017 and has also enhanced the annual grant for Tamil Nadu Waqf Board from Rs.1 crore to Rs.2 crore from 2017-2018. **A working women hostel will be constructed for working Muslim women on the place owned by Waqf Board in Chennai with Government's financial assistance in the ensuing financial year.** During 2017-2018, Tamil Nadu Minorities Economic Development Corporation (TAMCO) has given loans of Rs.28.52 crore to 5,699 beneficiaries for economic development of minorities. In 2018-2019, economic development assistance to the tune of Rs.35 crore will be disbursed by TAMCO.

## **PART - B**

### **Resources for financing the Budget**

Hon'ble Speaker Sir,

124) We will now look into the resources that have been identified to finance the various expenditure items envisaged in the Budget 2018-2019.



125) The State's Own Tax Revenue (SOTR) constitutes the major part of the revenue receipts of the State. As mentioned earlier, the national and the State economies are recovering slowly from the stagnation and this is expected to have a positive impact on the growth of SOTR.

126) Commercial Taxes is the largest contributor to the State's own tax revenues. With respect to the receipts under the GST, the State receives revenues under the State Goods and Services Tax (SGST) and the Inter-State Goods and Services Tax (IGST), which directly form part of the Commercial Tax revenues. The GST Compensation is released as a grant from the Government of India and so forms part of the Grants-in-Aid. The Sales Tax on petrol and diesel, tax on the sale of IMFL form the other important sources of revenue under Commercial Taxes. Considering the above factors, revenue from Commercial Taxes has been estimated at Rs.75,264.99 crore in the Revised Estimates 2017-2018, and at Rs.86,858.59 crore in the Budget Estimates 2018-2019.

127) Considering the slow growth in State Excise, the Excise Duty collection has been projected at Rs.6,488.41 crore in the Revised Estimates 2017-2018 and at Rs.6,997.83 crore in the Budget Estimates 2018-2019. The downward revision of guideline value

and the simultaneous increase in the registration fee has had a positive impact on the revenue collections from the Stamp Duty and Registration Fees. As a result, the receipts under the Stamp Duty and Registration Fees have been estimated to be Rs.9,806.97 crore in the Revised Estimates 2017-2018 and Rs.10,935.67 crore in the Budget Estimates 2018-2019. The revenue from Motor Vehicle Taxes is estimated to be at Rs.6,211.74 crore during 2018-2019.

128) Keeping in view the above projections, the SOTR has been revised to Rs.98,693.24 crore in the Revised Estimates 2017-2018 and has been projected at Rs.1,12,616.41 crore in the Budget Estimates 2018-2019. The receipts under the State's Own Non-Tax Revenue have been estimated at Rs.11,301.11 crore in 2018-2019.

129) The reduction of share in the horizontal devolution for Tamil Nadu from 4.969 percent to 4.023 percent based on the recommendations of 14<sup>th</sup> Finance Commission's continues to have adverse impact on the fiscal resources of the State. Citing the increase in the vertical devolutionary share from 32 percent to 42 percent, the Government of India has drastically reduced its share in the Centrally Sponsored Schemes. However, the increase in vertical devolutionary share has not provided Tamil Nadu with any additional

fiscal space and therefore the State Government has to provide resources from its own revenues for implementing the Centrally Sponsored Schemes.

130) The Central Taxes generally have an average growth of 15 percent per annum and the devolution to the States is bound to increase as the Central taxes grow. The 14<sup>th</sup> Finance Commission recommended a devolution of Rs.1.59 lakh crore to Tamil Nadu for the five year period commencing from 2015-2016 to 2019-2020, as against the devolution of Rs.72,070 crore recommended during the 13<sup>th</sup> Finance Commission period from 2010-2011 to 2014-2015. This is an increase of only 121 percent as against the average increase of 173 percent at the All India level. Similarly placed States like Karnataka, Maharashtra, Odisha and Rajasthan, which had received devolution comparable to Tamil Nadu during the 13<sup>th</sup> Finance Commission period, have now got an increase in devolution to the tune of 198%, 191%, 166% and 157% respectively. Further, this increase in devolution is only a recommendation by the 14<sup>th</sup> Finance Commission, but in reality, the State has been receiving much lower levels of Central funding. For instance, in the first three years of the 14<sup>th</sup> Finance Commission, i.e., 2015-2016, 2016-2017 and 2017-2018, Tamil Nadu will receive a devolutionary grant of Rs.72,234.28 crore as against the recommended grant of Rs.81,570 crore. This receipt by Tamil Nadu in first three years of

