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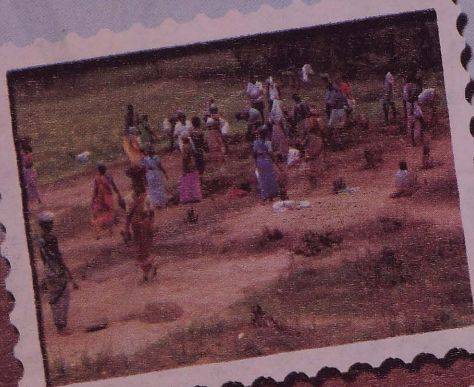
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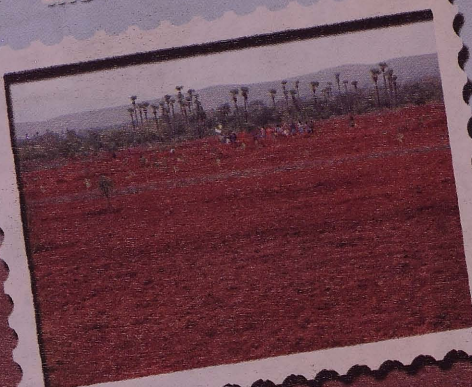
IMPLEMENTATION OF THE SCHEME OF DISTRIBUTING WASTELAND TO POOR LANDLESS FARMERS LAUNCHED BY HON'BLE CHIEF MINISTER



INSTALLATION OF BORE-WELL



REMOVAL OF BUSHES AND PEBBLES



REFORMED LAND



LEVELLING



LANDLESS AGRICULTURAL LABOUR
BENEFICIARY FAMILY

Tamil Arasu

JULY - AUGUST - SEPTEMBER 2006

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Thiruvalluvar Year - 2037

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FREE COLOUR TELEVISION SCHEME ON 15.9.2006

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INDEPENDENCE DAY

Celebrations



I wish to convey my heartiest
Independence Day greetings and good
wishes to one and all.

A bubble is transient

Some consider

It's their royal canopy!

Sacrifice

Determination

Hard work

Dignity

Respect

Reputation are everlasting!

Holding these virtues aloft

Those great men have fought

/ Valiantly for the nation

People may perish

But their saga of success never vanishes

This flag which stands tall and flutters majestically on the Fort Ramparts today; it reflects the aspiration of the valiant Bhagat Singh whose martyrdom has become part of the history; it is the flag which was held by Thiruppur Kumaran who made supreme sacrifice to save its honour; It is the flag hoisted high in the mast by a brave young man called Bashyam stirred by his love for the Nation who climbed up the Ramparts. It personifies the great struggle incessantly waged by "Annal Gandhiji" with a resolve to efface the slur of slavery from the face of our motherland, a reminiscence of the bloodshed of the countless brave men who faced death courageously to attain freedom and independence.

This flag flying grandly today at the front of this Fort was drenched in the Sea of blood of spears and swords of those warriors who lost their lives in the War of Independence. They never forgot the basic lessons of the Battlefield. They were of the firm conviction that death was a beautiful bouquet given to brave men and sweeter than the lips of a damsel.

Assuming charge as the Chief Minister for the fifth time, I am hoisting the flag today, with happiness and with Pride. I have the honour and credit of having brought to the notice of the then Prime Minister Annai Indira Gandhi that, even after several years of Independence, the elected representatives did not have the opportunity to hoist the National Flag in their home states. This resulted in such a privilege being exercised by the Chief Ministers of the States from the 15th August, 1974 onwards and I am instrumental for the same.

Hoisting of the flag is not just to celebrate our Independence Day.

We have to commit ourselves on this day for the upliftment of the people of our country. Yes. Every year, this should be a continuous and constructive commitment. 15th August 1947 is the day that brought our freedom. Pandit Jawaharlal Nehru known as the Diamond of the Masses became the Prime Minister of Free India. Our senior leaders assumed many responsibilities with the sole intention of providing welfare and prosperity to people.

To ensure that the benefits of Independence reach every citizen, based on the Constitution of India under the guidance of Annal Ambedkar, our country blossomed into a Republic on 26th January 1950.

The thoughts of 'Perarignar' Anna on democracy are worth pondering:

"People in all their actions should pursue democratic principles. Clarity to understand problems, training to communicate one's opinions and the ability to patiently hear any criticism are abundantly required.

"I will never be a slave and I shall never be a boss either", said Abraham Lincoln.

This underlining philosophy is the edifice on which a true republic is built. The ability to discern right and wrong is with every one and this is the belief on which a republic is raised".

This is the view of Anna on people's rule called republic. We call this 'Democracy'.

This government, formed on the basis of these democratic principles, is striving hard from the day of its assuming office with the cooperation of the alliance parties, for the welfare of every citizen of Tamilnadu.

*"That is a land whose peaceful
annals know,
Nor famine fierce, nor wasting
plague, nor ravage of the foe"*

Says Ayyan Thiruvalluvar and as per his advice this Government will strive to eliminate poverty by building prosperity, eradicate diseases, and spread the thought "Every place is my hometown; Everyone my kith and kin" and to dispel the darkness of disharmony.

The Tamil Nadu Government marches ahead in a planned manner utilising all the opportunities that provide strength and progress. A smooth and cordial relationship

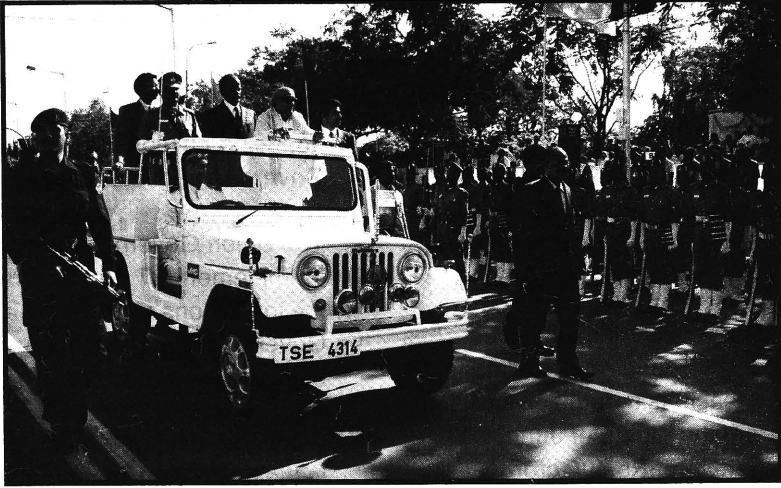
with the Central Government and the neighbouring states will help the progress of Tamil Nadu without any impediments.

To enable quick decisions on this Government's Schemes, seven cabinet meetings were convened in the last three months and after deliberations action has been taken to provide solution to people's problems. This Government has implemented most of the promises made in the manifesto released before the elections.

- ★ My first signature sanctioning the scheme for providing rice at Rupees Two per kilo brought jubilation to the women folk.
- ★ The second signature to write off cooperative loans to the tune of Rs.7,000 crores put an end to the sufferings of farmers.



- ★ The third signature to provide eggs twice a week to the students in the nutritious meal scheme.
- ★ The birthday of Perunthalaivar Kamarajar was declared as "Education Development Day" and celebrations were held in all the schools.
- ★ Tamil has been made a compulsory subject from 1st to 10th Standards.
- ★ Contractual appointment of teachers has been completely abolished and about 50 thousand teachers brought on time scale of pay from the month of June, 2006 at an expenditure of Rs.400 crores.
- ★ Fresh appointment of 17,185 teachers in Schools, 1,020 Lecturers in Government Colleges, 180 Lecturers in Government Engineering Colleges, 559 Lecturers in Government Polytechnics.
- ★ 429 additional buildings for High School and Higher Secondary schools at a cost of Rs.293 crores; 14,354 additional class rooms for the elementary and middle schools at a cost of Rs.281 crores.
- ★ The Moovalur Ramamritham Memorial Marriage Assistance scheme intended for the poor girls which was discontinued has been revived and the assistance enhanced to Rs.15,000.
- ★ To help poor pregnant women to get nutritious food and also compensate the loss in their income, a grant of Rs.6,000.
- ★ The enhanced fees of Rs.12,550 for students in Government Engineering Colleges has been brought down to Rs.7,550.
- ★ The confusion that prevailed in the past, in admission to self financing private colleges has been eliminated and admissions are going on smoothly through out the State as the private self-financing colleges have agreed to 65% Government quota - an achievement.
- ★ The Union Government has been urged to implement 27 percent reservation in the Institutions of Higher Learning run by Government of India, by a resolution of the Legislative Assembly.
- ★ A law to provide 69 percent reservation in the Self-Financing Colleges.
- ★ Reinstatement of 13,000 'Makkal Nala Paniyalarkal'.
- ★ Free Electricity to Weavers.
- ★ Reduction of Interest rate from 9% to 7% for crop loans extended by the Co-operative Banks.
- ★ Free electricity to the agriculturists under the self-finance scheme.
- ★ A revolutionary legislation for providing Social Security and Welfare Assistance to farmers and agricultural labourers.
- ★ Separate Welfare boards for different groups of unorganised labour.
- ★ New industries to provide more and more employment
- ★ Motorola factory at an investment of Rs.135 crores.



- ★ Apollo Radial Tyre factory at an investment of Rs.520 crores.
- ★ Automobile Ancillary unit at Sriperambudur by Caparo India of U.K. at an investment of Rs.300 crores. These industries will create opportunities for 11,250 workers.
- ★ A landmark order enabling persons of all castes to become Archakas - an important step to create an egalitarian society as envisaged by Thanthai Periyar.
- ★ The monthly financial assistance given to the Sri Lankan refugees who have sought refuge in Tamilnadu, fearing the extinction of the Tamil race in Sri Lanka and seeking a peaceful life, is doubled.
- ★ Liberal concessions to the Film Industry, The charges for outdoor film shooting considerably reduced; the fee for small screen films has been reduced to 50 percent of the fee for regular films.
- ★ Full exemption from entertainment tax will be given to new films if the film is named in Tamil.
- ★ Reinstalling the statue of Kannagi the cultural symbol of Tamils which was removed earlier.
- ★ Today, (on August 15th) release of Postal Stamp to commemorate the memory of Silambu Chelver Ma.Po.Si.
- ★ The house of Parithimal Kalaigarnar who gave the clarion call for declaring Tamil as a classical language, to be converted as a memorial.
- ★ Enhancement of financial assistance given to the artistes in distress from Rs.500 to Rs.1,000.
- ★ Enhancement of financial assistance given to the aged persons, widows and physically handicapped persons from Rs.200 per month to Rs.400 per month.

- ★ Repeal of the Prohibition of Conversion of Religion Act.
- ★ Repeal of ESMA, TESMA Acts which was a threat to the Government employees and teachers.
- ★ Orders for reducing qualifying service for full pension in respect of government employees from 33 years to 30 years.
- ★ Announcement to treat the strike period of Teachers, employees of Transport Corporations and Government as duty period.
- ★ Cancellation of Sales Tax in full on pulses and edible oils, a matter of relief to womenfolk.
- ★ Full Sales Tax exemption to Chitta yarn.
- ★ On the whole, a Tax Free Budget.
- ★ Financial Assistance of Rs.50,000/- each to the family of the farmers who died due to drought during the rule of the previous Government, on this Independence Day.

This Government which has implemented such schemes within a short span of time has also planned to undertake the launching of the scheme of distribution of colour T.V. sets on September 15th, the birth day of Anna; commencement of the distribution of 2 acre waste land to landless poor agricultural families on September 17th, the birthday of Thanthai Periyar; and the commencement of the scheme for an employment allowance to the youth, who have been put to hardship, on 2nd October, the birthday of Uthamar Gandhi. These are the most attractive assurances contained in the election manifesto drawing the attention of the entire country.

Within 95 days of assuming office, we had a meeting with 'Thiyaga Thiruvilakku'

Tmt. Sonia Gandhi, Prime Minister and other Central Ministers, Leaders of alliance parties, other eminent persons, Chief Ministers of neighbouring States and sought their co-operation and assistance for the development of Tamil Nadu and for the betterment of the Scheduled Castes, Backward and Most Backward Classes and Minorities.

We have implemented most of the assurances in the manifesto and have chalked out a time bound action plan to fulfill the few remaining assurances.

Poor and downtrodden people use firewood and Kerosene stoves and the womenfolk in those households experience hardship while cooking. To ameliorate their suffering and to bring relief and happiness amidst them I announce arrangements proposed for free Gas connection and also a free Gas stove to these poor families. This is one of the announcements made in the election manifesto.

This scheme with an estimated cost of Rs.150 crore will be launched from the ensuing Pongal day and shall be implemented continuously.

The government will bear the cost of deposits for the gas connection under this scheme and will also provide gas stoves free of cost.

Self Help Groups for young men as in the case of Women's Self Help Group will be formed so as to increase the employment opportunity and prosperity.

We have decided to create software parks in cities like Madurai, Tiruchi, Coimbatore and Tirunelveli through Information Technology Department.

As you are witnessing, it is the avowed objective of this Government to endeavour ceaselessly like the hands of the clock and the expansive flow of air for the development and progress of Tamilnadu, People of Tamilnadu and Tamil Language. The whole of India is keenly watching the functioning of this Government as you do. Demands are being raised in the other States throughout India to implement the rice for two rupees per kilo scheme. It is indeed a credit to this Government and for Tamil Nadu.

My dear Tamils, we together are working for your prosperity and a better future. I request you all and the populace of Tamil Nadu to render your cooperation to this

Government to achieve this objective. Only with your cooperation the schemes of this Government can be implemented successfully. I firmly believe that the benefits of freedom which we celebrate today, shall reach your homes in its full measure. I once again convey my Independence Day greetings.

Thank you.

Vanakkam.

- Speech of Hon'ble Chief Minister
Kalaignar M. Karunanidhi while hoisting
the National Flag at the ramparts of
Fort St. George on 15.8.2006.

★ ★ ★

Tamil Nadu is Emerging as a Hub for Manufacture of Electronic and Telecom Products.

The need for highly skilled and trained manpower in design and manufacturing is critical for sustaining this sector. In order to meet this need, the Government of India through its Ministry of Human Resource Development has decided to set up a National Centre of Excellence called Indian Institute of Information Technology Design and Manufacturing in Chennai. The proposed institute will have a strong programme in design and manufacturing. It will cover all aspects such as mechanical, electrical, electronic as well as software engineering. This will go a long way in consolidating and enhancing the competitiveness of the manufacturing sector.

25 acres of land necessary for setting up of this Institute has already been identified by the Government of Tamil Nadu and the Chief Minister of Tamil Nadu, Kalaignar M. Karunanidhi had today ordered to place the land at the disposal of the Government of India. The Government of Tamil Nadu will render all necessary support and work closely with the Government of India for setting up the Indian Institute of Information Technology Design and Manufacturing (IIIT D & M). This higher educational centre could not be started as the previous Government did not take a decision to hand over the land. Now this Government has come forward to hand over the land to the Central Government to start this Centre of Excellence.



TAMIL NADU WAS THE FIRST TO COME OUT WITH A RIGHT OF WAY POLICY

“அறிவுடையார் எல்லாம் உடையார்; அறிவினார்
என்னுடைய ரேனும் இவர்”

“Those who possess wisdom,
possess everything;

those who have not wisdom,
whatever they may possess, have
nothing” - says Ayyan Thiruvalluvar.

Thiruvalluvar had said that knowledge and wisdom surpass any other virtue. Later philosophers would assert that ‘knowledge is power’. As we claim our rightful place among the nations as a ‘knowledge super power’, the words of Thiruvalluvar ring loud and clear. I have great pleasure in being with you today, to inaugurate CONNECT 2006. My warm greetings to each one of you.

A decade ago, the IT Industry was in its initial stage. The IT revolution had just begun to sweep across the country. We were convinced that this was the wave of the future. We wanted that Tamil Nadu should be ahead of the others in this field, and we started planning for it. Therefore, we drafted for the first time in the country, a comprehensive IT Policy in the year 1997. Tamil Nadu was also the first to come out with a Right of Way Policy. The State also put up the world-class TIDEL Park in 2000. Anyone would agree that these measures laid a solid foundation for the IT revolution in Tamil Nadu.

We are ranked third in the country in software exports. We are fast emerging as a hub for IT

hardware manufacture. All the top software and hardware companies of India and a large number of 'International companies have chosen to locate' in Tamil Nadu. I am happy that they are reposing confidence in us by expanding their operations. The reason for this is - sound infrastructure, large pool of talent, and good governance. "Business is like riding a bicycle. Either you keep moving or you fall down" says an author.

We are not content to rest on our laurels. With a view to consolidate the gains made so far and to propel the industry into a higher growth, we have decided to formulate a new Information Technology Policy. This policy will comprehensively cover all sectors of the IT Industry-Software, IT enabled Services, Business Process Outsourcing, Product Development, Knowledge Process Outsourcing, etc. A separate policy for IT Hardware manufacturing and Bio-Technology will also be formulated.

I am happy that CONNECT 2006 is serving as a forum to assimilate the views of various groups and present it to the Government. I would like to assure that all the views of the distinguished participants will be given the utmost consideration.

A strategic report on the development and adoption of a 16 bit encoding system for Tamil has been presented to me today. I have dedicated my life to Tamil and

anything that furthers this cause is close to my heart. The Tamil Virtual University was established with the aim of using Information Technology for the development of the Tamil language and its spread to all parts of the globe. I fondly recall the efforts taken by the late. Thiru Murasoli Maran to conduct the Tamil Net 99, which first mooted the idea of a comprehensive coding system for Tamil.

The IT revolution would have no relevance if it did not improve the lives of the poorest of the poor. I am convinced that ICT can provide opportunities for touching the untouched and approaching the unapproached. My Government is deeply committed to winning the war against hunger, deprivation, want, inequality and unemployment. We are ceaselessly striving towards this cause. I would appeal to each one of you to pledge yourself to this cause. Together we can win!

CONNECT 2006 has surpassed all previous editions of the event. The credit goes to the organizers and the Union Minister for Information Technology and Telecommunications Thiru Dayanidhi Maran. I convey my hearty congratulations to the entire team.

We have decided that while consolidating the infrastructure at Chennai, on the one hand, we will also spread the IT revolution to other Towns of the State. We have therefore announced in the recent budget, the



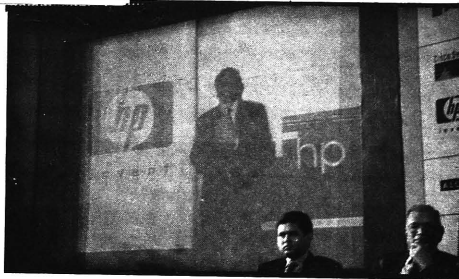
is focusing special sessions on talent. I would be interested in the outcome of the deliberations.

We have met with considerable success so far. Now is the time to rededicate ourselves with renewed vigour. I assure all of you that we would

establishment of a second TIDEL Park at Chennai, besides IT Parks at Coimbatore, Madurai, Trichy, Salem and Tirunelveli.

One of the main reasons for the spectacular growth of the IT Industry in Tamil Nadu is the availability of skilled human resources. In order to further strengthen this, the Human Resources Development Ministry of the Central Government has decided to establish a National Centre of Excellence called "Indian Institute of Information Technology, Design and Manufacturing". The establishment of this prestigious institution in Tamil Nadu will create a new Chapter in the development of the IT Industry in Tamil Nadu.

In order to improve the standard of Computer education in the State, the Government has decided to set up an IT Academy in the State. This institution will specifically focus on upgrading the curriculum of graduate and post-graduate courses, in keeping with the present needs. I understand that CONNECT 2006



strive to provide the best possible environment in which you could grow and prosper.

