

# Tamil Arasu

Publication of Information & Public Relations Department

Jan - Mar 2008

Rs.15/-



# ஒருங்கிணைந்த ஆலோசனை மற்றும் பரிசோதனை மையம் (ICTC)

அரசு மருத்துவமனைகளில்  
எச்.ஐ.வி.க்கான பரிசோதனையும் ஆலோசனையும் இலவசம் !



சென்னை மாநகராட்சி எய்ட்ஸ் தடுப்பு மற்றும் கட்டுப்பாடு சங்கம்

82, திரு.வி.க. சாலை, மைலாப்பூர், சென்னை - 600 004.

# Tamil Arasu

Publication of Information &  
Public Relations Department

Quarterly Magazine

Thiruvalluvar Year 2038

Jan-Mar 2008

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### Printed at :

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ஒல்லும் வகையான் அறவினை ஓவாதே  
சொல்லும்வாய் எல்லாம் செயல்.

To the best of your ability, in all the ways open,  
by every means possible, incessantly do righteous  
deeds.

*Thirukkural : 33*

## Wrapper Content

- First Wrapper** : **Prof. K. Anbazhagan**,  
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- Fourth Wrapper** : An emergency meeting to  
discuss flood relief measures was  
chaired by Hon'ble Chief Minister  
**Kalaigarnar M. Karunanidhi**  
at Secretariat on 22<sup>nd</sup> March, 2008.  
Hon'ble Speaker of the  
Tamil Nadu Legislative Assembly,  
Hon'ble Ministers and High officials  
participated.



**“This Government, headed by the  
Hon’ble Chief Minister  
KALAINAR M.KARUNANIDHI,  
considers the promotion of  
Welfare of the people of  
Tamil Nadu as its foremost duty”**

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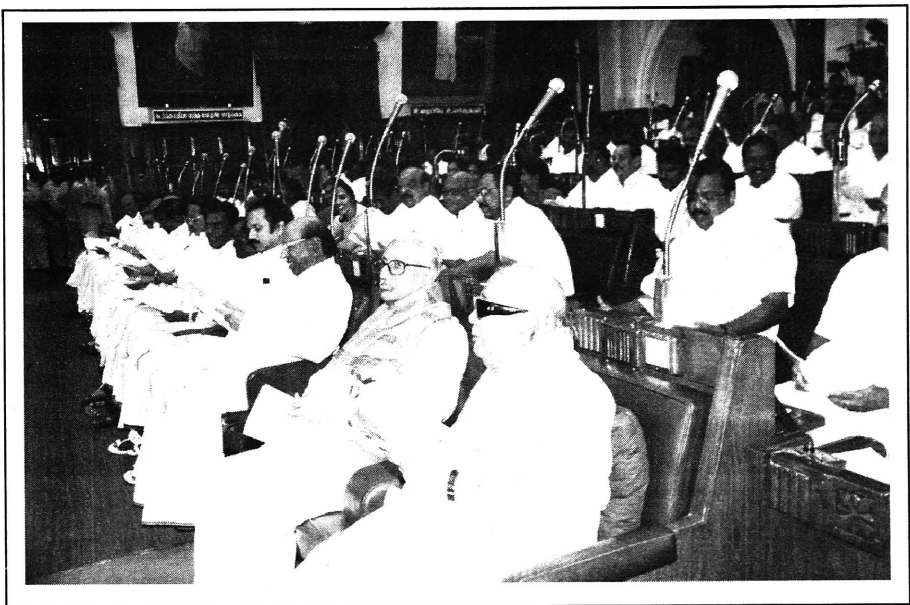
Address to the Tamil Nadu Legislative Assembly by  
His Excellency, the Governor of Tamil Nadu  
Thiru **SURJIT SINGH BARNALA,**  
on the 23rd January, 2008.

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Hon’ble Members of the Legislative  
Assembly,

Vanakkam. I take great pleasure in addressing you at the commencement of the seventh session of the Thirteenth Legislative Assembly in 2008. I convey my hearty new year greetings to all of you.

2. This Government, headed by the Hon’ble Chief Minister Kalaingar M.Karunanidhi, considers the promotion of welfare of the people of Tamil Nadu as its foremost duty. Within one and half years of assuming office, fulfilling its promises, this Government continues to rise up to the expectations of the people. You are well



aware of the fact that all policies and programmes of this Government are formulated and implemented only with the object of promoting the uplift of the poor, destitutes, Adi-dravidars, Backward Classes, Most Backward Classes, Minorities and the disabled. I am proud of the tireless efforts taken by this Government to lead the State on the path of progress, adopting equity and social justice as its guiding vision.

3. Compared to the other states in the country, Tamil Nadu remains a peaceful state. This Government has been maintaining continuous vigil against any extremist activity. Efforts to spread extremism into Tamil Nadu from the neighbouring states have been

successfully thwarted. The Government has also taken strict action against mercenary criminal gangs. This Government is of the firm conviction that equitable growth and elimination of poverty are the lasting solutions to extremism as well as caste conflicts.

4. This Government has always striven to realise federalism in its true spirit, as expounded by Arignar Anna's philosophy

**“Within one and half years of assuming office, fulfilling its promises, this Government continues to rise up to the expectations of the people.”**



of State autonomy. In fact, even in 1969, when the Hon'ble Kalaingar assumed office as the Chief Minister for the first time, a Committee to study and give its recommendation on Centre-State relations was constituted under the Chairmanship of Justice Rajamannar, with Dr. Lakhmanaswami Mudaliar and Justice Chandra Reddy as members and its report was obtained. This Government is happy to note that the Union Government has constituted a Commission on Centre – State relations, headed by Justice Madan Mohan Punchhi, former Chief Justice of India. We hope this Commission will make necessary recommendations paving the way for a truly federal governance in our country while at the same time preserving the unity and integrity of the nation.

5. Recommendations  
of successive Finance

Commissions have not been favourable to Tamil Nadu. They have penalised performing States like Tamil Nadu, by repeatedly reducing their share in the devolution. We hope that the recently constituted 13th Finance Commission will correct this imbalance and provide adequate devolution, having regard to the exemplary performance of this State and its genuine development needs.

6. All of us are well aware of the strains in the inter-state relations due to

**“I am proud of the tireless efforts taken by this Government to lead the State on the path of progress, adopting equity and social justice as its guiding vision.”**

inter-state river water disputes. Our nation has an established constitutional and legal framework for resolution of such disputes. Hence, in the interest of harmony among the States, this Government would urge that all such disputes are resolved through the existing laws of the land and all States honour and abide by the decisions of the competent authorities.

7. Linking our country's rivers is the only permanent solution to the problem of inter-state river water disputes. This Government has been repeatedly urging the Union Government for the expeditious implementation of this project and for taking up the inter-linking of the peninsular rivers in the first phase. However, no consensus has been arrived at among the states. It is for this reason that the Government of Tamil Nadu has requested the Union Government to provide financial assistance at least for the scheme of inter-linking of rivers within the State during the Eleventh Plan period. In so far

### Highlights.....

- ★ Co-generation units in Sugar Mills to generate 185 mw of power.
- ★ Universal secondary education set as new goal.
- ★ Computers as reward to 1,000 top ranking Tamil Medium students in X standard public exams.
- ★ Central University in Tiruvarur district.
- ★ Small industries policy on the anvil.
- ★ Housing schemes through Public - Private partnership.
- ★ NREG Scheme in all districts from next year.
- ★ Revolving Fund assistance for urban SHGs.
- ★ Welfare Board set up for transgenders.
- ★ 95 more Samathuvapurams.
- ★ 1st of 'Thai' month declared Tamil New Year Day.

as Tamil Nadu is concerned, without any further loss of time, this Government will expeditiously take up the preliminary works for this project. Further, this Government

**“Linking our country's rivers is the only permanent solution to the problem of inter - state river water disputes.”**

will set up a committee of experts to explore the possibility of preventing the surplus surface water draining wastefully into the sea during the monsoons and using this water to recharge the underground aquifers, benefiting drought prone areas. **A major scheme will be implemented in the**

water deficit areas of our State from the ensuing financial year, for storing the unutilised water in rivers, rivulets and streams by means of check-dams and utilising it round the year for drinking water and agriculture.

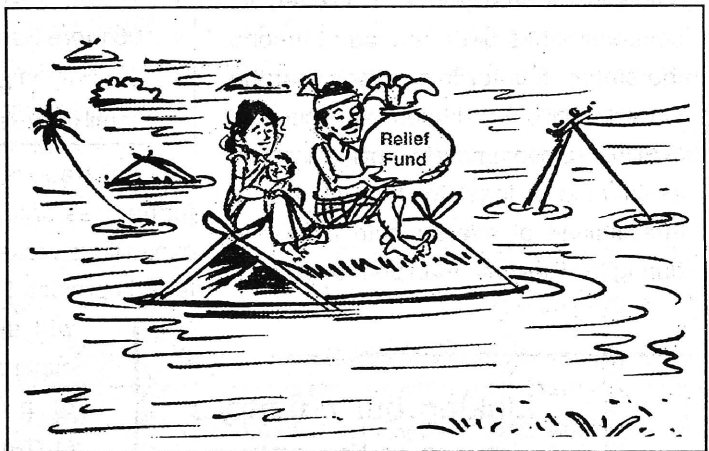
**"This Government urges the Union Government not to go back from its endeavour to transform the future of the people of Tamil Nadu to one of progress and prosperity and to continue the implementation of unique and constructive the Sethusamudram project."**

8. The Sethusamudram project, the longstanding dream of the Tamil people, has been studied since 1860 even during the British rule and found feasible by engineering stalwarts and considered desirable by scholars and eminent men. This project has the potential to contribute to the strength and development of our country by expanding international and maritime trade relations.

This Government urges the Union Government not to go back from its endeavour to transform the future of the people of Tamil Nadu to one of progress and prosperity and to continue the implementation of this unique and constructive project, without paying heed to the untenable and contradictory arguments now raised by a few for political gains.

9. The heavy rain and floods witnessed by the State during the last month not only led to loss of lives but have

also caused widespread damage to public properties like roads, tanks and buildings, and affected crops in several parts of the State. It is estimated that these damages are to the tune of Rs.1,510 crores. The Hon'ble Chief Minister and other Hon'ble Ministers have personally visited



the affected areas and supervised the relief operations. This Government has allotted Rs.200 crores to undertake immediate flood relief works in these areas. A detailed memorandum regarding the flood damage

**“During the Eleventh Plan period, developmental programmes will be implemented with the objectives of reviving the farm sector and ensuring social justice.”**

has been submitted to the Union Government seeking financial assistance. The Central team deputed by the Union Government has visited the affected districts and assessed the flood damage. We urge the Union Government to immediately provide the required financial assistance to the State, based on the report of this team, so that comprehensive restoration works can be taken up in the affected areas.

10. By more than doubling the Tenth Plan outlay of Rs.40,000 crores, the State's outlay for the Eleventh plan has been approved for Rs.85,344 crores. During the Eleventh Plan period, developmental programmes will be implemented with the objectives of reviving the farm sector and ensuring social justice.

11. There is a need to entrust additional responsibilities and provide adequate powers to rural and urban local

bodies in the State, to enable them to fulfill the needs of the public and to expeditiously implement development programmes. The High Level Committee under the Chairmanship of Hon'ble Minister for Rural Development and Local Administration, constituted to make recommendations to the Government regarding additional powers and functions to the Local bodies, has submitted its report. The recommendation of this Committee will be examined and an Action Taken Report would be laid in this House during the ensuing Budget Session.

12. Thanks to the sustained efforts taken by this Government, the Union Government has not only accorded the status of classical language to Tamil but also is establishing a Central Institute of Classical Tamil at Chennai. By enacting a legislation making Tamil compulsory in schools in the State, this Government has ensured that all students will learn Tamil. This Government will leave no stone unturned for making Tamil one of the official languages of the Union Government and a language of transaction in the Madras High Court.

13. You are aware of this Government providing rice at a price of

**“This Government  
provides rice at a  
price of only  
Rs.2/- per kg.”**

only Rs.2/- per kg., the lowest amongst all States in the country, in pursuance of its objective that all people must have access to good quality rice at a low price. In addition, with a view to containing prices of other essential commodities used by the public, like cooking oil and dhal, they are being provided through the fair price shops from last year. The fact that the prices of food commodities in our State have been contained by this measure is a major achievement of this Government.



14. This Government has been taking determined action to increase the income of farmers from agriculture and allied activities. This will be possible only by enhancing farm productivity and with supplemental income generation through animal husbandry and fisheries. The programmes of the Public

Works, Agriculture, Animal Husbandry and Fisheries Departments are being implemented in an integrated manner under the World Bank aided IAMWARM Project. By waiving cooperative farm loans, farmers in Tamil Nadu have been enabled to access fresh crop loans. With a view to ensuring a good price to paddy farmers commensurate with the increased cost of production, this Government has provided an additional incentive of Rs.50, over and above the incentive of Rs.100 announced by the Union Government, thus increasing the procurement price of fine variety of paddy to Rs.825 per quintal.

15. The National Agriculture Development Programme, launched by the Government of India, will be implemented in this financial year with an allocation of Rs.185 crores. Under this programme, precision farming is being extended to all districts in the State. Agriculture department has been restructured so that the field officers at the

block level are able to carry out extension activities and serve farmers more effectively. Horticulture and Micro irrigation programmes have been accorded priority and are implemented vigorously.

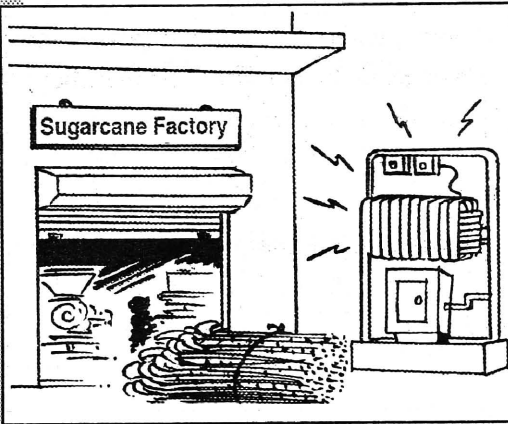


16. Under the scheme for reclaiming waste lands and distributing them free to poor landless agricultural families, one lakh thirty eight thousand poor farmers have been provided with one lakh sixty one thousand acres of land, free of cost so far. In addition, the Government had fixed a target of providing Three lakh free house site pattas to the landless poor and has



granted Three lakh pattas. This Government has also further relaxed the minimum number of years one must have resided in houses on government lands to be eligible for house site pattas, from ten years to five years and has also removed the income limit, thereby facilitating all those persons residing for more than five years in Government lands to benefit from the scheme.

17. Some difficulties arose in power supply recently, mainly due to shortfall in power supplied by the Central Power Stations. Neyveli Lignite Corporation was not able to supply the committed quantum of power due to shortage of lignite. Similarly, Kalpakkam and Kaiga Nuclear Power Stations have not been able to produce power at the rated capacity due to inadequate fuel. Government of Tamil Nadu has urged the concerned authorities to take immediate measures to improve the supply from Central Power Stations. **Co-generation units will be established in all co-operative and public sector sugar mills in the State at a cost of Rs.925 crores, so as to generate 185 MW of power. They will be operational within 18 months.** The Government has also taken several measures to increase the generation capacity of Tamil Nadu Electricity Board (TNEB). TNEB is in



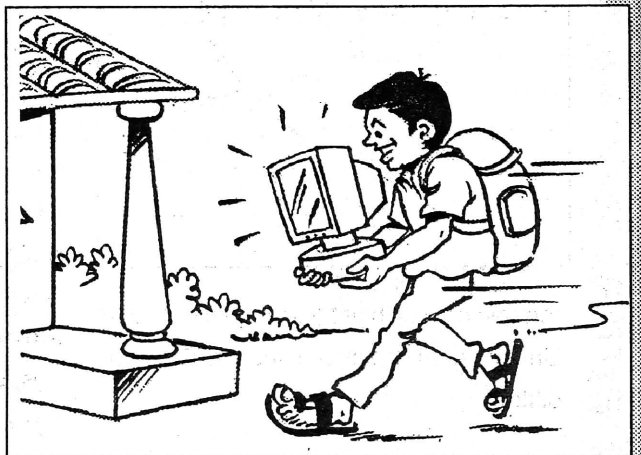
the process of establishing additional Thermal Power Stations in North Chennai, Mettur and Thoothukudi. In addition, accepting the request of the Hon'ble Chief Minister, the Union Government has been providing additional power to Tamil Nadu from the central pool.

**18. After having successfully achieved universal primary education in our State, this Government will set Universal Secondary Education as the new goal so that every child will complete 10 years of schooling.** We are happy to note that the Union Government has launched a new scheme for this purpose in the Eleventh Plan and this Government will extend its full support for its success.

19. It was during the previous tenure of the DMK Government that computer

education was introduced for the first time in Government Higher Secondary Schools in the year 1999-2000. During the past one and half years, 1,880 Government Higher Secondary Schools and 1,525 High Schools have been provided with computers. In the coming financial year, computers will be provided to the remaining 100 Government Higher Secondary Schools and 606 Government High schools. Further, the Government will provide computers to 6,650 middle schools of the Government and Local bodies during the Eleventh Plan period. In addition, the Government will implement a scheme for providing computers as reward to 1,000 top ranking Tamil medium students in the X<sup>th</sup> standard public examination.

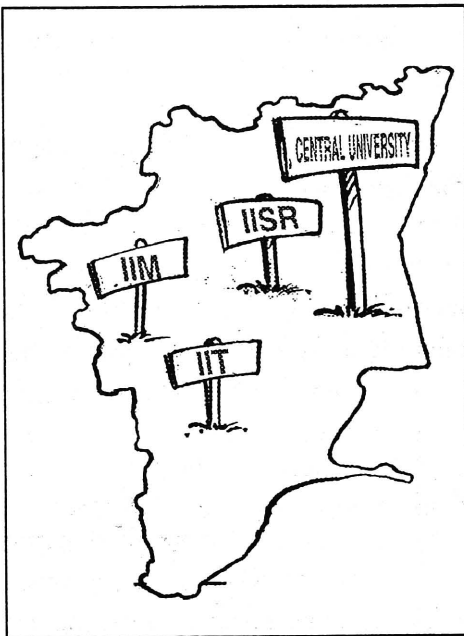
20. The Government of Tamil Nadu has requested the Government of India to establish an Indian Institute of



Management at Coimbatore, an Indian Institute of Technology at Madurai and an Indian Institute of Science Education and Research at Trichy. The Government of Tamil Nadu has also requested the Union Government to establish a Central University in Tamil Nadu having regard to the fact that Tamil Nadu does not have any Central University at present. The Hon'ble Chief Minister has also met the Hon'ble Union Minister for Human Resources Development in this regard who has responded positively to the



21. It is only the Government Health Care Institutions, the common man can have access to. Hence, this Government has been taking all necessary steps to make them adequately staffed and well equipped. In the last two years, this Government has filled 2,167 vacant posts of doctors and 2,341 vacant posts of nurses. In addition, 468 new posts of doctors and 1,059 new posts of nurses have been created and are being filled up. Three nurses have been provided in each of the 1,000 Primary Health Centres in the State on 24 hour basis, thereby ensuring round the clock availability of maternal health services to rural women. Apart from this, under the Tamil Nadu Health Systems Project funded by the World Bank with an outlay of Rs.597 crores, this Government is executing various works to upgrade the infrastructure of all taluk and district hospitals in the State. It is a matter of great satisfaction that due to the various



request of the Chief Minister. This Central University will be established in Tiruvarur district.

initiatives of this Government, deliveries in Government institutions have gone up with a fall in the number of deliveries in private hospitals. Under the Varumun Kappom Thittam, 4,872 Health Camps have been conducted so far, benefiting about 51 lakh persons.

