

YES Bank initiative to make MSMEs sustainable paying off

CSR project benefits over 3,250 units so far; targeting 1 lakh units by 2020

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In its bid to make MSMEs sustainable and globally competitive, YES Bank has seen its CSR project — ‘Say Yes to Sustainable MSMEs in India’ — making headway.

The project has, since inception four years ago, impacted over 3,252 MSMEs across 14 States and 17 sectors, benefiting more than 23,100 workers. The bank is targeting one lakh MSMEs through this project by 2020.

Claiming it to be the first-of-its-kind project, Namita Vikas, Group President and Global Head - Climate Strategy and Responsible Banking, YES Bank, said the initiative aims at enhancing energy efficiency of MSMEs, improving their occupational health and

safety systems and promoting financial literacy through multifaceted interventions.

Partnership plans

“We are looking to partner with organisations such as the foundation of MSME clusters, Entrepreneurship Development Institute of India, Amazon, and SIDBI’s India SME Technology Services and Quality Council of India to ensure successful implementation through conduct of workshops on efficient use of energy and cleaner technology, conduct of energy audits, e-commerce training for offline SMEs/retailers, financial literacy camps, and zero defect training,” she said.

The key sectors include foundry, dyeing, rubber, plastic, general engineering,



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textile, rice mills, auto ancillaries, industrial tools and pumps, sports goods, handicrafts and railway vendors, among others.

The rationale behind choosing the intervention is based on an assessment which points to the fact that an estimated 70 per cent of the

total industrial pollution in the country is contributed by SMEs.

While MSMEs have the potential to spread industrial growth and realise the ‘Make in India’ mission, they have also led to increased pollution, excessive fossil fuel-based energy consumption

and creation of adverse social implications for their workers and communities around towns they are located in large numbers, she added.

Lack of technical skill sets, proficient resource management, resilient infrastructure and financial access have stood in the way of these units

achieving operational efficiency and optimal profits.

Apart from improving the efficiency in production, the social impact of the project has been phenomenal.

The bank calculated the Social Return on Investment (SROI) for fiscal 2016-17 using UK’s framework recommended by a network of over 700 global members.

The data revealed the on-ground social impact at 12.51 times the value of inputs invested.

The bank is planning to reach out to 15,000 MSMEs this fiscal. It has, up to September 2017, reached out to 3,500 MSMEs, Namita said.

“We are looking to partner with big aggregators like Amazon, QCI, and Ola to bring in a digital element. The challenge is in implementation, but we have the expertise to take it to the next level,” she added.