

**GOVERNMENT OF INDIA
MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA**

**UNSTARRED QUESTION NO. 259
TO BE ANSWERED ON 04.02.2020**

ENTREPRENEURSHIP AMONG SCs

259. SHRIMATI RAKSHA NIKHIL KHADSE:

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether the Government proposes to simplify procedures, established policies and work with all stakeholders to support the entrepreneurial spirit of Scheduled Castes (SCs) and to ensure that new entrepreneurs are not at a disadvantage; and

(b) if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR SOCIAL JUSTICE AND EMPOWERMENT
(SHRI RATTAN LAL KATARIA)**

(a) and (b): The Government of India is implementing a scheme Venture Capital Fund for Scheduled Castes (VCF-SC), through IFCI, to promote entrepreneurship among the schedule castes and to provide concessional finance since financial year 2014-15.

In order to smoothen the financial burden on SC entrepreneurs, to increase the reach & benefits of the fund to large scale SC entrepreneurs and based on requirements of projects owned by SC entrepreneurs, this Ministry has introduced several modifications in the scheme to simplify procedures. These modifications are as under:

- Eligibility criteria of VCF-SC w.r.t the earlier minimum holding of 60% by SC entrepreneurs to 51%;
- Reduction of coupon rate on Debenture from earlier 10% per annum (p.a) to 8% p.a.;
- Increase in tenure of investment in a company from earlier 6 years to 8 years;
- Reduction in return on equity investment from earlier 15% p.a. to 10% p.a. w.e.f. 1st April' 2020.

Further, following activities have been carried out for creating awareness and entrepreneurial spirit of SCs in the country:

- Scheduled Castes Entrepreneurs meets/ workshops have been conducted across various States in locations like Phagwara (Punjab), Raipur (Chhattisgarh), Bhopal (Madhya Pradesh), Ahmedabad (Gujarat), Kochi (Kerela), Udaipur (Rajasthan), Haldwani (Uttarakhand), Ranchi (Jharkhand), Patna (Bihar), Kota (Rajasthan), Chandigarh UT, Mohali (Punjab), Ludhiana (Punjab), Hyderabad (Telangana), Bhubaneswar (Odisha), Chennai (Tamil Nadu), Jaipur (Rajasthan), Jammu (Jammu and Kashmir UT), Guwahati (Assam), and Kolkata (West Bengal).
- Participation in conferences/ exhibitions organized by leading Associations/ Institutions/ Industry Associations.

- Presence in Expo's, Composite Camps, Credit Camps, Fairs, and other events organized by the Ministry, Banks & various associations.
- Advertisements published in leading & local newspapers across the country.
- Use of social media platforms like Facebook, Twitter and LinkedIn for spreading the awareness of the scheme.
- Exclusive website (www.vcfsc.in) for promoting the scheme and for acceptance of online applications.
- Promotion of scheme through state SC development Finance corporations, industry associations, IIMs and IITs across the country.

In addition, National Scheduled Castes Finance and Development Corporation, a Central Public Sector Enterprises of Department of Social Justice and Empowerment has simplified its procedure, policies from time to time to work with all stakeholders to support the entrepreneurial spirit of eligible Scheduled Caste target group and to ensure that new entrepreneurs are not at a disadvantage. The details are as follows:

- Enhancement of Unit Cost under Term Loan (TL) Scheme from Rs.30.00 lakhs to Rs.50.00 lakhs.
- New Lending Policy launched for Cooperative Banks and Cooperative Societies.
- New Scheme introduced in the name of Udyam Nidhi Yojana to be implemented through Cooperative Banks and Cooperative Societies.
- Enhancement of Unit Cost under Vocational Education & Training Loan Scheme (VETLS) from Rs.1.50 lakhs to Rs.4.00 lakhs for courses of duration up to two years with repayment period up to 7 years.
- Second time loan be provided for eligible Scheduled Caste beneficiaries, if they have availed first time loan under any of the NSFDC Scheme subject to (a) full repayment of the earlier loan, and (b) certification of actual assets creation through first loan and successful running of the business by the SCAs/CAs.
- Minimum Refinance Outstanding Balance has been reduced to Rs.10,000/- and Maximum Refinance Outstanding Balance has been increased to Rs.45.00 lakhs under PSBs/RRBs Refinance Schemes.
- Simplified Education Loan Policy and its application format.
- Simplified format for fund utilization report.
