

**GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
LOK SABHA
STARRED QUESTION No. 45
TO BE ANSWERED ON 27.04.2016**

Start Up India Stand Up India

***45. SHRI ASADUDDIN OWAISI:**

Will the Minister of MINORITY AFFAIRS be pleased to state:

(a) whether Start Up India Stand Up India Programme which guarantees loans upto Rs. 10 lakh to one crore to SC/ST and women entrepreneurs at lower rates has been launched recently and if so, the details thereof;

(b) whether minorities are also being extended the benefit of this scheme and if so, the details thereof and if not, the reasons therefor;

(c) whether the Finance Ministry has cleared establishment of two credit guarantee funds whereby banks would not be reluctant to lend money and if so, the details thereof;

(d) whether the National Minorities Development and Finance Corporation also proposes to be part of Start Up India Stand Up India Scheme and provides loans to minorities in the guarantee schemes on the lines to SC/ST and women; and

(e) if so, the details thereof and if not, the reasons therefor?

ANSWER

**MINISTER OF MINORITY AFFAIRS
(DR. NAJMA A. HEPTULLA)**

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to part (a) to (e) of the Lok Sabha Starred Question No. *45 for reply on 27.04.2016 raised by Shri Asaduddin Owaisi on "Start Up India Stand Up India".

(a) & (b): "Startup India" initiative of the Government of India has been launched on 16th January, 2016 to build a strong eco-system for nurturing innovation and Startups in the country. This initiative aims to empower Startups to grow through innovation and design by supporting various components of the startup ecosystem. The Action plan includes the following-

1. Simplification and Handholding –

- Simple Compliance Regime for startups based on Self-certification.
- Launch of Mobile app and Portal for compliance and information exchange.
- Startup India Hub to handhold startup during various phases of its development.
- Legal support for and fast-tracking patent examination at reduced costs.
- Relaxed norms of public procurement for startups.
- Faster exit for StartUps.

2. Funding support and Incentives

- Providing funding support through a Fund of Funds with a corpus of Rs.10,000/- crore.
- Credit guarantee fund for startups.
- Tax exemption on capital gains invested in Fund of Funds.
- Tax exemption to startups for 3 years.

3. Industry-Academia Partnership and incubation

- Organizing Startup Fests to showcase innovations and providing collaboration Platforms.
- Launch of Atal Innovation Mission (AIM) with Self -Employment and Talent Utilization (SETU) Program of NITI Aayog.
- Harnessing private sector expertise for setting up incubators.
- Setting up of 7 new research parks modeled on the Research Park at IIT Madras.
- Launching of innovation focused programs for students.
- Annual Incubator Grand Challenge to promote good practices among incubators.

"Stand Up India" scheme has been launched on 5th April, 2016. The objective of the Stand-Up India scheme is to facilitate bank loans from Scheduled Commercial Banks (SCBs) between Rs 10 lakh and Rs. 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a greenfield enterprise in trading, services or manufacturing.

(c): Government of India has established two credit guarantee funds viz Stand up India and Mudra, details of which are as under:-

(i) Stand Up India Loans: The Government of India has established a credit guarantee fund for loans extended under Stand Up India with a total corpus of Rs. 5000 crores in the next five years, beginning with Rs. 500 crore in 2016-17. The Fund envisages guarantee cover to the extent of 80% of the amount in default for credit facility above Rs.10 lakh and upto Rs.50 lakh, subject to a maximum of Rs.40 lakh. For credit facility above Rs.50 lakh and upto Rs.100 lakh - Rs.40 lakh Plus 75% of amount in default above Rs.50 lakh subject to overall ceiling of Rs.65 lakhs of the amount in default.

(ii) Mudra Loans: The Government of India has established the Credit Guarantee Fund for Micro Units (CGFMU) with a corpus of Rs 3000 crores for loans extended

under the Pradhan Mantri Mudra Yojana (PMMY) is provided on portfolio basis upto 50% of the amount in default.

(d) to (e): National Minorities Development and Finance Corporation (NMDFC) already extends concessional credit of uptoRs. 30.00 lakh to notified minorities under the Term Loan scheme for economically viable ventures. Skilling/Reskilling/Upskilling of the target group is also undertaken under the Vocational Training Scheme of NMDFC leading to employment of trainees. The trainees desirous of starting self-employment ventures are given preference under the concessional credit schemes of NMDFC. Further, concessional credit uptoRs. 20.00 lakh for domestic course and uptoRs. 30.00 lakh for courses abroad is being extended under Education Loan scheme of NMDFC for pursuing technical and professional courses with maximum duration of 5 years.

The schemes of NMDFC are implemented for the socio-economic development of the backward sections amongst the notified minorities viz. Muslims, Sikhs, Christians, Buddhists, Parsis and Jains, through the State Channelising Agencies (SCAs) nominated by respective State Governments/UT Administrations.