I am happy that to-day we are launching Coimbatore as Tier-2 City, by allotting land to WIPRO and T.C.S.

I have great pleasure in inaugurating CONNECT 2006. I wish the event all success!

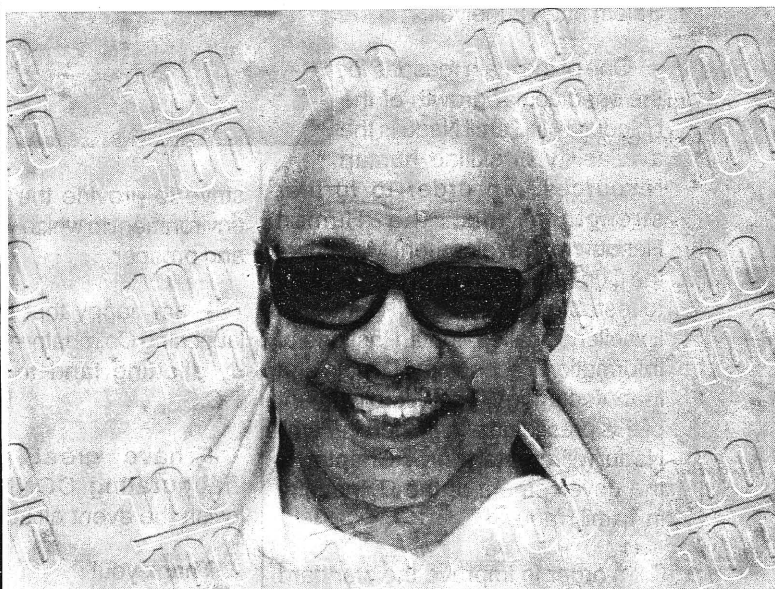
Thank you!

- Speech of
Hon'ble Chief Minister
Kalaigarnar **M. Karunanidhi** at the
inaugural function of CONNECT
2006 organised by C.I.I. at
Chennai
on 8.9.2006

* * *

100
100

Blazing trails of progress in 100 days



Under the able leadership of Kalaaignar M. Karunanidhi, Tamil Nadu is now going through a sea-change. Development of infrastructure, empowerment of the masses through welfare schemes, institution of new industrial projects, the list is rather endless. As every dawn breaks, the people welcome a new beginning with their smiles : the eternal celebration of the faith and belief, that their future is in safe hands.

100 DAYS OF ACHIEVEMENT UNDER KALAINAR' S RULE

- ❖ Tax-free budget - favourable climate to attract industrial investments and tourism projects
- ❖ Agreements for new industries - Motorola (Rs.135 crore), Apollo Radial Tyre (Rs. 520 crore), Caparo Auto Ancillary Unit (Rs.300 crore), Tessolve Semi - conductor Unit (Rs. 1,000 crore) to generate employment, for 11,250 workers
- ❖ Software Parks in cities like Madurai, Trichy, Coimbatore, Tirunelveli
- ❖ Separate Welfare Boards for different groups of unorganized labour
- ❖ Social security and welfare assistance to farmers & agricultural labourers
- ❖ Reduction of interest rate from 9% to 7% for crop loans extended by the Co-operative Banks
- ❖ Free electricity to weavers and farmers under self finance scheme
- ❖ Comprehensive plan to develop all the villages in Tamil Nadu under "All Villages Anna Renaissance Scheme"
- ❖ Sales Tax exemption to hank yarn
- ❖ Repeal of Prohibition of Conversion of Religion Act
- ❖ Draconian ESMA, TESMA acts repealed
- ❖ Reinstatement of 13,000 'Makkal Nala Paniyalargal'
- ❖ Educational infrastructure enhanced - Additional school buildings for Rs. 574 crore
- ❖ Contractual appointment of teachers has been completely abolished and about 50,000 teachers brought on time scale of pay, at an expenditure of Rs. 400 crore.
- ❖ Fresh appointment of 17,185 teachers in schools, 1,020 lecturers in Government Colleges, 180 lecturers in Government Engineering Colleges, 559 lecturers in Government Polytechnics
- ❖ Fee for Government Engineering College students has been drastically reduced
- ❖ Financial assistance of Rs. 6,000/- for poor pregnant women to get nutritious food
- ❖ Marriage assistance to aged persons, widows, physically handicapped and artistes in distress has been doubled
- ❖ Scheme for distribution of rice for Rs.2 per Kilo
- ❖ Farmers' Co-operative Loans Rs. 7, 000 crore written off
- ❖ Provision of eggs twice a week for students in nutritious noon meal programme
- ❖ Full Sales Tax exemption for pulses and edible oils
- ❖ Concessions to film industry
- ❖ Free Colour TV distribution
- ❖ Distribution of two acres of waste land to landless poor

UPCOMING SCHEMES

- ❖ Free gas stove and deposit for gas connection to poor families
- ❖ Self Help Groups for youth and scheme for unemployment allowance to the youth

TAMIL NADU BUDGET

Welfare to Growth

Budgets of State Government are dreary documents, which attract few readers and even fewer commentators, unlike the Union Budget. The Tamil Nadu budget for 2006-2007 was an exception. The DMK led alliance has won the elections in May 2006 on the basis of a number of expansive (or shall we say, expensive) promises including pledges to waive agricultural loans, give rice at Rs. 2 per kg and provide free colour TV sets to the poor. Politics apart, these campaign promises were seen by many as profligate. There were apprehensions about the impact on the State's finances. The expert view was that either the Government would renege on the promises or else the State would slide into a financial crisis.

Given this backdrop to the Tamil Nadu budget, it was therefore a pleasant surprise to the most economists and financial experts when the Tamil Nadu Finance Minister Mr. K. Anbazhagan presented a budget for 2006-2007, which managed virtually to do the impossible. On one hand the campaign promises were implemented (Mr. Karunanidhi kept his pledge that the manifesto would virtually become the budget). On the other hand the budget managed to score good marks on key economic and financial parameters.

Economists generally look at Budgets from three angles:-

- Fiscal balance (the overall level of revenue and expenditure, the size of fiscal deficit and other macro economic indicators)
- Tax Policy changes (and their impact on trade, industry and the general public)



- Composition of Government Expenditure (in terms of which sectors and given priority, what type of expenses are growing or declining, etc)

In terms of fiscal balance, the Tamil Nadu Government has much to the surprise of the skeptics, remained within the limits set in the State's Fiscal Responsibility Act. According to this act, the Government has to keep the fiscal deficit within 3% of the Gross State Domestic Product. It also has to keep the revenue deficit at less than 5% of the Total Revenue Receipts. Despite the large expenditures on loan waiver, rice subsidy and distribution of free colour TV sets, the 2006-2007 Budget has stayed within these limits. This was a major, if pleasant surprise since even the Union Finance Minister has been forced to "press the pause button" on the fiscal responsibility obligation in the Union Government's Budget in 2005. States are normally considered relatively fiscally irresponsible compared to the Centre. But this is a case where a State Government has, in difficult circumstances, stayed on the path of fiscal rectitude, which even the Central Government had to temporarily abandon in a corresponding situation.

How was this "magic trick" accomplished?

The answer lies in a combination of a sound tax policy and administration on one hand and strong control of non-priority expenditures on the other.

On the tax policy side, the Tamil Nadu Budget delighted the pundits and the capitalists of the industry, by announcing the introduction of Value Added Tax (VAT) from 1st January 2007. This was not a easy decision for the Government to take. There has been serious apprehension about protests by small traders who had vocally opposed the move. The previous Government had not implemented VAT either in the First Round when the majority of the States did so, nor in the second round when the BJP ruled states did so, leaving Tamil Nadu in the company of Uttar Pradesh as isolated islands. Many had expected that a decision by the new Government, if it was ever taken, would be deferred till after the Local Body elections in October. The Government to disarm the critics introduced the exceptions limit of Rs. 10 lakhs (much higher than in other states). At one stroke, 45,000 traders were removed from the VAT net and the expected outcry did not materialise. The key decision displayed a higher level of political courage. By demonstrating to investors that the Government was willing to put long term economic development ahead of short term electoral gains, it cemented Tamil Nadu's reputation as an investment destination.

The Government also cleverly took the opportunity to launch a "Samadhan" scheme for Sales Tax timed just before the introduction of VAT. This is likely to attract many traders, large and small, who would prefer to start VAT with a clean slate, and will augment the state's revenues.

The tax policy is also geared towards promoting rapid growth in new sectors. Chennai is already one of India's leading centers for the software, BPO and Automotive industries. This Budget has offered special incentives to the IT hardware sector, seeking to replicate in the hardware sector what have already been achieved in the software sector.

On the expenditure side, apart from the election promises, the Government has come up with some interesting and innovative ideas. Probably the most important is the new "All Villages Anna Renaissance Scheme". This scheme provides Rs. 500 crores per annum to upgrade basic infrastructure facilities in villages. India has seen many rural development programmes come and go, and cynics can be forgiven for asking what is so special about this scheme. There are two unique innovative features in this scheme, which mark it out from run-of-the-mill projects. Firstly,

it aims for universal coverage. 20% of villages will be covered each year and every single one of the 12,618 villages in Tamil Nadu will be covered over 5 years. Secondly, the villages will be taken up not in some arbitrary or politically determined order, but rather in the ascending order of per capita income. Development economists have often advocated the "antyyodaya" approach by which one must help the weakest first, but this approach has been followed mainly in the breach. It is therefore refreshing to see such a rational and apolitical approach. The same theme of helping the weakest is maintained through, among other things, increases in pensions for the old aged, destitute widows, deserted women and disabled persons which have been doubled from Rs. 200/- to Rs. 400/-.

Balancing the needs of fiscal rectitude with the pressures of political populism in a noisy democracy like India is not easy. Yes, Tamil Nadu has announced 'populist' schemes but which Budget, Central and State, has not? Sustainable economic reform requires the support of the electorate. Without popular support, economic reform will remain confined to the minds of economists and the pages of academic journals. Tamil Nadu's five-time Chief Minister and his team have shown that so-called 'populist' schemes can be used imaginatively to create the political space to carry out reforms. This is a lesson worth learning.

*Courtesy : Hindustan Times
(12.9.2006)*



TAKING TN TO THE TOP

*A stage has been set for fast forwarding
Tamil Nadu to new levels of growth and prosperity*

The Government led by Hon'ble Chief Minister M. Karunanidhi has set a record of sorts by fulfilling many of its election promises. Critics, who had dubbed promises like cheap rice, free Colour TVs and writing off farm loans as just poll gimmicks and unpractical, have been left speechless by the speed with which the promises are reaching the people.

Immediately after assuming office, Hon'ble Chief Minister M. Karunanidhi has promised signed three orders – for supply of ration rice at Rs. 2 per kilo, two eggs per week as part of the nutritious meal scheme for school children and waiver of

co-operative loans to the tune of Rs.7, 000 crores.

Similarly the Colour TV scheme has been launched on September 15, the birth anniversary of DMK founder Anna, when 30,000 TVs were distributed. To counter charges of favouritism or corruption, the Government opened the tenders in the presence of a committee of MLAs drawn from all parties. Two suppliers who had quoted marginally higher price than the first one agreed to lower their price as well following negotiations.

"We want the Colour TV scheme to be really transparent as the people should get quality sets," explained Hon'ble Local Administration Minister M.K. Stalin. During

his Independence Day address, Hon'ble Chief Minister M.Karunanidhi said that free gas stoves and LPG connections would be rolled out from Pongal next year.

While releasing the DMK's manifesto the Chief Minister had told the electorate that the manifesto would become the budget of the Government. And the budget for 2006-07 went about giving shape to other election promises as well. Some of the key features of the budget include reduction of interest on co-operative farm loans, monthly financial assistance to unemployed youth, free electricity to weavers, marriage assistance scheme for poor girls, reduction of college fees, liberal concessions to the film industry, removal of tax on essential food commodities and tax concession to traders.

The trickiest promise to implement would be 2 acres of land for the landless since the Government's initial estimate of available free land means that there is not enough free land for distribution. Nevertheless the Government has chosen to soldier on in distributing the available land. Consequently 1.95 lakh acres of Government poramboke wasteland, which is free from encroachments, would be reclaimed and assigned to landless poor framers at the rate of 2 acres per family.

Since small and marginal farmers already occupying Government poramboke land could not be deprived of their present holding the Government has offered to reclaim 67,000 acres and given back after making them suitable for farming. In respect of 7 lakh acres of wasteland owned by small and marginal farmers if they wished the Government would reclaim their land as well and convert them to arable lands. The Chief Minister told the Assembly during the budget session that the Government would provide 5 lakh poor

agricultural families in the state reclaimed land.

The above welfare measures are bound to strain the State's financial reserves but the Government believes that only a strong social security net provided by the Government will lead to greater development once the basic needs of the people are taken care of.

Since Tamil Nadu has ranked in the top five industrialized States in the Country, the Government wants to push forward this advantage and take the State to the top of the list. In pursuit of this the budget has promised a new industrial policy. More importantly the Government has announced that VAT would be implemented from January 1, 2007.

Chief Minister Karunanidhi, who also holds the industries portfolio, saw reason in the demand for VAT as not implementing it could push many industries out of Tamil Nadu to neighbouring VAT enabled States like Andhra Pradesh or Karnataka since manufacturers have discovered that VAT keeps the price of the finished product down. Industrialists in the State welcomed this decision saying it illustrated a pragmatic approach by the present Government.

Tamil Nadu now enjoys the unique advantage of having the DMK ruling at the State and also part of the Central Government.

This has created a favourable situation in which Central clearances for State projects are pushed through while Central Ministers from Tamil Nadu can sell the State as an industrial destination with a responsive administration to prospective investors.



Two incidents illustrated this conjoined approach – the decision of international communications giants Motorola and Flextronics to establish their manufacturing facilities near Chennai. Motorola would be investing Rs.135 crores in its facility, which would generate direct employment to more than 7,000 people. Flextronics would be pitching in Rs.450 crores.

The budget also wooed computer manufacturers to the State by offering exemption to them from General and Central Sales Tax on the sale of computers manufactured with an investment exceeding Rs.100 crores in the Special Economic Zones of the State. This would reduce the price of computers in the State and in turn make their use far more prevalent.

Tamil Nadu sports one of the best road infrastructures in the country, with even interior roads in good condition. To further improve roads in the State 2,664 kms of major district

roads and other district roads are being reclassified as State Highways. The National Highways projects of Golden Quadrilateral and North-South Corridor are also being speeded up.

With Chennai emerging as a top investment destination for multinational and Indian companies the city needs to be decongested failing which it could meet the fate of other metros that suffered from over-development without planning.

With the city's desalination project finally moving ahead, the Delhi Metro Corporation being asked to prepare a techno-feasibility study for a Metro facility in the Chennai and Chennai airport to be expanded to international standards, Chennai importance as the happening metro will be further consolidated.

Since the State's Own Tax Revenues are projected at a healthy 12% Tamil Nadu will continue to retain the highest tax GSDP ratio in the country. Tax revenues will continue to be buoyant due to all round economic growth.

Though its beginning has been marked by a slew of social welfare measures aimed at reaching the poor the Government has also realized that economic betterment can be based only on development and increased economic activity. Its future plans are tailored to speed up development in the state and showcase Tamil Nadu as a model State in industrial activity, infrastructure, education and medicare.

In short the stage has been set for fast forwarding Tamil Nadu to new levels of growth and prosperity.

Courtesy : Hindustan Times (12.9.2006)

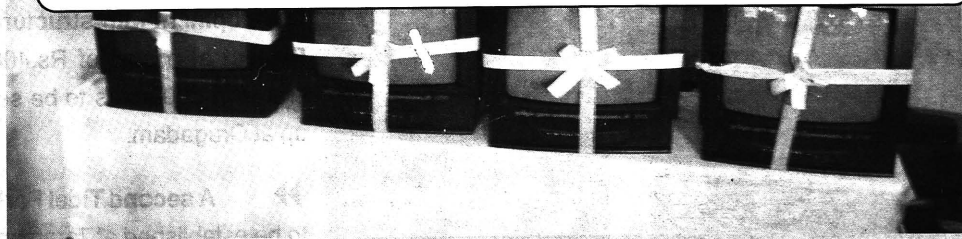


Free Colour Television Scheme launched

Hon'ble Chief Minister Kalaignar M. Karunanidhi launched the Scheme of free colour televisions for the poor at a samathuvapuram near Padapai in Kancheepuram District on 15.9.2006. The inauguration of the television scheme coincided with Perarignar Anna's birthday.

While speaking after the inauguration the Hon'ble Chief Minister said that in the first phase as many as 25,245 television sets would be distributed across the State. This year the State Government has provided Rs.750 crores in the budget for the scheme. Similar allocations would be made in budgets in the coming years too. This would ensure that no home was left without a television set. Even if one crore people need to be given television sets, we will give them, he added.

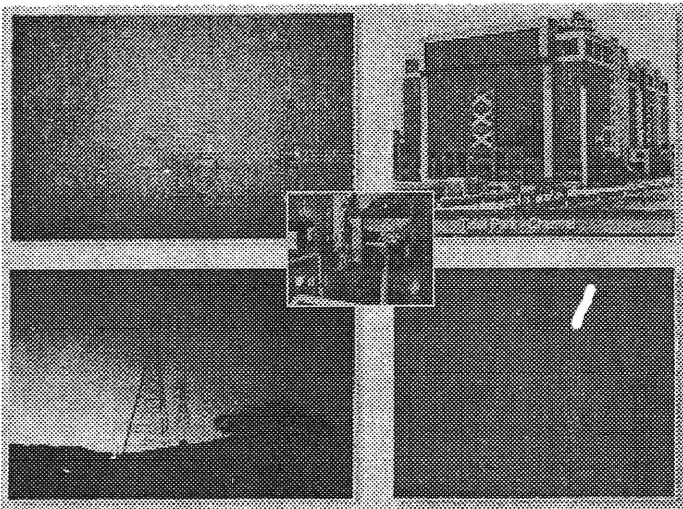
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TAMIL NADU

A FAVOURABLE DESTINATION FOR INVESTMENT

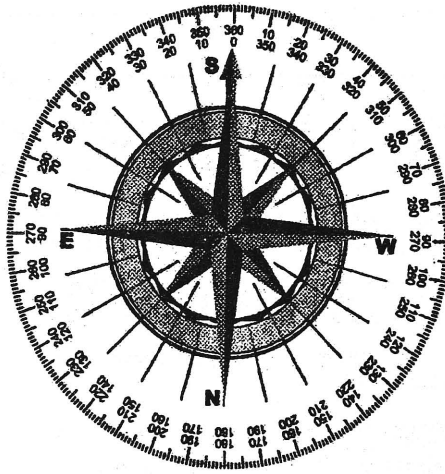
- » A new industrial policy to be announced in the current year.
- » A **Special Task Force** with the participation of the representatives of industry and commerce associations, to be constituted.
- » **"Industrial Corridor of Excellence"** with international standards in infrastructure to be setup in the State. Industrial parks, special economic zones, information technology parks and integrated townships to be formed along this special corridor which will be connected to airports and seaports through express highways and railway lines.



» A first of its kind **"Automotive Special Economic Zone"** to be set up by SIPCOT at Oragadam near Chennai.

» **National Automotive Testing and Research and Development Infrastructure Project** at a cost of Rs.400 crores in 300 acres to be set up at Oragadam.

» A **second Tidel Park** to be established at Taramani



in Chennai. A joint venture IT Park at Coimbatore (on the lines of Tidel Park at Chennai) underway.

