



**Rise.
Rejuvenate.
Reinforce.**

PROPELLING MSMEs TOWARDS SUCCESS



Small Industries Development Bank of India

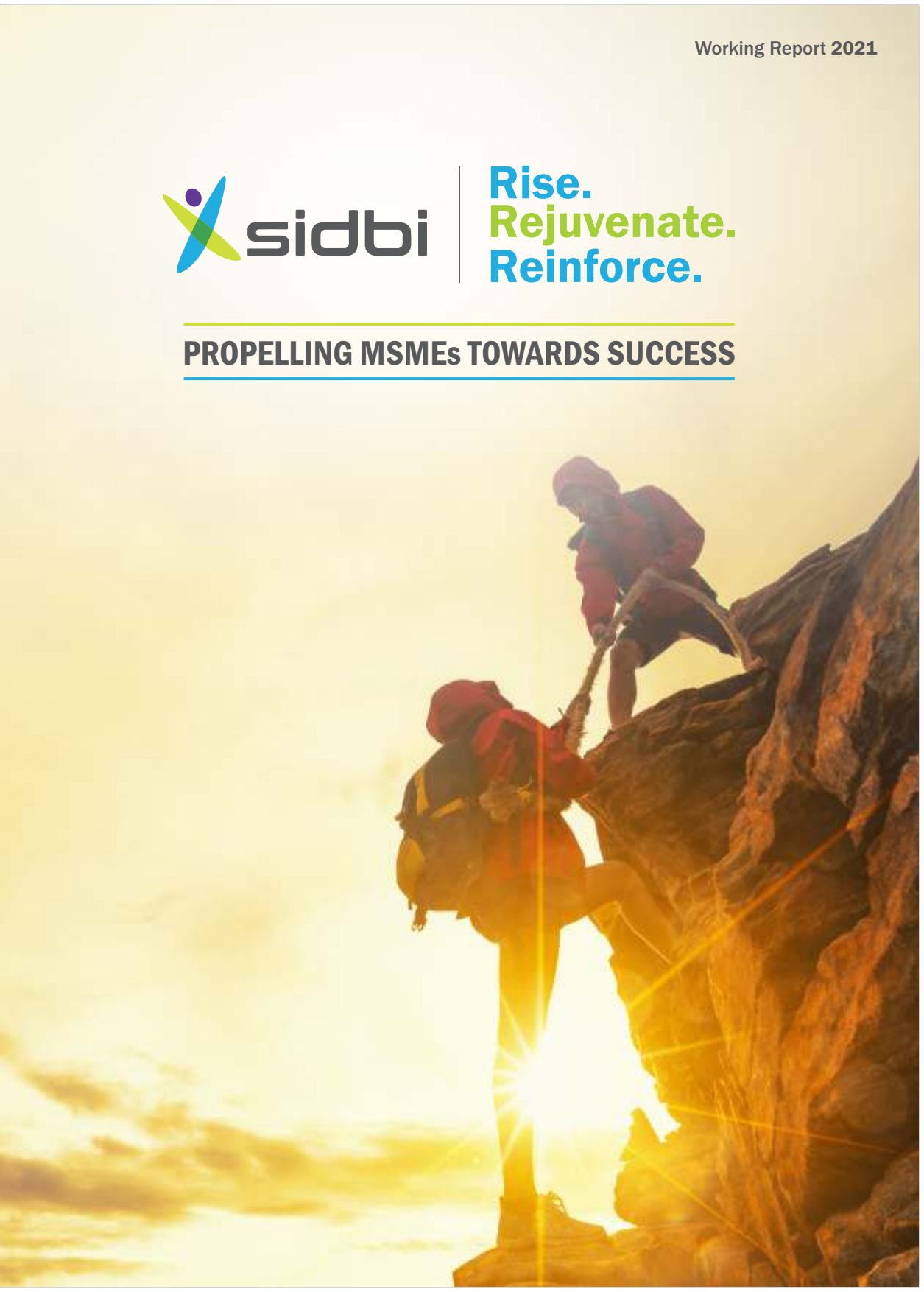
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**Rise.
Rejuvenate.
Reinforce.**

The MSME Sector is on its way to rise up to the challenges posed by the global pandemic, as a result of massive reforms undertaken by the Government to rejuvenate the MSMEs. Operations of the Bank during FY 2021, in line with efforts of the Government, were geared towards mitigating the impact of COVID-19 on the MSME sector. Initiatives and schemes of the Bank on the financial, and the promotion & development fronts were reinvigorated to support and encourage MSMEs to reinforce themselves as strong economy growth engines.

On the financial performance front, despite challenges posed by the pandemic, the Bank registered its highest-ever net profit of ₹2,398 crore, with Y-o-Y growth of 3.6%, on account of improved margins and efficiency ratios. The Asset Base stood at ₹1,92,322 crore with Y-o-Y growth of 2.6%.

The MSMEs continue to be the focal point of Government of India and various novel initiatives were aligned to facilitate de-bottleneck the credit flow to MSMEs, and the sector is expected to continue to play its pivotal role towards foundation of a resilient Indian Economy, providing employment to millions of people including un-skilled and semi-skilled persons across the country.

Going forward, the Bank will continue its efforts to strengthen the MSME ecosystem and encourage MSMEs to seize untapped opportunities to rise as global champions.



INTRODUCTION

Small Industries Development Bank of India (SIDBI), was established under an Act of Parliament in 1990. SIDBI is the Principal Financial Institution engaged in Promotion, Financing & Development of the Micro, Small and Medium Enterprises (MSME) sector, and in coordinating the functions of various Institutions engaged in similar activities.

The statutory mandate of the Bank is fulfilled through following activities:

Financing Role

1 Direct Lending

To fill credit gaps in the MSME sector through demonstrative and innovative lending products, which can be further scaled up by the banking system.

2 Indirect Lending

To create a multiplier effect or a deeper and wider reach in financing of the MSME sector, which is undertaken through Banks, SFBs, NBFCs, New-age Fintechs and MFIs.

3 Micro Lending

To effectively and efficiently serve, through partnerships, entrepreneurs at the bottom of the pyramid, especially women and poor.

4 Fund of Funds

To boost the entrepreneurial spirit by supporting emerging Start-ups by means of the Fund of Funds channel. Alternate Investment Funds (AIFs), SEBI registered entities, are the vehicles to support the new age businesses.

Promotional & Developmental Role

Promotion & Development initiatives of the Bank are carried out under the mission Swavalamban to stimulate the entrepreneurial culture by supporting various livelihood and entrepreneurship programmes.

Coordination among stakeholders

As the Nodal Agency for MSME-oriented Schemes of the Government; the Bank also acts as the trusted agency of the Govt. of India in channelizing liquidity support and collateral-free economic packages to the pandemic-hit MSME sector.

Undertakes data-backed structural interventions to address information asymmetry in the MSME sector.

Partnering with stakeholders such as State Governments, Financial Intermediaries, etc. for holistic development of the MSME sector.

Enabling digital lending access to MSMEs by leveraging technology.

