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Finance Commission to visit TN to understand issues relating to state's economic growth

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CHENNAI: The Finance Commission led by chairman N K Singh will make a four-day visit to Tamil Nadu from September 5 to understand the economic growth and development of the state.

The team comprising members Anoop Singh, Ashok Lahiri, Ramash Chand and secretary Arvind Mehta will meet chief minister Edappadi K Palaniswami, ministers and other government officials.

Detailed presentations will be made on the finances of the state.

Ahead of the meeting with the chief minister on September 6, the commission would meet economists in the region on September 5 to understand the macro-economic and other issues relating to the southern

part of the country in the light of the development trajectory of the region, said an official release.

Tamil Nadu is the second state in south India after Kerala to be visited by the commission.

“The state has made great strides in its industrial sector development and emerged as a manufacturing hub. The contribution to country's economic growth is quite impressive and it has shown a great growth potential,” the release said.

The structure of GSDP (gross state domestic product) in Tamil Nadu had been shifting away from agriculture towards industry and services. Between 2012 and 2017, the average share of agriculture and allied sector was 10.9%, industry was 35% and services was 54.6%.

After a decline in 2015-16, the state's GDP picked up again. However, the declining growth rate of own tax revenue in recent years, particularly from 2013-14 onwards, is a concern.

The state has been witnessing a revenue deficit since 2013-14 due to a combination of factors like slow revenue growth, spurt in exceptional expenses like UDAY, pay commission award and drastic reduction in central devolution of funds. Its capital expenditure is also low.

As per the RBI study of state budgets, Tamil Nadu is among the highest borrowing states. Its fiscal deficit stood above 4% and debt to GDP ratio stands at 22.31% in 2016-17.

“Power sector is not fully unbundled in the state. The commission will try to understand the issues related to the implementation of the UDAY scheme,” the release said.

Though Tamil Nadu has done well in economic uplift of the people, inter-district disparity in per capita income is evident as eighteen out of 32 districts have a lower per capita income than the state average of Rs 1.54 lakh. While the state does well on many social parameters like sex ratio, institutional delivery, IMR and MMR, the National Family Health Survey-4 shows a higher percentage of anaemia among women and children than all India percentage.

In education sector, state depicts weak learning outcomes as per the Annual Status of Education Report 2016-17, despite having high literacy rates.

The commission will hold meetings with the leaders of the political parties, representatives of trade and industry, urban local bodies and Panchayati Raj institutions. The Commission will undertake field visits in Madurai and pay a visit to Dr APJ Abdul Kalam memorial in Rameswaram.

Finance Commission to visit Tamil Nadu from 5th September

ddnews.gov.in/business/finance-commission-visit-tamil-nadu-5th-september

03-09-2018 | 4:45 pm

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The Fifteenth Finance Commission of the Government is visiting the state of Tamil Nadu from 5th to 8th September 2018.

The Commission led by the Chairman N.K.Singh, Members – Dr. Anoop Singh, Dr. Ashok Lahiri, Dr. Ramesh Chand and Secretary Arvind Mehta along with other officials will have meetings with Chief Minister, Ministers and other officials of the state in Chennai.

Detailed presentations will be made on the finances of the State Government. Ahead of meeting with the CM on 6th September, Commission will meet the economists of the region in Chennai on 5th September to understand the macroeconomic issues and some peculiar issues related to southern part of the country in the light of the development trajectory of the region.

It may be noted that Tamil Nadu will be the second state in Southern India after Kerala to be visited by the Commission.

There will be meetings with the leaders of various political parties, representatives of Trade and Industry, Urban Local Bodies and Panchayati Raj Institutions to understand the issues concerning the state.

The commission will also undertake field visits in Madurai and pay a visit to Dr. A.P.J. Abdul Kalam memorial in Rameshwaram.

TOI - 04.09.2018

Finance panel to visit TN to understand state's eco issues

TIMES NEWS NETWORK

Chennai: The finance commission led by chairman N K Singh will make a four-day visit to Tamil Nadu from September 5 to understand the economic growth and development of the state.

The team comprising members Anoop Singh, Ashok Lahiri, Ramash Chand and secretary Arvind Mehta will meet chief minister Edappadi K Palaniswami, ministers and other government officials.

Detailed presentations will be made on the finances of the state. Ahead of the meeting with the chief minister on

September 6, the commission would meet economists in the region on September 5 to understand the macro-economic and other issues relating to the southern part of the country in the light of the development trajectory of the region, said an official release.

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"The state has made great strides in its industrial sector development and emerged as a manufacturing hub. The contribution to country's economic growth is quite impressive and it has shown a great growth potential," the release

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Health Survey-4 shows a higher percentage of anaemia among women and children than all India percentage.

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Deccan Chronicle - 04.09.2018

FIFTEENTH FINANCE COMMISSION TEAM IN STATE FROM SEPT 5-8

**DC CORRESPONDENT
CHENNAI, SEPT. 3**

The Fifteenth Finance Commission of the Government of India will visit the state from September 5 to 8.

According to the release, the commission led by the chairman N.K.Singh and its members – Dr. Anoop Singh, Dr. Ashok Lahiri, Dr. Ramesh Chand and Secretary Arvind Mehta — along with other officials will have meetings with Chief Minister Edappadi K. Palaniswami and ministers and other officials of the state in Chennai.

“Detailed presentations will be made on the finances of the state government. Ahead of meeting with the CM on September 6, the commission will meet the economists of the region in Chennai on September 5 to understand the macro economic issues and some

peculiar issues related to southern part of the country in the light of the development trajectory of the region,” the release noted.

There will be meetings with the leaders of various political parties, representatives of trade and Industry, urban local bodies and Panchayati Raj Institutions to understand the issues concerning the state, read the release.

The structure of GSDP in Tamil Nadu has been shifting away from agriculture towards industry and services. From 2012-13 to 2016-17, the average share of agriculture and allied sector was 10.9 percentage, while industry was 35 percentage and that of services was 54.6 percentage, according to state government.

It may be noted that Tamil Nadu will be the second state in Southern India after Kerala to be visited by the commission.

TN's GSDP shifting from farm to industry: Fin panel

Average share of agriculture 10.9%, industry 35%, services 54.6%

EXPRESS NEWS SERVICE

@ Chennai

THE 15th Finance Commission has observed that the structure of GSDP (gross state domestic product) in Tamil Nadu has been shifting away from agriculture towards industry and services. From 2012-13 to 2016-17, the average share of agriculture and allied sector was 10.9 per cent, industry was 35 per cent and that of services was 54.6 per cent.

The Commission has revealed this in a release ahead of its visit to Tamil Nadu on September 5 and 6 to have a series of meetings with Chief Minister Edappadi K Palaniswami, ministers and officials at the secretariat on September 6. Tamil Nadu is the second State in southern India after Kerala to be visited by the panel.

The delegation to be led by chairman NK Singh will meet economists of the region on September 5. It will also meet leaders of various parties and representatives of trade and industry, urban local bodies and panchayati raj institutions to be seized of the issues concerning the State.

The Finance Commission's release recalled that after a decline in 2015-16, the GDP of Tamil Nadu

has picked up. However, the declining growth rate of own tax revenue in recent years, particularly from 2013-14 onwards, is a concern. Since 2013-14, due to a combination of factors such as slow revenue growth, spurt in exceptional expenditure like UDAY, Pay Commission award and drastic reduction in Central devolution, the State has been witness-

GDP has picked up

The Finance Commission's release recalled that after a decline in 2015-16, the GDP of Tamil Nadu has picked up. However, the declining growth rate of own tax revenue in recent years, particularly from 2013-14 onwards, is a concern.

ing revenue deficits. Its capital expenditure is also low.

"As per the RBI study of state budgets, TN is among the highest borrowing States. Its fiscal deficit stood above four per cent and debt to the GDP ratio stands at 22.31 per cent in 2016-17," the Commission said and added that the del-

egation would look into the issues relating to the GST collections. Stating that power sector is not fully unbundled in the State, the Commission would try to understand the issues related to the implementation of UDAY scheme.

"In education sector, the state is depicting weak learning outcomes as per the ASER 2016-17 report, despite having high literacy rates. The State has done well in the democratic decentralisation to the third tier," the Commission has added.

Though Tamil Nadu has done well in economic uplift of the people, an inter-district disparity in per capita income (PCI) is evident. Eighteen out of 32 districts are having lower PCI than the State average PCI (₹1,54,375 in 2015-16). The PCI of the top ranked district is about 2.8 times bigger than that of the poorest district. Though poverty in Tamil Nadu is lower than many states of the country, parts of Tamil Nadu are having high poverty. The State intervention is resulting in fast decline in poverty ratios and nearly all of this reduction in the number of families below poverty line comes from rural areas, the 15th Finance Commission has noted.

Trinity Mirror 04.09.2018

Finance Commission to visit TN from Sept 5

Chennai, Sept 4:

The Fifteenth Finance Commission of the Government is visiting the state of Tamil Nadu from 5th to 8th September 2018.

The Commission led by the Chairman N.K.Singh. Members – Dr. Anoop Singh, Dr. Ashok Lahiri, Dr. Ramesh Chand and Secretary Arvind Mehta along with other officials will have meetings with

Chief Minister. Ministers and other officials of the state in Chennai.

Detailed presentations will be made on the finances of the State Government. Ahead of meeting with the CM on 6th September, Commission will meet the economists of the region in Chennai on 5th September to understand the macroeconomic issues and some peculiar issues related to southern

part of the country in the light of the development trajectory of the region.

It may be noted that Tamil Nadu will be the second state in Southern India after Kerala to be visited by the Commission.

There will be meetings with the leaders of various political parties, representatives of Trade and Industry, Urban Local Bodies and Panchayati Raj Institutions to

understand the issues concerning the state.

The commission will also undertake field visits in Madurai and pay a visit to Dr. A.P.J. Abdul Kalam memorial in Rameshwaram.

Ahead of the visit, Commission understood in New Delhi, various aspects of its finances and issues related to socio-economic spheres from Accountant General of Tamil Nadu.

blogs.timesofindia.indiatimes.com/tracking-indian-communities/why-state-deserves-a-bigger-share-of-revenue-from-centre

September 5, 2018

Why state deserves a bigger share of revenue from Centre

Over the next few days, members of the finance commission (FC) are due to meet Tamil Nadu chief minister, bureaucrats and economists to understand the state's economic issues. But as far as better performing states like Tamil Nadu are concerned, the commission has a task to right some wrongs.

The FC at present gives more funds to states that have lower income and higher population, while efficient states like Tamil Nadu, which have controlled population and contributed to growth, lose out. The 15th FC has been recommended to consider the population according to 2011 census. This is disadvantageous to states like TN and Kerala which have made great progress in population control since 1971. A lower population growth would mean lesser devolution of the funds.

To ensure balance, it is important that efficiency criteria like more tax revenue, financial management and infrastructure needs for faster growth should also be considered while distributing funds. These are the categories in which TN is performing better and hence should be rewarded. Instead the tax share of Tamil Nadu has been consistently declining. Reports say that Tamil Nadu's contribution to Union taxes was 31% in 2016-17. However the state may get just one-tenth of it in return, if things continue as it is.

