

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 2600
TO BE ANSWERED ON 12.03.2018

BANK LOANS UNDER PMEGP

2600. SHRI VENKATESH BABU T.G:

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

- (a) the amount allocated under Prime Minister Employment Generation Programme (PMEGP) in the country during the last three years;
- (b) the number of people applied for loan in different banks to avail the benefits under PMEGP and the number of them considered and provided loans during the said period, percentage-wise;
- (c) the reasons for a large number of applicants not being considered for loan under the scheme; and
- (d) the steps taken by the Government to assist the common man in getting their due shares under the scheme?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE)
FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a): Total amount allocated under PMEGP for the last three years and current year is given below.

Year	Total amount allocated
2014-15	1093.06
2015-16	1286.20
2016-17	1082.90
2017-18	1170.00

(b): Targets under PMEGP are fixed state-wise with each district getting at least 75 projects. State-wise details of the number of people applied for loan in different banks to avail the benefits under PMEGP and the number of applications sanctioned loans during the last three year and current year, percentage-wise is given at **Annexure**.

(c): The applications are scrutinized by implementing agencies i.e. KVIC, KVIB, DIC and District Level Task Force Committee (DLTFC) to ascertain fulfillment of criteria under PMEGP scheme. About 50% of the applications are rejected at the DLTFC level due to non-completion of various documents, vague information in the applications, lack of knowledge etc. Banks also take their own credit decision on the basis of viability of each project. They appraise projects both technically and economically. About 30-40% applications are rejected at the Bank level.

Reasons for rejection of PMEGP application by the Banks are as follows:

- i. Non-fulfillment of Bank documents by the entrepreneur.
- ii. The proposed activity is not in the service area of the Bank.
- iii. The entrepreneur has availed loan facility under other activity like Home loan, vehicle loan etc. and not repaid.
- iv. Project is not economically viable.
- v. Proposed activity is not having suitable marketing at the proposed place.

(d): The steps taken by the Government to assist the common man in getting their due share under the scheme are as follows:

- KVIC has introduced online e-portal wherein the application flows and fund flow is processed online.
- The issue of credit flow to the micro sector especially PMEGP as part of the priority sector lending by Banks has been raised in video conference with Secretary, Department of Financial Services (DFS) and CMDs of Banks. This issue has also been raised in the quarterly meeting of RBI with CMDs of Banks for ensuring adequate credit flow for MSME sector especially under PMEGP.
- The period of default has been increased from 90 to 180 days for MSMEs subject to fulfilling certain condition.
- The corpus of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) has been enhanced from Rs.2500 crore to Rs.7500 crore. The ceiling limit for guarantee cover is enhanced from Rs. 1 crore to Rs. 2 crore. Non-Banking Financial Companies (NBFC) have been brought under the CGTMSE scheme for loan provided to micro sector enterprises.

- Publicity is being made through print and electronic media about PMEGP scheme for the benefit of Rural and Urban areas.
- Awareness camps at District level and State level are being organized in order to propagate the PMEGP scheme for the development of micro industries.
- Exhibitions are also conducted at district/state/zone and national level for providing marketing support to the entrepreneurs/units.
- Further, the incubates under ASPIRE-LBIs/ Tool Room and Technology centers/MSME-DIs under Ministry of MSME, NSIC/NIMSME /RSETI/NISBUD/ IIE or other Institution / agency approved by Ministry would be eligible for assistance under PMEGP on priority basis and without undergoing EDP training, if the EDP component is already included in the curriculum of the LBIs/Tool Room/Training Centers etc.

