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Tamil Arasu

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Editor and Publisher : C.MUTHUKUMARASWAMY, I.A.S., Director of Information & Public Relations
and Ex-officio Addl. Secretary to Government, Government of Tamil Nadu
Office : Tamil Arasu, Omandurar Government Estate, Annasalai, Chennai - 600 002.
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**OUR TWIN
TRACK POLICY
HAS BEEN
SUCCESSFUL
IN KEEPING
THIS AREA
FREE OF
MAJOR
INCIDENTS**

- SELVI J JAYALALITHAA
Hon'ble Chief Minister

I am happy that this Standing Committee of Chief Ministers has been constituted to continuously monitor the situation caused by Naxalites, and to take co-ordinated action to eradicate this serious threat to our internal security. At the outset, I would like to thank the Union Home Minister for having accepted my suggestion to include the Chief Minister of Tamil Nadu in this Standing Committee.

I wish to bring to the notice of this Standing Committee comprising Chief Ministers that we cannot have a lukewarm policy in dealing with the Naxalite problem. We have to be forthright in tackling this threat. In Tamil Nadu, we have been successful in containing the problem posed by Naxalites, particularly in our border districts adjoining Karnataka and Andhra Pradesh, by consistently following a twin track approach: Be firm upfront in tackling

the security threat, and simultaneously implement special programmes for accelerated socio-economic development of the vulnerable areas. The Police Force in Tamil Nadu has been mandated to give no quarter to the Naxalite elements, to be ever vigilant, to nip in the bud any incipient activity. It is notable that in Tamil Nadu, the Naxalites have not been able to gain even a toehold in the State. Simultaneously, I have ensured that there is no feeling of alienation or despair in the villages in these border districts by implementing special development programmes. This twin track policy, which I have enunciated and followed consistently, has enabled the Government of Tamil Nadu to be in full control of the situation, keeping at bay the insidious threat posed by Naxalites.

My Government has already taken various stringent measures like neutralising key operatives, checking of illicit explosives, and gathering and sharing of intelligence. My Government had banned the Communist Party of India (Marxist - Leninist) - People's War on 10.9.2004, and now my Government has banned the Communist Party of India (Maoist) on 12.7.2005, both under the Criminal Law (Amendment) Act, 1908. We have also addressed the Government of India on 22.7.2005, to include the Communist Party of India (Maoist) as one of the terrorist organisations in the schedule to the Unlawful Activities (Prevention) Act, 1967, by an order under section 35 of the Act. May I suggest to the Union Home Minister that this be done immediately?

In Tamil Nadu, Dharmapuri and Krishnagiri districts have reported efforts by Naxalite groups to consolidate. However, the last major encounter was in Uthangarai in Dharmapuri district in the year 2002, in which one Naxalite leader was killed and 28 cadre members were arrested under POTA. Since then we have ensured that there have been no violent incidents by the Communist Party of India (Marxist - Leninist) - People's War or its front organisations, or any other Naxalite group in the State. No incident of open confrontation with the Police or large scale targeting of Government properties has been reported in recent years. Not a single case of planting of Improvised Explosive Devices (IEDs) has been reported. The last three years have been totally free from violence. Naxalite elements in Tamil Nadu have been traditionally targeting Dharmapuri and Krishnagiri Districts, which have extensive forest cover and hilly terrain. Though Krishnagiri shares its borders with Andhra Pradesh and Karnataka and this tri-junction could be considered by the Naxalites as a launching pad, our twin track policy has been successful in keeping this area free of major incidents.

Tamil Nadu has a dedicated Intelligence unit called Q Branch, mainly to monitor Left Wing extremist activities, headed by a Superintendent of Police, with a detachment in all District Headquarters to undertake investigation of cases and put together inputs from field intelligence, interrogation and operations for effective action. In Krishnagiri and Dharmapuri districts, a Special Division

(Naxalite Special Division) is functioning under the control of the respective Superintendents of Police to monitor and counter the activities of the Naxalites. I fully agree that all Naxalite affected States must share intelligence on a regular basis.

I have noted the point on Joint Task Forces. I see that two such Joint Forces are planned. In Tamil Nadu, it is probably premature to consider this at this stage. We shall at this juncture, focus on sharing of intelligence.

I have recently ordered that the Special Task Force (STF) created to handle the operations against the forest brigand Veerappan should be made the State's Strike Force against Naxalites. This Special Task Force already has tremendous experience in winning over tribals by building up their confidence against the depredations of Veerappan and could serve as the State's main force in combating Naxalites. This force is being trained to deal with all the operational tactics adopted by Naxalites in other States including the use of IEDs, mines, etc. The Tamil Nadu Commando School has adequate capabilities in matters such as bomb detection and disposal and handling of IEDs.

We are thus incurring considerable expenditure in ensuring security in these vulnerable districts. The Security Related Expenditure (SRE) in Tamil Nadu is not being reimbursed. It should not be the position that only if there are violent incidents,

reimbursement will be considered. Preventive security measures should also be treated as Security Related Expenditure and reimbursed.

So far, the menace of the Naxalites has been a rural phenomenon. The possibility of these Naxalites adopting new tactics in urban areas cannot be ruled out. I have instructed the Police Force in Tamil Nadu to be very alert on this front also.

Obviously, extreme poverty, rural indebtedness, unemployment, inequitable growth and exploitation together form a festering breeding ground where Naxalites can thrive. To counter this, I have taken proactive steps for accelerated development of these areas.

I agree with the observations of Mr. Yugandhar, that we need to address basic issues, in the affected areas. I entirely agree that exploitation has to end, and for this, existing laws have to be implemented with spirit. We are doing this in Dharmapuri, controlling usurious money lending, and reviving co-operative credit system, and putting in place Self Help Groups.

I have launched a special development programme in Krishnagiri and Dharmapuri districts. The District Collectors are in charge of this programme. Besides their main role to combat the security threat posed by Naxalites, the Police Force has also been sensitised to gauge and assist in implementing development programmes drawn up by the District Administration.



Sports and Youth activities are powerful tools to cement relations between the administration and the youth. A simple programme of providing nets and volleyballs in these two Districts has been a great success in keeping the youth occupied. By organising reading rooms, libraries and mobile libraries and providing indoor sports materials to 100 groups, I have ensured that the youth of the area are adequately engaged in healthy pursuits and do not fall a prey to mischievous propaganda. Self Help Groups for the youth is another initiative that I have launched.

When we met in April, 2005, at the Conference on Internal Security & Law and Order, I had highlighted the salutary effect of recruitment of persons from the affected villages to the Army, Paramilitary and Police Forces. Over time, this itself will constitute

a natural barrier against the spread of Naxalism. I am of the view that we should ensure a focused recruitment drive from these areas for the Army, Central Reserve Paramilitary Forces and the State Police Force. This will go a long way to enthuse these villagers by making them realise that opportunities are available and they need not go astray.

I allotted a sum of Rs.7 crores in 2004-2005 to improve roads and communication facilities in the Naxalite affected villages of Krishnagiri and Dharmapuri districts. In addition, Rs. 9 crores has been allotted to these districts to undertake a number of development programmes. However, I would like to invite the attention of the Union Home Minister to an anomaly. The Government of India, which has assisted fifty five Naxalite affected

Districts under the Backward District Initiative, has not provided any assistance to the Naxalite prone Districts of Tamil Nadu. May I request the Union Home Minister to recognise our need and to ensure that there is special allotment of development funds for all the Naxalite affected Districts?

I am not yet clear on whether Dharmapuri and Krishnagiri Districts have been included, under the Rural Employment Guarantee Act. May I request that, these two districts be included, in the first phase itself, in addition to districts already included?

I have noted the scheme for raising India Reserve Battalions. I have already suggested that the scheme of support to State Governments for raising such battalions should be vastly improved. I am told that this is under consideration. May I request a quick decision? I have sanctioned the raising of two battalions in Tamil Nadu during the current year. I request that the funding for these two battalions under the scheme of India Reserve Battalions may be extended. If the scheme of raising India Reserve Battalions is improved, I would even like to consider raising two more battalions.

Against the backdrop of the changed security scenario all over the country, I have strongly expressed my views in the 13th meeting of the National Integration Council on 31.8.2005, that the repeal of POTA has now denuded the State Governments of effective powers to deal with disruptive violence let loose by the Naxalite organisations. I reiterate my earlier views that, in order to defend the territorial integrity

of the Nation, a special act like POTA should have been allowed to remain in our statute books. The repeal of POTA has only robbed our law enforcement agencies of their capacity to effectively deal with extremism and terrorism.

This Standing Committee meeting can be a useful forum to share experience in dealing with the problem posed by Naxalites. While a State like Tamil Nadu may today be quite free of any major problem from the Naxalites, there can be no room for complacency, and the threat of a spillover from other affected adjoining States always remains. I have been greatly shocked by the extent of the spread of Naxalite influence in many other States and I would like to suggest to the Chief Ministers assembled here that the Naxalite problem has first to be dealt with firmly. We cannot have half measures and such threats to our national security must be ruthlessly eradicated. Our national Integrity and development depend on it. I do believe that the twin track policy that I have followed in Tamil Nadu will be an effective shield against the spreading influence of Naxalites.

We have appointed a Nodal Officer namely the I.G. (Intelligence) for co-ordination with other States.

Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
at the first meeting of the Standing
Committee of Chief Ministers of
Naxalite affected States
held on 19.9.2005
at New Delhi.

The New Policy that I have Enunciated to Benefit Sugarcane Farmers is Truly a Historic Step

★ ————— ★
- SELVI J JAYALALITHAA Hon'ble Chief Minister
★ ————— ★



I have always given the topmost priority to the advancement of the rights, interests and welfare of farmers. My Government has undertaken a series of measures to protect farmers when they were affected by three successive droughts in the past. I have also set out a new policy framework comprising diversification of agriculture, efficient management of water resources, faster transfer of technology and new agricultural practices to farmers; precision farming, to modernise agriculture in Tamil Nadu. With the storage reservoirs receiving plentiful supply and the South West Monsoon showing good progress, the farmers are looking forward to a bountiful year. The outlook for the Farm Sector is therefore very promising. My Government is now concentrating on ensuring that the Farm Sector records sustainable growth, building on the impressive progress this year.

When farmers were affected by continuous droughts and were in danger of having to suffer untold misery, I ensured that they were given financial support, food security, and a feeling of

confidence by tackling their debt burden. I want to build the self-esteem and self-respect of the farmers of Tamil Nadu by adequately rewarding them for their hard work in adverse circumstances. This can be brought about only if farmers are enabled to get remunerative prices for the tremendous effort that they put in while cultivating different crops. This year, my Government has taken special steps to support farmers cultivating different crops such as Chillies and Copra, so that the farmers get remunerative prices. The farmers of Tamil Nadu growing Sugarcane have represented to me that they should be enabled to get better prices for the Sugarcane grown by them so that they can look forward to a better quality of life.

When my Government assumed office in May, 2001, the Sugar Industry in Tamil Nadu was in the doldrums. The Co-operative and Public Sector Sugar Mills in the State had an accumulated loss of Rs.811 crores as on 31.3.2001. The Sugar Mills could not even pay the approved cane price to the farmers. The Co-operative, Public Sector and Private Sector Sugar Mills in the State had Rs.350 crores of arrears of cane price

payment due to the farmers as on 31.5.2001. The problem was severe as the Sugar Mills were confronted by a mounting loss situation and the farmers were badly affected. My Government undertook a series of steps to restructure the Sugar Industry and thereby ensure that farmers could get better prices for the Sugarcane produced and that the payment was made promptly. This has called for a major effort to set right the Sugar Industry. My Government has boldly undertaken this significant restructuring of the Sugar Industry. It is because of the efforts undertaken by my Government that the arrears of payment due to the farmers were fully settled. This was made possible by my Government through taking special steps to infuse funds into the Sugar Industry at this critical hour. It is my Government which has thus protected the Sugarcane farmers. Today, we have reached the happy position wherein all the Sugar Mills are paying the cane price to the farmers in time. Farmers are now totally confident that they will get their payment within fifteen days of supply of cane.

My emphasis has been on the restructuring of the Sugar Industry by going in for value in added products including ethanol and improvements in efficiency. Only if Sugar Mills adopt such policies to upgrade the functioning of the mills can farmers stand to get better prices for their produce. The effort of my Government has been to encourage this restructuring of the industry. My Government has encouraged the production of ethanol in five Sugar Mills in the State. I do believe that the Sugar Industry can thus restructure effectively enabling the farmers to get better prices. Thus a win-win situation can be created and my Government has accomplished this.

It may be recalled that when my Government assumed office, out of 19 Co-operative and Public Sector Sugar Mills, only one Mill was making a nominal profit. Despite the drought conditions and the adverse market conditions, my Government has ensured that the number of profit making Sugar Mills has gone up to nine. In fact, one of the Co-operative Sugar Mills viz. Kallakurichi-II has won the All India Best Co-operative Sugar Mill Award for the year 2004-2005 for the first time in the history of Co-operative Sugar Mills in Tamil Nadu.

With the substantial improvement in the market situation and outlook for Sugar Mills, it is now possible to develop a forward looking policy which supports the farmer to get remunerative prices. On the one hand, we have to ensure that the Sugar Industry modernises and becomes viable and on the other hand, farmers have to get remunerative prices. My Government has shown the path to the Sugar Industry to modernise and restructure. Together with the improved market conditions, I have decided that a new policy of setting a State Advised Price should be implemented.

The Government of India has announced a statutory minimum price for the 2005-2006 Sugarcane season at Rs.795 per metric tonne linked to an average recovery of 9%. Farmers have indicated that this is not at all adequate. It is most unfortunate that a remunerative price has not been announced, as the statutory minimum price by the Government of India. It has been the long term request of the farmers that the price should be increased substantially to be truly remunerative. Farmers have made the plea that a fair deal is a must to enable them to continue Sugarcane cultivation.

My Government has decided to follow a new policy of State Advised Price, taking note of the decision of the Supreme Court that it is in order for the State Government to notify a State Advised Price, which is to be followed by the Sugar Mills. The Supreme Court has held that such a State Advised Price can be the framework within which farmers supply Sugarcane to the Sugar Mills. Although the Government of India has announced that the statutory minimum price for Sugarcane for the coming 2005-2006 season will be only Rs.795 per metric tonne linked to an average recovery of 9%, my Government has decided today that the State Advised Price for Tamil Nadu will be Rs.1,014 per metric tonne linked to an average recovery of 9%. This decision is historic. My Government has ensured that the long cherished dream of the Sugarcane farmers of Tamil Nadu to obtain a remunerative price has finally been realised. My Government has also decided that the minimum price to be paid by any Sugar Mill should be Rs.1,014 per metric tonne even if the recovery is below an average of 9%. My Government has also decided to provide an incentive to farmers who grow Sugarcane with better recovery of Sugar. The incentive will be Rs.88 per metric tonne for every increase of 1% over and above the average recovery of 9%. This new policy will be greatly welcomed by farmers as it ensures that they get a remunerative price. All Co-operative Sugar Mills, Public Sector Sugar Mills and Private Sector Sugar Mills are advised to follow this State Advised Price and System so that the farmers of Tamil Nadu are assured of decent returns for their hard work and enterprise.

My Government is committed to ensuring that the farmers get the remunerative price as per the new policy

which has now been set out, even if it takes some more time for the Sugar Industry to completely restructure itself. It is driven by the intention to provide a remunerative price for the Sugarcane farmers of Tamil Nadu that my Government has undertaken this responsibility. Some of the Co-operative and Public Sector Sugar Mills will have to be supported to be in a position to pay the remunerative price that my Government has announced. It will take some time before these Sugar Mills also restructure and modernise so that they can fully meet the obligations to the farmers. The additional cost for the Co-operative and Public Sector Sugar Mills to ensure that remunerative prices are paid to Sugarcane farmers as set out in the new policy which I have announced will be Rs.133.87 crores. Some of these Mills are already in a position to meet part of this cost. My Government will provide assistance to enable all the Co-operative and Public Sector Sugar Mills to adhere to the new policy. A package of support to the Co-operative and Public Sector Sugar Mills totalling Rs. 75 crores will be provided by my Government.

My commitment to the welfare and betterment of farmers is well known. I will never relent in my efforts to secure for them a bright future where they will get remunerative prices for their hard work and enterprise. The new policy that I have enunciated to benefit Sugarcane farmers is truly a historic step which will be greatly welcomed by the Sugarcane farmers of Tamil Nadu.

- SELVI J JAYALALITHAA
Hon'ble Chief Minister of Tamil Nadu
on 16.9.2005

* * *

TAMIL NADU HAS BEEN RATED AS A "LEADER" STATE IN E-READINESS AND E - GOVERNANCE

- Selvi J Jayalalithaa Hon'ble Chief Minister



We are now launching Siruseri IT Park Phase II. My Government is currently in the process of implementing the Knowledge Industry Township at Sholinganallur. Chennai is in the midst of a massive expansion in the IT Sector.

This new International Tech Park is

located next to the IT Expressway which is now being built by my Government. This IT Expressway will connect Chennai's Bay Area with the City. It will be the long term transportation solution with an emphasis on the future. My Government is building for the future, the necessary infrastructure on this Corridor. Apart from the IT Expressway, we have on the anvil a new water pipeline with a capacity of 20 MLD to take care of the water requirements of the Corridor. Area development along the Corridor is also being undertaken. We shall be looking at extending the rail link right down the Corridor along the Buckingham Canal.

On this occasion, I congratulate all the Agencies associated with the building of this Tech Park. I wish to thank the Hon'ble Minister for Education, Government of Singapore, Mr. Tharman Shanmugaratnam,

It gives me great pleasure to inaugurate this International Tech Park, promoted jointly by Ascendas Private Ltd, Singapore, and the Tamil Nadu Industrial Development Corporation (TIDCO). I am glad to know that this Tech Park is a truly world-class facility equipped with state-of-the art infrastructure. This park symbolises the successful Private - Public - partnership fostered by my Government in building Infrastructure. I am sure this will be yet another landmark in our great city of Chennai.

Apart from this International Tech Park, there are more than 40 other IT Parks that are coming up in the Public as well as Private Sectors, with a total built-up area of about 17 million square feet. This reflects the boom in the IT Sector at Chennai. The Siruseri IT park is now almost full with about 68 Software Development Projects under implementation.

for the excellent initiative of the Government of Singapore in supporting this Project. Singapore has emerged among the top Ten investing countries in India. Singapore and Tamil Nadu have a long standing relationship. The bond is unique. It is but natural that Singapore renews this bond in a new world powered by IT. I find professionals from Singapore and Chennai quite busy shuttling across, with Chennai so conveniently located. Singapore Realty, a venture promoted by a Consortium led by Lee Kim Tah Holdings of Singapore, is currently building about 6,000 housing units in Siruseri IT Park. These are new initiatives of Singapore based investors in Tamil Nadu. More will certainly come.

The Comprehensive Economic Co-operation Agreement between India and Singapore, which has taken effect from 1st August 2005, marks a new chapter in this Co-operation. This Framework Agreement provides for giving an impetus to Trade in Services and Investment promotion. I earnestly hope that this Framework Agreement will enhance economic co-operation taking it to new heights for our mutual benefit.

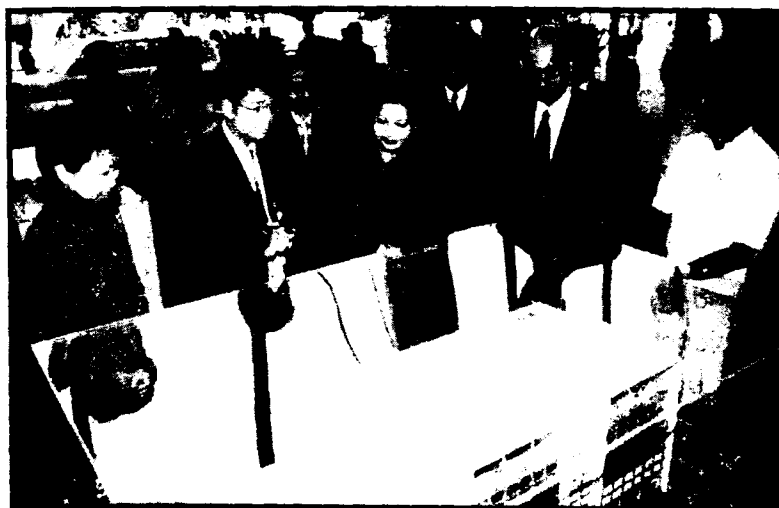
Today, India has emerged as the fastest growing and one of the top 3 IT markets in Asia Pacific, according to an IDC study. Exports of computer software and services together with IT-enabled services touched Rs.77,300 crores in 2004-2005, reflecting a growth of about 33 percent. According to a McKinsey report, India's IT exports are likely to touch 57 billion US Dollars by 2008, employing more than 4 million people. The McKinsey study indicates India will keep the lead in this sector, no doubt with stiff competition. This commendable

performance of IT has given all of us a sense of pride in international forums.

Today, Tamil Nadu is rushing to the top in Software exports from India. Let us take a look at the figures. Software exports from Tamil Nadu which stood at Rs.3,115 crores in 2000-2001, have more than trebled in 2004-2005, to reach Rs.10,703 crores. While this is undoubtedly impressive, I want it to grow even faster, Chennai is destined to be the new Bay Area of the East and achieve the *numero uno* position. We shall make it happen.

IT has powered the transformation of Tamil Nadu into a modern economy, clearly making it India's Eastern Gateway to the World. Tamil Nadu has emerged very strong, as a global leader, in some specific verticals of the IT Enabled Services (ITES) Sector. These are Banking, Financial Services and Insurance (BFSI), Health Systems Management, Computer Aided Designing (CAD) and Computer Aided Engineering (CAE). Within our Software exports, the focus is primarily on the high-end of the value-addition spectrum. About 73% of Tamil Nadu's IT exports constitute System and Application software, while Business Process Outsourcing (BPO) constitutes only 5%. This is a clear reflection of the ascendancy in the value-chain and maturity achieved by the IT industry in Tamil Nadu.

At present, 210 wholly owned subsidiaries and Multinational Companies (MNCs) in Software development are located in Tamil Nadu. The World Bank's only back-office outside Washington is in Chennai. Apart from this, Chennai is the hub for international financial institutions like Standard Chartered Bank, Citibank, ABN AMRO Bank, etc., who all have very large



scale operations in Chennai, catering to the Asia-Pacific region. On an average, one new IT company is born in Chennai every three days. My Government laid the foundation for this unprecedented growth by announcing a very progressive IT Policy, 2002. I have recently launched the ITES Policy, 2005, to address new issues relating to the Sector.

Tamil Nadu has been rated as a "leader" State in e-readiness and e-governance. Information Technology today is recognised as an effective tool for catalysing the activities in efficient governance and in developing human resource. The meek mouse which has a special place in the Indian psyche, revered as the vehicle of Lord Ganesha, the remover of all obstacles, today stands reincarnated, powered by the Pentium. Today Governance stands reinvented as e-governance at the click of the ubiquitous mouse.

Tamil Nadu has emerged as the Destination of Choice for investors. Several independent studies have rated the investment climate in the State as the best. It is, therefore, no surprise that Tamil Nadu has become a major recipient of foreign investments. Tamil Nadu remains as one of the top three destinations in attracting

Foreign Direct Investment (FDI) in India. It is most encouraging to note that investors are displaying their growing faith in the immediate and medium term prospects of Tamil Nadu, not to mention the robust outlook for the long term. It will be the endeavour of my Government to sustain and stabilise this environment of optimism. On this occasion, I invite you to have faith in Tamil

Nadu. My Government is committed to renewing the people's faith in good governance and in a socially just and equitable process of development, a track record that I have established.

In Tamil Nadu, the opportunities are immense. My Government believes in being pro-active and being an enabler. We would like to be a State with the right attitude towards investors. Tamil Nadu is a State that delivers, and we need partners who can see growth both in the old and the new economy, and participate in the generation and creation of wealth. I invite you all to be partners in realising my vision of making Tamil Nadu *numero uno* among the Indian States in all spheres of development.

Thank you.

Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the inaugural function of
Phase-I of International Tech Park,
Chennai (ITPC) held on 14.9.2005
at Chennai

* * *



My vision
is to banish the
scourge of want
and deprivation,
My mission is to
achieve it,
come what may

Speech delivered by
Selvi J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the inauguration of
CONNECT 2005
held on 8.9.2005 at Chennai.

It is a great pleasure to be with you, to inaugurate CONNECT 2005, organised by the Government of Tamil Nadu, in association with the Confederation of Indian Industry (Southern Region). Poet Rabindranath Tagore certainly was not aware of the power of Information Technology to break the barriers of the mind when he so evocatively held,

"Where the mind is without fear and the head is held high; Where knowledge is free";

Information Technology has clearly enabled us to realise Tagore's dream. With Information Technology knowledge, which was the preserve of a few, can now be widely disseminated enabling every one to be provided with real opportunity to improve his / her life. I have great pleasure in extending my greetings to all of you assembled here to discuss current issues dealing in depth with the Information Technology Industry. More than ever before, CONNECT 2005 is special, as it showcases Chennai and Tamil Nadu's rapid rise to the top in the Information Technology Sector.

When Tamil Nadu was down and out in 2001, facing its worst ever fiscal crisis, and was written-off by most pundits, there was no disaster recovery system, as you in the Information Technology Industry are familiar with. I made it clear that there could be no muddling around with the IT Sector, as I saw an unique opportunity to enable Tamil Nadu to leapfrog into the big league of fast developing countries. By sheer dint of hard work and perseverance, clear policies and direction,

has grown to 1,266 in 2004-2005, and we are adding a new Software company every 3 days! I particularly appreciate the spirit of medium and small companies striving furiously for their niche markets.

The range and depth of our software exports creates confidence that the Information Technology Industry is on a stable platform that has potential for even greater growth. In 2004-2005, Application Software accounted for 61%



Chennai and Tamil Nadu are back on top. All of you on this visit to Chennai will certainly feel the powerful hum of a vibrant city, rushing ahead with soaring spirit and elan, clearly the resplendent Jewel of the East.

Why do I say Chennai and Tamil Nadu are rising to the top? Software exports from Tamil Nadu which stood at Rs.3,115 crores in 2000-2001, have more than trebled in 2004-2005, to reach Rs.10,703 crores. From the level in 2001, it has grown by an astounding 244%! The number of Software Units in the State

of the Software export basket; System Software contributed 12%; ITES (other than BPO) had a share of 10%; Business Process Outsourcing (BPO) (5%), Product Development (3%) and other sectors (9%) made up the rest of the Software export portfolio. It seems clear that there are no limits to growth in this Sector and innovation can take you zooming .

With such a track record of solid performance it is hardly surprising that 9 of the top 10 IT Companies -Tata Consultancy

Services, Infosys, Wipro, Satyam, HCL, Patni Computers, I-Flex, Polaris and Hexaware, have not only made Tamil Nadu their home, but are in the midst of major expansions at Chennai. A galaxy of international majors - Accenture, Verizon, Xansa, Office Tiger, Flextronics, Alcatel and Cognizant Technology, among many others, have also preferred Tamil Nadu as a destination of choice. Chennai is also home to the World Bank, Standard Chartered Bank, ABN AMRO Bank and others.

Now the hardware segment is also humming with activity, as international Hardware players set up base at Chennai. Nokia's arrival at Chennai, and a host of other manufacturers, signals the beginning of manufacturing being reinvented at Chennai, for the Information Technology Sector. International players in the ICT Hardware Sector have not only found Chennai and Tamil Nadu extremely cost competitive, but are quite excited about our strategic location on major Air and Sea routes to the European and Middle East markets. We already have a vibrant international airport with more than 250 passenger flights and 28 Cargo flights per week. My Government has taken steps to enable a new International Airport to be built together with an additional runway. This will make the Chennai Airport the most convenient hub. Our three major Sea Ports are also well known for their efficiency. The large domestic market is a further attraction. I welcome all investors in the hardware sector and would like to assure them that my Government would be extremely proactive and would provide them full support. I have recently sent an official delegation to Taiwan, noting their interest in investing in the Hardware Sector in Tamil Nadu. In this context, we shall follow up quickly on the several new initiatives that are on the anvil.

This rapid growth in the Information Technology Sector makes it imperative that

infrastructure is planned well and implemented in time. We are doing precisely this - building infrastructure well in time to cope with the new demands. On this visit to Chennai, you will note that the IT Expressway, which I promised, is progressing at a rapid pace and will definitely provide the transportation solution needed for this fast developing Corridor. The 'Chennai Forever' initiative has already changed the ambience of Chennai. Chennai is clearly a city on the move. I am glad we have vanquished all the so-called insurmountable problems, including the provision of water supply.

It is a wired world and connectivity is a vital determinant of success. The installed bandwidth of 13.52 tera bits per second (tbps) is among the world's largest bandwidth availability. Two submarine cables connect Chennai to the rest of the world, in a highly dependable and secure manner. Cent percent redundancy in bandwidth availability offers a fantastic comfort level that is hard to find elsewhere.

The fact that 5.2 million square feet of space for the Information Technology Industry is under construction at Chennai indicates the boom! There are more than 40 IT Parks that are coming up in the Public as well as Private sector. 11.8 million square feet of space is also on the drawing board showing the frenetic pace of activity. This is the reason why I am in a hurry to set the agenda and address the infrastructure issues in a planned manner. I am glad to inform you that we are making good progress.

I am indeed glad that the Knowledge Industry Township is being launched today, to host campuses which will power the new ascendancy of Chennai in the IT Sector. We have run out of space in the Siruseri IT Park. We are moving ahead to establish a Second

IT Park at Siruseri. I am also pleased to announce that work will commence on an IT Park soon at Coimbatore, for which land has just been allotted to ELCOT .

Why is it that Chennai and Tamil Nadu are able to stride purposefully forward like the perfectly honed long distance runner? The availability of skilled manpower in Tamil Nadu is ranked the best in India with an annual turnout of about 80,000 Graduate Engineers, 56,000 Diploma holders and about 3,00,000 Science and Arts Graduates. 35,000 of these are Software Engineers, again the highest in India. Such a pool of highly efficient human resources is unmatched within the country. Like the 4 C's of the IT Industry, Chennaites are fond of their 4 C's namely, their City Chennai, Culture, Coffee and Cricket! The bond is unique. No wonder the attrition rates are easily the lowest here.

The launch of the ITES Policy by me today, takes the initiative to a qualitatively higher plane. I have spelt out in the Policy the steps that are being envisaged, to add value to the existing educational curriculum. These include a wide-ranging gamut of activities from language and voice training, to training in specialised verticals in the ITES sphere. We are probably the only State that has taken the unique initiative of developing in partnership with the Industry a specialised ITES Curriculum. This Course has been adopted in several of the State's Universities and is widely welcomed by the student community as well as the Industry.

My Government has recently signed a Memorandum of Understanding with the Microsoft Corporation India, to set up a state-of-the-art IT academy to provide comprehensive training to teachers in IT . The project is expected to benefit 20,000 teachers and indirectly reach over 10 lakh students in

the State during the five year period of its implementation. My Government is also exploring possibilities of introducing in partnership with Hardware and Software majors, a low-cost Personal Computer that would lead to a quantum jump in the penetration of Computers into the rural and urban areas of the State.

The "knowledge economy" cannot be an island in an ocean of mediocrity, nor can it be de-linked from the rest of the economy. We must make sure that it strikes deep roots in all walks of life, creating a more efficient, transparent, accountable and responsive system. The proverbial "Click economy" has to complement and nurture the "Brick economy" to conquer the competitive world.

Modernity and tradition is a rare combination that goes hand in hand in this City of ours. Chennai is equally at ease rocking to the techno beat of the generation next, while gently swaying to the strains of our ancient music. The lofty spires of our ancient Temples, the majestic steeples of our heritage Churches and the solemn splendour of the ancient Mosques, that peacefully co-exist alongside each other in perfect harmony, are a living example of our cultural diversity and secular traditions. My personal commitment to the maintenance of law and order and the eradication of crime is unwavering. You need not have any security concerns in Tamil Nadu and Chennai.

I can assure you that taken together - in infrastructure, talent pool, connectivity, security and quality of living, Chennai is India's best investment destination today. Independent studies vouch for this. In leadership, in the maintenance of Law and Order, in infrastructure, in public systems, in its talent pool, in labour relations, Tamil Nadu stands tall, top of the class -truly reaching the Numero Uno position that I am aiming for .

Why am I fond of Information Technology? It seems to be a magic wand. It provides the opportunity to catch up and go ahead of the developed countries. But above all, it offers hope to millions of poor in our country. Take the knowledge expansion that can be triggered. Be it the poor farmer who needs market information or to be abreast of the latest technological advance in agriculture, be it women in Self Help Groups needing product information and process details, be it poor patients in a rural Primary Health Centre getting access to the best specialists through telemedicine, the myriad applications are stupendous. That is why I feel it is a magic wand empowering us to provide hope and opportunities to millions of our people. This is a huge challenge and a great opportunity. The Rural Access to Services through Internet (RASI) initiative was a major step forward. I am glad to announce that this year, every Village Panchayat in Tamil Nadu will be provided with the necessary hardware and content for information dissemination to the village, initially on Compact Discs and ultimately be linked on to the TNSWAN -the Tamil Nadu State Wide Area Network, which is under implementation. This system will also be utilised by Self Help Groups to provide a wide range of Citizen centric services. We thus plan to implement immediately a scheme of rural knowledge and service centres that will disseminate information, empowering the people, and also take a major step forward in true e-governance. I am convinced that 'Good Governance' is the basic bedrock on which 'e -governance' can be firmly established.

At the present juncture, the Indian IT industry is delicately poised. Outsourcing is becoming accepted as a way of life. This will be challenged, but it seems inexorable. I see

effective communication of the fact that outsourcing is a 'win-win' proposition as the main plank on which we have to base our strategies. The second major challenge would be to face competition from other cost competitive destinations like Philippines, China, Brazil and Eastern European Countries like Hungary, Poland and the Czech Republic. Countries like South Africa, Vietnam, Argentina and Romania are fast emerging as likely challengers. The vital need is to maintain competitiveness without compromising quality in any respect. Moving up the value chain from 'Business Processes' to 'Knowledge Processes' is one of the ways to do this. Indian IT majors who are winning huge contracts against stiff competition in foreign countries, also need to dominate the Indian domestic market. You cannot afford to lose the advantage of the huge domestic market that our own country offers. This calls for redefinition of the known business models and processes. Data Security is an area that is threatening to erode investor confidence and has to be tackled effectively. I am glad that CONNECT-2005 has chosen to introspect on these vital challenges that confront the Indian IT industry. I look forward to the prescriptions that would emerge out of the deliberations that are to take place and assure you that they would receive prompt attention.

My vision is to banish the scourge of want and deprivation, My mission is to achieve it, come what may. Information Technology has to be harnessed to make this task easier and quicker. I invite you all to partner my Government in this noble endeavour .

My warm greetings once again to all of you and thank you!

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A NEW COMPREHENSIVE DEBT RELIEF PACKAGE TO BENEFIT FARMERS IN TAMIL NADU



- SELVI J JAYALALITHAA
Hon'ble Chief Minister
on 16.9.2005

I have taken a series of measures to protect farmers in their hour of need when the entire Farm Sector was affected by continuous drought for three years in succession. My Government took steps to provide several debt relief packages to infuse hope and self confidence in farmers.

In 2001, immediately after my Government assumed office, I ordered the waiver of interest and penal interest on all crop loans outstanding as on 30.6.2000 and sanctioned Rs. 310.51 crores for the purpose. Following this, in the year 2002-2003, the interest amounting to Rs. 61.05 crores on all co-operative crop loans taken

by the small and marginal farmers was waived. Similarly in the year 2003-2004, the interest on short-term loans taken by all farmers was waived to the extent of Rs. 62 crores. My Government also reimbursed Rs. 34.24 crores towards the Interest Incentive Scheme of Cooperative Credit Institutions left unpaid by the previous Government.

This season, the storage reservoirs are full and the South West Monsoon has shown good progress. Farmers are now looking forward to a bountiful year. They are confident of record farm production with the support extended by my Government. They have appealed to me that a further debt relief package, which will safeguard them in the future also, should be considered by my Government.

I have always stated firmly that farmers should be provided with adequate debt relief to enable them to move forward confidently. I have made this plea on behalf of the farmers of Tamil Nadu at the

meeting of the National Development Council in June, 2005. Very recently, in a meeting presided over by the Hon'ble Prime Minister, my Government has insisted that along with the rehabilitation of co-operative institutions, the Central Government should come forward to provide a meaningful debt relief package to the farmers. Unfortunately, no such package has been announced so far. In this season, when farmers are busy undertaking farm operations to recoup the losses they have suffered because of the drought, it is necessary to provide them with a meaningful debt relief package, which will enable them to take up farm operations with confidence. It is also necessary to reinvigorate the Co-operative Credit Institutions by providing them financial support.

Taking into account all these aspects, I am glad to announce a new comprehensive debt relief package to benefit farmers in Tamil Nadu who have taken short-term crop loans from Co-operative Institutions. My Government is bringing forward this debt relief package to provide major relief to all farmers who have taken such loans. Farmers have already benefitted by the reschedulement of their loans effected by my Government as on 31.3.2004 in the context of the continuous drought. A majority of the farmers have availed of this facility by which the farmer does not have to pay any instalment of the principal and interest as

on 31.3.2004 for a period of two years and thereafter he / she is required to pay the principal and interest outstanding as on 31.3.2004 in three annual instalments commencing from 2006-2007. The accumulated interest as on 31.3.2004 itself is Rs. 402 crores. I have decided that the farmers should be given relief from this accumulated interest burden, in one stroke. I have ordered the waiver of the accumulated interest of Rs. 402 crores as on 31.3.2004. This will be a massive debt relief to the farmers. I have also decided that the interest, which accrues up to 30.6.2006 on the principal amount as on 31.3.2004, shall also be waived. This additional amount of relief to the farmers will be Rs. 243 crores for the period beyond 31.3.2004. The total amount of relief provided by this debt relief package will thus be Rs. 645 crores. I am glad to announce that this massive relief will be provided to benefit 7.25 lakh farmers.

The Government will make good this amount to the Co-operative Credit Institutions. The Government will provide this amount in five equal instalments over the next five years. This will ensure that the lending activities of the Co-operative Credit institutions do not suffer for want of funds.

I am sure the farmers of Tamil Nadu will welcome this massive relief package, which is of an unprecedented magnitude and will take up farm operations with a new sense of confidence in the current agriculture season.

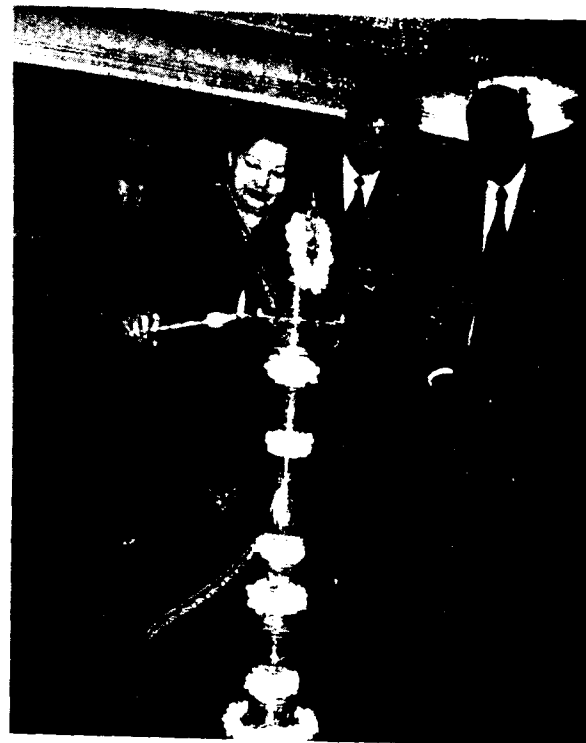
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TAMIL NADU HAS RISEN LIKE A PHOENIX CLEARING ALL OBSTACLES AND BREAKING AWAY FROM THE FETTERS OF THE PAST

- SELVI J JAYALALITHAA,
Hon'ble Chief Minister
on 3.8.2005

It gives me immense pleasure to dedicate the 'Tamil Nadu Equitable Growth Initiative' to the people of Tamil Nadu. This truly historic effort of the Government of Tamil Nadu is a major step forward in redefining policy planning and governance in Tamil Nadu. It fosters a composite vision of participatory development and freedom of choice, which, I strongly believe, constitute the very raison d'être of governance. I am glad that Mr. Michael F Carter, the Country Director of the World Bank in India, has also joined us at the launch of this initiative.

What is development? I believe development is about creation of new choices and expanding opportunities for the people. In his seminal publication, 'Development as Freedom', the renowned



Nobel laureate, Mr. Amartya Sen, says that development ought to be evaluated in terms of "expansion of the 'capabilities' of people to lead the kind of lives they value - and have reason to value".

The upshot of Mr. Sen's argument is two fold. First, development as expansion of people's capabilities to do things that they have reason to value calls for putting in place a strategy that ensures a sustained and inclusive economic growth. Second, it also implies that the choice of such a development strategy must be democratic, by involving the people in delineating development challenges and setting out economic priorities for the Government.

The Tamil Nadu Equitable Growth Initiative seeks to achieve exactly this. It is a radically new framework for development policy planning, that opens up opportunities for public discussion and interchange, on the development challenges facing us and the possible way forward. It is an endeavour that enables citizens to participate in the growth process and share its outcomes.

As I look back at my Government's performance during the last four years, there is a sense of elation and satisfaction. Tamil Nadu has been lifted back and retrieved from a development abyss and fiscal collapse, never seen before, and put back on a high growth trajectory. Significantly, while doing so, we successfully managed recurrent and severe droughts followed by a devastating tsunami. Tamil Nadu has risen like a Phoenix clearing all obstacles and breaking away from the fetters of the past. Now is the time to consolidate the gains and move beyond in making the growth process even more redistributive and participatory.

