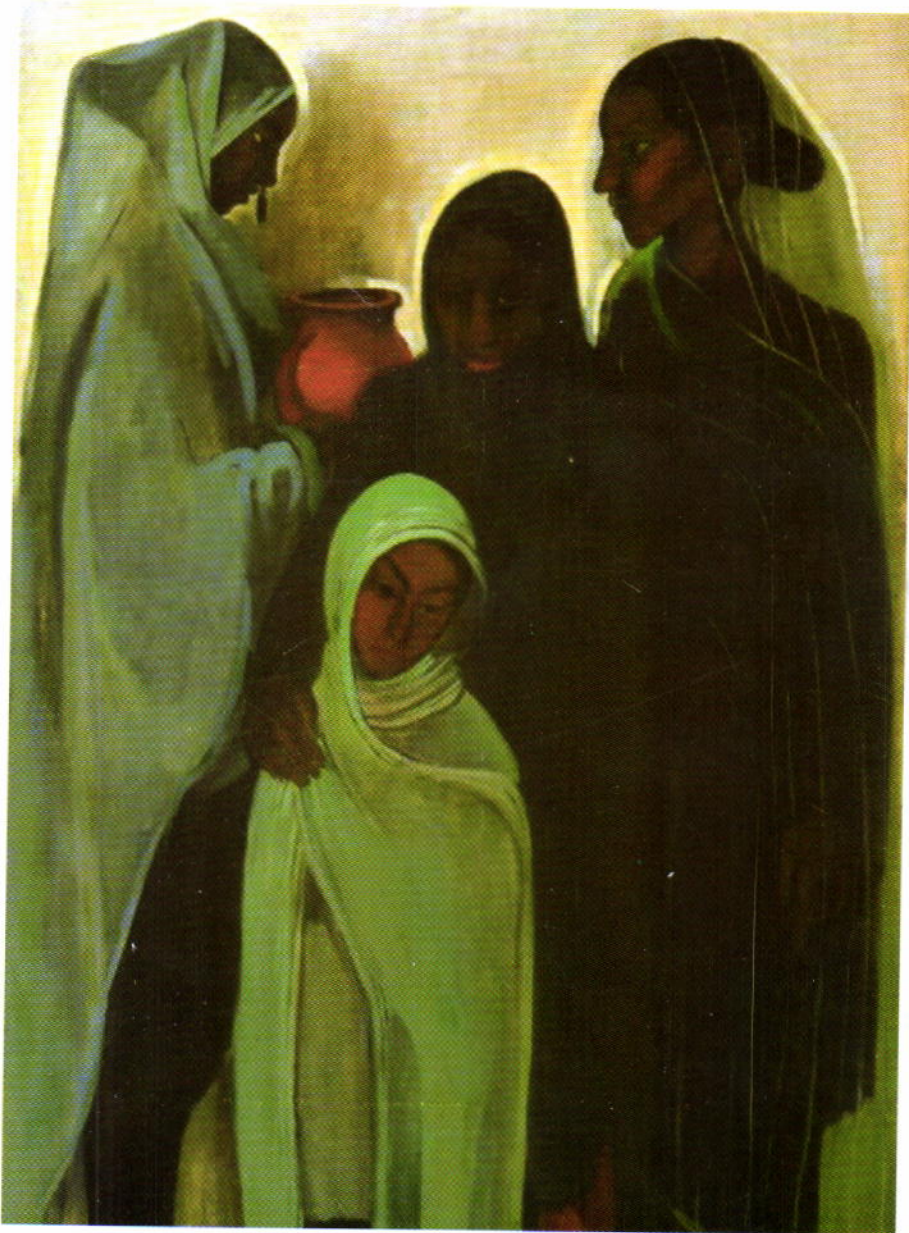




Government of Kerala

# BUDGET SPEECH

## 2017-2018



**Dr. T.M. Thomas Isaac**  
Minister for Finance

**3<sup>rd</sup> March, 2017**

GOVERNMENT OF KERALA

# **BUDGET SPEECH**

2017-18

*By*

**Dr. T. M. THOMAS ISSAC**

**FINANCE MINISTER**

On

3<sup>rd</sup> March, 2017

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Sir,

i am presenting the budget 2017-18 of State of Kerala before this august Assembly.

2. Presenting an annual budget during demonitisation is a great challenge. This financial reform has affected all of our lives. We have yet to suffer the consequences of this. M.T. Vasudevan Nair, the doyen of Malayalam literature compared demonitisation drive to the reforms of Mohammed Bin Thuglak. He said, it has shattered the lives of common people. There is a condition of the lives of common people becoming unbearable. We can't help speaking about it.

3. Hearing this, some political leaders made fun of M.T that what he knows about economics. M.T. himself has replied, "It is right, I don't know anything about economics and I have a little knowledge from my readings." Still the anxieties of this period reach all of us. Something important that is seriously affecting the lives and thoughts of the people standing apart and away from the subject is happening. The writings of gifted writers are elucidations of life. Social and economic scientists can read about the society and the social relationships from the works of a particular period. I am trying to weave the budget speech through the lives of Keralites presented in the works of M.T.

4. The draught being faced by the country may be described as a natural disaster. But the demonetization induced disaster is wholly manmade. Not only have the problems not ceased in these fifty days but so many restrictions still continue even as we enter into the fifth month. As a result, the budget has had to face the disastrous impacts being caused by these policies in the aggregate demand of the economy and consequently on the economic growth.

5. A slump in the economic growth of the country was discernable even before the demonetization. As per the projection of Government of India, the economic growth of 7.9% witnessed during 2015-16 will slump to 7.1% for the period up to October 2017. What will be the impact of demonetization on the economic growth? Apart from the Government, there are three sources for the demand in the market. The first one is the consumers, the second is the investors and the third is the exporters. It is a widely accepted fact that as a result of demonetization, the consumers were left with no cash and this has shrunk the market. Though the cash flow is restored, it will take long time for the consumers to recover from the shock and return to its normalcy.

6. The more serious issue here is the deterioration in the investment atmosphere and the change in the mindset of investors. The private investors are withdrawing from the scene. The best indication in this respect can be obtained from the statistics being released by the Centre for Indian Economy on mega investment agreements. The average amount of capital investment agreements

concluded in the nine quarters before the demonetisation is Rs. 2.4 lakh crore. But after demonetisation, this amount has come down to Rs. 1.3 lakh crore. This gives the right indication of the likely dip in capital investments. The advance estimate of capital investment in India is now available. The capital investment rate in 2016-17 is only 29.1% of the National Income. The expert opinion in this regard is that if the negative impacts of demonetisation are also reckoned with, this rate will further recede to 24%. It is to be remembered that the rate of capital investment in the beginning of this decade was 34%. If anyone is still skeptical, let them look into the increase in bank loans. As per the statistics for the month of December 2016, the increase in the growth rate of bank loans over the last year's growth rate is only 4.7%. It is to be noted that this rate for 2012-13 was 17.8%.

7. Lastly, let us look at what is happening to the exports. During 2011-12, exports stood at 24.5% of national income. The official estimate is that this will gradually come down to 18.8% in 2016-17. In short, there will be considerable shortfall for demand in the whole economy. As a result of this, the economic growth of 2017-18 will come down below 7.1%. During 2017-18, Central Government itself expect an economic growth ranging between 6.5 and 7.5. The gist is that the Central Government itself has accepted that the growth rate may fall down to 6.5.

8. In this circumstance, there is only one way to avoid recession. By considerably increasing Budget expenditure, the

economy has to be sustained. The Government itself has to sustain the economy by increasing budget expenditure. The total Central Government expenditure which stood at 13.4% (Revised estimate) during 2016-17 has been reduced to 12.7% in the Budget of 2017-18. As per the revised estimate for the previous year, there is only an increase of 6.5% in the total expenditure of Government during 2017-18. Eventhough an increase of 24% is claimed in capital expenditure, according to the revised estimate for 2016-17, there is only an increase of 10.7%. If we consider budget expenditure as an average of National Income, it is coming down nominally from 1.98 to 1.95. What I have been saying is that we are witnessing the absurdity of presenting a budget aimed at reduced expenditure during the time of recession.

9. The Central Government committee set up to review the fiscal responsibility act has recommended for increasing the fiscal deficit up to 3.5% in extra ordinary situation such as the one prevailing now. But the Union Finance Minister has decided to limit the fiscal deficit to 3.2%, without attempting to make use of the permissible limit. This is in contravention to the approach that Governments all over the world are following and also what the Government of India did during the financial meltdown of 2008. The answer to the question, as to why such an approach of fiscal orthodoxy is being adopted, can only be presumed. The primary reason for this is the obstinacy of the credit rating agencies. In 2008, there were no other options other than convert to Keynesian policies. But for the economic depression that has griped the country today,

we have no one else to blame but ourselves. Hence, the global credit rating agencies are not ready to compromise. At a time when America's interest rate and oil price are on the rise and the dangers of Trump's policies are lurking in the background, it is not prudent to enter into squabble with the credit rating agencies. The second one is the rationale set out by the Prime Minister on demonetization to the nation. In this hunt for black money, there may be short term pains, but the long term benefits will be overwhelmingly higher. The patriotic citizen should be ready to endure such hardships for the long term gains. This argument has received acceptance among a section of people. Given this, how can the Union Finance Minister adopt the stand that demonetization will have serious impact on the economy but at same time argue that solutions for this will have to be sought through the budget?

10. The national income estimate for the 3<sup>rd</sup> quarter published by Central Statistical Organisation 2 days ago has completely supported Union Finance Minister. Their conclusion is that demonetization has not affected the national income even to a minor extent. Even for the third quarter, economic growth is pegged at 7.1%. Our surprise will increase while entering into the details of their calculation. Everyone has experienced the stagnation in business and shortfall in consumption consequent to demonetization. But as per the estimate of Central Statistical Organisation, there was no shortfall for the share of consumption in national income. There was only a nominal shortfall in the income. This estimate is not comprehensible to common sense. It is seen that some one has



done hard work on Hardward. Only time will testify to the veracity of this claim. This ostrich policy of Central Government has caused many hindrances to the State Budget. The demonitization has put an end to the increasing trend in the tax revenue of the state. As expected in the budget the tax revenue for the fiscal year is not 20%. It may remain below 15%. During the Financial Year 2017-18, VAT will be in force for the 1st quarter, whereas, GST will come into force at a later period. This transformation is creating uncertainties. In this circumstance, for presenting an anti recession budget, the Central Government shall allow the state Government to borrow more. We have been persistently demanding to raise the borrowing limit from 3 to 3.5%. But it is unlikely that our demand may ever be accepted as the Central Government itself is limiting fiscal deficit to 3.2%. The challenge before us is to prepare a budget which is helpful to overcome the current economic recession that is already prevailing in Kerala.

11. As aptly assessed by the committee constituted by Government for studying the impacts of demonetization on state economy, due to various reasons, Kerala is one of the most gravely affected state with these adverse impacts. The reasons for these include increased commercialisation of our economy, enormity of unorganised sector, significance of tourism, dependence on foreign payments and prominence of co-operative sector. As happened all over India, the economic growth of Kerala also declined in 2010-11. But when the national economic growth went above 7% within a short span, Kerala did not keep pace with that growth rate. As a

result, the economic growth of Kerala stayed below the national average. In contrast, in 2015-16, the Kerala economy has grown by 7.8% but the negative impact of demonitisation is dampening this buoyancy.

12. As far as Kerala is concerned, the Central budget is rather disappointing. There are hardly any remedial measures for addressing crisis of cash crops, for the crisis in central PSUs and for the rehabilitation of Gulf returnees. There is only a nominal increase in the share of employment guarantee programme in comparison to actual expenditure of 2016-17. There is only an increase of 11% in central assistance to state. Since the Central Government is imposing non divisible surcharge on the income tax with a view to mobilize additional resources for itself, the State Government will incur a loss to the tune of Rs.546 crore during 2017-18. In addition to this, the share of state government for the centrally sponsored schemes has also been steeply increased. Taking all these into account, the benefit of increase in the tax share of state to 42% made by the Finance Commission has been taken back by the Centre, through the reduction made in other Central Govt Assistance. In fact, the help given by one hand has been taken back by the other hand.

13. Even under these adverse conditions, an increase of 10.4% is ensured in the Plan outlay. The plan outlay of 2016-17 amounting to Rs. 24,000 crore is raised to Rs. 26,500 crore. Including the centrally sponsored schemes, the annual plan outlay is Rs. 34,539 crores. Not only in plan expenditure, but the non-plan expenditure

will also increase considerably. The liability of Pay Revision Arrears has to be settled during 2017-18. Considering all these aspects, it is clear that the increase in revenue expenditure cannot be restrained. In this backdrop, it is not possible to bring down revenue deficit as stated in the previous budget. If we try to attempt it, then the allocation for social welfare measures will have to be reduced. In view of the sufferings of people resulting from demonitization, such a stand cannot be adopted. How could we finance for the inevitable capital expenditure in the infrastructure sector in a scenario of increasing revenue deficit. The only solution is raising massive investment outside the budget utilizing the service of special purpose vehicles.

14. The novel initiative of 2016-17 budget was Kerala Infrastructure Investment Fund Board (KIIFB). KIIFB could achieve praiseworthy progress within six months. Comprehensive legislation has been completed. A Director Board of experts having universal acceptance was constituted. A Fund Trustee Advisory Commission (FTAC) was formed to ensure that all investments of the fund are as per approved scheme and that there is no diversion of funds. The members of this commission include Sri. Vinod Rai, former C & AG of India & Smt. Usha Thorat, former Deputy Governor of RBI. The procedures and software for preparing and approving the projects have been put in place. The posts of financial experts for buying and selling of bonds, experts for Project appraisal and Engineers for project monitoring were created. Even though only a skeleton staff from Finance Department is presently working in KIIFB, they could

obtain approval for projects amounting to Rs. 4,004 crore from the Board. It is expected that the total outlay of the projects going to be approved by the board meeting towards the end of March would come to Rs. 11,000 crore. Thus, the financial year will come to close with work orders to KIIFB projects amounting to Rs. 15,000 crore. The efficiency and rapid pace at KIIFB proceedings can easily be contrasted with the time that would have been required for entering into an agreement for foreign loan or investment for the same amount.

15. Detailed project reports are being prepared for sports stadiums, cultural centres, agricultural processing parks, industrial parks and land acquisition for industrial corridors etc. Projects for public works, education and health have not been submitted entirely. The approved projects are at the initial stages of implementation. During 2017-18, projects worth Rs. 15,000 crore will move to execution. The second anti-recession package announced last year will be implemented during 2017-18. In addition to this, another batch of construction works worth Rs.20,000 crore are being announced from KIIFB during the year 2017-18. When these two are combined, it will be the highest investment project in the history of Kerala. This will be the most effective defence against recession during the period of demonetization.

16. Our state has moved far ahead with pride in the matter of development. The Matriarchal system was introduced in Malabar when M.T was born in 1933. When he was 13 years old, India became independent. The birth of Kerala coincided with his 22<sup>nd</sup>

birthday. The first three quarters of his life viz, infancy, adolescence and youth witnessed great social-political reformations including land reforms. As a result his early stories and novels, are imbued with the pictures of early Kerala, especially of Malabar. He presents those periods and changes more meticulously than historical books. He does not present it, but makes us experience it. Recall the proclamation of Appunni in the famous Novel 'Nalukettu': "will grow...will mature and live without fearing anyone. I am Appunni, the son of Konthunni Nair". It is a challenge to the feudal hierarchy. It is a challenge that results in the demolition of 'Nalukettu'. Such countless challenges altered Kerala. This resulted in the formation of a society conscious of their rights and with better education, health, life span and living standard. The message that Kerala conveys is that, even within the current social setup, if we adopt suitable policies, the basic needs of people can be realized. But this growth creates new challenges and problems. The expectations of the educated new generation far exceeds that of Appunni. We need to formulate a democratic strategy to achieve that.

17. Sir, while presenting the revised budget for 2016-17, I have elucidated alternative development policies proposed to be followed by the Government headed by the Left Democratic Front. I have no intention to repeat the same. These alternative policies being attempted to implement within the ambit of federal setup of India is capable of taking ahead the progressive development tradition of Kerala. Such an innovative experiment has national and international relevance. Upon the ascent of Trump, right wing

extremism is gaining strength in the Western world. By exaggerating the advantages of globalization and forcing to open up the doors of economic sectors like ours, America is unilaterally closing down the windows and doors of their economy. Conflicts are getting virulent day by day. But one thing is evident. The current world order is neither ecologically nor economically sustainable. It is here the relevance of search for the national and regional alternatives arises. The budgets of Left Democratic Front Government are also a pursuit for such a goal.

## II

### **PEOPLES PLAN AND DEVELOPMENTAL MISSIONS**

18. The prime and innovative developmental intervention in the maiden year of the Left Democratic Front Government is the emergence of the four developmental missions viz, *Haritha Kerala Mission* based on Sanitation, Water and agriculture, *Aardram Mission* for Health, *Education protection campaign* for education and *Life mission* for housing. The Peoples Plan was resumed by unifying these developmental missions on regional basis. For each sector, accurate and time bound targets were assigned. For the next four years, these campaigns will deeply influence the life of each and every citizen of Kerala.

1. Garbage free streets - a mindset against dumping waste for building a clean Kerala.

2. A drought as in 2017 would never have to occur in Kerala.
3. 10% increase in paddy fields, self sufficiency in Horticulture, 10 crore trees.
4. 10% increase in the number of students in public schools.
5. Free treatment and complete defence against incurable diseases including lifestyle diseases.

### **Harithakeralam Mission-Sanitation**

19. The first component of "Harithakeralam" Mission is sanitation. The aim is to begin sanitation campaign by giving due emphasis on the disposal of garbage at source. The bio-wastes, to the maximum extent, need to be converted into bio gas or bio compost at the source itself. The garbage that can not be processed in this way can be converted into bio-compost at the local garbage processing centre. The non-bio-degradable waste is to be collected separately from houses and shops and processed for disposal after collecting and segregating at the material recovery centre. Separate collection strategy needs to be evolved for the collection and disposal of wastes from big hotels, dining halls and abattoirs.

20. Awareness campaigns on a large scale is a pre requisite for the success of the aforesaid sanitation strategy. More than technology, it is the mindset of the people that needs to be changed. People's campaign is meant for this purpose. The chief elements of sanitation campaign will be Green Protocol for garbage reduction, separation of garbage, re-use, re-cycling and training to Sanitation Technicians.

21. Sir, I allocate Rs.127 crore for the Suchithwa Mission. The main element of sanitation campaign in the countryside is the compost pit/manure pit in each house. 'Mini thumboormuzhi composting' system is desirable for water-logged areas. Either way, the project can be wholly implemented through Employment guarantee scheme.

22. Some Municipalities have prepared project proposals for establishing modern abattoirs. An amount of Rs.100 crore is sanctioned from KIIFB to implement this as a package. Similarly, an amount of Rs.100 crore is sanctioned to those Local Self Government Institutions that have submitted project proposals for establishing modern electrical crematoriums. KIIFB will invest Rs. 50 crore for the construction of four scientific landfills.

23. Rural areas of Kerala have attained zero open area defecation status. Shortly urban areas too will attain this status. Kerala is free from manual scavenging. But as per the national statistics, manual scavenging is still in existence in Kerala. The reason for this is that, in many places in Kerala, septic tanks are still being cleaned by manual labourers. Thakazhi had brought the life of the 'Thottis' (Manual Scavengers) into the public domain of Malayalis seven decades ago which Vidhu Vincent has portrayed in 'Manhole'. An amount of Rs. 10 crore is earmarked for mechanizing the cleaning of manholes and septic tanks. This waste needs to be carried to the septages for processing. An amount of Rs. 150 crore will be invested by KIIFB for establishing 14 septage unit, one in each district.



## **Water Conservation**

**24.** Nainital will always remain like a cool breeze in the minds of the people who had read the novel or seen the Malayalam movie, 'Manju'. Likewise the beautiful and cooling lakes are the blessings of Kerala. They are facing extinction. The best example is 'Sasthamkottah lake'. The condition is that 'tomorrow will be too late'. We have to intervene today itself. The second component of 'Harithakeralam Mission' is water conservation. The drought we experience today in Kerala is the result of our water misuse. Even though the state is experiencing a considerable shortfall of rain, considering the national statistics on rainfall, it is evident that we could have averted this distressful situation had we followed a proper water conservation policy. The most important activity undertaken under 'Harithakeralam Mission' is the rejuvenation of ponds, rivulets, springs, streams, canals and lakes. This can be fully achieved with the help of employment guarantee scheme. The slopes of ponds and streams etc. can be protected by utilizing geo-textiles within the permissible material cost. The services of employment guarantee schemes can be utilized for renovation of major irrigation canals and field channels. Campaigns should be conducted on a large scale to encourage the use of rainwater pits for rainwater harvesting and recharging of wells.

**25.** Ultimately what we need are concerted efforts in wetland based planning and soil water conservation. If it forms part of wetland conservation project, conservation of soil in private land can also be taken up under employment guarantee scheme. Even

though the primary basis of these activities is employment guarantee scheme, the support of experts from Minor Irrigation Department, Soil and Water Conservation Department is indispensable. Sir, I am allocating Rs. 102 crore for soil-water conservation activities and Rs. 208 crore for minor irrigation. These will be integrated on a regional basis for implementation.

### **Organic Farming**

26. The soil-water conservation activities and compost manure are setting the stage for the agricultural extension projects of 'Sujalam' and 'Suphalam'. The main objectives are self-sufficiency in horticulture, avoidance of barren fields, comprehensive coconut farming-cum-land farming and agricultural value added products etc. All families in Kerala can, at least, on a small scale, be part of Horticultural activities. In addition to this, commercial farming on large scale farms and cluster farming is essential. Neighbourhood groups and Self help groups may be encouraged to undertake horticultural activities. As a part of Local Self Government Projects, Krishi Bhavans should come forward to integrate the schemes of different agencies to start a comprehensive local Horticulture Project.