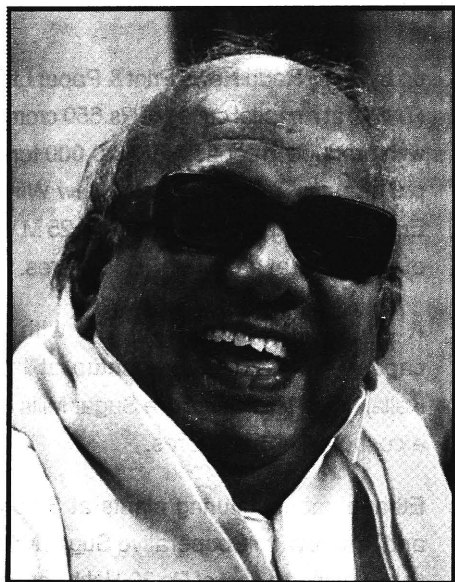
- » Tirupur town with annual exports of Rs. 8,000 crores to get better roads at an estimated cost of Rs.70 crores.
- » Major expansion of the Sriperumbudur and Oragadam Industrial Parks by 2000 acres.
- » New Industrial Park near Madurai by SIPCOT.
- » A new **Leather Special Economic Zone** to be set up by SIPCOT at Oragadam near Chennai in 250 acres for manufacture of leather goods.
- » TIDCO to set up an Integrated Industrial Park in Perambalur District **with product specific Special Economic Zone (SEZ) for Textiles and Garment Industries and Light engineering goods.**
- » A Paper Machine Modernisation cum Expansion scheme (PMME) will be taken

up by Tamil Nadu News Print & Paper Ltd. (TNPL) at a capital outlay of Rs.650 crores with production capacity of 1,20,000 tons per annum. TNPL to install 5 new Wind Energy Generators to generate 6.25 MW of electricity at a cost of Rs.30 crores.

- » A co-generation Power Plant with a capacity of 6 MW to be setup at the Kallakurichi II Cooperative Sugar Mills at a cost of Rs.13.50 crores.
- » Ethanol manufacturing plants at Salem and Amaravathi Cooperative Sugar Mills to be setup at a cost of Rs.300 lakhs each.
- » TIDCO to set up a new joint venture **company for undertaking exploration, production and distribution of Oil and Natural Gas in Tamil Nadu.**
- » Transportation charges for sugarcane upto 10 kms will be borne by the Cooperative and Public Sector Sugar Mills in future costing the exchequer Rs.38 crores per annum.

Courtesy : Hindustan Times (12.9.2006)

ELECTRIFICATION FOR TRIBALS AFTER 50 YEARS OF INDEPENDENCE



Sembukarai tribal hamlet in the Nilgiris District was not electrified in routine course. It got electricity because of the Hon'ble Chief Minister had announced that each tribal family in the Nilgiris District will get a free Colour Television set. Nilgiris has one of highest population of the Tribals. There are 6 tribal communities here, namely - Paniyas, Kurumbas, Irulas, Kotas, Todas, and Kattunaickans. There are about 8,797 tribal families in 581 tribal hamlets, with an average of 15 families per hamlet. This sparse population was one of the reasons

why these tribals could not get electricity even after 50 years since independence. The hamlets are so far apart from each other and are so sparsely populated that it was thought "too expensive" to electrify them. Many of them are located deep inside forest, many are located on remote hills, many are located in the farthest corners of tea-estates, making them completely cut-off from the modern civilization. They are living far away from the nearest motorable road and they can be reached only by trekking a good distance. Taking heavy materials such as electric poles and wires across these terrains was thought as impossible. Tribals being a contented lot, never demanded electricity and they never got it.

Story of Kurumbas of Banagudishola

There is a tribal hamlet called Banagudishola in Kotagiri Taluk inhabited by 39 Kurumba families. It is a 2 Km trek through the mountains from the nearest road head. With no electricity in their hamlet for the last 50 years, their daily life was one of a constant struggle. With no light, children could not study during nights. Living close to a thick Shola forest they were facing a constant threat from the wild animals. But thanks to the free Television scheme they all have electricity in their homes. They saw

electricity in their houses for the first time in 50 years. They said that they did not know how to thank the Government enough. Since it has been ensured that the cable TV is also in their village, they are now connected to outside world. They will get to know the important announcements of the Government, their children will get to know when the schools are going to be closed due to heavy rains and winds, they will know how to prevent outbreak of diseases and more.

Story of Kodapparai (hamlet with just 2 houses)

Kodapparai hamlet of Burliar revenue village is home to just 2 families. Both are Kurumbas. To reach the village from the nearest roadhead, One has to climb 2 kilometer with a very steep gradients. Never had they ever imagined that electricity will come to their houses, knowing it well that ordinarily poles will not be erected and wires will not be drawn over such difficult terrain just for two families. Little did they know, the electricity has come to stay in their homes also.

Free TV Scheme A Social Revolution for the Tribals of Nilgiris

When the free colour TV scheme was announced, some people expressed their reservations and dismissed it as a populist measure. Few people saw its true potential and even fewer could appreciate the impact it was to have on the lives of the Tribals of Nilgiris. The simple fact that TV cannot be used without electricity meant that inbuilt to the promise of free Television was the determination to electrify the remotest corners of Tamil Nadu. The remote tribal hamlets of Nilgiris would have never had a chance to be connected to the rest of the world but for this scheme. Electrification has literally brought

"light" into their lives. Now, the children can study at night, the family can feel safer from the threat of wild animals at night. Now they can also have access to the information which was so far the privy of the city dwellers. Now they can know about their rights, Government Schemes, educational opportunities, employment opportunities, career opportunities, weather forecasts, modern farming practices, price of their produce, minimum wages and a whole host of things. This has opened a hitherto unknown dimension to their lives. And when commitment runs so deep that even hamlets with population of just 2 families have to be electrified, it is simply a social revolution happening.

A Record Achievement

In a short period of just about a month 4,008 tribal households were given electricity connections and 64 hamlets were newly electrified. The entire district administrative machinery was mobilized. Revenue Department, Rural Development Department, TNEB all joined hands and worked nonstop till the work was completed. The Electric poles, wires, house kits all were taken to the nearest road head on trucks, from there it was loaded on tractors to the nearest point and from there it was moved with help of manual workers. It was literally an "uphill" task, but with constant support from the higher officials substantial progress has been made despite the constraints.

Provision of Cable Connection too

Not just contented with electrification alone, extra efforts have been taken to ensure that the tribal families are able to put their TV to maximum use and derive maximum benefit out of it. 5,453 tribal households, have been provided cable TV connections even before commencing of the TV distribution.

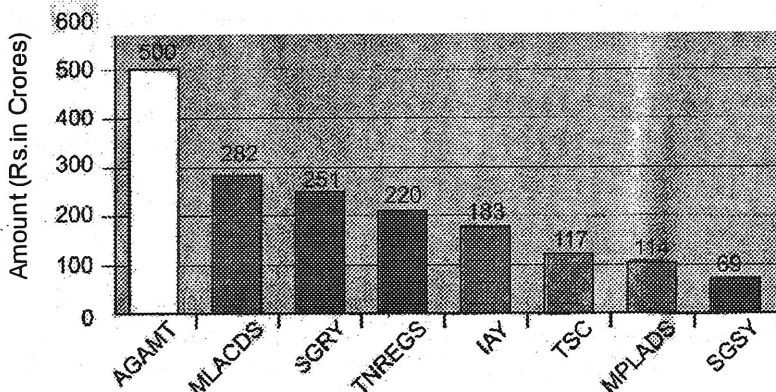
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PIONEERING A MOVEMENT FROM POVERTY TO PROSPERITY IN TAMIL NADU

Announcing India's Biggest Rural Development Scheme - "All Villages Anna Renaissance Scheme"

In yet another path-breaking initiative, the Government of Tamil Nadu under the able leadership of its Hon'ble Chief Minister Kalaaignar M. Karunanidhi has launched "Anaithu Grama Anna Marumalarchi Thittam" (All Villages Anna Renaissance Scheme) to cover the entire 12,618 village panchayats in the State over the next 5 years (2006-07 to 2010-11) with an allocation of Rs.2,500 crore.

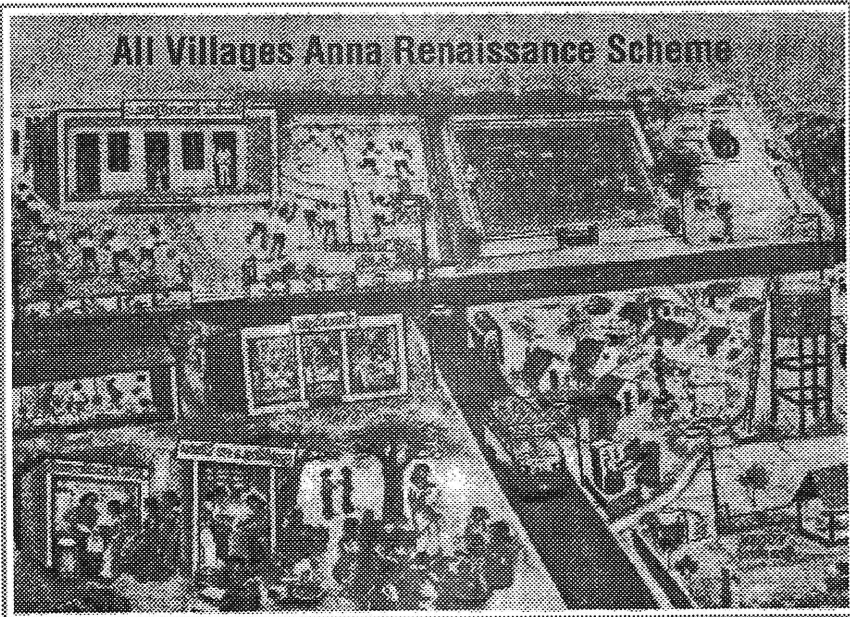
RURAL DEVELOPMENT: ALLOCATIONS FOR 2006-07



AGAMT : Anaithu Grama Anna Marumalarchi Thittam. MLACDS: Member of Legislative Assembly Constituency Development Scheme. SGRY : Sampoorna Grameen Rozgar Yojana. TNREGS: Tamil Nadu Rural Employment Guarantee Scheme. IAY: Indra Awas Yojana. TSC: Total Sanitation Campaign. MPLADS: Member of Parliament Local Area Development Scheme. SGSY: Swarna Jayanti Gram Swarozgar Yojana.

Courtesy : Hindustan Times (12.9.2006)

HIGHLIGHTS OF ALL VILLAGES ANNA RENAISSANCE SCHEME



- Biggest among all Centrally sponsored and State funded Rural Development Schemes.
- State to allocate Rs.500 crore to 2,500 village panchayats every year, at the rate of Rs.20 lakh each.
- Economically weaker panchayats to be given priority during implementation.
- Panchayats to address basic needs and infrastructural facilities such as roads, water supply, burial grounds, streetlights and sodium vapour lamps, sports facilities, reading-rooms, village market & shandies etc.
- Funds from other schemes to be dovetailed into the selected villages.

Courtesy : Hindustan Times (12.9.2006)

Rs.12,500 crores allocated for Tamil Nadu

KALAINAR M. KARUNANIDHI, Hon'ble Chief Minister of Tamil Nadu

“Deputy Chairman and Member of the Union Planning Commission and Senior Officers,

Vanakkam

It gives me great pleasure to be here today to finalise the Annual Plan for Tamil Nadu for 2006 - 2007. Feelings overtake me at this hour when I remember my first meeting here as Chief Minister nearly 36 years back. Much has changed since then, but our commitment to planning and development remains.

satisfaction. However, the State has experienced a period of sluggish growth in the last five years, when the State's average rate of growth was less than the national, average. The agricultural sector has particularly seen a negative growth rate. We are determined to reverse this trend.

After three years of successive droughts followed by tsunami and floods, the farmers desperately needed relief from the Government to be able to commence



Tamil Nadu has always been among the top ranking States in implementing development programmes. The growth rate of the State went up from 4.72% in the late 60s and early 70s to 6.32% by the end of the 9th Plan. I, as a witness to his spell of economic progress had a feeling of pride and

agricultural operations. Realising this, the Government ordered the waiver of all loans of farmers outstanding with co-operative banks as on 31.3.2006, on the first day of our assumption of charge.

This measure will help the farmer to make a new beginning by providing access to fresh institutional credit and a package of additional supportive measures. I request that this welfare scheme that has been taken up in the interest of providing relief to the farmer in distress may be treated as plan expenditure.

The position on the plan outlays of the State has been reviewed by me. About 68% of the Tenth Five Year Plan outlay of Rs. 40,000 crores has been achieved after four years of plan implementation. In 2006-07, the last year of the Tenth Five Year Plan, we would be to finalise a realistic outlay keeping in mind the development needs of the State.

Tamil Nadu has about 6.25% of the country's population but only 3% of the water sources. Availability of water for irrigation is scarce and ground water levels have gone down considerably in many parts the State. There is an urgent need to repair and restore the storage capacities of the tank irrigation system in the State. Under the Accelerated Irrigation Benefit Programme (AIBP) only major and medium irrigation schemes with an outlay of more than Rs. 500 crores

receive Central Support. It is important to relax this for the benefit of States like Tamil Nadu where surface water resources have harnessed almost fully and such relaxation will enable them to take up other medium and minor irrigation schemes to support agriculture. I understand that a subsidy linked financial support arrangement for tank restoration on the lines of AIBP is being worked out to help water starved States like Tamil Nadu. An early sanction in this regard will help to integrate this scheme with the Irrigated Agriculture Modernisation and Water Resources Management Project which is proposed for World Bank assistance.

I wish to compliment the Government of India for the Bharat Nirman Scheme launched with the objective of upgrading Rural Infrastructure. There are about 28,990 habitations in the State where water availability is still less than 40 litres per person per day. Provision of protected water supply for all the habitations of the State will require sustained efforts by our Government supported with liberal financial assistance from the Central Government. I request the Deputy Chairman, Union Planning Commission to assist the State in obtaining a generous allocation of funds for this programme. It is also observed that the allotment of funds to the State under the Rural Housing Programme (Indira Aawas Yojana) has come down in recent years. Considering the large number of houseless poor in the State, I request the Government of India to increase the overall allocation for Tamil Nadu.

You will be happy to know that we have decided to celebrate 15th July, the birth anniversary of Thiru K. Kamaraj as "Education Development Day" in all Schools. Towards enhancing the nutritional status of Children studying in these schools, eggs will be supplied twice a week along with nutritious meals from that day onwards. Considering our deep commitment to education and nutrition, I request the Union Planning Commission to provide a more liberal fund under the Mid-day Meal Scheme of the Central Government of Tamil Nadu.

An examination of the State's resources to implement the Annual Plan has been completed. We have arrived



at a figure of Rs. 12,000 crores as available plan resources. Let me however add that I would like to propose an enhanced plan outlay in which there is generous financial support from the Central Government. In this Five Year Plan, the State has availed only 45% of the Central assistance envisaged. There is therefore a need to step up Central assistance for providing plan support to the State Government. May I therefore request the Deputy Chairman, Union Planning Commission to take a lead in this direction and provide additional Central assistance. An annual outlay beyond Rs. 12,000 crores could then be possible.

Tamil Nadu has received considerably reduced allotment of fund allocations by the last two Finance Commissions. Moreover, the flow of Central assistance for the Five Year Plan has also been much less than projected. We have set for ourselves the major task of reviving the State's economic growth and providing a social safety net for the poor and the needy. At this juncture, I need not overemphasize the importance of the State and Central Governments working together in taking the State to higher levels of growth and prosperity. I request

the Union Planning Commission to suitably support the State in all its development initiatives and efforts. A copy of the memorandum presented to the Hon'ble Prime Minister detailing the development initiatives requiring Central support has been provided to you and I am sure that you will all use your good offices to help the State of Tamil Nadu succeed in receiving the fullest support of the Centre in implementing these proposals.

- Speech of
Hon'ble Chief Minister
Kalaignar M. Karunanidhi
at the Union Planning
Commission Meeting held at
New Delhi on 6.6.2006.



**Kamarajar Birth Anniversary to be
"EDUCATIONAL DEVELOPMENT DAY"**

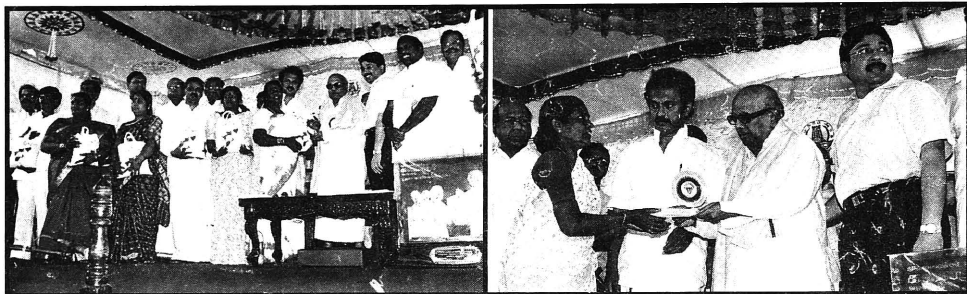
Hon'ble Chief Minister Kalaighar M. Karunanidhi has announced that 15th of July, the birthday of Perunthalaivar Kamarajar, who toiled hard for promotion of education by starting many schools to remove the darkness of illiteracy and implemented mid day meal scheme will be celebrated as "Education Development Day". He also said that the day would also mark the celebration to perpetuate his memory by offering

floral tributes to his portrait in all schools, besides expressing gratitude for his contribution to developing education. Under the expanded nutritious noon meal scheme, eggs would be provided twice a week to the beneficiaries, he added. On the occasion of the 104th birth anniversary of Kamaraj, the Hon'ble Chief Minister launched the scheme of providing two eggs every week under the noon meal scheme at Corporation Middle School, Chennai on 15.7.2006 *



RICE AT RS.2

A KILO SCHEME LAUNCHED



Hon'ble Chief Minister **Kalaignar M. Karunanidhi** on 3.6.2006 launched the schemes of supplying rice at one kilo for two rupees through public distribution system at Chennai and revived the Moovalur Ramamirtham Ammal Marriage Assistance Scheme, fulfilling two major electoral promises. The Chief Minister assured that all promised Schemes would be implemented with the support of well-wishers and allies. Thiru. Dayanidhi Maran, Hon'ble Union Minister for Communication and Information Technology, Thiru M.K. Stalin, Hon'ble Minister for Rural Development and Local Administration and Thiru Arcot N. Veeraswamy, Hon'ble Minister for Electricity and Rural Industries were present on the occasion.

Scholarships to Students



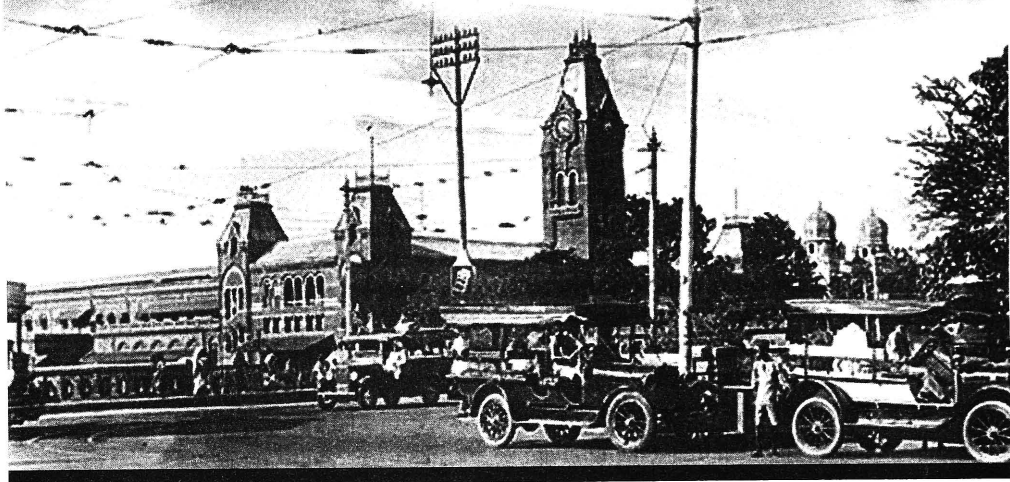
Hon'ble Chief Minister, **Kalaignar M. Karunanidhi**, handed over cash awards to state toppers in the Plus-two and SSLC examinations, at the secretariat on 13.6.2006. Fourteen students received the awards.

