

**Text of the Memorandum submitted to Dr. Manmohan Singh,
Hon'ble Prime Minister of India by Selvi J Jayalithaa,
Hon'ble Chief Minister of Tamil Nadu on 14.6.2011 at New Delhi**

1. ISSUES RELATING TO SRI LANKAN TAMILS

(a) Action required against War Crimes in Sri Lanka

During the closing days of military action of the Sri Lankan Armed Forces against the Tamils, there had been many reports of indiscriminate killings of innocent civilians and non combatants and human rights violations. A large number of Sri Lankan Tamils were affected in this conflict.

Despite an attempt to black out the coverage by independent media, enough information is available to show that the Sri Lankan Government was responsible for large scale atrocities. The Panel of Experts appointed by the Secretary General of the United Nations Organisation found the following serious credible allegations against the Sri Lankan Government:

- (i) killing of civilians through widespread shelling;
- (ii) shelling of hospitals and humanitarian objects;
- (iii) denial of humanitarian assistance;
- (iv) human rights violations suffered by victims and survivors of the conflict, including both IDPs and suspected LTTE cadre; and
- (v) human rights violations outside the conflict zone, including against the media and other critics of the Government.

Therefore, the Government of India should take up this matter with the United Nations Organisation to declare those found guilty of such war crimes as war criminals.

(b) Equal Rights for the Tamils in Sri Lanka

The genocide of Sri Lankan Tamils at the hands of the Sri Lankan Armed Forces has led to their large scale displacement from their homeland. A major part of the Sri Lankan Tamil community is still languishing in refugee camps with their rights to citizenship severely compromised.

It is imperative to provide a pragmatic Political Package to the Sri Lankan Tamils and restore their equal rights of citizenship on par with the Sinhalese Community.

In Sri Lanka, the Tamil speaking people have historically inhabited the North and East Provinces, while the Sinhalese have lived in other parts. The Government of India should impress upon the Sri Lankan Government the need to enable the Tamil people to participate fully in their own governance in the North and East. Political reforms should be urgently introduced with further possible delineation of powers to the Provinces by transferring some of the items from the Concurrent List to the Provincial List as per the aspirations of the people, especially the Sri Lankan Tamil Community.

(c) Economic Sanctions against Sri Lanka till the Tamils in Camps are fully rehabilitated

Though Sri Lanka became independent, the Tamils living in that country were struggling for many years against the injustice of being treated as second class citizens. Instead of appreciating the justness of their demand and ensuring that Tamils in Sri Lanka lead a life of dignity, with equal rights and self-respect through necessary Constitutional Amendments, the Sri Lankan Government was taking all possible action to exterminate them.

There is overwhelming evidence of the large scale deaths of innocent Sri Lankan Tamil Civilians and other grave human rights violations by the Sri Lankan Armed Forces. There have been no tangible efforts to ensure proper rehabilitation of the large number of displaced Tamilians in the Northern & Eastern part of the country.

The Government of India should initiate action by working with other Nations for the imposition of an economic embargo on the Government of Sri Lanka until the Tamils, who are now living in camps, are resettled in their own places and are allowed to live with dignity and with equal Constitutional rights on par with the Sinhalese.

(d) Reimbursement for Welfare Schemes extended to Sri Lankan Refugees

The Relief and Rehabilitation of Sri Lankan Refugees have been constantly engaging the attention of the Government of Tamil Nadu. The Government of India have been reimbursing the cost of housing, basic amenities, food and clothing along with establishment costs to the extent of ` 44.74 crores per annum. The State Government provides additional benefits like aids and apparatus for differently abled, supply of sports materials, marriage assistance etc. at a cost of ` 6.11 crores per annum for the refugees welfare.

To enable them to live with dignity, the Government of Tamil Nadu has now taken a decision to extend the following special welfare schemes presently in operation for the people of Tamil Nadu to the Sri Lankan Refugees also.

1. Social Security schemes for the old and destitute.
2. Free Rice Scheme up to 20 kgs.
3. Supply of ration commodities at subsidized rates.
4. Girl Child Protection scheme.
5. Fee concession for the first graduate student in professional colleges.
6. Free supply of sewing machines.
7. Marriage assistance scheme at enhanced rate.

Extension of these schemes would cost the State Government an additional sum of ` 14.10 crores per annum. The Government of India is requested to extend reimbursement of the cost incurred by the Government of Tamil Nadu for these additional Welfare Schemes also.

(e) Retrieval of Katchatheevu and Restoration of traditional fishing rights of Tamil Nadu Fishermen

Katchatheevu is a small island of an extent of approximately 285 acres in the Palk Strait off Rameswaram, part of Ramanthapuram District. It was originally under the ownership of the Raja of Ramanathapuram (Survey No. 1250) as per the Ramanathapuram Gazetteer. A large number of evidences, including lease deeds, in the past prove that Katchatheevu was part of India geographically, culturally and historically. The Indian fishermen were enjoying fishing rights in and around the island of Katchatheevu prior to the execution of the 1974 Agreement. As per this Agreement, Katchatheevu was ceded to Sri Lanka. Article 6 of the above Agreement states that "the vessels of India and Sri Lanka will enjoy in each other's waters such rights as they traditionally enjoyed therein." The Government of Tamil Nadu has always maintained that such rights include the traditional fishing rights as well.

A second Agreement was entered into with Sri Lanka in March 1976 for settling the boundaries between the two countries in the Gulf of Mannar. By these two agreements, the fishermen of Tamil Nadu have been deprived of their fishing rights around Katchatheevu.

In 1991, the Tamil Nadu Legislative Assembly passed a resolution seeking the restoration of Katchatheevu Island and the sea adjacent to it to India. Further, a proposal was sent to the Government of India in 2003 to examine the feasibility of getting the Island of Katchatheevu and adjacent seas on a 'lease in perpetuity' solely for fishing and other activities associated with it while negotiations for the return of Katchatheevu are on.

A Writ Petition (W.P. (Civil) No.561/2008) was also filed in this regard in the Supreme Court of India in 2008 and is pending. The Tamil Nadu Legislative Assembly passed a resolution on 9.6.2011, stating that, as per the order of the Supreme Court of India (Berubari case of 1960), a part of territory owned by India can be ceded to another country only through a Constitutional Amendment passed with the approval of both Houses of the Parliament. However, Katchatheevu was ceded to Sri Lanka through the 1974 and 1976 Agreements without getting the approval of both Houses of the Parliament.

This Government is of the strong view that the ceding of Katchatheevu without a Constitutional Amendment approved by both Houses of Parliament is contrary to law. The Government of India should, hence, take steps to retrieve Katchatheevu and restore the traditional fishing rights of the fishermen of Tamil Nadu.

2. SPECIAL PACKAGE ASSISTANCE FOR MODERNIZING FISHING SECTOR

Tamil Nadu has a coastal length of 1,076 kms. There are 591 fishing villages across 13 coastal districts, with a total marine fishermen population estimated at 10 lakhs. At present, over 6,200 mechanized fishing crafts and 54,000 traditional crafts are engaged in marine fishing.