Footprint

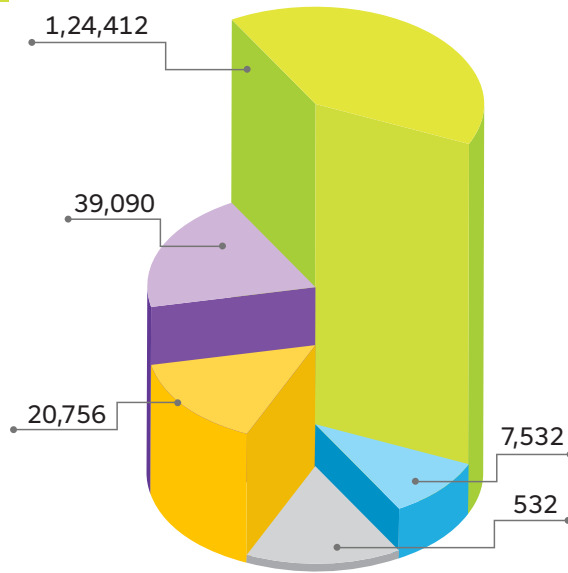
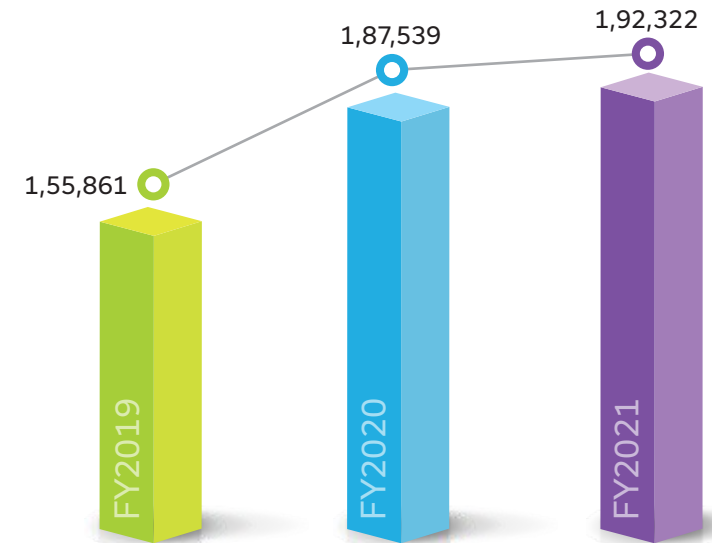
The Bank's footprint at the end of FY 2021 included:



- ▶ **10** Regional Offices
- ▶ **80** Branch Offices & Resident Representative Offices
- ▶ **8** SARBs (Specialised Asset Recovery Branches)
- ▶ **6** ELSCs (Express Loan Service Centres)
- ▶ Back-end and policy support extended by **17 HO Verticals** stationed in Lucknow, Mumbai and New Delhi.

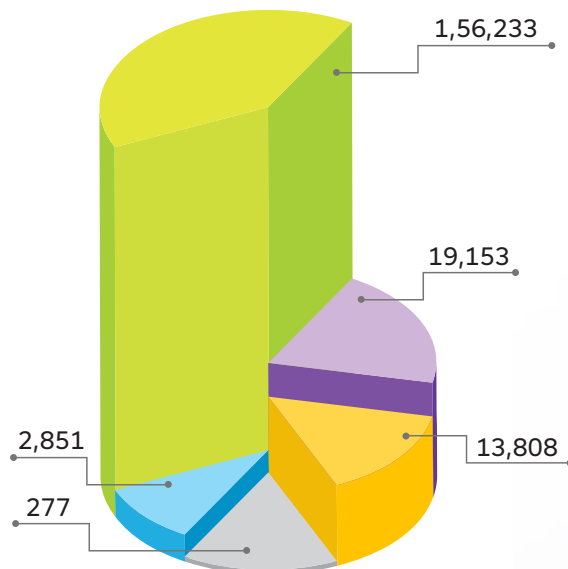
FINANCIAL PERFORMANCE
Liability Profile (₹ crore)

- Capital
- Reserves, Surplus and Funds
- Deposits
- Borrowings
- Other Liabilities and Provisions

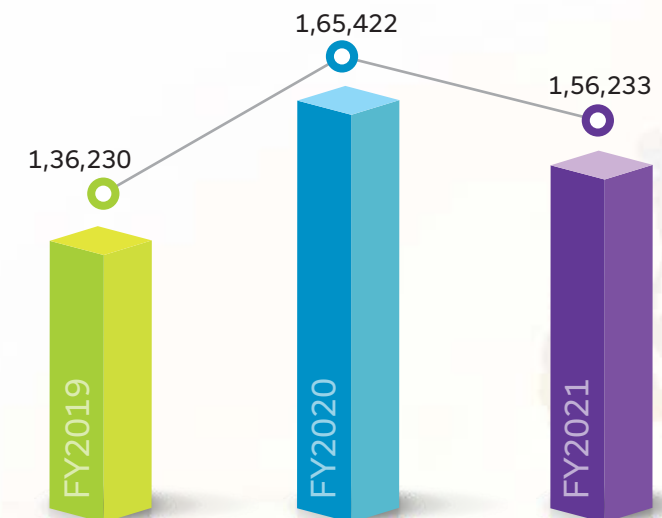

Asset Base (₹ crore)

Asset Base

The Asset Base of the Bank, inching towards the landmark of ₹2 lakh crore, stood at ₹1,92,322 crore at the end of FY 2021, a Y-o-Y growth of 2.6%.

- Cash and Bank Balances
- Investments
- Loans and Advances
- Fixed Assets
- Other Assets


Loans and Advances

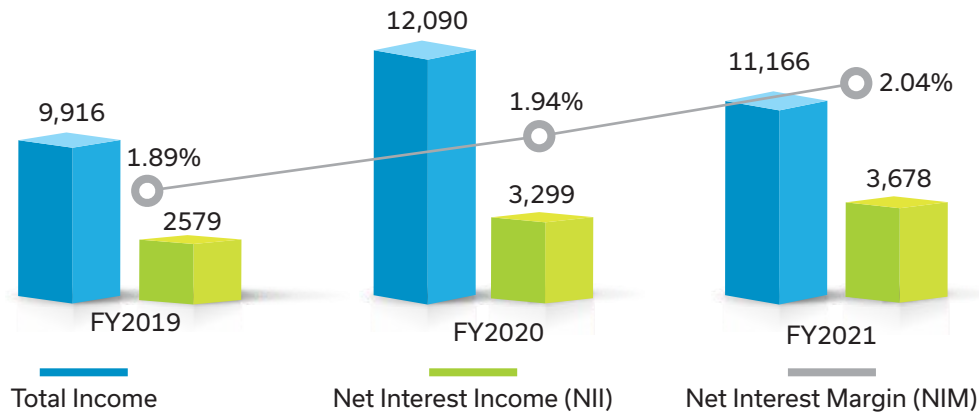
Loans and Advances stood at ₹1,56,233 crore as of March 31, 2021, a decline of 5.6% as compared to FY 2020.



Income and Margins

Total Income for FY 2021 stood at ₹11,166 crore, a decline of 7.6% as compared to FY 2020. Net Interest Income for FY 2021 grew by 11.5% to ₹3,678 crore, driven by a 0.10% growth in Net Interest Margin.

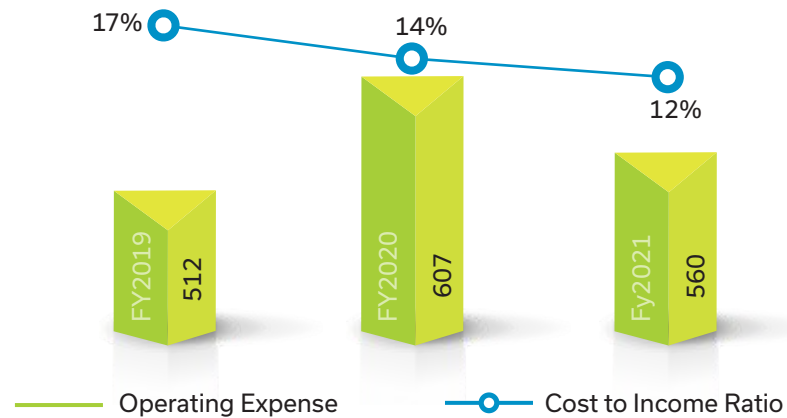
Income (₹ crore) & Margins



Operating Expenses & Cost to Income Ratio

Operating expense for FY 2021 was ₹560 crore, a Y-o-Y decline of 7.8% from FY 2020. The cost-to-income ratio improved by 2% during FY 2021 and stood at 12% on March 31, 2021.

