

Fortnightly Report

SIDBI – PMU Uttar Pradesh

**Period – 16th – 30th April 2023**

**Project Progress Report – Fortnightly**

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| **SIDBI UP state PMU for MSME** | |
| **Location: Lucknow**  **Month & Year: April 2023**  **Fortnight Ending: April 30, 2023** | **Report Summary**  This report includes the activities carried out by SIDBI - PMU for the  facilitation of MSME ecosystem in the State of Uttar Pradesh. |

**Team Deployment Status**

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| **Team** | | | |
| **SN** | **Designation** | **Name of Resource** | **Deployment Date** |
| 1 | PMU Manager | Jitendra Kumar | 6th Oct 2020 |
| 2 | Business Analyst | Amar Chandra Jyoti | 28th Feb 2023 |

**Details of State Nodal Connect - Name – Ms. Ayushi Baranwal, Assistant Commissioner UP MSME, Mobile: 7800836855. Email:** [**odopcell@gmail.com**](mailto:odopcell@gmail.com)

**Activities performed by PMU during fortnight.**

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| **Activity** | **Details of activities carried out** |
| 1. **PM Mega Integrated Textile Region and Apparel (MITRA) Park Limited –**  * PMU team, along with GM SIDBI, met Additional Chief Secretary, Department of Handicraft & Handloom, Uttar Pradesh, on April 24, 2023 and shared the modalities of SIDBI's offerings for setting up the textile park. * ACS has agreed for MoU between the Department of Handicraft & Handloom and SIDBI, for setting up the Textile Park in Uttar Pradesh. * SIDBI may provide the financial assistance for setting up the textile park under the SCDF scheme, as well as providing financial assistance to the MSMEs who will be setting up their unit in the textile park. * PMU has prepared the MoU format and shared the same with SIDBI ROLK for approval. The MoU format will be shared with the Department for carrying out the MoU. The format of the annexure is attached with the FPR. | |
| 1. **Promoting Leadership and Enterprise for Development of Growth Engines' (PLEDGE) –**  * PMU team, along with GM SIDBI, met with the Additional Chief Secretary, Micro, Small, & Medium Enterprises and Exports Promotion, Uttar Pradesh, on April 24, 2023 and shared the modalities of SIDBI offerings for financial assistance on setting up private industrial parks in UP under the PLEDGE scheme. * The Department and SIDBI agreed for MoU between the Department of Micro, Small, & Medium Enterprises and Export Promotion and SIDBI, for the promotion of private industrial parks in Uttar Pradesh. * PMU has prepared the MoU format and shared the same with SIDBI ROLK for approval. The MoU format will be shared with the Department for carrying out the MoU. The format of the annexure is attached with the FPR. | |
| 1. **Credit Delivery Arrangement (CDA) with NBFCs--**     * PMU team followed up with the NBFCs, and three NBCs (MAS Financial Services, Fullerton India, and Epimoney Private Limited have shown interest in credit Delivery Arrangement with SIDBI.    * PMU will be coordinating their meeting with GM SIDBI in the next week to take the discussion further in their engagement with them for the credit delivery scheme. | |
| 1. **General agreement with RRBs**  * PMU coordinated with Prathama Gramin Bank UP for sharing the revised MoU, LoA, and other documents as per the MoU, which was signed between SIDBI and Prathama Bank on March 22, 2023, to extend refinancing of the loans and advances for MSME and to co-lend with other NBFCs and MFIs. | |
| 1. **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**  * PMU team, along with GM SIDBI, met with the Principal Secretary, Industries, and Infrastructure Development Department on April 26, 2023, to share the modalities of CGTMSE and SCDF. It was shared that SIDBI may provide financial assistance for setting up industries and industrial parks in Uttar Pradesh. * A meeting is scheduled by the Principal Secretary for May 16, 2023, and all the stakeholder departments, such as the Planning Commission, Textile, Handloom, and Handicraft, MSME, Agro Processing, etc. departments, are expected to attend the same. | |
| 1. **Swavalamban Mela-**  * PMU team coordinated with the SIDBI branch office in Gorakhpur and discussed the plan for setting up the Swavalamban Mela. The proposed date and location for the mela are mutually agreed upon at Maharani Lakhmibai Park in the last week of May or the first week of June. * PMU team, in consultation with ROLK, will finalise the date and agency for setting up the mela in the coming week. Gorakhpur branch will be taking approval for the venue from the District Commissioner. | |
| 1. **Udhyam Sangyan Programme**   PMU team reached out to three industries of Noida for conducting Udyam Sangyan Visit.   * **DS Group** declined the request for an industrial visit at their unit. * **Havells Pvt. Ltd. -** A formal communication was done with the HR department, and a request for conducting the Udyam Sangyan visit was shared on April 25, 2023. * **Minda Pvt. Ltd. -** A formal request for conducting the Udyam Sangyan visit is shared on April 26, 2023. | |
| 1. **SCDF update**  * PMU team coordinated with the Finance Department on April 20, 2023, on the cabinet note approval status of the SIDBI cluster development fund. * After approval of the SCDF note, proposals from PWD and the Energy Department will be processed for further approval from the Finance Department. | |
| 1. **Geographical Indications (GI) Tag of products from Uttar Pradesh**  * PMU team has also reached out to Human Welfare Association and GMGC agencies for support in getting the product's geographical indication. Both agencies will be sharing the list of products with their proposal in the next couple of weeks. * After reviewing both the proposal and the list of items, SIDBI will felicitate in process of obtaining geographical indication of these items. | |
| 1. **Sourcing of Green Finance Proposal for Lucknow Solar City**  * PMU team has suggested some changes in the proposal received from RMI India on solar projects for Lucknow related to solar roof top installations at government buildings and universities in Lucknow to reduce power consumption. * After finalization of the proposal, it can be taken forward with UPNEDA and implementation planning can be initiated, with SIDBI as the financing partner for the project. | |