The last three decades have witnessed increasing tensions between India and Sri Lanka over fishing rights, especially in the Palk Bay area, due to the close proximity of the International Maritime Boundary Line (IMBL) to the sea coast.

It is required to augment the infrastructural facilities in the fishing harbours across the coast of Tamil Nadu, especially in the Palk Bay area, and also to modernise the fishing technology to promote deep sea fishing with a view to ameliorating the fishermen's socio-economic status.

The following assistance is sought from the Government of India as a **Comprehensive Special Package** for Tamil Nadu:-

I. New fishing harbours:

At present, approximately 1,100 mechanised fishing boats are engaged in fishing from Rameswaram base. It is required to decongest the fishing fleet. Fishing Harbours, **one at Poompuhar** in the North at an approximate cost of ` 75 crores and **another one at Mookaiyur**, South of Rameswaram at an approximate cost of ` 60 crores are long felt needs.

II. Special package for conversion of bottom trawlers into Deep Sea Tuna Long Liners:

In order to reduce the trawler fishing pressure in the disputed waters of the Palk Bay area, the Government of India should offer a special package for conversion of bottom trawling boats into deep sea Tuna Long Liners suitable for deep sea fishing. As against the existing subsidy pattern available at the rate of 50%, the Government of India should give at least 90% subsidy for such conversion of vessels as a special incentive for conversion of the boats of the Palk Bay area. A sum of ` 15 crores should be earmarked each year for this purpose.

III. Assistance for Mid Sea Fish Processing Park:

In order to benefit the traditional fishermen against the background of dwindling catch in shallow waters, the State requires assistance from the Government of India for a Pilot Project of establishing a Mid Sea Fish Processing Unit, which will also act as a 'Value Added Export Oriented Park'. Under this Project, which will cost approximately ` 80 crores, a 'Carrier Mother Vessel' will be stationed at mid-sea, and it will act as a source of essential inputs for the 'Baby vessels' which will be involved in commercial fishing in the deep seas. This will serve a dual purpose of adding value to the fish caught in the deep seas and also consequently reduce the pressure of fishing in the shallow waters of Palk Bay.

IV. Reimbursement of Central Excise Duty on High Speed Diesel (HSD) to mechanized boats:

To reduce the operational cost of mechanized fishing boats, the Government of India has a Scheme to reimburse the Central Excise Duty on HSD oil supplied to such boats. However, the conditions imposed for reimbursement of the Central Excise Duty, such as the requirement of the Boat owners to be in the BPL category (which is practically impossible for any

motorised boat owner), and the monthly ceiling of only 500 litres per boat for availing of the subsidy are unworkable for Tamil Nadu, as well as other Coastal States. Such conditions should immediately be reviewed in order to make this Scheme operational.

V. Motorisation of traditional crafts :

The present assistance of ` 3 crore per year for motorisation of nearly 1,000 traditional crafts every year is very meagre for Tamil Nadu since there are 32,000 non-motorised traditional crafts in the State. It is requested that a Package of ` 15 crore per year may be sanctioned so that at least 5,000 traditional crafts are motorized every year.

VI. Dredging of fishing harbours and bar mouth

There is a crucial need for periodical dredging of bar mouths and fishing harbours all along the coast of Tamil Nadu. It is requested that assistance to the extent of ` 10 crore may be sanctioned every year for this purpose to Tamil Nadu.

To summarise, a Comprehensive Special Package to the extent of **` 245 crores** together with a recurring expenditure of ` 10 crores per annum per bar mouth is required.

3. STRENGTHENING COASTAL SECURITY

The Coastal Security Group CID was formed in 1994. The Government of India sanctioned Marine Police Stations, 12 Outposts and 40 Check-posts under Phase-I Scheme. This has been fully implemented.

Under Phase-II Scheme, the following proposals have been sent:-

Scheme	Amount (` in lakhs)
30 MPS @ ` 48 lakhs each	1,440
20 Nos. 12 Tonne Boats @ ` 400 lakhs each	8,000
12 Jetties @ ` 50 lakhs each	600
Equipment, Furniture and Vehicles	
For 30 MPS @ ` 15 lakhs each	450
30 Four wheelers @ ` 7 lakhs each	210
60 Two wheelers @ ` 0.60 lakh each	36
TOTAL	10,736

(or) 107.36 crores

This proposal may be sanctioned early.

4. ISSUES IN ENERGY SECTOR

(a) Special Package of Assistance to Tamil Nadu Generation and Distribution Corporation Limited

In the last few years, the demand for power in the State has gone up substantially. There was no corresponding addition to the power generation. This has led to a serious demand supply mismatch crippling the growth of industry and other sectors. At present, the total demand for power is around 11,500 megawatts. But the availability of reliable power including the purchase from traders is about 10,000 megawatts. This includes the purchase of power of around 1800 megawatts from the open market, as the supplies by the central generating stations and own generations are also not at optimum level. This gap is being managed by the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) only through restriction and control measures like load shedding.

The purchase of such a huge quantum of power on a daily basis has caused substantial financial strain to the TANGEDCO. Its accumulated loss has gone up from ` 4,900 crores in 2005-2006 to ` 38,000 crores as on 31.3.2011. Similarly, its outstanding debt level has gone up from ` 9,300 crores in 2005-06 to ` 40,300 crores in 2010-11. Efforts are being made for improving own power generation by the State power utility, besides exploring alternate sources of renewable energy. State utility is also taking sincere efforts to augment generation capacity at the earliest, to reduce Transmission and Distribution loss, control theft and improve the administration through reforms.

The present crisis of the TANGEDCO is very alarming and may cause a complete breakdown in its functioning due to the problems faced in cash management and debt servicing. Considering the serious financial crisis faced by the Board, the Central Government may provide a special bail-out package of ` 40,000 crores to wipe out the debt burden of the TANGEDCO and bring down the accumulated losses so that the TANGEDCO can continue to provide effective and efficient service to the public.

(b) Financial Support to Solar Power Projects

As a credible alternative, additional power generation through solar energy will be given special priority by the Government of Tamil Nadu. It is also proposed to establish 10 Solar Energy Parks of 300 MW each in ten locations.

Under the Jawaharlal Nehru National Solar Mission (JNNSM), generation of 1000 MW of solar power has been proposed in the first phase by the Ministry of New and Renewable Energy. Under this Mission only 7 developers were given permission to establish 1 MW of Solar Photovoltaic (SPV) plant each in Tamil Nadu.

The Government of Tamil Nadu has proposed to provide solar streetlights in rural areas and solar power will be given free to the households of people who are below the poverty line.

The following requests are placed before the Hon'ble Prime Minister:

1. To allot adequate funding to put up 10 Solar Energy Parks to generate 3000 MW power and also put up Solar Powered Street Lights in the villages under Jawaharlal Nehru Solar Mission. The cost of these projects will be about ` 45,000 crores.

2. To provide support under National Clean Energy Funds for the path-breaking initiatives undertaken by the Tamil Nadu Government.

