

GOVERNMENT OF TAMIL NADU

BUDGET

2025-26

Speech of Thiru. Thangam Thenarasu, Minister for Finance and Environment and Climate Change, Government of Tamil Nadu, presenting the Budget Estimates for the year 2025-26 to the Legislative Assembly on 14th March 2025.

Hon'ble Speaker,

I am honoured to present the Budget Estimates for the year 2025-26 before this esteemed Legislative Assembly, which has been the role model for the entire country for a century. I express my heartfelt gratitude to the Hon'ble Chief Minister for his guidance and suggestions in formulating this Budget, which will lay the foundation for the future development of Tamil Nadu, estimated to be the second largest economy in India.

2. I would like to begin my speech with the words of the eternal Saint Thiruvalluvar.

**சமன்செய்து சீர்தூக்குங் கோல்போல் அமைந்தொருபால்
கோடாமை சான்றோர்க்கு அணி**

(குறள் - 118)

To stand, like a balance-rod that level hangs and rightly weighs, with calm, equity of soul, is sages' praise.

(Kural - 118)

The entire nation admires and applauds the unwavering determination of our Hon'ble Chief Minister in safeguarding the welfare of Tamil Nadu, maintaining balance despite countless obstacles and leading us impartially on the path illuminated by Vanpugazh Valluvam.

3. Beholding the horizons of the Bay of Bengal for over a century, this edifice of legislative assembly as witness, I wish to recount the historic achievements of Tamil Nadu. The seeds of excellence in education, health, agriculture and industry in today's Tamil Nadu were sown a century ago in the Government of Justice party.

4. After independence, some states gave priority to poverty alleviation, while others laid emphasis on industrial development. But, it is Tamil Nadu alone that has succeeded in achieving a multi-faceted development in poverty alleviation, education, health, infrastructure and industrial development.

- When the country was inching towards the distant goal of providing basic education for all, we were the ones who established educational institutions in every village.
- Our initiatives of Mid-day Meal Programme, Nutritious Meal Programme and Breakfast Scheme, benefitting young children, have been widely

recognized and appreciated not only in India but also by countries around the world.

- At a time when the plans for power generation revolved around meeting the needs of large industries, we were concerned to provide electricity to the most remote villages.
- When the issue of removing slums was being discussed in the development of cities, we formed a separate board to provide modern housing to the poor and downtrodden urban inhabitants.
- Following the path set by the Madras Presidency, which became the first Indian province to give voting rights to women, Tamil Nadu entered the list of leading states which granted property rights to them.
- By unflinchingly following the bilingual policy, Tamil Nadu not only preserved the Tamil culture but also empowered its youth with English proficiency, to rise with strength on the global stage with their unquenchable thirst for knowledge and success.

5. As the renowned French economist Thomas Piketty observed, *"Inequality is a choice, but we can choose a different path"*. The path that Tamil Nadu chose

over the past century is truly unique. Its journey—marked by a steadfast commitment to humanity, social justice, inclusive economic growth, women’s empowerment, the upliftment of marginalized communities, and the celebration of Tamil heritage—is a historic one.

6. Our pride in the remarkable success of this hundred-year journey reinforces the need to move forward towards future development with even greater determination, overcoming all obstacles. As a guiding compass for our journey in the coming years, I would like to remind Tamils across the world, through the members of this Assembly, of two achievements of Muthamizh Arignar Kalaighnar a quarter of a century ago. While the world was immersed in the celebration of the dawn of a new millennium, Muthamizh Arignar Kalaighnar etched a profound message in history—raising a statue of Vanpughazh Valluvam at Kanyakumari, and in the same year, inaugurating the TIDEL IT Park in Chennai. Our heartfelt gratitude to Muthamizh Arignar Kalaighnar, the architect of modern Tamil Nadu, who stands today in this Assembly through this painting, reminding us that our path forward must be guided by two pillars—the ever-rising pride of Tamil heritage and the enthusiastic embracement of cutting-edge technology.

7. By tracing the footprints of the past century, we must chart a visionary course for the next 25 years. Challenges that lie ahead of us must be addressed with scientific temper and technology-driven solutions. While carefully shaping the rapid urbanization in Tamil Nadu, proactive efforts are needed to attain new heights in agricultural production and exports through adoption of modern technologies. In the age of Artificial Intelligence, skill development of youth needs to be given due attention. Industries creating large scale employment opportunities should be set up across the State. While creating modern infrastructure facilities, efficient utilization of green energy resources must also be ensured. A historic need has arisen to immediately formulate a comprehensive action plan for Tamil Nadu to expedite the pace of development to be at par with developed countries.

Hon'ble Speaker Sir,

8. It is the visionary ideals of Perarignar Anna that have guided this Budget in laying a strong foundation for Tamil Nadu's progressive journey in the years ahead. I take this opportunity to recall the insightful observations of Perarignar Anna, who as the then Finance Minister, delivered a landmark Budget speech for the financial year 1968-69.

"With the radical change in our ideas on the role of Government in a modern society, the budget has, for quite some time now, ceased to be a mere statement of receipts and expenditures of Government. It is highly looked upon as a potent instrument for the attainment of the objectives and ideals of the Government in whom the people, exercising their democratic choice, have reposed their confidence".

Following in the path of Perarignar Anna, we have made great efforts to use this Budget as a tool to safeguard the people's welfare and to lay a strong foundation for Tamil Nadu's future development.

Tamil Development

9. "வள்ளுவன் தன்னை
உலகினுக்கே தந்து
வான்புகழ் கொண்ட
தமிழ்நாடு"

"Tamil Nadu earned eternal glory, by dedicating Valluvar to the world, the embodiment of wisdom and universal brotherhood".

The Tamil community across the globe recently celebrated the silver jubilee of the towering statue of Saint Thiruvalluvar, which stands tall as an embodiment of peace amidst the roaring waves at Kanyakumari,

eternally guiding the Tamil community. At this momentous occasion, our Hon'ble Chief Minister was delighted to declare that the monumental statue erected by Muthamizh Arignar Kalaignar, which shall stand as long as there are seas and mountains on this earth, be named as '**The Statue of Wisdom**'.

10. It is our bounden duty to propagate across the world the profound principles of life in Thirukkural, which is acclaimed as a universal scripture. Thirukkural has been translated into 28 Indian languages and 35 world languages so far through the persistent efforts of scholars and the initiatives of numerous educational institutions. At the recently concluded Chennai International Book Fair, international publishers have come forward to translate the Thirukkural into 28 different Asian, African and European languages. Subsequently, when Thirukkural is translated into 45 additional world languages, it will achieve the distinction of being translated into all official languages of 193 member nations recognized by the United Nations. To fulfill this noble objective of spreading Vanpughazh Valluvam's fame across the globe, the Tamil Nadu Textbook and Educational Services Corporation, in collaboration with other educational institutions, will complete this translation project within the next three years and a sum of Rs.133 lakh has been allocated for this purpose.

11. Further, as the first step towards the grand initiative of making acclaimed Tamil literary works accessible in international languages, 500 select Tamil literary masterpieces will be translated into English. This grand project will be executed in collaboration with over 20 leading national and international publishing houses under the aegis of the Tamil Nadu Textbook and Educational Services Corporation. Accordingly, 100 books will be translated annually and 500 books will be translated into English in the next five years. An initial allocation of Rs.10 crore has been made for this purpose.

12. In line with the rapid advancements in technology, a sum of Rs.2 crore will be allocated to enable instant publication of Tamil translations of advanced technical textbooks, including those in medicine and engineering, using machine translation technology, under the guidance of domain experts. Furthermore, for the digitization of ancient Tamil palm-leaf manuscripts, rare publications, and the handwritten records of eminent personalities, an amount of Rs.2 crore has been allocated in the coming financial year.

13. As part of our efforts to disseminate and democratize knowledge, the Chennai International Book Fair conducted for the past three years, and similar book festivals held in all district headquarters, are being widely

appreciated across the country. In the next phase, Tamil book fairs will be conducted from this year onwards, not only in other major Indian metropolitan cities such as New Delhi, Mumbai, Bengaluru, Kolkata, and Thiruvananthapuram, where Tamils reside in significant numbers, but also in foreign countries, particularly in cities like Singapore, Kuala Lumpur, and Dubai. An amount of Rs.2 crore has been allocated for this purpose.

14. To systematically introduce Tamil heritage to the younger Tamil generations living abroad, a sum of Rs.10 crore has been allocated for conducting in-person classes through Non-Resident Tamils' Welfare Board, engaging 100 Tamil teachers and artists to teach Tamil language and folk arts.

15. With the aim of disseminating the glory of classical Tamil and the excellence of Tamil culture among Tamil youths across the globe, the '**World Tamil Olympiad**' competition will be held every year with a computer-based examination format enabling participation of school students not only from Tamil Nadu but also from other Indian cities and Tamil centres around the world. To honour students with awards who excel at the global level, and those who secure top positions at the national and state levels, an amount of Rs.1 crore has been allotted.

16. Recognizing that India is a confluence of diverse languages, the '**Agaram – Museum of Languages**' will be established at the Madurai World Tamil Sangam campus to educate the younger generation about the antiquity and continuity of Tamil, one of the world's oldest independent classical languages. This museum will feature invaluable records supported by advanced technological facilities, highlighting the linguistic relations between Tamil, the oldest language of the Dravidian family, and other Indian languages. It will also showcase records of the languages spoken by South Indian tribal communities and the evolution of Tamil from rock paintings to inscriptions, prints, and Tamil computing.

Culture

17. Our Government is working tirelessly to establish the antiquity of Tamil culture not only in the field of literature and history, but also through archaeological excavations in a scientific manner that is accredited by the academic community.

18. "**Iron smelting technology was introduced in the Tamil region as early as 5,300 years ago**" – This historic revelation was recently announced by the Hon'ble Chief Minister of Tamil Nadu, based on research findings from world-renowned laboratories on the evidences unearthed from various Iron

Age archaeological sites in the State. The findings of these studies have been widely welcomed and appreciated by the world's leading archaeologists and technical experts at the national level. The members of this assembly are well aware that Tamils worldwide celebrated with immense pride and joy upon learning of these research findings, which highlighted the antiquity of iron and the technological prowess of ancient Tamils. At this juncture, let us recall and assert with iron strength the historic proclamation made by Hon'ble Chief Minister in this assembly three years ago: "***The history of the Indian subcontinent must now begin to be written from the land of Tamil***".

19. In continuation of this effort to showcase the excellence of Tamil culture to the world, archaeological excavations in Tamil Nadu will be carried out at Keezhadi in Sivaganga district, Pattanamarudur in Thoothukudi district, Karivalamvanthanallur in Tenkasi district, Nagapattinam in Nagapattinam district, Manikkollai in Cuddalore district, Adichanur in Kallakurichi district, Vellalur in Coimbatore district, and Thelunganur in Salem district in the coming financial year 2025-26. The journey in search of the cultural identities of ancient Tamils has also expanded to the neighbouring states of Palur (Odisha), Vengi (Andhra Pradesh) and Maski (Karnataka).

20. The archaeological artifacts unearthed during excavations will undergo advanced technological analyses, including Ancient DNA analysis, Metallurgical analysis, Micro Botany, Pollen analysis, Optically Stimulated Luminescence (OSL) dating, and Ceramic Technology, in collaboration with world-renowned research institutions. A sum of Rs.7 crore will be earmarked for archaeological excavations and scientific research in the coming financial year.

21. Furthermore, a series of deep-sea archaeological excavations along the coast of Tamil Nadu are planned to bring out the maritime trade excellence of the ancient Tamils with Southeast Asia, the Mediterranean region, the Arabian Peninsula, and the Roman Empire. In the first phase, a comprehensive deep-sea excavation will be carried out this year from Kaveripoompattinam to Nagapattinam, in consultation with renowned archaeologists and supported by leading technological institutions.

22. This Government firmly believes that showcasing the archaeological artifacts unearthed across Tamil Nadu through state-of-the-art museums equipped with advanced technological facilities will effectively proclaim the glory of Tamil culture to the world in a befitting manner. In this regard, focusing on the

Kodumanal excavations, a '**Noyyal Museum**' will be established in Erode district at an estimated cost of Rs.22 crore, and to highlight the maritime trade excellence of the Pandyas during the Sangam period, a '**Naavaai Museum**' will be established in Ramanathapuram district at an estimated cost of Rs.21 crore.

23. An 'Indus Valley Cultural Gallery' will be established at the Egmore Museum in Chennai to commemorate the centenary of the Indus Valley Civilization discovery. Moreover, with a view to showcasing the uniqueness of antiquity and continuity of Tamil heritage to tourists visiting Tamil Nadu from other states and around the world, Tamil Cultural Museums will be created in Mamallapuram and Thiruvannamalai.

24. The Egmore Museum houses over two thousand bronze statues, meticulously crafted from Aimpon (an alloy of five metals) by the great master artisans of the past. To showcase these sculptural masterpieces that are renowned for their serene expressions, elegant postures, and intricate mudras, a gallery with traditional architectural design will be constructed within the museum complex at an estimated cost of Rs.40 crore, ensuring an immersive experience that will captivate the international visitors.

Rural Development

25. The '**Kalaigñar Kanavu Illam**' scheme was launched last year to honour the Muthamizh Arignar Kalaigñar's compassion for the rural poor living in thatched huts and his vision of creating a hut-free Tamil Nadu. The scheme was launched with the aim of constructing 8 lakh concrete houses in rural areas of Tamil Nadu by 2030. The construction of 1 lakh houses, which commenced last year, is progressing rapidly across all districts. Building on this effort, an additional 1 lakh houses will be taken up for construction in 2025-26 at a cost of Rs.3,500 crore.

26. Under the '**Mudhalvarin Grama Salaigal Membattu Thittam**' (MGSMT) scheme, which was introduced with the aim of creating quality road facilities to reach even the remotest hamlets of Tamil Nadu, a length of 6,100 kilometers of rural roads will be improved at a cost of Rs.2,200 crore in 2025-26. Further, for the continuous maintenance of village panchayat and panchayat union roads, funds from the State Finance Commission Grants will be allocated and a sum of Rs.120 crore will be released in the year 2025-26.

27. The Government has decided to reconstruct new houses in lieu of dilapidated houses built for marginalized sections of the society in rural areas under

various schemes prior to 2001, which are beyond repair now. Under this scheme, 25,000 new houses will be constructed in the year 2025-26 at an estimated cost of Rs.600 crore.

28. With the aim of providing various basic facilities to all hamlets of Tamil Nadu and to make them self-sufficient, works at an estimated cost of Rs.1,087 crore will be carried out in 2,329 village panchayats under the 'Anaithu Grama Anna Marumalarchi Thittam-II' in the year 2025-26.

