

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:504
ANSWERED ON:24.11.2011
ASSISTANCE TO NGOS
Rama Devi Smt.

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the names of Non-Governmental Organisations (NGOs) in the country including in Bihar which have been provided financial assistance under various schemes of MSME sector during each of the last three years and current year, Statewise;
- (b) the details of assistance provided to these NGOs during the said period, Statewise;
- (c) whether some NGOs have been found involved in irregularities/ misutilisation of funds;
- (d) if so, the details thereof;
- (e) the action taken by the Government against these NGOs; and
- (f) the steps taken/being taken by the Government to check such irregularities in future?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) & (b) Schemes of the Ministry of Micro, Small & Medium Enterprises are mostly implemented through Khadi and Village Industries Commission(KVIC), Coir Board, Development Commissioner, Micro, Small & Medium Enterprises(DC,MSME), National Small Industries Corporation (NSIC) and Mahatma Gandhi Institute for Rural Industrialization (MGIRI). Assistance to institutions/ non-governmental organisations (NGOs) is provided under different schemes. In particular, KVIC is providing assistance to over 2000 khadi and village industries institutions under various schemes for the promotion and welfare of khadi and village industries, directly as also through its 36 State/Divisional offices and through States' Khadi and Village Industries Boards(KVIBs). DC, MSME also channelizes funds through its 30 Micro, Small & Medium Enterprises Development Institutes (MSME-DIs). Institution/non-governmental organization-wise information is not centrally maintained in the Ministry in respect of all cases of financial assistance to institutions/ non-governmental organisations.

(c) to (f) Cases of irregularities/misutilisation of funds come to notice of the various implementing agencies from time to time. Taking necessary action, including action under the relevant schematic guidelines/rules & regulations, as also action under the penal laws, if so warranted, is a continuous process. Institutions/non-governmental organisations at times also take recourse to litigation, and a number of cases in various courts are prevalent at various stages at any particular time in which opposite parties include the Union of India through the Ministry of MSME, the implementing agencies and the various other stake-holders. Institution/ non-governmental organisation-wise information on irregularities / misutilisation of funds and action taken, in respect of all cases, is not centrally maintained in the Ministry. Monitoring at various levels by the Ministry of MSME, the implementing agencies and the State Governments, reviews, evaluations and systemic improvements are a continuous on-going process.