(c) Early Completion of Central Power Stations in Tamil Nadu

The following Central Generating Stations are under execution in the State of Tamil Nadu:

1. Koodangulam Atomic Power Station (2 x 1000 MW)

This project is being executed by the Nuclear Power Corporation of India Limited. Originally scheduled for operation in 2007-08, it has got delayed badly and the first unit (1000 MW - State Share 462 MW) is likely to start generation only in December 2011 and the second unit (1000 MW - State Share 463 MW) is likely to start generation only in August, 2012.

2. Neyveli Thermal Station II (2 x 250 MW)

This project is being executed by the Neyveli Lignite Corporation Limited. The original schedule of operation of this project is 2008-09 and it has got delayed and the first unit (250 MW- State Share 162 MW) is likely to start generation in a few months and the second unit (250 MW - State Share 162 MW) is likely to be commissioned in March, 2012.

3. PFBR Kalpakkam (2 x 250 MW)

This project is also being executed by the Nuclear Power Corporation of India Limited and was scheduled to commence generation during 2010-11. But it has got badly delayed and the generation is likely to commence only in March, 2012.

Inordinate delays in the commissioning of these projects have adversely affected the power supply position in the State of Tamil Nadu.

Necessary instructions may kindly be issued to the executing agencies to speed up the completion of the ongoing Central power projects in Tamil Nadu.

(d) Sanction of New Central Power Projects

Cheythur Ultra Mega Power Project (4000 MW):

The Government of Tamil Nadu has approved the Ultra Mega Power Project at Cheythur with an estimated cost of ` 18000 crores. A Special Purpose Vehicle, M/s. Coastal Tamil Nadu Power Limited, has been formed by the Power Finance Corporation of India, which is a Nodal Agency for the project. The Tamil Nadu Maritime Board has also approved the development of a captive port at Cheythur.

The Government of India is requested to speed up this project and also to consider setting up of more central power generating stations in Tamil Nadu to handle the present power crisis and to meet the future demand.

(e) Additional Allocation of Power from Central Pool

Due to increasing demand and stagnant generation of power, TANGEDCO has been resorting to scheduled load shedding of about 1500 MW and frequent unscheduled load shedding which has affected the industrial sector and the domestic consumers. Agriculture is the worst hit sector due to inadequate power supply to agricultural pumpsets, thus affecting food production. The State Government is taking necessary steps to improve energy efficiency and to reduce the gap between supply and demand. The State Government has requested the allocation of additional power of 1000 MW from June, 2011 to May, 2012 from the Central Pool to meet the genuine needs of the farmers and public.

In this regard, the Hon'ble Chief Minister has written a letter to Hon'ble Prime Minister on 6.6.2011 requesting the Central Government to allot additional allocation of 1000 MW immediately. Hon'ble Prime Minister may kindly order the additional allocation of power to Tamil Nadu.

5. SANCTION OF FUNDS FOR MONO RAIL PROJECT

Increasing urban population coupled with economic activities and increased city size have led to a rapid growth in urban travel demand in Chennai. The Chennai Metropolitan Area (CMA) is expected to grow into a mega city with a population of more than 10 million people in the next 10 years. To improve the overall Urban Transportation System in Chennai, the modal share of public transport has to be increased from the present level of 27%. The Government has accordingly declared its intention to increase the share of public transportation to 46% by 2026. To achieve the above goal, the Government of Tamil Nadu has undertaken to implement the Mono Rail Project in Chennai to integrate with the existing transportation system. In the first phase 111 Kms. will be covered. Overall 300 kms will be covered under Mono Rail in a phased manner.

The first phase of 111 Kms. will be completed in the next two years at a rough cost of ` 16,650 crores @ 150 crores per Km. Mono Rail is a capital intensive but environment friendly project of the State Government. The Government of India is requested to extend financial assistance under the National Urban Transport Policy which seeks to provide an efficient, affordable and sustainable transportation system across the whole of Urban India.

6. SPECIAL CENTRAL ASSISTANCE FOR PROVIDING LAPTOP COMPUTERS TO STUDENTS

The country is poised to become a Global Information Technology Superpower and a front runner in this age of information revolution. The State of Tamil Nadu has emerged as a favoured destination both for the domestic and multinational IT companies. This has opened new vistas of job opportunities for youth in Tamil Nadu. Students from lower rungs of the socio economic pyramid need to be equipped to participate in the emerging market. To provide level playing fields, develop skills and improve human resources in consonance with the millennium development goals, the Government of Tamil Nadu has decided to provide laptop computers to all students studying in higher secondary schools and also to the students studying in Engineering, Polytechnic and Arts & Science Colleges.

Over the next five years commencing from the current financial year, the Government envisages providing nearly 68 lakh laptop computers to students. The total financial implication works out to approximately ` 10,200 crores. In the first year of the programme, 9.12 lakh laptop computers will be provided.

In this regard, it is worth mentioning that the Policy of the Government of Tamil Nadu is in line with the National Mission on Education through Information and Communication Technology (ICT). This Mission has been envisaged as a Centrally Sponsored Scheme to leverage the potential of ICT, in the teaching and learning process for the benefit of all the learners in Higher Education Institutions in the any time any where mode. The Mission's objective of providing connectivity, along with provision of access devices to institutions and learners would be ideally suited for the programme of providing laptop computers, envisaged by the Government of Tamil Nadu.

Hence the Government of India is requested to sanction a special grant of ` 10,200 crores over the next five years to provide laptop computers to students studying in Government and Government aided schools and colleges under the National Mission of Education through the Information and Communication Technology (ICT).

7. WATER ISSUES

(a) Financial Assistance for Inter-linking of Rivers in Tamil Nadu

Water being a precious resource has to be utilised optimally for irrigation and other purposes. Strengthening the infrastructure is the most important prerequisite for the sustainable growth of the Agricultural Sector. Therefore, there is an urgent need to interlink the rivers in the State for enhancing the irrigation capacity to control floods and also to serve as Inland Waterways.

The Government of Tamil Nadu has proposed to link the river Cauvery with Agniar, South Vellar, Pambar, Mani Muthar, Vaigai and Gundar rivers for better flood management and utilisation of surplus water for the purpose of irrigation. Such inter-basin transfer of flood flows will benefit the rainfed areas in the drought prone districts of Tamil Nadu by creating a waterways grid. The cost of this project would be ` 4,000 crores.

Of the five Inland Waterways notified by the Government of India, the stretch of 132 Kms. between Pulicat Lake to Puducherry falls in Tamil Nadu. Our Government proposes to make it a navigable waterway with the help of the Government of India, which can be an economical and popular mode of transport for commercial goods, passenger movement and tourism development. This project will cost ` 650 crores.

The Government of Tamil Nadu, therefore, requests the Hon'ble Prime Minister:-

- (1) To favourably consider the proposal of inter-linking of rivers within the State at an estimated cost of ` 4,000 crores to link Cauvery – Vaigai – Gundar rivers.
- (2) To provide ` 650 crores for the inland waterways projects.

