



## Union Bank of India signs MOU with SIDBI for Co-Financing arrangement of MSMEs

**Mumbai - June 01, 2022:** Union Bank of India today signed a Memorandum of Understanding (MoU) with Small Industries Development Bank of India (SIDBI) for a Co-Financing arrangement for MSMEs. The MoU was signed by Shri Lal Singh, Chief General Manager, Union Bank of India and Shri Vivek Kumar Malhotra, Chief General Manager, SIDBI. SIDBI is country's principal financial institution engaged in the Promotion, Financing and Development of Micro, Small and Medium Enterprises (MSME).

Under the MoU, Union Bank of India would consider Joint financing/ Co-Financing with SIDBI to Projects/Units in the MSME. This MoU would help the Banks to increase their Customer base, while helping the MSMEs to meet their funding requirements. The key highlights of the arrangement include joint identification of viable projects and term loan and working capital financing to MSMEs. Initially the arrangement would be at specific centers and once the arrangement stabilizes at these centers, more locations would be covered.

Speaking on the occasion, Shri Lal Singh, CGM (MSME), Union Bank of India, said "MSME is one of the key sectors of our Indian Economy contributing to GDP, Exports, Manufacturing Output, Employment, Women Empowerment etc., MSME is one of the focused areas of the Bank and at Union Bank of India, we aim to become **Bank of 1<sup>st</sup> choice for MSMEs**. This tie-up with SIDBI aids in realizing the Bank's vision to have increased credit flow to the MSME sector and extend operational convenience to the MSME clientele. Under partnership, Union Bank of India through its Pan India branch network can provide general Banking products like Current Accounts, Savings Accounts, Working Capital facilities and other related services to the MSME Customers of SIDBI.

Also, speaking on the tie-up arrangement, Shri Vivek Kumar Malhotra, CGM, SIDBI reiterated SIDBI's commitment towards timely financing for MSMEs across all Sectors.



(Seen in the photograph is Shri Lal Singh, CGM, Union Bank of India and Shri Vivek Kumar Malhotra, CGM, SIDBI on signing of MOU.)

