

Budget Highlights 2017-18

Save praise alone that soars on high,
Nought lives on earth that shall not die

(Kural 233)

❖ The five priority missions formulated by the Government namely, water resource management, poverty reduction, housing for the poor, skill building and clean Tamil Nadu campaign along with eleven focus areas of development will continue to form the bedrock of this Government's strategy for development.

❖ Keeping these priorities in mind, this Budget has been formulated for the overall development of the State and the welfare of the people.

❖ Altogether, 164 electoral promises have been implemented already and action is underway on 55 promises. Immediately upon assuming charge, the Hon'ble Chief Minister has also issued Government orders to fulfill five more electoral promises, namely,

- Enhancing the maternity assistance for pregnant

women from Rs.12,000 to Rs.18,000;

- Closing 500 more TASMAC retail outlets;
- Distributing one lakh two wheelers to working women at 50 percent subsidy, not exceeding Rs.20,000;
- Doubling the financial assistance to the unemployed youth; and
- Constructing 5,000 houses for fishermen.

Goods and Services Tax (GST)

❖ The GST Council has reached a consensus on several significant issues such as full compensation for five years to States for losses on account of GST implementation; adopting a growth rate of 14 percent per year over the base year 2015-2016 for calculating compensation; and cross-empowerment of Central and State Government officials to administer all GST statutes.

❖ The Government is committed to enacting State Goods and Services Tax (SGST) Act as and when the CGST and IGST laws are enacted by the Parliament.

Planning and Development

❖ The Government of India has done away with the distinction between Plan and Non-Plan allocations in Budget formulation from 2017-2018. We welcome this move, which has been the long standing demand of the late Chief Minister J Jayalalithaa.

❖ In consonance with the above approach, this Government will replace the State Planning Commission with the State Development Policy Council to advise the Government on policy coherence and formulation of programmes.

❖ Tamil Nadu Infrastructure Fund (TNIF) has been registered with the Securities and Exchange Board of India (SEBI) and is now in the process of mobilizing Rs.6,000 crore with a first financial close of Rs.1,200 crore, which will be used to fund new

infrastructure projects in Tamil Nadu.

❖ An amount of Rs.2,000 crore has been allocated in the BE2017-2018 for the Tamil Nadu Infrastructure Development Fund (TNIDF) and Rs.200 crore for the Project Preparation Fund

❖ In the BE 2017-2018, Rs.100 crore and Rs.75 crore have been allocated for the SBGF and SADP respectively.

❖ Under the Tamil Nadu Innovation Initiatives (TANII), 70 innovative projects have been taken up at a total cost of Rs.138.39 crore during 2016-2017. In the BE 2017-2018, Rs.150 crore has been allocated.

Calamity Relief

❖ A sum of Rs.585 crore was sanctioned from the SDRF to undertake relief and restoration works after 'Vardah' cyclone

❖ A sum of Rs.615 crore has been sanctioned to tackle the drinking water crisis which includes Rs.105 crore from the SDRF.

❖ After enumeration, 32.30 lakh farmers have been identified and input subsidy relief totaling

Rs.2,247 crore has been sanctioned.

❖ The Government has also submitted a Memorandum to the Central Government seeking Rs.22,573 crore from the NDRF for restoration works for damages caused by Vardah cyclone and Rs.39,565 crore for drought relief measures.

Poverty Reduction

❖ The Government has been implementing the 'Pudhu Vaazhvu Project' in 120 blocks covering 9.80 lakh poor households in 4,174 village panchayats.

❖ In the next phase, the World Bank assisted Tamil Nadu Rural Transformation Project (TNRTP) will be launched in 2017-2018 to cover an additional 120 blocks with an outlay of Rs.1,000 crore.

❖ The Tamil Nadu State Rural Livelihood Mission (TNSRLM) is also being implemented in the remaining 145 blocks.

❖ An allocation of Rs.469 crore has been made in the BE

2017-2018 for rural poverty alleviation.

❖ The National Urban Livelihood Mission (NULM) is being implemented in the urban areas, albeit only with limited allocations from the Government of India.

❖ In order to tackle urban poverty comprehensively, the State Government is implementing the Tamil Nadu Urban Livelihood Mission (TNULM) with the State's own funds to supplement the NULM.

❖ In the BE 2017-2018, Rs.272.12 crore has been allocated for urban poverty alleviation.

Employment and Skill Development

❖ In the BE2017-2018, an allocation of Rs.150 crore has been made for the 'Tamil Nadu Skill Development Mission' to train one lakh youth.

❖ This Government intends to establish India International Skill Centres at Coimbatore, Madurai and Tiruchirappalli and would seek assistance from the Government of India.

❖ The monthly unemployment allowance has been doubled by this Government, thereby fulfilling yet another electoral promise.

Tamil Development

❖ It has also sanctioned Rs.37 crore to construct a Master Plan Complex building for the World Tamil Sangam, Madurai.

❖ We now propose to establish a world class 'Tamil Cultural Heritage Museum' at World Tamil Sangam, Madurai to showcase the rich cultural heritage of the Tamil people.

❖ In the BE2017-2018, Rs.48 crore has been allocated for Tamil Development including Rs.6 crore for the Tamil University.

Law and Order

❖ The Government will take up construction of buildings for 49 more police stations in 2017-2018 at a cost of Rs.30 crore.

❖ In 2017-2018, the Government will take up construction of 3,000 more houses for police personnel at a cost of Rs.450 crore through the

Tamil Nadu Police Housing Corporation.