29. Tamil Nadu has been a leading state in implementing the Mahatma Gandhi National Rural Employment Guarantee Scheme. In 2023-24, the state achieved 40.87 crore person-days, with an expenditure of Rs.13,392 crore. However, for the year 2024-25, Rs.3,796 crore is yet to be released by the Union Government, including Rs.2,839 crore for wages for workers who worked between 27-11-2024 and 11-03-2025 and Rs.957 crore for material component. The Government of Tamil Nadu has been consistently urging the Union Government to release these pending dues at the earliest.

30. In the Budget Estimates, a sum of Rs.29,465 crore has been allocated for the Rural Development and Panchayat Raj Department.

Municipal Administration

31. With the aim of providing essential amenities such as drinking water connections, public health facilities, link roads, street lights, modern electric crematoria, libraries, computer-equipped knowledge centres, and other basic social infrastructure in urban areas, works worth Rs.4,132 crore have been undertaken under the **'Kalaingar Nagarpura Mempattu Thittam'** over the last four years. Further, in the coming financial year, an amount of Rs.2,000 crore has been allocated to complete the works sanctioned under this scheme.

32. In the year 2025-26, roads measuring a length of 6,483 km in all Corporations, Municipalities and Town Panchayats in Tamil Nadu will be upgraded at an estimated cost of Rs.3,750 crore by converging various funds. Under this scheme, in particular, roads to an extent of 570 km will be taken up at a cost of Rs.486 crore in Greater Chennai Corporation, Rs.200 crore in Coimbatore Corporation and Rs.130 crore in Madurai Corporation.

33. To address the growing traffic congestion in Chennai due to the significant increase in vehicular movement, several infrastructure projects are being implemented. One such project is the flyover connecting Velachery Bypass Road to Gurunanak College Junction, for a length of 3 km which will be constructed at an estimated

cost of Rs.310 crore, benefiting around 7 lakh residents in Velachery and Guindy. Similarly, a railway flyover at Korukkupet will be developed by Greater Chennai Corporation, in collaboration with the Ministry of Railways at an estimated cost of Rs.70 crore, benefiting over one lakh people in the area.

34. Under the Integrated Solid Waste Management Project of the Greater Chennai Corporation, a Bio CNG plant, a composting plant, an Automatic Material Recovery Facility, a plant for generation of 21 MW of electricity from solid waste will be commenced in Kodungaiyur dump yard at an estimated life-cycle cost of Rs.3,450 crore. Similarly, for efficient solid waste management and power generation, a Waste to Energy Plant will be set up in the Tambaram Corporation benefitting the Municipalities and Town Panchayats adjacent to the Greater Chennai and Tambaram Corporations. Under this initiative, 1,500 tons of non-recyclable solid waste will be processed with electricity generation capacity of 15 - 18 MW.

35. To provide a clean and green living environment to the people living in urban areas, the Adyar River Restoration and Beautification Project has been taken up at an estimated cost of Rs.1,500 crore in collaboration with private partners. The first phase of

this project, scheduled for completion within 30 months, will prioritize the works between Saidapet and Thiru.Vi.Ka. Bridge, with these tasks expected to be completed within 15 months. Additionally, seven climate-resilient Sponge Parks will be set up across Chennai Metropolitan area at an estimated cost of Rs.88 crore.

36. Furthermore, riverside development works such as sewage treatment plants, footpaths, street lights, modern toilets, children's park and other modern facilities for the use of public will be commenced in Trichy, Madurai, Erode, Coimbatore and Tirunelveli Corporations at an estimated cost of Rs.400 crore in the ensuing financial year. These projects will prevent direct discharge of sewage of the corporation areas located on the banks of Cauvery, Vaigai, Noyyal and Thamirabarani rivers in Tamil Nadu.

37. At present, the Greater Chennai Corporation receives drinking water from five water treatment plants and three seawater desalination plants. Each plant is designed to supply specific areas of the city through separate main pipelines. Thus, when required, surplus water from one area cannot be diverted to another area where there is a shortage. To address this issue, a new project, '**Ring Main Pipeline Project**', will be

implemented for connecting all the water distribution stations to ensure equitable distribution of water supply to all the water distribution stations in Chennai city. This project will be implemented over the next three years at an estimated cost of Rs.2,423 crore to ensure balanced water supply.

38. To support urban infrastructure projects and provide key basic facilities in urban areas, efforts are underway to mobilize additional financial resources through Municipal Bonds to the extent of Rs.200 crore for the Greater Chennai Corporation, Rs.120 crore for the Coimbatore Corporation, Rs.100 crore for the Trichy Corporation, and Rs.100 crore for the Tiruppur Corporation.

39. The need has now arisen to renovate and revive those Combined Water Supply Schemes (CWSS) that are in operation for more than forty years under the Tamil Nadu Water Supply and Drainage Board. With the aim of replacing inefficient electric pumps and pipes, renewing water sources where necessary, and enhancing the overall efficiency of the schemes, retrofitting works in a total of 102 such schemes will be undertaken at an estimated cost of Rs.675 crore this year. This will ensure consistent water supply in these scheme areas for the next fifteen years.

40. The following Combined Water Supply Schemes will be implemented on priority basis through Tamil Nadu Water Supply and Drainage Board in the coming year 2025-26:

- In Pudukottai district, a CWSS will be implemented at a cost of Rs.1,820 crore, benefitting 4.07 lakh people in Pudukottai Corporation, Aranthangi Municipality and 526 rural habitations.
- In Mayiladuthurai district, a CWSS will be implemented at a cost of Rs.2,200 crore, benefitting 11.22 lakh people in Mayiladuthurai and Sirkazhi Municipalities, Tharangampadi, Manalmedu and Kuthalam Town Panchayats and 1,042 rural habitations.
- In Tenkasi district, a CWSS will be implemented at a cost of Rs.864 crore, benefitting 5.64 lakh people in Kadayanallur Municipality and 493 rural habitations.
- In Thoothukudi district, a CWSS will be implemented at a cost of Rs.370 crore, benefitting 1.3 lakh people in 639 rural habitations.
- In Tiruppur district, a CWSS will be implemented at a cost of Rs.890 crore,

benefitting 4.91 lakh people in 1,252 rural habitations.

- In Erode district, a CWSS will be implemented at a cost of Rs.374 crore, benefitting approximately 92,000 people in 214 rural habitations.
- In Tiruvallur district, a CWSS will be implemented at a cost of Rs.150 crore, benefitting approximately 76,000 people in 138 rural habitations.

41. In the Budget Estimates, a sum of Rs.26,678 crore has been allocated for the Municipal Administration and Water Supply Department.

Balanced Growth

42. The Government is implementing the '**Vada Chennai Valarchi Thittam**' to promote balanced growth in Chennai. As part of this initiative, various development projects including the construction of a bus stand, provision of housing facilities, enhancement of drinking water, educational, and medical infrastructure, improvement of lakes, ponds, and beaches, establishment of a fish market, gym, parks, sports facilities, construction of electric crematoria, upgradation of electricity substations and transformers, setting up of polytechnic

colleges and provision of skill development training are being undertaken at an estimated cost of Rs.6,858 crore.

43. Tamil Nadu is a State which is experiencing one of the highest rates of urbanization, along with the challenges that come with it. As people migrate from various parts of the state to cities, particularly Chennai, Coimbatore, Tiruppur, Trichy and Madurai, urban local bodies are allocating additional funds to provide essential infrastructure such as roads, drinking water, street lighting, sewage disposal, public transport, education, and healthcare facilities in newly expanded areas to accommodate the growing population. However, urban planning experts suggest that rather than expanding cities in a sporadic manner, developing integrated new cities would be a more effective approach to meet public needs. Accordingly, in the first phase, a new city will be developed near Chennai spread over an extent of 2,000 acres.

44. The new city will feature IT parks, Fin-Tech trade zones, research and development centres, high-tech companies, banking and insurance firms, shopping complexes, trade centres, and conference halls, along with educational and healthcare facilities provided by both public and private sector institutions. This city will include multi-storeyed residential buildings catering to upper-income, middle-class, and lower-income groups,

as well as extensive road networks, IT and green energy systems, co-working spaces, and recreational infrastructure such as urban squares and parks. To ensure seamless connectivity with Chennai, proper road networks, express bus services, and metro rail extensions will be developed. The works for the first phase of the 'Global City' project, offering world-class facilities, will be commenced by TIDCO soon.

Women Welfare

45. Guided by the principle of gender parity – 'ஆண்களே போல் பெண்கள்' (Women are equal to Men), the Government of Tamil Nadu is implementing various pioneering schemes for the welfare of women. Following the path of Muthamizh Arignar Kalaigarnar who gave property rights to women, reservation for women in education, employment and local bodies, our Honble Chief Minister has implemented various innovative measures for the upliftment of women in the last four years.

46. One of the first five orders signed by the Hon'ble Chief Minister of Tamil Nadu on the very first day of assuming office was the launch of the landmark '**Vidiyal Payanam**' scheme to provide free bus travel to women. This initiative has received an overwhelming response from women across the state, with the

percentage of women ridership rising from 40 per cent to 65 per cent. On an average, 50 lakh women travel daily in the buses run by State Transport Undertakings, leading to a total of 642 crore trips so far. Notably, a study by the State Planning Commission revealed that women save an average of Rs.888 per month due to this initiative. For the year 2025-26, the Government has allocated a subsidy of Rs.3,600 crore for the scheme in the Budget Estimates.

47. Hailed as the crowning jewel of all women's welfare initiatives, the '**Kalaignar Magalir Urimai Thittam**' provides a monthly assistance of Rs.1,000 directly into the bank accounts of 1.15 crore women. For the beneficiaries, this financial support not only eases daily expenses but also contributes to meaningful savings. Women heads of households who are eligible but have not yet received the Magalir Urimai Thogai will soon have an opportunity to apply for the scheme. To safeguard women's welfare, a sum of Rs.13,807 crore has been allocated for this scheme in the Budget Estimates.

48. Under the Moovalur Ramamirtham Ammaiyar Puthumai Penn Thittam, launched to promote higher education among girls from economically disadvantaged sections, 4.06 lakh girl students currently receive a monthly assistance of Rs.1,000. I am proud to inform this

esteemed House that since the implementation of this scheme, the enrolment of girls in higher education institutions has increased by 19 per cent this year, with an additional 40,276 students joining higher educational institutions. A sum of Rs.420 crore has been allocated for the implementation of this scheme in the coming financial year.

49. Thirty-six years ago, the seeds of the Self-Help Group (SHG) mission were sown in Dharmapuri District with a vision by Muthamizh Arignar Kalaignar. Today, this initiative has grown into a nationwide movement, improving the lives of crores of women across the country. The Government continues to implement various schemes to encourage savings among women, provide skill development opportunities, and empower them as entrepreneurs, ensuring their rightful place in society. Currently, 4.76 lakh Mahalir Thittam Self-Help Groups are functioning in Tamil Nadu. In furtherance of this, 10,000 new SHGs will be formed in the next financial year to include women from marginalized sections who have not yet been part of the SHG network. Furthermore, a target has been set to provide bank loans of Rs.37,000 crore to Self-Help Groups in the coming financial year.

50. One of Tamil Nadu's standout flagship schemes, the '**Thozhi**' working women's hostels are successfully functioning in 13 places including Tambaram and Trichy, benefitting 1,303 working women. Furthermore, such hostels will be constructed in 10 more places including Kanchipuram, Erode, Karur and Ranipet in the next financial year at an estimated cost of Rs.77 crore, benefiting 800 women. With the aim of ensuring the safety of working women, Tamil Nadu is steadily progressing toward the goal of establishing hostels in every district, setting an example for the entire nation.

51. Recognizing the need for quality and safe hostel facilities for girl students from remote areas of Tamil Nadu who move to big cities to realize their dreams of pursuing higher education, the Government has planned to establish three girl student hostels with modern facilities in Chennai, Coimbatore and Madurai in the upcoming financial year. Each hostel will accommodate 1,000 girl students and will be built at an estimated total cost of Rs.275 crore. Preference will be given to Backward Classes, Most Backward Classes, Scheduled Caste, Scheduled Tribes and Minority students in admission to these hostels which will be maintained by the Tamil Nadu Working Women's Hostels Corporation Limited.

52. Tamil Nadu is a frontrunner in the country in successful implementation of several innovative schemes for the welfare of the third gender. To ensure their socio-economic development and success in life, it is essential for them to pursue higher education. Therefore, the scheme of providing a monthly scholarship of Rs.1,000 to students pursuing higher education under the Puthumai Penn and Tamil Puthalvan Scheme will be extended to them as well.

53. This Government firmly believes that a dignified life can be ensured only by creating awareness among transgenders and providing them with equal opportunities in employment. As a pioneering measure towards this noble objective, it has been planned to provide transgenders with appropriate training and induct them in the Home Guard Force to carry out tasks such as traffic management and crowd control during festival seasons. In the first phase, this pilot project will be implemented with 50 transgenders in Chennai, Tambaram and Avadi cities. The remuneration, training and uniform will be provided to them on par with the Home Guards. Through this pioneering initiative, a dignified life will be ensured for the transgenders, affording them an opportunity to integrate with the mainstream society.

Welfare of Senior Citizen

54. Old age is an inevitable stage of human life, and is often accompanied by challenges of loneliness, medical care, and financial dependency. To ensure the overall well-being of senior citizens, 25 '**Anbucholai**' centres will be established in Municipal Corporations, including Madurai, Coimbatore, Trichy, Salem, Tiruppur, Erode, Thoothukudi, Vellore, Thanjavur, and Dindigul, with a financial allocation of Rs.10 crore. In these day care centres, the elderly can engage in companionship and meaningful activities. Each 'Anbucholai' centre will provide various services, including day-care assistance, arrangements for essential medical care, and recreational activities, with the support of voluntary organizations.

Child Welfare

55. பசிப்பிணி மருத்துவன் இல்லம்
அணித்தோ? சேய்த்தோ? கூறுமின், எமக்கே.
(Purananuru-173)

A chieftain from the Sangam era is revered as a physician who cured hunger because he fed the poor and needy. Following in that tradition, many leaders who led the Tamil community from time to time have introduced many pioneering schemes to eradicate poverty and protect the educational interests of students. In continuation of this, '**The Chief Minister's Breakfast Scheme**'

was launched with the noble vision of the Hon'ble Chief Minister, who declared, "**We will make any sacrifice to make school education accessible, make learning enjoyable, and ensure that no child is hungry while in school**". Currently, this scheme benefits 17.53 lakh students from classes one to five in 30,992 Government schools and 3,995 Government-aided schools located in rural areas of Tamil Nadu. Studies have shown that the attendance levels of students and their nutrition and learning abilities have improved significantly following the implementation of this scheme. This historic scheme, which is the first initiative of its kind in the country, will be further expanded in the next academic year to include Government aided schools in urban areas also, thus benefitting an additional 3.14 lakh students enrolled from class I to class V. A sum of Rs.600 crore has been allocated for its implementation in the coming financial year.

