Small Industries Development Bank of India

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Small Industries Development Bank of India Latest News

Recently, the Union Cabinet has approved the equity support of Rs.5,000 crore to Small Industries Development Bank of India (SIDBI).

About Small Industries Development Bank of India

- It was set up on **2nd April, 1990** by the Government of India under an act of the Parliament, as a wholly owned subsidiary of IDBI Bank.
- It was **delinked from IDBI** on March 27, 2000.
- **Mandate:** It is mandated to serve as the Principal **Financial Institution** for executing the triple agenda of **promotion, financing and development** of the MSME sector and coordination of the functions of the various Institutions engaged in similar activities.
- **Functions of Small Industries Development Bank of India**
    - **Offers direct loans** and refinancing to banks and NBFCs.
    - Promotes entrepreneurship and MSME growth

    - **Provides venture capital** and technology support
- **Financial support to MSMEs is provided by way of**
    - **Indirect/**refinance to banks/Financial Institutions for onward lending to MSMEs
    - **Direct finance in** niche areas like risk capital, sustainable finance, receivable financing, service sector financing, etc..
- SIDBI was made responsible for administering the **Small Industries Development Fund** and the **National Equity Fund** that were administered by IDBI before.
- **Major Stakeholders in SIDBI:** Government of India (GOI), State Bank of India (SBI), LIC, and **NABARD** are among the major stakeholders in the SIDBI.
- **Headquarters:** Lucknow, Uttar Pradesh

Source: PIB