❖ The allowance for the police personnel for kit maintenance has been enhanced by Rs.100 per month, in addition to enhancing hardship allowance and risk allowance.

❖ Out of 10,099 persons recruited for youth brigade by the Tamil Nadu Uniformed Services Recruitment Board in 2014, 8,500 persons were absorbed as Grade II Police Constables in Tamil Nadu Special Police battalions.

❖ The Tamil Nadu Uniformed Services Recruitment Board will recruit another 10,500 persons in 2017-2018 to the Tamil Nadu Special Police Youth Brigade

❖ In the BE2017-2018, a sum of Rs.47.91 crore has been allocated for the Modernisation of Police Force.

❖ In the BE2017-2018, Rs.6,483 crore has been allocated for the Police Department.

Fire and Rescue Services

❖ In the BE2017-2018, Rs.253 crore has been allocated

for the Fire and Rescue Services Department.

Prisons

❖ In the BE2017-2018, Rs.282 crore has been allocated for the Prisons Department.

Administration of Justice

❖ A sum of Rs.229 crore has been provided in the BE2017-2018 for construction of buildings for the judiciary. In the BE2017-2018, Rs.984 crore has been allocated for Judicial administration.

Governance

❖ At present, 140 public services are being provided through e-Sevai.

❖ With the notification of 'E-Service Delivery Rules', more than 500 Government services will be made available online.

Revenue Administration

❖ During 2017-2018, construction of buildings for 10 more taluk offices with quarters and five revenue divisional offices with quarters will be taken up at a cost of Rs.42.16 crore.

❖ For the year 2017-2018, this Government has fixed a target of issuing 3.50 lakh house site pattas to poor families.

❖ Under the 'Chief Minister's Uzhavar Padhukappu Thittam', in the event of natural death of a maroon cardholder under this scheme, assistance of Rs.10,000 is being extended to the family. This amount will be enhanced to Rs.20,000, bringing it on par with the Distress Relief Scheme.

❖ For the year 2017-2018, Rs.251 crore has been allocated for this scheme.

❖ A sum of Rs.5,695 crore has been allocated for the Revenue Department in the BE2017-2018.

Agriculture

❖ A special package for pulses cultivation, based on cluster approach, was launched during 2016-2017 with an allocation of Rs.50 crore.

❖ This Government has set a target of producing 100 lakh metric tonnes of food grains in 2017-2018.

❖ This Government has set a target of extending drip

irrigation to 35,000 acres under sugarcane and bringing 40,000 acres under SSI method of cultivation.

❖ A Mission on Sustainable Dry Land Agriculture has been launched during 2016-2017 that focuses on improving the production and productivity of millets, pulses, oil seeds and cotton at an estimated cost of Rs.802.90 crore over four years.

❖ Under the Pradhan Mantri Fasal Bima Yojana (PMFBY), 15.20 lakh farmers have been enrolled during 2016-2017 covering an area of 30.33 lakh acres. An amount of Rs.522.70 crore has been provided as premium subsidy in the BE2017-2018.

❖ The area under horticultural crops will be increased from the present level of 34 lakh acres to 39 lakh acres in 2017-2018.

❖ This Government will continue to protect farmers from price fluctuations. Towards this, Rs.200 crore has been provided in the BE 2017-2018 as production incentive paid over and above the Minimum Support

Price fixed by Central Government for paddy.

❖ The Government has provided Rs.137.26 crore to co-operative sugar mills as ways and means advance to settle the cane arrears as per the Fair and Remunerative Price to farmers.

❖ Agricultural Produce Marketing (Regulation) Act, 1987 has been amended in February 2017 to facilitate participation of our markets in the e-National Agricultural Markets (eNAM) Project.

❖ A new programme will be launched with an outlay of Rs.50 crore for strengthening the seed production infrastructure that would cover the seed production chain from breeder seeds to certified seeds for important crops like paddy, pulses, oil seeds, cotton and vegetables.

❖ An area of 4.84 lakh acres has been brought under micro-irrigation at a cost of Rs.1,002 crore benefiting 1.50 lakh farmers in the last six years.

❖ For micro irrigation an allocation of Rs.369 crore has been made in BE 2017-18.

❖ Fragmentation of land holdings is a major challenge to agriculture. The Government of Tamil Nadu is therefore launching an innovative programme for organizing small and marginal farmers into 'Farmer Producer Groups' which will be federated into 'Farmer Producer Organisations' to promote collective farming.

❖ A total allocation of Rs.100 crore has been made for this purpose for 2017-2018.

Animal Husbandry

❖ The Government will provide 12,000 milch cows to poor women and six lakh sheep or goats to 1.50 lakh poor families during the year 2017-2018. A sum of Rs.182 crore has been allocated for this scheme in the BE 2017-2018.

❖ The Government will continue to implement Poultry Development and Fodder Development schemes, each with a budgetary allocation of Rs.25 crore in 2017-2018.

❖ This Government will provide additional financial support for implementing 'Breed Conservation Programme' for

Kangeyam, Bargur and Umbalacheri breeds and will also take up the conservation of breeds like Pulikulam and Alambadi.

❖ In 2017-2018, it is proposed to upgrade 25 sub-centres to veterinary dispensaries and five veterinary dispensaries at taluk headquarters to veterinary hospitals, besides creating 25 new sub-centres.

❖ Aavin will take up product diversification and other value addition activities to enhance price realization for milk producers.