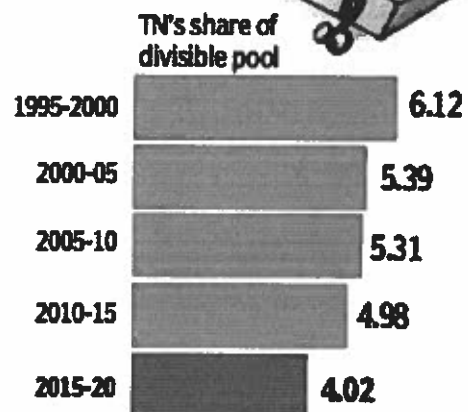
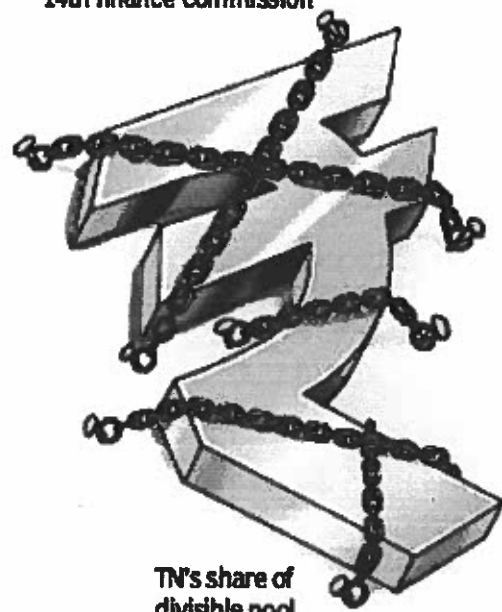
In recent years, states are not only losing their legitimate share from the vertical devolution (sharing between Union and states), but some developed states like Tamil Nadu are also losing out on horizontal distribution (sharing of revenue among states).

Though the previous FC has increased the state's tax share from 32 % to 42% of the total pool to compensate for the closure of the Planning Commission, the states' revenue has decreased. Centre has also implemented cess and surcharges, which won't be shared with the states. TN alone hence stands to lose ₹5,093 crore from cess and surcharges. Another loss is the tax revenue foregone due to concessions and the GST collection. When the Centre foregoes revenue, states which are to receive a portion also lose it.

In the absence of adequate weightage to efficiency considerations like tax effort of the states, financial management and infrastructure needs to cope with faster growth. Despite opposition from states and the pretensions of each commission to encourage efficiency, the FCs continues to tilt their distribution criteria in favour of backwardness indicators like lower income and higher population.

COUNTING THE LOSSES

What TN has received from the 10th to 14th finance commission



The Centre has an advantage in encouraging efficiency. The question that comes to mind is what is the impact of the equalization on the backward states? Have they improved their fiscal conditions? Records show that whenever the growth rate of the Indian economy is on an upward trend, TN has recorded faster growth than the national rate. TN is also the second largest state in terms of gross state domestic product, after Maharashtra. Such growth needs to be supported and encouraged mostly by providing adequate federal fiscal support to provide the expanding and massive infrastructural requirements of the state.

(The author is HoD economics department at University of Madras)

Email your feedback to southpole.toi@timesgroup.com

DISCLAIMER : Views expressed above are the author's own.

Can finance commission separate freebies from welfare schemes, questions DMK

Shakumar.D@timesgroup.com

Chennai: The DMK has opposed the 15th Finance Commission's reference to freebies to decide on the state's share from central funds. The full commission met Tamil Nadu's political representatives at the secretariat in Chennai on Wednesday. During the meeting, the DMK raised the issue of whether the commission had powers to decide between a welfare scheme and a freebie.

"Can the commission decide which is a good freebie and which is not. In Tamil Nadu there is free noon meal for children and can this be decided as a freebie," said DMK MLA and IT wing chief PTR Palanivel Thiagarajan.

The other representative

The DMK wanted the commission to set minimum limit on the allocation ratio for each state, as a percentage of the proportional contribution of its GSDP to GDP

from DMK was Rajya Sabha member T K S Elangovan. On this question, financial commission chairman N K Singh replied that the commission is neutral and it is not speaking on behalf of either Centre or state.

The DMK also raised the issue of giving a higher share from the Central pool to poor states. "We are not against giving financial support to poor

states. But despite getting a higher share for the past 25 years, these states have not shown any significant improvement in their human development index. While states like Tamil Nadu have taken steps to control the population increase and also increase its tax revenue, but it is the same in poor states," said Thiagarajan.

The party also wanted the commission to set minimum limit on the allocation ratio for each state, as a percentage of the proportional contribution of its GSDP to GDP, or its proportional contribution towards Central tax revenues. "We wanted the commission to have a floating ratio instead of having fixed one for all five years. It will help states like Tamil Nadu based on the per-

formance each year," said Thiagarajan. Tamil Nadu's share of revenue has come down from 6.63% in 1994 to 4.02% in 2014.

Other parties wanted the commission to give a higher share of the Centre's finance to Tamil Nadu. "The share given by the centre to the states should be increased from the present 42% to 64%. The Centre should find some new avenues to mobilize funds due to the shortage occurred as a result of providing more share to the states," said CPM state secretary K Balakrishnan.

The revenue collected through cess, surcharges and toll fees by the Centre shall be shared in the same percentage with the states as being done with the other tax revenues, said Balakrishnan.

Won't penalise performing States: 15th Finance Commission tells TN

Bl. [thehindubusinessline.com/news/wont-penalise-performing-states-15th-finance-commission-tells-tn/article24885350.ece](https://www.thehindubusinessline.com/news/wont-penalise-performing-states-15th-finance-commission-tells-tn/article24885350.ece)

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NK Singh, Chairman, 15th Finance Commission - PTI

Chennai, September 6

The 15th Finance Commission will seek not to penalise those States that have achieved success in terms of improved demographic management and on other development parameters.

"It should be the endeavour of the Commission to ensure that better performers are helped to perform even better, while those who have lagged behind in the mainstream development are helped to come up to national average," NK Singh, Chairman, 15th Finance Commission, told newsmen, after deliberations with the Tamil Nadu government.

CM's plea

Singh was responding to concerns of Tamil Nadu Chief Minister Edappadi K Palaniswami who said before the Commission that the present trend in transfer of resources – of rewarding those who use resources inefficiently and do badly, and punishing those who use resources efficiently and do well – has to be reversed.

On the Tamil Nadu government's request to adopt the population criteria of 1971 and not 2011, Singh said that even States like West Bengal, Odisha and Punjab have expressed similar requests but it is in the Commission's Terms of Reference (ToR).

The Commission has no say in formulation of ToR, and it is completely neutral between demands of the Centre and the demands of State governments. This is the tradition that 'we are privileged' to have inherited and it is the firm resolve of this Commission to continue this in the 15th Finance Commission as well, said Singh on the objections to ToR by the Tamil Nadu government.

Palaniswami said that Tamil Nadu is the only State that has seen its share in devolution decline in every single Finance Commission since the 9th. The State always ended up with a reduced share of devolution, leading to a crisis of confidence in the polity, and among the people, in the core institutions of fiscal federalism.

"People of Tamil Nadu are looking to the 15th Finance Commission to undo the unfair and unscientific treatment this State received from the 14th and earlier Finance Commissions," he said. The 14th Finance Commission has erred seriously in making its projections relating to Tamil Nadu, which had a debilitating effect on the State's fiscal stature, he said. The State should be compensated for revenue loss faced due to unfair recommendations of 14th Finance Commission, the Chief Minister added.

"We have taken serious note of this concern of the State government," Singh said.

Palaniswami said Tamil Nadu had not benefited from increase in share of Central taxes from 32 per cent to 42 per cent by the 14th Finance Commission because of the drastic cut in the horizontal share among States. Instead, Tamil Nadu lost ₹6,000 crore a year in the 14th Finance Commission alone. Tamil Nadu was the eighth State with which the Commission had discussions so far. The Commission will give its recommendations by October 2019, Singh said.

Published on September 06, 2018

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North vs South debate is misleading, says finance panel chief

By: [FE Bureau](#) | Published: September 7, 2018 5:39 AM

The 15th Finance Commission on Thursday said schemes which appear populist may in fact be popular as well, and the ones which might have been launched keeping populism in mind can over a period of time generate a multiplier effect on the economy.



X

NK Singh

The 15th Finance Commission on Thursday said schemes which appear populist may in fact be popular as well, and the ones which might have been launched keeping populism in mind can over a period of time generate a multiplier effect on the economy.

NK Singh, chairman of the finance commission, at a press conference in Chennai said the commission is hearing different viewpoints on what is populist or not, and it will need to consider this in totality taking everything into account.

The north versus south debate is misleading, he said, as many states from other parts of the country are also expressing similar apprehensions like southern states. It will be the endeavour of the commission not to penalise states doing well on the demographic as well as the economic front while carefully balancing the equity and efficiency.

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15th Finance Commission members visit Ramanathapuram

TIH thehindu.com/news/cities/Madurai/15th-finance-commission-members-visit-ramanathapuram/article24895219.ece

Madurai

Special Correspondent RAMANATHAPURAM

September 07, 2018 18:41 IST

Updated: September 07, 2018 18:41 IST



Two members of the 15th Finance Commission, accompanied by officials and escort officers – State government IAS officers, arrived here on a two-day visit to the district, identified as one of the aspirational districts by the Centre for achieving an overall development and inspected implementation of various projects.

Anoop Singh and Ashok Lahri, members of the of the 15th Finance Commission and officials, after an overnight stay in Madurai, arrived here on Friday and inspected the solar power generation at Adani group's solar power station, established at the total cost of ₹4,536 crore at Kamuthi.

Vikram Kapur, Principal Secretary, Energy department and Chairman and Managing Director, Tamil Nadu Generation and Distribution Corporation (TANGEDCO), with officials of Adani group, took the members and officials around the 648 MW Solar Power Station, the world's largest solar park in a single location in Kamuthi block in the district.

The members and officials later visited the Genetic Heritage Garden, an ecological garden, developed by the Tamil Nadu Horticulture Development Agency at Achadipirambu on the East Coast Road (ECR), showcasing the geographical divisions of the State.

Collector K. Veera Raghava Rao explained that the garden had been developed representing the concept of 'Paalai' (parched wasteland and desert), one of the five landscapes defined in the ancient Sangam literature.

Later, the team members visited a photo exhibition arranged at a star hotel in Rameswaram and Mr. Rao explained the implementation of various State and Centrally-sponsored projects.

The Fisheries department officials explained fishing activities, especially the deep-sea fishing project launched by Prime Minister Narendra Modi under blue revolution. The department officials also gave details on the progress of ongoing fishing harbour work at Mookaiyur and fish landing centre at Kunthukal.

The forest department showcased the Gulf of Mannar Marine National Park, while the Central Marine Fisheries Research Institute (CMFRI), its research activities. The officials later visited Danushkodi, Arichamunai after offering worship at Sri Ramanathaswamy temple in Rameswaram.

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Finance commission has 'no say' in formulation of ToR: Singh

Press Trust of India | Chennai September 06, 2018 Last Updated at 19:50 IST

The Tamil Nadu government Thursday expressed serious concern on the Terms of Reference of the 15th Finance Commission, even as the panel's chairman said it had "no say" in its formulation.

Chief Minister K Palaniswami opposed the reference to control of expenditure on government's "populist programmes."

"Populist is a subjective term which has a very fine line of difference with popular schemes.

Tamil Nadu has a number of social welfare schemes designed with specific socio-economic objective and cannot be termed 'populist', he said during a meeting with the Commission chairman N K Singh at the Secretariat here.

Palaniswami said he felt that it would be inappropriate for the commission "to judge the collective wisdom of States' legislatures."

Palaniswami said he has already written to the chairman expressing serious concern on the Terms of Reference (ToR).

