

Salient features of

Refinance Scheme for Micro and Small Enterprises (RMSE-XII)

Sl. No.	Particulars	Details
1	Scheme	1) Refinance Scheme for Micro and Small Enterprises for General Purposes (RMSE-XII-Regular). 2) Refinance Scheme for Micro and Small Enterprises in Identified Credit Deficient Districts (RMSE-XII-ICDD).
2	Objective of scheme	<p>In order to support the Micro and Small Enterprises (MSE) by facilitating flow of credit to the sector at reasonable rates and as decided by the Government of India (GoI), Reserve Bank of India (RBI) has been allocating MSE Refinance Fund (MRF) to SIDBI out of the contributions made by Banks having shortfall in achievement of Priority Sector Lending (PSL) targets/sub-targets.</p> <p>❖ RMSE-XII-Regular: <u>Incentivizing lending to Micro-Enterprises:</u> Incentivize Banks that have achieved their PSL targets for lending to Micro Enterprises in the previous FY.</p> <p>❖ RMSE-XII-ICDD: <u>Addressing regional disparities:</u> Incentivize Banks to lend in 184 Identified Credit Deficient Districts (ICDDs). The list of ICDDs is given at Appendix.</p>
3	Eligible Primary Lending Institutions (PLIs)	<p>❖ Scheduled Banks (Public Sector Banks, Private Sector Banks, Foreign Banks, Small Finance Banks, Urban Co-operative Banks & Regional Rural Banks)</p> <ul style="list-style-type: none"> • <i>The eligibility criteria of Scheduled Urban Co-operative Banks are given at Annexure-I.</i> • <i>The eligibility criteria of Regional Rural Banks are given at Annexure-II.</i> <p>❖ The refinance shall be within the borrowing limit / Power approved by Board of the respective PLI.</p>
4	Purpose of Scheme	Refinance of loans and advances extended by PLIs to MSEs.
5	Eligible underlying assets / End-borrowers	<p>❖ Loans & Advances extended to MSEs complying with definition of Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, as amended from time to time.</p> <p>❖ Loans and advances relating to micro finance activities / financing micro enterprises under non-farm income generating activities.</p>

		<ul style="list-style-type: none"> ❖ The above should be Standard Assets not in default or under SMA-0 / SMA-1 category, i.e., with default up to 60 days. NPA & Fraud cases are not eligible to be covered.
6	Eligible activities	<ul style="list-style-type: none"> ❖ Activities of “industrial concerns in the small-scale sector” as defined in Section 2(h) of the SIDBI Act, 1989 or “Micro or Small Enterprises” in terms of Section 7 of Micro, Small and Medium Enterprises Development Act, 2006 ❖ Note: It is clarified that MSEs engaged in Wholesale and Retail Trade, or running Educational Institutions are also eligible.
7	Final lending rate to end-borrowers by Banks.	<p><u>RMSE-XII-Regular:</u></p> <ul style="list-style-type: none"> ❖ Up to 350 bps over the External Benchmark “10-year G-Sec yield”. <p><u>RMSE-XII-ICDD:</u></p> <ul style="list-style-type: none"> ❖ Up to 450 bps over the External Benchmark “10-year G-Sec yield”. <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>The yield as on the last day of the quarter may be used to consider the eligibility of Bank loans for refinance for the ensuing quarter.</i> • <u>The applicable yield for each quarter is hosted on SIDBI website.</u>
8	Eligible Assistance	<ul style="list-style-type: none"> ❖ <u>Assistance against existing assets:</u> Refinance will be on reimbursement basis against existing eligible assets. Amount equivalent to the outstanding portfolio of loans and advances to MSEs against which the Bank has not availed financial support, whatsoever nature, from any institution, including refinance support from SIDBI, in respect of those borrower accounts, wherein, loans were disbursed by Banks during the previous 12 months as on the date of application for refinance. ❖ <u>Assistance for creation of Incremental assets:</u> Commitment for funds under the facility will be given to Banks against their application indicating the anticipated utilization. Such commitment would be generally valid for 3 to 6 months. ❖ The assistance under the scheme will also be subject to the exposure limit fixed for each Bank by SIDBI.
9	Rate of interest	<ul style="list-style-type: none"> ❖ Linked to prevailing Bank Rate and Reserve Bank of India (RBI) guidelines. ❖ A charge of 2.00% p.a., over and above the applicable lending rate, will be levied, by way of penal interest, for defaults in payment of installments of principal, interest and other monies as per General Agreement.

