

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2597
ANSWERED ON:08.12.2006
DELAY IN GRANTING LOANS UNDER PMRY
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that the banks delay a lot in granting loans to the unemployed youths selected under the Pradhan Mantri Rojgar Yojana or they are returned bare hands after they have waited long for the same;
- (b) whether there is a time bound provision for granting loan under the scheme;
- (c) if so, the details thereof;
- (d) the number of cases cleared within fixed time schedule during each of the last three years, State-wise and bank-wise;
- (e) whether the Government proposes to make a provision of quarterly review of the accountability of district industry centres and banks regarding full implementation of the said scheme; and
- (f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a): Applications for loans under the Prime Minister's Rozgar Yojana (PMRY), are processed after due scrutiny by the Task Force which involves the District Industries Centre (DIC), officials from related Government Departments and Banks. Thereafter, applications based on an interview of candidates are sponsored by the Task Force to the Bank Branches by the DIC. The bank branches in turn undertake detailed scrutiny of the applications. Eligible applicants, considering the targets of the individual banks, are sanctioned loans by the banks. Processing of cases, therefore, may take some time. Applicants who do not fulfill the eligibility criteria of the PMRY guidelines are not sanctioned loan.

(b) & (c) : Banks have been instructed by RBI to dispose of applications for loans up to Rs.25,000/- within 2 weeks and up to Rs.2 lakh (limit under the scheme), within 4 weeks provided the loan applications are complete in all respects and accompanied by a 'check list'. To avoid unnecessary delay and harassment of the applicants in trying to obtain 'No Dues Certificate', from other banks in the area, it has now been decided that in the event of non-receipt of the same from the referred bank within a period of 15 days, it may not be insisted upon and will be deemed as if the applicant is not having any dues with the concerned bank.

(d): State-wise and Bank-wise details of total number of Applications disbursed under PMRY during the years 2003-04, 2004-05 and 2005-06 are at Annexure-I and II respectively.

(e) & (f): At the District level, the District PMRY Committee under the Chairmanship of District Collector/Dy. Commissioner of the District reviews and monitors the Scheme.