

Which type of borrowers can be covered under the Scheme?
Registered Companies and Societies having more than 75% shareholding by Scheduled Caste entrepreneurs/promoters/members with management control for the past 12 months;
Registered Partnership Firms having more than 75% shareholding with Scheduled Caste Partners for the past 12 months; none of the partners should be below the age of 18 years.
Whether individuals and sole proprietorship firms are eligible to for the coverage under the scheme?
No, The individuals and sole proprietorship firms are not covered in the scheme.
Whether One Person Company firms are eligible to for the coverage under the scheme?
Yes, Registered companies including One Person Companies are eligible to be covered under the scheme.
Whether the borrower can approach any bank to get the coverage in the scheme?
No, Only the banks who have signed the undertaking for the scheme to become a member of the scheme viz Member lending institution(MLI) are allowed to get benefits of the scheme for their borrowers. The list of MLIs along with their Nodal Officers for the scheme is provided on the IFCI's website.
Whether standalone working capital facility is eligible to be covered under the scheme?
Standalone Working Capital facility is not eligible to be covered under the scheme.
What is the Collateral security required to be given for the loan availed under the scheme.
No Collateral security is required for the loan availed in the scheme.
Whether third party guarantee is required for the loan availed under the scheme.
No, Third party Guarantee is not required for the loan availed in the scheme.
What is the maximum quantum of loan provided in the scheme
There is no restriction on the quantum of loan that a bank can sanction in the scheme subject to a maximum guarantee cover available with the MLI for a single borrower will be Rs. 5.00 crore
What are the kind of documentation required for the bank to become a MLI?
An undertaking needs to be signed by the Bank to become MLI.
What is the rate of interest that will be charged to the borrower for loans covered under the scheme?
The rate of interest admissible on the loans covered under the scheme will be per the interest rate policy of the MLI and will be linked to base rate of the MLI subject to maximum interest rate charged by MLI will not be more than 3% over and above the base rate of the MLI.
What is the maximum tenure of the guarantee cover in the scheme?
The maximum tenure of the guarantee cover can be upto 7 years.