56. Further, to ensure essential facilities in Anganwadi Centres, new buildings will be constructed for 500 centres currently operating in rented premises at an estimated cost of Rs.83 crore in the upcoming financial year. A sum of Rs.3,676 crore will be allocated for the Integrated Child Development Scheme in the Budget Estimates 2025-26. In the Budget Estimates, a sum of Rs.8,597 crore has been allocated for the Social Welfare and Women Empowerment Department.

School Education

57. ***“Today’s buds are flowers of the future; Today’s children are the future guardians of our culture; Their prosperity depends on the co-operation of the men, women and Government”.***

- Keeping in mind these words of Muthamizh Arignar Kalaingar from the 1971-72 budget, our Government is implementing several pioneering initiatives. Under the School Development Scheme, named after Perasiriyar Anbazhagan, a distinguished educationist who made significant contributions to the advancement of education in Tamil Nadu, an amount of Rs.1,000 crore will be allocated in 2025-26. This funding will support the development of essential infrastructure, including additional classrooms, science laboratories, and drinking water facilities in Government schools.

58. This Government is continuously taking steps to modernize the teaching and learning environment by introducing advanced technology to students. In 2025-26, computer labs will be upgraded in 2,000 schools at an estimated cost of Rs.160 crore and 880 hi-tech laboratories in schools, with a large number of students, will be upgraded at an estimated cost of Rs.56 crore. Further, smart classrooms will be setup in 2,676 Government schools in 2025-26 at an estimated cost of Rs.65 crore.

59. In the year 2025-26, a total of 1,721 postgraduate teachers and 841 graduate teachers will be appointed through direct recruitment. The Teachers Recruitment Board will soon release the necessary recruitment notification for this process.

60. With the noble objective of empowering Government school students to become high achievers, several awareness programs and specialized training on higher education are being conducted. Over the past two years, 780 Government school students have gained admission to prestigious institutions in India, such as the Indian Institute of Technology (IIT) and the National Law University (NLU). Additionally, 12 students are currently pursuing their studies in foreign universities with full scholarships.

61. Building on this initiative, the Government will undertake firm steps through '**Naan Mudhalvan-Kalloori Kanavu**', to ensure that students across Tamil Nadu are well-informed about scholarship opportunities for graduation courses in over 350 premier educational institutions in India and foreign universities across 20 different fields of study. In the first phase, awareness programs and specialized training on higher education will be introduced in 500 Government schools spread across all 388 panchayat unions in the state. This initiative will

not only benefit students in these 500 schools but also those from nearby Government schools. With the implementation of this scheme, one lakh Government school students from classes 9 to 12 will benefit in the initial phase. Furthermore, it is anticipated that at least 2,000 Government school students will gain admission to prestigious higher educational institutions across India, reaching greater heights each year under this scheme. An allocation of Rs.50 crore has been made for this initiative in this Budget.

62. Under the 'Samagra Shiksha' scheme, the State Government has been successfully implementing various student welfare schemes for the past seven years. Notably, initiatives such as the 'Ennum Ezhuthum Thittam' to ensure foundational literacy, special education for differently-abled children, transport allowances for students from remote areas, salary for teachers, guidance for higher education to shape students' future, art festivals to nurture unique talents, educational tours and infrastructure development, including internet facilities in schools, are in progress.

63. However, as the Hon'ble Members of this august House are aware, the Union Government has withheld the approved amount of Rs.2,152 crore to Tamil Nadu, citing the State's non-acceptance of the Union

Government's New Education Policy, which includes the three-language policy. Despite this, keeping in mind the welfare of students, the State Government has allocated funds, including salaries of teachers, from its own resources to ensure that the education of Government school students remains unaffected, even in the slightest way.

64. Even at this critical juncture, the people of Tamil Nadu have wholeheartedly rallied behind the Hon'ble Chief Minister for upholding the dignity of the State by standing firm on the bilingual policy, even at the cost of foregoing two thousand crore rupees. I would like to recall the powerful words of Pavendar Bharathidasan to inspire the people of Tamil Nadu as they stand firmly behind the Hon'ble Chief Minister, with unwavering determination, despite all obstacles.

“ தமிழர்க்குத் தொண்டு செய்யும்
தமிழனுக்குத் தடை செய்யும்
நெடுங்குன்றும் தூளாய்ப் போகும்”.

“Any opposition to a Tamilian to work for the betterment of Tamil community will eventually crumble and fail even if it is a mighty mountain”

65. To promote the welfare of people living in remote hilly areas and reduce the dropout rate among tribal students, the Government is making continuous efforts to ensure access to higher education closer to their homes. As part of this initiative, 14 high schools in remote hilly regions, including Pappireddipatti in Dharmapuri district, Sathyamangalam and Thalavadi in Erode district, Chinnasalem and Kalvarayan hills in Kallakurichi district, Thally in Krishnagiri district, Kotagiri in the Nilgiris district and Jawadhu hills in Tiruvannamalai district will be upgraded to higher secondary schools.

66. The Kalaingar Centenary Library at Madurai has attracted more than 15 lakh readers so far. Following this, the works for construction of mega libraries at Coimbatore and Trichy are in progress. As the next step in dissemination of knowledge, new libraries—each housing 1 lakh books, along with conference hall facilities—will be established in Salem, Cuddalore, and Tirunelveli for the benefit of public and candidates preparing for competitive examinations.

67. In the Budget Estimates, a sum of Rs.46,767 crore has been allocated for the School Education Department.

Higher Education

68. The journey of the College of Engineering, Guindy has a long history, beginning from the Madras School of Survey, which was started 231 years ago (1794) with 12 students to fulfill the need of training the natives to survey the Coromandel Coast for the British East India Company, to becoming an Engineering College in 1859. Anna University, which has been functioning for the past 47 years, stands as one of the premier educational institutions in the country. A roadmap will be drawn up to make Anna University - considered the dream destination for students of Tamil Nadu to pursue technology as their career - among the top 10 institutions in the country and top 150 in the global QS rankings, within the next five years.

69. Under this initiative, smart classrooms, state-of-the-art technology labs, new research and development centres, start-up parks, and virtual labs will be established with the support of leading technology companies. To enhance the learning and teaching experience, leading technical experts and foreign professors will be engaged in special short-term research programs of up to three months. New schemes will be introduced to strengthen the research of PhD and post-doctoral students. Selected students will be given the opportunity to pursue co-curricular courses in collaboration with the world's top

universities. With modern hostels, a conducive sports environment to nurture elite athletes, and a green space where all living beings peacefully coexist, this Government will take all necessary steps to position Anna University among the premier institutions in Asia.

70. To turn this vision into reality, various initiatives will be undertaken over the next five years with contributions from the Government, university funds, alumni, and industry, at an estimated cost of Rs.500 crore.

71. To mitigate the fiscal constraints faced by State Universities, block grant will be enhanced to Rs.700 crore. Further, to enhance academic performance, strengthen research and development, provide continuous teacher training, modernize the curricula, reform the examination system and administration in State universities across Tamil Nadu, a dedicated corpus fund of Rs.200 crore will be established.

72. Global Capability Centres and manufacturing industries will be provided incentive grants to conduct research in product design, development and innovation in collaboration with State Universities, Colleges and Research Centres. For this purpose, an amount of Rs.25 crore has been allocated towards setting up of Industrial Research and Innovation Fund which will facilitate Industry-Academia Partnership.

73. To meet the evolving technological advancements and industry demands in Government Engineering Colleges across Tamil Nadu, new degree courses in emerging fields such as Artificial Intelligence, Cyber Security, Advanced Manufacturing Technology, Robotics, Electric Vehicles Technology and Environmental Engineering will be introduced from the next academic year. To effectively implement these modern technological courses, Centres of Excellence will be established in Government engineering colleges in collaboration with leading industries at an estimated cost of Rs.50 crore.

74. Similarly, new diploma courses in Smart Manufacturing Technology, Cyber Security and Networking, Food Technology, Renewable Energy Technology, and Drone Design and Application will be introduced in Government Polytechnic Colleges.

75. An additional 15,000 seats will be introduced for the first and second shifts in the most sought-after courses in Government Arts and Science Colleges from the upcoming academic year. A sum of Rs.15 crore has been allocated towards infrastructure and human resources to support this initiative.

76. Tamil Nadu continues to be at the forefront in higher education enrolment across the country. To further strengthen this position, the Government is implementing

various initiatives to ensure continued access to quality higher education for college students. Under the Perunthalaivar Kamarajar College Development Scheme, infrastructure facilities such as smart classrooms, modern laboratories, e-libraries, and student hostels will be developed in all Government Polytechnic Colleges, Government Arts and Science Colleges, Government Engineering Colleges, and Anna University-affiliated colleges across Tamil Nadu at an estimated cost of Rs.300 crore in the financial year 2025-26.

77. In the year 2021-22, a 7.5 per cent reservation was introduced for Government school students in professional courses, including engineering and agriculture. The Government fully covers the entire educational expenses of these students, including tuition fees, hostel fees, and transportation costs. Under this scheme, an amount of Rs.550 crore has been allocated in the coming financial year to cover the tuition fees of 41,038 students currently enrolled in various professional courses.

78. Due to the pioneering schemes like Pudhumai Penn and Tamil Pudhalvan, the enrolment of students in higher education in Tamil Nadu has been increasing continuously. To meet these needs, new Government Arts

and Science Colleges will be started in Coonoor in the Nilgiris district, Natham in Dindigul district, Alandhur in Chennai district, Vikravandi in Villupuram district, Cheyyur in Chengalpattu district, Manamadurai in Sivagangai district, Muthupettai in Tiruvarur district, Tiruvidaimaruthur in Thanjavur district, Perambalur in Perambalur district and Ottapidaram in Thoothukudi district.

79. With the goal of fostering scientific thinking among students and continuously introducing new technological advancements to the younger generation, a state-of-the-art Chennai Science Centre will be established in collaboration with the Singapore Science Centre. This centre will feature true-to-life miniature models covering science, technology, engineering, and mathematics (STEM) fields, along with exhibits on space and astronomy. The grand '**Chennai Science Centre**' will be developed with world-class facilities, including a children's science park, modern astronomical telescope installations, digital experience theatres for shows on deep-sea creatures and planetary movements, science conference halls, and greenscapes for visitors. This initiative will be implemented in partnership with Chennai Metropolitan Development Authority and the Government at an estimated cost of Rs.100 crore.

80. Basic sciences are the root and foundation of ever-evolving technology, innovations, creative thinking, and industrial development. In the quest for solutions to emerging challenges such as climate change, global warming, need for efficient renewable energy storage and the spread of pathogens across the globe, basic scientific research approached with a fresh perspective plays a vital role.

81. Considering the views of educationists to enhance the research ecosystem in Basic Sciences and Mathematics, just as Tamil Nadu excels in fields such as medicine and engineering, the Government will provide a sum of Rs.100 crore for establishing two Basic Sciences and Mathematics Research Centres in Chennai and Coimbatore, in collaboration with renowned research institutes like Indian Institute of Science (IISc) and Tata Institute of Fundamental Research (TIFR). These centres will play a crucial role in conducting advanced scientific research through Doctoral and post-Doctoral programs under the mentorship of eminent scientists while also fostering a deep scientific temper among students.

82. In the Budget Estimates, a sum of Rs.8,494 crore has been allocated for the Higher Education Department.

Naan Mudalvan

83. The Hon'ble Chief Minister's dream initiative, 'Naan Mudalvan', aims to cultivate a generation of young achievers from Tamil Nadu who are capable of making a global impact. This pioneering program has set a benchmark for other states to follow and has so far trained approximately 41.38 lakh students. Additionally, one lakh teachers have received specialized training to support this mission. It is noteworthy that among the students trained last year, 1.04 lakh have successfully secured employment.

84. In an effort to increase the success rate of aspirants from Tamil Nadu who appear in the Union Public Service Commission Examinations, a monthly stipend of Rs.7,500 for 10 months is provided to 1,000 selected students every year to prepare for the preliminary examinations and Rs.25,000 to those who pass the preliminary examination. Following this, an incentive of Rs.50,000 will be provided to the youth who pass the main examination and prepare for the interview. This scheme will be implemented with a financial allocation of Rs.10 crore.

85. The Government has introduced several pathbreaking schemes with the lofty objective of making our youth as the future pillars of the nation by harnessing

their energy in a productive manner. In this regard, the '**Tamil Pudhalvan**' scheme, launched in the previous financial year to boost higher education enrolment among Government school students, has already benefited 3.80 lakh students.

86. To empower Government school students and help them achieve academic excellence, a fund of Rs.10 crore will be provided to provide scholarships for pursuing postgraduate and research studies at prestigious universities abroad. Furthermore, to fulfil the higher education aspirations of Tamil Nadu's youth, the Government will facilitate educational loans worth Rs.2,500 crore for one lakh college students in 2025-26 through various banks, based on their need.

Youth Welfare and Sports

87. With the goal of making Tamil Nadu a leading state in sports in India, the Government has introduced various pioneering schemes over the past four years for the development of sports and the welfare of sportspersons. So far, a total of Rs.151 crore has been awarded as high cash incentives to 4,554 sportspersons, who have secured medals at the international and national levels. Additionally, under the 3 per cent reservation for sportspersons, 93 athletes have been provided

employment opportunities in Government departments and public sector undertakings.

88. The Government of Tamil Nadu has successfully organized various prestigious International and National-level sports competitions, including the 44th Chess Olympiad 2022, Khelo India Youth Games 2023, South Asian Youth Athletics Championships and Asian Men's Hockey Champions Cup 2023, among others.

89. Today, Tamil Nadu has emerged as the chess capital of the world, having produced two world champions and 31 Grandmasters so far. To sustain this success, and to promote chess among students and nurture future champions, the physical education curriculum will be modified to incorporate chess into the school curriculum.

90. India's diversified landscapes and abundant scenic spots make it an ideal destination for mountaineering enthusiasts. Trained mountaineers venture not only across the country but also around the world to conquer peaks. To encourage such achievements, an incentive of Rs.10 lakh will be awarded to male and female athletes belonging to Tamil Nadu who successfully scale Mount Everest, the world's highest summit and a symbol of pride for mountaineers.

91. In the Budget Estimates, a sum of Rs.572 crore has been allocated for the Youth Welfare and Sports Development Department.

Labour Welfare

92. To enhance skilled manpower, provide vocational training aligned with industry needs, and create valuable employment opportunities for youth, new Government Industrial Training Institutes (ITIs) will be established in 10 locations: Thisayanvilai in Tirunelveli district, Embal in Pudukkottai district, Salavakkam in Kanchipuram district, Sembanorkoil in Mayiladuthurai district, Tha.Pazhur in Ariyalur district, Thiruuthirakosamangai in Ramanathapuram district, Manapparai in Trichy district, Kangeyam in Tiruppur district, Kurukkalpatti in Tenkasi district and Tiruchengode in Namakkal district. Each institute will offer training in 4 trades, with a total investment of Rs.152 crore, benefiting an additional 1,308 students per year.

