



Ref. No.3675/ CGSSI

February 22, 2021

The CEO / MD

Scheduled Commercial Banks

Dear Sir,

Amendment in the Scheme of Stand Up India

As you are aware, the following changes have been approved in the Stand Up India Scheme with effect from February 8, 2021:

- i) The extent of margin money to be brought by the borrower has been reduced from 'upto 25%', to 'upto 15%' of the project cost. However, the borrower will continue to contribute at least 10% of the project cost as own contribution.
- ii) Loans for enterprises in 'Activities allied to agriculture' e.g. pisciculture, beekeeping, poultry, Livestock rearing, grading, sorting, aggregation agro industries, diary, fishery, agriclinic and agribusiness centers, food & agro-processing, etc. (excluding crop loans, land improvement such as canals, irrigation, wells) and services supporting these, shall be eligible for coverage under the Scheme.

Please initiate necessary action to further facilitate credit flow under the scheme of Stand Up India for all eligible SCs, STs and Women borrowers and avail guarantee coverage under NCGTC's Credit Guarantee Scheme for Stand Up India.

Yours faithfully,

[Signature]
Chief Executive Officer

हम हिन्दी में पत्राचार का स्वागत करते हैं।

नेशनल क्रेडिट गारंटी ट्रस्टी कंपनी लिमिटेड
(वित्त मंत्रालय, भारत सरकार)

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Government of India
Ministry of Finance
Department of Financial Services

3rd Floor, Jeevan Deep Building,
Sansad Marg, New Delhi,
Dated the 08th February, 2021

To

Chief Executive Officer,
NCGTC, Mumbai

Subject: Implementation of Budget announcement FY 2020-21 on amendment of Stand Up India Scheme.

Sir,

The Stand Up India Scheme was launched on 5th April, 2016, and aims to promote entrepreneurship among the Scheduled Caste/ Scheduled Tribe and Women by facilitating bank loans of value between Rs.10 lakh to Rs.1 crore to at least one SC/ ST borrower and one woman borrower per bank branch of Scheduled Commercial Banks for setting up Greenfield enterprises in trading, manufacturing and services sector. In 2019-20 it was decided to extend the Stand Up India scheme for the entire period coinciding with the 15th Finance Commission period of 2020-25.

2. Hon'ble FM as a part of Budget speech FY 2020-21, inter alia, stated as follows: "*To further facilitate credit flow under the scheme of Stand Up India for SCs, STs and women, I propose to reduce the margin money requirement from 25% to 15%, and to also include loans for activities allied to agriculture*".

3. In this context, the following changes have since been approved in the Stand Up India Scheme with immediate effect:

- (i) The extent of margin money to be brought by the borrower may be reduced from '**upto 25%**' to '**upto 15%**' of the project cost. However, the borrower will continue to contribute at least 10% of the project cost as own contribution.
- (ii) Loans for enterprises in '**Activities allied to agriculture**' e.g. pisciculture, beekeeping, poultry, livestock, rearing, grading, sorting, aggregation agro industries, diary, fishery, agriclinic and agribusiness centers, food & agro-processing, etc. (excluding crop loans, land improvement such as canals, irrigation, wells) and services supporting these, shall be eligible for coverage under the Scheme.

4. It is, therefore, requested to process for necessary consequential changes in the Credit Guarantee Scheme for Stand Up India (CGSSI), in view of the above mentioned amendments in the scheme.

Yours faithfully,



(Sushil Kumar Singh)
Director (FI)

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