❖ A new Ultra Heat Treatment (UHT) plant for processing and packing flavoured milk and milkshakes will be established in Madurai with a capacity of 25,000 litres per day at a cost of Rs.40 crore.

❖ 200 new sales outlets will be opened in colleges and universities to popularize the brand Aavin.

❖ In the BE 2017-2018, Rs.1,161 crore and Rs.130 crore have been allocated for the Animal Husbandry and Dairy sectors respectively.

Fisheries

❖ This Government has fulfilled yet another electoral promise by sanctioning the construction of 5,000 houses for fishermen during 2017-2018 at a cost of Rs.85 crore.

❖ In BE2017-2018, Rs.357 crore has been allocated for fishermen welfare schemes.

❖ The Government will enhance the quantity of sales tax exempted diesel from 15,000 litres to 18,000 litres per mechanised fishing boat per year and from 3,600 litres to 4,000 litres per motorised country craft per year, and enhance the quantity of sales tax exempted industrial kerosene from 3,000 litres to 3,400 litres per motorised country craft per year at an additional expenditure of Rs.28 crore per year.

❖ During 2017-2018, infrastructure development works for Rs.171.12 crore, including the construction of a new fishing harbour at Mookaiyur in Ramanathapuram District at a cost of Rs.113.90 crore will be taken up.

❖ In the BE2017-2018, a total amount of Rs.768 crore has been allocated to the Fisheries Department.

Co-operation

❖ A sum of Rs.1,794.66 crore has been repaid during 2016-2017 and an amount of Rs.1,830.50 crore has been provided for cooperative crop loan waiver scheme in the BE for 2017-2018.

❖ During the financial year 2017-2018, co-operatives will extend total fresh crop loans of Rs.7,000 crore.

Public Distribution System

❖ Supply of tur dhal / lentil and edible oil will continue under the special PDS at the subsidised rate. An allocation of Rs.5,500 crore has been made in the BE2017-2018 for food subsidy.

Environment and Forests

❖ For the Japan International Cooperation Agency (JICA) assisted 'Tamil Nadu Biodiversity Conservation and Greening Project', Rs.88 crore has been allocated in the BE 2017-2018.

❖ In the BE2017-2018, Rs.567 crore has been provided for the Environment and Forests Department.

Water Resources and Irrigation

❖ The Government will undertake Kudimaramath with an increased allocation of Rs.300 crore during 2017-2018

❖ The Government is implementing the first phase of the Asian Development Bank assisted 'Climate Change Adaptation Programme' at an estimated cost of Rs.960.66 crore in the Vennar sub-basin. Rs.400 crore has been allocated in the BE 2017-2018 for this project.

❖ The successful implementation of the 'Irrigated Agriculture Modernisation and Water-bodies Restoration and Management project' (IAMWARM) has enabled to take up a second phase during 2017-2018 with loan assistance from the World Bank at an estimated cost of Rs.3,042 crore. For the IAMWARM Phase-II project, Rs.814 crore has been allocated in the BE2017-2018.

❖ Under the World Bank funded 'Dam Rehabilitation and Improvement Project', Rs.354 crore has been provided for this project.

❖ A project linking Thamiraparani and Nambiyar rivers is being implemented and land acquisition is in progress for implementing Phase III and IV. Rs.300 crore has been provided in the BE 2017-2018 for this project.

❖ The Government has proposed to take up the Athikadavu-Avinashi irrigation, groundwater recharge and drinking water supply project under the Government of India's 'Pradhan Mantri Krishi Sinchayee Yojana'. Anticipating Government of India's approval, an amount of Rs.250 crore has been provided in the BE 2017-2018.

❖ In the BE 2017-2018, a sum of Rs.279 crore has been allocated for NABARD assisted irrigation schemes.

❖ An allocation of Rs.4,791 crore has been provided for the Water Resources Department in the BE2017-2018.

Highways

❖ A sum of Rs.3,100 crore has been allocated in the BE2017-2018 for CRIDP. The 'Performance Based Maintenance Contract' (PBMC) system will be extended to Virudhunagar division in the year 2017-2018.

❖ Road Safety works at a cost of Rs.200 crore under CRIDP scheme and Rs.100 crore under Special Road Safety Project fund will be taken up during the financial year 2017-2018.

❖ The Tamil Nadu Road Sector Project-II has been taken up at an outlay of Rs.5,171 crore with World Bank loan assistance. An amount of Rs.1,508 crore has been provided for this project in the BE2017-2018.

❖ During 2017-2018, this Government will undertake construction of bridges at a cost of Rs.200 crore with NABARD assistance.

❖ An amount of Rs.10,067 crore has been provided in the BE2017-2018 for the Highways Department.

Energy

❖ The annual per capita power consumption in Tamil Nadu was 1,040 units in 2011. This has increased to 1,280 units in 2015-2016, whereas the national average is 1,075 units only.

❖ The Government is also expediting the establishment of thermal power plants including the 660 MW expansion unit at Ennore, two units of 660 MW each in Ennore SEZ, 800 MW North Chennai Thermal Power Project Stage-III and two units of 800 MW each in super critical Uppur Thermal Power Project, five super critical units of 800 MW each at Kadaladi and six units of 660 MW each, in Stage I, II, III at Udangudi.

❖ The Government is implementing the Green Energy Corridor Project with the assistance of KfW at an estimated cost of Rs.1,593 crore. Further, with the assistance of Japan International Cooperation Agency (JICA), the Tamil Nadu Transmission System Improvement Project is being implemented with an outlay of Rs.5,014 crore. An amount of Rs.974 crore has been provided

for these projects in the BE2017-2018.

