

Government of Puducherry
Planning and Research Department

No.217/PRD/2016-17/PF

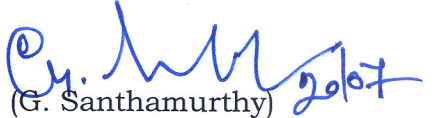
Puducherry, the 20.07.2016.

CIRCULAR

Sub: State Planning Board – Minutes communicated – Reg.

Minutes of the State Planning Board meeting held on 04.07.2016 under the Chairpersonship of Hon'ble Lt. Governor is sent herewith.

/ By Order /


(G. Santhamurthy) 20/07
Director (Plg.)

To

The Chairperson and Members of the State Planning Board.

**Minutes / Aide – Memoire of the State Planning Board Meeting held on
04.07.2016 under the Chairpersonship of Hon’ble Lieutenant Governor at
4.00 P.M. in the Conference Hall, Chief Secretariat, Puducherry**

The State Planning Board Meeting was held on 04.07.2016 under the Chairpersonship of Hon’ble Lieutenant Governor to discuss the Draft Annual Plan 2016-17 and finalise the Plan / Budget size.

2. The Hon’ble Chief Minister, Hon’ble Minister for Public Works, Hon’ble Minister for Health, Hon’ble Minister for Welfare, Hon’ble Minister for Revenue, Hon’ble Minister for Agriculture, Member of Parliament (Rajya Sabha), Special Invitees, Chief Secretary, Development Commissioner, and all the Secretaries and other Members of State Planning Board were present in the meeting. The list of participants is enclosed as Annexure-A.

3. At the outset, Chief Secretary welcomed the Lt. Governor, Chief Minister, Ministers and other members of the Board and outlined that the purpose of the current meeting was to consider and approve the Annual Plan 2016-17 which would be subsequently sent to Ministry of Home Affairs, Govt. of India, for approval. Chief Secretary also apprised the Board that :

- Hon’ble Chief Minister already had a preliminary meeting with all ministers, M.L.As, Industrial Association and all relevant stake holders to get their views and inputs on the sector-wise plan preparation.
- Last year Plan utilisation against the Revised outlay was 91.8% and Non-plan expenditure was 99%.
- Most of Puducherry’s revenue comes from Commercial Taxes and Excise. However, there was a shortfall in revenue collection in Power to the tune of Rs.210 crore which affected the overall plan expenditure.
- In view of the limited resources, the available resources must be effectively utilised through better planning and implementation of Schemes.

4. Hon’ble Lt. Governor in her opening remarks welcomed the participants and expressed that it was an absolute honour to be working with the newly elected Government for the welfare of the people and development of Puducherry. Hon’ble Lt. Governor made the following points:

- The top priority of the present Govt. must be maintenance of Law and Order, development, employment generation, encouraging setting up of more / new industries, preserving the beauty of Puducherry through cleanliness which will pave way for increased tourist inflows and business activities contributing to economic growth.
- Though Puducherry is reasonably well provided financially, the Government has to work hard and take pragmatic decisions to rescue the tight fiscal situation.

- The key issue is that Puducherry needs to raise its own revenue generations by better collection and expansion in various potential areas of taxation including the collection of user charges from people for municipal and other utility services.
- Loans and grants which are tied to conditionalities should be strictly complied with to ensure regular flow of funds.
- Finance Department to hold a briefing session with the elected representatives of people about CSS and various other Central programmes which are implemented in the Union Territory.
- As every rupee has been generated through lot of hard work, all of us are duty bound to ensure its usage with total integrity and accountability to fulfil people's expectations towards achieving prosperous development in Puducherry.
- Planning & Research Dept. which co-ordinates the preparation of plan documents needs to carry out scheme audit and social audit of various schemes and programmes periodically. Whenever sanction of the Finance Dept. is sought for, the comments of PRD would be an essential input in evaluating and sanctioning financial proposals.
- The Departments must tap the CSS schemes to the maximum extent for supplementing the state resources.
- Hon'ble Chairperson also directed the Finance Department to hold bi-monthly co-ordination meeting with the Depts. to monitor the implementation and timely expenditure of various CSS and to carry out mid-term corrections, where ever required.
- Public officials should courageously record their suggestions / advise / option /opinion/ based on rules / facts for better decision making by Political Representatives.
- And Political Representatives in power must ensure all expenditure with Total Transparency.