27. We have enough experience in successful public participation in the field of agriculture such as the Harithasena of Thrissur, the peoples campaign of Kanjikuzhi, the labour bank of Kunnathukal and Agro Service Centre at Kudappanakunnu. Along with that, we have effective models of technology transfer and enrichment of knowledge. The approach is to integrate these two.

28. If the Local Self Governments earmark at least 10 % of their development funds to agriculture sector, then Rs. 600 crore will be available for plan schemes. We can expect Rs. 80 crore from the Centrally Sponsored Schemes. The share of State Agriculture Department for crop maintainance is Rs. 561 crore. If we integrate all of these and co-ordinate at regional level, we can achieve a major leap. By utilizing the service of employment guarantee scheme, three crore saplings will be planted during the next monsoon season.

### **'Aardram Mission'**

29. The Universal Health Care movement 'Aardram Mission' is the part of the comprehensive project for addressing second generation issues in the health sector. We are giving shape to a public health movement centered on the Primary Health Centres. Utilizing the service of JPN, JPH, ASHA Workers and Kudumbasree Health volunteers working under Public Health Centres, a comprehensive health data on the health of citizens will be collected and updated periodically. The materials required for this such as blood strips, blood pressure monitors, weighing machines etc. will be made available to each Panchayats. By using the Tab, the information will periodically be relayed to the PHCs. Those who are identified as patients will be treated at the PHCs and those who need further care will be referred to maior hospitals. People with incurable diseases will be given care through the palliative network. In every year award will be given to the best innovative palliative care in the name of former Muhamma Panchayat President who had started palliative care network at Panchayat level .

**30. Such a system is meant by Family Health Care System. The new modus operandi is the medics reaching the house of the patient for providing medical care instead of the patient waiting to reach the PHC. Thus a primary health level based on defensive method to control infectious diseases and lifestyle diseases will be created. Thus a background will be created to provide free treatment to lifestyle diseases.**

**31. It was stated in 2016-17 budget that an integrated health care programme shall be evolved by integrating various existing insurance, semi-insurance schemes for a comprehensive health scheme ensuring free treatment for fatal diseases such as cancer, stroke and diseases affecting liver and kidney. Even though draft of the scheme is ready, the implementation of the same has been postponed for the time being. Firstly, the Central Government has not increased RSBY benefits in the budget as we expected. Secondly, projects are under preparation for providing speciality treatment facilities for these fatal diseases at tertiary levels from Medical Colleges to Taluk hospitals. KIIFB till date has approved projects worth Rs.1130 crore for Malabar Cancer Centre, Kochi Cancer Centre, Ernakulam General Hospital, Kochi Medical College, Kannur District Hospital, Punalur Taluk Hospital and Cathlabs. A masterplan for Thiruvananthapuram Medical College has been submitted. For the first phase of this project, KIIFB will invest Rs. 400 crore. Detailed project reports for the rest of the Medical Colleges are getting ready.**

**32.** The free comprehensive health care scheme can financially be sustained only if low cost expert medical facilities are created at secondary and tertiary levels. A minimum of one year will be needed for this. An amount of Rs. 2000 crore is newly sanctioned for District Taluk and General Hospitals. Urgent priority will be given to improve the physical infrastructure of Kozhikode Beach Hospital, Manjeri General Hospital, Alappuzha General Hospital, Manjeri Medical College and the Taluk Hospitals at Pattambi, Vaikom, Mavelikkara, Neendakara, Karuvelippadi Maharajas, Panur, Thuravur and Balusseri.

**33.** In this context, the existing insurance schemes will continue as such for the time being. The total outlay for RSBY is Rs. 197 crore. An amount of Rs. 350 crore is allocated for Karunya Benevolent Fund. All the schemes put together, approximately an amount of Rs.1000 crore will be distributed directly from Government to patients as health assistance.

**34.** "Wife has heard about some nursing home where one can sit on the sofa settles in the verandah enjoying the breeze and whose courtyards have roses. That's why she hated hospitals" says a character in M.T's short story 'Bheeru'. This story also gives a graphic picture of the pathetic conditions in Government Hospitals. Keralites today have much greater expectations about medical care than they had in the past. Specialties that meet their expectations will be created in the Government Hospitals. There is a programme in 'Aardram' project to ensure quality and patient friendly care to the public in the Hospitals. OP transformation reports are ready in 8

Medical Colleges and 14 District Hospitals. Rs. 13 crore is being allotted for the first phase work of Medical Colleges.

35. Sir, tablets will be provided to the patients with diabetics, Blood Pressure and cholesterol free of cost through PHC and Sub centres continuously.

36. Similarly, those who undergo organ transplantation need to have life-long medication. The drug companies charge exorbitant prices for these medicines. Sir, these medicines will be supplied at 10% of its present price. The Kerala State Drugs and Pharmaceuticals Limited will manufacture these medicines. Rs. 10 crore is being earmarked additionally for purchasing additional machinery and as working capital.

37. An intensive programme will be implemented for eradicating leprosy and elephantiasis. Rs. 1 crore is earmarked for helping the ailing elephantiasis patients.

38. More doctors and nurses are required for providing services as envisaged in Ardrum Mission. At the first phase, 170 PHC have been selected as Family Health Centres. A total of 510 posts comprising 170 doctors and 340 staff nurse are required here. Even now many Taluk Hospitals have the staff pattern of CHC. At least one hospital will be ensured in one Taluk as per the norms. Likewise, one Hospital in one District. Sir, 5257 posts including 1309 posts of doctors and 1610 posts of staff nurses will be created. In addition to the above, 49 posts of Teachers, 2874 posts of Staff Nurse, 1260 posts of Para-Medical Staff will be created in Medical

Colleges. Of these, 721 posts of Staff Nurse will be created shortly. Considering the financial position of the state, one third of these posts will be created in 2017-18 and the remaining posts in 2018-19 & 2019-20.

### **Education Protection Mission**

39. From his earlier short story "Thettum Thiruthum" and on many occasions, M.T reminisces on his school days. It was the public education that had given direction to the secular development citizenship sense of the Keralites. The campaign to protect public education is a fight for keeping alive the secular development heritage of Kerala. The solution for the crisis in School sector is not privatisation, but involvement of the general public.

40. Many activities had been undertaken over the last two decades for improving the standard of education with the support of the unison of teachers, parents, local people and other educational activists. The Education Protection Mission aims at elevating this to a new level. The novelty here is to create a giant leap in educational infrastructure facilities especially in teaching aids together with taking forward the progressive achievements so far made in curriculum and in the methodology of teaching. As part of this, action has already been initiated to convert 40,000 class rooms in high schools and higher secondary level into high-tech. Being motivated by this, the possibilities of a popular fraternity for improving infrastructure facilities, for enhancing pedagogical standards and for ensuring the faculties to be accomplished by the pupils have been proved through

the pilot project in four Legislative Assembly Constituencies. This initiative will be completed in 2017-18. The expenditure for the purpose is Rs.500 crore. After the completion of this project, the renovation of school laboratories will be taken up.

41. A detailed plan will be prepared in giving due consideration for the specialties of each school subject to the general conditions at state level regarding the buildings, facilities for physical exercises, eco parks and such infrastructure facilities. The detailed record on enhancing the standard of pedagogy, co-curricular activities and extra-curricular activities together with this will form the master plan for the school. It is intended to fulfill these activities by using the investment of management, contribution from local people, various sources such as PTA fund, CSR sources and financial assistance from LSG Institutions and Education Department.

42. Based on these master plans, 4 types of schemes are declared for reforming schools. The first had been declared in the budget of last year. An amount of ₹ 1000 crore had been sanctioned from KIIFB for upgrading one school from each Constituency as a Centre of Excellence. The State Govt will bear 50% of the total expenditure or maximum Rs. 5 crore for one school. The balance amount has to be borne by the participating agency or school PTA apart from depositing Rs.1 crore for meeting the recurring expenditure.

43. Rs. 500 crore will be earmarked for improving the infrastructure facilities in all schools where more than 1000 students



study and which were not covered in the first scheme. Maximum Rs. 3 crore will be given to each school. Decision regarding this will be taken based on detailed examination of the master plan. This is the second scheme. Relating to this, Special consideration will be given to seven heritage schools including three aided schools which have crossed two hundred years.

44. The third scheme is for Primary and Upper Primary Schools. The amount required for this will be found from the budget provision for the Education Department. Out of the Budget outlay for General Education, Rs. 216 crore is for the development of infrastructure facilities.

45. Challenge fund, is meant for covering aided schools also. Maximum 1 crore or an amount equal to the investment made by management or school protection committee will be given by the Government. Rs. 50 crore is earmarked for this.

46. Each school has to present their master plan before sanctioning fund under each Scheme. An expert committee will be assigned to examine the plan for improving the standard of education. The proposals for improving infrastructure facilities will be considered only if the inspection is satisfactory.

47. Posts with full work load will be sanctioned in existing batches and new schools of higher secondary sector. The expectation is that it will be required to create more than 2500 posts of teachers. As in the health sector, these posts will be created in

two phases spanning over 2017-2018 and 2018-2019. As result of these measures, the prevailing anarchy originated consequent to the commencement of new schools and batches during 2012-2014, 2014-2015 & 2015-16 will come to an end to a great extent.

### **Life Mission**

48. A two pronged strategy is envisaged for achieving the objectives of the comprehensive housing project. The existing scheme of giving assistance for house construction to those who have their own land will continue. The intention is to construct housing complexes for giving flats to the landless and homeless people. These complexes will not be mere residential complexes. Government support will make necessary interventions on the basis of collective efforts in these complexes for ensuring security for subsistence and for educational, social and health protection. There will be special scheme for extending support to those who had received financial assistance and could not complete construction of houses under the previous schemes. The preparatory works for conducting the data collection survey required for the preparation of comprehensive priority list of the beneficiaries has already been completed.

49. The amount of assistance under the scheme to the general category will be Rs. 3 lakh and for SC/Fishermen community, the amount will be 3.5 lakh. The beneficiaries will be free to choose from among the various plans that can be completed within this assistance. The ST beneficiaries will be permitted to determine the

size, shape and cost of the building after holding discussions and in consideration of the number of members in the family. Residential buildings for ST people will be constructed through agencies having social commitment.

**50.** The schemes of different departments will be integrated on the basis of local governments. The amount required for the purpose is intended to be raised by consolidating the assistance under centrally sponsored schemes, the loans with low interest rates announced by central government, contributions, CSR fund and commercial loans. A gross amount of Rs. 16,000 crore is estimated to be incurred for this purpose in the next five years. The cost of land for the life residential complexes will be mobilised through land bonds issued by KIIFB. The price of construction materials will be decided at district and state levels through consultations for eliminating the exploitation of distributors and middlemen. For ensuring quality and for obtaining technical support, engineering educational institutions will be accredited as third party technical agencies. An IT based monitoring system will be introduced for enabling the public to evaluate the progress of construction of each house. Houses will be provided for 1 lakh homeless people during 2017-18.

### **People's Planning**

**51.** It is Peoples' planning that made Kerala, once the least decentralized state, the forerunner in decentralization. Even after twenty years, there has been little change in the planning framework

that was designed then. The fund and powers devolved to lower levels still remain unchanged. Local government institutions have played a vital role in creating rural assets and enhancing the standard of services. At least one fifth of the LSG institutions proudly continue to be models for our country. At the same time, there are many weaknesses that need to be addressed. The drawback in the first phase of peoples' planning was in implementation. The major issues were non completion of projects in a time bound manner, inadequate coordination between various levels, lack of people's participation and a reentry of corruption. The second edition of People's Plan is essential for rectifying these deficiencies and to increase the number of model panchayats from the existing one by fifth to half. If the campaign of the first phase of People's Planning was focussed on planning, the campaign for the present phase will be focussed on execution. The subject areas of the above mentioned missions themselves are selected for the purpose. The fact that much of these subjects fall within the domain of local self governments makes such an integration easy. The missions will be helpful in ensuring the integration between various levels and agencies and for providing technical support to the Local Self Government Institutions. The targets and projects in the jurisdiction of the LSG institutions will be formulated by the respective LSGI. Guidelines of the missions will be helpful in coordinating the State level interventions and in determining the specific targets. The humane facet of mission activities will be evolved as part of Peoples

Planning. The target can be achieved by ensuring unequalled participation of people and voluntary works in all activities.

**52.** An amount of Rs. 9748 crore is earmarked for LSG institutions during 2017-18. In 2016-17, it was only Rs. 8671 crore. Out of this total allocation, Rs. 6227 crore is for development fund, Rs. 2183 crore for maintenance fund and Rs. 1337 crore is for general purpose fund. The development fund will be 23.5% of the total plan outlay.

**53.** This rate will be enhanced by 0.5% in the succeeding four years and it will reach at 25% of the total plan outlay in 2021. Similarly, maintenance fund comes to 5.5% of the own tax revenue of the State which will be enhanced by 0.1 percent each year and will reach at 6% during 2020-21.

**54.** The engineering wing was created in LSG Department for the purpose of extending technical support to Local Governments. This is not a transferred department, but an integral part of local government. Therefore, the following steps will be initiated to ensure complete integration.

- (a) The pay and allowances of the engineers will be borne by respective LSG, which will completely be reimbursed by government.
- (b) The engineers will be under the control and supervision of LSGs.

- (c) The designation of engineers will be linked to LSGs.
- (d) LSG will have the powers to take disciplinary action as contemplated in Kerala Panchayathi Raj and Municipal Acts.
- (e) There will be a single consolidated attendance register for all the incumbents in an LSG office.

**55.** One post of Finance Officer in each Municipal Corporation and one post of Accounts Officer in each municipality will be created and Chartered Accountants will hold these posts.

**56.** Audit commission will be formed. Social audit will be made compulsory.

**57.** A plan allocation of Rs. 974 Crore has been set apart for rural development and Rs.75 crore for urban development under LSGD. The prime components are the state share for NREGP, PMSY, PMAY, RIDF, Upajeevana Mission, Swachh Bharath etc. All these centrally sponsored schemes are being implemented through LSGIs.

**58.** Kochi is included in the Smart City Scheme. It is expected that Thiruvananthapuram will also be included. Sir, An amount of Rs. 100 crore is set apart as state share for the Smart City Mission. Rs. 150 crore is earmarked as state share for AMRUT scheme. An amount of 150 crore has been earmarked for the completion of the

projects under JNNRUM and KSUDP. The plan outlay for the Ayyankali Employment Guarantee Program is Rs. 25 crore.

59. The pension liability has become a huge burden to certain municipalities. A committee will be constituted for furnishing suggestions for exploring a permanent solution to this issue. An amount of Rs. 50 crore is provided additionally for tiding over the present crisis. An amount of Rs. 10 crore is earmarked for the construction of office buildings of the new municipalities.

60. Steps will be continued for upgrading KILA as an international centre of excellence in local governance and an amount of Rs. 30 crore is earmarked for the purpose. Kerala Local Government Service Delivery Incubator will be established at KILA.

### III

## COMPREHENSIVE SOCIAL SECURITY

61. Sir, it is difficult to forget the character, 'Muthachi' from the novel 'Nalukettu'. "There is no one in the Koodallur area, who doesnot know Muthachi of Kottilil. Muthachi who is past 70, will always pretend 'flying' chapping hands with children. When she goes to modest families, she will stay with them for one or two days. When she returns, women folk give her rice and men folk money. Sir, such a system had sustained the aged destitute women of the land. This system does not exist now. Comprehensive security scheme is

implemented in this void. In Kerala, social security pension will be given to all people above 60 except those who receive service pensions, persons with more than 2 acres of land and income tax payers. All social security pensions are raised to Rs.1100.

62. Currently, 49 lakh persons (including the disabled and widows) have been receiving social security pension. Of these, the rate of central pension for the people below 80 is only Rs.500 and that too is limited to BPL families. Majority of people who are receiving welfare pension under the state scheme believe that one more central pension is a matter of their right. If we exclude the people who get centre-state service pension and those who are ineligible, there will be only 30 lakhs people above the age of 60 eligible for these pensions, but 49 lakhs people are receiving the same. In the backdrop of the decision taken to enhance the welfare pensions considerably, this situation cannot be permitted to continue. A unified comprehensive list of those who are eligible for social security pension is being prepared. On completion of the same, pension of the new applicants will be sanctioned.

63. One person will be eligible for only one pension at the rate of Rs. 1100/-. Those who are availing two pensions at present will be eligible for the second pension only at the rate of Rs. 600/- that had been prevailing before this Government came to power. In future, the second pension will be granted only to the differently abled persons, EPF Pensioner and pensioners of self sustaining welfare funds. They shall also be eligible for benefits from the central government.



**64.** Another vital element of the comprehensive social security insurance is housing. I have already talked about the activities of Life Mission. The comprehensive health insurance scheme is expected to be launched at the beginning of 2018, as indicated earlier.

**65.**Aftercare Homes for boys will be opened for the rehabilitation of boys who are leaving the homes run by Social Justice Department. An amount of Rs. 5 crore is set apart for this.

### **Ashraya**

**66.** Kerala has to change into a state free of destitutes. Ashraya scheme aims at freeing destitute families from poverty based on a micro-plan. Kudumbasree will conduct a survey to identify destitute families. Those ineligible will be excluded on the basis of priority. The present micro-plans will be reevaluated and modified. The maximum share for Ashraya scheme from Kudumbasree to Panchayats is raised from Rs. 25 lakhs to Rs. 40 lakhs. The share is raised from Rs.40 lakhs to Rs. 50 lakhs for ST Ashraya.

**67.** The story, "Valarthumrugangal" of M.T. is about circus artists. These artists do not have even the rights of domestic animals. When they become aged or meet with accidents, they are simply discarded. Rs.1 crore is earmarked for the security of such destitute artists in the Ashraya model.

## **Security for Differently Abled**

**68.** The tragedies of Velayudhan in 'Iruittinte Athmavu' and 'Kuttiyettathi', the eternal agonies of Malayalies, are not being repeated today. The latest studies and literature have corrected the impression that every one should be the products from the same moulds. We should be able to bring such people to main stream by giving encouragement and realising their traits of weakness. The differently abled will be given 5% reservation for higher education and 4% reservation for jobs. This is the most important decision taken by government for implementing 2016 Act on the Rights of differently abled. In every district, committees will be formed for the differently abled. Disability Research Committees will be formed for overseeing research. Provision which is earmarked for schemes implemented through Social Justice Department, Education Department and Health Department for differently abled and for the development of institutions is considerably enhanced. Including the centrally sponsored schemes of these three Departments, an amount of Rs.250 crore is earmarked for the schemes of differently abled. Compared to the previous year this indicates an increase of 35%.

**69.** Rs.15 crore is earmarked for Barrier Free Scheme. The objective of Barrier free Kerala is to introduce facilities in offices to enable differently abled persons to come and to make use of the offices without any hindrance. In the first phase, Collectorates, Taluk

Offices, Medical College, District-Taluk hospitals, Panchayath-Municipal Offices will be covered in the scheme.

70. The 'Swavalambam' is the insurance scheme implemented for the blind, people with defective vision, locomotor impaired and mentally challenged. Through this scheme health insurance cover amounting to Rs. 2 lakhs will be provided to these sections. People above the age of 65 can enroll in the scheme. The premium is Rs. 3,100. Out of this Rs. 357 will be the beneficiary share. The beneficiary share of the people below the poverty line will be borne by the government. Rs. 4 crore is earmarked for this.

71. 'Autism Park' is a new programme envisaged for extending support to children suffering from the difficulties of autism and their parents. In the beginning, one park will be established in each district. The intended goal is to extend support to the children and their parents in education, communication, behavioral problems and in physiotherapy. An amount of Rs. 7 crore is earmarked for the purpose.

### **Buds School**

72. The number of differently abled children exceeds 25,000. Schooling and rehabilitation will be ensured for all the differently abled. Buds Schools are institutions run by Local Self Government institutions with the support of Kudumbasree. There are Buds Rehabilitation centres for the rehabilitation of those who pass out of Buds Schools and aged above 18 years. At present, these

institutions are there only in 140 panchayaths. Only 20% children are given care. During 2017-2018, Buds Schools will be established in 200 more local self government institutions. Rs. 25 lakhs will be given as special assistance for starting new Buds Schools. This will be separately allocated to Kudumbasree. Panchayaths have to arrange buildings and other facilities. The mini bus, special tables, chairs and other equipments required for Buds Schools will be given through Kudumbasree. Rs. 40 crore has already been earmarked for this. Rs 25 crore is additionally allotted. Aided status will be given to Special/Bud Schools as per norms.

73. The Government is committed to provide compensation to the Endosulfan victims as laid down in the Court's Judgement. An amount of Rs. 10 crore is provided for the purpose.

### **Child Welfare**

74. An important feature of Kerala State Plan is the thrust it gives to child welfare. It was stated in the 2016-17 Budget, that separate statement on schemes for children will be distributed along with the Budget. When schemes or their components aimed at the survival, protection, improvement and participation of children as envisaged by the United Nations are combined together, the total outlay is Rs. 1621 crore which is above 8% of the state plan. Naturally, a major portion of this is related to school education and health. But child welfare schemes or their components can also be seen in Agriculture, Industries, Social Justice and Police Departments.

## **Food Security**

**75.** The prospects of drought have again dramatically brought back the issues related to food security to the centre stage. The foundation of the Universal rationing system in Kerala was our acute food deficit. When the National Food Security Act was framed, the Central Government refused to accept the peculiarity of Kerala and its scope was limited as a poverty alleviation programme alone. As a result, there has been a considerable shortfall in the share of rice for Kerala. This is a factor that has aggravated price rise during this period of acute shortage. Despite the fact that the enactment itself was in 2013, there were serious lapses on the part of previous Government in preparing for its implementation. But the Central government on its part was not willing to allow more time. For this reason, State government was constrained to take hasty steps. The flood of complaints indicates that the survey conducted during the tenure of previous state government had not been done with due diligence. The criteria for fixing points were decided during the time of the previous government. The number of people who are getting free ration in Kerala exceeds the number in the priority list. Taking this in to account, the same number of people has been included in the priority list at the state's expense. Rs. 900 Crore is earmarked for ration subsidy. Even though the wholesale dealers have been excluded, the leak through the retail ration shops is still continuing. It is expected that with the completion of installation of the biometric instruments in the shops and the computerization, the leak can be avoided and the complaints can be reduced. Rs.117 crore is set

apart for this purpose in the budget. The commission and handling charge of dealers will be increased. Unlike what is done in other states, it is not intended to realise this additional expenditure from the people. Rs. 100 crore is earmarked for this.