❖ The State has joined Government of India's Ujwal Discom Assurance Yojana (UDAY). Out of Rs.30,420 crore of debt of TANGEDCO, the State Government has taken over 75 percent of this debt i.e. Rs.22,815 crore and bonds are being floated in the open market to repay this debt.

❖ As many of the Hydel Power Plants of TANGEDCO have outlived their design life, this Government will undertake modernization of these plants, by raising resources through Revenue Bonds, an innovative financing instrument, which will be subscribed by the Tamil Nadu Investment Fund, managed by TNIFMC.

❖ An amount of Rs.16,998 crore has been provided for the energy sector including Rs.8,538 crore as power subsidy for agriculture and other purposes in the BE 2017-2018.

Transport

❖ During 2016-2017, this Government has sanctioned Rs.275 crore for the purchase of

2,000 new buses and 100 small buses.

❖ An amount of Rs.800 crore has been provided as diesel subsidy, Rs.564 crore as subsidy for free bus passes to students and senior citizens and Rs.150 crore as share capital support in the BE 2017-2018.

❖ A total amount of Rs.2,192 crore has been allocated for the Transport Department in this Budget.

Chennai Metro Rail Project

❖ The nine km extension of the Corridor-I from Washermenpet to Thiruvotriyur/Wimco Nagar is under implementation at a cost of Rs.3,770 crore.

❖ Three metro rail corridors under Phase-II covering a total distance of 107.5 km have been included in the JICA Rolling Plan for which the Detailed Project Report has been prepared.

Tourism

❖ The Government will commence the second phase of Tamil Nadu Infrastructure Development Investment

Programme for Tourism Project at an outlay of Rs.403 crore in 2017-2018.

❖ Under the 'Pilgrimage Rejuvenation and Spirituality Augmentation Drive' (PRASAD) scheme, tourism development works have been taken up in Kancheepuram and Velankanni at a cost of Rs.22 crore.

❖ Tamil Nadu Tourism Development Corporation will soon launch a project for promoting culture and heritage tourism as a joint venture with Tamil Nadu Infrastructure Fund Management Corporation.

Hindu Religious and Charitable Endowments

❖ In 2017-2018, the Government will provide financial assistance of Rs 1.00 lakh per temple and the number of village temples will be doubled from 500 to 1,000 village temples for taking up renovation works.

Information Technology

❖ The Government has promoted IT parks in the Tier-II cities and in the current year, an additional IT park at

Sholinganallur and a Start-up warehouse in Coimbatore.

❖ The State is taking initiative to promote electronic hardware industry hub at Sriperumbudur, with the support of Government of India.

❖ In the BE 2017-2018, an amount of Rs.116 crore has been provided for Information Technology Department.

Industrial Development

❖ According to the findings of the National Council of Applied Economic Research's (NCAER) State Investment Potential Index (N-SIPI) survey in March, 2016, Tamil Nadu stands 3rd in the country in medium investment decisions.

❖ A special package of assistance has also been unveiled to attract investments to the southern districts of the State.

❖ The efforts taken by the Government to implement the Madurai-Thoothukudi industrial corridor are expected to change the pace of industrial development in southern Tamil Nadu.

❖ The Government has also created an exclusive land bank of 3,957 acres for industries.

❖ In the BE2017-2018, a sum of Rs.1,950 crore has been provided as investment promotion subsidy and soft loan.

❖ Government will undertake the second phase of the Tamil Nadu Investment Promotion Programme (TNIPP) with JICA assistance at an estimated project cost of Rs.1,295 crore from 2017-2018.

❖ As already planned, the next Global Investors Meet will be held during 2017-2018 to attract further industrial investment and Rs.75 crore has been provided for this purpose in the BE 2017-2018.

❖ An Aerospace Park is being established on 268 acres of land in Vallam-Vadagal SIPCOT Industrial Estate, Kancheepuram at an estimated project cost of Rs.350 crore

❖ TIDCO, in association with SIPCOT, is establishing a Plastic Industries Park in Ponneri Taluk of Thiruvallur District with an investment of Rs.264 crore.

❖ Tamil Nadu Newsprints and Papers Limited, a leading State Public Sector Undertaking, will expand the capacity of its second unit with a total investment of Rs.2,100 crore.

❖ In the BE 2017-2018, Rs.2,088 crore has been provided for the Industries Department.

Micro, Small and Medium Enterprises

❖ To give a big thrust to start-ups and first generation entrepreneurs, a strategic plan for entrepreneurship and innovation for the period 2017-2021 will be implemented by Entrepreneurship Development Institute (EDI). This will be funded from a sum of Rs.100 crore that is being allocated in the BE2017-2018 for New Entrepreneur-cum-Enterprise Development Scheme (NEEDS).

❖ A special project to develop product specific integrated MSME clusters in four locations will be taken up under the second phase of JICA assisted TNIPP at a total estimated cost of Rs.100 crore.

❖ Development of three coir products clusters, at a total

estimated cost of Rs.22 crore will be taken up for promoting value added coir products.