5. The Development Commissioner –cum- Secretary (Finance & Planning) made a detailed power-point presentation on the financial position of Puducherry *inter alia* covering the aspects of UT's resources, revenue flows, resource allocation and expenditure pattern in the last 5 years, the potential areas for revenue mobilization, important fiscal issues and the proposed draft Annual Plan fixing Plan & Non-Plan size. The copy of the presentation is at Annexure-B.

6. After the presentation, the members / special invitees presented their views/ suggestions which are as follows:

a) Thiru N. Gokulakrishnan, Member of Parliament(Rajya Sabha), Member

- Setting up of IT park for generating employment opportunities to reduce unemployment in Puducherry.
- Review of IT Policy of 2008 to attract investors in IT Park.
- Simple, transparent and faster clearance to be accorded under one roof for setting up of new industries.
- Imparting of Knowledge based training should be given for educated unemployed youths, semi skilled people of below poverty line families to organise skill development.
- Training programmes should be conducted in all Departments without duplication.
- Introduction of MSME cluster development programme.
- Creation of STP.

Hon'ble Chief Minister informed that Govt. of India has already sanctioned funds to train the entrepreneurs in PEC.

b) Thiru. A. Anbalagan, MLA, Special Invitee

- Suggested the appointment of Ministers / M.L.A.s / Secretaries of the Department as Chairman of the Societies or Boards in the place of private persons in order to reduce expenses and ensure accountability.
- Formation of a corporation with right to procure and sell liquor on the patterns of TASMAL in Tamil Nadu.
- Auctioning of liquor shops as well as bars for additional income.
- Setting up of more industries for employment of youth.
- Strengthening of Commercial Taxes Department for strict enforcement and effective revenue collection.
- Benefits of government schemes to be extended only to the poor and below poverty line people.
- Fixing of income ceiling for getting tuition fees assistance in CENTAC and other education purpose.
- Fishing ban relief to be extended / restricted to the people who do active fishing activities.

c) Thiru. S. Ravichandran, BJP, Special Invitee

- Establishment of new industries and IT Park without levying tax will increase the employment opportunities for youth.
- Establishing Boat house in places like Bahour, Karaikal and Yanam for attracting tourists.
- Establishment of Education Board in the U.T. of Puducherry.

- In the NEET exam, 50% seats of allocation to be allotted to the U.T. of Puducherry.
- In all Health Centres necessary provision to be made for Yoga, Ayurveda etc. Health Cards to be provided to all people of U.T. of Puducherry.
- Action to be taken for running of all defunct Textile mills.
- Modernization of port & Rain water harvesting to be implemented.

d) Thiru.R. Viswanathan, CPI, Special Invitee

- Action for bringing Puducherry under NITI Commission.
- Head of Departments should go for field visit in order to understand the problems of the people.
- Vacancies in the Dept. of LAD, Revenue, Commercial Tax, Excise, Tourism to be filled up for effective collection of revenue.
- Land Ceiling Act to be implemented.
- The name of Agriculture Dept. may be changed as Agriculture and Agriculturists Welfare Dept.
- Appointment of an I.A.S. as a nodal officer for coordinating implementation of all CSS Schemes.

e) Thiru. M. Siva, M.L.A., Special Invitee

- Setting up of new industries without levying taxes.
- Action to be taken for provision of drinking water from Muthirayarpalayam or from Ossudu lake in the area of newly constructed tanks.
- Underground drainage system and Over bridge works to be expedited.
- Establishment of Anganwadi Centres for every 1200 persons and already existing old Centres to be renovated.
- People to be given the option to voluntarily give up the benefit of welfare schemes.

f) Thiru.V. Perumal, CPM, Special Invitee

- Request to be made to the Central Govt. for Waiving of loans.
- Projects under PPP should be completed within the stipulated time.
- Railway track to be laid between Chennai and Puducherry, Puducherry & Dindivanam, Dindivanam & Cuddalore.
- Further, opening of new liquor shops and illegal selling of lottery tickets to be strictly controlled.
- Rules to be framed for Right to Education Act and framing of Labourers Welfare Act.

g) Thiru M. Somasundaram, BSP, Special Invitee

- FL1 and FL2 licences to vend liquor should be given to the Govt. instead of Private persons.

