



**GOVERNMENT OF KERALA**

**Abstract**

Local Self Government Department - Irinjalakuda Municipality - sanction to avail Rs. 192 lakh as Loan from M/s. Federal Bank for meeting the ULB share of PMAY(U)-Life beneficiaries - Accorded - Orders Issued.

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**LOCAL SELF GOVERNMENT (DC) DEPARTMENT**

**G.O.(Rt)No.842/2020/LSGD** Dated,Thiruvananthapuram, 08/05/2020

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Read 1 G.O.(Rt)No.976/2019/LSGD dated 14/05/2019

2 Decision No.23 of the Irinjalakuda Municipal Council held on 13/11/2019,

3 Letter No Nil dated 20/02/2020 from the Secretary, Irinjalakuda Municipality

4 Letter No. IJK Municipality/01/20 dated 19/02/2020 from the Senior Manager, Federal Bank

5 Letter No. CDS-8803/16 dated 10/03/2020 from the Secretary, Irinjalakuda Municipality

**ORDER**

The Ministry of Housing & Urban Affairs has approved 82,487 houses across all Urban Local Bodies (ULB's )in the state upto March 31<sup>st</sup>, 2018 under PMAY(U). Since there were many eligible beneficiaries there were demand from all ULB's to have another set of DPR's . Accordingly as per the G.O read as 1<sup>st</sup> paper above, Government have accorded general sanction to 91 ULBs to avail loan from financial institutions including Co-operative societies, to meet the ULB share of PMAY(U) beneficiaries included in the latest DPR's at a rate of 1.5 lakh per approved beneficiary.

2.Irinjalakuda Municipal Council held on 13/11/2019, vide decision No.23 has decided to pledge the Bus Stand under the possession of the municipality for the purpose, in order to avail loan at rate of interest 8.75% p.a. (floating rate)for a period of 10 years. Secretary, Iranjalikuda Municipality as per letter read as 3<sup>rd</sup> paper above has requested permission to avail Rs 192

lakh as loan, at rate of interest 8.75% p.a. (floating rate) from M/s. Federal Bank, Iringalakuda, Tana Branch for meeting the ULB share of PMAY(U) beneficiaries included in the 5<sup>th</sup> DPR.

3.As per the letter read as 5<sup>th</sup> paper above Secretary Irinjalikuda municipality has submitted the Cost Benefit Analysis Report . As per the same, 662 beneficiaries are included in PMAY (U) - Life Project in Irinjalakuda Municipality and the Municipality has expended 21 Crore (4 lakh / beneficiary) for the project. 520 units have been completed and 661 beneficiaries have started the construction of the dwelling units. The ULB Share of the project is Rs. 13.26 Crore and there is a deficit of Rs. 1.2 Crore, for which necessity of loan arise. The report further states that there will not be any loss on account of Pledging the Bus Stand and that there will not be any difficulty in repaying the loan considering the present financial condition of the ULB.

6. Government have examined the matter based on the Cost Benefit Analysis Report submitted by the Secretary Irinjalakkuda Municipality and are pleased to accord sanction to avail Rs 192 lakh as loan from M/s. Federal bank Irinjalakuda, Tana Branch, as per Section 297 of the Kerala Municipality Act, 1994, at rate of interest 8.75% p.a. (floating rate) for a period of 10 years, for meeting the ULB share of PMAY(U)-Life beneficiaries included in the 5<sup>th</sup> DPR, subject to the compliance of Council decision read as 2nd paper above.

(By order of the Governor)  
**SAJAN C V IAS**  
**DEPUTY SECRETARY**

To:  
Director for Urban Affairs, Thiruvananthapuram  
Executive Director, Kudumbasree, Thiruvananthapuram  
Secretary, Irinjalakuda Municipality  
Assistant Manager, Federal Bank Zonal Office, Thiruvananthapuram  
Principal Accountant General (Audit/A&E/LBA &A)

Information Officer (Web & New Media) I&PRD  
Executive Director, Information Kerala Mission  
Stock File/Office Copy

Forwarded /By order

Section Officer