

Jaya govt presents tax-free budget in Tamil Nadu

Government today presented a tax-free budget for 2013-14, proposing 'prudent fiscal management'. The state government came heavily on the Union Government for not taking any steps to control fiscal deficit and to boost the growth.

Finance Minister O Panneerselvam, who presented the budget said that despite all the pressures no new tax will be imposed, nor will any existing tax rate be hiked in the budget.

He noted, despite, agriculture, manufacturing and services sectors are facing crisis in the wake of a drought situation, slow down the government has decided not to burden the public.

Industries

The state government has set a target to attract investments to the tune of Rs 1.90 lakh crore over the next 10 years. To attract investments in the southern districts, the state will introduce new incentives, said the State Finance Minister.

Besides, the State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) will set up a land bank with 25,000 acres of land for industrialisation purpose. A new ship building project, extension of Madurai-Tuticorin, new manufacturing zones are also on the cards.

The state government is also planning to join hands with industries to train youths for the future industrialisation needs.

Infrastructure

The State government has said power projects worth Rs 21,000 crore will be taken up to address the future power demand, said Panneerselvam.

The new projects which were envisaged including 1980 MW power projects at Ennore and 2X660 MW project at Udangudi. Work for these projects will be taken up in 2013-14, said the State Finance Minister in his budget speech.

It may be noted, at present the state is facing power shortage to the tune of 4000 MW.

Besides, he said that MoUs were signed to buy 226 MW of power from solar farms.

He further said, the state government has given approval for restructuring. Of the Rs 12,213 crore short-term loan of the State Electricity, 50% will be observed by the State.

He added, the state Board had a debt of Rs 45,000 crore, towards which Rs 7,913.35 crore was allotted in 2011-12 and in 2012-13 Rs 11,242 crore was allotted to pay back the debt.

The state has also given guarantee for the Board to raise Rs 10,000 crore from REC and Power Finance Corporation.

The state government has allotted Rs 2,000 crore for infrastructure development and also said 60% of the other infrastructure development planned will be taken up by the private participants. The state government also allotted Rs 750 crore for Metro Rail Project.

(Business Standard)