

Press Release

Meeting of Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa with Shri Arun Jaitley, Union Minister of Finance, Corporate Affairs, Information & Broadcasting on 20.12.2015

The Hon'ble Chief Minister Selvi J Jayalalithaa met the Union Minister of Finance, Corporate Affairs and I & B Shri Arun Jaitley in the Secretariat, Chennai today (20.12.2015).

The Hon'ble Chief Minister apprised the Union Finance Minister of the calamity of unprecedented magnitude that struck the coastal Districts of Tamil Nadu including the city of Chennai, Kancheepuram, Tiruvallur and Cuddalore. The Hon'ble Chief Minister also mentioned that there been rain damages in other Districts including Thoothukudi and Tirunelveli. Although the State Government machinery had taken all the necessary advance precautionary and preparedness measures under the Hon'ble Chief Minister's instructions, the unprecedented, mammoth adversity necessitated financial and logistic assistance from the Government of India. The Hon'ble Chief Minister thanked the Hon'ble Prime Minister and the Union Finance Minister for the timely

release of Rs.1000 crores from the National Disaster Response Fund on 3rd December, 2015 recognizing the floods as a “calamity of a severe nature”.

The Hon’ble Chief Minister emphasized that Tamil Nadu’s requirements are much larger and that the Government was preparing a supplementary Memorandum detailing the devastation caused after 23rd November, 2015 when the first Memorandum estimating our requirements at 8,481 crore rupees was presented, which will be ready shortly.

The Hon’ble Chief Minister requested that in the meantime, considering the severity of the devastation, a further on account release of Rs.2000 crores, may be sanctioned immediately to enable the State Government to sustain the vigour of the restoration operations.

The Hon’ble Chief Minister highlighted certain critical areas where Tamil Nadu keenly looked forward to the Central Government’s support. Rehabilitating the 50,000 families who live along the city’s waterways – Adyar, Cooum and Buckingham Canal and who have lost their homes by providing alternative housing is the highest priority of the Government of Tamil Nadu. Out of these 50,000 families, the Government of Tamil Nadu would be able to accommodate 25,000

families in tenements already constructed and under construction by the Tamil Nadu Slum Clearance Board. The resettlement of these 25,000 families is to commence within 2 weeks and completed in phases within a year. Until such time that these families move to alternative housing, the State Government will provide temporary housing at its own cost. For the remaining 25,000 families, and for a further 25,000 families residing in the vicinity of other water courses and water bodies in Chennai city and its suburban areas, affected in the recent flooding Tamil Nadu has prepared a special project which will need **total funding of Rs.5,000 crores. The Hon'ble Chief Minister reiterated the request made to the Prime Minister to approve financing for this massive housing project as a special scheme by providing a special dispensation, considering the magnitude of the devastation.**

The Hon'ble Chief Minister recalled the request made in a letter written to the Prime Minister on 9.12.2015 that the **insurance companies be directed to take up the survey and settlement of the claims of flood affected families on a campaign mode, following a summary procedure, and with a liberal application of the norms so that such households could receive insurance payments early. In the letter, the Hon'ble Chief Minister** had

also suggested that as **a special measure, the banks may be directed to provide a limited moratorium on repayment, as well as a rescheduling of the loans, which would lower the Equated Monthly Instalment (EMI) payments and offer a measure of relief to the flood affected households**

The Hon'ble Chief Minister highlighted the specific request made in the letter to the Prime Minister that **as a special case soft loans for purchase of vehicles, educational loans to fund education of children and personal loans for an amount of up to Rs.5 lakhs may be offered by Banks to enable flood affected families to purchase some personal effects** and restart their lives. **The State Government has also separately taken up these issues at the State Level Bankers Meeting.**

The Union Finance Minister indicated that the Government of India is reviewing the measures to be implemented by the banks and the insurance companies. The insurance companies had informed the Union Finance Minister that about 11,000 general insurance claims have been made so far which will be settled within four weeks. The Hon'ble Chief Minister indicated that since many families are still coming to terms with the magnitude of the disaster many more claims would pour in. The Hon'ble Chief Minister nominated the Principal

Secretary, Finance to co-ordinate with the insurance companies on the issue and mentioned that the State Government would help to organise special camps to enable affected families to file insurance claims.

Based on the request made by the Hon'ble Chief Minister to extend soft loans to flood affected families on a campaign mode, the Union Finance Minister mentioned that loans would be extended under the MUDRA scheme to flood affected families on a mission mode. This again would be co-ordinated with the State Government through the State Level Bankers Committee.

The Union Finance Minister also assured that the remaining requests of the Government of Tamil Nadu would be examined expeditiously by the Government of India and necessary sanctions issued.

Thiru O Panneerselvam, Minister for Finance and Public Works,
Thiru M C Sampath, Minister for Commercial Taxes and Registration,
Thiru K Gnanadesikan, IAS., Chief Secretary to Government,
Tmt. Sheela Balakrishnan, IAS., (Retd.) Adviser to Government,
Thiru Atulya Misra, IAS., Commissioner for Revenue Administration,
Thiru K Shanmugam, IAS., Principal Secretary, Finance Department,
Thiru Md. Nasimuddin, IAS., Principal Secretary, Commercial Taxes

and Registration, Thiru Phanindra Reddy, IAS., Principal Secretary, Municipal Administration and Water Supply Department, Thiru S Krishnan, IAS., Principal Secretary, Planning and Development Department, Thiru S K Prabakar, IAS., Commissioner, Commercial Taxes and Registration and other officials were present. The Union Finance Minister was accompanied by Tmt. Anjuly Chib Duggal, IAS., Secretary, Financial Services, Government of India, Tmt. Senhalatha Srivastava, IAS., Additional Secretary, Financial Services and Thiru Anand Vishnu Patil, IAS., Director, Financial Services, Government of India.

Issued by: Director, Information & Public Relations, Chennai-9.
Dated:20.12.2015.