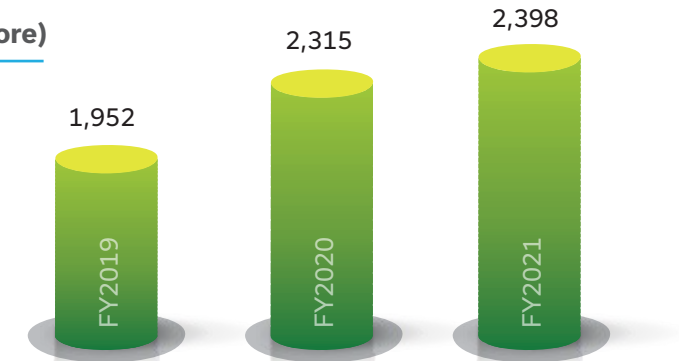
Operating Expense (₹ crore) & Cost to Income Ratio



Net Profit

The Bank registered its highest ever Net Profit of ₹2,398 crore during FY 2021, an increase of 3.6% as compared to FY 2020.

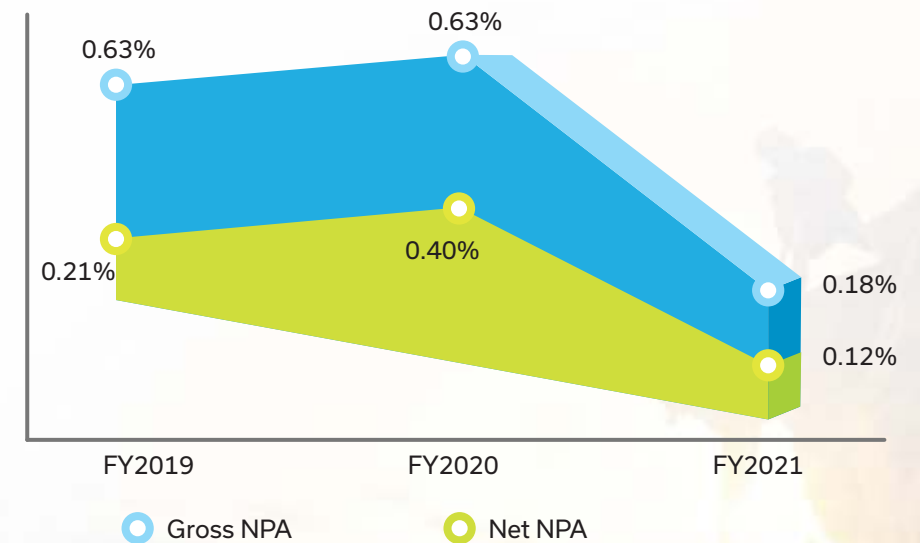
Net Profit (₹ crore)



Asset Quality Metrics

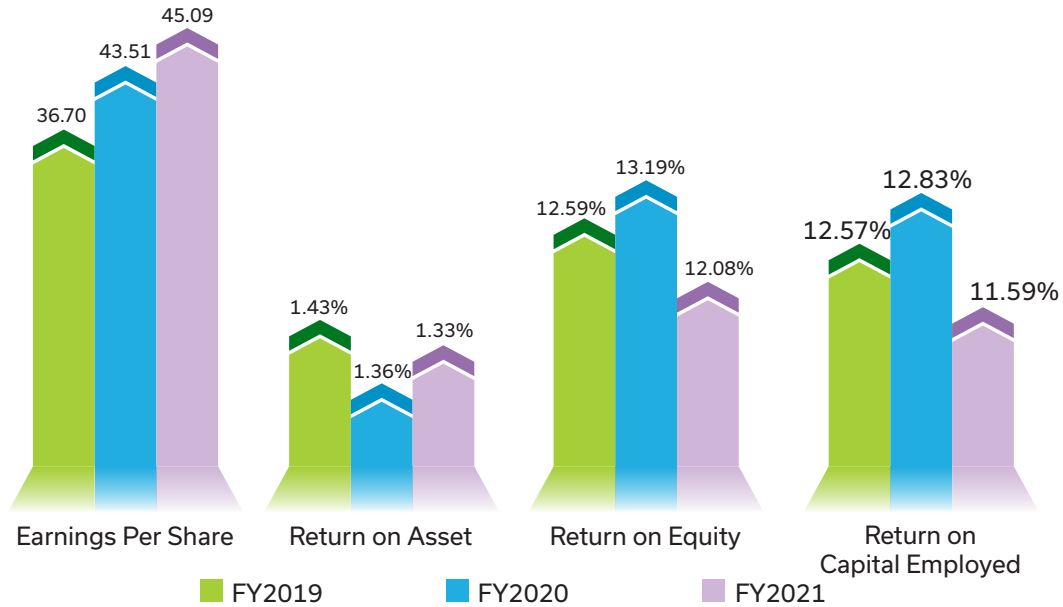
Gross NPA stood at 0.18% and Net NPA stood at 0.12% as on March 31, 2021, an improvement of 0.45% and 0.28%, respectively, as compared to FY 2020.

Asset Quality



Shareholders' Returns

Earnings per Share (EPS) increased to ₹45.09 in FY 2021 from ₹43.51 in FY 2020.



Other Key Parameters



Provision Coverage Ratio (PCR) was at 93% at the end of FY 2021 as compared to 78% at the end of FY 2020



Capital Adequacy Ratio was at 27.49% at the end of FY 2021 as compared to 26.62% at the end of FY 2020

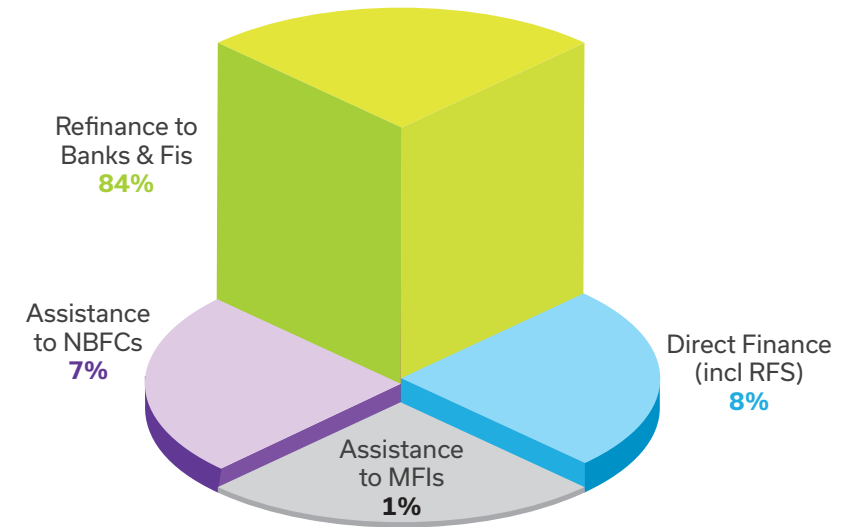


Business per employee stood at ₹154.08 crore and Net Profit per employee stood at ₹2.37 crore during FY 2021

BUSINESS PERFORMANCE

Institutional Finance accounts for approximately 92% of total outstanding portfolio.

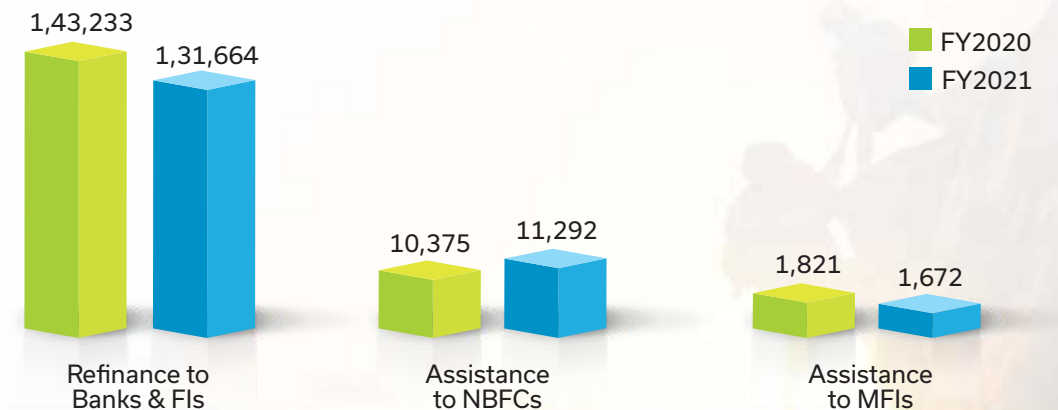
Portfolio composition



Institutional Finance

Outstanding under Institutional Finance was at ₹1,44,628 crore at the end of FY 2021.