22. After this Government assumed charge, 12 Memoranda of Understanding have been signed with major companies like Motorola, Dell Computers, Samsung and Renault-Nissan for investments in the State to the tune of Rs.15,083 crores. Of them, four companies have already started their operations. These industries will create direct and indirect employment to 1,37,140 persons.

23. The new Industrial Policy announced by this Government recently, with a package of incentives for investors, has been widely welcomed by them. Thanks to this policy, about 20 lakh new

employment opportunities will be generated in Tamil Nadu during the next four years.

24. Hyundai is in the process of expanding its existing production capacity to produce 6,30,000 cars annually, with an investment of Rs.4,000 crores. In addition, Ford has proposed to expand its present production facility to produce an additional two lakh cars per year with an investment of Rs.1,800 crores. The fact that these two existing car manufacturers in Tamil Nadu have again chosen to further expand their operations in our State itself, bears testimony to the success of the industrial policy of this Government.

25. As stated in the last Budget Speech, a shipyard will be established in Ennore near Chennai by Larsen and Toubro with an investment of Rs.3,068 crores. This will provide employment to about 10,000 persons. Preliminary works

for the construction of another shipyard in Cuddalore district are underway.

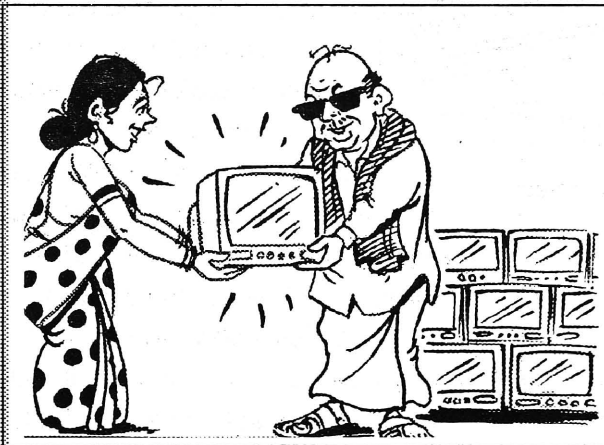
26. Recognising the contribution of small industries in generating employment, this Government has decided to encourage small industries through various incentives. This package of incentives will be

**“Thanks to the new Industrial Policy, about 20 lakh new employment opportunities will be generated in Tamil Nadu during the next four years.”**

unveiled in the form of a Small Industries Policy shortly. This policy will provide special incentives to Agro Processing Industries. About 10 lakh persons will get employment from the large number of new small industrial units that are likely to be established due to this initiative.

27. As promised in the DMK election manifesto, the Government has been implementing the scheme for providing

obtaining the approval of a committee consisting of representatives of legislative parties and distributed without any discrimination to poor families in all parts of the State through committees consisting of peoples' representatives has earned the appreciation from all quarters. We will continue to implement the scheme and will very soon achieve the distinction of Tamil Nadu being the only State in the country with colour televisions in all houses.

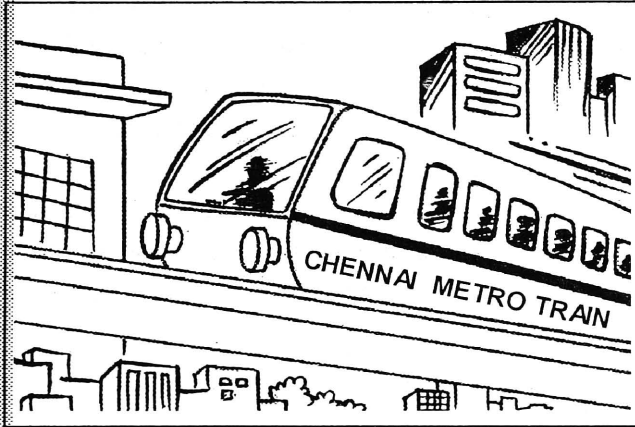


free colour televisions to all families who do not have them. As of now, 24,58,411 television sets have been distributed. In the third phase of this scheme, orders have been issued for procuring thirty four lakh and twenty five thousand colour televisions. The process by which these colour televisions have been procured in a transparent manner through a global tender, after

28. Chennai Metropolitan area is continuing to grow at a fast pace and its transportation issues require quick and lasting solutions. Recognising this important issue, this Government is in the process of implementing the Chennai Metro Rail Project at an estimated cost of Rs.9,757 crores. The Detailed Project Report for this project, prepared

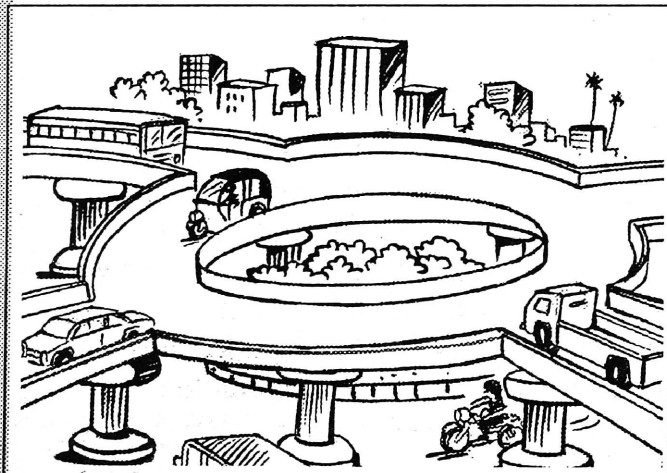
**“The Government has been implementing the scheme for providing free colour televisions to all families who do not have them. As of now, 24,58,411 television sets have been distributed.”**

by Delhi Metro Rail Corporation, has been sent to the Government of India for getting financial assistance from Japan Bank for International Co-operation (JBIC).



The preliminary works for this project are currently underway.

29. In order to improve connectivity to the Chennai Port, an elevated express highway from Maduravoyal to Chennai Port at a cost of Rs.1,468 crores has been



approved by Government of India and preliminary works are underway. With a view to reducing the traffic congestion in the city, this Government has decided to

construct a circular high speed transportation corridor connecting the important roads in the city, as available in many cities abroad. A feasibility study is being undertaken for this project.

30. Tamil Nadu is the most urbanised state in the country. Therefore, improving basic infrastructure like roads and drinking water facilities in urban areas is vital for improving the living standards of a large section of the population in the State. To achieve this objective, various works being currently executed under Jawaharlal Nehru National Urban Renewal Mission and Tamil Nadu

Urban Development Project at an unprecedented outlay of Rs.6,700 crores, will be expedited.

31. This Government will accord priority for providing housing to low-income and middle class families in urban areas. One lakh new houses are being constructed in urban areas in the State under the various

urban development schemes. Having regard to the housing needs of people living in Municipal Corporations areas, housing schemes will be implemented in areas adjoining these Corporations through Public-Private Partnership. In addition, this Government will permit a higher floor space index (FSI) to builders who comply with the condition of earmarking a certain

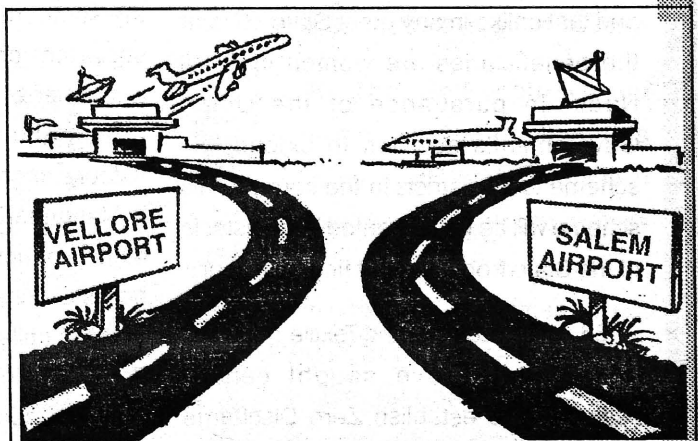
determined efforts of this Government, the Union Government recommended the scheme for financial assistance from Japan Bank for International Cooperation (JBIC). A team from JBIC has visited these districts and conducted studies about this scheme. The approval for the scheme will be obtained based on the final negotiations likely to take place shortly.

**“This Government will accord priority for providing housing to low-income and middle class families in urban areas. One lakh new houses are being constructed in urban areas in the State under the various urban development schemes.”**

33. Air traffic has witnessed a phenomenal growth in our State. Hence, it is essential to expand and modernise the existing airports at Chennai, Coimbatore, Trichy, Madurai and Thoothukudi and establish new airports at Vellore and Salem. This Government would continue to urge the Government of India to accord high priority for these airports.

part of their housing projects for low-income groups.

32. Hogenakkal Combined Water Supply Scheme is the only permanent solution for the drinking water problems of Dharmapuri and Krishnagiri districts which have a high level of flouride in the ground water. Thanks to the



34. Chennai - Madurai rail link is a vital train connectivity for the people of the southern districts of Tamil Nadu. Only by doubling the crucial Villupuram – Dindigul segment, it will be possible to operate more trains to southern districts. Therefore, in the interests of the people and the industrial development of the southern districts, this Government would urge the Union Planning Commission and the Union Government to approve the doubling project at the earliest.

**“The hurdles in the establishment of a Special Economic Zone in Nanguneri have been overcome and a Multi Product Special Economic Zone will be established soon in an area of 2,500 acres.”**

35. The National Rural Employment Guarantee Scheme, the flagship scheme of the Union Government, is currently being implemented in 10 districts of the State. The Social Audit Team, which has studied the implementation of this scheme in all states in the country, has concluded that the scheme is being admirably implemented in Tamil Nadu. The team has commended the facts that workers are getting a daily wage of Rs.80 and that unlike in any other State, 82% of the beneficiaries are women in Tamil Nadu. In pursuance of the Union Government's decision to extend this scheme to all districts in the country, this scheme will be implemented in all districts of the State from the next financial year.

36. The Leather and Textile industries in the State have sought central assistance to establish Zero Discharge

Common Effluent Treatment Plants to prevent the pollution of rivers and water bodies. We request the Union Government for early sanction of central assistance for these schemes. The State Government will also extend necessary financial assistance for this scheme.

37. This Government is of the firm conviction that economic development of the southern districts alone can ease the social tensions in this region and has taken a number of initiatives for their industrial development. The hurdles in the establishment of a Special Economic Zone in Nanguneri have been overcome and a Multi Product Special Economic Zone will be established soon in an area of 2,500 acres. Similarly, an IT Special Economic Zone is being established by ELCOT at Gangaikondan. ELCOT is also developing

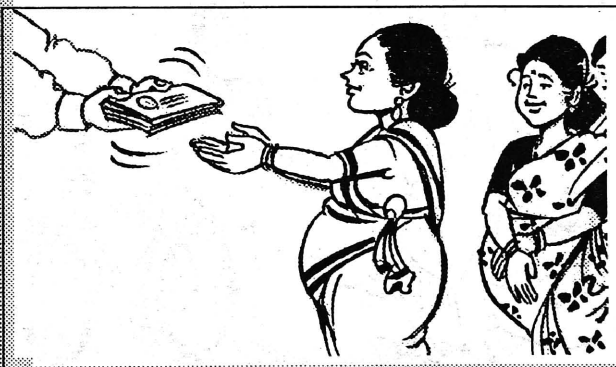
IT Parks in and around Madurai. Land has already been allotted to IT Companies both in Gangaikondan and Madurai. It is expected that these initiatives will generate large scale employment to the unemployed educated youth in this region and will contribute to the economic development of the region.

38. This Government has always supported women to get their rights in full and play their rightful role in our society. All are aware that it was this Government that secured the rights of women by according them equal property rights and reservation in Government jobs and Local Bodies. We hope the UPA Government, led by Dr.Manmohan Singh under the able guidance of Tmt.Sonia Gandhi, will soon be able to enact the legislation giving reservation for women in State Legislatures and the Parliament.

39. This Government is proud of the fact that Tamil Nadu has become the pioneer in the country by implementing



the scheme of providing maternity assistance of Rs.6,000/- for pregnant women to enable them to get the much needed nutrition and as a compensation for the loss of income during pregnancy. Five lakh women have availed this assistance to the tune of Rs.300 crores so far. In addition, with a view to addressing the malnutrition suffered by children, this Government is implementing the scheme of providing three eggs a week to about 70 lakhs children in the age group of 2 to 15 years. This Government would urge the Union Government to adopt these model schemes as Central Schemes and implement them in all states in the country.



40. The Self Help Group scheme initiated by this Government in 1989 in Dharmapuri district has now become a mass movement for the economic empowerment of women in our State. For the first time, this Government has extended the

Revolving Fund assistance, provided only to rural areas so far, to the Self Help Groups in urban areas also. About 3.6 lakh Self Help Groups are operating in this State covering 58 lakh women. These Self Help Groups have availed credit of Rs.2,566 crores from banks, in addition to their combined savings of Rs.1,639 crores.

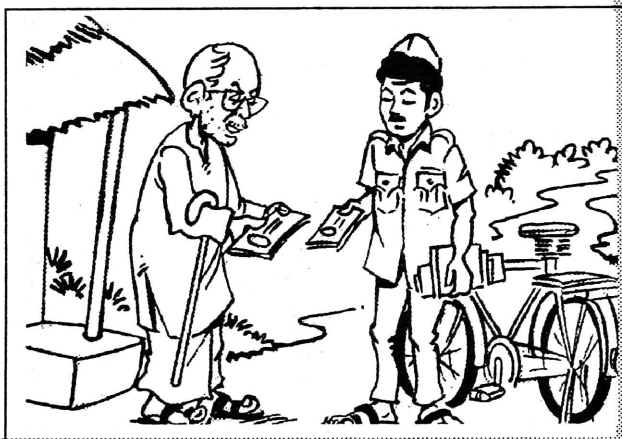
41. The scheme for providing



monthly assistance to unemployed youth has so far benefited 3,53,448 persons. Recognising the fact that only skill development can enhance the employability of these youth, this Government has been implementing a variety of training programmes for them. This Government will pay

attention to improving their general knowledge, proficiency in computer and soft skills like spoken English and ability to face interviews. Taking into account the increasing need for trained heavy vehicle drivers, the Government will launch a massive programme for imparting training in heavy vehicle driving through the State Transport Undertakings.

42. In fulfillment of the promise made in the DMK manifesto, this Government had enhanced the monthly pension for the elderly, destitutes and widows from Rs.200/- to Rs.400/- during 2006-2007. Now the Government of India has launched the Indira Gandhi National Old Age Pension Scheme for all old aged persons below the poverty line. In our state, the Chief Minister



launched this scheme on 19.11.2007, the birth anniversary of the former Prime Minister late Tmt.Indira Gandhi. Thanks to implementation of this scheme, about 10 lakh old aged persons above 65 years, living below the poverty line in our State will be benefited irrespective of whether they have support from male children or not.

**“This Government has always been concerned about the welfare of the transgenders, who have been shunned by the society and treated as a kind of handicapped.”**

43. During the previous year, this Government had increased the monthly assistance for disabled persons from Rs.200 to Rs.400 and from Rs.200 to Rs.500 in respect of severely disabled persons. In a gesture never done before, this Government had also sanctioned monthly assistance of Rs.500 for mentally challenged persons, who are not in a position to take care of themselves, without any restriction based on income limit or the number of beneficiaries. 30,000 such persons have benefited under this scheme so far. In addition, the Government has also taken necessary action to provide special education and vocational training to them.

44. This Government has always been concerned about the welfare of the transgenders, who have been shunned by

the society and treated as a kind of handicapped. Recognising the various problems encountered by the transgenders, including that of social acceptance, this Government is implementing a number of beneficial measures like issue of ration cards and free surgeries in Government hospitals for them. As an expression of this Government's empathy towards the transgenders, a separate welfare board will be established for them.

45. As never witnessed before in our State, or for that matter in the entire country, this Government has been providing marriage and maternity assistance to women from poor families. This

Government will not tolerate the wrongful acts of middlemen and some officials trying to make gains while disbursing these benefits. The Government will take strict action against such persons.

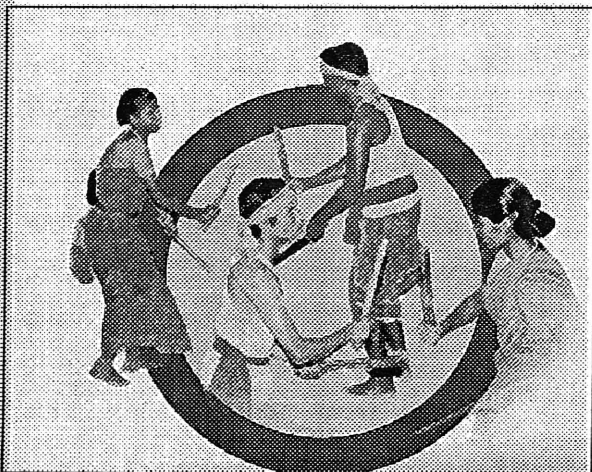
46. This Government has always accorded priority to the welfare of the workers in the unorganised sector. During 1996-2001, it was this Government which had constituted various unorganised labour welfare boards and granted various benefits to workers in the unorganised sector. Though these boards were abolished subsequently, this Government has revived them. During the last one and half years, 2,20,043 workers in the unorganised sector have received various welfare benefits to the tune of Rs.56 crores through these boards.

47. This Government has formed a separate welfare board for the socio-economic development of folk artists. The Tamil Mayyam – 'Chennai Sangamam' arts festival has been conducted successfully throughout Chennai city during the last two years, receiving great appreciation from the public. With a view to giving fillip to our folk arts, encouraging the folk artists and nurturing their zeal, this Government will provide its co-operation for the conduct of this festival all over the State, in a phased manner during the coming years.

48. The number of people from Tamil Nadu who go abroad for work has witnessed a sharp increase in the past few years. With a view to removing their hardships, a State High Level Advisory Committee chaired by the Hon'ble Chief Minister will be constituted.

49. Considering the continuing misery of Srilankan Tamils, this Government urges the Union Government that an amicable political solution should be found at the earliest to this long standing problem.

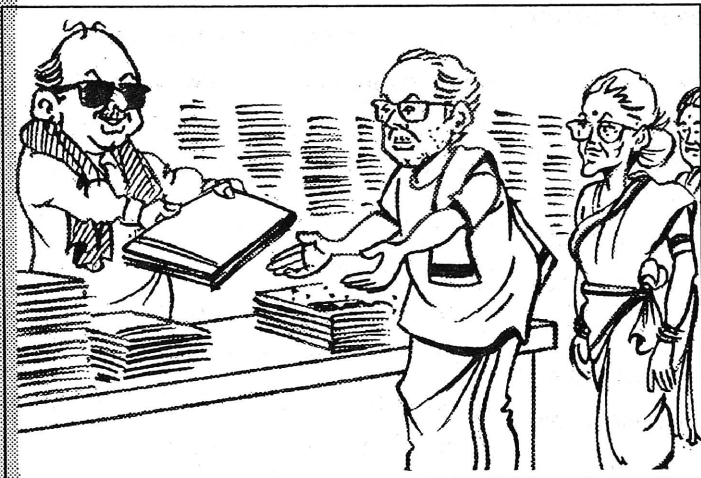
50. This Government has implemented a number of welfare measures for weavers such as



enhanced pension and free power supply.  
With a view to providing them regular

52. This Government will extend its  
full support for the socio-economic

development of sanitary  
workers and those who  
were engaged in the  
abhorrent practice of  
manual scavenging. It is  
only in this context that  
this Government has  
established a separate  
welfare board for them.  
This Government will  
continue to implement  
schemes for their



employment, this Government will  
continue to implement the scheme of  
supply of free dhotis and sarees to poor  
people numbering 3.28 crores in the State  
at a cost of Rs.256 crores per year.

