

TARGETING



SURESH'
IAS ACADEMY

TNPSC

GROUP-II 2023



**QUESTION
WITH SIMPLIFIED
ANSWER**

MAINS WRITTEN EXAM

ADMINISTRATION OF UNION & STATES

- E-Governance
- State Finance resources
- State Budget 2022-2023

8th TEST

Marks : 300

Time : 3 Hrs

English Medium

THOOTHUKUDI

0461 - 4000970
99445 11344

TIRUNELVELI

0462 - 2560123
98942 41422

RAMANATHAPURAM

75503 52916
75503 52917

MADURAI

0452 - 2383777
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CHENNAI

97555 52003
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TEST

8

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Answer Key - English

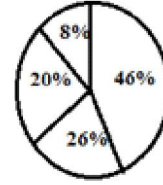
Unit - 1

1) What are the Sources for State Revenue?

- In India states earn revenue through own taxes, central taxes, non-taxes and central grants. For most states, own taxes form the largest part of the total state revenue. **1.5**

Own Tax Revenue **1.5**

- Taxes on income - taxes on professions, trades, callings & employment
- Taxes on property & capital transactions - land revenue, stamps and registration fees, urban immovable property tax
- Taxes on commodities and service - sales tax, state sales tax/VAT, central sales tax, surcharge on sales tax, receipts of turnover tax, other receipts, state excise

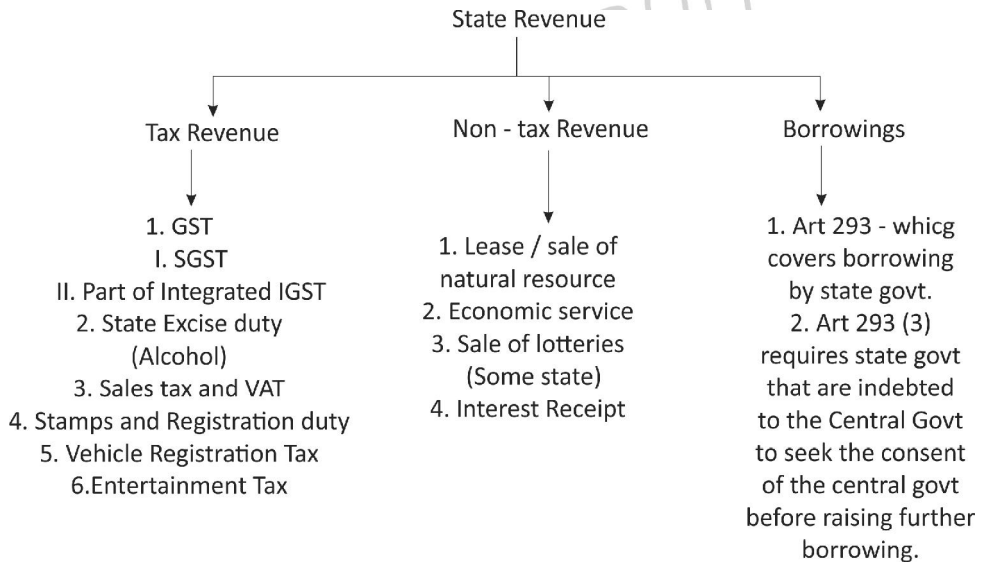


46% - State own tax revenue
26% - Share in Central taxes
20% - Grants
8% - State non tax revenue

Non Tax Revenue

- Escheats
- Power Supply fees(Electricity tax)
- Fee
- License fee
- Interests
- Fines & Penalties

3



2) What are the objectives of Fiscal Policy?

Fiscal Policy **6**

- It deals with the revenue and expenditure policy of the Govt.
- To generate revenue and to increase expenditure, the government finance or policy called budgeting policy or fiscal policy

Objectives of Fiscal Policy

1. Promotion of Economic growth

- Government promotes economic growth by setting up basic and heavy industries like

steel, chemical, fertilizers, machine tools and building infrastructure.

2. Reduce inequalities in Income & wealth

- taxing the rich more and spending more on the poor

3. Provide Employment opportunities

- jobs are created by setting up public sector enterprises
- It provides subsidies and other incentives to maintain their prices at low level.

4. Correct BoP Deficits

- To reduce the deficit in balance of payment account, the government discourages imports and encourage export.

Recent Fiscal policy

- The new budget pegs the deficit in 2022-23 at 6.4 percent of GDP, again with a reduction in current expenditure but a large increase in capital expenditure.

3) What are the types of Public Debt?

Public Debt 6

- Public debt is the total amount of debt borrowed by a government. It is when total liabilities of the Union Government needs to be paid from the Consolidated Fund of India (CFI).
- As of March 2021, India's public debt as a percentage of gross domestic product (GDP) increased to 60.5% mainly due to the pandemic.

Types of Public debt

1. Internal Debt

- They are the public debt borrowed from within the country.
- Eg - UTI, LIC, GIC who buy Government bonds

2. External Debt

- It is when loan is taken from abroad or international organisations.
- Eg - IMF, World Bank, ADB etc

3. Productive Debt

- These are those debts that are used to generate income from sources such as railway, plans for electricity, plans of irrigation, etc

4. Unproductive Debt

- They are incurred on assets that do not generate income nor create any asset.
- eg - debt due to budgetary deficit, finance war, famine, earthquake etc

5. Funded Debt

- They are long term in nature and are payable after a year

6. Unfunded Debt

- It is short term and is payable within a year
- eg- Treasury bills

4) Short notes on Financial Sector Legislative Reforms Commission

Origin 1

- **Constituted in :** March 2011
- **Ministry :** Union Finance Ministry

- **Report Submitted in :** March 2013

Aim 1

- To comprehensively review and redraw the legislations governing India's financial system
- To address the fragmentation & regulatory gaps, overlaps, inconsistencies in current regulatory architecture

Key Aspects 4

- 1. Draft Indian Financial code** - bringing together of over 60 laws by forming a non- sectoral & principle based law.
- 2. Consumer Protection** - creation of a single unified Finance Redressal Agency
- 3. Micro-prudential regulation** - The draft Code specifies powers for micro-prudential regulation
- 4. Resolution** - Creation of unified resolution corporation dealing with various financial firms
- 5. Public Debt Management** - he FSLRC proposes a single agency to manage government debt with a strategy for long run low- cost financing
- 6. Systematic Risk** - establishing the Financial Stability and Development Council (FSDC) as a statutory agency .
- 7. Monetary Policy** - An executive Monetary Policy Committee (MPC) would be established to decide on how to exercise the RBI's powers.

5) Write short notes on "TamilNadu Data Policy"

Origin 1

- **Launched in** - 2022
- **Theme** - Data for the public good

Aim 1

- provide a framework for data owners within the Tamil Nadu government
- to make data accessible to all the stakeholders in a transparent manner and ensuring privacy and confidentiality.

Implementation

Data Governance Committee

- headed by Chief Secretary **4**
- He would provide strategic guidance to policy framework

Data inter- departmental Committee

- Headed by CEO of TNeGA
- He is the chief data officer
- Make operational level decisions

Tasks carried by State Government

- Developing protocols for sharing non- aggregate and anonymised data for specific situations

- Prescribing a Metadata Catalogue for all data stored in government databases with ownerships clearly defined.
- Devising a data architecture to permit and encourage cross-department data exchange
- Addressing privacy and confidentiality concerns with respect to data sharing with non-governmental parties
- Building standard processes for streamlining

6) What is Goods and Services Tax? Write down the types of GST.**GST****1**

- It is an indirect tax imposed on the supply of goods and services, replacing multiple indirect taxes, including VAT, excise duty, service taxes.
- the Goods and Services Tax Act came into effect on 1st July, 2017

Types of GST**5****1. Central GST**

- Central Tax levied on transactions of goods and services which take place within a state
- Imposed by the Central Government
- Eg - It covers Service tax ,excise duty etc

2. State GST

- Levied by State Government of every state
- eg - its covers VAT ,Luxury tax etc

3. Integrated GST

- It is applied on the interstate transactions of goods and services.
- The IGST is levied when the movement of products and services occur from one state to another

4. Union Territory GST

- The UTGST is applicable to five Union Territories namely Lakshadweep, Damn and Diu, Dadra and Nagar Haveli, Andaman and Nicobar Islands, and Chandigarh

5. IGST on Exports

- All exports are treated as Inter-state supply under GST
- Since exports are zero rated, GST is not imposed in all the goods & services exported from India-Any input credit already paid on exports will be refunded.

7) Elucidate the objectives of National Policy on Disaster management**Introduction****6**

- National Policy on Disaster Management (NPDM) has been prepared under Disaster Management Act, 2005.

- Will provide the framework/roadmap for handling disasters in a holistic manner

Objectives of NPDM**1. Promotion of Knowledge in Disaster Prevention**

- Promoting a culture of prevention, preparedness and resilience at all levels through knowledge, innovation and education

2. Encouraging Mitigation Measures

- it must be based on technology, traditional wisdom and environmental sustainability.

3. Mainstreaming Disaster Management

- It must be mainstreamed to developmental planning process
- build disaster resilient structures and habitat for ensuring safer living.

4. Identification of Risks

- Efficient mechanism to identify disaster risks in prior ,assess & monitor them
- developing contemporary forecasting & early warning systems with ICT support

5. Partnership with Media

- Promote a productive and proactive partnership with the media for disaster management

6. Efficient response and relief

- relief features with caring approach towards the needs of the vulnerable sections of the society

7. National Disaster Response Force

- Rescued more than 4.5 lakh human lives.
- Retrieved more than 2000 dead bodies.

8) Explain the Inter - Governmental Tax immunities between Centre and States.

- The Indian Constitution provides certain provisions on immunity for mutual taxation between centre and states.

Exemption of Central Property from State taxation**2**

- The property of Centre is exempted from all taxes imposed by a state or any authority within a state like municipalities, district boards, panchayats etc but, the Parliament is empowered to remove this ban.
- The corporations or the companies created by the Central government are not immune from state taxation or local taxation because it is a separate legal entity.

Exemption of State Property or Income from Central Taxation 2

- The property and income of a state is exempted from Central taxation. But the Centre can tax the commercial operations of a state if Parliament so provides. However, the Parliament can declare any particular trade or business as incidental to the ordinary functions of the government and it would then not be taxable.
- property and income of local authorities situated within a state are not exempted from the Central taxation .state owned corporation and company can be taxed by center.
- The Supreme Court, in an advisory opinion 24 (1963), the Centre can impose customs duty on goods imported or exported by a state, or an excise duty on goods produced or manufactured by a state

Effect of Emergencies 2

- **Article 352** - National Emergency implies that the President can modify the distribution of revenues
- **Article 360** - Financial Emergency implies that Centre can give Directions to the state about state financial matter.

9) Explain the following.

- a) **Simplify TN**
b) **e - Paarvai**
c) **Namadhu Arasu**

a) Simplify TN 2

- It is a new initiative by State Government to Simplify Governance
- Priority is given to areas which has maximum public interface
- Process compliances, licenses ,acts, rules , regulations, GOs ,Guidelines & circulars are studied.

b) e-Paarvai 2

- Cataract is a condition that causes clouding of the clear lenses of the human eye
- E-Paarvai was created to overcome the shortage of ophthalmologists by TNeGA which is an intelligent AI-powered mobile application used to identify the presence of cataracts in a person's eye.
- It predicts whether the eye has a Mature cataract, Immature Cataract, IOL or No Cataract with 91 % accuracy

c) Namadhu Arasu 2

- Namadhu Arasu (MyGov) aims to promote active online dissemination of information to Citizens regarding Governance.