(b) Immediate Notification of the Award of Cauvery Water Disputes Tribunal

The Government of India as per the order of the Supreme Court constituted the Cauvery Water Disputes Tribunal in their Notification dated 2.6.1990. The Tribunal pronounced an Interim Order on 25.6.1991. This was published in the Official Gazette of the Government of India after the Supreme Court's opinion on the Presidential Reference No.1 of 1991, which was in favour of Tamil Nadu. A Scheme to give effect to the decision of the Tribunal was notified in the Gazette by the Government of India on 11.8.1998.

As per this Scheme, a Cauvery River Authority headed by the Prime Minister of India has been constituted with the Chief Ministers of all the Party States as Members. To assist the Authority, a Cauvery Monitoring Committee has also been constituted headed by the Secretary to Government of India, Ministry of Water Resources, with the Chief Secretaries and Chief Engineers of the Basin States as Members. The Cauvery River Authority and the Cauvery Monitoring Committee did not prove to be effective.

The Tribunal declared its final award on 5.2.2007 under section 5(2) of the Inter State River Water Disputes Act, 1956.

After that, all the Party States and the Government of India have filed petitions in the Cauvery Water Disputes Tribunal under section 5(3) of the Inter-State River Water Disputes Act, 1956, seeking explanation / guidance.

The States of Karnataka and Kerala have filed Special Leave Petitions in the Supreme Court in April, 2007, against the order of the Tribunal. A Special Leave Petition was also filed by Tamil Nadu in the Supreme Court in May, 2007, against certain aspects of the order of the Tribunal.

The Supreme Court has been adjourning the hearing several times. Lastly, on 6.5.2010, upon mentioning, the Supreme Court directed the listing of the matters in August, 2010. However, these matters have not reached hearing.

According to the order of the Tribunal dated 10.7.2007, the applications under Section 5(3) of the said Act should be listed for orders after disposal of the appeals by the Supreme Court.

We, therefore, place the following requests before the Hon'ble Prime Minister:-

- (i) To instruct the Ministry of Water Resources to take immediate steps to notify the final award dated 5.2.2007 of the Cauvery Water Disputes Tribunal in the Gazette of India, and
- (ii) To place in position "the Cauvery Water Management Board" for the implementation of the award of the Cauvery Water Disputes Tribunal in letter and spirit.

(c) Early Settlement of Mullai Periyar Dam Dispute

The Supreme Court in its judgment dated 27.2.2006 observed that the apprehensions on the safety of the Periyar Dam by the Government of Kerala have been found to be baseless and "there is no report to suggest that the safety of the dam would be jeopardized if the water level is raised for the present to +142.00 ft." The Supreme Court also allowed the Government of Tamil Nadu to raise the water level initially up to 142 ft. and to carry out the remaining strengthening works and directed that thereafter independent experts may examine the dam from the safety angle before the water level is raised to FRL 152 ft. The Government of Kerala was also directed not to obstruct Tamil Nadu in carrying out the strengthening works.

The Government of Kerala, in order to nullify the Supreme Court order, amended its "Kerala Irrigation and Water Conservation Act, 2003" on 18.3.2006. This amendment Act has fixed the FRL of the Mullai Periyar Dam as 136 ft.

The Government of Tamil Nadu filed a suit in the Supreme Court praying to declare the above amendment Act of the Government of Kerala as unconstitutional as far as its application to the Periyar Dam is concerned.

In the pending proceedings before the Supreme Court and later in the suit of Tamil Nadu also, Kerala never pleaded that a new Dam will be a lasting solution.

The Government of Kerala is going ahead with the preliminary survey for the new Dam. The very basis of the Government of Kerala for constructing a new Dam has been opposed by the Government of Tamil Nadu in its correspondence with the Government of India and arguments before the Supreme Court and the Empowered Committee constituted on the directions of the Supreme Court, as the existing dam after its strengthening as suggested by the Central Water Commission is functioning as good as a new dam. Further, the proposal for a new dam had already been dropped by the Central Water Commission. The proposal of the Government of Kerala to construct a new dam is an issue before the Supreme Court.

The proposal for the new dam is only an after-thought after the filing of the Suit by the Government of Tamil Nadu in the Supreme Court. This is a clear intention to defeat the rights of the Government of Tamil Nadu, which is owning, operating and maintaining the dam for over 100 years.

The Government of Tamil Nadu requests the intervention of the Hon'ble Prime Minister in the following:-

- (i) Since the whole issue is before the Supreme Court and sub-judice, the Government of Kerala may be advised not to go ahead with any investigation, study or preliminary works connected with the construction of a new dam; and
- (ii) To instruct the Ministry of Environment and Forests and Ministry of Water Resources not to grant any permission to the Government of Kerala to carry out any further studies till the Five Member Constitution Bench of the Supreme Court disposes of the suit of Tamil Nadu.
- (iii) To ensure that the Government of Kerala does not interfere in the regular maintenance work being carried out by the Government of Tamil Nadu by claiming that these are original works.

(d) Stoppage of Construction of Reservoir across the Palar River by the Government of Andhra Pradesh

The Government of Tamil Nadu as early as in February, 2006, approached the Government of India requesting it to take immediate appropriate action in accordance with law, on the proposed construction of a Reservoir at Ganeshapuram, Kuppam Taluk, Chittoor District, by the Government of Andhra Pradesh across the inter-State River Palar, which is governed by the Madras-Mysore Agreement of 1892.

The Government of Tamil Nadu was forced to file a suit on 10.2.2006 in the Supreme Court, inter alia to restrain the Government of Andhra Pradesh from proceeding with the proposed reservoir and its tributaries, as that would affect a number of drinking water schemes in Tamil Nadu.

In the meantime, on the directions of the Supreme Court, dated 7.1.2008 and 28.3.2011, the Government of India attempted to settle the dispute between the Governments of Tamil Nadu and Andhra Pradesh, but no consensus could be reached because of divergent views.

In the circumstances, the Hon'ble Prime Minister may kindly advise the Government of Andhra Pradesh not to go ahead with any work relating to the construction of the proposed reservoir across the Palar River.

8. SPECIAL DEBT RELIEF ASSISTANCE TO TAMIL NADU FOR FISCAL CONSOLIDATION

Due to slow economic recovery and heavy salary and pension burden after implementation of Sixth Pay Commission recommendations, the State is under tremendous fiscal pressure over the last three years. The revenue deficit is increasing over the years due to increasing commitments on salary, pension and other welfare schemes. The revenue deficit for the year 2010-11 has gone up to ` 3,942 crores from that of ` 3,531 crores in 2009-10. The fiscal deficit has also increased by almost five times to ` 17,888 crores since 2007-08. As a result, within the last five years, the outstanding debt of the State has almost doubled from ` 57,475 crores in 2005-06 to ` 1,01,541 crores in 2010-11.

The 13th Finance Commission has stipulated norms of achieving zero revenue deficit and fiscal deficit below 3% by the end of the current financial year besides restricting the borrowings. Achieving this will be very difficult in view of various new welfare and development schemes undertaken by this new Government. Such huge investment is very much required in order to restore the State and take it on the path of sustainable economic development with inclusive growth. Hence, the Government of India may extend a Special Assistance of ` 1,00,000 crores as grant to reduce the debt level of the State, besides extending necessary financial support for the schemes implemented by the State.