Composition of Institutional Finance (₹ crore)



Refinance to Banks (incl SFBs) & SFCs

The Bank, through its refinance operations, facilitated flow of funds to MSEs by suitably augmenting PLIs' resources. The portfolio outstanding stood at ₹1,31,664 crore as on March 31, 2021, a decline of 8.1% as compared to FY 2020, on account of lower MSE credit offtake and the presence of surplus liquidity in the system. The Bank has 31 commercial banks and 10 SFBs as live customers as of FY 2021.

During FY 2021, RBI has allocated a corpus of ₹37,699.81 crore out of Priority Sector Lending shortfalls. The cumulative allocation to the Bank stood at ₹167,299.81 crore as on March 31, 2021, out of which an amount of ₹161,183.47 crore was disbursed to Banks (including SFBs), benefiting more than 24.69 lakh MSEs of the PLIs.

Assistance to NBFCs

Assistance to NBFCs increased by 8.8% to ₹11,292 crore as on March 2021 from ₹10,375 crore as on March 2020.

During FY 2021, the Bank onboarded 35 new NBFCs and the total number of live NBFCs as of March 2021 stood at 71.

The Bank introduced pilot scheme for assistance to Fintech NBFCs, considering their potential reach to MSMEs. Under this Scheme, the Bank onboarded 8 New-age Fintech NBFCs, disbursing ₹75 crore in FY 2020. The scheme has graduated into a mainline scheme during the fag end of FY 2021 to cover more Fintech NBFCs.

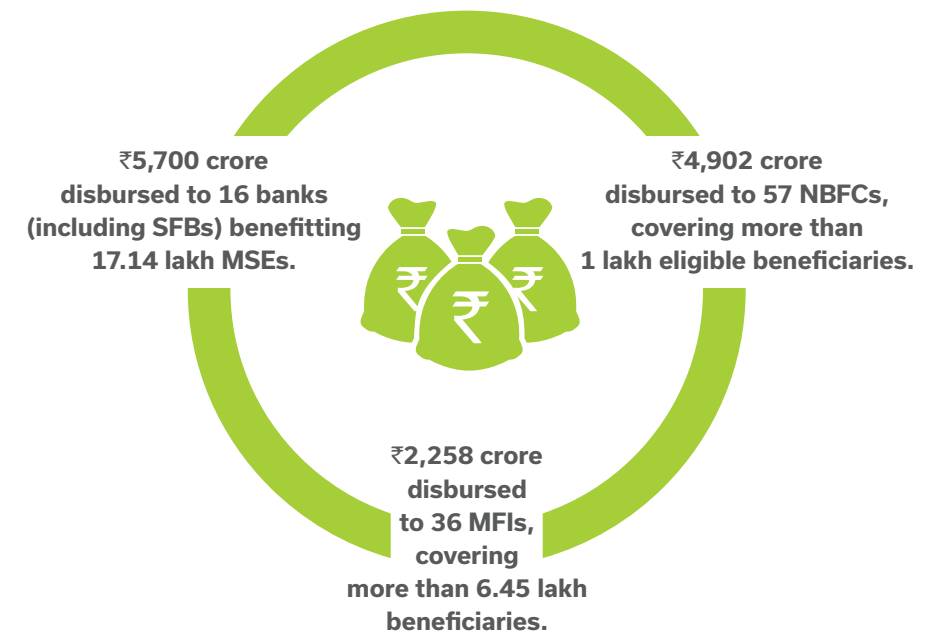
Assistance to MFIs

Assistance to MFIs stood at ₹1,672 crore as on March 2021, a decline of 8.2%. The Bank has onboarded 18 new MFIs during FY 2021 and total number of live MFIs as of March 2021 stood at 78.

The cumulative assistance disbursed under the Bank's microfinance initiatives up to March 31, 2021 aggregate to ₹20,568 crore, which benefitted around 4 crore entities.

Special Liquidity Facility (SLF)

To provide liquidity support to the MSME sector, RBI provided Special Liquidity Facility (SLF) of ₹15,000 crore to the Bank, with at least 40% of funds under this facility for MSMEs through NBFCs and at least 20% of lending of funds through MFIs. Under the scheme, the Bank focused on assisting lower rated NBFCs and MFIs to address the liquidity crunch. The position at the end of FY 2021:



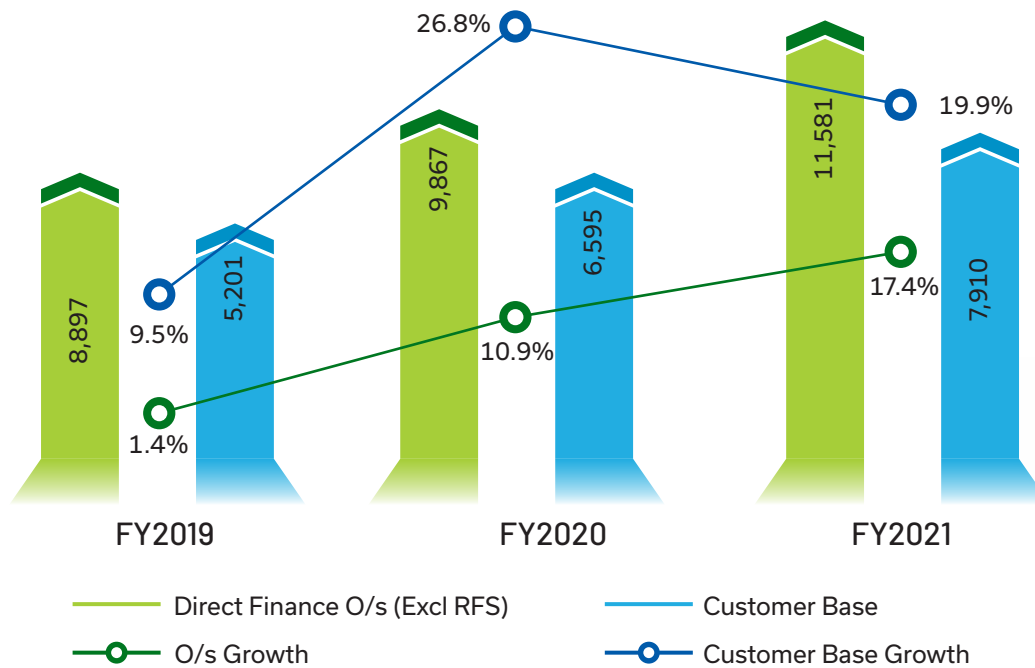
RBI has provided Special Liquidity Facility (SLF-II) of ₹15,000 crore to the Bank on April 07, 2021, to address the liquidity & credit needs of MSME sector for FY 2022.

RBI has also announced Special Liquidity Facility (SLF-III) of ₹16,000 crore to the Bank, on June 04, 2021, for innovative schemes to meet short & medium term need of MSME sector, especially smaller MSMEs in credit deficient & Aspirational districts.

Direct Lending

During FY 2021, the Bank focused on ensuring uninterrupted flow of credit to MSMEs, especially to those engaged in fighting the pandemic, and in implementation of relief measures announced by RBI. The efforts have shown fruitful results, and despite the challenges posed by COVID-19, the outstanding portfolio (excluding RFS) grew by 17.4% and customer base increased by 19.9% during FY 2021.