93. In order to provide vocational training to the children of construction workers and enhance their livelihood opportunities, 7 new Government Industrial Training Institutes (ITIs) with hostel facilities will be established in districts with a high concentration of construction workers, namely Krishnagiri, Tiruvallur,

Kanchipuram, Madurai (Thiruparankundram), Trichy (Mannachanallur), Coimbatore (Perur) and Dharmapuri (Karimangalam). These ITIs will provide training in 6 trades to an additional 1,370 students annually and will be established with financial assistance of Tamil Nadu Construction Workers Welfare Board at an estimated cost of Rs.148 crore.

94. Construction workers above the age of 40 who are registered with the Construction Workers Welfare Board will be entitled to receive a Master Health Checkup. This initiative aims to diagnose and treat occupational diseases, including musculoskeletal disorders. A total of 16.70 lakh construction workers will benefit under this scheme.

95. In the rapidly growing internet-based economy, with a large number of young people engaged in internet-based services, the Tamil Nadu Platform-Based Gig Workers Welfare Board has been established to promote the welfare of workers. A new scheme will be launched to support the livelihood of workers registered with the welfare board by providing a subsidy of Rs.20,000 each to 2,000 internet-based service workers for purchasing a new electric vehicle (e-scooter).

96. To strengthen the social security of internet-based service workers in Tamil Nadu, a group insurance

scheme will be introduced to provide compensation for accidental death and disability, benefiting approximately 1.5 lakh workers. Additionally, lounges equipped with essential facilities will be established in metropolitan cities, including Chennai and Coimbatore, for the convenience of these workers.

97. In the Budget Estimates, a sum of Rs.1,975 crore has been allocated for the Labour Welfare and Skill Development Department.

Health and Family Welfare

98. Tamil Nadu is among the states with the highest incidence of cancer in the country. To ensure quality cancer treatment and appropriate care services for all, the Government of Tamil Nadu remains committed to strengthening cancer care. In line with this objective, the Government Arignar Anna Memorial Cancer Hospital and Research Institute in Karapettai, Kanchipuram district, has been designated as a state-level nodal cancer centre. It is set to be upgraded and will function as an autonomous facility with 800 beds, offering world-class cancer diagnosis, treatment, palliative care, and related services. A sum of Rs.120 crore will be provided in the next two years.

99. With the aim of introducing early cancer detection using advanced diagnostic methods, the Government intends to progressively enhance medical equipment and manpower in secondary and medical college hospitals at an estimated cost of Rs.110 crore in the next three years.

100. In order to prevent cervical cancer and completely eradicate the disease in Tamil Nadu, the Government has planned to progressively provide HPV vaccination to all girls aged 14 years. An amount of Rs.36 crore has been allocated for this purpose in the year 2025-26.

101. Further, with a view to reach all women near their homes, various services such as screening of major cancer diseases, heart diseases and counselling on lifestyle changes will be provided through mobile medical teams in collaboration with NGOs. A sum of Rs.40 crore has been allocated for this purpose.

102. To tackle the rising incidence of non-communicable diseases, the noble initiative of 'Makkalai Thedi Maruthuvam' has provided various healthcare services, including home visits and screenings for high blood pressure and diabetes, benefiting 2.2 crore people so far. In recognition of its efforts in planning and implementing exemplary programs for non-communicable

disease control, the Department of Health and Family Welfare, Government of Tamil Nadu, has been awarded with the '**United Nations (UN) Interagency Task Force Award**' for the year 2024 by the UN.

103. Under the '**Innuvir Kappom - Nammai Kakkum- 48 Thittam**', launched as a pioneering initiative in the country to reduce road accident fatalities and associated medical expenses, a total of 723 hospitals, including 250 Government and 473 private hospitals, have provided treatment to 3,43,156 beneficiaries so far at a cost of Rs.302 crore, saving numerous lives.

104. An amount of Rs.2,754 crore has been provided for National Health Mission, an amount of Rs.1,092 crore has been provided for Dr.Muthulakshmi Reddy Maternity Benefit Scheme, an amount of Rs.1,461 crore has been provided for Chief Minister's Comprehensive Health Insurance Scheme, and an amount of Rs.348 crore has been provided for Ambulance Services in this Budget. In the Budget Estimates, a sum of Rs.21,906 crore has been allocated for the Health and Family Welfare Department.

Industries

105. Tamil Nadu continues to be the leader in the export of electronics and the manufacturing of leather

products, automobiles and auto components in the country. The State also has the distinction of having 41 per cent of all women working in factories in India. Tamil Nadu has topped the Export Preparedness Index released by the Union Government's NITI Aayog. Tamil Nadu has been attracting substantial investments in the last two years.

106. Tamil Nadu is India's leading state in electronics exports, accounting for 33 per cent of the country's total exports. The state's electronics exports have witnessed significant growth, rising from \$1.66 billion in 2020-21 to \$9.56 billion in 2023-24. To sustain this leadership in electronics manufacturing and exports, the Government is implementing various measures.

107. As the next step, the Government will launch and implement the '**Tamil Nadu Semiconductor Mission-2030**' over the next five years with an estimated allocation of Rs.500 crore. A 'Semiconductor Fabless Lab' will be established in Chennai at an estimated cost of Rs.100 crore in collaboration with leading industry and academic institutions. World-class semiconductor design companies and domestic start-ups will be encouraged to establish their design centres in Tamil Nadu.

108. To transform the Coimbatore region, known for its excellence in engineering and foundry industries,

into a modern industrial hub, **semiconductor manufacturing parks will be established in Sulur, Coimbatore, spanning 100 acres, and near Palladam, covering an extent of 100 acres.** These industrial parks will be developed in collaboration with companies from the United States, Singapore, Malaysia, and Taiwan, and will propel the economic growth of the Coimbatore region to the next level.

109. It was the visionary initiative of Muthamizh Arignar, the architect of modern Tamil Nadu, to establish Tidel Park in Chennai twenty-five years ago, laying the foundation for the state's Information Technology revolution. Following his footsteps in expanding the information highway to all cities, a Tidel Park with high-end office facilities will be developed in Hosur, covering an area of 5 lakh sq. ft. at a cost of Rs.400 crore and a mini-tidel park will be set up in Virudhunagar in the coming year, creating employment for 6,600 people.

110. The cities of Chennai and Coimbatore have been successful in attracting Global Capability Centres (GCCs) in Tamil Nadu. Following this, the Government plans to position Hosur, which has been witnessing tremendous industrial development, as a new hub for GCCs and research and development. With this vision, a '**Hosur Knowledge Corridor**' with world-class

infrastructure facilities will be set up along Hosur city, akin to the transformation of Old Mamallapuram Road (OMR) in Chennai into an IT corridor. This corridor will be equipped with all necessary facilities to support the establishment of GCCs and R&D centres of leading global IT firms.

111. This Government, which follows the Dravidian Model of Governance, is working tirelessly to create more employment opportunities and extend equitable economic growth to all regions of the state. To fulfill this vision, the following industrial initiatives will be undertaken.

- Over the past four years, non-leather footwear industries are being established by leading companies in Villupuram, Ranipet, Vellore, Kallakurichi, Karur, Perambalur and Ariyalur with an aim to create over one lakh jobs, with 80 per cent of the workforce being rural women. Tamil Nadu has attracted the highest foreign investment in the country in this sector so far.
- To further boost this high-employment sector, two new footwear parks in this manufacturing sector will be set up—one in Melur, Madurai district, creating 10,000 jobs, and another in Cuddalore, generating 10,000 jobs at a total investment of Rs.250 crore. Additionally, SIPCOT

will establish a dedicated footwear skill training facility in Kallakurichi.

- A dedicated industrial park for the engineering and fabrication industry will be established in Trichy district, covering an area of 250 acres and creating 5,000 jobs in the central region.
- In Thoothukudi, which has already drawn substantial investments in the green hydrogen and automobile sectors, a Man-Made Fibers (MMF) and Technical Textiles Industrial Park will be established.
- New industrial parks will be established in Cuddalore district over an area of 500 acres and in Pudukottai district over an area of 200 acres.
- Coimbatore holds a distinct position in the country for its pump manufacturing and foundry industry. To drive the growth of these industries to the next level in collaboration with the private sector and industry associations, TIDCO will establish a Centre of Excellence for advanced pump motor manufacturing and a Centre of Excellence for foundry in Coimbatore.

112. Recognizing the vital role of airports in driving economic growth, the Government has acquired and handed over lands worth Rs.2,938 crore to the Airports Authority of India for the expansion of Chennai, Coimbatore, Madurai, Trichy, and Thoothukudi airports. Further, land acquisition worth Rs.350 crore is in progress for Salem airport, and work has been fast-tracked for the establishment of a new Greenfield airport at Paranthur near Chennai. In this context, to boost tourist arrivals in South Tamil Nadu and promote the overall development of economically backward regions, **a new airport will be developed in the Rameshwaram area of Ramanathapuram district.**

113. Tamils have a rich tradition of shipbuilding dating back to the Sangam period. To revive this maritime heritage and position Tamil Nadu as a global shipbuilding hub, the Government will introduce the '**Tamil Nadu Maritime Transport Manufacturing Policy 2025**'. This policy will promote investment and innovation in ship and boat design, ship hull fabrication, and ship engine production. The growth of this industry will generate 30,000 jobs in districts such as Cuddalore and Thoothukudi, while also fostering the development of the micro, small, and medium enterprises sector.

114. Tamil Nadu is home to leading companies in the life sciences sector. To strengthen the life sciences ecosystem and establish Tamil Nadu as a leader in emerging fields like biosimilars and therapeutics, a state-of-the-art bioscience park will be developed near Chennai. This park will feature world-class infrastructure, common testing centres, laboratories and other essential technological facilities required for manufacturing high-value-added products in the sector, along with plug-and-play manufacturing facilities.

115. In the Budget Estimates, a sum of Rs.3,915 crore has been allocated for the Industries, Investment Promotion and Commerce Department.

Micro, Small and Medium Enterprises

116. Tamil Nadu is the leading state in India in the Micro, Small, and Medium Enterprises (MSME) sector and holds a prominent position in industries such as engineering products, auto parts, castings, pumps, readymade garments, leather, and leather products. With more than 32 lakh registrations, Tamil Nadu has the third-highest number of MSMEs in the country. In the financial year 2025-26, banks will provide loans to 10 lakh MSMEs, with a total outlay of Rs.2.5 lakh crore.

117. To benefit micro, small, and medium entrepreneurs across the state, the Tamil Nadu Small Industries Development Corporation (SIDCO) will establish **new industrial estates at 9 locations this year, including Thirumudivakkam in Kanchipuram district, Saram and Nayanur in Villupuram district, Nagampalli in Karur district, Sooriyur in Tiruchirappalli district, Karuttapuliyampatti in Madurai district, Thanichyam in Ramanathapuram district, Naduvur in Thanjavur district, and Narasinghanallur in Tirunelveli district** on a total land extent of 398 acres at an estimated total project cost of Rs.366 crore. This initiative will generate 17,500 employment opportunities.

118. For MSMEs involved in spices in Theni district, egg-based food industries in Namakkal district, electrical line materials in Paramakudi, Ramanathapuram district, handicrafts in Thanjavur district, and engineering goods in Chennai, common facility centres, along with other essential infrastructure, will be established at an estimated cost of Rs.50 crore to enhance the quality and productivity of MSMEs and promote their market and export opportunities.

119. Under the Annal Ambedkar Business Champions Scheme, a 35 per cent capital subsidy on the

project cost and a 6 per cent interest subvention are provided for a period of 10 years. Since its inception, Rs.259 crore in subsidies has been provided to 2,386 Adi Dravidar and Tribal entrepreneurs. For the year 2025-26, a sum of Rs.170 crore has been allocated for the implementation of this scheme.

Kalaignar Kaivina Thittam

120. The '**Kalaignar Kaivina Thittam**' was launched by the State Government to provide financial assistance, skill training, and other essential support for artisans involved in 25 traditional crafts, including wood and sculpture carving, jewelry making, glasswork, beadwork, and musical instrument making. The scheme has received an overwhelming response. A total of 7,297 applications have been approved, with loans amounting to Rs.138 crore and grants totaling Rs.28 crore, so far. In 2025-26, a sum of Rs.74 crore has been allocated as subsidy to support approximately 19,000 artisans.

Promotion of Startups

121. The number of registered start-ups in Tamil Nadu has increased fivefold over the past four years, surpassing the 10,000 mark. Considering this, for the successful initiative of '**Tamil Nadu Startup Seed Fund**' under the Tamil Nadu Start-up and Innovation Mission

(TANSIM), a sum of Rs.20 crore has been allocated in the Budget Estimates.

122. The recently formed Space-tech startups in Tamil Nadu have made their unique mark across the globe. To encourage such Space-tech Startups, a '**Space Tech Fund**' with an allocation of Rs.10 crore will be set up. Additionally, Foundation & Prototype development lab for satellite testing, space-grade qualification test facilities, incubation and skill development facilities will be setup in Chennai.

123. In the Budget Estimates, a sum of Rs.1,918 crore has been allocated for the Micro, Small and Medium Enterprises Department.

Mudhalvar Padaippagam

124. The first innovative centre established in Chennai to foster an intellectual environment for students preparing for competitive exams and to act as a co-working space for startups and entrepreneurs has received an overwhelming response from the public. Equipped with essential amenities such as office infrastructure, library with books for competitive examinations, computers with free Wi-Fi, air-conditioned conference rooms and shared workspace services, **Mudhalvar Padaippagam** (CM Spaces) will be

established at 30 locations in all corporations, including Chennai, Coimbatore, Madurai, Trichy, Salem, Tambaram, and Avadi, at an estimated cost of Rs.5 crore each, which will provide entrepreneurs, IT professionals, students, and a convenient and accessible work environment for women closer to their homes.

Information Technology

125. A policy on Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) is being developed in collaboration with industry experts. To leverage the growing business opportunities in this emerging sector and to create high-end employment for Tamil Nadu's youth, the Government through the Electronics Corporation of Tamil Nadu Limited (ELCOT) will set up an AVGC-XR Centre of Excellence in Chennai named '**Viyan AVGC-XR Hub**' at an estimated cost of Rs.50 crore. Subsequently, its zonal sub-centres will be set up in Coimbatore, Trichy, Madurai, Salem and Tirunelveli in collaboration with educational institutions and start-up companies over the next 3 years in a phased manner.

126. Startups in the IT sector require significant capital for web hosting and data server infrastructure. With this in mind, a scheme to provide vouchers for availing data centre services worth up to Rs.5 lakh each to

startups registered with iTNT and StartUp TN will be implemented by ELCOT through the '**Tamil Nadu StartUp Data Server Services Scheme**' at an allocation of Rs.10 crore.

127. In the Budget Estimates, a sum of Rs.131 crore has been allocated for the Information Technology and Digital Services Department.