Tamil Nadu is one of the fastest growing economies in the country. The Gross State Domestic Product of Tamil Nadu in 2004-2005 has shot ahead of the all-India growth performance, registering an impressive 8.73%. The State's performance in human development has drawn laurels from all. The State has marched ahead to earn a place in the 'medium human development category', with remarkable achievements in improving percapita income, reduction of the crude birth rate and infant mortality, higher life expectancy at birth and overall literacy. Tamil Nadu is ranked third amongst 15 major States in the country and scores much better than most of our South Asian neighbours like Pakistan, Nepal, Bhutan and Bangladesh.

Be that as it may, considerable challenges still lie ahead. Notwithstanding a well-merited status as one of the most vibrant economies in India, Tamil Nadu still has to contend with poverty. While the State economy is in transition, from being predominantly agrarian to one that is led by rapid growth in the manufacturing and services sectors, the concomitant shift in cross-sectoral employment pattern has to be accelerated. Also, the inter-district disparities in human development within Tamil Nadu need to be corrected.

Given the complexity of the challenges, Tamil Nadu's development policy must aim at much more than just achieving high economic growth rates. Achieving a high growth rate is important in the sense that its absence would retard the economy, reduce economic opportunities and erode the income of people. But growth alone is not sufficient for reducing poverty and generating employment. Absence of redistributive growth excludes the poorest of the poor from the development process and its outcomes. This exclusion impairs the productive potential of the economy and further retards growth.

My emphasis has been on new programmes such as the "Namadhu Gramam" programme, "Puthuvazhvu" — a poverty reduction programme being launched with assistance from the World Bank, and a new scheme for the ultra-poor for achieving inclusive growth. I also firmly believe that the micro-credit programme through Self Help Groups will greatly promote the objectives of inclusive growth.

We need to go beyond a focus on 'growth' and look at issues affecting its quality, composition and outcomes. Our development strategy should be such that the growth trends become sustained, across sectors and all inclusive. This strategy alone will enable Tamil Nadu to forge ahead with the confidence to occupy the numero uno position amongst Indian States.

We are at the stage when the development discourse in Tamil Nadu has to veer away from a "business as usual" syndrome, to one which seeks to sustain a high growth rate with real meaning for the poor. I have been introspecting for quite sometime on how to effect this transition to high growth with equity. The 'Tamil Nadu Equitable Growth Initiative' is the way forward in this march towards equitable growth. It is an out-of-the-box design to facilitate a paradigm shift in development policy planning framework, that would impart



sustainability and ensure equity in the growth process.

The Tamil Nadu Equitable Growth Initiative is a collaborative exercise, involving the people and the Government in strengthening the policy formulation process. Civil society can articulate its core development concerns and explore possible solutions to them along with the Government. I am happy that the World Bank has also offered to share cross-country expertise and global best practices in this endeavour.

Considerable work has already gone into delineating the development concerns. The Tamil Nadu Equitable Growth Initiative has identified six critical development objectives. Over the next 9-12 months, the core groups will deliberate on the problems and work out possible solutions for consideration and adoption by the Government. This institutionalised system of interaction between the Government, the citizens and experts, would impart solid foundations to the policy formulation process. It would also help craft smart developmental strategies that would empower the poor, to obtain proportionately

larger shares of the incremental growth in the State's economy, thus facilitating equitable growth.

I would like to take this opportunity to share my views and generate a constructive debate on the development challenges facing Tamil Nadu, with reference to the core areas delineated for study and policy formulation as a part of this exercise.

Ensuring that the Tamil Nadu economy generates adequate employment for the people of the State is one of the fundamental challenges that we face today. My Government, after an assessment of structural imbalances in the economy and growth trends, has taken up several programmes for improving the livelihood opportunities for the people.

Schemes such as the pioneering New Anna Marumalarchi Thittam, aimed at encouraging private investments in rural agro-based industries and the promotion of economic activities by Self Help Groups, through an active micro-credit programme, will all contribute to employment. The mindset has to change from jobs in Government to more economic activity by the lakhs of poor.

My Government's Second-Generation Reforms in the Manufacturing Sector are now yielding spectacular results. New investments in manufacturing are pouring in and it is hard to keep pace. This boom is for real and will provide a great fillip to employment opportunities, not just in manufacturing but also in the Services Sector.

Information Technology (IT), Information Technology Enabled Services (ITES) and Business Process Outsourcing (BPO) segments are witnessing an unprecedented boom in Tamil Nadu. Chennai has now clearly emerged as a destination of choice. All the Indian IT majors are establishing new and large campuses in Chennai. There are a whole host of medium companies also witnessing unprecedented growth. It is easy to see that Chennai and Tier-II cities in Tamil Nadu such as Coimbatore, Trichy and Madurai are all witnessing hectic new activity. The IT-Expressway that we are building is really an Expressway to the future. The Knowledge Industry Township has now become a reality.

What do we see as part of this boom? The demand for persons with specific skills is outstripping the supply. This makes it necessary for us to focus on the schooling system and the entire gamut of interventions in vocational education, to provide persons with skills for the new emerging market. I do hope that as part of this equitable growth initiative, all aspects of vocational education will be gone into in detail, so that those emerging from schools and colleges are readily equipped to meet the ever-increasing demand of the new market.

2004-2005 was a year of recovery for agriculture in Tamil Nadu, getting out of the mal-effects posed by recurrent drought. So far with the progress of the Monsoon, 2005-2006 does look promising for charting out new initiatives.

At this point, I must make a reference to our Chief Secretary Mr. Narayanan's speech when he commented on my prescience

when he expressed worry about how this year would turn out in respect of rainfall and agricultural prospects, the Chief Secretary said that I have told him that we would have a problem of plentiful rainfall and he said that he was convinced of my prescience. It is not really prescience. It is just the diligent reading up of the past history. We have different ways of measuring time. A year is divided into 12 months. Each month has a specific name. A week is divided into 7 days. Each day has its specific name. In the same way, in Tamil we have a 60 year almanac. Time is measured in periods of 60 years. Each year has a separate name. There are various years with names such as Sowmya Aandu, Dharana Aandu, Vijaya Aandu, so on and so forth. This year, the Tamil name for this year is Parthiba Aandu. I was just reading upon past history and in the past, whenever this Parthiba Aandu has occurred once in 60 years, there has always been plentiful rainfall in Tamil Nadu. So, that is the secret of my prescience.

Worsening land-man ratio compounded by serious water shortages, together with concerns on environmental sustainability of the current cropping systems, make it imperative that we pay close attention to the Primary Sector. Improved performance, particularly in agriculture, holds the key to sustaining high economic growth in Tamil Nadu and making it inclusive.

We have already outlined a mix of outcome-oriented strategies for stepping up the growth momentum in this sector. A comprehensive programme for crop diversification, precision farming and the Comprehensive Wasteland Development Programme, constitute the path to progress in the Agriculture Sector. The Micro Watershed Programme that I have launched to cover 1000 micro watersheds this year, is another bold initiative for sustainable development.

It is critical that we keep the farmer as the key person in our efforts in devising and

**Mr. Michael Carter, Country Director,
World Bank at the launch of the
Tamil Nadu Equitable Growth Initiative**

Tamil Nadu is well placed to succeed in its efforts to promote equitable growth. It is one of India's best performing states, with an impressive reform record and some remarkable achievements over the past 4 years. It has a well balanced economy with a strong non farm economy and is a leader in manufacturing and information technology, with a good record of attracting international investment. It has always been quick to grasp opportunities presented by changes at the national and international levels, it is endowed with good human capital, particularly technical skills, disciplined labour and a well functioning civil service. Indeed, for all these reasons, Tamil Nadu is well placed to succeed in its efforts to promote equitable growth.

We are pleased to observe that the Tamil Nadu initiative has been carefully designed. The initiative sensitises all stakeholders in Tamil Nadu to the importance and urgency of addressing the constraints to equitable growth in the State in a spirit of partnership and co-operation.

implementing cost-effective cultivation techniques, with requisite forward and backward linkages, that will be highly remunerative and environmentally benign. Drought-proofing the farmer from the vagaries of the monsoons would protect rural households from sudden economic shocks. I am confident that the core group will make an invaluable contribution in unlocking the potential of the Primary Sector.

Availability of world-class infrastructure at affordable cost to the end users, is essential for accelerating and sustaining the growth impetus. It also creates an enabling

environment that encourages private entrepreneurship, which has always been an important development objective of my Government.

Compared to the past, there has been a marked upswing in public investments in infrastructure development in Tamil Nadu, during the last four years. Provision of world-class infrastructure requires massive capital investments and it is very difficult for the Government alone to undertake this stupendous task. Tamil Nadu has won accolades for pioneering infrastructure financing through the public-private partnership model - the Tiruppur Municipality Water Supply Project, the IT- Expressway in Chennai, TICEL etc, are some of the shining examples.

It is time that we coalesce the efforts made so far and outline a comprehensive framework for public-private partnership in infrastructure development. It should bring out models, delineate rules on the nature of public-private engagement in infrastructure financing, and facilitate expeditious project approval and implementation. The initiative can show the way forward in evolving such a framework, further buttressing Tamil Nadu's position as the most favoured destination for domestic and foreign investments.

Our record in human development is impressive. Tamil Nadu is one of the few States in the country to have ensured complete access to education upto the middle school level in all habitations of the State. Enrolment ratios are at a record high and drop out rates have fallen rapidly. We have taken measures to streamline and upgrade the quality of health services. Now, through the World Bank-funded Tamil Nadu Health Systems Project, access and quality issues will be addressed. We are well on track to attain all the Millennium Development Goals (MDGs) well ahead of the target year, 2015.

We need to now set out human development outcomes and relate them to budget outlays and closely monitor programme performance. Issues pertaining to ensuring further quality improvement in education and health have to be addressed. I am confident of seeing promising policy options emanating from this initiative, which would help catapult Tamil Nadu into a position similar to High Human Development category countries.

Tamil Nadu has learnt the hard way that there is no substitute for astute management of public finances. A Government in a fiscal crisis is like a rudderless ship drifting into oblivion. Tamil Nadu's public finances have made a spectacular turnaround during the last four years. It has provided the fiscal space necessary to fund growth related investments and a comprehensive social safety net.

Our Annual Development Plan Outlay has vaulted from Rs. 5,200 crores in 2001-2002, to Rs. 9,100 crores in 2005-2006. The State's capital investment outlay, which had been stagnating for years, has increased almost three fold, from Rs. 1,778 crores in 2001-2002, to Rs. 4,792 crores in the current financial year. With enhanced outlays for infrastructure and social development thus ensured, we now need to turn our attention to improving outcomes of our policies and programmes.

Transparency in the budgeting process and its execution, systems for improving quality of public expenditure, and outcome monitoring can be further significantly upgraded. The State needs to devise a workable and accurate poverty monitoring system, as the existing data flow on 'income-poverty' does not capture trends in 'human poverty', which reflects deprivation in other dimensions of the quality of life. May I suggest an in-depth analysis into our present system of public financial management, so as to make it more outcome-oriented?

In developing economies, Governments are a dominant provider of public services such as health, education, transport, electricity etc.

There has been an exhaustive debate on whether Governments should retain a central role in public service delivery. The 'Washington Consensus' of the 1990s, calling for a roll back of Governments allowing unfettered market play, comprehensive privatisation and liberalisation as a means for ensuring proper distributional and quality efficiencies, has failed to provide the answers. The noted economist and Nobel laureate Joseph E Stiglitz said that the 'one-size fits all policies' on a minimal role for Governments, as advocated by the Washington Consensus, is doomed to be a failure. We have to find the right balance.

I believe that in transitional societies, the State should have an activist development role and it is the bounden duty of Governments to ensure the provision of basic services to the poor and the needy. But there is a caveat to this — unless we improve the service delivery mechanisms and make them responsive to public needs, the desired development outcomes will remain elusive.

While the People-Government interface can be substantially improved by adoption of e-Governance techniques, improvements in the service orientation of employees will mark a major step forward. How can this be achieved? I hope that the core group will make a cross-country analysis of systems and practices, to find ways that improve the functional capacity and service orientation of Government functionaries.

I have shared my views on the six critical dimensions of the Tamil Nadu Equitable Growth Initiative. While doing so, I am mindful of the fact that the range of subjects that ought to be gone into is indeed large and can at best be covered sequentially. I am very happy that, through the 'Tamil Nadu Equitable Growth Initiative', we are laying the foundation for an institutionalised alliance between the People, Government and Experts for brainstorming and chalking out a cohesive new strategy to ensure the high growth with equity goal that we have set ourselves.

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A SPECIAL MEETING OF BANKERS TO DEVELOPMENT CREDIT FLOW IN TAMIL NADU



I am glad to participate in this Special Meeting of Bankers convened to focus on issues relating to development credit flow in Tamil Nadu. 2004-2005 has been a year of satisfaction for all of us. I am happy to inform you that Tamil Nadu has registered an impressive economic growth rate (GSDP) of 8.73% over the previous financial year. We have to build further on this platform and development credit has a key role to play in sustaining high growth with equity.

It is essential to plan for credit disbursement taking note of the felt needs of various groups. Banks have a crucial role to play in extending credit to the farm sector and for the non-farm sector. The Annual Credit Plan should aim high and not be on an incremental basis. At the outset, I would like to exhort the Banks to imaginatively come up with innovative ideas for increasing the credit flow to the farm sector and non-farm activities in rural areas as also for the urban poor.

The South West Monsoon in the current year has led to a good position in storage reservoirs and has enthused farmers to take up Samba cultivation in a big way. This requires

timely and adequate credit disburse. I understand that the Annual Credit Plan for 2005-2006 has been prepared with an outlay of Rs.22,036 crores. This envisages an outlay of Rs. 12,345 crores for the farm sector. I am of the view that this has to be stepped up to ensure an increase of at least 30% over the credit disbursement achieved in 2004-2005. This is critical for achieving the objective of doubling farm credit within a three-year time frame.

You are aware that my Government has launched a new strategy for crop diversification and sustainable agriculture. This aims at encouraging farmers to switch from water intensive cultivation systems to cropping patterns that use less water. We are also laying emphasis on value-added agriculture and horticulture to improve farm incomes. I request you to kindly spread this message to the Branch Managers to provide credit for these initiatives by farmers.

My Government has launched several new micro-credit schemes to foster economic empowerment of the poor and the needy. I would like to take this opportunity to solicit your co-operation and partnership in realizing the development goals we have set out.

I have always believed that income poverty and human deprivation can never be alleviated unless there is a sustained focus on building and consolidating the human capital in Society. This is particularly true for the vulnerable and marginalized sections such as women, who have to suffer an iniquitous social order and also bear the brunt of poverty. A nation can show real and tangible progress only when its women, particularly those from the poorer sections, are empowered. It was with this vision and understanding that I had

launched the Self Help Group Movement in Tamil Nadu in 1992.

The seeds that I had planted over a decade ago to empower the women of Tamil Nadu are bearing fruit. The Self Help Group Movement in the State has grown into a massive social movement giving hope to and shaping the lives of over 34 lakh women. There is a sense of fulfilment when I see over two lakh vibrant Self Help Groups in Tamil Nadu with savings of over Rs. 720 crores, marching ahead confidently towards redeeming their aspirations for a quality life.

The 'Self Help Group Programme' of my Government stands out as a shining example of a successful initiative with far reaching social impact and creation of choices and opportunities for gainful employment. This model has been emulated by many States and also adopted by the Government of India. The Banks have been our proud partners in this endeavour. While complimenting you for your contribution to the success of this programme, may I take this opportunity to exhort you for an even higher level of commitment this year?

You will agree that the support given to the Self Help Group Movement in Tamil Nadu has not just been a one-way flow of some largesse from the Banks to the people. Our Self Help Group Movement has greatly helped Banks to expand their base of creditworthy clients who, in turn, have contributed to the growth of Banks. With the repayment performance of the State's Self Help Groups exceeding 98%, this micro-credit programme not only empowers the poor and serves the cause of nation building but also makes good business sense. A recent study by the Reserve Bank of India indicates that the

non-performing assets (NPA) of Banks pertaining to lending under the Swarnajayanthi Gram Swarozgar Yojana (SGSY) is the lowest in Tamil Nadu among all States, at 0.53%. With such an exemplary repayment track record of our Self Help Groups, there is a strong case for further enhancing credit outlay for the Self Help Groups in Tamil Nadu. I am sure that this will inspire you even more to redouble your efforts in financing the Self Help Groups in Tamil Nadu.

The Self Help Group movement has been very successful, in breaking the hold of the pernicious Kandhuvatti system of usurious money lending which used to be widely prevalent. Real freedom means economic and social empowerment. This can be achieved only by transforming the Self Help Groups from thrift and credit institutions to viable micro-enterprises.

Towards this end, I launched the Entrepreneurship Development Programme (EDP) for five lakh women in 2001-2002. In the past four years, the Tamil Nadu Corporation for Development of Women Ltd has given EDP training to 4.97 lakh women. This year I have given instructions for the training of an additional 1.5 lakh women under the EDP programme.

Though our achievements have been exemplary, we cannot rest on our laurels. We need to accelerate the process and enable more and more women to partake in the success story. I would like to set a goal, which, though more challenging, can certainly provide a greater sense of satisfaction to all of us once we achieve it.

A number of Self Help Groups have not yet been able to access credit for economic

activities. I would like to exhort the Bankers present here to treat this backlog as an unfinished task and work with single-minded devotion to credit-link these Self Help Groups at the earliest. I have given instructions to our officers to work closely with Branch Managers to ensure this Credit Linkage.

It is my conviction that additional supplementary income constitutes an important source of financial security for poor households in rural and urban areas. Additional income accruing to poor families from remunerative micro-enterprises offers a credible shield against sudden income shocks. How do we achieve this?

Enlarging the breadth and scope of the Self Help Group Movement to cover new members from vulnerable social groups and enabling them to undertake new and productive economic activities holds the key to enhancing supplementary income for the poor. A large number of new Self Help Groups are being formed this year and they have to be supported with the Revolving Fund and the Credit Linkage.

We have to ensure that formation of the new groups and their Credit Linkage are expedited. This will require the streamlining of programme execution and elimination of constraints that hamper the achievement of the goal. Rigid restrictions, including the stipulation barring groups from availing of assistance unless a minimum period of six months time has lapsed, need reconsideration. May I request you to consider a shorter incubation period for well-formed Self Help Groups, so that they can be assisted quickly to enable access to Revolving Funds and credit assistance early? The range of activities that can be financed needs to be innovatively

expanded and the quantum of credit in project-based lending realistically assessed.

At present, the subsidy to credit ratio for Self Help Group lending is 1:1.6. Can this be improved to at least 1:3? Higher credit is needed to ensure that the economic activity taken up is put on a sustainable path. The Credit Linkage so far provided is Rs.1216 crores. Our endeavour should be to provide at least Rs. 1000 crores additionally as Credit Linkage to the Self Help Groups in the current year. May I expect your unqualified support to my Government's endeavour to rapidly expand and deepen the Self Help Group Movement in Tamil Nadu?

I am happy to inform you that the Government of Tamil Nadu has launched a new innovative project "Puthuvazhvu", with funding assistance from the World Bank, with a focus on improving livelihood opportunities of the poorest and most vulnerable sections of Society. This programme builds on the foundation laid by the On-going Self Help Group Movement and targets 3.5 lakh poor families in 70 blocks of the State. The project outlay is Rs.717 crores and implementation will be over a period of six years. May I request the Bankers to extend their unstinted support to this new programme?

You are aware that my Government has been implementing the New Anna Marumalarchi Thittam for promoting agro based industries throughout the State. All of us are agreed on the need for promoting non-farm sector activities in rural areas. While I am happy to know that 482 units with a total project cost of Rs.301.95 crores have been sanctioned so far, I am of the view that much more needs to be done. I request your co-operation in this regard. I request you to

expedite sanction in respect of 171 pending projects so that we can ensure establishment of agro-based units in every Panchayat Union in our State with an investment of at least Rs. 1 crore each.

I have launched another scheme of far reaching socio-economic significance for Scheduled Caste and Scheduled Tribe women, namely the Land Purchase Scheme which is being implemented by the Tamil Nadu Adi Dravidar Housing and Development Corporation Limited. I request the whole hearted co-operation of Bankers in implementing this scheme to transform the lives of these disadvantaged communities through ownership of productive economic assets.

I have always believed that the Government and the Banks are partners in development. We share a common vision and goal of fostering equitable growth and prosperity for the people. We have to integrate and synergise our actions even further to accelerate the achievement of our development goals. I have outlined the salient features of important development programmes launched by my Government which, for their unqualified success, depend upon your full co-operation and support. I am confident that you will rise to the occasion and put in your best efforts to make these programmes in Tamil Nadu a great success.

Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the Special Bankers Meeting
held on 11.8.2005
at Secretariat, Chennai.



TAMIL NADU WILL MOST CERTAINLY BE AT THE VANGUARD OF AMENTOUS TRANSFORMATION OF INDIA INTO A GLOBAL MANUFACTURING SUPER POWER

- SELVI J JAYALALITHAA Hon'ble Chief Minister

It is always a great pleasure to share with you a few thoughts on the resurgence of Indian industry which we are witnessing. It is indeed an amazing fact that given the opportunity, Indian industry and business can take on the whole world. I have read with great interest the new phenomenon of Indian Companies acquiring companies in other countries in the world as part of a global strategy. This is a harbinger of the new face of Indian industry, integrating with the global economy with triumphant strides. There is a mood of tremendous optimism in facing the challenges ahead. I do not know whether it

is sheer coincidence but every year, I seem to be with you unfailingly, sharing with you my vision for Industry and the prospects of even greater accelerated growth. This year, as your national executive meets, the mood is obviously buoyant, breaking away from the shackles of stagnation that had enveloped Indian industry in 2001.

I have heard your presentation on "Tamil Nadu — The Preferred Destination for Investors". I must confess that we now have a new problem. Earlier, it always used to be a question of why there were not enough investments. Today, the issue is, how do we

handle the flood of new investments? To be honest, I am out of breath even as I allot time to meet with investors. We are running out of space in our industrial estates and we have to quickly establish new estates. It is a torrent now and we have to marshal our resources to cope with this new situation.

You will note that we have achieved great success in putting the Tamil Nadu economy back on track on a higher growth trajectory. The Gross State Domestic Product (GSDP) grew by 8.73% in 2004-2005, and the forecast is that the growth in 2005-2006 could be even better. Manufacturing grew by 8.7% in 2004-2005. We are looking at double-digit growth on a point-to-point basis now, predicting a great year for manufacturing. Agriculture is clearly on the rebound and with Mother Nature having been kind this year, the farmers of Tamil Nadu are looking forward to a glorious year. This new buoyancy has spurred activity in the Services Sector too. Overall, the forecast for the Tamil Nadu economy is excellent. Gone are the days of gloom and depression, which had engulfed the State in 2001. I am glad that we have been able to achieve such spectacular results, despite an almost insurmountable set of adverse circumstances that we had to overcome, including continuous drought followed by the tsunami.

I am glad that you have highlighted development strategies for the Agriculture Sector in your presentation. This is essential because, without a healthy Primary Sector, our growth efforts could go awry. Our strategy is comprehensive and places the focus on crop diversification and an accelerated change over to high value crops including Horticulture. I have launched the Comprehensive Wasteland Development Programme, under which farmers who

have left their land fallow are encouraged to bring the land under green cover with efficient utilisation of water. I have constituted a Working Group to ensure that the power of IT is harnessed, to make available technology changes to our farmers quickly, without the usual time lags. Organic farming will be encouraged with reference to urban markets. There will be a new focus on post-harvest, technology in all its aspects, including cold chain and market access. Loss prevention will be tackled. Apart from the Agri-Export Zones that are being established, I have indicated that new potential zones should be identified and the State Government itself would come forward to establish these new Export Zones.

The Pilot project on Precision Farming that I launched in Dharmapuri and Krishnagiri Districts has been a resounding success. This will now be replicated in other districts also. We shall shortly launch a massive programme to popularise drip and sprinkler irrigation. This will be accompanied by specific extension efforts to take up crop diversification, with an emphasis on high value crops. With oil prices ruling high, our programme for encouraging production of bio fuels will be expanded. You can see that we have already taken note of all the issues that you have raised in your presentation in developing a new strategy for accelerated growth in agriculture.

"Investment is an act of faith", said Lord Keynes. How true! Today, investors have faith in Tamil Nadu as the State which, in cricket parlance, stands and delivers. You can take any independent survey and check the facts. In leadership, in the maintenance of law and order, in infrastructure, in public systems, in its

talent pool, in labour relations, Tamil Nadu stands tall, top of the class — truly reaching the Numero Uno position that I have aimed at achieving. Thus, it is no surprise that industry and business world-wide, are making a beeline for Tamil Nadu as the destination of choice. The proof is in the burgeoning flood of new investment proposals flowing into Tamil Nadu. The presentation that you have just made highlights the fact that Tamil Nadu has emerged as the most preferred destination in India. The immutable laws of economics indicate that such a situation will lead to fierce competition. We are ready to face the challenge and zealously guard our hard won position.

You may recall that when I met you last, at the India- ASEAN Business Summit in October 2004, I had set out my vision of getting Tamil Nadu to join the new big league of countries - Brazil, Malaysia, South Korea and Ireland. I am glad to be able to say we are well on our way. I had also indicated that we had embarked on a set of Second Generation Reforms, with a view to promoting rapid growth in the Manufacturing Sector. Let me give you a quick report card on what has been done.

You may recall that I had placed emphasis on infrastructure development. Just look at Tamil Nadu's Capital Budget. From a low level of only Rs.1,777.91 crores in 2001 - 2002 it has almost trebled, shooting up to Rs.4,791.64 crores in 2005-2006. This means that we are providing much more for investment in roads, urban infrastructure, energy and so on. The Tamil Nadu Road Sector Project, at a cost of Rs.2,160 crores, with support from the World Bank, is now under rapid implementation. I have launched a Comprehensive Road Infrastructure Development Programme with an outlay of

Rs.1,050 crores, to develop State Highways, Major District Roads and other roads. We have just negotiated with the World Bank and finalised the Tamil Nadu Urban Development Project-III, with an outlay of Rs.1,350 crores to provide quality infrastructure in urban areas.

Your visit to Chennai this time will linger in your memory forever, as you will notice that the "Chennai Forever" campaign that I have launched is showing results. Everyone has been telling me in one voice that Chennai now looks like the new Jewel of the East. All the prophets of doom and disaster and the doubting Cassandras have beaten a hasty retreat, as I have solved Chennai City's three decades-old, chronic water problem. The New Veeranam Project is delivering 180 MLD of water, day in and day out to Chennai City, much to the chagrin of those who predicted a catastrophe. And now, work will commence shortly to build at Chennai, India's first large desalination plant to provide water to Chennai.

I have always given the highest priority to the Energy Sector in the State. We have in the pipeline 4000 MW of new capacity to be created, consisting of 1000 Megawatts at North Chennai with the National Thermal Power Corporation, 1000 Megawatts at Tuticorin with the Neyveli Lignite Corporation, and the Koodangulam Atomic Power Station, with a capacity of 2000 Megawatts. In addition, I am glad to announce that we have requested the Neyveli Lignite Corporation to take up the Jayankondam Lignite Mining and Thermal Plant to bring an additional 1000 MW capacity to the State in the first phase. Thus, with the kind of growth in manufacturing that is being seen in the State, I have concretised the plans for additional energy supply, ensuring that

energy security is maintained at all times. This will secure Tamil Nadu's proud record as the only State where there is no crisis in the supply of quality energy, in the context of the 24 x 7 energy needs of both the Manufacturing Sector and the IT industry.

You might wonder how Tamil Nadu as a State is able to accomplish so much to facilitate industry, while at the same time being the top State in emphasising human development in its commitment to attaining the Millennium Development Goals well before the target date of 2015. In fact, many learned commentators had written off Tamil Nadu in 2001. We have achieved a major fiscal recovery and put the State's finances in order. It is ironic that those who lamented that the fiscal compression we faced was severely affecting the poor are now crying hoarse that my Government is blithely granting new concessions everyday to benefit the poor, thus affecting the State's finances. The hollowness of their earlier pretended pro - poor stand has been thoroughly exposed.

Unfortunately for them it is also a cause of severe heart burn as to how this modern miracle has been achieved in Tamil Nadu, which, while being the most proactive State in providing a Social Safety Net for the poor, genuinely working for their improvement, is at the same time substantially enhancing the Capital Budget for building essential infrastructure to foster rapid industrial development. It is indeed most gratifying to inform you that we have accomplished both the goals of better outlays for the social sector and the poor, and at the same time placing the focus on building modern infrastructure facilitating the growth of Industry.

It is a question of achieving the right balance in public expenditure and we have made the necessary structural adjustment with hardly any maleffects on the poor and the

underprivileged. What is most important is that we have put a Fiscal Responsibility Legislation in place and provided a sustainable platform for growth with equity. I recently launched this month the "Tamil Nadu Equitable Growth Initiative" which is a knowledge partnership to assimilate the best practices in the world and set out a road map for the future. Detailed studies in six critical areas which have been identified will be undertaken, so that policy options can be made available to the Government to push forward the high growth with equity objective that we have set for ourselves.

It is a well known fact that Chennai is becoming not just a centre for manufacturing in India but a globe hub for manufacturing. The choice by M/s.NOKIA to locate their manufacturing plant at Chennai, in a product specific Special Economic Zone, is a clear pointer to Chennai's growing stature as a global manufacturing hub. We have recently promulgated an Ordinance for the development of Special Economic Zones. This will further strengthen Chennai's position as a global manufacturing hub.

I now speak with the confidence that the slew of reforms that we have undertaken has put Tamil Nadu on a trajectory of high growth. The good news is that it is now built on a sustainable platform. Tamil Nadu has always been proud of its human resources.

The talent pool available in Tamil Nadu is amazing. With the march of Information Technology, it seems to me that in this millennium Tamil Nadu's reign of glory has arrived as it forges ahead in every field.

I have taken note of your valuable suggestions for accelerated development of the Industry Sector in Tamil Nadu. The best part is that we have acted on most of these suggestions. I am glad to inform you that SIPCOT is in the process

establishing a Foot Wear Component Park at Irungaattukottai near Chennai. Chennai is unquestionably the Detroit of South Asia. I expect it will become a leading global automotive component export hub. It will be my endeavour to extend full support to this. I had taken up with the Hon'ble Prime Minister the establishment of the Automobile Testing Facility at Chennai. I am happy to inform you that this facility will now be located at Oragadam near Chennai. We have already finalised the plan for the complete upgradation of the Industrial Estates at Guindy and Ambattur and this will be executed rapidly.

I agree with you that the Textile Industry presents both a major challenge and a great opportunity. I have therefore directed that several new initiatives should be undertaken. Firstly, a new Textile Processing Zone is being established at Cuddalore under the aegis of SIPCOT. Apparel Parks are being established. We shall also promote the modernisation of the industry at the traditional centres such as Coimbatore, Erode, Karur etc. A Working Group to examine textile exports on a continuing basis in consultation with the industry will also be established.

Information Technology and Information Technology Enabled Services have changed the way business is carried on in a new revolution which is still unravelling. I am glad to inform you that the IT Express Way, which I had promised, is now being built to world class standards. This Express Way leading to the IT Bay Area is certainly going to transform Chennai as India's Eastern Gateway to the world. The Knowledge Industry Township (KIT) which is coming up alongside the IT Expressway will be home to IT majors, namely, WIPRO, HCL. and Satyam who are about to build their new huge campuses. TCS is just down the road. Infosys is building a huge new campus at the Mahindra Industrial Park. More are to come. We have run out of space in the

Siruseri IT Park and are working hard to launch, a new Park. The good news is that the necessary infrastructure including roads, transportation, housing and water supply are all being planned alongside these developments, so that infrastructure does not become a bottleneck later.

The total Software exports from Tamil Nadu have already reached Rs.10,703 crores in 2004-2005. With the huge new expansion going on, this is bound to skyrocket in the coming years. If you watch the market carefully you will see the boom in providing new space in Chennai for the huge expansion that is taking place. Obviously, Chennai's inherent strength of a wonderful work force and a supportive business ecosystem have captured the imagination of both foreign and Indian IT majors. Small and Medium Enterprises also find Chennai the best place to work in.

Thomas Friedman in his book "The World is Flat" would have us believe that the world is indeed flat, as Information Technology is flattening the playing field as never before. I still think that it will be only when Indian manufacturing goes truly global that one can begin to believe in a virtual sense that the world is flat and not round any more. What is needed is a level playing field which, with globalisation and the increasing integration with the global economy, will inevitably happen. With our talent pool we can win. It is for you, the Captains of Industry, to forget the limitations of the past and stride forward purposefully, building Indian manufacturing as a world brand. The loss of competitiveness of production in developed countries together with the death of distance powered by IT have changed this from a distant dream to reality within grasp. It is a unique opportunity which must be grabbed with both hands. Chennai and Tamil Nadu will most certainly be at the vanguard of this momentous transformation of India into a global manufacturing super power.

I have noted the several good suggestions that have been made relating to the Services Sector. I agree with you that Tourism can be a growth industry in Tamil Nadu offering great potential. Tamil Nadu Tourism has acquired a new image after the SKAL World Congress held at Chennai on 20.10.2003. Heritage tourism such as promotion of the Chettinad Experience can in fact be developed further. I have placed great emphasis on building proper infrastructure so that the experience is truly enchanting and memorable.

It seems ironic that in the context of globalisation, and liberalisation, with the emphasis on creating a level playing field, the Union Government in 2003 had dug up the pitch in the playing field by granting full exemption from Union Excise Duty and Income Tax for new investments in certain States such as Uttaranchal and Himachal Pradesh. This is distorting the investment decisions of most companies, casting aside the evaluation of true competitive advantages. I have written to the Hon'ble Prime Minister pointing out, that he, as the author of the Liberalisation of the Indian economy in 1991, should put an end to this practice of promoting investments in such enclaves on the specious grounds of balanced regional development. In my view, these exemptions should all be eliminated lock stock and barrel, creating a true level playing field for all the States so that they can compete on the strength of their business eco systems which promote industry, and not on unnatural fiscal. Most, other States have also protested against this practice at the National Development Council, which is clearly discriminatory. I am emphasising this, as despite these impediments, Chennai and Tamil Nadu still come on top as the investment destination of choice. This is truly a remarkable saga of achievement of my Government and the people of this State. But it is not easy. I do hope the Government of India will immediately set right the policy framework by levelling the

playing field between States, removing these exemptions for specific States. I have no doubt that Chennai and Tamil Nadu will then be head and shoulders above any other State in such a competitive evaluation. Industry, particularly manufacturing, has to take risks and be innovative. This seems mandatory as those who cannot change will often be wiped out. Alfred North Whitehead, the British philosopher once said "the art of progress is to preserve order amid change and to preserve change amid order". I think this applies very much to Governance. Even here, I am often told that my style of Governance is bold. It is true that I am impatient, wanting change for the benefit of our people. Goethe was clearly right when he said "Whatever you can do, or dream you can, begin it. Boldness has genius, power, and magic in it." Whether this exhortation suits Governance or not can be left an open question. I do, however, wish to emphasise that it now seems mandatory for industry and business in these times for Goethe's words to be the watchword. Innovation, has to be the mantra. You can even get paranoid about innovation -history will excuse you -but not to change can be lethal. May I therefore exhort you to think big and be bold in your decision making, to take Indian industry to new heights of excellence and occupy its appointed place in global manufacturing?

Thank you.

- Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the National Executive Committee
Meeting of the Federation of
Indian Chambers of Commerce and
Industry on 29.8.2005
at Hotel Le Royal Meridian, Chennai.

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TAMIL NADU IS WELL ON ITS WAY TO ACHIEVING A STABLE POPULATION

★
SELVI J JAYALALITHAA, Hon'ble Chief Minister
★



Hon'ble Prime Minister,

Hon'ble Union Minister of Health &
Family Welfare,

Hon'ble Deputy Chairman, Planning
Commission,

Hon'ble Union Ministers,

Hon'ble Chief Ministers,

Representatives of Political Parties,

Members of the National Commission on
Population,

Senior Officers of the Union and the
States,

Ladies and Gentlemen,

I am glad to share my views in this, the
first meeting of the reconstituted National

Commission on Population, which is charged with the responsibility of implementation of the National Population Policy with a view to achieving population stabilisation. I have often wondered whether, having disproved the dire predictions set out by Malthus, we have unfortunately become complacent about the threat posed by a rapidly rising population. It is important that this Commission reviews in depth the current status of population growth across the States and sets forth new initiatives to achieve the goal of population stabilisation uniformly in the country.

We have come a long way from the era when a coercive approach towards population stabilisation was considered feasible. Today the success achieved by States like Tamil Nadu and Kerala points to the need, for adopting what Professor Amartya Sen terms a collaborative approach. As he puts it "What is called for is systematic support for people's own decisions to reduce family size through expanding education and health care and through economic and social development". Thus we now have a broad consensus on what is the right formula for success in population stabilisation. Economic and social development itself is accompanied by a reduction in birth rates. It is obvious that this will happen. The real issue before us is whether we have enough time to allow this to happen or would the population expansion, meanwhile, be so rapid that it pushes the goal of stabilisation much farther away? To my mind this is what is happening

in several States. It may be tempting to atleast bring in an element of coercion, as China did, but today the dangers of such an approach becoming counter productive are well recognised. So the answer lies in effective social development with a clear emphasis on education, health and women's empowerment. This is the reason for Tamil Nadu's success and if I may add the State has greatly facilitated this pace of social development.

With a population of 6.24 crores according to the 2001 Census, Tamil Nadu reduced the decadal population growth rate to 11.7%, which is the second lowest in the country. The birth rate has come down from 31.4 per thousand in 1971 to 18.3 per thousand in 2003. The Total Fertility Rate has come down from 3.9 in 1971 to 2 in 2002. Tamil Nadu is well on its way to achieving a stable population. I am glad we have been able to achieve this resounding success. It has provided us the time and space to address all other issues of a growing economy.

I also welcome the approach adopted in this meeting to get States like Tamil Nadu, which has done extremely well, to share its experience with other States which have not got it right.

Tamil Nadu's resounding success has its roots in the massive Nutritious Noon Meal Programme launched in 1982 by Puratchi Thalaivar Dr. M.G.R. People tend to evaluate this programme as a nutrition intervention programme. While this was certainly an objective, even more far reaching was the social development process that it nurtured. The freedom to choose family size became a reality for lakhs and lakhs of young mothers, I was closely associated with this programme when it was launched and

I vividly recall the phenomenal social transformation it brought about all over Tamil Nadu in the early Eighties. A young mother in Tamil Nadu, no different from a young mother in Uttar Pradesh, suddenly found the freedom to make a choice on the size of her family. It is not perhaps adequately documented, but it also conferred on the young mother the freedom to chart out a different course for the child with education. This was social development in a practical way leapfrogging several decades if a conventional approach had been followed. This programme, truly massive in scale, today covers 84.23 lakh beneficiaries including children, pregnant and lactating mothers and the destitute old. The synergy between the Anganwadi Centre and the Health Sub-Centre has been significant with Tamil Nadu recording 94.3% as institutional deliveries from a level of just 71.6%, a decade back.

July Aug 2005
In 1991, when I first assumed Office as Chief Minister, I put the focus on three key issues - efficient public health services, education and women's empowerment.

Women's empowerment a subject very dear to my heart, received a huge boost when I launched the Self Help Group movement in 1992. Once again, after assuming office as Chief Minister in 2001, I have given top priority to this programme. Today, in Tamil Nadu, we have more than 2.03 lakh Self Help Groups bringing together more than 34 lakh women. Just imagine the social impact! It is not just livelihood improvement but the remarkable sharing of experience and knowledge that Self Help Groups bring about, that makes it a vital programme. It is well accepted that the continued success of Tamil Nadu in the

Nineties towards population stabilisation was in no small measure due to this new social movement that I initiated. I recommend that this movement be given top priority in the States, which have not done so well in population stabilisation. I am confident that social development, which is a must for success in population stabilisation, will be greatly furthered by this focus on Self Help Groups and Micro Credit Programmes. May I also take this opportunity to request the Hon'ble Prime Minister that the credit flows to these Self Help Groups be improved by commercial banks?

Education is equally important in the social development process. Tamil Nadu's success towards population stabilisation has been greatly facilitated by its rapid strides in Education. I saw to it that Primary Education was given the highest priority in the early Nineties. I even made it compulsory and brought in legislation to enforce this. Today, Tamil Nadu has marched ahead. School enrolment ratios show very little difference between boys and girls at every level. The upsurge in the enrolment of girls at the Secondary School stage, followed by the Plus Two stage, and even at the College level in Tamil Nadu is to be seen to be believed. True gender equality is quietly being ensured. The dropout Ratio has come down to an all time low of 5.79% in 2004-2005. The enrolment of girls upto Standard VIII is as good as that of boys at 96.4%. What is most heartening is that female enrolment at even the Plus Two stage has overtaken that of boys.

A visible symbol of the new surge is the common scene in Tamil Nadu of thousands of girls cycling away to schools when earlier it was usual to stop studies at Standard X.

I derive great satisfaction from the fact that the new scheme of providing free cycles for girls in Standards XI and XII that I launched has opened up new vistas for lakhs of girls in Tamil Nadu. I am glad that the push towards gender equality in Tamil Nadu is inexorable, as solid as the ever reliable bicycle.

Juvenile sex ratio in Tamil Nadu at 939 is better than that of the All India figure at 927. Taking cognizance of the problem of adverse sex ratios, I had launched the revolutionary Cradle Baby Scheme in early 1992. I had also started the Girl Child Protection Scheme for which a substantial budget allotment has been made by my Government. Under this scheme, financial support is given for the girl's education including provision of a lump sum amount to defray her marriage expenses or to continue higher studies on her attaining the age of 20 years.