The cash award was Rs. 7,500 for the first rank holder in SSLC, Rs. 6,000 for the second rank holder and Rs. 5,000 for the third rank holder.

In the case of Plus-Two, the cash award was Rs.15,000 for the first rank holder, Rs.12,000 for the second rank holder and Rs.10,000 for the third rank holder.

The Chief Minister also handed over scholarship certificates to students, assuring them of governments assistance for higher studies.

The Chennai Day



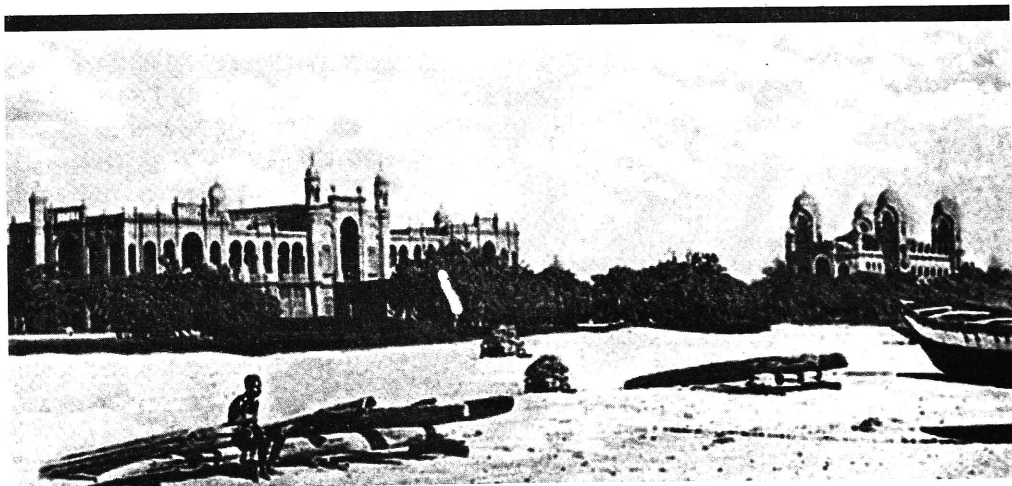
Has there ever been a birthday party for the city of Madras, now Chennai?

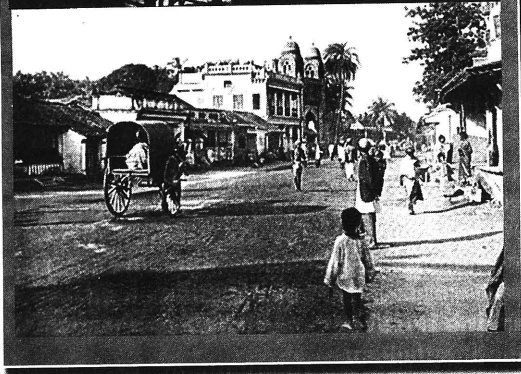
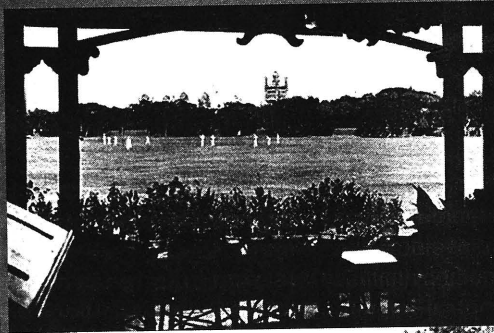
Probably no.

That does not mean we should ignore this city of ours.

When the city marked its tercentenary, a rather impressive volume on the city, its people and its landmark institutions, was published.

And then, the city forgot its founding day - said to be August 22, 1639.





It was on that day, in that year, that a sliver of land, where Fort. St. George stands today, was transacted by the East India Company.

The deal was struck by Francis Day, his 'dubash' Beri Thimmappa, and their superior, Andrew Cogan, with the local Nayak rulers.

It is believed that this deal was made on August 22, 1639.

Out of the fort, grew settlements. Then the villages around it, were brought together and the old and small new towns linked up. And finally we had the city.

Today, Chennai stands tall for a variety of reasons. Education, healthcare, IT, history, tourism, auto industries, movies, etc. And yes, it also has its warts.

Madras Day was an idea put together by three people - the city's famed historian, S. Muthiah, journalist Sashi Nair and publisher Vincent D' Souza.

The trio felt that Madras Day would focus on the city, its history, its past and present. The effort was to motivate communities in the city to host events that would celebrate the city. And the start was made in 2004.

Heritage walks, school exchange programmes, talks and contests, poetry and music and quiz, food fests and rallies, photo exhibitions and bike tours - these and more are the ways in which the Madras Day is celebrated.

Radio stations and hotels, schools and colleges, residents' associations and clubs, tourist bodies and state agencies - these and more join hands to celebrate the city.

This year Madras Day was celebrated on August 22 and the celebrations were held from August 20 to August 27. *



DISTRIBUTION OF WASTELAND TO POOR FARMERS

The Hon'ble Chief Minister Kalaingar M. Karunanidhi launched the scheme of distributing wasteland to landless farmers and agricultural workers on 17.9.2006, the birthday of Thanthai Periyar.

While launching the scheme the Hon'ble Chief Minister said that as grand children of Periyar and brothers of Anna, we will continue to swim against the tide. It was we who will ultimately cross the shore and we will also ensure that people in the boat also safely reach the shore. He appealed to the farmers, workers and the toiling masses to support the sustained efforts of the Government to improve their lot.

In the first phase, 6,881 acres of unoccupied Government poramboke land was given to 5,076 farmers' families. A total of 10,566 acres of wasteland under encroachment was distributed to 16,083 families of small and marginal farmers. Another 8,827 acres of wasteland belonging to 5,790 small and marginal farmers was developed and handed over to the owners.

The Hon'ble Chief Minister distributed pattas to ten farmers at the function. 1,236 acres of land was distributed to 1,036 beneficiaries belonging to 138 villages in Thiruvallur District.

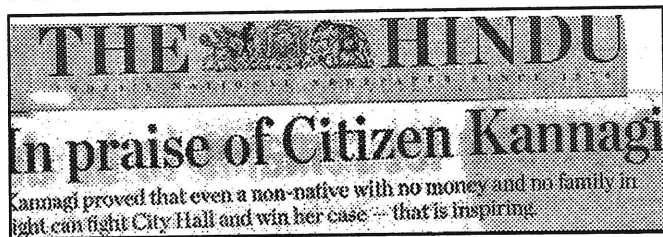
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KANNAGI STATUE

- a Symbol of Tamil Culture



Hon'ble Chief Minister Kalaingar M. Karunanidhi on 3.6.2006 reinstalled the statue of the epic heroine, Kannagi in the same place, which was removed from the Marina during the AIADMK regime and said that one should not consider it a statue; instead one should think of the rich culture and tradition it symbolises.



Chief Minister M. Karunanidhi's interest in Kannagi is, of course, as a cultural symbol. One reason the Chief Minister is sensitive to cultural symbols is that he is a writer - a screenwriter, novelist, poet and literary critic. In world history, there have been very few writers who have also been successful politicians. Beyond Tamil Nadu, the only individual who comes to mind is Vaclav Havel, the last President of Czechoslovakia and the first President of the Czech Republic.

Infact, the Dravidian Movement has involved a unique mix of politics and culture - classical, folk and popular (including stage and cinema) - and a number of its central figures have been both writers and political leaders. Long live this wonderful south Indian tradition of writers as leaders!



- Eric Miller, Ph.D.,
University of Pennsylvania, USA.

Courtesy : The Hindu

Students should know more about Tamil Soldiers' role in the Freedom struggle

— ★ —
- Kalaaignar M. Karunanidhi
Hon'ble Chief Minister
— ★ —



On the occasion of the valedictory bi-centenary celebration of the Sepoy Mutiny, on 12.7.2006 at Vellore, the Hon'ble Chief Minister Kalaaignar M. Karunanidhi announced that the Government will actively consider installing another memorial stone for the martyrs of the Vellore Sepoy Mutiny, which marked the beginning of the freedom struggle. He said that it was the duty of all those who respected democracy not to forget to pay respect to the martyrs of the freedom struggle. As a staunch believer in democracy, he would hold consultations with sculptors for one more memorial stone, he added.

The Hon'ble Chief Minister also stated that the student community should know more about the role played by Tamil Soldiers in the freedom struggle. He would take steps to introduce a separate chapter on the Vellore Sepoy Mutiny in the school curriculum.

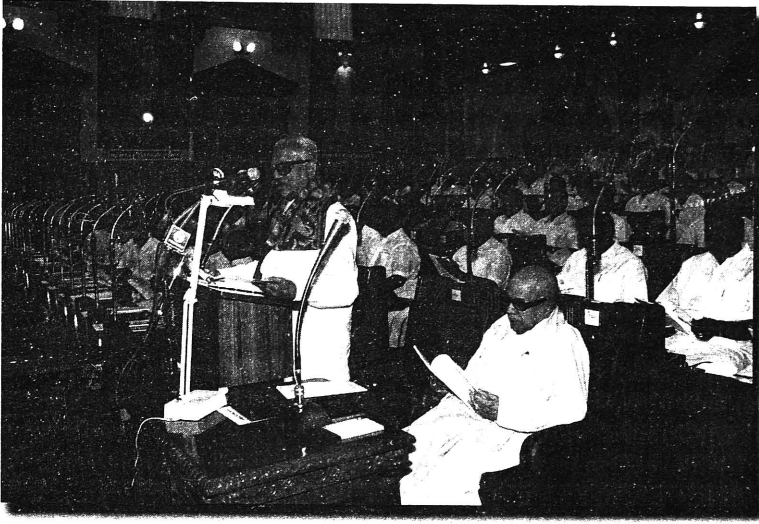
The Hon'ble Chief Minister released a Sepoy Mutiny Commemorative Postal stamp and distributed financial aid under various welfare schemes.

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Budget 2006 - 2007

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Speech of
Prof. K.Anbazhagan,
Hon'ble
Minister for
Finance
while
presenting
the
Budget
2006 - 2007
to the
Legislative
Assembly
on 22.7.2006





Hon'ble Speaker Sir,

The great Saint Thiruvalluvar, gleaming at the trijunction of seas at Kanyakumari as the universally acclaimed and accepted unique cultural symbol of the classical Tamil language said:

“தெரிந்த இனத்தொடு தேர்ந்தெண்ணிச்
செய்வார்க்
கரும்பொருள் யாதொன்று மில்”

(There is nothing impossible to those who thoroughly consider their act with chosen friends and reflect themselves well before they act.)

I rise to present this august House, the Revised Budget Estimates for the year 2006 - 2007 which has been prepared keeping in mind these great words and the cherished goal of ushering the State in the path of growth and prosperity.

2. In the political history of Tamil Nadu, in 1967 Perarignar Anna

formed an all party alliance, won the electoral battle and formed the DMK Government. On his sudden demise Hon'ble Kalaignar, following his sanctified footsteps in public life and with the aim of fostering the welfare of people, assumed office of Chief Minister for the first time in 1969 and for the fifth time now.

3. In the recent elections to the Legislative Assembly, the people of Tamil Nadu have given a massive mandate to the Democratic Progressive Alliance of which the Dravida Munnetra Kazhagam is a partner. This Budget has been prepared to make true the Kalaignar's statement at the time of releasing the election manifesto that, “This manifesto will become the Budget of this Government”. This Budget is nothing but the fulfilment of our promise that “We will do what we say; we will say what we do.”

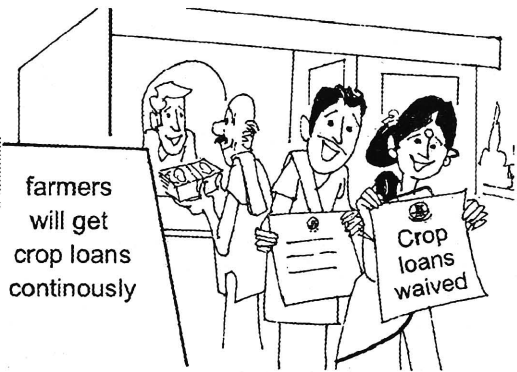
4. With the State Autonomy principle of extending a hand of cooperation and at the same time raising voice for our rights firmly etched in our minds, various schemes have been formulated in this Budget for improving the lives of the poor working class and the middle class. I hope that Hon'ble Members would welcome these schemes.

5. This Government is determined to uphold the rights of our State and promote the well being of our people by adopting a non-confrontationist attitude towards the Central Government and the neighbouring State Governments.

Agriculture and Co-operation

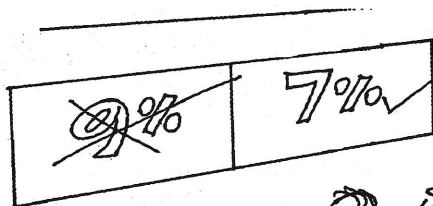
6. We recognise that the Government has a responsibility to stand by the working class and distressed farming community who have lost the livelihood when even the saying that the entire world is dependent on the plough emphasising the importance of the farmers has been made meaningless by the havoc caused by natural calamities. It is now history that Hon'ble Chief Minister Kalaignar, on the day of assumption of office, on the very dais of the swearing in ceremony, in the presence of thousands of public signed the file on waiver of Cooperative loans to the extent of

Rs.6,866 crores to liberate the farmers from indebtedness as promised in the election manifesto. Consequently this Government has taken over the entire debt liability of Rs.1,668 crores owed by the Cooperative Banks to NABARD. Towards this end a provision of Rs.435 crores has been made in this Revised Budget Estimates for the year 2006-2007. Moreover with a view to making good the loss caused to the Co-operative banks due to the waiver and ensuring that Crop loans are continued to be given to the farmers, a provision of Rs.1,000 crores has been made in this Revised Budget. Thus a total of Rs.1,435 crores has been made under the scheme of waiver of Farmers' Co-operative loans for the



current year. Necessary provision for the balance Rs.5,431 crores along with interest will also be made in the coming financial years to ensure that the farmers continue to get Crop loans and at the same time interests of the depositors in these banks and the employees of these banks are protected.

7. This Government is determined to ensure that crop loans to the farmers are given at low interest rates. **I am therefore happy to announce that the interest rate on crop loans which was 9 per cent till last year will be brought down to 7 per cent from the current kuruvai season. The loss to the Cooperative Banks**



due to this 2% interest reduction will be met by the Government.

8. After many years, water for irrigation was released this year, from the Mettur Dam on the due date of 12th of June. Along with this, action has been taken for desilting the irrigation canals. Provision of crop loans and supply of agricultural inputs to the farmers have been speeded up. It is expected that the total agricultural production in Tamil Nadu will increase to 95 lakh Metric Tonnes. I am happy to announce, that the total outlay for Agriculture and allied services which was Rs.854.41 crores in 2005-2006 has been increased to

Rs.977.98 crores in the Revised Budget 2006-2007.

9. 'Uzhavar Sandhai Thittam' was designed to ensure that the farmers get remunerative price for their produce and consumers get vegetables at cheap rates without the presence of middlemen. This popular scheme which had a setback in the interregnum has been revived and 103 Uzhavar Sandhais have again started functioning well.

10. With a view to eliminating post harvest loss and ensuring remunerative prices to the farmers **three Terminal Markets having all facilities such as world class collection centres, pre-cooling equipments, sorting and treatment facilities and electronic auction, will be established at Chennai, Coimbatore and Madurai.** Besides enhancing marketing opportunities for the agricultural produce of the farmers, these markets will provide good export opportunities. Apart from this, **marketing infrastructure cold storage facilities will be created for onion at Palladam in Coimbatore district for mangoes in Krishnagiri district and for grapes at Odaipatti in Theni district to enable exports of these farm produce.**

11. Cashew cultivation will be encouraged in wastelands as stated in the election manifesto and action will be taken to introduce high yielding varieties of cashew and increase its export. The activities of cashew export zone covering the districts of Cuddalore, Thanjavur, Perambalur, Pudukottai and Sivagangai will be improved to ensure greater benefits to the farmers.



in the manifesto of DMK that these lands would be developed and the

12. Ethanol is a substitute for Petrol and Bio - diesel is for Diesel. The Central Government has directed compulsory blending of ethanol with petrol to the extent of five percent in the first phase. Action will be taken to create facilities for the production of ethanol in all sugar mills. Moreover farmers will be encouraged to cultivate sweet sorghum and sugar beet as these can also be used for the production of ethanol.

13. As the oil extracted from Jatropa seeds can be used as Bio- diesel substituting diesel, cultivation of Jatropa in wasteland will be encouraged.

14. During the previous regime it was stated in the Budget speech for the year 2001-2002 that 50 lakh acres (20 lakh hectares) of waste land is available in Tamil Nadu. Accordingly it has been announced

Government would distribute the waste lands to the families of the poor landless farmers two acres each.

15. Statistics relating to the availability of wasteland village wise are being collected through the Revenue Department to implement this scheme. The wastelands are either Government Poramboke wastelands or patta lands of private individuals. **The Poramboke wastelands of the Government will be developed into cultivable lands and distributed to poor landless farmers two acres each.** At the same time, if the families of poor farmers who own patta lands come forward on their own volition to get their lands developed into cultivable lands such patta lands will be developed into cultivable lands at the cost of the Government and given back to them for cultivation. Preliminary action in this regard is under way.

16. The Tamil Nadu Agricultural Labourers Welfare Board was formed in the year 2000 for the welfare of agricultural labourers and poor farmers in Tamil Nadu and the Tamil Nadu Agricultural Labourer's Social Safety and Welfare Scheme was implemented. As promised in the election manifesto, this Welfare Board will be re-established and the Tamil Nadu Agricultural Labourer's Social Safety and Welfare Scheme will be improved further and implemented. A separate Bill for this scheme will be introduced in the current session itself.

17. We would like to inform the benefits that will be given to farmers and agricultural labourers under this scheme.

- Apart from landless agricultural labourers and small and marginal farmers, registered lease holders will also be benefited under this scheme.

- Under this scheme, Rs.6,000 will be given as Maternity Assistance at Rs.1,000 per month for 6 months.

- Children of members under the scheme will be given an Educational Assistance of Rs.1,250 for boys and Rs.1,500 for girls students passing 10th standard; Rs.1,750 for male students and Rs.2,000 for female students passing 12th standard and Rs.1,250 to Rs.6,750 to male and female students in the Industrial Training Institutes, Polytechnic Colleges, graduate,

post-graduate, law, professional and post graduate professional courses.

- Marriage assistance of Rs.3,000 for bridegroom and Rs.5,000 for bride will be given to the members registered under the scheme and their wards.

- A monthly pension of Rs.400 will be given to the members who are 60 years old, destitute and are not able to work due to their old age.

- A sum of Rs.1 lakh in the event of death due to accidents and Rs.10,000 in the event of natural death will be given. An assistance of Rs.1 lakh will be given in the event of loss of both the hands or both the legs or loss of one hand and one leg or loss of vision in both eyes. Rs.50,000 will be given for loss of one hand or one leg. Apart from the above, if there is loss of any limb due to serious injury caused by any other reason a sum of Rs.20,000 will be given.