51. Welfare of fishermen has always  
been accorded high priority by this  
Government. A separate welfare board for  
fishermen has been established. This  
Government is also implementing a  
scheme to assist the families of fishermen  
who had gone into the sea for fishing and  
were found missing. This Government will  
continue to take all efforts to remove the  
difficulties faced by our fishermen while  
fishing in the sea.

rehabilitation and alternative livelihood.

53. There is a need to give special  
concessions to Arundhatiars, as they are  
still at the lowest rung in terms of  
socio-economic status. This Government  
proposes to consult all political parties and

**“There is a need to give  
special concessions to  
Arundhatiars, as they are  
still at the lowest rung in  
terms of socio-economic  
status.”**

arrive at a decision on the possibility of providing special reservation for them within the quota of reservation for Scheduled Castes.

54. This Government recognises the fact that securing high end employment opportunities in all sectors by Adi Dravidars and Tribal Communities is vital for their socio-economic development. With a view to enabling Adi Dravidar and Tribal youth to benefit from the current employment boom in the economy, the Government has earmarked the entire Special State Assistance of Rs.25 crores during 2007-2008, exclusively for the training programmes of Adi Dravidar and Tribal youth.

55. Having regard to the educational and social backwardness of minorities, this Government has provided separate reservation for them in education and employment. In addition, a separate Directorate has

been created to pay special attention to welfare of minorities.

56. All policies and programmes of this Government are always centred around the objective of social justice. All are aware that the DMK Government, inheriting the great legacy of the Justice Party, has always been a champion of social justice. This Government would continue to strive for reservation in Central Government educational institutions and employment in private sector.

57. The Chief Minister has accepted the request of Thiru K.Veeramani, General

**“However, considering the fact that an even better way of spreading Thanthai Periyar’s message of social equality would be to establish another 95 Samathuvapurams in his name, each having his statue at the entrance of the residential area where all communities live in unity and brotherhood.”**



Secretary, Dravidar Kazhagam that a 95 feet tall statue of Thanthai Periyar must be erected. However, considering the fact that an even better way of spreading Thanthai Periyar's message of social equality would be to establish another 95 Samathuvapurams in his name, each having his statue at the entrance of the residential area where all communities live in unity and brotherhood, this Government has now decided to commence work for the same. On completion, along with the 145 samathuvapurams already established by this Government, there will be 240 samathuvapurams with statues of Periyar in the State.

58. In 1921, over 500 scholars under the leadership of the great scholar and

founder of 'Thani Tamil Iyakkam', Thiru Maraimalai Adigalar had met in Pachaiyappa's College at Chennai and had decided that Tamils need a separate calendar and a new calendar in the name of Saint Thiruvalluvar could be followed and this would constitute the 'Tamil Year'. They also determined that the birth year of Thiruvalluvar was 31 BC. This decision was accepted by Hon'ble Chief Minister Kalaignar even as early as 37 years ago and it was ordered to be followed in the Government Diary from 1971 and the Government Gazette from 1972. In view of the consensus amongst almost all Tamil Scholars that the first day of the month of Thai, is the first day of the Tamil year, this Government has decided

**“This Government headed by the Hon’ble Chief Minister Kalaingar, is firmly determined to ensure that the fruits of the unprecedented growth witnessed by the state today reach all sections of the society and to promote the welfare of the marginalised, spread the spirit of democracy, strengthen communal harmony and secure social justice.”**

spread the message of equality and shower their love and joy.

59. I have elaborated the policies, endeavours, achievements and future plans of this Government before you. This Government headed by the Hon’ble Chief Minister Kalaingar, is firmly determined to ensure that the fruits of the unprecedented growth witnessed by the state today reach all sections of the society and to promote the welfare of the marginalised, spread the spirit of democracy, strengthen communal harmony and secure social justice. I conclude this address, with the hope that you will extend your full co-operation in successfully achieving these goals.

**Vanakkam**

**Jai Hind**

★ ★ ★

day. Therefore, the people of Tamil Nadu, who now celebrate Pongal as the festival of Tamils, can now celebrate it as Tamil New Year day also with redoubled joy. On this day let the people of this State plant trees bearing the ‘Mukkani’ fruits of banana, mango and jackfruit; draw colourful Kolams; decorate their houses with array of lamps showing them in new splendour; wearing new clothes sing and dance in praise of Tamil pride and self respect;



Hon'ble Chief Minister of Tamil Nadu Kalaingar M. Karunanidhi declared open the newly constructed bridge connecting North Usman Road and Mahalingapuram Road on 30.3.2008. Hon'ble Union Minister for Shipping, Road Transport & Highways Thiru. T.R. Balu, Hon'ble Minister for Rural Development & Local Administration Thiru. M.K. Stalin, His Worshipful Mayor of Chennai Corporation Thiru. M. Subramanian were present on the occasion.



Hon'ble Minister for Rural Development & Local Administration Thiru. M.K. Stalin declared open a newly constructed Bridge across the river Palar at Thirmukoodal in Kanchipuram District on 29.3.2008.

Hon'ble Minister for Labour Thiru. T.M. Anbarasan, Hon'ble Minister for Highways Thiru. Vellakoil M.P. Saminathan and District Collector Thiru. Santhosh K. Mishra were present on the occasion.



# **EVEN IF I WERE TO FALL, LET TAMIL LIVE**

Speech of **Prof. K. Anbazhagan**, Hon'ble Minister for Finance,  
Government of Tamil Nadu, presenting the Budget for  
2008-2009 to the Legislative Assembly on 20<sup>th</sup> March, 2008.

**Hon'ble Speaker Sir,**

The Hon'ble Chief Minister, who was also the then Minister in charge of Finance, commenced his Budget Speech for the year 1997-1998 on 5.3.1997 by

stating that in accordance with the Kural of Saint Thiruvalluvar,

*"Who pulls forth like a bullock throughout every way and place,  
Will surely cause his griefs themselves to grieve and flee apace"*



the Government would function with the determination of an ox pulling its burden over an uneven path full of obstacles, with the firm belief that the relentless efforts will result in an end to difficulties and ultimately in success. He concluded his speech by stating that (and I quote)

“In the southern part of India, Thanjavur was the capital of the mighty Chola empire where their imperial flag with the Tiger insignia was flying high. In this Thanjavur region,

I was born and brought up in a village called Thirukkuvalai, in a most backward family engaged in agriculture with proficiency in music. Even as a young boy, I had a deep sense of self-respect and love for the Tamil Language.

I became a true disciple of Thanthai Periyar and then the affectionate younger brother of Arignar Anna and

eventually a kin of the Tamil people dedicating myself to work for their betterment. In my public life, I have made a vow that “Even if I were to fall, let Tamil live” and my sense of duty is such that even if I am thrown into the sea, I shall stay afloat as a catamaran for the Tamil people to ride upon. In my whole life I have had only one thought foremost in my mind, day in and day out, that is the rights of the people belonging to the Scheduled Castes and Scheduled Tribes, Backward Classes and Most Backward Classes to live with dignity.

I have considered myself fortunate to be a humble soldier in their formation. I have identified persons among the forward communities who have the ability and concern for the rights and progress of these people. With their help, I have strived for the prosperity of the downtrodden. Even in my dream my yearning is to fulfill my vow to see God in the smile of the poor.

This budget was prepared to transform that dream into reality and out of my unquenchable zeal to see in my lifetime a peaceful and prosperous and intellectually vibrant Tamil Society."

The very same person who wrote the above lines has been devoting most of his time for the past one month for preparing this Budget for 2008-2009 with me and is the author of most part of it. May I gladly place this Budget before this august House after thanking the Hon'ble Chief Minister for leading us as a guiding force and for being a pillar of support in our endeavor to fulfil our promises vigorously in a constructive manner.

### **Agriculture and Co-operation**

2. Agriculture is the main occupation of the majority of our population and it is agriculture that sustains the life of the people of our country. In accordance with Saint Thiruvalluvar's dictum that everything else is secondary to agriculture if one were to list the importance and support this Government has accorded to agriculture, on the very day of assuming charge, this Government had waived all co-operative farm loans, thereby rejuvenating the farm sector. We congratulate the Union Government for following suit in waiving all agricultural loans availed by small and marginal farmers. We hope that the Union Government will provide financial assistance to the State towards co-operative farm loans waived by the Government of Tamil Nadu even before

this laudable decision. Following the waiver of co-operative crop loans to the tune of Rs.7,000 crores in the State, this Government has compensated the co-operative institutions by providing Rs.3,304 crores as financial assistance in the last two years and a further sum of Rs.1,150 crores has been allocated for 2008-2009 for the same purpose. Thanks to these measures, new crop loans amounting to Rs.1,250 crores have been disbursed during 2006-2007 and a sum of Rs.1,177 crores disbursed during 2007-2008 so far. **It is proposed to disburse new crop loans to the tune of Rs.1,500 crores during 2008-2009.**

3. This Government had reduced the rate of interest on crop loans given by co-operative banks from 9 % to 7 % in 2006-2007 and further reduced to 5% in the last Budget. Many agricultural economists have opined that the interest rate on crop loans must be further reduced to 4%. **Accepting this recommendation and with a view to providing further fillip to agriculture, the rate of interest on crop loan will be further reduced from 5 % percent to 4 % from the coming financial year.**

4. Thanks to the various measures for agricultural development and welfare of farmers taken by this Government after assuming charge, **the food production in Tamil Nadu has increased from 61.46 lakh tonnes in 2005-2006 to 82.63 lakh tonnes in 2006-2007. During 2007-2008 also, though several parts of the State have been affected by floods it is estimated that the**

food production the State will cross 100 lakh tonnes.

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”**

5. In addition to enhancing agricultural production, this Government is also committed to ensure that farmers get a fair price for their produce. With a view to ensuring adequate price for the paddy grown by farmers, this Government has provided an additional incentive price of Rs.50 per quintal over and above the incentive price of Rs.100 per quintal announced by the Union Government, thus enhancing the procurement price of fine variety of paddy to Rs.825 per quintal. Based on the just demand that the procurement price of paddy should be on par with wheat and the recent recommendation of the Commission for Agricultural Costs and Prices to this effect, this Government will continue to urge the Union Government to enhance the procurement price of paddy to Rs.1,000 per quintal.

6. One and half lakh hectares of lands cultivated with paddy and other crops have been affected due to floods

during the last North East Monsoon. The Central Team had inspected the flood damages. In anticipation of Central assistance, 3,60,954 affected farmers have been provided relief amounting to Rs.56.5 crores so far.

7. With a view to compensating farmers in our State for the loss on account of natural calamities like drought and floods and assisting them in insuring their crops, the scheme of Government bearing 50 percent of the insurance premium is being implemented since last year. **Under this scheme which has widely been welcomed by farmers, financial support will be provided to 25 lakh farmers to insure their crops in the coming financial year. A sum of Rs.40 crores has been allocated for this purpose.**

8. Tamil Nadu Agricultural Labourers Welfare Board was established in the year 2000 by the then DMK Government for the welfare of farmers and agricultural labourers. Though subsequently abolished, this Government has now revived the Board and is implementing the Agricultural Labourers and Farmers Social Security and Welfare Scheme which provides various forms of assistance to farmers, agricultural labourers and their families in the State. 1.66 crore members have been enrolled under this scheme so far. They are being provided with various forms of assistance like scholarships, marriage assistance, pension, assistance for funeral expense and compensation. A sum of Rs.152 crores has been allocated in the Budget Estimates 2008-2009 for this purpose.

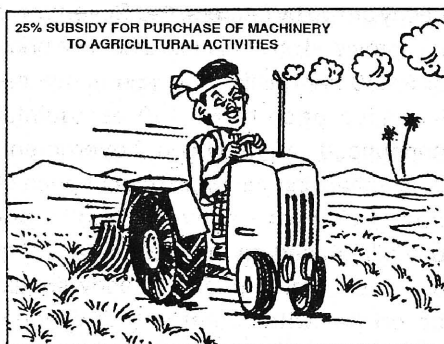
9. Under the scheme for distributing land to landless poor agricultural families free of cost by reclaiming waste land, this Government has distributed 1,78,000 acres of land free of cost to 1,51,000 poor farm families so far. Irrigation sources have been created and other supportive measures have also been provided to ensure regular cultivation of these lands. This scheme will be continued in the coming years also.

10. The System of Rice Intensification (SRI) is a newly introduced method of paddy cultivation which can increase production as well as reduce the cost of production and the requirement of water. By adopting the SRI method, our farmers will be able to produce more paddy at less cost, thereby getting a higher income. Thanks to the special efforts of this Government, SRI method is now being adopted in over 10 lakh acres of land under paddy cultivation in our State. **In the coming financial year, necessary measures will be taken to extend SRI method to 18.75 lakh acres of land under cultivation of paddy.**

11. National Agriculture Development Programme, launched by Union Government, is being implemented well in our State. **Under this scheme, precision farming which reduces consumption of water and at the same time increases agricultural production, will be extended to all districts in the State at an estimated cost of Rs.64 crores. With a view to preserving vegetables and fruits meant for sale, cold storage facilities**

**will be provided in 22 important 'Uzhavar Sandhais' (Farmers' Shandies) by Tamil Nadu State Agriculture Marketing Board.**

12. Recognising the importance of mechanisation of agricultural operations, wherever necessary, for enhancing agricultural production, this Government will assist the farmers in using machinery for agricultural activities like planting of paddy and harvest of sugarcane. **A subsidy of 25% will henceforth be provided to farmers who come forward to purchase and use such machinery under the National Agriculture Development Programme. In addition, entrepreneurs manufacturing agricultural machinery and equipments will be given necessary**



**concessions over and above what has been announced in the Industrial policy of this Government.**

13. The National Food Security Mission announced by the Government of India with the objective of increasing the production of paddy and pulses has been launched in the five districts of

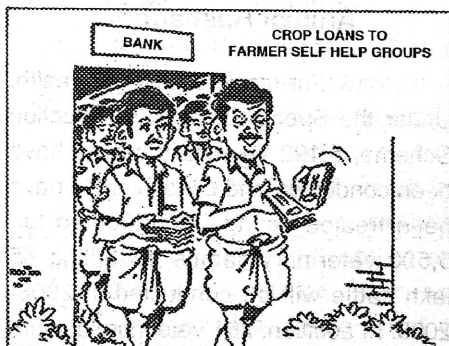
Nagapattinam, Thiruvavarur, Pudukottai, Ramanathapuram and Sivagangai in respect of paddy and in the 12 districts of Coimbatore, Cuddalore, Erode, Nagapattinam, Namakkal, Tiruvallur, Tiruvavarur, Thoothukudi, Tiruvannamalai, Vellore, Villupuram and Virudhunagar in respect of pulses. The production of paddy and pulses of these districts will be increased through provision of high quality seeds, promotion of hybrids, integrated fertilizer and pest management and adoption of SRI method. **With a view to encouraging farmers to cultivate pulses, Tamil Nadu Civil Supplies Corporation and Tamil Nadu Co-operative Marketing Federation will procure pulses from farmers from this year at the Minimum Support Price announced by the Union Government.**

14. The National Horticultural Mission, which encourages the farmers to grow high income generating horticultural crops, has been extended to another six districts in 2007-2008, thus bringing 20 districts in the State under the coverage of this scheme. A Micro-irrigation scheme, which provides 50 percent subsidy for installing drip irrigation and sprinkler irrigation systems, is being implemented in all districts of the State in order to promote judicious use of water in the cultivation of sugarcane and horticultural crops. This scheme being implemented at a cost of Rs.169 crores during 2007-2008 will be continued in the coming year as well.

**“  
In the first phase,  
10,000 SHGs will be formed  
consisting of one lakh  
farmers who are availing  
crop loans from Primary  
Agricultural Co-operative  
Banks. These groups will  
be provided with  
Rs.10 crores of revolving  
fund through co-operative  
banks.  
”**

15. This Government is taking necessary measures to increase the production of palm oil by promoting the cultivation of oil palm. Agreements have been signed with oil extraction firms in Villupuram, Tirunelveli, Theni, Thoothukudi and Vellore districts. This will enable farmers to get higher income in addition to fulfilling the edible oil requirement of the State.

**16. If our farmers are organised into Self Help Groups (SHGs), they will be able to derive many benefits as in**



**the case of the successful women SHGs in the State. Considering this possibility, farmers SHGs will be formed in the coming financial year. In the first phase, 10,000 SHGs will be formed consisting of one lakh farmers who are availing crop loans from Primary Agricultural Co-operative Banks. They will act as Joint Liability Groups and will be able to easily access credit from co-operative and public sector banks. These groups will be provided with Rs.10 crores of revolving fund through co-operative banks. With this revolving fund, the members of these groups will also be able to avail loans for their emergency needs from the SHG itself. In addition, it will be helpful for the members to jointly buy agricultural inputs at a lower price and market their produce at a better price.**

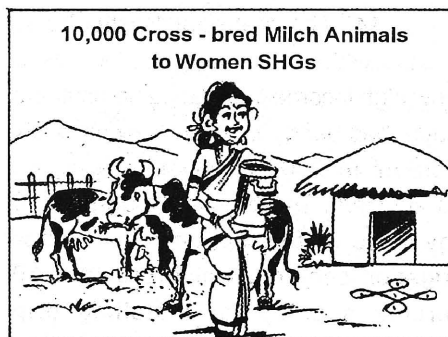
17. The scheme for providing free power to all farmers, which was introduced by the then DMK Government in 1990, will be continued. A subsidy of Rs.268 crores has been provided in this Budget to Tamil Nadu Electricity Board for this scheme.

### **Animal Husbandry**

18. For farmers, cattle is wealth. Under the Special Livestock Protection Scheme, 5,192 veterinary camps have been conducted and 63 lakh cattle have been treated during 2007-2008 so far. 5,500 veterinary camps benefiting 65 lakh cattle will be conducted in 2008-2009. In addition, 261 veterinary doctors

and 1,317 Animal Husbandry Assistants will be appointed in the coming financial year. Our State is one of the leading producers of chicken and egg in the country. In the context of incidence of bird flu in certain parts of the country, this Government is closely monitoring and taking all measures necessary to prevent its spread to Tamil Nadu.

19. Tamil Nadu is one of the leading milk producing states in India. With a view to further increasing milk production and the income of farm households producing milk, this Government will implement a new scheme by which 10,000 crossbred milch animals will be provided to Women Self Help Groups. This scheme will be implemented at a cost of Rs.22 crores for a period of two



years through the Tamil Nadu Co-operative Milk Producers Federation. This scheme will be taken up in 200 villages of the State suitable for milk production benefiting 5,000 women.

## Irrigation and Flood Control

20. Cauvery is the lifeline of Tamil Nadu. Though the Tribunal constituted to resolve the Cauvery river water dispute has given its award, there have been some hurdles in implementing the same. This Government has been taking appropriate legal measures to remove these hurdles. In addition, in respect of issues of sharing of river waters which affect the farmers of our State like raising the water level of Mullai Periyar dam and attempt to construct check dam across Palar river, this Government will leave no stone unturned to ensure full protection of the rights of our farmers.