I have also given instructions to the District Collectors to prevent female foeticide by taking stringent action under the Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, against unscrupulous laboratories and diagnostic centers that resort to unauthorised amniocentesis. This will go a long way in rectifying the adverse female to male ratio in the juvenile population.

I have adverted to some key elements of the social development process that have been responsible for Tamil Nadu's great success in progressing towards population stabilisation. As part of this process, the importance of the huge leap forward taken in the provision of public health services, with specific reference to family welfare services

cannot be overemphasised. I wish to recall the key interventions that I undertook when I assumed office as Chief Minister in 1991. The Primary Health Centre network in Tamil Nadu was greatly expanded and fully outfitted for better reach. Even more significantly, the Sub-Centre network was fully upgraded with the provision of meaningful services to rural women. I regard the synergy between 8,682 Health Sub-Centres and 42,677 Anganwadi Centres as instrumental in taking forward the population stabilisation programme in Tamil Nadu in the Nineties. These women workers have been effective change agents, bringing home indelibly the message of freedom of choice to lakhs of women. I am proud of their enormous contribution to the social transformation of Tamil Nadu.

The improved provision of public health services has resulted in a dramatic change. Infant Mortality has declined from 113 per thousand in 1971 to 43 in 2003. The Maternal Mortality Ratio at 1.4 per thousand live births in 2002, though much lower than other States, continued to pose a challenge. My objective is to bring down Maternal Mortality sharply. The key to this is to make available competent obstetric care within one hour of travel anywhere in Tamil Nadu. We have opened 62 fully equipped CEmONC (Comprehensive Emergency Obstetric and New Born Care) Centres to provide such care. The results are impressive. The Maternal Mortality Ratio is already down to 1.1 in 2004. This model has been commended by The Union Planning Commission for adoption by other States. Tamil Nadu's public health system backed by hospitals and teaching medical institutions with adequate funding has played a major contributory role in achieving success in population limitation.

I have briefly enumerated the essential ingredients of the social development process that has transformed Tamil Nadu's population dynamics, putting Tamil Nadu well ahead on the path towards achieving the goal of population stabilisation. One essential feature has been the commitment of the leadership to social change. I have consistently championed the cause of women to have freedom to make choices of family size and empowering them to do so. Proactive measures to bring in this social transformation not merely as announcements but in terms of actual practice in every sphere has been the hallmark of the Tamil Nadu experience. Today in Tamil Nadu, women march forward along with men in every sphere of activity. Women Police Constables are not any more merely symbolic but a true picture of the new paradigm of equality of opportunity. This has been achieved in every field. I am glad I have been able to contribute to this surge towards gender equality. Leadership commitment is critical as forces opposed to social change will have to be won over or marginalised.

In Tamil Nadu social transformation has also been greatly benefited by the vigorous campaign by the State in every forum to explain all facets of empowerment, health, education and in general, better quality of life. The small family norm has become synonymous with well being and it is not limited to the rich and the elite. Our ability to mainstream this campaign into all forms of communication, be it the print medium, cinema, television, or folk theatre, has been most crucial in developing social consciousness and awareness. Panchayat Raj institutions have also had a vital role to play. In Tamil Nadu, the excellent

coordination between the Government, the Private Sector and the NGOs has also contributed significantly to the social development process, aiding the Family Welfare programme. It will be instructive for States where the progress has not been good to marshal such a broad-based programme.

In fact, Kerala and Tamil Nadu are outstanding examples of what can be achieved by a State. It was obviously not a question of financial allocation only. It was more a question of understanding social change and having the right leadership to facilitate this social transformation. It is also disconcerting to note that the key indicators relating to population growth are such that it will take much more time to get on the road to stabilisation in certain States. This is indeed the cause for the forecast that eventually India's population will overtake that of China. It would appear that we have lost considerable time in taking effective action in these States. There is no further time to be lost. The relative higher percentage of the poor in some of these States can be attributed to the burgeoning population. In fact, the population issue becomes relevant in relation to poorer categories even in a State which is doing well. The success of Kerala and Tamil Nadu in not waiting for economic development with consequential social development, but to undertake social transformation as a State and community led initiative, needs to be replicated.

Very often, the remedy is considered to be a greater allocation of funds to States not doing well, to the exclusion of States which have made such an allocation of grants for health and education. This seems to be a peculiar policy of rewarding those who did

not commit themselves while punishing the States which showed initiative and recorded remarkable progress. In fact, I would like to argue the case for some amount of compulsion on such States which are lagging behind, by disentitling them to certain fund flows from the Centre to the States, while at the same time taking care to protect Social Sector outlays in the State Plan.

Tamil Nadu and Kerala can legitimately be proud that their achievements are comparable to that of China, even without the element of compulsion that China introduced. What we are now seeing is a situation where, in some States, the time and space available earlier has gone and today there is no option but to accelerate the social development process to facilitate population limitation. If leadership commitment and good governance have to be realised to facilitate social transformation, the answer is not greater discretionary fund allocation but an element of discipline of how funds are used particularly for the Social Sectors.

What can be done in those States where the performance has been disappointing? From the Tamil Nadu experience, it is clear that these States need to focus on social development with commitment and vitality. Eliminating fear and encouraging freedom of choice to women in deciding family size are crucial changes that need to be brought about. The essential element of the strategy should include women's empowerment, education, public health services, livelihood improvement and awareness. We are all conversant with the key requirements for being successful in this crucial programme leading to population stabilisation. Melding these elements together into a social revolution calls for a high level of

commitment backed by an enlightened Government.

It would not suffice for us to review and monitor the programme and thereafter leave it to usual routine. I am of the view that the Union Government should promote the sharing of experience by States which are lagging behind with those States which have done well. On my part, I am willing to pledge the support of the Government of Tamil Nadu and the institutions in Tamil Nadu to an organised medium term programme which will facilitate the social development process in such States. A twinning arrangement can also be considered.

From hereon there has to be a national commitment to ensure convergence of services, particularly education, health, nutrition and women's empowerment, more so at the village panchayat level. This will lead to improving reproductive health of women leading to true empowerment, enabling the freedom of making real choices. People's participation in this social transformation has to be obtained imaginatively. Access to family welfare services has to be given top priority. I do not think we should spend too much time in debating whether it is better to spend more funds on provision of family welfare services or to add to the outlays on education and health. Let us say, the entire menu has to be tackled at one go. Increasing the age of marriage to at least 18 years is most important and this is best done by making access to schools and colleges easy as we have done in Tamil Nadu. Family welfare services should include the entire gamut of services including information on spacing, birth limitation and the choice available. The

services should be made easily accessible, and should be clean, hygienic and efficient. Ensuring infant and child survival is another key aspect. I do not wish to dwell on the multiplicity of interventions possible, but I do wish to stress the fact that it should be a cohesive well charted out programme of social development that we are really seeking and not just individual interventions.

I have broadly set out the main issues that need to be addressed in States which are not doing well on the road to population stabilisation. There has to be a concerted effort by these States. The Hon'ble Prime Minister must seek a commitment from the leadership of these States to take up a multifaceted programme facilitating social transformation. The population issue may no more be a ticking time bomb and no doubt the Malthusian prognosis is no more valid, but we have to remember that for the poor it continues to be both a cause and a symptom of languishing in a poverty trap. We ought to mobilise a major effort to assist them in seeking a better life. I do hope the deliberations in this Meeting will help us draw up a new action plan which will put the emphasis on social transformation through better governance and draw these States also into the national mainstream of moving rapidly towards population stabilisation.

- Speech delivered by
SELVI J JAYALALITHAA
Hon'ble Chief Minister of Tamil Nadu
during the First Meeting of the
Reconstituted National Commission
on Population held
at New Delhi on 23.7.2005

BULK WATER PURCHASE AGREEMENT

A Bulk Water Purchase Agreement (BWPA) was signed between the Chennai Metropolitan Water Supply and Sewerage Board and M/s. IVRCL Infrastructures & Projects Ltd., in the presence of the Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalithaa on 13.09.2005 at the Secretariat, Chennai.

The BWPA was signed by Thiru. V.Thangavelu, Managing Director, Chennai Metropolitan Water Supply and Sewerage Board and Thiru. E.Sudhir Reddy, Vice Chairman -cum-Managing Director, M/s.IVRCL Infrastructures & Projects Ltd.

Under this BWPA, CMWSS Board will provide 60 acres of land at Minjur for construction on Design, Build, Own, Operate and Transfer (DBOOT) basis, a 100 MLD Sea Water Desalination Plant and Reverse Osmosis process. M/s. IVRCL Infrastructures and Projects Ltd, Hyderabad will receive technical collaboration on the project from M/s.Befesa Construcción y Tecnología Ambiental, Spain. The company has to achieve financial closure and also obtain statutory and other clearances from all the concerned agencies and commence construction and complete the project within 15 months thereafter. CMWSS Board will be purchasing desalinated water for 25 years from the date of commercial operation at the rates stipulated in the agreement. The company will be delivering the water into the underground sump at the project site in Minjur from where CMWSS Board will arrange to pump the water to Redhills and then to the city grid.

Both Thiru. E.Sudhir Reddy, Vice Chairman and Managing Director, and Thiru. Joaquin Fernandez, International Director, M/s.Befesa CTA, Spain, assured the Hon'ble Chief Minister that they will commence all the preparatory and

other activities immediately and assured to deliver the desalinated water within the stipulated time. They also thanked the Hon'ble Chief Minister for having given them the opportunity to build this largest Desalination plant in the sub continent. The Hon'ble Chief Minister appreciated the keenness shown by the company in undertaking this project for the benefit of citizens of Chennai. The Hon'ble Chief Minister also requested the company to keep up the time schedule and wished them all success in the implementation of this project.



On behalf of M/s.IVRCL Infrastructures & Projects Limited, Mr.S.Ramachandran, President (Business Development Contracts), Mr. Balarama Reddy, Director (Finance), Mr.Joaquin Fernandez, International Director, Befesa CTA, Spain and Mr.D.Venkatasubramanian, Senior Deputy General Manager (Projects) participated.

On behalf of the Government of Tamil Nadu, Thiru.C.Ponnaiyan, Minister for Finance, Thiru.K.P.Anbalagan, Minister for Information & Publicity and Local Administration, Thiru. N. Narayanan, Chief Secretary, Tmt.M.Sheela Priya, Secretary, Municipal Administration and Water Supply Department, Thiru. K. Gnanadesikan, Secretary, Finance Department and Thiru V.Thangavelu, Managing Director, Chennai Metropolitan Water Supply and Sewerage Board participated. ♦



**Tamil Nadu
has a record of
perfect maintenance
of law and order and
is spoken of
nationally as a haven
of peace and
tranquillity**

SELVI J JAYALALITHAA
Hon'ble Chief Minister

I have reflected deeply on all the issues which are relevant in the context of this meeting of the National Integration Council, and I have set out my views in detail in my written speech which has been circulated. This may be taken on record and I will just mention a few points in view of the limitations on time. We are meeting against the backdrop of several instances of communal and extremist violence in certain parts of the country, where there is evidence of the direct involvement of external forces of terrorism acting in collusion with misguided anti-social elements. This meeting of the National Integration Council will enable us to reflect and debate on all issues, which are integral to the preservation of our national identity and, indeed, our democratic polity.

Pluralism and an Indian identity — are they antithetical to each other? Can we foster the melding of our diverse faiths and cultural practices into an Indianness which, while not subsuming these many streams will, nevertheless, rise above them all into a mighty river? It seems to me that the National Integration Council would have served some purpose if it could forge such an identity — an identity that would enable us to stand tall in the comity of nations. While we do have to understand the pluralism of Indian society and provide the space for dialogue, I do feel strongly that we ought to be more resolute in ensuring that a set of pan Indian values, epitomising a modern society, are firmly established. Thus the rule of law, the assimilation of science and technology, the commitment to the upliftment of the poor, real equality for women and above all, elimination of terror imposed so ruthlessly by extremists and militants have to be the real common minimum agenda.

Tamil Nadu has a record of perfect maintenance of law and order and is spoken of nationally as a haven of peace and tranquillity. There have been no major incidents of breakdown of law and order in Tamil Nadu and there is a feeling of security amongst the minority communities in Tamil Nadu. This has not happened by accident. It has happened because, under my leadership, the Government of Tamil Nadu has an abiding commitment, political will and determination to maintain communal harmony. In Tamil Nadu the Police have been empowered to act without fear or favour. This is crucial in securing the common minimum agenda of Indian values that I have set out already. I have modernised the Tamil Nadu Police Force in order to enhance its effectiveness and reach. I have also re-oriented the Tamil Nadu Police Force to be ruthless on

lawbreakers but, at the same time, caring and humane in looking after the people of the State, especially those belonging to the weaker sections of Society and the minorities. My initiative in establishing All Women Police Stations and increasing the strength of Women Police Personnel in the Force has had a salutary effect in furthering gender equality and, at the same time, providing complete safety for women in Society.

In Tamil Nadu, I have made it clear that I shall not countenance any compromise with those adopting terror and lawlessness as their weapons. Such organisations have all been banned under the relevant laws. It is as a result of such, resolute action and the clear mandate given to the Police to deal firmly with such subversive elements that, barring a very few localised incidents, Tamil Nadu has remained peaceful on the communal front. I wish to reiterate once again, that we should not be found wanting in our ability to deal with terrorists. It is for this reason that I have firmly held that a special enactment like POTA should have been retained in the legal armoury of the law enforcement agencies.

I am firmly of the view that education plays a very important role in promoting national integration and communal harmony, particularly in our schools. Topics of national integration and communal harmony have been incorporated into the syllabus and textual materials in all classes, in Tamil Nadu. The subjects of national integration, non-violence, peace and harmony are taught in 'Value Education' classes.

As everyone here is aware, the revolutionary Nutritious Noon Meal Programme, which was introduced in 1982 by Puratchi Thalaivar Dr. M.G.R., covering as on date, nearly 84.50 lakh children in schools in Tamil Nadu, has gone a very long way in reinforcing the feeling of oneness and equality amongst children. The free bi-cycle scheme that I have introduced for all students in Standards XI and XII, irrespective of caste and

creed, has encouraged the feeling of oneness in securing a glorious future for our students.

I have always championed the cause of Reservation for Scheduled Castes, Scheduled Tribes, Backward Classes, Most Backward Classes and Denotified Communities, as a clear commitment to prevent alienation of any form in our Society. My Government passed an Act in the Tamil Nadu Legislature in 1994, providing 69% reservation for Scheduled Castes, Scheduled Tribes, Backward Classes, Most Backward Classes and Denotified Communities. My Government took steps to ensure that this law was included in the Ninth Schedule of the Constitution of India. With this background, the recent judgment of the Seven Judge Bench of the Supreme Court calls for careful introspection. I do hope early action will be taken to enact a Central Law, with due protection under Articles 31B and 31C of the Constitution of India, which will empower States to have a say in regulating private professional unaided colleges and providing for reservation for Scheduled Castes, Scheduled Tribes, Backward Classes, Most Backward Classes and Denotified Communities.

I strongly feel that this forum should also have had Gender Equality on its agenda, as this could be a unifying force in a pan Indian context. This is the reason why I have strongly supported the reservation of 33% of seats in the two Houses of Parliament - Lok Sabha and Rajya Sabha, and the State Legislatures for women. May I suggest that double member constituencies by rotation be established, so that we can realise the objective immediately, without being bogged down by the process of de-limitation? We should also incorporate the Rule of Reservation as at present in these additional seats.

The role of the Media and the Press in promoting and fostering positive feelings of communal amity and harmony is indeed very important. The Media must impose their own Code of Conduct in the manner of publication

of news, in the larger public interest of preserving law and order, and of preventing further backlashes.

It seems to me that one of the finest measures to reinforce the feeling of oneness and interdependence is the Interlinking of Rivers. Apart from the well-recognised economic advantages to the country of such a project, this scheme would certainly fire the national imagination. I had spoken of this in Parliament as early as in 1984. Mr. Prime Minister, I congratulate you on forging the Ken - Betwa link between the States of Uttar Pradesh and Madhya Pradesh. Our real ingenuity would lie in linking the Peninsular Rivers — the Mahanadhi with the Cauvery and Gundar River in water starved Tamil Nadu. Mr. Prime Minister, may I appeal to you, Sir, to take the lead and launch a National Project to interlink our Peninsular rivers, which could well herald a new spirit of nationalism and national integration in our country?

To sum up, I would like to emphasise that, if we are to provide a feeling of security for all sections of our Society, and ensure communal harmony and national integration, there must be a strong political will to assert and establish the majesty of the rule of law. It must be made clear that no assault on the territorial and national integrity of the country by any force, external or internal, will be tolerated. We must pursue a policy of secularism that is inclusive in nature, wherein the minorities feel confident that the State will give effect to the safeguards accorded to them by the Constitution, and at the same time provide the space for religious expression without feeling stifled.

Speech delivered by
Selvi J JAYALALITHAA,
Hon'ble Chief Minister of
Tamil Nadu during the
Thirteenth Meeting of the
National Integration Council
held on 31.8.2005 at New Delhi.

**IT IS MY MISSION IN LIFE TO DEDICATE MYSELF
TO THE SERVICE OF THE MILLIONS OF SILENT,
SELFLESS HEROES WHO TOIL SO THAT
WE MAY HAVE FREEDOM FROM
HUNGER - OUR FARMERS, OUR VIVASAYEES.**

SELVI J JAYALALITHAA Hon'ble Chief Minister



It gives me great pleasure to be here today to participate in the Centenary celebrations of the Agricultural College and Research Institute, Coimbatore. The completion of a hundred may mean different things to different people. For instance, to a Test Cricketer, a hundred runs would be a rare distinction and achievement. A few educational institutions may even have crossed a hundred years of existence. But an Institution of Higher Learning that has completed a hundred years in the service of the Farmer and the Farming Community must certainly be looked upon as unique and deserving of the highest praise. This institution can be proud of

illustrious scientists as its alumni. Dr. M.S. Swaminathan, the renowned scientist, Dr. K. Ramaiah, an eminent rice scientist, Dr. T.S. Venkatraman, an outstanding sugarcane breeder, Dr. G. Rangaswami, a brilliant microbiologist, have all walked out of the portals of this great Agriculture College.

The farmer who puts his plough to the earth is indeed the sustaining force behind the very existence of mankind in this world. As the immortal Saint Thiruvalluvar says,

உழவார் உலகத்தார்க்கு ஆணிஅஃது ஆற்றாது
எழுவாரை எல்லாம் பொறுத்து.

that is:

Agriculturists are the linch-pin of the world for they support all others who cannot till the soil.

The people of Tamil Nadu will always recall with fondness and pleasure the memorable and meaningful lines of the song from Puratchi Thalaivar MGR's film "Vivasayee", which beautifully sum up the life of the farmer toiling for the service of Society and I quote:

“முன்னேற்றப் பாதையிலே மனசை வைத்து,
முழுமூச்சாய் அதற்காக தினம் உழைத்து,
மண்ணிலே முத்தெடுத்துப் பிறர் வாழ,
வழங்கும் குணமுடையோன் விவசாயி”

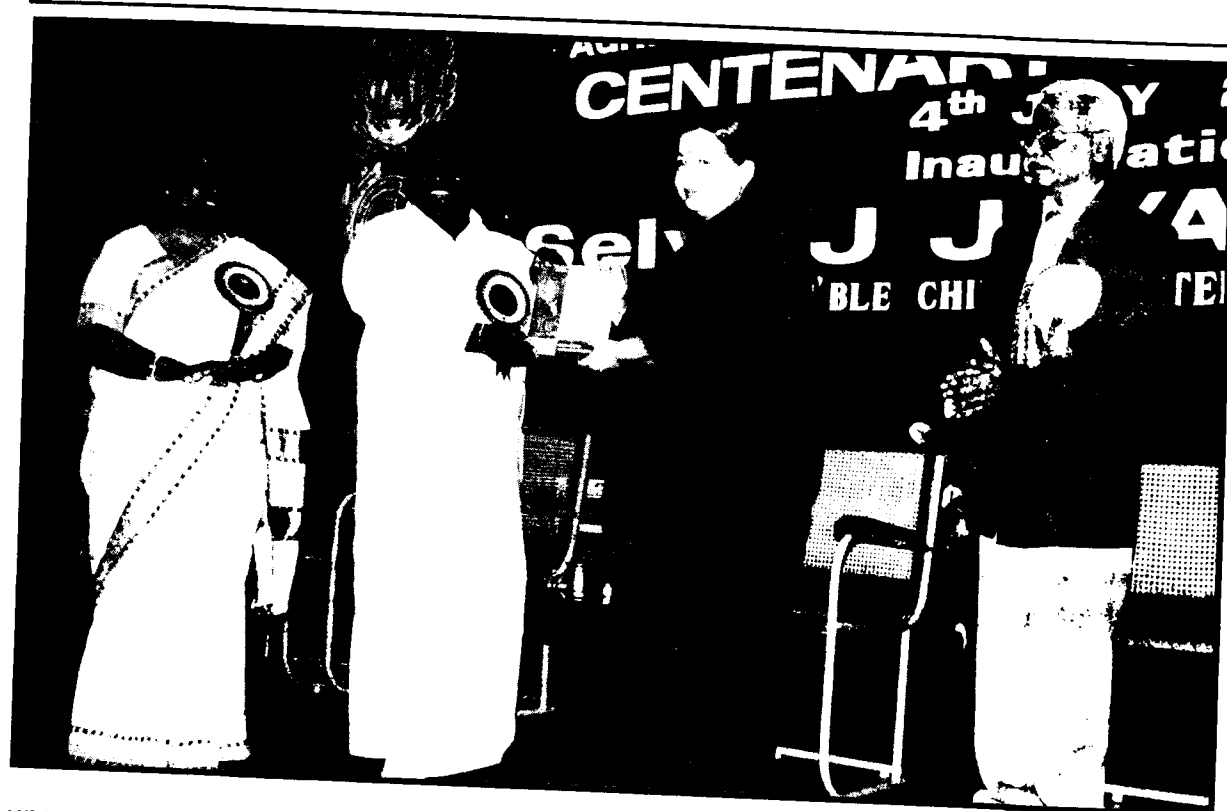
When I was honoured with the Honoris Causa conferred on me by the Tamil Nadu Agricultural University in June, 2003, I considered that honour to be the best I have ever received, since I have always thought of myself, at heart, as an agriculturist. It is my mission in life to dedicate myself to the service of the millions of silent, selfless heroes who toil so that we may have freedom from hunger - our farmers, our *Vivasayees*.

This Institution has come a long way from its days as the Agricultural School in Saidapet in 1868, to the setting up of the Agricultural College in 1906 at the present site, and going on to becoming a University in 1971. In its ten decades of existence, the Agricultural College and Research Institute has rendered yeoman service to the farmers of India. By pursuing a three-pronged strategy of education, research and extension, this Institution enjoys a vibrant, two-way relationship with the agriculturists, playing a dynamic role in taking the efforts of research to the farmer. In keeping with the new challenges facing Indian agriculture like nutritional security, environmental sustainability and becoming market - oriented, new technology - oriented courses are being offered in Agricultural Bio-Technology, Horticulture, Food Processing Engineering, Energy and

Environmental Engineering, Bio Informatics and Biochemical Technology.

This Institution has an outstanding research record, having so far released as many as 269 crop varieties. From GEB 24, the rice variety, popularly known as the 'Kichilli Samba' evolved in 1921, and used in hybridisation programmes throughout the world; TKM 6 Rice variety - the parent line to the world famous IR 20; the ubiquitous cotton variety MCU 5; these are achievements we in Tamil Nadu can all be proud of. By contributing greatly to the formulation of the State's policies in agriculture, this institution is a shining example of a University's contribution to the State's efforts to benefit the farming community.

While the Green Revolution brought food security to India and dramatic increases in yield by the introduction of dwarf varieties of wheat and rice, and hybrids in corn, sorghum and millet, today there are some plateauing trends in the yields of rice and wheat all over the country. There are new challenges in attaining higher levels of grain production. Constraints in water resources for irrigation including falling groundwater levels, soil exhaustion by continuous rice — wheat cultivation, developing biological techniques to enable change over to sustainable agriculture are all challenges which scientists of a premier University, like this University, dedicated to this task should be able to master. In addition, scientists have to contend with the new challenges brought on by global warming and the Greenhouse effect on rainfall, temperature and the sea level. It is now apparent to all of us, laymen or scientists, that we have to come up with imaginative new solutions. I am confident our scientists will be equal to this challenge. Our farmers pin their hopes on your success and you have to push forward in this noble task with the determination that no frontier will be left



unconquered. It is the dedicated work of our agricultural scientists that has ensured that Tamil Nadu today occupies the top place in the All India ranking in productivity of major crops.

At the recent meeting of the National Development Council on 27th and 28th June, 2005, to consider the Mid Term Appraisal of the 10th Plan, great concern was expressed over the poor growth in the Agriculture Sector in the last decade. At this meeting, I suggested the need for out-of-the-box thinking with fresh ideas. In particular, I had stressed the need for better management of water resources, overhauling the agricultural extension system utilising Information Technology, better utilisation of inputs, organic farming, crop diversification, management of micro watersheds and the promotion of drip and sprinkler irrigation. All this has to be supported by superb research, conscious of the fact that time does not stand still.

A paradigm shift is, therefore, necessary in our policies concerning agriculture, to attain a higher growth trajectory. We must

look at alternative crops and a change in cropping pattern, all focused towards the economical use of our scarce water resources. Crop bio-technology must be used to make the vital breakthroughs in both quality and quantity in a sustainable manner. Food security must be replaced by nutritional security for all, with specific positive discrimination for Women and Children. Our policies must be aimed at the preservation of precious water resources, the aggressive development of wasteland areas, group action by Self Help Groups to enhance productivity and to sustain livelihood in rainfed areas.

Water scarcity in Tamil Nadu has assumed very serious, critical proportions. Tamil Nadu's surface water potential has been fully harnessed and, in fact, there is over-exploitation of ground water. Though the Interlinking of Rivers, of which I had spoken in Parliament as early as in 1984, and the construction of the Peninsular River Water Grid are the real solutions to the vexatious problem of floods on one hand and acute water scarcity elsewhere in the

Country. The Central Government has not as yet taken up this project as a mission to be accomplished in a specific time frame. At the recent meeting of the National Development Council and the Inter-State Council at Delhi, I had stressed the need to take up this project urgently. I do believe that for an economy of our size, such a project need not be casually deemed mission impossible. China has done it and we need to put our best foot forward.

It is said that "Time and Tide wait for no Man." I may add, neither can agriculture. That is why, though we had posed a project for modernisation of existing water sources to the World Bank, namely, the Second Water Resources Consolidation Project, even without waiting for the World Bank's approval, I have ordered that we make a beginning this year in the Palar Basin and start a State funded project at a cost of Rs.20 crores.

I have repeatedly been emphasising that our water sources should be protected and improved to serve the community and the needs of farmers. Recognising that tank renovation and rejuvenation with people's participation is, perhaps, the most cost effective and equitable programme to supplement irrigation and also to generate rural employment, I have ordered the taking up of a new programme of deepening and re-constructing irrigation tanks, under the control of the Public Works Department in 2005-2006, at a total cost of Rs.62.50 crores. This will benefit 62,500 acres of farmland.

Over 2000 years ago, the far-sighted, omniscient Saint Thiruvalluvar had referred to the imperative need to make conjunctive use of rain water with ground water and I quote,

இருபுனலும் வாய்ந்த மலையும் வருபுனலும்
வல்லரணும் நாட்டிற்கு உறுப்பு (Unquote)

that is:

The constituents of a kingdom are the two waters (from above and below), well-situated hills and an indestructible fort.

Tamil Nadu faces extreme water stress because of falling levels of groundwater, compounded by successive years of drought. I have, therefore, launched programmes for Rain Water Harvesting, conjunctive use of rain water with ground water and Watershed Development. A mass movement has been launched to save every drop of rain by building Rain Water Harvesting structures all over the State. The watershed approach is essential to utilise the available water efficiently. I have placed the greatest emphasis on this approach to rejuvenate agriculture in Tamil Nadu. A major Watershed Development Programme to ultimately cover 13,206 micro watersheds, covering 66 lakh hectares (1.63 crore acres), with people's involvement has been taken up this year. 1,000 new Micro Watersheds will be treated this year under this programme.

We have about 2 million hectares (49.42 lakh acres) in Tamil Nadu under culturable waste, current fallows and other fallows. Farmers have been unable to utilise this land for production. I recognised that they needed to be brought into the ambit of a Comprehensive Wasteland Development Programme. The Comprehensive Wasteland Development Programme that I launched in 2001 is to provide green cover in the form of tree crops, particularly horticultural crops. This has made good progress with nearly 2.5 lakh acres of wasteland brought under green cover.

Cultivation of alternative crops which are less water-demanding and which provide post-harvest value-addition through agro-processing is another important strategy that my Government has adopted. Sweet Sorghum and Sugar beet are two such versatile crops that require less water



than Sugarcane and which could be utilised to produce Bio-fuel. They are viable alternative crops for farmers used to growing sugarcane. Similarly, Jatropha has proved to be a wonder crop for wastelands under rainfed conditions, growing well even in poor, marginal and degraded soils as an important feed material for the manufacture of bio-fuel. My Government has facilitated the cultivation of Sweet Sorghum and Sugar beet as viable alternative crops. Industrial Houses have been encouraged to enter into Farm Contract Agreements with farmers cultivating these crops providing them an assured market for their produce. These Industrial Houses are implementing programmes to extract ethanol for use as bio-fuels. Likewise, Jatropha based Oil Plants to produce bio-fuel have also been encouraged. This is a major initiative towards sustainable agricultural development which has the potential to bring prosperity to our farmers and to provide employment opportunities to the agricultural labourers and the rural poor.

I would suggest that this University should undertake research to establish clonal seed orchards for these crops and develop mass

multiplication techniques, based on a protocol of tissue culture mode of propagation, in order to ensure easy supply of elite material to growers to popularise this initiative and promote their state-wide replication.

Though contentious issues between developed and developing nations continue to impede viable trade agreements in Agriculture in the World Trade Organisation, there is no doubt that new windows of opportunity do exist for India, particularly in non-traditional exports like horticultural products, cut flowers and organic foods. All these offer exciting new business opportunities to our farmers. In order to promote export of horticultural products, an Agri-Export Zone exclusively for cut flowers in Dharmapuri and Krishnagiri Districts has been established at a cost of Rs.24.85 crores. An Agri-Export Zone for flowers in the Nilgiris has been established with Private Sector participation at a cost of Rs. 15.89 crores. My Government has set up TANFLORA, a joint venture company with the Tamil Nadu Industrial Development Corporation (TIDCO) at Hosur to provide infrastructure facilities like common processing unit and common marketing. It also facilitates leasing of lands

for floriculture units. My Government has signed a Memorandum of Understanding (MoU) with the Agricultural and Processed Food Products Export Development Authority (APEDA) to create infrastructure facilities like cold storage units, reefer vans and common marketing facilities. An Agri-Export Zone (AEZ) exclusively for mangoes has been established covering Theni, Dindigul, Madurai, Virudhunagar, Tirunelveli and Kanniyakumari Districts with Private Sector participation at a cost of Rs.24.60 crores. Similar Agri-Export Zones for grapes, cashew nuts and bananas are being planned in order to boost exports.

As the Agricultural Sector is thrown open to modernisation, commercialisation and technological progress, agricultural marketing gains greater importance now than ever before. In order to give more emphasis to marketing the agricultural produce, and to secure a good price for the same, and to assist the farmer in harvest management, processing and export of agricultural produce, the Commercial Grading Centres are being converted into Post Harvest Technology Information Centres to reflect their new role of educating farmers for adopting post harvest management technologies. We have taken up construction of market complexes for paddy at Madurai and turmeric at Erode. We are also establishing Agricultural Production and Marketing Information Centres in regulated markets across the State with the objective of providing market information to farmers.

The Horticultural Mission launched by my Government focuses on developing technologies to increase productivity, strengthening the transfer of technology, and promoting post-harvest management and marketing linkages. With the success of the Precision Farming Project now being implemented in Dharmapuri and Krishnagiri Districts over an area of 400 hectares at a cost

of Rs.7.20 crores, I have announced that this Project will be replicated in 6 more districts of the State viz., Theni, Vellore, Cuddalore, Erode, Tirunelveli and Thanjavur. The Tamil Nadu Agricultural University would provide valuable research support for its implementation.

I have already spoken earlier of the problem of plateauing yields in rice and wheat and falling productivity because of the deficiency of micronutrients in the soil and overdependence on agro chemicals. The potential of crop bio-technology in the development of transgenic crops, genomics, recombinant DNA technology and marker assisted breeding could provide us with the vital breakthroughs to achieve improvements in both quality and quantity in a sustainable manner. It has created scope for developing crop varieties which are tolerant or resistant to biotic and abiotic stresses. I understand that the University is working on the development of Genetically Modified crop varieties for the benefit of our farmers. May I request you to take up the production of the next miracle hybrid rice variety, as a challenge?

In order to give a boost to research in biotechnology, my Government has established the TICEL Bio Park in collaboration with Cornell University of the United States of America at a cost of Rs.62.50 crores, equipped with the latest equipment to facilitate research in fermentation and microbiology, molecular biology, plant tissue culture with a Greenhouse facility and Training Centre. In order to support women entrepreneurs in biotechnology, a Biotech Park exclusively for women, offering support services for a variety of enterprises, has already been established.

I believe that our policies to achieve nutritional security must have an inbuilt positive bias in favour of women, given the fact that

227197
800 000

women perform a large number of vital functions in the field. The Tamil Nadu Women in Agriculture Project has clearly demonstrated that with adequate training, women excel in acquiring the latest agricultural technologies, thereby increasing production, improving food security and enabling them to realise their full potential as farmers. In Tamil Nadu, my Government has promoted Women Self Help Groups in a big way and today, there are 2,03,080 Women Self Help Groups with 34.10 lakh Women as Members, all over Tamil Nadu. More than 60% of these Self Help Groups are involved in agriculture and agro-based allied activities, including cultivation on leased lands, floriculture, raising of nurseries, fodder cultivation, medicinal plant cultivation, organic vegetable cultivation, mulberry cultivation and tamarind processing, apart from dairying, sheep rearing and coir making. Women Self Help Groups are involved in vital regenerative projects like forest rehabilitation and productive land use programmes. My vision is of empowered Women Self Help Groups playing a major role in fighting drought and environmental degradation and in spearheading a movement towards sustainable agriculture and nutritional security.

Besides Agriculture, the rural economy depends very much on the growth of the Non-Farm Rural Sector. Thus, agro-industry and small production units making an array of products have to be promoted to bring genuine prosperity to rural areas. It is this thought process that led to my announcing the New Anna Marumalarchi Thittam to cover all the 385 Blocks in the State. I am glad that 265 units have already been established at a cost of Rs.173.14 crores and a further 200 units are in the pipeline. This has led to rural

industrialisation, promoting non-farm employment in rural areas. This is a key economic strategy in our fight against poverty.

India has now a proven comparative advantage in the IT Sector. The strength of our Information and Communication Technology (ICT) presents extraordinary opportunities for the Farm Sector. The timely generation and dissemination of information on supply of inputs, weather data, early warning systems regarding drought, natural calamities, pests and diseases; data on prices, input costs etc; can be galvanised by the use of ICT which can improve and strengthen the linkages between rural communities, researchers and the extension network. The power that IT interventions have in improving the life of rural communities has been demonstrated by the Rural Access to Services Through Internet (RASI) Project launched by my Government, in which a young woman RASI Kiosk Operator transmitted through video mail the image of an infected vegetable crop to the Tamil Nadu Agricultural University Extension Centre in Madurai, which resulted in a scientific solution being beamed back and saving vegetable crops worth over Rs.1.50 lakhs. There is bound to be a quantum jump in farm productivity if we can extend integrated ICT services combining the Internet, Community Radio, Cable TV and the vernacular print media to work for the benefit of our farmers.

Despite the limitations of natural endowments in terms of water, Tamil Nadu agriculture has the potential to transform itself and catalyse the growth of a strong and robust rural economy. Our farmers have an endless capacity for hard work and the resilience to combat adversities in any form, whether they be droughts, floods or natural disasters like



*The Hon'ble Chief Minister,
SELVI J JAYALALITHAA
garlanded the statue of
Perarignar Anna on the
occasion of his
97th Birthday Celebrations
on 15.9.2005*

the Tsunami. What is required is a dynamic tripartite partnership between the Farmers, the State and the Scientific Community of this great University to work together and bring about sustainable agricultural development in Tamil Nadu.

Over the last hundred years, the Tamil Nadu Agricultural College and Research Institute has already done very valuable work in transforming the lives of many lakhs of our farmers. I congratulate all the distinguished scientists and researchers who have worked tirelessly to make available valuable information, new seed varieties, modern implements and a scientific package of practices to the farmers of this region and raised the productivity of many crops.

Much history has been made in the portals of this building that houses the Agricultural College and Research Institute. On the occasion of its Centenary, it is in the fitness of things that a Centenary Building be sanctioned

to commemorate this unique occasion. I have the greatest pleasure in announcing a grant of Rs.3 crores to the Tamil Nadu Agricultural University for a new Centenary building.

I wish to thank the Vice Chancellor, Prof. C. Ramasamy, and the entire scientific community and students gathered here today for giving me this unique opportunity to participate in the Centenary Celebrations of this great Institution, to meet all of you, and to share with you some of my thoughts on agriculture, and to be a part of this great heritage. I wish this remarkable Institution several more centenaries in the service of our Farmers, our Society and, indeed, our Mother Earth.

Thank you.

Speech delivered by
SELVI J JAYALALITHAA
Hon'ble Chief Minister of Tamil Nadu
during the Centenary Celebrations of
the Agricultural College and Research
Institute, Coimbatore held on 4.7.2005.



**Tamil Nadu is a
haven of peace
and tranquillity. Peace
and Security are
indeed vital
for the holistic
development
of the State**

- SELVI J JAYALALITHAA
Hon'ble Chief Minister

The Government of India has accepted the request of the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa, to formulate a new Mega Cities Police Modernisation Programme to assist State Government in providing necessary infrastructure and manpower to cope with new challenges posed by rapid urbanisation, which was made by her at the Conference of Internal Security and Law and Order held at New Delhi on 15.4.2005 presided over by the Hon'ble Prime Minister, following this, the Ministry of Home Affairs, Government of India, has now sent a communication requesting the Government of Tamil Nadu to include a sub-plan for Mega City Policing for Chennai under the scheme for Modernisation of State Police Force for 2005-2006, and also has decided to convene a special meeting to discuss this concept in detail at New Delhi during August/September this year.

The Tamil Nadu Police, under the leadership of the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa has achieved the distinction of being acclaimed as the best Police Force in the Country. Since Law and

Order has consistently been given top priority, Tamil Nadu is a haven of peace and tranquility. Peace and Security are indeed vital for the holistic development of the State, and it has been the consistent endeavour of the Government under the leadership of the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa to adopt innovative measures to ensure effective policing in the State and with particular reference to the suburban areas of Chennai.

Consequently, the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa has ordered that 41 Law and Order Police Stations and 7 All Women Police Stations which were part of Chengalpattu East District be brought under the control of the Chennai City Police Commissionerate.

This is another major pioneering scheme of the Hon'ble Chief Minister, who has taken a series of bold and innovative measures to ensure tranquil and peaceful living conditions for the people of Tamil Nadu. Besides the merger of various areas into an unified command, this measure involves re-alignment and re-adjustment of the jurisdiction of the Police administration. The creation of 3 new Police Districts, a new Traffic District and a new Police Sub-Division at Tambaram, will upgrade the policing in Greater Chennai. The Government of Tamil Nadu has sanctioned Rs.22.40 crores to implement this scheme. The Greater Chennai Commissionerate ordered to be created by the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa consists of 155 Police Stations including 34 All Women Police Stations. The new All Women Police Station sanctioned exclusively for Tambaram Police Sub-Division will also start functioning soon.

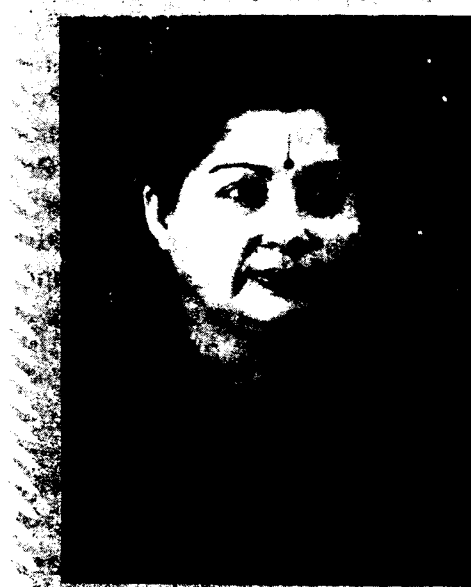
The Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa explained in detail the salient features of this new initiative during the conference on Internal Security and Law and Order held at New Delhi on 15.4.2005, which was presided over by the Hon'ble

Prime Minister of India. The Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa had also pointed out in her speech that this creation of the Greater Chennai Police Commissionerate is unique and the newly created Greater Chennai Police Commissionerate will have the distinction of being one of the largest Metropolitan Police Commissionerates in India. Further, the Hon'ble Chief Minister of Tamil Nadu had emphasised the need for according special consideration and treatment to the Police requirements of Mega Cities. The Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa placed a specific request before the Government of India to consider creating a seperate Mega Cities Police Modernisation Programme to assist the State Governments in providing the necessary infrastructure and manpower to cope with the new challenges posed by rapid urbanisation.

The Government of India has accepted this specific suggestion by the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa regarding the need for giving an impetus to tackle the policing issues of Mega Cities. Pursuant to this, in its letter dated 12.5.2005, the Ministry of Home Affairs has requested the Government of Tamil Nadu to send a sub-plan for Mega City Policing for Chennai City under the overall scheme of Modernisation of Police Force for 2005-2006. Further, the Government of India has decided to hold a special meeting in New Delhi to discuss this in detail during August/September this year.