9. INCREASING THE NCA ALLOCATION UNDER PLANNING COMMISSION DEVOLUTION

Normal Central Assistance (NCA) is part of the Planning Commission devolution to the State's Annual Plan. This is an untied central assistance meant to be utilized for State Plan schemes and is sanctioned by the Ministry of Finance in the form of 30% grant and 70% loan. The sanction of loan by the Centre had been stopped with effect from 1.4.2005 and as per recommendations of the 12th Finance Commission, in lieu of the loan portion the States have to be allowed to mobilize additional open market borrowings and the Government of India sanctions only the grant portion of NCA. During 2010-2011, the Planning Commission approved ` 1826.07 crores as NCA of which, ` 547.82 crores was sanctioned as grant. This was against the plan outlay of ` 20,068 crores. Similarly, during 2009-2010 NCA approval was ` 1603.94 crores of which, ` 494.30 crores was sanctioned as grant, against the plan outlay of ` 17,833.52 crores. NCA in total constitutes approximately 10% to 12% of the State's total plan outlay and the share of NCA in the State's overall plan outlay is showing a decreasing trend over the years. For instance, the share of NCA in the total approved plan outlay was 12.47% in 2002-03 and declined to 9.10% of the total State Plan outlay during 2010-2011.

The pattern of NCA dates back to 1991-92 (Revised Gadgil-Mukherji formula) and remains constant for almost 20 years. During these 20 long years, a lot of changes have taken place in the revenue realization, especially the tax revenues at the State and Central levels and the sharing of the net proceeds of the central taxes as well. It is pertinent to mention that major sources of revenue like income tax, corporation tax, central excise, customs duty and service tax are still with the Centre, while sales tax is the only major source of revenue to the States. But, the overall share of the States and the horizontal distribution among the States of the NCA kitty remains static. The States, being closer to the people, with many more direct responsibilities in governance are under pressure to incur substantial expenditure on the plan side with targets fixed in successive plans and without active support from the Centre the States have no other option but to go in for additional loans to achieve the plan targets which is also restricted to 25% of the GSDP. Loan resources affect the fiscal health of the States and are again subjected to Fiscal Responsibility and Budget Management (FRBM) Act and various conditionalities attached by successive Finance commissions and the Central Government.

With limited resources available at the disposal of the States, the States are not in a position to increase the allocation under plan schemes substantially. Unless the central assistance under NCA is stepped up, it will be quite difficult for the States to keep pace with the developmental needs. Therefore, there is an urgent need to enhance the level of untied central assistance under Normal Central Assistance by meeting at least 20% of the plan outlay. Further, the grant, loan component under NCA may be revised to 50:50 instead of 30:70. The State of Tamil Nadu is proposing ` 23,000 crores as Plan allocation for the year 2011-12. Therefore, the Government of India may provide ` 4,600 crores as Normal Central Assistance with a grant component of ` 2,300 crores.

10. ADDITIONAL CENTRAL ASSISTANCE FOR SOCIAL SECURITY PENSIONS SCHEME

Considering the rapid erosion of incomes caused by inflationary trends in the economy, which has particularly affected the most vulnerable sections of the population such as old aged persons, differently abled persons, widows, agricultural labourers, destitute / deserted wives and incapacitated women, my government issued orders raising the monthly pension under various Social Security Pension Schemes from ` 500/- to ` 1,000/- immediately after assuming charge.

The following Pension Schemes are implemented by the Government of Tamil Nadu under Social Security Pension Schemes:-

- (1) Indira Gandhi National Old Age Pension Scheme
- (2) Indira Gandhi National Disability Pension Scheme
- (3) Indira Gandhi National Widow Pension Scheme
- (4) Destitute Widow Pension Scheme
- (5) Destitute / Deserted Wives Pension Scheme
- (6) Destitute Differently Abled Pension Scheme
- (7) Destitute Agricultural Labourers Pension Scheme, and
- (8) Pension to Unmarried, Poor, Incapacitated women of age 50 years and above.

As on 30.4.2011, there are 23.65 lakh beneficiaries under these Social Security Pension schemes in Tamil Nadu.

The Government of India provides Central Assistance at the rate of ` 200/- per beneficiary per month for the following three pension schemes only.

- (1) Indira Gandhi National Old Age Pension Scheme,
- (2) Indira Gandhi National Widow Pension Scheme and
- (3) Indira Gandhi National Disability Pension Scheme.

Further, the Government of India has also fixed ceiling limits on the number of beneficiaries under each of these schemes, viz., 10.15 lakhs beneficiaries under the Indira Gandhi National Old Age Pension Scheme, 3.57 lakhs under the Indira Gandhi National Widow Pension Scheme and 1.19 lakhs under the Indira Gandhi National Disability Pension Scheme.

The Government of Tamil Nadu supports the following Pension Schemes with its own funds:-

- 1) Destitute Widow Pension Scheme
- 2) Destitute / Deserted Wives Pension Scheme
- 3) Destitute Differently Abled Pension Scheme
- 4) Destitute Agricultural Labourers Pension Scheme, and
- 5) Pension to Unmarried, Poor, Incapacitated women of age 50 years and above.

As stated earlier, this Government has enhanced the pensions from ` 500/- to ` 1000/- per month with effect from 1.5.2011 covering all the 23.65 lakh beneficiaries enrolled under these schemes. **The total financial commitment for a year is ` 2838.63 crores as given in the Table below, whereas the Government of India contributes only ` 282 crores a year. This has caused a huge financial burden on the State Government.**

Sl. No.	Scheme	Pensioners covered (as on 30.04.2011)	Requirement per annum @ ` 1000/- per beneficiary (` in crores)
1.	Indira Gandhi National Old Age Pension Scheme (IGNOAPS)	10,06,723	1208.07
2.	Indira Gandhi National Widow Pension Scheme (IGNWPS)	3,68,280	441.94
3.	Indira Gandhi National Disability Pension Scheme (IGNDPS)	34,061	40.87
4.	Destitute Differently Abled Pension Scheme	99,303	119.16
5.	Destitute Widows Pension Scheme	3,89,086	466.90
6.	Destitute Agricultural Labour Pension Scheme	3,35,925	403.11
7.	Destitute / Deserted wives Pension Scheme	1,17,345	140.81
8.	Pension to Un-married poor women of age 50 years and above	14,806	17.77
	Total	23,65,529	2838.63

We request the Hon'ble Prime Minister to consider the following requests:-

1. To enhance the Central Grant from ` 200 to ` 1000 per month per beneficiary
2. To sanction funds for all the Social Security Pension Schemes implemented by the Tamil Nadu Government without limiting the sanction to only three schemes
3. To remove the ceilings on the number of beneficiaries benefited under the Central Schemes.
4. Accordingly, the Government of India may provide additional assistance of ` 2,556.82 crores per annum.

