

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2965  
ANSWERED ON:16.03.2001  
RECOVERY OF LOANS DISBURSED UNDER PMRY  
MANSUKHBHAID. VASAVA

**Will the Minister of FINANCE be pleased to state:**

- (a): whether the loans disbursed to the educated unemployed youths under the self-employment scheme are not being recovered satisfactorily;
- (b): if so, the reasons therefor and the State-wise recovery of such loans made by public sector banks during each of the last three years; and
- (c): the State-wise number of persons who actually started some business on the basis of loans given under the Prime Minister Rojgar Yojana (PMRY) during the above period ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a), (b) & (c): As per the information provided by Reserve Bank of India, the loans disbursed to educated unemployed youth under the self employment scheme are not being recovered satisfactorily. The all India average of recovery under the Prime Minister's Rozgar Yojana (PMRY) during the last three years reflects the declining trend recovery being 44.2% for year ending March, 1988, 41.9% in 1999 and 37.2% in the year ending March,2000. The reasons for poor recovery under PMRY include under financing of the projects, project mismanagement, inadequate marketing facilities, borrowers getting job elsewhere and losing interest in the project and also willful default. The State-wise details of recovery of loans against loan demand raised at the half year ended March 1998, 1999 & 2000 and number of persons assisted under PMRY during the last three years at the end of March 1998, 1999 and 2000(provisional) are given in the Annexure.