The acceptance of this concept of a sub-plan to cater to the special problems of Policing in Mega Cities is yet another triumph for the vision and innovative brilliance of the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa. This also highlights the fact that Tamil Nadu is a pioneering State in adopting innovative and path breaking measures for ensuring the security and well being of the people of the State.

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PROTECTION OF SERVICES TO THE PUBLIC HAD TO BE PARAMOUNT IN ANY SCHEME OF GOVERNANCE

STATEMENT OF
Selvi J JAYALALITHAA
Hon'ble Chief Minister of Tamil Nadu
on 18.7.2005

I had initiated a new chapter in the relationship between the Government and its employees and teachers in my detailed statement in October, 2004. I had made it clear that while on the one hand all employees have to be encouraged so that they have a better quality of life and can serve the people better, on the other hand we have to ensure that adequate benefits reach the poor promptly. The challenge of good governance is to ensure that a proper balance between these requirements is actually found. I had appealed to the Government employees and teachers who form the backbone of the Government's service delivery system to recognise this basic principle of good governance. The Employees Unions and Teachers Associations have greatly welcomed this new approach which I had set out in October, 2004.

I wish to recall the unprecedented fiscal crisis that my Government had to face in May 2001. The previous DMK Government had made various announcements of providing new benefits to Government employees and teachers without any capacity to honour them. This led to a situation of arrears being postponed. This also led to a situation where the State treasury could not even honour cleared payments and even salaries. The unmanageable situation had to be set right by firm measures as otherwise the State would have completely collapsed. It was in this context that I had counselled patience on the part of the Government employees and teachers so that the fiscal position could first be set right and thereafter improvements/benefits for them considered.

Unfortunately, in July 2003, despite my appeal, some Unions of Government Employees and Teachers Associations decided to enter upon a strike instigated by certain political leaders. My Government was left with no other choice but to establish the principle that the Government, Government employees and teachers should always remember that their first duty is to serve the people who are our real masters. This salutary

principle that all of us should never, under any circumstances, cause inconvenience to the public was established in this background in July, 2003. At that time the Government had to invoke the Tamil Nadu Essential Services Maintenance Act, 2002, to ensure that the public do not suffer any inconvenience. Consequently, a Notification was issued under this Act prohibiting a strike in certain essential services. This Notification has been periodically extended and renewed.

Even while invoking the provisions of this Act during the strike of July, 2003, my Government made it clear that the Government bore no ill-will towards Government employees and teachers. This will also be clear from the fact that I announced a general amnesty to even those who had been punished as per the recommendations of the Panel of Judges appointed under the directions of the Supreme Court. This made it crystal clear that this action was only to drive home the point that the protection of services to the public had to be paramount in any scheme of governance.

Once the unreasonable threat of paralysing the services of the Government to the public was removed, I immediately took steps to restore good relations between the Government and Government employees and teachers. Government Employees Unions and Teachers Associations as also all sections of Government employees and teachers have accepted this sound principle of governance and all of them have welcomed my statement of 20.10.2004 as a healing statement restoring good relations between the Government and Government employees and teachers.

A new chapter had thus begun and the Principles are now well accepted all round. It is in this background of full restoration of mutual understanding and co-operation between the Government and Government employees and teachers, that I have decided that there is no further need to keep reminding Government

employees and teachers through a punitive provision of their bounden duty to serve the public without any disruption whatsoever. The notification under Sec. 3(1) of the Tamil Nadu Essential Services Maintenance Act 2002 issued on 24.1.2005 and extended under sec. 3(3) of the Act for a further period of 3 months with effect from 24.4.2005 was in fact in the nature of such reminders. I am now convinced that the Employees Unions and Teachers Associations, together with the entire body of Government employees and teachers, have realised the folly of causing hardship to the people by taking a confrontationist stand and will instead adhere unwaveringly to the path of mutual discussions to resolve outstanding problems. It is with this conviction that I have decided that on the expiry of the existing Notification under the Tamil Nadu Essential Services Maintenance Act on 23.7.2005, no fresh Notification will be issued. I am announcing this far reaching measure in the interest of Government employees and teachers, emboldened by the fact that since October, 2004, when I set out the policy and principle of good governance that public benefit is paramount, there has been great cordiality and understanding between the Government employees and teachers. It is with firm belief and trust in Government employees and teachers that I have embarked upon this bold step. The Government employees and teachers should reciprocate by always adhering to the path of understanding, discipline and good service to the public, resolving any issues only by mutual discussions, totally abjuring practices affecting the public.

As part of this effort to serve the people better by motivating Government employees and teachers to give their best, I have also decided to take a sympathetic view in respect of the request of 1003 Government employees and teachers to treat the period from 25.7.2003 to 10.2.2004 as duty. It may be recalled that in the package of benefits for Government employees that I had announced on 20.10.2004, I had indicated that

the period from 5.7.2003 to 24.7.2003 would be treated as duty in respect of 1,65,533 Government employees and teachers who participated in the strike and rejoined duty on 25.7.2003. Thereafter, in the Budget for 2005 - 2006, my Government had announced that except in respect of those employees and teachers who were dismissed from service and then restored to duty on my intervention, the period of absence of all others who joined later, after the findings of the Panel of Judges were made known imposing certain punishments, would also be regulated as duty as for other employees for whom orders had already been issued.

Now the request of 1,003 Government employees and teachers who were dismissed / removed from service based on the recommendations of the Panel of Judges and then restored to duty on my intervention in February 2004, is that their period of absence may also be treated as duty. I have stated clearly that I believe in motivating Government employees and teachers to render better performance in the service of the public. As part of this effort and in continuation of the drive to promote mutual understanding and co-operation based on the policy that I have enunciated in October 2004, I have decided to accept this request. Thus, in respect of these 1,003 Government employees and teachers the period from 25.7.2003 to 10.2.2004 will also be treated as duty.

I have already announced that with the improvement in State Finances every effort will be made to provide benefits to Government employees. Thus, my Government has been systematically improving the payment of Dearness Allowance to Government employees and teachers. In the Budget for 2005 - 2006, by announcing a Dearness Allowance Instalment of 3% from 1.4.2005, my Government had brought the Dearness Allowance on par with that of the Government of India, progressively reducing the time gap which had arisen earlier. Now the

Government of India has announced a further instalment of Dearness Allowance.

I am now glad to announce that the Dearness Allowance will be enhanced by a further 3%, enhancing it from 64% to 67% with effect from 1.7.2005 and paid in cash. This will apply to all State Government employees and Teachers. This will also apply to teaching and non teaching staff working in aided educational institutions, employees under Local Bodies, Noon Meal Organisers, Child Welfare Organisers, Anganwadi Workers and Village Assistants in the Revenue Department and employees governed by the University Grants Commission / All India Council for Technical Education scales of pay, Teachers / Physical Directors / Librarians in Government and Aided Polytechnic and Special Diploma Institutions. This will also be extended to Pensioners.

An adhco increase of Rs.20 per month for those who are drawing consolidated pay, honorarium above Rs.150 per month as on 1.1.1996 and Rs.10 per month to those who are drawing less than Rs.150 per month will be allowed from 1.7.2005.

The sanction of Dearness Allowance will benefit 12.33 lakh Government employees and teachers and 4.37 lakh pensioners at a cost of Rs.201.23 crores per annum.

I have announced this package in a spirit of goodwill with the specific intention of helping Government employees and teachers to do even better in rendering service to the public. I have a goal - to take Tamil Nadu to the Numero Uno Position in every sphere. Government employees and teachers have an important role to play in taking Tamil Nadu forward and reaching this goal. I want every Government employee and teacher to join me in realising this vision of establishing Tamil Nadu as the Number One State in the country. ❖

SMALL TEA GROWERS PROTECTION SCHEME FOR SMALL TEA GROWERS



- SELVI J JAYALALITHAA
Hon'ble Chief Minister
on 11.7.2005

The tea industry is vital as it provides livelihood for the people of The Nilgiris district. My Government is totally committed to overcoming the multifarious problems confronting the tea industry, providing for the well being of more than 60,000 tea growers who depend on this industry for their economic sustenance and livelihood.

Ever since my Government came to Power again in the year 2001, a series of measures have been taken to diagnose the Problems afflicting the tea industry in The Nilgiris and set right the position dealing effectively with all these issues.

My Government undertook an innovative marketing scheme to provide additional

market access so that the tea growers stood to benefit, in view of the stagnation in the market and the prevailing low prices. Accordingly, in order to boost domestic sales of the Nilgiris tea, my Government took steps to buy made tea from the auction centres through INDCOSERVE and after processing and packaging it, the "Ooty Tea" brand was distributed through all the Public Distribution System (PDS) retailing outlets run by co-operatives in the State. I inaugurated the sale of Ooty Tea on 28.8.2001. This gave the much needed relief to the small tea growers of The Nilgiris.

Similarly, in order to enable small tea growers to get a good price for their tea, as well as to eliminate the middlemen and brokers from the tea auctions, a first-of-its-kind, computer based E-auction Centre called TEASERVE was inaugurated by me on 13.9.2003 at a cost of Rs.1 crore. This is the first such E-auction Centre for tea in the world. I also ordered 50% waiver of Tamil Nadu Sales Tax and 50% waiver of Central Sales Tax (CST) on all sales transactions in this E-auction Centre.

In the context of the steeply falling prices of green leaf tea, during the crisis faced by the tea growers, I wrote to the then Hon'ble Prime Minister of India on 1.6.2002 to extend a subsidy to small tea growers who had been badly affected. As a result of my efforts, the Government of India came forward to extend a subsidy of Rs. 2 per kilogram for green leaf tea sold between February 2004 and May 2004, for a period of four months.

In view of the depressed prices of tea for long periods, it was my Government which urged the Government of India to take up a Price Stabilisation Fund Scheme. This scheme which was launched in 2003 was to provide price support whenever the market prices declined. Eventhough the Price Stabilisation Fund Scheme announced by the Government of India was not as per our

requirement, my Government decided to support small tea growers to join the scheme. Under this scheme, small tea growers were required to pay an initial deposit. With a view to enabling small tea growers to join the scheme, my Government took the entire responsibility of paying on behalf of the small tea growers the initial deposit of Rs.500 in respect of each tea grower. My Government sanctioned an amount of Rs. 1.15 crores to enable 23,000 small tea growers in The Nilgiris to participate in this scheme.

My Government has, therefore, been taking continuous and sustained measures to protect the livelihood and the welfare of small tea growers, safeguarding them against adverse market conditions.

The small tea growers of The Nilgiris have represented to me on 5.7.2005 on the recent steep fall in market prices, which has



seriously affected their livelihood and have requested me to take steps to safeguard them against the adverse effects of this fall in prices.

I have carefully and sympathetically considered the problems of more than 60,000 small tea growers of The Nilgiris district. In order to protect and insulate them from the current steep fall in tea prices and ensure their well being, I have decided to implement a 'Small Tea Growers Protection Scheme' for the benefit of the small tea growers of The Nilgiris district.

Under this scheme, all small tea growers will be paid a subsidy computed at Rs.2 per kilogram of green leaf tea produced and sold by them reckoned on a per acre basis. This subsidy will be paid for a period of six months from the month of July 2005 onwards. Taking the average production at 1400 Kgs. of green tea leaves per acre for a period of 6 months, a total subsidy of Rs.2,800 per acre will be paid to every small tea grower. A small tea grower is one who owns / operates up to 25 acres of tea garden. The subsidy amount will be paid directly to the tea grower. This scheme will come into effect immediately and will benefit 60,000 small tea growers. The estimated total subsidy amount to be disbursed by the State Government to the small tea growers is Rs.28 crores.

As there is an urgent need to intervene on behalf of our small tea growers, I have ordered that this subsidy should be immediately disbursed to all eligible tea

growers. The Government of India's Price Stabilisation Fund Scheme is unlikely to provide any tangible benefit or protection to the small tea growers of The Nilgiris district as it has stringent conditions. The system of price band adopted under this scheme also does not take into account the conditions in The Nilgiris. The amount of relief available to small tea growers under this scheme is also only Rs.1000 per grower, which is totally inadequate in the current situation. A much more liberal approach is necessary and the scheme has to be completely redesigned.

I have also written to the Hon'ble Prime Minister of India today (11.7.2005) and informed him that in the current situation, the Government of Tamil Nadu has launched the new "Small Tea Growers Protection Scheme" forthwith. I have also requested the Hon'ble Prime Minister that the Government of India should reimburse to the State Government the cost of the scheme. As tea is an export earner and is the only source of livelihood in The Nilgiris, I do hope the Government of India will accede to my request to reimburse the cost of the scheme which I have launched.

My Government has always been proactive in ensuring the welfare of small tea growers. It is with this interest that so many measures have been taken in the past. My Government remains committed to working tirelessly for their welfare.

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**Inter-State Council
can be utilised
as an effective forum
in conjunction
with the
Zonal Councils
to develop
new policy approaches
on several
contentious issues**

- SELVI J JAYALALITHAA,
Hon'ble Chief Minister
on 28.6.2005 at New Delhi.

At the outset, I would like to extend good wishes and greetings to all the participants in the Ninth Inter-State Council Meeting convened at New Delhi. My speech which has been circulated may be taken on record.

Mr. Prime Minister Sir, I am glad that the items listed in the Agenda are being taken up in the Inter-State Council established under Article 263 of the Constitution of India. I do wish other subjects such as the Inter-linking of Rivers, resolving outstanding issues on the Reservation Policy, finalisation of the requisite Constitutional Amendment to provide some flexibility in the pattern of Panchayat Raj Institutions etc. raised in the Zonal Council could have been part of the agenda. In fact, this raises the need for closer integration of the functioning of the Inter-State Council and the Zonal Councils.

Transforming Government is not an easy task. I have often wondered at the lack of accountability in the way Government institutions function. The action plan sets out the reform priorities which I broadly endorse. However, I wish to reiterate that accountability has to be the guiding theme. On the question

of Civil Service Reforms we should insist on quality of performance and accountability rather than end up being over protective. The lower bureaucracy has to be motivated and driven to be people centric lest people perceive it as an oppressive system.

The second package of reform is meaningful. In Tamil Nadu, we have given emphasis to this package to promote growth.

It is in the arena of Citizen Centric Government that we can make dramatic headway. In Tamil Nadu, we have been implementing most of the reforms suggested and gone even further. We have to harness Information Technology to make possible e-Governance initiatives which are citizen centric. In Tamil Nadu, I have launched several e-Governance initiatives and some of these, namely, RASI and TAMIL NILAM have been mentioned in the Agenda Notes.

On the second item in the Agenda, I wish to highlight the fact that we are meeting in the aftermath of the tsunami tragedy which struck the Tamil Nadu Coast with no warning. The response of my Government was swift and multifaceted earning universal acclaim. While our response in dealing with the terrible tsunami attack has been extraordinary, it reinforces the point that there is a need for a good institutional mechanism to deal with such disasters. There is no doubt that preparedness has to be the guiding principle. We have taken action on all the points which have been covered in the presentation.

I welcome the introduction of the Disaster Management Bill, 2005 in Parliament. We are in the process of preparing a similar

legislation on this subject and we shall take this up shortly. I note that a National Disaster Response Force is to be constituted. I would like to suggest that State Level Disaster Response Teams should also be constituted for which 100% financial assistance should be provided.

The presentation on disaster preparedness, indicated establishment of a Tsunami Warning Centre. Mr. Prime Minister, I have written to you about this. It should be located at Chennai.

I also feel strongly that while the Union Government preaches the mantra of greater decentralisation by States to Panchayat Raj Institutions, it does not similarly practise decentralisation by providing States with greater powers to be more responsive to the people. Our suggestions on how laws should be made on the subjects in the Concurrent List may please be taken into account.

I would like to place on record our appreciation of the efforts by the Ministry of Water Resources in amending the Inter-State Water Disputes Act, 1956. It is now incumbent on the Union Government to implement the orders of the Tribunal, according to it the status of an order of the Supreme Court. May I request the Hon'ble Prime Minister to ensure that the interim order of the Cauvery River Water Disputes Tribunal is implemented with the full force of an order of the Supreme Court?

I would like to conclude emphasising that the Inter-State Council can be utilised as an effective forum in conjunction with the Zonal Councils to develop new policy approaches on several contentious issues. ♦

**TAMIL NADU HAS BECOME THE FAVOURED
DESTINATION FOR INTERNATIONAL
SPORTING EVENTS**



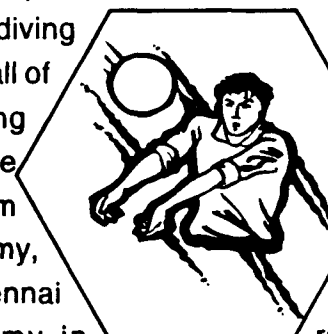
SELVI J JAYALALITHAA Hon'ble Chief Minister

I am very happy to participate in the inaugural function of the World Championship Qualification Volleyball Tournament for Senior Men being held in Chennai in two phases from 24th June to 26th June and from 1st July to 3rd July 2005. I understand that this is the first ever occasion that the World Championship Qualification Tournament for Senior Men in the Volleyball event is being held in India. I congratulate the Volleyball Federation of India and its President Dr. B. Sivanthi Adityan for taking the initiative to bring this grand event to India and Chennai. I am particularly, glad that this historic first in Indian Volleyball history is

being realised in Chennai. I would like to think that this is because of the world-class infrastructure that my Government has developed which has enabled the International Volleyball Federation to select Chennai as the venue for holding this prestigious tournament.

Tamil Nadu is well known for its rich tradition, heritage, culture and hospitality and I am glad that the International Volleyball Federation which governs the game globally has bestowed the honour of conducting this tournament on Chennai. This world-class Jawaharlal Nehru Stadium complex

comprises an Open Air Stadium which can accommodate 40,000 spectators and an Indoor Stadium which can accommodate 8000 spectators. This Stadium Complex has been the venue for several international competitions like the Jawaharlal Nehru International Invitation Football Tournament, the International invitation Athletic Meet, the South-Asian Federation Games held in 1995 and other international tournaments. I am also happy to recall that this world class facility was created by my Government in 1993 along with 4 other International Standard Sports Stadia during the period 1994-1995 including the Hockey Stadium with Astro-Turf, a Tennis Stadium with synthetic surface and an Aquatic Complex with a racing pool, diving pool and a warm up pool. A Hall of Chess and a Hall of Fencing have been established in the Jawaharlal Nehru Stadium Complex. A Squash Academy, a Swimming Academy in Chennai and a Badminton Academy in Madurai have also been established with Private Sector participation.



My Government accords the highest importance to the development of Sports and I have always encouraged and facilitated the conduct of International Tournaments in the State. I consider that the holding of International Sports Tournaments in the State showcases its ability as an International destination for sports events. The holding of such events also gives opportunities to the sportsmen and sportswomen of Tamil Nadu to directly witness competitive sports at the International level motivating and inspiring them to scale greater heights. It is for this reason that my Government has come forward to sanction a sum of Rs.1.41 crores towards the successful conduct of this Tournament. I have no doubt that the World Championship Qualification Volleyball Tournament for Senior Men being held in Chennai will inspire the youth and local sports talent of Tamil Nadu to actively participate in the game resulting in its overall popularity being enhanced all over the State.

It is because of the creation of such world-class facilities that Tamil Nadu has become the favoured destination for International Sporting Events. In January, 2005 Chennai hosted the first Chennai Open (ATP-Association of Tennis Professionals) Tennis Tournament establishing Chennai as the Tennis Capital of India. Today we have the honour of hosting the World Championship Qualification Volleyball Tournament for Senior Men in India for the first time in the annals of Indian Volleyball history.

My Government has also taken a number of steps to strengthen the sports infrastructure in the State as well as to provide a well structured scheme of cash incentives and prizes awarded to sports persons who have excelled and brought laurels to the State at the National and International levels. In order to encourage and honour meritorious sports persons of Tamil Nadu who have won medals in the Olympic Games, Asian Games, South Asian Federation Games, Commonwealth Games, the World Athletic Meet and the National Games, high cash incentive prizes ranging from Rs.25,000 to Rs. 1 crore have been



volleyball games of the highest standard. On behalf of the people of Tamil Nadu I wish to convey our thanks to the International Volleyball Federation and the Volleyball Federation of India who have made it possible for Chennai to host this sporting event. I also extend to the International participants from China, Thailand, and Indonesia a warm welcome

awarded to a number of medallists. I wish to point out that this scheme not only covers the sports persons who win medals but also the coaches who are responsible for moulding the sports persons. Chess Grandmasters are being given Rs.5 lakhs when they attain the 'Grandmaster Title'. During the period May, 2001 to June, 2005 a sum of Rs.2.53 crores has been given in the form of cash prizes to 254 sportspersons who have won laurels in National and International events. Under the "Champions Development Scheme" that was announced by me, sportspersons who have secured medals at the National level and show the potential to develop further and achieve laurels at the International level are being assisted. On my instructions, the Sports Development Authority of Tamil Nadu has taken efforts to bring in International Coaches to give Coaches in Tamil Nadu exposure to international training standards and latest developments in advanced coaching. These measures taken by my Government will, I am sure, inspire our sportspersons to become champions.

Over the next few days the people of Chennai visiting sportspersons and people from all over India will witness exciting

to the culturally rich city of Chennai where you will experience the traditional warmth and hospitality of our people. Our countries share a common Asian cultural tradition and I am sure that a visit to some of our temples and architectural heritage sites near Chennai will be a most enjoyable and rewarding experience for you as will our traditional Tamil Nadu cuisine. I wish you all a happy and memorable stay here in Chennai.

I have no doubt that this World Championship Qualification Volleyball Tournament for Senior Men will produce a number of exciting matches between the world renowned teams. I extend my good wishes to the participating teams. With these words, I hereby declare the World Championship Qualification Volleyball Tournament for Senior Men, open.

Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the Inaugural Function of the
World Championship Qualification
Volleyball Tournament for
Senior Men held at Chennai
on 23.6.2005



WE ARE CONFIDENT OF TAKING THE STATE ON TO A HIGHER GROWTH TRAJECTORY WHILE AT THE SAME TIME ACHIEVING RAPID REDUCTION OF POVERTY

SELVI J JAYALALITHAA, Hon'ble Chief Minister

It gives me great pleasure to participate in this the 51st Meeting of the National Development Council convened mainly to consider the Mid-Term Appraisal of the X Plan. The Mid-Term Appraisal document brought out by the Union Planning Commission is a fresh stocktaking of the state of the economy and the direction we need to take to ensure higher growth momentum to the economy. The Hon'ble Prime Minister has flagged certain key issues

and sought the comments of the Chief Ministers at this meeting. My speech has been circulated and may please be taken on record. It sets out in detail the views of the Government of Tamil Nadu on all the issues raised, I would like to briefly highlight some of the main points.

There is no doubt that if the objective of growth with equity with real meaning to the millions of poor is to be achieved, the



Cauvery and thereon to the Gundar River will bring new life to the entire Peninsula. This has to be given priority and taken up rather than State specific projects.

I entirely agree that the Micro Watershed Programme has to be revamped and launched afresh on a massive scale. In Tamil Nadu we are taking up 1000 Micro Watersheds this year.

focus has to be placed on Agriculture, Irrigation and Rural Development. The Appraisal Document rightly expresses concern over the decline in growth in Agriculture. How can we generate new momentum in this sector? This requires some out of the box thinking with fresh ideas. I find that although rehabilitation of the existing irrigation systems is mentioned as a priority issue, we have made no headway in getting the rehabilitation of irrigation systems included under the Accelerated Irrigation Benefit Programme, although I have brought this up repeatedly. I would like the Water Resources Consolidation Project — II to be given highest priority as it seeks to use available water resources more efficiently.

There is a mention of Mega Irrigation Projects, but these are State specific. Why is it that the project for Interlinking of Rivers is being put into cold storage? Mr. Prime Minister, the link from the Mahanadhi to the

The Hon'ble Prime Minister has raised the issue of agricultural diversification. I have placed the highest emphasis on crop diversification. I have also written to you Sir, about this. We need a package of incentives and support to promote agricultural diversification. The programme to promote bio-diesel is right. I welcome this. In Tamil Nadu, I have actively promoted the cultivation of Sugar Beet and Sweet Sorghum to replace Sugarcane and Jatropha in rain-fed areas.

I wish to sound a note of caution regarding the policy perspective on fertilizer pricing and recommendations on restructuring of the Public Distribution System which are found in the Appraisal Report. We should not jump into targeting fertilizer subsidy as this will be perceived as going against farmers. I am totally against any move to increase the price of rice in the Public Distribution System or to curtail the coverage to a particular area. We should remember that not long ago when we were confronted by successive droughts it was

the Public Distribution System that kept starvation away. We have to tread cautiously in attempting any restructuring. It is better that nothing is done in a rush.

In the long term, steps have to be taken to set right the losses in irrigation and in water supply schemes. My Government has already undertaken the necessary modifications in 2003 to reduce the losses.

I endorse the concern expressed by the Hon'ble Prime Minister on the need to rejuvenate support systems in agriculture extension, credit and delivery systems of inputs. The exciting potential offered by Information Technology has to be fully harnessed in modernising the agriculture extension system. I concur with the view that the extension services have to be completely overhauled. We are doing this in Tamil Nadu.

Farm Credit has become a problem issue in the context of successive droughts. I would like to plead for debt relief to the farmers. The recommendations of the Task Force which went into the working of the Co-operative Credit System are before us. Unfortunately there are no recommendations on reducing the debt of farmers. Extremely harsh eligibility conditions have been set. This will virtually mean dismantling the Co-operative Credit System. The recommendation, that States should exit from the Co-operative Credit System by taking back their equity is unwise. I do feel all these issues have to be gone into in great detail in a different forum.

In Tamil Nadu, I have launched two new programmes directly targeted at the poor in

order to achieve the goal of rapidly reducing poverty. It seems to me that the Mid-Term Appraisal Report does not give much credit to direct interventions. The success achieved by Self-Help Groups with Micro Credit Programmes makes us believe that even greater emphasis has to be placed on livelihood support programmes.

Mr. Prime Minister, you have launched the Bharat Nirman Programme. I welcome this. But for a State like Tamil Nadu, it cannot have much meaning unless a subset of different goals is enumerated. For example, in respect of roads in the Tamil Nadu context the goal should be to cover habitations with a population of 250 people rather than 1000 which we have already achieved. I find that in irrigation with our surface water potential completely exhausted the question of new irrigation potential does not arise. Should there not be a different strategy? I request that these issues be considered in detail while drawing up the programme for a State like Tamil Nadu.

I welcome the concept of employment guarantee enabling every adult member of each poor household to access employment at least for 100 days in a year. There are certain features in the announced scheme which require modification. The scheme envisages that the payment of unemployment allowance shall be the responsibility of the State Government. It is our considered view that the payment of any such unemployment allowance should also be fully funded by the Central Government. The scheme announced envisages that

25% of the cost of the scheme has to be borne by the State Government. This will constitute a huge financial burden on the States. The contribution by the State should be reduced to 10%. It should be mandated that women beneficiaries should constitute at least 50% of those covered under the programme. The nature of employment should be expanded to include various rural services so that greater flexibility is available. These are my views which need to be incorporated in the proposed law on the subject of providing employment guarantee.

The Hon'ble Prime Minister has raised the issue of establishing mechanisms to price power and water. We should be conscious that we are just recovering from a debilitating drought in successive years. Let us therefore move slowly in this matter. This should not be abruptly implemented.

Several issues relating to the Social Sectors have been raised. Tamil Nadu has been consistently a star performer. Tamil Nadu ranks third based on the Human Development Index. We are well on track in achieving the Millennium Development Goals in advance of the target year. Even in respect of other goals in these Sectors we are doing extremely well. The Union Minister of Human Resource Development has praised Tamil Nadu's performance in



implementing the Sarva Shiksha Abhiyan. I have set out my detailed views on the issues raised by the Hon'ble Prime Minister in my speech. In particular, we have addressed the problem of controlling teacher absenteeism and the need for taking steps to improve teaching quality. I agree that we have to be innovative in dealing with the increased requirement for Secondary Education and can seek private partnership. Our system of Aided Schools is a good model and can be adopted with modifications. The National Rural Health Mission needs to be backed by adequate funding and should include in its scope Indigenous Systems of Medicine. The idea of having a National Sanitation Mission is welcome.

Mr. Prime Minister, you referred to the maternal mortality rate. I am glad to inform you that in Tamil Nadu, we have taken new initiatives to bring this down further. The Mid-Term Appraisal document itself, highlights Tamil Nadu's initiative, of 24 hour obstetric care in Primary health centres.

It is our objective that every rural area can access such centres in quick time.

It is equally important that we focus on skill development and vocational education. The programme for upgrading 100 Industrial Training Institutes is to be welcomed. It needs to be enlarged urgently.

We have been innovative in involving Panchayat Raj Institutions in all development programmes. We have taken a practical approach by launching the Namadhu Gramam Programme which empowers Village Panchayats and Gram Sabhas.

Infrastructure is a key concern. Very many suggestions on the Electricity Boards and the Power Sector have been made. All these flow from the basic premise that competition has to be encouraged in this Sector.

While not questioning the economic rationale, I do wish to emphasise that we need to be clear on the vision for this Sector. This can come about only with a better dialogue on what is sought to be achieved in a time frame in terms of outcomes relevant to the consumers.

In Tamil Nadu we have taken rapid strides to encourage Public Private Partnerships. We are putting together a policy framework which will promote such partnerships. Mr. Prime Minister, some of the best examples of Public Private Partnership have been completed successfully in Tamil Nadu. The Thiruppur Water Supply Project which has just been completed is an outstanding example.

Mr. Prime Minister, you have referred to the National Urban Renewal Mission. I welcome this. The focus on slum development is right. We need better funding.

I am a bit dismayed that the Metro railway is discussed only in the context of Delhi and Kolkatta and in passing, Bangalore. May I request an early start to the Chennai Metro for which a DPR is almost ready?

The Deputy Chairman of the Planning Commission has referred to the need for investment in Railways. I cannot see why, a dedicated freight rail corridor, linking Chennai to Delhi, and Chennai to Mumbai, is not being planned. This should also be taken up at once. The South needs to be and must be linked to other market.

I also wish to make use of this opportunity to request the Hon'ble Prime Minister to urgently consider and accord approval for some major infrastructure projects of Tamil Nadu, namely, the New International Airport at Chennai, an Aviation University at Madurai, the Tuticorin Hub Port, and the Automobile Testing Facility and Automobile Test Track at Chennai. I also request the establishment of the Southern Gas Grid with Chennai as the Hub with an LNG Terminal on a priority basis.

Before I close, I would like to draw attention to the fact that this year the loan component of Central Assistance which has been offloaded from the Union Budget has not yet been settled. Clearly this decision should have been taken only in the National Development Council. Even so, may

I request that the normal loan component be allowed to be raised as such from the market? Today there is still confusion on how this will be raised following some new linkage with the total borrowing limit of the State. This has to be resolved immediately.

Mr. Prime Minister, as you are an eminent economist, I do not have to tell you that debt goes with growth. Sustainable debt, consistent with growth has to be the mantra. It cannot be that debt levels are frozen without reference to the growth achieved. There has to be some rethinking on this whole issue more so in the context of the prescriptions of the Twelfth Finance Commission.

While we should strive for the development of all regions, I do not agree with the policy of exclusion that is now being followed. A State which does well is increasingly shut out finding every avenue to access resources being closed. The Twelfth Finance Commission has already extended substantial grants to select States. The Union Planning Commission is also proceeding to do so. This is leaving us adrift, disturbed and distressed. In the context of the Backward Regions Grant Fund, I would like to point out that 13 districts in Tamil Nadu should be considered eligible adopting the same criteria as per the Rashtriya Sam



Vikas Yojana (RSVY). The new approach seems to restrict the number of districts in Tamil Nadu. We cannot lose sight of balanced development within a State.

I have attempted to quickly cover the entire ground with specific reference to the issues raised by the Hon'ble Prime Minister. I do hope this meeting will enable us to draw up fresh approaches to attain the goal of higher growth with equity. In Tamil Nadu the GSDP has grown by 8.73% in 2004-2005 and we are confident of taking the State on to a higher growth trajectory while at the same time achieving rapid reduction of poverty.

Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
during the 51st Meeting of the
National Development Council
held on 27.6.2005 at New Delhi

I called on the Hon'ble Prime Minister of India, Dr. Manmohan Singh at 10.00 A.M. on 26.7.2005 at New Delhi. I led a delegation of Senior Ministers, Members of Parliament belonging to the AIADMK Party accompanied by senior officials of the Government of Tamil Nadu. I urged the Hon'ble Prime Minister to immediately intervene and ensure the release of water by the Government of Karnataka in the Cauvery river to Mettur Dam as per the Interim Order of the Cauvery Water Disputes Tribunal.



Statement of
SELVI J JAYALALITHAA
Hon'ble Chief Minister

I presented a detailed Memorandum to the Hon'ble Prime Minister pointing out the need for urgent action to ensure release of water in the Cauvery to Mettur Dam by the Government of Karnataka to enable the farmers and agricultural labour in the areas of Tamil Nadu in the Delta Districts to start agricultural operations forthwith for their Kuruvai or short term crop.

I pointed out that in the Memorandum it has been highlighted that the Government of Karnataka has not adhered to the Interim Order of the Cauvery Water Disputes Tribunal. It has not adhered to the Interim Order even once since the order was given in the year 1991, and that the deficit to be released to Tamil Nadu as on 25.7.2005 is 24.32 TMC ft. of water. This deficit in all releases of water by the Government of Karnataka had denied the farmers of the Cauvery Delta districts the chance to raise

the Kuruvai crop this season. If the deficit is made up immediately through releases from the Reservoirs in Karnataka, the farmers in Tamil Nadu can even now take up cultivation of the traditional Kuruvai crop. I drew this specific attention of the Prime Minister to the fact that this year the Monsoon has been normal in Karnataka and the Reservoirs in Karnataka have received good inflows. I highlighted the fact that with the comfortable storage position

in the Reservoirs in Karnataka and further copious inflows, the Government of Karnataka ought to release the prescribed quantity of water to Tamil Nadu as per the Interim Order of the Cauvery Water Disputes Tribunal. I also stressed that the water should be released from Krishnaraja Sagar Reservoir and the Kabini Reservoir making up the deficit at once. I urged the Hon'ble Prime Minister of India to immediately intervene in the matter with the following repeated requests to ensure justice to the farmers and agricultural labour of the Cauvery Delta Districts of Tamil Nadu.

I urged the Hon'ble Prime Minister that the Government of Karnataka

should be directed at once to release 24.32 TMC ft. of water being the deficit due to Tamil Nadu at this stage, as per the Interim Order of the Cauvery Water Disputes Tribunal and I stressed that should be through specific releases from all the Reservoirs of Karnataka, particularly, Krishnaraja Sagar in addition to the flows from the Kabini Reservoir.

I also urged the Hon'ble Prime Minister of India to direct the Government of Karnataka to ensure further releases as per the monthly / weekly schedule prescribed in the Interim Order of the Cauvery Water Disputes Tribunal.

I requested the Hon'ble Prime Minister of India to immediately convene the meeting of the Cauvery River Authority to ensure that Karnataka complied with these directions to release water to the Mettur Dam as per the Interim Order of the Cauvery Water Disputes Tribunal.

The Hon'ble Prime Minister indicated that he shared my concern over the situation of the farmers and agricultural labour in the Cauvery Delta districts. He indicated that he had noted my point that the Cauvery

Delta farmers had not been in a position to raise the Kuruva crop for the past four years. He indicated that an equitable solution had to be found and that he was in touch with the Hon'ble Chief Minister of Karnataka. The Hon'ble Prime Minister indicated that a team of officials led by the Hon'ble Union Minister of Water Resources would be deputed to Karnataka.

I clarified to the Hon'ble Prime Minister that this was not a distress year and that the monsoon was normal in Karnataka. Further, in the last few days, the monsoon has been very active leading to copious inflows into the Reservoirs of Karnataka. I, therefore, insisted that the deficit in release to Mettur Dam should be made good immediately from the Reservoirs in Karnataka, particularly from Krishnaraja Sagar.

I emphasised that there cannot be any further delay. The water release has to be immediate to enable opening of the Mettur Dam to enable farmers of the Delta districts to take up farming operations at once. I stressed that there was distress in Tamil Nadu whereas the situation in Karnataka is comfortable.

I also insisted that the Hon'ble Prime Minister as Chairman of the Cauvery River Authority should convene a meeting of the Authority forthwith to monitor the immediate implementation of the urgent directions to Karnataka to release the deficit due to Tamil Nadu.

The delegation which accompanied me consisted of Thiru O. Panneerselvam, Hon'ble Minister for Public Works, Prohibition & Excise and Revenue, Thiru C. Ponnaiyan, Hon'ble Minister for Finance, Thiru D. Jayakumar, Hon'ble Minister for Law & Information Technology, Thiru K. Pandurangan, Hon'ble Minister for Agriculture, Thiru R. Vaithilingam, Hon'ble Minister for Forests & Environment, Thiru P. Annavi, Hon'ble Minister for Labour, Members of Parliament belonging to the AIADMK Party, Thiru N. Narayanan, Chief Secretary, Government of Tamil Nadu, Thiru N.S. Palaniappan, Secretary, Public Works Department, Thiru A. Mohanakrishnan, Chairman, Cauvery Technical Cell and other officials of the Government of Tamil Nadu. □

Memorandum

on

CAUVERY WATER RELEASE



This Memorandum is to draw the immediate attention of the Hon'ble Prime Minister of India and the Government of India for urgent intervention to ensure the release of water legitimately due to Tamil Nadu in the Cauvery river by the Government of Karnataka, in accordance with the Interim Order of the Cauvery Water Disputes Tribunal.

The entire economy of the Cauvery irrigated Districts in Tamil Nadu, revolves around the lifeline

provided by the river Cauvery. From time immemorial an ancient civilization has been nurtured in the Cauvery Delta, essentially based on the flow in the river Cauvery. Rice cultivation in the Cauvery Delta based on the flow in the Cauvery river is thus steeped in antiquity. The Kuruva crop starting in June, followed by the Samba crop has always been the practice in the Cauvery Delta Districts. The farmers of the Delta Districts have been denied the Kuruva crop in the last four years. This has shattered the economy of the Delta Districts, affecting both farmers and agricultural labour dependent on cultivation of the Kuruva crop in June followed by the Samba crop. Without this cultivation, there is no alternate means of livelihood for lakhs and lakhs of farmers and agricultural labour. It is our bounden duty to protect the means of subsistence of the farmers and agricultural, labour of the Delta Districts.

As the State of Karnataka continued to deny Tamil Nadu its due share of water in the Cauvery, the dispute was gone into by the Cauvery Water Disputes Tribunal. In view of the gravity of the situation, the Cauvery Water Disputes Tribunal in its Interim Order dated 25.6.1991 directed that Karnataka shall ensure that 205 TMC ft. of water is made available at Mettur Reservoir from the Reservoirs in Karnataka in an irrigation year, from June to May, effective from July 1991. It is most important to note that the Cauvery Water

Disputes Tribunal simultaneously directed that the quantity prescribed by the Tribunal should be released in a stipulated monthly pattern and the monthly quantum shall be supplied on a week by week basis and the deficit in any one week has to be made good in the following week. This Interim Order of the Cauvery Water Disputes Tribunal has all the force and effect of an order of the Supreme Court of India. It has to be implemented in letter and spirit.

The normal date of opening of the Mettur Dam in Tamil Nadu is 12th June and based on the release of water, the Kuruvai crop cultivation is taken up in the Cauvery Delta Districts. This year, the Mettur Dam could not be opened on the scheduled date. Even at this stage, we have still not been able to open the Mettur Dam for the Kuruvai crop. This is solely because the Government of Karnataka has not released the water in the Cauvery river as per the schedule prescribed by the Cauvery Water Disputes Tribunal in its Interim Order. This is a most unfortunate situation which has to be immediately set right.

On the request of the Government of Tamil Nadu, a meeting of the Cauvery Monitoring Committee was convened on 23.6.2005 at New Delhi. At this meeting, it was highlighted that Karnataka should ensure monthly/weekly releases as per the Schedule prescribed in the Interim Order of the Cauvery Water Disputes Tribunal. The importance of timely release of water as per the schedule is critical to the farmers of the Cauvery Delta Districts. Delaying the release is justice denied. This cannot be allowed to happen. Thereafter, on 8.7.2005, the Secretary, Ministry of Water Resources, Government of India, who is also the Chairman of the Cauvery Monitoring Committee, informed the Chief Secretary, Government of Tamil Nadu, that he had written to the Chief Secretary, Government of Karnataka, on 4.7.2005, pointing out the deficit in the release of water to Mettur Dam by the State of Karnataka. In this letter, he had also suggested release of water from the Reservoirs in Karnataka to Mettur Dam to ensure compliance with the Interim Order of the Cauvery Water Disputes Tribunal.

On the occasion of the meeting of the National Development Council at New Delhi on 27.6.2005, the Hon'ble Chief Minister of Tamil Nadu requested the Hon'ble Chief Minister of Karnataka to release Tamil Nadu's legitimate share of water in the Cauvery. The issue was raised by the Hon'ble Chief Minister seeking the Hon'ble Prime Minister's intervention at the meeting of the National Development Council on 27th and 28th June, 2005, and at the meeting of the Inter-State Council on 28th June, 2005. The Hon'ble Chief Minister of Tamil Nadu had also written to the Hon'ble Chief Minister of Karnataka on 6.7.2005 recalling the discussion at New Delhi and requesting him to release water as per the prescribed schedule in the Interim Order of the Cauvery Water Disputes Tribunal.