- The citizen-centric platform empowers people to connect with the Government & contribute towards good governance.
- The Government has accorded Administrative sanction of Rs.91.80 lakh and financial sanction of Rs. 47.95 lakh as 1st year installment for implementation of the scheme in 2017 - 18.

10) What are the Taxes levied and collected by the union but assigned to the states as mentioned in Art 269 of constitution of India?

Article 269 provisions 6

- The taxes in this category are levied and collected by the Union Government although they are subsequently handed over to the states wherefrom they have been collected. They are as follows
1. duties in respect of succession to property other than agricultural land
 2. state duty in respect of property other than agricultural land
 3. terminal taxes on goods or passengers carried by railways, sea or air
 4. taxes on railway freights and fares
 5. taxes other than stamp duties on transactions in stock exchanges and futures markets
 6. taxes on the sale or purchase of newspapers and advertisements published therein
 7. taxes on purchase or sale of goods other than newspapers where such sale or purchases take place in the course of interstate trade or commerce

11) What are the causes for the increase in Government Expenditure in Public Finance

Causes 6

1. **Increase in population**
 - rapidly increasing the population the govt has to incur greater expenditure to meet the growing needs of people
2. **Defence expenditure**
 - In modern times ,the defence expenditure is increasing even in peacetime due to unstable and hostile international relationships.
 - The Defence Budget for the financial year 2022-23 is Rs 5,25,166 crore
3. **Government Subsidies**
 - GOI has been proving subsidies on items like food, fertilizers, exports , education etc which increases the public expenditure-In 2022 -23 budget, the govt subsidies is estimated to about Rs 3.17 lakh crore.
4. **Debt Servicing**
 - Govt has been heavily borrowing from internal & external sources

- In fiscal year 2021, the debt services ratio in India was about 8% which was 6.5 % in 2020
- 5. Urbanisation**
- The urban population has been increased from 17% in 1951 to 43% .

- This leads to increased expenditure on law & order, education ,civic amenities
- 6. Industrialization**
- Industrialization has led to growth of economy which makes the government invest expenditure in it

12) Explain the difference between Balanced Budget and Unbalanced Budget. 6

Features	Balanced Budget	Unbalanced budget
Definition	It is when estimated Govt. receipts are equal to the estimated Govt. expenditure.	When Government receipts are not equal to expenditures of the Govt.
Economic status	It is an ideal approach to achieve a balanced economy and maintain fiscal discipline	Unbalanced economy with accumulation of debts
Public Welfare	Restricts the Govt. from spending on Public welfare	Spend more expenditure on public welfare even in deficit budget
Inflation	Cannot tackle inflation or deflation	Can tackle inflation by reducing aggregate demand
Employment	It fails to achieve full employment from under-employment equilibrium.	Unbalanced (deficit) budget is a powerful instrument to achieve full employment
Under developed countries	It cannot solve the problems of under-developed countries (UDCs)	Unbalanced (deficit) budget is a powerful instrument of resource mobilisation for economic development of UDCs
Expression	Receipt = Expenditure(R = E)	R < E in Deficit budget R > E in surplus budget

13) What are the National Policy on open standards for e-Governance? Explain

- Origin 1**
- Formulated in – 2010
 - By ministry of information and communication technology.
- Aim 1**
- to facilitate interoperability between systems developed by multiple agencies
 - aims for reliable long-term accessibility to public documents and information
 - to provide organizations the flexibility and cost-effective e-Governance solutions.
- Applicability 1**
- They shall be applicable at interface and data archival level of all systems used for e-Governance.
 - They shall be applicable to all prospective e-Governance systems including businesses (G2G, G2B, G2E and G2C) from the date they come into effect.
 - New versions of the legacy and existing systems shall adhere to the Open Standards
- Policy Statement 1**
- GoI shall adopt Single and Royalty-Free (RF) Open Standard progressively for a “specific

purpose with in a domain” (herein after referred to as “Area”), to meet the laid down objectives of the Policy.

Characteristics of Identified Standard to Open standard 2

1. Specification document of the Identified Standard shall be available with or without a nominal fee.
2. The Patent claims necessary to implement the Identified Standard shall be made available on a Royalty-Free basis for the life time of the Standard
3. Identified Standard shall be adopted and maintained by a not-for-profit organization, wherein all stakeholders can opt to participate in a transparent, collaborative and consensual manner.
4. It can be recursively open as far as possible.
5. It shall have technology-neutral specification
6. It shall be capable of localization support, where applicable, for all Indian official Languages for all applicable domains

14) Short note on DBT?

- Origin 0.5**
- Launched in - 1st January 2013
- Aim 1**
- To reform the government delivery system.

- To reduce the fraud and corruption in the delivery system
- It has been visioned as an aid for simpler/faster flow of information and funds to the beneficiaries

Routing of DBT 0.5

- CPSMS(Central Plan Schemes Monitoring System) which is an early avatar of PFMS(Public Financial Management System) of the office of Controller General of Accounts is the common platform for routing DBT.

Components of DBT 2

- Beneficiary Account validation system
- Robust payment
- Reconciliation platform integrated with RBI, NPCI ,Public & Private Sector Banks,etc

Schemes under DBT 2

- There are about 317 schemes under DBT. Some of them are
- Pradhan Mantri Fasal Bima Yojana
- National Food Security Mission
- National Mission for Sustained Agriculture – NMSA
- Rainfed Area Development
- Pradhan Mantri Krishi Sinchai Yojana
- PM KISAN
- National Livestock Mission
- Swachh Bharat Mission Gramin
- Atal Pension Yojana

15) Explain the various types of funds of State Government.

Consolidated fund of state government 2

- Under Article 266 (1) of the Constitution of India, a Consolidated Fund of State (a separate fund for each state) has been established. The Consolidated Fund receives all state government revenues as well as all loans raised by the issue of treasury bills.
- It also receives internal and external loans and all money received by the State Government in repayment of loans.

Public account of state government 2

- The Public Account of India was constituted by Article 266(2) of the Indian Constitution which states that “All other public moneys received by or on behalf of the Government of India or the Government of a State shall be credited to the public account of India or the public account of the State,
- State provident funds, various pre-deposits under national small savings fund, depreciation and reserve funds of departmental undertakings, national defense fund, etc. are paid into public accounts.

Contingency fund of state government 2

- Contingency Fund of each State Government is established under Article 267(2) of the Constitution – this is in the nature of an imprest placed at the disposal of the Governor to enable him/her to make advances to meet urgent unforeseen expenditure, pending authorization by the State Legislature

(or table 6)

Fund	Consolidated fund of India	Contingency Fund of India	Public Account of India
Incomes	Taxes and non tax revenue	Fixed corpus (In 2005, it was raised 50 crores to 500 crores	Public money than under consolidated fund.
Expenditure	All expenditure	Unforeseen expenditure	Public money other than those under consolidated friend.
State Legislative Assembly Authorisation	Required prior to expenditure	Required after the expenditure	Not required
Article of constitution	Art 266 (1)	Art 267 (2) under the control of Governor	Art 266 (2)

16) Describe the canons of Taxation.**Introduction****6**

- In his famous book 'Wealth of Nation', Adam Smith presented 4 canons of taxation which are also commonly referred to as the Main Canons of Taxation.

1. Canon of Ability

- Taxes are to be imposed in accordance with the principle of ability to pay- Rich should pay more and poor should pay less

2. Canon of Certainty

- It must be certain to the taxpayer as well as to the tax-levying authority in respect to certainty of revenue the government intends to collect over the given time period

3. Canon of Economy

- the cost of collecting a tax should be as minimum as possible.
- Any tax that involves high administrative cost and unusual delay in assessment and high collection of taxes should be avoided altogether.

4. Canon of Convenience

- taxes should be levied and collected in such a manner that it provides the greatest convenience not only to the taxpayer but also to the government

17) What is Financial Stability and Development Council (FSDC).**Origin****1**

- **Constituted in** : 2010
- **Ministry** : non statutory apex body under Ministry of Finance
- **Origin** : Recommendation of Raghuram rajan Committee of 2008 for creation of (FDSC)

Council Members**1**

- **Chairman** - Finance Minister
- **Members** - Heads of following financial sector Regulators
- RBI, SEBI, IRDA (Insurance Regulatory & Development Authority), PFRDA

Responsibilities of FSDC**2**

- Bringing about stability in the financial sector
- Development of the financial sector
- Coordination of inter-regulatory bodies
- Promoting financial literacy
- Ensuring financial inclusion

Functions of FSDC**2**

- Bring Stability in Financial sector

- Coordination of Inter-regulatory bodies
- Promoting financial literacy
- Financial inclusion & Macroprudential supervision of economy

18) Describe about GST Council/ Secretariat in full detail.**GST Council****1**

- The Goods and Services Tax regime came into force after the 101 st Constitutional Amendment was passed by both Houses of Parliament in 2016.
- More than 15 Indian states then ratified it in their state Assemblies, after which the President gave his assent
- It was set up by the President as per Article 279A (1) of the amended Constitution

Composition of GST Council**2**

- **Chairman** - Union Finance Minister
- **Members**-Union Minister of State of Revenue /Finance-One Member from each state who is in charge of Finance/Taxation
- **Vice Chairman** - Mutually elected among the members
- **Ex-officio Secretary** - Secretary of Revenue Department
- **Permanent Invitee** - Chairperson of the Central Board of Excise and Customs with no voting rights.

Voting power**1**

- The vote of the Central Government shall have the weight of one-third of the total votes
- The votes of the State Government shall have the weight of two-third of the total votes, cast in the meeting

Recent GST Council meet at Chandigarh**2**

- 47th GST meeting took place at Chandigarh from 28th to 29th June, 2022

Functions of GST Council

- The Council, according to Article 279, is meant to "make recommendations to the Union and the states on important issues related to GST, like the goods and services that may be subjected or exempted from GST, model GST Laws".
- It also decides on various rate slabs of GST.
- Eg- an interim report by a panel of ministers has suggested imposing 28 per cent GST on casinos, online gaming and horse racing. A decision on this will be taken at the Council meeting .

Unit - 2

1) Write about the types of local bodies and their duties and sources of revenue?

Introduction

1

- Local government finances have been assuming greater importance in India, particularly after the decentralization movement started with the 73rd and 74th constitutional amendments in 1992.
- Local finance refers to the finance of local bodies in India. There is a large variety of local bodies in India

Types of Local Bodies

1

- There are four main local bodies which are functionary in our country. They are
1. Village Panchayats
 2. District Boards or Zila Parishads
 3. Municipalities
 4. Municipal Corporations

Village Panchayat

1

- The jurisdiction of a panchayat is usually confined to one revenue village. In some cases, two or more small villages are grouped under one panchayat.
- The establishment of panchayat raj is the avowed policy of most states in India

Functions and duties

1

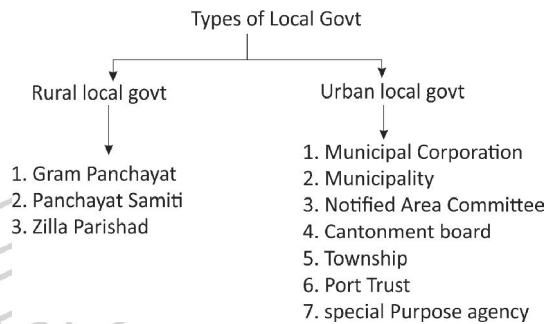
1. The functions of panchayats range over a wide area including civil, economic & so on. Thus small disputes may be disposed of by panchayats on the spot.

2. Roads, primary schools, village dispensaries etc. are to be managed by panchayats.
3. The supply of water, both for drinking and irrigation, falls within their field of responsibility, and in some cases farming, marketing, storage, etc. are entrusted to them.