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| **Actionable and Support required** |
| * MSME department to send formal communication to finance department for financing PLEDGE scheme under SCDF. * State Government to on-board TReDS platform- RXIL |
| **Activities Way forward** |
| * MoU with MSME department on PLEDGE scheme to providing financial assistance for Pvt Industrial Park in Uttar Pradesh. * MoU with Department of Handloom and Textile, Uttar Pradesh on financial assistance for setting up Textile Park in Uttar Pradesh. * Partnership with NBFCs on Credit Delivery Arrangements. * Engagement on Lucknow Solar City proposal for developing new initiative for Lucknow. * Udyam Sangyan and Swavalamban Mela. * MoU with UPNEDA. |

**Memorandum of Understanding (MOU) for Textile Park**

This Memorandum of Understanding (MOU) is made on …………….…, at …………….., Uttar Pradesh

BETWEEN

Governor of Uttar Pradesh (GOUP) through ……………………………… Additional Chief Secretary. Department of Handloom and Textiles, Government of Uttar Pradesh (hereinafter referred to as "GOUP") of one part:

AND

Small Industries Development Bank of India (SIDBI), a corporation established under the Small Industries Development Bank Act, 1989 (39 of 1989), having its head office at SIDBI Tower, 15, Ashok Marg, Lucknow-226001, Uttar Pradesh (hereinafter referred to as "SIDBI", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of second part

GOUP and SIDBI are herein after collectively referred to as "Parties" and individually as "Party

WHEREAS, the Department is engaged in promoting the development of handloom and textile industries in the state of Uttar Pradesh, and

WHEREAS, SIDBI is a premier financial institution engaged in providing financial support and assistance to Micro, Small, and Medium Enterprises (MSMEs) in India, and

WHEREAS, the Department and SIDBI have mutually agreed to collaborate and support in the setting up of a textile park in Uttar Pradesh, as part of the Government's initiative to promote the textile industry in the state.

**NOW, THEREFORE, the Department and SIDBI hereby agree to the following terms and conditions:**

1. **ROLES AND RESPOSIBILITIES**

GOUP and SIDBI hereby agree to cooperate and to exchange information aimed promoting the growth and development of the textile industry in the state.