The Hon'ble Chief Minister of Tamil Nadu has repeatedly brought to the notice of the Government of India and the Hon'ble Prime Minister of India the need to implement the Interim Order of the Cauvery Water Disputes Tribunal, which has all the force of an order of the Supreme Court of India. Again this season, the Hon'ble Chief

Minister of Tamil Nadu has brought the situation to the specific notice of the Hon'ble Prime Minister by a D.O. letter dated 15.7.2005. The Hon'ble Chief Minister has sought the immediate intervention of the Hon'ble Prime Minister to ensure that Tamil Nadu obtains its legitimate share of water in the Cauvery river, according to the Interim Order of the Cauvery Water Disputes Tribunal.

The Government of Karnataka has not released the water as per the prescribed schedule in the Interim Order of the Cauvery Water Disputes Tribunal. Only some surplus water from the Kabini Reservoir has overflowed to the Mettur Dam. As on 25.7.2005, the quantity that should have so far been released by Karnataka is 45.80 TMC ft. As against this, the quantity actually received at Mettur Dam is 21.48 TMC ft., leaving a deficit of 24.32 TMC ft. It is brought to specific notice that had this deficit of 24.32 TMC ft. of water as per the Interim Order of the Cauvery Water Disputes Tribunal, been actually released by Karnataka, the farmers in the Cauvery Delta Districts would have been in a position to start the Kuruvai crop. This stark fact should be noted.

The Monsoon this year has been quite normal in Karnataka and the Reservoirs in Karnataka have received good inflows. The total storage in the Reservoirs in Karnataka as on 25.7.2005 is 70.25 TMC ft. This is a comfortable storage and will easily enable release of the prescribed quantity to Tamil Nadu as per the Interim Order of the Cauvery Water Disputes Tribunal without any deficit. It is thus incumbent on Karnataka to release 24.32 TMC ft. of water, being Tamil Nadu's

legally entitled balance share at this stage as per the Interim Order of the Cauvery Water Disputes Tribunal, from the Reservoirs in Karnataka to Tamil Nadu.

The acknowledged fact in this season is that at this stage, the Government of Karnataka has not adhered to the Interim Order of the Cauvery Water Disputes Tribunal. The deficit to be released to Tamil Nadu is 24.32 TMC ft. If the deficit is made up immediately through releases from the Reservoirs in Karnataka, the farmers in Tamil Nadu can take up the traditional Kuruvai crop.

The Government of Tamil Nadu urges the Hon'ble Prime Minister of India to immediately intervene in the matter to ensure justice to the farmers and agricultural labour of the Cauvery Delta Districts of Tamil Nadu.

The Government of Karnataka should be directed at once to release 24.32 TMC ft. of water, being the deficit due to Tamil Nadu at this stage immediately, as per the Interim Order of the Cauvery Water Disputes Tribunal. This should be through specific releases from the Reservoirs of Karnataka.

The Government of Karnataka should also be directed to ensure further releases as per the monthly/weekly schedule prescribed in the Interim Order of the Cauvery Water Disputes Tribunal.

A meeting of the Cauvery River Authority should be convened urgently to ensure that Karnataka complies with the above directions to release water in the Cauvery to Mettur Dam as per the Interim Order of the Cauvery Water Disputes Tribunal. □

FIRST SUPPLEMENTARY ESTIMATES

2005 - 2006



Hon'ble Speaker Sir,

I rise to present the First Supplementary Estimates for the year 2005-2006. A detailed statement explaining the demand for Supplementary Grants is placed on the table of the House. The Supplementary Estimates placed before the House are for a sum of Rs. 1,919.25 crores. Of this, a sum of Rs. 1,374.62 crores is in the Revenue Account and the balance amount of Rs. 544.63 crores is in the Capital and Loan Accounts.

2. The Supplementary Estimates are being presented mainly to obtain the approval of the Legislature for expenditure on "New Service" incurred through advances from the Contingency Fund since the presentation of Final Supplementary Estimates for the last financial year on

21st March 2005 and to enable recoupment of the Contingency Fund. They are also being presented to obtain the approval of the Legislative Assembly for certain new commitments which this Government has undertaken after the presentation of the Budget 2005-2006 for the benefit of the people of Tamil Nadu. The additional expenditure included in these Estimates will be covered by higher growth in State Taxes and better management in revenue expenditure.

3. Government has extended the scheme of providing free bicycle to boy students belonging to Scheduled Caste, Scheduled Tribes, Backward Classes, Most Backward Classes, Denotified and Other Communities studying in XI and XII Standards in all Government and Government Aided Schools at a cost of Rs.80.00 crores. This amount has been included in the Supplementary Estimates under Demand No.4 - Adi-Dravidar and Tribal Welfare Department', 'Demand No.9 - Backward Classes, Most Backward Classes and Minorities Welfare Department' and 'Demand No.41 -School Education Department'.
4. The Government has decided to provide an additional sum of Rs.200.00 crores as subsidy to the Tamil Nadu



Civil Supplies Corporation in view of increased number of family ration cards. This amount has been included in the Supplementary Estimates under 'Demand No.12 - Co-operation, Food and Consumer Protection Department'.

5. With a view to providing remunerative price to farmers supplying sugarcane to Sugar Mills, the Government has decided to fix the State Advised Price (SAP) for Sugarcane at Rs. 1,014/- per metric tonne and to give an incentive of Rs.8.80/- per metric tonne for every increase of 0.1% over and above the average recovery of 9%. A sum of Rs.75.27 crores as Ways and Means Advance to Co-operative and Public Sector Sugar Mills for this purpose has been included in the Supplementary Estimates under

'Demand No.26 - Industries Department'.

- 6 The Government has decided to strengthen roads in Municipal Corporation and Municipality areas at a total cost of Rs.400.80 crores. For this, the Government has sanctioned a grant of Rs.75.00 crores to Corporations and Municipalities. This is included under 'Demand No.33 - Municipal Administration and Water Supply Department'.
7. To ensure provision of basic amenities to the people, a sum of Rs.250.00 crores has been included in the Supplementary Estimates under 'Demand No.35 - Planning, Development and Special Initiatives Department'.

8. The Government has sanctioned an additional sum of Rs. 400.00 crores for strengthening and upgradation of roads in rural areas under the Comprehensive Road Development Programme. A sum of Rs.115.00 crores has been included under Demand No.40 - Rural Development Department'.
9. The Government has extended the scheme of free supply of text books to all students up to XII Standard studying in Government and Government Aided Schools. The Government has initially sanctioned a sum of Rs.50.00 crores for the implementation of this scheme. A sum of Rs.23.52 crores has been included in the Supplementary Estimates under 'Demand No.41 - School Education Department'.
10. The Government has sanctioned a sum of Rs.28.00 crores to implement "Small Tea Grower Protection Scheme" for the benefit of the small tea growers in the Nilgiris District. A sum of Rs.20.00 crores has been given as advance from the Contingency Fund to meet the expenditure initially. The entire sum of Rs.28.00 crores has been included in the Supplementary Estimates under 'Demand No.42 - Small Industries Department'.
11. A sum of Rs.108.00 crores has been included in the Supplementary Estimates as additional Subsidy to

State Transport Undertakings for providing free and concessional bus passes to students under 'Demand No.46 - Transport Department'.

12. With a view to providing a Comprehensive Social Safety Net to the landless agricultural labourers, small and marginal farmers, the Government has announced Tamil Nadu Chief Minister's Farmers Social Security Scheme. This scheme will provide financial support to the landless agricultural labourers, small and marginal farmers and their families in the form of educational assistance, marriage assistance, maternity assistance, old age pension, relief in case of death of the members and their funeral expenses. A sum of Rs.100.00 crores has been included in the Supplementary Estimates under respective Demands.

13. Hon'ble Speaker Sir, I commend the First Supplementary Estimates for 2005 - 2006 of the acceptance of the House.

Vanakkam.

Speech of Thiru C.Ponnaiyan,
Minister for Finance presenting the
First Supplementary Estimates for the year
2005-2006 to the Tamil Nadu Legislative
Assembly on 23rd September 2005.

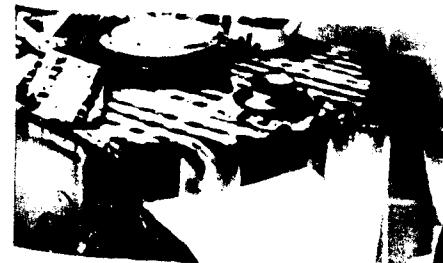
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WRAPPERS

- I HIS EXCELLENCY THE PRESIDENT OF INDIA, HIS EXCELLENCY THE GOVERNOR OF TAMIL NADU AND THE HON'BLE CHIEF MINISTER OF TAMIL NADU
- II THE HON'BLE CHIEF MINISTER LAUNCHING THE "PUDHU VAZHVU" SCHEME
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Editor and Publisher : **C.MUTHUKUMARASWAMY**, I.A.S., Director of Information & Public Relations and Ex-officio Addl. Secretary to Government, Government of Tamil Nadu
Office : Tamil Arasu, Omandurar Government Estate, Annasalai, Chennai - 600 002.
Tel : 25368926. Fax : 25364906 E-mail : tamilarasu2@yahoo.com
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**HIS EXCELLENCY THE PRESIDENT OF INDIA
PRAISED THE EFFORT TAKEN AND
CONGRATULATED THE HON'BLE CHIEF MINISTER
FOR THE FASTEST RECOVERY BY ANY SUCH CITY
AFFECTED BY SEVERE FLOODS**

On the instructions of Hon'ble Chief Minister, Selvi J Jayalithaa, a detailed presentation was made to His Excellency the President of India, Dr. A.P.J. Abdul Kalam on 2.12.2005 at the Raj Bhavan, Chennai, on the flood situation in Tamil Nadu and the rescue, relief and rehabilitation operations undertaken by the Government of Tamil Nadu under the leadership of the Hon'ble Chief Minister. His Excellency the Governor of Tamil Nadu Thiru Surjit Singh Barnala was also present.

His Excellency the President of India, Dr. A.P.J. Abdul Kalam spoke to the Hon'ble Chief Minister of Tamil Nadu on 29.11.2005 from New Delhi and enquired about the flood situation in Tamil Nadu. His Excellency the President of India had informed the Hon'ble Chief Minister of Tamil Nadu that he would be

making a tour of Tamil Nadu and undertaking an aerial survey of the worst affected areas including Cuddalore District on 1.12.2005. The Hon'ble Chief Minister Selvi J Jayalithaa had indicated to His Excellency the President of India that she would make a detailed presentation to the President on the flood situation in Tamil Nadu, the extent of damage to property and crops, and the prompt rescue and relief operations undertaken by the State Government on a war-footing. The Hon'ble Chief Minister had also indicated that the State Government had commenced immediately the restoration works. The Hon'ble Chief Minister had emphasized that the Government of Tamil Nadu would require all assistance and support from the Government of India for the relief and the massive restoration works to be undertaken. His Excellency the President of India had assured the Hon'ble Chief Minister



that all support would be extended to assist the Government of Tamil Nadu in this hour of extreme distress caused by repeated floods.

His Excellency the President of India undertook an aerial survey of Tiruchirappalli, Thanjavur, Nagapattinam and Cuddalore Districts on 1.12.2005. On the directions of the Hon'ble Chief Minister, Selvi J Jayalithaa, the Hon'ble Minister for Public Works, Prohibition & Excise and Revenue, the Hon'ble Minister for Labour and the Special Commissioner and Commissioner of Revenue Administration / State Relief Commissioner accompanied His Excellency the President during the aerial survey and briefed the President about the rescue and relief operations undertaken by the State Government.

On 2.12.2005, the Hon'ble Chief Minister made a detailed presentation of the floods in Tamil Nadu which struck the State thrice within a month and the relief, rescue and restoration operations undertaken by the State

Government. The Hon'ble Chief Minister emphasized that the recent floods in Tamil Nadu constituted an unprecedented calamity of rare severity. The Hon'ble Chief Minister pointed out to His Excellency the President of India the devastation caused by the floods in October, 2005, in Chennai and other Districts including the widespread damage wrought by the floods in the Cauvery System. His Excellency the President of India appreciated the splendid effort in saving Srirangam Town. His Excellency the President of India also appreciated the fact that the advance action taken to keep Chennai City's waterways and storm water drains desilted had enabled most parts of Chennai to be drained effectively. His Excellency the President of India praised the effort taken and congratulated the Hon'ble Chief Minister for the fastest recovery by any such City affected by severe floods.

His Excellency the President of India appreciated the point that the first spell of rain causing floods was immediately followed by a

second spell in early November, 2005. He congratulated the spirit and organizational skill with which the administration under the leadership of the Hon'ble Chief Minister faced this second challenge and implemented rescue, relief and restoration operations.

The Hon'ble Chief Minister brought to the notice of His Excellency the President of India the extraordinary situation of the floods following the third spell of heavy rains in the fourth week of November, 2005. In this context, the Hon'ble Chief Minister referred to the repeated floods in the Cauvery System, due to the heavy inflow into the Meltur Dam when the Dam was already full and subsequently due to intensive spells of rain. The Hon'ble Chief Minister highlighted the fact that the threat to Srirangam Town caused by the Cauvery floods in the last week of November, 2005, was again successfully handled by the administration. His Excellency the President of India congratulated the Hon'ble Chief Minister for this excellent management and praised the effort taken to save Srirangam Town.

His Excellency the President of India indicated that during the aerial survey he had seen the devastation to crops and infrastructure in the Cuddalore and Nagapattinam areas. He was able to see for himself the extent of the problem faced in handling the massive floods.

The Hon'ble Chief Minister emphasized that the assistance required totalling Rs.13,685 crores together with 2.58 lakh tonnes of rice and 43,200 kilo litres of kerosene as an additional allotment for the month of December, 2005, should be provided by the Government of India. His Excellency the President of India promised that full support would be extended to the Government of Tamil Nadu.

His Excellency the President of India was very appreciative of the fact that the Hon'ble Chief Minister had taken up the issue of inter-basin transfer of water within Tamil Nadu and appreciated the preparatory work done for establishing the Cauvery - Vaigai link. He commended this proposal as a forerunner to linking other rivers in the State. He also commended the initiative of the Hon'ble Chief Minister for taking up and completing the project to increase the bund height of Veeranam Lake. This had been most useful in the recent floods and had indeed saved the Veeranam Lake. His Excellency the President of India also suggested that similar technical solutions may be explored for flood control.

The meeting was attended by Senior Ministers and Officials including Thiru O. Panneerselvam, Hon'ble Minister for Public Works, Prohibition & Excise and Revenue, Thiru C. Ponnaiyan, Hon'ble Minister for Finance, Thiru K. Pandurangan, Hon'ble Minister for Agriculture, Thiru P. Annavi, Minister for Labour, Thiru K.P. Anbalagan, Hon'ble Minister for Information and Publicity and Local Administration, Thiru N. Narayanan, Chief Secretary, Thiru A. X. Alexander, Director General of Police, Thiru R. Santhanam, Special Commissioner and Commissioner of Revenue Administration/ State Relief Commissioner, Principal Secretary, Co-operation, Food and Consumer Protection, Secretary, Rural Development, Additional Director General of Police (Intelligence), Secretary, Revenue, Secretary, Municipal Administration and Water Supply, Secretary, Finance, Secretary, Agriculture, Secretary, Public Works, Secretary, Highways, Secretary, Animal Husbandry and Fisheries and Thiru A. Mohanakrishnan, Chairman, Cauvery Technical Cell.

The meeting lasted for more than an hour.

★ ★ ★

THE EXCELLENT WORK DONE IN HANDLING THE EXTRAORDINARY FLOODS ON MULTIPLE OCCASIONS IN TAMIL NADU



- Hon'ble Prime Minister complimented
the Hon'ble Chief Minister

SELVI J JAYALALITHAA

additional allotment for the month of December, 2005, to undertake the immediate relief and restoration works on account of the devastation caused by the recent floods.

The Hon'ble Chief Minister, Selvi J Jayalalithaa thanked the Hon'ble Prime Minister for having sent a Central Team twice to assess the flood damages in Tamil Nadu in response to the Hon'ble Chief Minister's request.

The Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalalithaa met the Hon'ble Prime Minister of India, Dr. Manmohan Singh on 16.12.2005 at New Delhi. The Hon'ble Chief Minister sought the immediate intervention of the Hon'ble Prime Minister to release the assistance required by the Government of Tamil Nadu from the Government of India for relief and restoration works on account of the unprecedented floods which had affected the State in five spells during the last two months. The Government of Tamil Nadu, under the leadership of the Hon'ble Chief Minister had sought an assistance totalling Rs. 13,685 crores together with 2.58 lakh tonnes of rice and 43,200 kilo litres of kerosene as an

The Hon'ble Chief Minister pointed out to the Hon'ble Prime Minister that Tamil Nadu has been battered by repeated torrential rains resulting in extensive flooding during the current North-East Monsoon. The State should normally receive 979 mm rainfall every year, of which 48%, that is, about 470mm is received during the North-East Monsoon season. But this year the rainfall between 1.10.2005 to 14.12.2005 has been as high as 813.09 mm in the State. In Chennai City alone the actual rainfall was 1869.7 mm as against the normal rainfall of 701.6 mm during this period. It is almost three times the normal rainfall and the highest in a century. The Hon'ble Chief Minister stated that in the 22 affected districts, the actual rainfall from 1.10.2005 to 14.12.2005 was more than double, i.e. 898.8 mm as against the normal rainfall of 443.4 mm.

The Hon'ble Chief Minister also pointed out to the Hon'ble Prime Minister that apart from the heavy excessive rainfall, what really devastated the State was the fact that the rainfall was very intense and torrential during multiple short spells resulting in huge damage to physical infrastructure causing total disruption. In Chennai City and the adjoining Districts for instance, nearly 400 mm of rainfall occurred in an intense downpour experienced in less than 24 hours on 27.10.2005. This resulted in flooding and inundation of thickly populated built-up areas in the City and its suburbs. North Chennai and some localities in South Chennai were badly affected.

The Hon'ble Chief Minister stated that while bountiful rainfall in a State like Tamil Nadu is welcome especially after unprecedented droughts in 2002 and 2003, yet the unprecedented, extraordinary and once-in-a-century kind of rainfall that the State received has put Tamil Nadu and its people to immense suffering and extreme hardship. The State was devastated by floods in four repeated spells from 23.10.2005 to 4.12.2005. Further, cyclone Fanoos again threatened Tamil Nadu from 5th to 10th December in a fifth spell. Although this cyclone weakened into a depression, it brought in its trail heavy floods in the Southern districts of Tamil Nadu.

The Hon'ble Chief Minister pointed out that the State experienced the unusual spectacle of the highest inflow of 2.24 lakh cusecs of water into the Mettur Dam in the last 44 years on 24.10.2005 when the reservoir was full. This had to be discharged leading to flooding. The Hon'ble Chief Minister stated that

there was yet another massive discharge of 3.35 lakh cusecs, the highest in the last 66 years, on 25.11.2005 in the Kollidam river causing even more flooding. It was a disaster thrice compounded.

The Hon'ble Chief Minister stated that the temple town of Srirangam near Trichy was severely threatened with the banks of the river Cauvery nearly giving way. A major disaster on successive occasions was however averted due to the extraordinary efforts by the Government on the instructions of the Hon'ble Chief Minister.

The Hon'ble Chief Minister pointed out that the Cauvery Delta districts of Nagapattinam and Cuddalore which bore the brunt of the Tsunami killer waves on 26.12.2004 have again been battered by the repeated floods. Cuddalore District was turned into a huge and very thick sheet of water during the third spell of rains and floods.

The Hon'ble Chief Minister pointed out that the Government of Tamil Nadu rose to the occasion during every spell of heavy rain and floods and the entire Administration worked on a war-footing and took timely rescue and relief measures. The Hon'ble Chief Minister stated that she had reviewed the flood situation with the Ministers and the officials on a daily basis during this period.

The Hon'ble Chief Minister pointed out that she visited the flood-affected areas at once in Chennai on 27.10.2005 and the affected districts on 26.11.2005, 27.11.2005, 28.11.2005 and again on 4.12.2005 and 6.12.2005 and reviewed the relief operations



on the spot and provided necessary succour to the affected people.

The Hon'ble Chief Minister stated that the State Government has already submitted two Memoranda and a Supplementary Memorandum making out a strong case for a total assistance of Rs, 13,685 crores from the Government of India. In addition, the State Government has sought a special allotment of 2.58 lakh tonnes of rice and 43,200 Kilo litres of kerosene.

The Hon'ble Chief Minister pointed out that the Government of India has so far released Rs.500 crores as advance and 10,000 kilo litres of kerosene. The Hon'ble Chief Minister stated that this is highly inadequate considering the intensity and magnitude of the flood damage.

The Hon'ble Chief Minister stated that the State Government has already committed an

expenditure on relief and temporary restoration measures far greater than the advance given, and that the recent spells of rains and floods in Tamil Nadu together constitute a calamity of rare severity which happens once in a century. The plight of the farmers in the affected Districts and especially in the Cauvery Delta Districts is extremely pitiable. After facing successive droughts, floods and the Tsunami, the recent rains and floods have completely broken them. The Hon'ble Chief Minister pointed out that there is thus a compelling necessity to look beyond the CRF and NCCF guidelines and make necessary relaxation of these guidelines to provide assistance to the farmers.

The Hon'ble Chief Minister pointed out that she has proposed in the Memorandum that the scale of assistance for paddy should be enhanced from Rs.2,500 to Rs.20,000 per hectare and similar enhancement of the scales of assistance for other crops also. For desilting

of sand cast lands, the Hon'ble Chief Minister stated that she has proposed enhanced assistance of Rs. 18,000 per hectare. She has also proposed assistance for replacement and repairs of agricultural pumpsets which were damaged and washed away in the floods.

The Hon'ble Chief Minister pointed out that considering the repeated devastation caused, especially to the farmers, she has requested assistance to fund the full waiver of Principal and Interest on co-operative loans due from farmers.

The Hon'ble Chief Minister stated that she has also requested special assistance from the Government of India for a new housing scheme to construct new houses for the people whose houses were fully damaged.

The Hon'ble Chief Minister pointed out that she has sought assistance for repair and restoration of the damaged infrastructure like roads, irrigation sources, drinking water supply schemes, community owned assets, etc. The Hon'ble Chief Minister stated that the Government of Tamil Nadu needs substantial assistance to rebuild the battered infrastructure.

The Hon'ble Chief Minister specially highlighted the fact that as against Tamil Nadu's monthly requirement of 1,02,000 kilo litres of kerosene, the allotment was only 59,800 kilo litres which is barely 50%. The Hon'ble Chief Minister brought to the notice of the Hon'ble Prime Minister the letters she had written on this issue on several occasions and stressed the need to immediately provide

Tamil Nadu's monthly requirement of kerosene for the Public Distribution System.

The Hon'ble Chief Minister also took the Hon'ble Prime Minister through a detailed presentation on the five spells of heavy rainfall and floods, the damage wrought, the relief provided and the request for assistance. The Hon'ble Chief Minister appealed to the Hon'ble Prime Minister to take a positive view in extending full assistance to the Government of Tamil Nadu as per the request of the Government of Tamil Nadu at this critical juncture.

Hon'ble Prime Minister complimented the Hon'ble Chief Minister and the Government of Tamil Nadu for the excellent work done in handling the extraordinary floods on multiple occasions in Tamil Nadu this season. In particular, he referred to the effective maintenance of law and order in the State despite the serious flooding and inundation and this stood out as a model. He reassured the Hon'ble Chief Minister that the Government of India would provide maximum support to the Government of Tamil Nadu in this hour of need. He also said that he would personally monitor the flow of support and assistance to the Government of Tamil Nadu.

The Hon'ble Chief Minister was accompanied by Thiru N. Narayanan, Chief Secretary and Thiru R. Santhanam, Special Commissioner and Commissioner of Revenue Administration / State Relief Commissioner. The meeting lasted for 30 minutes.

* * *



TAMIL NADU WAS FACING A CALAMITY OF UNPRECEDENTED MAGNITUDE WITH 22 DISTRICTS DEVASTATED BY 5 CONSECUTIVE SPELLS OF HEAVY RAINS

- Hon'ble Chief Minister
SELVI J JAYALALITHAA

The Hon'ble Prime Minister of India, Dr. Manmohan Singh spoke to the Hon'ble Chief Minister, Selvi J Jayalalithaa, on 16.12.2005.

Earlier in the day, the Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalalithaa met the Hon'ble Prime Minister of India at New Delhi and sought the immediate intervention of the Hon'ble Prime Minister to release the assistance requested by the Government of Tamil Nadu from the Government of India, for the relief and

restoration works on account of the unprecedented floods which had affected the State in five spells during the last two months. The Hon'ble Chief Minister, Selvi J Jayalalithaa, had sought an assistance totaling Rs.13,685 crores together with 2.58 lakh tonnes of rice and 43,200 kilo litres of kerosene as an additional allotment for the month of December, 2005, to undertake the immediate relief and restoration works on account of the devastation caused by the recent floods.

The Hon'ble Chief Minister had pointed out to the Hon'ble Prime Minister that the



Government of India has so far released Rs.500 crores as advance and 10,000 kilo litres of kerosene but this was highly inadequate considering the intensity and magnitude of the flood damages. The Hon'ble Chief Minister had proposed in the Memorandum that the scale of assistance for paddy should be enhanced from Rs.2500/- to Rs.20,000/- per hectare and had sought similar enhancement of scales of assistance for other crops also. The Hon'ble Chief Minister had sought assistance for replacement and repairs of agricultural pumpsets which were damaged and washed away in the floods. The Hon'ble Chief Minister had requested assistance to fund the full waiver of principal and interest on cooperative loans due from farmers. The Hon'ble Chief Minister had requested special assistance for a new housing scheme to construct new houses for the people whose houses were fully damaged. The Hon'ble Chief Minister had sought

assistance for repair and restoration of the damaged infrastructure like roads, irrigation sources, drinking water supply schemes, community owned assets, etc., The Hon'ble Chief Minister specially highlighted the fact that as against Tamil Nadu's monthly requirement of 1,02,000 kilo litres of kerosene, the allotment was only 59,800 kilo litres which is barely 50%. The Hon'ble Chief Minister brought to the notice of the Hon'ble Prime Minister the letters on this issue she had written on several occasions and stressed the need to immediately provide Tamil Nadu's monthly requirement of kerosene for the Public Distribution System.

The Hon'ble Prime Minister had assured the Hon'ble Chief Minister that the Government of India would provide maximum support to the Government of Tamil Nadu in this hour of need.

The Hon'ble Prime Minister of India, Dr. Manmohan Singh, who spoke to the Hon'ble Chief Minister, Selvi J Jayalalithaa,

at 10 P.M. today informed the Hon'ble Chief Minister that based on the Hon'ble Chief Minister, Selvi J Jayalalithaa's specific request to the Hon'ble Prime Minister for immediate assistance, the Government of India has decided to release a further amount of Rs.500 crores to the Government of Tamil Nadu as assistance for flood relief works. The Hon'ble Prime Minister of India also informed the Hon'ble Chief Minister that he had given instructions to immediately make, in addition to the earlier allotment of 10,000 kilo litres of kerosene, a further additional allotment of 10,000 kilo litres of kerosene to the Government of Tamil Nadu, in response to the request of the Hon'ble Chief Minister for a special allotment.

The Hon'ble Prime Minister of India informed the Hon'ble Chief Minister that based on the Hon'ble Chief Minister's specific request for assistance for repair and restoration of damaged infrastructure like roads, irrigation, sources, etc, the Hon'ble Prime Minister had spoken to the National Bank for Agriculture and Rural Development (NABARD). The Prime Minister indicated that NABARD would provide additional funds from the Rural Infrastructure Development Fund for restoration of roads and irrigation systems in Tamil Nadu.

The Hon'ble Prime Minister further informed the Hon'ble Chief Minister that all the requests made by the Hon'ble Chief Minister during her meeting with the Hon'ble Prime Minister on 16.12.2005 will be considered further in detail by the High Level Committee.

The Hon'ble Chief Minister pointed out to the Hon'ble Prime Minister of India that the State of Tamil Nadu was facing a Calamity of unprecedented magnitude with 22 districts devastated by 5 consecutive spells of heavy rains. The damage to infrastructure and the

havoc caused to farmers was unparalleled. The Hon'ble Chief Minister pointed out once again to the Hon'ble Prime Minister that the norms for assistance under the Calamity Relief Fund and the National Calamity Contingency Fund will have to be revised considering the severity of the situation and a further supportive special package has to be provided to give immediate succour to the farmers who have faced successive droughts, floods, the tsunami and now the recent five spells of torrential rains. In this context, the Hon'ble Chief Minister Selvi J Jayalalithaa once again reiterated that the Government of India should give assistance to fund the full waiver of principal and interest on Co-operative loans due from the farmers.

The Hon'ble Chief Minister also brought to the notice of the Hon'ble Prime Minister that based on the experience following the tsunami tragedy a new housing scheme should be sanctioned to construct new houses for the people whose houses were fully damaged.

The Hon'ble Chief Minister stressed that the havoc was so severe that a major rehabilitation plan for the infrastructure covering roads, irrigation, works, etc., would have to be taken up and for this a separate package should be developed and announced.

The Hon'ble Chief Minister, Selvi J Jayalalithaa, pointed out that overall, in view of the widespread devastation, the Government of Tamil Nadu had prepared a comprehensive plan reflecting the urgent needs requiring a total assistance of Rs.13,685 crores as against which, so far only Rs.1,000 crores had been announced which is not adequate. Further packages are immediately necessary to undertake the restoration and rehabilitation measures in the affected districts of Tamil Nadu.

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ICICI - USA presented the 2005 Peace Prize to Selvi J JAYALALITHAA, Hon'ble Chief Minister



Programmes, Empowerment of Women through Self Help Groups, Free Bicycle Scheme for School Children, the Revolutionary Social Security Scheme for Farmers, the Cradle Baby Scheme and also for maintaining Communal Harmony in the State of Tamil Nadu.

The Rt. Rev. Dr. S. Jeyapaul David, CSI Bishop of Tirunelveli Diocese, Tamil Nadu, and President of the National Council of Churches in India, New Delhi, presented the ICICI Peace Prize 2005, to Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on 10.10.2005 at the Secretariat.

The International Congress of Indian Christians Inc., (ICICI) a grass-root level organization of Indian Christians established in 1899 with its headquarters in Chicago, Illinois, USA presented the 2005 Peace Prize to Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on 10.10.2005 at the Secretariat.

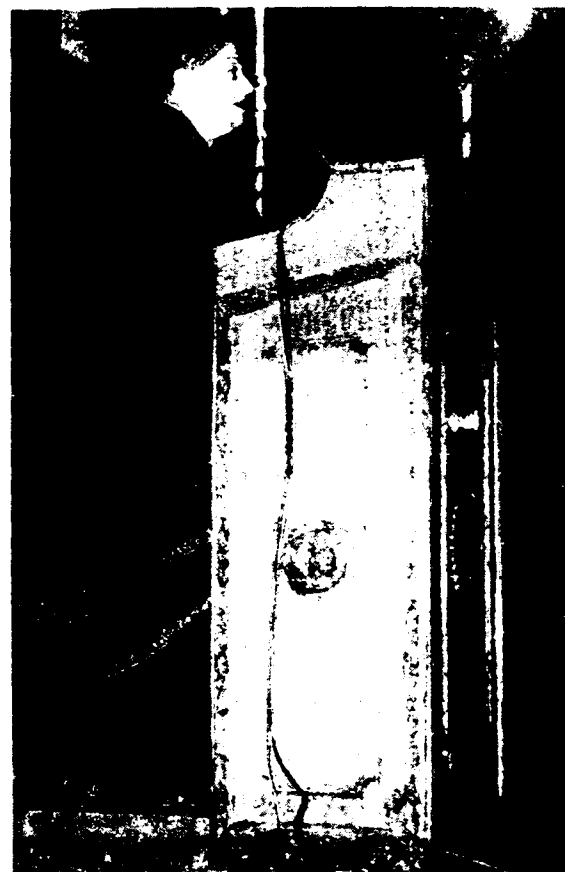
The International Congress of Indian Christians Peace Prize is awarded annually to a State Person / Leader who has significantly contributed to the protection and promotion of minorities and human rights and who has also made a meaningful and positive impact in the lives of the underprivileged by implementing progressive humanitarian initiatives.

The International Congress of Indian Christian's Inc., Oakpark, Illinois, USA has conferred on Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu, the ICICI Peace Prize 2005, in recognition of her dynamic leadership that has made a meaningful and positive impact in the lives of the underprivileged by implementing several progressive humanitarian initiatives including the effective Tsunami Relief and Rehabilitation efforts, Rain Harvesting initiative, Environmental Protection

The International Congress of Indian Christians delegation who personally met and congratulated Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu, was led by Rev. Dr. Mrs. Prasanna Kumari, Vice President, National Council of Churches in India. President-elect, of International Congress of Indian Christians Inc. USA and Vice President of the Lutheran World Federation, Geneva.

Bishop Rt. Rev. Dr. M. Azhariah, President, Indian Chapter of International Congress of Indian Christians. Mrs. Sarah Chanda, Secretary, Indian Chapter, International Congress of Indian Christians, Chennai, Mr. C. Subba Singh, Vice President, Indian Chapter, International Congress of Indian Christians, Sivakasi, Rev. Dr. Samuel Mashack, Director of Communications, Gurukul Theological Seminary, Chennai and Mrs. Sophia Chelladurai, Principal, National Christian Theological College, Chennai were the other members of the delegation who congratulated Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on receiving the prestigious Award. Dr. Vijay G. Prabhakar, President, World Federation of Tamil Youth Inc., USA and Dr. R. Mylvaganan were also present during the presentation of the Award. ★

**MY VISION IS TO BUILD A MODERN TAMIL NADU
AS A PROGRESSIVE, EGALITARIAN SOCIETY,
PROVIDING SPACE FOR ALL,
IRRESPECTIVE OF CASTE AND CREED**



- SELVI J JAYALALITHAA

Hon'ble Chief Minister

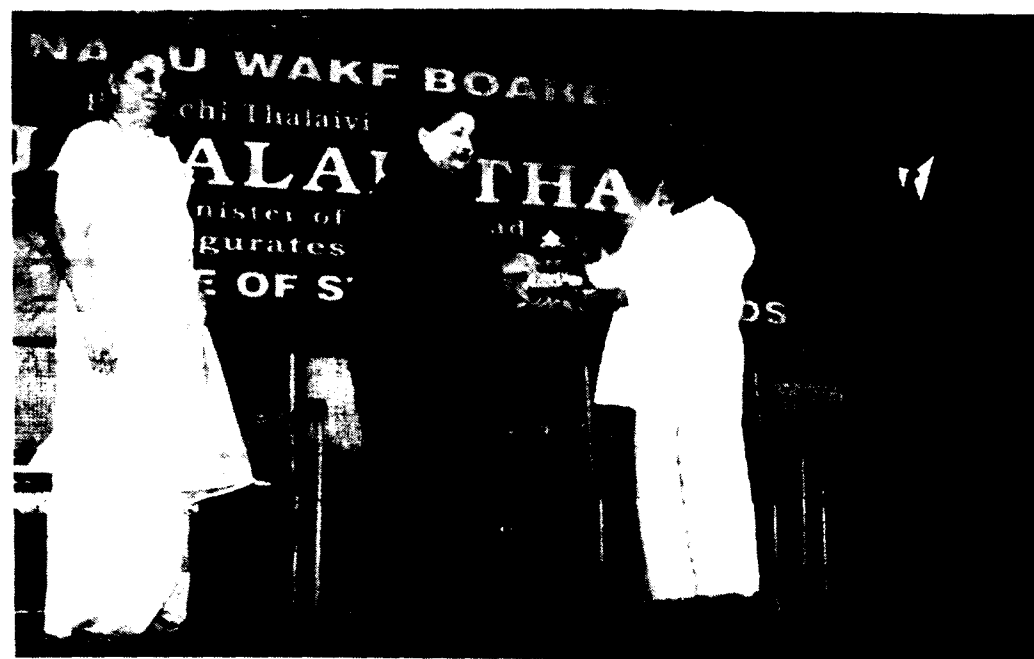
Wakf Boards to have more powers, etc. The Government of Tamil Nadu is at the forefront in the implementation of the Wakf Act, 1995 and has been undertaking a number of progressive welfare measures for the needy and poor amongst the Muslim community. I am certain that the initiatives taken by the Tamil Nadu Wakf Board will be highlighted at the Conference and will be of great interest to other State Wakf Boards.

Wakfs and the activities of the Wakf Boards are a unique expression of the positive nature of Indian secularism, since they are committed to the welfare of needy Muslims, within a charitable institutional framework under State supervision. Wakfs owe their origin to a rule laid down by the Prophet and means, "the tying up of property in the ownership of God the Almighty, and the devotion of the profits for the benefit of human beings." The true measure of charity is indicated in the following verse of the Quran and I quote,

*"Ye shall never attain to goodness
till ye give alms of that which ye love, and
whatever ye give, of a truth, God knoweth"
(Unquote).*

(Surah 3 verse 92)

It gives me great pleasure to be here to inaugurate the National Conference of Chairpersons and Chief Executive Officers of State Wakf Boards, which has been organized at the initiative of the Tamil Nadu State Wakf Board. This National Conference is to discuss important issues like strengthening the State Wakf Boards, improving their functioning, exploring ways and means to secure repossession of encroached Wakf properties and also deliberate over the need to bring in legislative amendments to the Wakf Act, to enable the



The concept of egalitarianism is central to Islam and the peaceful and voluntary redistribution of income in Society, through the institution of Wakfs, is a unique feature of the socio-economic structure set out in the tenets of Islam, which seeks to achieve the object of egalitarianism. The provision of dedication of property for religious purposes by Wakfs, not only reinforces the donor's faith by this expression of a strong desire to win Divine approbation, but also enables the peaceful redistribution of wealth to the poor and needy by charitable means.

It is a tribute to the founding fathers of our Constitution that they envisaged affirmative action in favour of the minorities. The Wakf Act of 1995 provides for the establishment of Wakf Boards vested with authority and vast powers. It vests the State Government with the supervisory responsibility of the Wakf Boards. A sound administrative structure to ensure the proper administration of the Wakfs in the country, and the involvement of the State

in welfare activities for the minorities, is thus a feature of the positive role of the State in the welfare of minorities, as envisaged by our Constitution. There is an impression that Wakf Boards are just isolated entities that deal only with Wakf institutions. Since Wakfs are administered by duly elected Jamaaths, which encompass the local Muslim community in and around the Mosques and Wakfs, they constitute a central part of community activity for the welfare of Muslims. Thus, the welfare of the Muslim society as a whole is the main focus of the Wakf Boards. I understand from the Chairperson of the Tamil Nadu Wakf Board that the agenda of this Conference includes a discussion on ways and means to repossess Wakf lands and properties that have been encroached upon, and measures to augment the revenues of Wakf properties so that the Wakf Boards can be financially independent and broaden their activities.

While there is no particular code of dedication of the property in order to constitute

a Wakf, under the Muslim law, the moment a Wakf is created, all rights of the property pass out of the Wakf or founder and vest in God Almighty. Hundreds of thousands of acres of properties have been dedicated over the years, but unfortunately, many of these properties have been lost by the Wakfs, either by way of encroachments or in other ways. Such loss of property of the Wakfs is an issue of concern to the Muslim community all over India. A duty is enjoined on the State Government to assist the Wakf Boards in reclaiming these properties. In Tamil Nadu, a survey of Wakf properties has been undertaken, to identify the original extent of the Wakf properties, in order that they may be restored to the individual Wakf institutions. On behalf of the Muslim community, my Government will provide all the necessary assistance to protect Wakf properties in Tamil Nadu, and will render all support to retrieve the encroached land of Wakfs, so that the original charitable purpose of the Wakfs is fully realised.

My Government has always pursued a proactive policy in implementing schemes for the welfare of the minorities. I have sanctioned a grant of Rs.2.10 crores to undertake the renovation of Mosques and Dargahs through the Wakf Board in Tamil Nadu. A scheme for the construction of compound walls and barbed wire fencing around burial grounds, with liberal Government grants, is also being implemented, so as to protect Wakf properties from unauthorized encroachments. In order to enable the Tamil Nadu Wakf Board to perform its administrative functions well, the Government of Tamil Nadu has sanctioned the construction of a new office building for the

Tamil Nadu Wakf Board at a total outlay of Rs.1.20 crores. I have also sanctioned a sum of Rs. 18.50 lakhs for office automation and computerization of the Tamil Nadu Wakf Board's Head Office and Zonal Offices.

Tamil Nadu is the only State in the country that provides a pension to retired Ulemas and my Government has sanctioned a pension of Rs.500 per month to 1,804 retired Ulemas in the State, providing Rs.1.20 crores for this purpose.

Retired Ulemas drawing a pension of Rs. 500/- per month have requested me to increase the scale of pension sanctioned to them. On the occasion of this National Conference of State Wakf Boards, I am happy to announce that the pension received by retired Ulemas will be enhanced to Rs.750/- per month with immediate effect. The total cost of implementing this improved scheme by the Government of Tamil Nadu will be Rs.1.80 crores per annum. As a measure of support to needy divorced Muslim women, my Government has sanctioned a sum of Rs.6 lakhs as a grant to the Tamil Nadu Wakf Board to meet the expenditure towards payment of maintenance amount to needy divorced Muslim women.

My Government, has also undertaken a number of measures to provide self-employment to Muslim youth and women. Under the Entrepreneurial Development Programme, 1000 Muslim youth are being provided job-oriented technical training. On completion of training, they are given a loan to the extent of Rs.25,000/- each, to enable them to start self-employment ventures. Industrial



Co-operative Societies for the benefit of Muslim auto-rickshaw drivers have been formed in Coimbatore, Tirunelveli and Vellore and 121 Muslim youth were recently given loans totalling Rs.1.01 crores for the purchase of auto-rickshaws.

