



Press Release

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SIDBI & CSC e-Governance Services India Limited signed an MoU to extend financial support to the Village Level Entrepreneurs(VLEs) for their existing CSCs.

Small Industries Development Bank of India (SIDBI), is a Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector. SIDBI meets the financial and developmental needs of the MSME sector with a Credit+ approach to make it strong, vibrant and globally competitive.

CSC e-Governance Services India Limited is a Special Purpose Vehicle, (CSC SPV) set up by the Ministry of Electronics & IT (MeitY). CSCs are the access points for various [e-governance](#) and business services to citizens in rural and remote areas of the country to facilitate delivery of Government to Citizen (G2C) services, Business to Citizen services, financial Inclusion, education services, Digitize India Platform etc. at the village & primary level. The key stakeholder in CSCs are village level entrepreneurs (VLEs).

Today, SIDBI and CSC signed a Memorandum of Understanding (MoU) to extend financial support to the Village Level Entrepreneurs (VLEs) for their Common Services Centres (CSCs).

The MoU is expected to encourage CSCs/VLEs by way of availing financial support through SIDBI financing.

According to Shri Mohammad Mustafa, CMD, SIDBI “The present MOU between SIDBI and CSC envisages last mile financial support directly by SIDBI to VLEs in line with SIDBI’s current focus on micro and small enterprises. This is part of SIDBI’s endeavour for enlargement of financial inclusion through delivery of financial products and services in MSME eco-system. It has developed www.udyamimitra.in and www.standupmitra.in, two interactive web portals meant for all enterprise loans where these portals work as match making market places for financial and non-financial service needs of CSCs.”

According to Shri Dinesh Tyagi, CEO, CSC-SPV “There are already more than 2.5 lakh CSCs which is being envisaged to be increased to at least 3.5 Lakh CSCs, with a minimum of one CSC in each Gram Panchayat. The cost of setting up each CSC is about ₹2.50 lakh and there is scope for providing bank loans to these VLEs and the present arrangement with SIDBI is towards fulfilment of this objective.”

By combining the strength and capabilities of both SIDBI and CSC, this shall be a game changer for rural India as it would bring CSCs under the ambit of financial inclusion. Also by SIDBI & CSC-SPV coming together, lack of credit facilities to CSCs could be addressed and this would help CSC to enhance their bouquet of products.