SIDBI as MSME financing partner for the state of UP. shall facilitate:

1. **Scope of Work**:

This MoU is to establish a framework for cooperation and collaboration between the Department of Handloom and Textiles, Government of Uttar Pradesh and SIDBI to facilitate financing support for the setting up of a textile park in Uttar Pradesh with the aim of promoting the growth and development of the textile industry in the state.

**Financing Support:**

1. SIDBI shall provide financing support to the eligible enterprises or entrepreneurs for setting up textile park projects in Uttar Pradesh, subject to their meeting the eligibility criteria and credit norms of SIDBI. The Department shall facilitate the identification and selection of eligible projects for financing support.
2. SIDBI shall provide financing support to the eligible enterprises or entrepreneurs for setting up green project aligned to nation’s commitment to reduce Green House Gas (GHG) emission at their textile project in Uttar Pradesh, subject to their meeting the eligibility criteria and credit norms of SIDBI.
3. **Capacity Building and Skill Development**: The Department and SIDBI shall collaborate to provide capacity building and skill development support to the entrepreneurs and enterprises associated with the textile park projects, to enhance their technical, managerial, and entrepreneurial capabilities.
4. **Monitoring and Evaluation**: The Department and SIDBI shall jointly monitor and evaluate the progress and performance of the textile park projects and take necessary measures to ensure their timely implementation and successful operation.
5. **Reporting and Information Sharing**: The Department and SIDBI shall exchange information and reports on the progress and status of the textile park projects, and share relevant data, insights, and best practices to improve the effectiveness and impact of the project.
6. **Grievance Redressal:** The Department and SIDBI shall establish a mechanism for grievance redressal related to the financing support provided under this MoU, and shall make best efforts to resolve any disputes or grievances amicably.Top of Form
7. **PROJECT TIMELINE**

This MoU will commence from ………….. and will continue till ……… years until any party desires to terminate this MOU by giving prior notice to other Party as per provision of Article V of this MOU.

1. **OPERATIONS AND CO-ORDINATIONS**
2. Each party will use information which is made available by the other party under this MOU solely for achieving the purpose of this MOU. However, if such purpose involves disclosing such information to third party or publishing such information in any form, then prior written consent of the other party should be obtained.
3. Each Party will bear its own costs in carrying out the purposes stated herein. Any sharing of cost for any special events or purposes may be as mutually agreed between the parties.
4. GOUP through its Department of Handloom and Textiles, Government of Uttar Pradesh along with SIDBI shall mutually acknowledge the contribution of each other, wherever possible, on their website and media platforms including print, TV and digital media.
5. Any amendment in this MoU will be made in writing by mutual consent of both the parties
6. **FORCE MAJEURE**
7. For the purpose of this MoU force Majeure" means an event which is beyond the reasonable control of a Party, either GoUP through its Department of Handloom and Textiles or SIDBI and which makes a party's performance regarding its obligations hereunder impossible or so impracticable as reasonably to be considered impossible in the circumstances and include, but is not limited to war, nots, civil disorder, earthquakes, fire, explosions, storm, flood, and other adverse weather conditions, strikes, lock-outs, or other similar actions, political uncertainties, change in priorities in the National and State missions, which is not within the power of the Party invoking "force majeure" to prevent any other action by the other Party.
8. If any Party finds itself incapable to perform its duty due to Force Majeure, it will give notice to other Party that Force Majeure event has arisen.
9. The failure of any Party, either GoUP through its Department of Handloom and Textiles, or SIDBI to fulfil any of its obligations is hereunder shall not be considered to be the breach of or default under this MoU in so far as such inability arises from an event of Force Majeure provided that the Party affected by such event should take all reasonable precautions and due care for reasonably carrying out the terms and condition of this MoU.
10. in the event of a Force Majeure, GoUP, through its Department of Handloom and Textiles, and SIDBI shall consult each other with a view to agreeing on appropriate measures to be taken under the circumstances.
11. **TERMINATION**

This MoU can be terminated by either side with a written notice of 60 days. The termination/expiration of this MOU shall be without prejudice to any rights or obligations of the Parties that may have accrued prior to the termination

1. **DISPUTES RESOLUTION**

Any dispute between GOUP through its Department of Handloom and Textiles and SIDBI on any matter that has relevance to the smooth and effective implementation of the MoU shall be settled through mutual discussion.