- Reservation should be provided for starting of industries or new business.

h) Thiru. A. Gandhiraj, Ex-MLA, Special Invitee

- Introducing lesser rates of taxation to augment tax revenue and compliance.
- Govt. to facilitate setting up of more industries for provision of more employment opportunities.
- More concession to be provided for starting new industries.
- Development of Tourism in areas of spiritualism, education and entertainment.

i) Non Official Member, IIPA, New Delhi

- Social audit should be conducted in each department to ensure transparent administration.

j) Thiru. M.O.H.F. Shahjahan, Hon'ble Minister for Revenue & Transport

- The maximum limit of 19 years of Lease period for running up of industries has to be amended.
- Instead of lease, contract license may be issued.
- Cess/ tax /fees to be levied on private colleges getting various municipal and utility services from Government Departments.
- Turn over Incentive may be given for Industrialists for long term running of Industries.
- Industries must be permitted to go for vertical extension instead of horizontal extension in view of land constraint.
- Updation of syllabus of Polytechnics to have tie up with Singapore for new courses.
- Students passing out from Polytechnics to be given job preference / opportunities in the new industries.

k) Thiru. M. Kandasamy, Hon'ble Minister for Welfare & Cooperation

- Waiving of Loans and getting Central funds.
- Survey for Identification of beneficiaries under all Govt. Schemes by surveying the higher, middle and lower income group of people.
- All Central Govt. funds to be utilised fully.
- A separate team with Secretaries and HODs may be formed for monitoring and utilization of the Central Govt. funds under CSS.

l) Thiru. A. Namassivayam Hon'ble Minister for Public Works & LAD

- The unspent money of a Department should be transferred to the required Department in the R.E. stage with the approval of Assembly.

- Property tax may be collected based on the electricity bill as the assessment notice is not properly issued to all houses.
- In general, Levying of more taxes may be avoided.

m) Thiru. V. Narayanasamy, Hon'ble Chief Minister

Hon'ble Chief Minister highlighted the following issues / developments:

- Hon'ble Chief Minister informed the Board that he led a delegation consisting of his cabinet colleagues and Chief Secretary, met the Hon'ble Prime Minister and requested for waiver of legacy loans which was sanctioned in the year of 2007 by Central Govt. and also to reimburse the amount of interest of Rs. 1300 crore paid by U.T. of Puducherry.
 - As Puducherry is neither included in Central Finance Commission nor in U.T. Finance Commission, there was no devolution of funds on non-plan side based on the central taxes revenue accrued to the Govt. of India from Puducherry. Govt of India has been requested to compensate the loss on account of non-devolution of proceeds of central taxes based on Finance Commission norms.
 - The Central Inter-Ministerial Committee for assessment of rain damages recommended an amount of Rs. 118 crore for flood relief in which only Rs.35.00 crore have been sanctioned. Govt. of India has been requested to release the balance amount.
 - Central Government has approved the smart city scheme in the U.T. of Puducherry by linking Puducherry Municipality along with Oulgaret Municipality.
 - Action is being taken for Underground drainage System, 24 hours drinking water facilities with the co-operation of the French Govt.
 - Departments must intensify action for leveraging the benefits of all the available Govt of India schemes including CSS and utilisation of Central Govt. Funds.
 - Agriculturists, Labourers, industrialists, Fishermen Associations, AD Welfare Association, and public representatives were called for discussion and their views have been taken for budget formulation.
 - Administrative and implementation structures to be strengthened to ensure optimum use of resources, materials, money which is available to us without time and cost overruns.
 - Action taken up for the construction of 55000 nos. of toilets in rural and urban areas of Puducherry for an amount of Rs. 120 crore under Swachh Bharat Mission.
 - Hon'ble Chief Minister solicited the full co-operation of all MLAs and officials for development of Puducherry.
 - The Departments and officials will be held responsible and accountable for timely delivery of public goods and services.
7. After the above proceedings and detailed discussions on the proposed draft Annual Plan 2016-17, the State Planning Board approved the following :

- i) Tentative Plan size of Rs. 2465 crore being too small will be revised. The Board further resolved and authorized the Government to decide on the additional Plan Assistance needed to increase the Plan size to meet the development requirements and to approach the Govt. of India for getting the required additional Central Assistance.
- ii) Non-Plan Outlay size of Rs.4000 crore.
- iii) The Government to appropriately consider the revenue mobilization measures flagged in the presentation in a time bound manner so as to augment the resources for development needs.
- iv) New schemes having financial implication and existing schemes where increase in the scale of assistance or relaxation of eligibility criteria are subject to approval of State Planning Board.
- v) The expenditure management shall be governed by the cardinal principles of “As per budget” and ‘As per Rules”.
- vi) The Secretaries and Heads of Departments shall maintain strict financial discipline in incurring expenditure and regularly monitor the implementation of schemes and the pattern of expenditure, as per norms.
- vii) The departments implementing Centrally Sponsored Schemes shall take prompt and necessary follow up action with Govt of India for release of CSS funds as projected in the Budget.
- viii) The revenue generating departments viz. VAT, Excise, Revenue, MV Taxes, Power etc. shall take immediate necessary action for recovery of pending taxes / arrears from defaulters.