❖ This Government considers promotion of MSME sector a priority. Government will take up following special measures to boost MSME sector:

- Capital subsidy to MSME units will be doubled to Rs.160 crore in 2017-2018.
- The Government will provide 50 percent grant to MSME associations for setting up Trade Facilitation Centres at Madurai, Salem and Tiruchirapalli.
- An International Exhibition with Buyer Seller Trade Meet will be conducted annually in the State for promoting marketing opportunities for MSME units.
- A special export promotion and marketing support scheme will be launched at an outlay of Rs.10 crore
- A special scheme will be launched to promote energy efficiency in MSME units with an allocation of Rs.5 crore.

❖ An amount of Rs.532 crore has been allocated for MSME sector in the BE2017-2018 which is 53 percent higher than the allocation made during 2016-2017.

Handlooms, Handicrafts, Textiles and Khadi

❖ In the BE2017-2018, Rs.490 crore has been provided for the 'Free Distribution of Sarees and Dhoties' scheme.

❖ Market Development Assistance (MDA) to Sarvodaya Sangams, will be increased from the present allocation of Rs.15 crore to Rs.30 crore for the year 2017-2018.

❖ Similarly the MDA allocation for handlooms will be stepped up to Rs.100 crore

❖ In the BE 2017-2018, Rs.1,235 crore has been provided for Handlooms and Textiles sectors and Rs.194 crore has been provided for Handicrafts and Khadi sectors.

Rural Development

❖ Considering the prevailing drought, the number of eligible days for employment under the

MGNREGS has been enhanced from 100 days to 150 days.

❖ Since November 2016, the Government of India is releasing the entire labour component directly to the bank accounts of the beneficiaries, while for the material component, 75 percent being the Central share is routed through the State Budget. This has resulted in a huge reduction in provision and in BE 2017-2018, Rs.1,000 crore has been provided for MGNREGS.

❖ In the BE 2017-2018, Rs.758 crore has been provided under PMGSY and Rs.800 crore will be pooled from various ongoing schemes under Tamil Nadu Rural Roads Improvement Scheme for road works.

❖ Under the MLACDS, a sum of Rs.470 crore has been provided in the BE 2017-2018.

❖ A sum of Rs.16,665 crore has been allocated for the Rural Development Department in the BE2017-2018.

Municipal Administration

❖ Municipal Corporations of Madurai, Salem, Thanjavur and Vellore have been included under

the 'Smart Cities Mission' in 2016-2017.

❖ In the BE 2017-2018, Rs.1,200 crore and Rs.1,400 crore have been allocated for the Smart Cities Mission and AMRUT scheme respectively.

❖ Amounts of Rs.386 crore and Rs.400 crore have been provided separately to complete the spillover works under Integrated Urban Development Mission (IUDM) and Chennai Mega City Development Mission (CMCDM) respectively in the BE 2017-2018.

❖ Under Tamil Nadu Sustainable Urban Development Programme' (TNSUDP), 13 projects have been taken up in seven urban local bodies at a cost of Rs.2,223.88 crore. In the BE 2017-2018, Rs.563 crore has been allocated for TNSUDP.

❖ In BE2017-2018, Rs.13,996 crore has been allocated for Municipal Administration Department.

Water Supply

❖ To tide over the drought situation, the Government is taking up works like erection of

new deep borewells, rejuvenation of existing borewells and open wells, replacement of pump-sets and supply of water through lorries in needy areas at a cost of Rs.460 crore in rural areas and Rs.150 crore in urban areas.

❖ A sum of Rs.300 crore has been provided under NRDWP, Rs.186 crore under MNP and Rs.600 crore under NABARD funded schemes in the BE2017-2018.

Mission for Clean Tamil Nadu

❖ This Government is determined to achieve the goal of 100 percent sanitation coverage in all the villages.

❖ Under the 'Swachh Bharat Mission' (Gramin), 24.28 lakh household toilets and 50 community sanitary complexes will be taken up for construction in 2017-2018.

❖ The Government will continue to engage 65,874 workers under MGNREGS as 'Thooimai Kaavalars', thus covering all the 12,524 village panchayats in the State under solid waste management system.

❖ In the BE2017-2018, Rs.980 crore has been allocated for Swachh Bharat Mission (Gramin).

❖ The Government is also extending support for construction of toilets in urban areas. Source segregation and recycling are being promoted in all urban local bodies to improve the solid waste management. A sum of Rs.600 crore has been allocated for the 'Swachh Bharat Mission' (Urban) in this Budget Estimates.

Mission for Housing for the Poor

❖ Under the 'Pradhan Mantri Awas Yojana' (PMAY - Rural), Government will construct 1.76 lakh houses during 2017-2018 at a unit cost of Rs.1.70 lakhs. Hence, out of the total cost of Rs.3,082.39 crore, Rs.1,761.98 crore would be the State's contribution.

❖ Under the 'Chief Minister's Solar Powered Green House Scheme', another 20,000 houses will be taken up for construction in 2017-2018 at a cost of Rs.420 crore.

❖ Totally Rs.3,502.39 crore has been allocated in the BE2017-2018 for the construction of 1.96 lakh houses.

❖ Tamil Nadu Slum Clearance Board (TNSCB) has been taking up construction of tenements to rehabilitate such families. In 2017-2018, an additional 20,000 tenements will be taken up for construction at a project cost of Rs.2,000 crore, besides supporting one lakh houses under Beneficiary Led Construction component at a total cost of Rs.3,250 crore.

❖ Tamil Nadu Housing Board (TNHB) has been taking up construction of houses for Low Income Groups (LIG) and Economically Weaker Sections (EWS) to increase the availability of affordable housing.