14<sup>th</sup> Finance Commission compared to the first three years of 13<sup>th</sup> Finance Commission period shows an increase of 89.35 percent only. However, the corresponding average increase at the All India level is 134.02 percent. On the contrary, there has been huge increases in the devolution to other States like 155.14 percent to Karnataka, 127.59 percent to undivided Andhra Pradesh, 148.93 percent to Maharashtra, 137.70 percent to Gujarat and 149.82 percent to Kerala. It is solely on this ground of unfair treatment meted out to Tamil Nadu that we have been pressing the Government of India for an adhoc allocation in the form of special compensation. However, the Central Government has not responded positively to this request so far. Taking all this into account, in the Revised Estimates, the share in Central Taxes has been estimated at Rs.27,099.72 crore during 2017-2018 and Rs.31,707.09 crore in the Budget Estimates 2018-2019. Similarly, the Grants-in-Aid, including GST compensation have been estimated at Rs.19,264.60 crore in the Revised Estimates 2017-2018 and Rs.20,626.87 crore in the Budget Estimates 2018-2019.

### **Fiscal Indicators**

131) While the Total Revenue Receipts (TRR) of the State have been projected at Rs.1,55,824.70 crore in the Revised Estimates 2017-2018, the revenue

expenditure is estimated to be Rs.1,74,194.97 crore, leaving the revenue deficit at Rs.18,370.27 crore. Taking the pay revision into account, salaries and allowances are estimated to be Rs.52,171.18 crore and pension and other retirement benefits are estimated to be Rs.25,362.20 crore in the Budget Estimates 2018-2019. Thus the total revenue receipts are projected to be Rs.1,76,251.48 crore and the total revenue expenditure is projected to be Rs.1,93,742.06 crore during 2018-2019, leaving a revenue deficit of Rs.17,490.58 crore.

132) In the Budget Estimates 2018-2019, the capital expenditure has been estimated at Rs.28,282.76 crore, and the fiscal deficit has been projected to be at Rs.44,480.73 crore, which is about 2.79 percent of GSDP. It is estimated that Rs.43,962.48 crore would be raised as net borrowings during 2018-2019, as against the permissible limit of Rs.47,887.59 crore. The net outstanding debt at the end of 31<sup>st</sup> March, 2019 will be Rs.3,55,844.84 crore and the Debt-GSDP ratio will be 22.29 percent which is well below the Debt-GSDP norm of 25 percent.

133) The Medium Term Fiscal Plan has been given as an annexure to this Budget Speech and I request that this may be taken as read as part of this speech.

134) We are aware that the public aspirations are very high but resource constraints continue to persist. This Government has overcome two major obstacles viz., implementation of UDAY scheme and pay panel recommendations amidst these financially challenging times. The silver lining in the dark cloud is that there are signs of economic revival. This is expected to improve our resources and the present revenue deficit, which is largely due to the additional expenditures arising out of UDAY scheme and pay panel implementation, is expected to narrow down in the coming years. This implies that our borrowing is expected to be brought under control and more resources will be made available for welfare schemes and development expenditure. This will enable us to accelerate economic development and ensure that the State continues in the path leading to prosperity.

