



## Community Enterprise Fund for Kudumbashree as part of Rebuild Kerala



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The details about the special livelihood package sanctioned for Kudumbashree as part of 'Rebuild Kerala' was explained in 'Making an Impact Article - 116'. Also the details about giving 'Crisis Management Fund' and 'Vulnerability Reduction Fund' to the Kudumbashree JLGs and NHGs and thereby giving focus to their livelihood programmes as part of Rebuild Kerala was explained yesterday in 'Making an Impact Article - 204'.

Community Enterprise Fund (CEF) is yet another project to create new livelihood opportunities as part of 'Rebuild Kerala'. This is implemented through the three tier system of Kudumbashree under the leadership of CDSs.

More than 20,000 Kudumbashree micro enterprises are engaged in production/ service in Kerala. Kudumbashree provides initial general orientation to potential entrepreneurs, entrepreneurship development trainings to selected people, and skill training to the interested to start enterprises. Also we provide financial support and marketing assistance for new enterprises. Usually enterprises are started by availing loans from banks. In some cases, delay in getting the bank loans emerge as hindrances for starting enterprises. 'Community Enterprise Fund' is a project approved as part of 'Rebuild Kerala', to solve this issue. Providing CEF through our CDS will further strengthen the enterprise network as there will be direct monitoring of enterprises by Kudumbashree's three tier system.

CEF is nothing but a Corpus Fund which is being issued to the Kudumbashree CDSs to give loans to the Kudumbashree enterprises to extend them financial support. As per the need of the CDS or as per the number of the enterprises, Rs 3 lakhs to Rs 10 lakhs

are provided from state office to the CDSs at present.

In Rebuild Kerala, Rs 30 crores is the overall allotment of CEF to 518 CDSs of Kudumbashree. Using this amount, the CDSs will give loans to the enterprises (both new and existing). Once CDS gets monthly repayment from entrepreneurs, they will use that money to provide loans to more enterprises. This CEF will be used as a revolving fund to provide loans.

Through this fund, the CDS may be able to help women to start the enterprises. They will also be able to extend support. Through this funding process, CDS would be more responsible to ensure success of enterprises. In addition to this, the income they (CDS) get as interest while giving this amount as loan at 4% interest would help them to use the same for the basic activities of the CDS. By giving CEF, we hope that we are providing a start to all needy people to start livelihood programmes. Also, there will be leadership from CDS and this in turn will strengthen the community itself.