

Chennai floods: banks told to expedite soft loans; insurers asked to settle claims within four weeks

Our Bureau

Jaitley meets Tamil Nadu CM Jayalalitha over assistance to the affected



Union Finance Minister Arun Jaitley speaks with Indian Overseas Bank MD and CEO R Koteeswaran at an event to disburse loans and insurance claims settlements to the flood-affected people, in Chennai on Sunday. (From left) Indian Bank MD and CEO Mahesh Kumar Jain and Tamil Nadu Finance Minister O. Panneerselvam, are also seen Bijoy Ghosh

Chennai, December 20:

‘High targets’ have been set for banks to expedite soft loans to the flood-affected people in Tamil Nadu, Union Finance Minister Arun Jaitley said.

An estimated 28 lakh families suffered loss of business and household property in the recent heavy rains and floods that hit Chennai, Thiruvallur, Kanchipuram and Cuddalore.

Addressing media persons after meeting Tamil Nadu Chief Minister J Jayalalitha here on Sunday, Jaitley said they discussed the form of loan and insurance assistance to the flood-affected.

Banks have been told to take a “mission mode approach to support loan applications on soft terms.” There will be a moratorium on repayment, he said. On the loan target, he said there is ‘huge headroom’ to disburse funds. Under the Centre’s Mudra scheme loans from ₹ 50,000 to ₹ 10 lakh can be provided. In Tamil Nadu, the flood-affected families can make use of this support, he said.

Over 72 lakh have benefitted under the scheme across the country and by March 31, 2016, three times that number can be assisted.

Jaitley also held discussions with officials in insurance companies, 27 public sector banks, National Housing Bank and 17 private sector banks earlier in the morning.

Expediting loans and settling insurance claims fast are key issues. General insurance companies have so far received over 11,000 claims and 2,000 have been settled. The rest will be settled in four weeks. Disputes will also be resolved faster, he said.

People can also utilise the Centre’s social security insurance schemes launched last year, he said. Families of those killed in the floods can get up to ₹ 2 lakh. At a function to disburse loans and insurance claim settlements this morning, the Finance Minister handed over cheques to beneficiaries. Financial institutions have a huge social responsibility in supporting rehabilitation, he said.

BIG SALE
Fly to → Bali → Bangkok
→ Kuala Lumpur → Melbourne
→ Perth → Singapore
and many more destinations!
ALL IN FARE FROM **RS 3,399**
AirAsia .com

(This article was published in the Business Line print edition dated December 21, 2015)

MORE FROM BUSINESS LINE

Cash crunch shockwave: Ambit cuts FY18 GDP forecast to 5.8%

Frequently asked questions: ₹ 500 & ₹ 1,000 notes scrapped, what now?

Demonetisation to impact Modi’s ‘Neighbourhood First’ policy