76. A solution rice scarcity can be found, only if, the Central Government agrees to enhance the state share of rice. Like the 'Karanavar' of an old 'Tharavadu', the central government has locked the granary. As described by M.T in his novel 'Naalukettu', 'Valiyamama' said again, "*Not even a single grain of rice will be given...Let me see will you learn a lesson or not.* The obstinancy is that rice will not be given to them. The granary is locked and the key is in his pocket. It is also being heard that he is going to sell the rice to transporters." Sir, this policy is the main reason for the present ration crisis.

77. The quality of rice supplied in the State can be enhanced if malpractices by mill owners on the paddy procured in Kerala are eliminated. Rs.700 crore is set apart for paddy procurement. An amount of Rs. 900 Crore is set apart for ration subsidy as well. An amount of Rs. 200 crores for Civil Supplies Corporation, Rs. 150 crore for Consumerfed and Rs. 30 crore for Horticonp are earmarked for effective intervention in the market. Kerala State Civil Supplies Corporation has taken part in the open market auction conducted by the Central Government and has already procured 1400 ton rice and distributed the same in the State at Rs. 25/- per Kilogram. This intervention will be strengthened after assessing the need.

**78.** An amount of Rs. 40 crore is set apart for the development of agricultural markets. This can be used for the development of infrastructure and intervention capacity of VFPCCK. This allocation can also be utilised for the development of marketing centres at block level by grama panchayats and for the promotion of weekly markets. In connection with it, an amount of Rs. 27 crore is earmarked for the value added processing of small scale agricultural produces and for starting agro business company.

### **Anganwadies**

**79.** An amount of Rs. 433 crore has been set apart for Social Justice Department and Rs. 170 crore for the Kerala Social Security Mission in this budget. The key programmes of the Social Justice Department are those connected with Anganwadis. For this purpose, Rs. 248 crore is being set apart as state share. For paying honorarium to Anganwadi Workers Rs.359 crore is set apart. A scheme has been formulated for constructing own buildings for all Anganawadis. Collectors will be entrusted specially with the task of making land available for constructing Anganawadi buildings.

**80.** Honorarium of ASHA workers, cooks and pre-primary teachers are enhanced by Rs. 500/-.

### **Scheduled Caste - Scheduled Tribe Welfare**

**81.** One feature that distinguishes this budget from the budget of other states and central budget is the thrust on the welfare schemes of SC/ST. Rs. 2600 crore for SCP and Rs. 751 crore for

TSP are earmarked. 9.81% of total outlay is being earmarked for SC population, who comprise 9.1% of total population. Same way, 2.83% is earmarked for STs who form 1.45% of the population. Rs. 188 crore for Scheduled Castes and Rs. 366 crore for Scheduled Tribe has been allocated in excess of the proportionate normative share. This allocation is higher than that of any other State in India.

82. The population of Scheduled Caste in India is 16.6% and that of the Scheduled Tribe is 8.6% and the total comes to 25.2%. But the Central Government allocates only half of the eligible allocation as per the proportionate population. The Central allocation had been 14.4% in 2014-15, 10.9% in 2015-16 and 11.5% in 2016-2017. This scheme itself has been dispensed with during the current financial year by Government of India. Only the gross amount for the welfare of Scheduled Castes and Scheduled Tribes has been indicated. This comes to Rs. 84,311 crore. According to the Union Finance Minister, this allocation has been enhanced by 34% over that of the previous year. But here it is suppressed that the allocation of Rs. 84,311 crore involves both plan and non plan expenditures, while Rs. 62,838 crore allocated in 2016-17 was for plan expenditure alone. Even then, the present allocation is only a nominal enhancement than the S.C.P - T.S.P allocation of Rs. 82,935 crore during 2014-15. But the approach of Kerala is in stark contrast to this.

83. The social welfare indicators of Scheduled Caste lag behind the average for Kerala. But they are much higher than the



national indicators of SC/ST. In fact, the indicator on quality of life of Scheduled Caste in Kerala is even higher than that of the general quality of life indicator of other north Indian states. It is when we consider the economic status of the SC that, their backwardness becomes glaring. Since their issues relating to land could not be resolved, their main means of subsistence in rural area still remains manual labour. On social welfare status of Scheduled Tribes too, they lag behind considerably. It is to solve this backwardness, a larger provision has been earmarked in the budget for S.C.P & T.S.P comparatively.

**84.** An amount of Rs. 1,172 crore out of Rs. 2,600 under S.C.P and Rs. 176 crore out of Rs. 751 crore under T.S.P will be expended through the Local Self Government Institutions. This huge allocation downwards is with the intention giving ample chance to Scheduled Castes and Scheduled Tribes to actively participate in the formulation of different schemes according to their aspirations. The decisions taken by the 'Oorukootam' in TSP cannot be superseded by the Panchayat. Efforts need to be made for their collective intervention in local planning.

**85.** Prime importance is given to housing in the scheme. Rs. 180 crore for purchase of land and Rs. 500 crore for construction of house have been provided under S.C.P. In addition to this, Rs. 60 crore has been included as part of Pradhan Manthri Awas Yojana. In T.S.P, Rs. 115 crore for housing, Rs. 50 crore for the rehabilitation of landless tribals has been set apart. After providing housing to all

the homeless families, there will also be a scheme for constructing an additional study room for families with students in it.

86. The next priority after housing is for education. Under S.C.P, Rs. 459 crore and under T.S.P, Rs. 122 crore has been provided for educational schemes. The main expenditure under these schemes is for educational grants and scholarships to students. In addition to this, Rs. 286 crore has been provided under SCP for Post-metric Scholarship of Central Government. Project for renovation of model residential schools, post-matric and pre metric hostels are under the consideration of KIIFB.

87. A school will be started in Edamalakkudy Tribal Panchayat. A special scheme for equivalent examination under the auspices of Saksharatha Mission will be started for the school dropout tribal children.

88. A social security scheme linked with insurance policy, for the girls belonging to Scheduled Caste, in the name 'Valsalyanidhi' will be launched. This scheme ensures all insurance coverage such as birth, health care, education etc. and final assured amount of Rs.1 lakh will be given either on completion of the 10th standard or attaining the age of 18.

### **Backward/Forward Castes development**

89. An amount of Rs. 130 crore including central share is earmarked for backward caste welfare. Out of this allocation, Rs. 14 crore is for Backward Caste Development Corporation and 7 crore

for Converted Christians Development Corporation. The remaining amount is for educational assistance. Rs. 1.8 crore is for potters, Rs. 2.7 crore is for the modernization of barber shops and Rs. 3 crore is for providing tool kits for traditional craftsmen.

90. An amount of Rs. 30 crore is earmarked for Forward Caste Development Corporation. Rs. 4.4 crore is set apart for the renovation of 'Agraharams'.

### **Minority Welfare**

91. The allocation for minority welfare including central share is Rs. 90 crore. In this, an amount of Rs. 50 crore is for the housing scheme of widows or poor women deserted by husbands.

### **Employees**

92. Government employees and pensioners have been raising the demand for health insurance for a long time. The health insurance scheme will be implemented during 2017-2018. The premium required for this will be deducted from the salary of employees and the medical allowance of pensioners. Insurance company for this will be selected through open tender. The premium for this scheme will be decided in terms of the conditions and modalities of the insurance company.

## IV

### TRADITIONAL EMPLOYMENT SECTORS

93. The vast majority of poor in Kerala work in the traditional sectors. The best way of protecting them is to protect these employment sectors. These sectors have to be modernized while ensuring the income of the workers in these sectors. This budget has adopted such an approach in these traditional sectors.

#### Agriculture

94. The total outlay in Agriculture Sector which was Rs.1822 crore in 2016-2017 is raised to Rs.2106 crore. From the amount of Rs.160 crore earmarked for food production, Rs.70 crore is meant for paddy and Rs.85 crore for vegetables. From the reclamation of wasteland for rice cultivation to rice mill, a comprehensive assistance programme has been formulated for paddy cultivation covering each stage. An amount of Rs. 12 crore has been provided for cultivation in wasteland and for conversion of 'Oruppoo' into 'Iruppoo'. Rs.27 crore is earmarked for providing Rs.1500 per hectre to 'Padasekhara Samithies'. Rs. 3 crore is provided for setting up of mini rice mills in selected Co-operative Societies. The non-plan outlay for paddy procurement is Rs.700 crore. Suitable projects will be prepared for the special agricultural regions of Kuttanad, Onattukara, Pokkali, Kol, Palakkad, Wayanad and Kaippad. Rs.12 crore is provided for giving assistance at the Block level to these areas.

**95.** For the promotion of agriculture and agricultural crops having regional specialties, an amount of Rs.3.3 crore is provided. As part of promoting the crops like Ragi and Millet in tribal areas, government will take measures for procurement of these crops for the distribution of the same to the tribals themselves as ration. Special financial assistance will be provided for products such as Marayoor Jaggery under this scheme.

**96.** Vegetable farming will be expanded using the prevailing cluster system under the Agriculture Department. Rs.18 crore is set apart for giving assistance to the clusters. In addition to this, Rs.3 crore is provided for Block Level Federations and Rs.15 crore is provided for the schemes such as Rain Guard, Micro Irrigation, Micro Nutrient etc. Besides, a share of Rs.54 crore earmarked for Crop Health Management will also be made available for vegetable farming. Rs.10 crore is provided for the promotion of organic farming. A new component in the vegetable farming is the emphasis given to the processing and marketing. Rs.5 crore is set apart for the vegetable producer companies.

**97.** The total outlay for coconut is Rs.45 crore. Rs.5 crore will be for the propagation of hybrid and dwarf varieties. The arrears of the financial assistance that government had offered to the coconut producer companies will be cleared at the earliest. Rs.10 crore is provided for pepper and cardamom cultivation.

**98.** Rs.21 crore has been earmarked for making available high quality seeds and saplings. Rs.32 crore is provided for Agro-service

Centres. A new scheme will be launched this year for the preservation of biodiversity and the conservation of the germplasm of indigenous varieties of Kerala.

**99.** Even though there has been a temporary hike in the price of rubber, the price stabilization scheme to ensure a price of Rs.150 per kg to the small scale farmers will continue. Rs.500 crore is provided for the purpose.

**100.** An amount of Rs. 19 crore is earmarked for Wayanad Package. This amount is intended to be utilized for pepper, original rice varieties of Wayanad and for the soil-water conservation activities.

**101.** An amount of Rs. 90 crore is earmarked for Kasargod Package. The selection and implementation of projects under the package will be at the district level.

**102.** Special Economic Zones have been assigned for five crops, Rice-Kuttanad, Kole, Onattukara, Pokkali, Palakkad, Kaippad, Wayanad; Vegetable-Devikulam, Kanjikuzhi, Pazhayannur, Chittur, Kollankode; Banana-Thrissur; Flowers-Wayanad; Coconut-Kozhikode. For initiating integrated activities in these Special Agro Zones, an amount of Rs. 10 crore is earmarked.

**103.** A Detailed project report for value added products in 14 Agro parks approved by KIIFB last year is under preparation. Rs. 100 to 150 crore will be made available for this from KIIFB. More

producer companies will be started for value added products from coconut. Agricultural co-operative societies will be encouraged.

### **Animal Husbandry Sector**

**104.** Rs. 308 crore for Animal Husbandry and Rs.97 crore for Dairy Development has been provided. In milk production the government will be to achieve self sufficiency. The main factors behind the increase in the milk production are extension of hybrid breeds and quality improvement. This continues to be the main development plank. Rs.110 crore is provided for veterinary extension activities and Rs.45 crore is earmarked for the betterment of veterinary services. The outlay provided altogether for cross breeding schemes is Rs.70 crore. An amount of Rs.74 crore has been provided for the PSUs like Kerala Poultry Development Corporation, Kerala Feeds Ltd. and KLD Board.

**105.** One lakh heifers will be included in the Calf Care Scheme. An amount of Rs. 54 crore is earmarked for the purpose. Insurance coverage will be introduced for cattle.

**106.** An amount of Rs. 30 crore is earmarked as financial assistance for Primary Milk Co-operative Societies. Rs.48 crore is provided for cattle shed and fodder grass cultivation. Rs.14 crore is provided as subsidy for cattle feed. The pension in respect of Dairy farmers is enhanced to Rs. 1100.

## **Fisheries Sector**

**107.** The total outlay of Rs. 408 crore that had been earmarked during 2016-17 for Fisheries Sector and Coastal Area Development is enhanced to Rs.586 crore. Rs.49 crore has been provided for inland fisheries sector. More than half of this allocation is meant for pisciculture. Backwater Ornamental Fish Farming Project will be revamped. Production from sea fishing has been continuously diminishing in Kerala. In this context, Rs.5 crore is provided for preventing the depletion of marine fish resources.

**108.** Additional amount is earmarked for ensuring the off season saving-cum-relief scheme at Rs.3600/-. Accident insurance compensation @ Rs. 10 lakh for death/missing case and Rs. 5 lakh for becoming invalid for work will be provided. Insurance will be provided for the allied workers as well. Insurance coverage will be extended for fishing equipments also. Rs.2 crore is provided for Marine Ambulance. An amount of Rs. 25 crore is earmarked for Kerosene subsidy.

**109.** Rs. 39 crore is earmarked for the construction of fishing harbours at Arthungal, Vellayil, Thanoor, Parappanangadi, Manjeswaram, Koyilandy, Munakkakadavu, Chettuva, Cheruvathoor, Thalayi and Chethi. Another Rs.35 crore will be made available for the construction of roads and bridges connected with harbours. There is a provision of Rs.40 crore including the state share under the Blue Revolution Scheme of Central Government. This provision is mainly meant for pisciculture and value added activities.



**110.** An amount of Rs.216 crore has specially been earmarked for coastal area development. 24851 fishermen families reside within 50 metres limit from the sea shore. A section of this fisher folk are living in highly dangerous zone. Rs.150 crore is earmarked for their rehabilitation. The objective is to create an organic protection wall using this. An amount of Rs.56 crore is earmarked for developmental activities other than road work in the coastal belt. In addition to these, there will be a provision of Rs.20 crore as financial assistance from NABARD. An amount of Rs. 100 crore is earmarked for Harbour Engineering Department for the construction of small coastal roads. Priority will be given for the rehabilitation in connection with the construction of Vizhinjam Harbour. The required amount will be sanctioned additionally.

**111.** An amount of Rs 50 crore is set apart for sanctioning retirement benefits to the members of Fisheries, Coir and Agricultural Workers Welfare Fund Boards.

### **Coir**

**112.** Sir, the second restructuring scheme of coir will be implemented during 2017-18. Steps are being taken to modernise the coir industry on a war footing. Defibering machines will be provided to Coir Co-operative Societies at 90% subsidy, to Self Help Groups at 75% subsidy and to individuals at 50% subsidy. Under this scheme the first Mill will be operationalized at Vadavannur in Nenmara constituency in May with a capacity to process 60,000

husk fibre per day. The target is to open 100 husk processing mills during 2017-18.

**113.** Automatic spinning machines will be made available only for Co-operative Societies. Subsidy will be provided by the State Government to private investors in addition to the assistance provided by the Coir Board. The coir-composite factory of Foam Mattings will be operationalized during 2017-18. A new coir mattress division will be formed. The coir machine factory will be operated to its optimum capacity for the first time.

**114.** To ensure that coir workers and weavers do not lose their jobs due to this technological modernisation, Government will procure their products at a price ensuring minimum wage. In the first phase, products from co-operative sector will be procured. As against the procurement during 2016-17 by Coirfed of 1 lakh quintals of coir, next year the procurement will be 2 lakh quintals of coir. The Coir Corporation had procured Rs.100-120 crore worth coir products, which will be enhanced in 2017-18 to Rs. 200 crore. In order to sell these products, subsidy needs to be provided. For this, Rs. 48 crore is earmarked.

**115.** The Coir Fair in Alappuzha will be held during September, focused on the domestic market. The main demand for coir will be from the Geo textiles used for the soil and water protection activities as part of 'Haritha Keralam' Project. The Geo textiles can be used for road construction also. If this endeavour becomes a success, we can ensure 200 days of employment to all

coir workers in Kerala. To train the staff of Employment Guarantee Scheme in Alappuzha, a geo-textile school will be opened under the aegis of COIRFED and NCMRA.

116. As part of the second restructuring scheme the Coir Co-operative Societies taken up for revival will be provided with working capital and managerial subsidy. A project will be submitted to NCDC for this purpose. For giving working capital and as managerial subsidy now, an amount Rs.12 crore and Rs. 3 crore are additionally earmarked for the purposes respectively. Coir Cooperative societies will be permitted to convert the available balance amount of the funds received under various schemes during previous years into working capital. The total outlay for coir setor is Rs 128 crore. In addition, Rs. 100 crore will be made available for the restructuring of coir production co-operative societies through NCDC.

### **Handloom**

117. Rs.72 crore has been provided for Handloom and Powerloom sectors. Rs. 9 crore has been earmarked for share participation of Handloom Co-operative Societies, HANTEX and HANVEEV. Another Rs.11 crore is earmarked for procurement of raw materials and other items. Rs.12 crore is set apart for modernisation of handloom, diversification of handloom products and for the incubation centres. The various incentives, welfare measures and income ensuring schemes traditionally available for handloom weavers will continue. Due to the delay in the implementation of the scheme in 2016-17, cloth for uniform only for primary school

students could be woven during that year. During 2017-18, Government intends to extend the scope of this scheme. Looms will be supplied to those who desire to enter into the industry. The arrears on rebate will be disbursed.

## **Cashew**

**118.** Even though the cashew factories have been formally re-opened, the industrial production has not reached the normal level. The PSUs like Cashew Development Corporation and CAPEX are facing acute shortage of raw cashew. It is necessary to make these institutions fully functional for maintaining the work and the service and wage conditions by procuring raw cashew either from the state or from outside the state. For the procurement of raw cashew for these institutions, Rs.30 crore is allocated. The balance requirement of fund will be made available as loan from financial institutions. Outstanding dues of the banks worth Rs. 80 crore were settled through one time settlement scheme. The vital component in the project is the modernisation of factories and partial mechanization. For this purpose, Rs.42 crore is earmarked. An amount of Rs.6.5 crore is provided for the promotion of cashew cultivation.

**119.** The Government accepts the reality that the cheaper labour and mechanization in the factories which operate outside Kerala pose serious challenges to the factories of our state. To overcome this constraint and also to build up the industries of Kerala a project will be formulated in consultation with private industrialists. An amount of Rs. 20 crore is earmarked for this.

## **Other Village Industries**

120. Rs.4 crore is provided for the encouragement of 32 recognised crafts in Kerala. The apex bodies Surabhi is provided with Rs.1.5 crore, Artisans Development Corporation-Rs.1 crore, Handicrafts Development Corporation-Rs.1.5 crore and KELPAM-Rs.1 crore. Rs. 5 crore is provided for the development of bamboo based industries. Rs. 1 crore is allocated to ARTCO towards share capital.

## **Khadi**

121. The total outlay for Khadi and Village industries is Rs.17 crore. A new scheme - the 'Khadi Grama Programme' will be launched this year. Rs.4.5 crore has been provided for developing Khadi and Village Industries in certain selected Grama Panchayaths.

122. Beedi industry is yet another traditional industry that is in a crisis. Rs.8 crore will be refunded to Dinesh Beedi from the tax collected from Beedi industry. Rs.20 crore from the balance tax realized from the sector will be given to the Beedi Workers Welfare Fund as grant. They can formulate suitable schemes and projects for the welfare of the workers.

## **Co-operation**

123. The total outlay of co-operative sector is Rs. 124 crore. Of this, Rs. 50 crore is for primary co-operative societies and Rs. 25 crore is for providing share capital for Processing, Consumer, Housing, Marketing, Women and SC/ST cooperative societies. An amount of Rs. 10 crore is earmarked for CAPE.

**124.** A study for starting Kerala Co-operative Bank is in progress. As the initial step towards this goal, action will be taken for the financial re-organisation and re-capitalisation of State Co-operative Banks and District Co-operative Banks.

**125.** As part of restructuring of traditional industrial cooperative societies, the debts payable to government will be converted into shares and interest thereon will be written off. Action on these will be taken as part of the Comprehensive Revival Scheme. A scheme will be formulated to revive RUBCO, one of the largest commercial institutions in the state.

## **V**

### **NEW AREAS OF GROWTH**

**126.** The engines of future economic growth of Kerala are IT, Tourism and appropriate medium and large scale industries. Considering the permanent importance of these three areas, an amount of Rs. 1,375 crore is earmarked. The increase is 27% over the estimate of 2016-17. State income data indicates that in the recent period, there is an awakening in the modern production sector. This higher allocation will strengthen the upward trend.

#### **Information Technology**

**127.** The total outlay for IT sector is Rs. 549 crore. The major thrust is on the construction of IT Parks. An amount of Rs.84 crore for Technopark, Rs.67 crore for Infopark, Rs.25 crore for Cyberpark,

Rs.55 crore for IT Parks at Kozhikkode, Kannur, Kasaragode and Koratty and also for Techno Lodges are earmarked. By the year 2020, one lakh IT jobs will be created in Infopark and 75000 IT jobs in Technopark.

