

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:285  
ANSWERED ON:11.08.2000  
IMPLEMENTATION OF PMRY BY NATIONALISED BANKS  
DUKHA BHAGAT

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the nationalised banks are not taking interest in the implementation of Prime Minister Rojgar Yojana;
- (b) if so, the reaction of the Government thereto; and
- (c) the efforts made in order to deal firmly with the nationalised banks for ensuring the success of the said scheme?

**Answer**

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA):

- (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) and (b) As per the information provided by the Reserve Bank of India (RBI), the Nationalised Banks are taking active interest in the implementation of the Prime Minister's Rozgar Yojana (PMRY). The banks, on an average, have achieved 80% of target per year end disbursed loans for 76% of sanctioned cases. However, there is considerable scope for improvement in the implementation of the PMRY Scheme and necessary action is being taken in this regard.

(c) Government and Reserve Bank of India (RBI) have initiated following steps to improve the performance of banks under the scheme:

(i) Quarterly targets have been fixed for achievement for both DICs/banks so that the pressure in the last quarter of the programme year is avoided and quality of scrutiny may not suffer.

(ii) Agencies and banks have been advised to work in coordination and conduct joint recovery camps to ensure better recovery.

(iii) States have been advised to include PMRY dues also under Revenue Recovery Act so that recovery under the scheme is improved. So far 9 States have made the necessary amendments in the Revenue Recovery Act. They are A.P., Assam, Gujarat, Karnataka, Kerala, MP, Orissa, UP and Dadra & Nagar Haveli.

(iv) States have also been advised to identify new activities at district level, prepare project profiles and make them available to prospective borrowers.

(v) Modifications have been made in the parameters of the scheme effective from 1.4.99 for coverage ?

(vi) Time frame has been prescribed to avoid delays in sanctions and disbursements.-I

(vii) Banks have been advised to receive applications directly from eligible borrowers for viable activities, so that rejection level will be reduced and recovery rate also will improve.

(viii) Review meeting are held periodically at the level of Banks. RBI and Government.

(ix) Constitution of a Task Force comprising of representatives of banks as well as State Government authorities for selection of beneficiaries and identification of viable activity at block level.

(x) RBI has advised banks not to wait for more than a month for `no dues certificate` about the borrower from the other banks.

(xi) Banks have also been advised not to insist on affidavit at the time of submission of application and call for the same only at the time of sanction. Moreover, Ministry of Small Scale Industries has constituted a Task Force Committee under the Chairmanship of Joint Secretary, Ministry of Finance (Banking Division) along with the representatives of Ministry of Small Scale Industries and Reserve Bank of India to review the implementation of PMRY Scheme and modifications for its improvement.