Direct Finance Portfolio (₹ crore)

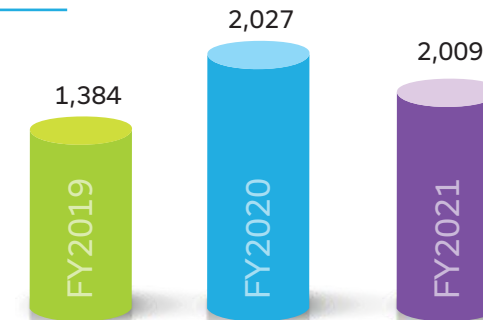


Direct Finance portfolio outstanding stood at ₹11,581 crore as of March 2021, as compared to ₹9,867 crore as of March 2020, largely on account of assistance granted to existing customers under ECLGS.

Disbursements during FY 2021 grew by 28%, but sanctions have decreased marginally by 3.5% as large investments / capacity expansion projects were kept in abeyance by MSMEs due to uncertainty on account of COVID-19.

Strategic Reorientation of Direct Lending to maximise the impact

New Customers Added



Widening Reach

Number of customers under Direct Finance has increased to 7,910 as of March 2021 from 6,595 as of March 2020, registering a Y-o-Y growth of 19.9%. The Bank has registered 66% growth in customer base during the last three years.



Diversifying Base

Targeted focus on lending to New-to-SIDBI [NTS] customers, and the introduction of quick dispensation schemes and MoUs with OEMs and Industry Associations, have resulted in the addition of 2009 new customers during FY2021.



Faster delivery

The faster dispensation models have resulted in reducing average Turn Around Time (TAT) in credit delivery. While overall TAT was 10 days, TAT for New & Quick Deliverable Products was around 5 days.



Retention of good customers

The Client Retention Committee constituted at the HO focuses on reduction in instances of pre-payment / takeovers. Prepayment of 230 accounts [principal outstanding of ₹665.46 crore] were averted during the fiscal year.



Business enablers under Direct Finance

Tie-ups with OEMs/ Industry Associations

Entered in Credit Delivery Arrangements (CDA) with 58 Machinery Suppliers and six Industry Associations to accelerate credit delivery to MSMEs.



Promoting Renewable energy usage

To give impetus to adoption of cleaner energy among MSMEs, the Bank has entered into partnership with three OEMs in the solar power sector, i.e., Tata Power Solar Pvt. Ltd. (TPSSL), Mahindra & Mahindra Ltd. and Hero Solar Energy Pvt. Ltd.



Launch of New & Quick Deliverable Products

The Bank launched four new products, mainly focused on helping MSMEs fight the pandemic. Sanctions and disbursement under new products during FY 2021 have been to the tune of approx. ₹2,900 crore (5,738 customers) and ₹2,522 crore (5,122 customers) respectively. These products catered mainly to small borrowers, with average TAT of five days.



Initiatives for MSMEs to meet COVID-19 challenges

Introduced SIDBI Assistance to Facilitate Emergency (SAFE) response against corona virus, as well as SAFE-Plus & SAFE-WCTL to provide capex and Working Capital support to existing MSMEs at a subsidised interest rate of 5%, with a target TAT of 48 hours. Under these schemes, ₹166.26 crore was sanctioned to 380 MSMEs.

A special window was created under SMILE scheme (with a target TAT of 5 working days) for capex financing of items included in the supply chain of the healthcare sector.

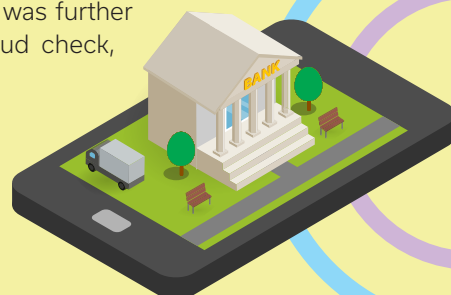


Timely Working Capital Assistance to Revitalise Industries in Times of corona virus (TWARIT) was launched under ECLGS. Total sanction under the scheme as on March 31, 2021 was ₹1,093.42 crore to 2,840 customers.

As on March 31, 2021, 3,480 customers availed moratorium and 275 customers availed restructuring of their advances amounting to ₹617 crore.

Digital Initiatives and Internal Process improvements

- ▶ SMART (SIDBI Multifunction Appraisal and Rating Tool) was further simplified, automated and integrated with Hunter Fraud check, new KYC module, simplified appraisal modules, etc.
- ▶ Application forms for newer schemes were digitised to enable quick dispersal of approvals and reduction of TAT. As on March 31, 2021, some 4,117 online applications were submitted, seeking financial assistance to the tune of ₹7,780 crore.
- ▶ ARM-MSME, a do-it-yourself web module, was launched to help MSMEs prepare their restructuring proposals.



Focused initiatives under Direct Finance - Sustainable Development

The Bank has been operating focused lending schemes for promoting investment in clean production and energy efficient technologies/ production processes under bilateral lines of credit from international agencies such as JICA, AFD and KfW.

Major activities under Sustainable Development are:

Financing Energy Efficiency at MSMEs – a World Bank project financed by Global Environment Facility (GEF) -

- ▶ Implemented in 26 clusters
- ▶ Loans extended under 'End-to-End Energy Efficiency (4E) Scheme'

The Bank along with Energy Efficiency Services Limited (EESL) is implementing, Global Environment Facility (GEF), Clean Technology Fund (CTF) and World Bank supported project, viz. "Partial Risk Sharing Facility for Energy Efficiency (PRSF).



The Bank is accredited with Green Climate Fund (GCF), set up within United Nations Framework Convention on Climate Change (UNFCCC).

TIFAC-SIDBI (SRIJAN) Scheme and 4E (End-to-End Energy Efficiency) schemes were continued during FY 2021 to support sustainable development.

FUND OF FUNDS

Under Fund of Funds operations, the Bank contributes to the corpus of SEBI-registered Venture Funds/ Alternative Investment Funds. The VCFs/ AIFs supported by the Bank are required to invest a specified amount of their corpus in MSMEs / Startups as per the mandate of the scheme.

Fresh investments are being committed to AIFs out of three fund of funds being operated by the Bank as operating manager/ fund manager on behalf of respective ministry/ State Govt – namely, Fund of Funds for Startup (FFS) (a programme of DPIIT, Ministry of Commerce and Industry), ASPIRE Fund (Ministry of MSME) and UP Startup Fund (on behalf of Government of Uttar Pradesh).

A brief outline on the active Fund of Funds is as under:

Fund of Funds for Startups (FFS)

- Corpus of ₹10,000 crore
- During FY 2021, ₹1,611.25 crore was sanctioned to 18 AIFs
- Cumulatively, ₹5,409.45 crore was sanctioned and ₹1,484.75 crore disbursed to 71 AIFs as on March 31, 2021.

ASPIRE Fund

- Corpus of ₹310 crore with focus on Agro and Rural enterprises
- Cumulative commitments since inception of the Fund stood at ₹47.5 crore to 5 AIFs

UP Startup Fund

- Corpus of ₹1,000 crore
- ₹15 crore released by UP Govt in May 2020
- Commitments of ₹20 crore made to two AIFs as on March 31, 2021.



Other initiatives

- Entire process, from Application submission by AIFs and drawdown requests to real time portfolio management of VCF has been digitised.
- Organised a series of Online Pitching Events, along with DPIIT, for all the finalists of the National Startup Awards.



Supporting Startups during COVID pandemic



- ▶ The Bank introduced COVID-19 Startup Assistance Scheme (CSAS) to provide financial assistance in form of WCTL, to Startups affected by COVID-19.
- ▶ Under the scheme, 14 cases were sanctioned assistance aggregating ₹21.68 crore.

MICRO LENDING/ THE MISSING MIDDLE



The Bank launched the PRAYAAS scheme to facilitate enterprise promotion and to bring down the cost of credit to borrowers at the bottom of the pyramid.



Scheme leverages the outreach of Partner Institutions like MFIs/ SHPIs/ NBFCs/ Fintechs and other entities in extending affordable finance to the budding micro-entrepreneurs.