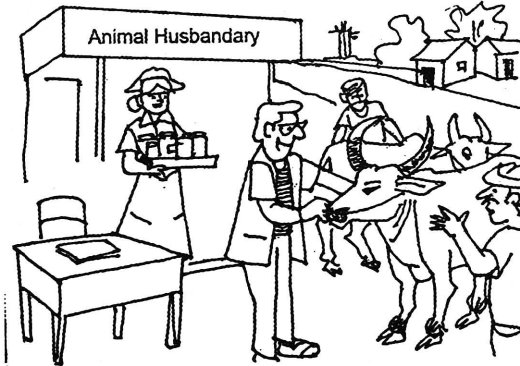
- Rs.2,000 will be given for funeral expenses.

Animal Husbandry

18. The standard of life of the farmers can be improved only by enhancing their income. This Government will therefore accord priority to animal husbandry which provides additional income to the farmers. The Livestock Protection Programme, started during the DMK Government, providing free medical treatment to the livestock by organising special camps in the

villages, will be continued and implemented effectively.

19. Tamil Nadu is a frontline State in the country in poultry and egg



production. A laboratory to study the avian diseases will be constructed in the Veterinary College and Research Institute at Namakkal. **Animal disease intelligence units will be established in Nagapattinam, Karur, Virudhunagar and Krishnagiri Districts.**

Irrigation

20. As all the States concerned have already placed their arguments before the Cauvery Water Disputes Tribunal and as Tamil Nadu has filed its response on the report of the Assessors, this Government would urge the Union Government to ensure that there is no further delay in the passing of the final award of the Tribunal.



On the issue of Mullai Periyar this Government while regretting that Kerala State has enacted a legislation which is not in consonance with the

Supreme Court Orders which was heartening to the farmers of the southern districts, there being no other alternative has been constrained to approach the Supreme Court to protect our rights. In this situation, on behalf of the farmers of the southern districts, we urge the Government of Kerala to change their stand and come forward

to honour the verdict of the Supreme Court and act accordingly.

21. A Multidisciplinary project unit has been formed to expedite implementation of the Irrigated Agriculture Modernisation and Water Resources Management Project at an estimated cost of Rs.3,900 crores. Works will be commenced in 16 sub-basins in the first year of the

scheme. The approval of the World Bank for this scheme is expected shortly.

22. We will carryout desilting, repairing and modernising works in rivers, lakes, tanks, channels and canals in Tamil Nadu as an ongoing scheme.

23. Necessary action will be initiated to take up a scheme at an estimated cost of Rs.279.01 crores with financial assistance from the Central Government and NABARD for flood protection works to prevent inundation of houses in low lying areas of Chennai City during rainy season and ensure free flow of storm water to the sea through Cooum, Adyar, Kosastaliyar, Buckingham Canal, Otteri Nallah, Virugambakkam - Arumbakkam Canal and Pallikaranai swamp.

24. The flood waters of Koraiyaru, Uyyakkundan channel, Kudamurutti river and Ariyar in the suburbs of Tiruchi are not able to drain into Cauvery river, as at the same time Cauvery river will also be in spate and consequently Trichy City is being inundated causing suffering to people. With a view to providing a permanent solution, action will be taken to divert bulk of the flood waters during rainy season through canals to tanks and thereafter the surplus to Agniar river which will also benefit the dry areas of Pudukkottai District in the south at an estimated cost of Rs.295 crores with NABARD assistance.

25. The flood waters from the tanks adjoining Vaigai river in Madurai city like Sellur, Paravi, Thathaneri, Aanaiyur lake, Mudkkathankulam erie and Sathiyar odai drain into Vaigai river through Vandiyur kulam and other system tanks often inundating many parts of Madurai during flood and rainy season. Action will be taken to desilt the canals carrying flood waters and to restructure them by raising their bunds and to make the flood waters join the Vaigai river through a flood protection scheme at an estimated cost of Rs.12 crores with NABARD assistance.

26. Necessary provision has been made in this Budget for completing the irrigation scheme benefiting 58 villages in Usilampatti Taluk in Madurai District and 18th Canal scheme in Uthamapalayam Taluk in Theni District both approved by the DMK Government in 1996 and 1999 respectively.

27. The water conservation works executed in the Noyyal river by 'Siru Thuli' a voluntary organization in Coimbatore are indeed commendable. This Government will provide support and encouragement to voluntary organisations such as 'Siru Thuli' which take up works like rainwater harvesting, renovation of irrigation tanks and removal of pollution from rivers. Taking this kind of voluntary action as a model, water conservation works will be

effectively implemented by the Government in different districts.

28. Apart from taking efforts for linking of Indian rivers, we shall endeavour for developing a scheme of linking of Southern rivers in the first phase.

Public Distribution System

29. Apart from effectively implementing the Public Distribution System which protects the poor and the downtrodden from hunger, as promised in the election manifesto, **on the very day of assumption of office orders have been issued for distribution of rice to all the family card holders at Rs.2 per kg., which is the lowest price of rice issued under Public Distribution System in the entire country.** In the Revised Budget for 2006-2007, a sum of Rs.1,950 crores has been provided as food subsidy.

30. Smuggling of edible goods such as rice deprives the poor and thus is against the resolve of this Government to ensure an effective Public Distribution System in the State. Therefore this Government has warned that severe action will be taken against the smugglers of rice under stringent Acts such as Goondas Act as is being done in the case of sand smugglers.

Home Department

31. Terrorism which cannot reply the question raised by our Kalaiggar through his poem:-

What religious difference did that bomb find

in the silent language of the little kid?

Then, why did it shove and bury those flowers

into the graves today?

When will this scar on the heart heal?

has caused huge setback to the progressive aspects of civilisation, culture and humanism. The heart rending incidents of serial bomb blasts in Mumbai and the consequential death of about two hundred innocents have caused a permanent scar in the history of our nation. We condemn this terrorism and convey our deep condolence to the families of those killed in the incident.

32. In the year 1969, DMK Government constituted a Police Commission, for the first time under the Chairmanship of Thiru R.A.Gopalasamy, I.C.S., (Retd), and implemented 115 out of 133 recommendations of the Commission which includes increase of pay. In the year 1989 when the DMK Government was formed for the third time, the second Police Commission was constituted under the Chairmanship of the retired Chief Secretary to Government Thiru P.Sabanayagam, I.A.S., and 87 out of 112 recommendations given by the Commission were implemented.



■ As drivers are responsible for majority of the road accidents, it has been ordered that the Police Department and the Transport Department should jointly organise retraining programmes for them.

■ Use of halogen lamps and dazzling lights of headlamps cause dangerous accidents on highways. Hence painting the eye of the head lamps black in all vehicles will be made compulsory.

33. As two Police Commissions were constituted in the earlier DMK regimes to make recommendations to protect the welfare of the Police, in the same vein, **it has now been decided to constitute the Third Police Commission to redress the grievances of the Policemen and for the rejuvenation of the Police Department.**

34. Whichever be the party that is in charge of the Government, the daily occurrence of road accidents and the consequent loss of lives is a cause for great concern. This Government has proposed to take the following measures continuously to prevent the loss of lives and injuries to people caused by road accidents.

■ The Police Department should use the breath analysers (சுவாச சோதனை கருவிகள்) in a proper manner to detect drunken driving. **Action will be taken to severely punish the drivers found to be drunk while driving including cancellation of their driving license.**

35. This Government will accord top priority for maintenance of law and order in the State. During the last two months stringent action has been taken against crimes like illegal sand quarrying and smuggling of rice intended for distribution under Public Distribution System.

36. Modernisation of Police Force at an estimated cost of Rs.68 crores will be implemented during this financial year. Under this scheme, expenditure will be incurred on construction of buildings and housing, purchase of modern arms, vehicles and protective equipments for Police Department.

37. Fire Tenders and Special vehicles will be procured at a cost of Rs.23 crores for the Fire and Rescue Services Department. Fire-entry suits and chemical-

protective suits for the fire service personnel will be provided.

Judicial Administration

38. Hon'ble members are well aware that the press has appreciated the efforts made by this Government to create a cordial relationship between the Judiciary and the Government. The action taken by this Government on assumption of office regarding the implementation of long pending essential requirements of the Judiciary like filling up of staff positions, construction of buildings

the High Court of Judicature at Madras after this Government assumed office. A separate building at a cost of Rs.2.03 crores for the use of Government Advocates of the High Court, Madras will be constructed in the High Court complex itself. Two full time Counsellors will be appointed in each of the family courts to provide counselling in divorce cases. Buildings required by Judiciary will be progressively constructed availing Central Government Funds. Approval will be given for 350 posts for the Bench of the Madras High Court at Madurai. In the Budget for 2006-2007 a provision of Rs.212.9 crores has been made for the Administration of Justice.

Government Advocates

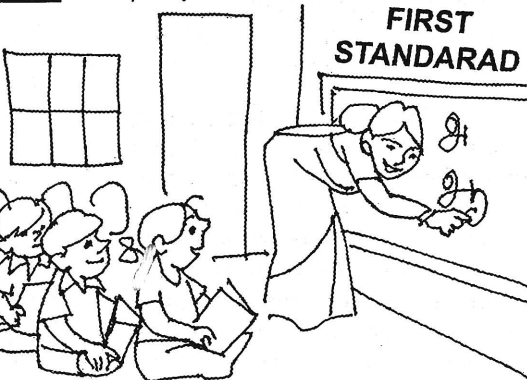


Tamil Education

40. As assured in the Governor's Address following the election manifesto an Act providing for the compulsory learning of

and lands required for expansion are worth mentioning.

39. Orders have been issued for the transfer of lands near High court, Chennai belonging to the Tamil Nadu Express Transport Corporation to



Tamil by all students studying in schools in Tamil Nadu has been enacted so that the embarrassing position that 'Tamil alone is not there in Tamil Nadu's schools' is removed.

As per this Act Tamil will be taught as a subject in the first standard this year and will be extended up to the tenth standard in a phased manner in the coming years.

School Education

41. Within two months of assumption of office, this Government has issued orders and is taking action to fill up 7635 teacher posts in Government schools in time scale of pay. Besides teachers employed on contract basis and paid consolidated pay in Government and Government Aided Schools numbering 45,987 are now being paid time scale of pay from

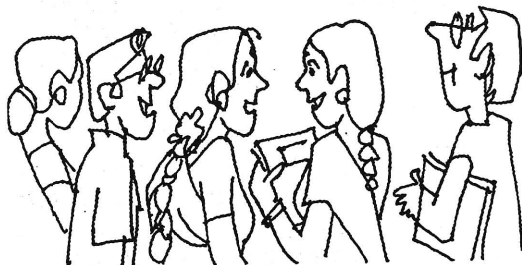
42. Guidelines for a transparent counselling process for general transfer in the interest of the teachers working in Government schools have been issued by the Government. The general transfers for teachers implemented based on these guidelines during the academic year 2006 2007 have been widely welcomed by them. **The Government is considering extension of the transparent counselling for teachers now under implementation to other departments of the Government.**

43. The Government has announced that 15th of July, the birth day of Perunthalaivar Kamarajar, who toiled hard for promotion of education by starting many schools to remove the darkness of

illiteracy and implemented mid day meal scheme will be celebrated as 'Education Development Day'. A Bill will be introduced in the current session to enact a law to celebrate 15th July as "Education Development Day". This year, students celebrated 15th of July by decorating the

portrait of Kamarajar. From this date, supply of two eggs a week under the Puratchi Thalaivar M.G.R. Nutritious Meal Scheme has also been commenced.

TIME SCALE OF PAY TO 45,987 TEACHERS FROM 1.6.2006



1.6.2006. It has also been ordered that in future vacancies of teaching posts in Government and Government aided schools will be filled up only on time scale of pay.

44. This Government has decided to continue the implementation of free bus passes to school students that was introduced during earlier DMK regime and distribution of free bicycle to students introduced by the previous Government. This is a fitting proof that the Government by Kalaingar will implement good schemes of any Government without abandoning them on narrow party political considerations.

45. The Scheme of issue of Community Certificate, Nativity Certificate and Income Certificate of the family to the students leaving the 10th and 12th Standards introduced in 1999-2000 during the DMK Government and which benefited lakhs of students will be implemented again.

46. The programme of Education for All will continue to be implemented this year with an outlay of Rs.723.18 crores with Central assistance. A sum of Rs.180.80 crores as State's share for this programme has been provided in this Revised Budget. A total of Rs.5438.88 crores has been allocated for School Education Department, in this Revised Budget.

Higher Education

47. The confusion that prevailed in admission to Engineering Colleges in the past few years has been completely cleared and 13,000 additional seats have been obtained this year over and above 39000 seats which were available under single window last year and thus a total of 52,000 seats have been secured. In addition, the policy of reservation in the management quota of the Private Self-financing Colleges also has been statutorily ensured during the year.

48. As indicated in the election manifesto and as announced in the

**52,000 SEATS
HAVE BEEN
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Governor's Address, this Government has formed a Committee of educational experts to recommend measures to be taken for abolition of the Common Entrance Test for admission to Professional Courses from the year 2007 - 2008 onwards.

49. As announced in the election manifesto, orders have been

issued reducing the fees for the Government Engineering Colleges which were increased by several multiples during the previous period. Similarly with a view to reducing the financial burden on the poor students **orders have been issued to convert the courses run on self supporting basis in the Government Engineering and Arts Colleges into regular courses.**

50. As the need for engineering and technical education is increasing and as the requirement for specialised higher levels of learning in this faculty is growing, as indicated in the election manifesto, **this Government has decided to establish two technical Universities on the lines of Anna University in Chennai, one at Tiruchi and another at Coimbatore. Two Arts and Science colleges will be established at Valparai in Coimbatore District and Mettur in Salem District for the development of educationally backward areas.**

51. As announced by the Chief Minister during the birthday celebration of Kamarajar on 15.7.2006, **a Centre for Educational Research will be established in Madurai Kamarajar University.**

52. With a view to creating employment opportunities for the students in rural areas quickly **this Government will facilitate establishment of Dental Colleges, Nursing Colleges and Colleges of Physiotherapy in rural areas.**

53. The "Madras University Act 1923", enacted in 1923 during the

regime of the Justice Party founded by Dravidian leaders Pitti Thyagarayar, T.M.Nair and Dr.Natesanar continues to be an effective Act for the University of Madras till date. This Act is called the gift of the Justice Party to Higher Education. It is historical evidence that it was the Government of the Justice Party that enabled persons belonging to Backward Classes, Most Backward Classes, Adi Dravidar and Scheduled Tribes get higher education and become teachers in the University.

54. Historians have acknowledged the fact that the Dravidian movement which had its early roots in the beginning of the twentieth century has brought about changes in the social, economic, political and cultural fields. With a view to taking up high level research in the history of Dravidian Movement, the related social and political thoughts, reforms, socio-economic policies, legislation, regulations and development of the language and creating continued awakening and awareness in the future generations of Tamil Nadu **this Government has decided to establish a "Centre for Research on Dravidian Movement" in the Madras University campus itself to commemorate the one hundred and fiftieth anniversary of the University of Madras.**

Health and Family Welfare

55. During the previous Dravida Munnetra Kazhagam Government,

free medical camps with medical experts were conducted in rural and urban areas under the Varumun Kappom Thittam. This scheme will be revived and 9000 free medical camps will be conducted during the current year and next year. A provision of Rs.11.13 crores has been made for this scheme.

56. Under the Phase-II of the Tamil Nadu Health Systems Project, repairs, renovation and construction of new buildings will be taken up in 235 Government hospitals. Instruments and modern medical equipments required for these hospitals will be provided at a cost of Rs.70 crores. Besides, 198 emergency vans to rush the patients in emergencies to hospitals will be made available in rural areas in 14 districts. 32 Government hospitals will be upgraded into 24 hour emergency and child care centres.

57. Semi-Auto-analyser equipments will be supplied at a cost of Rs.17 crores to 1,417 Primary Health Centres in Tamil Nadu to upgrade the laboratory facilities in the Primary Health Centres. Further, Indian and Homeopathy medical wings will be opened this year in 25 Primary Health Centres. A provision of Rs.174.28 crores has been made for the purchase of medicine for all hospitals in the state.

58. Additional buildings for the Stanley Medical College, Chennai, will be constructed at an estimated

cost of Rs.5 crores. With a view to making available the MRI Scan facility throughout the state for diagnosis of ailments, MRI Scan Centres will be established in the Government hospitals at Tirunelveli, Thanjavur, Tiruchi, Coimbatore and Vellore at a cost of Rs.23.95 crores. Most modern 64 Slice-CT Scanner will be established in the General Hospital in Chennai at a cost of Rs.5.50 crores by the Tamil Nadu Medical Services Corporation.

59. As per the announcement made in the election manifesto that new Government medical colleges will be started in districts that are not having medical colleges, a Government medical college will be established at Villupuram.

Industrial Development

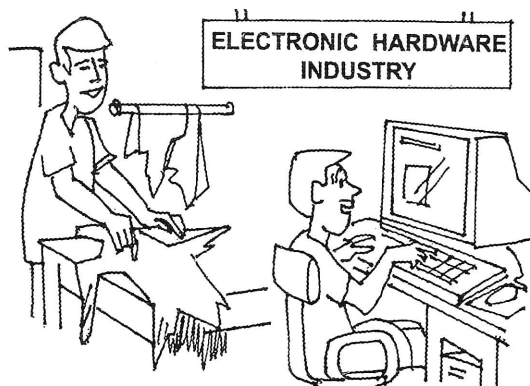
60. This Government will relentlessly endeavour to make Tamil Nadu the leading state in industrial development. Within a few days of the new Government assuming office, majors companies like Motorola have come forward to establish their factories in Tamil Nadu. In order to encourage the investors to invest in the manufacturing sector of the State, to ensure that the products manufactured in Tamil Nadu can compete in international markets on quality and price, to create employment opportunities on large scale and to facilitate industrial development of various parts of the state, **a new industrial policy will**

be announced in the current year itself in consultation with the associations of industry and commerce. This Government's industrial policy will encourage and strengthen the leading industries in the state, namely leather tanneries and leather goods, textile industry,

connected to airports and seaports through express highways and railway lines. This Industrial Corridor of Excellence will have infrastructure of world class standards.

63. During the inaugural function of the Sethu Samudram Project in Madurai on 2.7.2005,

Hon'ble Prime Minister Dr. Manmohan Singh, in the presence of the President of All India Congress Party Tmt. Sonia Gandhi accepted the request of Kalaigiar and announced that the National Automotive Testing and Research and Development Infrastructure Project will be established at a



automobile industry and electronic hardware industry.

61. In order to resolve the problems arising in industries and commerce and to ensure hassle free growth of industries, **a Special Task Force will be constituted under the chairmanship of the Chief Minister, with the participation of the representatives of industry and commerce associations.**

62. It is proposed to create an "Industrial Corridor of Excellence" in the state. Industrial parks, special economic zones, information technology parks and integrated townships will be formed along this special corridor which will be

cost of Rs.400 crores in Tamil Nadu. **An extent of about 300 acres at Oragadam near Chennai has been selected now for establishing the automotive testing centre. This Government will take all steps for the early establishment of the centre.**

64. The Government will establish a Centre for higher studies and research in Biotechnology to improve the productivity in agriculture and develop new medicine for various diseases.