❖ During 2017-2018, TNHB will construct 3,300 new housing units at a cost of Rs.808 crore, in addition to completing the ongoing works of constructing 22,178 housing units at a cost of Rs.3,707 crore.

❖ The Government will task the Tamil Nadu Infrastructure Fund Management Corporation with the operation of the Shelter

Fund and raise money through Innovative Financial Vehicles from private investors including impact investors.

Devolution to the Local Bodies

❖ The Fifth State Finance Commission (SFC) has submitted its recommendations recently. The State Government has accepted the report and an Action Taken Report (ATR) on the SFC recommendations will be tabled in this Assembly session.

❖ As per the recommendations of the Fourteenth Central Finance Commission, local bodies will receive Rs. 2,780 crore as General Basic Grants and Rs.560 crore as General Performance Grants in 2017-2018. Further, Rs.5,159 crore and Rs.4,054 crore will be devolved to the rural and urban local bodies as per the Fifth State Finance Commission recommendations.

❖ In 2017-2018, the total devolutionary grants to rural and urban local bodies will be Rs.6,870 crore and Rs.5,683 crore respectively.

Election to Local Bodies

❖ The Government has increased the reservation for women in local body posts to 50 percent as a measure to achieve gender equity and empower them politically.

❖ The State Election Commission is making necessary preparations to conduct the elections and an amount of Rs.174 crore has been provided in the BE 2017-2018 for this purpose.

Health and Family Welfare

❖ To improve the accessibility of primary healthcare, this Government will establish 30 new Primary Health Centres (PHCs) and upgrade 12 PHCs into 30 bedded PHCs in 2017-2018 at a cost of Rs.43.76 crore under the National Rural Health Mission (NRHM).

❖ The Government will also set up 96 polyclinics in Urban Primary Health Centres at a cost of Rs.15.09 crore under the National Urban Health Mission.

❖ The availability of MBBS seats in Government Medical Colleges in Tamil Nadu has

increased from 1,945 in 2011 to 2,750 in 2016-2017.

❖ Due to the efforts of this Government, the number of post-graduate medical seats has been increased from 1,188 in 2016-2017 to 1,362 in 2017-2018.

❖ The Government has been implementing the 'Tamil Nadu Urban Health Care Project' since 2016-2017 with loan assistance from JICA at a total cost of Rs.1,634 crore. A sum of Rs.126 crore has been provided for this project in the BE 2017-2018.

❖ I am delighted to inform that the Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS) has been further continued from January 11, 2017 with an additional 312 new procedures and an increased coverage of Rs.2 lakh per annum for specialized procedures. An amount of Rs.1,348 crore has been provided in the BE for this purpose.

❖ To fulfill another electoral promise, the Hon'ble Chief Minister has issued order enhancing welfare assistance under the 'Dr.Muthulakshmi

Reddy Maternity Benefit Scheme', from Rs.12,000 to Rs.18,000. In the BE 2017-2018, an amount of Rs.1,001 crore has been provided for this scheme.

❖ A sum of Rs.61 crore has been provided in this BE for the distribution of sanitary napkins under the Menstrual Hygiene Programme.

❖ To make medicines affordable, the use of generic drugs will be promoted and Tamil Nadu Medical Services Corporation will set up 10 sales outlets to sell generic medicines. Such generic drug selling stores will also be put up at major locations in towns and rural areas by cooperative institutions.

❖ In the BE2017-2018, Rs.10,158 crore has been provided for the Health Department.

School Education

❖ The Government will take up the upgradation of 150 middle schools to high schools and 100 high schools to higher secondary schools during 2017-2018.

❖ In 2016-2017, Rs.440.98 crore has been allocated for

providing required infrastructure facilities in schools.

❖ Local bodies have provided Rs.57.63 crore in 2016-2017 exclusively for maintaining school toilets hygienically. This will be continued in 2017-2018 also.

❖ An amount of Rs.352 crore, including loan assistance from NABARD, has been provided in the BE 2017-2018 for infrastructure development in schools.

❖ The Government will continue to provide four sets of uniform, school bags, footwear, study materials like textbooks, notebooks and geometry boxes in addition to cycles and bus-passes free of cost. In the BE2017-2018, Rs.1,503 crore has been provided for these welfare schemes.

❖ Rs.758 crore has been provided for the supply of laptop computers.

❖ In the BE 2017-2018, a sum of Rs.201 crore has been provided for the implementation of RTE.

❖ This Government is providing a special cash incentive

of Rs.5,000 to all girl students studying in Government and Government aided schools as a measure to reduce dropouts from classes X, XI and XII. In the BE 2017-2018, a sum of Rs.314 crore has been provided for the special cash incentive scheme.

❖ In the BE 2017-2018, Rs.2,656 crore and Rs.1,194 crore have been provided for SSA and RMSA respectively.

❖ In the BE 2017-2018, Rs.26,932 crore has been allocated for School Education.

Higher Education

❖ Under the scheme of reimbursement of tuition fees to first generation graduate students scheme, a sum of Rs.680 crore has been allocated in the Budget Estimates.

❖ The Government has allocated Rs.320 crore in the BE 2017-2018 for providing grants to universities, including Rs.139 crore for Annamalai University.

❖ In the BE2017-2018, Rs.3,680 crore has been allocated for the Higher Education Department.

Youth Welfare and Sports Development

❖ A High Altitude Training Centre is being established at Udhagamandalam at a cost of Rs.5 crore to develop stamina and fitness in athletes and to enhance their performance.

