RKLS: Interest Subsidy of additional Rs 129.876 crores

Hope you all will recall the Making an Impact Article-06 in which, the details of Resurgent Kerala Loan Scheme (RKLS), implemented by the Government of Kerala through Kudumbashree during the time of floods was well explained. RKLS was the programme through which, those who were affected by the floods during 2018 was given interest free bank loans upto Rs 1 lakh. This programme was conceived in such a way that, all banks gave loans to all the eligible NHG members at 9% interest and this interest was fully met by the Government.

A total of 2,02,789 NHG members from 30,276 NHGs have received the RKLS Loans. Rs 1794.02 crores was the total loan amount. This loan was to be repaid within 3 years and the total payable interest is Rs 336.18 crores. NHG members repay the loan with interest alike the Kudumbashree loan and when the interest subsidy is received from the Government, this interest amount is given back. The Interest Subsidy for RKLS loan is met from Chief Minister’s Distress Relief Fund (CMDRF).

Rs 131.76 crores which was to be given to the NHGs till 31 March 2020, the interest subsidy of first year, was given from CMDRF during January 2020. The Interest subsidy of this financial year, Rs 129.876 crores, is also now released from the CMDRF. Proceedings to give Interest Subsidy to all districts is released now.

After the floods of 2018, the flood happened during 2019 and the crisis of Covid-19 pandemic had made it difficult for repayment. We are happy that, even then, our NHG members are repaying their RKLS loans on time, overcoming all the challenges. The activities for restarting the loan repayment processes of those NHGs who found difficulties in repaying the loans during the period of covid is progressing now. The second phase Interest Subsidy is now received from the Government on time. Hope this will be a great relief for those who had taken the RKLS loans.