

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1560

ANSWERED ON:01.12.2006

ASSISTANCE FOR RECONSTRUCTION OF INFRASTRUCTURE TO GUJARAT

Pathak Shri Harin

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government has received proposals for long-term reconstruction of damaged infrastructure as a result of floods in Gujarat;
- (b) if so, the details thereof;
- (c) the amount of financial assistance approved and released by the Union Government to the Government of Gujarat; and
- (d) the Policy decision taken by the Government to assist State Governments to rehabilitate and reconstruct the infrastructure damaged as a result of natural disasters?

Answer

MINISTRY OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) With a view to finalising the requirement of funds for the reconstruction of damaged infrastructure due to natural calamities, an Inter-Ministerial Committee (IMC) was constituted in January, 2006 under the Chairmanship of Vice-Chairperson, National Disaster Management Authority to consider the financial requirement of the States for long-term rehabilitation and reconstruction in the areas severely affected by heavy rains /cyclonic storms/floods/flash floods during the monsoon session of 2005. The proposals from flood affected States/UTs were sent to IMC in July, 2006 for its consideration. The IMC in its meeting held in October, 2006 considered demands from various flood affected States, including Gujarat and requested the Planning Commission to scrutinize the plan proposals in association with State Governments. This exercise of consultation with States is to be completed by November, 2006 and its recommendations will be made available to IMC by 15th December, 2006 by the Planning Commission. The Government of Gujarat has projected its requirement of funds at Rs. 2820.44 crores for restoration of infrastructure damaged due to floods of 2005.

(c) Based on plan proposals being examined by Planning Commission in consultation with States/UTs, the IMC would finalise its recommendations, which would then be placed before the Government before allocation of funds to the flood affected States is made by the Government as additional central assistance.

(d) The details of mechanism and procedure with regard to allocation of funds to States/ UTs is to be finalised by the Government. The Government has announced through the Budget Speech 2006-07 that the Government will provide the money for rehabilitation and reconstruction.