Sources of Revenue

1

- The following are the sources of revenue of village panchayats.
1. general property tax
 2. taxes on land
 3. profession tax, and
 4. tax on animals and vehicles.
 5. Other taxes include service tax, octroi, theatre tax, pilgrim tax, tax on marriage, tax on birth and deaths, and labour tax.
 6. Taxes are levied by the panchayats only with the sanction of the state government, and there are certain limits in respect of tax rates which have to be observed



Types	Control of territory	Functions	6
Municipal corporation	Larger urban area	Preparation plan for economic development and social justice. Implementation of schemes of any be entrusted to them.	
Municipality	Administration of small towns and cities	Land development water and sewer waste management.	
Notified area committee	Rapidly emerging towns and town not yet meet the requirement of municipality.	Take care of administrative, responsibility developing infrastructure.	
Town area committee Cantonment board	Administration of small town Municipal administration for civilian living in cantonment zones (military forces & troops)	Drainage, roads, street lighting. Public health, water supply, sanitation, primary education.	
Township	Large public corporation construct it to provide municipal facilities to their employees	Road maintenance and administration of public assistance.	
Port trust	Established in the port areas like Mumbai, Kolkatta	To manage and protect the ports and to provide civic amenities	
Special propose agency	Specific function and perform it in a specific area.	Carry out the function in the specified area.	

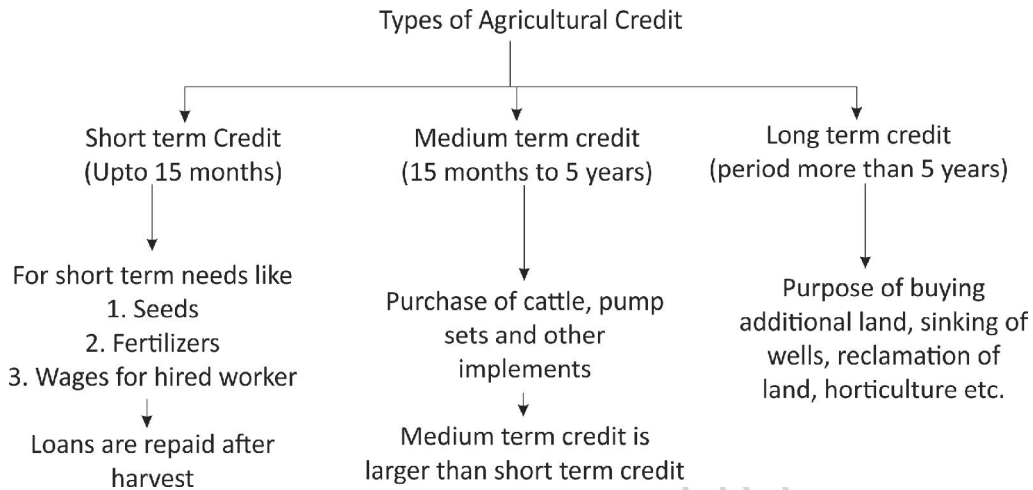
2) Write about various Agricultural credits available in India

Introduction 1

- Agricultural credit is considered as one of the most basic inputs for conducting all agricultural development programmes, initially the Indian farmers depending on the money lender for agricultural credit

- Since Green revolution, the investment requirements for cultivation has continuously increased for inputs like seeds, pesticides, fertilizers, mechanization of agriculture.
- The government has been raising credit target for the farm sector every year, With the aim of doubling farmers' income by 2022..

Types of Agricultural Credit 1



Sources of Agricultural credit in India 1

- 1. Non-Institutional sources**
 - moneylenders, traders and commission agents, relatives and landlords
- 2. Institutional sources**
 - co-operatives, commercial banks including the SBI Group, RBI and NABARD
- 1. Credit through Commercial Banks 1**
 - With the help of "village adoption scheme" and service area approach the commercial banks started to meet the credit of farmers
 - They also sponsored various regional rural banks for extending credit to small and marginal farmers and rural artisans just to save them from the clutches of village moneylenders.
 - But the commercial banks are not very much interested to advance loan to small and marginal farmers
- 2. Taccavi loans from Government 1**
 - These loans are lend by the Government during emergency or distress like famine, flood
 - During 1990 - 91, the state Governments had advanced nearly Rs.350 crore as a short - term loan to agriculture.

- But the taccavi loan failed to become very much popular due to official red-tapism and corruption.

3. Kisan Credit Card 1

- The Kissan credit Card (KCC) scheme was launched in 1998 with the aim of providing short-term formal credit to farmers.
- Owner cultivator, as well as tenant farmers, can avail loans to meet their agricultural needs under this scheme at attractive rates of interest.

4. Agriculture Market Infrastructure Fund (AMIF) Announced in - 2018 1

- development and upgradation of rural agriculture markets infrastructure.
- Scheme is Demand Driven and is developed by MGNREGA funds in collaboration with NABARD

Interest subvention scheme: 1

- The interest subvention scheme for farmers aims at providing short term credit to farmers at subsidised interest rate.
- The policy came into force with effect from Kharif 2006-07 & is implemented for the year 2020-21 by NABARD and RBI

Problems regarding Agricultural credit in India

2

1. Insufficiency of credit to meet the rising needs of inputs
2. Inadequate amount of sanction
3. Lesser attention of poor farmers
4. Inadequate institutional coverage
5. Red tapism

Solutions for effective Agricultural Credit System

2

- Co-operative credit societies must be efficient and purposeful for delivering rural credit
- It must be Transformed into a multi -purpose society with sufficient funding capacity.
- Elimination of middlemen-Reserve Bank of India should arrange sufficient fund so that long term loans can be advanced to the farmers.
- Power and activities of the Mahajans and moneylenders should be checked
- The banks should adopt procedural simplification for credit delivery through rationalisation of its working pattern.

3) What is meant by Deficit Financing? Explain its impact on countries fiscal system.

Deficit Financing

2

- Deficit Financing can be defined as the practice where the government spends more money than it receives as revenue, the difference being made up by borrowing or minting new funds.
- The government resorts to withdrawing money from its cash deposited in the RBI or orders the RBI to print new currency notes or borrows money from the public in the form of bonds and other securities

Need For Deficit Financing

2

- When sufficient resources are not available to carry out economic activities. Hence, deficit financing is undertaken to meet fiscal deficit targets.
- It is preferred as the price rise is considered to be a lesser evil and is therefore preferred over a lower growth rate.
- It also occurs when there is rapid growth in expenditures.
- Increased spending on unproductive and non-developmental activities can also lead to deficit financing.

Government debt can be financed in the following ways:

2

1. Borrowing from Public and Foreign Governments
2. Withdrawing Cash Balances held with the Reserve Bank of India (RBI)
3. Borrowing from the Reserve Bank of India

Impact of Deficit Financing in India

3

A) Positive impact

1. Borrowing from Central Bank

- When the Government resorts to deficit financing, it usually borrows from the Reserve Bank. The interest paid to the Reserve Bank actually comes back to the Government in the form of profits.

2. Acceleration in development

- Through deficit financing, resources are used much earlier than they can be otherwise. The development is accelerated. This technique enables the Government to get resources without much opposition.

3. Developing country

- It increase financial strength of the government, it can have a multiplier effect on economic development as it encourage the govt to utilize unemployed and underemployed resource.

B) Negative Impact

3

1. Inflationary situation

1. It leads to rise in prices of goods & services of the country
2. Increased credit creation in Banks
3. Inflation becomes self - defeating

2. Income Disparity

- Individuals with fixed sources of income are not benefited and this can lead to income disparity.
- In weaker nations, fewer employment opportunities are created due to the absence of other resources such as infrastructure, machinery

Conclusion

- Deficit financing can be a success if adequate anti-inflation measures are also undertaken.
- It is an unavoidable method of finance generation and therefore should be undertaken with other necessary measures

4) Explain the types of interactions in e - Governance?

Definition

1

- e-Governance can be defined as the application of information and

communication technology (ICT) for providing government services, exchange of information, transactions, integration of previously existing services and information portals.

Types of interactions in e - Governance 1

- It has four types of interactions namely
- 1. G2G(Government to government)
- 2. G2C(Government to citizen)
- 3. G2B(Government to Business)
- 4. G2E(Government to Employee)

G2G 2.5

- In this case, ICT is used not only to restructure the government processes involved in the functioning of government entities but also to increase the flow of information and services within and between different entities.
- This kind of interaction is only within the sphere of government and can be both (horizontal), that is between different government agencies as well as between different functional areas within an organisation, or (vertical), that is between national, provincial and local government agencies as well as between different levels within an organisation.
- The primary objective is to increase efficiency, performance and output
- eg - Bhumi project & Khajane in karnataka govt

G2C 2.5

- In this case, an interface is created between the government and citizens
- Which enables citizens to benefit from efficient delivery of a large range of public services.
- This explains the availability and accessibility of public services on the one hand and improves the quality of services on the other.
- The primary purpose is to make government, citizen-friendly
- Eg - e- commerce

G2B 2.5

- Here, e-Governance tools are used to aid the business community- provides of goods and services - to seamlessly interact with the government.
- The objective is to cut red tapism, save time, reduce operational costs and create a more transparent business environment when dealing with the government.

- The G2B initiative can be transactional, such as in licensing, permits, procurement and revenue collection
- They can also be promotional and facilitative, such as in trade, tourism and investment
- eg -e -tender,eBiz

G2E 2.5

- The government is by far the biggest employer and like any organisation, it has to interact with its employees on a regular basis.
- This interaction is a two-way process between the organisation and the employee.
- Use of ICT tools helps in making these interactions fast and efficient on one hand and increases satisfaction levels of employees on the other.
- eg - e-payroll,e-training

5) Explain National policy on Information Technology - 2012.**Introduction**

- The National policy on IT 2012 seeks to achieve the twin goals of
- 1. bringing the full power of ICT within the reach of the whole of India and
- 2. harnessing the capability and human resources of the whole of India to enable India to emerge as the Global Hub and Destination for IT and ITES Services by 2020

Objectives & Salient Features 12**1. Increase of revenue and export**

- To increase revenues of IT and ITES Industry from 100 Billion USD at present to 300 Billion USD by 2020-expand exports from 69 Billion USD at present to 200 Billion USD by 2020.
- To gain significant global market-share in emerging technologies and Services.

2. Promotion of Innovation & Productivity

- To promote innovation and R&D in cutting edge technologies and development of applications and solutions in areas like localization, location based services, mobile value added services, Cloud Computing, Social Media and Utility models.
- To encourage adoption of ICTs in key economic and strategic sectors to improve their competitiveness and productivity.
- To provide fiscal benefits to SMEs and Startups for adoption of IT in value creation

3. Creation of skilled manpower & e-Literacy

- To create a pool of 10 million additional skilled manpower in ICT.

- To make at least one individual in every household e-literate.
- To leverage ICT for expanding the workforce and enabling life-long learning

4. Affordable access to public services

- To provide for mandatory delivery of and affordable access to all public services in electronic mode.
- To enhance transparency, accountability, efficiency, reliability and decentralization in Government and in particular, in delivery of public services.
- To leverage ICT for key Social Sector initiatives like Education, Health, Rural Development and Financial Services to promote equity and quality.
- To enable access of content and ICT applications by differently-abled people to foster inclusive development.

5. Bridge digital divide

- To make India global hub for development of language technologies, to encourage and facilitate development of content accessible in all Indian languages and thereby help bridge the digital divide.