11. ROAD SECTOR

(a) Financial Assistance for Tamil Nadu Road Sector Project - Phase II

The Tamil Nadu Road Sector Project (TNRSP) is being currently implemented by the Highways Department at a cost of ` 2,442 crores. The World Bank has provided a loan of ` 1903 crores with the balance of ` 539 crores being the contribution of the Government of Tamil Nadu. Under the project, up-gradation of 724 kilometres of roads to international standards, construction of 13 by-passes to important towns, institutional strengthening of the Highways Department have been taken up. The project is due to be completed shortly.

Tamil Nadu has conducted extensive technical and economic feasibility studies to prioritize roads for future development. Around 2,000 kilometers of Highways spread across the State have been identified for up-gradation based on norms like present condition of the roads, traffic density, economic benefits etc. It is requested that the project may be posed to World Bank as Phase II of Tamil Nadu Road Sector Project for financial assistance to the extent of ` 5000 crores.

(b) Financial Assistance for Chennai Outer Ring Road – Phase II

Due to the rapid growth of population and vehicular congestion in Chennai City, the Government of Tamil Nadu has decided to develop a major traffic corridor to the west of Chennai called 'Outer Ring Road'. This will ease congestion within the city by diverting heavy vehicular traffic to the outskirts. This will also help to increase connectivity to Ennore Port. The length of the corridor is 62.3 kilometres and it will stretch from Vandalur (towards the South of Chennai) to Minjur in the North. The First Phase of the 'Outer Ring Road' measuring 30 kilometres is now under implementation at a cost of ` 1081 crores on a 'Build-Operate-Transfer (BOT) cum Annuity' basis. The Government of Tamil Nadu has extended project support of ` 300 crores for this phase.

The planning for the second phase of Chennai Outer Ring Road has been completed and the project cost has been tentatively estimated at ` 1075 crores. The Government of Tamil Nadu has already sought assistance from the Japan International Co-operation Agency (JICA) for this phase. Accordingly, necessary proposals have been forwarded to Ministry of Road Transport and Highways, Government of India, New Delhi, requesting them to recommend this project to the Department of Economic Affairs for inclusion in the Rolling Plan for Japan International Co-operation Agency (JICA) assistance. It is requested that this Project may be posed to Government of Japan as part of the 'Financial Year 2011' package.

It is requested that this may be expedited.

12. PRICE CONTROL AND PUBLIC DISTRIBUTION SYSTEM

(a) Additional Subsidy for Special Public Distribution System

In view of the significant rise in prices of pulses, edible oils and other food articles, the Government of Tamil Nadu has introduced the Special Public Distribution System Scheme in which Toor dhall, Urid dhall, Palmolein, Fortified Atta and Spices and Condiments are being supplied through PDS shops to ration card holders at subsidised prices. The total monthly off-take, scale of supply, selling cost and cost to Government is given below:-

Commodity	Scale of Supply	Economic Cost	Selling Price	Average Monthly Offtake	Cost incurred by Government
		(`)	(`)	(Tonnes)	(` in crores)
Toor Dhall	1 Kg.	55.00	30.00	13,000	325.00
Urid Dhall	1 Kg.	60.00	30.00	10,000	300.00
Palmolein	1 Litre	50.00	25.00	15,000	375.00
Fortified Atta	1 Kg.	16.00	11.00	4,800	24.00
Masala Packet	1 Pkt.	42.00	25.00	7,00,000 Packets	12.00
Total					1036.00

The commodities being supplied under Special Public Distribution System are being procured by the Tamil Nadu Civil Supplies Corporation from the open market through tenders and also from the allotment made by Central Public Sector Undertakings. For the commodities supplied by Central Public Sector Undertakings, the Government of India provides a subsidy of ` 10/- per Kg. for dhall varieties (raw material) and ` 15/- per Kg. for Palmolein respectively. Further, the Government of India has extended this scheme for distribution of subsidised pulses and Palmolein Oil through Public Distribution System for a period up to 31.03.2012 and up to 30.09.2011 respectively.

It is pertinent to point out that Special PDS scheme is found to be beneficial to ration card holders and is an effective tool to ensure sufficient nutrition within a limited food budget for the poor. This has also helped to control inflation and excessive speculation. Therefore, the State Government is committed to continue with the Special PDS.

However, the subsidy burden is too heavy for the State Government to bear. Therefore, it is but just that the Government of India comes forward to share the burden of the State Government in an equitable manner. Accordingly it is requested that on the annual subsidy burden of ` 1,036 crores under Special PDS to supply essential commodities for price control, the Centre may extend a subsidy support of ` 518 crores per annum as 50% share.

(b) Supply of adequate Kerosene to Tamil Nadu

Tamil Nadu is implementing the Universal Public Distribution System. 1.95 crore family card holders are covered under this scheme. Kerosene is one of the essential commodities supplied to the card holders under the Public Distribution System. The actual requirement of kerosene as per the entitlement of the card holders is 65,140 Kilo Litres (KL) per month for Tamil Nadu.

The Government of India has allotted 59,780 KL of kerosene per month up to March, 2010 and 52,804 KL per month for the period from April, 2010 to March, 2011. An allotment of 52,806 KL per month has been made for the months of April, 2011 and May, 2011. Recently, the Government of India has allotted 44,580 KL of kerosene for the month of June, 2011. In a sudden move, the Government of India has drastically reduced the allocation of kerosene by 8,226 KL for the month of June, 2011.

The gradual reduction of allotment of kerosene to Tamil Nadu over the last two years has been putting the Public Distribution System under severe stress. It will be very difficult for the State Government to meet the genuine needs of the cardholders with this reduced allotment of kerosene. The poor people in the rural and urban areas in Tamil Nadu depend on kerosene supplied under the PDS and they will be put to severe hardship if their entitled quantity of kerosene is not supplied under the Public Distribution System.

In this regard, a request has been made by the State Government to the Hon'ble Prime Minister in Hon'ble Chief Minister's D.O. letter dated 1.6.2011 for enhancing the allotment of kerosene from 44,580 KL to 65,140 KL per month to Tamil Nadu.

The Government of India may therefore consider this demand favourably and issue orders enhancing the allotment of kerosene to 65,140 KL per month to Tamil Nadu.

13. HEALTH CARE FACILITIES

(a) Improvements to Government Tertiary Health Care Hospitals

The Government of Tamil Nadu is providing health care to the people of the State through a network of 8682 Health sub centres, 1589 Primary Health Centres, 270 Secondary Care Hospitals and 18 Government Medical Colleges with attached tertiary hospitals. Though the Government is allocating around ` 4000 crores each year for the Health Sector, most of the funds are utilised towards salaries and operating costs. Hence, there is always a resource constraint for improvement of infrastructure of the health care institutions. The funds from the National Rural Health Mission have been effectively utilized by our State to improve the Primary Health Centres by providing all the necessary equipment and buildings as a result of which they are providing excellent services to the rural poor. The secondary care hospitals were strengthened out of funds provided by the World Bank supported Tamil Nadu Health Systems Project. But, no such source of funding is available for improving the tertiary health care services.

The people of Tamil Nadu, especially the poor and lower middle class, depend on the government hospitals for their healthcare needs. The tertiary hospitals, some of them more than 50 years old, are seriously in need of renovation, additions and extensions to their buildings and provision of modern equipment to cope with the latest trends in medicine. In order to increase the supply of trained medical manpower in the State, provision of additional buildings and facilities to these institutions is required to comply with the regulations of the Medical Council of India.