65. **Special concessions will be granted to companies that come forward to establish factories in Tamil Nadu for the**

manufacture of computers so as to increase the use of computers in our state and create a situation where computers will be affordable to all. **Exemption will be given from the General and Central Sales Tax without any limit on the sale of computers manufactured by companies with an investment exceeding Rs.100 crores in the Special Economic Zones in Tamil Nadu.** This concession will be given for a period of 10 years from the year of commencement of commercial production.

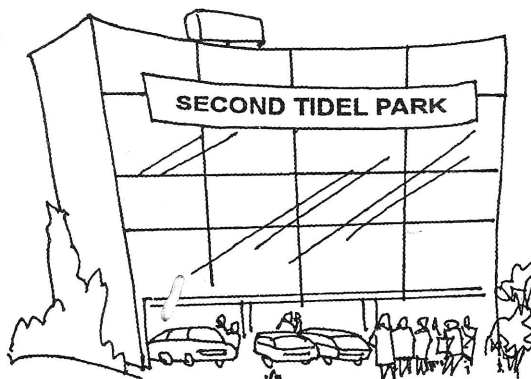
66. The Government will accord high priority to the industrial growth and economic development of the industrially backward southern districts. With this objective during the previous DMK regime, land was acquired at Nanguneri for establishment of Hi-tech park. This park was declared as a Special Economic Zone by the Central Government. It has been decided to revive this Hi-tech park so that industries are established to provide employment opportunities.

67. We welcome and thank the announcement of the United Progressive Alliance led Union Government to modernise the Salem Steel Plant to international standards at a cost of Rs.1,553 crores by establishing a new Cold Rolling Mill.

Information Technology

68. The Information Technology sector has potential to provide job opportunities to thousands of engineers in software development and to lakhs of graduates in Information Technology Enabled Services. This Government will continue to accord high priority to this sector and will evolve a new policy on Information Technology. Continuous efforts will be taken to implement e-governance effectively in Government departments to provide improved delivery of services to the public. E-governance of ten departments having high level of public interface will be expedited.

69. Hon'ble Members are well aware that the world class 'Tidel Park' was established at Taramani in Chennai during the previous regime of the DMK Government so as to attract multinational software development organisations. At that time Chief Minister Kalaingar had announced that this will be followed by a second Tidel Park in Chennai.



In fulfilment of that announcement, a decision has been taken to establish the second Tidel Park at Taramani in Chennai.

70. On 15.6.2006, Chief Minister Kalaaignar visited WIPRO and Infosys offices in Bangalore along with the Union Minister for Communication and Information Technology and held discussions. **On the basis of these discussions, decisions have been taken for the establishment of a joint venture at Coimbatore, on the lines of Tidel Park at Chennai, jointly by the Government of Tamil Nadu and Software Technology Parks of India, a body under Government of India. Infosys has committed an investment of Rs.1,250 crores over a period of three years to build 50 lakh square feet office space for software development to generate employment opportunities for 25,000 persons. Follow up action is being taken on these projects.**

71. The Human Resources Development Department of the Central Government has decided to establish a National Centre of Excellence called "Indian Institute of Information Technology, Design and Manufacturing" meeting international standards at Chennai. As land has not been entrusted to Central Government since 2003, and as no decision had been taken, the construction of buildings and commencement of this prestigious institution has been delayed. As soon

as the new Government has assumed charge, decision has been taken to provide the required land to the Central Government and render necessary co-operation.

72. **In order to attract large investments to our state in the Information Technology sector, a State Information Technology Task Force comprising of representatives of Information Technology sector will be constituted to identify the infrastructural requirements.**

73. As announced in the election manifesto, the scheme of free distribution of Colour Television sets to the households not having Colour Television sets will be commenced in the first week of September to commemorate the birth anniversaries of Arignar Anna on 15th September and Thanthai Periyar on 17th September and continued to be implemented. The fact that a provision of Rs.750 crores has been made in this Budget, apart from the expenditure for 30,000 Colour Television sets in the first phase, shows the commitment of the Government to continue to implement the scheme.

74. A Committee of Legislators comprising representatives of political parties represented in the Legislative Assembly has been formed to ensure transparency in procurement and proper distribution of Colour Television sets. In this Committee headed by the

Chief Minister, Hon'ble Minister for Local Administration Thiru M.K. Stalin on behalf of the DMK, Thiru D.Sudharssanam on behalf of the Congress, Thiru G.K.Mani on behalf of the Pattali Makkal Katchi, Thiru C.Govindasamy on behalf of the Communist Party of India (Marxist), Thiru V. Sivapunniam on behalf of the Communist Party of India, Thiru K. Selvam on behalf of Dalit Panthers of India, Thiru H.Abdul Basith on behalf of Indian Union Muslim League and Thiru Poovai M. Jaganmoorthy on behalf of Puratchi Bharatham are included. This Committee met on 27.6.2006 and decided

that 30,000 Colour Television sets may be procured through National competitive bidding in the first phase and through International open competitive bidding in the next phase. National competitive bids will be received by 24.7.2006, and finalised. In the first phase Colour Television sets will be distributed to the families living in Periyar Ninaivu Samathuvapurams, families of Scheduled Tribes in Nilgiris District where there are no Samathuvapurams so far, families residing in two Tamil Nadu Slum Clearance Board tenements, one in North Chennai and another in South Chennai and residents staying in

rehabilitation homes throughout the State.

Small and Tiny Industries

75. This Government is well aware of the important role played by Small and Tiny Industries in employment generation in rural areas. During the previous DMK regime, capital subsidy was granted to industries established in

**RS.11 CRORES
PROVIDED
AS CAPITAL
SUBSIDY
TO
SMALL
INDUSTRIES**



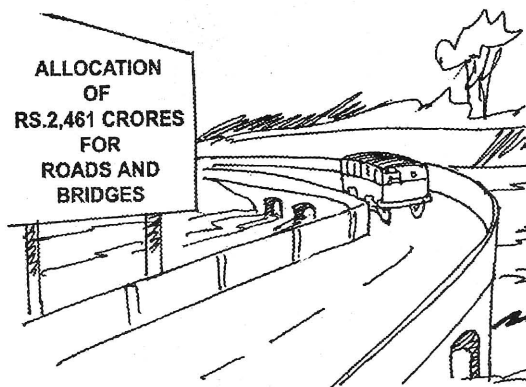
industrially backward areas. It has been announced in the Governor's address that this scheme will be revived. As per this announcement, a Committee of officials has been constituted to advise on the criteria for determination of industrially backward areas. On receipt of its recommendations action will be taken to grant capital subsidy to small industries. For this purpose Rs.11 crores has been provided.

Development of Roads and Highways

76. This Government will accord highest priority for maintenance of roads, widening and development of

highways having heavy traffic, renovation of old bridges and construction of new bridges, especially railway over bridges.

77. A provision of Rs.804 crores has been made in this Budget for road maintenance works alone. Further a high allocation of Rs.2,461 crores has been made for roads and bridges. Having regard to the intensity of traffic, 2,664 kms of Major District Roads and Other District Roads will be reclassified as State Highways. Besides 3,812 kms of Other District Roads will be reclassified as Major District Roads. Under the Bharat Nirman Scheme announced for the whole of India by the Central



Government, 4,122 kms of rural roads will be upgraded.

78. In order to reduce traffic congestion in Madurai city the second phase of Madurai Ring Road will be implemented at a cost of Rs. 70 crores. With a view to improving the road

infrastructure of Tiruppur, which is creating a record by exporting hosiery garments worth over Rs.8,000 crores annually, ring road and approach roads of Tiruppur town will be developed at an estimated cost of Rs.70 crores. National Highways Authority has recently commenced work on the project for converting the National Highway from Tindivanam to Tiruchi into a four lane road at an estimated cost of Rs.1,260 crores.

Energy

79. This Government will accord priority for supply of uninterrupted quality power without interruptions. At the beginning of the current year the power generating capacity in Tamil Nadu was 10,011 Megawatt. It is expected that during the current year an additional 749 Megawatt capacity will be added taking the total capacity at the end of the year to 10,760 Megawatt. The first unit of Koodankulam Atomic Project will start functioning during the current year and the second unit next year. Further this Government will urge the Union Government to expedite the implementation of the third and fourth units of the Koodankulam Project having a capacity of 2,000 Megawatt. This Government has given concurrence for the implementation



of 1,000 megawatt Jayamkondam Lignite Project in Perambalur by the Neyveli Lignite Corporation.

80. With a view to ensuring supply of uninterrupted quality power in rural areas the Tamil Nadu Electricity Board will take up electricity distribution schemes at a cost of Rs.195.54 crores during the current year. **For this purpose 25 new sub stations and 2,706 new transformers will be installed. The capacity of transformers in 24 sub stations will be increased.**

81. Hon'ble Members may remember that free power supply scheme to the farmers was extended to all farmers during the earlier tenure of this Government headed by the Hon'ble Chief Minister Kalaiggar. **As per the promise made in the election manifesto, power will henceforth be supplied free of cost to 2.4 lakh agricultural connections given under the self financing scheme.**

82. The Tamil Nadu Government is providing grants to the Tamil Nadu Electricity Board for supply of free power to agricultural connections, power supply at concessional rates to domestic connections and for supply of free power to huts in rural areas. A provision of Rs.1,530 crores has been made in this Budget towards grants to the Tamil Nadu Electricity Board.

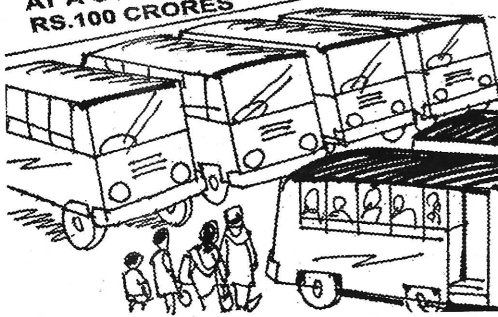
Transport

83. **A provision of Rs.100 crores has been made to Transport Corporations for the purchase of 1,000 new buses for the benefit of passengers.**

84. This Government is keen that the mini bus scheme which was introduced by this Government in 1997 and widely welcomed by the public is expanded and implemented effectively so that it continues to be useful to the people in rural areas.

85. In recent times, the demand for air travel has increased and consequently the need for large number of pilots has also arisen. With a view to meeting this requirement and imparting higher education in aeronautics and as announced in this House by the Hon'ble Chief Minister Kalaiggar, **Rajiv Gandhi Institute of Aeronautical Science and Training of Pilots Academy will be**

**1,000 NEW BUSES
AT A COST OF
RS.100 CRORES**



established in memory of the late Prime Minister of India Thiru Rajiv Gandhi at Sriperumputhur. Government of Tamil Nadu has approached the Union Ministry of Civil Aviation in this regard.

86. Studies have shown that favourable conditions are naturally available for establishment of a major port at Colachel in Kanyakumari District. This Government will press the Central Government to establish the Colachel port so that this port becomes a cargo transit port very much required along the shipping route connecting East and West Asian countries in the context of implementation of Sethu samudram Ship Channel project.

Chennai Metropolitan Area Development Plan

87. As the Metro Rail Project would be the most appropriate solution

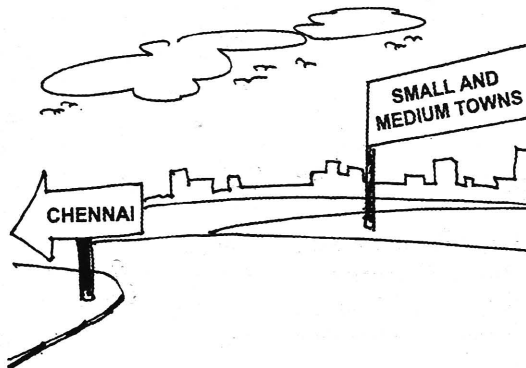
for the increasing transport needs of the Chennai Metropolis, this Government has decided to implement the Metro Rail Project. **Considering the increasing demand for housing and basic amenities in Chennai this Government has proposed to create Satellite towns near Chennai.** The Chennai

Metropolitan Development Authority and the Tamil Nadu Housing Board have initiated preliminary action in this regard.

88. A master plan will be formulated to provide basic amenities of power, roads, drinking water, sewerage and storm water drainage to meet the demands of the increasing population of Chennai Metropolitan area.

Municipal Administration

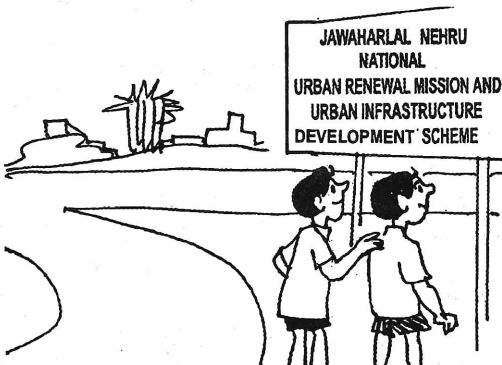
89. It has been proposed to obtain a loan assistance of US \$ 70



million from KfW a financial institution of the Government of Germany to improve the urban infrastructure facilities.

90. Under the Jawaharlal Nehru National Urban Renewal Mission and Urban Infrastructure Development Scheme for Small and Medium Towns, urban infrastructure at an estimated cost of Rs.410 crores will be created.

91. During 1996-2001 a scheme for widening, deepening and beautification of the river Thirumanimutharu flowing through centre of Salem city was implemented and in the first phase 1.5 km length has been developed at a cost of Rs.5 crores. **During the second phase Thirumanimutharu and Vellakuttai river that flows in to Thirumanimutharu covering a distance of 5.66 km will be**



improved at an estimate of Rs.31.5 crores with financial assistance from the Tamil Nadu Urban Development Fund.

92. In Asia, Tiruppur city is the leader in hosiery export. With a view to meeting the infrastructure needs of this industry growing at an amazing pace, **Tiruppur Municipality will be upgraded as Tiruppur Municipal Corporation.**

93. Japanese scientists have been successful in bioremediation of waste water through microbes. These microbes known as Efficient Microbes (EM) feed on effluents. A pilot scheme, in collaboration with Anna University will be launched for effluent treatment of polluted water bodies, rivers and canals with the application of EM technology.

Drinking Water Supply

94. Out of the 81,787 rural habitations in Tamil Nadu, inhabitants of 55149 rural habitations are getting less than 40 litres per capita per day.

Schemes will be implemented so that all these habitations get drinking water facility to the full extent within three years. Protected drinking water supply facilities will be provided during this year itself to 968 habitations which do not have drinking water facility. A provision of Rs.411 crores has been made in this Budget under the Minimum Needs Programme for implementation of drinking water supply schemes in rural areas.

95. The Government is taking steps to implement the Hogenakkal Drinking Water Supply Project with financial assistance from Japan Bank for International Cooperation, which alone can solve the drinking water problem



in Dharmapuri and Krishnagiri districts having high concentration of fluoride in the drinking water . On 17.07.2006 senior officers of Japan Bank for International Co-operation have met and held discussions with the Chief Minister about this scheme.

96. Works on a major scheme of bringing Cauvery water to solve the persistent drinking water problem of many years in the villages and cities in Ramanathapuram District at an estimated cost of Rs.671 crores will be commenced this year.

97. Action will be taken to negotiate with the contractor selected during the previous regime for implementation of the desalination project through the Chennai

Metropolitan Water Supply and Sewerage Board, to revise the terms of the agreement between the contractor and the Chennai Metropolitan Water Supply and Sewerage Board in favour of the Government and the Board and implement the project early. Financial assistance under Viability Gap Funding scheme of Government of India will be sought for this project.

98. Availing the Central Assistance already announced, another desalination project will be implemented in Chennai.

Election to Local bodies and Cooperatives

99. This Government which has unwavering faith and commitment to the democratic principles and decentralisation of powers is taking action to hold elections in due time to all tiers of local bodies.

100. As announced in the Governor's address, action is being taken to conduct elections to Cooperatives early as per law.

Slum Area Development

101. New tenements will be constructed in slum areas with the financial assistance of Rs.250 crores provided by the Union Government as per the recommendations of the 12th Finance Commission.

Rural Development

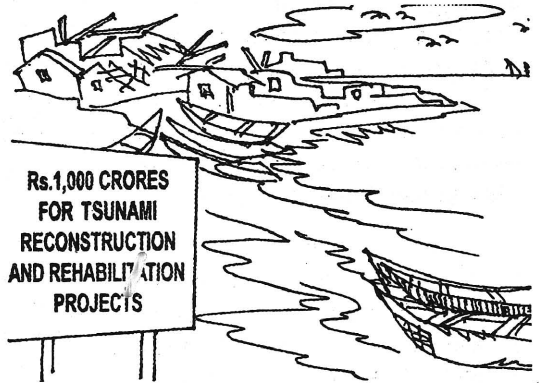
102. This Government will work vigorously for the development of infrastructure in rural areas. **The Government has decided to implement the Anna Marumalarchi Thittam that was in force during the earlier tenure of the DMK Government in the name of All Villages Anna Renaissance Scheme (அனைத்து கிராம அண்ணா மறுமலர்ச்சித் திட்டம்) to provide in five years time all basic amenities in the villages. Under this scheme Rs.500 crores will be provided and basic infrastructure facilities will be taken up in 2,500 village Panchayats every year at a cost of Rs.20 lakhs each.** Thus the scheme will be implemented at the rate of 2,500 village panchayats per year covering all Districts so that all the 12,618 village panchayats in Tamil Nadu are covered over a period of five years. Various schemes under the state plan will be integrated for implementation of this new scheme along with additional allocation. The scheme will be initially taken up in the village panchayats having very low per capita income in the first year and thereafter in other village panchayats in the coming years in the ascending order of per capita income.

103. The National Rural Employment

Guarantee Scheme announced by the United Progressive Alliance Government at the Centre is being implemented in six districts in our state viz. Cuddalore, Dindigul, Naga pattinam, Sivagangai, Thiruvanna malai and Villupuram. In order to overcome the problem of the unemployed villagers participating in this scheme in getting the minimum wage of Rs.80/- per day's work, a new Rural Schedule of Rates has been approved. By this it has been ensured that all beneficiaries under the scheme get a minimum wage of Rs.80/- per day. The total outlay for Rural Development and Panchayat Raj Department in this Revised Budget is Rs.3,212.52 crores.

Tsunami Reconstruction and Rehabilitation Project

104. The total allocation for Tsunami rehabilitation is Rs.4,897.07 crores comprising of Rs.2,347.19 crores through the Central Government under the Rajiv Gandhi Rehabilitation Package, Rs.1,852.74 crores from the World Bank,



Rs.629.64 crores from the Asian Development Bank and Rs.67.50 crores from International Fund for Agricultural Development. Out of this, the amount spent by the previous Government is Rs.806.38 crores only, that too on relief. With no funds having been spent on reconstruction works such as construction of permanent houses and provision of infrastructure, Hon'ble Chief Minister reviewed the Tsunami Recons- truction and Rehabilitation project with the Collectors of the Tsunami affected coastal Districts on 24.6.2006. In this meeting it was decided that a sum of Rs.1000 crores may be incurred during this financial year for the reconstruction and rehabilitation works and the works have been speeded up.

Women Welfare

105. The demand for providing reservation of 33 percent for women in Parliament and Assemblies remains a mirage. The DMK Government which in its earlier tenure protected the rights and welfare of women by providing equal right to property and reservation in Government service and election to Local bodies, urges the Central Government to enact Constitutional amendment bill during the current year to provide reservation for women in the Parliament and Legislatures.

106. **As per the announcement made in the election manifesto the special scheme for maternity**

assistance providing a total financial assistance of Rs.6,000 at the rate of Rs.1,000 per month for a total period of 6 months covering 3 months of prenatal period and 3 months of antenatal

Rs.100 CRORES ALLOCATED



period will be implemented. This will help poor pregnant women get nutritious food and also compensate the loss in their income during pregnancy. A provision of Rs.100 crores has been made for this purpose.

