

PRESS RELEASE

Text of the D.O. letter dated 25.3.2020 of **Thiru Edappadi K. Palaniswami**, Hon'ble Chief Minister of Tamil Nadu addressed to **Shri Narendra Modi**, Hon'ble Prime Minister of India

“I commend and congratulate you on the bold and decisive measures that you have taken in order to combat the COVID-19 pandemic and to protect India and all Indians from the deadly virus. Tamil Nadu had already announced and implemented a lockdown with effect from 6 pm on 24th March, 2020 and the State Government and its machinery has been fully geared to implement the lockdown effectively, while ensuring availability of essential requirements and services. The Government of Tamil Nadu is determined to stand firm with the Government of India to protect the country from the consequences of this virus pandemic.

I also thank you for having announced a special allocation of Rs 15,000 crore to strengthen health infrastructure including creation of isolation facilities, provision of ventilators and personal protective equipment (PPE) to combat the pandemic. I had already announced a package measures to strengthen the health infrastructure in Tamil Nadu. Tamil Nadu has earmarked 10,000 beds in isolation wards both in Government and Private hospitals to treat COVID-19 patients throughout the state. We have scaled up procurement of requisite medical equipment including ventilators, hospital beds and PPE, drugs and medicines and deployment of health human resources. Tamil Nadu is vulnerable to this virus, because of the large number of international passengers who transit through the four international airports and four major ports in the State and as it also adjoins States where the outbreak has been initially more severe. Hence, while immediate measures have been taken, we will need to prepare for a significantly higher case load in the coming weeks and months. Substantially more resources are needed to face the projected number of cases effectively, including through the establishment of isolation hospitals, quarantine centres, supply of hospital equipment including hospital beds, ventilators and PPE, medicines and testing kits and disinfection equipment and chemicals. Further, private hospitals also would need to be equipped and their services utilized to treat patients free of cost. Extensive sanitation and disinfection measures would need to be undertaken. Hence I request an allotment of Rs. 3000 crores for the augmentation and strengthening of the health infrastructure and for essential equipment, medicines and for preventive public health measures at this crucial juncture.

Further, the lockdown for 21 days will add to the huge strain that the economy of the State has already been put under. I announced an immediate relief package of Rs 3,280 crore for the State including supply of free ration commodities for the month of April and Rs 1000 per family for loss of wages, in the aftermath of the proposed lockdown till March 31, 2020. Now that the lockdown will be extended by two more weeks, the impact on the poorest and daily wage workers will be the most as they face an immediate loss of livelihood and have very limited savings to face the adversity. Further, many businesses, especially the MSMEs are also facing a very difficult situation and would face collapse without adequate and timely support. Hence, we eagerly await the announcement of the economic and financial relief package. In this context, I would like to place before you the following specific relief measures for Tamil Nadu:

1. Workers dependent on MGNREGA wages have been put to considerable hardship. Our monthly MGNREGA wage bill in Tamil Nadu is Rs 400 crore. Although some types of small works have been permitted, it is expected that at least 50 per cent of the wage employment would be lost. To relieve their hardship I request that at least Rs 500 crore be released as a special allocation to pay 50 per cent wages for the wage employment lost in the months of March, April and May, 2020.
2. On the unorganized labour front we have approximately 12 lakh construction workers and 15 lakh workers in the other unorganized sector, who would be facing undue hardship during this lockdown period. I have announced a special package of Rs 1000 along with 15 kg of rice, and 1 kg each of dhall and oil supplied free of cost. However, we would need more support for the wage loss which is now likely for a longer period of at least two more weeks. I request you to allot a sum of Rs 500 crores to provide a special wage loss and relief package for unorganized sector workers in the State to help them overcome their immediate hardships.
3. Supply of PDS commodities to the members of the public in general also needs to be continued for two more months at least. Hence, we request that the stocks of food grains available with FCI are released to the States and to Tamil Nadu at the BPL rates for the entire allotment of the States to enable us to supply food and essential articles to all ration card holders in the State during this distress period.
4. In addition, a large number of industries and businesses, especially MSMEs face considerable loss of production and of markets. Cash flows are heavily constrained making it very

difficult for them to meet their tax, statutory dues payment, and bank loan interest payment and loan repayment obligations. Hence, I request that as a special measure, bank loan repayments can be rescheduled at least for two quarters, without treating them as NPAs. Interest and penalties can be waived for the two quarters. The working capital loans to all industries and businesses can be enhanced by 50 per cent without seeking any additional collateral from the enterprises.

5. In this unprecedented situation, Government's revenues have also taken a hit and the expenditure needs have risen considerably. Hence, as a one-time measure, I request that the fiscal deficit limits of 3 per cent of GSDP may be relaxed for the financial years 2019-20 and 2020-21. Further, additional borrowing of 33 per cent above the level permitted for the fiscal year 2019-20 may be allowed for 2020-21 to enable the States to meet the additional expenditure requirements.

Keeping in view the urgency of the tasks on hand to meet the challenges of tackling the COVID 19 pandemic and to support the Government of Tamil Nadu financially, as it takes massive preventive operations and relieve the considerable hardship placed on the poor, I request you urgently consider my request for special assistance of Rs 4000 crore and related financial relief measures expeditiously."

Issued by: Director, Information and Public Relations, Chennai-9.