Water Resources

128. '**The world cannot exist without water**' - Considering the importance of water resources, the Government of Tamil Nadu will implement the '**Comprehensive Water Resources Development Programme**' (CWRDP) at a cost of Rs.2,000 crore from the coming financial year. Under this scheme, various works related to water resources and irrigation will be undertaken, including the investigation of new irrigation projects, construction of new irrigation structures, renovation of existing ones, groundwater development programs, flood protection and mitigation measures, dam management, sea erosion protection, and the rehabilitation, improvement, and conservation of water bodies.

129. Currently, the drinking water needs of Chennai are met through water sources in and around the city, as

well as the seawater desalination projects. However, with the city's growing population and changing climate, it is crucial to construct new reservoirs to prevent occasional shortages and ensure a reliable water supply.

130. In this regard, a new reservoir will be constructed in the Kovalam sub-basin near Chennai, utilizing a portion of the floodwater available during the monsoon season. The reservoir will be developed in the area between Old Mamallapuram Road and East Coast Road in Thiruporur taluk, Chengalpattu district, covering 4,375 acre of Government land. This new reservoir, sixth reservoir for Chennai city, will have a storage capacity of approximately 1.6 TMC and an annual capacity of 2.25 TMC, and will be constructed at an estimated cost of Rs.350 crore. This project will fulfill the demand of the people in Chennai city by a significant and long-term supply of potable water at 170 MLD for every year.

131. In the Budget Estimates, a sum of Rs.9,460 crore has been allocated for the Water Resources Department.

Green Energy

132. Tamil Nadu's power demand is expected to double as the state aims to become a trillion-dollar economy by 2030. To meet this ambitious target, strategic

action plans are being developed to generate an additional 100 billion units of renewable green energy by 2030. As the first step in this journey towards green energy, Pumped Storage Projects with a capacity of 1,100 MW in the Vellimalai area and 1,800 MW in the Aliyar area will be developed through Public Private Partnership (PPP) mode, with a total investment of Rs.11,721 crore.

133. Furthermore, in order to provide clean renewable energy throughout the day, even beyond solar hours, the Government will take steps to develop a 4,000 MWhr Battery Energy Storage System in 2025-26.

134. Storage of cheap and readily available solar power will not only bring down the cost of supplying electricity during the evening peak demand hours, it will also provide a source of clean energy outside of solar hours, paving the way towards decarbonisation. Further, with manufacturing sector expected to be hit with carbon adjustment tariffs in the near future, stored renewable energy will also ensure that MSMEs – which are a core strength of Tamil Nadu retain their competitive edge.

135. The Government will also come out with an '**Integrated Renewable Energy Policy**' to consolidate and streamline the different existing policies for promotion of Renewable Energy in the state.

136. In the Budget Estimates, a sum of Rs.21,178 crore has been allocated for the Energy Department.

Climate Change

137. With a 1,076 km coastline, Tamil Nadu boasts diverse marine ecosystems, including tidal forests, coral reefs, and seagrass beds. These ecosystems not only support coastal communities by providing environmental and economic benefits but also serve as natural barriers against sea erosion and rising sea levels. Recognizing our bounden duty to protect these invaluable resources, the Government will establish a '**Marine Resource Foundation**', with an initial funding of Rs.50 crore, to focus on key initiatives such as mangrove forest conservation and the adoption of modern fishing practices to ensure sustainable marine resource management.

138. Measures will be taken to ensure that 6 beaches, Tiruvanmiyur, Palavakkam, Uthandi in Chennai, Kulasekarapattinam in Thoothukudi district, Keezhpathupattu in Villupuram district and Samiyarpettai in Cuddalore district, meet the 33 various criteria under marine water quality, environmental education, overall environmental management, safety and services, to receive Blue Flag certification in 2025-26, at an estimated amount of Rs.24 crore.

139. To reduce air pollution and lower the carbon footprint, 700 diesel buses operated by State Transport Corporations will be converted to CNG (Compressed Natural Gas) buses at a cost of Rs.70 crore, funded by the Tamil Nadu Pollution Control Board.

140. Ecologists regard the presence of raptors such as eagles, hawks, and vultures as a key indicator of ecological balance and biodiversity. However, these birds of prey, found in regions like the Nilgiris, Coimbatore, Tirunelveli, Madurai- Aritapatti and Pallikaranai, are increasingly threatened by habitat destruction and presence of toxic substances. To address these challenges, a '**Raptors Research Foundation**' will be established with Rs.1 crore from the Endangered Species Conservation Fund to develop conservation strategies and raise awareness among local communities.

141. The Dhanushkodi area, situated at the tip of Rameswaram Island in Tamil Nadu, is home to diverse ecosystems such as sand dunes, marshes, and mangrove forests. It also plays a crucial role in the Central Asian Flyway, serving as a key stopover for migratory birds, including Greater Flamingos. To safeguard this vital habitat and maintain biodiversity balance, steps will be taken to notify Dhanushkodi as a Greater Flamingo

Sanctuary, ensuring the protection of migratory wetland birds and their natural ecosystem.

142. The Chengam landscape in Tiruvannamalai district is known for its historical and ecological significance. Celebrated in Sangam literature itself, the area has been undergoing habitat degradation over time. To restore its forest ecosystem, a biodiversity park spanning 1,000 hectares will be developed in Melchengam, focusing on protecting endangered tree species native to the Tamil landscape, promoting eco-tourism, and supporting biodiversity conservation. In addition to green spaces, the park will also feature nature tourism facilities. In the first phase, Rs.10 crore will be provided for this initiative.

143. By systematically maintaining and upgrading roads in Tamil Nadu's forest areas, forest management will be strengthened, and the lives of people in remote hilly regions, particularly tribal communities, will be significantly improved. Taking these factors into account, a length of 500 kms of forest roads will be upgraded at an estimated cost of Rs.250 crore, by converging various schemes, in the financial year 2025-26.

Transport

144. This Government is taking various steps to ensure that quality and reliable transport services continue to be available, even in the most remote villages of Tamil Nadu. As part of this initiative, a sum of Rs.1,031 crore has been allocated in the coming financial year for the recently announced 3,000 new buses. Additionally, 750 existing buses with functioning chassis will be refurbished at an estimated cost of Rs.120 crore.

145. To reduce air pollution in metropolitan cities and enhance the environment, 950 electric buses in Chennai, 75 electric buses in Coimbatore and 100 electric buses in Madurai, in total, 1,125 electric buses will be deployed for public use starting this year, with loan assistance from the World Bank and the German Development Bank (KfW).

146. With increasing urbanization, transport terminals that integrate bus, sub-urban railway and metro services, play a crucial role. In this context, a multimodal transport terminal in Guindy will be established at an estimated cost of Rs.50 crore, with modern passenger facilities integrating these modes of transport. Further, another multimodal transport terminal will be established in the Washermanpet area of Chennai, featuring

state-of-the-art passenger amenities at an estimated cost of Rs.50 crore.

147. The Mini Bus scheme, introduced by Muthamizh Arignar Kalaignar in 1997, was widely welcomed in Tamil Nadu. To provide transportation services to rural areas adjoining fast growing urban areas, the scheme is being expanded with revised rules and regulations in around 2,000 routes.

148. In order to improve the operational efficiency, service delivery and financial condition of the State Transport Undertakings (STUs), an incentive fund of Rs.2,000 crore will be created in the coming financial year to provide performance-linked incentive to STUs. Further, for the improvement of service delivery in the Metropolitan Transport Corporation, an amount of Rs.646 crore will be allocated as Operational Viability Gap Funding under the Chennai City Partnership Programme.

149. In this Budget, a sum of Rs.3,600 crore has been allotted as a subsidy to Vidiyal Payanam Scheme, a sum of Rs.1,782 crore has been allocated as subsidy for concessional bus fares to students and a sum of Rs.1,857 crore has been allocated for diesel subsidy. In the Budget Estimates, a sum of Rs.12,964 crore has been allocated for the Transport Department.

Chennai Metro Rail

150. Chennai Metro Rail Phase-II is the largest ongoing metro rail project in the country, being implemented at a cost of Rs.63,246 crore and a total length of 119 km across three corridors. The project is progressing rapidly, and in these routes, the elevated corridor between Poonamallee and Porur is set to be opened for public use in December this year.

151. Detailed project reports for the metro rail projects on the Avinashi Road and Sathyamangalam Road routes in Coimbatore, estimated at Rs.10,740 crore, and for the Thirumangalam–Othakadai corridor in Madurai, estimated at Rs.11,368 crore, have been submitted for equity contribution from the Union Government. Construction work in both the cities will commence as soon as the approval is granted.

152. Additionally, for extending the Chennai Airport metro line to Kalaignar Centenary Bus Terminus in Kilambakkam, covering 15.46 km at a cost of Rs.9,335 crore; extending the Koyambedu line to Pattabiram via Avadi, spanning 21.76 km at a cost of Rs.9,744 crore; and for extending 27.9 km of metro line from Poonamallee to sunkuvarchatram via Sriperumpudur at a cost of Rs.8,779 crore, the Detailed Project Reports

were received and the same will be submitted to the Union Government for their equity contribution.

153. Furthermore, detailed project reports will be prepared for the routes between Tambaram to Velachery via Guindy covering 21 km length and Light house to High Court covering 6 km length.

154. Given Tamil Nadu's rapid economic growth and urban expansion, the feasibility of establishing a '**Regional Rapid Transit System**' (RRTS) will be explored. This initiative follows the model of the Semi High-Speed Railway (SHR) between New Delhi and Meerut. The Chennai Metro Rail Corporation will conduct detailed feasibility studies for setting up an SHR system with a speed of 160 kmph on the following routes:

- Chennai–Chengalpattu–Tindivanam–Villupuram (167 km)
- Chennai – Kanchipuram – Vellore (140 km)
- Coimbatore – Tiruppur – Erode – Salem (185 km)

155. Furthermore, the Chennai Metro Rail Corporation will conduct feasibility studies for the establishment of a high-altitude transport system, such as a ropeway, in Mamallapuram, Udhagamandalam, and Kodaikanal. This initiative aims to enhance tourism while

considering the sensitive micro-environmental ecosystem of these regions.

Adi Dravidar and Tribal Welfare

156. The '**Chief Minister's Adi Dravidar and Tribal Socio-Economic Development Scheme**' (CM-ARISE) is being implemented to enhance the status of scheduled castes and scheduled tribes as entrepreneurs. A subsidy of Rs.50 crore has been granted under this scheme in the financial year 2024-25 for projects amounting to Rs.122 crore, benefiting 2,308 individuals. A sum of Rs.75 crore has been allocated in the coming year.

157. The '**Iyothee Thassar Pandithar Habitation Development Scheme**' is being implemented to provide basic amenities in Adi Dravidar habitations. Under this scheme, in addition to basic infrastructure facilities including roads, streetlights and drinking water facilities, 120 Village Knowledge Centres are being constructed at an estimated cost of Rs.117 crore. A sum of Rs.280 crore has been allocated for the implementation of this scheme in Budget Estimates.

158. The State Government is dedicated to expanding international educational opportunities for

scheduled caste and scheduled tribe students. Financial support will be provided to ease the burden on students pursuing postgraduate or research courses in fields such as arts, science, commerce, law, engineering, and medicine. To enable talented students to study at world-renowned institutions, a sum of Rs.65 crore has been allocated under the '**Annal Ambedkar Overseas Higher Education Assistance Scheme**' for the financial year 2025-26.

159. The Government has launched the '**Nannilam**' Women Land Ownership Scheme to empower women agricultural workers from the scheduled caste and scheduled tribe communities by making them landowners. This initiative seeks to enhance their economic security, elevate their social status, and strengthen their livelihoods. A sum of Rs.20 crore has been allocated for this scheme in the financial year 2025-26.

160. Tamil Nadu is home to 37 tribal communities with distinct identities, residing in the eastern and western Ghats as well as the plains. To support their holistic development, '**Tholkudi**' scheme is formulated and being implemented at an estimated cost of Rs.1,000 crore over four years, with an annual allocation of Rs.250 crore. Additionally, a '**Tribal Livelihood Policy**' will be developed to preserve and leverage traditional tribal

knowledge while enhancing biodiversity. In the first phase, in Bargur and Kadambur hills of Erode district and Kalvarayan hills of Kallakurichi district, Government welfare schemes will be integrated ensuring access to benefits of the schemes and the implementation of area-specific special schemes. A sum of Rs.10 crore has been provided for this initiative in the Budget Estimates 2025-26.

161. An amount of Rs.733 crore has been provided towards post-matric scholarship for Scheduled Caste and Scheduled Tribe students in this Budget. A sum of Rs.3,924 crore has been allocated for the Adi Dravidar and Tribal Welfare Department in the Budget Estimates.

Social Harmony Award

162. To recognize and encourage Panchayats that uphold social harmony, social unity and avoid caste based discrimination, the Government will present the Social Harmony Panchayat Award to 10 deserving village panchayats. Each selected Panchayat will receive an incentive of Rs.1 crore, based on appropriate performance metrics and reliable data pertaining to social harmony.

Welfare of Backward Classes, Most Backward Classes and Denotified Communities

163. Tamil Nadu has been a pioneer in the country in implementing various welfare schemes for the State, which is the birthplace of social justice. This Government has been consistently urging the Union Government to conduct a caste census alongside the upcoming National Population Census.

164. A new scheme will be formulated to upgrade and refurbish 27 college student hostels with high student enrollment, and 36 college students hostels for Backward Classes, Most Backward Classes, Denotified Communities, and Minorities that were upgraded to college hostels in the last four years, through infrastructure development, special repairs, and renovation works over the next two years.

165. A total of Rs.117 crore is needed to provide scholarships to 2,92,261 Backward Classes and Most Backward Classes students in the 9th and 10th standards. However, the Rs.19 crore sanctioned by the Union Government for this financial year is sufficient to cover only a small percentage of students. As a result, an additional 98 crore rupees has been allocated from the State Government's funds for the remaining students, thereby ensuring that over two lakh Backward Classes and

Most Backward Classes students can happily pursue their education. In the Budget Estimates, Rs.146 crore has been allocated for pre-matric scholarships and Rs.335 crore for post-matric scholarships.

Minorities Welfare

166. The Government has been implementing various welfare schemes for the socio-economic and educational development of the Minorities. So far, minority status certificates have been issued to 159 educational institutions, while 103 of such institutions have received permanent minority status certificates. Despite the Union Government discontinuing scholarships for minority students from 2022, scholarships are being sanctioned to more than one lakh minority girl students studying in Standards I to VIII in Government and Government aided schools with the grant of Rs.12 crore provided by the Government of Tamil Nadu to the Wakf Board.

167. For the repair and maintenance of heritage mosques and dargahs, a grant of Rs.10 crore will be provided in the coming financial year. Similarly, a grant of Rs.10 crore will be provided for the repair and renovation of heritage churches in several locations. In the Budget Estimates, a sum of Rs.1,563 crore has been allocated for

the Backward Classes, Most Backward Classes and Minority Welfare Department.

