

Frequently Asked Questions (FAQs) under Venture Capital Fund for Scheduled Castes:

Ques. Is this fund applicable to ST and OBC entrepreneurs also?

Ans. No, it is for SC entrepreneurs only.

1. Ques. What is the total Scheduled Caste(s) Population in the Country?

Ans. SC population is 20.13 Crore constituting 16.62% of the total population.

2. Ques. What is the no. of Scheduled Caste(s) entrepreneurs in the country?

Ans. According to estimates generally available, at present there are approximately 1000 active Scheduled Castes entrepreneurs in the country.

3. Ques. In what specific industries the Fund shall assist?

Ans. Manufacturing and service sector.

4. Ques. Is this fund spread across all geographical locations in India?

Ans. Yes, it is applicable to entire India.

5. Ques. What is the amount earmarked for North Eastern region under this fund?

Ans. An amount of Rs. 5 Crore is earmarked.

6. Ques. What is the time taken for financing a project/ company out of this fund?

Ans. 2 to 3 months after receiving the application and information from the company.

7. Ques. Tenure of investment in a company out of the fund?

Ans. Up to 6 years in a company.

8. Ques. What are the eligibility criteria under the fund?

Ans. The eligibility criteria is as below:

- Companies having at least 60% stake holdings by Scheduled Castes entrepreneurs for the past 12 months with management control OR;
- A new Company provided that the new Company is a successor entity of a Proprietary Firm or Partnership Firm or One Person Company (OPC) or Limited Liability Partnership (LLP) or any other establishment incorporated under any law in force, with sound business model which has been in operation for over 12 months, and the predecessor entity had at least 60% shareholding of the Scheduled Castes promoters with management control.

9. Ques. What is the interest rate/ returns envisaged on investment under the fund?

Ans. Equity- 15% IRR p.a.

Equity linked debt instruments- 10% p.a.

10. Ques. Whether the launch of this Fund would motivate the SC entrepreneur?

Ans. Yes, certainly SC entrepreneur shall get motivated to start their venture.

11. Ques. What will be the amount of assistance?

Ans. The financial assistance from Rs.50 Lakhs to Rs.15 Crore shall be provided.

12. Ques. Is IFCI also contributing something to the Fund?

Ans. Yes, IFCI has committed a contribution of Rs.50 Crore to the fund.

13. Ques. How many Companies owned by SC entrepreneurs has been sanctioned financial assistance under the scheme till January 31, 2017.

Ans. 62 Companies owned by SC entrepreneurs have been sanctioned financial assistance under the scheme till January 31, 2017.