10	Period of refinance	Upto 3 years or the maturity of the Fund, whichever is earlier.
11	Periodicity of payment of Principal Interest Commercial Terms	Principal Repayment: Monthly Interest Repayment: Monthly <i>However, if the due date of repayment falls on Saturday/ Sunday or Holiday under N.I. Act, the due date would shift to preceding working day.</i>
12	Security	The Bank shall hold in trust for SIDBI, all the securities including movable and immovable assets, book debts, receivables, actionable claims, guarantees, assignments, bills of exchange and proceed thereof as also other securities as may be directly or indirectly obtained or to be obtained by the Bank from its borrowers to secure the financial assistance made available to the borrowers for which the loan has been sanctioned by SIDBI to the Bank. The Bank, whenever called upon, shall also furnish to SIDBI all such information and copies of all security documents obtained by it as security for the loan sanctioned to its borrowers covered under the said scheme subject to all applicable laws.
13	Application cum Drawl of Assistance	The Bank shall submit the Application and Certificate in prescribed format to SIDBI.
14	Sanction	On approval of the financial assistance, Letter of Intent (LoI) will be issued to the applicant Bank indicating detailed terms of sanction.
15	Documentation	<p>A) <u>One-time</u></p> <ul style="list-style-type: none"> ❖ General Agreement is executed between the Bank and SIDBI. ❖ Letter of Authority (LoA) to be executed by the Bank addressed to the RBI/Principal Banker¹ for Debiting their Current Account with the RBI/Principal Banker. The LoA should be duly acknowledged by the RBI/Principal Banker. <p>B) <u>Each Time</u></p> <ul style="list-style-type: none"> ❖ Acceptance of LoI by authorized official of the Bank on a non-judicial stamp paper of requisite value with certified copy of Power of Attorney / applicable Board Resolution/Authorization letter. ❖ KYC documents of the authorized officials executing the requisite documents on behalf of the Bank shall be submitted, along with the Board Resolution/DOP/Authorization letter.

¹ Principal Banker applicable in those cases where the Bank is not maintaining a current account with RBI

16	Time frame for submission of list of End-borrowers	<p>The Bank shall submit the list of end borrowers in the prescribed format at the time of disbursement or within extended period as may be allowed.</p> <p>In case, the Bank fails to furnish the list of end-borrowers as per sanction terms, penal interest (PI) of 2% will be charged with prospective effect till date of receipt of data. The Bank will be charged at monthly rest.</p> <p>In case the data is not furnished even after 3 months from the date of disbursement, SIDBI will reserve the right to recall the outstanding loan. PI will continue to be charged till submission of data, in case the loan is not recalled.</p>
17	Prepayment	<p>The borrower Bank shall not prepay the outstanding principal amount of loan in full or part thereof before the due dates except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may stipulate, including levy of prepayment charges.</p>

Note: The above salient features of the scheme are subject to changes made by Gol / RBI and availability of funds from RBI.

