

## AIR Spotlight - Stand Up India and its Outreach

AIR Spotlight is an insightful program featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in [IAS exam](#) preparation. In this article, the features and significance of the Stand Up India scheme are discussed.

### Participants:

- Sharad Kohli, Economic Analyst.
- Shishir Sinha, Journalist.

### Context:

The article discusses the [Stand-Up India Scheme](#) in detail and talks about the features and achievements of the scheme.

### What is Stand Up India Scheme?

- The 'Stand Up India' scheme was launched in April 2016 to promote entrepreneurship among Scheduled Caste, Scheduled Tribe, and women entrepreneurs.

### Objective:

- The objective of the Stand Up India Scheme is to facilitate loans from Scheduled Commercial Banks (SCBs) of value between Rs. 10 lakh and Rs.1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and one woman borrower per bank branch for setting up a greenfield enterprise in manufacturing, services or trading sector.

### Features:

- Standup India aims to empower every Indian and enable them to stand on their own feet.
- The program recognizes the challenges faced by Scheduled Caste (SC), Scheduled Tribe (ST), and women entrepreneurs in setting up enterprises, obtaining loans, and other support needed from time to time for succeeding in business.
- The program endeavours to create an ecosystem that facilitates and continues to provide a supportive environment for conducting business.

### Margin money features:

- According to an announcement made by the Finance Minister in the Budget Speech for FY 2021-22, the margin money requirement for loans under the Scheme has been reduced from 'up to 25%' to 'up to 15%'.
- This minimum amount of margin money requirements bring more people within the ambit of the scheme because people who do not have seed capital or seed funding, or who do not have their own savings, can now approach the bank for loans.

### Interest rate and repayment:

- The rate of interest would be the lowest applicable rate of the bank for that category (rating category) not to exceed (base rate (MCLR) + 3%+ tenor premium).
- The loan is repayable in 7 years with a maximum moratorium period of 18 months.

**Holding Pattern:**

- In the case of group enterprise, a minimum of 51% stake and shareholding must belong to a woman entrepreneur or a member of the SC/ST community.

**Achievement so far:**

- As of March 21, 2022, about 133,995 accounts have received advances under the scheme, out of which 19,310 were held by SCs; 6,435 by STs, and 108,250 by women.

**Women Empowerment through Stand Up India scheme:**

- Unemployment has always been a major problem in the economy. The Covid-19 pandemic has exaggerated the problem to a great extent.
- Many people lost their jobs, shut down their businesses, and had to scale down their operations. In this whole jobless situation, the status of women was far more desperate than the status of men.
- During this phase of the pandemic, this scheme played the role of a life-saving drug for women and they made an opportunity out of the crisis.
- If the women have entrepreneurial skills, the stand-up India scheme provides finance to convert the plan into action and empowers the status of women.
- At present, over 1 lakh women are taking advantage of the Stand-up India scheme.

**The scheme and agriculture:**

- The agricultural sector of India has been subjected to disguised unemployment. In the budget speech for FY 2021-22, the government has included agriculture in the Stand Up India Scheme.
- This will enable the farmers to set up a small agri-processing unit within the home that can be called a cottage industry where the farmers could produce some products and can become a part of the large companies and large supply chains as well.
- Including agriculture in the scheme is an indication of the fact that the government is very serious about letting agriculture grow in a manner that can match the features of the western world.

**Conclusion:**

The scheme has successfully contributed to the self-reliance of individuals especially women who wanted to stand on their feet. If this scheme is integrated with the Start-Up India scheme, it could result in wonders.

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