6. Enhance secure framework

- To strengthen the Regulatory and Security Framework for ensuring a Secure and legally compliant Cyberspace ecosystem.
- To adopt Open standards and promote open source and open technologies
- eg establishing Information Security Assurance Framework

6) Write about Digitisation of Indian Judiciary

Introduction 1

- The Covid - 19 restrictions provided a major thrust to the digitisation of Indian courts.
- The judiciary, led by the Supreme Court and the High Courts, adopted e-filing for urgent matters and conducted frequent hearings over video conferencing.
- Digitization, for the Indian judiciary, presents a golden opportunity to reduce the pendency of a plethora of cases and preserve the decade - old documents.

The Advent of Technology in Judiciary 2

- In India, e-governance in the field of administration of justice began in the late 1990s, but it accelerated after the enactment of the Information and Technology Act, 2000.

- As the 21st century began, the focus was on digitising the court's records and establishing e-courts across the country.
- In the year of 2006, e-courts were launched as a part of the National e-Governance Plan (NeGP).

Steps taken by courts towards Digitisation of Judiciary 3

1. Allahabad High Court as a guiding example

- As the Chief Justice of Allahabad High court (HC), Justice D Y Chandrachud conceptualised and initiated the project to digitise approximately one crore case files in one year.

2. Supreme Court on Digitisation

- The hearing of matrimonial cases through video-conferencing was approved by the Supreme court in the matter of Krishna Veni Nagam vs Harish Nagam (2017). However, the direction was short-lived.
- In 2018, the Supreme Court allowed the live-streaming of cases of constitutional and national importance on the basis of the judgement in Swapnil Tripathi vs Supreme Court Of India, 2018.
- The livestreaming of court proceedings is a step towards ensuring transparency and openness.

3. Gujarat HC- first to livestream proceedings

- The Gujarat HC in July 2021 became the first court in the country to livestream its proceedings. It was emulated by the HC of Karnataka, Odisha, Madhya Pradesh and Patna.

4. e-Courts

- Recently, the Law Minister has said that for implementing phase two of the eCourts project, there is a need to adopt new, cutting edge technologies of Machine Learning (ML) and Artificial Intelligence (AI) to increase the efficiency of the justice delivery system.
- To explore the use of AI in the judicial domain, the Supreme Court of India has constituted and Artificial Intelligence Committee.

Need of Digitisation of Judiciary 3

1. Difficulty in Maintaining Physical Records

- Not only a large is required to store so many files, it is also quite difficult to manually preserve the decades-old documents.

2. Acquittal of Convicts

- Another purpose is to ensure that these files are traceable electronically as and when

required. The consequences of missing court records are grave.

- In many old cases, criminal records are found to go missing thereby leading to the acquittal of the accused.

3. Delays in Cases

- The time consumed in summoning records from the lower courts to the appellate courts is one of the major factors that cause delays in cases.

Challenges are being Faced in the Digitisation of Judiciary 3

1. Connectivity Issues: Internet connectivity issues and the need for a well-equipped space where lawyers can conduct their cases are some of the major problems requiring attention.
2. Digital Literacy: Many judges, court staff and lawyers are not well-versed with digital technology and its benefits.
3. Privacy Concerns: With increasing digitisation, especially of court records, privacy concerns are likely to be at the forefront of judicial and public deliberations in the coming years.
4. Hacking and Cybersecurity: On the top of technology, cyber-security will be a huge concern too. The government has initiated remedial steps to address this problem and formulated the Cyber Security Strategy.

7) Explain the following:

a) Common Services Centres 2.0

b) Digital library of Tamil Nadu

a) Common Services Centre 2.0 1

Origin

- **Launched in:** 2015
- **Ministry :** Ministry of Electronics & IT

Aim 1

- expanding CSC's outreach to all gram panchayats in the country.
- At least one CSC is envisaged in each of the 2.5 lakh Gram Panchayats

Key Aspects 4

1. CSC 2.0 is a service delivery oriented entrepreneurship model with a large bouquet of services made available for the citizens
2. It is done through optimum utilization of infrastructure already created in the form of State Wide Area Network (SWAN), State Service Delivery Gateway (SSDG), e-District,

State Data Centre (SDC), and (National Optical Fiber Network (NOFN)/ Bharat tNet

3. Origin - CSC

- strategic cornerstone of the National e-Governance Plan (NeGP), approved by the Government in May 2006, as part of its commitment in the National Common Minimum Programme to introduce e-governance on a massive scale.
- The Scheme creates a conducive environment for the private sector and NGOs to play an active role in implementation of the CSC Scheme

4. PPP(Public Private Partnership) Model of CSC

- CSC scheme envisages a 3-tier structure consisting of the:
- CSC operator (called Village Level Entrepreneur or VLE);
- Service Centre Agency (SCA), that will be responsible for a division of 500-1000 CSCs; and
- State Designated Agency (SDA) identified by the State Government responsible for managing the implementation in the entire State.

5. CSC & Digital India

- CSCs enable the three vision areas of the Digital India programme:
- Digital infrastructure as Utility to Every Citizen.
- Governance and services on demand.- Digital empowerment of citizens.

b) Digital library of Tamil Nadu 6

1. Tamilinaiyam

- Digital Library TVA has created a Tamil Digital Library (www.tamil.digital.library.in) consisting of rare books, periodicals and palmleaf manuscripts of various subjects such as literature, religion, history, medicine, science etc. from the 18th century onwards.
- This is the largest digital library in South Asian languages and consists of more than 50,000 books and periodicals.

2. Palm-leaf Manuscripts Digitisation

- The Government has sanctioned Rs.1.05 crore for digitisation and cataloguing of palm-leaf manuscripts

3. Inclusive Digital Library

- An amount of Rs.1.00 crore has been sanctioned to improve the digital library to an Inclusive Digital Library for the use of visually impaired.

4. Tamilar Tagavalaatruppadai

- TVA has created a comprehensive and collaborative repository website consisting of Tamil language, literature and art.
- It consists of 31,158 images related to Tamil history and culture.
- This repository is continuously updated by adding more artifacts and monuments

Conclusion

- Tamil Digital library consists of over 10,00,000 bibliographic information & over 5000 E-resources.
- It enables the students to use e-books and share it among schools and colleges of tamilnadu round the clock.

8) Explain the following:

- Electronic Corporation of TamilNadu (ELCOT)**
- TamilNadu Fiber Net Corporation (TANFINET)**
- TamilNadu Virtual Academy (TVA)**

a) ELCOT

1

- Elcot is a state-owned company incorporated by the Government of Tamil Nadu under the Indian Companies Act, 1956.
- It has acted as an agency implementing IT projects of the Government of Tamil Nadu.
- It was registered with the Registrar of Companies in Chennai on 21st March 1977 as an organization for the formation of Tamil Nadu Electronics Companies and commenced operations.
- It acts as a government agency procuring electronic equipment for all office functions of the Government of Tamil Nadu.

Some of their main functions

3

1. Electronic Notice Board

- Equipment for purchasing and installing video display equipment along with electronic notice board

2. Internal Television Surveillance

- to monitor the visitors to the Secretariat 24x7 hours a day.

3. Video display

- From May 2016 to June 2019, Elcot has launched 197 various welfare schemes through a video presentation by the Honourable Chief Minister of Tamil Nadu

4. Electronic Clock and Network Maintenance

- The electronic clocks are maintained so that the duration of all the clocks in the Tamil Nadu Legislative Assembly is uniformly accurate.

5. Electronic Attendance Record

- Artificial Intelligence based Facial Recognition technology has been used to record the attendance of employees.

6. E-Procurement

- Request and acceptance of contract points for procurement of goods and services required by the Tamil Nadu e-Governance Agency is done through the e-procurement website of the Government of Tamil Nadu (<https://tntenders.gov.in>).

7. e-Classrooms

- State schools in the state seem to have built two-dimensional (2D / 3D) structures with advanced classrooms.

b) TamilNadu Fiber Net Corporation (TANFINET)

- The federal government's BharatNet project is a high-speed bandwidth project that connects all the rural panchayats in the country with a fiber optic cord.
- implemented by the State Government in Tamil Nadu with the contribution of the Central Government and a special purpose organization called "Tamil Nadu FiberNet Corporation" will be formed to implement this project.

1

Features

1

- The scheme will provide at least 1Gbps upgradeable bandwidth to 12,524 Grama Panchayats in Tamil Nadu.

Implementation

1

- A State Level Implementation Committee (SLIC) has been set up to oversee the implementation of the project Bharatnet - II in Tamil Nadu.
- In addition to state government officials, the committee also includes officials from the Universal Services Obligation Fund (USOF) and Bharat Broadband Network Limited (BBNL).

Tamil Net

1

- It has been decided to develop the TamilNet project network with the existing and proposed fiber network of Tamil Nadu Telecommunications Corporation TANTRANSCO and Tamil Nadu Fiber Network Corporation (TANFINET).
- The project will be integrated with the BharatNet project and implemented as an Integrated Digital Infrastructure.

c) Tamil Nadu Virtual Academy (TVA)**Origin****1**

- It was established as Tamil Virtual University by Co-operative Societies Registration Act, 2000 in 1983 in Chennai.
- Later in 2010 it was renamed as Tamil Virtual Academy.

Objectives**1**

- This will encourage preferred students to learn Tamil from anywhere in the world through the internet.
- This is the first time in the world to teach a language online after English.

Features**1**

- Tamil Virtual University provides Internet-based resources and opportunities through Tamil communities living in various parts of the world. It does this through the Tamil communities in which it lives.
- In the same way It aims to provide Tamil and its history, art, literature and culture of Tamil through the internet.
- Tamil Virtual Academy also publishes rare books, periodicals, palm leaf magazines, rare magazines, photographs, Tamil language reference-video material, literature and culture as a digital library and digital resource.

Services**1****1. E-Library**

- Tamil Internet Academy has created an e-library.

2. Computer Tamil

- Tamil Internet Academy promotes research in computer Tamil using Tamil Software Development Fund.

3. Tamil Information Force (tagavalaatruppadi)

- Accordingly, under the "Information Force" program, a total of 70,600 photographs collected and taken from antiquities, excavations, inscriptions, places of worship, sculptures, coins, tablets, archaeological symbols, and paintings are being uploaded on the Internet in consensual form with descriptive metaphors.

4. Electronification and indexing of manuscripts

- This work is ongoing. And so far 4,15,708 manuscripts have been generated and listed.

5. Tamil Encyclopedia Project

- The Tamil Internet Academy has created an online Tamil content collection (Tamil Encyclopedia Project).

- So far, more than 84,000 Tamil articles from Agriculture, Fisheries, Chemistry, Biology, Physics and other fields have been uploaded on the website of The Tamil Internet Academy

9) What are the duties of Municipalities? And list its various source of income?**Municipality****1**

- A municipality is a political subdivision of a state within which a municipal corporation has been established to provide general local government for a specific population concentration in a defined area.

Constitutional Provision**1**

- The system of Municipalities or Urban Local Governments was constitutionalised through the 74th Constitutional Amendment Act of 1992. The provisions in this amendment are included in Part IXA which came into force on June 1, 1993.

Duties of Municipalities:**2**

- The municipalities are bodies or institutions which are established in urban areas for looking after local affairs, such as, sanitation, public health, local roads, lighting, water supply, cleaning of streets, maintenance of parks and gardens, maintenance of hospitals, dispensaries and veterinary hospitals, provision of drainage, provision of primary education, organising of fairs and exhibitions etc.
- However, all these functions are performed subject to the control of the state government.

Sources of revenue of municipalities**2**

1. Taxes, duties, fees, etc. which could be levied and collected by the Municipalities, as per the procedure to be laid down in the State law.
2. Taxes, duties, fees, etc. which would be levied and collected by the State Government and a share passed on to the Municipalities.
3. Grant-in-aid that would be given to the Municipalities from the State.
4. Constitution of funds for crediting and withdrawal of money by the Municipality.

