

Frequently Asked Questions (FAQs) under Venture Capital Fund for Backward Classes:

1.	Ques.	Is this fund applicable to ST and SC entrepreneurs also?
	Ans.	No, it is for BC entrepreneurs only.
2.	Ques.	In what specific industries the Fund shall assist?
	Ans.	Manufacturing, service sector and allied sectors.
3.	Ques.	Is this fund applicable across all states and UTs?
	Ans.	Yes, it is applicable to entire India.
4.	Ques.	What is the time taken for financing a project/ company out of this fund?
	Ans.	Within 2 to 3 months after receiving the application and information from the company.
5.	Ques.	Tenure of investment granted to a company?
	Ans.	Up to 8 years in a company.
6.	Ques.	What are the minimum criteria for application under the fund?
	Ans.	Companies having at least 51% stake holdings by Backward Classes entrepreneurs for the past 6 / 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 6/ 12 months, and the predecessor entity had at least 51% shareholding of the Backward Classes promoters with management control.
7.	Ques.	What is the interest rate/ returns envisaged on investment under the fund?
	Ans.	Equity- 10% IRR p.a. Equity linked debt instruments- 8% p.a.
8.	Ques.	Whether the launch of this Fund would motivate the BC entrepreneur?
	Ans.	Yes, certainly BC entrepreneur shall get motivated to start their venture.
9.	Ques.	What will be the amount of assistance?
	Ans.	The financial assistance from Rs.20 Lakhs to Rs.5 Crore shall be provided.
10.	Ques.	Is IFCI Venture also contributing something to the Fund?
	Ans.	Yes, IFCI Venture has committed a contribution of Rs.10 Crore to the fund.
11.	Ques.	How many entrepreneurs has been sanctioned financial assistance under the scheme till May 2020.
	Ans.	11 entrepreneurs have been sanctioned financial assistance under the scheme till 31 st May 2020.