Hon'ble Speaker Sir,

135) Fifty years ago, on 6<sup>th</sup> March 1967, our great Tamil leader Perarignar Anna took oath as Chief Minister of Tamil Nadu sowing the seed for Dravidian rule. Certain political critics with myopic vision indulge in fallacious propaganda against the Dravidian rule. They are living in an illusion and day dreaming about destroying the Dravidian movement. To them, I want to send a clear message, that Tamil Nadu has progressed much better than many other States and achieved

stupendous progress on various socio-economic fronts during the last fifty years. No person with true conscience will ever deny the progress made by Tamil Nadu in health, education, social security, human development index, industrial and economic development or in providing basic amenities to the people. Though I can talk at length on this, I would confine myself by making a reference to a couple of indicators. In the recent publication of NITI Aayog, Tamil Nadu stands at third place among all the States in the country in health indicators and first place in higher education enrolment. In 1973-1974, the percentage of persons living below poverty line in India was 54.88%. At the same period, it was 54.94% in Tamil Nadu. As per 2011-2012 NSS survey, this percentage has come down to 11.28% in Tamil Nadu as against 21.92% at all India level. At the same period, this percentage has come down from 48.15% to 16.63% in Gujarat, 54.47% to 20.90% in Karnataka, 61.78% to 31.65% in Madhya Pradesh, 53.24% to 17.35% in Maharashtra, 46.14% to 14.71% in Rajasthan, 57.07% to 29.43% in Uttar Pradesh, 63.43% to 19.98% in West Bengal. Similarly, the per capita income at current prices in Tamil Nadu was Rs.334 during 1960-1961 as against the national average of Rs.306. During 2016-2017, the per capita income has gone upto Rs.1,53,263 as against the national average of Rs.1,03,219. In terms of GDP, Tamil Nadu stood at

fifth place during 1950's. Today, ours is the second largest economy in the country. All these achievements have been made possible by the social equity agenda provided by the Dravidian movement, without much patronage from the successive Central Governments, while such patronage has been extended to many other States. It is very clearly evident that we have grown on our own efforts and on our own strength. Such political critics should understand that Tamil Nadu is the crucible of socio-economic transformation, which others must emulate. I leave it to the people of the State to decide on our contribution to the State's progress by comparing with other States. I would like to mention here that in the period of Dravidian Parties rule, the AIADMK founded by Puratchi Thalaivar and nurtured by Puratchi Thalaivi Amma alone has governed the State for the maximum period and has contributed to this enormous growth. But, let me reassure that whatever be the criticism, opposition, mischievous propaganda, the Dravidian movement will grow in strength. Taking praise and criticism with equanimity of mind, our march will continue to fulfill the dreams of our leaders who have toiled and nurtured this movement.

136) Our Hon'ble Chief Minister, a simple person with profound practical wisdom, has guided us meticulously to prepare this Budget. He is a simple person capable of understanding the needs of the people



and reflect in his action. I am confident that this Budget, prepared with his guidance will pave the way to accelerate economic growth and bring more prosperity to the State. I am grateful to our Hon'ble Chief Minister for his support and guidance in our endeavour to prepare and present this Budget.

137) I convey my thanks to Thiru K. Shanmugam, IAS, Additional Chief Secretary, Finance Department and all other officials of the Finance Department who have been putting their best efforts on the preparation of the Budget.

138) Hon'ble Speaker Sir, I commend the Budget Estimates for the year 2018-2019 for the approval of this august House.

**Nanri**

**Vanakkam**

**O. PANNEERSELVAM**  
Deputy Chief Minister

Chennai,  
15<sup>th</sup> March 2018,  
Hevilambi, Panguni - 1,  
Thiruvalluvar Aandu 2049

**APPENDIX**  
**MEDIUM TERM FISCAL PLAN**

The State Government shall 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, etc., with specification of underlying assumptions made to arrive at those projections. Complying with the said provisos under the Tamil Nadu Fiscal Responsibility Act, 2003, a Medium Term Fiscal Plan for the period from 2018-2019 to 2020-2021 is hereby placed before the Legislative Assembly.