1. Tax Revenue**6**

- taxes on property
- taxes on goods, particularly octroi and terminal tax
- personal taxes, taxes on profession, trades and employment

- taxes on vehicles and animals
- theatre or show tax

2. Recent tax increase by TamilNadu Government

- The Tamil Nadu government has decided to increase the property tax in all Municipal Corporations, Municipalities and Town Panchayats under the Tamil Nadu District Municipalities Act, 1920.

3. For residential properties

- As for Municipalities and town panchayats,
- Below 600 sq.ft the property tax has been increased by 25%
- Between 601 and 1,200 sq.ft it has been increased by 50%
- Between 1,201 sq.ft. and 1,800 sq.ft.75% increase
- Above 1,800 sq.ft the property tax has been increased 100%.

4. For non-residential properties

- the property tax is being increased 100% for commercial establishments
- increased by 75% for industries and private schools and colleges including self-financing courses/departments in aided institutions.
- Vacant land tax to be increased by 100% in all urban local bodies

10) What is Nambikainaiyam? Discuss its developments.

Aim

2

- establish a single trusted source that would be used to create an efficient and manipulation resilient system for government services,
- The State-wide Blockchain Backbone (Nambikkai Inaiyam) will enable departments of Government of Tamil Nadu to use blockchain infrastructure.

Structure of Nambikai Inaiyam

2

- The platform will be hosted on a hybrid infrastructure.
- Nodes can be either on a private cloud or State SDC or on-premise.
- The NI platform will also function as a Blockchain As A Service (BAAS) provider to Government departments and Public sector organizations, agencies and companies.
- Organizations that do not want the custody or overhead of hosting a node can access the blockchain through an API Gateway.

- NI will include a secure infrastructure consisting of blockchain cores, a business logic layer and client API gateways.

Features

5

1. It will be a state-of-the-art blockchain platform that will allow government departments, public, start-ups, private sector to connect, transact, build secure applications and design efficient workflows upon it
2. seamless access to government services 'anywhere, anytime
3. Enterprise-grade G2G and G2C products and services will be implemented using this infrastructure.
4. It will also be used to augment legacy platforms and existing IT infrastructure by providing an immutable hash-encrypted ledger with zero down-time.
5. It will extend processes and modules to existing government workflows and make them more secure, efficient and transparent.
6. It can also be used to completely overhaul existing government processes and create new more reliable and secure workflows

Nambikkai Inaiyam will be used to Securing the following documents and records of :

3

1. Hindu Religious and Charitable Endowments (HR&CE)
2. land related documents
3. education certificates
4. marksheets
5. certificates and licenses issued through e-Sevai platform
6. authentic seed certification for agriculture department
7. certifying authentic handicraft of Tamil Nadu.

11) Write an detailed Account on Finance Commission of India.

Origin

1

- **Article 280** - setting up of Finance Commission which is a quasijudicial body
- **Established in** - 1951

Aim

1

- to define the fiscal relationship framework between the Centre and the state.
- to reduce the fiscal imbalances between the centre and the states (Vertical imbalance) and also between the states (horizontal imbalance).
- It promotes inclusiveness.

Tenure**1**

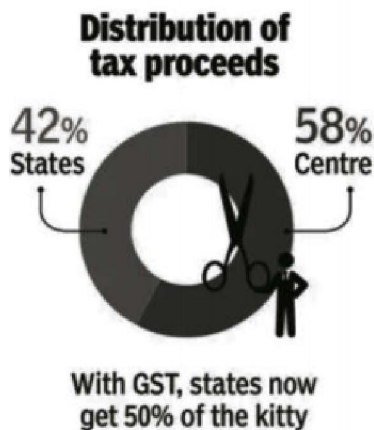
- A Finance Commission is set up once in every 5 years. It is normally constituted two years before the period. It is a temporary Body.
- The 15th Finance Commission has been set up in November 2017. Its recommendations will be implemented from 1 April 2020.

Composition

- **Chairman:** Heads the Commission and presides over the activities. He should have had public affairs experience.
- Four Members.
- The Parliament determines legally the qualifications of the members of the Commission and their selection methods.

Functions of Finance Commission of India**5**

1. The distribution between the Union and the States of the net proceeds of taxes, which may be divided between them and the allocation among the states of the respective shares of such proceeds
2. To determine the quantum of grants-in-aid to be given by the Centre to states [Article 275 (1)] and to evolve the principles governing the eligibility of the state for such grant-in-aid

How Taxes are split**2**

1. Article 280 of the Constitution mandates the finance commission to recommend the distribution of the net proceeds of taxes between the Centre and the states every five years.
2. Any other matter referred to the Commission by the President of India in the interest of sound finance. Several issues like debt relief, financing of calamity relief of states,

additional excise duties, etc. have been referred to the Commission invoking this clause.

Advisory Role of Finance Commission**2**

1. The recommendations made by the Finance Commission are of an advisory nature only and therefore, not binding upon the government. It is up to the Government to implement its recommendations on granting money to the states.
2. It is nowhere laid down in the Constitution that the recommendations of the commission shall be binding upon the Government of India or that it would amount to a legal right favouring the recipient states to receive the money recommended to be provided to them by the Commission.

15th Finance Commission Importance**2**

- The commission comes out with its reports highlighting reforms relating to the fiscal scenarios.
- The 15th FC has been set up in a time when huge reforms have been taken under the fiscal federalism.
- Replacement of Planning Commission with NITI Aayog
- Implementation of GST reforms-Abolition of the planned and non-planned expenditure

12) Describe the various challenges on implementation of E-governance in India.**Introduction****1**

- IT illiteracy is a major obstacle in implementation of e-Governance in India.
- In 2021, India had a rank of 29 out of 120 countries for internet readiness.
- Internet readiness, according to research, was the capacity to access the Internet, including skills, cultural acceptance, and supporting policy.
- However Recognition of the e- Governance facilities by the citizens is another huge challenge.

Challenges on implementation of e governance**A. Technical Challenges****3****1. Interoperability**

- It is one of the critical issues of e-governance. Interoperation among ministries and departments is difficult, and it became hurdle for processing and sharing data.

2. Security

- Now days, security of online transaction is becoming big issue; In fact, there is still discontent to citizens on availing government services due to lack of security

3. Privacy

- This is another key issues of e-governance any information provided by citizens should be ensured by govt. otherwise, any person or institution may misuse the valuable information.

4. Authentication

- It is very important to know the right user of the services or it may be misused by private competitors. Meanwhile, the digital signature plays major role in providing authenticity.
- In fact, it is expensive and causes for frequent maintenance.

B. Economic issues 3

1. Cost

- In developing countries like India, cost is one of the most important obstacles in the path of implementation of e-Governance where major part of the population is living below poverty line.

2. Maintainability

- As the Information Technology changes very fast and it is very difficult for us to update our existing systems very fast.
- Maintenance is a key factor for long living systems in a rapidly changing technical environment
- Consequently, govt. launched new projects for example, digital India.

C. Environmental & Social Challenges 3

1. Low IT Literacy

- Much of the Indian people are not literate and those who are literate, they do not have much knowledge about Information Technology (IT).

2. Language constraint

- The diversity of people in context of language is a huge challenge for implementing e-Governance projects as e-Governance applications are written in English language. English may not be understandable by most of the people.

3. Lack of Integrated services

- Most of the e-governance services which are offered by the state or central government are not integrated.

- Lack of communication between different departments of government may be its major cause.

4. Lack of Awareness

- Due to the use of digital technology also contributes to the limited use of e-governance techniques. People are not aware of the scope of e-governance and depend on intermediaries for its use.

Wayforward 2

1. As the usage of Information Technology is growing very fast, Indian government is making many efforts to provide services to its citizens through e-Governance.
2. E-governance is becoming popular in India with time however there are still hindrances and loopholes in e-governance like illiteracy, security, cost of implementation, etc. that hampers the objectives of good governance in India.
3. Still, India is able to achieve a lot of initiatives in this regard like Digital India, e-Kranti, and so on.
4. However, the Government should take further steps to ensure transparency, citizen friendliness, and cost-effectiveness in the implementation of the e-governance initiatives

Unit - 3

1) Explain the recent Agriculture Budget of Tamilnadu government. And list out its features.

Introduction 1.5

- The Agriculture Budget for 2022-23 increased the allocation for agriculture and allied sectors to Rs.33,007.68 crore, slightly higher than the Rs.32,775.78 crore in the revised estimate for 2021-22.
- It was presented by Agriculture and Farmers Welfare Minister M.R.K. Panneerselvam which is DMK government's second Agriculture Budget focusing mainly on integrated development, besides allocating funds for various scheme

Objective 1.5

- The government will take steps to achieve 126 lakh MT of foodgrain production in 2022-23
- to withstand climate change, crop diversification is being encouraged.
- Special schemes will be implemented to popularize the cultivation of millets and pulses as an alternative to water-intensive crops.

- Schemes for establishing suitable water harvesting structures and ground water recharge systems will introduced in the Agriculture Budget for increasing production on dry land

Features of Agriculture Budget 11**1. KAVIADP(Kalaingar All Village Integrated Agriculture Development Programme)**

- budget allocated is 300 crore in 2022-23
- aimed to bring holistic development to all village panchayats.
- The project has been designed to be implemented in village panchayats identified under the Anaithu Grama Anna Marumalarchi Thittam every year, which is being implemented by the Department of Rural Development & Panchayat Raj.
- During the first year, this project is being implemented in 1,997 village panchayats of Anaithu Grama Anna Marumalarchi Thittam, as these two projects will be converged and implemented parallelly

2. Co-operation, Food and Consumer Protection

- A sum of Rs.2,531 crore for the waiver of agricultural loans, a sum of Rs.1,000 crore for the waiver of jewel loans and a sum of Rs.600 crore for waiving self-help group loans, totalling an amount of Rs.4,131 crore has been allotted for loan waiver in this year's Budget.

3. Fresh crop loans

- In this financial year, till now 14,15,916 farmers have received fresh crop loans to the tune of Rs.9,773 crore.
- This includes 10,76,096 small and marginal farmers who have benefitted to the tune of Rs.7,428 crore.
- A sum of Rs.200 crore has been allocated for providing interest-free crop loan, which was pioneered in the country by Muthamizharignar Kalaingar.

4. Food Subsidy

- An amount of Rs.7,500 crore has been provided in this Budget towards Food Subsidy in the Public Distribution System.
- An allocation of Rs.13,176.34 crore has been made to the Co-operation, Food and Consumer Protection Department in this Budget

5. Crop insurance scheme

- Rs 2329 crore has been allocated by the state.

- Around 9.26 lakh farmers received Rs 2055 crore as crop insurance in the current year
- 20,000 farmers will be given traditional seeds to be produced across 200 acres.
- Millet festivals will be conducted in the state and districts to create awareness about millets

6. Digital Agriculture

- Introduce technology to assess the cultivation of crops, damages, and for soil health conditions.
- Other initiatives include artificial intelligence for providing solutions and remedial measures for crop diseases etc.
- Online booking facilities for seedlings will help farmers with timely planting in their fields. Earlier, farmers couldn't get their seedlings on time due to lack of information on their needs

7. Tamil Nadu Organic Farming Mission

- budget allotted is Rs.30 crore Irrigation

8. Rehabilitation of water bodies

- In the current year, an amount of Rs.2,787 crore has been provided for ongoing works such as rehabilitation of water bodies like canals and tanks, and construction of groundwater recharge structures like check dams, barrages and sub-surface dykes.
- To achieve better efficiency in utilization and management of water resources and to provide assured access to irrigation, works of Extension, Renovation and Modernization (ERM) in irrigation system of the Cauvery Basin Delta at an estimated cost of Rs. 3,384 crore will be commenced soon.

