



SIDBI Ref.No.P002210148/MEDCV-1/ISS-Shishu

August 25, 2020

To,
The Chairman / Managing Directors & CEOs,
All Scheduled Commercial Banks (incl. Regional Rural Banks & Small Finance Banks),
All NBFC-Investment & Credit Companies
All NBFC-Micro Finance Institutions and other Micro-Finance Institutions
[hereinafter referred to as Member Lending Institutions (MLIs)] and Sa-Dhan

Madam / Dear Sir,

**Interest Subvention Scheme for MUDRA – Shishu Loans – Clarification – III –
Regarding Pool Buyouts**

Please refer the clarification relating to pool buyouts vide SIDBI Circular vide Ref. No.2021JULY18/P002203767(a) dated July 18, 2020. Based on discussion held during a VC held by DFS on August 24, 2020, it is once again clarified that the bank, which has bought a pool of assets from an originator NBFC / MFI, will have to submit the claim for interest subvention on behalf of the borrowers covered in the said pool. SIDBI will thereafter release the eligible claim amount to the claim submitting bank.

In order to ensure that no eligible Shishu loan beneficiary is denied the benefit of interest subvention under the scheme, it is expected that in case of pool buy-outs, the bank and originator NBFC / MFI will co-ordinate between themselves regarding implementation of the scheme, including details required for claim submission, prompt transmission of eligible claim amount released by SIDBI, etc.

Yours faithfully,

**(Subodh Kumar)
General Manager**

बैंक हिन्दी में पत्राचार का स्वागत करता है।

भारतीय लघु उद्योग विकास बैंक

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