❖ It has provided a sum of Rs.25 crore for the year 2017-2018 to hold village level games in all the 12,524 village panchayats.

❖ In the BE 2017-2018, a sum of Rs.165 crore has been allocated for the Youth Welfare and Sports Development Department.

Adi-Dravidar and Tribal Welfare

❖ In order to implement another electoral promise, this Government will enhance the food charges for college hostel students from Rs.875 to Rs.1,000 per month and for school hostel students from Rs.755 to Rs.900 per month.

❖ The Government will take up the construction of buildings for 24 more hostels at a cost of Rs.30.73 crore during 2017-2018.

❖ In the BE 2017-2018, a sum of Rs.189 crore has been allocated for construction of buildings and Rs.120 crore has been allocated for food charges.

❖ An amount of Rs.69 crore has also been provided in the BE 2017-2018 for providing bicycles free of cost to Scheduled Caste and Scheduled Tribe students.

❖ To encourage the enrolment of girls in schools, this Government has provided incentives to 4.92 lakh girl students belonging to Scheduled Castes and Scheduled Tribes during 2016-2017 and accordingly Rs.55 crore has been allocated for this scheme in 2017-2018.

❖ In the BE 2017-2018, Rs.125 crore has been allocated for the pre-matric scholarship schemes, and Rs. 1,580 crore has been allocated for the post-matric scholarship schemes.

❖ The Government has been implementing the 'Comprehensive Tribal Development Programme' (CTDP) since 2011-2012 for taking up various infrastructure development activities in tribal areas and for providing financial

support for the socio-economic development of Tribal families.

❖ This Government has decided to establish two Model Residential Schools, along with staff quarters, in Jawadhu Hills at a total cost of Rs.24 crore.

❖ In the BE2017-2018, Rs.50 crore has been allocated under CTDP and Rs.37 crore has been provided for the development of Particularly Vulnerable Tribal Groups.

❖ In the BE2017-2018, an amount of Rs.3,009 crore has been allocated for Adi Dravidar Welfare Department and Rs.265 crore has been allocated for Tribal Welfare Department.

Welfare of Backward Classes, Most Backward Classes and Denotified Communities

❖ In the BE 2017-2018, Rs.23 crore and Rs.182 crore have been provided for Pre-Matric and Post-Matric Scholarship schemes.

❖ This Government will continue to distribute bicycles free of cost to students belonging to Backward Classes, Most Backward Classes and Denotified

Communities, studying in 11th Standard in Government and Government aided schools. In the BE2017-2018, Rs.180 crore has been provided for this scheme.

❖ In order to implement another electoral promise, this Government will enhance the food charges for the college hostel students from Rs.875 to Rs.1,000 per month and for school hostel students from Rs.755 to Rs.900 per month. In the BE 2017-2018, Rs.24 crore has been provided for construction of hostels and schools, and Rs.84 crore has been provided for food charges.

❖ An amount of Rs.988 crore has been provided in the BE 2017-2018 for the Backward Classes, Most Backward Classes and Denotified Communities Welfare Department.

Labour Welfare

❖ In 2016-2017, a sum of Rs.115.25 crore has been distributed to the members of the unorganized workers welfare boards as welfare assistance.

❖ An amount of Rs.70 crore has been provided as grants to

these boards in the BE2017-2018.

❖ As a measure to ameliorate the plight of the migrant construction workers living in unhealthy conditions at construction sites, the Government is constructing temporary accommodation at major locations around Chennai and other cities in Tamil Nadu on need basis. These residential units will be made available on rental basis to employers to accommodate their construction workers.

❖ In the BE2017-2018, Rs.1,010 crore has been allocated for the Labour Welfare Department.

Social Welfare

❖ In the BE2017-2018, Rs.3,790 crore has been provided for these social security pensions.

❖ The pioneering schemes - the 'Girl Child Protection Scheme' and the 'Cradle Baby' scheme have ensured adequate protection of girl children. In the BE 2017-2018, a sum of Rs.140 crore has been allocated for these schemes.

❖ Under the Marriage Assistance Schemes, eight gram of gold coin for Thirumangalyam along with a cash assistance of Rs.25,000 for non-graduates and Rs.50,000 for graduates and diploma holders are being provided. In the BE 2017-2018, Rs.723 crore has been provided in total for all the Marriage Assistance Schemes.

❖ Fulfilling another electoral promise, the Government has issued orders extending support to one lakh working women per annum for purchase of two wheelers with 50 percent subsidy, not exceeding Rs.20,000. A sum of Rs.200 crore is provided in the BE 2017-18.

❖ A sum of Rs.1,687 crore and Rs.1,779 crore have been provided for the Nutritious Meal Programme and ICDS scheme respectively in the BE2017-2018.

❖ In the BE2017-2018, Rs.4,781 crore has been allocated for Social Welfare Department.

Welfare of Government Employees and Pensioners

❖ The Government has increased the maternity leave from six months to nine months

to fulfill another electoral promise.

❖ The Government has now constituted a Committee of Officials to study the recommendations of the Seventh Pay Commission in all aspects and to recommend appropriate pay revisions. Based on this report, revised pay scales will be fixed by the Government.

❖ For the implementation of the New Health Insurance Scheme, Rs.290 crore has been allocated in the BE 2017-2018.

❖ This Government has extended the New Health Insurance Scheme to benefit the pensioners and Rs.123 crore has been allocated in the BE 2017-2018.

❖ In the BE2017-2018, Rs.22,394 crore has been allocated for pensions and other retirement benefits.

