

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

UNSTARRED QUESTION NO:6894  
ANSWERED ON:17.05.2012  
LOAN TO UNEMPLOYED YOUTH  
Bajirao Shri Patil Padamsinha

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

(a) whether the Government considers and approves the proposals to set up rice and flour mills under Prime Minister's Employment Generation Programme and sends them to banks for sanctioning of loans; and

(b) if so, the number of such applications received, sanctioned and pending for approval in the country including each of last three years, State-wise?

**Answer**

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

(a): Government in the Ministry of Micro, Small and Medium Enterprises (MSME) has been implementing the Prime Minister's Employment Generation Programme (PMEGP), a credit-linked subsidy programme for providing margin money assistance to establish micro-enterprises in the non-farm sector. The scheme is implemented by Khadi and Village Industries Commission (KVIC), State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs), with KVIC as the nodal agency at the national level. Proposals to set up micro-enterprises, including rice and flour mills (within the broad group of Agro Based and Food Processing Industry) are selected at the district level by District Level Task Force Committees (DLTFCs) and forwarded to Banks. Banks, on the basis of viability and other relevant considerations, take decisions on sanctioning the projects. The maximum size of a project in the manufacturing sector is Rs. 25 lakh.

(b): The State-wise number of applications, including cases of rice mills and flour mills projects, received, recommended by DLTFCs, sanctioned by Banks and disbursed by Banks during each of the last three years is given in Annex. Cases remaining undisbursed in a particular year are taken up in the next year subject to availability of funds.