**Objectives**

The MTFP has been envisaged with the key objective to strike balance between developmental expenditure and fiscal prudence and facilitate high economic growth that will create the necessary fiscal space for investments in key sectors. The State Government is implementing large number of welfare schemes for improving social security, education, health, etc. Simultaneously, the State has to meet the ever increasing administrative expenditure, mainly due to periodic hike in Dearness Allowance, increments, creation

of new posts and filling up of vacancies. Apart from all these, paramount importance is continuously given to capital expenditure which includes construction of roads and bridges, irrigation works and power infrastructure development. Despite all financial constraints, the State Government is committed to achieving fiscal consolidation by complying with the roadmap set forth by the Central Finance Commission.

The MTFP will ensure compliance with the norms of fiscal prudence, such as, containing the Revenue Deficit to the minimum, maintaining Fiscal Deficit within three percent of Gross State Domestic Product (GSDP) and limiting Outstanding Debt to GSDP ratio within the prescribed limits of the Central Finance Commission during 2018-2021 and thereafter.

### **Future Prospects**

The nominal growth of GSDP is projected based on the new 2011-2012 series at constant prices and is adopted in the Budget. The Indian economy has been passing through a challenging phase due to the uncertainties caused by demonetisation and the introduction of Goods and Services Tax (GST). Despite all these factors, the State's economy is expected to pick up growth in the coming years.

## **I. Revenue Receipts**

The Total Revenue Receipts of the State Government, including the Central Transfers, are estimated to be Rs.1,76,251 crore in 2018-2019. Its important components and their growth trends are discussed below.

### **1. State's Own Tax Revenue**

The change in the indirect tax regime and the introduction of the Goods and Services Tax (GST) created an uncertainty in the economy in the short term, thus affecting its growth rate. The global and the national economies are slowly gathering up pace. Despite these factors, the State's economy has picked up moderate growth and the GSDP growth rate, at constant prices, in 2017-2018 is estimated to be 8.03%. It is also anticipated that the economy will grow faster and thereby enabling the State to reach 9% growth rate in 2018-2019. The favourable climate in the State's economy is expected to considerably enhance the State's own tax revenues.

The State's Own Tax Revenue is estimated to be Rs.98,693 crore in the Revised Estimates 2017-2018. It is estimated to increase to Rs.1,12,616 crore in the Budget Estimates for 2018-2019. A growth rate of

11.97% and 11.80% is assumed for the years 2019-2020 and 2020-2021 respectively.

Salient features of the major components of the State's Own Tax Revenue are discussed below.

- Considering the roll out of Goods and Services Tax (GST) during 2017-2018, the receipts from the Commercial Taxes are estimated to be Rs.86,859 crore in the Budget Estimates 2018-2019.

- Taking into account the impact of the closure of TASMAC shops post the Supreme Court's ban on liquor shops on the State and National Highways in March 2017, the State Excise Duty collection has been estimated at Rs.6,998 crore in 2018-2019.

- The downward revision of guideline value and the simultaneous increase of registration fees have had a positive impact on the revenue collected from Stamp Duty and Registration fees. Therefore, the receipts from Stamp Duty and Registration fees are expected to be Rs.10,936 crore during 2018-2019 as against Rs.9,807 crore estimated in Revised Estimates 2017-2018.

- The collections under the Taxes on Motor Vehicles are estimated in the Budget Estimates for

2018-2019 at Rs.6,212 crore as against Rs.5,635 crore estimated in the Revised Estimates 2017-2018.

## **2. Non-Tax Revenue**

The State's Own Non-Tax Revenue has been estimated at Rs.11,301 crore in the Budget Estimates for 2018-2019. Since the Government services are either delivered free of cost or at nominal fees and the mining potential of the State being limited, the Non-Tax Revenue has been estimated to be marginally higher than the Revised Estimates 2017-2018. A growth rate of 5% is assumed for 2019-2020 and 2020-2021.