ऋण के कमी वाले चिह्नित जिलों की सूची (आईसीसीडी)
[अर्थात् तुलनात्मक रूप से प्राथमिकता क्षेत्र को न्यून उधारी (पीएसएल) ऋण]
List of Identified Credit Deficient Districts (ICDDs)
(i.e. Districts with comparatively low Priority Sector Lending (PSL) credit)

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
1	अंडमान निकोबार /Andaman Nicobar	निकोबार /Nicobar
2	अरुणाचल प्रदेश /Arunachal Pradesh	अंजाव /Anjaw
3	अरुणाचल प्रदेश /Arunachal Pradesh	चुमगलंग /Chunglang
4	अरुणाचल प्रदेश /Arunachal Pradesh	दिबांग वैली /Dibang Valley
5	अरुणाचल प्रदेश /Arunachal Pradesh	ईस्ट कामेंग /East Kameng
6	अरुणाचल प्रदेश /Arunachal Pradesh	ईस्ट सियांग /East Siang
7	अरुणाचल प्रदेश /Arunachal Pradesh	क्रा डाडी /Kra Daadi
8	अरुणाचल प्रदेश /Arunachal Pradesh	कुरंग कुमे /Kurung Kumey
9	अरुणाचल प्रदेश /Arunachal Pradesh	लोहित /Lohit
10	अरुणाचल प्रदेश /Arunachal Pradesh	लागडिंग /Longding
11	अरुणाचल प्रदेश /Arunachal Pradesh	लोअर डिमांग वैली /Lower Dibang Valley
12	अरुणाचल प्रदेश /Arunachal Pradesh	लोअर सियांग /Lower Siang
13	अरुणाचल प्रदेश /Arunachal Pradesh	लोअर सुवांगसिरि /Lower Subansiri
14	अरुणाचल प्रदेश /Arunachal Pradesh	नामसै /Namsai
15	अरुणाचल प्रदेश /Arunachal Pradesh	सियांग /Siang
16	अरुणाचल प्रदेश /Arunachal Pradesh	तवांग /Tawang
17	अरुणाचल प्रदेश /Arunachal Pradesh	तिरप /Tirap
18	अरुणाचल प्रदेश /Arunachal Pradesh	अपर सियांग /Upper Siang

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
19	अरुणाचल प्रदेश /Arunachal Pradesh	अपर सुबानसिरि /Upper Subansiri
20	अरुणाचल प्रदेश /Arunachal Pradesh	वेस्ट कामेंग /West Kameng
21	अरुणाचल प्रदेश /Arunachal Pradesh	वेस्ट सियांग /West Siang
22	असम /Assam	बक्सा /Baksa
23	असम /Assam	चरैदेव /Charaideo
24	असम /Assam	चिरांग /Chirang
25	असम /Assam	धेमाजी /Dhemaji
26	असम /Assam	धुब्री /Dhubri
27	असम /Assam	गुवालपारा /Goalpara
28	असम /Assam	हैलाकांडी /Hailakandi
29	असम /Assam	होजै /Hojai
30	असम /Assam	कार्बी अंगलांग /Karbi Anglong
31	असम /Assam	कोकराझार /Kokrajhar
32	असम /Assam	नार्थ कछार हिल्स /North Cachar Hills
33	असम /Assam	साउथ सातमारा - मनकछार /South Salmara-Mankachar
34	असम /Assam	उदलगुड़ी /Udalguri
35	असम /Assam	वेस्ट कार्बी अंगलांग /West Karbi Anglong
36	बिहार /Bihar	अररिया /Araria
37	बिहार /Bihar	अरवाल /Arwal
38	बिहार /Bihar	औरंगाबाद /Aurangabad
39	बिहार /Bihar	बंका /Banka
40	बिहार /Bihar	भोजपुर /Bhojpur

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
41	बिहार /Bihar	दरभंगा /Darbhanga
42	बिहार /Bihar	गया /Gaya
43	बिहार /Bihar	गोपालगंज /Gopalganj
44	बिहार /Bihar	जमुई / Jamui
45	बिहार /Bihar	जहानाबाद /Jehanabad
46	बिहार /Bihar	कटिहार /Katihar
47	बिहार /Bihar	खगड़िया /Khagaria
48	बिहार /Bihar	लखीसराय /Lakhisarai
49	बिहार /Bihar	मधेपुरा /Madhepura
50	बिहार /Bihar	मधुबनी /Madhubani
51	बिहार /Bihar	मुंगेर /Munger
52	बिहार /Bihar	नालंदा /Nalanda
53	बिहार /Bihar	नवादा /Nawada
54	बिहार /Bihar	पश्चिमी चंपारण /Paschimi Champaran
55	बिहार /Bihar	पूर्वी चंपारण /Purbi Champaran
56	बिहार /Bihar	सहरसा /Saharsa
57	बिहार /Bihar	समस्तीपुर /Samastipur
58	बिहार /Bihar	सरन /Saran
59	बिहार /Bihar	शिवहार /Sheohar
60	बिहार /Bihar	सीतामढ़ी /Sitamarhi
61	बिहार /Bihar	सिवान /Siwan
62	बिहार /Bihar	सुपौल /Supaul
63	बिहार /Bihar	वैशाली /Vaishali