The Self-Help Group movement, which I launched in the State in the year 1992, is bringing about a silent revolution in Tamil Nadu. It has resulted in improving the lives of lakhs of women. Today, there are more than 2.60 lakh Self-Help Groups in Tamil Nadu with a membership of nearly 43 lakh women, who have generated a total savings of Rs.810.51 crores, with a credit linkage of Rs.1429.17 crores. This pervasive Self-Help Group movement has also significantly improved the status of Muslim women. As many as 45,979 Muslim women have been enrolled in Self-Help Groups. These Self-Help

groups with representatives of other communities, will definitely reinforce communal harmony in our Society. The Self-Help Group movement has enabled Muslim women, most of whom belong to the economically weaker sections, to participate in capacity building and training, and to improve their access to micro finance institutions and Banks, and have enabled them to participate in the development process expressing their views boldly. Muslim women belonging to these Self-Help Groups have attached great importance to the education of girl children, which will have far reaching implications for our Society in terms of bringing down illiteracy, reducing Infant Mortality rates and upgrading nutritional levels.

In the aftermath of the unfortunate serial bomb blasts which took place in Coimbatore City in the year 1998, when the previous

DMK Government was in power, the entire economy of Coimbatore City had been shattered. A feeling of total insecurity prevailed. Recognizing that it was not enough to merely establish the rule of law and to deal firmly with the criminal and terrorist elements which, ofcourse, my Government did, I also initiated a series of proactive measures to provide economic rehabilitation and self-employment to Muslim women and youth, both in Coimbatore City and the entire District. The situation has been completely set right by my Government. 322 Self-Help Groups comprising Muslim women exclusively have been formed in Coimbatore District. There are also 140 mixed Self-Help Groups with Muslim women as members. A total sum of Rs.37.66 lakhs has been distributed as loan to these Self-Help Groups to undertake various economic activities. A special project to impart skills in various activities like glass painting, hand embroidery, candle making, agarbathi making and footwear making was started in Coimbatore. 450 women drawn from Kottaimedu and Al Ameen colony in Coimbatore City were given training and later, loans totalling Rs.13.15 lakhs were provided to them to undertake self-employment activities. In order to channelise the energy of Muslim youth into constructive activities such as economic activities, loans were provided to them through Co-operative Banks for a variety of self-employment ventures. 135 Muslim youth have been provided loans to the extent of Rs.1.32 crores.

My Government has always been proactive in assisting the minorities and securing for them their rightful due from the Government of India. A long-standing demand of the Muslims in the State was an increase in

the annual quota fixed for Tamil Nadu for undertaking the Hajj Pilgrimage. There has been an overwhelming increase in the number of applicants from Tamil Nadu who want to undertake the holy pilgrimage, with 3,900 applicants who had registered with the Tamil Nadu State Hajj Committee this year. As against this, the Tamil Nadu State quota was only 3,004. Naturally, a large number of hopeful pilgrims were disappointed. I took up the matter with the Union Minister of External Affairs and pointed out the disappointment and discontent amongst the Muslims of the State because of the restricted quota. Owing to the efforts taken by me, the Government of India was persuaded to arrange to release additional seats over and above the quota fixed for Tamil Nadu, and consequently, all the 3,900 applications received from Tamil Nadu for Hajj, 2006, were confirmed by the Government of India.

It is my firm belief that real progress for the Muslim community and particularly for Muslim women can be achieved only through education. The activities of the Tamil Nadu Wakf Board and, indeed, all State Wakf Boards, should therefore, increasingly focus on the expansion of literacy, education and imparting of life skills, particularly to Muslim women. This is also the key to Women's empowerment.

It is in order to demonstrate my Government's commitment to women's empowerment that the Tamil Nadu Wakf Board, which I reconstituted with 13 members in the year 2002, is now headed by a woman, Janaabaa Bader Sayeed, who has been appointed as the Chairperson of the Tamil Nadu Wakf Board. I am glad to note that the Tamil Nadu Wakf Board has been rendering



valuable service to the cause of economically backward Muslim women and children. The financial position of the Tamil Nadu Wakf Board has been set right and the revenues have now grown to Rs.1.60 crores. The Board, despite a number of legal problems, was able to secure possession of valuable Wakf properties, which were under encroachment.

Similarly, I am glad to note that under the aegis of the Tamil Nadu Wakf Board, as many as 12 Dargahs in the State are organizing Annadhanam or the scheme of free feeding of the poor and needy, taking a cue from the immensely popular and highly commended Annadhanam scheme for temples which I launched in the State. This is yet another shining example of the harmonious verisimilitude of welfare programmes that foster communal amity, irrespective of religious denomination, implemented by my Government.

I must also place on record my deep appreciation of the spontaneous and invaluable

help rendered by a number of Dargahs in the State, in the aftermath of the devastating Tsunami that struck Coastal Tamil Nadu in December, 2004. A number of Dargahs and Wakf institutions at Parangipettai, Cuddalore District and Colachel in Kanniyakumari District, as well as in Nagore and Chengalpattu, undertook immediate relief operations in the tsunami struck villages and provided shelter and food to thousands of victims, irrespective of caste and creed. They are also actively associating themselves in the task of the economic rehabilitation of the tsunami victims. This is a splendid example of grass-roots secularism, which is what we ought to encourage and foster.

The Minorities are safe and secure under the benevolent administration of my State Government. My Government has reconstituted the State Minorities Commission on 15.12.2004. The State Minorities Commission visits various parts of the State to study the problems of the Minorities, receives representations from the members of the

Minority Communities and Institutions, conducts personal hearings, gets reports from the Government Departments on the issues raised by them and recommends suitable measures to the State Government to ensure effective implementation of the Schemes for their welfare.

The Muslim community in Tamil Nadu has distinguished itself in every sector of the economy and in every walk of life. They have produced distinguished Jurists, Educationists, Businessmen, Sportsmen and Artists who have brought laurels to Tamil Nadu. The role of the Muslim community in supporting and developing the poorer, weaker and more unfortunate amongst them through charitable institutions cannot be over emphasized. The deliberations of this National Conference must explore ways and means to make the functioning of the Wakf Boards more effective and broad based, by legislative amendments, by drawing up a time bound action plan for the restoration of encroached properties to the Wakf Board and evolving new methods for providing, in addition to the Government's Social Safety Net, a community based support scheme for the poorer sections of the Muslim community, particularly Women.

India is an ancient civilization, a land of geographical, ethnic, cultural and religious diversity. Given the pluralistic nature of our Society, the unity of our country can be preserved only by a vibrant secular ethic. The Indian brand of secularism is a homogenous amalgam that combines together the diverse, non-homogenous strands of Indian culture and the different religious values of the various communities in our society. The doctrine of "Sarva Dharma Samabhaava" is the symbiosis

of the different religious strands prevalent in our country. Every religion is entitled to its own space and one religion cannot and should not encroach into another's space. The secular character of our Constitution enjoins upon us the duty to ensure that all the rights enjoyed by the majority community are equally enjoyed by the minority community. Not only must we understand the essence of pluralism of Indian society and allow freedom of space to all religions, I consider that the State also ought to be proactive in trying to nurture a pan Indian value system, which epitomizes a modern Indian society that upholds the rule of law, assimilates science and technology, is committed to the upliftment of the poor and gives real equality to women. My vision is to build a modern Tamil Nadu as a progressive, egalitarian society, providing space for all, irrespective of caste and creed, and preserving the preeminence of Tamil Nadu as a peaceful, tranquil and progressive State, reinforcing the feeling of security amongst all minorities resident in the State and standing out as a symbol of religious, cultural and linguistic harmony.

I wish the deliberations of this National Conference all success.

- Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu at the
National Conference of Chairpersons and
Chief Executive Officers of
State Wakf Boards on 15.11.2005 at
Kalaivanar Arangam, Chennai.

* * *

THE IMPLEMENTATION OF THE “PROJECT SIKSHA” AS PART OF THE ‘PARTNERS IN LEARNING PROGRAMME’



A delegation of Microsoft Corporation led by Mr. Bill Gates, Chairman & Chief Software Architect, Microsoft Corporation, met Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu, at the Secretariat, on 9.12.2005.

A MoU was signed between the Government of Tamil Nadu and Mr. Microsoft Corporation (India) in the presence of the Hon'ble Chief Minister, Selvi J Jayalalithaa on 22.8.2005 for the implementation of the “Project Siksha” as part of the ‘Partners in Learning Programme’ of the Microsoft Corporation to

improve the quality of education by empowering school teachers with technology to achieve their fullest potential.

Under this MoU, Microsoft Corporation will set up and run an Information Technology Academy in Chennai for a period of 5 years. The Government of Tamil Nadu has provided a building in which Microsoft is setting up a world class facility equipped with a state-of-the-art IT lab, which will be completed by February, 2006. Each batch of teachers will receive 12 days of training in computer literacy as well as computer aided teaching techniques.

This new innovative training programme was launched on 9.12.2005 through Video Conferencing, by the Hon'ble Chief Minister, Selvi J Jayalalithaa in the presence of Mr. Bill Gates and other members of the delegation. This will now function in 5 Centres namely,



Madurai, Tiruchirappalli, Tirunelveli, Salem and Vellore, besides the IT Academy at Chennai. Hon'ble Chief Minister, Selvi J Jayalalithaa and Mr. Bill Gates interacted with the teachers at those centres through Video Conferencing. This programme will benefit 80,000 teachers over a 5 year period and indirectly reach over 35 lakh students in schools in Tamil Nadu.

Hon'ble Chief Minister, Selvi J Jayalalithaa released a hand book on “Using Information Technology in Learning” for teachers on this occasion and handed over the first copy of the hand book to Mr. Bill Gates.

Hon'ble Chief Minister, Selvi J Jayalalithaa expressed her

happiness over the visit of Mr. Bill Gates to Tamil Nadu on her invitation. The Hon'ble Chief Minister pointed out that the Government of Tamil Nadu under her leadership is firmly committed to leveraging Information, Communication and Technology (ICT) to leapfrog to the top in all spheres and bridging the digital divide. Hon'ble Chief Minister pointed out to the delegation that a conducive physical as well as policy environment has been created in Tamil Nadu to achieve these goals.

Hon'ble Chief Minister, Selvi J Jayalalithaa acknowledged with thanks the several initiatives, especially, the Partners in Learning Programme, which the Microsoft Corporation has partnered with the Government of Tamil Nadu and suggested that Tamil Nadu be included in the new programme announced by the Microsoft Corporation whereby schools in 6 States will be equipped with Computers.

Hon'ble Chief Minister appreciated the measures taken by the Microsoft Corporation to work closely with

the Government of Tamil Nadu on several e-Governance initiatives, such as conducting a workshop for senior Secretaries to Government and rendering technical advice for setting up the State Data Centre. Hon'ble Chief Minister pointed out that a cheaper Personal Computer (PC) loaded with appropriate software will go a long way in taking forward the IT revolution and that she has already made it possible for the government employees to buy PCs.

The Hon'ble Chief Minister stated that her mission is to put the smile of prosperity on the face of every citizen of Tamil Nadu by leveraging Information Technology and that towards this end, she has launched an ambitious programme to take computers to every village panchayat in Tamil Nadu. The Hon'ble Chief Minister pointed out that this truly path breaking venture will help bridge the digital divide and would actually take the benefits of the ICT revolution to the grass roots and make a visible and lasting difference to the lives of the poorest of the poor. The Hon'ble Chief Minister sought the support of the Microsoft Corporation for this initiative of the Government of Tamil Nadu. Mr. Bill Gates promised full support for this initiative.

The Hon'ble Chief Minister requested Mr. Bill Gates to establish a High Performance Computing Centre and an Engineering Product Design and Delivery Centre of Microsoft Corporation at Chennai, which is the ideal location for such a Centre with its vast pool of talent and the mature eco-system of Information Technology and Manufacturing industries as well as world renowned Academic institutions. The Hon'ble Chief Minister assured the delegation that her Government would allot the required land and render whatever support is needed for this purpose. Mr. Bill Gates indicated he was greatly impressed by the inherent strengths of Chennai and its exciting talent pool. He indicated that Chennai would certainly be on the top of the list when Microsoft finalises its expansion plans in India.

The Hon'ble Chief Minister, Selvi J Jayalalithaa appreciated the tremendous humanitarian work of Ms. Melinda and Mr. Bill Gates, which is an inspiration and definitely a role model that is worthy of emulation. The Hon'ble Chief Minister expressed happiness that in response to her request in 2003, the Bill and Melinda Gates Foundation through the Avahan India Aids Initiative had launched a series of initiatives in Tamil Nadu in the area of AIDS prevention.

The Hon'ble Chief Minister pointed out to Mr. Gates that the prevalence of HIV infection in Tamil Nadu which was 1.25% in 2001, had come down to 0.65% in 2004, due to various pioneering efforts taken by her Government and that for the past three years Tamil Nadu has shown a continuous downward trend in the prevalence of HIV infection.

While thanking Mr. Bill Gates for the work done so far, the Hon'ble Chief Minister invited the Melinda and Bill Gates Foundation to extend its support for acquiring equipment for CD4 Cell Count, Viral Load Determination and Genotype Resistance Assay and second line Anti Retro Viral Drugs.



The Hon'ble Chief Minister mentioned that she has put her heart and soul into achieving the Millennium Development Goals and thereby giving the people of Tamil Nadu a better quality of life. She requested the Gates Foundation to take initiatives in this sphere also.

The Hon'ble Chief Minister mentioned that the visit of Mr. Bill Gates and his team to Tamil Nadu augured well for a long and sustained partnership.

Mr. Bill Gates thanked the Hon'ble Chief Minister Selvi J Jayalalithaa for her invitation to visit Chennai and stated that he was happy he could be here. Mr. Bill Gates stated that he was greatly impressed by the rapid strides made by the State and the excellent facilities in Chennai with its vast talent pool. Mr. Bill Gates mentioned that he

is greatly impressed by the achievement of the Tamil Nadu Government in implementing the AIDS Control Programme and that Tamil Nadu stands as a model.

Mr. Bill Gates congratulated the Hon'ble Chief Minister for the success of the Self-Help Group Movement in Tamil Nadu and stated that he was greatly excited by the usage of ICT to enable these groups to access markets and felt the potential was immense.

Mr. Bill Gates was accompanied by Mr. Ravi Venkatesan, Chairman, Microsoft India, Mr. Rohit Kumar, Country Head (Public Sector), Microsoft India. Mr. Joe Cerrel, Director, Global Health Advocacy (Bill and Melinda Gates Foundation), Mr. Ashok Alexander (Bill and Melinda Gates Foundation) and Ms. Padma Chandra sekaran, Programme Manager, (Bill and Melinda Gates Foundation).

Thiru O. Panneerselvam, Hon'ble Minister for Public Works, Prohibition & Excise and Revenue, Thiru C. Ponnaiyan, Hon'ble Minister for Finance, Thiru D. Jayakumar, Hon'ble Minister for Law & Information Technology, Thiru N. Narayanan, Chief Secretary and Secretaries to Government were also present. The meeting lasted for 30 minutes. ★

PUDHU VAZHVU - A NEW LIFE FOR TAMIL NADU'S RURAL POOR



**Rs.717 Crore "Pudhu Vazhvu"
scheme for rural poor**

Pudhu Vazhvu Project

The Hon'ble Chief Minister Selvi J Jayalalithaa launched the Rs.717 crores World Bank assisted "Pudhu Vazhvu" Scheme on 15.11.2005. This Scheme is aimed at improving the economic conditions of poor and downtrodden people in Tamil Nadu.

The major objectives of the scheme, based on the community driven development approach include creating new employment opportunities for the poor, increasing their income, providing technical know - how and necessary financial assistance. Out of the total cost of Rs.717 crores for the scheme, the World Bank would provide Rs.541 crores, while the Government of Tamil Nadu Rs.122 crores as its share and the beneficiary people would contribute Rs.54 crores.



Tamil Nadu, the southern most State of India, nestles in the Indian peninsula between the Bay of Bengal in the east, the Indian Ocean in the south and the Western Ghats and the Arabian Sea on the west. The estimates of poverty made by the Union Planning Commission in 1999-2000 show that 21.12% of the state's population lives below the poverty line which is less than the all India average of 26.10%. Tamil Nadu has been witnessing fast reduction of poverty levels in both urban and rural areas by implementing innovative poverty reduction and social security schemes.

Government of Tamil Nadu as early as 1992 pioneered the Self-help Group movement in the state. Today it stands as one of the most successful initiatives ever undertaken for the social and economic empowerment of women.



Today the Self-help Group movement in the state is all pervasive and visible in all aspects of life in the rural areas of the state and this enormous success has triggered other states to emulate Tamil Nadu's success in their respective states. As on September 2005 there are 2,60,844 SHGs with membership of 42,90,673 women. The savings mobilised by these groups is to the tune of Rs.810.52 crores and the credit linkage provided is Rs.1,429.17 crores.

Inspired by Honourable Chief Minister's vision to make Tamil Nadu, the "*numero uno*" State in the country and with the view to make a pronounced impact on the livelihood of the poorest people in the State including the disabled and most vulnerable such as the destitutes, widows, deserted women, the elderly and tribals the Government of Tamil Nadu has proposed to implement "Pudhu Vazhvu" project with World Bank's assistance. The project was approved by the World Bank in May 2005.

"PUDHU VAZHVU" meaning 'New Life' is to create opportunities and build social capital in poor communities and to involve the communities themselves in designing and implementing the changes that will affect their daily life.

Target Group

It is envisaged that the project will cover around 3,50,000 target families in 2,300 Gram Panchayats comprising 12,185 habitations in 70 backward blocks spread over 15 districts. The target population under this project will primarily be:

- ★ Very poor and poor households.
- ★ Most vulnerable, destitute, widows, aged.
- ★ Marginalized communities and sections.
- ★ Physically challenged

The targeting will be based on participatory identification of the poor from

the above categories. The project will be implemented in 15 districts of the state in 70 selected blocks and 2,300 panchayats. It would be implemented over a period of 6 years at an outlay of Rs. 717 crores.

Project Objective

The overall goal of the project is to support Government of Tamil Nadu's strategy of reducing rural poverty with special focus on the poorest of the poor through support for productive activities and investments, using the Community-driven Development (CDD) approach. The specific project objectives are to improve the livelihoods and empower the target rural poor in Tamil Nadu (particularly women and other disadvantaged groups) through:

1. Developing and strengthening pro-poor local institutions/groups (including village panchayats);
2. Building skills and capacities of the poor; and
3. Financing productive demand-driven subproject investments.

Project Strategy

The project aims to achieve its objective of poverty reduction and empowerment through three strategic interventions.

(i) Community Driven Development Approach (CDD):

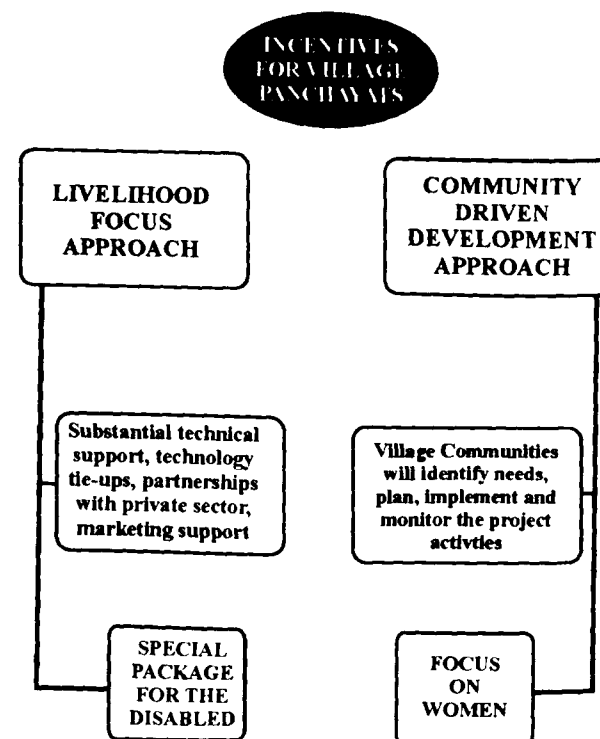
The project will follow the CDD approach wherein village communities will identify their own needs, design and plan interventions and implement and monitor them. The key non-negotiable principles that the process will

adopt are equity, inclusion, transparency, accountability, participation and facilitation. The project will have a special focus on women and the disabled.

(ii) Livelihoods Focus:

There is a Shift in focus from group formation to livelihoods. The project will provide improvement in productivity of existing skills, assets and businesses.

- Sustained technical support to SHGs (skill development, marketing, technology) by establishing partnerships and tie-ups with private sector, research institutes and other agencies to provide technical know-how, product development and market linkages.
- Higher investment per family Rs.28,000 (Rs.14,000/-from project, Equal Bank linkage)
- Focuses primarily on poor women and disadvantaged sections like the disabled,



(iii) Providing Incentives for Pro-poor Governance:

Grama Panchayats (GPs) will be involved in the project processes and will be provided incentives to (a) improve their governance by becoming transparent and accountable to their community members; (b) respond to the needs of the poor by effective

widows, destitutes etc., and reducing vulnerability.

identification of the poor and vulnerable; and (c) provide support to the VPRC to implement the VPRC fund efficiently and in accordance with the agreed rules and procedures.

- Promote higher level economic activities and federations for sustainability.

Basic Information on the 15 Project Districts

No.	Districts	Selected Blocks	No. of Panchayats in the blocks	No. of Villages	No. of Families	Total Population
1.	Coimbatore	5	102	290	131804	458751
2.	Cuddalore	4	207	761	115844	493083
3.	Kancheepuram	4	186	1097	87689	479352
4.	Nagapattinam	5	187	1224	109980	481611
5.	Namakkal	6	114	1006	130416	337989
6.	Ramanathapuram	3	94	676	52687	199994
7.	Salem	6	140	1213	140489	512214
8.	Theni	4	80	538	100671	494943
9.	Thiruvallur	5	182	782	87043	558385
10.	Thiruvannamalai	4	183	893	78531	369100
11.	Thiruvarur	4	159	702	87584	380107
12.	Tirunelveli	6	187	633	122354	465205
13.	Tuticorin	4	200	541	73384	330748
14.	Vellore	5	198	1004	141275	662037
15.	Villupuram	5	130	825	112497	453493
Total		70	2300	12185	1572248	6677012

“Non-Negotiable” Principles of the Project

The project staff, the facilitating teams and the community will adhere to the following “non-negotiable” principles of the project:

1. Inclusion : Inclusion of the poorest and poor women, and disadvantaged sections of the community (disabled, widows, destitute and other vulnerable) will be the key guiding principle of the project. 90% of the project benefits will flow to poor women and the disadvantaged sections of the community.

2. Equity : Women will play a determining role in all community organizations promoted and in decision-making processes related to project activities and funds.

3. Participation : All project activities and programmatic decisions of the project at the village shall be based on participatory processes involving all primary stakeholders and representation of at least 60% of the target poor.

4. Transparency: All project decisions will be made in a transparent manner and the project will ensure that all project information, details of funds and benefits is available to all stakeholders.

5. Accountability : Village institutions and project teams will be accountable to the community and will ensure display of information, beneficiary list and funds disbursed in public places.

6. Facilitating Style : The project shall have faith in the capacity of the poor to undertake, control and decide on all the activities of the project. The project teams, resource organizations and support staff will adopt an enabling style so as to ensure self help and transfer of control to the community.

Project Phasing

The 15 selected districts would be initiated into the project in 2 phases of 7 and 8 districts with a gap of 6 months and in four phased but overlapping batches. The first batch would constitute 474 GPs from 15 blocks of the first 7 districts. The second batch would consist of 486 GPs from 15 blocks from 8 districts. The third and fourth batches consisting of 20 blocks and 670 GPs each.

Key Project Design Elements :

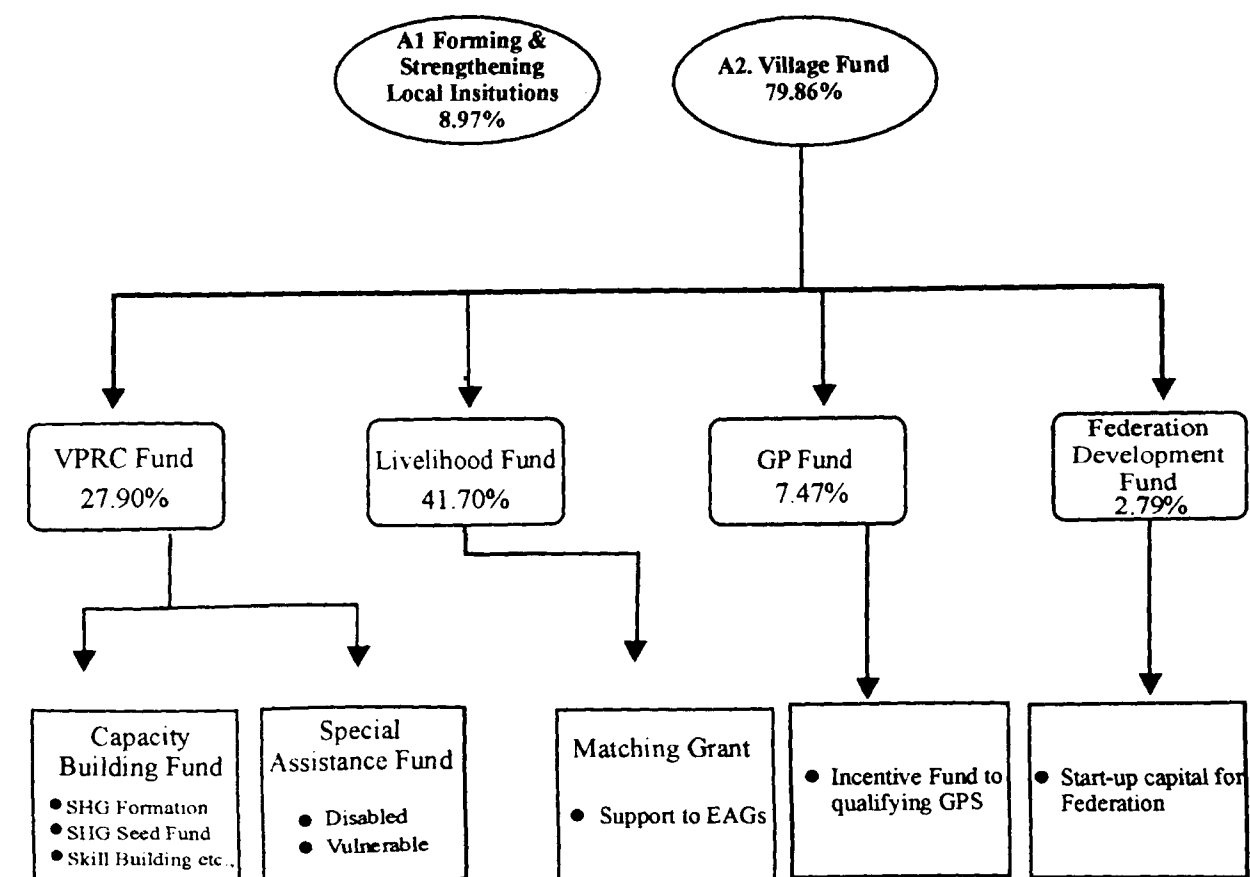
The following key principles have been incorporated into the project design :

- Transferring control over decision making and resources to the community, and local institutions (identify, plan, implement, monitor and evaluate sub projects);
- Focusing on the poorest by including the ultra poor (bottom 50 percent of the poor), and special groups that include disabled, destitutes, widows, deserted women, the aged, orphans and tribals.
- Building and empowering community institutions and organizations to take full responsibility for sustaining activities in the future;

- Developing simple and transparent rules of engagement and building accountability (downward and upward) and transparency at all levels;
- Developing a facilitating and enabling style and culture at all levels of project management; and
- Ensuring independence and autonomy of the “Guardian of the Rules” to ensure that the project and technical teams have total independence and autonomy to appraise and monitor the project in accordance with the agreed rules and procedures.

S. No.	District	Block	No. of G.Ps.
1.	Salem	Yearcaud	9
		Ayothiapattinam	32
		Thalaivasal	35
2.	Coimbatore	Palladam	20
		Udumalpet	38
3.	Thiruvavur	Kottur	49
		Koradacherry	44
4.	Thiruvannamalai	Chengam	44
		Pudupalayam	37
5.	Namakkal	Erumaipatti	24
		Kolli hills	14
6.	Theni	Aundipatti	30
		Mailadumparai	18
7.	Vellore	Gudiyatham	44
		Madhanur	36
Total		15	474

Project Components



Component	(Rupees in Crores)
A. Village Livelihoods	637.00
A1. Forming and Strengthening local institutions	640.3
A2. Village Funds	572.70
A2a. VPRC Fund	200.00
A2b. Livelihood Fund	299.00
A2c. GP Fund	53.60
A2d. Federation Development	20.00
B. Institutional Strengthening Support	31.54
B1. Capacity Building at State & Dist. Level	10.68
B2. Support to Livelihoods	15.60
B3. Monitoring and Learning	5.26
C. Project Management	48.56
Total	717.10.

A1: Formation and Strengthening of Village Institutions (Rs.64.31 crores):

The objective of this subcomponent is to support and develop inclusive, self-reliant, self-managed and sustainable community organisations for livelihoods improvement. This subcomponent will facilitate and support formation of Village Poverty Reduction Committee (VPRC) through

- ★ Communication campaign
- ★ Orientation of the Village organizations.
- ★ Participatory Identification of poor
- ★ Initial formation of SHGs



Component - A

Village Livelihood Programme (Rs.637 crores)

The Village Livelihood Programme is the largest component (about 90% of total) and will have two sub-components: (i) Formation and Strengthening of Village Institutions; and (ii) Village Fund.

The VPRC, which is the most important CBO responsible for project implementation at the village level, will bring together various stakeholders at that level. It would be an inclusive, representative and autonomous institution representing the target poor, the GP and SHGs and EAGs of the target households. The VPRC will remain accountable to Village Assembly and beneficiaries of the project.

A2. Village Fund (Rs.572.70 crores):

Village fund will be allocated to each Village/GP initially based on the total population and number of tribal families and later based on their needs as reflected in the overall Livelihood plan.

A2a. VPRC Fund - Rs. 200.1 crores

(i) Capacity Building Fund

- ★ Formation of new SHGs
- ★ Revival of defunct groups
- ★ Training Village Organisations
- ★ Promotion of Economic Activity Groups
- ★ Operational costs of VPRC
- ★ Skill Development training
- ★ Technical assistance for preparation & appraisal of proposals and business plans
- ★ Credit rating of the non-linked and new/revived groups of poor women
- ★ Release of the seed capital to the credit-rated groups of poor women

ii. Special Fund

- ★ Supporting livelihood activities of the disabled and most vulnerable either as groups or as individuals.
- ★ Institutional support and Seed Fund to solidarity groups/ Federations
- ★ Rehabilitation and treatment of severely disabled

- ★ Skill development
- ★ Other vulnerability reduction measures/ schemes
- ★ Educational assistance to disabled children, children of disabled and orphans

A2b. Livelihood Fund - Rs. 299.00 crores

- ★ SHGs/Economic Activity Groups prepare proposals for economic activities with PFT help
- ★ District unit will check the proposals and sanction
- ★ Up to 50% of project funds as grant
- ★ 40% bank linkage
- ★ 10% from group savings

A2c. Gram Panchayat Fund - Rs. 53.60 crores

- ★ Project initiation fund
- ★ Incentives to Gram Panchayats which implement the project pro-actively and are pro- poor

A2d. Federation Development & Paraprofessional Development Fund - Rs. 20.00 crores

- ★ This fund will be used to promote federations which will provide the services demanded by SHG and EAG members like monitoring, capacity building, conflict resolution, internal audits, facilitation of external audits, linkages with banks and insurance companies, etc.

- ★ Support to higher level economic activities through federations
- ★ Identifying local resource persons and provide training as para professionals
- ★ Capacity building of state and district staff including International Exposures
- ★ Demand-driven capacity building
- ★ Develop all necessary communication material, development and facilitation assignments.

Component - B

District and state support for village Livelihood program (Rs.31.53 crores)

The objective of this component is to

- nurture and develop competent staff, resource persons and agencies with required skills and capabilities at both the district and state levels to support village institutions,
- establish service standards to enhance responsiveness and timely support of district and state levels to village institutions,
- build linkages and tie-ups with support organizations and service providers to enable communities to broaden livelihood options and improve sustainability of livelihood activities, and
- establish monitoring, evaluation and learning systems to monitor project progress.

B1 - Capacity Building at the State & District Level (Rs. 10.68 crores)

- ★ Induction of the state and district staff
- ★ Capacity building of technical support persons, appraisers and environment resource persons
- ★ Orientation to Facilitating Agencies
- ★ Sensitization of the line departments and bankers
- ★ Workshops for various functional areas developing manuals for main project activities giving operational guidelines
- ★ Undertaking market scanning to identify new emerging opportunities for enhancing the livelihoods of the poor
- ★ Promote innovation within the community for addressing the livelihood needs of the poor including vulnerable within the present constraints.

B2 - Support to Livelihoods (Rs. 15.60 crores)

- ★ District livelihoods sector-based activity resource centers or demonstration sites
- ★ Livelihoods Advisory Groups (thematic) at state and district level
- ★ State and District Livelihoods Capacity Building / Resource Organizations
- ★ Bringing in technology tie-ups, working out product development activities, market feasibility analysis etc.
- ★ Working out strategic alliances and partnerships with producers' co-operatives, private sector, commodity boards, industry confederations, export promotion organizations etc. Developing new livelihood options in the fields like ICT, Non-farm, Corporate Services, Lifestyle needs

B3 - Monitoring, Evaluation & Learning (Rs. 52.6 crores)

- ★ Development of Systems MIS, FMS, Accounting packages for SHGs and EAGs and Community Monitoring
- ★ Internal learning forums

Monitoring, Evaluation and Learning exercises like process monitoring, mid term review and end of project evaluation.

Component - C

Project Management (Rs.48.58 crores)

This component would facilitate overall co-ordination, implementation, monitoring and learning of the project at state and district levels. It would include setting up and strengthening state and district level project units, providing office infrastructure and logistic support and setting up monitoring, evaluation and learning systems.

Project Implementation Arrangements

The implementation arrangements at various levels are described below:

(a) Community and Village Level: The proposed institutional arrangements would ensure that communities are in the driving seat in terms of organizing themselves, identifying the target poor, prioritizing their investments, allocating resources, preparing and implementing livelihood subprojects, and maintaining their assets. The following community organizations would play an important role: (i) Village Assembly, (ii) Grama Panchayats, (iii) VPRC and (iv) EAGs and their Federations.

(i) The Village Assembly, consisting of all voting households in a village, would be the supreme body and will approve the list of eligible beneficiaries (identified through participatory identification of the poor), the Overall Capacity Building and the Village Livelihood Plans, formation of Village Poverty Reduction Committee and a Social Audit Committee (SAC).

(ii) The Grama Panchayats (GP) would be responsible for kick-starting project implementation and facilitating the start up activities including formation of the VPRC as well as for implementing GP Incentive Fund. The GP representation in the VPRC is expected to bring in synergy within the village



institutions and develop a relationship of trust between the elected representatives and community members.

(iii) Village Poverty Reduction Committee (VPRC) would be an inclusive and autonomous institution at the village level, accountable to the Village Assembly and would be responsible for implementation of the project. Each hamlet in the village would be represented in the VPRC through a woman SHG member elected from the target poor. The existing village level institutions - GPs and SHGs- will also be

represented in VPRC to ensure convergence and partnerships. VPRC will have representation from the SC and ST communities and also the disabled. At least 50 percent of the representatives will be women.

(iv) Economic Activity Groups: The EAGs would be responsible for planning and implementing livelihood/income generating activities.

(b) Cluster Level: At the cluster level, a Project Facilitation Team (PFT), covering about 10-15 Gram Panchayats, will be set up with the key responsibility of forming and strengthening local institutions of the poor in the village. The PFTs would be accountable to the District Project Management Unit (DPMUs) as well as to the beneficiaries that they serve and their continuation would depend on the satisfactory report cards from the beneficiaries and evaluation from the DPMUs.

Each PFT will have the following 5 members

1. Team leader
2. Facilitator, Social mobilization
3. Facilitator, Livelihoods
4. Facilitator, Micro finance and Enterprises
5. Facilitator, Accounts & Monitoring.

(c) District Level: At the District level, the responsibility for guiding and facilitating the implementation of the project will be vested with the District Pudhu Vazhvu Society registered under the Tamil Nadu Societies Registration Act, 1975, and will have a 15 member General Body chaired by the District Collector. The District Project Manager (DPM) would be the Member-Secretary of the district society and the team leader of the District Project Management Unit (DPMU).

(d) State Level: Given the larger mandate of the project to address livelihood issues of both women and men amongst the vulnerable and disadvantaged, an autonomous Society has been set-up at the state level to provide overall guidance, vision and direction to the program and manage, coordinate and monitor project implementation. The State "Pudhu Vazhvu" Society has been registered under the Tamil Nadu Societies Registration Act, 1975, and will have a 15 member General Body chaired by the Finance Secretary. The management of the Society is vested with an Executive Committee chaired by the Secretary, Social Welfare and will include representatives from government, non-governmental, corporate and civil society organizations. The Project Director will be the Member-Secretary of the Society and will be assisted by a multi-disciplinary team of specialists.

Expected Outcomes/ indicators of the Project

- ★ 20% increase in incremental income against base year for 50 % of the target households by end of project.
- ★ 70% target households should have increased their income.
- ★ At least 70% of all identified vulnerable population e.g disabled and tribals are organized into SHGs and have accessed special assistance funds.
- ★ At least 70% of SHGs/EAGs of the poor have accessed funds through linkage with banks and other financial institutions.

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Rs. 50 CRORES FOR IMMEDIATE RESTORATION WORKS



Erukkenchery and Ganesapuram Subways has been pumped out and the roads have been opened to traffic. The Corporation has taken up conservancy work and public sanitation measures on a mass scale in the areas which were water-logged till yesterday namely, Pulianthope, Perambur, Vyasarpadi and Tondiarpet. Mobile Health Centres are also operating in these areas.

On my directions, Metro Water Board has pressed into service a large number of water tankers to supply drinking water in these areas.

I reviewed the flood situation in Chennai City on 30.10.2005 with special reference to the removal of water from areas that were waterlogged till yesterday.

The flood water in Pulianthope, Perambur, Vyasarpadi and Tondiarpet has receded almost completely, thanks to the special steps taken yesterday by the Public Works Department and Corporation authorities. The water logging in a few by-lanes in the above areas is also likely to be set right by this evening. The water stagnating in

The Corporation of Chennai has distributed 1,25,000 food packets this morning. I have directed that the distribution of food packets should be continued to all those who may need it.

The Tamil Nadu Electricity Board has restored power supply in all the 808 11 - KV feeder lines which are supplying power to Chennai City.

As regards milk supply, Aavin has ensured despatch of the entire quantity this morning also. Instructions have been given to Aavin

to increase the production capacity in the city dairies and also to bring in additional supply from the districts to meet the increasing demand in the city.

I have had detailed discussions on the nature of the relief assistance to be provided. In all the districts affected due to the floods in the Cauvery and other rivers such as the Thenpennaiyar, Palar, etc., the Collectors are completing the enumeration of the families affected so that a relief package can be extended. In Chennai City, the enumeration is about to commence. I have reviewed the position with reference to the need to ensure prompt distribution of the relief package to all those who are affected. Keeping this in mind, I have decided to provide the people affected with the following relief packages in order to enable them to come back to full normalcy quickly.

A relief package consisting of cash relief of Rs.2,000/-, 10 Kgs. of Rice, 1 Dhoti and 1 Saree and 1 litre of Kerosene will be given to each family which has suffered with the hut being fully damaged. For a partly damaged hut, cash relief of Rs.1,000/-, 10 Kgs. of Rice, 1 Dhoti and 1 Saree and 1 litre of Kerosene will be given. This relief package will be given to all those affected throughout the State immediately. I have directed the Collectors of all districts to distribute this relief package at once. This will commence tomorrow.

For those affected by the floods in Chennai City and adjoining areas, apart from the above package for huts, I have set out a special relief package taking note of the built up nature of these areas. The Collector together with the Corporation Commissioner in Chennai City are enumerating the Streets in low-income areas where flooding occurred. All the families in such streets holding a ration card or who have been enumerated for issue of ration card will be provided the relief package. This relief package will consist of a cash relief of Rs.2,000/-, 10 kgs. of Rice, 1 Dhoti and 1 Saree and 1 litre of Kerosene.

The District Collectors are taking up a detailed assessment of damages to crops in the flood affected areas. A separate package of relief to the farmers whose crops have been affected will be announced separately.

In order to enable the Collectors to take up immediate restoration works covering roads, irrigation systems and tanks and buildings, I have sanctioned a sum of Rs.50 crores. A detailed assessment has been taken up and based on this detailed assessment, a Memorandum requesting assistance from the Government of India will be finalised shortly.

- Statement of SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
30.10.2005

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INTER-MINISTERIAL CENTRAL TEAM FOR AN ON THE SPOT ASSESSMENT OF THE FLOOD DAMAGES IN TAMIL NADU



The Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa had written to the Hon'ble Prime Minister on 3.11.2005 enclosing a detailed Memorandum and requesting him to depute a Central Team immediately to assess the damage caused by torrential rains and floods in Tamil Nadu for determining the assistance required from the National Calamity Contingency Fund. The total assistance sought earlier from the National Calamity Contingency Fund was Rs.1,120 crores.

In response to the request of the Hon'ble Chief Minister, the Government of India has deputed an Inter-Ministerial Central Team for an on the spot assessment of the

flood damages in Tamil Nadu. The Central Team headed by Thiru D.S.Mishra, Joint Secretary, Ministry of Home Affairs, New Delhi met the Hon'ble Chief Minister Selvi J Jayalalithaa on 17.11.2005 at the Secretariat. The Hon'ble Chief Minister indicated her thanks to the Hon'ble Prime Minister and the Hon'ble Union Home Minister for deputing the Central Team to Tamil Nadu on her request. The Central Team were in Tamil Nadu from 17.11.2005 to 20.11.2005.