**128.** In the recent times we have been giving more attention to new and innovative investments. An amount of Rs.10 crore is earmarked for Technology Innovation Centre. An amount of Rs. 70 crore is set apart for Youth Entrepreneurship Development Programme, which is a bouquet of several new and innovative schemes such as start-up box campaign, start-up boot camps, partner network, start-up i3, entrepreneurship visit program, fab-lab program, innovation fund, seed fund etc. KSIDC and KFC will extend financial support for 1500 start-ups.

**129.** An amount of Rs.100 crore is earmarked for Kerala State IT Mission which is the nodal agency of Government for service delivery intervention in IT sector. An amount of Rs. 52 crore for Indian Institute of Information Technology and Management, Rs.22.5 crore for IITK, Pala and Rs.5 crore each for International Centre for Free and Open Source Software and for C-DIT are earmarked.

**130.** Comprehensive interventions will be initiated to uplift the State of Kerala as an IT hardware manufacturing hub. As part of this, it is intended to establish 12 parks. Japanese-Korean industrial cluster will be established in Mavoor. To co-ordinate all of these, a hardware mission will be set up for which an amount of Rs. 1 crore is earmarked.

## **Kerala Fibre Optic Network (K-FON)**

**131.** Sir, free internet connections will be provided to 20 lakh poor families. For others, internet service will be provided at a lower rate. Sir, thus Kerala is poised to become one of the rare regime where internet facility will be the right of a citizen. This will provide hindrance free access to Government and non-Government services, educational, health, social welfare, entertainment and knowledge based service facilities to common people through computer and mobile phone. It will be a decisive step towards eliminating the digital divide. It is estimated that by 2017-18 almost all Government transactions will become IT based. Thus, the right for basic internet facility will become a prerequisite for providing civic services universally through electronic medium.

**132.** The universal basic internet facility will be made available to all citizens and Government machinery through a new optic fibre pathway created in parallel to KSEB electric power network. This network can be made available to each home through KSEB. It is aimed to complete the network to be named K-FON within 18 months. Rs. 1000 crore needed for the capital investment will be provided through KIIFB.

**133.** WiFi transmission centres will be established at Akshaya Centres, Friends Janasevana Kendras, Government offices, libraries, and public places under the control of Government. Basic internet facility will be provided to people free of cost for a specific period using mobile and computer equipment through K-FON.



## **Tourism**

**134.** Within a short period, tourism has emerged as a service industry which contributes 10% of the state revenue. The crux of tourism development lies in the marketing of our natural beauty and heritage as effective tourism products. Therefore, the major portion of the outlay, ie, Rs.75 crore has been earmarked for marketing.

**135.** An amount of Rs.15 crore is set apart for encouraging and propagating Nishagandhi dance and music festivals, Onam celebration, tribal dance festival, Pooram, Theyyam festivals and boat race etc. An amount of Rs. 5 crore is additionally provided for encouraging boat race and giving assistance to those snake boats which have not received any assistance for maintenance so far.

**136.** An amount of Rs. 22 crore is set apart for various tourism institutions including Kerala Tourism Development Corporation. Rs.12 crore is provided for District Tourism Promotion Councils. An amount of Rs.31 crore is earmarked for the upgradation of tourism guest houses and also for construction of new blocks at Guruvayoor, Thiruvananthapuram, Sulthanbathery, Peerumedu, Kozhikkode, Ponmudi and Munnar.

**137.** The most important tourism projects presently being implemented in Kerala are the Muziris Heritage Project and the Thalassery, Alappuzha spice route that is about to be taken up. Rs.40 crore is earmarked for this project. The main component of Alappuzha heritage project is the renovation of canals. A master plan

for this is being prepared with Dutch technological collaboration. Not only the main canals, but small canals and estuaries will be cleaned and protected as part of this project. The main components of the master plan will be funded through KIIFB. The first two museums in Alappuzha will be completed in 2017-18. They are the Thomas Norton's Memorial and Coir museum. An amount of Rs.10 crore is specially earmarked for this purpose. The District Court in Thalassery will be undertaken in Heritage Protection Network.

138. An amount of Rs.400 crore has been earmarked in the last budget from KIIFB for the development of infrastructure facilities in the tourism destinations at Dharmadam-Muzhippilangadu, Kannur-Fort, Arakkal palace, Karappuzha-Wayanad, Chethi-Mararikkulam, Thrissur-Guruvayoor-Paliyoor circuit, Akkulam, Ponnani and Ponmudi. The detailed project reports are being prepared for these projects. An amount of Rs.80 crore has been provided in the current year's plan for the infrastructure development of the tourist destinations at Kovalam, Kumarakam, Thekkady, Munnar, Fort Kochi, Athirappally, Wayanad, Varkala, Neyyar, Ashtamudi, Thenmala, Sabarimala, Vembanad, Vagamon, Cherai, Peechi, Guruvayur, Malambuzha, Nelliampathi, Nila, Nilambur, Kappad, Irinjil and Thusharagiri and Rs.40 crore for the other minor destinations. Pathiramanal Eco Tourism Project will be rejuvenated. A master plan will be formulated for the development of tourism by linking the backwaters and rivers in Malabar.

## **Heavy and Medium Industries**

**139.** In the year 2016-17 the total outlay for heavy and medium industries was Rs.291 crore. This is now enhanced to Rs.482 crore. Revival of loss making public sector undertakings has been accorded great importance by the LDF Government. The share for Public Sector Undertakings is enhanced from Rs.100 crore to Rs. 270 crore.

**140.** For the sake of brevity, only the case of Drugs and Pharmaceuticals Ltd is explained. This company which made profit in 2009-10 for the time in its history, dropped into losses again during the UDF regime. It is only after this government assumed power that even the machinery of the Betalactum Plant established six years back was taken out of cartons. By this, production capacity has reached Rs.100 crore. It received the GMP Standard Certificate. Further, as the next step a Betalactum Plant is going to be established by renovating an old godown building, and thus the production capacity will rise to Rs.200 crore. Another factory for manufacturing medical equipment will also become operational in 2018-19. The newly established laboratory for testing drugs will get accreditation before the end of March. It is also planned to restructure the existing factories as per global WHO standards without limiting to GMP standards. This will enable access to the export market in Africa. In 2017-18 KMSCL will issue order for drugs to KSDP for Rs.60 crore. A part of the cost of drugs will be given in advance. Orders for an amount of Rs.40 crore have already been

received from various states. Thus, the present production capacity will be fully utilized and thereby the company will become profitable in 2017-18. The company itself will have to raise a part of the capital for the purpose of its extension. For facilitating this, an amount of Rs.106 crore, due to government on account of loan amount and its interest is converted in to share capital. The cumulative loss is written off. Based on this action plan, Rs.18 crore is provided to KSDP. Rs.10 crore has been earmarked additionally.

141. On the same line, a tripartite agreement will be executed for each public sector undertaking on the basis of specific action plan.

- (i) Rs.10 crore for the establishment of clinker grinding unit in Travancore Cements
- (ii) Rs.5 Crore for HCL synthesis unit in TCC
- (iii) Rs.26 Crore for Copper Recovery Plant, Sulphuric Acid Plant and for fibre grade products in Travancore Titanium Products.
- (iv) Rs.18 crore for rejuvenation of KEL.
- (v) Rs.10 Crore for the extension of Traco Cable and Lab certification.
- (vi) Rs.10 crore for technical renovation of TELK.

- (vii) Rs.4 crore for the renovation of United Electrical Industries.
- (viii) Rs.10 Crore for manufacturing of cast steel rail coaches in Autocast.
- (ix) Rs.7 crore for arranging subcontracting facility with ISRO in Kerala Automobiles.
- (x) Rs.5 crore for the renovation of furnace in Steel & Industrial Forgings Limited.
- (xi) Rs.20 crore for the revival of Keltron
- (xii) Rs.51 crore for various textile mills.
- (xiii) Rs.2 crore for Forest Industries Limited.
- (xiv) Rs.15 Crore for Kerala Ceramics Limited.
- (xv) Rs.8 Crore for other Public Sector Institutions.
- (xvi) Rs.50 Crore as working capital.

These amounts will be released only after time bound packages have been formulated.

**142.** An amount Rs.96 crore is earmarked for the establishment of Life Science Park at Thiruvananthapuram, Light Engineering Industrial park at Palakkad, Mega Food Park at Cherthala and Industrial Growth Centres at Alappuzha, Kozhikode and Kannur under the auspices of Kerala State Industrial

Development Corporation. Construction of Incubation Centre in Life Science Park with an area of 3.5 lakh square feet will be started this year. The major projects of KINFRA are the Industrial Water supply Projects at Palakkad and Kochi and Industrial Parks at Mattannur, Thodupuzha, Kalamassery, Kazhakkuttam, Kollam, Ernakulam and Kakkanchery. Construction of Techno Industrial Park at Kakkancherry with an area of 1.1 lakh square feet and Advanced Technology Park at Ramanattukara will be started this year. An amount of Rs.111 crore is provided for KINFRA.

**143.** The important intervention in industrial sector is the Industrial Corridor. Of this, a Detailed Project Reports for Petro Chemical Park at Kochi and Pharma Park will be submitted to KIIFB soon. Action is being initiated to acquire about 5000 acres of land at various centres of the Corridor for industrial purpose. There will be no hindrance for releasing fund from KIIFB once the land is acquired. In the same manner land will be acquired in Chavara and its premises for the construction of Titanium Metal Complex for expansion of Titanium Factories. Mining of black sand will be extended in public sector.

**144.** Today Kerala is far below in 'ease of doing business' index. A time bound programme will be initiated for improving this position. For this purpose, necessary amendments will be made in Single Window Clearance Act - 1999. A special committee chaired by Chief Secretary will be constituted for monitoring the activities. Industrial policy will be formulated.

### **Small Scale Modern Industries.**

**145.** An amount of Rs.128 crore has been provided for modern Small scale industries. Out of this, Rs. 25 crore is for improving the infrastructure facilities in the existing developmental areas/plots. Beneficiary contribution will be a requirement as part of the scheme. An amount of Rs. 23 crore is earmarked for the construction of multistoried industrial estates. An amount of Rs. 56 crore is earmarked for giving capital support to the new small scale industrial entrepreneurs. A new international hub will be established for extending support to the furniture industrial enterprises in Eranakulam and Thrissur regions. An amount of Rs. 1 crore is earmarked towards the Social Security Fund Trust.

**146.** Rs. 4 crore is set apart for commercial development. KIIFB will invest an amount of Rs. 100 crore for the modernization of selected markets in Kerala. Selection will be made after considering the scope of tourism also. Commercial quality standards and customer service standards will be built into the comprehensive project.

## **VI**

### **INFRASTRUCTURE DEVELOPMENT**

**147.** We cannot trample on trade union rights and environmental laws for attracting investments into new growth areas as is being done in some other States. The only thing we can do is to arrange high quality infrastructure facilities. Schemes for improving

works for an amount not less than Rs.50,000 crore will be initiated in the next five years in Kerala. So will be the pace in other infrastructure facilities too. If one pillar of the development of the State is the Peoples' missions and peoples' planning, the other pillar will be unprecedented surge in investment.

### **Roads and Bridges**

148. The amount earmarked for Roads and Bridges is Rs.1351 crore. As per recent trends in experience, an excess of 25 to 50 percent of this allocation is expected to be expended. Even then an amount of Rs. 1300 crore is still pending towards bill payment to contractors. The arrears could considerably be reduced in the last year. The arrears can be cleared in the coming year. The list of works to be taken up next year as included in Works Budget Vol-I, contains 5510 works. The largest among them is the KSTP comprising of 8 projects with a total estimate cost of Rs.580 crore. Fund for the many important projects like Alappuzha – Kollam Bypass are being provided from the provision of Rs.1552 crore earmarked for the mega projects. An amount of Rs. 335 crore has been earmarked for PWD from RIDF. An amount of Rs. 60 crores has been set apart for works under Central Road Fund Board. An amount of Rs. 100 crore is provided for major district roads. An amount of Rs. 73 crores is provided for renovation of Karamana-Vellarada Road, Vypin – Munambam road, Alappuzha – Thanneermukkam – Madura road, Nedunganapally – Pullad Road etc. The major works under construction of National Highways are



Karamana – Kaliyikkavila Phase II, Kazhakuttom – Kesavadasapuram and Korapuzha Bridge.

**149.** Based on the experience from the Enath Bridge, special review will be conducted on the security of bridges in Kerala. Sufficient funds will be provided for reconstructing the bridges in dilapidated condition.

**150.** In the second phase of PRICE software, developed for preparing estimates of the works implemented under PWD the scope will be expanded to include components such as preparation of computerized bill, E-measurement Book, digitization of assets, room booking, registering of contractor license etc.

### **Hill and Coastal Highways**

**151.** Sir, in 2017- 18, construction activities of the hill highway with a total length of 1267 kms will be started by inviting tenders for various reaches in 9 districts in parallel viz. Kasargode, Wayanad, Malappuram, Palakkad, Thrissur, Ernakulam, Idukki, Kollam and Thiruvananthapuram. The reaches connecting this highway with Kannur, Kottayam and Pathanamthitta districts have either been developed or are part of other schemes. KIIFB will invest an amount of Rs. 3500 crore required for the construction in districts 9 districts.

**152.** Sir, construction of coastal highway will be started in 2017-18. It spans 9 districts with a length of 630 kms. The roads constructed will be 5.5 to 8 meters of wide. This coastal highway will

be integrated with the existing coastal road network. KIIFB will invest an amount of Rs.6500 crore for the coastal highways.

**153.** These two highways that are going to be vital components in the transport network of Kerala will be constructed with the support of NRKs. There is a reference to *Aminumma's kuri* in MT's Nalukettu. '*If it gets it will be a lot to get along, Amma used to say*'. As *Kuri* alias Chitty used to cater to the needs of many in the locality, it is intended to make use of Chitty for the development of the state. No NRK has to contribute a single paise to Government for this purpose. All that they have to do is to join in NRI chitty of KSFE. KSFE is getting nearly to launch the "Pravasi Chitty". The target is to get the chitty subscribed at least by one lakh NRIs in the first year. The bonds issued for the construction of hill and coastal highways for an amount of Rs. 10000 crores through KIIFB will be raised through Pravasi Chitti.

**154.** NRKs can make their monthly remittance through any of the payment gateways. The entire remittance will be invested automatically in the NRI bonds of KIIFB in the name of KSFE as and when the money is remitted. There will be a call option available for KSFE for withdrawing sufficient amount at the time the subscriber gets the bid or when withdrawing the deposited chitty amount. The balance free float will remain in the KIIFB bonds. It is expected that it will not be difficult to raise Rs.12000 crores in this way. This is a novel fund raising experiment.

155. As far as NRIs are concerned, they invest their earnings in chitties. These investments have the guarantee of Government and comprehensive security of KSFE. There will be no additional risk for the investor in investing the excess amount in KIIFB bond. At the same time, they will become partners in the major development project of the state while their earnings remain safe and secure. KSFE is preparing to commence the scheme within the month of June.

156. KIIFB will invest an amount of Rs. 5628 Crore for the construction of 182 roads as detailed below, in addition to the above two state highways.

<i>Sl. No.</i>	<i>Name of Work</i>	<i>Estimate Amount (Rs. in crore)</i>
1	Mangalam Tower-Market Road Bye-pass	53
2	Kunnamkulam Municipality Ring Road Project	25
3	Kunnamkulam Municipality Road Development Project	50
4	Various Roads in Cherthala including Iron Bridge	22
5	Nathukallu-Adimali Road	50
6	Navayikulam-Kudavoor Ring Roads	20
7	Nilambur Bye-pass construction – Land acquisition	105

8	Nilambur-Nayadumpoyil Road	28
9	Neeleshwaram NH-Kacherikkadavu-Town Bypass Road and Bridge – Raja Road development	40
10	Pathanad-Edayirikkapuzha Road	20
11	Payyannur Ambalathara-Kanayi-Maniyara Vayal Mathamangalam Road	11
12	Payyambalam-Chal Beach Road	25
13	Pallathur-Pandy Road	15
14	Road and Bridge from National Highway Vayalar Junction to Pallippuram Info Park	100
15	Pallimukku-Alimukku Road	12
16	Pallimukku-Mukkadavu Road	14
17	Pallimukku-Medical College Road	25
18	Parappanpoyil-Karakunnath Road	20
19	Paravur-Cherayi Paralel Road	20
20	Pazhaya Chantha – Kudavanad Road	32
21	Pazhakutty-Mangalapuram Road	200
22	Parassala-Panchamood Road	15
23	Palappilly Chimmini Dam Road	20
24	Pala Town Ring Road Second Phase	45
25	Pasuvannara-Aruvikkara-Keezharoor Ring Road	10
26	P U K Road	50
27	P U K C Road – Ulliyeri Road	20

28	Pulliyarakkonam-Kuzhakkad Temple Road	18
29	Pulluvazhi-Paniyelipporu Road	20
30	Pulimuttu Vattakkinar Road	25
31	Puthiyidam-Prayar-Aayiramthengu Road	20
32	Pookkiparambu-Pathinarungal Bye-pass Road	100
33	Poovvathankal-Velukkara Road	12
34	Poothotta S N Junction Road	300
35	Padannakkad Overbridge-Vellarikundu Road (including Bridges)	60
36	Padinjarangadi-Manniyamperumbalam Road	15
37	Badiyadukka-Eathadukka-Sulapadava Road	28
38	Bhagavathippadi-Mallikkattikadavu Backwater road	20
39	Manathana-Ambayathode Road	20
40	Sreekantapuram-Naduvil PWD Road	15
41	Pathinarilchira-Nattakom Road	20
42	Achankovil-Plappalli Road	25
43	Mattannur-Peravoor Road	25
44	Anchampeedika-Muthambi Road	10
45	Mannanthala-Powdikonam Road	200
46	Mannarkkad-Chinnathadakom Road	80
47	Ambalamkunnu- Roadvila -Poredam Road	10
48	Ammanappara-Chapparappadavu Chainage	20

49	Amaravila-Kudappana Sooravakkani Road	30
50	Arivithara-Bharananganam Road	20
51	Mala-Vattathani Road	10
52	Azhinilam-Arattamozhi Road	20
53	Maskumari-Kurudapadavu Road	10
54	Mananthavady-Thrissileri Scenery Road	10
55	Mathra Palazhi Kuttikkattur Road	25
56	Mararikulam Railway Station Thumboli Road	20
57	Mavoor NIT Koduvalli Road	25
58	Mukrathan Valavu-Vellaramkunnu Kumili road	25
59	Muthuswamiputhur-Ancham mile	15
60	Muringoor-Ezhattumukham Road	20
61	Mulavana-Perayam NSS College Road	10
62	Muhamma Thanneermukkam Kayaltheera Road	21
63	Moonnar Flyover Bye-pass Road	35
64	Moonamkai-Kaiveli Road	20
65	Muvazhupuzha Koothattukulam Road	25
66	Adivaram-Kelanmoola Road	20
67	Adoor-Thunbaman-Kozhencheri Road	20
68	Manacaud-Attukal Temple Road	30
69	Manakkadavu-Alakkode Road	10
70	Manasseri Pulparambu-Chullikkaparambu Road	20

71	Extending Aashramam Link road from Olayilkadavu to Thevalli	150
72	R E C – Koodathay Road	25
73	Ayur-Anchal-Punalur Road	35
74	Ayur-Pothiyaruvila Road	10
75	Alathur Parakkunnam Bridge & Approach road	15
76	Alappuzha-Ambalappuzha Connectivity Road	20
77	Alappuzha Punnamada Kayal Tourism PWD Road Network	60
78	Aluva-Munnar Road	10
79	Alakkode-Pathanpara Kanakakunnu Road	15
80	Azhamkonam-Alamkode Road	20
81	E T C-Madakkadu Road	20
82	Iringol-Vallam Ring Road	25
83	Idakoli Kottayam Medical College Road	20
84	Irattupetta-Poonjar Road	20
85	A S Canal Road, East Bank	20
86	NH Karuvatta – Mannar Road	30
87	L B Canal Aqueduct-Puzhappalam Approach Road	25
88	Erattakulam-Vaniyampara Road	20
89	Ernakulam Harbour Bridge-Goshree Road	30
90	Enath-Pathanapuram Road	20

91	Eroor- Idamon Road	17
92	Ezhamkulam-Kaippattur Road	20
93	Vattiyoorkkavu Junction development	100
94	Vanchikulam Chettupuzha Road	100
95	Land Acquisition for Ottappalam Bye pass	25
96	Vallarpadam-Panambukadu Kayalora Ring Road	20
97	Vayalar Palam Muttam – Bazar Ettupurakkal Road	20
98	Construction of Valiyapalam & Renovation of Kuloor Chinnala road	15
99	Vilangupara-Parathodu Road	20
100	Vilakkumpara-Thadikkadu Road	19
101	Vithura-Bonakkad Road	35
102	Vadakkanchery Bye-pass	20
103	Kankalam-Kakkanad Road	37
104	Cut & Cover – IMA Junction, Malampuzha Canal Civil Station Road Construction	22
105	Kannanallur Junction Development	21
106	Kannur-Thana-Dhanalakshmi Hospital-Anayidukku Road Under pass	20
107	Kambilichungam-Peruvamba Road	10
108	Kalpathur Vayanasala-Kappummal Road	15
109	Karamana to Nedunkadu Kaladi Road	20
110	Karuvannur-Kattoor Road	30



111	Kappiset - Payyamballi Road	30
112	Kayapanachi-Chuyil Puthiyangadi Road	20
113	Karettu-Kallambalam Road	20
114	Killi – EMS Academy Road	16
115	Kizhakkambalam – Peringala – Puthenkurisu Road	18
116	Kizhakkambalam-Chottanikkara Road	24
117	Sivagiri Thoduvepalam – Sivagiri Palam Approach Roads	30
118	Kuttath-Attakundu Kadavu Road	15
119	Kuttiyadi-Bye-pass Construction	20
120	Kuruthikulam-Chelachuvadu Road	95
121	Pookkadu-Varikulam Paparambu Road	10
122	Koothuparambu Ring Road	25
123	Kadakkal-Chengamanad Road	15
124	Kakkolavayal-Kenichira Road	15
125	Karettu-Maloor Road	20
126	Kaniyaram-Arattuthara Road	20
127	Sulthanbathery-Cherambady Road	20
128	Chambad-Koppalam Thalassery Road	15
129	Chithrapuzha-Mamala Road Thiruvankulam Road Bye-pass	75
130	Chitturpuzha palam-Vithavalam Road	15

