

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 3056
TO BE ANSWERED ON 07.08.2025

CLOSURES OF LOANS UNDER PMEGP

3056. SHRI TANUJ PUNIA:

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

- (a) whether the Government has failed to conduct the unit inspection procedure required for closing loans under Prime Minister's Employment Generation Programme (PMEGP), if so, the details thereof;
- (b) whether the Government is aware that outsourcing inspection procedure to the external agency GENSIS International is causing confusion among entrepreneurs regarding the platform for registering their grievances;
- (c) if so, the manner in which the Government is providing clarity on the matter, and
- (d) the mechanisms in place for the timely and proper compliance of procedures and responsibilities by external agencies?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) to (d): Under Prime Minister's Employment Generation Programme(PMEGP), physical verification of the establishment and working status of each of the units set up is undertaken by Khadi and Village Industries Commission(KVIC) through third-party agencies having expertise in this domain in order to facilitate the timely adjustment of Margin Money subsidy into the beneficiary's loan account. To ensure transparency and efficiency in the physical verification process, KVIC has signed an MoU with the Department of Posts for carrying out physical verification of PMEGP units by leveraging its extensive postal network across the country particularly in rural areas.

Mechanisms in place to monitor and implement timely and proper compliance of procedures and responsibilities by external agencies include the following:

- i. Proper procedures and responsibilities have been included in the MoU signed with the Department of Posts to ensure timely and proper compliance.
- ii. Progress of physical verifications is updated via Physical Verification (PV) module of PMEGP portal and is regularly monitored.
- iii. Review meetings are regularly held by the Ministry with Department of Posts and other stakeholders to monitor the progress and strengthen the implementation of physical verification process.