Welfare of Differently Abled

168. Several schemes are being implemented for the welfare of differently abled persons, covering areas such as social security, special education, vocational training, self-employment, provision of assistive devices, creation of a barrier-free environment, and enhancement of infrastructure facilities in special schools and homes.

169. In the last four years, through the 4 per cent reservation for the differently abled in Government service examinations, 1,493 differently abled persons have obtained Government jobs. Similarly, in order to encourage the employment of differently abled persons in the private sector, the Government will offer a wage subsidy of Rs.2,000 per person per month for one year to every private firm that employs at least 10 differently-abled persons.

170. As part of the TN-RIGHTS project, implemented with World Bank assistance, 10 subdivision-level Integrated Service Centres and 38 block-level service centres have been established across five districts in the first phase during the financial year 2024-25. These centres provide six types of rehabilitation treatments to

address the needs of persons with disabilities. In the next phase, for the financial year 2025-26, 82 subdivision-level Integrated Service Centres and 400 block-level Integrated Service Centres will be set up across all districts at an estimated cost of Rs.60 crore.

171. In order to enable persons with disabilities to perform daily activities independently, a project will be implemented at an estimated cost of Rs.125 crore to provide various modern assistive devices tailored to the needs of individuals with different disabilities such as high-tech Smart Vision Glasses, Teaching Learning Materials (TLM-Kits) for children with intellectual disabilities, and advanced equipment to support individuals with mobility impairments. This initiative will further improve the quality of life of persons with disabilities.

172. A suitable bill will be passed in the current assembly session to ensure appropriate representation for persons with disabilities in all types of local Government bodies in the state through nomination. This will not only ensure their voices are heard in local governance but also empower them to take on leadership roles in local administration.

173. In the Budget Estimates, a sum of Rs.1,433 crore has been allocated for the Department for the Welfare of Differently Abled Persons.

Chief Minister's Thayumanavar Thittam

174. "Bush-clover flowers,
they sway but do not drop
their beads of dew"

-Matsuo Basho

These eloquent lines by Matsuo Basho, the renowned 17th century Japanese haiku poet, convey to humans the deep bond among nature's creations. The Chief Minister's Thayumanavar Thittam has been founded on the all-encompassing principle of universal brotherhood. Under this initiative, the Government has decided to identify the most impoverished families living in extreme poverty and work towards improving their standards of living. Under this initiative, most vulnerable sections of the society, including the destitute, elderly individuals living alone, single-parent families, orphaned children, mentally challenged, differently abled, and families with children with special needs, will be identified and given priority in Government welfare schemes, ensuring access not only to basic necessities but to avail comprehensive support.

175. In the first phase, approximately 50,000 poorest of the poor families have been identified where children have lost both parents and are being raised under the care of their relatives. To ensure that these children receive the motherly care and protection, a monthly stipend of Rs.2,000 will be provided to help them continue their education without interruption until they turn 18 years of age. Further, appropriate measures will be taken to provide them with college education and relevant skill development training after completing their schooling.

Hindu Religious and Charitable Endowments

176. Since this Government took office, 2,662 temples have been renovated and consecrated over the past four years. Under the Annadhanam scheme, implemented in 777 temples across Tamil Nadu, around one lakh people benefit daily. Due to the Government's dedicated efforts to safeguard temple properties and assets, 7,327 acres of land, 36.38 lakh sq.ft. of plots, and 5.98 lakh sq.ft. buildings have been reclaimed by the temples. The total value of these recovered assets amounts to Rs.7,185 crore.

177. Furthermore, renovation work has been carried out to restore 84 sacred temple tanks at an estimated cost of Rs.72 crore. More than 216 rare books have been reprinted and published by the publication

division of Hindu Religious and Charitable Endowments Department. In the year 2025-26, an amount of Rs.125 crore has been allocated for the restoration of temples that are over a thousand years old.

Tourism

178. Tourism has been recognized as one of the eighteen priority sectors for Tamil Nadu in its pursuit of a one trillion-dollar economy. To attract greater investment in the tourism sector, promote economic growth across all sections of society, and support hospitality industries, the Government will introduce the '**Tamil Nadu Tourism Promotion and Facilitation Act**'.

179. An investment of Rs.300 crore will be made in developing modern infrastructure facilities in major tourist hubs such as Mamallapuram, Tiruvannamalai, Rameswaram, Kanniyakumari, Tiruchendur, Palani and Nagore-Velankanni, which attract lakhs of domestic and international visitors annually. To ensure the effective coordination and implementation of these projects across various Government departments, dedicated development authorities need to be established for these cities. In the first phase, separate development authorities will be formed for Mamallapuram, Tiruvannamalai, Tiruchendur and Rameswaram. Additionally, to promote lesser-known tourist destinations across the state, a sum of Rs.100 crore

has been allocated for the development of tourism infrastructure in these areas.

180. In the heart of Udhagamandalam in the Nilgiris district, an Eco Park covering an extent of 52 acres will be established in the Race Course area at an estimated cost of Rs.70 crore. Spice garden, urban forestry, bird watching areas and nature trails will be developed in tune with the natural environment of the Blue Hills to attract more tourists.

181. In order to encourage private investment in the tourism sector, key areas including the Mamallapuram-Marakanam coastal trail, the Trichy-Thanjavur-Nagapattinam Chola trail, the Madurai-Sivaganga Heritage trail, and the Coimbatore-Pollachi Nature trail have been identified. Appropriate measures will be taken to attract both public and private sector investments for the development of tourism in these areas.

Animal Husbandry

182. A '**Bovine Breeding Policy**' will be formulated to enhance livestock resources, which play a crucial role in the country's economy and contribute to increased employment opportunities. To implement this policy effectively, the efforts of various field workers

engaged in livestock development will be coordinated, ensuring a balanced and systematic breeding process.

183. To prevent dog bites on livestock and humans, Animal Birth Control (ABC) programs for community dogs, along with post-operative medical care facilities, will be established in 100 veterinary hospitals at an estimated cost of Rs.20 crore. Additionally, Rs.20 crore has been allocated to the Tamil Nadu Animal Welfare Board for various initiatives in the upcoming financial year

Fisheries and Fishermen Welfare

184. To mitigate the risks posed by sea erosion due to climate change, safeguard socio-economically vital coastal infrastructure, and implement short, medium and long-term development strategies, the National Centre for Coastal Research (NCCR), in coordination with the State Directorate of Environment, will conduct a comprehensive coastline management study.

185. Further, to help the economic development of fishermen, infrastructure facilities including fish landing centres and fishing net mending facilities will be established in the districts of Kanyakumari, Nagapattinam, Thoothukudi, Tirunelveli, Ramanathapuram, Cuddalore, Thiruvarur, Pudukkottai, Mayiladuthurai, Thanjavur, Villupuram, Thiruvallur, Chengalpattu and Chennai.

186. Our Hon'ble Chief Minister has been consistently urging the Union Government to take decisive steps against the frequent arrests of Tamil Nadu fishermen by the Sri Lankan Navy and to ensure the release of those imprisoned in Sri Lanka. Additionally, to support the owners of boats seized by the Sri Lankan authorities, the compensation for fishing boats that have remained unrecovered for a long time has been increased to Rs.8 lakh, while the compensation for the country's motorized boats has been raised to Rs.2 lakh. Our Hon'ble Chief Minister has also ordered to increase the daily financial assistance for the families of fishermen detained in Sri Lankan prisons from Rs.350 to Rs.500.

187. Our State Government, which is deeply committed to the welfare of fishermen who risk their lives for their livelihood braving sea storms and cyclones, has consistently been increasing the subsidies given to support them. In this financial year, a financial allocation of Rs.381 crore has been made to provide subsidies, including Rs.6,000 each to 1,79,147 fishermen as assistance for lean fishing period; Rs.3,000 each to 2,10,850 fishermen and 2,03,290 fisherwomen to encourage savings during the lean fishing period; and Rs.8,000 each to 1,98,923 fishermen during the fishing ban period, comprising Rs.1,500 from the Union Government and an additional State Government's

contribution of Rs.6,500. Furthermore, a sum of Rs.286 crore has been allocated for the supply of diesel and kerosene at subsidized rates in this Budget.

Dairy Development

188. To enhance economic security for milk producers and ensure nutritional value for consumers, milk dairies are undergoing continuous modernization. As part of this effort, an eco-friendly effluent treatment plant will be established at the Salem dairy at a cost of Rs.15 crore. Additionally, the Erode dairy will be modernized with an investment of Rs.10 crore, and Chennai and other dairies will be provided with a mass flow meter, silo level transmitter, and data logger at a cost of Rs.5 crore. Moreover, butter chipllet and mini pouch packing facilities will be set up in Thiruvannamalai at a cost of Rs.10 crore to enhance the marketability of dairy products.

Handlooms

189. To address the evolving technological needs of the powerloom sector, which supports the livelihood of five lakh powerlooms, **Powerloom Modernization Scheme** will be implemented at an estimated cost of Rs.50 crore. This project will provide capital subsidies to upgrade three-year-old conventional powerlooms into modern ones, enabling the production of high-value fabrics.

Annually, a sum of Rs.30 crore will be allocated to upgrade 3,000 looms, while Rs.20 crore will be designated for establishing infrastructure such as loom sheds, common facility centres, and quality testing laboratories to support exports in powerloom clusters.

190. The Government of Tamil Nadu is implementing the Handloom Support Scheme to address market demand in the handloom industry and ensure fair wages for weavers. Under this scheme, an additional corpus fund of Rs.10 crore will be provided to the Handloom Weavers Cooperative Societies to provide credit for working capital requirements to strengthen their financial base. Further, a sum of Rs.673 crore has been allocated in this Budget for the free distribution of saree and dhoti scheme.

191. To enhance production efficiency and ensure the precise manufacturing of ready-made garments and home textiles in compliance with export standards, a capital subsidy of up to 50 per cent will be provided for installing new, fully computerized fabric cutting machines with CAD/CAM software in Common Facility Centres. This scheme will be implemented over the next five years at an estimated cost of Rs.50 crore.

192. To promote the production of technical textiles and to encourage investment in this sector in Tamil Nadu,

the '**Tamil Nadu Technical Textile Mission**' will be implemented. A fund of Rs.15 crore will be provided for this initiative. In the Budget Estimates, a sum of Rs.1,980 crore has been allocated for the Handlooms, Handicrafts, Textiles and Khadi Department.

Housing

193. There is a need to regulate the development of pristine and scenic hill areas in Tamil Nadu. Towards this end, dedicated Master Plans for Hill Areas will be formulated for approximately 1,200 square kilometers, covering Nilgiris District, including Udhagamandalam, Coonoor, Kotagiri, Gudalur and Nelliyalam, Valparai in Coimbatore District, Kodaikanal in Dindigul District and Yercaud in Salem District. Suitable Master Plans for these hill areas will be prepared, focusing on strategies such as identification and enhancement of tourist spots with minimal environmental impact, ecological protection, planning for disaster management to address landslides, floods map and other natural calamities effectively.

194. The Tamil Nadu Urban Habitat Development Board is reconstructing 6,424 dilapidated tenements at an estimated cost of Rs.1,148 crore. In the next phase, 5,256 houses will be rebuilt at an estimated cost of Rs.1,051 crore over a period of the next two years. To address the housing needs of low-income groups, a

Corpus for Affordable Housing will be established to support the construction of new houses for eligible beneficiaries. In the Budget Estimates, a sum of Rs.7,718 crore has been allocated for the Housing and Urban Development Department.

Public Works

195. Following the establishment of the Kalaingar Centenary Library in Madurai and the Multi-Speciality Hospital in Guindy, the Public Works Department is undertaking several projects to enhance several modern landmarks in Tamil Nadu. These include the world-class Kalaingar International Convention Centre in Chennai, the Vaigai Tamil Nadu House in New Delhi, and state-of-the-art libraries in Coimbatore and Trichy.

196. Additionally, to preserve the heritage of ancient buildings, 17 heritage structures including the heritage buildings of the Oriental Research Institute (ORI) in the Marina Campus of the University of Madras in Chennai, Desingu Raja Rani Memorial in Ranipet, Tamil Nadu Agricultural University - Research Institute in Coimbatore, office buildings in Rani Mangammal Fort complex in Trichirappalli and Mahakavi Bharathiyar Illam in Ettayapuram town of Thoothukudi District will be renovated, without altering their heritage value, at an estimated cost of Rs.150 crore.

197. In the Budget Estimates, a sum of Rs.2,457 crore has been allocated for the Public Works Department.

Highways

198. Tamil Nadu continues to be one of the states with the most extensive road infrastructure in the country. To further enhance this infrastructure, significant improvements have been made under the Chief Minister's Road Development Scheme over the past four years, covering 16,500 kilometers of roads. Additionally, 2,130 km of major roads have been widened to four-lane and two-lane roads, while more than 5,000 km of Panchayat Union roads have been upgraded to Other District Roads.

199. In furtherance of this, to address the growing traffic congestion in Chennai, the Tamil Nadu State Highways Authority (TANSHA) will construct a 14.2 km long four-lane elevated road from Thiruvanmiyur to Uthandi along the East Coast Road at an estimated cost of Rs.2,100 crore.

200. The Government is determined in developing several industrial corridors to promote industrial growth and generate more employment. In the first phase of this initiative, the Oragadam-Cheyyar Industrial

Corridor will be established. This corridor will enhance the export potential of products manufactured in the Cheyyar Industrial Park. In the first phase, development work worth Rs.250 crore will be undertaken this year.

201. In order to reduce the traffic congestion on the Chennai-Trichy National Highway, the feasibility of constructing a new four-lane road of about 28 km in length from Karunguzhi in Chengalpattu district to Mamallapuram on the East Coast Road via Thirukkazhukundram will be examined.

202. To ease traffic congestion in municipalities, cities, and towns, bypass roads are being constructed around major urban centres. As part of this initiative, the construction of 14 bypasses will begin this year with a total investment of Rs.1,713 crore, including the 12.5 km long Coimbatore Western Bypass at an estimated cost of Rs.348 crore and the 12.4 km long Tirunelveli Western Bypass at Rs.225 crore. Additionally, a detailed project report will be prepared for the proposed 48 km long Madurai Outer Ring Road.

203. As part of the initiative to green highways and contribute to a sustainable Tamil Nadu, 10 lakh trees of native species such as 'Vembu' (Neem), 'Pungai' (Indian Beech), 'Naval' (Jamun), and 'Puliyamaram' (Tamarind) will be planted, geotagged, and systematically maintained.

204. The vision of 'Accident-free State', which aims at reducing accidents that can cause high fatalities, will be implemented by undertaking suitable improvements in high-risk accident-prone areas, including narrow curves and road junctions, at an estimated cost of Rs.200 crore.

205. For the convenience of passengers and drivers, appropriate measures will be taken to establish roadside facilities at 10 selected locations on state highways, including food stalls, accommodation, rest rooms, power supply facilities for electric vehicles, first-aid and basic medical facilities, along with shopping malls.

