

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:3491  
ANSWERED ON:11.12.2002  
ENTERPRISES IN IT SECTOR  
UMMAREDDY VENKATESWARLU

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

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- (a) whether it is a fact that start-ups are not getting adequate financial support from banks in the IT sector;
- (b) whether Government has made a proposal to the RBI to consider `Intellectual Capital` as collateral;
- (c) if so, the reaction of RBI to this proposal;
- (d) whether Government propose to set up a special fund to assist IT professionals to start own units; and
- (e) if so, the steps proposed by Government to encourage enterprise in the IT sector?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SANJAY PASWAN)

- (a): Technically and economically viable proposals are considered for funding by the banks and financial institutions.
- (b): No, Sir.
- (c): Does not arise.
- (d): No, Sir.
- (e): Steps taken to encourage enterprise are given in the Annexure.