9. DRIP - II

- The Government has sanctioned the Second Dam Rehabilitation and Improvement Project (DRIP-II) for rehabilitation of 64 major dams including Sathanur, Sholaiyar, Mettur and Papanasam with a view to ensuring their safety and improving operational efficiency.
- This scheme is being implemented with the assistance of World Bank and Asian Infrastructure Investment Bank (AIIB) at an estimated cost of Rs.1,064 crore.
- An amount of Rs.300 crore has been provided for this scheme in this year's Budget.

10. Desilting scheme

- For the coming Kuruvai harvest, to ensure that Cauvery water reaches the tail end regions,

the Government has sanctioned a special desilting scheme for 4,964 km of canals at a cost of Rs.80 crore in 10 districts in the delta region.

- By advance planning this year, these works will be executed well before the opening of the Mettur Dam for irrigation.
- An allocation of Rs.7,338.36 crore has been made to the Water Resources Department in this Budget.

11. Animal Husbandry:

- A new scheme "Vallalar Palluyir Kappagangal" will be launched to support NGOs which take care of abandoned and injured pet animals and strays.
- For this scheme, Rs.20 crore will be provided in this Budget.

12. Other Features

1. The production of jaggery will be encouraged to benefit the sugarcane farmers.
2. 3,000 solar pumps to be set up
3. The state government will distribute 10 lakh palm seeds to increase the number of the state tree – palmyra.
4. Rs 150 crore to be allocated to use machinery
5. To revive traditional country vegetable cultivation, Rs 2 crore will be allocated.
6. A special incentive of Rs 195 per metric tonne will be given to the sugarcane farmers. It will benefit 1.2 lakh farmers
7. Special zone for tur dal cultivation will be set up in Salem and Krishnagiri districts
8. Soil testing centre will be established at the cost of Rs 75 lakh at Mayiladuthurai.

Conclusion 1

- Thus In the agriculture budget for 2022-23, the state government focused on measures in line with its long-term objectives of ensuring food and nutritional security while indicating its intent for technological intervention in the state's agriculture sector, among other welfare measures.

2) Write an essay about financial relations between Centre and State?

Constitutional provision on Financial Relations

- Article 268 to 293 in Part XII. **1**

Allocation of Taxing Powers 1

- Parliament levy taxes on Union list subjects (13).

- State legislature has power to levy taxes on State list subjects (18).
- Both Parliament and State legislature can levy taxes on Concurrent list subjects(3)
- Residuary power of taxation is vested in the Parliament (gift tax, wealth tax etc)
- Constitution draws a distinction between the power to levy and collect a tax and power to appropriate the proceeds of the tax (Example : Income tax)

Restrictions on the taxing powers of the states

1

- State legislature can impose taxes on professions, traders, callings & employments not exceed Rs.2500 per annum
- State legislature can impose taxes on the sale or purchase of goods (not newspapers).
- A state legislature is prohibited from imposing a tax on the supply of Goods or services or both in the following two cases.
- No tax can be imposed on the sale or purchase taking place outside the states.
- Import or export, inter state trade and commerce, tax declared by Parliament .
- State legislature can impose tax on the consumption or sale of electricity.
- Impose a tax on water or electricity stored, generated, consumed, distributed or sold by any authority established by Parliament (reserved for the Presidents' consideration).

Distribution of Tax Revenues 1

1. 80th Amendment of 2000.

- Give effect to the recommendations of the 10th Finance Commission.
- Out of the total income from Central taxes and duties – 29% should go to the States.
- Known as 'Alternative Scheme of Devolution' effective from April 1, 1996.
- Corporation Tax and Custom Duties at par with Income Tax.

2. 88th amendment of 2003

- Introduction of Service Tax
- Service tax
- levied by the centre but collected and appropriated by the states.

3. 101st Amendment 2016

- Introduction of Goods and Service tax
- Concurrent taxation power to both state and Union

- Replaced most of the Indirect taxes-Deleted the article 268
- A & Union list (entry 92 - c) (Both about Service tax)

After two Amendments, the Present Position**2**

- **Article 268** : Taxes levied by the Centre but collected & appropriated by the states
- Stamp Duties-**Article 269** : Taxes levied and collected by the Centre but assigned to the States
- Sale of goods other than newspaper
- **Article 269 A** : Levy and collection of goods and services tax in course of Inter-state trade or commerce.
- **Article 270** : Taxes levied and collected by the Centre but distributed between the Centre and the states
- **Article 271** : Surcharge on certain taxes and duties for purposes of the Centre.
- Taxes levied and collected and retained by the states.

Distribution of Non-Tax RevenuesThe Centre

- Posts and telegraphs; Railways.
- Banking, Broadcasting, Coinage and Currency; Central public sector enterprises;
- Escheat and lapse.

The States

- Irrigation; Forests, Fisheries.- State public sector enterprise; escheat and lapse

Grants - in - Aid to the States**2****I. Statutory grants :**

- Article 275 empowers Parliament to make grants to the States in need of financial assistance.
- Different sums may be fixed for different states; charged on Consolidated Fund of India.

II. Discretionary grants :

- Article 282 empowers Centre and State to make grants for any public purpose.- H a v e two-fold purpose,
- to help the State financially to fulfil plan targets
- to give leverage to the Centre to influence & coordinate state action to effectuate national plan.

III. Other grants

- Temporary period, For export duties on jute and jute products to Assam, Bihar, Orissa, WB.

- It were to be given for ten years from the Commencement of the constitution

Goods and Services Tax Council**1**

- The goods and services tax (GST - requires a co-operation and co-ordination between the Centre and the States).
- Article - 279 A empowered the President to constitute a GST council by an order.
- The Council is a joint forum of the Centre and the States.

Finance Commission**2**

- Article 280 provides for a Finance Commission as a quasi-judicial body-Constituted by the President every 5th year or earlier
- Following matters are required to make recommendations to the President,
 1. Distribution of the net proceeds of taxes shared between the Centre and the States
 2. Principles which should govern the grants-in-aid to the states by the Centre.
 3. Measures needed to augment the Consolidated fund of a state to supplement the resources of the Panchayats and the municipalities
 4. Any other matter referred to it by the President in the interests of sound finance.

Protection of the States' Interest**1**

- Following bills introduced in the Parliament only on Presidents' recommendation.
- Bill which imposes or varies any tax or duty in which states are interested.
- Bill which varies the meaning of the expression 'agricultural income' for the purpose of the enactments relating to Indian income tax.
- Bill which affects the principles on which moneys are or may be distributable to States-Bill which any surcharge on any specified tax or duty for the purpose of the Centre.

Borrowing by the Centre**1**

- Central Government can borrow either within India or Outside upon the security of the Consolidated Fund of India or can give guarantees.
- Limits fixed by the Parliament.

Borrowing by State Government**0.5**

- can borrow within India upon the security of the consolidated Fund of the State or can give guarantees within limits fixed by the legislature that state.

- Central Government can make loans to any State or give guarantees.
- Sums are to be charged on Consolidated Fund of India
- State cannot raise any loan without the consent of the Centre

Conclusion 0.5

- Thus India follows a federal shape in which the powers are shared among each centre and the states. It's also stated that India follows a quasi-federal shape in which the central government enjoys greater powers over the states.
- The financial resources that have been positioned at the disposal of the state are so meager that they've to look up to the Union Government for subsidies and contributions.

3) Explain the steps taken to promote e - governance in the governance of the nation.

Origin of E-Governance 0.5

- the establishment of the **Department of Electronics in 1970**
- National Informatics Centre (NIC) established in 1977, launched the District Information System program to computerize all district offices in the country
- The main thrust for e-governance was provided by the launching of NICNET in 1987 – the national satellite-based computer network.

Evolution of E - Governance 2

- A National Task Force on Information Technology and Software Development was set-up in 1998.
- The Ministry of Information Technology was created at the Centre in 1999.
- In the year 2000, a 12-point minimum agenda for e-Governance was identified for implementation in all the central ministries and departments.
- The Information Technology Act, 2000 was enacted.
- The first National Conference of States, IT Ministers was organised in the year 2000, for arriving at a Common Action Plan to promote IT in India.
- The National Institute for Smart Government (NISG) was set-up at Hyderabad in the year 2002.

Initiatives taken by State Governments 4

- The State Governments launched e-Governance projects like

1. e-Seva (Andhra Pradesh)

- tool to bridge the digital divide and has used. ICT for providing access to citizen-to-citizen (C2C) & citizen-to-government. (C2G) services to the people living in rural areas

2. Bhoomi (Karnataka)

- digitize all land records in the state to prevent corruption and manipulation of data

3. Gyandoot (Madhya Pradesh)

- providing useful information to people in rural areas, and also to act as an interface between the district government and ordinary people

4. Lokvani (Uttar Pradesh)

- provide a single window, self sustainable e-Governance solution with regard to handling of grievances, land record maintenance and providing a mixture of essential services.

5. FRIENDS (Kerala)

- Single window facility where citizens can make allgovt related transactions with ease & comfort without waiting in long queues.

6. e-mitra (Rajasthan)

- quick and convenient delivery of citizen services

NeGP(National e-Governance Plan) 2

- **Launched in-** 2006.
- **MMP** - 27 mission Mode Projects (MMPs) and 8 support components.
- Later, in 2011, 4 more projects (health education, PDS and posts) were introduced.
- Kranti :National e-Governance Plan 2.0 in 2015 under the Digital India Programme, 13 new MMPs were included.
- These are e-Sansad, e-Vidhaan, Financial Inclusion, Roads and High-ways Informtion System (RAHI), Agriculture 2.0, National Geographical Information System (NGIS), etc.

e-Kranti

- National e-Governance Plan 2.0 contains 44 MMPs and 8 support components.
- These 44 MMPs are further classified as
 1. central MMPs (13)
 2. state MMPs (17)
 3. integrated MMPs(14).

National Policy on Open Standards for e-Governance 1

- notified in November 2010.
- **Aim** - It provides a set of guidelines for the consistent, standardised and reliable implementation of e-Governance solutions.

National Policy on Information Technology (NPIT)

- **Approved in** - 2012. **1**
- **Aim** - focuses on deployment of ICT (Information and Communication Technology) in all sectors of the economy and providing IT based solutions to address citizen centric issues.

National Cyber Security Policy **1**

- **Adopted in** - 2013.
- **Aim** -The vision of the policy is to build a secure and resilient cyberspace for citizens, businesses and government.

Digital India(2015) **1**

- It is an umbrella program to prepare India for a knowledge-based transformation.
- It weaves together a large number of ideas and thoughts into a single comprehensive vision so that each of them is seen as part of a larger goal.
- It has been launched by the Ministry of Electronics and Information Technology (Meity).

Vision Areas

- Digital infrastructure as Utility to Every Citizen-Governance and services on demand-Digital empowerment of citizens

Initiatives of digital India **2**

- 1. MyGov**
 - It aims to establish a link between Government and Citizens towards meeting the goal of good governance
- 2. DigiLocker**
 - platform to enable citizens to securely store and share their documents with service providers who can directly access them electronically
- 3. e-Hospital Online Registration Framework**
 - facilitate the patients to take online OPD appointments with government hospitals.
- 4. National Scholarship Portal**
 - centralized platform for application and disbursement of scholarship to students under any scholarship scheme.
- 5. DARPAN**
 - online tool that can be used to monitor and analyze the implementation of critical and high priority projects of the State
- 6. PRAGATI**
 - robust system for bringing e-transparency and e-accountability with real-time presence and

exchange among the key stakeholders which was launched in 2015

Conclusion **0.5**

- e-Governance is getting momentum in India, but public awareness and the digital divide are important issues to be addressed.
- The success of e-Governance measures largely depends on the availability of high-speed internet, and the nation-wide roll-out of 5G technology in the near future will strengthen our resolve.

