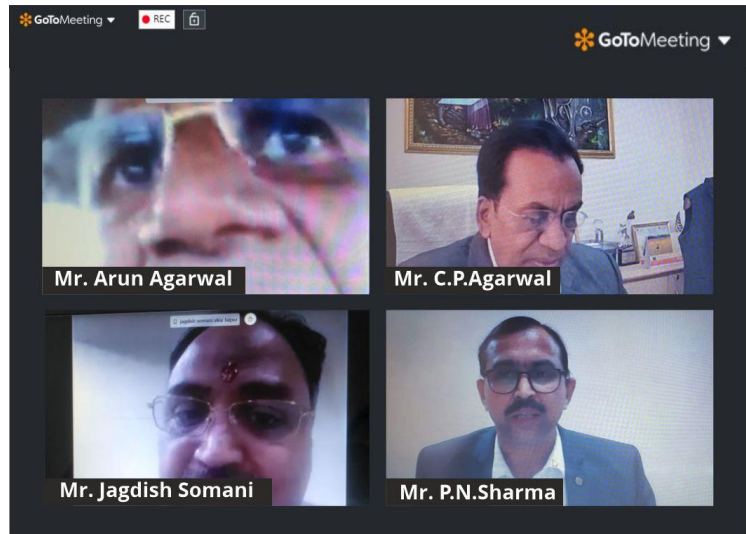


Robust Banking system to help MSMEs sail through rough waters

Gaining access to credit has been a challenge for the MSME sector and there have been consistent efforts by our lending institutions to understand the needs of the MSMEs, which if not taken care of on time, could further distort their sustainability goals and render their existence difficult. NBFCs and Private Equity mode have recently been the new source of securing the much-needed funding, but it can be sought after only intermittently due to their limited presence geographically, and long-term basis credit from banks can only be called as a measure of last resort. The need for capital is more evident in the case of first-generation entrepreneurs, unlike the age old establishments that have a legacy of accumulated wealth.



For better understanding of the banking regulations for lending to our MSME sector and develop a platform for entrepreneurs to seek loan for business, World Trade Center Jaipur and MSME DI Jaipur organized a webinar ‘Loan Mela and Financial Literacy for MSMEs’.

Mr. C.P. Agarwal, AGM, State Level Bankers Committee (SLBC), shared with the participants that SLBC is an important forum available at the State level, for co-ordination between the Government and banks, on matters relating to banking development. SLBC not only co-ordinates the activities of all the banks in the state, but also discusses operational problems in lending and initiates measures for quick and smooth flow of credit. Further Mr. Agarwal shared that the percentage of MSME advance to total advance has been steady from March 2017 to June 2020, thus envisaging the commitment of banks to provide adequate liquidity to manufacturing establishments, which as a result ushered year on year growth in bottom line figures.

Mr. Arun Agarwal, Executive President, FORTI Jaipur and Mr. Jagdish Somani, Ex-President, VKI Industrial Area, spoke about the rising financial needs of small and medium scale units and their commitment to duly comply and furnish with all necessary records for the purpose and adhere to repayment schedules.

Earlier Mr. M. K. Meena, Dy Director, MSME-DI Jaipur, Ministry of MSME, Government of India welcomed all the participants and Mr. V.K.Sharma, Director MSME DI shared Ministry of MSME views for need of spreading financial literacy amongst MSMEs.

Mr. Balbir Singh, GM SIDBI, Jaipur and Mr. V.K. Singla, DGM, SBI Jaipur, reaffirmed their respective banks commitment to support the industrial growth in Rajasthan and welcomed all proposals for discussion from participants.

Mr. P.N. Sharma, Joint Director Industries, Udyog Bhawan Jaipur, discussed how can the state of Rajasthan witness industrial growth in various districts through rapid expansion of bank branch network and expansion in credit disbursements.

Mr. S.K. Gupta, Lead District Manager, Jaipur, in his address mentioned that through quarterly public meetings at various locations in the district, in coordination with the Reserve Bank, it has been made possible for banks to showcase their presence in remote areas. It has also generated stakeholder awareness of the various banking policies and regulations relating to the common man, obtain feedback from the public and provide grievance redressal to the extent possible.

Mr. Dinesh Soni, Assistant Director and Mr. Jitendra Kumar Meena, Assistant Director, MSME DI Jaipur, Ministry of MSME, Government of India, facilitated multiple queries from the participants and requested solutions from banking fraternity present.

Vote of thanks was proposed by Mr. Navneet Agarwal, Asst. Director, World Trade Center Jaipur.

The Webinar was held on December 16, 2020.