

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**STARRED QUESTION NO. \*206**  
**TO BE ANSWERED ON 05.03.2020**

**PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME**

\*206. SHRI K. NAVASKANI:

SHRI BALUBHAU ALIAS SURESH NARAYAN DHANORKAR:

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

- (a) whether the loans under Prime Minister's Employment Generation Programme (PMEGP)/Pradhan Mantri Rozgar Yojana are not being disbursed to the youths in various States including Maharashtra and Tamil Nadu;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) the quantum of loans given to youths in Maharashtra and Tamil Nadu under the scheme during each of the last three years and the current year and the targets fixed/achieved during the said period; and
- (d) the steps taken by the Government to achieve the said targets and to disburse the funds under PMEGP in a proportionate manner?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NITIN GADKARI)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE  
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(a) & (b): No, Sir. Over the years, the number of loans and the disbursement thereof under the Prime Minister's Employment Generation Programme (PMEGP) have increased. In 2018-19, there was a jump by more than 50 % in the number of units supported over 2017-18. Further, the subsidy support has increased from Rs. 1020.06 crore in 2015-16 to Rs.2070.00 crore in 2018-19. The details are as follows:

Year	Number of units setup	Margin Money subsidy disbursed (Rs. in crore)
2015-16	44340	1020.06
2016-17	52912	1280.93
2017-18	48398	1312.40
2018-19	73427	2070.00

In the current year, till 29.02.2020, 48232 units have been supported with subsidy assistance of Rs.1459.42 crore. Additionally, 29265 loan proposals have also been approved by Banks. Accordingly, the target to support setting up 78000 new micro enterprises under PMEGP in 2019-20 is likely to be achieved.

(c): The targets fixed and achievements made during each of last three years and current year as on (02.03.2020) in Maharashtra and Tamil Nadu State are as below:

<b>Maharashtra</b>				
Year	Target		Achievement	
	No. of projects/ beneficiaries	Margin Money Subsidy (Rs. in Crore)	No. of projects/ beneficiaries	Margin Money Subsidy (Rs. in Crore)
2016-17	1056	21.11	2325	60.01
2017-18	3428	68.55	3329	87.49
2018-19	3750	113.65	5642	152.72
2019-20 (as on 02.03.2020)	4022	124.63	3535	89.83

<b>Tamil Nadu</b>				
Year	Target		Achievement	
	No. of projects	Margin Money Subsidy (Rs. in Crore)	No. of projects	Margin Money Subsidy (Rs. in Crore)
2016-17	2646	52.91	2941	82.13
2017-18	3630	72.60	4095	97.17
2018-19	3655	108.86	5185	132.90
2019-20 (as on 02.03.2020)	3800	114.00	4151	99.80

Based on the Margin Money subsidy given to the beneficiaries, the estimated quantum of loan given by the banks is calculated as per a formula which takes into account average of Government subsidy and beneficiary contribution.

Accordingly, the estimated bank credit given to entrepreneurs in Maharashtra and Tamil Nadu under PMEGP during last three years and current year is as follows:

Year	Estimated bank Credit Flow (Rs. in Crore)	
	<b>Maharashtra</b>	<b>Tamil Nadu</b>
2016-17	162.03	221.77
2017-18	236.24	262.37
2018-19	412.34	358.85
2019-20 (as on 02.03.2020)	242.54	269.46

(d): Following steps have been taken to achieve the target for disbursement of Margin Money subsidy under PMEGP:

- (i) The process of application flow, including bank sanctions and disbursement, has been made faster through introduction of on-line portal.
- (ii) The list of activities has been expanded to attract entrepreneurs for setting up diverse units.
- (iii) Organizing of Entrepreneurship Training Programme (EDP), mandatory before disbursement of loan by Banks, has been made online since October 2019 to provide expedited training to beneficiaries.
- (iv) Implementing Agencies like Khadi and Village Industries Commission (KVIC), State Khadi and Village Industries Board (KVIB) and District Industries Centres (DICs) are providing handholding to applicants, through call centres, online tutorials as well as physical help desks.
- (v) Awareness camps and workshops are being organized with special focus on SC/ST predominant districts and aspirational districts.
- (vi) Regular meetings are being held by the Ministry and KVIC with Banks through Department of Financial Services.

Besides, in order to disburse the funds under PMEGP proportionately, the targets are fixed in such a manner that first a target of minimum 75 projects are allocated to each district in a State, following which the remaining Margin Money target is distributed among the State/UT on the basis of the criteria such as (i) extent of backwardness, (ii) extent of unemployment, (iii) achievement of the previous years' target, (iv) population, (v) availability of traditional skills and raw material and (vi) special focus on 117 backward districts identified by Niti Aayog.

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