4) List out the various benefits of e-governance?

Benefits of e-Governance **12**

- 1. Better delivery of government services to citizens**
 - essential for **disseminating the many benefits of economic growth brought about by digitalization to all segments of society.**
 - Government activities could be turbocharged through a combination of technology and citizen centricity to achieve a safer, more efficient, and sustainable society
 - eg - e-seva, e- district etc
- 2. Improved interactions with business and industry**
 - Procurement of goods and services have become directly dependent on the use of IT where several procurement measures used are in relation to G2B Sector-eg - e-tender
- 3. Citizen empowerment through access to information**
 - Enhance the Digital literacy among citizens and Helps them to avail the services with ease and affordability-eg - National Scholarship portal, CSC 2.0
- 4. More efficient government management**
 - The effectiveness of government is measured by the quality of its interactions with citizens.
 - The processing of paperwork in a traditional government system is a difficult task which consumes a lot of resources
 - time spent on paperwork does not create much value for citizens. This issue becomes even more relevant when we consider the fact that citizens are demanding more from public services.
 - By the establishment of a centralised point of communication through e-government, governments can achieve high operational efficiency.
 - eg -NeGP

5. Less corruption in administration

- E- Governance may be defined as an anti-corruption tool to make easier and recover democratic government and business through use of electronic means in the interaction between citizens and government and businesses and government and also in internal government operations
- eg - E-DISHA, Customs Online, Bhoomi etc

6. Increased transparency in administration

- E-governance helps in building trust between governments and citizens, an essential factor in good governance by using internet-based strategies to involve citizens in the policy process, illustrating government transparency and accountability
- eg- Direct benefit transfer

7. Greater convenience to citizens and business.

- Citizens get government services in a more convenient manner
- eg - PayGov which facilitates online payments to all public and private banks.

8. Cost reductions and revenue growth

- with the new innovation called cloud solutions, which helps governments realise substantial savings from the previously needed expensive IT infrastructure and its related high maintenance costs the cost of government is greatly reduced

9. Increased legitimacy of government

- E governance improves services through better understanding of citizens' requirements, thus aiming for seamless online services.
- This increases the legitimacy of government
- eg - institutionalization of India's Unique Identification (UID) project.

10. Greater citizen participation in the governance process

- Through MyGov the citizens can participate in governance & policies

11. Inclusive Governance

- transformation of the Indian e-Governance systems into e-inclusive systems involve
1. network connectivity (information infrastructure) and e-readiness;
 2. user-friendly interface with appropriate navigation tools and content in native language;
 3. management optimisation;

4. introduction of CIOs to analyse, design, develop, implement and evaluate the e-Governance systems;
5. promotion of e-Governance with effectual monitoring and evaluation procedures

12. Improved service quality

- E-governance has improved the service quality
- eg - Mobile seva, Computerisation of land records

5) Discuss about Tamil Nadu e- Governance Agency (TNeGA) and explain its infrastructure to develop the e-governance ecosystem?

Tamil Nadu e- Governance Agency (TNeGA) 1

- The Tamil Nadu e- Governance Agency is an autonomous body registered under the Tamil Nadu Associations Registration Act, 1975.
- TNeGA stands out as a primary organisation which implements all the e-seva schemes of Tamil Nadu.

Infrastructure to develop E - governance ecosystem 12

1. Tamil Nadu State Wide Area Network (TNSWAN)

- The State Wide Area Network (TNSWAN) has been identified as a key component of the National e-Governance Plan.
- The Central Government has laid down the guidelines for this project and has also provided partial assistance to the State Governments.
- Approved by the Central Government in April 2005.

a) Vertical Network

- The following services are being provided to the Vertical Link Government Departments
- Secure Intranet Services
- Secure Internet Services.
- Close User Group Voice Services
- Video Display Services

b) Horizontal connection

- Issued to 2000 Government Offices.

c) Redundant Connection

- The proxy link is provided to the Districts, Governor's Offices, Regional Development Offices and Governor's Offices through the bandwidth provided by NKN / BSNL.

2. Broadband Connection / Internet Leasing Connection

- Tamil Nadu e Governance Company is providing internet connection at the lowest cost to Government Offices.

- So far about 25,000 government offices, including schools, have been provided with broadband connectivity.

3. Tamil Nadu State Data Center (TNSDC)

- In the Tamil Nadu State Data Center, according to Tamil Nadu Health Systems Project, 39 Government departments' usage data has been uploaded.
- Currently, as per the requirements of government departments, Elcot is in the process of expanding the Tamil Nadu State Database with 21 additional server layers.

4. Computer Server Farm

- A computer server farm is set up at the Tamil Nadu State Data Center with hardware, software, and test equipment to provide general features such as data loading neutrality, antivirus (Anti-Virus) and firewall when government departments upload their application software.

5. National Knowledge Network (NKN)

- The National Knowledge Network is a national high speed network established by the Central Government.
- The National Intelligence Network provides a common platform for scientists, researchers, physicians, scholars and students, in collaboration with Indian and global educational institutions to work for human resource development.

6. Disaster Recovery Center and Nearby Disaster Recovery Center

- Disaster related disasters such as tsunamis, earthquakes and floods pose a challenge to the protection of state data centers.
- Therefore, it is essential to set up a Disaster Recovery Center for the uninterrupted operation of government services.
- Tamil Nadu e- governance agency has been appointed as the implementing agency for the construction of the Disaster Recovery Center.

7. Cloud Computing Set up at TNSDC

- Cloud Computing is installed by CDAC with the infrastructure located at the State Data Center.
- Data for the Saree and dhoti distribution program has been uploaded to this cloud system and it is in public use.

- In addition, the ERP-FMS of Tamil Nadu Electronics Company has been upgraded and is in use.

- Tamil Nadu Electricity Laboratory, Museum e-book, e-learning and e-office applications of Tamil Nadu e-Governance Agency are being implemented.

- ELCOT is in the process of setting up a complete cloud with the financial assistance of the Central and State Governments.

8. Email package

- Email package is very important for electronic functioning in government departments.
- About 3100 emails have been generated for the use of the General Secretariat officers and departments, district wise departmental officers, legislators and MPs.

Recent initiative by TNeGA**2****1. e-Munnetram**

- Launched by Honourable CM Mr.MK Stalin in 2021
- to review the progress of all major infrastructure project in Tamilnadu.
- The portal would capture the key details of project including the date of assessment, estimated cost , when the project begins, progress on financial & physical parameters on monthly basis.

2. IT Nanban

- It is an interactive platform for IT/ITES industry in the state to be aware of various government tenders that are floated for procuring services of the industry

6) Highlights the salient features of TamilNadu government budget 2022 - 23.**Introduction****15**

- The Finance Minister of Tamil Nadu, Dr. Palanivel Thiaga Rajan, presented the Budget for the state for the financial year 2022-23 on March 18, 2022.
- Revenue Deficit by over Rs.7,000 crore, reversing an alarming trend of increasing deficits every year since 2014 is assured
- significant reduction of the Fiscal Deficit, from 4.61% down to 3.80% even during such a challenging year

Initiative taken in 2022 - 23 Budget:1. Mudalvarin Mugavari

- "Mudalvarin Mugavari" was created by integrating Ungal Thoguthiyil Mudhalamaichar Department with CM Cell to

promptly resolve public grievances and fulfilling their needs.

- So far, 10,01,883 grievances have been resolved by this Department

2. Tamil Development and Culture

- Tamil Development and Culture With a view to establishing the relationship between the Tamil language and the Indo-European language family, a committee of Tamil etymologists will be formed to prepare an etymological dictionary.
- For this project, an amount of Rs.2 crore rupees has been allocated in this Budget

3. Excavations:

- excavations will be carried out in seven more places including three sites at Thoolookarpatti in Tirunelveli district, Vembakottai in Virudhunagar district and Perumbalai in Dharmapuri district during this year.
- Further, archaeological explorations are being carried out in order to find new Stone Age sites in five districts and archaeological sites along the Porunai river.
- During this year, a preliminary reconnaissance will be done in collaboration with the Indian Maritime University and NIOT to identify a suitable location for deep-sea excavation at Korkai, a Sangam era port of the Pandya Kings.
- The works for excavation in seven sites, archaeological exploration in two sites and for preliminary works in Korkai will be undertaken at a cost of Rs. 5 crore

4. On Site Museum

- This year, new museums will be built in Villupuram and Ramanathapuram districts at an estimated cost of Rs.10 crore.
- tribal on-site museum at Courtallam in Tenkasi district, -the pre-historic on-site museum at Poondi in Tiruvallur district
- Hero-Stone on-site museum in Dharmapuri district will be upgraded at an estimated cost of Rs.10 crore.
- To preserve heritage public buildings in the State, a special allocation of Rs.50 crore has been made

5. Land survey

- The Government is taking every effort to retrieve and protect Government lands, including water bodies from encroachments.

- An amount of Rs.50 crore is provided in this Budget as a special fund for this purpose. with the application of CORS

6. Disaster Management:

- An Advisory Committee had been set up to make suitable recommendations to prevent damages caused by floods in Chennai city and budget allocated is Rs 1000 crore in 1st phase
- The sudden floods which happened in Chennai recently have underscored the need to upgrade 'Disaster Early Warning Systems' to accurately predict the weather.It can be done with super computers, a system of weather balloons, two weather radars, 100 automatic weather stations, 400 automatic rain gauges and 11 automatic water level instruments and budget allocated is Rs.10crore

7. Pension:

- An amount of Rs.4,816 crore has been provided in the Budget for the various social security pension schemes such as Old Age Pension, Destitute Widow Pension and Pension for Differently Aabled

8. Administration of justice

- The Government has sanctioned the constitution of seven commercial courts exclusively for settlement of commercial disputes in the current financial year at Rs.1461.97 crore

9. School Education

- The flagship remedial education programme of this Government "Ilam Thedi Kalvi", launched to bridge the learning losses among children due to closure of schools for the last two years because of the pandemic, is being implemented by 1.8 lakh volunteers in 38 districts across the State.
- This is a pioneering project in the country, which benefits 30 lakh students.

10. Higher Education

- This Government has a vision to create a knowledge economy by further developing the skilled human resources of the State.
- As part of this vision, A Knowledge City will be developed through international collaboration.
- This city will have branches of world-renowned universities with research and development hubs, skill training centres and knowledge-based enterprises.

11. Naan Mudhalvan

- The primary objective of the 'Naan Mudhalvan' programme, the dream project of the Hon'ble Chief Minister is to produce five lakh accomplished youth every year by enhancing their level of education, knowledge, intellect, motivation and skill at Rs.50 crore

12. Chess Olympiad

- The chess Olympiad is the most prestigious competition in the field of chess.
- 2000 top players from 150 countries are set to participate in this event.
- This event will be a turning point for the sports sector in Tamil Nadu.
- An allocation of Rs.293.26 crore has been made to the Youth Welfare and Sports Development Department in this Budget.

13. Public Health

- the Government has decided to upgrade 19 Government hospitals into new District Headquarter Hospitals.
- This will include the six newly created districts and these hospitals will be upgraded at a cost of Rs. 1,019 crore.