Hence, the Government of India is requested to sanction a special grant of ` 1800 crores over the next two years for upgradation of the tertiary care institutions in the State.

(b) Improvements to District Headquarters Hospitals with special focus on diagnostic services

There are 31 Government District Headquarters Hospitals functioning in Tamil Nadu. A modern clinical laboratory at the district level with all diagnostic facilities needs to be established at each District Head Quarters. The facilities available in these laboratories will include basic biochemical, clinical pathology and microbiological tests as well as imaging services. In addition, a centralized facility to handle high end laboratory tests has to be established in Chennai which will cater to the needs of all the districts. Effective partnerships will be formed with the private sector to make these high quality diagnostic facilities easily accessible to the public. It is expected that such an effort will also help to reduce the market price of such diagnostic services in the private sector.

In addition, the District Hospitals require improvements by way of additional buildings to meet the increased work load as well as replacement of existing items of equipment that have outlived their utility. The approximate cost for improvement of District Hospitals, including the provision of diagnostic facilities will be ` 500 crores over a period of two years.

14. FINANCIAL SUPPORT TO STRENGTHEN CIVIC AMENITIES AND INFRASTRUCTURE IN URBAN AREAS

Tamil Nadu is among the most urbanized states in the country. As per the 2001 census, the urban population of Tamil Nadu is 44%. As per the recent report of M/s. Mc Kinsey Global Institute, the urban population of Tamil Nadu is expected to rise to 67% in the year 2030. As the urban areas are engines of economic growth and prosperity, they need to grow to ensure planned development and prosperity for the citizens. Keeping this in mind, the Government of Tamil Nadu is also expanding Chennai Corporation and 15 other Urban Local Bodies (ULBs) in the State. The existing ULBs and also the newly expanded ULBs need improvement in core infrastructure, (i.e.) Water Supply, Underground Sewerage Scheme, Solid Waste Management, Storm Water Drain and Road Infrastructure for which at least ` 20,000 crores is needed in the next 5 years.

Tamil Nadu is exploiting both the ground and surface water potential for extending water supply to various habitations. Despite the best efforts, the current demand supply gap in water supply for Chennai City alone is estimated at 400 mld, which can be bridged only through sea water desalination. For this and also for revamping of the existing water supply schemes, a sum of ` 9500 crores is needed for **augmenting the water supply in the Urban Local Bodies**. Tamil Nadu has a network of 39,500 km of urban roads. Of these, nearly 18,000 km need to be renovated, and **major roads** in Chennai and other Corporations **need to be upgraded** to world class level. For this, ` 5,700 crores will be needed. Scientific landfills for managing the **Solid waste need to be developed** in various parts of the State for which ` 3000 crore is needed. Currently 40 towns are provided with **Underground Sewer network**. In addition, the expanded areas need sewer network for which ` 1100 crore is needed.

In order to improve the **urban health system** in the urban areas, nearly ` 700 crore is needed to be invested for establishing new Urban Health Centres (UHCs) and improvement of the existing UHCs. Hence ` 20,000 crore may be allocated to Tamil Nadu which will stand as a model for the newly urbanized States in the country.

Jawaharlal Nehru National Urban Renewal Mission (JnNURM) has enabled the Urban Local Bodies to make improvements in the civic services. However, considering the status of cities and the need for ramping up of civic infrastructure, Government of India may launch JnNURM Phase II early.

15. FINANCIAL ASSISTANCE FOR SOLAR POWERED GREEN HOUSING SCHEME

The unit cost of a house under Indira Awaas Yojana has been revised and fixed @ ` 45,000/- during 2010-11 and this is shared between the Centre and the State in the ratio of 75:25. Accordingly, the Central share works out to ` 33,750/- and the State's share is ` 11,250/-. In order to provide better living conditions to the rural poor, the State Government had taken a policy decision to construct the houses with RCC roofing by meeting the additional cost from State funds. At present the unit cost fixed by the Government of Tamil Nadu is ` 75,000/- and the difference in cost of ` 30,000/- is being met as additionality for each house from State funds. Recently, the cost of construction has increased abnormally due to rise in prices of bricks, sand, cement and also the labour cost. Because of this, the beneficiaries are finding it difficult to complete the houses and they are being forced to borrow funds at higher rates of interest. This has pushed many of the poor into a debt trap. Further, the houses constructed under IAY are only of an area of 210 sq. ft. This is very cramped and inadequate for decent living.

Therefore, this Government has decided to launch a 'Solar Powered Green House Scheme' for the benefit of the poor in the rural areas and construct houses measuring 300 square feet with a unit cost of ` 1.80 lakhs by meeting the entire cost from Government funds. This scheme will dovetail the funds from IAY Scheme.

In view of the reasons stated above there is every need for enhancement of the unit cost from the present level to ` 1.80 lakhs per unit. All these houses under Indira Awaas Yojana may be provided with solar energy for domestic power needs. For this purpose, the Central Government may provide an additional assistance of ` 1,125 crores per annum as 75% Central share for the construction of houses besides providing ` 300 crores as a special grant to provide Solar Domestic Power Supply to 1 lakh houses every year to be taken up under IAY.

16. SUPPLY OF ADEQUATE FERTILIZERS TO TAMIL NADU

The current availability of water in the major reservoirs in Tamil Nadu is quite encouraging and the Government has released water for irrigation from the Mettur Dam on 6th of June 2011, which is prior to the normal scheduled date of 12th June. As per the report of the Indian Meteorological Department, the South-West Monsoon has just commenced in the Western part of the State. This Government has embarked on an ambitious target of 115 Lakh Tonnes of food grain production, covering an area of 46 Lakh Ha. during the current year. The Agriculture Department has commenced pre-positioning of all agricultural inputs to meet the demand of the farmers. Fertilizer is the key input for increasing the productivity of crops. The total requirement of various fertilizers is estimated to be 26 Lakh Tonnes comprising 11.12 Lakh Tonnes of Urea, 3.66 Lakh Tonnes of DAP, 4.80 Lakh Tonnes of MOP and 6.52 Lakh Tonnes of Complex fertilizer. Timely supply of the above quantity of fertilizers is most essential for better productivity.

It is proposed to cover 25.40 Lakh Ha. in Kharif Season 2011. DAP is a critical input to raise paddy nurseries and to apply as basal dose to all crops. The Government of India has allocated for Tamil Nadu 47,000 tonnes of DAP for the months of April and May 2011 but the supply was only 26,000 tonnes, leaving a shortfall of 21,000 tonnes of DAP. Even the allocation for the month of June, 2011, is less than promised. The total gap is around 22,000 tonnes up to June 2011.

In this regard, the Hon'ble Chief Minister has already written a letter to the Hon'ble Prime Minister on 23.5.2011 to ensure adequate supply of DAP and other fertilizers.

