

Two Months Progress Report

SIDBI – PMU Uttar Pradesh

March - April 2023

**Activities performed by PMU during March - April 2023**

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| **Details of activities carried out** |
| **Policy Advocacy** |
| 1. **Preparation of Modalities of PLEDGE scheme (MSME Department)**   PMU Team shared modalities that can be adopted by the MSME department and Finance department on 18th March 2023 for financing private developers at subsidized rate for establishment of Industrial Park. Creation of revolving fund corpus of INR 2500 crores. |
| **Enhancing Credit Flow to MSMEs** |
| 1. **Trade Receivable e-Discounting System (TReDS)**   PMU team, along with the GM SIDBI, met with the Additional Chief Secretary, MSME, and Additional Chief Secretary, Finance, on March 18, 2023, for issuance of guidelines for state PSUs on the TReDS platform for onboarding.  PMU team is also coordinating with the Planning Department to get one office order issued by the Chief Secretary’s office to onboard Public Sector enterprises on TReDS platform. |
| 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. **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:   * **Prathama Bank:** General Agreement (GA) with Prathama Bank was executed on March 21, 2023. * **Baroda Bank:** The bank is yet to confirm the signing of the MoU. * **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 Delivery Arrangement (CDA) with NBFCs—**  * 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 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. |
| **Strengthening Infrastructure for MSMEs** |
| 1. **Establishment of Private industrial Parks –**  * 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.  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. |
| **Convergence -Twinning with GoI schemes for MSME & Cluster Development** |
| 1. **Green Financing** –   PMU team-initiated first round of communication with RMI India for proposals on solar project for Lucknow. Highlights of proposal and PMU suggestions are attached with the report in annexure. Discussion to be taken forward in the coming weeks on the proposal shared by RMI India with SIDBI. |
| 1. **PM-KUSUM (Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan) –**   The PMU team followed up with UPNEDA to understand modalities for financing under PM KUSUM and how SIDBI can support the implementation of the PM-KUSUM scheme. |
| 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 1 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. |
| **Institutional Strengthening & Capacity Building of stakeholders** |
| 1. **Arrangement on SIDBI 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. **Udyam 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. * PMU has shortlisted the industries from Noida, Kanpur and Prayagraj for coordinating the next exposure visit of Udyam Sangyan. 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. |
| **Partnership of State Govts. & Industry Associations with strategic BDS** |
| 1. **National Climate Change Conclave 2023 –**  * PMU, in association with ROLK, participated in the National Climate Change Conclave, 2023, on April 11th, 2023, organized at Lucknow. * PMU team explained SIDBI's offerings on (1) green financing projects such as water management efficiency, wastewater treatment, carbon capture and storage, environment protection, and green building; (2) End to end Energy Efficiency Scheme (4E Scheme) such as the solar rooftop project; and (3) Partial Risk Sharing Facility (PRSF) project with various investors and exhibitors. * The Honorable Chief Minister of Uttar Pradesh, Shri Yogi Adityanath, the Honorable Union Cabinet Minister for Environment, Forest & Climate Change, Shri Bhupendra Yadav and the Honorable Union Minister of State for the Ministry of Environment, Forest and Climate Change, Shri Ashwini Kumar Choubey, visited the SIDBI stall and were briefed about SIDBI's offerings.      1. **Indian Solar Expo –**   PMU in consultation with ROLK, participated in the Indian Solar Expo event (March 2, 2023) organized by the Indian Industry Association (IIA), and the team facilitated explaining SIDBI’s offerings to the various investors and exhibitors. |
| **SCDF** |
| **SCDF update –**  PMU Team has facilitated SCDF in the state, the details of which are as follows:   * On the request of few departments viz MSME department and Energy department SIDBI has provided in principle approval of Rs. 1000 cr and Rs. 2000 cr respectively under SCDF. * **Energy Department:** PMU team followed up with Energy Department officials and finalized the list of proposed projects for in-principle approval of amount of INR 2,000 Cr. In this regard, PMU team is following up with energy department onward submission of the project to the finance department for approval. * **MSME Department** – PMU made regular follow-ups with ACS, MSME. PMU team has worked on a concept note for utilizing SCDF for financing private developers for setting up of industrial parks * **Meeting with Finance Department** – PMU made regular follow-ups with ACS, Finance. PMU team has drafted cabinet note for finance department. The PMU team has also requested the ACS, Finance 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; (4) to request for disbursal before March 31, 2023.   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.  **SCDF Workshop, Goa**   * PMU team coordinated with MSME and the Finance Department for nominations for SCDF workshop nomination at Goa on April 15, 2023. * Secretary, MSME Department and Special Secretary, Finance Department have attended the SCDF workshop at Goa and were briefed on the key features of SCDF as well as its importance in making future ready sustainable infrastructure. |
| **Partnership of State Govts & State level Industry Associations with strategic BDS** |
| **Setting up of Incubation Center in Uttar Pradesh**   * PMU team did the secondary research for identification of the Government/ Private Management and technical Universities of Uttar Pradesh. We have shortlisted around 15 government/ private universities that can be considered for the setting up of incubation centre. * PMU team will be reaching out to the selected institutions for the proposed incubation centre at their premises. |
| **Others** |
| **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 agncies 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. |

**Contact us**

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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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