

Fortnightly Report

SIDBI – PMU Uttar Pradesh

**Period – 16th – 31st March 2023**

**Project Progress Report – Fortnightly**

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| **SIDBI UP state PMU for MSME** | |
| **Location: Lucknow**  **Month & Year: March 2023**  **Fortnight Ending: March 31, 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. **Solar Roof Top Financing –**   The proposal for greening the heritage city - Ayodhya by the installation of PV solar rooftop on 12,500 household units in phase I has been shared with UPNEDA and RESCO/ESCO by PMU on March 17, 2023. PMU is waiting for the reply to further progress on the initiative. | |
| 1. **Credit Delivery Arrangement (CDA) with NBFCs--**  * Selection of reputed & competent NBFCs under SIDBI direct lending model to spread the outreach of SIDBI to MSME sector. * In continuation with work done in last fortnight discussion with Samunnati Financial Intermediation & Services Private Limited; is in advance stage for the submission of proposal for Rs. 100cr under Credit Delivery Arrangement (CDA). PMU with ROLK had discussion with similar 10 interested NBFCs including IIFL Finance Ltd, Aye Finance Pvt. Ltd, etc. to explore possible collaboration for MSME finance under credit delivery arrangement model in the State of UP. | |
| 1. **General agreement with RRBs**   In accordance with RBI circulars, SIDBI ROLK through PMU is facilitating General Agreement (GA) with RRBs in Uttar Pradesh. In this regard, PMU had approached three RRBs in the state: 1. Prathama Bank 2. Baroda Bank of UP; and 3. Aryavart Bank.  Status Update on General Agreement (GA) with 3 RRBs in UP are:   1. **Prathama Bank:** General Agreement (GA) with Prathama Bank was executed on March 21, 2023. 2. **Baroda Bank:** The bank is yet to confirm the signing of the MoU. 3. **Aryavart Bank:** SIDBI PMU followed up with Aryavart Bank. Aryavart Bank has shared some concerns about some of the points of the MoU on March 13, 2023. The concerns raised by Aryavart Bank have been shared with the central team of SIDBI for necessary guidance on of March 19, 2023. | |
| 1. **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**   PMU team, along with the GM SIDBI, met Additional Chief Secretary, MSME and Additional Chief Secretary, Finance, on March 18, 2023, explained the salient features of CGTMSE and requested for setting up of a corpus fund for CGTMSE. | |
| 1. **Trade Receivable e-Discounting System (TReDS)**   PMU team, along with the GM SIDBI, met Additional Chief Secretary, MSME and Additional Chief Secretary, Finance, on March 18, 2023, for issuance of guidelines to state PSUs on the TReDs platform onboarding. | |
| 1. **Udhyam Sangyan Programme –**  * PMU, in consultation with SIDBI ROLK, organized an Udyam Sangyan exposure visit to Reliance Industries Limited, Barabanki Manufacturing Division, on March 17, 2023. 30 MSEs from five different districts in the manufacturing and service delivery sectors participated in the visit. Reliance Industries Limited, Barabanki Plant, manufactures the raw material for apparel from pet bottle recycling and spinning. * Further PMU has shortlisted the industries from Noida, Kanpur and Prayagraj for coordinating the next exposure visit of Udyam Sangyan. | |
| 1. **SCDF update –**   PMU team has facilitated in efforts to commence SCDF initiative in the state, the details of which are as follows:   * **Energy Department:** PMU team followed up with Energy Department officials on finalized list of proposed projects for in-principle approved amount of INR 2,000 Cr. ACS energy has forwarded demand letter of sanctioning Rs. 2300 cr under SCDF. The finance department has not approved this demand for FY 2022-23. Now PMU team will reach out to finance department for considering this demand for FY 2023-24. * **MSME Department:** PMU has reached out to MSME department for consideration for SCDF for financing the corpus fund for PLEDGE scheme. In this regard, a concept note and formal letter by SIDBI was submitted on March 18, 2023. * **Meeting with Finance Department**: A SCDF guidance note is shared with ACS, Finance Department on March 16, 2023. PMU team along with GM SIDBI, met ACS, Finance Department on March 18, 2023 and requested for expediting (1) Cabinet approval & Master Agreement signing (2) release of the SCDF funds to establish PLEDGE corpus (3) to forward the request of the PWD for in-principle approval. | |

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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** |
| * General Agreement with SIDBI and RRBs in UP * MoU with UPNEDA |

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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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