"I wish to reiterate that we oppose the use of 2011 population data. It would punish progressive states like Tamil Nadu which have achieved success in population control through their own efforts," Palaniswami said.

Talking to reporters after holding discussions with top government officials, Singh said the commission has "no say" in formulation of the ToR and "it is completely neutral."

About other issues pertaining to Tamil Nadu, Singh said the rise in aging population in the state would create "new pressures" on the government's finances.

Singh said the urban population in Tamil Nadu has crossed 50 per cent based on the latest census data.

"There is no doubt that in the decades ahead, India's growth engine will come from urban centres of growth and will not only provide Tamil Nadu, but also the country a great opportunity to achieve high rates of economic growth," he said.

Singh said the state has made an outstanding contribution to the momentum of India's economic development by bringing down "poverty" significantly below the all India average and the "per capita income" significantly better than national average.

"They (Tamil Nadu) have also had an excellent record in terms of fiscal management and macro economic stability and fiscal and debt ratios well within the acceptable limits," he said.

Parties urge Fin panel to set right 'unfair' terms of reference

EXPRESS NEWS SERVICE
@ Chennai

REPRESENTATIVES of parties including the AIADMK, DMK, CPI(M), DMKP and NCP on Wednesday pointed out various shortcomings in the terms of reference (ToR) of the 16th Finance Commission, which would seriously affect Tamil Nadu and urged the delegation, led by Commission chairman NK Singh to set right these unfair ToR immediately.

They urged the Commission not to penalise the performing States such as Tamil Nadu in which the chairman reaffirmed commission's even-handed approach vis-a-vis States and the Centre. Industry representatives raised issues related to land acquisition, water availability for industry and agriculture and grid

development for green energy.

Strongly opposing many of the terms of reference of the 15th Finance Commission, DMK spokesperson THS Elamaven and party MLA PTN Palaniswami Thiruvananthapuram said the share of tax revenue to Tamil Nadu, which stood at 6.4 per cent in the 10th Finance Commission, had come down to just 4.03 per cent in the 14th Finance Commission. The terms of reference of the present Finance Commission would drastically reduce the tax share to 7%.

"While the tax collection from Tamil Nadu is going up every year, the tax share given by the Centre has been coming down. So, the Commission should redraw the terms of reference and to adopt an innovative approach," they added.

"How can an unelected body such as the Finance Commission



Chief Minister Edappadi K. Palaniswami and Deputy Chief Minister O. Panneerselvam welcoming N.K. Singh, Chairman of 15th Finance Commission, in City | EXPRESS

has the power to review the status of finances of duly elected governments at the Centre and in States and recommend a fiscal consolidation roadmap? Keeping in mind the existence of Fiscal Responsibility and Budget Man-

agement Act (FRBM Act) at the Central and State-level, what is the need for an additional review, leading to recommendations? So, this term of reference is unacceptable," the memorandum submitted to the DMK said.

Delegation meets with economists, politicians

EXPRESS NEWS SERVICE
@ Chennai

LEADING economists of the region, representatives of regional political parties, trade and industry and special officers of local bodies on Wednesday held a series of deliberations with a delegation led by 15th Finance Commission Chairman NK Singh on a wide range of issues. Based on these sessions, the Commission will make recommendations for the period 2020-2023.

The Commission is meeting Chief Minister Edappadi K. Palaniswami, senior ministers, and officials at the secretariat on Thursday to have detailed discus-

sions on the memorandum already submitted by the Tamil Nadu government on various issues faced by the State.

Official sources said the State has been pointing out the unfair treatment meted out to it in the 14th Finance Commission recommendations and hence, the CM is likely to urge the 16th Finance Commission to set right the lacunae during the meeting.

"We are greatly enriched by the interactions with the experts and economists in understanding some of the critical assumptions which are necessary for the Finance Commission to come up with appropriate recommendations at the end of the delibera-

tions," Singh told reporters.

Some of the suggestions put forward at the economists' meeting include the variables, which need to be kept into account for estimating the nominal GDP, inflation on real GDP growth, the risks and challenges ahead in making projections for the period of five years from 2020 to '23, the award period of the 16th Finance Commission," Singh said.

The Commission has also received suggestions on how to strengthen the framework to tackle global warming and climate change and its consequences on environment and treating that issue in broader sense like in adaptation and coastal erosion.



சென்னை தலைமைச் செயலகத்தில் 15வது நிதிக்குழுவின் ஆலோசனை கூட்டம் முதல்வர் எடப்பாடி பழனிசாமி தலைமையில் இன்று நடந்தது. இதில் துணை முதல்வர் ஓ.பன்னீர்செல்வம், நிதிக்குழு தலைவர் என்.கே.சிங் மற்றும் உயரதிகாரிகள் கலந்து கொண்டனர்.

தமிழகத்துக்கு தேவையான நிதியை உடனடியாக வழங்க வேண்டும்

மத்திய நிதிக்குழுவிடம் முதல்வர் பழனிசாமி கோரிக்கை

சென்னை, செப்.6-
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தலைமையிலான 15வது
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வினர் இன்று தலைமை
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துணைமுதல்வர் பன்னீர்
செல்வம், அமைச்சர்கள்,
தலைமை செயலாளர்
உள்ளிட்டோரிடம் ஆலோ
சனை நடத்தினர்.

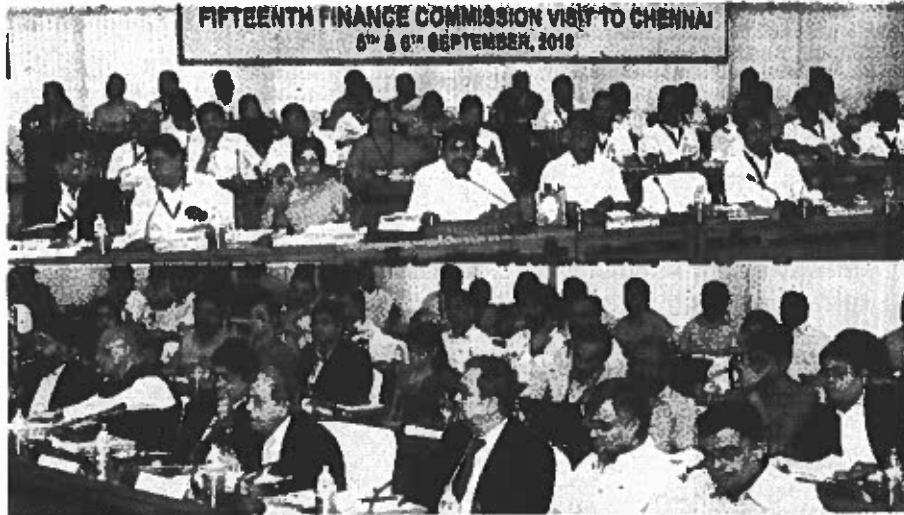
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ளிட்ட விவரங்கள் அடங்
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இக்கூட்டத்தில், முதல்வர்
எடப்பாடி பழனிசாமி
பேசியதாவது:

தமிழகத்துக்கான நிதி
பகிர்மானம் சம்பந்தில்
நிதிக்குழுக்களால் குறைக்
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நிதிக்குழு பரிந்துரை
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ளது. மக்கள்தொகையை
கட்டுப்படுத்துவதில் ஏற்
பட்ட முன்னேற்றத்தின்
அடிப்படையில் நிதிப்பங்
கீடு வழங்க வேண்டும்.

தமிழகத்தின் நிலையான
வளர்ச்சிக்கு நிதித்தேவை
கள் அதிகமாக உள்ளன.

தமிழகத்துக்கு வர
வேண்டிய அளவு நிதியை
மாநிலம் முன்பு இழந்துள்
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மேற்கொள்ள வேண்டும்.



Opposes terming welfare plans as 'populist'

Funds share norm hits State, CM tells finance panel team

'Release due funds immediately'

Chennai, Sept 6: Tamil Nadu is one of the best performing States in implementation of flagship schemes of the Government of India, Chief Minister Edappadi Palaniswami said at a consultation meeting held today with the 15th Finance Commission panel here today.

The Chief Minister strongly opposed the reference to control of expenditure on so-called populist programmes. "Populist" is a subjective term which has a very fine line of difference with popular schemes. He pointed out that the PuzhichiThalaivar MGR Noon Meal programme for school children was once called populist. Now the Government of India has made it the part of the National Food Security Act. Tamil Nadu has a number of social welfare schemes. Each of them is designed with specific socio-economic objectives. The schemes are for the benefit of deserving and carefully targeted groups. Hence, they cannot be termed populist. I feel that it would be inappropriate for the Finance Commission to judge the collective wisdom of States' legislatures.

The commission led by its chairman NK

Singh, members - Anoop Singh, Ashok Lahiri, Ramesh Chand, and secretary Arvind Mehta along with other officials discussed key issues considering the development trajectory witnessed in the region. Tamil Nadu is the second State in southern India after Kerala to be visited by the commission.

Speaking at the meeting Palaniswami said "I urge the Commission to strike a proper balance between re-distribution and growth. The Comptroller & Auditor General has pointed out that in the past the Centre has not fully devolved the amounts which should have been distributed. Tamil Nadu has lost a lot of money because of this. I request this Commission to review the past shortfalls in actual devolution of funds and recommend arrangements to release these amounts immediately. I also urge the Commission to give importance to maintenance of productive assets in making its recommendations," said Chief Minister.

Tamil Nadu has always been a strong supporter of the institution of the Finance Commission. Even in the days of the

Planning Commission, we always emphasized that the Finance Commission should be the main source of fiscal transfers of funds from Centre to State. However, Tamil Nadu's share in devolution has fallen in all recent Finance Commissions. Even the increase in share of Central taxes from 32 to 42% by the Fourteenth Finance Commission did not help Tamil Nadu, because the horizontal share was drastically cut. Tamil Nadu has lost Rs.6,000 crores per annum in the 14th Finance Commission. This has cast doubt on the fairness of the whole system in the minds of the people.

I had already written to the Chairman expressing some of our serious concerns on the Terms of Reference of the 15th Finance Commission. I wish to reiterate that we oppose the use of 2011 population data. It would punish progressive States like Tamil Nadu which has achieved success in population control through their own efforts. I urge the Commission to make Population Control one of the points for devolution, with as much weight as Population. I also request that for the purposes of

devolution 1971 data be adopted by the Finance Commission.

Tamil Nadu is one of the best performing States in implementation of flagship schemes of the Government of India. Still, in principle, we have serious concerns on the clause about incentives linked to Government of India flagship schemes. We are constrained to point out that this kind of reference is beyond the scope of Article 280 of the Constitution. We also strongly oppose the reference to control of expenditure on so-called populist programmes.

In a big country like India, we understand the need for some re-distribution. However, some recommendations of previous Finance Commissions have resulted in perverse incentives. There has been too much weight for income distance. This has rewarded States which lag in developmental efforts. It has penalised engines of growth like Tamil Nadu. For India to grow fast, progressive States like Tamil Nadu have to be encouraged. Tamil Nadu needs funds for investment to sustain growth. Without growth, there will not be much to distribute. Hence,

CM TELLS FINANCE COMMISSION NOT TO USE 2011 CENSUS FOR DEVOLVING FUNDS TO TAMIL NADU

DC CORRESPONDENT
CHENNAI, SEPT. 6

Chief Minister Edappadi K. Palaniswami has conveyed the state government's opposition to the use of 2011 population data by the Fifteenth Finance Commission for devolving funds to Tamil Nadu. "It would punish progressive states like Tamil



"It would punish progressive states like Tamil Nadu which have achieved success in population control through their own efforts," CM told the 15th Finance Commission on Thursday.