## **3. Share in Central Taxes**

The Central Finance Commissions, one after the other, have gradually decreased the inter-se-share of Tamil Nadu. The inter-se-share of Tamil Nadu from Thirteenth Finance Commission to Fourteenth Finance Commission has witnessed a slide down from 4.969% to 4.023% in the general divisible pool and from 5.047% to 4.104% in case of Service Tax pool. The Share in Central Taxes for the State has been estimated at Rs.31,707 crore during 2018-2019 in the Budget Estimates based on the projection given in the Union Budget 2018-2019. The Fifteenth Finance Commission has been constituted, and its recommendations would have an impact on the devolution for 2020-2021. For this

medium term, we have not taken this factor into account, and have assumed that there is no change in the devolutionary pattern. A growth rate of 15% is assumed for the financial years 2019-2020 and 2020-2021 also.

#### **4. Grants-in- Aid from the Union Government**

The Grants-in-Aid from the Government of India have been estimated at Rs.20,627 crore for 2018-2019, based on the provisions made in the Union Budget 2018-2019. For the financial years of 2019-2020 and 2020-2021, a growth rate of 10% has been assumed.

## **II. Revenue Expenditure**

The revenue expenditure during 2018-2019 is estimated at Rs.1,93,742 crore which shows a growth of 11.22% over Revised Estimates 2017-2018. The main components are explained below:

- The allocation for salaries is Rs.52,171 crore and for pensions and other retirement benefits is Rs.25,362 crore in the Budget Estimates for 2018-2019. There has been a substantial increase in salaries and pension components in the Revised Estimates for 2017-2018 and the Budget Estimates for 2018-2019, owing to the implementation of the Seventh Pay Commission recommendations. The two components form 40.02% of the Total Revenue Expenditure in

2018-2019. Considering the additional expenditure due to periodic hikes in Dearness Allowance, increments and filling up of vacancies, a growth rate of 10.50% for salaries and 10.15% for pensions and other retirement benefits in 2019-2020 and 2020-2021 are assumed.

■ For Subsidies and Grants, Rs.75,723 crore is allocated in the Budget Estimates for 2018-2019. The allocation includes expenditure for various ongoing welfare schemes like food subsidy, power subsidy, scholarships, housing schemes and agricultural loan waiver. Further, the devolution to Local Bodies has been increased and included in the Budget Estimates based on the recommendation of the Fifth State Finance Commission. A growth rate of 8% is assumed for Subsidies and Grants for 2019-2020 and 2020-2021.

■ Expenditure on Non-wage Operations and Maintenance is projected at Rs.10,838 crore in the Budget Estimates for 2018-2019. This is mainly on account of maintenance, administrative expenses, fuel cost and distribution of uniform to school students. A growth rate of 7% is assumed for 2019-2020 and 2020-2021.

■ In the Budget Estimates 2018-2019, the Interest Payments have been estimated at Rs.29,624 crore, which is 15.29% of the Total Revenue



Expenditure. The ratio of Interest Payments to Total Revenue Receipts will be 16.81% in 2018-2019. This is expected to be 17.92% in 2019-2020 and 17.52% in 2020-2021.

### **III. Capital Expenditure**

The State is paying special attention to capital expenditure. This is once again proved by the increased allocation of Rs.28,283 crore in the Budget Estimates for 2018-2019 as against Rs.24,298 crore in the Revised Estimates 2017-2018. This is expected to grow further at 15% in 2019-2020 and 2020-2021.

### **IV. Revenue Deficit and Fiscal Deficit**

The tax revenue growth has been lower than that estimated in the Budget Estimates 2017-2018 and this is predominantly due to the closure of liquor shops as per the Supreme Court's ban on their operations within 500 metre from the State and the National Highways. As a result, there is drop in State's Own Tax Revenue growth rate, especially in the receipts from Commercial Tax and State Excise. The Revenue Deficit is expected to be Rs.17,491 crore and the Fiscal Deficit is estimated to be Rs.44,481 crore in the Budget Estimates 2018-2019. The Fiscal Deficit to GSDP ratio is estimated at 2.79% as per the Budget Estimates 2018-19, which is well below the 3% fiscal norm. The implementation of Seventh Pay

Commission recommendations has resulted in an additional commitment of Rs.14,719 crore per annum in salaries and pensions, and thus increased the burden on the State's finances. Taking all these into account, in the forthcoming years, Fiscal Deficit to GSDP ratio will be 2.76% in 2019-2020 and 2.57% in 2020-2021.

