



Kudumbashree
State Poverty Eradication Mission
Local Self Govt. Department, Govt. of Kerala

9153/ F/ 2015/HO

06/09/2018

From

The Executive Director
Kudumbashree

To

The Joint Secretary (NULM)
Ministry of Housing & Urban Affairs
Nirman Bhavan, New Delhi

Sir,

Sub: Kudumbashree- Modification in the existing guideline of NULM an allocation of funds under SEP of NULM -reg

Kerala has faced one of the worst floods ever since its formation. The unusual monsoon claimed the lives of many and created mass destruction to buildings and infrastructure. It will take years for the reconstruction of the state altogether. The community who faced the crisis is in need of help both in terms of infrastructure and livelihood and their expectation on Kudumbashree Mission is high as it is engaged for the upliftment of poor.

The support to livelihood is one of the area that needs much attention at this juncture. A preliminary analysis reveals that around Rs.4 crores loss has incurred to the micro enterprises established under SJSRY/ SEP in urban areas due to the devastating flood. Loss has affected many units and many of them are in the loan repayment period. The beneficiaries of the affected units are not in position to function/ restart the units which adversely affected their livelihoods. A detailed list of units which were incurred loss, in the flood is attached.

To restart or revive the units they need financial assistance. Loan at zero percent interest will help these units. The existing allocation of interest subsidy

amount (for over and above 7%) will not be sufficient to meet this crisis. Therefore additional financial assistance to the tune of actual loss by way of providing loan to the beneficiary at zero percent (the SULM will provide the full interest amount as subsidy) is the need of the hour.

If there is an amendment in the existing guideline or special provision, in view of natural calamity in the state, which enable the SLNA, to provide loans with interest subsidy at the rate of 100%, to the affected victims will suitably compensate the victims.

Hence I may request you, to accord sanction to the state to provide loan to the quoted victims at zero percent interest, and to allocate additional fund, for compensating the interest subsidy.

Thanking you

Yours faithfully,



**Executive Director
Kudumbashree**