The Meeting ended with vote of thanks to the Chair and all the other participants.

List of Participants in the meeting of State Planning Board held on 04.07.2016

Chairperson and Members of the Board

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|-----------------------------------------------------------------------------|-----------------------|
| 1. Hon'ble Lt. Governor | - Chairperson |
| 2. Hon'ble Chief Minister | - Vice-Chairman |
| 3. Hon'ble Minister for Public Works | - Member |
| 4. Hon'ble Minister for Health | - Member |
| 5. Hon'ble Minister for Welfare | - Member |
| 6. Hon'ble Minister for Revenue | - Member |
| 7. Hon'ble Minister for Agriculture | - Member |
| 8. Member of Parliament (Rajya Sabha) | - Member |
| 9. Chief Secretary to Govt. | - Member |
| 10. Development Commissioner-cum-
Secretary to Govt.(Finance & Planning) | - Member Secretary |
| 11. Secretary to Govt. (Education) | - Member |
| 12. Secretary to Lieutenant Governor | - Member |
| 13. Secretary to Govt. (Health) | - Member |
| 14. Secretary to Govt.(Personnel) | - Member |
| 15. Secretary to Govt.(Public Works & Welfare) | - Member |
| 16. Secretary to Govt.(LAD & TCP) | - Member |
| 17. Secretary to Govt.(Agriculture) | - Member |
| 18. Secretary to Govt.(Industries & Commerce) | - Member |
| 19. Secretary to Govt. (Law) | - Member |
| 20. Dr. R.R. Dhanapall, Chairman, IIPA, Puducherry | - Non-Official Member |

Special Invitee

1. Thiru. A. Gandhiraj, Ex. Minister, Indian National Congress, Puducherry
2. Thiru. R. Siva, MLA, DMK, Puducherry
3. Thiru. A. Anbalagan, MLA, AIADMK, Puducherry
4. Thiru. S. Ravichandran, BJP, Special Invitee
5. Thiru. R. Viswanathan, CPI, Special Invitee
6. Thiru. V.Perumal, Marxist Communist Party, Special Invitee
7. Thiru. M. Somasundaram, BSP, Special Invitee

Outlying Regions

1. Sub-Collector, Karaikal,
2. Regional Administrator, Mahe
3. Regional Administrator, Yanam

Heads of Departments

- 1) Collector-cum-Special Secretary (Revenue), Revenue department
- 2) Director, Planning and Research department
- 3) Director, Directorate of Information Technology
- 4) Director, Directorate of Economics & Statistics
- 5) Director, Survey and Land Records department
- 6) Director, Backward Classes and Minorities Development Dept.
- 7) Director, Higher and Technical Education department
- 8) Director, Civil Supplies and Consumer Affairs department
- 9) Dy. Collector (Excise), Legal Metrology department
- 10) Director, Industries and Commerce department
- 11) Director, Adi dravidar Welfare department
- 12) Registrar of Cooperative Societies, Co-operative Dept.
- 13) Commissioner, Labour and Labour Welfare department
- 14) Commissioner, Commercial Taxes department
- 15) Director, School Education department
- 16) Chief Town Planner, Town and Country Planning department
- 17) Commissioner, Transport department
- 18) Director, Science, Technology and Environment
- 19) Project Officer, DRDA
- 20) Director, Animal Husbandry department
- 21) Director, Fisheries and Fishermen Welfare department
- 22) Conservator, Forestry and Wildlife department
- 23) Director, Social Welfare department
- 24) Director, Women and Child Development department
- 25) Superintending Engineer-I, Electricity department
- 26) Director, Port department
- 27) Director, Tourism department

- 28) Chief Engineer, Public Works department
- 29) Director, Local Administration department
- 30) Director, Art & Culture department
- 31) Director, Health and Family Welfare Services department
- 32) Director, Agriculture department
- 33) Director, Information & Publicity department
- 34) Divisional Fire Officer, Fire Service department
- 35) Director, Accounts and Treasuries
- 36) Budget Officer, Finance Department
- 37) Deputy Director (Ways&Means), Finance Department,
- 38) Under Secretary (Fin.), Finance Department
- 39) Joint Director, Planning and Research Dept., Karaikal