During the discussion, the Hon'ble Chief Minister informed the Central Team that Tamil Nadu normally receives 979 mm rainfall every year, of which 48% is from the

North-East monsoon. The State had faced an unprecedented drought in the years 2002 and 2003. It continued to reel under the drought conditions till the middle of September, 2004. Two Central Teams visited the State in February and September, 2004 to assess the drought situation in the State. In the last week of October, 2004 abnormal rainfall in the coastal districts resulted in localized floods causing heavy damages to crops, roads and irrigation systems. On the request of the State Government, the Government of India deputed a Team which visited the State in December, 2004.

Following these successive droughts and floods, the State had to face another disaster of unprecedented magnitude, i.e., Tsunami on 26th December, 2004. While the Tsunami rehabilitation and reconstruction works are still going on, the State received a rainfall of 291.66 mm in October, 2005 against the normal rainfall of 187.10 mm in October. On 24-10-2005 the Mettur dam received an inflow of 2.24 lakh cusecs of water. After 1961, this is the first occasion that Mettur Dam witnessed such a massive inflow. When this occurred the Mettur Reservoir was already full. The State Government had no option but to discharge the entire surplus water into the Cauvery system resulting in floods in the Cauvery districts which were already receiving heavy rainfall at the same time. This resulted in damage to more than 50,000 hectares of crops and marooning of several villages.

This was the first time in more than forty years that water of this quantum was

discharged into the Cauvery system. Consequently, this was a calamity of rare severity. The unprecedented flow of water in the Cauvery river posed a major threat to the temple town of Srirangam in Trichy district. By regulating the discharge of the surplus waters judiciously and taking all preventive measures on a war-footing, the State Government was able to avert a major disaster in Srirangam.

Krishnagiri and Dharmapuri districts are drought prone districts in the western part of the State. There was unprecedented rain followed by floods. Two lanes of the National Highway to Bangalore were washed away. Tanks breached and the South Pennaiyar river was in spate.

Chennai City and adjoining districts experienced torrential rains exceeding 44 cms over a span of 48 hours from 8.30 A.M. on 26.10.2005 to 8.30 A.M. on 28.10.2005. Of this, nearly 40 cms. was received between 3.30 A.M. and 4.00 P.M. on 27.10.2005.

The Hon'ble Chief Minister further informed the Central Team that she visited the areas battered by incessant rains in Chennai city on 27.10.2005 itself. She also reviewed the situation every day with the Ministers and officers concerned till normalcy was restored. Ministers and I.A.S. Officers were deputed to the different districts and Chennai to co-ordinate the relief and rescue operations. Nearly 6.50 lakh people had to be evacuated from low lying areas and accommodated in more than 500 relief centres in the affected districts. More than 68 lakh food packets were supplied at the

relief centres. The help of the Army was taken in the rescue operations and movement of supplies in Pulianthope area in Chennai city and also in Trichy district for strengthening the bund on the Cauvery at Srirangam. The help of Indian Air Force was taken on 24.10.2005 to rescue 27 persons who were marooned in Salem district. The Coast Guard helped in Madipakkam area in Chennai.

The State Government has so far sanctioned Rs.130 crores to provide relief to the affected families in Chennai city and other districts. Sanction has also been accorded for Rs.50 crores for immediate restoration works, covering roads, irrigation systems, tanks and buildings. 158 persons lost their lives due to rains and floods for which the State Government has sanctioned Rs. 50,000/- as relief to each of the families of deceased persons. The Agriculture Department has taken steps to save as much of the inundated crops as possible. The Revenue and Agriculture departments are jointly assessing the damage to the crops. Large areas of agricultural crops are still under inundation in a few districts. The crop damage in these areas will be assessed as soon as the water recedes. As per present indications, 89,653 hectares are likely to suffer either total damage or yield-loss of more than 50%. The tanks, river banks and channels which have breached have to be strengthened. The roads have suffered the worst damage. The Highways and Rural Development departments have incurred a lot of expenditure to restore these roads to their original condition.

The Hon'ble Chief Minister Selvi J Jayalalithaa informed the Central Team that the State's Calamity Relief Fund has been totally exhausted because of Tsunami rehabilitation and reconstruction. The State Government has no option but to seek liberal assistance from the Government of India to tackle the situation arising out of this calamity of rare severity. Never in the past has the State suffered continuously from one type of natural calamity or the other for four consecutive years as at present. The Hon'ble Chief Minister stressed that what Tamil Nadu faces today is a calamity of extreme severity and relief from the Government of India should be substantial.

In the Memorandum already sent to the Government of India on 3.11.2005, the State Government had requested for an assistance of Rs.1,120 crores from the National Calamity Contingency Fund. Subsequently, five districts viz., Chennai, Thiruvallur, Kancheepuram, Nagapattinam and Cuddalore received very heavy rains in yet another spell worsening the situation further. The Hon'ble Chief Minister Selvi J Jayalalithaa indicated that the damages caused by these subsequent heavy rains have been assessed and the total assistance required from the National Calamity Contingency Fund comes to Rs.1,742 crores.

The Hon'ble Chief Minister Selvi J Jayalalithaa requested the Team Leader and Members of the Central Team to visit the affected areas and interact with the officials of the State Government to make a proper assessment of the overall impact of the torrential rains and floods.

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FLOOD SITUATION AND RELIEF OPERATIONS

I reviewed the flood situation and relief operations in the State on 8.11.2005 at the Secretariat.

In the 24 hours ending at 8.30 a.m. on 8.11.2005, Nagapattinam District has received the highest rainfall in the State. It has recorded an average rainfall of 18 cms in one day, following continuous rain in the previous days. Consequently, a large extent of agricultural land has been inundated. It is estimated that about 40,000 hectares of agricultural lands are under inundation. The Collector, Nagapattinam, has made arrangements to evacuate people from low lying areas and shift them to relief centres. 50 relief centres have been opened and 77,000 people have been accommodated at the relief centres. They are being provided food, drinking water and other facilities. I have directed the Collector, Nagapattinam, to continue with these arrangements. I have deputed the Minister for Food & Co-operation and the Minister for Forests and Environment to Nagapattinam District to oversee the relief operations. I have deputed a senior IAS Officer to co-ordinate the relief

operations, supporting the Collector, Nagapattinam District.

In Cuddalore District also the heavy rainfall has led to inundation. People in the low lying and inundated areas have been evacuated by the District Administration and accommodated in 30 relief centres. Food packets are being supplied to about 5,000 persons in the District. Due to the heavy inflow into the Veeranam Tank, the flood surplus has been opened today 8.11.2005 at about 10.00 a.m. As a precautionary step the Collector, Cuddalore is organizing relief centres to accommodate persons from villages below Veeranam Tank. The District Administration has alerted the people lying in these areas. The Paravanar River has breached near Boothampadi village. About 25 families living in low lying areas in 2 villages have been evacuated from this area. The river breach is being closed. The District Administration and the Public Works Department are constantly keeping vigil and are in a state of readiness to take necessary measures. I have asked the Minister for Health and the Minister for Education and

Commercial Taxes to oversee the relief operations in Cuddalore District. A senior IAS Officer is also being deputed to Cuddalore to assist the Collector, Cuddalore District, in relief operations.

Considering the rainfall in the tail end districts of Nagapattinam, Tiruvarur and Cuddalore, the discharge from Grand Anaicut into Vennar and Cauvery rivers has been totally stopped. Due to lower surplus at Mettur the flood discharge through the Coleroon has got reduced. The Public Works Department is constantly monitoring the situation and regulating the water discharge judiciously.

In Chennai City, the rainfall has come down considerably. In the 24 hours ending at 8.30 A.M. on 8.11.2005, Chennai recorded a rainfall of 1.9 cms. Consequently, the water in most of the inundated areas is receding rapidly. On 7.11.2005, about 4.5 lakh food packets were supplied to the affected persons. I have directed that this should be continued today.

I have directed the Chief Engineer, Highways, to immediately attend to road cuts and road damages in Chennai City. I have asked the Commissioner, Corporation of Chennai, to do so in respect of Corporation Roads. Yesterday (7.11.2005) there was considerable water over flow on the Inner Ring Road between Koyambedu and Vadapalani, due to a breach in Maduravoyal Eri. I had asked the Highways and Public Works Departments as also the Chennai Corporation to co-ordinate and restore traffic. Today traffic has been restored.

I have given special instructions to the Managing Director, Metro Water, to ensure that the pumps in all the 178 sewage pumping stations function without any break down. Metro Water is ensuring that all the pumping stations function round the clock. Metro Water is actually clearing 700 MLD through the sewerage system against a normal daily throughput of 350 MLD.

The Special Relief Package comprising Rs.2000/- cash, 10 Kilos of rice, saree, dhoti and one litre of kerosene has been very well received as a substantial and timely support package for those affected. On my directions the number of relief package distribution centres in the two taluks of Fort - Tondiarpet and Perambur - Purasawalkam have been increased from a total of 20 to 40 and all the 40 centres are functioning today. I have instructed that the number of centres can be further increased based on need. So far, about 1.25 lakh families have been provided with the relief package given by my Government in Chennai. The speed of issue of coupons at the Public Distribution System outlets has been stepped up from 30,000 per day to 50,000. I have instructed that additional staff from all departments should be mobilized so that the number of centres can be further increased. I have instructed the Collector, Chennai, and the Commissioner of Chennai Corporation to verify all cases of grievances of exclusion thoroughly and provide the relief package to genuinely affected families.

- Statement of
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu,
on 8.11.2005

* * *

AN ADVANCE OF Rs.3,000 CRORES MAY BE RELEASED FROM THE NATIONAL CALAMITY CONTINGENCY FUND



I am writing this letter to request you to depute one more Central Team to assess the extensive damage caused by the latest floods since 21.11.2005.

You may recall that I had written to you on 3.11.2005 requesting you to depute a Central Team to assess the damage caused by torrential rains and floods in Tamil Nadu. In response to my request, you were kind enough to depute an Inter-Ministerial Team which visited the State between 17.11.2005 and 20.11.2005 and toured some of the affected Districts. I am sure the team would be submitting its report to the Government of India shortly.

As you are aware, even before we could recover from the damages suffered by the heavy downpour in two spells, first in the

second fortnight of October and again in the first fortnight of November, the State has had another spell of heavy downpour which is unprecedented in our living memory. Between 21.11.2005 and 24.11.2005, the affected 15 Districts have received an average rainfall of 263 mm. The latest spell has caused unprecedented and extensive flooding in 15 Districts in the State. The Cauvery Delta Districts which include Cuddalore, Nagapattinam, Thanjavur, Thiruvavur and Trichy have borne the brunt of the damage yet again.

I would like to inform you that some of these Districts were affected by floods last year followed by the tsunami in December, 2004. The Cauvery Delta farmers have not had a normal monsoon for the fourth year in succession. The State had earlier suffered two years of continuous drought. The unprecedented rains this week have caused heavy flooding in the Cauvery system, particularly in the Coleroon River which has registered a flow of 3.35 lakh cusecs on 25.11.2005, which is the highest recorded since the year 1939.

The State Government has taken a number of measures to tackle this calamity. We have also requisitioned the services of the Army, Air Force, Navy and the Coast Guard for our

rescue and relief operations. The rains have claimed a number of lives in the last two days. Two buses, one in Ramanathapuram District and another in Thanjavur District with a total of about 150 passengers have been washed away in the flash floods, killing 76 persons. More than 5 lakh people had to be evacuated from low-lying areas to safer places. The process is still going on.

The damage to infrastructure in the latest floods has been the most extensive. As of now, more than 20,000 kms. of roads have been damaged. After last month's floods, temporary restoration works had been taken up and completed in most of these roads. More than 3,000 Irrigation Tanks and 1,500 River Banks and Channels have breached due to heavy floods all over the State. Bridges and culverts have also suffered heavy damage. Consequently, road transport was disrupted in the affected Districts. Rail traffic has also been suspended in most part of the State, since railway tracks have suffered inundation and damage.

The agricultural production of the State is mainly dependent on the long term Samba crop which comes up for harvest in December/January. Due to the recent rains and floods, the damage to the standing crops is likely to be very extensive. An exact assessment of the actual damage can be done only after the water drains off from the fields. As per preliminary estimates, it is apprehended that a minimum of 3.5 lakh hectares of agricultural crops are either fully or partially damaged.

The havoc caused by the floods was so grave that many of the affected areas were

inaccessible and completely cut off. The situation in some of the affected areas has slightly improved today (26.11.2005). I personally visited some of the worst affected areas in Cuddalore District today and reviewed the rescue and relief operations. I propose to visit the other affected Districts in the next two days. On my directions, the entire administration has been fully geared up to deal with the grim situation.

I wish to bring to your kind notice that what I have stated in this letter is only a preliminary assessment of the damages to crops and infrastructure. As the rescue and relief operations are still going on, and in view of the fact that the rains are still continuing, further detailed assessment will be undertaken once the situation stabilizes.

In view of the foregoing, I request you to kindly send another Central Team urgently in order to see and assess the extent of loss suffered by the State. A detailed Memorandum will be presented to the Central Team on their arrival.

Pending a detailed assessment by the Central Team, I request that an advance of Rs.3,000 crores may be released from the National Calamity Contingency Fund to attend to the immediate relief and restoration works.

I look forward to your positive response.

Text of the D.O. Letter dated 26.11.2005
addressed to Dr. Manmohan Singh,
Hon'ble Prime Minister of India by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu

STATE MACHINERY WAS GALVANIZED FOR IMMEDIATE RESCUE AND RELIEF OPERATIONS

Hon'ble Chief Minister **SELVI J JAYALALITHAA**

28.11.2005

Tamil Nadu has been reeling under the devastation caused by unprecedented floods in the last few weeks. The State experienced heavy rains in three distinct spells during the current season. Consequently, 22 districts have been badly affected by floods during these spells.

During the current spell, there has been extensive damage to infrastructure, especially roads, bridges, culverts and irrigation systems in the affected districts. Damage to crops has been widespread. Dwelling houses have also suffered severe damage. On my instructions, the State machinery was galvanized for immediate rescue and relief operations. Temporary restoration of damaged infrastructure has also been attended to promptly.

I had announced on 30.10.2005, a relief package consisting of cash relief of Rs.2000/-, 10 Kgs. of Rice, one Saree, one Dhoti and one litre of Kerosene to each family which had suffered with the hut being fully damaged. For a partly damaged hut, cash relief of Rs.1000/-, 10 Kgs. of Rice, one



Saree, one Dhoti and one litre of Kerosene was announced. This relief amount is being disbursed systematically by the District Collectors.

The latest spell of unprecedented rain has badly affected a wide cross section of the population. I personally visited some of the severely affected districts in the last two days. I could see the devastation caused by the floods in Cuddalore District when I undertook a tour of this District on 26.11.2005 which was the worst affected. Similarly on 27.11.2005, I saw the damage caused in the other Cauvery Delta Districts of Tiruchirappalli, Thanjavur and Nagapattinam. Today (28.11.2005) I am touring Madurai, Dindigul and Karur Districts. I interacted with thousands of people affected by floods in these Districts. I could see the distress caused to these people by marooning of villages, inundation of houses, temporary displacement from their houses due to flood threat, etc. I personally consoled them and assured them that my Government would provide promptly all assistance to enable them to get back to normalcy. On my

MESSAGE

World Thrift Day is celebrated every year on 30th October. I am happy to note that in Tamil Nadu this day is observed with a view to creating awareness of the importance of savings.

The adage that tiny drops make a mighty river, amply exemplifies the concept of thrift. Therefore, it is imperative that people set aside a portion of their income as savings for future needs. The Public



savings of a Nation help in implementing various welfare schemes and in improving basic amenities, thereby paving the way for the economic development of the country.

Hence, on this World Thrift Day, I request the people of Tamil Nadu to open a Savings Account in a nearby Post Office and deposit their savings in this account thereby bringing prosperity to their family and the Nation.

- **Selvi J JAYALALITHAA**
Hon'ble Chief Minister

instructions, the Collectors have opened a large number of relief centres and provided food and shelter to the affected families. The breadwinners of these affected families had also lost their wages for a few days and were put to a lot of hardship.

Taking into account the plight of a large number of people affected by this calamity of enormous magnitude, I have decided to announce a Special Package of assistance to those who have suffered due to marooning or inundation or temporary displacement from their houses. This package will comprise a cash relief of Rs. 1,000/-, 10 Kgs. of Rice, one Saree, one Dhoti and one litre of Kerosene. This package will cover the families in the following categories of affected villages / towns:-

1. Villages / Towns that had been marooned
or
2. Villages / Towns where people had to be displaced / evacuated because of flood threat

or

3. Villages / Towns where relief centres had to be opened or food packets had to be provided to the people

or

4. Villages / Towns where there was inundation for at least one day

I have already written to the Hon'ble Prime Minister on 26.11.2005 seeking an advance of Rs. 3,000 crores to meet the expenditure for immediate relief and restoration of infrastructure. However, without waiting for Government of India's response, I have announced this Special Package to provide immediate relief to the affected families.

I have instructed the District Collectors to make an immediate assessment of the crop damage and a separate relief package for the affected farmers will be announced expeditiously.

* * *

MAKING AVAILABLE ADDITIONAL KEROSENE TO ALL THE AFFECTED PEOPLE BECOMES INEVITABLE UNDER THESE CIRCUMSTANCES



You are aware of the unprecedented rains in Tamil Nadu during October and November this year and the flood situation which has arisen thrice in quick succession. The most recent floods have been severe and unprecedented. My Government has swung into flood relief operations on a war-footing and various measures have been taken to alleviate the distress of the flood affected people.

I wish to draw your attention to the need for an immediate additional allocation of kerosene for Tamil Nadu to assist those affected by floods. You may be aware that our requirement of kerosene to meet the requirement of card holders under the Public Distribution System is about 1 lakh Kilo Litres per month, whereas our monthly

allocation is only about 59,839 Kilo Litres per month. I have already requested you to increase our monthly allocation of Kerosene under the Public Distribution System in the Memorandum enclosed with my D.O. letter dated 16.9.2004. The Government of India has not yet responded to this request.

Kerosene remains the primary source for cooking and lighting in the rural areas. In the aftermath of the recent heavy spells of rains, the availability of dry fuel like firewood, cow dung etc, has sharply decreased. The non-availability of LPG has also become a cause for concern in recent times. Making available additional kerosene to all the affected people becomes inevitable under these circumstances.

To provide 3 litres of kerosene per card to all the card holders in the 22 districts affected by the recent floods, we require a quantity of 43,200 Kilo Litres. I request that this quantity may be allotted to Tamil Nadu as an additionally over and above the normal allotment for December, 2005, with permission to lift it up to 31-1-2006.

May I request your immediate intervention on this request?"

- A letter dated 30.11.2005 addressed to
Dr. MANMOHAN SINGH,
Hon'ble Prime Minister of India
by **SELVI J JAYALALITHAA,**
Hon'ble Chief Minister of Tamil Nadu

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I HAVE MADE OUT A STRONG CASE FOR A SPECIAL SUPPORT PACKAGE TO ENABLE FARMERS TO FACE THE FUTURE WITH CONFIDENCE

- STATEMENT OF **SELVI J JAYALALITHAA,**
HON'BLE CHIEF MINISTER OF TAMIL NADU on 30.11.2005

I have been reviewing the flood situation in Tamil Nadu on a daily basis with the Ministers and officials of the State Government. On my instructions, the entire administrative machinery has undertaken the rescue and relief operations on a war footing. I have personally visited the worst affected districts of Cuddalore, Tiruchirappalli, Thanjavur, Nagapattinam, Madurai, Dindigul, and Karur and supervised the relief operations. I have interacted with the flood-affected people who have been rendered homeless. I have been greatly moved by the plight of the affected persons in the flood-affected Districts. I have promised them that the Government would take all necessary action to provide them with adequate support to rebuild their lives.

Based on the extraordinary severity of the damages which I personally saw, I wrote to the Hon'ble Prime Minister on 26.11.2005 requesting him to extend an advance assistance of Rs. 3,000 crores and to depute a Central Team to assess the flood damage in the State. When the Hon'ble Prime Minister telephoned me on 27.11.2005, I reiterated this. In response to my request, the Government of India has deputed a Central Team to visit the flood-affected Districts and assess the damage while making recommendations on the assistance to be provided. The Central Team has visited the affected Districts on 29.11.2005 and 30.11.2005.

I have today, (30.11.2005) finalised a detailed Memorandum covering all aspects of the assistance sought to enable the



Government of Tamil Nadu to undertake relief, restoration and rehabilitation measures. When the members of the Central Team called on me today (30.11.2005) at the Secretariat, I have stressed the magnitude and the severity of the damage suffered by the State. I have brought it to the specific notice of the Central Team that in no other State have districts been affected thrice in a row within a short period of one month by severe floods. This makes it a calamity of extreme and rare severity. I have strongly emphasized the need to extend full assistance to the Government of Tamil Nadu, as demanded in this critical hour. I have insisted on a total support package of Rs. 13,685 crores together with 2.58 lakh tonnes of Rice and 43,200 Kilo Litres of Kerosene.

I have pointed out to the Central Team that the Memoranda already presented to the Government of India to cover the requirements of the first and second spells of heavy rainfall and floods indicated a total assistance package of Rs. 1,742 crores sought from the Government of India. Now, the Memorandum furnished covering the recent floods last week makes out a strong case for an additional support of Rs. 11,943 crores. The total request for assistance is thus Rs. 13,685 crores. In addition, I have requested an allotment of Rice of 2.58 lakh tonnes and a special allotment of 43,200 Kilo Litres of Kerosene.

Farmers of Tamil Nadu have suffered from continuous drought in the past three years. This year, just as they were looking forward to a bountiful crop, the floods have wreaked havoc. Considering the continued suffering of the farmers due to successive years of drought and floods, including the torrential rains in three successive spells in the current North East Monsoon, I have made out a strong case for a special support package to enable farmers to face the future with confidence. The scales of assistance adopted by the Government of India have to be comprehensively modified to provide adequate support for farmers. I have demanded that the scale of assistance for raising a fresh paddy crop in lands where the paddy crop has been destroyed should be Rs.8,000 per acre or Rs.20,000 per hectare. Likewise, for other crops, I have proposed different scales of relief adequate to enable farmers to be able to revive their farming operations. I have also insisted that full assistance should be provided to replace agricultural pumpsets which have been washed away or fully damaged and adequate assistance for repair of other damaged pumpsets.

I have carefully reviewed the situation of indebtedness of farmers and the need to provide genuine relief to enable them to

recover and lead a decent life. This cannot be accomplished without a proper approach to the question of farmers' debt. In view of the extraordinary situation created by continuous drought and now by severe floods, I have insisted that the principal and interest of the loans outstanding from farmers amounting to Rs.4,626.65 crores to Co-operative Institutions should be totally written-off and the Government of India should provide this amount to the Government of Tamil Nadu to recoup the same to the Co-operative Institutions. Similar relief should be provided for loans extended by Commercial Banks.

The Memorandum that has been furnished to the Central Team sets out in detail the large number of houses permanently destroyed and the huge number of houses which have been affected by inundation. I have insisted that there is a need for a major programme of building pucca houses for those who have lost their houses. In addition, temporary houses have also to be provided. The housing programme that I have proposed is for Rs. 2,558.24 crores.

Infrastructure has suffered colossal damage. The task of even simple restoration is enormous. Bridges have been washed away. Roads have been obliterated. I have brought home to the notice of the Central Team the enormity of the task and the need for full assistance to restore the infrastructure consisting of roads, bridges, irrigation works, minor irrigation tanks, ooranies and ponds, power supply, public buildings, health infrastructure, drinking water supply systems, community assets, etc. In particular, I have drawn attention to the fact that the roads maintained by the Highways Department and the roads maintained by the Local Bodies have to be re-laid besides reconstructing several bridges. Nearly 32,000 Kms. of roads have to be re-laid. The total cost of the roads restoration programme is Rs.2,523 crores. I have



The Hon'ble Chief Minister **Selvi J Jayalithaa**, launched the Rs.1,925 crore Tamil Nadu Urban Development Project - III at the Secretariat on 19.10.2005.

stressed that this programme has to be given top priority and full assistance should be provided.

The Kollidam has seen the highest ever floods. This has resulted in several breaches along the banks. Srirangam Town has been severely threatened by the flood waters. The Veeranam Lake has been in severe danger due to the floods. The Vellar and Vadavar ayacuts have been submerged. The river banks have also breached. Both the Cauvery system and the Vennar system have suffered extensive damages. The irrigation restoration programme has to cover all these systems. In addition, thousands of tanks maintained by the Public Works Department and Panchayat Unions as also thousands of ooranies and ponds have suffered extensive breaches. All these have to be restored. The Memorandum includes a request for assistance of Rs.773.99 crores for the restoration of irrigation sources and a separate provision of Rs.60 crores for restoration of ooranies and ponds.

Another important aspect which I have highlighted is the need to provide employment in the form of manual labour to agricultural labour and small and medium farmers in the

context of the loss of work following the damage to agriculture crops. The Memorandum includes the request for a cash support of Rs.77.33 crores and rice of 2.58 lakh tonnes for distribution as wages in providing such employment.

I have comprehensively and elaborately set out the detailed requirement of assistance from the Government of India to enable the Government of Tamil Nadu to undertake relief, restoration and rehabilitation works. I have again and again stressed that this is an unprecedented situation of a calamity of rare and extraordinary severity, compounded by the fact that within a short space of a month the fury and frenzy of the floods had to be faced thrice. This calls for a special dispensation and the ordinary rules and norms cannot apply. I have demanded a special support package for the farmers of Tamil Nadu to enable them to recover and face the future with confidence. I have insisted on a support package for the lakhs and lakhs of the poor who have been devastated in these floods. I have strained every nerve to bring to the specific notice of the Government of India all the details of the assistance required. I do hope that full assistance as demanded by my Government will be forthcoming.

★ ★ ★

ENTIRE ADMINISTRATIVE MACHINERY IS WORKING ON A WAR-FOOTING TO PROVIDE RELIEF TO THE AFFECTED PEOPLE AND TO RESTORE NORMALCY

I have visited the flood affected districts for three days from 26.11.2005 to 28.11.2005 and supervised the rescue and relief measures. On my directions, the entire administrative machinery is working on a war-footing to provide relief to the affected people and to restore normalcy. During my interaction with the flood affected people, I have personally seen their suffering and the hardships which they are going through. I have already announced a special package of relief for the people who have suffered due to marooning or inundation or temporary displacement from their houses. This package consists of Rs.1000/- per family plus 10 Kgs. Rice, one litre Kerosene, one Saree and one Dhoti.

I am aware that in many villages and towns the people have lost their ration cards which were either washed away or destroyed in the floods. I have directed the District Collectors to disburse the relief assistance to all eligible families expeditiously with reference to the list of ration cardholders available with the Collectors. I have also directed the District Collectors to take steps to issue fresh ration cards free of cost to all such families which have lost their ration cards.

There are also a few cases of persons who have applied for ration cards but where the field enquiry process has not been completed. In all such cases the field enquiry will be completed immediately for issue of ration cards to those eligible and simultaneously the flood relief assistance package will also be provided to those affected.



- Statement of
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu
3.12.2005

I have also reviewed the position regarding the distribution of the relief package. Presently those holding rice ration cards alone are eligible for the assistance package. I have now decided that all ration card holders irrespective of the type of the card in the affected areas shall be eligible for the relief package.

I have ordered that immediate priority should be given to the restoration of Drinking Water Supply. In some villages, pump sets have been damaged due to the floods. I have given instructions to the Collectors and the Managing Director, Tamil Nadu Water Supply and Drainage Board, to attend to immediate restoration of drinking water supply in all these areas. Mobile water supply will also be provided wherever necessary.

Mobile Medical teams have been organised in each District to visit the village affected by floods. Preventive inoculation will be taken up.



Public sanitation and hygiene will be given utmost priority with a major effort launched to clean the villages affected by floods.

A detailed assessment of the crop damage will be undertaken by the Department of Agriculture. With the floods receding, it is now possible to estimate the extent of damage wrought by the recent floods. A suitable package to enable the farmers to undertake fresh planting is being evolved and as soon as the field estimation of the damaged crop is ready, my Government will ensure that farmers are provided assistance to take up a fresh crop. Assistance for Cattle, Sheep and Goat, lost will also be provided after detailed enumeration.

Immediate rescue and relief operations have been undertaken in all districts. Now that the flood waters have started receding, it is necessary to undertake further relief measures and restoration of infrastructure. In order to oversee the relief and restoration work due to floods in the North East monsoon season 2005, I have decided to constitute District Level Committees and Village Level Committees. This will cover all the 22 flood affected districts. In each district there will be a District Committee with the following composition :

1. District Collector
2. MPs representing the flood affected areas
3. MLAs representing the flood affected areas
4. District Panchayat Chairperson
5. District Panchayat Vice Chairperson
6. Panchayat Union Chair persons of the affected areas
7. Two NGOs representatives nominated by the District Collector
8. District Level Officers of the affected areas

At the Village level and at the Ward level in Corporations, Municipalities and Special Village Panchayats, a Committee will be constituted with the following members:-

1. Village Panchayat President / Ward Member
2. Revenue Inspector
3. Village Administrative Officer
4. Two NGOs representatives nominated by the District Collector

It is the endeavour of my Government to ensure that each and every family affected by the recent devastating floods gets relief assistance. The District Administration in the affected districts will take necessary measures to fulfill this objective.

I also reviewed the position in Chennai City, Tiruvallur and Kancheepuram Districts following the torrential downpour in the last 24 hours. In Chennai City, because of heavy inflows into the Virugambakkam Canal from Maduravoyal Lake, the Canal is overflowing flooding the 100 Feet Road, MMDA Colony, Ayyappan Nagar and Sai Nagar areas.

I have instructed the Public Works Department to divert the water from Maduravoyal Lake into the Cooum river and take simultaneous action to pump out water from the inundated areas. The Chembarambakkam Lake has been receiving heavy inflows following unprecedented rains in the catchment area. Action has been taken to regulate the outflow through the Adyar river in such a way that flooding is avoided. People in low lying areas along the Adyar river have also been evacuated to safer places by the Corporation authorities and the Police. Despite a heavy rainfall of 28 cms. as recorded at Meenambakkam Station in the last 24 hours, most of the subways are functional and traffic is flowing normally. Arrangements are being made to restore traffic in Ganesapuram, Erukkanchery, Madley and Aranganathan Subways after pumping out the water. Some areas like West Mambalam and Velacherry in Chennai are still inundated. However, water is receding fast and it is expected that these areas also will become normal in the course of the day today. I have directed the Corporation to open relief centres wherever necessary. So far, 8,000 people have been evacuated and accommodated in community buildings. Arrangements have been made to provide



1.5 lakh food packets to those who have been affected.

I have received reports that Madipakkam near Tambaram and Manapakkam in Kancheepuram District are marooned. All the boats available with the Fisheries Department and the Fire and Rescue Services Department have been pressed into service. On my directions, boats have also been requisitioned from the Navy to supplement the rescue and relief efforts. 20 relief centres have been opened in Kancheepuram District and about 5,000 people are being provided food.

In Tiruvallur District, on my directions, the District Administration had taken preventive action to evacuate people from 10 villages in Pulicat area and they have been accommodated in Ponneri for the last two days. Due to heavy rains last night, Ambattur, Maduravoyal and Tiruvallur areas are affected. However, water is receding and I have directed the District authorities to provide food and shelter to all the people who need assistance. More than 10,000 people have been evacuated till now and the process is going on. Arrangements are being made to provide food to about 20,000 persons. ★

FLOOD RELIEF WORK IS IN FULL SWING

- Statement of **SELVI J JAYALALITHAA**,
Hon'ble Chief Minister of Tamil Nadu
4.12.2005



I have reviewed the flood situation in Chennai, Tiruvallur, and Kancheepuram Districts today (4.12.2005) in the context of the huge downpour on 2.12.2005 and the intermittent rains on 3.12.2005, constituting a fourth and unprecedented spell of heavy rainfall this season.

Chennai City and the adjoining areas have been battered by this new spell of heavy rainfall. As all the lakes and reservoirs adjoining the City were already full from the earlier spells of rain, the heavy rainfall on 2.12.2005 with a record rainfall of 28 Cms. at Meenambakkam Station resulted in a

complex situation with the entire precipitation in the huge catchment area having no place to go. This has resulted in heavy flooding of the entire Chennai City.

The river systems and the major drains draining the flood waters in the City have overall functioned extremely well enabling quick drainage of most parts of the City. The Adyar river which has a major catchment adjoining the City and also receives the City's drainage has been flowing full. The Chembarambakkam Lake has been receiving a continuous inflow of more than 10,000 cusecs with a peak of 15,000 cusecs.



As the lake filled up rapidly, advance action to discharge the surplus water into the Adyar river was taken, simultaneously warning all the residents in low lying areas through public address system and mass media including radio and television. 45,000 people have been evacuated from the Adyar river banks. This advance action has enabled preventing a much higher discharge in the Adyar river causing extreme damage. The inflow into Chembarambakkam Lake continues to be high today (4.12.2005) at 12,000 cusecs due to heavy rainfall in the Sriperumpudur area. If there is no further rainfall in the catchment area today (4.12.2005), the water in the Adyar will come down by tomorrow (5.12.2005). The situation is being monitored closely.

The Poondi Reservoir has also received massive inflows going upto 35,000 cusecs on 3.12.2005. As the reservoir was already full, this entire quantity had to be discharged. Judicious action to save Chennai City was taken preventing this flow from getting fully into the Cooum river. Thus the flow in the Cooum river was controlled to a maximum of less than 14,000 cusecs. This prevented flooding all along the banks

of the Cooum. Fortunately today (4.12.2005), the inflow into the Poondi reservoir has already come down to 13,000 cusecs. Hence, further reduction in the high flow in the Cooum river can be expected by tomorrow (5.12.2005). Even though the flood water in the Cooum had been controlled, the heavy flow resulted in backing up of water in the drains feeding the Cooum such as the Virugambakkam Canal. This has resulted in local flooding along the canal. This position will be alleviated as soon as the Cooum flow reduces this evening and it takes the water from the feeder canals such as the Virugambakkam Canal.

The heavy rainfall as recorded at the Meenambakkam Station on 2.12.2005 and continuing rainfall on 3.12.2005 has resulted in the water entering the Velachery area which is at the tail end of a large catchment in South Chennai. The entire water from the upper catchment flows towards Velachery and from there on to the sea. While in the earlier spells of rain, the water from the catchment could be stored in the lakes including Velachery Lake, this time with no storage possible, the entire water has collected in the Velachery area waiting to be



absorbed by the sea. With no further heavy rainfall in the catchment area, the water level is beginning to recede rapidly and normalcy will return quickly. I have deputed Special Teams to the Velachery area to ensure quick drainage and relief.

In Chennai City, so far 75,000 persons have been evacuated and accommodated in relief centres. Yesterday (3.12.2005), 3.80 lakh food packets have been given to people who have been affected. 140 relief centres are functioning. Today also about 5 lakh food packets will be distributed. Thus, all those affected persons needing shelter and food have been provided for.

As per the established safety drill to prevent death by electrocution, the Tamil Nadu Electricity Board had disconnected the supply in vulnerable areas as a preventive measure as soon as the flooding commenced. Initially, 83 out of the

total 808 - 11 KV feeders were disconnected. Today (4.12.2005), all the 83 feeders have been reconnected. However, a few distribution transformers below each feeder are still in waterlogged areas and the Tamil Nadu Electricity Board is trying to reconnect them at the earliest.

Despite the paralyzing nature of the huge and intense downpour, the traffic flow has largely been maintained. The Metropolitan Transport Corporation has been maintaining normal bus services. Today (4.12.2005), full normal services are being operated. Milk Supply is completely normal.

Chennai Metropolitan Water Supply and Sewerage Board has taken advance action to maintain drinking water supply by delivering water services through lorries to areas where water supply has been affected. Immediate action to ensure safe water supply has been taken. The Corporation of



Dr. Vinod Agarwal, Chairman & Chief Executive Officer, M/s. SemIndia Inc. along with senior officials met Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu, on 6.12.2005 at the Secretariat to discuss about setting up of "Sem Fab City" a unique project in the field of Semiconductor Technology.

Chennai has organized medical teams to go around and provide medical services to the affected persons.

Tiruvallur District also has had very heavy rainfall on 2.12.2005. All the lakes in the district have filled up. The heavy rainfall has resulted in breaches to about 35 tanks which are being attended to. 73 relief centres have been organized. Yesterday (3.12.2005), 30,700 persons have been given food. Today (4.12.2005) also more than 50,000 persons are being fed. Evacuation of persons from vulnerable areas has been completed and they are accommodated in relief centres. Flood relief work is in full swing. I have directed Tmt. B. Valarmathi, Minister for Rural Industries, to supervise the relief operations. I have also deputed a Senior IAS Officer to assist the Collector in the relief operations.

Kancheepuram District has also been receiving very heavy rainfall. More than 50,000

people have been evacuated from vulnerable areas. 52 relief centres have been established. 22,279 people have been fed at the relief centres. Thiru V. Somasundaram, Minister for Handlooms and Textiles, has been deputed to supervise the flood relief operations. Another Senior IAS Officer has also been deputed to Kancheepuram District to assist the Collector in relief operations.

The unprecedented downpour on 2.12.2005 coming at the back of three heavy spells of rain within a month has caused enormous flooding of a complex nature. I have geared up the entire administrative machinery to tackle this massive challenge and provide relief to the affected persons forthwith. I am ensuring that the relief operations are proceeding on a war-footing. With the abatement of rain, full normalcy will return immediately.

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A LONG - TERM SOLUTION HAS TO BE FOUND TO TACKLE THE ISSUE OF FLOODING OF SEVERAL HABITATIONS AFFECTING PEOPLE

Statement of **SELVI J JAYALALITHAA**,
Hon'ble Chief Minister of Tamil Nadu, 6.12.2005



Chennai City, Kancheepuram and Thiruvallur Districts have borne the brunt of the fourth spell of heavy rains that have battered Tamil Nadu for the fourth time this season leading to an unprecedented situation. The downpour from 2.12.2005 to 4.12.2005, with a record intensity on 2.12.2005, has been massive leading to flooding particularly as the lakes adjoining Chennai were already full following the earlier spells of rain. The State Administration has given advance warning in the Media including television about the flood threat in the Adyar, the Cooum, Buckingham Canal and other major drains. Evacuation has been undertaken on a major scale. Enough number of boats were

mobilised to ferry people from inundated areas and relief operations were organized on a war footing.

Today (6.12.2005), I visited some of the affected areas in Kancheepuram District and distributed the relief package to the affected persons. Today (6.12.2005), 30 relief centres are continuing to function in Kancheepuram District where 12,925 persons are being provided food and shelter. From 2.12.2005, 2.04 lakh food packets have been supplied in the affected areas of Kancheepuram District, 12 Mobile Health teams are providing medical assistance in Kancheepuram District.

79 tanks have been breached in the floods in Kancheepuram District and the District Administration has attended to these breaches and all of them have been restored.

I inspected the flood affected areas in Palavakkam and personally interacted with the public. I inspected the inundated areas of Vettuvankani where I could see for myself the inundation caused by the flood waters. I distributed the relief package consisting of Rs.2,000/- in Cash, 10 Kgs. of Rice, 1 Litre of



Kerosene, 1 Saree and 1 Dhoti. I also distributed the same relief package at the relief centre located in the Cylone Shelter at Injambakkam.

At Sholinganallur, I distributed the relief package consisting of Rs.2,000/- in Cash, 10 Kgs. of Rice, 1 Litre of Kerosene, 1 Saree and 1 Dhoti to the affected persons.

At Sholinganallur, I saw the Buckingham Canal overflowing its banks and

flooding portions of the villages alongside namely, Kottivakkam, Neelankarai, Palavakkam, Injambakkam, Okkiyam Thoraipakkam, Sholinganallur and Karapakkam. These areas which are located on the banks of the Buckingham Canal have been flooded since the Buckingham Canal has been originally designed only as a navigational canal with a flat bed. The flooding is mainly between the Buckingham Canal and the East Coast Road. I found that the

entire water draining from South Chennai through the Pallikaranai swamp had collected on both sides of the Buckingham Canal and the canal was unable to handle the huge volume of water which is normally to be discharged into the Muttukadu backwaters and then into the sea. Further, the localities West of the Pallikaranai swamp, such as Velachery, Madipakkam, Ullagaram, Puzhuthivakkam, Pallikaranai, Kovilam pakkam, Nanmangalam and Perungudi also



have been flooded due to the same problem namely, the inability of the Buckingham Canal to clear out quickly the flood water following heavy rains.

A long-term solution has to be found to tackle this issue of flooding of several habitations affecting people, while at the same time protecting the natural wet lands such as the Pallikaranai swamp with its unique bio-diversity. These wet lands serve an important function of holding the surplus water particularly in the North-East Monsoon season and preventing sea water ingress as a fresh water barrier.

I have taken note of all these requirements with the objective of providing a permanent solution to the problems faced by the people in these habitations due to flooding every North-East Monsoon season and particularly in times when the rainfall is heavy as in the current season. I have ordered immediately a detailed investigation to have a regulated canal (straight cut) direct to the sea from the Buckingham Canal area adjoining the Okkiyam Maduvu. This straight

cut will relieve the stagnation and backing up experienced by all the habitations in the area. The Public Works Department will immediately survey the area and determine the alignment for the straight cut. Such a regulated straight cut allowing a certain amount of fresh water to remain in the wet lands while at the same time, ensuring faster discharge of the surplus water would be the best long-term solution.