206. As tourists from across the country continue to visit the glass fibre bridge inaugurated by the Hon'ble Chief Minister of Tamil Nadu during the silver jubilee celebrations of the Saint Thiruvalluvar statue in Kanyakumari, additional passenger boats will be operated from Chinna Muttam Port as a second terminal to the Thiruvalluvar statue.

207. In the Budget Estimates, a sum of Rs.20,722 crore has been allocated for the Highways and Minor Ports Department.

Ex-Servicemen Welfare

208. With the intent of encouraging entrepreneurial endeavours of ex-servicemen, their widows and dependents, and to aid in their economic empowerment, the '**Mudhalvarin Kaakkum Karangal Scheme**' was launched by the Government. This initiative offers a 30 per cent capital subsidy and a 3 per cent interest subvention on loans up to one crore rupees for new business ventures. In the financial year 2025-26, this scheme is expected to benefit 400 ex-servicemen and their dependents.

Welfare of Government Employees

209. Over the past four years, a total of 57,016 Government employees have been recruited for vacant positions across various Government departments through state recruitment agencies, including the Tamil Nadu Public Service Commission, Teachers Recruitment Board, Medical Staff Recruitment Board, and Tamil Nadu Uniformed Services Recruitment Board. Further, 21,866 individuals have been appointed through various Government departments and local bodies. In total, 78,882 individuals have secured government employment during this Government's tenure. Furthermore, the Government is actively working to fill 40,000 more positions within the next financial year.

210. To address the growing demand for affordable housing for Government employees, it is planned to construct 190 Type C quarters, covering a total area of 2 lakh square feet, at a cost of Rs.110 crore in Saidapet, Todhunter Nagar, Chennai.

211. Our Government is committed towards the welfare of the Government employees who are working tirelessly to implement the welfare schemes for the people in the State. As a result of the efforts taken by the Government, major banks in Tamil Nadu, where Government employees maintain their salary accounts, have come forward to provide various concessions free of cost to the Government employees and their families.

- Personal accident insurance cover of Rs.1 crore will be given by banks to Government employees in case of accidental death or permanent disability due to accident.
- Financial assistance of Rs.5 lakh each, up to a total of Rs.10 lakh, will be given by banks for the marriage expenses of daughters, of the Government servant deceased due to accident, who have attained the eligible age for marriage.
- Higher education assistance of up to Rs.10 lakh will be given by banks to the daughter, of the Government servant deceased due to accident,

who has completed school and is pursuing higher studies.

- In the event of natural death during service period, a sum of Rs.10 lakh will be given by banks as term life insurance cover.
- Interest concessions will be given by banks to Government employees while availing Personal Loan, Housing Loan and Education Loan.

212. The Government will enter into Memoranda of Understanding (MoUs) with banks which are willing to provide this insurance cover to Government servant in the coming financial year 2025-26. The Department of Treasuries and Accounts will coordinate the timely disbursement of these benefits to the families of the deceased Government employees through the banks.

Human Resource Management

213. Under the Simple Gov project, initiated to simplify government administrative processes and ensure quick and easy online access to government services, the procedures for obtaining certificates and documents from 8 Government department are being significantly streamlined. In the coming year, 150 services belonging to various departments will be undertaken under this initiative. To promote industrial development by

streamlining business procedures, the Tamil Nadu Pollution Control Board plans to expand the list of white-category industries.

214. To facilitate Government employees to enhance their skills, the Tamil Nadu Skill Development Corporation will provide free online training through educational institutions of their choice. The program will cover a diverse range of subjects, including Artificial Intelligence, Data Analysis, Project Management, and Communication Skills.

Welfare of Sri Lankan Tamils

215. The Government of Tamil Nadu is taking all necessary measures to ensure the welfare and rehabilitation of Sri Lankan Tamils. With a view to ensuring their dignified life, construction work for 7,469 new houses is currently underway. In the next phase, an additional 3,000 houses will be provided for Sri Lankan Tamils living in camps at an estimated cost of Rs.206 crore.

Grievance Redressal

216. The Government accords utmost priority to the prompt resolution of public grievances. Under the Mudhalvarin Mugavari Department, out of the 93.86 lakh petitions received so far, around 89.58 lakh petitions have been resolved. Further, continuous feedback is being

received from the petitioners on the quality of disposal, based on which necessary follow-up measures are being taken.

217. With the aim of delivering services to the people at their doorsteps without the need for visiting Government offices, the Government has launched the '**Makkaludan Mudhalvar**' initiative to redress public grievances within 30 days pertaining to 15 key departments with high public interface. Under this scheme, a total of 21.86 lakh petitions have been successfully resolved.

Home Department

218. This Government accords highest priority to provide safer environment to women and children. To prevent crimes against women and enhance the timely detection and investigation of other offenses, a new project will be implemented in Chennai and other major cities of Tamil Nadu, including Coimbatore, Trichy, Madurai, Tambaram, and Avadi, to ensure women's safety. This initiative will incorporate city-wide surveillance cameras, a Face Recognition System, Automatic Number Plate Recognition, drone-based surveillance, and intelligence-driven video analysis to prevent crimes. The project will be executed at an estimated cost of Rs.75 crore.

Registration

219. There is a felt need to introduce advanced technologies and modernize the sub-registrar offices, which process over 30 lakh document registrations annually in the State. In line with this, 50 sub-registrar offices in corporation areas, including those of Chennai, Coimbatore, and Madurai, will be upgraded at a total cost of Rs.30 crore with all amenities such as air-conditioned waiting areas, internet access, study rooms, safe drinking water, clean restrooms, electronic entry cards and spacious parking facilities.

Disaster Management

220. The Government of Tamil Nadu has recently classified 'Heat Wave' as a State-Specific Disaster. To mitigate its impact and minimize health risks and productivity loss, separate Heat Wave Action Plans will be developed for 11 cities — Greater Chennai Corporation, Madurai, Thoothukudi, Tiruchirappalli, Coimbatore, Erode, Tiruppur, Vellore, Salem, Tambaram, and Avadi — alongside the State-Level Heat Wave Action Plan.

221. To efficiently manage disaster risks, mitigate their impact, and strengthen the capabilities of first responders, field workers, elected representatives, and non-governmental organizations, a state-of-the-art

'Tamil Nadu State Institute of Disaster Management' (TNSIDM) will be established in Chennai at an estimated cost of Rs.50 crore under the State Disaster Relief Fund (SDRF).

Revenue Department

222. With the noble objective of creating a non-discriminatory and egalitarian society, the Government has prioritized the policy of providing free house site pattas to poor families who do not own their own homes or lands. So far, more than 10 lakh house site pattas have been provided to various sections of the people across the state and an another 5 lakh pattas will be provided this year.

223. The ban on restriction for granting house site pattas will be relaxed as a one-time measure for eligible families who are residing on unobjectionable porambokes for over 10 years in Chennai Metropolitan City and its surrounding areas, as well as those residing within a 16 km radius of district headquarters and 8 km radius of municipalities and town panchayats. Further, individuals who have been residing on such lands for more than 5 years will be granted house site pattas.

224. Our state will develop a High-Resolution Large-Scale Map (HRLM) using advanced technologies and

high-resolution satellite imagery. This initiative will be highly beneficial for land surveying, disaster management, planning, and various infrastructure projects.

Financial Management

225. The 16th Finance Commission under the Chairmanship of Dr. Arvind Panagariya, visited our state and was presented with a well-founded case for our key demands. These included increasing the vertical devolution to 50 per cent, adopting a more equitable formula for horizontal devolution that rewards states for their performance rather than penalizing them under the guise of redistribution and allocating resources to address specific challenges such as a rapidly growing urban population, frequent natural disasters, and an ageing demography. The Commission had expressed its appreciation on the State's Memorandum and we hope that the current Finance Commission adopts a progressive methodology as outlined by the Government.

226. A robust credit economy is vital for the holistic development of the state. Recognizing this, the Government has set an ambitious target of Rs.9.5 lakh crore for banks to extend credit to priority sectors such as agriculture, micro, small, and medium enterprises, women's self-help groups, and education in the upcoming

financial year. This marks a 17.47 per cent increase compared to the previous year.

227. To simplify the procedures involved in availing credit, the Government of Tamil Nadu, in collaboration with the Innovation Hub of the Reserve Bank of India, is set to introduce the '**Unified Lending Interface**' technology through various banks in the state. This initiative will enable faster loan approvals for farmers, dairy farmers, and small and micro entrepreneurs, significantly improving their access to credit and enhancing their quality of life.

228. To enhance the accuracy of measurement of Tamil Nadu's Gross State Domestic Product (GSDP), this Government will design and implement large-scale enterprise surveys to capture sector-wise GSDP, especially in service-related sectors. To support this initiative, an allocation of Rs.5 crore has been made in this Budget. This will ensure more accurate economic measurement and data-driven policymaking for Tamil Nadu.

229. Always striving for better and transparent governance, this Government has initiated several reforms including e-Procurement portal, online e-Bank Guarantee and establishing e-Contractors Registration system. In the next phase, Government will implement a '**Comprehensive Work Management System**' to

integrate the existing system of manual measurement book, contract management, estimate preparation and bill payments and bring it online. Once this integration and digitization process is completed, it will also be integrated with Kalanjyam, thereby facilitating easier monitoring of the progress of capital works and faster completion of the projects.

Special Programme Implementation

230. The 'Ungal Thoghudiyil Mudhalamaichar Thittam' focuses on addressing and fulfilling the long-term needs of the people based on recommendations from all Members of the Legislative Assembly. Under this initiative, 1,266 projects have been undertaken during 2023-24 and 2024-25 dovetailing existing schemes, with a total estimated cost of Rs.14,520 crore. Of these, 389 projects have already been completed at a cost of Rs.2,246 crore so far.

Part - B**Finances of the State Government****Hon'ble Speaker,**

231. Having highlighted the major announcements and schemes of this Government, I now turn to the aggregate fiscal position of the State.

232. In the year 2024-25, the State's Own Tax Revenue is estimated at Rs.1,92,752 crore in Revised Estimates, as compared to the projections of Rs.1,95,173 crore made in the Budget Estimates. In the Budget Estimates 2025-26, the State's Own Tax Revenue is projected at Rs.2,20,895 crore, which includes an amount of Rs.1,63,930 crore for Commercial Taxes, Rs.26,109 crore for Stamps and Registration, Rs.13,441 crore for Motor vehicle Taxes and Rs.12,944 crore for State Excise. Taking into account the growth in State's economic activity, the revision of taxes and improvement in collection efficiency, the State's Own Tax Revenue is estimated to grow at 14.60 per cent in 2025-26.

233. The State's Own Non-Tax Revenue is estimated at Rs.28,124 crore in Revised Estimates, as compared to Rs.30,728 crore in the Budget Estimates 2024-25. In the year 2025-26, the State's Own Non-Tax

Revenue is estimated at Rs.28,819 crore in the Budget Estimates. In sum, the State's Own Revenues are estimated at Rs.2,49,713 crore, which constitutes 75.31 per cent of the Total Revenue Receipts in the Budget Estimates 2025-26.

234. While the State's Own Revenues have been increasing due to the efforts of the Government, the central transfers from the Union Government in the form of Grants-in-aid and share in central taxes as a proportion of total revenue receipts have reduced significantly. Withholding of funds under Samagra Shiksha, denial of funds under NDRF for Cyclone Fengal, a paltry release of Rs.276 crore for two massive disasters in the form of Cyclone Michaung and the unprecedented rainfall in southern districts, have all caused a severe strain on the State Finances.

235. In 2024-25, the grants-in-aid are estimated to substantially reduce to Rs.20,538 crore in the Revised Estimates, as compared to Rs.23,354 crore projected in the Budget Estimates. Anticipating the release of the entire funds due to the State under Samagra Shiksha in the ensuing year, the Grants-in-aid receivable from the Union Government are estimated at Rs.23,834 crore in Budget Estimates 2025-26.

236. The share in central taxes has been estimated at Rs.52,491 crore in the Revised Estimates, as compared to Rs.49,755 crore in the Budget Estimates 2024-25. While there is an increase owing to the higher tax collections by the Union Government, it continues to be far lesser than what should accrue to the State but for the indiscriminate levy of cess and surcharges. The Share in Central Taxes is estimated at Rs.58,022 crore in the Budget Estimates 2025-26 based on the Union Government's budgetary allocation. When seen in comparison to our contribution of 9 per cent to the nation's economy and 6 per cent of the Country's population, the 4 per cent share in central taxes is a gross injustice to the State.

237. In aggregate, the total amount of funds received from the Union Government as a percentage of the Gross State Domestic Product (GSDP) to the State has seen a constant and precipitous fall in the past few years, reducing from a high of 3.41 per cent of GSDP in 2016-17 to a meagre 1.96 per cent in the Revised Estimates 2024-25. In current GSDP terms, the reduction of 1.45 per cent translates to a loss of Rs.45,182 crore to the State, which is almost 44.43 per cent of our estimated Fiscal Deficit in Revised Estimates 2024-25.

238. In sum, the Total Revenue Receipts are projected to be Rs.2,93,906 crore in the Revised Estimates, as compared to Rs.2,99,009 crore estimated in Budget Estimates 2024-25. In 2025-26, the Total Revenue Receipts are projected at Rs.3,31,569 crore, which is an increase of 12.81 per cent over the Revised Estimates.

239. On the expenditure front, the Total Revenue Expenditure has reduced from Rs.3,48,289 crore in Budget Estimates 2024-25 to Rs.3,40,374 crore in the Revised Estimates on account of savings in non-development expenditure. In Budget Estimates 2025-26, the Total Revenue Expenditure has been estimated at Rs.3,73,204 crore, showcasing a growth of 9.65 per cent over Revised Estimates 2024-25.

240. The overall Capital Expenditure in the Revised Estimates is projected at Rs.46,766 crore, as compared to Rs.47,681 crore in Budget Estimates 2024-25. In line with the Government's efforts to boost capital expenditure, the projections for Budget Estimates 2025-26 are made at Rs.57,231 crore, which is a growth of 22.38 per cent over Revised Estimates. The total capital outlay of the State including Net Loans and Advances is estimated at Rs.65,328 crore in the Budget Estimates 2025-26.

241. The Revenue Deficit in Revised Estimates is estimated to decrease to Rs.46,467 crore compared to Rs.49,279 crore in Budget Estimates 2024-25, on account of prudent fiscal management. This has been achieved despite the substantial reduction in grants-in-aid from the Union Government in the current year. In the Budget Estimates 2025-26, the Revenue Deficit is estimated to further reduce to Rs.41,635 crore. The State finances have deteriorated continuously since the year 2015-16, when the Revenue Deficit breached the 1 per cent GSDP mark for the first time, and then worsened further to reach 3.28 per cent in 2020-21. This Government has been working tirelessly to reverse this declining trend, amidst all obstacles, and in the ensuing year, it is expected to bring down the Revenue Deficit to 1.17 per cent of the GSDP, close to the ratio of 2015-16.