## **V. Borrowings**

The estimates for receipt and repayment of borrowings have been finalized on the basis of overall borrowing ceiling fixed by the Government of India based on the formula indicated by 14<sup>th</sup> Finance Commission. The Government plans to borrow a net amount of Rs.43,962 crore only against the estimated Net Borrowing Ceiling of Rs.47,888 crore in 2018-2019. The outstanding debt including provident fund will be Rs.3,55,845 crore as on 31.03.2019. This will constitute only 22.29 percent of GSDP.

## **VI. Guarantees**

The outstanding guarantees for each year have to be restricted at a level of 100 percent of the Total Revenue Receipts in the preceding year or 10 percent of the GSDP, whichever is lower. The outstanding guarantees as on 31.03.2017 was 22.59 percent of Total Revenue Receipts and 2.24 percent of GSDP. The outstanding risk weighted guarantees for each year

have to be kept at a level of 75 percent of the Total Revenue Receipts of the preceding year or 7.5 percent of GSDP whichever is lower. The outstanding risk weighted guarantees as on 31.03.2017 stood at 4.37 percent of Total Revenue Receipts and 0.43 percent of GSDP.

### **Conclusion**

The economy is slowly picking up which is evident from the increase in GSDP growth rate in real terms, from 4.85% in 2012-2013 to 8.03% in 2017-2018 despite the temporary setbacks in between.

However, there is a significant fall in the growth of the State's Own Tax Revenue in 2017-2018, especially due to the fall in Commercial Tax and State Excise which have negatively impacted the revenue receipts. Further, the decrease in horizontal share of Central Taxes due to Fourteenth Finance Commission's recommendations, and the increase in States' share in Centrally Sponsored Schemes have further hampered the State's Finances. The trends in expenditure are steady except for the hike in salaries and pensions due to implementation of Seventh Central Pay Commission recommendations. Despite these constraints, the overall Fiscal Deficit, net borrowings and outstanding debt-GSDP ratio will be within the permissible limits. The State Government will continue to take concerted efforts for faster economic

recovery, which will pave way for enhancing the State's fiscal position and improve fiscal consolidation.

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**Table - Medium Term Fiscal Plan**

(Rupees in Crores)