21. The World Bank aided IAMWARM Project is implemented at a cost of Rs.2,547 crores with the objective of benefiting 15.4 lakh acres of land through the modernisation of irrigated agriculture and restoration of water bodies in the State. In 2007-2008, this project is being implemented in 9 sub-basins. In 2008-2009, the project will be extended to another 16 sub-basins. 9.4 lakh acres of land will be benefited by the works that will be carried out in these two years. Implementation of the IAMWARM Project designed to integrate the activities of various departments aiding agricultural development, will enhance the agricultural productivity and income of farmers in addition to increasing the irrigated area. A sum of Rs.585 crores has been allocated for the IAMWARM project in 2008-2009.

22. This Government is taking all necessary steps for the rehabilitation of important channels in the main agricultural regions of the State like Cauvery delta and areas under the Parambikulam Aliyar Project. **The two main canals in these areas namely the Grand Anaicut Canal and the Kalingarayan Canal, will be rehabilitated at a cost of Rs.150 crores and Rs.12 crores respectively.**

23. A National Programme for interlinking of our rivers is the only solution to the problem of inter-state river water disputes and problems of inadequate water in states like Tamil Nadu.

In the absence of consensus on the implementation of this project, the Hon'ble Chief Minister had requested that, as the first phase of this scheme, central assistance should be provided at least for the linking of intra-state rivers. Accepting this request, the National Development Council has resolved to provide such assistance under the Accelerated Irrigation Benefits Programme (AIBP). **In anticipation of this assistance, the following river linking projects in Tamil Nadu will be taken up in 2008-2009 from the State's own funds:**

- (1) **As the first phase of the Cauvery – Agniar – Koraiyar – Pambar – Vaigai – Gundar inter linking scheme for taking surplus flood water in Cauvery to water deficit districts, the construction of Kattalai barrage across Cauvery will be taken up at a cost of Rs.165 crores. In the**

next phase, works for excavating a 255 km long canal linking these rivers will be taken up based on the detailed project report under preparation.

- (2) **The Karumeniyar - Nambiar linking project for taking the surplus water from Tamirabarani river to the water deficit areas of Tirunelveli and Thoothukudi districts will be executed at a cost of Rs.369 crores.**

24. Due to overexploitation of ground water, the ground water potential in 232 of the 385 blocks in the State has considerably depleted. With a view to rectifying this situation, this Government had recently announced a scheme in the Governor's Address for storing the unutilized surplus water of the monsoons through check dams so that it can be utilized round the year.

25. As per this announcement, a major scheme for constructing 48,500 recharge structures like check dams and percolation ponds across the rivers, rivulets and streams all over the State has been conceived. **This scheme will be executed at an estimated cost of Rs.550 crores from the coming financial year through Water Resources Department, Agricultural Engineering Department, Forest Department and Tamil Nadu Water Supply and Sewerage Board with the participation of the public welfare**

**organisations and NGOs.** In the first phase, a sum of Rs.100 crores is allocated in this Budget.

26. As stated in the 2006-2007 Budget Speech, a scheme has been formulated for flood prevention in Madurai City and this has since received approval from NABARD. **These works will be carried out at a cost of Rs.12 crores in the ensuing financial year. In addition, permanent protection works against floods in Cauvery and Coleroon rivers will be carried out in Karur, Trichy, Ariyalur and Perambalur districts at a cost of Rs.211 crores.**

27. Adequate financial allocation has been provided for various schemes promoting agricultural development and welfare of farmers through the Agriculture Department, Animal Husbandry, Dairying and Fisheries Department, Co-operation Department, Public Works Department and Revenue Department. With a view to informing the Hon'ble Members about the importance this Government accords to farmers and the total financial allocation made in this regard, for the first time, a separate appendix (No.22) has been added to the Appendices to the Budget memorandum placed before the House. From this, it may be seen that this Government has provided Rs.4,792 crores for the farm sector.

### **Public Distribution System**

28. This Government is providing rice at Rs.2 per kg, the lowest in the country. Some other States in the country

“  
**The rice given under the  
 Public Distribution  
 System is meant for poor  
 families. This  
 Government is taking  
 stringent action to  
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 black market.**  
 ”

also have now proposed to introduce this pioneering scheme which has removed hunger of the poor and contained the rise in the price of rice in the open market. In addition, the Government is also implementing a special scheme whereby essential food commodities used daily by the common man like toor dal, urad dal, palm oil and fortified atta are procured by the Government and supplied to the public at reduced prices. A sum of Rs.1,950 crores has been allocated towards food subsidy in this Budget Estimates for continuing the implementation of the aforesaid schemes.

29. The rice given under the Public Distribution System is meant for poor families. This Government is taking stringent action to prevent the despicable act of its diversion to the black market. In order to provide new Family Cards to all eligible beneficiaries without any delay, they are now being printed and issued

from the respective District Collectorates. An e-governance scheme at a cost of Rs.5 crores is being implemented with the objective of computerising the operation of the Public Distribution System throughout the State.

### **Law and Order**

30. This Government is maintaining Law and Order with utmost vigil. The Police force is maintaining strict surveillance to prevent the spread of extremism to our State from the neighbouring States and through the coastal border. As is being done now, the Government will continue to take all necessary measures to ensure that no unlawful organisation of any kind rears its head in the State.

31. The Third Police Commission, constituted by this Government on the lines of the previous two Police Commissions constituted by this Government in the past to usher in police reforms and promote the welfare of policemen, has submitted its report. Government will study all recommendations in the report and necessary measures will be taken to make the Police department function even better. Currently, schemes to the tune of Rs.68 crores are being implemented under the Police Modernisation Fund. **In the coming year, with a view to aiding the transmission of urgent information regarding crimes and law and order situations then and there, all police stations in the State will be provided with broadband internet connectivity.** The

total allocation for the Police department, which was Rs.1,346 crores in 2005-2006, has been increased to Rs.2,427 crores in 2008-2009.

### **Road Safety**

32. Recurrence of road accidents and loss of many lives in these accidents cause great anguish. With a view to averting accidents and minimising the loss of lives, the following steps will be taken in the coming financial year:

- In view of a large number of accidents occurring on the road intersections in the National Highways of the State, such intersections will be identified and provided with speed breakers, warning boards and lighting facilities. There works will be taken up through the Highways Department and the Local Bodies.
- Non-observance of traffic rules is a major cause of accidents and hence drivers will be given training in this regard.
- Drivers of State Transport Undertakings who have driven without any accident will be given medals and cash prizes. The details in this regard will be announced during the demand for grants.

- The contribution of the State Government to the Road Safety Fund will be increased from Rs.6 crores to Rs.10 crores and will be utilized for implementing accident prevention schemes.

- Emergency Trauma Care Centres will be established at Kilpauk Medical College at a cost of Rs.8 crores, Vellore Medical College at a cost of Rs.7 crores and Krishnagiri District Headquarters Hospital at a cost of Rs.3 crores with assistance of the Union Government.

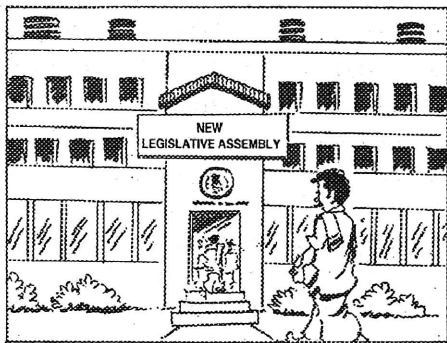
### **Courts**

33. This Government accords priority for providing adequate buildings and residential quarters for the judiciary. After this Government assumed charge, building works to the tune of Rs.102 crores have been sanctioned and are being executed.

In addition, new works at a estimated cost of Rs.100 crores will be taken up in the coming financial year. A total sum of Rs.316 crores has been allocated for the Judiciary in this Budget.

### **New Legislative Assembly Complex**

34. Marking the occasion of the Hon'ble Chief Minister completing 50 years as a legislator, it was announced that a new Legislative Assembly and Secretariat Complex will be constructed in the Government Estate at Chennai.



An Architectural firm has been selected to design this building to be constructed at an estimated cost of Rs.200 crores, in our traditional Dravidian architectural style. Construction will commence in the coming financial year and a sum of Rs.75 crores is provided in this Budget for this purpose.

### Sethusamudram Project

35. The feasibility of the Sethusamudram Project, the long standing dream of the Tamil people, has long since been established through surveys and considered desirable by experts. This project has the potential to contribute to the further strengthening and development of the State and the Country. This Government urges the Union Government to remove the hurdles created on political grounds with ulterior motives and complete the project expeditiously.

### School Education

36. After this Government assumed charge, 45,987 teachers have been brought into regular time scale of pay from consolidated pay. In addition,

21,574 vacant posts of teachers have been filled up and 7,979 new posts of teachers have been created and are being filled up. Activity Based Learning, designed to help students understand and learn their lessons easily, has been introduced in all primary and middle schools in the State. **In the coming academic year, 100 middle schools will be upgraded to high schools and 100 high schools will be upgraded to higher secondary schools.**

37. This Government has undertaken works to improve the infrastructure in all schools in Tamil Nadu. Necessary class rooms for primary and middle schools are being constructed under various schemes. Buildings for 343 Government high schools and higher secondary schools are being constructed with NABARD assistance. Further, schools all over the State are being provided with benches, desks and chairs at a cost of Rs.69 crores. **Buildings required for 450 Government high schools and higher secondary schools will be constructed at an estimated cost of Rs.312 crores in the coming financial year with NABARD assistance.** A provision of Rs.150 crores has been made for the construction of school buildings in the coming financial year.

38. Tamil Nadu is the one of the best performing states in the country in the implementation of Sarva Siksha Abhiyan (SSA). This scheme will be implemented at a cost of about Rs.800 crores in the ensuing year. An allocation

of Rs.280 crores has been made as the State Share of this scheme for the coming financial year. **Having ensured universal primary education, this Government will now target to achieve universal secondary education during the Eleventh Five Year Plan period by effectively implementing the new Scheme of Access to and Improvement of Quality of Education at Secondary Stage (SUCCESS), introduced by the Government of India for this purpose. A sum of Rs.200 crores has been allocated in this Budget as the State's share for this scheme.**

39. In the coming financial year, a sum of Rs.54 crores has been allocated for scheme of providing free text books to students and a sum of Rs.58 crores has been allocated for the scheme of providing free uniforms to students. A sum of Rs.112 crores has been provided for the scheme of providing free bi-cycles to students studying in XI<sup>th</sup> Standard. In addition to these schemes, a sum of Rs.300 crores has been provided as grants to State Transport Undertakings for implementing the scheme of providing free or concessional bus passes to students. Overall, the total allocation for the School Education Department which was Rs.4,110 crores in 2005-2006 has increased to Rs.7,852 crores in this Budget.

40. With a view to improving the mathematical skills/numerical ability of students, starting from the coming academic year, mathematics

laboratories will be established in 100 schools in the State. 100 higher secondary schools will be given laboratory equipments and 100 high schools will be provided with science equipments. Computer aided language laboratories will be established in 500 government higher secondary schools. In addition to these, library facilities will be improved in 100 high schools and 100 higher secondary schools.

41. This Government is also taking necessary steps for the improvement of schools functioning under the control of rural local bodies. Repair works and construction of toilets at a cost of Rs.103 crores have been taken up in 11,076 such schools. In the financial year 2008-2009 also, improvements works will be carried

**“**  
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**”**

out in 11,000 Panchayat Union Schools at a cost of Rs.100 crores.

42. It was only during the tenure of the previous DMK Government that computer education was introduced in Government higher secondary schools in 1999-2000. 1,880 Government higher secondary schools and 1,525 Government high schools in the State have been provided with computers in the last two years after this Government assumed charge in 2006. **In the coming financial year, computers will be provided to the remaining 100 Government higher secondary schools and 606 Government high schools.** In addition, in the first phase of the scheme for providing computers to middle schools, 2,200 out of the 6,650 middle schools belonging to the Government and local bodies will be provided computers. A sum of Rs.71 crores has been allocated in this Budget for this purpose. **In the coming financial year, a provision of Rs.2.37 crores has been made for providing computers as prizes to 1,000 top ranking Tamil medium students in the tenth standard public examinations.**

43. This Government is determined to mould a better society through a uniform education system which will endeavour to provide quality education to all students studying in schools under various Boards under its management through a uniformly designed curriculum, syllabus, text books,

pedagogically correct examination system, student centric teaching through good teachers and teaching-learning experience in class rooms. Works on preparation of the curriculum, syllabus and text books for this purpose will be taken up in the coming academic year. The uniform education system will make Tamil Nadu a pioneer in this respect in the entire Indian sub-continent and will be a harbinger of a student community of very



high quality thereby creating a Tamil Society par excellence.

44. Last year, this Government had abolished the public examination fee for the Tamil medium students in government and government aided schools which used to be Rs.115 for the tenth standard and up to Rs.225 for the twelfth standard. Currently, students who are studying in classes from sixth standard to twelfth standard in these schools have to pay Special Fees ranging from Rs.33 to Rs.103. **With a view to providing totally free education in government and government aided schools, this**

**Special Fees will also be abolished from the coming academic year. As a result, over 50 lakh students studying in these schools will benefit. Also, about 21,000 students studying in the Government Industrial Training Institutes will also be exempted from the payment of Rs.1,200 per annum as Special Fees.**

### **Libraries**

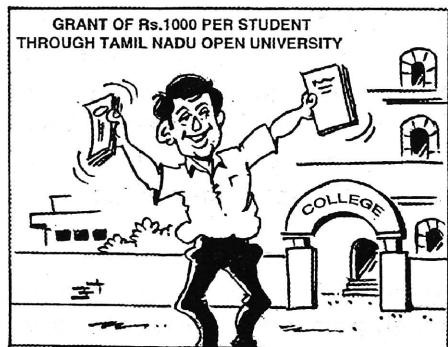
45. With a view to making rare and costly books accessible to the general public and students of modest means, this Government had announced in the last Budget speech that a modern library of international standard will be established in Chennai at an estimated cost of Rs.100 crores. Having identified the land and finalised the design for this library, works in this regard will commence in the coming financial year. **With a view to promoting the welfare of publishers, book sellers and persons working in this industry, Government will establish a separate welfare board for them.**

### **Higher Education**

46. After this Government assumed charge, it has facilitated more number of students from rural and poor families to have access to technical education by abolishing the Common Entrance Test for professional courses which was an unnecessary burden on students. In addition to granting exemption from payment of tuition fees to all students studying under-graduate

courses in Government and Government Aided Arts and Science Colleges, the Government has also converted all self financing courses in Government Colleges started during the previous years into regular courses.

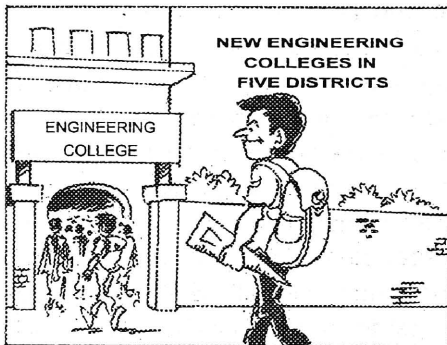
47. This Government has introduced shift system in Government Arts and Science colleges in the State in the last two years. As announced in the last year's Budget speech, the construction of 500 additional class rooms at a cost of Rs.25 crores is under progress. **Having regard to the number of students studying Government Arts and Science Colleges in our State and their space requirements, 500 more class rooms will be constructed at an estimated cost of Rs.30 crores in the coming financial year. Compound walls will be constructed for all women's colleges and toilet facilities will be created in all Government Colleges at an estimated cost of Rs.8.5 crores.**



48. Having regard to the fact that Community Colleges are playing a very important role in imparting employment-oriented skills to poor drop outs who could

not continue their education, Government will extend its support to them. **From the coming academic year onwards, these community colleges will be given student grant at the rate of Rs.1,000 per student through Tamil Nadu Open University.** A sum of Rupees One crore is allocated in the Budget for this purpose. 10,000 students will benefit from this scheme.

49. Three technical universities had been established in Trichy, Coimbatore and Tirunelveli for the



purpose of extending the reach of technical education. **With a view to enabling more students from poor families to get engineering education at a low cost, new engineering colleges will be established through Anna Universities at Tindivanam, Villupuram, Panruti, Nagapattinam and Ramanathapuram.** In addition, the infrastructure in existing engineering colleges will be upgraded and the seats available in them will be augmented.

## Health and Family Welfare

50. In accordance with this Government's objective that a medical college must be established in every district of the State, orders have been issued in the last two years for establishing new medical colleges in three district headquarters namely Villupuram, Tiruvarur and Dharmapuri and necessary follow-up action is under progress. **Similarly, two new medical colleges will be established at the district headquarter towns of Sivaganga and Perambalur in the coming financial year.**

51. Currently, works to the tune of Rs.222 crores are underway in the State for improving the infrastructure of hospitals and medical colleges and for constructing hostels and establishing nursing schools. **Ten Government Medical Colleges will be provided digital X-ray machines at a cost of Rs.10 crores.** New Nursing Schools will be established at Vellore and Theni Medical Colleges at a cost of Rs.4 crores.



52. Varumun Kappom Thittam, a pioneering scheme in preventive health care for the entire country, has been revived by this Government and medical camps by teams of medical experts are being conducted throughout the State. This scheme has widely been welcomed by the public and till date, 54.5 lakh persons have benefited under this scheme in 5,204 medical camps.

53. By introducing 24 hour maternity care in 1,000 Primary Health Centres in the rural areas of the State, Tamil Nadu has set an example for the entire country in promoting mother and child welfare. In addition, specialist doctors have been appointed in 83 district and taluk hospitals which have been upgraded as Comprehensive Emergency Obstetrics and New born Care (CEmONC) Centres. Thanks to these special efforts taken by this Government, institutional delivery in the State has gone up to 98.9 percent and 64.25 percent of these deliveries are taking place in Government hospitals.

54. With a view to assisting the public in need of urgent medical attention, who require to be taken immediately to hospitals, this Government will launch a new scheme in the coming financial year whereby people from anywhere in the State need to dial a single common telephone number to request emergency ambulance services. A computer based central

control room along with GPS fitted Ambulances will provide this service. The services of Police and Fire Service departments will also be integrated to this system thereby ensuring immediate assistance to the public in situations of emergency. **A Centre for providing immediate medical care to people affected in large numbers during natural calamities and major accidents, will be established at Chennai with Central assistance.**

55. Tamil Nadu Health Systems Project is being implemented at a cost of Rs.597crores. Under this scheme, in the coming financial year, 227 Government hospitals will be upgraded by way of various measures like carrying out improvement works, provision of medical equipments and appointment of specialist doctors. A sum of Rs.221 crores has been allocated under this Budget for purchasing medicine for all Government hospitals in the State. Totally, as against a sum of Rs.1,487 crores in 2005-2006, a sum of Rs.2,741 crores has been provided for Health and Family Welfare department in this Budget.

MONTHLY FINANCIAL ASSISTANCE TO  
CHILDREN ORPHANED BY AIDS



56. In order to give a helping hand to the children orphaned by AIDS, living in misery without any support, this Government has decided to form a Government sponsored Trust for their welfare. This Trust will help children who have lost either their mother or father or both due to AIDS.