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
64	छत्तीसगढ़ /Chhattisgarh	बालोद /Balod
65	छत्तीसगढ़ /Chhattisgarh	बलरामपुर /Balrampur
66	छत्तीसगढ़ /Chhattisgarh	बस्तर /Bastar
67	छत्तीसगढ़ /Chhattisgarh	बेमितारा /Bemetara
68	छत्तीसगढ़ /Chhattisgarh	बीजापुर /Bijapur
69	छत्तीसगढ़ /Chhattisgarh	दक्षिण बस्तर दांतेवाड़ा /Dakshin Bastar Dantewada
70	छत्तीसगढ़ /Chhattisgarh	गारियाबंद /Gariyaband
71	छत्तीसगढ़ /Chhattisgarh	जसपुर /Jashpur
72	छत्तीसगढ़ /Chhattisgarh	कोंडागाँव /Kondagaon
73	छत्तीसगढ़ /Chhattisgarh	मुंगेली /Mungeli
74	छत्तीसगढ़ /Chhattisgarh	नारायणपुर /Narayanpur
75	छत्तीसगढ़ /Chhattisgarh	सुकमा /Sukma
76	छत्तीसगढ़ /Chhattisgarh	सूरजपुर /Surajpur
77	छत्तीसगढ़ /Chhattisgarh	सरगुजा /Surguja
78	छत्तीसगढ़ /Chhattisgarh	उत्तर बस्तर कांकेर /Uttar Bastar Kanker
79	दिल्ली /Delhi	उत्तर-पूर्व दिल्ली / North-East Delhi
80	गुजरात /Gujarat	डेंगस /Dangs
81	गुजरात /Gujarat	दोहाद /Dohad
82	हरियाणा /Haryana	मेवात /Mewat
83	झारखंड /Jharkhand	छतरा /Chatra
84	झारखंड /Jharkhand	दुमका /Dumka
85	झारखंड /Jharkhand	गढ़वा /Garhwa

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
86	झारखंड /Jharkhand	गरीडीह /Giridih
87	झारखंड /Jharkhand	हसतो /Gumla
88	झारखंड /Jharkhand	जामतारा /Jamtara
89	झारखंड /Jharkhand	खूँटी /Khunti
90	झारखंड /Jharkhand	लातेहर /Latehar
91	झारखंड /Jharkhand	पाकुड़ /Pakur
92	झारखंड /Jharkhand	पलामू /Palamau
93	झारखंड /Jharkhand	साहेवगेज /Sahebganj
94	झारखंड /Jharkhand	सिमडेगा /Simdega
95	मध्य प्रदेश /Madhya Pradesh	अलीराजपुर /Alirajpur
96	मध्य प्रदेश /Madhya Pradesh	अनूपपुर /Anuppur
97	मध्य प्रदेश /Madhya Pradesh	भिंड /Bhind
98	मध्य प्रदेश /Madhya Pradesh	डिंदोरी /Dindori
99	मध्य प्रदेश /Madhya Pradesh	मंडला /Mandla
100	मध्य प्रदेश /Madhya Pradesh	निवारी /Niwari
101	मध्य प्रदेश /Madhya Pradesh	पाना /Panna
102	मध्य प्रदेश /Madhya Pradesh	सिद्धि /Sidhi
103	मध्य प्रदेश /Madhya Pradesh	सिंगरौली /Singrauli
104	मध्य प्रदेश /Madhya Pradesh	टिकमगढ़ /Tikamgarh
105	मध्य प्रदेश /Madhya Pradesh	उमरिया /Umaria
106	महाराष्ट्र /Maharashtra	गढ़चिरौली /Gadchiroli
107	मणिपुर /Manipur	बिशनपुर /Bishenpur
108	मणिपुर /Manipur	चंदेल /Chandel

