

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

STARRED QUESTION NO:301

ANSWERED ON:15.12.2014

DEVELOPMENT OF MSMES

Pandey Shri Ravindra Kumar; Singh Shri Rama Kishore

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

- (a) the details of the schemes under implementation for the development of the Micro, Small and Medium Enterprises (MSMEs) in the country;
- (b) whether the Government invites applications for financial assistance/loans from the entrepreneurs willing to set up and develop MSMEs;
- (c) if so, the details thereof along with the number of applications for availing bank loans/assistance received/approved and rejected during each of the last three years and the current year, State-wise;
- (d) the number of applications still pending with the Government along with the reasons therefore; and
- (e) the steps taken by the Government to expedite the clearance of pending applications ?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

(a)to(e): A statement is laid down on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 301 FOR ANSWER ON 15.12.2014

(a): The Ministry of MSME is implementing a number of important schemes to set up and develop Micro, Small and Medium Enterprises (MSMEs) in the country. Major schemes/ programmes includes (i) Credit Guarantee Scheme for Micro and Small Enterprises, (ii) Credit Linked Capital Subsidy Scheme (CLCSS), (iii) Prime Minister's Employment Generation Programme, (iv) Micro & Small Enterprises-Cluster Development Programme (MSE-CDP) (v) Market Development Assistance (MDA) Scheme, (vi) National Manufacturing Competitiveness Programme (NMCP) etc.

(b): Setting up of MSME unit is an individual endeavour for which Banks/Financial Institutions are providing loans to MSMEs after ascertaining project viability, feasibility etc. Under Prime Minister's Employment Generation Programme (PMEGP) implemented by the Ministry of MSME, the Government provides margin money subsidy for setting up of new units. Further, in order to develop the MSMEs, the Ministry provides financial assistance through schemes like Prime Minister's Employment Generation Programme, Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme (CLCSS), MSE-Cluster Development Programme (MSE-CDP), etc.

(c): The State-wise details of the flow of bank loans to Micro and Small Enterprises (MSEs) by Scheduled Commercial Banks and the corresponding number of beneficiary accounts from year ending March 31, 2011 to year ending March 31, 2013 are given in Annex A. The financial assistance provided to MSMEs and the number of units assisted under CLCSS is given in Annex B. The data on the number of Guarantee Applications received and approved by Credit Guarantee Fund Trust for Micro and Small Enterprises under the Credit Guarantee Scheme is furnished at Annex-C. The data on the number of applications for availing margin money received, approved (by District Level Task Force (DLTF)) and rejected (by banks) under PMEGP (Prime Minister's Employment Generation Programme) are furnished at Annex D.

(d): The Status of pending applications in respect of Major Schemes of the Ministry is given below:

# Under the PMEGP a total of 71,171 applications are pending throughout the country as on 30.11.2014 and these are being placed before the District Level Task Forces (DLTFs).

# Under the CLCSS the eligible applications of each quarter are settled by the end of the next quarter as per the guidelines of the Scheme. At present no application of the quarter ending 30.9.2014 (which are to be settled by 31.12.2014) are pending. For the quarter ending 31.12.2014, a total of 217 applications (as on 30.11.2014) have been received and are being processed. These are to be settled by 31.03.2015.

# Under the Credit Guarantee Scheme as on November 30, 2014 total number of guarantee applications pending are 13879. This

includes 5397 guarantee applications lodged by the RRBs. In the light of the amalgamation of number of Regional Rural Banks during 2012-13 and 2013-14, the guarantee applications from the RRBs are temporarily kept on hold for want of completion of certain formalities from the RRBs. Further, under the exit policy and for suspension of guarantee approvals for registered MLIs of CGTMSE, 4917 approvals of guarantee application of the MLIs with NPA percentage over 15% in terms of the guarantees issued have also been kept on hold. Balance number of 3565 guarantee applications is pending for approval which has been received very recently and is being processed.

(e): In order to expedite the clearance of pending applications, on line filing and disposal of applications have been introduced in case of all the major Schemes of the Ministry. To expedite the timely sanctioning of loans under PMEGP as well as their disbursement by banks a 'District Level Advisory Committee' has been constituted under the Chairmanship of the Member of Parliament of the district for monitoring of the PMEGP Scheme. The process is periodically monitored at the national level by a monitoring committee for PMEGP.