End-to-end App based digital journey for fast and efficient credit delivery process encompassing on-boarding, sanction process, digital document execution and disbursement.



As on March 31, 2021, under PRAYAAS, ₹172.21 crore was sanctioned to approx. 14,260 micro-entrepreneurs/ borrowers.



Aggregate disbursement stood at ₹128.02 crore to 10,986 micro-entrepreneurs / borrowers, as on March 31, 2021.



Outstanding under the scheme was ₹64.49 crore, as on March 31, 2021.



88% beneficiaries are from rural areas and balance 12% are from urban areas. Out of the total loan disbursed 88% are to women entrepreneurs

STRENGTHENING RISK MANAGEMENT

The Bank has put in place a comprehensive Risk Management System inclusive of Credit Risk Management, Market Risk Management, Operational Risk Management, Internal Capital Adequacy Assessment Process, Business Continuity Management, etc.

Risks associated with the Bank's lending and treasury operations, including off-balance sheet items, are constantly monitored, measured and managed under the overall supervision and guidance of Risk Management Committee (RiMC) of the Board.

Major initiatives / achievements during the year

Introduced the Risk appetite framework to ensure consistency between the Bank's strategic decisions, risk-taking and day-to-day decision-making



Business continuity was ensured at all times during the lockdown due to Covid-19 pandemic.

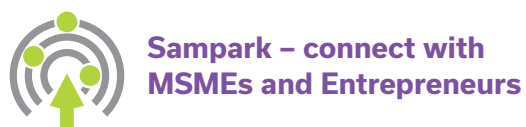
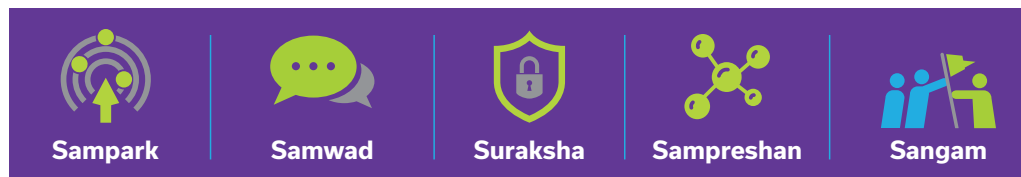
Introduced comprehensive framework for fixing exposure limits to commercial Banks/FIs.

E-learning training modules on BCM, Cyber Security and IT Security were created for employees of the Bank.

Cyber Security Operations Centre was formally implemented in the Bank.

PROMOTIONAL AND DEVELOPMENTAL INITIATIVES

P&D initiatives of the Bank are woven around Mission Swavalamban, which is an umbrella framework for stimulating the entrepreneurship culture and supporting various livelihood and entrepreneurship programmes. Mission Swavalamban has four distinguishing pillars viz., Sampark, Samwad, Suraksha and Sampreshan (4S). A fifth pillar viz., "Sangam", is a confluence of these four pillars.



Sampark – connect with MSMEs and Entrepreneurs

Swavalamban Connect Kendras (SCKs)

- SCKs working as Counselling centers in 100 districts of UP, Bihar, Jharkhand, Telangana and Odisha to guide and handhold aspiring entrepreneurs.
- 1,000-plus enterprises (36% women-led) were set up under this initiative in FY 2021.

E-Udyam Sangyan

- Webinars for MSE on digital platforms viz., TReDS and GeMs.
- Session from representatives of Medium and Large Industries on domain knowledge and corporate governance.
- 15 programmes concluded in FY 2021 benefitting 600-plus MSEs.

Swavalamban Digi-Gyanshala

- Partnered with the Centre for Digital Financial Inclusion (CDFI).
- Launched an Interactive Voice Response (IVR) and webapp, 'Swavalamban Digi-Gyanshala', to spread business literacy.
- Over 1.15 lakh aspirants covered by this initiative.

ASOMI SARAS Fair 2021

- Supported Assam State Rural Livelihood Mission (ASRLM) to organise ASOMI (Atmo Sahayak Mohila Gootor Identity) SARAS Fair 2021.
- 113 stalls (66 from Assam and 47 from other states), recorded sales of ₹4.18 crore. All participants were women entrepreneurs.



Samwad – 'dialogue' to strengthen the relations among various stakeholders of the MSME Sector

Swavalamban Crisis Responsive Fund (SCRF) under SRF

- Set up SCRF with the support of FCDO, Govt. of United Kingdom, to support free onboarding of MSMEs on the TReDS platform
- Onboarded 11,600-plus MSMEs
- 3,729 MSMEs are active on TReDS, and

have done transactions of approx. ₹3,930 crore in FY 2021

Digital Bouquet

- Virtual ecosystem with Udyami Mitra/ Stand Up India Portal, which has converged all important stakeholders in the MSME ecosystem.



Suraksha – to create an enabling environment for the growth of MSMEs

COWE MART

- Designed as a medium for digital connect through a user friendly, one-click Buyer-Seller connect, via WhatsApp
- 98 women entrepreneurs onboarded on the portal, out of which 47 women

entrepreneurs are SIDBI beneficiaries through USHA / Swavalamban Silai Schools.

Role Models

- Supported 76 role models in 11 districts of four states through 20-plus activities



Sampreshan – constructive engagement with policy makers & MSME entrepreneurs

Project Management Unit (PMU)

- PMU set up in 11 states viz. Assam, Andhra Pradesh, Delhi, Gujarat, Haryana, Karnataka, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh and Uttarakhand
- Aimed at strengthening the MSME ecosystem and transferring the good practices through learning sessions

Swavalamban Info Series

- Created a digital bouquet of knowledge products like knowledge series, info series, radio jingles, videos, etc.
- 5 volumes in Swavalamban Info Series released during FY 2021



SANGAM - "confluence", traits of more than one pillar

Swavalamban Silai Schools

- Silai Schools were opened in 1,638 villages of 24 districts across seven states viz., Bihar, Himachal, Jharkhand, Rajasthan, Telangana, Uttarakhand & Uttar Pradesh
- Nearly all direct beneficiaries have become homepreneurs enrolling 16,982 learners – an average of 10 new enrollments per direct beneficiary.

Micro Enterprise Promotion Programme (MEPP)

- A flagship initiative aimed at promoting viable MSEs by facilitating availability of business services through Implementing Agencies
- 7 MEPPs are running across India
- During FY 2021, 48 programmes conducted benefitting 3,337 participants and setup 420 new enterprises employing 1,866 persons.

EU Switch Asia Bamboo Project

- Launched in January 2019 in 9 backward states including NER
- 1,373 bamboo-based enterprises, including 900 units during FY 2021, were grounded/ upgraded through self-finance as well as credit linkage through 25 financial intermediaries.
- 4,215 bamboo artisans benefitted, including 2,500 in FY 2021

Sanitation & Hygiene Entrepreneurs - SHEs

- Pilot programme under which training and incubation support is provided to create own ventures
- 650 SHEs covered in 23 states
- SHEs able to sanitize more than 50 mn-sqft area and generated cumulative income of ₹92 lakh

Swavalamban Assistance for Financial literacy, Adoption of villages and credit and market Linkages - SAFAL

- Adoption of 120 villages in the states of Bihar and Jharkhand
- Providing financial literacy training to 2,400 Livelihood & Micro entrepreneurs, including migrants, and ensuring their credit and market linkages

Swavalamban Siwabhiman

- Partnered with Microfinance Association of Uttar Pradesh (UPMA) for providing skill development training and other support to 100 young aspirants/ artisans, mainly women.

Innovation

Gramin Navonmesh Protsahan

- Aimed to promote/ commercialise at least 50 rural innovations with thrust on ITI / Polytechnics in UP, Bihar, Odisha, Maharashtra, Chhattisgarh and Jharkhand.
- 18 rural innovations supported under the initiative

Bank Sakhi Programme

- Partnered with Jeevika, SRLM, Bihar, to provide alternate banking and digital financial services in rural areas, especially to poor women
- 1,640-plus Bank Sakhis created in 36 districts of Bihar.