It is requested that the DAP shipment of 25,000 tonnes expected in Karaikal Port during this month may be allocated to Tamil Nadu State to meet the DAP requirements of Khariff season which is in full swing. We further request that the entire supply of allocated DAP for Kharif season may be ensured for higher food grain production in Tamil Nadu.

17. FUNDS FOR AGRICULTURE MECHANIZATION IN TAMIL NADU

This Government has embarked on an ambitious target of 115 lakh MT of food grain production taking advantage of the good water storage position in the reservoirs. The Kharif season has already begun and farming activities are in full swing. The South-West monsoon is expected to be normal and the water position in the reservoirs is comfortable. However, non-availability of farm labourers in sufficient numbers is the most critical limiting factor in achieving food production target. To realize the enhanced food grain production target, Tamil Nadu has taken a pioneering initiative in adopting the System of Rice Intensification (SRI) technology in a big way. Among other inputs, 5,000 seed drills, 30,000 power conoweeders and 30,000 paddy transplanters are essentially required.

In order to fulfill the felt need of the farmers, a **special package of 450 crores for farm mechanization** in areas where System of Rice Intensification has been taken up is requested.

18. RESTORATION OF ELIGIBILITY NORMS FOR ADMISSION TO ENGINEERING DEGREE COURSES

AICTE has prescribed new minimum eligibility norms for admission to Engineering courses both for Regular and Lateral Entry streams from the year 2011-2012 onwards. These norms are at variance with the norms fixed and adopted by the Government of Tamil Nadu. Till the academic year 2010-2011 the eligibility norms fixed by the AICTE are in conformity with that of the Government of Tamil Nadu.

The minimum eligibility marks now fixed by the AICTE is higher in the case of MBC, SC and ST as per the details given below:-

Community	State Government 2010 (%)	AICTE 2011-12 (%)	Variation (%)
O.C.	50	50	-
B.C.	45	45% for all reserved categories	-
MBC	40		5
SC/ST	Mere Pass		>10

These norms will adversely affect the MBC, SC and ST students for getting admission into Engineering Courses in Tamil Nadu. The same problem also exists in the admissions to Lateral Entry Schemes of Engineering courses.

Moreover, if the revised norms of AICTE are adopted, the eligibility of a large number of students among the deprived sections of Society may come down drastically. The youth from disadvantaged and rural areas will be deprived of the opportunity of pursuing higher studies in professional courses. In the case of SC / ST the steep increase in eligibility marks in the qualifying examination from a mere pass to 45% will stand as a barrier to thousands of youngsters aspiring to acquire professional qualifications and attain socio-economic progress. The *raison d' être* of having new colleges will be nullified by denying the opportunity of getting an engineering education to students belonging to SC/ST and other Backward Classes and students hailing from rural areas.

AICTE has not consulted the State Government which is a very important constitutional partner in the Higher Education Sector in arriving at the important decision of fixing higher minimum eligibility marks. It has also not given any justification.

In the interests of increasing engineering skills, full utilisation of already invested scarce capital and ensuring social justice, the norms have to be rolled back and the status quo ante of 2010-2011 has to be restored.

It is therefore requested that the norms prescribed by AICTE may be rolled back to the 2010-2011 position in respect of Tamil Nadu. The Government of Tamil Nadu may be permitted to follow the norms of the year 2010-2011 for Engineering Admissions in the State.

19. SUSPENDING THE THOOTHUKUDI – COLOMBO FERRY SERVICE

A regular Ferry Service between Thoothukudi and Colombo has been commenced on 13.6.2011. The Ferry Service, which had remained suspended from 1983, on the eruption of ethnic problems in Sri Lanka, has been resumed now at a most inopportune time.

In 2004, when the Government of India was planning to reintroduce the Ferry Service between Thoothukudi and Colombo, the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalithaa in her letter dated 3.8.2004 had strongly objected to this move, saying this would pose a great national threat. The Hon'ble Chief Minister had even at that time pointed out that, till a lasting peace with a durable political settlement was reached in Sri Lanka, the Ferry Service between the Tamil Nadu coast and Sri Lanka should not be thought of.

The Tamil Nadu Legislative Assembly has recently passed a Resolution urging the Government of India to initiate action by working with other nations for the imposition of an economic embargo on the Government of Sri Lanka, until the Tamils who are now living in camps are resettled in their own places and are allowed to live with dignity and with equal constitutional rights on par with the Sinhalese. This Resolution of the Tamil Nadu Legislative Assembly has been well received by all sections of the people of Tamil Nadu. Hence, resumption of the Ferry Service between Thoothukudi and Colombo at this stage will not be advisable and it will be against the sentiments of the people of Tamil Nadu.

It is also pertinent to point out that the present Government, which assumed office in May, 2011, has not been consulted in this regard.

The Hon'ble Prime Minister may, therefore, use his good offices to suspend the Ferry Service between Thoothukudi and Colombo.

20. BANNING THE EXPORT OF COTTON TO SAVE DOMESTIC TEXTILE INDUSTRY

Cotton remains the primary raw material for the textile industry and more specifically for the handloom weaving industry in Tamil Nadu. Out of 3012 spinning mills in India, 1931 mills are located in the State of Tamil Nadu. Out of 4350 million kgs of yarn produced, the share of Tamil Nadu is about 1619 million kgs constituting about 37% of the country's yarn production. The annual consumption of cotton by the mills is about 300 lakh bales and Tamil Nadu alone consumes 95 lakh bales whereas, the annual production of cotton in the State is 3 lakh bales only. Hence, the spinning mills of Tamil Nadu mainly depend upon the Northern States for their cotton requirements.

Due to the shortage of cotton in the international market, the price of cotton started increasing from April, 2009. During the year 2009-10 out of the total production of 290 lakh bales of cotton, 83 lakh bales were exported.

During this year, the annual cotton production was estimated at 329 lakh bales. After the announcement of 55 lakh bales for export during 2010-11, the price of cotton increased continuously and the total increase in price was 25% during August, 2010. Consequently, the price of cotton increased till April, 2011. Owing to the large exports of cotton this year and the drop in the international production of cotton, the price of cotton in the domestic market has gone up by almost 115% in April, 2011, compared to the previous year. This has resulted in the prices of yarn going up, leading to increase in the price of cloth. During this period, the price of cotton in the international market increased up to 182%.

Recently, the Group of Ministers has decided to allow an additional export of 10 lakh bales of cotton this year, thus allowing a total export of 65 lakh bales of cotton. This will result in further increase in the price of cotton in the near future.

The Cotton Advisory Board has estimated the cotton production in the year 2011-12 as 312 lakh bales. The estimated consumption during the year will be 300 lakh bales. With the additional 10 lakh bales of cotton export being allowed now, there will not be adequate cotton for spinning mills.

The present move to enhance the cotton export to 65 lakh bales will lead to a severe shortage of cotton and price hike in the domestic market. This will have an adverse impact on the spinning mills as well as the weaving industry in the State of Tamil Nadu.

The Hon'ble Prime Minister may ensure that the export of cotton is banned with immediate effect so that there is enough availability of cotton for domestic consumption.

J JAYALALITHAA
Chief Minister
Tamil Nadu