

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

UNSTARRED QUESTION NO:3191

ANSWERED ON:16.03.2015

PROMOTION OF MSME SECTOR .

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

- (a) whether the Government invites applications for financial assistance from the entrepreneurs willing to set up and develop MSMEs in the country;
- (b) if so, the details thereof along with the number of applications received and approved during the said period, State-wise;
- (c) the number of applications still pending with the Government along with the reasons therefor and the steps taken by the Government to expedite disposal of the pending applications; and
- (d) whether the Government proposes to give clearance under a single window system in a time-bound manner for setting up MSME units and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) to (c): Government in the Ministry of Micro, Small and Medium Enterprises has been implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 with Khadi and Village Industries Commission (KVIC) as nodal agency at the national level for generating employment in the Country by setting up of micro-enterprises in the non-farm sector. The maximum cost of project is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector. Project proposals under PMEGP for setting up micro-enterprises are submitted by individual beneficiaries to the implementing agencies such as District Industries Centers (DICs) under State Government, State KVI Boards and KVIC State/Divisional offices. These are then screened by District Level Task Force Committees (DLTFCs) and recommended to Banks for sanction. State/UT-wise number of applications received by implementing agencies under PMEGP during each of the last three years and current year and forwarded to Banks by DLTFCs as also the number of cases disbursed are given in Annex. Applications pending for disbursement at the end of the year are also carry forward for disbursement in the next year. During 2014-15 (upto 31.01.2015), a total 3,51,052 applications have been received under PMEGP, out of which 1,59,366 applications have been recommended by DLTFCs to Banks for sanction. Banks have made disbursement in 21025 cases out of the recommended cases by DLTFCs.

To expedite the timely sanctioning of loans under PMEGP as well as their disbursement by Banks, the process is monitored at District Level by DLTFCs and by State Government concerned. A District Level Advisory Committee has also been constituted under the Chairmanship of the Member of Parliament of the district for monitoring of the PMEGP Scheme. KVIC and Ministry of MSME have also taken up the issue with CMDs of Banks to sensitize the bank officials on timely disbursement of credit. The process is periodically monitored at the national level by a monitoring committee for PMEGP and at State Level Banker Committee meeting by the respective state governments. Besides this, Ministry of MSME has been conducting State-wise/Region-wise reviews for expediting the process of sanction/disbursement.

(d): Government in the Ministry of MSME has no separate proposal for single window system for PMEGP. KVIC is already working as single nodal agency at the national level for PMEGP. Application can also be filed online under PMEGP and status can be monitored by the applicant through e-tracking system.