Swavalamban Divyangjan Assistive Tech Market Access (ATMA)

- Swavalamban - ATMA fund launched in association with Social Alpha to ease the entry of the assistive technology solution for the end-users, mainly Divyangjan
- The programme is expected to touch around 1,000 lives in the next two years

SIDBI Assistance for Harnessing Aspiring Swavalambis - SAHAS

- 'Swavalamban Chair for MSME Solutions' set-up at Govt. Engineering College, Thrissur to create an entrepreneurial culture in the institution and region

SWAS / स्वास - Breathing Entrepreneurial Energy

- Swavalamban Accelerator established with the help of Mukti in the Sunderbans, West Bengal
- 1,000 SHG women are being trained in Handicraft and Food processing, total beneficiaries will be 20,000

SIDBI Centre for Innovation in Financial Inclusion/SCiFI

- SCiFI was set-up at IIM, Lucknow with the aim of nurturing start-ups working on financial inclusion
- 24 innovative start-ups are being supported by SCiFI, as on March 31, 2021

Central Institute of Medicinal & Aromatic Plants – CIMAP

- Focused on training participants in the production of quality material of about 20 economically useful medicinal and aromatic plants
- During FY 2021, online STUPs were conducted, that benefitted 292 aspirants

Swavalamban Livelihood Enhancement and Awareness Programme – LEAP - in Leh

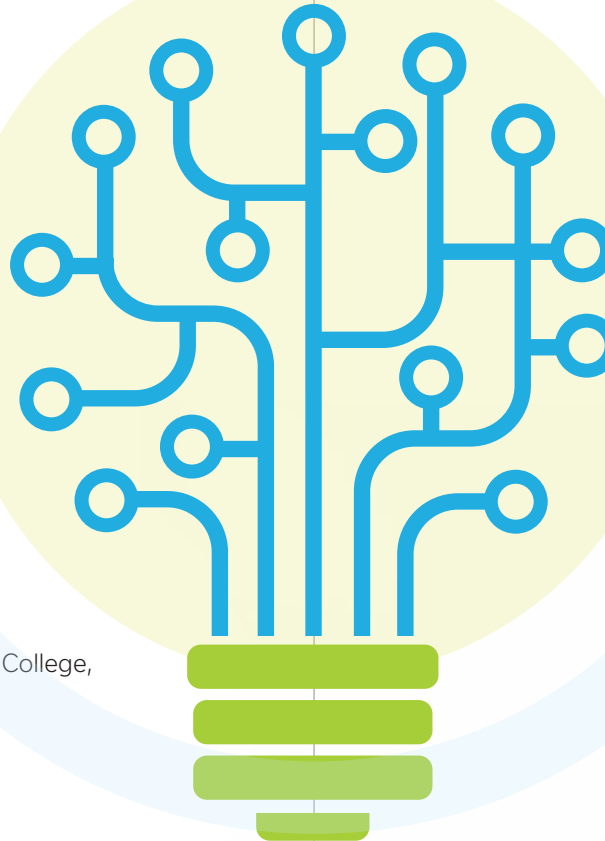
- Swavalamban LEAP, to be launched shortly, aims to support Sea Buckthorn-based livelihood in Leh
- Aims to create 15 enterprises, covering 75 entrepreneurs and impacting 750 families

Social Enterprises & Impact Investment

- Aims to provide support to Samridhi Fund and its investee companies operating in the social impact space.
- At the Fund level, support is for strengthening ESG and showcasing the impact created by the fund.

SIDBI Innovation & Incubation Centre – IIT Kanpur (SIIC)

- SIIC is India's top most incubator which focuses on to foster successful entrepreneurs and develop industry in the knowledge and technology-based areas, particularly for small enterprises.
- 82 companies have graduated and 85 are currently under incubation at SIIC.



Corporate Social Responsibility (CSR)

During FY 2021, the Bank has undertaken over 60 CSR activities across several states in the fields of health, education, environment conservation, water, hygiene, skilling etc. Key guiding themes under CSR are:

Environment

- Supported desilting and renovation of Malayampalayam check dam in Erode District and Neikuppam pond near Walajabad
- More than 300 acre of agricultural land and 750 families benefitted through this activity
- Increased storage capacity to 2800 cubic meters benefiting 240 families in Neikuppam



Empowerment

- Distributed artificial limbs and wheelchairs along with street vending cart to 100 differently-abled peoples to give Swavalamban Wings for earning livelihoods
- Helped a 20-fisherwomen group in Pullicat to kick-start the traditional handicraft business
- Supported 40 families in six villages affected by Amphan cyclone in South 24 Pargana district of West Bengal for livelihood restoration



Enablement

- Supported Paralympic Committee of India with sports kit, sports equipment and electricals to encourage the para athletes



Support during COVID pandemic



- ▶ Distributed Mask, PPE Kit, Hygiene Kit, food packets, rations etc. through NGOs
- ▶ Set up MSME Help Desk to assist and respond to the queries of MSMEs in a time-bound manner
- ▶ Published three handbooks on Covid response and also an informative series for creating financial awareness
- ▶ Supported 80 economically underprivileged weavers by providing essential utility kits
- ▶ Organised SIDBI Covid-19 Response Track Award to encourage start-ups

THOUGHT LEADERSHIP AND STRUCTURAL INITIATIVES

The Bank has undertaken various initiatives to address information asymmetry and provide directional support to policy makers.

Structural Initiatives

The Bank launched two new knowledge products during FY 2021 focused on Industry sectors and Fintech lending space. In line with recommendation of the RBI Expert Committee on MSME, chaired by Shri U.K. Sinha, and as a CSR initiative, the knowledge products have been rolled out in several Indian languages to reach out to a larger user base.

MSME Pulse

A SIDBI-Transunion CIBIL initiative, is a health tracker of MSMEs based on over 5 million credit-active MSMEs in the CIBIL database. The report tracks MSME credit to provide strategic inputs to institutional lenders and stakeholders. MSME Pulse is being published in 14 Indian languages. 11 editions of the report have been released so far.

CriSidEx

A SIDBI-CRISIL joint knowledge product, is a sentiment index based on the qualitative survey of around 1,100 MSEs, for the surveyed quarter and expectations for the next quarter. The index gauges ground-level trends of the MSEs, apart from providing policy insights to stakeholders. Ten editions of the report have been released so far.

Microfinance Pulse

A SIDBI-Equifax initiative, it is a quarterly report based on Equifax database, that provides credit trends and other insights in the Microfinance sector, and serves as data-backed policy insights to the stakeholders. The report is being published in 14 Indian languages. So far, eight editions of the report have been released.

Industry Spotlight

A SIDBI-CRIF Highmark joint initiative, this is a quarterly report based on credit data to key Industry sectors, with focus on MSMEs. The report details credit flow at cluster level, with data of established v/s emerging clusters in the respective industry sector. The report is being released in three Indian languages, and so far, three editions have been published.

Fintech Pulse

A SIDBI-Equifax joint initiative, the Pulse is a quarterly report on Fintech lending in India, with focus on New-Age Fintech emerging as differentiators in timely and adequate delivery of credit to the unserved and the underserved. The report is being released in two Indian languages, and two editions have been published so far.

Aggregators

Udyamimitra portal – a universal digital platform to provide 'End-to-End' solutions not only for credit delivery, but also for the host of credit plus services.

