

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:43
ANSWERED ON:08.08.2012
SIDBI LOANS TO MFIS QUESTION
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Will the Minister of FINANCE be pleased to state:

- (a) Whether the Small Industries Development Bank of India (SIDBI) has set up a Special Cell for providing re-finance to banks for further lending to micro/unorganized sector;
- (b) If so, the details thereof;
- (c) whether SIDBI has so far disbursed Rs.1500 crore to 10 banks for on-lending to micro/unorganized enterprises in the country;
- (d) If so, the details thereof, bank-wise;
- (e) the number of micro/unorganized enterprises benefited from such disbursement, bank-wise; and
- (f) the extent to which monitoring advisory group has been found to be effective?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b): A Special Cell was set up in SIDBI on August 17, 2009 for facilitating and monitoring the financing of micro enterprises in the unorganized sector.

The Special Cell was responsible for formulation of action plan for disbursement of funds out of the corpus of the MSE (Refinance Fund, which was contributed by banks having shortfall in achievement of priority sector lending obligation.

In order to ensure quick flow of assistance to micro enterprises, the Cell identified the public sector banks (PSBs), private sector banks and well performing State Financial Corporation (SFCs) through which the assistance out of the fund could be deployed in a speedy and effective manner.

The cell has held 10 meeting to monitor/speed up the flow of assistance to the micro enterprise sector.

(c) to (e): SIDBI disbursed Rs.2603.39 crore through 15 banks and 2 SFCs during FY 2011-12 for on-lending to micro sector. The number of beneficiaries aggregated 163333. The details of disbursements and number of beneficiaries bank-wise are given in Annexure.

(f): The advice of the Group has contributed to disbursement of more than 55% of the assistance flowing to the micro enterprises during the FY 2012-13. Funds disbursed by SIDBI at Rs.2603.39 crore have resulted in disbursements aggregating Rs. 5770.22 crore by the banks/SFCs.

The number of micro enterprise beneficiaries at 163,333 comprised 90% of the total number of beneficiaries of the total amount disbursed out of MSE (Refinance) Fund during the FY 2011-12.