14. Social welfare

- Moovalur Ramamirtham Ammaiyar Memorial Marriage Assistance Scheme is being transformed as the Moovalur Ramamirtham Ammaiyar Higher Education Assurance Scheme.
- All girl students who studied from Classes 6 to 12 in Government schools will be paid Rs.1,000/- per month directly into their bank account till the uninterrupted completion of their undergraduate degree, diploma and ITI courses benefitting 6 lakh girl students per year

15. Transport

- Free bus service to women, the share of women passengers has increased from 40 per cent to 61 per cent. The scheme has had a huge impact on the socio-economic status of women.
- In the Budget, Rs.1,520 crore will be provided as subsidies towards free bus travel for women, Rs.928 crore as subsidy for student concession in bus fare and Rs.1,300 crore as diesel subsidy.

16. Micro, Small and Medium Enterprises (MSME)

- There are numerous clusters of micro enterprises across the State.
- With a view to helping such clusters, the Government will launch a new "Micro Cluster Development Programme".
- In the Budget, an amount of Rs.911.50 crore has been allocated to the Micro, Small and Medium Enterprises Department.

17. Industries

- To achieve the export target of \$ 100 billion in Tamil Nadu by 2030, the Hon'ble Chief Minister unveiled the Tamil Nadu Export Promotion Strategy in September 2021.
- A special fund of Rs. 100 crore will be created to build the required public infrastructure for export organizations in Tamil Nadu.
- In the Budget, Rs.3,267.91 crore has been allocated to the Industries department.

18. Startup

- The Government will contribute Rs.50 crore to the Emerging Sector Seed Fund for making equity investments in Tamil Nadu based startups.
- The Tamil Nadu Startup and Innovation Mission (TANSIM) will set up Regional Startup Hubs in Erode, Madurai and Tirunelveli to ensure the development of startup ecosystem in all regions across Tamil Nadu.

19. Information Technology

- The Government recognizes the importance of emerging technologies like Artificial Intelligence, Machine Learning and Blockchain.
- The Government will set up the i-Tamil Nadu Technology (iTNT) hub at a cost of Rs.54.61 crore in Chennai

20. Rural Development

- In order to expedite the completion of 1,77,922 houses sanctioned during 2016-20 under the Pradhan Mantri Awas Yojana (Rural), the State Government is providing a total amount of Rs.1,68,000 per house including Rs.70,000 as additional roofing cost.
- In addition, 2,30,788 new houses have been sanctioned during the current year. For this, Rs. 4,848 crore has been allocated in this Budget.
- The objective of Anaithu Grama Anna Marumalarchi Thittam-II is to bridge the

infrastructural deficit in villages and to usher a multi-faceted development.

- In the coming year, this scheme will be implemented in 2,657 village panchayats at a cost of Rs.1,455 crore.

21. Municipal Administration

- The Government will implement Swachh Bharat Mission 2.0 (SBM-2.0) with the assistance from Union Government to ensure total sanitation including solid waste management.
- An amount of Rs.5,465 crore has been provided for this purpose which includes the State share of Rs 2,169 crore-These are the highlights of TN budget 2022-23

7) What is annual Financial Statement? Write about the various stages of budget in the Parliament.

Introduction 1

- Annual financial statement - Article 112-The term 'budget' has nowhere been used in the Constitution.
- Budget is an estimated receipts and expenditure of Govt. of India in a financial year (1 Apr-31 March)

Budget contains 1

- It is an estimates of revenue & capital receipts
- Ways & means to raise the revenue
- Estimates of expenditure
- Details of actual receipts & expenditure of the closing financial year.

Two Budgets 1

- Till 2017, the Government of India had two budgets.
- Railway Budget & General Budget
- Railway Budget Separated from General Budget in 1921 (Acworth Committee) then presentation 1924-1925

Reasons for Separation 1

- To introduce flexibility in railway finance
- To facilitate railway approach to railway policy
- To secure stability of general revenues by assuring annual contribution from railway revenues

Constitutional Provisions 1

- President lays a statement of receipts and expenditure for that year to both houses of parliament.
- No demand for a grant shall be made except on recommendation of President.

- No money shall be withdrawn from consolidated fund of India except under appropriation made by law.
- No tax shall be levied or collected except by authority of law.
- Parliament can reduce or abolish a tax but cannot increase it.

Two types of Expenditure 1

1. 'Charged' upon Consolidated fund of India
2. 'Expenditure made' from Consolidated fund of India

1. 'Charged' upon Consolidated fund of India

- Non votable by Parliament- Discussed by Parliament

List of charged Expenditure

- Emoluments & allowances of President & other allowance relating to his office.
- Salaries & allowances of Chairman & Deputy Chairman of Rajya Sabha Speaker & Deputy Speaker of Lok Sabha, Judges of Supreme Court, High Court etc.
- Salaries, allowances and pensions of the judges of the Supreme Court, Comptroller and Auditor General and pensions of High court judges.

2. 'Expenditure made' from Consolidated fund of India

- Votable by Parliament

Stages in enactment - 6 stages 9

1. Presentation of Budget
2. General Discussion
3. Scrutiny by departmental committees.
4. Voting on demands for grants
5. Passing of appropriation bill
6. Passing of finance bill

1. Presentation of Budget

- Before 2017 - Budget is presented to Lok Sabha on the last working day of February.
- Since 2017 - Presented on the First day of February.

 1. Presented to Lok Sabha
 2. By Finance minister

 - Finance Minister presents the Budget with a speech known as the 'budget speech' Budget speech is in two parts,
 - Part A constitute a general economics condition of the country
 - Part B relates to taxation proposals
 - There shall be no discussion of the budget on the day.

- At the end of the speech in the Lok Sabha, the budget is laid before the Rajya Sabha.
- Can only discuss it and has no power to vote on the demands for grants.

2. General Discussion

- The general discussion on budget begins a few days after its presentation.
- Takes place in both houses
- Lasts for 3 to 4 days.
- Only discussion neither cutmotion nor vote

3. Scrutiny by Departmental Committees

- After general discussion, Houses are adjourned for 3 to 4 weeks.
- 24 departmental standing committees examine & prepare reports.
- Standing committee - Established in 1993

4. Voting on demands for Grants

- The demands are presented ministry wise.
- A demand becomes a grant after it has been duly voted.
- Exclusive privilege of Loksabha
- The Rajya Sabha has no power of voting the demands.
- The expenditure charged on the Consolidated Fund of India is not submitted to the vote.
- They can move motions to reduce any demand for grant.
- Such motions are called as 'cut motion', which are of three kinds.

Cut Motion

Policy cut motion

- It states that the amount of the demand be reduced to Re. 1

Economy cut motion

- It states that the amount to the demand be reduced by a specified amount.

Token cut motion

- It states that the amount of the demand be reduced by Rs. 100
- Members of parliament move motion to reduce any demand for grant.
- 26 days are allotted

- On the last day, the Speaker puts all the remaining demands to vote and disposes them whether they have been discussed by the members or not.

- This is known as 'guillotine'

5. Passing of Appropriation Bill

- No money can be withdrawn from consolidated fund of India except appropriation made by law.
- The Appropriation Bill becomes the Appropriation Act after it is assented to by the President.
- This act authorises (or legalises) the payments from the Consolidated Fund of India.

'Vote on Account'

- The enactment of Appropriation Bill usually goes on till the end of April.
- But Government need money just after March 31-Lok sabha can grant in advance estimated expenditure for financial year. When the Voting & enactment of bill are pending.
- It is passed (or granted) after the general discussion on budget is over.
- It is generally granted for two months for an amount equivalent to one-sixth of the total estimation.

6. Passing of Finance Bill

- To give effect to financial proposals of Government
- It is subjected to all the conditions applicable to a Money Bill.-Must assent within 75 days.
- By President
- Thus the bill becomes an Act.

8) Elaborate on Information Technology Rules 2021 of Tamilnadu government. 1

- Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021 deals with social media and over-the-top (OTT) platforms.
- These rules are based on Section 87(2) of the IT act.

New Guidelines for Social Media/Intermediaries:

6

1. Categories of Social Media Intermediaries:

- Based on the number of users, on the social media platform intermediaries have been divided in two groups:
- Social media intermediaries.
- Significant social media intermediaries.

2. Due Diligence to be Followed by Intermediaries

- In case, due diligence is not followed by the intermediary, **safe harbour provisions** will not apply to them.
- The safe harbour provisions have been defined under Section 79 of the IT Act, and protect social media intermediaries by giving them immunity from legal prosecution for any content posted on their platforms.

3. Grievance Redressal Mechanism is Mandatory

- Intermediaries shall **appoint a Grievance Officer** to deal with complaints and share the name and contact details of such officers.
- Grievance Officer shall acknowledge the complaint within twenty four hours and resolve it within fifteen days from its receipt.

4. Ensuring Online Safety and Dignity of Users

- Intermediaries shall remove or disable access within 24 hours of receipt of complaints of contents that exposes the private areas of individuals, show such individuals in full or partial nudity or in sexual act or is in the nature of impersonation including morphed images etc.
- Such a complaint can be filed either by the individual or by any other person on his/her behalf.

5. Additional Due Diligence for the Significant Social Media Intermediaries

- Appointments: Need to appoint Chief Compliance Officer, a Nodal Contact Person and a Resident Grievance Officer, all of whom should be resident in India.

- Compliance Report: Need to publish a monthly compliance report mentioning the details of complaints received and action taken on the complaints as well as details of contents removed proactively.

6. Removal of Unlawful Information

- An intermediary upon receiving actual knowledge in the form of an order by a court or being notified by the Appropriate Govt. or its agencies through authorized officer should not host or publish any information which is prohibited under any law in relation to the interest of the sovereignty and integrity of India, public order, friendly relations with foreign countries etc.

Rules for News Publishers and OTT Platforms and Digital Media

7

1. Self-Classification of Content

- The OTT platforms, called as the publishers of online curated content in the rules, would self-classify the content into five age based categories - U (Universal), U/A 7+, U/A 13+, U/A 16+, and A (Adult).

2. Parental Lock

- Platforms would be required to implement parental locks for content classified as U/A 13+ or higher, and reliable age verification mechanisms for content classified as "A".

3. Display Rating

- Shall prominently display the classification rating specific to each content or programme together with a content descriptor informing the user about the nature of the content
- enabling the user to make an informed decision, prior to watching the programme.

4. For Publishers of News on Digital Media

- They would be required to observe Norms of Journalistic Conduct of the Press Council of India and the Programme Code under the Cable Television Networks Regulation Act 1995 thereby providing a level playing field between the offline (Print, TV) and digital media.

5. Grievance Redressal Mechanism

- A three-level grievance redressal mechanism has been established under the rules with different levels of self-regulation.

1. **Level-I:** Self-regulation by the publishers;
2. **Level-II:** Self-regulation by the self-regulating bodies of the publishers;
3. **Level-III:** Oversight mechanism.

6. Self-regulation by the Publisher

- Publisher shall appoint a Grievance Redressal Officer based in India who shall be responsible for the redressal of grievances received by it.
- The officer shall take decision on every grievance received by it within 15 days.

7. Self-Regulatory Body

- There may be one or more self-regulatory bodies of publishers.
- Such a body shall be headed by a retired judge of the SC, a High Court or independent eminent person and have not more than six members.

- Such a body will have to register with the Ministry of Information and Broadcasting.
- This body will oversee the adherence by the publisher to the Code of Ethics and address grievances that have not been resolved by the publisher within 15 days.

8. Oversight Mechanism

- Ministry of Information and Broadcasting shall formulate an oversight mechanism.
- It shall publish a charter for self-regulating bodies, including Codes of Practices. It shall establish an Inter-Departmental Committee for hearing grievances.

Conclusion**1**

- Thus on the effect of IT rules 2021, social media companies like Facebook and Twitter are mandated to appoint India-based resident grievance officers as part of their due diligence as 'intermediaries' who enjoy legal immunity from third-party content on their platform.

**“STAY POSITIVE, WORK HARD;
MAKE IT HAPPEN.”**



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