



North East Venture Fund

Why in News

The Ministry of Development of North-East Region has recently **given an update on the scheme North East Venture Fund.**

Key Points

▪ About:

- Set up by **North Eastern Development Finance Corporation Limited (NEDFi)** in association with the **Ministry of Development of North Eastern Region (M-DoNER)**, the **North East Venture Fund** scheme was launched in September 2017.
- It is the **first dedicated venture capital fund** for the North Eastern Region (NER).
 - Venture capital is a form of **private equity** and a type of **financing** that **investors provide to startup companies** and small businesses that are believed to have **long-term growth potential**. Venture capital generally comes from **well-off investors, investment banks and any other financial institutions**.
- **Corpus Amount:**
 - Capital commitment of **Rs 100 crore**.
- **Objectives:**
 - To contribute to the **entrepreneurship development of the NER** and achieve **attractive risk-adjusted returns through long term capital appreciation** by way of investments in privately negotiated equity/ equity related investments.
 - The fund targets to invest in Start-Ups and unique business opportunities to provide resources for new entrepreneurships in Food Processing, Healthcare, Tourism, segregation of services, IT, etc.
- **Range of funds:**
 - The investment under this scheme ranges from **Rs. 25 lakh to Rs.10 crore per venture**, which is long term in nature with an investment horizon of **4-5 years**.

Other Initiatives for the Development of North-Eastern Region

▪ North East Rural Livelihood Project (NELRP):

- Launched in 2012, the **NELRP** is a **World Bank** aided, multi-state project under the Ministry of Development of North Eastern Region (DoNER).
 - The project has been implemented in **11 districts of Mizoram, Nagaland, Tripura and Sikkim** with an aim to **improve rural livelihoods especially that of women, unemployed youth and the most disadvantaged**, in the four North Eastern States.
- **North Eastern Region Vision 2020 document** provides an overarching framework for the development of the North Eastern Region.

▪ **Science & Technology Interventions in the North East Region (STINER):**

- STINER aims to bring **relevant technologies developed by the academic, scientific and research institutions to the artisans and farmers especially women.**

▪ **North Eastern Region Power System Improvement Project (NERPSIP):**

- **The Scheme** was initially approved in December 2014 as a **Central Sector Scheme** of the Ministry of Power.
- It aims to create a reliable **power grid** and improve NER States' connectivity to the upcoming load centers, and thus extend the benefits of the **grid connected power to all categories of consumers of beneficiaries in the North Eastern Region.**

▪ **Destination North East festival:**

- The different facets of Northeast including the entrepreneurship avenues are replicated at **different locations across the country**. During these events also, an exclusive arrangement is made for offering counselling and assistance to potential entrepreneurs and business Start-Ups.

Source:PIB

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