Nadu which have achieved success in population control through their own efforts," he told the 15th Finance Commission on Thursday. ■ P4



CM Edappadi K. Palaniswami makes a detailed presentation at a meeting of the 15th Finance Commission held at the secretariat in the city on Thursday. The meeting was attended by a delegation led by 15th Finance Commission chairman N. K. Singh, state ministers and officials. —DC

■ TN lost ₹6,000 cr per annum in 14th finance commission Don't use 2011 census for devolving funds to TN: CM

DC CORRESPONDENT
CHENNAI, SEPT. 6

Chief Minister Edappadi K. Palaniswami has conveyed the state government's opposition to the use of 2011 population data by the Fifteenth Finance Commission for devolving funds to Tamil Nadu.

"It would punish progressive states like Tamil Nadu which have achieved success in population control through their own efforts," he told the 15th Finance Commission on Thursday. Speaking at a meeting with the delegation led by its chairman N. K. Singh, at the secretariat here, Palaniswami recalled his previous letter to the commission expressing the serious concerns over its terms of reference.

He recalled that the 14th Finance Commission had "erred seriously" in making its projections relating to Tamil Nadu which had a debilitating effect on the state's fiscal stature. As a result, Tamil Nadu has not benefited from the increase in share of Central taxes from 32 per cent to 41 per cent by the 14th Finance Commission because of the drastic cut in the horizontal share among states. "Instead, Tamil Nadu has lost ₹5,000 crore per annum in the 14th Finance Commission alone," Palaniswami said.

Hence, realistic projections which take into account trends are essential. If the 15th Finance Commission is to enable a fair distribution between the Union and the states of the net proceeds of taxes, a just allocation amongst the states of such proceeds, and a reasonable set of recommendations on grants in the states, he stressed failure to meet investment needs in progressive states like Tamil Nadu would "choke growth in the very states which are most capable of pulling the nation upward."

The present trend of transfer of resources—of rewarding those who use resources inefficiently and do badly and punishing those who use resources efficiently and do well—

has to be reversed. The flow of resources to states like Tamil Nadu has to increase substantially, not only on grounds of fairness, but also to sustain growth in India as a whole and thereby help all states. He argued serial welfare schemes like the Pradhan Mantri MGNREGS nutritional programme for school children, in the state were designed with specific socio-economic objectives and these could not be termed populist. Now the government of India has made Pradhan Mantri MGNREGS nutritional programme part of the National Food Security Act, he said.

Deputy CM O Panneerselvam, ministers and heads of departments participated in the meeting. CM Palaniswami on Thursday presented a memo to 15th Finance Commission chairman N. K. Singh at the Secretariat. —DC



Singh: TN has made outstanding contribution in reducing poverty

DC CORRESPONDENT
CHENNAI, SEPT. 6

Tamil Nadu has made outstanding contribution in bringing down poverty levels and has performed well in terms of fiscal management and the state's debt ratio was well within the permissible limits. Fifteenth Finance Commission chairman N. K. Singh said on Thursday. He also made it clear that the commission had no way in formulating the Terms of Reference (ToR), an issue strongly objected by the Tamil Nadu government.

"Looking at the state government for its performance, Fifteenth Finance Commission chairman N. K. Singh said the state has made an outstanding contribution to

the momentum of India's economic development by bringing down poverty significantly below the all India average and the per capita income significantly better than national average." The state government has also had an excellent record in terms of fiscal management and macro economic stability and fiscal and debt ratios well within the acceptable limits, he added.

On the memorandum he had received from Chief Minister Edappadi K. Palaniswami, Singh told reporters here on Thursday that he must compliment the TN government for the "forceful articulation expressing its concerns in the memorandum and opportunities it is willing to

see." "They were concerned with the Terms of Reference (ToR) of the 15th Finance Commission. But we have no say in its formulation and it is completely neutral."

About other issues pertaining to Tamil Nadu, Singh said the rise in aging population in the state would create "new pressures" on the government's finances. The urban population in Tamil Nadu has crossed 50 per cent based on the latest census data. "There is no doubt that in the decades ahead, India's growth engine will come from urban centres of growth and all we can only provide Tamil Nadu, but also the country a great opportunity to achieve high rates of economic growth," he said.

TN urges fin panel to undo 'unfair' treatment

Government seeks ₹70,105 crore grants and wants realistic rather than optimistic projection of States' revenue



Members of Fifteenth Finance Commission, led by its head NK Singh, seen along with CM Edappadi K Palaniswami and Dy CM O Panneerselvam on Thursday | Express

'North-South divide over funds is misleading'

EXPRESS NEWS SERVICE
@ Chennai

THE 15th Finance Commission Chairman, NK Singh, on Thursday described as misleading the allegation of disparity in allocation of funds between South and North in the country.

Responding to a question in this regard Singh said, "I don't think the north-south classification is a fair way to deal with the issue because States like West Bengal, Odisha and Punjab have also expressed similar apprehensions over use of population data of the 2011 census."

Singh promised that it would be the endeavour of the commission, certainly not to penalise the States, which have achieved success on the demographic front alone, but on multiple parameters, and that it should be the endeavour of the commission to ensure that the better performers are helped to better themselves and meanwhile, those who have lacked behind in development are helped to come up.

Asked about the Commission's position on the criticism of political parties on the control of expenditure over populist schemes, Singh said, "Commission's position regarding the populist schemes will be known only when it finalises its recommendations to the government. But we have taken note of the fact that schemes, which may be populist, may, in fact, be popular as well."

In this connection, Singh said, "The schemes, which may have commenced as populist, over a period of time may have generated multiplier effect. We do realise that not all schemes are populist become popular necessarily. On what constitutes populist or not, commission is hearing different viewpoints. It will need to consider taking everything into account."

Y MURUGANANDHAM
@ Chennai

BRINGING to the notice of the 15th Finance Commission the unfair treatment being meted out to the State for over a quarter century in inter-se share in devolution, the Tamil Nadu government on Thursday urged the Commission to set right this trend, at least during the ensuing period 2020-2025.

While emphasising the need to compensate the State for its revenue loss due to recommendations of the 14th Finance Commission, the government has sought a whopping ₹70,105 crore grants-in-aid (and State's specific needs grants) for various sectors.

In the memorandum submitted to the Commission, Chief Minister

Edappadi K Palaniswami pointed out that Tamil Nadu was the only State which had seen its inter-se share in devolution decline in every single finance commission since the Ninth.

"Criteria have come and criteria have gone, but regardless of which criteria were adopted by which Commission, Tamil Nadu always

ended up with a reduced inter-se share of devolution. This has led to eroding confidence in the polity, and among the people, in the core institutions of fiscal federalism," underscored the memorandum.

Stating that the 16th Finance Commission needs to keep in mind three critical aspects in formulating its recommendations, the memorandum said, "There is an inherent imbalance in the Constitutional scheme where the States have been entrusted with responsibilities far in excess of the financial resources endowed on them. The Finance Commission as a Constitutional mechanism is intended to correct this basic imbalance."

The other two aspects include the need for realistic rather than optimistic projection of States' revenue and expenditure besides adopting pragmatic criteria which encourage developed States to accelerate growth, rather than dampen their spirit, while also stimulating the backward States to bestow more attention on rapid economic and social changes.

RE
The 70 million people of Tamil Nadu are looking to this Commission to undo the unfair and unscientific treatment this State received from the 14th and earlier finance commissions

Edappadi K Palaniswami, CM

Funds needed for...

Grants-in-aid and State-specific needs grant sought by the State

- ₹23,465 CR** towards maintenance of 58,326 single, intermediate lane, double lane, multi lane roads in the State
- ₹4,800 CR** as a state-specific need, albeit one of national importance considering the economic importance of Chennai metropolis
- ₹1,000 CR** towards anti sea-erosion works. ₹260 crore for preventing sea water intrusion into the coastal aquifers
- ₹7,800 CR** for inter-linking of Cauvery-Agnyar-South Vellar-Manimuthar-Vaigai-Gundar canal scheme
- ₹1,900 CR** for Eastern Ghats Development Project
- ₹7,875 CR** grant for augmenting police infrastructure
- ₹1,500 CR** exclusively for restoration of traditional water bodies
- ₹6,000 CR** towards maintenance of public local body buildings
- ₹250 CR** for preservation and restoration of heritage structures in Chennai
- ₹5,000 CR** to meet the funding for urbanisation, migration and slum development in Tamil Nadu
- ₹80 CR** for developing infrastructure facilities in Juvenile Justice System
- ₹7,000 CR** towards support for healthcare
- ₹5,000 CR** to expand coverage of zero liquid discharge based common effluent treatment plant across the State
- ₹300 CR** grant towards revamping of waterbodies in Chennai metropolitan area
- ₹400 CR** towards renovation of historically important ancient temples
- ₹250 CR** for preservation and restoration of heritage structures in Chennai
- ₹1,000 CR** towards anti sea-erosion works. ₹260 crore for preventing sea water intrusion into the coastal aquifers
- ₹1,000 CR** grants-in-aid for maintenance of 30,952 sq km forests
- ₹300 CR** grant towards revamping of waterbodies in Chennai metropolitan area
- ₹400 CR** towards renovation of historically important ancient temples
- ₹250 CR** for preservation and restoration of heritage structures in Chennai
- ₹80 CR** for developing infrastructure facilities in Juvenile Justice System

A special grant for development of key towns of tourist importance, viz. Rameswaram (₹200 cr), Madurai (₹500 cr), Palani (₹100 cr), Tiruchendur (₹75 cr), Srirangam (₹100 cr)

EXPRESS NEWS SERVICE
@ Chennai

THE State government and all political parties have been critical of certain terms of reference (ToR) of 15th Finance Commission and they conveyed this to the delegation led by Commission's chairman NK Singh during discussions held for the last two days.

However, Singh on Thursday clarified that the Commission had no say in the ToR given to them, but it would be neutral in its approach to the issues raised by the State governments. "Between demands of the Centre and States, the commission will be impartial in its approach," Singh told Chief Minister Edappadi K Palaniswami has expressed serious concern over the ToR relating to control of expenditure on government's populist programmes. "Populist is a subjective term which has a very fine line of differences from popular schemes. Tamil Nadu has a number of welfare schemes designed with specific socio-economic objective and cannot be termed populist," he said.

pressed serious concern over the ToR relating to control of expenditure on government's populist programmes. "Populist is a subjective term which has a very fine line of differences from popular schemes. Tamil Nadu has a number of welfare schemes designed with specific socio-economic objective and cannot be termed populist," he said.

Finance panel has no say in ToR: Singh

TOI - 07.09.2018

Finance Commission dispels fears over populist measures

'Midday Meal Not A Burden On The State'

Sivakumar.B@timesgroup.com

Chennai: The 15th Finance Commission on Thursday dispelled fears about the Tamil Nadu government continuing its welfare measures. Chairman N K Singh, after a meeting with the government, told reporters some populist schemes, such as the midday meal for government school students, had become popular not only in India but around the world and could not be considered a burden on the state's finances.

"The midday meal scheme has increased the school attendance and we will take into consideration such schemes. Not only has Tamil Na-

CLEARING THE AIR

Areas where the state is doing well and points of concern to be addressed



LOWS

- > Needs a proper policy in place for its ageing population
- > There is high volatility in the state's tax revenue

HIGHS

- > TN has made outstanding contributions in alleviating poverty, increasing per capita income, fiscal management among others

- > Some of the state's populist schemes have become popular worldwide

du opposed the term of reference on this issue, but states like Punjab have also raised the issue," said Singh. He also sought to brush aside the north vs south divide in sharing revenues.