IN WITNESS WHEREOF the Parties hereto have signed this MoU on the day and year first above written

For and on behalf of Governor of Uttar Pradesh For and on behalf of SIDBI

Additional Chief Secretary, General Manager

Department of Handloom and Textiles, SIDBI

Government of Uttar Pradesh

Witness 1 Witness 2

Name Name

Signature Signature

**Memorandum of Understanding (MOU) for PLEDGE Scheme**

TMemorandum of Understanding (MOU) is made on …………….…, at …………….., Uttar Pradesh

BETWEEN

Governor of Uttar Pradesh (GOUP) through ……………………………… Additional Chief Secretary, Micro, Small & Medium Enterprises & Export Promotion, Government of Uttar Pradesh (hereinafter referred to as "GOUP") of one part:

AND

Small Industries Development Bank of India (SIDBI), a corporation established under the Small Industries Development Bank Act, 1989 (39 of 1989), having its head office at SIDBI Tower, 15, Ashok Marg, Lucknow-226001, Uttar Pradesh (hereinafter referred to as "SIDBI", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of second part

GOUP and SIDBI are herein after collectively referred to as "Parties" and individually as "Party

WHEREAS, the Department is engaged in promoting Private Industrial Parks in the state of Uttar Pradesh, and

WHEREAS, SIDBI is a premier financial institution engaged in providing financial support and assistance to Micro, Small, and Medium Enterprises (MSMEs) in India, and

WHEREAS:

The Government of Uttar Pradesh has expressed its intent to set up Private Industrial Parks under the PLEDGE scheme, with the objective of promoting the growth of the Private Industrial Parks in the state.

SIDBI has the necessary expertise and experience in providing financial assistance for setting up of Industrial parks and can provide the required support to MSMEs in development of Private Industrial Park.

MSME, GoUP and SIDBI have agreed to collaborate and work together for setting up the Private Industrial Park under the PLEDGE scheme.

**NOW, THEREFORE, the parties hereto agree as follows:**

1. **ROLES AND RESPOSIBILITIES**

The PLEDGE scheme is expected to address the infrastructure bottlenecks being faced by MSMEs to larger extent. As the same is in the sync with SIDBIs overall mandate to support creation of infrastructure in the MSME cluster as well as to ensure successful implementation of the projects. GOUP and SIDBI hereby agree to cooperate and to exchange information aimed promoting the growth and development of the industrial parks in the state with the help of PLEDGE scheme.

1. **Scope of Work:**

MSME & Export Promotion, UP shall be responsible for identifying suitable land parcels for the development of the Private Industrial Parks and obtaining necessary clearances from the concerned authorities.

**Financial Assistance:**

1. SIDBI Cluster Development Fund (SCDF) can be utilized for the creation of the corpus under PLEDGE Scheme. The funds will be disbursed to the corpus on the approval/recommendation of the Finance Department, Govt. of Uttar Pradesh. In terms of the said scheme, private promoters owing land in the range of 10 – 50 acres, may seek financial assistance upto 90% of development cost, from the State Govt. to develop the same into private industrial parks.
2. SIDBI will extend need based financial assistance to meet the gap funding for private industrial parks under PLEDGE Scheme, if any, in the funding requirement of the private industrial park. GoUP will share pari passu charge on the project land for any such financial assistance being extended by SIDBI.
3. SIDBI shall provide financial assistance to entrepreneurs for establishment of MSME units. SIDBI will offer a wide array of direct financing schemes to meet the requirement of MSMEs. The terms and conditions of the financial assistance shall be as mutually agreed upon between the parties.
4. SIDBI shall provide financing support to the eligible enterprises or entrepreneurs for setting up green project aligned to nation’s commitment to reduce Green House Gas (GHG) emission at their project parks in Uttar Pradesh, subject to their meeting the eligibility criteria and credit norms of SIDBI.
5. **Implementation of the Project:**

SIDBI shall provide financial assistance to MSME & Export Promotion, UP for the development of the Private Industrial Parks. The terms and conditions of the financial assistance shall be as mutually agreed upon between the parties.