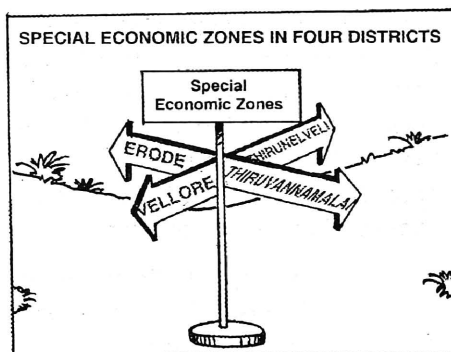
The Government will provide monthly assistance through this Trust to those NGOs or relatives who take care of these children in the form of allowances for their maintenance, education and health care. A sum of Rupees five crores has been provided for this Trust in this Budget.

### Industries

57. In the last two years after this Government assumed charge, 13 Memoranda of Understanding have been signed for establishing various industries which will bring in an investment of Rs.17,583 crores and provide direct and indirect employment to 1,41,640 persons. Several automobile manufacturing units are being established in Tamil Nadu like the expansion unit of the Hyundai car manufacturing plant for increasing the production capacity to about six lakh cars per year; a new joint venture between Renault and Nissan for manufacturing four lakh cars per annum and the new joint venture between Nissan and Ashok Leyland for manufacturing three lakh commercial vehicles per annum. Similarly, in the case of computers and electronics also, many leading firms like Dell

Computers, Motorola, Samsung, Moser Baer and Signet Solar have come forward to establish their manufacturing units in Tamil Nadu. Thanks to these investments, Tamil Nadu has emerged as the leading State in the country in the automobile and electronic manufacturing sectors.

58. Special Economic Zones (SEZs) numbering 32 have been approved in Tamil Nadu so far and 29 out of these have been already notified by the Central Government. Efforts are



being taken to establish multi-product SEZs at Nanguneri in Tirunelveli District, Krishnagiri, Perambalur and Ennore. The employment opportunities in the State will increase significantly once all these SEZs become functional. While Tamil Nadu is one of the frontline States in the country in the establishment of SEZs, the Government will pay careful attention to the livelihood security of farmers while establishing them.

59. Industrial development will generate employment opportunities and will sow the seeds of economic development. The Industrial Policy of this

Government, designed with the objective that the industrial development must not be only confined to Chennai and surrounding regions but also must be spread throughout the State so that the people from all parts of the State are able to reap its fruits has been released on 5.11.2007. Accordingly, incentives which are given to investments above Rs.350 crores in Chennai, Kanchipuram and Tiruvallur districts are extended to investments above Rs.250 crores for industries set up in other parts of the State. This will ensure that industrial development will cease to be Chennai-centric and will be spread across all parts of the State. **With the same objective, the following SEZs will be established in the industrially backward areas of the State.**

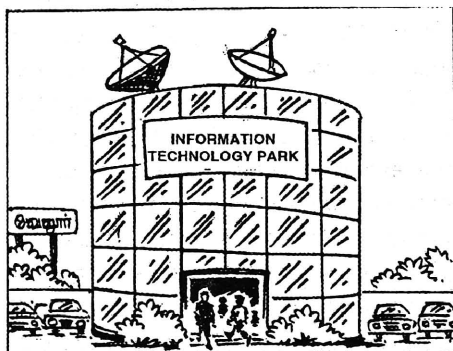
- **Transport Engineering Goods SEZ in 255 acres at Gangaikondan in Tirunelveli District.**
- **Automobile and Auto spare parts SEZ in 255 acres at Cheyyar in Tiruvannamalai District.**
- **Engineering goods SEZ in 263 acres at Perunthurai in Erode District.**
- **Leather Sector SEZ in 260 acres at Ranipet in Vellore District.**

60. In the context of cement prices increasing all over the country, it was only the Government of Tamil Nadu that took necessary steps to ensure that

the general public and builders are not affected by this increase in prices. Thanks to the efforts of this Government, cement producers have agreed to sell 20 lakh bags of cement every month at a concessional price of Rs.200 per bag. People are deriving benefit from this scheme by purchasing up to 400 bags of cement from the godowns of Tamil Nadu Civil Supplies Corporation.

61. **With a view to increasing the production of cement in the public sector, it has been decided to modernise the cement plant at Alangulam belonging to Tamil Nadu Cements Corporation (TANCEM) which was established in 1970 during the DMK regime. The modernisation will be carried out at a cost of Rs.82 crores thereby doubling the production capacity of this plant.**

### Information Technology



62. Chennai has emerged as one of the major hubs of Information Technology (IT) in India. In this scenario, the Government is taking concerted action to promote the development of IT Sector

in Tier-II cities of the State. IT Parks are being set up in Coimbatore, Madurai, Trichy, Tirunelveli and Salem. Companies establishing IT Parks have been allotted land and SEZ status has been obtained for them. The development of IT sector in these towns will generate large scale employment opportunities and its benefits shall reach all parts of the State.

**A new Information Technology Park will set up in Vellore by ELCOT in partnership with the private sector in the coming financial year.**

63. As a result of the various efforts of this Government, the value of software exports from our State, which was Rs.14,400 crores during 2005-2006, has increased by 46 % to Rs.21,000 crores in the last financial year. The Information Technology Policy of this Government, which is to be announced shortly, is designed to sustain this growth in the future years also and to make Tamil Nadu the leading state in the IT Sector.

64. The e-District programme for the computerisation of the District Collector's Office will be implemented in districts of Coimbatore, Tiruvarur, Krishnagiri, Perambalur and Ariyalur. Further, under the Union Government's e-Bharat scheme, e-governance will be introduced in the three main departments of the Government, namely Food and Civil Supplies Department, Commercial Taxes

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 ”

**Department and Treasuries Department. These measures would make Tamil Nadu a frontline state in e-governance.**

65. With a view to enabling the rural people to use the internet to access information, obtain various certificates and forms issued by the Government and make various payments from within the village itself, 5,440 Common Service Centres will be established throughout the State in the coming financial year.

66. Under the scheme for free distribution of colour televisions, procurement of 59,55,000 colour televisions has been sanctioned. So far, 27,86,255 free colour televisions

have been distributed after procuring them through a transparent process. To achieve the goal that there should not be any home without a colour television in Tamil Nadu, an additional sum of Rs.750 crores has been allocated in the Budget Estimates for 2008-2009 to continue the scheme. **With the intention that these televisions should not be merely a source of entertainment but must also be a medium of empowerment, the Government proposes to telecast several educational programmes meant for the improvement of life skills like spoken English, yoga, guidance for students, general knowledge for competitive exams, etc. These programmes will be conducted through the Tamil Nadu Open University. A sum of Rs.3 crores is provided for this scheme in this Budget.**

### **Small Industries**

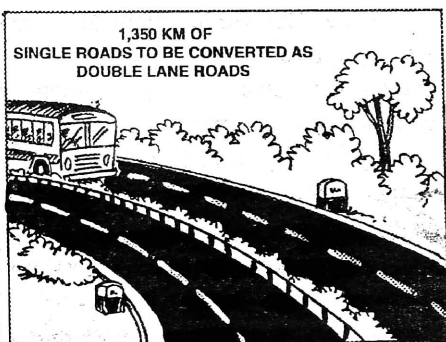
67. As announced in the last Budget, a separate policy for Micro, Small and Medium Industries was announced for the first time in the State. Through a package of incentives, this policy seeks to enhance the competitiveness of such industries in the State and gives special thrust to agro-based industries. It is expected that the operation of the new policy will make the Micro, Small and Medium Industries sector grow at an annual rate of ten percent and generate additional direct and indirect employment opportunities for ten lakh persons during the Eleventh Five Year Plan period.

68. As per the new policy, micro enterprises and agro based industries established anywhere in the State will be entitled to incentives. All Small and Medium Industries established in any of the 251 backward blocks of the State will be entitled to avail a package of incentives including capital subsidy, employment subsidy and power tariff subsidy. In addition, additional capital subsidy will be given to entrepreneurs who are women, Adi Dravidars including Arundhatiars, disabled or transgenders. It is expected that thanks to this bouquet of incentives, micro, small and medium industries will be established on a large scale in all parts of the State in the coming years.

### **Development of Roads**

69. This Government has been making sufficient financial allocation in the last two years for the development and proper maintenance of roads recognising them as a vital infrastructure for the economic development of the State. As never before, Rs.2,509 crores had been provided in 2006-2007 and Rs.3,957 crores in the current financial year and these allocations were utilised to widen, strengthen and relay 31,698 km of roads.

70. There were only 6,958 km of two-lane roads in the State when this Government assumed charge. In the last two years, 2,380 km of additional length of roads has been double-laned and steps have been taken to make the traffic in major corridors smooth and accident-free. Further, 343 major and minor bridges have been completed in the last two years at a cost of Rs.214 crores.



71. A sum of Rs.2,816 crores has been allocated in this Budget for capital expenditure on improvement of roads and bridges. 16,476 km of roads in the State will be improved, widened and re-laid in the coming financial year. As a result, another **1,350 km of single roads will be converted into double lane roads**. In addition, works on 254 major and minor bridges will also be **completed in this financial year**. Besides, a sum of Rs.855 crores has also been allocated for maintenance of roads. Due to this high allocation, it is now possible to relay all roads in the State once in five years as per the norms of the Indian Road Congress. A sum of Rs.4,179 crores has been provided for the Highways department in this Budget.

### Electricity

72. Having regard to the ever increasing power requirement of the State and its long term energy needs, this Government has taken up several power generation projects to ensure adequate generation of electricity. Works for establishing a new 600 MW unit in the North Chennai Thermal Power Plant at a

cost of Rs.2,475 crores are under progress. Tenders have been invited for setting up a 600 MW power plant at Mettur Thermal Power Station. Similarly, it is proposed to augment the generation capacity of Thoothukudi Thermal Power Station by 1,000-MW. All the above projects will be executed by Tamil Nadu Electricity Board (TNEB). Apart from these projects, works have already commenced for establishing a 1,500 MW power plant in North Chennai as a joint venture between TNEB and National Thermal Power Corporation. TNEB has also signed a Memorandum of Understanding with Bharat Heavy Electricals Limited (BHEL) for establishing a 1,600 MW power plant at Udangudi in Thoothukudi district. In the coming financial year, the power transmission and distribution infrastructure in the State will be improved at a cost of Rs.1,720 crores. Under this, 90 new electrical sub stations will be installed.

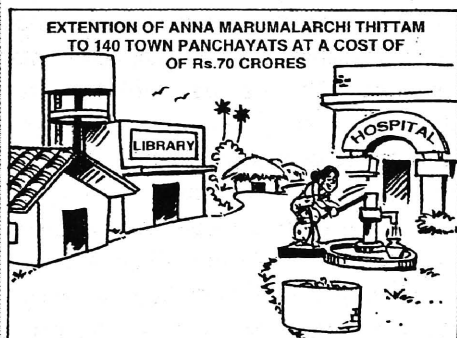
### Transport

73. During 2006-2007 and 2007-2008, State Transport Undertakings were directed to purchase 6,025 new buses and a financial assistance of Rs.477 crores has been provided to them by the Government for this purpose. 5,451 new buses have been purchased and put to use so far. **In the interest of the welfare of passengers, another 3,500 new buses will be purchased in the coming financial year at a cost of Rs.482 crores. A sum of Rs.330 crores has been provided as financial**

**assistance by the Government for the purchase of new buses.**

### **Municipal Administration**

74. Tamil Nadu is a highly urbanised State. The Government has been taking determined action to improve the urban infrastructure on a massive

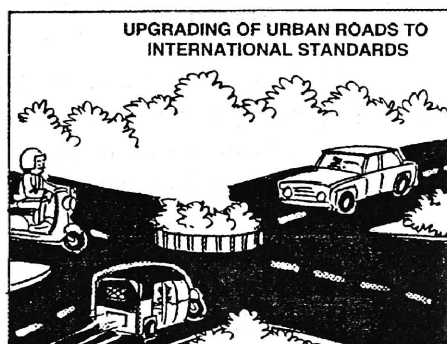


scale. Under the centrally assisted Jawaharlal Nehru National Urban Renewal Mission (JNNURM), till date, 177 projects have been sanctioned at an estimated cost of Rs.5,460 crores and works are in progress. Also, 108 projects at an estimated cost of Rs.1,624 crores are being implemented under the Tamil Nadu Urban Development Project-III (TNUDP-III). In addition, under the All Town Panchayats Anna Marumalarchi Thittam which was launched last year, developmental works are being undertaken in 140 Town Panchayats at an estimated cost of Rs.70 crores. **This scheme will be extended to another 140 Town Panchayats in the coming financial year and works to the tune of Rs.70 crores will be implemented.**

75. This Government had taken a policy decision that underground sewerage scheme will be implemented in all municipalities and in the first phase, the scheme will be implemented in all district headquarter towns. Works have been completed in four districts headquarter towns and are under progress in 24 such towns at an estimated cost of Rs.1,362 crores. **The schemes for the remaining district headquarter towns of Nagercoil and Ariyalur will be taken up during the coming financial year.**

76. Additional resources have been identified for undertaking even more development schemes in urban areas. External assistance to the tune of Rs.300 crores from Japan Bank for International Co-operation and Rs.490 crores from KfW, a German funding agency, will be availed to take up infrastructure projects like drinking water supply and underground sewerage in urban areas.

**77. With a view to upgrading the urban roads in the State to international standards, a massive scheme called Tamil Nadu Urban**



Roads Development Project will be implemented from the coming financial year. Under this scheme, in addition to improving all roads in our Municipal Corporations and Municipalities, they will be provided with pavements, storm water drainage and provision for laying pipes under them. In its first phase, this scheme will cover the roads in Chennai City, Trichy, Tirunelveli, Tiruppur and Madurai Municipal Corporations, and Alandur, Mayiladuthurai, Karur, Inam Karur, Kumbakonam, Thanjavur and Valasaravakkam Municipalities, where the underground sewerage schemes have already been completed. This scheme will be implemented at an estimated cost of Rs.1,000 crores and it will have multiple sources of financing which includes Rs.147 crores of arrears of devolution from the State Government, a portion from the assigned revenue payable to Municipal Corporations and Municipalities on account of surcharge on stamp duty and bonds which will be issued by the Tamil Nadu Urban Road Infrastructure Fund (TURIF).

78. Having regard to the development attained by Tiruppur and Erode and the request of the people in these cities, this Government has upgraded them as Municipal Corporations last year. Similarly, in the coming financial year, Vellore, a town of historical importance and the seat

of several important educational institutions, will be upgraded as a Municipal Corporation.

79. Having regard to the development witnessed by the Chennai Metropolitan area and its surroundings and with a view to facilitating smooth traffic of over 30 lakh vehicles plying in Chennai City, a farsighted transportation project has been conceived. Under this project, a Circular High Speed Transportation Corridor will be constructed over the banks of water courses in Chennai City like Adyar river, Buckingham canal, Cooum river and Mambalam canal and it will be connected to the Chennai bypass Road. This 120 km circular corridor will consist of four-lane and six-lane roads. 60 km of this expressway will be constructed by National Highway Authority of India and the remaining 60 km will be constructed by the State Government. As a result of this project, people who travel from the central parts of Chennai to Tambaram, Rajiv Gandhi Information Technology Corridor and East Coast Road and those vehicles which travel from Chennai to other cities like Tirupathi, Bengaluru and Kolkata will be able to travel much faster. This project, proposed to be implemented at an estimated cost of Rs.2,300 crores, will be able to ease the present traffic congestion in the important roads of Chennai City.

### **Metro Rail Project**

80. As yet another solution to the traffic congestion in Chennai, the

Government is taking necessary action to implement the Metro Rail Project. The detailed project report has been prepared and action is being taken to obtain the approval and financial assistance from the Union Government and from Japan Bank for International Co-operation (JBIC). A public sector undertaking called 'Chennai Metro Rail Limited' has been created to execute this project. A sum of Rs.300 crores has been provided in this Budget as the State's share for the Metro Rail Project.

### **Drinking Water**

81. During 2007-2008, 9,625 rural habitations have been provided with protected water supply. During 2008-2009, water supply schemes will be implemented in 10,000 rural habitations at a cost of Rs.506 crores. During 2007-2008, water supply improvement schemes for 55 towns have been completed. During 2008-2009, water supply improvement schemes will be implemented in another 60 towns. The Ramanathapuram Combined Water Supply Scheme, for which the foundation stone was laid by the Hon'ble Chief Minister on 30.1.2007, has been taken up at a cost of Rs.616 crores and works are under execution on a fast track. This scheme will be completed by April, 2009.

82. As a result of the sustained efforts of this Government, the Hogenakkal Combined Water Supply Scheme, the only permanent solution for the drinking water problems of Dharmapuri and Krishnagiri districts

having a high content of fluoride in groundwater, has received financial assistance from JBIC. On 26.2.2008, the Hon'ble Chief Minister has laid the foundation stone for implementing this scheme at an estimated cost of Rs.1,330 crores. This project benefiting the people of these two districts will be completed expeditiously.

83. Having regard to the long term drinking water requirements of the growing Chennai city, a desalination plant is being set up at Minjur near Chennai which has

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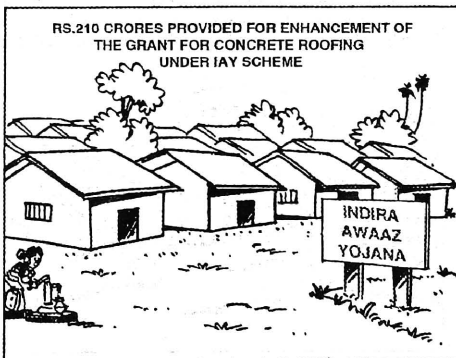
the capacity to produce 100 million litres of drinking water per day (MLD).

The project on completion will supply of water 15 MLD of water from June 2008 and 100 MLD from September 2008. In order to further address the growing drinking water requirements of Chennai city which is expanding rapidly, another 100 MLD desalination plant is proposed to be set up Nemmeli on East Coast Road at an estimated cost of Rs.994 crores with financial assistance from the Government of India. A detailed project report for this plant has been prepared and sent to Government of India. The Union Government, in its Budget, has allocated Rs.300 crores as its support for this project to start with. The work on this plant will be taken up in the coming financial year.

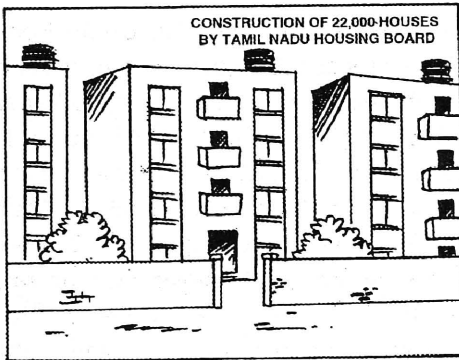
### Housing

84. It was Hon'ble Chief Minister Kalaignar who, in 1974, launched the revolutionary scheme for constructing permanent houses for poor Adi Dravidars for the first time in the entire country. This pioneering scheme, appreciated by Babu

Jagajivan Ram the then Union Food Minister, was subsequently extended to the entire country under the name Indira Awaaz Yojana (IAY). Under the IAY scheme, in addition to the Rs.25,000 fixed as the unit cost by the Union Government, the State Government is providing Rs.12,000 per house as grant for the provision of concrete roofing. Having regard to the fact that construction costs have escalated, the Hon'ble Chief Minister had urged an increase in the unit cost of IAY houses in the recent National Development Council Meeting. Accepting this request, the Union Government has increased the cost per house from Rs.25,000 to Rs.35,000 in the recent Union Budget. **Similarly, having regard to the increase in cost of concrete roofing, this Government will also enhance the grant for concrete roofing from Rs.12,000 to Rs.20,000.** This will cause an additional expenditure of Rs.56 crores for the Government. A sum of Rs.210 crores has been provided in this Budget for this scheme in the form of State share in the unit cost and grant for the roofing cost. About 70,000 houses will be constructed in rural areas at a cost of Rs.55,000 each under the IAY Scheme through the Rural Development Department in the coming financial year. The share of Government of India and State Government in the cost of a house under this scheme will be Rs.26,250 and Rs.28,750 respectively.