Stating that the country needed rapid urbanisation for rise in economic growth, he said "Tamil Nadu is one of the states with nearly half the population in urban are-

as. As per 2011 census 48.5% of the state's population was in urban areas; by now it must have crossed 50%."

Rapid urbanisation brings its own problems. "Urbanisation increases pressure on resources and the state has highlighted demanding funds for flood control and water supply measures in Chennai," said Singh. The government must take steps

to decrease the disparities between districts, he said. "The state has sought special grants for specific purposes like protecting heritage buildings, developing tourist circuits, provision of water systems. We will take into consideration all these demands in the final report."

Tamil Nadu is within the set parameters with regard to fiscal deficit and tax collection but there are challenges ahead. "GST is a big challenge and it is difficult to estimate revenue collection due to frequent change of rates. It is a challenge for us to forecast the revenue of state and central governments for the coming years and decide on the rate," said Singh.

Businessmen from Tamil Nadu spoke about the policy of ease-of-doing business introduced by the Tamil Nadu government which would woo more industries to the state and create jobs.

Dt Next - 07.09.2018

TN will not suffer shortage of funds: Singh

CHENNAI: Finance Commission will provide a *veritas* note to the Centre on better allocation of resources to the state government, said NK Singh, Chairman, 15th Finance Commission, in Chennai, on Thursday.

"Better performing states will be rewarded and not penalised. The major concern of the state is to increase the horizontal allocation of resources. The issue will be taken seriously and will be made sure that Tamil Nadu does not suffer with the shortage of allocation of resources," said Singh, while responding to a question on state's concern on successive Finance Commission allocating lower resources for the state.

When asked about the apprehension of the southern states whether Finance Commission is allocating more funds to northern states vis-à-vis to southern states, Singh replied that north-south divide is misleading in this case as even West Bengal, Punjab and Odisha have raised similar complaints.

When asked about the Commission's stand on welfare measures implemented by the state government, Singh replied that not all populist policies are popular but some in the past have proved to be genulipe. "Take for instance the noon meal scheme of the state government which is now a universal scheme. It is not just implemented in India but throughout the world and is accepted as a welfare scheme," said Singh. "However, all the populist policies cannot be blindly accepted and they

should be reviewed before submitting the report," he added.

When asked when the report would be ready, Singh replied that their report would be submitted towards the end of October 2019, after visiting all the states and the Union government will act on the basis on their recommendations.

Earlier, Singh said that Tamil Nadu had performed exceptionally well in bringing down the poverty levels in the state and increasing per capita income.

"The state has also performed well in the fiscal management front and in maintaining debt ratio well below the national level.

However, there are few challenges lying before the state such as improving

The state has also performed well in the fiscal management front and in maintaining debt ratio well below the national level, Singh said

few paraments in Human Development Index (HDI) and to tackle the problem of migrant labourers.

"Tamil Nadu has close to 50 percentage of urban population and though urbanization fuels the growth engine it is also accompanied by various challenges," said Singh.

Rise in the number of aging people in the state is yet another problem in the state as the state government is forced to spend more on their medical attention which again is a stress on the resources of the state government, said Singh.



Chief Minister Edappadi K Palaniswami and Deputy CM O Panneerselvam with NK Singh, Chairman, 15th Finance Commission and members of the delegation in Chennai on Thursday

Chief Minister seeks Rs 71K cr grant, wants 14th Finance Commission loss undone

CHENNAI: Chief Minister Edappadi K Palaniswami on Thursday submitted a memorandum to the 15th Finance Commission demanding Rs 71,165 crore as grant-in-aid and state specific grant.

"To compensate for the revenue loss faced by Tamil Nadu due to unfair recommendations of the 14th Finance Commission, the state had sought the fund," said Palaniswami in the memorandum.

He also said that Tamil Nadu is the only state which has seen its share in devolution decline in every single Finance Commission since the 9th Finance

Commission. "Criteria have come and gone, but regardless of the criteria adopted by successive Commissions, Tamil Nadu always ended up with a reduced share of devolution which has led to a crisis of confidence in the polity and among the people, in the core institutions of fiscal federalism," said Palaniswami. All 78 million people of Tamil Nadu are looking forward for the Commission to undo the unfair and unscientific treatment the state received from the 14th Finance Commission and other earlier Finance Commissions, said Palaniswami.

He also said that in the GST regime, the resources are less

predictable due to instability in the taxation and collection system.

Being closer to the people and having a greater responsibility to protect them from economic fluctuation, the state government is forced to balance between fiscal prudence and welfare measures.

"It is a tragedy that successive Finance Commissions assessed Tamil Nadu as having a post devolution surplus based on undue assumptions of a higher rate of revenue growth, whereas the actual scenario turned out to be different," said Palaniswami.

Despite the deficit, the state has not received any compen-

sation or revenue deficit grant during the entire period of the 14th Finance Commission.

It is, therefore, clear that the 14th Finance Commission has erred seriously in making its projections relating to Tamil Nadu which had a debilitating effect on the state's fiscal stature, said Palaniswami.

"Tamil Nadu has not benefited from the increase in the share of central taxes from 32 per cent to 42 per cent by the 14th Finance Commission because of the drastic cut in the horizontal share among states to the tune of Rs 6,000 crore per annum in the 14th Finance Commission alone," added Palaniswami.

சமூக பாதுகாப்புத் திட்டங்கள் கவர்ச்சித் திட்டங்கள் அல்ல!

தலைமை செயலகத்தில் சமூக பாதுகாப்புத் திட்டங்கள், கவர்ச்சித் திட்டங்கள் அல்ல என்று 15-ஆவது நிதிக் குழு ஆலோசனைக் கூட்டத்தில் ஆற்றிய உரையில் முதல்வர் எடப்பாடி கே. பழனிசாமி தெரிவித்தார்.

என்.கே.சிங் தலைமையிலான 15-ஆவது நிதிக் குழுவின் தயாரிப்பு அரங்கம் விபரம் மூலம் ஆலோசனை நடந்தது. தலைமை செயலகத்தில் முதல்வர் எடப்பாடி கே. பழனிசாமி, துணை முதல்வர் ஓபன்வீர செல்வம், அமைச்சர்கள், தலைமை செயலாளர் கிரீஷா வைத்தியநாதன், துறை செயலாளர்கள் உள்ளிட்ட அங்குசு நிதிக் குழு ஆலோசனை நடந்தது.

இந்தக் கூட்டத்தில் முதல்வர் எடப்பாடி கே. பழனிசாமி ஆற்றிய உரை: நிதிக் குழு அமைப்பானது எப்போதும் தமிழகத்தில் மிகப் பெரிய துறை அமைப்பாக விளங்கி வருகிறது. மத்தியில் இருந்து மாநிலத்துக்கு நிதிசெலவு பரிமாற்றம் செய்வதற்கான மிக முக்கிய மூல ஆதார அமைப்பாக நிதிக் குழுவை நாங்கள் எதிர்பாரும். மாநிலத்துக்கு வருகிறோம். ஆனால், தமிழகத்தில் பங்காக பகிர்ந்து அளிக்கப்படும் நிதி அளவைக்கால நிதிக் குழுக்களால் குறைக்கப்பட்டு வருகிறது. மத்திய அரசின் வரி வருவாயில் பங்கிட்டுள்ள 32 சதவீதத்தில் இருந்து 42 சதவீதமாக அதிகரிக்கப்பட்ட போதும் அது மாநிலத்துக்கு தவிர்க்காமல் இல்லை. 14-ஆவது நிதிக் குழு காலத்தில் தமிழகத்துக்கு நிதிக்கு ரூ.6100 கோடி அளவுக்கு இடம் பெற்றிருந்தது.

ஏற்கெனவே வலியுறுத்தும் 15-ஆவது நிதிக் குழுவின் வரைவு மதிப்பீடுகளில் தமிழகத்தில் முக்கியமான கருத்துகளையும், சவலைகளையும் ஏற்கெனவே அதன் தலைமீட்டம் எழுத்துப்பூர்வமாக தெரிவித்துள்ளேன். 2011-ஆம் ஆண்டுகளில் தொலை கணக்கெடுப்பு விவரங்களை நிதிப் பகிர்வுக்கான அடி

நிதிக் குழு ஆலோசனைக் கூட்டத்தில் முதல்வர் பழனிசாமி உரை



தலைமை செயலகத்தில் விபரம் மூலம் தடைபெற்ற 15-ஆவது நிதிக் குழு கூட்டத்தில் பங்கேற்ற குழுவின் தலைவர் என்.கே.சிங் (இடமிருந்து 6-ஆவது) மற்றும் குழுவின் உறுப்பினர்களான முதல்வர் எடப்பாடி கே. பழனிசாமி, துணை முதல்வர் ஓபன்வீர செல்வம், தலைமை செயலாளர் கிரீஷா வைத்தியநாதன், நிதிக் குழு உறுப்பினர்கள் செல்வம், வசீக் வசீக் குறை துணையாளர் டி.வி. சோமநாதன்.

மாக எடுத்துக் கொள்வதற்கு நாங்கள் எதிர்ப்புத் தெரிவித்துள்ளோம். தங்களுக்கு சொந்த முயற்சிகளின் மூலமாக மக்கள் தொகையைக் கட்டுப்படுத்திய தமிழகம் போன்ற முன்னோடி மாநிலங்களை தண்டிக்கும் வகையில் நிதிக் குழுவின் வரைவு பரிந்துரைகள் உள்ளதாகவும் தெரிவித்திருந்தேன்.

திட்டங்களைச் செயல்படுத்தும் மாநிலம் மத்திய அரசின் முத்திரை பதிக்கும் மக்கள் நலத் திட்டங்களை செயல்படுத்தும் மிகப் பிறந்த மாநிலங்களில் தமிழகமும் ஒன்றாக உள்ளது. ஆனால், இந்தத் திட்டங்களுக்கு மாநிலம் அளிக்க வசை செய்யும் பிரிவுகள் தொடர்பாக சில தீவிரமான கவலைகளும், கருத்துகளும் இப்போது எங்கள் கவனக்கு உள்ளன.

மக்களைக் கவரும் திட்டங்களுக்கான செலவினங்களைக் கட்டுப்படுத்த வேண்டும் என்று வரைவு மதிப்பீடுகளுக்கு நாங்கள் மிகக் கடுமையான எதிர்ப்பை பதிவு செய்திருோம். துறை அமைச்சர் மீதும், மக்களைக் கவர்வது என்ற சொல்லுக்கும் இடையே வேறுபாடுகள் இருக்கின்றன. பள்ளிக் குழந்தைகளுக்கான புரட்சித் தலைவர் எம்.ஜி.ஆர். சத்துணவுத் திட்டம் என்பது துறைக்குடைய மாண திட்டமாகும். ஒரு காலத்தில் அது கவர்ச்சித் திட்டமாகக் கருதப்பட்டது. ஆனால் இப்போது இந்தத் திட்டத்தை மத்திய அரசானது தேசிய உணவு பாதுகாப்புத் திட்டத்தில் ஒர் அங்கமாக அங்கீகரித்துள்ளது.