107. As promised in the election manifesto, the Moovalur Ramamirtham Ammaiyar Memorial Marriage Assistance Scheme, which had been stopped from 1.4.2002 has been revived and the financial assistance under this scheme has been increased from Rs.10,000 to Rs.15,000 with effect from 3.6.2006. An allocation of Rs.50 crores has been made. This Government warns that stringent legal action will be taken against any intermediary trying to make pecuniary gain in this scheme.

**TRAINING
ALLOWANCE
ENHANCED
FROM
Rs. 7.50 to
Rs. 45**

WOMEN SELF HELP GROUPS



Women Self Help Groups

108. This Government is well aware that the women Self Help Groups, which were started in Dharmapuri district in 1989 by the Chief Minister during the tenure of the DMK Government play a major role in the development of Women and will continue to extend the required support, encouragement and financial assistance to them. **During the year 2006-2007, 25,000 new women self help groups benefiting five lakh women will be formed.**

109. Skill development training enhances opportunities of women self help groups to obtain loans for starting income generating activities. Hence, as promised in the election manifesto of DMK, **the training allowance given under this scheme to the members of Self Help Groups will be enhanced**

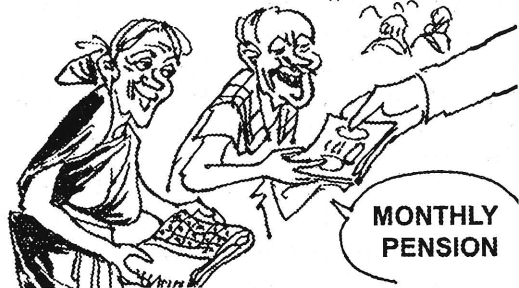
from the present level of Rs.7.50 to Rs.45/-.

110. The Government has decided to carry out changes necessary for more effective functioning of the Tamil Nadu Corporation for Development of Women at the headquarters as well as at district level.

Welfare of the Old and Destitutes

111. As promised in the election manifesto **the monthly pension**

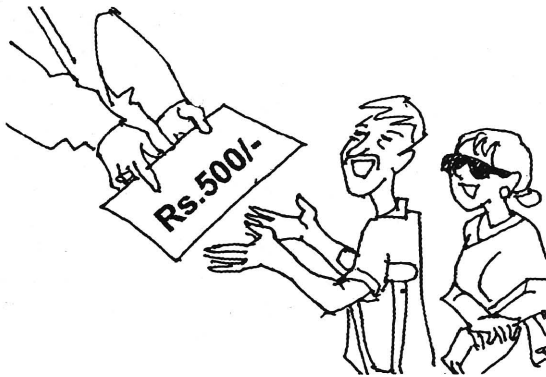
HOME FOR AGED



given to the old aged people, deserted women, destitute widows and disabled persons will be increased from the present level of Rs.200 to Rs.400. A provision of Rs.407.06 crores has been made for the year 2006-2007 in this Revised Budget.

Welfare of the Disabled

112. This Government will take appropriate action to fully implement 3 percent reservation in employment for the people with disabilities.



The monthly pension being given to severely handicapped persons will be increased from Rs.200 to Rs.500. This Government intends to implement a number of schemes for the welfare and progress of the people with disabilities. If people with the disabilities stop their education due to poverty such people will be given special attention by the Government to continue their education. Special recruitment will be conducted to fill up the vacancies reserved for people with disabilities. Women with disabilities will be provided training for employment and arrangements will be made for securing loan for self employment. People with disabilities in rural areas will be given preference in running handicrafts and petty shop business. Special Self Help Groups will be formed for both men and women with disabilities.

113. Prizes will be awarded to blind students who secure first

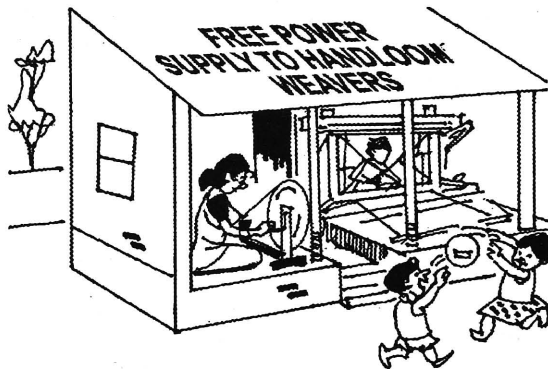
three ranks at the State and District levels in the 10th and 12th Public Examination with Tamil as the medium of instruction and the Government will bear the expenses of their higher studies.

Nutritious Meal Programme

114. A provision of Rs.955.46 crores has been made for the year 2006-2007 in this Revised Budget for this scheme. An additional provision of Rs.40 crores has been made this year for supply of two eggs a week in the nutritious meal given to the students.

Welfare of Weavers

115. It has been stated in the election manifesto that the scheme of free power supply to the farmers will be extended to the weavers also.



Free power supply up to 100 units bimonthly will be given to handloom weavers who are

having their own worksheds and are engaged in weaving. Similarly free power supply up to 500 units bimonthly will be given to the powerloom weavers who run their own powerlooms. The annual loss of Rs.40.26 crores to be incurred by Tamil Nadu Electricity Board in this regard will be compensated by the Government of Tamil Nadu.

116. The scheme of free distribution of sarees and dhoties for the poor families during Pongal, the Tamil festival, which provides sustained employment opportunities for the weavers will continue to be implemented. The scheme for free supply of uniform to student beneficiaries under the noon meal programme studying in classes 1 to 8 will also be continued benefiting 62 lakhs school students.

Welfare of Unorganised labourers

117. During the previous DMK regime the Government formed many welfare boards for the unorganised labourers and provided social security and welfare schemes for them. With a view to implementing the welfare schemes effectively as promised in the election manifesto, this Government has decided to revive the nine Welfare Boards that were abolished

(viz) Auto Rickshaw and Taxi Drivers Welfare Board, Washermen Welfare Board, Hair Dressers Welfare Board, Tailors Welfare Board, Palm Workers Welfare Board, Handicraft Workers Welfare Board, Artists Welfare Board, Footwear and Tannery workers Welfare Board, Handloom and Silk Weavers Welfare Board and make them operate separately. In addition, separate Welfare Board for Goldsmiths will be established. A monthly pension of Rs.300/- will be given to the manual labourers registered in these boards who are aged above 60 years.

Welfare of Unemployed Youth

118. Lakhs of educated youth have registered in employment exchanges and have been waiting for jobs for many years. Financial assistance to meet at least a portion of their financial needs will be granted every month as promised in the election manifesto. Monthly financial assistance will be given to the educated youth who have not been employed even after completion of

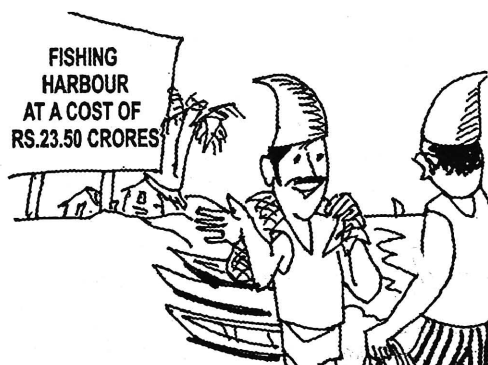


five years from the date of registration in the employment exchange. **The monthly financial assistance will be given for three years at the rate of Rs.150 to those who have passed the school final examination, Rs.200 for those who have passed higher secondary or Pre University course and Rs.300 for graduates and post graduates.** The Government will incur an annual expenditure of Rs.110 crores for this scheme.

119. As stated in the election manifesto, Youth Self Help Groups will be formed with a view to promoting self employment by bringing together the unemployed youth. A provision of Rs. 10 crores has been made towards training and grants to these groups.

Welfare of Fishermen

120. **A new fishing harbour will be constructed at Colachel in Kanniyakumari district at an estimated cost of Rs.23.5 crores with financial assistance from the Government of India.**



121. At present the exemption from Sales tax on Diesel is provided up to a limit of 1,000 litres each per month for 5,000 mechanised boats. **The demand of fishermen to increase this limit is accepted by this Government and the quantity of diesel exempted from sales tax will be increased from 1,000 litres to 1,500 litres with effect from 1.8.2006. This involves an annual loss of revenue of Rs.50.55 crores for the Government.**

122. **Additional nets, handy rechargeable lanterns, heavy duty bi-cycles, life jackets, Ice Boxes and GPS will be provided to the fishermen affected by Tsunami at a cost of Rs.100 crores under the Rajiv Gandhi Tsunami Rehabilitation Package Assistance.**

Welfare of Adi Dravidar and Tribal Communities

123. As educational advancement of Adi Dravidar and Tribal Communities alone can act as the catalyst required for improving their standard of life, this Government is very keen to provide quality education to them. It has been brought to the notice of the Government that the hostels of the Adi Dravidar and Tribal Communities students are not properly maintained. A provision of Rs.10 crores has been made for carrying out special repairs so that these hostels are maintained well.

124. Income generating schemes for the individual

beneficiaries belonging to the Adi Dravidar and Tribal Communities are being implemented by availing Special Central Assistance of the Government of India. **This Government will implement a Special State Assistance Scheme to enable more number of people belonging to the Adi Dravidar and Tribal Communities get benefit under income generation schemes.** I am very happy to announce that this is the first time that a scheme of this nature is implemented in Tamil Nadu. A provision of Rs.25 crores has been made in the Revised Budget for this Scheme.

125. As promised in the election manifesto of the DMK, "similar to the distribution of cycle rickshaws during Kalaignar's previous regime abolishing the inhuman practice of hand pulled rickshaw in which a man has to pull a rickshaw with another man sitting in, the abhorrent practice of manual scavenging will be put to an end and alternative jobs will be provided to these workers". **In accordance to this, action is being taken to provide training in other vocations and to rehabilitate 11691 persons at a cost of Rs.50 crores.**

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

126. The DMK Government continues to have concern for the

welfare of Backward Classes, Most Backward Classes and Denotified Communities and upholding social justice. The fact that a historic legislation to provide for reservation to Backward Classes, Most Backward Classes and Denotified Communities in all the unaided private self financing educational institutions with the exception of minority institutions was passed in the



Legislative Assembly immediately after this Government assumed office is yet another testimony to keen interest shown by this Government in ensuring social justice. A provision of Rs.319.96 crores has been made in this budget for this department.

Welfare of Minorities

127. As promised in the election manifesto, this Government will urge the Central Government to provide reservation for minority communities of the Muslims and Christians in educational institutions and employment. This Government will also take concrete action to provide reservation for them in our State.

Welfare of Transgendered

128. This Government will expeditiously examine and decide

about the issue of ration cards to Transgendered and their socio economic development by organising them into self help groups.

Sri Lankan Tamils

129. This Government is greatly concerned at the lack of progress in the peace talks concerning Sri Lankan Tamils and at the increasing influx of Sri Lankan Tamil Refugees to Tamil Nadu. This Government desires that a permanent solution is reached early through amicable negotiations.

130. A provision of Rs.34.53 crores has been made to render necessary relief assistance commensurate with the increasing number of Sri Lankan Tamil Refugees.

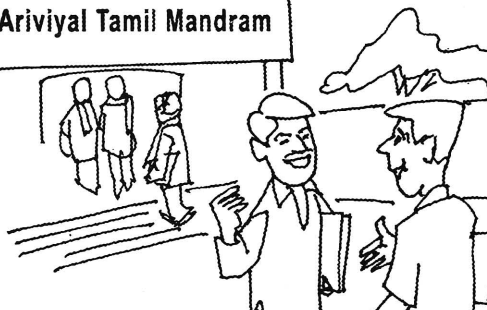
131. Based on the recommendations of the Ministers and Members of the Legislative Assembly who have visited the Sri Lankan Rehabilitation Centres in Tamil Nadu, **the monthly financial assistance given to refugees will be increased to Rs.400 by providing an assistance of Rs.200 by the Government of Tamil Nadu in addition to the Central Government assistance of Rs.200. Similarly the assistance granted to their family members will also be doubled.**

Ariviyal Tamil

132. Tamil which grew and enriched into prose, music and

drama has today blossomed into Scientific Tamil, in tune with the trends in the development of science and its needs. Tamil can cater to the demands of the future only if it has a firm foothold in Science and Technology. Many people at various levels are engaged in the development of Scientific Tamil. With a view to coordinating their efforts and chalking out a planned

Ariviyal Tamil Mandram



development in this regard an **“Ariviyal Tamil Mandram” will be established under the Tamil Development and Culture Department.**

Tamil Development and Culture

133. This Government will urge the Government of India to designate the World Tamil Research Organisation as World Tamil Classical Language Research Organisation for undertaking literary research on par with the other classical languages of the World and to provide grants meant for research in Tamil classical language to this institution.

134. Under the Tamil Etymological Dictionary Project, 18 volumes out of 31 volumes have been published. During the current year 6 more volumes will be published.

135. The monthly pension to the artists in indigent circumstances has been raised from Rs.500 to Rs.1000 from the financial year 2006-2007.

136. This Government will urge the Union Government to issue a postal stamp to commemorate the memory of Parithi Mal Kalaigarnar, who was born at Thirupparankundram and earned fame throughout the land by giving the first clarion call for declaring Tamil as a classical language and changing his name - Surya Narayana Sastri into a pure Tamil one.

- Efforts will be made to convert the house in which he was born, at Vilacheri near Thirupparankundram into a memorial.

- His books will be nationalised and honorary grants will be provided to his legal heirs.

Hindu Religious and Charitable Endowments

137. Everyone is aware that the works of charitable institutions were implemented during the DMK regime to the total satisfaction of the learned and devout people. This

Government will take continued interest and take effective steps in the renovation and sanctification of temples, proper maintenance of



temple properties, creation of property records, increasing the income of temples and publication of books on Agama in Tamil. An Advisory Committee will be constituted for making recommendations from time to time for improving management of temples.

Social Reforms

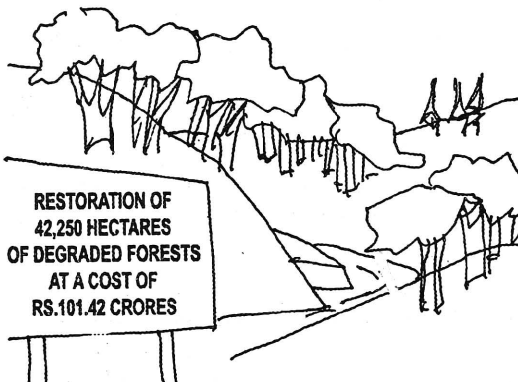
138. The Social Reforms Department that was established during the previous DMK regime to ensure that the society moves in the path of social reform and subsequently wound up during the last regime has been re-established. A permanent Committee of sociologists will be formed to advise the Government for implementation of Social Reform policies.

139. Orders have been issued to implement egalitarian decision of this

Government to appoint trained persons from all communities as Archakas in Hindu Temples, thus removing a thorn in the heart of Thanthai Periyar. The above orders have also been notified through an extraordinary Gazette. **A high level committee under the Chairmanship of Justice Thiru A.K. Rajan, Retd. Judge, has been formed to make recommendations on various issues in implementation of this order.**

Environment and Forests

140. The second phase of Tamil Nadu Afforestation Project with the assistance of Japan Bank for International Cooperation is under implementation. Degraded forest in an extent of 45,250 hectares in 205 villages adjoining the forests including 40 Tribal villages will be restored and developed by construction of check dams, percolation ponds etc. at a cost of Rs.101.42 crores.



Tourism

141. The number of international and domestic tourists visiting Tamil Nadu is increasing by the day. Provision of basic infrastructure of international standards in tourist places is therefore very essential. A master plan for tourism will be prepared for this purpose. Efforts will also been taken to develop important but not so frequented tourist places such as Yelagiri, Yerkaud, Pulicat, Chettinad,



Tharangambadi, Pitchavaram, Chettinad, and Suruli.

142. A detailed project report for installing a rope car between Palani, a religious pilgrimage centre and Kodaikanal, a tourist centre visited by large number of tourists to Tamil Nadu, will be taken up by the Palani Temple administration.

Sepoy Mutiny

143. In 1998, the DMK Government constructed the Vellore Sepoy Mutiny memorial

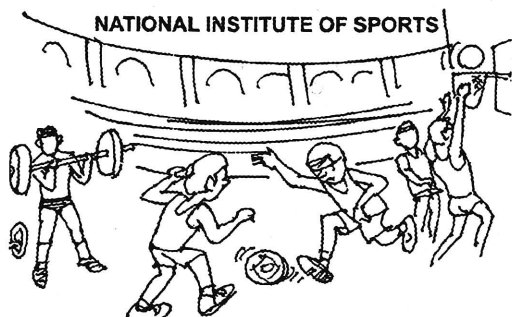
pillar. As per the announcement made by the Hon'ble Chief Minister on 10.7.2006, while participating in the Government function to mark the 200th anniversary of the Vellore Sepoy Mutiny, the **Government has decided to establish another memorial at Vellore and to include details of Vellore Sepoy Mutiny in School text books, in order to infuse valour among the youth and rekindle the memories of freedom struggle.**

Bhagat Singh Centenary

144. The Centenary celebration of Bhagat Singh, the great revolutionary in the annals of our nation's freedom struggle commences in the coming September. **Programmes to commemorate the memory of this great martyr will be conducted on behalf of this Government every month in important towns.**

Sports and Youth Welfare

145. Action will be taken to make Tamil Nadu a front runner in sports. As indicated in the election manifesto, **provision has been made in this Budget for the conduct of annual sports events at Panchayat Union, District and State levels.** Further this Government will urge the Central Government to establish a

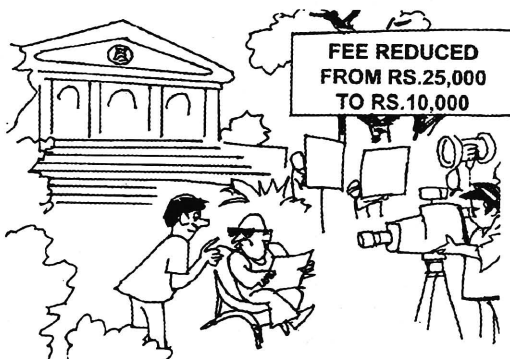


National Institute of Sports in Tamil Nadu.

146. The Synthetic athletic track in the Jawaharlal Nehru Stadium will be relaid to conduct national and international level track events at a cost of Rs.2.5 crores.

Film Industry

147. Hon'ble members are aware that whenever the Dravida Munnetra Kazhagam came to power, various



concessions were extended for the development of the Tamil film industry and the hurdles faced by it removed.

148. The charges for outdoor film shooting have been considerably reduced as promised in the election manifesto. The fee for film shooting

in Rajaji Hall which was Rs.25,000 per day has been reduced to Rs.10,000. The fee for film shooting in Category I locations has been reduced from Rs.10,000 to Rs.5,000 and in Category II locations the fee of Rs.5,000 has been reduced to Rs.3,000 now. Similarly the fee for small screen films has been reduced to 50 percent of the fee for regular films.

● During the DMK regime in 1989, the Entertainment tax on new films was reduced from 54 percent to 40 percent. This tax has been reduced gradually and is presently at 15 percent for new films and 10 percent for old films in the Municipal and Municipal Corporation areas.

● With a view to encouraging the film industry and promotion of Tamil language, full exemption from entertainment tax will be given to new films if the film is named in Tamil.