131	Chadayamangalam Jadayupara -Kadukakthupara Tourism Centre connecting Road	30
132	Nakrampara-Eathadukka	15
133	Nedumpuzha-Padinjrekotta Road	10
134	Perumbadana-Chathanad Puzhayora Road	20
135	Peruvannamuzhi-Muthukad Road	15
136	Peruvanparamba-Nelikkampoyil Road	20
137	Venjaramood Bye-pass	25
138	Ring Road construction at Kottarakkara	30
139	Kombankeli-Vettithuruthu Road construction	20
140	Koyilandi-Anchampeedika Road	35
141	Kondotti-Arakkode Road	15
142	Painavu-Idukki Bye-pass	19
143	Perambra Bye-pass	15
144	Perambra-Tharamalangadi Road	15
145	Post Office Junction-Petta Road	30
146	Bormmakkavala-Thrikkothamangalam High School junction Road	20
147	Meppayur, Keezhariyoor Nellyadikadavu Road	15
148	Vengara Bye-pass	20
149	Kodimatha-Kalathilkavala Road	140
150	Thazhe Chovva Railway Gate to Chovva Spinning Mill Road	20

151	Thiruvananthapuram-Neyyar Dam Road	15
152	Thiruvambadi-Poovaranthodu Road	20
153	Thiruvārppu-Kumarakom Road	15
154	Thookkupalam – Kattappana Road	50
155	Thrissur – Kuttippuram Road	50
156	Thadiyittaparambu-Vallamkadavu Road	25
157	Adoor Ring Road	20
158	Kumbalangi Kandamkadavu Road	30
159	Chavara C Block Road	15
160	Chengannur Bye-pass	20
161	Pallisseri Ambalakkadavu Kuthrampoyil Road	10
162	Puthuvalkunnida-Mangod Road	25
163	Perumbavur – Aluva Road	15
164	Muyamkara Pullippadam Odayil Veettikunnu road	16
165	Vaniyamkulam Mannannur Railway Station Cheruvattur Manissiri Road	20
166	Veniyambalam Kaliyamkode Ulamana Road	10
167	Vaikom Toll Chemmanakari Road	10
168	Sankumukham-Veli Road	30
169	Thelliyur Valiyakavu Road	35
170	Kumbalanthanam Maniyar Road	30
171	Rakkol Ennappara Road	20
172	Mekkat- Erikulam Road	15

173	Vadakara Vilyappalli Chelakkara Road	31
174	Kottayam-Kumarakom Road (Ilikkal Kaippuzhamuttu)	120
175	Puthuval Mangad Road	31
176	Karshaka Souhruda Link road	25
177	Edapalli kotta-Loop Road	15
178	Nedumbram-Kottarakkara Road	10
179	Kottavattam mukku-Kottavattam school Road	11
180	Madayi-Ettikulam H S Road	25
181	Thammanam-Pulleppadi Road	100
182	Chalakudi-Mothirakanni Road	10

157. KIIFB will invest an amount of Rs.2557 crore for 69 bridges and flyovers listed below.

Sl. No	Name of Work	Outlay (Rs.in core)
1	Over Bridge in Cherppulasserri Town	30
2	Irimpothingalkadavu Regulator Bridge	36
3	Kummallur Bridge	12
4	Kanankattukadavu Bridge	50
5	Koyur-Ongallur Bridge	50
6	Nandikkara Railway Over bridge Construction	80
7	Narathu Kallurikadavu-Pappinisseri Kallaurikadavu Bridge	25
8	Pathanamthitta Aban Junction Over bridge	50

9	Pallippad – Kodunthar – Melpadam Bridge	30
10	Renovation of Pazhayangadi Bridge	35
11	Parapram Regulator	50
12	Parakkoottam Bridge	25
13	Pizhala – Kadamakkudi Bridge	40
14	Nayarthodu Bridge in Purathur Panchayat	48
15	Puthiyapalath Valiyapalam	60
16	Farook Railway Over bridge Approach Road	30
17	R C B in Bharathapuzha Kankadavu	75
18	Kayikkara Bridge in Anchuthengu-Vakkom Grama Panchayat	25
19	Mannarkundu Bridge	10
20	Arinallur – Peringalam Bridge	20
21	Malappuram Police Station Kizhakkethala Chethupalam Flyover	50
22	Azhikode – Munambam Bridge	160
23	Chotta Palam in Muliya Panchayat	15
24	Arali Kadavu Bridge	15
25	Construction of Ilavoor Bridge	15
26	Uttara Bridge & Uttara Railway Over bridge	20
27	Vathuruthi Over bridge Construction	30
28	Kamba – Chalikadavu Bridge	20
29	Kalpetta Chuzhali Bridge	10
30	Kanhangad Flyover	40
31	Kizhakkumbhagam – Ummanchira Mini Regulator cum Bridge	20
32	East Fort – Manacaud (Attakulangara) Flyover	30
33	Kubanoor Bridge	10
34	Kunnur Over bridge	89
35	Kurundhattil Bridge, Up-gradation of approach Road	25
36	Kungal – Anchuvadi Bridge	17

37	Kundoor – Kuthiyathode Bridge	25
38	Mambrakunnel Railway Over bridge in Krishnapuram Grama Panchayat	60
39	Kadathuruthi Railway Over bridge	30
40	Kadavanad Kolakodan Bridge	20
41	Bridge across Kanoli Canal	40
42	Construction of Flyover at Railway Junction in Changanacherry Bye-pass	90
43	Nedupuzha Railway Over bridge	30
44	Ponnani Harbour – Padinjarekara Bridge	100
45	Railway Bridge Mayyanad – Mayyanad PWD Road	50
46	Bridge in Vellayani Lake – Kakkamoola Bund Road	25
47	Bridge in Chettiyarazhikathkadavu	20
48	Vyttila Over Bridge	113
49	Kottathara Dam Site Bridge	10
50	Fishing Harbour Bridge in Thanur Town	20
51	Construction of Regulator-cum-Bridge in Thiruvegappura Panchayat	16
52	Thirur – Chamravattom Road Over Bridge	50
53	East Ottappalam Kannyampuram Bridge	25
54	Bridge at Kattilkadavu in T S Canal	20
55	Puthiyakavu Chakkupalli Railway Over Bridge	30
56	Pulinkunnu Bridge	25
57	Construction of Munamel Kadavu – Society Kadavu Bridge	50
58	Kallumthazham Junction Over Bridge	50
59	Pattambi Bridge	30
60	Chathankari Concord Bridge	15
61	Kuthiramunambhu Manakavu Bridge	15
62	Muttel Bridge	15
63	Naderikadavu Bridge	20

64	Perincheri-RCB	58
65	Kakkathuruthu Bridge	20
66	Mulakizhikadavu Bridge	25
67	Kuruppanthara Railway Overbridge	33
68	Chamaravattam Bridge	60
69	Vathuruthi ROB	20

**158.** The total amount of sanction given for public works in 2017-18 comes to Rs.13000 crore including the works included in the Appendix-II (Works Budget) vol I, the works under the asset development fund for M.L.As for Rs.705 crore and the investment from KIIFB. An amount of Rs.612 crore has been provided for maintenance works. Almost all the projects selected for KIIFB funding have been picked up from the list given by the members. But nevertheless it has not been possible to consider all the projects recommended by the Hon. Members. Our wants are unlimited but our resources to meet them are limited. This is the basic paradox of economics. We will have to be reconciled with this.

### **Electricity**

**159.** Kerala is going to achieve yet another first place. All houses will be electrified before 31<sup>st</sup> of March. Rs. 174 crore is the amount that will be spent for this. At the same time, the increase in electricity connections for domestic purpose at a low rate adversely affects the financial position of the Board. With the objective of regulating power demand for domestic purpose, a scheme was announced in the last budget for giving LED bulbs replacing filament

and CFL lamps in each house and public places. As the first phase, KSEB has decided to replace all the bulbs in street lamps with LED lamps during 2017-18.

**160.** The total outlay for KSEB limited is Rs 1565 Crore. No construction of hydroelectric power projects having significant installed capacity are now in progress. The projects like Pallivasal Extension and Thottiyar that were started during the previous LDF government and are pending for completion due to various reasons will be completed during 2017 -18. The medium power projects such as Mankulam, Achankovil, Upper Chenkulam and Pampar are the newly taken up projects. The installed capacity and generation capacity of these projects are 144 MW and 265.82 MU respectively. New 15 small scale hydroelectric power projects will be taken up this year. The total installed capacity and generation capacity of these projects are 93 MW and 289.54 MU respectively. A total amount of Rs 268 Crore is set apart for hydroelectric power projects.

**161.** The most important new project is Transgrid 2.0 and the project cost is an amount of Rs. 9425 crore. This project is intended for revamping the existing transmission networks along with creation of new transmission lines and KIFB will give sanction for this project. During 2017-18, an amount of Rs. 300 Crore will be expended for revamping the transmission networks in urban areas under integrated power development. An amount of Rs 250 crore has been earmarked under Deen Dayal Upadhyaya Grama Jyothy Yojana for improving transmission in rural areas. Rs 350 crore has been



provided for normal distribution and transmission works. Rs 50 crore has been provided for APDRP scheme for reducing transmission loss.

**162.** Hydel Tourism Centre will be restructured as a subsidiary company of KSEB and the scope of hydel tourism will be effectively utilized.

**163.** Government is giving greater prominence for the Renewable energy sector. In the present situation solar energy is expected to become the major source of energy within the coming decade. The solar plant with a capacity of 200 MW in Kasargode district will be completed this year and steps will also be initiated for a new plant. An amount of Rs. 20 crore is provided for solar projects and another Rs.20 crore is provided for windmill projects. Apart from the allocation for KSEB, an amount of Rs 48 crore is set apart for ANERT and Rs. 8 crore for Energy Management Centre.

## **Ports**

**164.** Vizhinjam International Port Phase-I, with an outlay of Rs. 6770 crore, is the largest harbour project in Kerala. Sufficient funds can be provided from the head for major infrastructure according to requirement. An amount of Rs 22 crore is earmarked for developing the present Cargo Port as the feeder port of the international port. Rs. 46 crore has been set apart for the ports at Thankassery, Munambam, Beypur and Azheekkal. Construction of Ponnani port will be on PPP model. Rs 7.3 crore is earmarked for Alappuzha

Mareena Port and Rs. 4 crore for other small ports. Rs 13 crore is provided for dredging of ports and Rs. 11 crore for modernization of Harbor Engineering Department.

### **Inland Water Transport**

**165.** An amount of Rs. 22 crore is provided for Kerala State Water Transport. Water Taxi service will be started in Muhamma, Alappuzha, Kumarakom and Ernakulam route. A Passenger tourist service named "See Ashtamudi" will be started. An amount of Rs. 13 crore is set apart for Kerala State Inland Navigation Corporation.

**166.** The total outlay for Coastal Shipping and Inland Navigation Department is Rs.128 crore. A total amount of Rs 70 cores is earmarked for Kovalam – Kollam, Kozhikode – Vadakara and Vadakara – Mahe canals. Rs 50 crore will be made available from NABARD for feeder canals.

**167.** Metro Rail Corporation will implement the Kochi Integrated Water Transport Project. Rs 682 crore will be raised from German financial institutions. This project will connect 38 boat jetties and 16 water transport routes comprising of 76 kms with the metro bus service at Kochi.

### **Irrigation**

**168.** An amount of Rs.413 crore is earmarked for major and medium irrigation projects. The activities of the major projects such as Idamalayar and Muvattupuzha are being completed. In addition

to this, Rs.29 crore is provided for the project in Kabani basin, Rs.5 crore for project in Bhavani basin and Rs.53 crore for the project in Pambar river basin.

169. The proposed strategy to convert rivers themselves as reservoirs through regulators and check dams is very important. It will be a solution for the influx of brackish water during summer. This intervention is found successful in Bharathapuzha, Periyar and Chaliyar. Therefore, for controlling brackish water and for reducing the intensity of drought in summer season an amount of Rs 600 crore will be invested from KIIFB for the construction of 30 regulators in suitable places along 20 rivers viz. Shiriya, Kuppam, Valapattanam, Ancharakkandi, Mahe, Kuttiyadi, Kadalundi, Moovattupuzha (Ithippuzha, Murinjapuzha, Poothotta), Achankovil, Manimala, Vamanapuram, Karamana etc.

170. The full utilisation of the regulator at Chamravattom will be ensured by preventing the leakage of the regulator. For this purpose, Rs.10 crore is set apart and additional fund will be provided if required. There are around 2900 check dams, vented cross bars and regulators in rivers, tributaries and rivulets that have been built in the state from time to time. Many of these constructions are not functional today. An amount of Rs. 200 crore is expected to be required for the renovation of these structures. The requirement for additional support for the purpose can be considered after examining the availability of fund for the revival activities from the allocation earmarked for minor irrigation and other allied sectors.

171. The Dam Rehabilitation and Improvement Project under World Bank Scheme covers 19 dams of Irrigation Department and 12 dams of KSEB. In the first phase, the irrigation dams at Malampuzha, Walayar, Peechi and Neyyar and five dams of KSEB are taken up. The total outlay for this phase is Rs.250 crore.

172. In minor irrigation sector, an amount of Rs.15 crore is earmarked for ground water development and Rs.12 crore for lift irrigation. For other minor irrigation projects, Rs.150 crore is earmarked. The Centrally Sponsored Scheme in minor irrigation sector is 'Pradhan Mantri Krishi Sinchayee Yojana'. A total outlay for this scheme is Rs.195 crore. An amount of Rs.8 crore is earmarked for the renovation of ponds. 'Geo textiles' shall be used in place of rubble in minor irrigation sector to the extent possible.

### **Drinking Water**

173. An amount of Rs.1058 crore is earmarked in the Plan for drinking water. Out of this amount, Rs. 361 crore is for Jalanidhi and Rs. 290 crore for the rural drinking water projects (including RIDF). An amount of Rs. 140 crore is earmarked for replacing the pipes and other fixtures of the existing schemes. An amount of Rs. 70 crore is earmarked for JICA aided drinking water project.

174. In view of the present drought in the state, an amount of Rs.30 crore is specially earmarked for the disaster management activities. In addition to this, an amount of Rs. 18 crore is set apart for rain water pipe and ground water recharging.

175. The investment from KIIFB is earmarked in addition to the above outlays provided in annual plan. In the last budget an investment of Rs. 2064 crore from KIIFB was set apart for rejuvenation of various schemes in respect of Water Authority. Decision regarding the extension of these schemes will be taken after assessing the progress of implementation. However, KIIFB will invest an amount of Rs.1696 Crore for 41 schemes as follows.

Sl. No.	Name of Work	Estimate Amount (Rs.in crore)
1	Kuttanad Drinking Water Project – II <sup>nd</sup> Phase	195
2	Thiruvananthapuram Neyyar Alternative Source	150
3	Manjeri Suburban Drinking Water Project	14
4	Kizhakkannala Drinking Water Project	35
5	Kanjirakode Pathramangalam – Maintenance & Check Dam construction	25
6	Construction of Check Dam at Thiruvegapura, Payilippauram and Edappalam	10
7	Construction of Check Dam at Nilapparambu	65
8	Puzhakkal Check Dam	25
9	Drinking Water Project at Poomattam, Kalluppara, Koyipram, Ezhumattur	60
10	Extension of Angamally Drinking Water Supply Project	116
11	To resolve the scarcity of Drinking Water in various Gramapanchayats in Malampuzha	75
12	Developmental activities of Drinking Water Project at Mudhakkal Panchayat	10
13	Drinking Water Project at Ala-Puliyoor Budhanur Panad	40

14	Ramanchady-Aligar Drinking Water Project	90
15	Comprehensive Drinking Water Project at AR Nagar Panchayat	20
16	Elavanchery – Pallassana Comprehensive Drinking Water Project	20
17	Edavanna Panchayat Comprehensive Drinking Water Project (II <sup>nd</sup> Phase)	20
18	Drinking Water Project in Ettumanoor	30
19	Vazhi, Kizhakkanchery – Vadakanchery – Kannambra Comprehensive Fresh Water Distribution Project (II <sup>nd</sup> Phase)	75
20	Karimbukayam Drinking Water Project	20
21	Karumallur Panchayat Fresh Water Distribution Project	25
22	Karode Comprehensive Drinking Water Project	86
23	Kuruvattur Poolakkadavu Check Dam	20
24	Comprehensive Drinking Water Project, Karimba	25
25	Drinking Water Project in the coastal Panchayats of Chirayinkeezhu Constituency	10
26	Drinking Water Project for Peravoor, Muzhakkunnu Panchayats	25
27	Treated Drinking Water Project including Kottukal and Athiyannur Panchayats	25
28	Drinking Water Project in Thottappuzhassery, Koyipram, Iraviperoor Panchayats	25
29	Thalikulathur Narayananchira Drinking Water Project	20
30	Thalassery-Koothuparamba Comprehensive Drinking Water Project	25
31	Construction of Bund and Lift Irrigation Project at Thrippankayath	10
32	Ayyappankovil Drinking Water Project	25

33	Chathannur Drinking Water Project	30
34	Drinking Water Project for Payam, Achankunnu Panchayats	25
35	Farook Karuvanthiruthi Drinking Water Project	10
36	Vengeri Paroppadi Water body	20
37	Nattika Farkka Drinking Water Project	25
38	Chazhur Anthikkadu Thannyam Drinking Water Project	15
39	Idayur – Irambilyam – Valancheri Drinking Water Project	75
40	Pattazhi-Vadakkekara-Thalavoor Drinking Water Project	45
41	Drinking Water Projects for Kodassery-Pariyaram-Athirappally Panchayaths	35

## **Railway**

176. The Kerala Rail Development Corporation, the joint venture of Government of Kerala and Indian Railways, will undertake construction of 9 rail lines including Sabari line. Feasibility study has been completed for the Rapid Rail Corridor.

177. Detailed project reports of Thiruvananthapuram Light Metro for Rs.4219 crore and Kozhikode Metro for Rs. 2509 crore have been prepared. After a final decision is taken on the financing mode of this project, construction can be started this year.

## **Kerala State Road Transport Corporation**

**178.** 2017-18 will be the year of revival for KSRTC. The target is to balance the income and expenditure within three years. Prof. Susheel Khanna Report on this is under the consideration of government. A comprehensive revival and rejuvenation package will be formulated after discussion with the employees' unions.

**179.** The management of KSRTC is to be thoroughly restructured and professional experts should be inducted. The present widely followed practice of double duty system cannot be continued. Utilization of fleets, average kilometers covered by buses per day, mileage, collection per kilometer etc are to be enhanced step by step to the national average. At the same time, the break down rate, period of maintenance, rate of accidents etc should be brought down step by step to the national average. This step itself can reduce the gap between the income and expenditure considerably. Government will take initiative for a financial restructuring by minimizing the bunch of accumulated liabilities. Old buses will be replaced by CNG buses through investments from KIIFB. Fund will be provided from the scheme for the renovation of workshops for complete e-governance. As part of the package a total of Rs.3000 crore will be made available to KSRTC in various forms within the coming three years. But this will not be in the form of subsidy. It will be a capital investment for making it profitable.



**180.** 50% of the pension liability of KSRTC is being given by the State Government as grant. Significant portion of the remaining pension and salary are being arranged by Government as loan every month. This practice followed for many years has been plunging KSRTC into a deeper and deeper debt trap. This system will continue till the rejuvenation package proves effective. There will not be any disruption in salary and pension. But KSRTC has to achieve operational profit in 2017-18.

### **Airports**

**181.** Kannur Airport and the new terminal of Kochi Airport will be opened within few months. Construction of major roads connecting Kannur Airport will be through investment from KIIFB. Steps to acquire additional land required for Kannur and Kozhikode Airports will be expedited.

### **Other Mega Projects**

**182.** A total amount of Rs.1552 crore is earmarked for the mega projects viz. Kochi Metro, Kannur Airport, Annuity Scheme of National Games, Kollam-Alappuzha bypass, IIT at Palakkad, Mega Food Park at Palakkad, Defense Park at Ottappalam, Kochi Electronic Hardware Park, Kochi Integrated Water Transport, Kerala Rail Development Corporation, Capital Region Development Program and Vizhinjam Port.

## VII

### SOCIAL INFRASTRUCTURE FACILITIES

183. Infrastructure facility does not mean mere physical infrastructure but it includes social infrastructure also. Though the educational, health and welfare systems in Kerala have been widely acclaimed, they have much to be improved to meet the expectations and needs of the day. The hallmark of the developmental approach of this Government is the sizeable increase in social sector investment. I am not intending to repeat what I have already spoken about primary education and health sectors in connection with various missions.

#### Higher Education

184. The total outlay and grant to various Universities in Kerala in this year's plan is given below:

Sl. No.	Name of University	(Rs. in crore)		Total
		Plan	Non-Plan	
1	University of Kerala	26	0	
2	Science & Technology University, Kochi	23	0	
3	Calicut University	24	0	
4	Mahatma Gandhi University	24	0	

5	Sree Sankaracharya Sanskrit University	15.4	0	
6	Kannur University	24	0	
7	Kerala Agricultural University	75	0	
8	Kerala Fisheries University	41	0	
9	Kerala Veterinary University	61	0	
10	Kerala Health University	22.6	0	
11	Malayalam University	8	0	
12	A P J Abdul Kalam Technical University	31	0	
13	National University of Advanced Legal Studies	6.8	0	

Thus an amount of Rs.1298.8 crores is provided to Universities under non plan assistance in addition to a plan assistance of Rs. 381.80 crores 185. An amount of Rs.15 crore is set apart for the Kerala State Higher Education Council. The implementation of Rashtriya Uchchar Shiksha Abhiyan (RUSA), having a total outlay of Rs.207 crore, will be supervised by Kerala State Higher Education Council. This provision can be utilised for the enhancement of quality of higher education and also to provide scholarships to students. Amount of Rs.9.5 crore each are earmarked for Kerala Council for Historical Research and Inter University Centres. Another amount of Rs.8.5 crore is earmarked for assisting the colleges in their preparation for NAAC accreditation.