Annexure referred to in reply to part (b) of the Lok Sabha Unstarred Qn. No. 2600 for answer on 12.03.2018

Sr. No.	State/UT	2014-15			2015-16			2016-17			2017-18 (as on 28.02.2018)		
		No. of applications received	No. of units disbursed	%	No. of applications received	No. of units disbursed	%	No. of applications received	No. of units disbursed	%	No. of applications received	No. of units disbursed	%
I. NORTH ZONE													
1	J&K	9640	1565	16.23	9619	2207	22.94	8687	1492	17.18	14999	2900	19.33
2	H.P.	2942	1244	42.28	3739	1077	28.80	5042	941	18.66	3584	612	17.08
3	Punjab	5892	1153	19.57	6760	966	14.29	11587	1266	10.93	11008	1187	10.78
4	U.T. Chandigarh	239	36	15.06	197	43	21.83	278	47	16.91	159	33	20.75
5	Haryana	5900	1175	19.92	3771	1248	33.09	13089	1377	10.52	17512	1289	7.36
6	Delhi	3297	198	6.005	2802	256	9.14	8623	119	1.38	13057	68	0.52
7	Rajasthan	11173	1976	17.69	9714	1988	20.47	13864	1749	12.62	16354	1172	7.17
II CENTRAL ZONE													
8	Uttarakhand	4077	1333	32.7	2723	1136	41.72	4643	1345	28.97	7540	1059	14.05
9	Uttar Pradesh	43362	4891	11.28	37950	4365	11.50	47499	4074	8.58	72457	4256	5.87
10	Chattisgarh	5793	847	14.62	4305	1277	29.66	9012	1598	17.73	11537	1013	8.78
11	Madhya Pradesh	6441	2737	42.49	4895	1979	40.43	6337	1940	30.61	9296	1224	13.17
III. N.E.ZONE													
12	Sikkim	104	16	15.38	254	110	43.31	320	27	8.44	149	25	16.78
13	Arunachal Pradesh	1742	652	37.43	4943	35	0.71	1689	301	17.82	1200	142	11.83
14	Nagaland	3703	416	11.23	2747	623	22.68	2616	1018	38.91	1576	863	54.76
15	Manipur	22282	747	3.352	22282	685	3.07	33990	1265	3.72	11236	376	3.35
16	Mizoram	4184	817	19.53	5632	1134	20.13	3706	425	11.47	1782	137	7.69
17	Tripura	7681	787	10.25	6436	642	9.98	9908	2297	23.18	6106	688	11.27
18	Meghalaya	2247	555	24.7	2713	603	22.23	1410	329	23.33	977	53	5.42
19	Assam	49355	5015	10.16	37162	3483	9.37	71561	6028	8.42	27280	1625	5.96
IV. EAST ZONE													
20	Bihar	22337	1639	7.338	11650	2430	20.86	21680	3234	14.92	20212	1427	7.06
21	West Bengal	26726	3397	12.71	30343	1873	6.17	21190	3528	16.65	19035	1222	6.42
22	Jharkhand	14073	1699	12.07	8700	1839	21.14	13795	1300	9.42	9447	677	7.17
23	Odisha	24348	2013	8.268	25577	2876	11.24	20102	3029	15.07	15357	1768	11.51
24	A & N Islands	173	161	93.06	304	119	39.14	372	195	52.42	324	169	52.16
V. WEST ZONE													
25	Gujarat*	4750	1289	27.14	4299	1419	33.01	8927	1386	15.53	8838	1559	17.64
26	Maharashtra*	20257	3469	17.12	5488	2497	45.50	45148	2325	5.15	34802	2529	7.27
27	Goa	145	78	53.79	173	91	52.60	155	90	58.06	113	38	33.63
VI. SOUTH ZONE													
28	Andhra Pradesh	9929	937	9.437	11459	642	5.60	13465	1357	10.08	12293	1342	10.92
29	Telangana	7952	604	7.596	10665	660	6.19	11865	664	5.60	15472	934	6.04
30	Karnataka	21945	2431	11.08	23341	2140	9.17	29717	3575	12.03	28135	1784	6.34
31	Lakshadweep	61	31	50.82	0	0	0	7	0	0.00	6	0	0.00
32	Kerala	3230	1344	41.61	4216	1369	32.47	4013	1584	39.47	6648	891	13.40
33	Tamilnadu	12560	2858	22.75	11671	2463	21.10	20064	2941	14.66	19841	3011	15.18
34	Puducherry	257	58	22.57	267	65	24.34	173	66	38.15	221	36	16.29
	GRAND TOTAL	358797	48168	13.4	316797	44340	14.00	464534	52912	11.39	418553	36109	8.63

* including Daman & diu

** including Dadra & N. Havali