▶ Accessibility

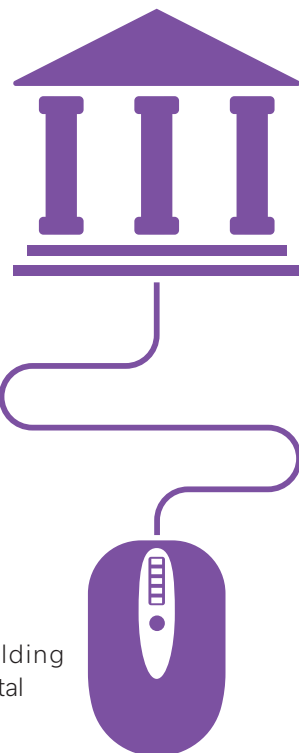
- 400-plus lenders
- Branch network of more than 1.56 lakh
- 4500 Urban Local Bodies (ULBs) / Municipalities

▶ Registrations as of March 2021

- Total registrations: 9.46 lakh
- Online loan applications: 2.59 lakh
- Total loan sanctions: 1.20 lakh (both online and offline), to the tune of ₹26,500 crore

▶ Handholding support

- 8,000-plus active handholding agencies mapped with the portal



Digital Offering

- ▶ Samriddhi, a virtual assistant (Chatbot)
- Bankability kit – a one-stop guide for MSME entrepreneurs
- 325 model project profile
- Info and knowledge series to facilitate MSMEs
- Subsidy Scheme hosted on portal for easy reference
- MSME COVID series, FAQs & audio-visuials hosted on portal

PSB Loans in 59 minutes

- Digital portal using advance algorithms, matching engines and a simplified process to enable MSMEs to obtain in-principle loan approvals
- Mother Platform- onboarded 16 Fintechs
- Emerged as largest fintech platform in terms of outreach and type of loans extended
- As on March 31, 2021, 3.97 lakh MSMEs have obtained in-principle approval from the lender, out of which 3.15 lakh MSMEs have obtained final sanction (inclusive of online, offline and renewal bulk uploads)

Powering Key Gol Mission Programmes

Udyamimitra Portal is also powering key Gol mission programmes, viz. Prime Minister Street Vendor Atma Nirbhar Nidhi (PMSVANidhi) and Animal Husbandry Infrastructure Development Fund (AHIDF).



PMSVANidhi - The portal has facilitated the PMSVANidhi stakeholders by ensuring paperless loans to Street Vendors. As on March 31, 2021, 41-plus lakh loan applications and around 24 lakh sanctions amounting to ₹2,300 crore, covering 35 States/UTs have been processed on the portal and disbursed loan amount of about ₹2,000 crore to more than 20 lakh vendors in a short span of Nine months.



AHIDF - As on March 31, 2021, out of 650-plus loan applications received, 74 applications worth ₹950 crore were considered eligible. Out of these, 17 applications have been sanctioned.

Giving Fillip to Standup India (SUI) Mission

Organised national campaign programmes on creating awareness outreach and business opportunities for SC/ST and female aspirants.

Swavalamban Sankalp

- One-day intensive awareness, outreach and business opportunity programmes in collaboration with DICCI.
- As on 31st March 2021, 27 programs have been conducted reaching out to more than 4000 aspirants.

Swavalamban Sashakt

- Awareness, outreach and business opportunity programmes in collaboration with Confederation of Women Entrepreneurs of India.
- As on March 31, 2021, 10 webinars have been organised, attended by more than 900 participants.

Facilitator Role

Interest subvention Scheme (ISS) for Incremental Credit to MSMEs – 2018



- The Bank is the nodal implementation agency for "Interest subvention Scheme for Incremental Credit to MSMEs 2018" scheme
- As on March 31, 2021, ₹975 crore has been released to 62 Eligible Lending Institutions, benefitting 22.71 lakh MSMEs (18.94% of these are women-led)

Interest Subvention Scheme for Mudra - Shishu Loans



- 2% interest subvention under PMMY to all outstanding Shishu loan accounts that are not NPA
- Total budget under the scheme is ₹1,542 crore
- Settled aggregate claims of ₹379.39 crore from 92 MLLs, benefitting 3.26 crore Shishu borrowers

Extended Partial Credit Guarantee Scheme (PCGS 2.0)



- To address temporary liquidity/ cash flow mis-matches of otherwise solvent NBFCs/ HFCs/ MFIs
- The Bank has been delegated the work for evaluation of proposals, keeping record of transactions and determination of guarantee headroom, examination of claims and monitoring of recoveries in accounts for which guarantee has been invoked.
- As on March 31, 2021, recommended 59 proposals aggregating ₹13,760.38 crore to DFS, under pooled assets
- As on December 31, 2020, PSBs have reported proposals worth ₹22,217 crore of Portfolio Guarantee (Bond/CP) purchased/ to be purchased from NBFCs/ HFCs/ MFIs.

PMSVANidhi Scheme



- Aims to facilitate collateral-free working capital term loans of up to ₹10,000 each to street vendors for resuming livelihood activities
- The Bank is implementation partner of MoHUA, Gol for administration of the scheme
- Launched scheme portal and mobile app for application sourcing

Animal Husbandry Infrastructure Development Fund (AHIDF) scheme



- ₹15,000 crore fund to incentivise investments to establish Dairy Processing & value addition infrastructure, Meat Processing & value addition infrastructure and Animal Feed Plants
- The Bank is implementing partner for the scheme and has collaborated with Department of Animal Husbandry & Dairying, MoFAHD, Gol
- During FY 2021, an amount of ₹660 crore was sanctioned by scheduled banks. The ministry has released interest subvention of ₹12.74 crore under the scheme

Micro & Small Enterprises- Cluster Development Programme (MSE-CDP)



- Ministry of MSME programme in which the Bank undertakes Techno Economic appraisal of the proposals
- During FY 2021, 38 MSE-CDP proposals have been appraised, with a project cost of ₹441.85 crore and having a grant-in-aid amount of ₹291.28 crore

Nodal agency for Govt subsidy schemes



- The Bank has been assigned the role of nodal agency by the Govt. of India for implementing several Govt. subsidy schemes, namely, CLCSS, TUFs, IDLSS, FPTUFS and TEQUP Scheme.
- Cumulatively, the Bank has facilitated release of subsidy of ₹3,900.46 crore to 47,176 MSMEs.

SUBSIDIARIES AND ASSOCIATES



SIDBI Venture Capital Limited (SVCL) (1999), the venture capital arm of SIDBI, presently acts as the investment manager for eight funds with outstanding corpus of ₹794 crore as of March 31, 2021.



Micro Units Development & Refinance Agency (MUDRA) (2015), the wholly-owned subsidiary of SIDBI working on the agenda of 'funding the unfunded', provided refinance support of ₹12,303 crore during FY2021.

The portfolio outstanding as on March 31, 2021, stood at ₹13,627 crore.



Receivables Exchange of India Limited (RXIL) (February 2016), SIDBI-NSE joint venture operating the MSME online Trade Receivables Discounting Platform (TReDS) had a registered base of 629 buyers (including 107 CPSUs), 7,134 MSME vendors and 42 financiers, as on March 31, 2021.

As at the end of FY 2021, the RXIL TReDS platform has financed over 4,96,102 invoices, aggregating ₹10,318.93 crore.



Credit Guarantee Fund Trust for MSEs (CGTMSE) branded as UDAAN (set up in 2000), operates the Credit Guarantee Scheme (CGS) for MSEs in respect of credit facilities up to ₹2 crore extended by member lending institutions that are not backed/ partially backed by collateral security and/ or third-party guarantees. The cumulative impact of UDAAN up to end FY 2021:

- Helped in creating 51.42 lakh MSE loan accounts
- Cumulative loan amount of ₹2.58 lakh crore.

Milestones achieved during FY 2021:

- Amount of guarantees approved stood at ₹36,899 crore
- Number of guarantees approved stood at 8,35,592



Acuite Ratings & Research Limited (Acuite) set up in 2005, has assigned 50,000-plus SME ratings and 8,700-plus Bank Loan Ratings upto March 31, 2021.



India SME Asset Reconstruction Company Ltd. - (ISARC) (2008) an ARC with a special focus on the NPAs of MSME sector, recorded Assets Under Management of ₹398.76 crore as on March 31, 2021.



PSBLoansin59minutes

- Fintech foray of five PSBs led by SIDBI
- As on March 31, 2021, 3.97 lakh MSMEs have obtained in-principle approval from the lender, out of which 3.15 lakh MSMEs have obtained final sanction.