**186.** It was announced in the previous year's budget that a comprehensive programme would be formulated to transform University Centres in the State into centres of excellence. In accordance with this, Cochin University has submitted a detailed project report for Rs.240 crore to KIIFB. The core of this report is a laboratory of international standards. The investment for this purpose will be provided from KIIFB. Likewise, there will be the financial support from KIIFB for the comprehensive educational programme in other Universities also. A detailed project for Rs.350 crore for the betterment of basic facilities of 52 Government Arts and Science Colleges including 5 Heritage Colleges is being prepared. An amount of Rs.2 crore is allocated for the creation of District Level Quality Assurance Circles for the betterment of quality standards in Higher Education sector.

**187.** An amount of Rs.6 crore is earmarked for providing an annual endowment of the Honorable Governor to the best university and emerging young university in the State.

**188.** 'Additional Skill Acquisition Programme' (ASAP) is a scheme jointly being implemented by General Education Department and Higher Education Department. The objective of the scheme is to capacitate the students in higher secondary and degree level vocationally by the development of their skills. For this scheme Rs.430 crore is earmarked. The establishment of Skill Development Centres in all districts will move to the construction phase during 2017-18.

**189.** The recovery of education loan dues and the confiscation of land assets of the defaulters invoking the provision of SARFAESI Act have emerged as a serious issue. While the government is striving earnestly to provide housing for all, the situation of attaching even the residence is unacceptable. If the concessions under SURFAESI can be extended to education loanees, much of the problem can be resolved with the support of Government. For this, an 'Education Loan Repayment Support Scheme' will be implemented. Government will support borrowers who are poor whose loan has become Non Performing Asset for repaying the loan by providing 60% of the base amount. Like wise, government will bear a portion of the interest liability in the case of other educational loanees, provided they repay the loan and interest without default. The scheme will be finalised after discussing it in the State Level Banker's Committee.

### **General Education**

**190.** An amount of Rs.863 crore has been earmarked in the Plan for school education. From this outlay, Rs.52 crore is set apart for the extracurricular activities of Kalothsavam, Vidyarangu and assistance to differently abled etc. An amount of Rs.32 crore is provided for IT @ School and Rs.15.5 crore is set apart for the Kerala State Literacy Mission. The total outlay for Sarva Siksha Abhiyan, including the share of Local Self Governments, is Rs.826 crore. Similarly, total outlay for 'Rashtriya Madhyamik Siksha Abhiyan' (RMSA) is Rs.265 crore. General Education Protection

Campaign will be implemented by integrating all these components. The estimated expenditure for Mid-day Meal Programme during this year is Rs.640 crore, including 60% of central share.

191. The following are the schools recommended by M.L.As to be upgraded as centres of excellence. The master plan for the purpose is under preparation. The scheme will be implemented as soon as the partner for the project is decided.

1. Karunagappalli Govt.V & H.S.S
2. Kottarakkara Govt. Boys V & H.S.S
3. Kurumathur Govt. V.H.S.S
4. Mananthavady Govt. V.H.S.S
5. Kalpetta Govt. V.H.S.S
6. Koyilandi Govt. V.H.S.S
7. Meenchantha Govt. V.H.S.S
8. Ferok Govt. Ganapath V.H.S.S
9. Kondotti Govt. V.H.S.S
10. Cherpulassery Govt. V.H.S.S
11. Vengara Govt. Boys V.H.S.S
12. Koottanad Vattenad Govt. V.H.S.S
13. Chalakkudy Govt. V.H.S.S
14. Peroor Meenakshi Vilasam Govt. V.H.S.S
15. Aryanad Govt. V.H.S.S
16. Thalankara Govt. Muslim V.H.S.S
17. Puthuppalli Govt. St. George V.H.S.S
18. Mogral Govt. H.S.S

19. Valapattanam Govt. H.S.S
20. Thottada Govt. H.S.S
21. Nilambur Govt. Manavedan H.S.S
22. Makkarapparambu Govt. H.S.S
23. Malappuram Govt. G.H.S.S
24. Naduvattom Govt. Janatha H.S.S
25. Chennamangalam Govt. H.S.S
26. Pezhakkappalli Govt. H.S.S
27. Chanthiroor Govt. H.S.S
28. Pala Mahatma Gandhi Govt. H.S.S
29. Cherthala Govt. H.S.S
30. Kadapra Kannassa Smaraka Govt. H.S.S
31. Shooranad Govt. H.S.S
32. Anchalumoodu Govt. H.S.S
33. Kadakkal Govt. H.S.S.
34. Attingal Govt. B.H.S.S
35. Purathur Govt. H.S.S
36. Vandipperiyar Govt. H.S.S
37. Mavelikkara Govt. G.H.S.S
38. Pattom Girls Govt. H.S.S
39. Fort Kochi Govt. E.M.G. H.S.S
40. Kidangara Govt. H.S.S
41. Periya Govt. H.S.S
42. Kakkat Govt. H.S.S
43. Pillikkode Sree Krishnan Nair Smaraka Govt. H.S.S
44. Karivellur A.V. Smaraka Govt. H.S.S

45. Cheruthazham Govt. H.S.S
46. Sreekantapuram Govt.H.S.S
47. Peralasseri A.K.G. Smaraka Govt. H.S.S
48. Chirakkara Govt. H.S.S
49. Patyam Govt. H.S.S
50. Muzhakkunnu Govt. H.S.S
51. Meenangadi Govt. H.S.S
52. Meppayur Sanskrit Govt. H.S.S
53. Kuttyadi Govt. H.S.S
54. Valayam Govt. H.S.S
55. Meppayur Govt. H.S.S
56. Naduvannur Govt. H.S.S
57. Kuravathur Payyambra Govt. H.S.S
58. Kozhikode Medical College Campus Govt. H.S.S
59. Chathamangalam R.E.C. Govt. H.S.S
60. Kizhakothe Panur Govt. H.S.S
61. Neeleshwaram Govt. H.S.S
62. Kuzhimanna Govt. H.S.S
63. Thuravur Govt. H.S.S
64. Pandikkad Govt. H.S.S
65. Chittariparambu Govt. H.S.S
66. Perinthalmanna Govt. Model H.S.S
67. Peruvallur Govt. H.S.S.
68. Thanur Devathar Govt. H.S.S
69. Kalppakanchery Govt. H.S.S
70. Kuttippuram Perassannur Govt. H.S.S



71. Nannamukku Mookkuthala P.C.N. Govt. H.S.S
72. Pulappatta M.N.K.M. Govt. H.S.S
73. Pathiripala Govt. H.S.S
74. Alanallur Govt. H.S.S
75. Ilappulli G.A.P. H.S.S
76. Palakkad Big Bazar H.S.S
77. Peringottukurussi M.R.S
78. Chittur Govt. B.H.S.S
79. Kizhakkanchery Govt. H.S.S
80. Cheruthuruthi Govt. H.S.S
81. Kadavallur Govt. H.S.S
82. Chavakkad Manathala Govt. H.S.S
83. Mullassery Govt. H.S.S
84. Vadakkanchery Govt. B.H.S.S
85. Puthur Govt. H.S.S
86. Thrissur Govt. Model B.H.S.S
87. Cherp Govt. H.S.S
88. Eriad G.K.V.H.S.S
89. Karuppadanna Govt. H.S.S
90. Perumbavur Govt. G.H.S.S
91. Nayathod M.G.M.H.S.S
92. Njarakkal Govt. H.S.S
93. Thrippunithura Govt. G.H.S.S
94. Elamakkara Govt. H.S.S
95. Edappally Govt. H.S.S
96. Vazhakkulam South Govt. H.S.S

97. Piravom Govt. H.S.S
98. Cheruvathur Govt. Model H.S.S
99. Kunjithanni Govt. H.S.S
100. Kallar Mundiyeeruma Govt. H.S.S
101. Thodupuzha Govt. H.S.S
102. Murikkattukudi Govt. H.S.S
103. Vaikom Govt. Boys H.S.S
104. Chengalam Govt. H.S.S
105. Karappuzha Govt. H.S.S
106. Ponkunnam Govt. H.S.S
107. Mundakkayam Murukkumvayal Govt. H.S.S
108. Kalavur Govt. H.S.S
109. Ambalappuzha Govt. H.S.S
110. Harippad Govt. Girls H.S.S
111. Kayamkulam Govt. Boys H.S.S
112. Mulakkuzha Govt. H.S.S
113. Vechuchira Colony Govt. H.S.S
114. Konni Govt. H.S.S
115. Adoor Govt. Boys H.S.S
116. Thevalakkara Govt. H.S.S
117. Vettikkavala Govt. Model H.S.S
118. Anjal East Govt. Model H.S.S
119. Mayyanad Vellamanal Govt. H.S.S
120. Varkala Govt. H.S.S
121. Mudhakkal Ilamba Govt. H.S.S
122. Nedumangad Govt. G.H.S.S

123. Venjaramood Govt. H.S.S
124. Kazhakoottam Govt. H.S.S
125. Manakkad Govt. G.H.S.S
126. Marayamuttam Govt. H.S.S
127. Malayinkeezhu Govt. G.H.S.S
128. Balaramapuram Govt. H.S.S
129. Neyyattinkara Govt. H.S.S
130. Puthanthode Govt. H.S.S
131. Parappanangady Neduva Govt. H.S.S
132. Nenmara Govt. B.H.S
133. Nadavarambu Model H.S
134. Nandikkara Govt. H.S.S
135. Chengamanad Govt. H.S.S
136. Kongarappalli Govt. H.S
137. Peruva Govt. Boys H.S
138. Thrikkodithanam Govt. H.S
139. Kozhanchery Govt. H.S
140. Kalluvathukkal Panchayat H.S
141. Kaladi Govt. H.S

192. The following are the schools included in the first phase of the second scheme under general education for the betterment of infrastructure facilities. Schools with a total strength of 1000 students and in the case of the constituencies which are not having such schools, schools with strength of more than 400 students are included in the list.

1. Kulathur Govt.V & H.S.S
2. Vellanad Govt. Govt.V & H.S.S
3. Vattiyoorkavu Govt.V & H.S.S
4. Kallara Govt. V.H.S.S
5. Njekkad Govt. V.H.S.S
6. Iravipuram Govt. V.H.S.S
7. Punnala Govt. V.H.S.S
8. Kulakkada Govt. V.H.S.S
9. Aryad Govt. V.H.S.S
10. Kumali Govt. V.H.S.S.T.T.I
11. Pallarimangalam Govt. V.H.S.S
12. Kaitharam Govt. V.H.S.S
13. Pazhanji Govt. V.H.S.S
14. Desamangalam Govt. V.H.S.S
15. Thiruvilwamala Govt. V.H.S.S
16. Malampuzha G.V.H.S.S
17. Koppam G.V.H.S.S
18. Vattenad G.V.H.S.S
19. Thottakkonam Govt. H.S.S
20. Chelari G.V.H.S.S
21. Vengara G.G.V.H.S.S
22. Nellikkuth G.V.H.S.S
23. Vandoor G.G.V.H.S.S
24. Keezhuparambu Govt. V.H.S.S
25. Idavanna S.H.M.V. V.H.S.S
26. Thamarasserri G.V.H.S.S

27. Cheruvannur G.V.H.S.S
28. Payyanakkal G.V.H.S.S
29. Atholi G.V.H.S.S
30. Payyoli G.V.H.S.S
31. Madappalli G.V.H.S.S
32. Ambalavayal G.V.H.S.S
33. Kathirur G.V.H.S.S
34. Cherukunnu G.G.V.H.S.S
35. Kanhangad G.V.H.S.S
36. Bellikoth M.P.S.G.V.H.S.S
37. Mogral G.V.H.S.S
38. Cottonhill Govt. G.H.S.S
39. Venganur Model H.S.S
40. Kamaleswaram Govt. H.S.S
41. Kulathur Govt. H.S.S (Kazhakkoottam)
42. Bharathannur Govt. H.S.S
43. Maroor Govt. H.S.S
44. Kanyakulangara Govt.G.H.S.S
45. Thonnakkal Govt. H.S.S
46. Attingal Govt. G.H.S.S
47. Kilimanur Govt. H.S.S
48. Mithrumala Govt. B.H.S.S
49. Navayikkulam Govt.H.S.S
50. Palayamkunnu Govt.H.S.S
51. Bhoothakkulam Govt.H.S.S
52. Chathannaur Govt.H.S.S

53. Peroor Govt. M.V.H.S.S
54. Kadakkal Govt.H.S.S
55. Chithara Govt.H.S.S
56. Anchal West Govt.H.S.S
57. Punalur Govt.H.S.S
58. Yeroor Govt.H.S.S
59. Panmanayil S.B.V.S. Govt.H.S.S
60. Vallikkeezhu Govt.H.S.S
61. Ayyankoyikkal Govt.H.S.S
62. Chavara Govt.H.S.S
63. Kulasekharapuram Govt.H.S.S
64. Kuizhimathikkadu Govt. H.S.S
65. Kizhakkupuram Govt.H.S.S
66. Peringanad T.M.G H.S.S
67. Adoor Govt.G.H.S.S
68. Chittar Govt.H.S.S
69. Kalanjur Govt.H.S.S
70. Mavelikkara Govt. G.H.S.S
71. Ramapuram Govt.H.S.S
72. Mangalam Govt.H.S.S
73. Naluchira Govt.H.S.S
74. S.L.Puram Govt. G.S.M.M.H.S.S
75. Charamangalam Govt. D.V.H.S.S.
76. Cherthala South G.H.S.S
77. Thirunellur G.H.S.S
78. Thalayolapparambu A.J.J.M. G.H.S.S

79. Kumarakom Govt.H.S.S
80. Panamattom Govt.H.S.S
81. Poomala Govt. Tribal H.S.S
82. Rajakkad Govt.H.S.S
83. Kadayirippu Govt.H.S.S
84. Vennala Govt.H.S.S
85. Ernakulam Govt.G.H.S.S
86. Puthanthodu Govt.H.S.S
87. Kallil Govt.H.S.S
88. Kodungallur Govt. H.S.S
89. Kodungallur Govt. G.H.S.S
90. Chembuchira Govt.H.S.S
91. Nattika Govt. Fisheries H.S.S
92. Villadam Govt.H.S.S
93. Peechi Govt.H.S.S
94. Erumappetti Govt.H.S.S
95. Varavoor Govt.H.S.S
96. Chelakkara Govt. S.M.T H.S.S
97. Pazhayannur Govt.H.S.S
98. Kottayi Govt.H.S.S
99. Erumayur Govt.H.S.S
100. Koduvayur Govt.H.S.S
101. Muthalamada Govt.H.S.S
102. Chittur Govt. G.V.G.H.S.S
103. Ottappalam East Govt.H.S.S
104. Cherppulasserri Govt.H.S.S

105. Pattambi Govt.H.S.S
106. Vadanamkurissi Govt.H.S.S
107. Kalladathur G.G.H.S.S
108. Chathannur Govt.H.S.S
109. Chalisseri Govt.H.S.S
110. Thrikkavu Govt.H.S.S
111. Mukkuthala P.G.N.G.H.S.S
112. Marancheri Govt.H.S.S
113. Purathur Govt.H.S.S
114. Idappal Govt.H.S.S
115. Kottakkal G.R.H.S.S
116. Thirur G.B.H.S.S
117. Ponmundam Govt.H.S.S
118. Niramathoor Govt.H.S.S
119. Kattilangadi Govt.H.S.S
120. Thiroorangadi Govt.H.S.S
121. Puthupparamba Govt.H.S.S
122. Calicut University Campus G.M.H.S.S
123. Othungal Govt.H.S.S
124. Malabar Special Police H.S.S
125. Pookkottur Govt.H.S.S
126. Kadungappuram Govt.H.S.S
127. Pulamanthol Govt.H.S.S
128. Kunnakkavu Govt.H.S.S
129. Karakkunnu Govt.H.S.S
130. Manjeri G.B.H.S.S



131. Vaniyambalam Govt.H.S.S
132. Thiruvai G.H.S.S
133. Karuvakkundu G.H.S.S
134. Pullangode G.H.S.S
135. Pookkottumpadam G.H.S.S
136. Moothedath G.H.S.S
137. Idakkara G.H.S.S
138. Areekkode G.H.S.S
139. Kavanur G.H.S.S
140. Kottappuram G.H.S.S
141. Vazhakkad G.H.S.S
142. Koduvalli G.H.S.S
143. Narikuni G.H.S.S
144. Kuttikkattur G.H.S.S
145. Mavur G.H.S.S
146. Beppur G.H.S.S
147. Chalappuram G.H.S.S
148. Kozhikode NGO Quarters H.S.S
149. Parambil G.H.S.S
150. Poonoor G.H.S.S
151. Balusseri G.G.H.S.S
152. Kokkallur G.H.S.S
153. Koyilandi G.G.H.S.S
154. Maniyur Panchayat H.S.S
155. Madappalli G.G.H.S.S
156. Kakkavayal G.H.S.S

157. Meppadi G.H.S.S
158. Anappara G.H.S.S
159. Moolankavu G.H.S.S
160. Vaduvanchal G.H.S.S
161. Karthikkulam G.H.S.S
162. Vellamunda G.M.H.S.S
163. Panamaram G.H.S.S
164. Pala G.H.S.S, Peravoor
165. Chavasseri G.H.S.S
166. Malur G.H.S.S
167. Vengad G.H.S.S
168. Chala G.H.S.S (Dharmadam)
169. Munderi G.H.S.S
170. Kannadiparamba G.H.S.S
171. Irikkur G.H.S.S
172. Mayyil G.H.S.S
173. Mathamangalam G.H.S.S
174. Kuttamath G.H.S.S
175. Balanthode G.H.S.S
176. Maloth Kasaba G.H.S.S
177. Chayoth G.H.S.S
178. Uduma G.H.S.S
179. Kundamkuzhi G.H.S.S
180. Adoor G.H.S.S (Uduma)
181. Mogral Puthur G.H.S.S
182. Cherkala Central G.H.S.S

183. Kumbala G.H.S.S
184. Perumbazhathoor Govt. H.S
185. Plavur Govt. H.S
186. Avanavancheri Govt. H.S
187. Attingal DIET H.S
188. Pooyappalli Govt. H.S
189. Kadappa Govt.L.V.H.S
190. Thazhava Govt. A.V. Boys H.S
191. Naranganam Govt. H.S
192. Kunnathanam Palakkal Thakidi St.Mary's Govt. H.S
193. Kakkazham Govt. H.S
194. Pollathai Govt. H.S
195. Mannancheri Govt. H.S
196. Panikkalkkudi Govt. H.S
197. Adimali Govt. H.S
198. Pezhakkappalli Govt. H.S
199. Kunnukara Govt. J.B.S
200. Kuttamasseri Govt. H.S
201. Thrikkur T.P.H.S
202. Vadakkancheri Govt.G.H.S
203. Kochanoor Govt. H.S
204. Palakkad G.M.M.G.H.S
205. Panjal Govt. H.S
206. Idathanattukara G.V.H.S

207. Agali Govt. H.S
208. Mankara Govt. H.S
209. Karippol G.M.H.S
210. Thrikkulam Govt. H.S
211. Anchachavadi Govt. H.S
212. Cheruvadi Govt. H.S
213. Aazhchavattom Govt. H.S
214. Nallalam Govt. H.S
215. Chaliyappuram Govt. H.S
216. Kavilampara Govt. H.S
217. Bandhadukka Govt. H.S

### **Technical Education**

**193.** I am providing an amount of **Rs.45.5 crore** for Government Engineering Colleges, **Rs.29 crore** for **Government Polytechnics** and **Rs.10.5 crore** for Government **Technical High Schools** in the State. Polytechnics will get an additional **allocation** of **Rs.22 crore** under the Centrally Sponsored Scheme. An amount of **Rs.15.5 crore** is provided for Kerala State Science and **Technology Museum** and **Rs.18 crore** for IHRD.

**194.** An amount of **Rs.2 crore** is provided for 'Punarjjani' under National Service Scheme, which is meant for the **repair and revival** of equipments in Government institutions.

## **Industrial Training**

**195.** The total outlay for Department of Industrial Training is Rs.121 crore. Out of this, Rs.45 crore is set apart for the modernization of existing ITIs. An amount of Rs.8 crore is earmarked for the completion of ITIs in Perumatti and Vamanapuram and for setting up new ITIs in Chathamangalam, Dharmadam, Kunnamangalam, Hosdurg and Kottarakkara. Another amount of Rs.5 crore is earmarked for upgrading Kalamassery ITI as a Model ITI.

**196.** An amount of Rs.35 crore is allocated for Academy for Skill Excellence. A total amount of Rs.35 crore is provided for 'Jobs and Skill Development Programme'.

## **Medical Education and Public Health**

**197.** Totally an amount of Rs.470 crore is allocated for Medical Education. This allocation includes Rs.207 crore for the development of 11 Medical Colleges, Rs.34 crore for Dental Colleges and Rs.7 crore for Nursing Colleges. An amount of Rs.66 crore is earmarked for Regional Cancer Centre and Rs.35 crore is earmarked for Malabar Cancer Centre.

**198.** The total outlay for Health Services is Rs.724 crore. Considerable portion of this allocation is the state share for NHM. The gross spending through NHM in the health sector is Rs.837 crore. An amount of Rs.2 crore is provided to Kerala Blood Bank

Society to set up a most modern Blood Bank in Thiruvananthapuram.