Welfare of Sri Lankan Tamil Refugees

❖ In the BE 2017-2018, Rs.116 crore has been allocated for the welfare of Sri Lankan Tamil refugees.

Welfare of the Differently Abled

❖ The Government will enhance the monthly maintenance allowance of Rs.1500 to persons cured of leprosy but have suffered severe permanent disability.

❖ It is our commitment to improve the quality of life for the differently abled persons and towards this the following announcements are made:

➤ Retrofitted scooters will be increased from 1,000 to 2,000 per annum at a cost of Rs.11.97 crore.

➤ The conveyance allowance of Rs.1,000 per month being provided to the visually challenged and persons with locomotor disabilities will be extended to the hearing impaired Government employees.

➤ Skill development training will be imparted to 10,000 differently abled persons in all the districts at a cost of Rs.5 crore during the year 2017-2018.

❖ The allocation for the Welfare of Differently Abled

Department has been increased by 17.68 percent over the Revised BE2016-2017 to Rs.466 crore for the year 2017-2018.

Welfare of the Minorities

❖ The Government has been providing assistance to Christians for undertaking pilgrimage to Jerusalem and to Muslims for the Hajj pilgrimage.

❖ The monthly pension to the ulemas has been increased from Rs.1,000 to Rs.1,500 from 2016-2017.

Resources for financing the Budget

❖ The State will be undergoing a major change in the indirect taxation system in 2017-2018 when the Government of India rolls out the Goods and Services Tax (GST). Though it is expected that the GST regime will affect the resources of a manufacturing State like Tamil Nadu considerably, the Government of India has agreed to compensate the loss for a period of five years.

❖ Since the Value Added Tax (VAT) regime is being replaced by the GST regime, no

tax concessions are being announced in the BE 2017-2018.

❖ Considering the above factors, revenue from Commercial Taxes has been estimated at Rs.66,522 crore in the Revised Estimates 2016-2017, and at Rs.77,234 crore in the BE 2017-2018.

❖ The Government has closed down 500 TASMACHOP shops in February 2017, in addition to the closure of 500 shops in 2016.

❖ Keeping this in view, the Excise Duty collection has been projected at Rs.6,903 crore in the BE 2017-2018.

❖ The State has registered a negative growth this year in the collection of Stamp Duty and Registration Fees and the receipts have been estimated only at Rs.8,220 crore in 2017-2018.

❖ The revenue from Motor Vehicle Taxes is projected at Rs.5,418 crore during 2017-2018.

❖ The SOTR estimate has been revised downward to Rs.87,287 crore in the Revised Estimates 2016-2017 and has been fixed at Rs.99,590 crore in the BE2017-2018.

❖ The receipts under the State's Own Non-Tax Revenue have been estimated at Rs.12,318 crore in 2017-2018.

❖ The State received Rs.20,354 crore as Central devolution in 2015-2016, which recorded a growth rate of only 20.98 percent over 2014-2015. When we discount this growth rate with the normal growth in Central Tax collections of 18 percent in 2015-2016, the net increase stands at 2.98 percent only.

❖ In the Revised Estimates, the share in Central Taxes has been estimated at Rs.24,538 crore during 2016-2017 and Rs.27,224 crore in the BE 2017-2018.

❖ The Grants-in-Aid have been estimated at Rs.20,709 crore in the Revised Estimates 2016-2017 and Rs.20,231 crore in the BE2017-2018.

Fiscal Indicators

❖ While the Total Revenue Receipts (TRR) of the State have been projected at Rs.1,59,363 crore in the BE 2017-2018, the Revenue Expenditure is estimated at Rs.1,75,293 crore, leaving the

Revenue Deficit at Rs.15,930 crore.

❖ Despite an increase in Revenue Expenditure due to the additional commitment of the Government towards interest payments under the UDAY scheme and cooperative loan waiver scheme, the Revenue Deficit in 2017-2018 will be contained at the previous year level.

❖ In 2016-2017, the Government has taken over the debt of TANGEDCO to the tune of Rs.22,815 crore, which has increased the Fiscal Deficit beyond the Tamil Nadu Fiscal Responsibility Act norm of 3 percent of GSDP.

❖ However, Government of India has given specific authorization to exceed the limit to the extent of debt takeover from TANGEDCO and allowed the State to borrow beyond three percent to absorb the burden of this debt.

❖ A bill to amend the Tamil Nadu Fiscal Responsibility Act, 2003 will be introduced in this august House in this session.

❖ In 2016-2017, the Fiscal Deficit will be Rs.61,341 crore which is 4.58 percent of the Gross State Domestic Product.

❖ If the debt taken over from TANGEDCO by Government is excluded, the Fiscal Deficit in 2016-2017 will be Rs.38,526 crore, which will be 2.88 percent of the Gross State Domestic Product.

❖ The Capital Expenditure has been estimated at Rs.27,789 crore in the BE 2017-2018.

❖ The Fiscal Deficit has been projected at Rs.41,977 crore, which is about 2.79 percent of GSDP in the BE 2017-2018. This will be within the norms prescribed.

❖ It is estimated that Rs.41,965 crore would be raised as net borrowings, as against the permissible limit of Rs.45,119 crore.

❖ The net outstanding debt at the end of 31st March, 2018 will be Rs.3,14,366 crore including the debt taken over from TANGEDCO and the Debt-GSDP ratio will be 20.90 percent which is well below the Debt-GSDP norm of 25 percent.