The flow in Cooum and Adyar has drastically come down. The flow in Cooum has come down from 15,000 cusecs on 4.12.2005 to 7,000 cusecs today (6.12.2005). The flow in the Adyar has come down from 31,000 cusecs on 4.12.2005 to 15,000 cusecs today (6.12.2005). The water level in Adyar river has come down by over 5 feet. Drinking water supply, milk supply and bus transport services are maintained normally. But for a few pockets in localities like Velachery, which are under inundation, power supply has been restored in all areas.

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THE ACHIEVEMENTS OF THE TAMIL NADU POLICE



I am glad that the Times Group is bringing out a special booklet to highlight the achievements of the Tamil Nadu Police. The vision of my Government is to bring about all round social and economic development in Tamil Nadu, achieving growth with equity and making Tamil Nadu the Numero Uno State in every sphere. If this vision is to be realised, the perfect maintenance of law and order is imperative. The effective and firm measures taken by my Government have made Tamil Nadu a haven of peace and tranquillity and this has been made possible by the devotion to duty, hard work and commitment of the Tamil Nadu Police.

My Government is committed to making the Tamil Nadu Police a thoroughly modern, efficient, honest and people-friendly Force, yet ruthlessly tough on law breakers to ensure peace and stability, which are the sine qua non of growth and rapid development in the State. I have, therefore, taken a number of innovative measures to professionalise and enhance the efficiency of the Tamil Nadu Police Force. Apart from strengthening infrastructure, arms, mobility and communications and housing for the Police, the emphasis is on enhancing their capabilities to counter terrorism, cyber crimes, video-piracy and white-collar crimes. The establishment of a Coastal Security Group has beefed up Coastal security. We have also given top priority to

training and sensitising the Police towards their changing role in Society.

To combat crimes against women, All Women Police Stations have been established and the creation of Mobile Counselling Centres is a measure intended to instill a sense of confidence in women seeking justice and redressal of their grievances. The establishment of a Women Commando Force and an All Women Police Battalion are firsts for any State Police Force at the national level.

Tamil Nadu's Community Policing initiative has been acclaimed as a role model in developing nations and has given a new dimension to policing in the State, making it a people-centred Force. Similarly, Tamil Nadu's programme of gender sensitization, setting up of an institutionalised mechanism for Grievance Redressal within the Police Force, and the programme of getting ISO certification for Police Stations and Police Units are innovations that have enhanced the morale of the Force and its image in the public eye.

With the continued support of my Government, I have no doubt that the Tamil Nadu Police will maintain its premier position as the most professional Police Force in India.

I commend this positive initiative of the Times Group, Chennai, in highlighting the achievements of the Tamil Nadu Government and the Tamil Nadu Police.

- SELVI J JAYALALITHAA
Hon'ble Chief Minister

WOMEN POWER



Hon'ble Chief Minister Selvi J Jayalalithaa envisioned setting up of exclusive AWPS to address the problems of women. The first AWPS were introduced in Chennai in 1992; today there are 195 AWPS across the state. Each AWPS has been sanctioned one Inspector, one Sub-Inspector, three Head Constables and ten Constables. All the AWPS have been provided with Jeeps and 35 Eicher vans have been provided exclusively for mobile counselling.

The AWPS scheme has proved to be a resounding success and is a real feather in the cap of the TN Police - it more than anything else illustrates how the force is changing and



adapting to the times. Statistics reveal that after several AWPS were opened in 2002, there was a steep rise in reported crimes against women, which indicates that till then, these crimes went unreported. A year after the AWPS have started functioning in all the districts, the number of dowry deaths and instances of sexual harassment have shown a significant decrease, attesting to the power and effectiveness of the AWPS.

Women to the fore

Among its series of firsts, Tamil Nadu is also the first state to have an elite Women Commando contingent whose members have been trained in the most modern and rigorous techniques of commando operations. At the behest of the Chief Minister, a training programme was conducted for women commandos in January 2003. A total of 130 women completed the training successfully.

The Hon'ble Chief Minister, Selvi J Jayalalithaa, commissioned a women police battalion, stated to be the first in any State police force, in January 2004. The battalion, headquartered in Avadi, consists exclusively of women personnel from the rank of constables to commandants. Currently, the "Women Battalion has a strength of 1078.

Operation Success

It was the manhunt to cap all manhunts - the hunt for notorious criminal Veerappan. So in October 2004, when the Tamil Nadu STF, under the leadership of Thiru. K Vijay Kumar, successfully put an end to the brigand's reign of terror, it made media headlines across the country. Veerappan was a ruthless killer, a smuggler and a poacher and during his reign of terror, he killed 44 policemen and scores of innocent people.



unshakable confidence reposed on Tamil Nadu Police.

The Tamil Nadu Police has many active achievements to its credit

It is the fifth largest State Police Force in India.

The largest strength of Women Police Personnel in the Country

The highest number of Women Police Stations in the Country

Nabbing Veerappan was top priority for the Hon'ble Chief Minister. To fulfill this aim, the Tamil Nadu STF had worked out a comprehensive strategy to secure Veerappan. Meticulous and painstaking planning went into the operation. When the Hon'ble Chief Minister assumed office in 2001, the Tamil Nadu STF was reactivated with renewed energy. The STF was provided with sophisticated weapons, modern equipment and vehicles and the Intelligence Collection Teams were strengthened. The Hon'ble Chief Minister also gave the STF the freedom to perform their duties freely and fairly with the single objective of nabbing Veerappan.



The STF personnel toiled day and night for the past 20 years in their mission against forest brigand Veerappan. Finally, thanks to shrewd and intelligent planning on their part, they brought an end to the Veerappan menace in their 20-minute operation. The Hon'ble Chief Minister says, "By their brave and courageous act, Tamil Nadu STF men, asserted my faith reposed on them and made it a reality. This is a victory to my

The greatest number of computers in the Country

The first state in India to form a separate cell to control and curb video piracy

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The first in India to use dogs in the prevention and detection of crime

The first state to have an elite Women Commando contingent

The first state to have a Women's Battalion.

The first state to have a Women's Wing in each police station.

Courtesy : The Times Group

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TAMIL NADU TOPS THE LIST OF TWENTY STATES ON THE COMPOSITE ECONOMIC FREEDOM INDEX

- SELVI J JAYALALITHAA, Hon'ble Chief Minister

A Memorandum of Understanding (MoU) was signed between the Government of Tamil Nadu and the BMW Group, Germany, a leading automobile manufacturer in the presence of Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on 8.12.2005 at the Secretariat, Chennai.

The MoU was signed by Mr. Ronald Gentsch and Mr. Peter Kronschnabl, General Managers, BMW Group on behalf of BMW and Thiru D. Rajendran, Secretary, Industries Department on behalf of the Government of Tamil Nadu.

BMW, a leading automobile manufacturer in the global market, with an annual turnover of about Euro 40.6 billion (Rs.2,19,240 crores) has been focusing on the premium segment in the international

automobile market. BMW has now proposed to establish its Car Assembly Plant in Tamil Nadu. BMW Group held discussions with many State Governments including the Government of Tamil Nadu. After a detailed evaluation of the infrastructural facilities and support package, BMW Group has now decided that Chennai is the best location for establishing its Car Assembly Plant with an investment of US \$ 40 Million (about Rs.180 crores) in five years. BMW has selected a site in Mahindra World City in Maraimalai Nagar near Chennai.

Mr. Klaus Berning, Senior Vice President, BMW Group indicated to the Hon'ble Chief Minister that the BMW Group has decided to establish its Car Assembly Unit at Chennai due to the favourable investment climate in Tamil Nadu. He thanked the Hon'ble

Chief Minister, Selvi J Jayalalithaa for the best infrastructural facilities and the support package provided by the Government of Tamil Nadu to the BMW Group. He also thanked the Hon'ble Chief Minister for the fastest response ever seen by Messrs BMW and Speed of the Government of Tamil Nadu in facilitating the BMW Group to invest.

The Hon'ble Chief Minister, Selvi J Jayalalithaa expressed happiness that the Management of BMW Group has finally chosen Chennai to establish its car assembly plant after an elaborate evaluation of various sites in different States in India and congratulated the BMW Group for establishing its Car Assembly Plant in Chennai. The Hon'ble Chief Minister pointed out that this bears ample testimony to the favourable and conducive investment climate prevalent in Tamil Nadu and the pro - active approach of the Government of Tamil Nadu under her leadership.

The Hon'ble Chief Minister pointed out that it is a perfect match of BMW's Brand Equity and Chennai's Position as the Destination of Choice and that this will be the harbinger for a flood of new investment proposals from Germany to Tamil Nadu.

The Hon'ble Chief Minister pointed out that today, Tamil Nadu has emerged as the Destination of Choice for investors and that several independent studies have rated the investment climate in the State highly. The Hon'ble Chief Minister also pointed out that a recent study conducted on "Economic Freedom for States of India, 2005", declared

that Tamil Nadu tops the list of 20 States on the Composite Economic Freedom Index and that another study also has pointed out that Tamil Nadu has climbed from the fifth spot to the country's top State this year in terms of ease of doing business and therefore, there is no surprise that Tamil Nadu has become a major recipient of foreign investments.

The Hon'ble Chief Minister expressed the hope that the incentive package and facilitation provided by the Government of Tamil Nadu will significantly enable BMW to scale new heights. The Hon'ble Chief Minister exhorted the BMW Group to bring a cluster of German auto components manufacturers to Chennai and make the Chennai facility, the hub for South East Asia.

The Hon'ble Chief Minister assured the BMW Group that the Government of Tamil Nadu will extend continued support and co-operation to enable BMW Group to grow from strength to strength and wished the BMW Group all success in its endeavour.

The BMW Group was represented by Mr. Klaus Berning, Senior Vice President, Mr. Ronald Gentsch and Mr. Peter Kronschnabl, General Managers. Thiru C. Ponnaiyan, Hon'ble Minister for Finance, Thiru Nainar Nagenthiran, Hon'ble Minister for Industries, Thiru N. Narayanan, Chief Secretary to the Government of Tamil Nadu, Secretary, Finance Department and Secretary, Industries Department were also present.

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The Hon'ble Chief Minister **Selvi J JAYALALITHAA** contributing Rs.10,500 towards Flag Day Fund at the Secretariat on 7.12.2005.

FLAG DAY MESSAGE

Armed Forces Flag Day is observed every year on 7th December. This day gives us an opportunity to recall the invaluable and immeasurable service rendered by the Armed Forces in diligently guarding the frontiers of our Nation. The Armed Forces, not only defend the country in times of war, but also render yeoman service during natural calamities, often discharging their duties in extreme climatic conditions and difficult terrains.

It is our social responsibility to extend all possible assistance to the families of those who dedicate their lives to the service of the Nation. The Government of Tamil Nadu is in the forefront in looking after the welfare of ex-servicemen by providing health care, employment, training and motivation for self-employment, education for their children, etc.

On this occasion of Armed Forces Flag Day, I extend my greetings and felicitations to the serving and retired personnel of the Armed Forces and I appeal to all citizens to make generous contributions to the Flag Day Fund.

SELVI J JAYALALITHAA
Hon'ble Chief Minister



TAMIL NADU STATE IS A PIONEER IN THE ESTABLISHMENT OF A VIBRANT TWO TIER SYSTEM OF PANCHAYATS AT THE VILLAGE AND BLOCK LEVELS

- SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu

It gives me great pleasure to inaugurate the 4th All India State Election Commissioners Conference in Chennai.

Tamil Nadu has an ancient and glorious tradition of democracy and enjoys pride of place in the evolution of Panchayati Raj in the country. From time immemorial, Village Panchayats have formed an integral part of social life in Tamil Nadu, as indeed they have in other parts of India. For example, the stone inscriptions of the tenth century AD found in the Vaikuntha Perumal Temple in Uthiramerur, Kancheepuram District, describe a system of Village Government,

that is, administration by assemblies and functional committees. It is interesting to note that even in that ancient period, villages were divided into wards with the residents of each ward electing their representatives through what was known as the "Kudavolai" system. There were well established codes for the conduct of elections and the election of representatives of the people at the grass-roots level. There were also rigid qualifications and disqualifications prescribed for the contesting candidates.

Tamil Nadu State is a pioneer in the establishment of a vibrant two tier system of

Panchayats at the Village and Block levels, under the Statutory Structure of the Madras Panchayats Act in 1958. Urban Local Bodies also flourished in Tamil Nadu. You may be aware that the Chennai Municipal Corporation which was established in 1688, is the oldest Municipal Institution in the country. It is, therefore, most appropriate that the 4th Conference of State Election Commissioners is being held in Tamil Nadu.

Based on the recommendations of the "Balwant Rai Mehta Committee", Panchayat Unions were formed in Tamil Nadu as federations of the Village Panchayats in each and every Community Development Block. The Madras Panchayats Act, 1958, was enacted for this purpose. These two tier executive bodies formed under this Act, namely, Village Panchayats and the Panchayat Union Councils, functioned smoothly and satisfactorily upto the mid sixties. The recommendations made in the 'Ashok Mehta Committee Report', which came after the Emergency, did not receive due attention.

Thereafter, a process of development was ushered in whereby local bodies were pushed to the background. The view emerged that these institutions had not been able to acquire the status and dignity of viable and responsible bodies of people, for a variety of reasons, including absence of regular elections, insufficient representation of weaker sections like Scheduled Castes / Scheduled Tribes and Women, inadequate devolution of powers, etc. In the light of the experience of the last forty years and in view of the shortcomings that had been observed, it was considered that there was an imperative need to enshrine in the Constitution certain basic and essential

features of Panchayati Raj Institutions, to impart unity, certainty, continuity and strength to enable them to bloom as institutions of Self Government.

This is the background to the 73rd and 74th Amendments to the Constitution. The attempt was clearly to consolidate and mandate the precepts and practices for functional Panchayati Raj Institutions in a uniform and standardised format throughout the country. This has led to a debate as to whether, in an attempt to reform the Panchayati Raj System and put it on a sound Constitutional platform, we have unwittingly strait jacketed the whole ethos of locally evolved practices and perceptions. A uniform and standardised system may be welcome in some contexts, but, given the variety and diversity of our polity, there is need for sufficient flexibility in the design to allow locally relevant and suitable Panchayati Raj Institutions to evolve and grow.

We, in Tamil Nadu, have always felt that a two tier system, which had already been well established and accepted in our State, is more relevant to our grass-roots Institutions. It has been our argument that such variations in the general scheme should be accommodated. At the same time, certain reforms such as the mandated imperative to hold elections periodically are steps taken in the right direction. It is for this reason that even though some features of the Constitutional Amendments were alien to the already well established ethos of Tamil Nadu, I ensured in 1994, when I was the Chief Minister of Tamil Nadu, that the Tamil Nadu Panchayats Act of 1958 was replaced by the Tamil Nadu Panchayats Act of 1994, embodying the letter and spirit of the Constitutional Amendments. Amendments

were also made to all Legislations covering Urban Local Bodies.

The Tamil Nadu State Election Commission was duly established to organise elections to Local Bodies according to the Constitutional mandate. In Tamil Nadu, we have an impeccable record of orderly and timely conduct of elections to Panchayats and Urban Local Bodies. My Government has constituted the Third State Finance Commission which is presently deliberating on issues like resource base of Local Bodies, cost of services, and the devolution and sharing of resources between the State and Local Bodies. This Commission is expected to submit its report by 31st May, 2006.

There can be no two opinions on the need for greater people's participation in the design and execution of plans and programmes meant to improve their quality of life. While this is a common objective the moot point is whether historically we have enabled such development in mind. Local Bodies can lead the development process only if they are so oriented. This cannot be brought about by laws and enactments alone. It is a question of attitude. The clarion call for transfer of funds, functions and functionaries to Local Bodies will seem empty unless we take steps to ensure that these bodies are truly representative and do reflect the common good. Capacity building at the Village Panchayat level to understand common good, which will serve the village better and the community as a whole to prosper, is the compelling necessity. It is for this reason that I launched in August, 2004, a unique new programme called "NAMADHU GRAMAM", which strives to create an awareness and understanding of the tools of governance at the grass-roots level, not only

among elected functionaries but also amongst the members of the Gram Sabhas. Village Level Planning exercises have been taken up, involving the entire community, bringing about a convergence of developmental efforts of all Sectors in a meaningful and "de-mystified" manner. Social goals have been given prominence in this movement.

I also visualize that, in due course, the Self Help Group Movement which I have launched in Tamil Nadu, will also transform the way our Local Bodies function. This empowerment of women through Self Help Groups which I initiated, is a new revolution in enabling the effective participation of people in the Gram Sabhas. It will not be long before these Groups are represented in a big way in the Local Bodies. This will bring considerable synergy in village development efforts.

Thus, my emphasis, has been, on programmes at the village level which would bring in the people, in a participatory development process. This will, no doubt, spearhead the ultimate reform of ensuring that the right people enter the Local Bodies without fear or favour. If we do believe in real grass-roots democracy, it is our bounden duty to create, the conditions for the right people with a commitment to social development goals to enter the Local Bodies. My entire effort has been to bring about this fundamental restructuring in the way our Local Bodies are constituted and function.

It goes without saying that the conduct of free and fair elections to Local Bodies is a critical issue in this whole evolving tapestry of grass-roots democracy. This brings to the fore the importance of State Election

Commissions in ensuring that the elections to Local Bodies carry conviction with the people. State Election Commissions are thus charged with a major responsibility of vital importance.

I would like to take this opportunity to place on record my appreciation of the State Election Commission of Tamil Nadu for the successful and smooth conduct of the second round, of elections to all Local Bodies in Tamil Nadu in October, 2001, soon after I assumed office as the Chief Minister of Tamil Nadu for the second time. Over 73% of the Rural Population and nearly 54% of the Urban Population exercised their franchise! 1,31,681 representatives were elected. Out of a total of 1,31,681 seats, 44,272 seats were reserved for women representatives which works out to 33.62%; 26,030 seats were reserved for Scheduled Castes (SC) and 932 seats were reserved for Scheduled Tribes (ST). This indicates the massive nature of the election process and the attendant issues.

I would like to congratulate all the State Election Commissioners present here from all over the country for their spectacular achievement of successfully conducting Panchayat Raj elections to elect nearly 30 lakh representatives of the people to various Local Bodies. This is a magnificent achievement, which in size and scale, even dwarfs the conduct of elections to 4120 Assembly Constituencies and 543 Parliamentary Constituencies all over the country.

I am aware of the complex nature of your task. You have to keep abreast of the latest changes being brought about by the Election Commission of India. You have to note the changes being made by various State Election Commissions. You have to devise systems and

procedures to ensure the sanctity of elections, taking note of the fact that these have to be conducted on a much more widespread basis than the elections by the Election Commission of India. It is obvious that the State Election Commissions and the Election Commission of India have to work together closely to achieve the larger common goal of strengthening democracy in our country, and ensuring the conduct of free and fair election at all levels.

I have gone through the Agenda before you and I note that you have to deliberate on some major issues including the preparation of proper electoral rolls in conjunction with the rolls being brought out by the Election Commission of India, the cost of holding elections, Delimitation, reservation and rotation of reserved seats, budget support for elections and the State Election Commission. Many of these issues have been discussed in your earlier conferences also. This time at Chennai, I am sure you will be able to find mutually acceptable solutions which will go a long way in ensuring free and fair elections to Local Bodies.

I would strongly recommend a joint conference between the Election Commission of India and the State Election Commissions to focus on many of these issues, so that the wealth of experience and knowledge can be shared. This will also greatly contribute to creating standards of procedures and practices in conducting elections to the Local Bodies.

In keeping with the importance of the Office of the State Election Commission as a Constitutional body mandated to ensure free and fair elections to Local Bodies, the State Election Commissioner of Tamil Nadu has been accorded the status equivalent to that of a sitting High Court Judge and takes

his position immediately after the Judges of the High Court in the Warrant of Precedence.

It is not easy to acquire the knowledge and skills required to hold free and fair elections to Local Bodies. We have to preserve the wealth of experience gained. It is for this reason that my Government brought in an Amendment to remove the age restriction for the post of State Election Commissioner. This will enable the State Election Commissioner to utilize his / her experience and skill for the better conduct of regular elections to the Local Bodies. We have to bear in mind the fact that the regular ordinary elections do occur only once in five years. There is need for continuity and proper utilization of the knowledge gained, I am sure most States would have had the same experience.

Employees of the State Election Commission have to be encouraged to be impartial and fair. It is necessary to ensure that their working conditions are made attractive. There cannot be uncertainty in their tenure. The Service Rules for the employees of the Tamil Nadu State Election Commission have been framed. After the issue of these Service Rules, the services of the employees of the State Election Commission have been regularized and the employees appointed from various Government Departments on deputation basis are being absorbed permanently, based on their willingness to work as permanent employees of the State Election Commission.

The Tamil Nadu State Election Commission has requested the Government of Tamil Nadu for allotment of land, for construction of a permanent office building

for the exclusive use of the Tamil Nadu State Election Commission. On the happy occasion of this important Conference of All India State Election Commissioners, hosted by the Tamil Nadu State Election Commission, I am glad to announce that the Government of Tamil Nadu has decided to allot land in Koyambedu, Chennai City, for the construction of a permanent office building for the Tamil Nadu State Election Commission. My Government will provide the necessary funds for the construction of a permanent office building befitting the stature of this august body.

Tamil Nadu is the first State Election Commission that has taken action against those defaulters who have failed to submit their election expenses account during the ordinary elections held in October, 2001. In respect of Rural Local Bodies, 6,268 candidates have been so identified and disqualification orders have been issued. In respect of Urban Local Bodies, 3,884 candidates have been identified and disqualified.

Creating voter awareness of elections to Local Bodies is extremely important. Tamil Nadu has done well in ensuring good participation through such awareness programmes. The Tamil Nadu State Election Commissioner has conducted Voters Awareness Campaigns to create awareness among the voters through college students, particularly, students from women's colleges. You may like to deliberate on how voter awareness and interest can be created in a concerted manner. The timing of such campaigns, as also the content, could be deliberated upon.

The entire process of elections to Local Bodies in multiple tiers is, undoubtedly, quite

complex. Eventually, we have to move in the direction of keeping large databases and building in features of electronic verification. All these aspects, which are part of the reform process in holding elections to the Assemblies and Parliament, will have to be incorporated willy-nilly in the elections to Local Bodies. Preparation of computerized databases will have to be an ongoing process. I am glad that for the first time in the whole country, the Tamil Nadu State Election Commission has compiled all the statistical reports received from the District Election Officers/District Collectors and released a Compendium (Compact Disc) entitled "Local Body Elections, 2001", which contains all the information on the Ordinary Elections, 2001. Glancing through this Compendium shows that it is very useful not only to political parties, but also to political analysts, academicians and research scholars, as well as to the general public.

I am happy to note that most of the State Election Commissions, have introduced a system of Voters Right to Information about the candidates. This is to know about the antecedents, assets and liabilities and educational qualifications of the candidates contesting elections to the Local Bodies. The Tamil Nadu State Election Commission has proposed to introduce this system in the ordinary elections to the Local Bodies due to be held in October, 2006. I am sure your Conference can deliberate on how this can be designed.

Ultimately, Local Bodies will be the ideal forum for young leaders to gain experience in the service of the people and emerge as experienced politicians. It is essential that the right practices are engendered at this level.

It will also be very competitive. The capacity to have healthy competition nurtured through free and fair elections is very much in your hands. This will mean that elections to the Local Bodies will, increasingly, be keenly contested. This, in turn, enjoins upon the State Election Commissioners, a greater responsibility to ensure full transparency in the election process. State Election Commissioners will, no doubt, have greater challenges before them in the years to come, particularly in safeguarding the purity of the election process at the very roots of democracy.

State Election Commissioners are highly respected persons bringing in vast administrative experience, great knowledge and learning. I have immense confidence that you will discharge the Constitutional functions entrusted to you with eminence and distinction.

I wish this Conference all success. I have no doubt that the sharing of experience and the deliberations at this Conference will lead to fruitful, meaningful and purposeful conclusions which can serve as an Action Plan for the future.

Thank you.

- Speech delivered by
SELVI J JAYALALITHAA,
Hon'ble Chief Minister of Tamil Nadu at the
All India State Election Commissioners
Conference held at Chennai
on 8.11.2005

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AN ENORMOUS TALENT POOL AVAILABLE IN TAMIL NADU WHICH IS TRULY AMAZING

Selvi J JAYALALITHAA, Hon'ble Chief Minister



A Six Member High Level Delegation led by Mr. Mike Rann, Premier of South Australia called on the Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalalithaa on 29.9.2005 at the Secretariat.

Mr. Mike Rann had earlier called on the Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalalithaa on 18th October, 2004 and the present visit is in continuation of the earlier visit to strengthen co-operation between Tamil Nadu and South Australia.

The Hon'ble Chief Minister, Selvi J Jayalalithaa, while welcoming the South Australian delegation led by Mr. Mike Rann, Hon'ble Premier of South Australia, mentioned that she is delighted that the South Australian Premier has visited Chennai again to carry forward the several initiatives that have been planned jointly. The Hon'ble Chief Minister, Selvi J Jayalalithaa also mentioned that she is glad that a cricket

match and a South Australian Film Festival have been planned today at Chennai on the occasion of the visit of the South Australian Team to Chennai. The Hon'ble Chief Minister, Selvi J Jayalalithaa pointed out that South Australia and Tamil Nadu have a lot in common.

The Hon'ble Chief Minister, Selvi J Jayalalithaa pointed out that Tamil Nadu is forging ahead in every field and is today rated among the top States in the Country. It has become an investment Destination of Choice. The Hon'ble Chief Minister also pointed out that there is an enormous talent pool available in Tamil Nadu which is truly amazing. The Hon'ble Chief Minister, Selvi J Jayalalithaa pointed out that considering the strengths Tamil Nadu has developed in several fields and the great initiatives South Australia has shown in certain areas, a partnership between the State of Tamil Nadu and the State of South Australia will be of great mutual benefit.



The Hon'ble Chief Minister **SELVI J JAYALALITHAA** launched the Annadhanam Scheme at SISWA Prayer Church at Anna Nagar on 25.12.2005.

Hon'ble Chief Minister mentioned that Tamil Nadu has identified several areas of co-operation such as water conservation, automobile industry, solar energy, tourism, agri-business, education, sports and the film industry. Hon'ble Chief Minister also pointed out that both Tamil Nadu and South Australia can work together in the above areas within the framework of a new understanding which is being developed.

Mr. Mike Rann, Hon'ble Premier, South Australia mentioned that he is very much impressed with the developments in Chennai and Tamil Nadu and that an Office of the Government of South Australia has been opened in India for the first time at Chennai. Mr. Mike Rann pointed out that mining, bio-tech, education, Film industry and solar energy are major areas where South Australia would like to partner with the Government of Tamil Nadu. The meeting lasted for 30 minutes.

On behalf of the Government of Tamil Nadu Thiru N. Narayanan, Chief Secretary, Thiru K.S. Sripathi, Secretary, Higher Education, Thiru Rameshram Mishra, Secretary, Industries, Thiru V. Varaprasada Rao, Secretary, Information and Tourism, Thiru R. Rajagopal, Secretary, Planning, Development and Special Initiatives and Thiru C. Chandramouli, Secretary, Information Technology, participated in the meeting.

On behalf of the Government of South Australia Mr. Paul Holloway, Minister for Industry and Trade, Mr. A.K. Tareen, Director, Trade and Investment, India, Ms. Jill Bottrall, Media Adviser, Office of the Premier, Mr. Raymond Garrand, Chief Executive, Department of Trade and Economic Development and Mr. Kevin Gent, Chief of Staff to the Minister for Industries and Trade, participated in the meeting. ★

TAMIL NADU IS THE TRADITIONAL HOME FOR MANUFACTURING IN INDIA

- SELVI J JAYALALITHAA
Hon'ble Chief Minister

A nine member High level team from Western Australia led by Dr. Geoff Gallop, Hon'ble Premier of Western Australia called on Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on 10.10.2005 at the Secretariat.

The Hon'ble Chief Minister, Selvi J Jayalalithaa while extending a warm welcome to the Western Australian delegation, expressed happiness that Tamil Nadu and Australia are getting closer with frequent interactions between Tamil Nadu and the Australian States. The Hon'ble Chief Minister mentioned that she is very glad that the two-way trade between India and Australia is increasing at a rate of over 20% in the last few years.

The Hon'ble Chief Minister, Selvi J Jayalalithaa pointed out that Tamil Nadu, which is the traditional home for manufacturing in India, has a lion's share in India's industrial output and has carved for itself, a pride of place in the industrial map of India. The Hon'ble Chief Minister also pointed out that Chennai which is located on the



South - East axis of Asia's growth Corridor, is strategically placed as India's Eastern Gateway to the world and has emerged as the Destination of Choice for investors.

The Hon'ble Chief Minister, Selvi J Jayalalithaa also pointed out that Tamil Nadu, which has become a major magnet for Foreign Direct Investments (FDI), has become one of the top three destinations in attracting Foreign Direct Investments in India. More than 2,700 foreign companies have so far chosen to invest in Tamil Nadu either through the Joint Venture Route or as 100% foreign subsidiaries.

The Hon'ble Chief Minister, Selvi J Jayalalithaa also pointed out that Tamil Nadu, which ranks first in the country in human resources with a highly efficient human

resources pool, low wage levels, industrial peace and tranquillity, provides the winning formula for investors.

The Hon'ble Chief Minister, Selvi J Jayalalithaa pointed out to the delegation that several independent studies have rated the investment climate in Tamil Nadu as the best and also the various advantages like - peaceful living conditions, harmonious and strike-free industrial relations, excellent infrastructure etc. offered by Chennai. All these advantages make Chennai the ideal destination for investments.

The Hon'ble Chief Minister Selvi J Jayalalithaa also pointed out that Tamil Nadu has emerged very strong as a global leader in IT Enabled Services Sector (ITES), with Software exports from Tamil Nadu reaching 107 billion rupees in 2004-2005.

The Hon'ble Chief Minister, Selvi J Jayalalithaa, mentioned to the Western Australian Delegation that Western Australia, which has more rich mineral sources like LNG and a well developed mining industry can collaborate with Tamil Nadu to develop the LNG Terminal proposed at Ennore Port to supply gas for electricity generation and industrial use and also collaborate in the exploitation of underground lignite to produce gas. The Hon'ble Chief Minister also mentioned to the delegation that management of water resources can be another area of collaboration for mutual benefit.

The Hon'ble Chief Minister highlighted the various achievements made by the Government of Tamil Nadu in tapping wind energy for power generation, empowerment of women by forming Women Self Help Groups, rain water harvesting, wasteland development, New Anna Marumalarchi Thittam, establishment of desalination plant, etc.

The Western Australian Premier mentioned that the Western Australian Delegation is very much impressed by the history and culture of Tamil Nadu, the economic growth achieved by Tamil Nadu and the best infrastructure created in Tamil Nadu. He also mentioned that there is a great potential for mutual co-operation between the Government of Western Australia and the Government of Tamil Nadu in the field of agriculture, education, tourism, mining and minerals, information technology, bio-technology and management of water resources.

On behalf of Western Australia, Mr. Sean Walsh, Chief of Staff, Office of the Premier of Western Australia, Dr. John Langoulant, CEO, Chamber of Commerce and Industry, Western Australia, Prof. Dr. John Wood, Deputy Vice-Chancellor, Students Advancement and International, Edith Cowan University, Western Australia, Mr. Guy Houston, Media Adviser, Office of the Premier of Western Australia and others participated.

On behalf of the Government of Tamil Nadu, Thiru C. Ponnaiyan, Hon'ble Minister for Finance, Thiru R. Viswanathan, Hon'ble Minister for Transport and Electricity, Thiru Nainar Nagenthiran, Hon'ble Minister for Industries, Thiru N. Narayanan, Chief Secretary to Government and other officers of the Government of Tamil Nadu participated. The meeting lasted for 1 hour.

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Burgeoning flood of new investment proposals flowing into Tamil Nadu and that industry and business worldwide are making a beeline for Tamil Nadu is a proof that Tamil Nadu is emerging as the Destination of Choice



A 38 member Japanese delegation led by Mr. Hirotaro Yamasaki, His Excellency the Mayor of Fukuoka City, invitation to the Japanese Captains of Commerce and Industry to visit Tamil Nadu. Responding to this invitation, a large and powerful delegation

Japan met the Hon'ble Chief Minister, Selvi J Jayalalithaa at Secretariat on 7.11.2005 and discussed various opportunities for trade and investment in Tamil Nadu.

On the direction of the Hon'ble Chief Minister, Selvi J Jayalalithaa an industrial delegation, including the Finance Secretary and the Secretary (Information Technology), Government of Tamil Nadu visited various cities of Japan between 17th and 21st October, 2005. The delegation met the representatives of the Chambers of Commerce of Osaka, Hiroshima, Kyoto, Kobe, Fukuoka, Nagoya, Yokohama and Tokyo, held wide-ranging discussions with them and also conducted seminars at Osaka, Fukuoka and Tokyo on the investment opportunities in Tamil Nadu. On behalf of the Hon'ble Chief Minister of Tamil Nadu, Selvi J Jayalalithaa, the delegation extended an



The Hon'ble Chief Minister expressed the hope that the visit of this large and powerful delegation from Japan marks the first step in a long and mutually beneficial journey. The Hon'ble Chief Minister mentioned that a strong, prosperous and dynamic India is in the interest of Japan; likewise, a strong, prosperous and dynamic Japan is in the interest of India.

The Hon'ble Chief Minister, Selvi J Jayalalithaa, pointed out to the delegation that the State of Tamil Nadu under her Leadership has emerged in recent times as the preferred Destination for Foreign Direct Investments. The Hon'ble Chief Minister further pointed out that independent surveys have held that Tamil Nadu stands tall,

comprising of Industrialists, University authorities and the Chamber of Commerce and Industry, led by the Mayor of Fukuoka City, Japan, visited Chennai on 7.11.2005 and called on the Hon'ble Chief Minister of Tamil Nadu.

While welcoming the Members of the Delegation, the Hon'ble Chief Minister, Selvi J Jayalalithaa expressed happiness that one of the premier Cities of Japan, Fukuoka, is seeking to engage with Tamil Nadu, one of the most progressive States of India. The Hon'ble Chief Minister mentioned that while India and Japan share many things in common, they complement each other in several spheres and that this could be the basis of a win-win relationship in the long run.

top of the class — truly reaching the *Numero Uno* position in Leadership, in the maintenance of law and order, in infrastructure, in public systems, in its talent pool and in labour relations. The Hon'ble Chief Minister pointed out that the fact that burgeoning flood of new investment proposals flowing into Tamil Nadu and that industry and business worldwide are making a beeline for Tamil Nadu is a proof that Tamil Nadu is emerging as the Destination of Choice.

The Hon'ble Chief Minister pointed out to the delegation that the Information Technology Sector is also growing at a phenomenal pace with Software, IT Enabled Services, Product Development and Business Process Outsourcing showing

soaring rates of growth. The Hon'ble Chief Minister pointed out that the fact that some of the largest and most technologically sophisticated IT campuses in the world are being established in Chennai, is an indication of the fact that Investment here is a value proposition, which goes much beyond labour arbitrage. The Hon'ble Chief Minister also pointed out to the delegation that the competitive edge in terms of costs is no doubt the initial attraction but once established, investors find the quality of inputs - human as well as physical - so good that they not only grow and expand but also add value.

The Hon'ble Chief Minister acknowledged with thanks the assistance received from Japan Bank for International Co-operation (JBIC), which has committed 15,675 million Yen (Rs.643 crores) for the Tamil Nadu Afforestation Project Phase-I, that has been successfully completed and also the further assistance of 13,618 million Yen (Rs.567.42 crores) that has been committed for the Tamil Nadu Afforestation Project Phase-II, which is to be implemented for 8 years commencing from 2005-2006 to 2012-2013.

The Hon'ble Chief Minister, Selvi J Jayalalithaa mentioned that her Government is firmly committed to creating an entire ecosystem wherein investors feel welcome, wanted and wholly satisfied. The Hon'ble Chief Minister pointed out to the delegation that the Government of Tamil Nadu under her leadership shall look into the possibility of creating a Township - a veritable "little Japan" at Chennai that would address the housing, cultural, educational, entertainment, social and culinary needs of the expatriate community.

The Hon'ble Chief Minister mentioned that this visit of the Japanese delegation augurs well for a long term commitment between India and Japan and that she looks forward to this relationship growing from strength to strength.

Mr. Hirotaro Yamasaki, the Mayor of Fukuoka City thanked the Hon'ble Chief Minister, Selvi J Jayalalithaa for the warm welcome extended to the delegation by the Government of Tamil Nadu. The Mayor stated that the delegation recognised that Tamil Nadu is the most attractive State in India for investments and that Tamil Nadu will attract investments not only from Japan but also from other countries. The Mayor assured that the delegation which consists of Members representing mostly IT & IT related industries will take advantage of the immense potential of IT talent in Tamil Nadu, promote relations between Fukuoka City and Chennai and thereby achieving the objectives of the mission.

The Hon'ble Minister of Public Works, P&E and Revenue, Thiru O.Panneerselvam, Hon'ble Minister for Finance, Thiru C.Ponnaiyan, Hon'ble Minister for Law and Information Technology, Thiru D. Jayakumar, Hon'ble Minister for Transport, Thiru R.Viswanathan, Hon'ble Minister for Industries, Thiru Nainar Nagenthiran, Hon'ble Minister for Education and Commercial Taxes, Thiru.C.Ve.Shanmugam, Thiru N.Narayanan, Chief Secretary, Government of Tamil Nadu, Secretaries to Government, other Government officials and Members of the Indo-Japan Chamber of Commerce and Industry were present during the meeting. The meeting lasted for one hour.

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CHENNAI IS BECOMING A GLOBAL SOURCING HUB

- SELVI J JAYALALITHAA

Hon'ble Chief Minister



Mr. William Clay Ford Jr., Chairman and Chief Executive Officer, Ford Motor Company, accompanied by Mr.Mark Schulz, Executive Vice-President, Asia-Pacific Operations, Mr.Peter Daniel, Chief Operating Officer, Asia-Pacific and Africa, Mr.Jim Vella, Chief of Staff, Ford Motor Company, USA and Mr.Arvind Mathew, Managing Director, Ford India Private Limited met the Hon'ble Chief Minister, Selvi J Jayalalithaa on 26.10.2005 at the Secretariat. During the meeting they apprised the Hon'ble Chief Minister regarding the achievements and progress made by Ford India Limited at Chennai and their future plans.

Ford India manufacturers and distributes automobiles made at its modern integrated manufacturing facility, at Maraimalai Nagar, near Chennai. Hon'ble Chief Minister, Selvi J Jayalalithaa laid the foundation stone for this plant on 23rd February, 1996. Ford has so far invested about Rs.1,700 crores in its manufacturing facility at Maraimalai Nagar. Ford currently employs around 1,800 employees. On 4th April 2005, Ford Chennai Plant rolled out its 1,00,000th car. Ford has at present 115 dealer outlets in 79 locations in India.

Welcoming Mr. William Clay Ford Jr. to Chennai, the Hon'ble Chief Minister, Selvi J Jayalalithaa recalled how she was instrumental in getting Ford to locate its plant at Chennai in 1995 during her first tenure as Chief Minister. Mr. Ford Jr. thanked the Hon'ble Chief Minister for the excellent support extended by the Government of Tamil Nadu under the leadership of the Hon'ble Chief Minister, Selvi J Jayalalithaa. He emphasized that he was very happy with the Chennai Plant and was glad to see the excellent work force which had contributed greatly to the success of the Ford Plant at Chennai. He complimented the Hon'ble Chief Minister for the emphasis placed on building world-class infrastructure in Tamil Nadu and requested her good offices to see that infrastructure in the rest of the country is also improved. This will take the automobile market in India to new levels and contribute to growth. The Hon'ble Chief Minister, Selvi J Jayalalithaa indicated that she would take up with the Prime Minister, the issue of making Railway transportation to any destination in India more attractive so that it can be relied upon by automobile manufacturers.

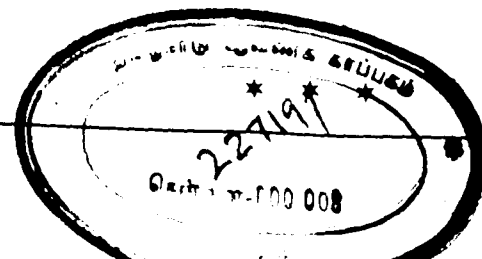
The Hon'ble Chief Minister, Selvi J Jayalalithaa enquired as to what Mr. Ford Jr. perceived would be the changes in automobile manufacture in the context of the soaring prices of crude oil and therefore, automobile fuels. The Hon'ble Chief Minister also enquired about Ford's plans on producing hybrid cars as also the utilisation of bio-fuels in its automobiles. Mr. Ford Jr. indicated that

Ford had introduced a hybrid car in the US market and was seriously evaluating expanded production taking note of the Petroleum crisis.

He also expressed the view that bio-fuels were here to stay and would be increasingly used in all markets and it was necessary for automobile manufacturers to incorporate this development in their plans. Hon'ble Chief Minister informed him that the Government of Tamil Nadu had placed great emphasis on the encouragement of bio-fuel production and had launched specific support programmes. Mr. Ford Jr. complimented the Hon'ble Chief Minister for taking such interest in the bio-fuel programme. Mr. Ford Jr. also informed the Hon'ble Chief Minister that he visualised Hydrogen as the fuel of the future and predicted increased research to make this feasible.

Mr. Ford Jr. thanked the Hon'ble Chief Minister for the excellent support which has enabled the Chennai Plant for Ford Motors to be a very successful plant. The Hon'ble Chief Minister, Selvi J Jayalalithaa requested Mr. Ford Jr. to immediately think of expansion at the Chennai Plant keeping in mind the fact that this can be a global sourcing hub. Mr. Ford Jr. agreed with the Hon'ble Chief Minister that Chennai is becoming a global sourcing hub and he would draw up specific expansion plans at Chennai.

The Chief Secretary, Thiru N. Narayanan was present during the meeting. The meeting lasted for 30 minutes.



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