## **Ayush**

**199.** An amount of Rs.49 crore is earmarked for Ayurvedic System of Medicine. Out of this Rs.37 crore is for the development of ayurvedic hospitals. The construction of Sports Ayurveda Hospital in Thrissur will be completed. Immediate steps will be taken on the study report on setting up of Laboratory and Study Centre of international standard for the development of Ayurveda and the researches connecting with Bio-technology, on its receipt.

**200.** An amount of Rs.31 crore is provided for Homoeopathy. New homoeo dispensaries will be started in 10 more panchayats under NHM. Necessary posts will be created for the already sanctioned and constructed Sidha Hospitals.

## **Art & Culture**

**201.** It is expected that detailed projects for District Cultural Complexes, Film city, Permanent Film Festival Venue etc. which can exert significant influence in the cultural sphere will be prepared and construction begun this year.

**202.** The total outlay earmarked in 2016-17 for Kerala Sahithya Academy, Kerala Sangeetha Nadaka Academy, Kerala Lalithakala Academy and Kerala Folklore Academy is Rs.11.44 crore. This is enhanced by 50% and Rs.17.16 crore is set apart for

these institutions in 2017-18. The outlay for the Library Council is enhanced as Rs.10 crore. An amount of Rs.100 crore will be made available as KIIFB investment to the Kerala State Film Development Corporation for the construction of modern theatre complexes on commercial basis.

**203.** A Diamond Jubilee Fellowship shall be provided to 1000 young artists at the rate of Rs.10,000/- per month. The condition for granting the fellowship is that the artists shall volunteer to conduct artistic activities including imparting training in art in association with the institutions like schools and community centres under Local Self Governments. For this purpose, Rs.13.5 crore is earmarked. An amount of Rs.1 crore is earmarked for the formation of art hubs of village artists and craftsmen. There will be facility in these hubs to exhibit their products and showcase their performance.

**204.** A comprehensive programme will be implemented for restructuring the museums with the help of specialised curators. For this purpose, an amount of Rs.5 crore is provided. An amount of Rs.50 lakh is provided for the creation of digital archives of old records with public participation. Another amount of Rs.50 lakh is earmarked for a long term comprehensive archaeological project.

**205.** Our country is witnessing unprecedented religious intolerance. The situation is so worsened to the extent that seminars on varied beliefs and thinking turned to be impossible to be held even in the apex educational institutions like the Jawaharlal Nehru University, Delhi. In this background, Kerala State becomes ready to

offer safe and secure platform for India's professional and progressive the academic and liberal debates. The Indian History Congress was held at Thiruvananthapuram this year. I am setting apart Rs.30 lakh for the Indian Labour Economic Conference which is going to be held under the auspice of GIFT. Another amount of Rs. 20 lakh is provided for Bookaroo Children's Literature Festival. This is the bicentenary year of the historic Education Proclamation in Travancore. By making use of the event, an educational conference shall be organised by the Institute of Social Science in New Delhi, unveiling the social forces behind the historic education proclamation and its resultant progress in education. For this purpose, an amount of Rs.50 lakh is provided.

**206.** We have to give more importance for Malayalam computing. Steps are to be taken under the supervision of Kerala Bhasha Institute to design ornamental fonts in unicode, to develop pagination software enabling the lay out of Malayalam pages in unicode and also for deciding the words and its application for facilitating the transformation of e-commerce matters to Malayalam. An amount of Rs.50 lakh is earmarked for the implementation of this programme with the support of other IT institutions and voluntary organisations.

**207.** An amount of Rs.2 crore is earmarked for Cochin Biennale. Government will acquire around five acres of land including the Aspinwall House and the Cabral Yard in Fort Kochi. This will be the permanent venue of Biennale. The Travancore



Royal Family has consented to sell the Aspinwall factory in Alappuzha to Government for a Cultural Complex. The antiquity of these complexes will be preserved. KIIFB will invest an amount of Rs.100 crore for this.

**208.** An amount of Rs.1 crore is provided for Academy of Magical Science. This grant is intended to facilitate the performance of street magicians and circus artists for short term on wage basis. Sangeetha Nadaka Academy shall formulate schemes for providing financial assistance to amateur dramas performed regionally. Similarly, a permanent venue is to be set up for the exhibition of dramas on commercial basis ensuring minimum wages to the artists. For both these purposes an amount of Rs.3 crore is additionally allocated. An amount of Rs.50 lakh is earmarked for the cultural activities in Manaveeyam Veedhi. The annual grants of Swathi Sangeethothsavam and Kalpathi Sangeethothsavam are enhanced to Rs.10 lakh and Rs.5 lakh respectively. A recurring grant of Rs.10 lakh is provided for 'Theruvaram' drama festival. An amount of Rs.3 crore is provided for Media Academy. The pension of the journalists who are members in the Contributory Pension Scheme is enhanced by Rs.2,000/- and that of the other journalists is enhanced by Rs.1,000/-.

**209.** An amount of Rs.8 crore is allocated as the last installment for the completion of the Convention Centre of Sree Narayana Dharma Sangham Trust at Sivagiri. An amount of Rs.1 crore is provided for the Old Age Home at Thuravur Maha Temple.

An amount of Rs.50 lakh each is provided for 'Achutha Menon Study & Research Centre', 'Centre for Socio-Economic & Environmental Studies', 'E. Balanandan Foundation', 'Kanhangad Guruvayur Sathyagraha Smaraka Mandiram', 'Kadamanitta Ramakrishnan Foundation', 'Medex exhibition', 'Koonanmavu Chavara Kuriakose Elias Achan Smarakam' and 'Kayyur Varshika Kalapa Museum'. The annual grant of 'Abhaya' and that of 'Thunchan Smaraka Trust and Research Centre' are enhanced to Rs.50 lakhs and Rs.30 lakh respectively.

**210.** An amount of Rs.2 crore is provided for the construction of a Cultural Complex with a total cost of Rs.5 crore in the memory of ONV.

**211.** One time financial assistance is provided for the following cultural institutions and organisations:

<i>Sl. No.</i>	<i>Name</i>	<i>Amount (Rs.in lakh)</i>
1	Vayalar Ramavarma Memorial Trust	10
2	Lokadharmi, Kochi	25
3	Poonkavu Paithruka Museum	20
4	N.C. Sekhar Foundation	10
5	Coastal Education Society	20
6	Mulaveedu Nirmmana School, Habitat	20
7	T.M.Jacob Memorial Trust	20

8	All Kerala Wheel Chair Association	10
9	Mercykuttan Academy	20
10	Joseph Mundassery Foundation	10
11	Gandhi Smaraka Grama Seva Kendram	20
12	Kerala Literature Festival	20
13	S.D.V. Table Tennis Academy	20
14	T.V. Smaraka Trust	20
15	Kumaranasan Smarakam, Thonnakkal	30
16	M.B.S. Youth Choir	20
17	Kerala Cartoon Academy	20
18	Kesavadev Foundation	20
19	Prof. N.Krishnan Pillai Foundation	20
20	Vellangallur Development Scheme of Salim Ali Foundation	10
21	Ayya Vaikunda Swami Memmorial	10
22	Sahodaran Ayyappan Panthi Bhojana Sathabdhi Smarakam	10
23	Uravu - Wayanad	10
24	Njeralathu Rama Poduval Smarama Kerala Sangeethothsavan	15
25	Vayalar Smrithi Mandapam	25
26	Swadesabhimani Media Hub, Thiruvananthapuram	20
27	Vaikom Muhammad Basheer Smaraka Trust	10

28	Press Club, Alappuzha	10
29	Sangeetha Bharathi, Thiruvananthapuram	10
30	Kesari Smaraka Trust - Digital Library	5
31	Sreekrishna Dance & Music Academy, Varkala	10
32	Gandhi Bhavan, Pathanapuram	50
33	Ettumanoor Somadasan Smaraka Trust	10

**212.** This government is committed to protect the culture and rights of linguistic minorities. In order to cater to this purpose, government is actively considering the proposal for the formulation of special linguistic institutions. An amount of Rs.1 crore is provided for Manjeswaram Govinda Pai Smarakam. Amounts of Rs.10 lakh each is earmarked for Kongini Sahithya Academy and Thulu Sahithya Academy. Another amount of Rs.20 lakh is set apart for Yakshagana Academy.

### **Sports and Youth Affairs**

**213.** Amounts of Rs.40 crore and Rs.60 crore are allocated to Sports Council and Directorate of Sports & Youth Affairs respectively. Considerable share of this allocation has been set apart for various sports promotion projects including 'Operation Olympia'. An amount of Rs.1 crore is earmarked to 'P.T.Usha Academy'.

**214.** An amount of Rs.21 crore is set apart to Kerala State Yuvajana Kshema Board which includes Rs.6 crore for

'Keralothsavam'. Another amount of Rs.1 crore is provided for Kerala State Youth Commission.

**215.** During 2016-17, indoor stadiums in 14 districts and 25 mini stadiums were sanctioned through KIIFB investment. The project reports of some of these stadiums have been submitted to KIIFB and they are under scrutiny. The schools of Parali, Meppayur and Farook Ganapathi are also included in the list of Mini Stadiums. Payyannur Football Stadium, Tirur Football Stadium, Thrissur Aquatic Complex, Vadakara Indoor Stadium, Sree Narayananagaram Indoor Stadium, Payyannur Municipal Stadium and Punalur Municipal Stadium are also included in the list. An amount of Rs.50 lakh is provided as special grant for the construction of a play ground in the Cherikkal Scheduled Caste Colony, Pandalam. As stated in the previous budget speech, KIIFB investment will be provided for new projects only after the formulation of a master plan for the phased implementation, taking into account the total sports facilities in the State.

## VIII

### WOMEN AND ENVIRONMENT

#### Women Welfare and Security

**216.** "All men in the clan of 'Kuru' (Kuruvamsa) used to find joy at seeing the tears of women; I know", M.T told so through

Gandhari in his novel 'Randamoozham'. All the cruel patriarchs and brothers in M.T's works either failed to see the tears of their nieces and sisters or mocked it. Even though women have moved from the kitchen to the centre stage, the atrocities against them are no less. The atrocities against women are a disgrace to the Malayalee community. Sir, a hallmark of this budget is the emphasis given to prevent the atrocities against women and their rehabilitation. An amount of Rs.68 crore is provided for the schemes relating to prevention of atrocities against women which includes Rs.12 crore for pink control room and training for self defense etc., Rs.34 crore for various awareness campaigns, Rs.19.5 crore for shelter homes, short stay homes and one stop crisis centre and Rs.3 crore for two SOS model homes. Women battalion, Taluk level women police stations, Panchayat level visits of women Police officers, Public Register of sexual offenders etc. are novel initiatives. An amount of Rs.5 crore is earmarked to start a special fund for speedy protection and rehabilitation of victims.

217. Sir, a special department for women will be formed during 2017-18. The social welfare schemes for women presently under the Social Justice Department will be shifted to the new department. For this purpose, 14 posts of officers at district level; posts of Law Officer, Administrative Officer and supporting staff at Directorate level will be created. The posts of other officers at the district level will be filled by redeployment.

**218.** Sir, the Gender Budget is being reinstated. The gender statement prepared by the State Planning Board is also distributed along with this budget document. In this statement, the allocations for women development have been divided into two parts. Part-A includes schemes for which 100% beneficiaries are women. An amount of Rs.1060.5 crore has been allocated for 64 schemes. This amount will come to 5.23% of the total state plan outlay, excluding the plan of local bodies. The Part-B statement includes the general developmental schemes in which a special component for women or beneficiary number of women is distinguishable. It is needless to say that the list is incomplete. This will be helpful for formulating more comprehensive document in future. The total outlay involved in these 104 schemes is Rs.13,400 crore. Out of this, Rs.1,266 crore is the allocation exclusively for women. This amount comes to 6.25% of the plan outlay. In other words, at least 11.5% of the total plan outlay is set apart for women development. In the next year's budget, gender audit report will also be placed in the Legislative Assembly along with the gender budget statement. This document is expected to be made use of by the women organizations and activists to intervene in the developmental process from a pro-women stand.

**219.** The utmost importance in the women development projects of various departments in this budget is for the schemes for skill development, employment generation and security for subsistence. Total outlay of these schemes will come to Rs.506

crore. An amount of Rs.34 crore is also provided for the allied purposes of crèches, rest rooms, toilets and women's hostels, etc.

**220.** An amount of Rs.8 crore is set apart for Women Development Corporation. There is a project for setting up amenity centres including toilets in main centres, jointly by Women Development Corporation, Kudumbasree and Local Self Government Institutions. The model adopted in the running of these centres would be, 'for giving allowances to the sanitary workers employed in these centres in addition to the user fees collected'. I set apart an amount of Rs.10 crores for this purpose from the advertisement expenditure of Kerala Lottery. An amount of Rs.11 crore is earmarked for gender parks.

### **Kudumbasree**

**221.** 'Kudumbasree' is rising up again from the verge of collapse. An amount of Rs.161 crore has been additionally earmarked for 'Kudumbasree'. Out of this, an amount of Rs.35 crore is for interest subsidy and other expenditures. An amount of Rs.40 crore is for 'Ashraya Schemes' and 'Buds Schools'. An amount of Rs.15 crore is for 'Micro Enterprises'. Another amount of Rs.9 crore is for producer companies and marketing. It is essential to conduct a detailed evaluation of functioning of the micro job enterprises in the light of the experiences hitherto and to formulate special project for their reorganisation. The importance of central marketing organisation in the success of micro job enterprises has been widely acknowledged today. The best example for this is 'Subhiksha' at



Perambra and an amount of Rs.1 crore is provided for 'Subhiksha'. An amount of Rs.10 crore is additionally earmarked to Kudumbasree as special financial assistance to such marketing enterprises including 'Subhiksha' having the feasibility developing as model enterprises.

**222.** An amount of Rs.10 crore is additionally allocated for providing pension, educational facilities and health assistance to transgenders and also to provide financial assistance to their organizations and for fairs.

### **Environment friendliness**

**223.** The narration about rain in 'Nalukettu' turns into severe draught in 'Vaisali'. The image of "water drops in the breeze that comes by wiping the face of damp field" here shifts to "sandy wind that comes trembling bare trees under the blistering sky". We are now facing the most severe drought in the period of 115 years. The pattern of our water consumption has to undergo a change. Pollution should be avoided. The protection of soil and water should be taken up on wetland basis. 'Haritha Keralam' is a massive people's movement assimilating these aims too.

**224.** Preventive measures to tackle the draught were started well in advance. It is the responsibility of Water Authority to make water available and the responsibility for distribution is with Local Self Government Institutions. There will be an amount of Rs.300 crore in the Disaster Management Fund, including the unspent

balance of the year and the next year's provision of Rs.203 crore. The Central Government can be approached for more funds only after the complete utilization of the fund as per the Central Government norms. But the relief provided to the farmers in Kerala is at a higher rate than the Central norms. For this purpose, an amount of Rs.45 crore was provided during the financial year 2016-17. In 2017-18, an amount of Rs.203 crore is allocated. Another amount of Rs.6.5 crore is set apart for Institute of Land and Disaster Management and for disaster management activities.

**225.** An amount of Rs.109 crore is earmarked for Science & Technology and Environment Departments. Out of this amount, Rs.63 crore is the grant-in-aid to the institutions coming under the Council. An amount of Rs.31 crore has been earmarked for the activities relating to science, technology and environment. This includes encouragement of scientists, propagation of science and protection of environment. Bio-diversity clubs will be spread out in connection with General Education Protection Campaign. Bio-diversity Register will be completed. An amount of Rs.11.11 crore is earmarked for Pollution Control Board. An amount of Rs.50 lakh is provided for M.S. Swaminathan Foundation. An amount of Rs.1 crore is specially allocated for the 'Complete Water Security Project' prepared by Vadamanchery Municipality.

## **Forest**

**226.** I am setting apart Rs.55 crore for the protection of natural forests. This amount will be mainly spent for the proper

survey of the forest boundaries and its protection. Special emphasis shall be given to protect natural wetlands and forest water sources in areas of highest rainfall. The project of protecting wetland water in the forest is the part of a novel approach of protecting river water. An amount of Rs.72 crore is earmarked as state share to National Mission for Green India, for the protection of bio-diversity and for the management of protected parks.

**227.** An amount of 25 crore is provided for forest plantations and for the infrastructure developments. I set apart an amount of Rs.9 crore for Eco Tourism. An amount of Rs.14 crore is earmarked for Social Forestry. Another amount of Rs.15 crore is earmarked for Puthur Zoological Park.

**228.** The conflict between man and wild animals is in the rise in Kerala. The reason for this is the deterioration of forests. An amount of Rs.13 crore is allocated for the protection of agriculture and human habitations from wild animals and also to reduce the conflict. An amount of Rs.100 crore has been allotted as KIIFB investment for the construction of protection fence as announced in the previous budget.

**229.** Criticisms have been raised at international level regarding the domestication of elephants in Kerala. Addressing these concerns, a rehabilitation centre for elephants on international standards will be established at Kottur in Thiruvananthapuram. For this, an amount of Rs.105 crore will be made through KIIFB.

**230.** An important concept named Carbon-Neutral Wayanad was put forward in the previous budget. Its preparations are being continued. The possibilities of obtaining fund even from Climate Fund are being explored. The present day agricultural crisis in Wayanad can be resolved if its coffee can be branded as 'Coffee raised under the forest shade'. A project report will be prepared for this during 2017-18. For this, Wayanad will have to become Carbon-Neutral first. The pilot for this is undergoing in Meenangady Grama Panchayat. A special scheme has been envisaged for the promotion of planting trees. Financial assistance at the rate of Rs.500/- for every five years will be allowed to those who plant trees in private properties. The amount needs to be repaid with interest only at the time of felling of trees after 30-40 years. For this purpose, an amount of Rs.10 crore will be deposited as fixed Deposit in Agricultural Co-operative Society, Meenangady. NABARD has been requested to treat this type of scheme as long term agricultural loans. An amount of Rs.40 lakh has been provided to 'Thanal' for the supporting the activities of Carbon-Neutral Wayanad.

## **IX**

### **ECONOMIC AND PUBLIC SERVICE SECTORS**

#### **NORKA and Non-Resident Keralites**

**231.** An amount of Rs.61 crore is earmarked for the activities related to NORKA. An amount of Rs.13 crore is set apart for

providing assistance in connection with death, marriage, accident, health care etc. to those who were compelled to return from Gulf and another amount of Rs.6 crore is set apart for their Welfare Fund. The NRKs in foreign countries and those in other states of India are paying their contribution to Pravasi Welfare Fund @ Rs.300/- and Rs.100/- respectively. In this background, Pravasi Welfare Pension is enhanced from Rs.500/- to Rs.2000/-. An amount of Rs.18 crore is earmarked for the rehabilitation and skill development of Gulf returnees.

**232.** The information we have now regarding the number and other details of NRKs are only on the basis of sample surveys. A database will be generated through online registration to address this deficiency. An amount of Rs.5 crore is set apart to formulate an attractive insurance package to those who register in this database. I expect that all the NRKs will register their names in this scheme with no cost.

**233.** An amount of Rs.5.8 crore is earmarked for the existing Business Facilitation Centre and Market Intelligence under NORKA and also for providing pre and post recruitment services.

**234.** NRKs are an integral part of Malayali Community. But today they don't have any representation in Kerala. As a solution to this, a new platform named 'Loka Kerala Sabha' will be formed in 2017-18. The 'Loka Kerala Sabha' will comprise the nominated members representing NRKs in various countries, on the basis of the proportionate population, and the members of Kerala Legislative

Assembly. The annual conference of this 'Sabha' will discuss the issues related with NRKs and will submit proposals and recommendations to the government. Along with this, Global Kerala Cultural Conferences will also be organized. For both of these, an allocation of Rs.6.5 crore is provided.

### **Treasury**

**235.** The renovation of Treasury in Kerala will be completed in 2017-18. Firstly, Integrated Financial Management System will be made completely functional. Secondly, the core banking system will be completed in Treasury Savings Banks. The customers need not come to any treasury for the payment of bills for government services and also for salary and pension transactions. The customers can avail services even through mobile phones. Salary and pension can also be drawn through treasury accounts, if desired. Those who opt this method, will be offered attractive interest for their cash balance in treasury. Money will also be automatically transfer-credited to their other bank accounts on their prior requests. Public portal facility will be introduced to access the details of their accounts. The treasury system in Kerala will be the best in India. An amount of Rs.21 crore is earmarked for the renovation of treasury.

**236.** It is really praiseworthy that the employees have taken initiatives to create customer friendly atmosphere, as in the case of Sub Treasury, Vellayambalam, in accordance with the changes introduced in treasury. As part of the expansion of this approach, social audit will be conducted in treasury as was done in 2010.

INKEL will be the agency to renovate the infrastructure of treasury as announced in the previous year's budget and it has already started functioning. The investment for this will be from KIIFB.

## **Revenue**

237. Steps will be taken to create one more Revenue Division in Thiruvananthapuram, Thrissur and Kasaragod districts which are presently having only one Revenue Division. New Taluks will be formed in Kunnankulam and Payyannur.

238. An amount of Rs.15 crore is earmarked for transforming 60 village offices as 'smart offices'. Integrated Land Information & Service Delivery System is meant for the digitalization of records of Registration, Survey and Land Records Departments and also for the integration of works to facilitate the online registration of land transactions. For this, an amount of Rs.25 crore is earmarked. In addition to this an amount of Rs.16 crore is provided to expedite the computerization of the department. An amount of Rs.15 crore is provided to improve the office facilities of village offices and Rs.8 crore is set apart for the construction of staff quarters.

## **Registration**

239. The priority of this year will be the modernisation of Registration Department. Steps will be taken to digitalise the documents and to make available the digital copies. Steps will be initiated to get registered the documents of any land at any Registrar office. The system of e-filing of 'gahans' and computerisation of

chitty registration will also be introduced. Steps will be taken for the renovation of 53 buildings under Registration Department which are more than 100 years old. An amount of Rs.10 crore is set apart for the modernization of Registration Department.