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
109	मणिपुर /Manipur	चरचाँदपुर /Churachandpur
110	मणिपुर /Manipur	इंफाल ईस्ट /Imphal East
111	मणिपुर /Manipur	काकचिंग /Kakching
112	मणिपुर /Manipur	कमजोंग /Kamjong
113	मणिपुर /Manipur	कांग्पूकी /Kangpokpi
114	मणिपुर /Manipur	नोने /Noney
115	मणिपुर /Manipur	फेर्जवाल /Pherzawal
116	मणिपुर /Manipur	सेनापति /Senapati
117	मणिपुर /Manipur	तामंगलांग /Tamenglong
118	मणिपुर /Manipur	तेंगनोपाल /Tengnoupal
119	मणिपुर /Manipur	दौबाल /Thoubal
120	मणिपुर /Manipur	ऊखरील /Ukhrul
121	मेघालय /Meghalaya	ईस्ट गारो हिल्स /East Garo Hills
122	मेघालय /Meghalaya	ईस्ट जैंतिया हिल्स /East Jaintia Hills
123	मेघालय /Meghalaya	जैंतिया हिल्स /Jaintia Hills
124	मेघालय /Meghalaya	नार्थ गारो हिल्स /North Garo Hills
125	मेघालय /Meghalaya	साऊथ गारो हिल्स /South Garo Hills
126	मेघालय /Meghalaya	साऊथ वेस्ट गारो हिल्स /South West Garo Hills
127	मेघालय /Meghalaya	साऊथ वेस्ट खासी हिल्स /South West Khasi Hills
128	मेघालय /Meghalaya	वेस्ट गारो हिल्स /West Garo Hills
129	मेघालय /Meghalaya	वेस्ट खासी हिल्स /West Khasi Hills
130	मिजोरम /Mizoram	चंफई /Champhai
131	मिजोरम /Mizoram	कोलासिब /Kolasib

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
132	मिजोरम /Mizoram	लंगतलई /Lawngtlai
133	मिजोरम /Mizoram	लुंलेई /Lunglei
134	मिजोरम /Mizoram	मामित /Mamit
135	मिजोरम /Mizoram	सैहा /Saiha
136	मिजोरम /Mizoram	सपछिप /Serchhip
137	नागालैंड /Nagaland	किफिरे /Kiphire
138	नागालैंड /Nagaland	लालेंग /Longleng
139	नागालैंड /Nagaland	मोन /Mon
140	नागालैंड /Nagaland	पेरन /Peren
141	नागालैंड /Nagaland	फेक /Phek
142	नागालैंड /Nagaland	तुंसंग /Tuensang
143	नागालैंड /Nagaland	वोखा /Wokha
144	नागालैंड /Nagaland	जुन्हेबोतो /Zunheboto
145	ओडिशा /Odisha	गजपति /Gajapati
146	ओडिशा /Odisha	खंडामल /Kandhamal
147	ओडिशा /Odisha	केंद्रापाड़ा /Kendrapara
148	ओडिशा /Odisha	मलकांगपुरी /Malkangiri
149	ओडिशा /Odisha	नवापाड़ा /Nawapara
150	ओडिशा /Odisha	नवरंगपुर /Nawrangpur
151	सिक्किम /Sikkim	वेस्ट सिक्किम /West Sikkim
152	तेलंगाना /Telangana	कोकराम भीम (असीफाबाद) Komram Bheem (Asifabad)
153	त्रिपुरा /Tripura	गोमती /Gomati