தமிழகத்தில் ஏராளமான சமூக நல பாதுகாப்புத் திட்டங்கள் செயல்படுத்தப்பட்டு வருகின்றன. ஒவ்வொரு திட்டமும் சமூக-பொருளாதாரக் கூறுகளை மனதில் கொண்டு வடிவமைக்கப்பட்டுள்ளது. இந்தத் திட்டங்கள் அனைத்தும் தகுதியான மற்றும் இலக்கு கொண்ட குழு வீணாக்குப் பயன் கிடைக்கும் வகையில் இருந்து வருகின்றன. எனவே, அவற்றை கவர்ச்சித் திட்டங்களாகக் கருதி முடிவாது. மாநில ஆட்சிபாளர்களின் ஒட்டுமொத்த செயல் அறிவு

விடையு நிதிக் குழுவின் நிர்மாணிப்பு பதுமொருத்தமற்றதாகும். கூட்ட நிதிக் குழுவின் சில பரிந்துரைகள், மாநிலங்களுக்கு ஊக்கத் தொகைகளை அளிப்பதில் மாறுபாடான நிலைகளைக் கொண்டிருக்கின்றன. இதனால், மாநிலத்தில் வளர்ச்சிக்கான முயற்சிகளில் மிகப் பெரிய பின்னடைவு ஏற்பட்டது. தமிழகம் போன்ற மாநிலங்களில் வளர்ச்சிக்கான ஊக்குவிப்புகளை தண்டிக்கும் வகையில் இருந்தது.

இந்தியா வளர்ச்சியடைய தமிழகம் போன்ற முற்போக்கான மாநிலங்களை ஊக்குவிக்க வேண்டும். தமிழகத்தில் பிடித்த வளர்ச்சிக்கான முறைகளுக்கு மாநில நிதி தேவையானதாக உள்ளது. எனவே, வளர்ச்சி மற்றும் நிதி பங்கிட்டு இருக்கிற இடையிலான வெவ்வேறு சமமாக வைத்தி வேண்டுகோள் நிதிக் குழுவை வலியுறுத்துகிறேன்.

கூட்ட ஆலோசனையில் மத்திய அரசானது மாநிலத்துக்கான நிதியை

போதிய அளவுக்கு பகிர்ந்து அளிக்கவில்லை என்று கணக்குத் தணிக்கை தலைவரே குறிப்பிட்டுள்ளார். இதனால், தமிழகம் அதிகளவு நிதியை இழந்துள்ளது. எனவே, கூட்டக் காலங்களில் பற்றாக்குறையாக இருக்கக் கூடிய நிதிப் பகிர்வுகளை ஆராய்ந்து அவற்றை விடுவதற்கான பரிந்துரைகளை உடனடியாக அளிக்க வேண்டும்.

மக்களின் நம்பிக்கையை பலதரப்பட்ட நிபுணத்துவம் கொண்டவர்களைக் கொண்டு இந்த நிதிக் குழு அமைக்கப்பட்டுள்ளது. அரசியல் மற்றும் நிர்வாக அனுபவம் கொண்ட ஒருவரை நீண்ட காலத்துக்குப் பிறகு தலைவராகப் பெற்றுள்ளது நிதிக் குழு. தமிழகத்தில் உள்ள 8 கோடி மக்களும் நிதிக் குழுவின் மீது அதிகப்பட்ச நம்பிக்கைகளை வைத்துள்ளனர். எனவே, மக்களின் நம்பிக்கைகளை இந்தக் குழு மீட்டுகும் என்று முதல்வர் பழனிசாமி நம்பிக்கை தெரிவித்தார்.

மக்களின் நம்பிக்கையை பலதரப்பட்ட நிபுணத்துவம் கொண்டவர்களைக் கொண்டு இந்த நிதிக் குழு அமைக்கப்பட்டுள்ளது. அரசியல் மற்றும் நிர்வாக அனுபவம் கொண்ட ஒருவரை நீண்ட காலத்துக்குப் பிறகு தலைவராகப் பெற்றுள்ளது நிதிக் குழு. தமிழகத்தில் உள்ள 8 கோடி மக்களும் நிதிக் குழுவின் மீது அதிகப்பட்ச நம்பிக்கைகளை வைத்துள்ளனர். எனவே, மக்களின் நம்பிக்கைகளை இந்தக் குழு மீட்டுகும் என்று முதல்வர் பழனிசாமி நம்பிக்கை தெரிவித்தார்.

மக்களின் நம்பிக்கையை பலதரப்பட்ட நிபுணத்துவம் கொண்டவர்களைக் கொண்டு இந்த நிதிக் குழு அமைக்கப்பட்டுள்ளது. அரசியல் மற்றும் நிர்வாக அனுபவம் கொண்ட ஒருவரை நீண்ட காலத்துக்குப் பிறகு தலைவராகப் பெற்றுள்ளது நிதிக் குழு. தமிழகத்தில் உள்ள 8 கோடி மக்களும் நிதிக் குழுவின் மீது அதிகப்பட்ச நம்பிக்கைகளை வைத்துள்ளனர். எனவே, மக்களின் நம்பிக்கைகளை இந்தக் குழு மீட்டுகும் என்று முதல்வர் பழனிசாமி நம்பிக்கை தெரிவித்தார்.

The Hindu - 07.09.2018

T.N. seeks comprehensive 'debt write-off' scheme

Presents memorandum before the Finance Commission

T. RAMAKRISHNAN
CHENNAI

The Tamil Nadu government, which is likely to have an overall debt size of about ₹3.55 lakh crore by March 2019, has suggested that the 15th Finance Commission re-introduce a comprehensive "debt write-off" scheme to make the debt relief package more effective.

In a memorandum presented to the Commission on Thursday, the State government explained that the debt relief awarded by successive Finance Commissions should not be seen as a "mere incentive" for the States for fiscal discipline, but as a "real relief for the legitimate difficulties faced by the States" in maintaining their fiscal balance. The difficulties arose primarily from a range of externalities such as macro-economic conditions and "uncertain policy decisions" of the Centre, the government stated.

The memorandum recalled that the Twelfth Finance Commission (TFC) had devised a debt write-off scheme. Headed by former Governor of the Reserve Bank of India, C. Rangarajan, the TFC, which covered the period 2005-2010, had recommended that the scheme be linked to reduction of revenue deficit of States. The memorandum elaborately dealt with how the State was affected by the 13th Finance Commission's decision to discontinue the debt write-off scheme.

Referring to a clause [Article 293(3)] in the Constitution which stated that a State may not, without the

State's wish list

A memorandum presented to the 15th Finance Commission on grants and grants-in-aid



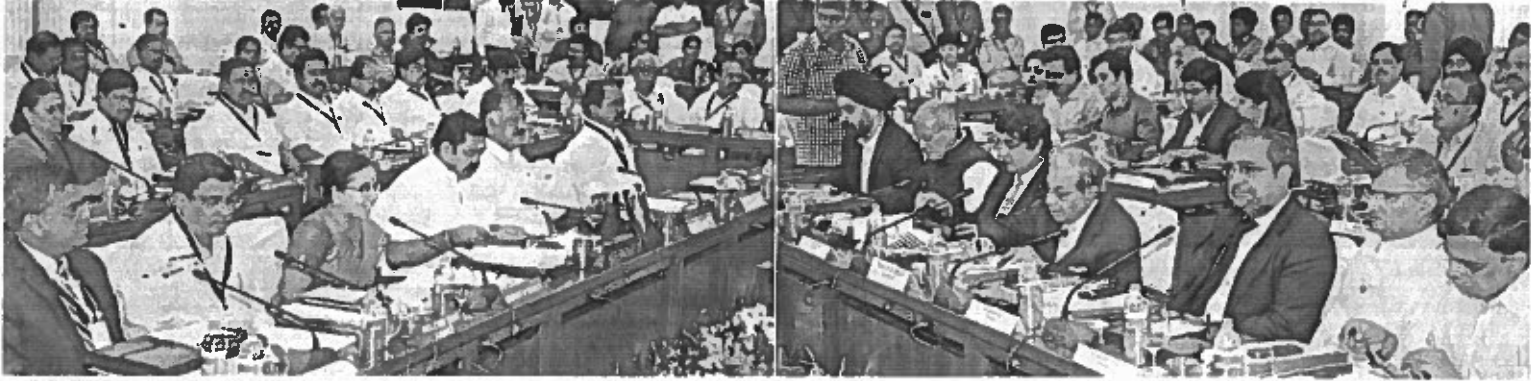
Maintenance of different types of roads	₹23,465 cr
Augmentation of police infrastructure	₹7,875 cr
Linking of Cauvery-Agnyar-South Vellar-Manimuthar-Valgai-Gundar rivers	₹7,800 cr
Maintenance of public/local bodies' buildings	₹6,000 cr
Urbanisation, migration, slum clearance projects	₹5,000 cr
Zero liquid discharge projects	₹5,000 cr
Flood management programme for Chennai	₹4,800 cr
Improvement of infrastructure in health sector	₹2,000 cr
Eastern Ghats Development Project	₹1,900 cr
Improvement of infrastructure for judiciary	₹1,500 cr
Restoration of traditional waterbodies	₹1,500 cr
Prevention of sea water intrusion & anti-sea erosion works	₹1,260 cr
Maintenance of forests	₹1,000 cr
Development of towns of tourist importance	₹975 cr
Renovation of historically important temples	₹400 cr
Revamping of Chennai's waterbodies	₹300 cr
Preservation and restoration of heritage structures	₹250 cr
Development of infrastructure facilities for juvenile justice system	₹ 80 cr
TOTAL	₹71,105 cr

Centre's consent, raise any loan if there was any outstanding loan, the State government felt that "if the outstanding loan is within the borrowing limit prescribed [of the State concerned]," the Commission should make a recommendation to "do away" with the stipulation on the Centre's consent.

On loans from the National Small Savings Fund (NSSF), the State govern-

ment wanted the Commission to recommend to the Centre to aid those States which were willing to close "high interest" rate NSSF loans as part of fiscal consolidation of States.

The recommendation of the Fiscal Responsibility and Budget Management Review Committee, that the present ceiling of 25% for debt to GDP ratio be reduced to 20% in five years, was described by Tamil Nadu as "unfair".