242. The Fiscal Deficit in Revised Estimates is estimated to decrease by Rs.6,992 crore to reach Rs.1,01,698 crore, as against Rs.1,08,690 crore in Budget Estimates 2024-25. The Fiscal Deficit as a percentage of GSDP is estimated to decrease to 3.26 per cent in the Revised Estimates 2024-25 as against 3.44 per cent estimated in the Budget Estimates, despite a downward revision in the GSDP. The Fiscal Deficit in Budget Estimates 2025-26 is estimated to be Rs.1,06,963 crore, equal to

3 per cent of the GSDP, showcasing the Government's commitment to the path of fiscal consolidation.

243. While there is a reduction in the net borrowings of the Government in absolute terms, the outstanding Debt to GSDP ratio in Revised Estimates 2024-25 is estimated to marginally increase to 26.43 per cent as compared to 26.41 per cent projected in Budget Estimates 2024-25, owing to the downward revision of GSDP as per the latest estimates. In Budget Estimates 2025-26, this ratio is expected to decrease to 26.07 per cent of the GSDP, well within the target of 28.70 per cent for the year 2025-26 prescribed under the 15th Finance Commission.

Hon'ble Speaker Sir,

244. I wish to recount the lines of the renowned American poet Robert Frost:

**"The woods are lovely, dark and deep
But I have promises to keep
And miles to go before I sleep
And miles to go before I sleep."**

I am certain that the esteemed members of this assembly will agree that these poetic lines befittingly personify our Hon'ble Chief Minister, who toils tirelessly, thinks ceaselessly and acts unwaveringly for the welfare of Tamil Nadu.

245. *"We shall do what we say and say what we do"* is the principle that our Hon'ble Chief Minister has kept as a lodestar as he shapes the path of progress for us Tamils. It is in this direction shown by him that I now venture to make a few major announcements.

246. Government employees and teachers have been consistently demanding the reinstatement of the Earned Leave (EL) Surrender system, which was suspended due to the severe financial strain on the Government of Tamil Nadu in the aftermath of the COVID-19 pandemic. After careful consideration and as per the directions of the Hon'ble Chief Minister, **the Earned Leave Surrender system will be restored, allowing Government employees and teachers to encash by surrendering up to 15 days of earned leave from 01.04.2026.** The relevant Government orders in this regard will be issued soon. This decision, aimed at safeguarding the welfare of Government employees, will benefit more than nine lakh Government employees and teachers.

247. Following the visionary path of Muthamizh Arignar Kalaigarnar, who enacted the law ensuring equal property rights for women in 1989, our Dravidian Model Government remains committed to elevating the status and rightful authority of women in Tamil society.

In furtherance of this, to ensure an equal place for women not just in society but also within their families, **the registration fee for all immovable assets, including houses, plots and agricultural lands, valued up to Rs.10 lakh will be reduced by one per cent when registered in the name of women, from 01.04.2025.** Around 75 per cent of the current registrations will be eligible to avail this concession. Through this initiative, the Government strongly believes that women's self-reliance and financial independence will be further strengthened.

248. To safeguard women's welfare, our Government is implementing various pioneering schemes, such as Self-Help Groups, Vidiyal Payanam, Kalaignar Magalir Urimai Thittam, Pudhumai Penn, and Thozhi working women's hostels, which have received widespread acclaim across the nation. As a next step, with the aim of further increasing women's participation in Tamil Nadu's economic development, **a major initiative to elevate one lakh women as entrepreneurs** in the next five years will be undertaken. Under this scheme, women will receive skill development training and entrepreneurial guidance to establish various enterprises, with access to bank loans of up to Rs.10 lakh, along with a 20 per cent subsidy. For this scheme, an allocation of Rs.225 crore has been made in the financial year 2025-26.

249. At a time when artificial intelligence is reshaping this world, there is a historic need to continuously equip our students with advanced technical knowledge and skills training. Carefully considering this need, and to fulfill the promise made before the people four years ago, Our Government has planned to provide high-tech devices to students studying in various colleges of Tamil Nadu, including arts, science, engineering, agriculture and medicine. **In the first phase, 20 lakh college students will be provided with a tablet or laptop, based on their preference, over the next two years.** Launched with the objective of ensuring that our youth succeed in the high-tech world of the future, an amount of Rs.2,000 crore will be allocated for this scheme in the financial year 2025-26.

250. Under the visionary leadership of our Hon'ble Chief Minister, who will be remembered as one of the greatest leaders in the history of this century-old Legislative Assembly, we will redouble our efforts to lay a strong foundation for Tamil Nadu's future development ensuring 'everything is for everyone'. Once again, I sincerely extend my gratitude to the Hon'ble Chief Minister for his invaluable guidance and numerous insightful contributions in shaping this budget.

251. I wish to convey my gratitude and appreciation to Thiru. T. Udhayachandran, IAS, Principal Secretary, Finance Department and all officials of the Finance Department who have worked tirelessly for the preparation of this Budget.

252. Hon'ble Speaker Sir, I commend the Budget Estimates for the year 2025-26 for the approval of this august House.

வாழ்க தமிழ்!

வெல்க தமிழ்நாடு!

Thiru. Thangam Thenarasu

Minister for Finance and Environment &
Climate Change

Chennai,
14th March 2025,
Masi-30
Thiruvalluvar Aandu 2056.

APPENDIX

MEDIUM TERM FISCAL PLAN

The State Government is required to place a Medium Term Fiscal Plan (MTFP) before the Legislative Assembly along with the Budget in accordance with Section 3(1) of the Tamil Nadu Fiscal Responsibility Act, 2003 (TNFRA). As per Section 3(2) of the said Act, the MTFP shall set forth a multi-year rolling target for the prescribed fiscal indicators like Revenue Deficit, Fiscal Deficit and Debt to GSDP ratio, specifying the underlying assumptions made to arrive at those projections. Complying with the said provisions under the Tamil Nadu Fiscal Responsibility Act, 2003, a Medium-Term Fiscal Plan for the period from 2025-26 to 2027-28 is hereby placed before the Legislative Assembly.

Economic scenario

Tamil Nadu remains a key growth engine, driven by a robust manufacturing base, rapid expansion in the services sector, and sustained public and private investments. The state has emerged as a leader in electronics and electric vehicle (EV) manufacturing, attracting major investments. This sector has witnessed remarkable growth, with electronics exports rising from \$1.66 billion in 2021-22 to \$5.37 billion in 2023-24 and projected to surpass \$12 billion in 2024-25, reflecting the state's rapid industrial growth and global competitiveness.

With these strong economic drivers in place, Tamil Nadu's nominal GSDP is expected to grow at 14.5 per cent in 2024-25, with real growth projected at 9 per cent and an average inflation of 5.5 per cent. Further, large-scale infrastructure development—spanning road networks, housing projects, and urban connectivity—continues to stimulate economic activity and job creation. Going forward, Tamil Nadu's GSDP growth is projected at 15 per cent per annum for 2026-27 and 2027-28.

I. Revenue Receipts

The Total Revenue Receipts of the State Government, including the Central Transfers, are estimated to be Rs.3,31,568.76 crore in Budget Estimates 2025-26 as against the Revised Estimates of Rs.2,93,906.41 crore in 2024-25. The projections for 2026-27 is estimated to be Rs.3,75,421.55 crore and for 2027-28 is Rs.4,25,648.81 crore, which indicates a growth of 13.23 per cent and 13.38 per cent respectively. The important components are discussed below:

1. State's Own Tax Revenue

The State's Own Tax Revenue (SOTR) is estimated to be Rs.1,92,752.43 crore in the Revised Estimates 2024-25. It is estimated to increase to Rs.2,20,894.58 crore in the Budget Estimates 2025-26, reflecting a strong growth of 14.60 per cent mainly due to the revenue

augmentation measures taken by the Government. Owing to the efforts of the Government to improve collection efficiency, the tax buoyancy is expected to be 1.00 per cent going forward. Accordingly, the SOTR is projected to be Rs.2,54,028.77 crore in 2026-27 and Rs.2,92,133.08 crore in 2027-28. The growth rates of State's Own Tax Revenue are estimated to be 15.00 per cent in 2026-27 and 2027-28 based on present trends in tax collection and economic outlook.

2. Non-Tax Revenue

The State's Own Non-Tax Revenue has been estimated at Rs.28,818.58 crore in the Budget Estimates for 2025-26. In line with the past trends, the State's Non-Tax Revenue is projected at Rs.31,124.06 crore in 2026-27 and Rs.33,613.99 crore in 2027-28, reflecting a growth of 8 per cent annually.

3. Share in Central Taxes

Tamil Nadu's share in Central Taxes is estimated at Rs.58,021.50 crore in Budget Estimates 2025-26 as against Rs.52,491.88 crore in the Revised Estimates 2024-25. This is based on the estimates in the Union Budget 2025-26. The share in Central Taxes is projected to be Rs.66,434.62 crore in 2026-27 and Rs.76,067.64 crore in 2027-28 by assuming a growth rate of 14.50 percent annually.

4. Grants-in-Aid from the Union Government

The Grants-in-Aid from the Union Government is estimated at Rs.20,538.40 crore in Revised Estimates 2024-25. In the Budget Estimates 2025-26 anticipating the release of entire funds due under Samagra Shiksha scheme, the Grants-in-Aid are estimated at Rs.23,834.11 crore. For 2026-27 and 2027-28, Grants-in-Aid are projected at the same level of Rs.23,834.11 crore, anticipating stagnation in fund release post the introduction of SNA Sparsh System for centrally sponsored schemes.

II. Revenue Expenditure

The Revenue expenditure is estimated at Rs.3,73,203.69 crore in Budget Estimates 2025-26, which shows an increase of 9.65 per cent over Revised Estimates 2024-25. The Revenue expenditure is projected to be Rs.4,06,703.78 crore in 2026-27 and Rs.4,43,675.30 crore in 2027-28.

The important components are discussed below:

- The expenditure on account of Salaries is a committed expenditure and is estimated to be Rs.90,463.98 crore in the Budget Estimates 2025-26. This shows an increase of 11.05 per cent over the Revised Estimates 2024-25. The expenditure under Salaries is expected to be

Rs.1,00,415.02 crore in 2026-27 and Rs.1,11,460.67 crore in 2027-28 based on anticipated new recruitments.

- The Non-wage Operations and Maintenance is estimated to be Rs.16,921.78 crore in the Budget Estimates 2025-26. This expenditure is projected at Rs.18,275.52 crore in 2026-27 and Rs.19,737.56 crore in 2027-28, reflecting a nominal growth of 8 per cent.
- The expenditure on account of committed expenditure on Pensions and Retirement benefits is estimated to be Rs. 41,290.40 crore in Budget Estimates 2025-26. Considering the trends in retirement, the expenditure under Pension and Retirement benefits is projected at Rs.46,245.25 crore in 2026-27 and Rs.51,794.68 crore in 2027-28.
- The expenditure on account of Subsidies and Transfers is estimated to be Rs.1,53,723.87 crore in the Budget Estimates 2025-26. The expenditure under Subsidies and Transfers is projected at Rs.1,61,410.06 crore in 2026-27 and Rs.1,69,480.57 crore in 2027-28, reflecting a growth of 5 per cent.

- The interest payments for public debt raised in the previous years are a committed liability of the Government and continue to increase every year. The expenditure on account of interest payments is estimated at Rs.70,753.99 crore in the Budget Estimates 2025-26. This expenditure is projected at Rs.80,305.78 crore in 2026-27 and Rs.91,147.06 crore in 2027-28.

III. Capital Account

In the Budget Estimates 2025-26, an amount of Rs.57,230.96 crore is allocated for Capital Expenditure as against Rs.46,766.03 crore in the Revised Estimates 2024-25, which shows an increase of 22.38 per cent. In line with the Government's push for capital expenditure, the capital expenditure is projected to be Rs.71,538.70 crore in 2026-27 and Rs.89,423.38 crore in 2027-28. This shows the commitment of the State to constantly improve the allocation for growth-oriented expenditure while maintaining fiscal discipline. The net loans and advances are estimated at Rs.8,102.37 crore in Budget Estimate 2025-26. This is projected to increase to Rs.12,963.79 crore in 2026-27 and to Rs.19,445.69 crore in 2027-28.

IV.Revenue Deficit and Fiscal Deficit

The Revenue Deficit in the Budget Estimates for 2025-26 is estimated at Rs.41,634.93 crore. In view of the revenue augmentation measures including improvement in tax administration and collection efficiency, the Revenue Deficit is expected to reduce to Rs.31,282.23 crore in 2026-27 and subsequently reduce further to Rs.18,026.48 crore in 2027-28. This will create additional space for capital expenditure in the State.

In the Budget Estimates for 2025-26, the Fiscal Deficit is estimated at 3.00 per cent of GSDP. In the forthcoming years, Fiscal Deficit to GSDP ratio is projected to be 2.82 per cent in 2026-27 and 2.69 per cent in 2027-28, which are within the targets fixed under Tamil Nadu Fiscal Responsibility Act 2003.

V.Borrowings

The estimates for receipt and repayment of borrowings have been finalized on the basis of overall borrowing ceiling fixed by the Government of India. The Government plans to borrow a total amount of Rs.1,62,096.76 crore during 2025-26 and make repayment of Rs.55,844.53 crore. As a result, the outstanding borrowing as on 31st March 2026 will be Rs.9,29,959.30 crore. This constitutes 26.07 per cent of GSDP in 2025-26. The Outstanding debt as a percentage

of GSDP is expected to be 25.49 per cent in 2026-27 and 24.85 per cent in 2027-28. Therefore, the State aims to maintain debt sustainability as part of its fiscal consolidation roadmap.

VI. Guarantees

The outstanding guarantees for each year have to be restricted at a level of 100 per cent of the Total Revenue Receipts in the preceding year or 10 per cent of the GSDP, whichever is lower. The outstanding guarantees as on 31st March, 2024 were 50.16 per cent of Total Revenue Receipts in the preceding year and 4.49 per cent of GSDP.

The outstanding risk weighted guarantees for each year have to be kept at a level of 75 per cent of the Total Revenue Receipts of the preceding year or 7.5 per cent of GSDP, whichever is lower. The outstanding risk weighted guarantees as on 31st March, 2024 stood at 18.23 per cent of Total Revenue Receipts of the preceding year and 1.63 per cent of GSDP.

Conclusion

In the current economic scenario, Tamil Nadu's growth is higher than that of the national GDP, which is a positive sign. This growth advantage is expected to continue in the coming year. Through steps such as resource augmentation and improvement in revenue

collection efficiency, the State will attempt to maintain a healthy growth in Revenue Receipts. With fiscal consolidation as the fundamental principle, the State will continue to adhere to TNFRA norms, thereby enabling increasing investment and expenditure in growth and welfare-oriented areas.
