
Stimulus plans - IDBI disbursed INR 9000 crore to MSME

Thursday, 30 Apr, 2009

The government is closely monitoring implementation of Stimuli package, especially for Medium & Small Enterprises as a result of which Small Industries Development Bank of India has so far disbursed INR 9,000 crore to micro, small & medium enterprises in areas of gems and jewellery, textiles, handicrafts, leather etc through its various refinancing windows.

Disclosing this at ASSOCHAM Seminar on New Stimulus Package to help SME Exporters and Banks, Mr Dinesh Rai Secretary, Ministry of Micro, Small & Medium Enterprises also announced that if need arose, the SIDBI would come forward to widen its refinancing facilities to further bail out MSMEs, which have been the worst victim of meltdown.

Mr Rai explained that INR 9000 crore refinancing disbursement has been done by SIDBI to support and bail out the aforesaid sectors from current recessionary trends which has already resulted in their partial revival.

According to him, the government would extend a special appeal to domestic consumers to buy goods and products from MSME, which provides employment to over 42 million people and contributes to about 45% of total manufactured output and nearly 40% to India's exports so that it is able to beat adverse impacts of global slowdown.

He said that this sector has also become victim of cheaper imports also and lost its overseas market, therefore, the domestic consumers should buy most of their requirements from MSME.

Mr Rai also said that a committee has been set up under Chairmanship of Finance Secretary in which Secretaries of Departments of Commerce & Revenue are its members and currently considering removal of procedural and hassles on fast track basis, the report of which would shortly come up.

Mr Rai said that credit line of INR 5000 crore has also been provided to Export-Import Bank of India to provide pre-shipment and post-shipment in rupee and dollar to exporters at competitive rates. In addition, interest loan subsidies are also being granted on exports.

Mr Rai said that "The Ministry of MSME has also formulated two schemes under the National Manufacturing Competitiveness Program to facilitate the marketing of MSME products. The first scheme is Marketing Support for MSMEs for adoption of "Bar Code". The second scheme namely Marketing Assistance for MSMEs and Technological Upgradation Activities, seeks to improve the strength of MSMEs in marketing by using latest techniques and technologies."

For more news visit at www.steelguru.com