▲ மத்திய அரசின் 15-வது நிதி ஆணையத்தின் தலைவர் என்.கே.சிங் தலைமையிலான குழுவினர் மாணவ தலைமைச் செயலகத்தில் முதல்வரின் கே.பழனிசாமி, துணை முதல்வர் ஓ.பன்னீர்செல்வம், தலைமைச் செயலர் மீது கைத்தொகை ஆயிரம் ரூபாய் மீதான விவாதம். உடன் அமைச்சர்கள் மற்றும் அபிவிருத்தி

சென்னைமில் முதல்வருடன் மத்திய நிதி ஆணையத் தலைவர் ஆலோசனை தமிழகத்துக்கு ரூ.70 ஆயிரம் கோடி வழங்க வேண்டுகோள்

● 1971 மக்கள் தொகை அடிப்படையில் நிதி ஒதுக்கவும் வலியுறுத்தல்

சென்னை தமிழகத்துக்கு 1971-ம் ஆண்டு மக்கள்தொகை அடிப்படையில் நிதி ஒதுக்க வேண்டும் என்று சென்னையில் நடந்த மத்திய நிதி ஆணையக் குழு கூட்டத்தில் முதல்வர் பழனிசாமி வலியுறுத்தினார். பல்வேறு திட்டங்களுக்காக தமிழகத்துக்கு ரூ.70 ஆயிரம் கோடி ஒதுக்குவதற்கான கோரிக்கை மறுவலையும் வழங்கினார். மத்திய அரசின் 15-வது நிதி ஆணையத்தின் தலைவர் என். கே.சிங் தலைமையிலான குழுவினர் கடந்த 5-ம் தேதி தமிழகம் வந்தனர். அவர்கள் சென்னை தலைமைச் செயலகத்தில் முதல்வர் கே.பழனிசாமி, துணை முதல்வர் ஓ.பன்னீர்செல்வம், அமைச்சர்கள் மற்றும் துறை அதிகாரிகளுடன் நேற்று காலை ஆலோசனை நடத்தினர். இக்கூட்டத்தில் முதல்வர் பழனிசாமி பேசியதாவது: சம்பந்திய நிதி ஆணையக் களால் தமிழகத்துக்கான நிதி

பகிர்வு குறைக்கப்பட்டுள்ளது. 14-வது நிதி ஆணைய காலத்தில் மத்திய வரி வருவாய் பகிர்வு 32-ல் இருந்து 42 சதவீதமாக உயர்ந்தபோதிலும், தமிழகத்துக்கு அது உதவவில்லை. அந்த காலத்தில் தமிழகம் ரூ.6 ஆயிரம் கோடி அளவுக்கு இழப்பை சந்தித்தது. இது மக்கள் மத்தியில் நிதி ஆணையம் மீது அச்சத்தை உருவாக்கியுள்ளது. 15-வது நிதி ஆணையம் வகுத்த சில விதிமுறைகள் குறித்து அதன் தலைவருக்கு ஏற்கெனவே கடிதங்கள் மூலம் தெரிவித்திருந்தேன். குறிப்பாக, 2011 மக்கள் தொகையை கணக்கில் கொள்வதை தமிழகம் எதிர்த்தது. இது மக்கள்தொகையை கட்டுப்படுத்தியதற்கான தண்டனையாக உள்ளது. எனவே, நிதிப்பங்கீட்டில் 1971-ம் ஆண்டு மக்கள்தொகையை கணக்கில் கொள்ள வேண்டும். கவர்ச்சித் திட்டங்களுக்கான செலவை கட்டுப்படுத்துமாறு

ஆணையம் பரிந்துரைக்கிறது. இதை கடுமையாக எதிர்த்தோம். மக்கள் நலத் திட்டங்களுக்கும், கவர்ச்சித் திட்டங்களுக்கும் வித்தியாசம் உண்டு. பள்ளி மாணவர்களுக்கான எம்ஜிஆர் சத்தியாவு திட்டத்தை கவர்ச்சித் திட்டம் என்றனர். தற்போது இத்திட்டம் தேசிய பாதுகாப்புச் சட்டத்தின் ஒரு பகுதியாக உள்ளது. இது தவிர, தமிழகத்தில் மேலும் பல சமூகநலத் திட்டங்கள் செயல்படுத்தப்படுகின்றன. ஒவ்வொன்றும் தனித்துவமான, சமூக, பொருளாதார அம்சங்களுடன் வடிவமைக்கப்பட்டவை. தகுதிவாய்ந்த பயனாளிகளை இலக்காக கொண்டு தயாரிக்கப்பட்டவை. அவற்றை கவர்ச்சித் திட்டங்கள் என்று கூற முடியாது. எனவே மாநில சட்டப்பேரவைகளின் முடிவை நிதி ஆணையம் குறைத்து மதிப்பிடக்கூடாது. கடந்த நிதி ஆணையங்களின் ஊக்கத்தொகை தொடர்பான பரிந்துரைகளால், வளர்ச்சியில் மாநிலங்கள் பின்னடைவை சந்தித்துள்ளன. தமிழகத்தின் வளர்ச்சி திட்டங்களும் பாதிக்கப்பட்டுள்ளன. நாடு வேகமாக வளர வேண்டுமானால், வளர்ந்துவரும் மாநிலமான தமிழகத்தையும் ஊக்குவிக்க வேண்டும். தமிழகத்தின் நிலையான வளர்ச்சிக்கு நிதித்தேவை அதிகம் உள்ளது. வளர்ச்சி இல்லாவிட்டால் மறுபகிர்வு இருக்காது. வளர்ச்சிக்கும், மறுபகிர்வுக்கும் இடையே சமநிலையை ஆணையம் உருவாக்க வேண்டும். கடந்த காலங்களில் மத்திய அரசு முழுமையாக நிதியை பகிர்ந்து அளிக்கவில்லை என நிச்சய தலைமை கணக்காயர் குறிப்பிட்டுள்ளார். இந்த குறைகளை சரிசெய்யும் வகையில் நிதியை வழங்க வேண்டும். மேலும், அரசு சொத்துகளின் பராமரிப்புக்கு முக்கியத்துவம் அளித்து பரிந்துரைகள் அளிக்கப்பட வேண்டும். தமிழகத்தின் 8 கோடி

மக்கள், ஆணையத்தை அதிக நம்பிக்கையுடன் எதிர்பார்க்கியுள்ளனர். மக்களின் நம்பிக்கையை இந்த ஆணையம் நிறைவேற்றும் என நம்புகிறேன். இவ்வாறு அவர் கூறினார். தொடர்ந்து, பல்வேறு திட்டங்களுக்காக தமிழகத்துக்கு ரூ.70,105 கோடி வழங்குவதற்கான கோரிக்கை மறுவை ஆணையத் தலைவர் என்.கே.சிங் இடம் முதல்வர் பழனிசாமி வழங்கினார். எவைகள் பராமரிப்புக்கு ரூ.23,465 கோடி, காவல்துறை கட்டமைப்புக்கு ரூ.7,875 கோடி, நதிகள் இணைப்புக்கு ரூ.7,800 கோடி, உள்ளாட்சி கட்டிடங்கள் பராமரிப்புக்கு ரூ.6,000 கோடி, புதுவது கழிவு திட்டத்துக்கு ரூ.5,000 கோடி, நகரமயமாக்கல், புலம்பெயர்தல், குடிசை மேம்பாடு திட்டத்துக்கு ரூ.5,000 கோடி, சென்னை பெருநகர சிறப்பு திட்டத்துக்கு ரூ.4,800 என்பது உள்ளிட்ட திட்டங்கள் அடங்கியுள்ளன.

Namadhu Amma - 07.09.2018

தனிநபர் வருமானம் அதிகரித்துள்ளது

தமிழகத்தின் செயல்பாடு சிறப்பாக உள்ளது

◆ 15-வது நிதிக்குழு தலைவர் பாராட்டு

சென்னை, செப். 7-
தமிழ்நாடு நிதி மேலாண்
மையில் சிறப்பாக செயல்பட்டு
சாதனை புரிந்துள்ளது என்று
நிதிக்கமிஷன் தலைவர் டாக்டர்
என்.கே.சிங் பாராட்டு
தெரிவித்துள்ளார்.

15-வது நிதிக்கமிஷன்
தலைவர் டாக்டர் என்.கே.சிங்
நேற்றுமுன்தினம் சென்னை
தலைமை செயலகத்தில் அரசியல்
கட்சித் தலைவர்களின்
கருத்துக்களை கேட்டறிந்தார்.
இதனை தொடர்ந்து நேற்று
காலை தலைமை செயலகத்
தில் முதலமைச்சர் எடப்பாடி

கே.பழனிசாமி, துணை முதல
மைச்சர் ஒ.பன்னீர்செல்வம்
மற்றும் அதிகாரிகளுடன்
நிதிக்கமிஷன் ஆலோசனை
கூட்டத்தை நடத்தியது. இந்த
கூட்டத்தில் முதலமைச்சர்
எடப்பாடி கே.பழனிசாமி
தமிழகத்தின் தேவைகள்
குறித்த மனுவை அளித்து
பேசினார்.

இந்த கூட்டத்திற்கு பின்
னர் நிதிக்கமிஷன் தலைவர்
டாக்டர் என்.கே.சிங் செய்
தியாளர்களுக்கு பேட்டி
அளித்தார்.

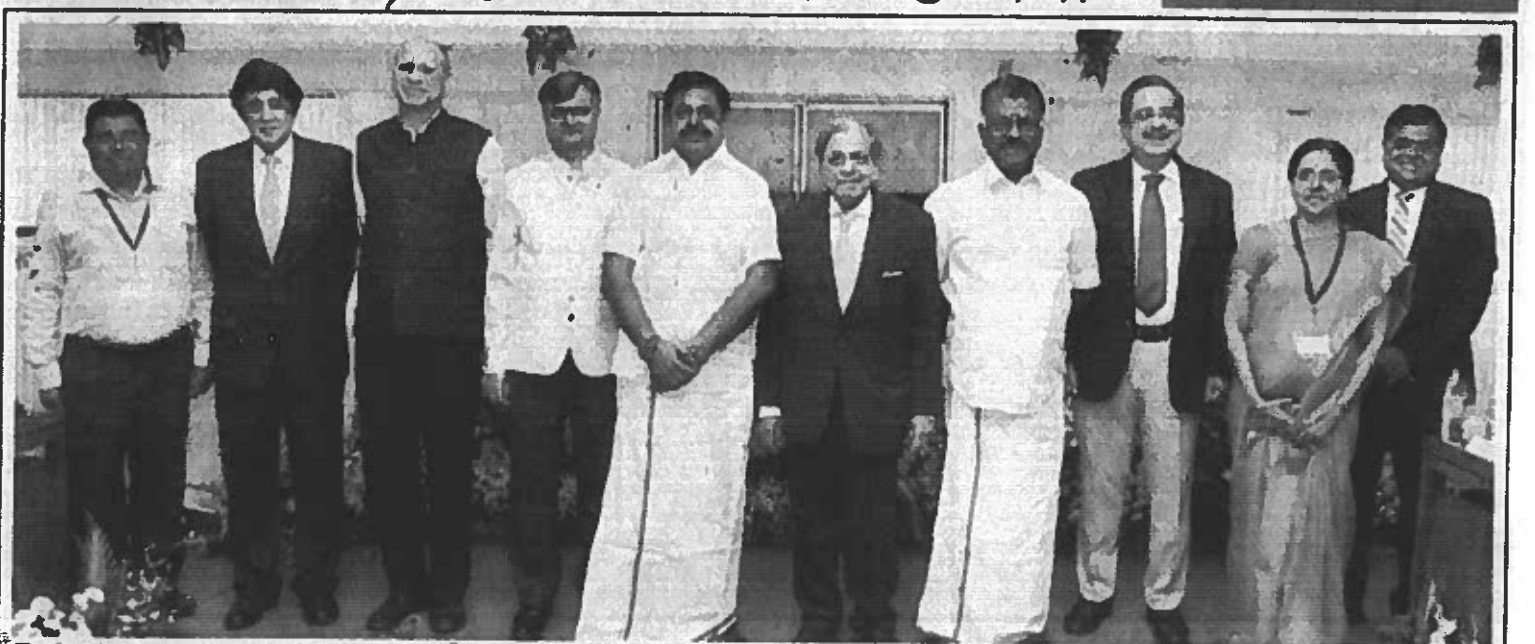
தமிழ்நாட்டில் நாங்கள்

அரசியல் கட்சியினரிடம்
கேட்டறிந்த கருத்துக்கள் மிகுந்த
பயனுள்ளதாக இருந்தது.
பலதரப்பட்ட நிபுணர்களு
டன் நடத்திய ஆலோசனைக்
கூட்டத்தின் பலனாக நாங்கள்
ஏராளமான பயனுள்ள தகவல்
களை பெற்றுள்ளோம். இந்த
தகவல்கள் தமிழ்நாட்டிற்கு
மத்திய அரசு நிதி ஒதுக்கீடு
செய்ய கமிஷன் பரிந்துரை
செய்வதற்கு மிகப்பெரிய
அளவில் உதவியாக இருக்கும்.
தமிழக முதலமைச்சர் மற்றும்
துணை முதலமைச்சர் மற்றும்
அதிகாரிகளுடன் நடத்திய

ஆலோசனை பயனுள்ளதாக
இருந்தது.