March- 2018	2016-2017 Projection	2016-2017 Accounts	2017-2018 Projection	2017-2018 Revised Estimates	2018-2019 Projection	2018-2019 Budget Estimates	2019-2020 Projection	2020-2021 Projection
<b>Revenue</b>	<b>1,62,480.38</b>	<b>1,40,231.13</b>	<b>1,69,837.22</b>	<b>1,55,824.70</b>	<b>1,81,322.91</b>	<b>1,76,251.48</b>	<b>1,97,117.11</b>	<b>2,20,322.72</b>
<b>State's Own Revenues</b>	<b>1,19,108.84</b>	<b>95,855.17</b>	<b>116,143.54</b>	<b>109,460.37</b>	<b>1,28,033.85</b>	<b>1,23,917.52</b>	<b>1,37,964.40</b>	<b>1,53,431.57</b>
Tax	109,815.20	85,941.41	103,086.46	98,693.24	114,730.41	112,616.41	126,098.24	140,972.10
Non-Tax	9,293.64	9,913.76	13,057.08	10,767.13	13,303.44	11,301.11	11,866.16	12,459.47
<b>Central Transfer</b>	<b>43,371.54</b>	<b>44,375.96</b>	<b>53,693.68</b>	<b>46,364.32</b>	<b>53,289.06</b>	<b>52,333.96</b>	<b>59,152.71</b>	<b>66,891.15</b>
Shared Taxes	24,583.87	24,537.76	31,035.13	27,099.72	31,035.13	31,707.09	36,463.15	41,932.63
Grants	18,787.67	19,838.20	22,658.55	19,264.60	22,253.93	20,626.87	22,689.56	24,958.52
<b>Capital Receipts</b>		.0.79						
<b>Non-Interest Expenditures</b>	<b>172,740.18</b>	<b>174,954.70</b>	<b>204,480.99</b>	<b>170,256.64</b>	<b>204,499.30</b>	<b>1,91,107.78</b>	<b>210,420.78</b>	<b>2,31,794.52</b>
Salaries (including GiA for education)	45,749.28	40,123.67	60,231.11	45,159.95	60,964.78	52,171.18	57,649.15	63,702.32
Pensions & Retirement Benefits	20,721.32	18,432.11	27,778.91	21,568.57	27,649.09	25,362.20	27,936.46	30,772.01
Non- Wage O & M	10,882.22	8,747.85	9,959.22	10,475.79	10,273.61	10,837.86	11,596.51	12,408.27
Subsidies and Transfers	64,808.09	64,363.83	77,698.86	70,662.74	77,335.77	75,722.76	81,780.58	88,323.03
Other Revenue Expenditures	8.57	79.21	22.44	23.68	24.68	23.63	25.52	27.56
Capital Outlay	28,202.80	20,709.49	30,567.49	24,297.70	30,028.39	28,282.76	32,525.17	37,403.95
Net Lending	2367.89	22498.53	-1777.03	-1931.79	-1777.03	-1292.61	-1092.61	-842.61
<b>Fiscal Indicators</b>								
Primary Surplus (+) / Deficit (-)	<b>-10,259.79</b>	<b>-34,723.57</b>	<b>-34,643.77</b>	<b>-14,431.95</b>	<b>-23,176.39</b>	<b>-14,856.30</b>	<b>-13,303.67</b>	<b>-11,471.80</b>
Interest Payments	19,999.45	21,448.58	29,619.95	26,304.24	30,409.81	29,624.43	35,332.61	38,590.53
Interest Payments / Total Revenue Receipts	12.31%	15.30%	17.44%	16.88%	16.77%	16.81%	17.92%	17.52%
Revenue Surplus(+) / Deficit(-)	<b>311.45</b>	<b>-12,964.13</b>	<b>-35473.27</b>	<b>-18370.27</b>	<b>-25334.85</b>	<b>-17490.58</b>	<b>-17203.72</b>	<b>-13501.00</b>
Revenue Surplus(+) / Deficit(-) over TRR %	0.19%	-9.24%	-20.89%	-11.79%	-13.97%	-9.92%	-8.73%	-6.13%
Revenue Surplus(+) / Deficit(-) over Fiscal Surplus(+) / Deficit(-)%	-1.03%	-23.08%	55.20%	-45.10%	47.28%	39.32%	35.37%	26.97%
Fiscal Surplus (+) / Deficit(-) (Adjusted)	<b>-30,259.24</b>	<b>56,171.35</b>	<b>-64,263.72</b>	<b>40,736.18</b>	<b>-53,586.20</b>	<b>-44,480.73</b>	<b>-48,636.28</b>	<b>-50,062.33</b>
Fiscal Surplus (+) / Deficit(-) (Adjusted) over GSDP%	-2.43%	4.20%	-4.14%	2.82%	-3.17%	-2.79%	-2.76%	-2.57%
Gross State Domestic Product (GSDP)*	<b>12,47,691.00</b>	<b>13,38,766.00</b>	<b>15,51,500.00</b>	<b>14,45,227.00</b>	<b>16,89,459.00</b>	<b>15,96,253.00</b>	<b>17,63,062.00</b>	<b>19,47,302.00</b>