

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3031
TO BE ANSWERED ON 06.08.2018

TARGETS UNDER PMEGP

3031. SHRI ADV. M. UDHAYAKUMAR:

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

- (a) whether the Prime Minister Employment Generation Programme (PMEGP) has failed to meet the target during the year 2017-18;
- (b) if so, the details thereof along with the reaction of the Government thereto;
- (c) whether Khadi and village Industries Commission has reduced the target by 50 per cent for the year 2018-19, if so, the details thereof;
- (d) whether the banks have not approved new applications under the said programme; and
- (e) if so, the details thereof and the reasons therefor?

ANSWER

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

(a)&(b): No Madam. Margin money target of Rs. 1004.00 cr was fixed for the financial year 2017-18 under the Prime Minister Employment Generation Programme (PMEGP) at the B.E. stage and the same was increased to Rs. 1170.00 cr. at R.E stage. Against this target, margin money subsidy of Rs. 1312.40 cr. was disbursed to 48398 beneficiaries for the FY 2017-18. This shows higher achievement in terms of margin money disbursement during the year 2017-18 against the target.

The target to set up micro projects under PMEGP during 2017-18 was 58750 taking Rs 2.00 lakh average margin money per project, but the actual number of projects set up was 48398. In this regard it is mentioned that, the number of projects depends upon the average cost of the projects. During 2017-18 average cost of the project increased to Rs 10-12 lakh with average margin money subsidy of Rs.2.71 lakh. This is due to inflation and viability factors, as units with higher project cost are more viable. With the increase in average project cost, the number of projects disbursed during 2017-18 was decreased.

(c): No Madam, the target set for Margin money has been enhanced from Rs. 1170.00 cr to 1760.64 cr. for 2018-19, which is almost 50% higher than 2017-18.

(d)& (e): The applications for financial assistance under PMEGP, recommended by District Level Task Force Committee (DLTFC), are sent to the banks for sanction. The Margin money is disbursed by the KVIC as per the budget allocation made by the Government of India for the project sanctioned by the banks. At the end of financial year, the applications left for sanction by banks are considered in the next financial year as backlog. During 2017-18 banks have sanctioned 79,643 applications, these includes new applications as well as carry forward applications.
