

Press Release

Hon'ble Finance Minister seeks Union Government's support to boost Investment and Infrastructure Development in Tamil Nadu

On behalf of the Government of Tamil Nadu, the Hon'ble Minister for Finance and Human Resources Management, Dr. Palanivel Thiaga Rajan, participated in a meeting on 15.11.2021 through video conference convened by Hon'ble Union Finance Minister Tmt. Nirmala Sitharaman with the Chief Ministers and State Finance Ministers regarding a discussion on steps to promote investment, infrastructure development and economic growth in the country.

While welcoming the initiative of the Hon'ble Union Finance Minister, the Hon'ble Minister stated that the economy of the State of Tamil Nadu has been resilient despite the pandemic in terms of both revenue and investments. He informed that the Hon'ble Chief Minister of Tamil Nadu presided over two Investment Conclaves where 50 MoUs with an investment commitment of 21,021 crores and employment potential of around one lakh jobs were signed.

The Hon'ble Minister appreciated the National Single Window Portal (Maadhyam) by GoI for obtaining GOI related clearances from various departments and recommended that aftercare services and grievance redressal mechanism may also be included in the platform. He suggested that the timeline for clearance under Central legislations may be reduced from the present four months to one month and import permits for medical devices and insecticides may be expedited.

The Hon'ble Minister sought cooperation to resolve the bottlenecks being faced in the expansion of 4 major airports viz. Chennai, Coimbatore, Tiruchirappalli and Thoothukudi. He informed that in context of Madurai Airport, the land acquisition and transfer to Airports Authority of India have been completed and urged the Government to declare it as an International Airport soon to facilitate more trade and flights to the region.

The Hon'ble Minister highlighted that Thoothukudi VOC port is of strategic importance to the Nation and has a great potential to be a transshipment hub. He emphasized that the master plan for expansion of Thoothukudi port with Outer Harbour project may be taken up in earnest soon.

The Hon'ble Minister urged the Union Government to come out with a comprehensive revival package for MSMEs which have been adversely affected by the pandemic.

The Hon'ble Minister requested to upgrade the entire length of Chennai-Kanniyakumari to 8 lanes in order to reduce logistic costs for the industries and urged the Government to speed up 11 pending NHAI highway projects.

The Hon'ble Minister informed that the State Government is taking several steps to improve the condition of Power DISCOMs. In this regard, he requested the Union Government to ensure adequate and continuous supply of coal and to help in the development of and access to supplies of Chandrabila Coal Block in Odisha. He highlighted the wind energy potential in Tamil Nadu and urged the Union Government to formulate a viable offshore wind development policy to further give an impetus to renewable energy development.

The Hon'ble Minister recommended that States may be permitted to borrow unconditionally within the prescribed limits

and such limits should be decided based on the capacity of the State to absorb higher investments. On similar lines, the restriction of one project per annum per State from a given external agency should be discontinued to allow market mechanism to function freely. These measures would benefit the State of Tamil Nadu which is considered an attractive investment destination.

The Hon'ble Minister requested the Union Government to formulate a data sharing protocol that allows the States access to data like Income Tax, AADHAR, COVID, among others, which would supplement efforts of states towards a data-driven administration.

The Hon'ble Minister stated that the recent reduction in prices of petrol and diesel by the Union Government has provided a golden opportunity to conduct a case study to analyze the impact of price on elasticity of demand and supply, and on growth in general.

In his concluding remarks, the Hon'ble Minister assured the State's commitment to work in close coordination with the Union Government.

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