தமிழ்நாட்டின் நிதி ஒதுக்
கீடு தேவை அரசு வழங்கிய
செயல் விளக்கம் அற்புதமாக
இருந்தது. தமிழக அரசு வழங்
கிய கோரிக்கை மனுவிலும்
மிகவும் துல்லியமான மற்றும்
தெளிவான தகவல்கள் இடம்
பெற்றிருந்தது பாராட்டுக்கு
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மக்கள் தொகை கணக்கெ
டுப்பை பயன்படுத்துவது பற்றி
குறிப்பிடப்பட்டிருந்தது. மேலும்

5-ம் பக்கம் பார்க்க...



■ சென்னை தலைமைச் செயலகத்தில் நேற்று நடைபெற்ற 15-வது நிதிக்குழு கூட்டத்தின் போது, முதலமைச்சர் எடப்பாடி கே.பழனிசாமி, துணை முதலமைச்சர் ஒ.பன்னீர்செல்வம், 15-வது நிதிக்குழுத் தலைவர் என்.கே.சிங், நிதிக்குழு உறுப்பினர்கள், தலைமைச் செயலாளர் முனைவர் கிரீனா வைத்தியநாதன், நிதிக்குறை கூடுதல் தலைமைச் செயலாளர் க.சண்முகம், கூடுதல் தலைமைச் செயலாளர் மற்றும் தனி அலுவலர் 15-வது நிதிக்குழு டாக்டர் டி.வி.சோமநாதன் ஆகியோர் குழு புகைப்படம் எடுத்துக் கொண்டனர்.

The Hindu - 07.09.2018

'Performing States will be incentivised'

N.K. Singh assures T.N. won't be penalised

SPECIAL CORRESPONDENT
CHENNAI

The 15th Finance Commission, which held discussions here with a range of stakeholders including the State government in the last two days, assured Tamil Nadu on Thursday that "good performing" States would be incentivised and not penalised.

Making this statement, N.K. Singh, Chairman of the Finance Commission, told reporters at the Secretariat that the panel would do everything possible to combine benefits of efficiency and equity.

He said the panel would ensure that a "good performing State not only in terms of demographic management but also in terms of other indicators of economic development is incentivised and not penalised" by recommendations of the Commission.

CM's opposition

He was alluding to Chief Minister Edappadi K. Palaniswami's opposition, expressed earlier in the day, to the use of the 2011 population data, which the Chief Minister contended, would "punish progressive States" such as Tamil Nadu that had achieved "success in population control" through their own efforts.

Mr. Singh added that it would be the panel's "endeavour" to keep in mind all concerns of Tamil Nadu and ensure that "gains which Tamil Nadu has achieved can be further strengthened" in the future so that the State continued to act as an "important engine" for the country's economic development.

Asked by *The Hindu* for his reaction to the State government's reservations over the issue of expenditure control of populist schemes, the Chairman

It will be the panel's endeavour to keep in mind all concerns of Tamil Nadu and ensure that the gains which Tamil Nadu has achieved can be further strengthened in the future.

N.K. SINGH
Chairman, Finance Commission

responded: "We do realise that not all schemes, which are populist [and which] have become popular, are necessarily undesirable."

The matter had to be considered in totality.

He also pointed out that the mid-day meal scheme, which was first implemented in Tamil Nadu, was now being accepted universally as "an important way of ensuring school attendance, meeting nutritional needs of children and was acting as an inclusive force in improving quality and efficiency of our education system."

'South vs North'

On the debate that the Terms of Reference of the Commission was being viewed as being adverse to the southern States and favourable to the north, Mr. Singh replied that the classification - South vs North - would not be a "fair way" to deal with the matter.

Even Chief Ministers of States such as Punjab, West Bengal and Odisha had expressed concerns over the terms.

He reiterated that the Commission would see to it that "better performers are helped to perform better even while those who have lagged behind mainstream development are helped to come to the national average."

CM TELLS FINANCE COMMISSION NOT TO USE 2011 CENSUS FOR DEVOLVING FUNDS TO TAMIL NADU

DC CORRESPONDENT
CHENNAI, SEPT. 6

Chief Minister Edappadi K. Palaniswami has conveyed the state government's opposition to the use of 2011 population data by the Fifteenth Finance Commission for devolving funds to Tamil Nadu. "I would punish progressive states like Tamil



Nadu which have achieved success in population control through their own

"It would punish progressive states like Tamil Nadu which have achieved success in population control through their own efforts," CM told the 15th Finance Commission on Thursday.

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CM Edappadi K. Palaniswami makes a detailed presentation at a meeting of the 15th Finance Commission held at the secretariat in the city on Thursday. The meeting was attended by a delegation led by 15th Finance Commission chairman N. K. Singh, state ministers and officials. —DC

■ TN lost ₹6,000 cr per annum in 14th finance commission Don't use 2011 census for devolving funds to TN: CM

DC CORRESPONDENT
CHENNAI, SEPT. 6

Chief Minister Edappadi K. Palaniswami has conveyed the state government's opposition to the use of 2011 population data by the Fifteenth Finance Commission for devolving funds to Tamil Nadu.

"It would punish progressive states like Tamil Nadu which have achieved success in population control through their own efforts," he told the 15th Finance Commission on Thursday. Speaking at a meeting with the delegation led by its chairman N. K. Singh, as the secretary here, Palaniswami recalled his previous letter to the commission expressing the serious concerns over its terms of reference.

He recalled that the 14th Finance Commission had "erred seriously" in making its projections relating to Tamil Nadu which had a debilitating effect on the state's fiscal stature. As a result, Tamil Nadu has not benefited from the increase in share of Central taxes from 33 per cent to 42 per cent by the 14th Finance Commission because of the drastic cut in the horizontal share among states. "Instead, Tamil Nadu has lost ₹5,000 crore per annum in the 14th Finance Commission alone," Palaniswami said.

Hence, realistic projections which anticipate economic trends are essential. If the 15th Finance Commission is to enable a fair distribution between the Union and the states of the net proceeds of taxes, a just allocation amongst the states of such proceeds and a reasonable set of recommendations on grants to the states, he stressed. Pathway to meet investment needs in progressive states like Tamil Nadu would "choke growth in the very states which are most capable of pulling the nation upward."

The present trend in transfer of resources—of rewarding those who use resources inefficiently and punishing those who use resources efficiently and do well

has to be reversed. The flow of resources to states like Tamil Nadu has to increase substantially, not only on grounds of fairness, but also to sustain growth in India as a whole and thereby help all states. He argued social welfare schemes like the Pradhan Mantri MGR National programmes for school children, in the state were endowed with specific socio-economic objectives and these could not be termed populist. Now the government of India has made Pradhan Mantri MGR National Aal programmes part of the National Food Security Act," he said.

Deputy CM O Panneerselvam, ministers and heads of departments participated in the meeting. CM Palaniswami on Thursday presented a memento to 15th Finance Commission chairman N. K. Singh at the Secretariat. —DC



Singh: TN has made outstanding contribution in reducing poverty

DC CORRESPONDENT
CHENNAI, SEPT. 6

Tamil Nadu has made outstanding contribution in bringing down poverty levels and has performed well in terms of fiscal management and the state's debt ratio was well within the permissible limits. Fifteenth Finance Commission chairman N. K. Singh said on Thursday. He also made it clear that the commission had no say in formulating the Terms of Reference (ToR), an issue strongly objected by the Tamil Nadu government.

Lauding the state government for its performance, Fifteenth Finance Commission chairman N. K. Singh said the "state has made an outstanding contribution to

the momentum of India's economic development by bringing down poverty significantly below the all India average and the per capita income significantly better than national average. The state government has also had an excellent record in terms of fiscal management and macro economic stability and fiscal and debt ratios well within the acceptable limits, he added.

On the memorandum he had received from Chief Minister Edappadi K. Palaniswami, Singh told reporters here on Thursday that he must compliment the TN government for the "forceful articulation expressing its concerns" (in the memorandum) and appreciate it is willing to

see. "They were concerned with the Terms of Reference (ToR) of the 15th Finance Commission. But we have no say in its formulation and it is completely neutral."

About other issues pertaining to Tamil Nadu, Singh said the rise in aging population in the state would create "new pressures" on the government's finances. The urban population in Tamil Nadu has crossed 50 per cent based on the latest census data. "There is no doubt that in the decades ahead, India's growth engine will come from urban centres of growth and will not only provide Tamil Nadu, but also the country a great opportunity to achieve high rates of economic growth," he said.

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TN faults fin panel on population data, seeks ₹71,000cr

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Chennai: Chief minister Edappadi K Palaniswami on Thursday reiterated the state's opposition to the use of 2011 population data by the 5th Finance Commission for devolution of funds. He urged the commission to make "population control" a criterion for

devolution of funds.

The CM also submitted a memorandum to the commission seeking grants-in-aid and need-specific grants of ₹71,105 crore, including ₹4,800 crore exclusively for Chennai considering its economic importance, ₹23,465 crore for road maintenance, and ₹7,800 crore for the Cauvery-Vaigal-Gundar intra-linking project.

During a meeting with a delegation of the finance panel led by chairman N K Singh in Chennai, Palaniswami made it clear that the panel must use only 1971 population data for the purpose of devolution. "I wish to reiterate that we oppose the use of 2011 population data. It would punish progressive states like Tamil Nadu for controlling popula-

tion growth through their own efforts," he said.

The CM made a strong case for a fair distribution between the Centre and the states of the net proceeds of taxes. The state had not gained much from the 14th Finance Commission's recommendation to increase the share of central taxes from 32% to 42% due to the drastic cut in horizontal

distribution among states and Tamil Nadu lost ₹6,000 crore every year, he said. "The 78 million people of the state are looking to this commission to undo the unfair and unscientific treatment it has received from the 14th Finance Commission and those preceding it," Palaniswami said.

► Socio-economic, P 9

'Schemes designed with socio-economic objectives'

► From P 1

Tamil Nadu is the only state which has seen its share of funds decline with the recommendation of every commission starting from the ninth finance commission. The present trend in transfer of resources — of rewarding those who use resources inefficiently and do badly and punishing those who use resources efficiently and do well — must be reversed, the chief minister said. He came up with critical aspects for formulating its recommendations — correcting imbalance of states entrusted with responsibilities far more than the financial resources endowed on them; need for realistic rather than optimistic projection of state's revenue and expen-



diture; and adoption of pragmatic, fair and scientific criteria to encourage developed states to accelerate growth.

Opposing the reference to control of expenditure on the so-called populist programmes, the CM sought to clarify what was populist. "Populist is a subjective term which has a very fine line of difference with popular schemes. Puratchi Tha-

“ Noon meal programme for school children was once called populist. Now the Union government has made it part of the National Food Security Act

EDAPPADI PALANISWAMI
Chief minister, Tamil Nadu

lalvar MGR noon meal programme for school children was once called populist. Now the Centre has made it part of the National Food Security Act," he said, adding that social welfare schemes in the state were designed with specific socio-economic objectives. He expressed concern over the clause about incentives linked to Centre's flagship schemes