

**F.No. K-12012(8)/2/2018-UPA-I (9045881)**

Government of India  
M/o Housing and Urban Affairs  
(UPA Division)

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Room No.334-C, Nirman Bhawan New Delhi,  
dated the 16th April, 2019

To,

Chairman and Managing Director,

1. Indian Overseas Bank (Sponsoring Bank of Odisha Gramya Bank)
2. State Bank of India (Sponsoring Bank of Utkal Grameen Bank)

**Subject:** Interest Subvention Claim under Self Employment Program of DAY-NULM

Sir/ Madam,

The Ministry of Housing and Urban Affairs is implementing Deendayal Antyodaya Yojana of National Urban Livelihoods Mission (DAY-NULM) since 2014-15 to reduce the poverty and vulnerability of the urban poor households in the statutory towns. The Self-Employment (SEP) component of the Mission helps the individual, joint liability groups and Self-Help Groups to set up micro enterprises by facilitating access to credit with interest subvention over and above 7 % rate of interest to the beneficiaries.

2. The banks are required to submit quarterly statement of claims of interest subvention to the Urban Local Bodies and credit the subvention amount to the beneficiaries' account. The Ministry has received representations from States/UTs that RRBs are not claiming interest subvention amount; which forces the beneficiaries to pay the entire interest subvention repayment from their own resources thereby jeopardizing the viability of the micro enterprise.

3. The Ministry has also launched PAiSA (Portal for Affordable Credit and Interest Subvention Access) portal in collaboration with Allahabad Bank for monthly credit of subvention amount to the beneficiaries account in a DBT mode. The scheduled commercial banks have already been on-board on the portal during the financial year 2018-19. It is planned to on-board the RRBs and cooperative banks on the portal during the current Financial Year.

4. Therefore, I request you to issue necessary instructions to the concerned RRBs to claim the interest subvention amount upto 31st March, 2019 and credit it to the beneficiaries' account at the earliest. The necessary instructions are being issued to the States also to ensure timely release of subvention amount to the RRBs.

ISSUED

O/C

5. I also request you to issue necessary instructions to the RRBs to make preparations for getting on-board on the PAiSA portal for which Ministry will be providing hand-holding support through the concerned State Urban Livelihoods Missions.

Yours Sincerely,

  
(Niraj Kumar)

Director (NULM)

Tel # 2306 2850

Copy to:

- (i) State Mission Director, SULM, Orissa
- (ii) The Chairman, Odisha Gramya Bank, Gandamunda, PO Khandagiri, Bhubaneshwar - 751 030, Odisha
- (iii) The Chairman, Utkal Grameen Bank, Club Para, Bolangir - 767 001, Odisha