1. **Monitoring and Review:**

The parties shall regularly monitor the progress of the project and undertake periodic review meetings to assess the status of the project. Any issues that arise during the course of the project shall be resolved through mutual consultation and agreement.

1. **PROJECT TIMELINE**

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3. Each Party will bear its own costs in carrying out the purposes stated herein. Any sharing of cost for any special events or purposes may be as mutually agreed between the parties.
4. GOUP through its Department of Micro, Small & Medium Enterprises & Export Promotion, along with SIDBI shall mutually acknowledge the contribution of each other, wherever possible, on their website and media platforms including print, TV and digital media.
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8. If any Party finds itself incapable to perform its duty due to Force Majeure, it will give notice to other Party that Force Majeure event has arisen.
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IN WITNESS WHERE OF the Parties hereto have signed this MoU on the day and year first above written

For and on behalf of Governor of Uttar Pradesh For and on behalf of SIDBI

Additional Chief Secretary, General Manager

Micro, Small & Medium Enterprises & Export Promotion, SIDBI

Government of Uttar Pradesh

Witness 1 Witness 2

Name Name

Signature Signature

**Contact us**

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| --- | --- | --- | --- | --- |
| **NEW DELHI**  National Office, Outer Circle, L 41, Connaught Circus, New Delhi - 110001 T +91 11 4278 7070 | **NEW DELHI**  6th Floor, Worldmark 2, Aerocity,  New Delhi - 110037 T +91 11 4952 7400 | **AHMEDABAD**  7th Floor, Heritage Chambers,  Nr Azad Society, Nehru Nagar, Ahmedabad - 380015 | **BENGALURU**  5th Floor, 65/2, Block A, Bagmane Tridib, Bagmane Tech Park, CV Raman Nagar, Bengaluru - 560093  T+91 80 4243 0700 | **CHANDIGARH**  B-406A, 4th Floor, L&T Elante Office Building, Industrial Area Phase I, Chandigarh - 160002  T +91 172 4338 000 |
| **CHENNAI**  7th Floor, Prestige Polygon,  471, Anna Salai, Teynampet, Chennai - 600018  T +91 44 4294 0000 | **DEHRADUN**  Suite No 2211, 2nd Floor, Building 2000, Michigan Avenue, Doon Express Business Park,  Subhash Nagar, Dehradun - 248002  T +91 135 2646 500 | **GURGAON**  21st Floor, DLF Square, Jacaranda Marg, DLF Phase II,  Gurgaon - 122002  T +91 124 462 8000 | **HYDERABAD**  7th Floor, Block III, White House,  Kundan Bagh, Begumpet, Hyderabad - 500016  T +91 40 6630 8200 | **KOCH**I  6th Floor, Modayil Centre Point, Warriam Road Junction, MG Road Kochi - 682016  T +91 484 406 4541 |
| **KOLKATA**  10C Hungerford Street, 5th Floor,  Kolkata - 700017  T +91 33 4050 8000 | **MUMBAI**  11th Floor, Tower II,  One International Center, SB Marg Prabhadevi (W), Mumbai - 400013  T +91 22 6626 2600 | **MUMBAI**  Kaledonia, 1st Floor, C Wing, (Opposite J&J Office),  Sahar Road, Andheri East,  Mumbai - 400 069 | **NOIDA**  Plot No 19A, 2nd Floor, Sector - 16A,  Noida - 201301  T +91 120 485 5900 | **PUNE**  3rd Floor, Unit No 309- 312, West Wing, Nyati Unitree, Nagar Road, Yerwada  Pune - 411006  T +91 20 6744 8800 |

For more information or for any queries, write to us at [**contact@in.gt.com**](mailto:contact@in.gt.com)

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**Small Industries Development Bank of India (SIDBI),** established under an Act of Parliament in 1990, acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector as well as for co-ordination of functions of institutions engaged in similar activities. In the context of the changing MSME lending landscape, the role of SIDBI has been realigned through adoption of SIDBI Vision 2.0 which envisages an integrated credit and development support role of the Bank by being a thought leader, adopting a credit-plus approach, creating a multiplier effect and serving as an aggregator in MSME space.





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