85. One lakh and six thousand concrete houses and tenements are being constructed for



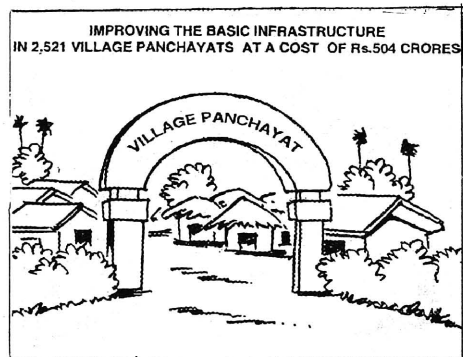
urban slum dwellers at an estimated cost of Rs.2,787 crores under the Jawaharlal Nehru Urban Renewal Mission. It is also proposed to reconstruct 9,692 dilapidated tenements in Chennai and other cities at a cost of Rs.263.25 crores. **22,000 houses for low income groups, middle income groups and government servants will be constructed in areas around the cities through Tamil Nadu Housing Board at an estimated cost of Rs.2,000 crores.** These schemes will be taken up by Tamil Nadu Housing Board under the self financing scheme as well as through public-private partnership.

86. All outstanding dues in respect of housing loans up to Rs.25,000, availed from Urban and Taluk Co-operative Housing Societies by people from economically weaker sections who are unable to repay them, will be waived. For those who availed loans above Rs.25,000 and up to Rs.1 lakh, the penal interest will be fully waived and 50% of the interest will also be waived on repayment of

dues. In the case of loanees, who have received loans above Rs.1 lakh and up to Rs.2 lakhs, the penal interest will be fully waived and 25% of the interest will also be waived if they come forward to repay their dues. For the high income groups, who have availed loans above Rs.2 lakhs and up to Rs.7 lakhs also, the penal interest will be fully waived and 10% of the interest will also be waived on repayment of dues. These special concessions will be applicable during the period from 1.4.2008 to 30.9.2008 only.

### Rural Development

87. The High Level Committee, headed by the Hon'ble Minister for Rural Development and Local Administration, constituted to study and make recommendations to Government regarding entrustment of additional powers and responsibilities to local bodies, has submitted its report to the Government. **The recommendations of this Committee will be examined and an Action Taken Report will be placed in the Legislative Assembly during this current session itself.**



88. Under the Anaithu Grama Anna Marumalarchi Thittam launched by this Government, works to the tune of Rs.1,020 crores have been taken up in 5,074 villages of the State in the last two years. **A sum of Rs.504 crores is allocated for this scheme in the Budget Estimates for 2008-2009 and will be utilized for undertaking basic infrastructure related works in 2521 village panchayats.**

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**22,000 houses for low income groups, middle income groups and government servants will be constructed in areas around the cities through Tamil Nadu Housing Board at an estimated cost of Rs.2,000 crores.**

**All outstanding dues in respect of housing loans up to Rs.25,000, availed from Urban and Taluk Co-operative Housing Societies by people from economically weaker sections who are unable to repay them, will be waived.**

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89. Rural roads in the State are being improved by utilizing financial assistance from NABARD and 12<sup>th</sup> Finance Commission Grants and under Prime Minister's Grama Sadak Yojana. After this Government assumed charge, within the first two years, 10,010 km of rural roads have been improved at an estimated cost of Rs.942 crores.

90. The National Rural Employment Guarantee Scheme (NREGS), the flagship scheme of the United Progressive Alliance (UPA) Government, is being implemented in an exemplary manner in Tamil Nadu. Under this scheme, 82 percent of the beneficiaries are women and 59 percent are Adi Dravidars. An expenditure of Rs.603 crores has been incurred under various works taken up under this scheme so far. In addition to having ensured minimum wages for the beneficiaries, these wages are being paid promptly to the beneficiaries by eliminating the involvement of contractors. The manner in which this scheme is being implemented in Tamil Nadu has become a model for the entire country. **During the coming financial year, NREGS works will be implemented in all districts of the State at an estimated cost of Rs.2,000 crores.**

91. With a view to involving the community in developmental works and implementing schemes with people's participation, the Government has revived the 'Namakku Naame Thittam' and 1,625 works have been taken up in the current year. A sum of Rs.50 crores is allocated

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**On the lines of the Namakku Naame Thittam implemented with the participation of local people and with a view to facilitating Tamils living abroad to make contributions, the Government will set up a Trust to implement various activities as desired by them.**

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for this scheme in the Budget Estimates for 2008-2009.

92. Many people belonging to Tamil Nadu and living abroad wish to contribute to schemes that will benefit their place of birth and people living therein. **On the lines of the Namakku Naame Thittam implemented with the participation of local people and with a view to facilitating Tamils living abroad to make contributions, the Government will set up a Trust to implement various activities as desired by them.** They can make substantial donations to this trust and can specify the works they wish to be taken up. These works will be executed with due recognition of the sponsor in these works. The donors will be enabled to know the progress of works sponsored by them through the internet.

93. As announced by the Hon'ble Chief Minister, with a view to upholding Thanthai Periyar's message of equality, this Government has approved the establishment of 95 new Samathuvapurams, each having his statue. These Samathuvapurams, where people belonging to all communities can live together in unity and brotherhood, will be established in the coming three years. Once this work is completed, including the 145 Samathuvapurams already established by this Government, there will be 240 Samathuvapurams with Periyar statues in the State. A sum of Rs.75 crores is allocated for the scheme in the coming financial year.

94. The recommendations of the Third State Finance Commission regarding various issues concerning the local bodies like decentralisation of powers and devolution of funds, along with an Action Taken Report on the steps taken by this Government on these recommendations, have already been placed before this House. The share of devolution has been increased from eight percent to nine percent. During 2006-2007, a sum of Rs.4,278 crores had been provided to local bodies in the form of devolution, assigned revenue and schematic assistance. During 2007-2008, a sum of Rs.4,945 crores has been provided. I am happy to announce that this will be increased to Rs.5,775 crores in 2008-2009. Further, the Government is directly bearing the expenditure on certain functions like primary education, public

health and rural drinking water supply. Therefore, I would like to inform that the total financial assistance to local bodies coupled with the Government's expenditure on certain functions which are supposed to be discharged by the local bodies, amount to Rs.10,165 crores accounting for 31 percent of the State's own tax revenue.

### **Revenue Administration**

95. The Government has been implementing the scheme for distribution of free house site pattas to poor people without house sites vigorously, setting a target of grant of three lakh house site pattas. This target has been exceeded and 3,98,000 house site pattas have been distributed so far. This Government has also relaxed the minimum number of years one must have resided on Government lands to be eligible for house site pattas from ten years to five years and has also removed the income limit, thereby facilitating all persons to benefit from the scheme.

96. In the coming three years, Rs.20 crores will be provided every year for constructing offices and quarters for District Collectors, District Revenue Officers, Revenue Divisional Officers, Tahsildars, Revenue Inspectors and Village Administrative Officers. A new building for Ariyalur Collectorate and additional buildings for Trichy and Thanjavur Collectorates will be constructed.

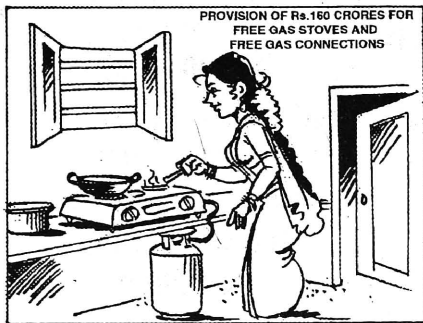
**“**  
**25000 new**  
**Self Help Groups with**  
**4 lakh women**  
**as members will be**  
**formed during**  
**2008-2009.**

**”**

97. After assuming charge, this Government had ordered the creation of the Ariyalur district, and this district has now become functional. **As promised by the Hon'ble Chief Minister on 29.12.2007, a new district with Tiruppur as its headquarters will be carved out of Coimbatore and Erode districts. Accepting the long standing request of the people of Pudukkottai district, two new taluks will be formed with Karambakkudi and Ponnamaravathi as headquarters. In addition, 12 revenue villages which are situated near Kovilpatti in Thoothukudi district but are presently in Sankarankoil taluk of Tirunelveli district will be merged with Kovilpatti taluk.**

### **Tsunami Relief Works**

98. Before this Government assumed charge, only 8,401 houses had been completed under the scheme for constructing houses for tsunami affected people. This Government has expedited the progress of these works and as on date, 35,268 houses have been completed and the construction of remaining houses are progressing. Apart from this, the Government has also taken up the



construction of 3,000 houses abandoned by NGOs and 22,000 new permanent houses under the Rajiv Gandhi Tsunami Rehabilitation package for the people who are currently living in the 52,000 huts which are within 1 km from the sea. The construction of the remaining 30,000 houses will be taken up after obtaining the approval of the World Bank expeditiously.

### **Welfare of Women**

99. The scheme for free distribution of gas stoves and gas connections to families without gas connection is being implemented. This scheme is intended to benefit women from poor and middle income families. As on date, 6.5 lakh families have been given free gas stoves and free gas connection. **With a view to implementing this scheme in the coming year also, a provision of Rs.160 crores has been made for distributing another 8 lakh free gas stoves and free gas connections.** This scheme will be continued in the coming years also.

100. This Government is implementing the Dr.Muthulakshmi Reddy

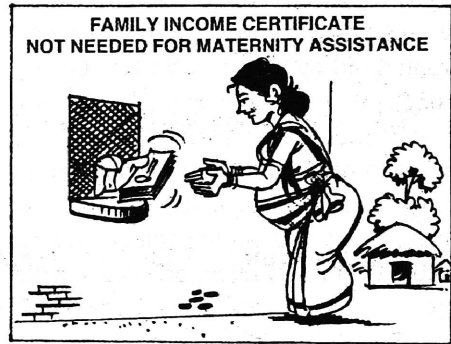
Memorial Maternity Assistance Scheme providing maternity assistance grant of Rs.6,000 at the rate of Rs.1,000 per month, to pregnant women to compensate for the loss of income and to ensure adequate nutrition for them. 7 lakh mothers have benefited under this scheme so far. As per the guidelines of this scheme, pregnant women have to obtain family income certificate to avail maternity assistance. As this is a hardship for them during pregnancy, this Government has decided to relax this condition. **From the coming financial year onwards, financial assistance will be given under this scheme to women from poor families based only on the recommendation of the Village Health Nurse who examines the beneficiary during pregnancy and without having to produce an income certificate.**

101. This Government has revived the Moovalur Ramamirtham Ammaiyar Memorial Marriage Assistance Scheme and has increased the assistance provided under this scheme from Rs.10,000 to Rs.15,000 from the year 2006-2007. This scheme is of great support for poor families in meeting marriage related expenses and one lakh twenty thousand poor women have benefited so far. **Having regard to the increasing marriage expenses, the financial assistance under this scheme will be further increased from Rs.15,000 to Rs.20,000. With a view to benefiting 65,000 poor women, a provision of Rs.130 crores is made for this scheme.**

102. In order to encourage and further strengthen the Self Help Group (SHG) movement initiated by the DMK Government in Dharmapuri district in 1989, this Government has been extending various benefits to them. Their training allowance has been increased from Rs.7.50 to Rs.45 per person. 48,514 new Self Help Groups have been formed after this Government assumed charge. **25000 new Self Help Groups with 4 lakh women as members will be formed during 2008-2009.**

103. Only if the Self Help Groups are provided with the revolving fund, they will be able to avail bank credit and operate successfully by engaging in income generating activities. 1,50,000 Self Help Groups out of the 3,63,000 Self Help Groups in the State have not received revolving fund even though they have acquired the eligibility for the same. **With a view to benefiting these Self Help Groups by helping them engage in economic activity, the Government will provide revolving fund to the tune of Rs.150 crores to all the remaining 1,50,000 Self Help Groups in the coming financial year. About 30 lakh women who are members of these Self Help Groups will benefit from this initiative.**

104. This Government is implementing the World Bank aided 'Vazhndhu Kattuvom' Project for the benefit of the poorest of the poor, destitutes, disabled and women from poor families. This Rs.717 crore project is being implemented in 2,469 village



panchayats of the 70 backward blocks in the State. So far, poor persons from 1,117 village panchayats have been selected as beneficiaries. 2,116 new Self Help Groups and 1,163 Self Help Groups for the disabled have been formed. In the coming financial year, a sum of Rs.114 crores has been allocated for this scheme implemented for the benefit of the poor.

105. It was the DMK Government that had secured equal property rights and ensured 33% reservation in local bodies for women. **As a further step in this regard, the State Commission for Women working to promote the welfare of women in the State, will be conferred statutory status. Necessary Bill for this purpose will be introduced in this session of the Legislative Assembly.**

### **Welfare of the Elderly and Destitutes**

106. This Government had doubled the monthly assistance given to the elderly, destitute widows and deserted wives from Rs.200 to Rs.400. In view of the implementation of the Centrally Sponsored Indira Gandhi National Old Age

Pension Scheme in the State, all senior citizens below the poverty line are being granted old age pension of Rs.400 per month. 9.77 lakh old aged persons will benefit under the scheme. In addition, 6.2 lakh destitute widows and deserted wives are receiving Rs.400 per month as pension. I would like to point out that on account of these welfare benefits, the old age / widow pension expenditure which was Rs.299 crores in 2005-2006 has increased to Rs.830 crores in the Budget Estimates for 2008-2009.

### **Welfare of the Disabled**

107. The Government had increased the monthly pension for the disabled from Rs.200 to Rs.400 and from Rs.200 to Rs.500 in the case of severely disabled persons. As a result, 86,000 disabled persons have benefited. Under the Tsunami Rehabilitation Programme, a sum of Rs.34.63 crores has been given as grant to 34,632 disabled persons at the rate of Rs.10,000 per person enabling them to pursue income generating activities. The Government has created a separate welfare board for the disabled after enacting legislation to this effect and is distributing various benefits through it. **As the plight of persons affected with Muscular Dystrophy is similar to that of disabled persons, they will also be provided with monthly assistance of Rs.500 as in the case of other disabled persons, from the ensuing financial year.**

108. With the objective of facilitating the education of visually

challenged persons, this Government has doubled the scholarship given to them. A special sanction of 200 posts of teachers has been earmarked for visually challenged young graduates. **In addition to the 10 districts where Early Intervention Centres for the hearing impaired have been established during 2006-2007, these centres will be established in the remaining 21 districts through NGOs.**

### **Welfare of Mentally Retarded Persons**

109. This Government had sanctioned monthly assistance to severely mentally retarded persons who are unable to take care of themselves without any ceiling on the number of beneficiaries. As a result, additional 20,000 mentally retarded persons have benefited and 30,000 mentally retarded persons are receiving Rs.500 per month as maintenance allowance.

In addition to starting Early Intervention Centres in every district through NGOs, seven adult homes for the mentally retarded with vocational training facilities have also been started. Apart from these, financial assistance is being given to NGOs for operating special schools for them.

### **Welfare of Transgenders**

110. Viewing transgenders with compassion as in the case of disabled persons, this Government has been

#### VOCATIONAL TRAINING FOR TRANSGENDERS



providing a helping hand to them by establishing a separate welfare board for them and issuing them family cards. **Transgenders will be given vocational training and will be facilitated to take up vocation either individually or as Self Help Groups.**

In addition, as per the new Small Industries Policy, special incentives have been provided for industries started by transgenders. **This Government will extend financial assistance to establish a transit home for transgenders in transition through NGOs.**

#### Welfare of Narikkuravas

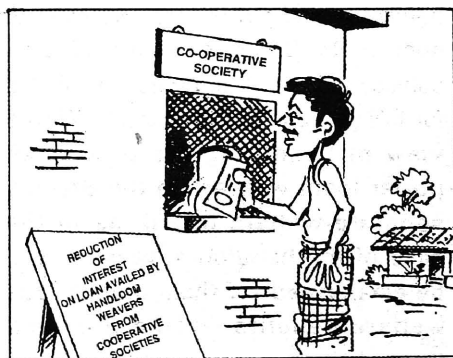
111. The Hon'ble Chief Minister holds the Narikkuravas in high esteem and used to call them 'Nerikkuravas' meaning men of honour and principles and with a view to helping them abandon their nomadic lifestyle and settle down in one place, he had opened 140 houses for them in Devarayaneri in Thiruverumbur block in Trichy district on 13.3.1975. However, even today, Narikkuravas are continuing to lead a

nomadic life and as a result, the fruits of many welfare programmes of the Government are eluding them. **A separate welfare board will be created for Narikkuravas to provide them education, alternative livelihood and various other welfare benefits.**

#### Welfare of Weavers

112. The scheme of free distribution of dhoties and sarees to poor people on the occasion of the pongal festival will be continued in the coming year also in order to provide regular employment to handloom weavers. An amount of Rs.256 crores has been allocated in this Budget for the same. Interest subsidy granted to handloom weavers co-operative societies has been stopped since 2003. **Interest subsidy will be revived with 4% subsidy thereby reducing the interest on the loans availed by handloom weavers co-operative societies from 12 percent to 8 percent from the coming financial year.**

**The Government will be incurring an additional annual**



expenditure of Rs.12 crores on account of this concession. In addition, loans to the tune of Rs.15 crores taken from HUDCO under the House cum Workshed Scheme by weavers who are presently not in a position to repay, will be waived.

113. The Handloom Weavers Health Insurance Scheme is being implemented in Tamil Nadu with central assistance.

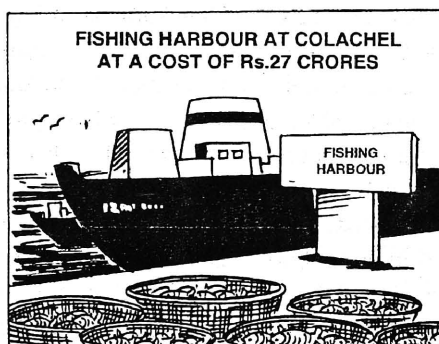
As per the revised guidelines of this scheme, in addition to the contribution by the Union and State Governments, the weavers are also expected to contribute Rs.50 as their share of the premium. **The Government has decided to bear the weavers' share of the premium also in order to help the poor weavers. As a result, three lakh weavers who have been enrolled under this scheme will benefit.**

114. This Government had enhanced the old age pension given to elderly weavers from Rs.200 to Rs.400. The Government is also implementing the free power supply scheme for handloom and power loom weavers. A sum of Rs. 67 crores is provided as subsidy to Tamil Nadu Electricity Board for this purpose in this Budget. **With a view of benefiting the three lakh power loom weavers in the State, a separate welfare board, as in the case of the handloom weavers, will be established for them and various welfare benefits will be provided through it.**

## Welfare of Fishermen

115. This Government is determined to remove the difficulties faced by fishermen when they go to deep sea for fishing. The Government is implementing the scheme of providing financial assistance to the families of those fishermen who have gone for fishing and found missing. Tsunami affected fishermen are being provided with 33,700 heavy duty bi-cycles, 60,000 life jackets and 4,000 rechargeable lamps. In addition, under the Tsunami Rehabilitation Programme, works are being carried out for the improvement of various fishing harbours and fish landing centres in the State. **The Union Government has sanctioned a fishing harbour at Colachel at a cost of Rs.27 crores. The works will commence in the next financial year.**

116. Fishermen of our State will be able to get higher income only if they adopt modern practices in fishing and processing of their catch without wastage. With a view to providing technical assistance and training to our fisher folk for taking up activities like marine cage culture and crab culture by fishermen and sea-weed farming and adoption of proper



fish processing techniques by women, a modern Fishing Technology Training Centre will be established. Major corporates like the Tata Group, who have already rendered outstanding service in tsunami relief operations, have come forward without any profit motive to assist in this endeavour as yet another manifestation of their corporate social responsibility. This Government will establish this special training centre with such assistance. An amount of Rs.1 crore has been included in this Budget as initial assistance.