### **e-Stamping**

**240.** E-payment system has recently been introduced in the state for the payment of fees of the document registration and the same has been welcomed by the public with enthusiasm.

**241.** As a further step in this direction, it is proposed to implement a scheme in collaboration with National Informatic Centre (NIC), a Central Government Institution for issuing stamp papers needed for registration through e-stamping procedure. The e-stamping facility is introduced to enable people to get the deeds printed through e-stamping in the Registrar office by remitting the value of stamp paper either in treasury or through internet banking instead of buying the stamp papers from treasury. For this, necessary amendments will be made in Kerala Stamp Act 1959.

### **Home**

**242.** There is an amount of Rs.50 crore in the National Scheme including the central share for the modernization of the police force. A new Cyber Crime Investigation Division will be started. An amount of Rs.12 crore is provided for the technical modernization of the Police Department. As part of creating women battalion, 430 posts have been sanctioned in the first phase. 210



new posts are also sanctioned to creat Commando Platoons in these battalions. In addition to this, posts 400 posts of drivers have also been created. An amount of Rs.9 crore is provided for starting Student Police Cadet in 100 more schools during the financial year. Another amount of Rs.6 crore is provided for the enhancement of gender apprehension and the creation of women friendly facilities. An amount of Rs.7.5 crore is provided for Vigilance Department. 6 new police stations will be started at Mattannoor Airport, Pantheerankavu, Melparambu, Kannanallur, Udumbanchola and Elavanthitta.

## **Jail**

**243.** An amount of Rs.13 crore is earmarked for renovation of Jail. The basic wage in locked down prisons is Rs.110 and that in the open prisons is Rs.148. This will be enhanced by 20% to Rs.130 and Rs.175 respectively. An amount of Rs.3 crore is provided for this additional expenditure.

## **Fire & Rescue Services**

**244.** New Fire and Rescue service stations will be started at five places including Elur, Pattambi, Ulloor and Thanur. Fire Force complex will be constructed in Alappuzha.

## **Planning Board**

**245.** An amount of Rs.10 crore is provided for strengthening of District Planning Offices and another amount of Rs.6.5 crore is

provided for conducting surveys and studies. The total outlay for Planning Board is Rs.23 crore.

### **Devaswom Board**

246. An amount of Rs.25 crore is allocated for the implementation of Sabarimala Master Plan. KIIFB investment will be made available as a special package for implementation of major construction works at Sabarimala. The road constructions as per the Attukal Master Plan can be submitted for KIIFB investment. An amount of Rs.10 crore is provided for the preservation of 'Kavu', 'ponds' and 'Altharas' connected with Temples.

### **Housing Board**

247. A new scheme named 'Aswas Rental Housing Scheme' will be implemented under Housing Board. The scheme envisages construction of flats in the vicinity of Medical Colleges and other places for renting out to patients at reasonable rate. A total of Rs.48 crore is provided for Housing Board including Rs.15 crore for the new scheme.

248. An amount of Rs.22.6 crore is earmarked for Kerala Nirmithi Kendra, Kerala State Housing Federation and PWD quarters etc.

### **Excise**

249. The awareness campaign against liquor and narcotics is becoming a public movement through 'Vimukthi'. An amount of Rs.7

crore is earmarked for the modernization of Excise Department. An amount of Rs.10 crore is provided for the setting up of new excise towers. New Excise Circle Offices will be started in 6 Taluks from among the newly formed 12 Taluks. New Excise Towers will be set up in 3 centres.

### **Legal Metrology**

250. An amount of Rs.10 crore is provided for Legal Metrology Department.

### **Government Press**

251. An amount of Rs.9 crore is provided for the modernization of Government Presses and the construction of new buildings.

### **Judiciary**

252. An amount of Rs.5.5 crore is set apart for the technical modernization of judicial system. There is a provision of Rs.60 crore including the central share for the purpose of construction of court buildings and quarters. An amount of Rs.25 crore will be provided as KIIFB investment for Thalassery Court Complex.

### **Public Offices**

253. An amount of Rs.49 crore is provided for the construction of different government offices in Thiruvananthapuram.

The construction of new flats for MLAs will be started during 2017-18.

X

## TAX PROPOSALS

### Goods and Service Tax

254. Sir, It is expected that Goods and Service Tax (GST) will be implemented from July onwards. With this, various indirect taxes like VAT in the States and Excise Duty and Service Tax of the Centre would be unified into a single tax regime. Henceforth, for goods and services tax will be payable only on the value addition at each stage. In the present VAT system, no deduction of tax is allowable for the tax paid in other States for goods brought into our State as part of interstate trade. Likewise, no input tax in VAT is allowed for taxes collected by Central Government. Hence, it could be said that the situation of "tax on tax" as in the old Sales Tax regime continues at present. But, with the advent of GST, seamless input tax credit of tax paid in earlier stages will be allowed from manufacturing to consumption.

255. The advantages of this new tax system are diverse. Firstly, all barriers on interstate trade will be removed. The country will become a unified market. Secondly, it will completely eliminate the "tax on tax". As such, the tax burden on all goods and services will decrease. If corporates reduce the selling price accordingly, there will be general decrease in the prices. Thirdly, our

competitiveness will increase with the elimination of tax on all exports. Fourthly, tax administration will become smooth and efficient. To avail input tax credit purchase invoices will have to be produced. Because of this condition there will be discipline in issuance of bills. Evasion will become difficult. As a result, tax revenue would increase.

**256.** But, the new tax system will officially do away with the taxing powers of the State. The fact is that the powers of the State had already been lost with the introduction of VAT. As such, nothing more is lost on account of GST. GST is the culmination of VAT. The shortening of the tax proposals in this Budget Speech is the reflection of this change. The decisions with regard to GST will be taken by the GST Council.

### **Intervention by Kerala**

**257.** Kerala had made strong intervention in the GST Council for protecting the interest of the State at large and for a fair tax structure. In lieu of a single tax, there would be two taxes in the form of CGST of the Centre and SGST of the State. There would be a third tax called IGST on interstate trade. In the new system, tax will be levied on the same tax base both by the Centre and the States. While SGST Acts will be passed by State Legislatures, the other two Laws will be passed by the Parliament. All Laws should be in consonance with the model laws made by the GST Council. The CGST and SGST will go in to the accounts of Centre and States

respectively. Hence, the input tax credit on the same will also be separate.

**258.** Naturally, for making GST practical, the requirement of extensive and complex computer system is a pre-requisite. GSTN, a company, is responsible for maintaining this computer system and receiving registrations and returns of all suppliers in India. We will have to install our own computer systems for retrieving data on real-time, relating to our States tax net, from the GSTN portal for further analysis. For this, our software and servers are ready.

**259.** IGST on interstate trade will be levied by the Central Government. States would participate in administering this levy. The interstate trader would pay IGST after deducting input tax credit. The exporting State should transfer the SGST input credit to the Centre. It rightly belongs to the importing State. As such, there would be arrangements for making available input tax credit under IGST to the importing State, without passing through the consolidated fund of India.

**260.** The intervention made by Kerala had influenced the tax structure and the conditions for administering the tax. Through this, the tax rate on consumer goods used by common man could be reduced from 6% to 5% and agricultural products were made exempted from tax. Likewise, the higher tax slab on luxury goods was increased from twenty-four percent to twenty-eight percent. Petroleum products and Liquor, the main revenue sources of the State, are kept outside GST. If, the tax growth does not increase by

fourteen percent, Centre would fully compensate the States for five years. There has been a consensus that, the cess levied for the purpose of compensation would be subsumed in GST after five years.

261. The biggest dispute was regarding the tax administration. The State tax department would oversee the tax collection from ninety percent of the small suppliers having turnover below Rs.1.50 crore. Dealers above turnover of Rs.1.50 crore, will be equally shared between the Centre and the States. There is also an agreement on cross empowerment, for co-ordinating the activities of Centre and States.

262. But, we were not able to make them decide as per our intention, on all matters. The most important was the rejection of our demand that State should have a higher share of the GST rate than Centre. Our demand that concessions should also be granted for co-operative sector as in the case of agriculture, were not heeded to. Subsuming of lottery tax in GST in the constitutional amendment itself, is a set back to our position. Our demands that the tax rate on luxury goods should be higher and that Centre should fund the compensation from its own revenues rather than levying cess, were also not accepted.

263. There would be four rates, viz., 5%, 12%, 18% and 28% in GST. The tax rate of each goods is yet to be decided. The general guideline to be followed in fitment will be to place the item to

the nearest percentage of the combined excise and VAT tax inclusive.

**264.** It is considered that GST will be advantageous to Kerala. First, GST is a destination based tax. The credits of tax deposited earlier would accrue to the place of last sale. Hence, it would be beneficial to a consumer State like Kerala. We will be eligible to get tax on goods coming in to Kerala through e-Commerce. Second, nowadays agents purchase and bring goods in large quantities from other States under the guise of own use. In the absence of entry tax we cannot effectively control it. Henceforth, we are eligible to get the tax (IGST) on such interstate transactions. Third, service sector is prominent in Kerala. Sixty-five percent of the State revenue is from service sector. Henceforth, we will have the right on service tax.

### **Implementation of GST**

**265.** Sir, since this speech is being lengthy, I do not intend to go further in to the micro technical aspects of GST. The State GST Law will have to be passed in the next Assembly Session to be convened for passing the Budget and demand for grants. It would be prudent to have such presentation and discussions on that occasion.

**266.** Our State is fully ready for GST. Unlike certain other States, we are developing our own backend module. Training to officers is being conducted. An intensive awareness campaign is planned for dealers and public. An amount of Rs.2 crore is set apart



for giving extensive training to employees and other stake holders in co-operation with GIFT.

**267.** When GST is implemented, Commercial Tax Check Posts will cease to exist. Since GST is a pan India tax, State borders will become irrelevant. However, we are aware of the possibilities of tax evasion. If a dealer in other State decides not to have the benefit of input tax credit, there would be no impediments to send goods to our State without payment of IGST. This type of evasion would be attractive for such goods having big profit margin and low input tax credit. If the person who sells these goods in our State, do so without issuing invoices, then there would be total tax loss to the State exchequer. Since, ninety percent of the consumer goods in Kerala come from other States, the easiest way to tackle such evasion is by ensuring that every goods vehicle which enters Kerala has uploaded the invoices to the GSTN portal. The least expensive way to monitor this is by installing smart surveillance cameras at border roads and bye-routes. If the camera captures any goods vehicle which have not uploaded their invoices, such vehicles can be intercepted and checked by mobile squads of Commercial Taxes Department for tax evasion. It is intended to implement such a system in Palakkad border on experimental basis. Tender formalities will be completed urgently to ensure that the system is in place in April itself. If the venture is a success, then interstate tax evasion can be curtailed even in the absence of check posts.

**268.** Changes would be needed in the structure and function of Commercial Taxes Department when GST is implemented.

Necessary step would be taken for a comprehensive restructuring of the department.

### **VAT Amnesty Scheme**

**269.** At the same time, before the implementation of GST, the thrust of the department would be in completing the assessments and re-assessments relating to VAT. As in KGST, I intend to launch an extensive amnesty scheme for redressing the disputes by granting the relief from excessive penalties and interest.

**270.** The following amnesty scheme will be implemented in the Value Added Tax Act.

- 1) In the case of VAT dealers, if the tax arrears of the assessment years from 2005-06 to 2010-11 is completely remitted, the interest thereon and 70% of the penalty amount and interest on penalty, shall stand waived.
- 2) All arrears pertaining to an year shall be settled together.
- 3) An assessee opting to settle arrears under this scheme shall withdraw all cases, revision and appeals pending before any forums.
- 4) Tax arrears and interest shall be calculated as on the date of submission of application.
- 5) Arrears under CST Act for the above period can also be settled under this Scheme.

- 6) The last date for filing option under this scheme shall be 30<sup>th</sup> June, 2017. Amount reckoned under the scheme shall be paid by equal instalments on or before 31<sup>st</sup> December, 2017.

### **Presumptive Tax Dealers**

271. In 2016-17 budget, an amnesty scheme was declared for presumptive tax dealers in VAT Act. Considering the request from various trade organizations, it has been decided to simplify the provisions of the scheme. To settle the cases as per the scheme, total turnover will be calculated adding 5% gross profit on unaccounted purchases along with the sales turnover declared as per return. If the total turnover calculated for an year by adding 5% gross profit on unaccounted purchase is below the threshold limit as per Sec.6 (5), then such dealer shall pay tax at the rate of half percent. If the turnover thus calculated is above the threshold limit as per Sec.6 (5) and up to rupees one crore, then the dealer shall pay tax at the rate of 1% for the turnover above the threshold limit. And if the turnover is above rupees one crore, the dealer shall pay tax at the rate of 2% for the turnover above rupees one crore and 1% for the turnover in between threshold limit and up to rupees one crore. In general, 0.5% shall be paid for the turnover up to threshold limit. Option to settling under the scheme shall be submitted before the assessing authority on or before 30<sup>th</sup> June, 2017. The assessing authority shall intimate the applicant, the amount to be paid as per the scheme within 15 days from the date of receipt of the option.

The applicant shall pay 30% of the amount within 15 days from the date of intimation and balance amount on or before 31<sup>st</sup> December, 2017. The dealer shall opt this scheme for all those years for which he had unaccounted purchases. Assessment and revenue recovery steps will be intensified for those who have not opted under this scheme. No statutory re-examination or refund will be allowed in cases settled under this scheme. This scheme is also applicable for those dealers who have opted amnesty scheme for 2016-17 but had defaulted payments. There will be no other changes in the conditions prescribed under the amnesty scheme for 2016-17.

### **KGST Act**

**272.** An amnesty scheme was declared in 2016-17 Budget for the assessment done and demand generated up to 30-03-2016 in case of assessment years up to 2004-05. The time limit prescribed was 28<sup>th</sup> February, 2017. This is extended up to 31<sup>st</sup> December, 2017. Those who have defaulted payment under the previous scheme shall settle the arrears by paying balance amount under the new scheme.

### **Agricultural Income Tax Act and Tax on Luxuries Act**

**273.** If the tax arrears of the assessment years from 2005-06 to 2010-11 is remitted, the interest thereon and 70% of the penalty amount and interest on penalty, shall stand waived. Other conditions will be same as that of VAT amnesty.

## **Works Contract**

**274.** There were certain disputes in determining the nature of works contract involved in the installation of kitchen cabinet works, aluminium fabrication works, air-conditioning plant installation. In these cases, the tax determined under compounding scheme was re-assessed and taxed at scheduled rate. Interest and penalty were also imposed. As the Constitutional Bench of the Hon'ble Supreme Court has widened the scope of the definition of works contract, one time settlement scheme for such cases is declared. In cases where compounded tax was paid by the contractors for such contracts, they shall be exempted from paying tax at scheduled rate, provided all the purchases are from within the State and such contractors shall pay 2% tax for total contract amount over and above compounded tax already paid. This scheme will be applicable for the assessments up to the financial year 2014-15.

## **Concessions**

**275.** The previous Government had exempted tax under VAT for natural rubber and its variants for the period from 20<sup>th</sup> December 2014 to 1<sup>st</sup> March 2015 by notification. But necessary provisions to this effect were not incorporated in the Finance Act. Hence, rubber dealers are liable to pay tax and interest for the above period. Considering the request from the trade sector to resolve the issue, it is announced that natural rubber and its variants is exempted from tax for the period from 20<sup>th</sup> December to 31<sup>st</sup> March 2015.

**276.** The tax rate for solar energy devices and spare parts is currently 1%. But 14.5% is levied for the installation of such devices, considering it as works contract. To encourage 'Akshayorja Scheme' the tax rate of such works will also be fixed at 1%. This will have retrospective effect from 01.04.2013 from the date on which the tax rate of solar energy devices was reduced to 1%. But, tax paid during this period based on the assessment done will not be refunded.

**277.** The Hon'ble Court has decided that packing materials used in exporting goods is liable to be taxed. The small medium scale units manufacturing these products did not levy tax due to ambiguity in VAT Act. Accordingly, such units have to bear heavy tax burden. The packing materials used in exporting goods will be exempted from tax, subject to conditions, for the period from 2005-06 up to the year on which the Division Bench of the Hon'ble High Court has rendered its judgment in such cases. Tax already paid during this period will not be refunded.

### **Simplification of Procedures**

**278.** Considering the volume of appeals pending before the 1<sup>st</sup> Appellate Authority, the powers of revision against penalty orders were granted to the District Deputy Commissioners as per Finance Act 2014. The powers of second revision on these orders was with the Commissioner. Considering the enhancement of the post of Appellate authorities in 2016, it is decided to restore the position as it existed prior to 2014. The present revisions u/s 57 pending with Deputy Commissioners and the present second revisions u/s 59 pending with the Commissioner shall stand transferred to the first

Appellate Authority and to the Tribunal respectively w.e.f. 01.04.2017.

**279.** I intend to bring a special scheme for completing pending assessments and re-assessments in a time bound manner. Necessary amendment will be made in VAT Act empowering Govt. to issue guidelines for completing assessments in a fast-track mode.

**280.** The time limit for assessments, including completion of assessments under Sec.24, 25 of the KVAT Act shall be extended by an year. Necessary amendments will be made in the act for this purpose.

### **Lottery**

**281.** In the current year, there is an increase of 18% in the income from the sale of lotteries. If there was no cancellation of Kerala lottery draws due to the negative impact of demonetisation, the sale would have increased to 30%. With the implementation of GST, the tax laws on paper lottery will become inoperative. This is a serious issue. We have to explore the possibility of new legislation within the legislative jurisdiction of State Assembly. Government is seriously considering to enact a new law for imposing license fee on the draws of paper lottery. Considering the urgent requirement for such a law, government has decided to present a new bill for the purpose with the coming finance bill.

**282.** Government have been seriously viewing the apprehensions regarding the security of lotteries. Government have deputed special investigation teams to enquire into the complaint

against counterfeit lotteries and manuscript lotteries. However, there should be a permanent solution for this problem. Enhancement of security features of lotteries is the best method for the purpose. The expert committee appointed by government has submitted the report. Suggestions in the report will be implemented urgently.

## XI

### CONCLUSION

283. Sir, let me move to the conclusion. If we examine the concise form of income and expenditure of the State Government for 2016-17, we will get the true picture of the present financial crisis of the state. The fiscal deficit has approximately increased from Rs.13066.25 crore to Rs.13935.53 crore as stated in the preface. The reason for this deficit has already been elaborated.

#### Revised Estimate for 2016-17 (Rs.in crore)

Revenue Receipts	80620.09
Revenue Expenditure	94555.62
Revenue Deficit	(-) 13935.53
Capital Expenditure (Net)	(-) 8714.77
Loans and Advances (Net)	(-) 810.33
Public Debt (Net)	17749.87
Public Account (Net)	5399.67
Overall Deficit	(-) 311.09
Opening balance at the beginning of the year	(-) 39.38
Closing balance at the end of the year	(-) 309.47



**284.** The accounts of the income and expenditure during 2017-18 indicate that the present financial crisis will continue. The main reason behind this is the committed payment of Pay revision arrears.

**Budget Estimate for 2017-18 (Rs.in crore)**

Revenue Receipts	93584.74
Revenue Expenditure	109627.88
Revenue Deficit	(-) 16043.14
Capital Expenditure (Net)	(-) 9020.47
Loans and Advances (Net)	(-) 692.71
Public Debt (Net)	21227.95
Public Account (Net)	4050.70
Overall Deficit	(-) 477.67
Opening balance at the beginning of the year	(-) 350.47
Closing balance at the end of the year	(-) 828.14
Additional expenditure announced	850.28
Concessions announced	10.00
Additional resource mobilisation	-
Cumulative Deficit at the end of the year	1688.42

**285.** The Revenue Deficit is Rs.16043.14. 75.6% of Rs.21227.95 availed as Public Debt will have to be expended to compensate this deficit. Capital expenditure under Plan has been decreased considerably during this year when compared to the

previous year. This change may be due to the consideration of the investment in the state through KIIFB. If we want to go ahead with the capital investment through KIIFB, the deficit has to be brought down. It is the vision that has been envisaged in the medium term Fiscal Policy and Strategy Statement to reduce the Revenue Deficit next year onwards. Still the walk on the rope way continues as stated in the previous Budget speech. The Capital investment through KIIFB is considerably enhanced, not being afraid of Revenue Deficit. It is expected that the introduction of GST will help us to reduce the Revenue Deficit next year onwards. I beseech the common mass to demand bill for all the purchases. Another important point is not to think that we can enhance Revenue Expenditure as the extravagance in the case of Capital Expenditure. The present expenditure towards salary, pension and payment of interest from Non-Plan Expenditure is inevitable. But the other expenditure should strictly be restricted, failing which the things will go beyond control.

**286.** I have put forward the proposals to achieve sustainable and fast economic development ensuring full protection to the poor. The formulation and implementation of such a developmental strategy should be adopted to address the dangers faced by secularism and democracy in the state. M.T. reminds us "I think, the most tragic thing at present is that the situation has changed in such a way that we cannot see human beings beyond the boundary of religion. It was not so in the past. The people in my village would never say 'we' and 'you'. Today even the youth and young children

ask me when I go there, "these people do like this and should we do like this?". Those who made people think like this are repeating the same utterings and ensuring the segregation. This is a curse of our time and this had not happened in the past, nowhere in my village. Today it is propagated in my village too. My village is a village of friendship, a village of mutual help and co-operation. When it is spread over even in that village, I realise it as a reflection of the spreading of segregation all over the country".

287. M.T. says in his speech about demonitisation, "we have to think of the subject, mull it over, how a place like Kerala can resist this catastrophe, not only the resistance, but need to survive also. We are all responsible to think of these". Sir, I present the budget for the survival and resistance of today, for the approval of the house. I also present the vote on account for the next three months for the approval of the house.

Cover painting - Amrita Sher-Gil 'Hill Women' 1935  
Cover design - Godfrey Das

Printed by the Superintendent of Government Presses at the  
Government Press, Mannanthala, Thiruvananthapuram-2017