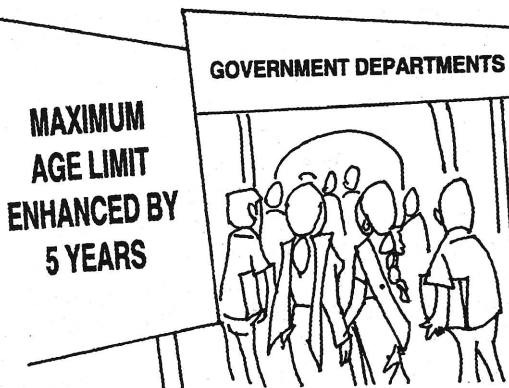
149. The Tamil Nadu Cinema and Television Training Institute at Taramani will be renamed as M.G.R. Film and Television Institute and will be expanded to enable the students of this institute and the film industry to use this institute to the full extent.

150. This Government announced in the Budget for the year 1997-1998 that Rs.10 lakhs will be awarded to the Tamil version of the film on Ambedkar

in English. As this is proposed to be done now, **this Government will grant a sum of Rs.95 lakhs to signify the age up to which Thanthai Periyar lived, to the film "Thanthai Periyar" portrayed by "Inamurasu" Sathyaraj.**

Welfare of Government Employees.

151. The Government have issued orders to take steps to



complete the filling up of vacant posts in all Government Departments within a specific time limit. Keeping in mind the interest of persons who have been affected by the ban order on direct recruitment, the Government have issued orders that the maximum age limit to apply for Government employment is enhanced by 5 years.

152. This Government, after assuming charge on 13.5.2006, have taken effective steps to fill up the vacant posts in Government Departments. 12,618 'Makkal Nala Paniyalarkal' have been reinstated. In Health and Family Welfare

Department, 1,393 Doctors and 1,800 Nurses have been appointed. 1,539 Doctors and 5260 Nurses working on contract and paid consolidated pay till now will be brought under time scales of pay. 3,491 Teachers have been appointed in School Education Department. Further, it is proposed to recruit 7635 teachers through Teachers Recruitment Board and Employment Exchanges. 45,987 teachers who have been working on contract and paid consolidated pay till now, have been brought under regular time scales of pay involving an additional expenditure of Rs.400 crores per annum. 236 Lectures have been appointed in Engineering and Polytechnic Colleges. Further, 1020 Lecturers will be recruited for appointment in Government Arts Colleges through Teachers Recruitment Board. 569 Assistant Engineers will be appointed in Public Works Department. 755 Sub Inspectors of Police will be recruited to Police Department.

153. The previous Government had issued orders banning the appointment of the legal heirs of the Government employees who died while in service. Now the Government have issued orders to make appointment on compassionate grounds in Government departments based on the guidelines given by the Supreme Court of India. **Priority will be given to the legal heirs of Government employees and Teachers who died during the strike period and those of Road Gang Mazdoors**

who died during the period of termination of their services for appointment on compassionate grounds.

154. **Persons working in the categories of Noon Meal Organisers and Anganwadi Workers in the Noon Meal Scheme, Integrated Child Development Programme and World Bank Assisted Integrated Nutritious Programme with + 2 and Diploma in Teacher Education qualifications will be appointed in Government Primary Schools.** This appointment will be made as a special case on one time basis.

155. Till the year 2000-2001, Bonus for Group C and D of Government employees and Teachers, Special Adhoc Bonus for Group A and B employees and the employees on Consolidated Pay and Honorarium and Pongal Gift for Pensioners were paid. Accepting the demand of Government employees and Teachers to sanction these benefits again which were not granted from 2001-2002 and **with a view to motivating Government employees and teachers, the above benefits of Bonus, Special Adhoc Bonus and Pongal Gift will be granted again during the coming Pongal festival of the current financial year. For this purpose a sum of Rs.250 crores has been provided in the Revised Budget.**

156. During the earlier regime of DMK Government, report of the Official Committee on the recommendations of the Fifth Pay

Commission had been implemented and 40% of Pay revision arrears were paid in two annual equal instalments and it was assured that 60% balance amount shall be paid during 2003-2004. Later from 2004-2005 onwards, this balance amount is being paid in three equal annual instalments in the form of Post Office Savings Certificates in respect of Pensioners alone. This amount has not been paid to the employees in service. Accepting the demand made by the Government employees and Teachers, **in respect of Government employees who are in service on 1.8.2006 and those employees who retire subsequently, the balance pay revision arrears will be paid in three equal annual instalments in cash commencing from this financial year. The first installment will be paid in August 2006. In respect of those who have already retired, the balance instalments will be paid in cash. Payment of balance pay revision arrears will cost Rs.871.58 crores. The cost on account of this in the current financial year will be Rs.290.53 crores.**

157. Government employees and teachers were on strike from 23.10.2002 to 1.11.2002 to press their general demands and the above strike period of 10 days were earlier treated as leave on loss of pay. **The above said period will be treated as duty with pay and allowances.**

158. After sympathetic consideration of the demands of Government employees and Teachers to restore the procedure that was followed prior to 1.4.2003 in

respect of calculation of pension following orders will be issued for determination of pension with effect from 31.7.2006.

- **Qualifying service for full pension will be reduced from 33 years to 30 years.**

- **Pension shall be determined based on 50% of pay last drawn by the Government employees or 50% of the average pay of last 10 months of service whichever is higher instead of calculation of pension based on 50% of average pay of last 10 months of service alone.**

159. As Tamil Nadu was the first state in South India to implement the recommendations of the Fifth Central Pay Commission, now also we welcome the decision to set up the Sixth Central Pay Commission by the Union Government. As indicated in the election manifesto, **this Government will consider implementation of the orders of the Union Government on the recommendations of the Sixth Pay Commission at the appropriate time.**

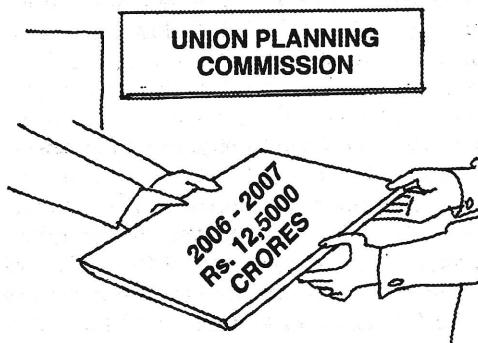
Administrative Reforms Committee

160. This Government has resolved to ensure corruption free and transparent administration. **An Administrative Reforms Committee comprising of experts from various fields will be constituted to make recommendations for removing red tapism, which is the basic cause for delay and corruption in the**

Government Offices having daily public interface by simplification of office procedures.

Annual Plan

161. 2006-2007 is the last year of the Tenth Plan. In the meeting between the Hon'ble Chief Minister and Deputy Chairman of the Union Planning Commission held on 6.6.2006 at New Delhi, the Annual Plan outlay of the State for 2006-2007 has been approved at a record level of Rs.12,500 crores. This allocation is 37 percent higher than the outlay for the year 2005-2006.



162. The allocation of Rs.10.99 crores made for Western Ghat Development Project for 2005-2006 has been increased and fixed at Rs.17.04 crores for 2006-2007. In addition an allocation of Rs.35.5 crores has been made for the Hill Area Development Project being implemented in The Nilgiris district.

163. With a view to removing the imbalances between the developed and backward districts and to speed up the development of the backward areas, the Rashtriya

Sam Vikas Yojana of the Central Government is being implemented in Thiruvannamalai, Dindigul, Sivagangai, Cuddalore and Nagapattinam Districts. Under this scheme a total of Rs.45 crores at the rate of Rs.15 crores per year will be sanctioned to each district over a period of three years to undertake development works.

Taxes

164. This Government is indeed pleased to present a tax free Budget for the year 2006-2007.

165. The manufacturing and trading community of this State have been making repeated representations to the Government for an early decision on introduction of Value Added Tax in this State. After examining the matter thoroughly and after ascertaining the views of the trading community in the pre budget meeting held on 5th July, 2006 with representatives of manufacturers and traders, **this Government has decided to introduce the system of Value Added Tax in the State with effect from 1st January, 2007. Representations received from large number of trade organisations especially pharmaceutical industry, manufacturers of various products and exporters within the state regarding reduction of rate of tax will to a great extent be accommodated on introduction of Value Added Tax.**

166. All efforts will be taken to ensure that small traders are not put to any hardship as a consequence of introduction of Value Added Tax. Towards this end, on introduction of Value Added Tax, **traders buying and selling within the State will have a threshold limit of Rs.10 lakhs for exemption from registration and payment of tax under the State Act. This is expected to benefit about 45,000 traders in this State.**

167. It has been the avowed policy of this Government that basic essential commodities should not be subjected to taxation. Based on this principle, our Government had exempted pulses and oil sold within the State from tax in 1996. Subsequently, tax was reimposed on pulses and oil. **I am happy to announce the exemption of sales tax on pulses and oil, thereby restoring the position obtaining prior to 2002. This will involve a loss of revenue of about Rs.110 crores per annum.**

168. In order to make the local manufacturers of the State more competitive and as a pre-cursor to the

introduction of Value Added Tax system in the State, it has been decided to allow importers of scheduled goods for use in any manufacturing unit in the State the facility of set off in respect of the Entry Tax paid on the raw materials, from the tax payable on the finished products. This would obviate the difficulties faced by several small and big manufacturers. Necessary notification will be issued to give effect to this. There has been repeated representation to extend the facility of set off of Entry Tax now available to HDPE, to LDPE and PP granules. **Considering the reasonableness of the request it has been decided to extend the facility of set off of Entry Tax suffered by LDPE and PP granules from the tax payable on finished goods with effect from 21-3-2003 i.e. the date on which Entry Tax was imposed on LDPE and PP granules.**

169. In order to benefit thousands of small tea growers and manufacturers in the State, the Government has decided to reduce the rate of General sales tax from

4% to 1% and Central Sales Tax from 2% to 1% in respect of tea sold in the auction centres of Tea Serve. In respect of other auction centres at Coimbatore and Coonoor, **the rate of General Sales tax will be reduced from the present 8% to 4% and Central Sales Tax 4% to 2%. Levy of**



Additional tax and surcharge will also be exempted on sales effected at these auction centres.

170. Hank yarn is the chief raw material for handloom goods. Keeping in mind the need to encourage handloom industries in the State and to benefit lakhs of handloom weavers, it has been decided to exempt fully the sales tax on hank yarn. This involves a loss of revenue of about Rs.56 crores per annum.

171. Our Government have always been sympathetic to the needs of the hosiery industry in the State as it is not only a foreign exchange earner but also employs thousands of young men and women in the State. It was against this background that our Government reduced tax on hosiery items from 4% to 1% in 1996. Consequent on the amendment to the CST Act, interstate sales to unregistered traders attracts 10% CST. The incentive scheme announced by the previous Government did not cover the period from 2002 to 2005 which has resulted in great hardship to thousands of hosiery manufacturers in the State. I am happy to announce that the industrial incentive of refund of 90% of the tax would be extended to the period from 13.05.2002 to 03.04.2005 by way of waiver.

172. Waste paper is now taxable at the point of last purchase at 4% and again subject to 4% CST on interstate sales at the hands of the same trader. This is causing

hardship to the dealers involved in the trade and making them uncompetitive. This Government has therefore decided to exempt the interstate sale of waste paper from the levy of CST provided it has suffered tax under the TNGST Act.

173. Fly ash is used as a major input in the manufacture of bricks. As an environment friendly measure this Government has decided to exempt levy of sales tax on the purchase of fly ash by brick manufacturers.

174. I am happy to announce that in order to encourage the Tamil software industry, it has been decided to grant sales tax exemption for the licensed Tamil software.

175. Gum Benzoin (Sambirani) was exempted from sales tax in 1996. Subsequently, the previous Government levied a sales tax of 4% from 2002 onwards. As it is a product manufactured by a small group of persons in the State, it has been decided to exempt Sambirani from levy of sales tax.

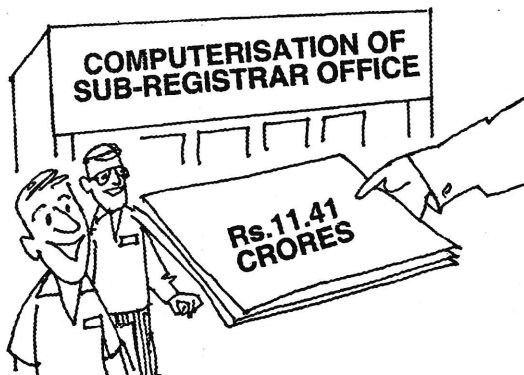
176. Another request received from trading community is for introduction of a new Samadhan Scheme for the benefit of assesseees who have arrears of sales tax to be paid. As the State will be shifting to the Value Added Tax regime from 1st January 2007, it would be in the interest of the State and the trading community to bring to closure all outstanding tax arrears. It is with this objective it has been decided to introduce a new trader friendly

SAMADHAN SCHEME which will be available to all dealers who are in arrears of sales tax. Necessary legislation indicating details of the Scheme will be introduced in the current session.

177. In keeping with our assurance that resale tax will be abolished in the State, I am happy to announce that re-sale tax which was introduced by the previous Government will be abolished from 1st January, 2007.

Registration Department

178. The scheme of Computerization of the Sub Registrar offices was started during the earlier DMK regime. Under this scheme 450 Sub Registrar Offices have been computerized and quick services are being rendered to the Public. Now,



the remaining 108 Sub Registrar Offices will be computerized. A provision of Rs.11.41 crores has been made in the Revised Budget.

179. With a view to totally eliminating bogus stamp papers from circulation suitable alternative methods like franking the documents

for payment of stamp duty and e-stamping will be introduced.

180. Farmers and entrepreneurs of tiny industries pledge jewels and immovable properties with banks for securing loans. The farmers and tiny industrial entrepreneurs are required to pay stamp duty at 0.5 per cent of the loan amount. **This Government which is committed to the welfare of farmers and entrepreneurs of tiny industries will exempt mortgaged / pledged documents from payment of stamp duty.**

Overall Financial Position

181. Honourable Speaker Sir, now I will present the details on the fiscal projections for the Revised Budget Estimates 2006-2007. The Total Revenue Receipts for 2006-2007 is estimated at

Rs.38,731 crores. The Total Revenue Expenditure in the Revised Budget Estimates 2006-2007 is projected at Rs.39,860 crores. This will result in revenue deficit of Rs.1,129 crores which is 2.9% of Total Revenue Receipts. Capital expenditure including loans & advances (net) is

projected at Rs.6,102 crores, resulting in fiscal deficit of Rs.7,231 crores for the current financial year. The fiscal deficit projected in 2006-2007 will be within 3% of the Gross State Domestic Product, which is in line with the targets set under Tamil Nadu Fiscal Responsibility Act, 2003. This fiscal

deficit will be financed through net borrowing of Rs.7,453 crores. Taking into account the Public Account (net) and Contingency Fund (net), the overall deficit for the financial year 2006-2007 is estimated at Rs.4 crores. This deficit will be covered by economy in expenditure and better tax administration without imposition of any new taxes.

182. The debt liability of the Government as on 31.3.2001 was Rs.28,685 crores. A sum of Rs.293 crores per month had to be paid towards interest on this debt. As on 31.3.2006, this Government has inherited a huge debt liability of Rs.56,094 crores. To take care of the interest commitment for this huge debt stock, the Government will have to earmark resources to the tune of Rs.446 crores every month. Still this Government has undertaken this development oriented Budget in the interest of the welfare of the people of Tamil Nadu. While providing enhanced outlays for schemes for the welfare of the people, the fiscal deficit has been contained within 3% of GSDP by mobilizing all available resources without any increase in tax rates. Thus we have ensured the social safety net without sacrificing fiscal balance.

183. A plan of action for future has been indicated in the Medium Term Fiscal Plan given in the 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.

184. Having been blessed with the great qualities of tirelessness, wisdom and courage enunciated by Valluvar and bearing the virtues of fearlessness, benevolence, knowledge and motivation in abundance; rendering continuous, and dedicated service for the cause of the Tamil language which is dear to our hearts and the ancient Tamil race, which preceded all other races on this earth and has nurtured the evolutionary path, as the sole mission of his life; our Chief Minister who tirelessly toils all day as a living example of the principles propounded by Valluvar in the Kural:

“இயற்றலும் ஈட்டலும் காத்தலும் காத்த
வகுத்தலும் வல்ல தரசு”

(A king is he who treasure gains, stores up, defends,

And duly for his kingdom's weal expends.)

With his great sense of duty and scholarly wisdom shining as a well polished diamond coupled with his practical experience gained over years of leading people friendly administration; has ably guided the preparation of this Budget by his wealth of ideas, use of words that can never be disputed and his intellectual powers that would prevail over all destructive forces. My heart filled gratitude goes towards him..

185. The various promises interspersed widely throughout the election manifesto of Dravida Munnetra Kazhagam, which has won many accolades and evoked an overwhelming response from all sections of the society, find place in this Budget.

186. This Budget is a compilation of schemes thoroughly thought through and formulated in such a manner that the people of Tamil Nadu belonging to all strata – the farmers tilling the fields, toiling labourers, Government employees, teachers, traders, school and college students, fishermen who sail on the sea for their livelihood, weavers, palm and coconut labourers and artisans will heartily welcome it.

187. I wish to remind this august House about the statement made by Kalaingar M. Karunanidhi on 25.3.1971 presenting the first Interim Budget after assuming office as Chief Minister that **“An administration is run for those who have voted for the ruling party as well as for those who have not. I would define a good administration as one, which gives a sense of belonging to all people**

irrespective of whom they have voted. This Government would welcome good suggestions and constructive criticisms from both within and outside the House and would strive to impartially examine them and do the needful”. Even now there is no change from that conviction. Therefore I am happy to give the same assurance today as was given by him.

188. I express my heartfelt thanks to the Finance Secretary Thiru K.Gnanadesikan, I.A.S. for the full involvement and unstinted co-operation and the officers of Finance and other departments in preparation of the Budget and place this Revised Budget for 2006-2007 before this House.

Vanakkam

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ANNA'S *Refections*

- ☐ Democracy believes in human dignity.
- ☐ Either wealth or fertility should be consumed by people.
- ☐ Accumulation of wealth should not be the sole aim of man.
- ☐ No language can equal one's mother tongue.
- ☐ Our literature, art and architecture are fine specimens of human intelligence.
- ☐ Buying books is different from borrowing books.

NEWS IN PICTURES



His Excellency the President of India, Thiru A.P.J. Abdul Kalam receiving a commemorative stamp on the occasion of the sesqui centinnial (150th year) celebrations of the University of Madras on 4.9.2006. His Excellency the Governor, Thiru Surjit Singh Barnala, Hon'ble Chief Minister Kalaighnar M. Karunanidhi, Hon'ble Union Ministers Thiru P. Chidambaram, Thiru Arjun Singh and Thiru Dayanidhi Maran, Hon'ble Minister for Local Administration Thiru M.K. Stalin, Hon'ble Minister for Higher Education Dr. K. Ponmudi and Vice-chancellor Thiru S.P.Thyagarajan were present on the occasion.



Hon'ble Chief Minister, Kalaighnar M. Karunanidhi, at the meeting of District Collectors and Superintendents of Police at the Secretariat on 18.9.2006. Hon'ble Minister for Finance Thiru K.Anbazhagan, Hon'ble Minister for Electricity Thiru Arcot N. Veerasamy and Hon'ble Minister for Local Administration Thiru M.K. Stalin, Chief Secretary to Government Thiru L.K. Tripathy, I.A.S., were also present.

மாவட்ட ஆட்சித் தலைவர்கள் மாநாடு

18.9.2006



Tamil Arasu

R.N.I. No.21446/70

Licence No.G/TN/CPMG/254/WPP-129