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
154	त्रिपुरा /Tripura	खोवई /Khowai
155	त्रिपुरा /Tripura	सेपहिजाला /Sepahijala
156	त्रिपुरा /Tripura	ऊनाकोटि /Unakoti
157	उत्तर प्रदेश /Uttar Pradesh	अंबेडकर /Ambedkar Nagar
158	उत्तर प्रदेश /Uttar Pradesh	औरैया / Auraiya
159	उत्तर प्रदेश /Uttar Pradesh	आजमगढ़ /Azamgarh
160	उत्तर प्रदेश /Uttar Pradesh	बलिया /Ballia
161	उत्तर प्रदेश /Uttar Pradesh	बलरामपुर /Balrampur
162	उत्तर प्रदेश /Uttar Pradesh	बस्ती /Basti
163	उत्तर प्रदेश /Uttar Pradesh	देवरिया /Deoria
164	उत्तर प्रदेश /Uttar Pradesh	फर्रुखाबाद /Farrukhabad
165	उत्तर प्रदेश /Uttar Pradesh	गोंडा /Gonda
166	उत्तर प्रदेश /Uttar Pradesh	जौनपुर /Jaunpur
167	उत्तर प्रदेश /Uttar Pradesh	कानपुर देहात /Kanpur Dehat
168	उत्तर प्रदेश /Uttar Pradesh	कौशांबी /Kaushambi
169	उत्तर प्रदेश /Uttar Pradesh	कुशी नगर /Kushi Nagar
170	उत्तर प्रदेश /Uttar Pradesh	महाराजगंज /Maharajganj
171	उत्तर प्रदेश /Uttar Pradesh	मऊ /Mau
172	उत्तर प्रदेश /Uttar Pradesh	प्रतापगढ़ /Pratapgarh
173	उत्तर प्रदेश /Uttar Pradesh	संत कबीर नगर /Sant Kabir Nagar
174	उत्तर प्रदेश /Uttar Pradesh	श्रावस्ती /Shravasti
175	उत्तर प्रदेश /Uttar Pradesh	सिद्धार्थनगर /Sidharthanagar
176	उत्तर प्रदेश /Uttar Pradesh	सीतापुर /Sitapur

क्रम सं. Sl.No	राज्य /State	जिलों के नाम /District name
177	उत्तर प्रदेश /Uttar Pradesh	सुल्तानपुर /Sultanpur
178	उत्तर प्रदेश /Uttar Pradesh	उन्नाव /Unnao
179	उत्तराखंड /Uttarakhand	बागेश्वर /Bageshwar
180	उत्तराखंड /Uttarakhand	रुद्रप्रयाग /Rudraprayag
181	उत्तराखंड /Uttarakhand	चिहरी गढ़वाल /Tehri Garhwal
182	पश्चिम बंगाल /West Bengal	बांकुड़ा /Bankura
183	पश्चिम बंगाल /West Bengal	झारग्राम /Jhargram
184	पश्चिम बंगाल /West Bengal	पुरुलिया /Puruliya

[Go to Scheme Guidelines](#)

[Annexure-I](#)**Eligibility Criteria of Scheduled Urban Co-operative Banks (UCBs)**

Sr. No.	Indicator	Parameters
1	Status	Scheduled
2	CRAR	11.5 % (minimum)
3	Net Worth	₹ 100 crore (minimum)
4	Gross NPA	Less than 7 %.
5	Net NPA	Not more than 3%.
6	Profitability	Earning net profit in at least 3 out of the last 4 years. *

* In case of a net loss in any of the years, the UCB should have registered an operating profit.

[Annexure-II](#)**Eligibility Criteria of Regional Rural Banks (RRBs)**

Sr. No.	Indicator	Parameters
1	Status	Scheduled
2	CRAR	10% (minimum)
3	Net Worth	₹100 crore (minimum)
4	Net NPA	Not more than 7.50 %
5	Profitability	Earning net profit for two out of last three years

[Go to the Scheme Guidelines](#)