



Kerala seeks Rs.5,000 cr. as special Central aid

Posted at: 26/09/2018

Highlights

- Kerala has sought special assistance of Rs.5,000 crore as a grant from the Centre, apart from a 10% hike in the allocation under various Centrally-sponsored schemes and an additional assistance of Rs.4,796 crore from the National Disaster Response Fund (NDRF), to help it tide over the devastation caused by floods last month.
- Chief Minister Pinarayi Vijayan raised the demand during a meeting with Prime Minister Narendra Modi in New Delhi.

Market borrowing limit

- Briefing the media after the meeting, he said that special assistance of Rs.5,000 crore was aimed at reviving the flood-battered economy and rebuilding damaged assets.
- Mr. Vijayan highlighted the demand to raise the State's market borrowing limit from 3% of the Gross State Domestic Product (GSDP) to 4.5% this financial year and fix it at 3.5% next year, as part of the resource mobilisation for post-flood reconstruction.
- Pointing out that the World Bank-Asian Development Bank team had assessed the flood damage at Rs.25,000 crore, Mr. Vijayan sought the Prime Minister's intervention for an additional loan of Rs. 16,000 crore over the next two years, and Rs.2,500 crore as assistance to take up housing projects for families displaced by the floods.
- He also flagged the need to raise another Rs.3,000 crore from the Central fund to repair flood-damaged roads.

The Hindu