### **Welfare of the Unemployed Youth**

117. 3,53,488 youth have benefited under the scheme for providing monthly assistance to the unemployed youth. In the coming year, Rs.95 crores is allocated for this scheme. The Government is taking necessary steps to enhance the skills of the unemployed youth so that they are able to benefit from the large number of employment opportunities which are opening up in our State. The scheme of skill development for youth being implemented with a provision of Rs.8 crores in the last Budget will continue to be implemented in the coming financial year as well.

### **Welfare of Unorganised Labourers**

118. With a view to ensuring the social security of unorganised labourers, this Government has revived the various welfare boards which had been abolished earlier, and is

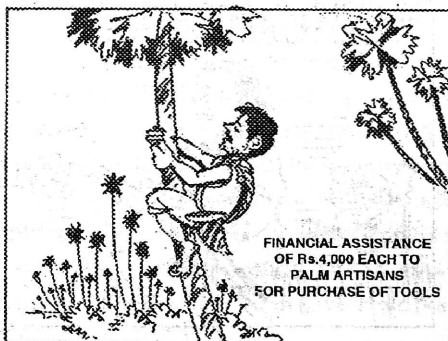
implementing various social security and welfare schemes through them. Welfare benefits to the tune of Rs.62 crores has been disbursed to 2,47,000 beneficiaries through these welfare boards so far.

119. The Union Government has launched a health insurance scheme called Rashtriya Swasthya Bima Yojana (RSBY), under which all poor unorganised labourers and their families can be insured and provided assistance up to Rs.30,000 to cover unforeseen medical expenses. **In the first phase, this scheme will be implemented in the districts of Kanchipuram and Tirunelveli.** The Tamil Nadu Government's share of Rs.5.24 crores for this scheme has been provided in this Budget.

In addition, with a view to benefiting around 50,000 Small Saving Agents in the State, a group insurance scheme will be implemented with both Government grant and beneficiary contribution.

### **Welfare of Palm Workers**

120. This Government has established a separate welfare board for the welfare of Palm workers and is



providing various welfare benefits to them through it. **In order to enable palm artisans to carry out their vocation even better, palm artisans will be given financial assistance of Rs.4,000 each for the purchase of tools.** A sum of Rs.1.5 crores is provided in this Budget for the same. In addition, the Neera Catering Unit at Palayamkottai will be provided neera chilling plant and other equipments.

### **Welfare of Handicraft Workers**

121. A separate welfare board has been formed for handicraft workers and various welfare benefits are being given through it. **10,000 artisans in our State will be provided with life and health insurance under the Rajiv Gandhi Artisans Health and Life Insurance Scheme, launched by the Union, Government.**

### **Ex-Servicemen Welfare**

122. This Government is committed to the welfare of Ex-Servicemen who rendered the great service of defending the nation's borders. 9,871 Ex-Servicemen have been provided employment in various

departments and PSUs through Tamil Nadu Ex-Servicemen Corporation (TEXCO). The solatium provided to the families of soldiers who lay their lives during internal security operations, will be increased from Rs.one lakh to Rs.5 lakhs from the coming financial year. Also, the compensation presently provided to injured soldiers ranging from Rs.10,000 to Rs.40,000 as per the severity of the injury, will be enhanced to the range of Rs.50,000 to Rs.2 lakhs.

### **Welfare of Small Traders**

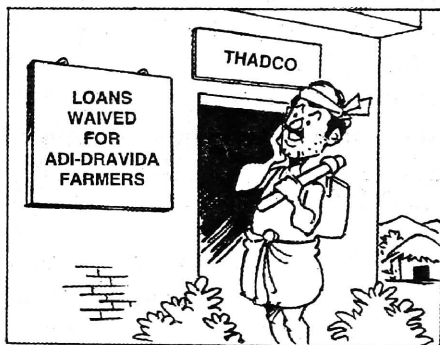
123. With a view to enabling small traders to avail loans up to Rs.5000 for carrying to carry on their trade, this Government has restructured the Small Trade Loan Scheme. **Under this scheme, which has received very good response among the poor hawkers and women engaged in small trading, credit cards will be provided in the coming financial year.**

In addition, with a view to benefiting even more small traders, **they will be organized into SHGs and two lakh such small traders will be given loans to the tune of Rs. 50 crores through co-operative banks.**

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

124. This Government is implementing several scheme for the socio-economic development and raising the living standards of Adi Dravidar and Tribal people. In the last two years since this Government assumed charge, Rs.25 crores is being allocated annually as the





Special State Assistance and this entire amount is being utilized only for training programmes for the educated Adi Dravidar youth. A sum of Rs.25 crores has been allocated for this scheme in the coming financial year also. Under this scheme, a special training programme will be formulated for coaching graduate Adi Dravidar youth to succeed in the various national level post graduate entrance examinations. **As was done in the case of farm loans from co-operative banks, farm loans to the tune of Rs. 5.5 crores availed by Adi Dravidar farmers from THADCO will also be waived.**

125. An amount of Rs.154 crores has been allocated for scholarships to Adi Dravidar and Tribal students in order to ensure their education progress. Presently 1,241 Adi-Dravidar Welfare Hostels are being run by the Government. In the coming financial year, 25 new hostels will be opened in order to benefit more Adi-Dravidar students who want to avail the hostel facility for their education. **Apart from this, new buildings will be**

**constructed for 25 hostels which are presently functioning in rented buildings at a cost of Rs. 12.5 crores. Also, 8 Adi Dravidar middle schools and 3 residential tribal middle schools will be upgraded as high schools at a cost of Rs.3.68 crores.**

126. This Government is committed to provide adequate burial ground and pathway leading to it in every Adi Dravidar habitation in the State. The scheme for this purpose will be implemented vigorously and the necessary land for the burial ground and the pathway will be arranged either through land acquisition or private negotiation.

### **Welfare of Sanitary Workers**

127. With a view to eradicating the abhorrent practice of manual scavenging and rehabilitating those who were engaged in this profession, this Government has been implementing rehabilitation schemes for manual scavengers to the tune of Rs.56 crores. Having regard to the fact that the persons engaged in sanitary work belong to the lowest strata of the society, this Government has established a separate welfare board for them and is providing various welfare benefits to them. **Deeply concerned with their welfare, this Government will provide protective gear to those who are engaged in clearing the blockage in sewer lines. Also, special machinery will be used so as to avoid the need for these workers working inside these sewer pipelines. Sanitary and sewer workers**

**will be provided with health insurance and annual medical check up free of cost.**

128. Having regard to the fact that Arundhatiars are at the lowest rung of socio-economic and educational status, it is felt necessary to provide them special concessions. Accordingly, with a view to considering the possibility of providing special reservation for them within the quota of reservation for Arundhatiars, this Government had convened an all party meeting on 12.3.2008. It was resolved in this meeting to provide for special reservation for Arundhatiars within the quota of reservation for Adi Dravidars and to constitute an One Man Committee headed by Justice Thiru M.S. Janardhanam, retired High Court Judge to enquire comprehensively and recommend to the Government after consulting, if necessary, the commission constituted based on the decision of the Union Cabinet, the list of communities coming under Arundhatiars and the percentage of reservation based on the population of Arundhatiars. After obtaining the report of the Committee within six months, the Government would take necessary action to operationalise the same.

129. In the interest of development of Adi Dravidar and Tribal communities, separate allocations are made for them in the divisible plan schemes of the Government under the Special Component Plans for Adi Dravidars and Tribals. The size of the Special Component Plan, which was

Rs.567 crores during 2005-2006, has increased to Rs.1,085 crores during 2006-2007 and to Rs.1,544 crores during 2007-2008. I am happy to inform that the allocation under the Special Component Plan will be Rs.2,312 crores during 2008-2009.

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

130. Students belonging to Backward Classes, Most Backward Classes, Denotified, Adi Dravidar and Tribal communities stay in school and college hostels operated by the Government for their education. The monthly food allowance, which was not increased from the year 2001 in the case of school students and from the year 1998 in the case of college students, was increased to Rs.400 and Rs.500 respectively by this Government during last year. **Taking into consideration the demands for a further increase of this allowance, it**

**“**  
**The State Commission**  
**for Women working to**  
**promote the welfare of**  
**women in the State, will**  
**be conferred statutory**  
**status.**

**”**

**has been decided to effect another increase by Rs.50, thus making it Rs.450 in the case of school hostels and Rs.550 in the case of college hostels. This will be given effect from the coming academic year.**

131. In the year 2000, the then DMK Government had enhanced the annual income ceiling for students from Backward Classes, Most Backward Classes and Denotified Communities for availing scholarships from Rs.25,000 to Rs.50,000. Having regard to the fact that the income of the people has increased over the years and with a view to enabling more students to benefit from the scheme, the annual income limit will be increased from Rs.50,000 to Rs.1 lakh. Similarly, the annual income ceiling in respect of Adi Dravidar and Tribal

students availing State Government scholarship will also be enhanced from Rs. 50,000 to Rs.1 lakh.

132. With a view to providing employment opportunities to youth belonging to Backward Classes, Most Backward Classes and Denotified Communities, the Government had allocated Rs.10 crores for skill development training and 10,000 youth are being trained. This scheme will be continued in the ensuing financial year also. The scheme launched by this Government for enabling students from Backward Classes, Most Backward Classes and Denotified Communities who have secured high ranks in the tenth standard public examination to study in reputed schools of their choice, will also be continued.

133. A sum of Rs. 112 crores has been allocated in this Budget for scholarships in schools and colleges for students from poor families belonging to Backward Classes, Most Backward Classes and Denotified Communities. At present, 65,402 students belonging to these communities are studying and staying in 1,181 Government hostels meant for them. Having regard to their needs, in the coming financial year, new buildings will be constructed for 25 hostels which are presently functioning in private buildings, at a cost of Rs.12.5 crores. In addition, with a view to benefiting more students who want to avail hostel facility for their education, 25 new hostels will be opened.

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Taking into  
consideration the demands  
for a further increase of the  
monthly food allowance,  
it has been decided to effect  
another increase by Rs.50,  
thus making it Rs.450 in the  
case of school hostels and  
Rs.550 in the case of college  
hostels. This will be given  
effect from academic year**

**2008 - 09.**

**”**

## Minorities Welfare

134. Recognising the fact that special attention is required for the progress of minorities who are socio-economically backward, the Government has created a separate Directorate for their welfare. The Government has also given 3.5% reservation each to Muslims and Christians who are in the list of Backward Classes and has also enacted a legislation for this purpose. This Government will do the needful to sort out the difficulties which have arisen in operationalising the reservation for Backward Muslims.

135. With a view to making the youth and women from minority communities qualify for jobs in the public and private sectors and also for self employment, this Government has started skill development training programmes for them since last year. A sum of Rs.2.5 crores was provided for this scheme which has benefited 5000 persons from minority communities. This scheme will be continued in the next financial year also.

In addition, in the coming financial year, Rs.40 crores will be disbursed as loans through Tamil Nadu Minorities Economic Welfare Corporation benefiting 25,000 persons from minority communities. The scheme of giving scholarships to minority students pursuing professional courses will be implemented at a cost of Rs.2 crores.

## Sri Lankan Tamils

136. This Government had doubled the cash doles given to Sri Lankan Tamil refugees. The facilities in the refugee camps will also be improved. Deeply concerned with the plight of the Sri Lankan Tamils, who for many years have been unable to live in their homeland, this Government would like an amicable political solution to this long standing problem. We would also like to point out that the power and responsibility to fulfill this desire vest only with the Union Government.

## Child Welfare

137. Three eggs a week are being provided to children in the age group of 2-15 in schools and Integrated Child Development Scheme (ICDS) Centres. Children in the age group of 1 to 2 are also being given one egg per week in ICDS centres. 70 lakh children are benefited under this scheme. A sum of Rs.176 crores

**“**  
**70 lakh children are**  
**benefited and**  
**A sum of Rs.176 crores is**  
**allocated in this Budget for**  
**the provision of eggs to**  
**children.**  
**”**

“  
**350 Nutritious  
 Meal Programme Centres  
 and 2,000 child centres will  
 be modernised at a cost of  
 Rs.224 lakhs.**  
 ”

is allocated in this Budget for the provision of eggs to children.

138. With the multiple objectives of eliminating malnutrition among children, addressing the nutritional and health status of pregnant women and adolescent girls, Integrated Child Development Scheme is implemented in our State in an excellent manner. With a view to expanding the coverage of ICDS to all habitations and habitations where there is a high concentration of Adi Dravidars, Tribals and Minorities, this Government has established 1,539 child centres and 3,168 child mini-centres. A total sum of Rs.782 crores has been allocated for this scheme in the coming financial year.

139. In our State, 59 lakh children are benefited from the Nutritious Meal Programme (NMP) every year. This Government has increased the entitlement per child in respect of vegetables and other provisions. With a view to protecting employees of Nutritious Meal Centres and children attending

these centres from the adverse health affects caused due to smoke, this Government has taken up the programme for modernisation of NMP Centres since 2006-2007. Under this scheme, gas connection with stove and pressure cookers are being provided to 1,500 NMP centres and 3,940 child centres at a cost of Rs.582 lakhs. **In the coming financial year, another 350 Nutritious Meal Programme Centres and 2,000 child centres will be modernised at a cost of Rs.224 lakhs.** A sum of Rs.820 crores is allocated for this scheme in this Budget.

140. In order to facilitate heart surgery for children from poor families requiring it without any delay, the Young Children Heart Surgery Scheme is being implemented by this Government in partnership with private hospitals. Under this scheme, the Government provides grants-in-aid up to Rs.70,000 to private hospitals. So far, 17 reputed hospitals have been selected and 110 children have been provided assistance for heart surgery.

### **Tamil Development**

141. This Government has enacted the landmark legislation making Tamil a compulsory subject in all schools in the State. The fact that this legislation was upheld by the Supreme Court is a matter of satisfaction for all of us. Sustained efforts are being made to

declare Tamil as one of the official languages of the Union and to make it a language of transaction in the Madras High Court. Recently, in a letter dated 25.2.2008, addressed to the Union Minister for Law and Justice, the Hon'ble Chief Minister had urged the Union Government to expedite action in this regard.

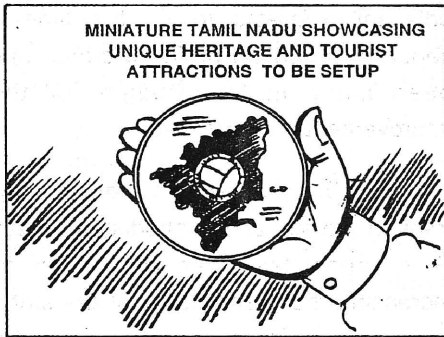
142. Thanks to the tireless efforts of our Hon'ble Chief Minister, the Union Government has not only declared Tamil as a classical language, but has also agreed to set up a Central Institute of Classical Tamil at Chennai at a cost of Rs.76 crores. This institution will function under the chairmanship of the Hon'ble Chief Minister. The landmark legislation brought by the Hon'ble Chief Minister to make the 1<sup>st</sup> day of the month of Thai the Tamil New Year day, has been welcomed by all Tamil scholars with great joy.

143. With a view to ensuring that the views and thoughts of great Tamil Savants who dedicated their lives to the Tamil language, benefit not only the present but future generations also, the Tamil Nadu Government is implementing the scheme of nationalisation of books of Tamil scholars. The books of 67 Tamil Scholars have been nationalised by the State Government so far. Out of these, the works 59 scholars have been

nationalised by the DMK Government. More specifically, during this period after assuming charge, works of 37 Tamil scholars including that of Parithimar Kalaigiar, Pulavar Kuzhanthai and Muthamizh Kavalai K.A.P. have been nationalised and solatium of Rupees Three crores and nine lakhs has been given to their legal heirs. In this year, the works of Tamil Scholars like Kavignar Periyasamy Thooran, Professor Ka.Vellai Varananar, Panditar Ka.Ayothidasar, Abraham Panditar, Sathavathani Seikuthampi Pavalar, Dr.Ra.Pi.Sethupillai, Mahavidwan Ra.Raghava Iyengar, Udumalai Narayana Kavi, Ku.Mu.Annal Thango, Avvai Ti.Ka.Shanmugam, Vindhan, La.Sa. Ramamirtham, Vallikannan, Na.Vanamamalai, Kavignar Pudhuvai Sivam, A.Raghavan, Tho.Mu.Ci.Raghu-nathan, Saktidasan Subramanian, Dr.Na.Sanjivi, Mullai Muthaiyya, Kavignar S.T. Sundaram, Kavignar Meera, Professor A.Karmegha Konar, Pulavar Mohammad Nainar Marakkayar, Su.Samuthiram, Kovai Ilancheran and Professor Na.Subbureddiar will be nationalised and solatium will be given to their legal heirs having regard to the number of books written by them, their social impact and their literary value.

## Tourism

144. With a view to showcasing the State's unique heritage and its tourist attractions in one place, a 'Miniature Tamil Nadu' will be set up. This will contain information about its traditional arts,



natural resources and other special features.

A sound and light show will also be arranged here for providing information to the visitors. Due to this initiative, our rich heritage can be showcased to all and this will attract more number of tourists to the State. As an attempt to capture in stone the charitable acts of the last seven great philanthropists, who lived as examples of munificence, a museum of sculpture with their statues will be established in Kolli hills, once the abode of Valvil Ori. In addition, a world class Under Water Aquarium will be established at Muttukkadu near Chennai.

145. Considering the huge inflow of tourists to Tamil Nadu, this Government will pay special attention to develop the infrastructure in tourist destinations and improve the roads leading to them. For the first time, separate financial allocation has been provided in this Budget for improving the roads leading to major tourist spots. This will be utilized to improve roads leading to important tourist centres at an estimated cost of Rs.25 crores.

## Cable TV

146. The Arasu Cable TV Corporation has been formed to function as a Multi System Operator which will receive programme signals from various television channels and transmit these programmes to the various local cable TV operators.

A global tender has been invited for purchasing necessary equipments for this purpose. This Corporation will soon start functioning after procuring the necessary equipments.

147. As promised by the Hon'ble Chief Minister in the Conference of Cable TV operators held at the Centenary Hall of Madras University on 12.9.2007, an advisory body consisting of their representatives have been formed. Accepting the request made by cable TV operators in this conference, cable TV will be exempt from payment of



**entertainment tax with effect from 1.4.2008. In addition, the entertainment tax arrears to the tune of Rs.16 crores outstanding as on 31.3.2008 will also be waived. Further, with a view to promoting the welfare of Cable TV operators, a separate welfare board will be created for them.**

### **Television Artists Welfare**

148. During recent times, television has become very popular among the masses. With a view to providing medical assistance to those working in this field, a welfare fund for television artists will be set up. The Government will provide Rs.one crore to this fund for grant of assistance to them.

### **Forests**

149. The Tamil Nadu Afforestation Programme is being implemented at a cost of Rs.567 crores with the financial assistance from Japan bank for

International Co-operation. Under this project, afforestation programmes will be taken up in 51,500 hectares of land at a cost of Rs.113 crores in the coming financial year. Also 1,000 check dams and 300 percolation ponds will be constructed throughout the State under this programme in the coming financial year. With a view to benefiting people who live in villages adjacent to forests, for the first time, a separate allocation of Rs. 3 crores has been made in this Budget for the improvement of forest roads.

150. The scheme for growing trees in private lands, introduced by this Government last year with a view to increasing the green cover of the state, has received good response from the farmers. In the coming year also, Rs.10 crores is allocated for this scheme and one crore saplings will be planted in about 25,000 acres of land. This Government will continue to extend its full support and co-operation to NGOs like Isha Foundation which have taken up the planting of tree saplings as a people's movement for environmental protection in the State.

### **Environmental Protection**

151. Environmental pollution has emerged as a global threat. With a view to sensitizing the children, who are the citizens of tomorrow, about this problem, Environment Clubs will

be started in over 5,000 government and government aided High schools and Higher Secondary schools in the State. In addition, in order to spread awareness about environmental protection among the general public, Government will release short films and advertisements through newspapers and television. Today, climate change has also emerged as a very vital issue. With a view to spreading awareness and encouraging research on climate change in the State, an one time grant of Rupees One crore will be provided to the Climate Change Research Centre at Anna University.

### **Welfare of Journalists**

152. The monthly pension given to indigent retired journalists who had worked for a minimum of 20 years had been increased from Rs.3,000 to Rs.4,000. In addition, family pension granted to families of journalists has been increased from Rs.1,500 to Rs.2,000 and financial assistance is provided to families of journalists by relaxing the rules of the Journalists Family Assistance Fund. As announced in the last Budget Speech, a Journalists Welfare Fund has been created with a corpus of Rupees One crore. The interest from the deposits of this Fund will be utilised to provide financial assistance for the treatment of journalists affected by critical illness.

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To spread  
awareness and encourage  
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Climate Change Research  
Centre at Anna University.

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### **Hindu Religious and Charitable Endowments**

153. The landmark Government order of allowing qualified Hindus belonging to all communities to be Archakas in temples, thereby upholding the principle of equality and thus removing the thorn in the heart of Thanthai Periyar and realising his dream was issued by this Government. With a view to implementing this, Saiva Archaka training centres in four places and Vaishnava Archaka training centres in two places have been started and 207 students are undergoing training to become Archakas. This includes 76 students belonging to Backward Classes, 55 students from the Most Backward Classes, 34 Adi Dravidar students and 42 students from other communities.

154. After this Government assumed charge, renovation works have been carried out in 1,685 temples in the state at a cost of Rs.37 crores. Kudamuzhukku has also been performed in these temples. As never before, during 2007-2008 alone, sanction has been accorded for carrying out renovation works in 308 temples at a cost of Rs.45 crores. As stated in the 2007-2008 Budget Speech, under the scheme for renovating ancient temples of historical importance without impairing their antiquity, 48 temples are being renovated at an estimated cost of Rs.10 crores. Under the scheme for renovating ancient temples renowned for their reference in the 'Thevara Thiruvakasams' of Nayanmars and 'Divyaprabandhams' of Alvars, the Government has sanctioned the renovation of 30 temples at a cost of Rs.3.29 crores. These works will be taken up soon.

### **Sports and Youth Welfare**

155. **With a view to improving the health and fitness of the youth in the State, a gymnasium will be established in each Assembly Constituency.** The building for this will be constructed from the MLAs Constituency Development Fund and the equipments will be provided by the Government. A sum of Rs.2.34 crores is allocated for this scheme in this Budget. In addition, in order to provide residential coaching facilities to sportspersons from

poor families, a new sports hostel will be established.

### **Welfare of Government Employees and Teachers**

156. Government employees, by dutifully discharging their responsibility of taking government welfare schemes to the people, act as a bridge between the two. This Government has restored the benefits which were withdrawn by the previous Government. All vacant posts are being filled in the time scale of pay. The Government has also reduced the minimum service for full pension to 30 years and has also ordered that pension will be calculated on the basis of 50% of the last drawn pay or 50% of the average pay drawn in the last ten months of service, whichever is higher. In addition to this, bonus and special ad-hoc bonus have also been restored at a cost of Rs.250 crores.

157. The Hon'ble Chief Minister had announced that this Government will implement a new health insurance scheme which will benefit not only government employees but also employees of Public Sector Undertakings, Statutory Corporations, Local Bodies and Universities. This scheme will fully cover medical expenses up to Rs.Two lakhs in a block of four years, incurred by the employee or his family. Under this scheme, medical treatment for an increased number of diseases can be availed under

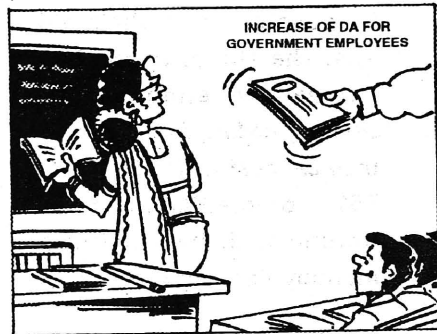
a cashless system, free of cost, by using the identity cards issued for this purpose. The Government will incur an additional expenditure of Rs.26 crores on account of this scheme. **The service provider has been selected and this scheme will be implemented effectively from the coming financial year.**

158. In addition, having considered the various demands from government employees, teachers and pensioners and with a view to further motivating them, the following benefits will be granted:

- ❖ The Government of India has increased the rate of Dearness Allowance payable to its employees, pensioners and family pensioners from 41% to 47% with effect from 1<sup>st</sup> January 2008. **Taking note of this, this Government has also decided to raise the Dearness Allowance payable to State government employees, teachers, pensioners and family pensioners by 6% and the increased Dearness Allowance at 47% will be payable from 1.1.2008. The arrears of the increased Dearness Allowance will be paid in cash. The Government will incur an estimated additional expenditure of Rs.136 crores**

during the current financial year and Rs.817 crores during the coming financial year on account of this.

- ❖ The Government has permitted pensioners to claim reimbursement for eligible



medical treatment availed in any hospital. Consequently, the number of reimbursement claims from the pensioners have increased enormously with the result that the subscription amount collected from the pensioners is inadequate to meet the requirement. **The Government, with a view to eliminating delay in sanctioning the reimbursement claims of the pensioners, has decided to sanction Rs.10 crores as a lumpsum grant so as to settle all the pending claims till February 2008.**

- ❖ In the context of the increased medical expenditure, several

pensioners' associations have represented that the upper ceiling of Rs.50,000 fixed for claiming medical reimbursement is very low. **With a view to providing adequate reimbursement of the medical expenses incurred by pensioners in their old age, the Government has decided to enhance the existing ceiling from 75% of medical cost or Rs.50,000 to 75% of medical cost or Rs.one lakh by making a monthly deduction of Rs.50.**

159. It is expected that the Sixth Pay Commission, constituted by the Union Government, will submit its report this month. Once the Union Government issues orders on the recommendations of the Pay Commission, this Government will examine the order and take expeditious action to issue necessary orders in respect of State Government employees.

### **Annual Plan**

160. The State's outlay for the Eleventh Five Year Plan has been approved for Rs.85,344 crores. During the Eleventh Plan period, various programmes of the Government will be implemented with the objective of ensuring social justice besides reviving the farm sector. The Annual Plan for

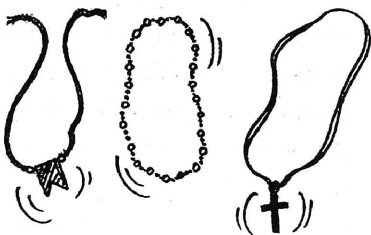
2008-2009 will be implemented with an outlay of Rs.16,000 crores. Adequate financial allocation has been made in this Budget for the same.

### **Commercial Taxes**

161. Having regard to the requests made by the representatives of the trading and manufacturing community in the pre-budget meeting conducted by the Government on 26.2.2008 as is the custom when the DMK Government is in charge and keeping in mind the interest of consumers, traders and manufacturers, the following tax concessions are being announced in respect of VAT.

- At present, Thali made of gold not exceeding 8 grams in weight is exempt from levy of tax. This condition of restriction on weight will be removed and this exemption will be extended to similar items symbolic of wedlock such as Karukamani used by Muslims and the Cross used by Christians.
- Bread is already exempt from levy of tax. Bun and Rusk mostly taken as food by the common man will also be exempt from levy of tax.
- Cloth-lined paper envelope will also be exempt from levy of tax, as paper envelope is already exempt.
- Siddha medicinal system is practised in Tamil Nadu as a traditional system

THALI MADE OF GOLD INCLUDING KARUGUMANI &  
CROSS EXEMPTED FROM LEVY OF TAX  
WITHOUT WEIGHT RESTRICTION.



of medicine. Most of the inputs used in the preparation of Siddha medicine are already exempt. Therefore, to encourage the indigenous Siddha medicinal system, all Siddha medicine will be exempt from levy of tax.

- Most of the vegetable oils and refined oils are exempt from levy of tax subject to a turnover condition. Soya oil will also be included in the list and exemption will be granted with the same condition.
- Local sales of turmeric, chilly and coriander are exempt from levy of tax subject to a turnover condition. The conditional exemption will be extended to turmeric powder, chilly powder and coriander powder also.
- Coconut is already exempt from levy of tax. Desiccated coconut, coconut milk and coconut milk powder which are manufactured

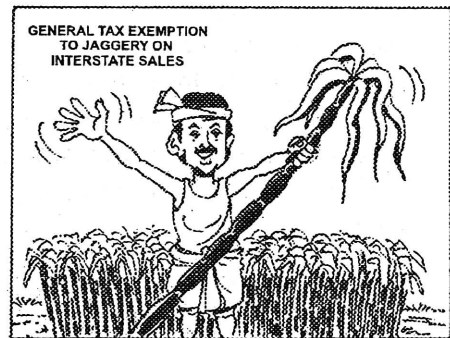
from coconut will also be granted exemption.

- Tender coconut is exempt from levy of tax. Exemption will also be granted to packaged tender coconut water for the benefit of coconut farmers and to meet the competition from artificial soft drinks.
- Taking into consideration the interests of the sugarcane farmers, general exemption will be granted to jaggery so as to avail exemption on inter-state sales also.
- As announced in the Industrial Policy of the Government, jatropa seeds and jatropa oil will be exempt from levy of tax to encourage the use of bio-fuels.
- Rubberised textile fabrics will be exempt from levy of tax.
- Arecanut and roasted seeval are liable to tax at 4% now. Similarly 4% tax will be levied on raw seeval by reducing from 12.5%.
- Ores and minerals are liable to tax at 4%. Mosaic chips produced from the above will also be liable to tax at 4%.
- Tax on files and folders made of paper board will be reduced from 12.5% to 4%.

- Plastic photo frames will be treated as plastic goods and levied tax at 4%.
- Tax on resale of used vehicles which were purchased after paying tax either under General Sales Tax or Value Added Tax and registered within the State of Tamil Nadu under the Motor Vehicles Act will be reduced from 12.5% to 4% without the eligibility for availing input tax credit of the tax paid on the purchase of such vehicles.
- Tax on leasing rentals on the lease of equipments used for construction purposes will be reduced from 12.5% to 4%, without the eligibility of input tax credit.
- Tax on generators used for producing electricity will be reduced to 4%.
- Sale of unbranded food and drinks by other than star hotels is liable to tax at 2%. At the same time, they are not entitled to avail input tax credit on the goods purchased by them. These hotels supply branded soft drinks and ice creams also. In such circumstances, tax at 12.5% is paid on purchase of such branded items and when the same items are sold again, another levy of tax at 12.5% is made, without allowing input tax credit. To remove this anomaly, tax at 2% will be levied

on the sale of such branded items also, with the same condition of ineligibility of availing input tax credit. When these hotels purchase goods such as vegetable oil, pulses and grams, turmeric, chilly and coriander, which are conditionally exempt from tax, such purchase is attracted by levy of purchase tax under section 12 of Tamil Nadu Value Added Tax Act, 2006. To remove this difficulty, tax on the purchase of these goods by the hoteliers will be exempt.

- Necessary amendments will be brought in to the provisions of Tamil Nadu Value Added Tax Act, 2006 and



its rules in order to further simplify and fine tune the procedures. The details of such amendments will be announced when the Demand for Grant of the Commercial Taxes Department is taken up.

- Value Added Tax was introduced from 1.1.2007. There are arrears of tax

levied under Tamil Nadu General Sales Tax Act. To enable the dealers to settle such arrears up to the year 2001-2002, a 'One Time Settlement Scheme' will be announced in the coming financial year. The details of the scheme will be announced when the Demand for Grant of the Commercial Taxes Department is taken up.

- The announcement of tax exemptions and reductions made now, will take effect from 1.4.2008.

### **Overall Financial Position**

162. Hon'ble Speaker Sir, I will now present the details on the fiscal projections for the Budget Estimates for the year 2008-2009. The total revenue receipts of the Government for 2008-2009 is estimated at Rs.51,505.62 crores and the total revenue expenditure is estimated at Rs.51,421.57 crores.

“  
The total revenue receipts  
of the Government for  
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163. The total capital expenditure of the Government, including loans and advances (net) in 2008-2009 is projected at Rs.9,876.35 crores. This will result in a total fiscal deficit of Rs.9,792.30 crores. The Hon'ble Members may note that as per the Fiscal Responsibility Act, 2003, fiscal deficit should not exceed 3% of the Gross State Domestic Product and thus the projected fiscal deficit is well within this limit. Taking into account the net Public Account, the overall deficit will be Rs.2.19 crores. This deficit will be made good by economy in expenditure and better tax administration.

164. A plan of action for future has been indicated in the Medium Term Fiscal Plan given as annexure to the Budget Speech. I request that this may be taken as read as part of the Budget Speech. This Government will effectively adhere to the fiscal targets indicated in the Medium Term Fiscal Plan.

165. The hallmark of a good Government is that it will be totally non-partisan and will work for all sections of the society without any consideration as to whether one belongs to the ruling or opposition party, allied or no party. We are functioning with the noble objective of providing such good governance.

166. In our endeavour towards prosperity and development in Tamil Nadu, we have to struggle very hard to

**“  
We seek to achieve by  
implementing various  
schemes with lot of  
difficulties and  
overcoming various  
obstacles; we will march  
together to enhance the  
prosperity and strength  
of our State.  
”**

overcome the obstacles in our path towards solutions. To quote a few - the issues like Cauvery dispute with Karnataka, which has historically been a friend and contributor to our prosperity – Palar - Mullai Periyar have been persisting. It has come to such a situation that even our rightful drinking water is being denied! The rhetoric of 'One India - One Nation - One Country - One people from the Himalayas to Kanyakumari' has been shining only on paper; while the unity, integrity and sovereignty of our country have become question marks and the needs and pleas of our State have become objects of ridicule. In this situation, while urging the Union Government to protect our rights and not to turn a blind eye and desist from coming forward to assist our steady and sustainable growth, which we seek to achieve by implementing various schemes with lot of difficulties and

overcoming various obstacles; we will march together to enhance the prosperity and strength of our State.

### **Tamil New Year**

167. In view of the consensus amongst almost all Tamil scholars that the first day of the month of 'Thai', the opening month of the Thiruvalluvar year, is the first day of the Tamil year, this Government has declared 1<sup>st</sup> 'Thai' as the Tamil New Year day and a legislation to this effect was enacted on 1.2.2008. Therefore, the people of Tamil Nadu who now celebrate Pongal as the festival of Tamils, can now celebrate it as the Tamil New Year day also

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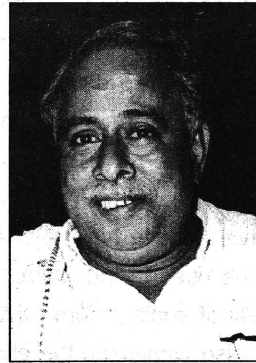


with redoubled joy. On this day let the people of this State plant trees bearing the 'Mukkani' fruits of banana, mango and jack fruit; draw colourful kolams; decorate their houses with array of lamps showing them in new splendour; tiny tots, students and women rejoice by wearing new clothes and singing and dancing in praise of Tamil pride and self respect; and spread the message of equality, hailing it as the Tamil New Year day. Let these celebrations showering love and joy be etched in their memory forever! On behalf of the Government of Tamil Nadu, may I request all Tamil people wherever they live to celebrate the Tamil New Year in a grand manner. The Hon'ble Chief Minister Kalaigarnar has expressed his wish that this day must be celebrated in all cities, towns, villages and hamlets with programmes depicting our traditional art forms and portraying the greatness of our culture and the richness of our heritage, organized by

people themselves according to their means on the lines of the immensely popular Chennai Sangamam held for the last two years.

### **Birth Centenary of Perarignar Anna**

168. The year 2009 is the centenary year of Perarignar Anna, who made us all what we are today and who continues to be our soul, breath and heart beat. We consider the opportunity to



**“Anna’s centenary year to be  
Celebrated throughout  
Tamil Nadu to highlight his  
greatness and familiarise the  
younger generation with  
message of this great  
personality.”**

celebrate this great leader's centenary in a year when we are the ruling party, as a great privilege bestowed upon us. Without political differences, we will celebrate Anna's centenary for the entire year throughout the State in such a grand manner that will be the envy of the entire world. The greatness of Anna will be proclaimed to the world.

169. Though Anna could be at the helm of government only for two years, he has the distinction of having governed in a manner that demonstrated the majesty of democracy to the entire world. It was in those two years that Anna changed the name of the State as Tamil Nadu. It was also during this two year period that Anna, troubled at the prospect of Tamil being destroyed by the domination of other languages, announced that the only Tamil and English would be used in the State. Driven by the ideal of social reform, this two year period also witnessed the enactment of the legislation in the Tamil Nadu Legislative Assembly making self respect marriages legal. It was Perarignar Anna who seeded the concept of State autonomy which became a major agenda of Dravida Munnetra Kazhagam. I wish to announce that the year 2009 will be celebrated as Anna's centenary year throughout Tamil Nadu in order to highlight his greatness and familiarise the



younger generation with the message of this great personality.

170. With this announcement, I place the Budget for the year 2008-2009 before this House, conveying my heartfelt thanks to the Finance Secretary Thiru K. Gnanadesikan, IAS and other officials of all Government departments including Finance department who have worked tirelessly and co-operated to prepare this Budget.

**Vanakkam**

★ ★ ★

*Brighten your life  
with Designer's Collection  
from Co-optex*



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**20%**  
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Brighten your life with the cool colours of Co-optex Collection.

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So, what's your excuse?

**New Arrivals**

"Azhagu Mayil" Silk Sarees

"Marutham" Kora Silk Sarees

"Kolangal" Kora Silk Sarees

"Manthulir" Cotton Sarees

"Malaiaarasi" Cotton Sarees

"Nachiyaar" Cotton Sarees

"Thiruvaramangam" Cotton Sarees

"Malligai" Cotton Sarees

"Giri" Cotton Sarees

"Aroma" Perfume Shirts

*Connecting Generations - Co-optex*



An emergency meeting to discuss flood relief measures to the flood affected victims was chaired by Hon'ble Chief Minister **Kalaigunar M. Karunanidhi**. Hon'ble Speaker of the Tamil Nadu Legislative Assembly, Hon'ble Ministers and Higher officials participated in the meeting held at Secretariat on 22.3.2008.