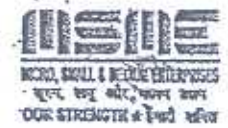


दिनेश राय IAS
सचिव, भारत सरकार

DINESH RAI I.A.S.
Secretary to the Government of India



Annexure III



सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय
उद्योग भवन, नई दिल्ली - 110011

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
UDYOG BHAWAN, NEW DELHI - 110011

Tel.: 91-11-23062107 Fax: 91-11-23063045

D.O. No. E.6(85)/2008
February 24, 2009

Dear

This is in continuation of my earlier letter dated 12th February 2009 and 20th February 2009 regarding holding of special monthly meetings of State Level Bankers' Committee (SLBC) on regular basis and the need to reiterate instructions to State Government Departments and Public Sector Entities to adhere to timely payments to micro and small enterprises (MSEs). In this context, the Department of Financial Services has also written to the SLBC Convenor Banks for holding the special monthly meetings of SLBC to, inter alia, monitor credit flow to micro, small and medium enterprises (MSMEs) and payment of their bills.

Further to this, I would also like to inform that the Reserve Bank of India (RBI) had issued detailed guidelines on debt restructuring mechanism for SMEs on 8th September 2005. This was modified vide RBI's circular dated 27th August 2008. The RBI in its circular dated 13.10.2008 had emphasized to the banks on the need to take up restructuring of SME dues under the existing guidelines. Also, in the face of the current economic slowdown, the RBI vide its circular dated 08.12.2008 had advised the banks that as a one-time measure, the second restructuring done by banks of exposures up to June 30, 2009, will also be eligible for exceptional/special regulatory treatment. Details of these guidelines are available on the web site of the RBI (www.rbi.org.in). I would request you to kindly instruct the District Magistrates/Collectors (DM/DC) to convene District Level Bankers' Committee (DLBC) meetings on regular basis and monitor the progress on this front so as to ensure that more number of MSMEs are provided these benefits. The DLBC should also monitor the progress on other measures announced for augmenting the flow of credit to the MSME sector. The General Manager, District Industries Centres will have to play a more pro-active role to help the DM/DC so that maximum number of units can take advantage of these facilities.

This Ministry is also implementing a credit linked subsidy scheme, namely, Prime Minister's Employment Generation Programme (PMEGP) for generating large employment opportunities through setting up of micro enterprises. Under this scheme, State/UT-wise margin money targets for DICs have been allocated (copy enclosed). I would request you to kindly ensure that the targets set for the DICs are fully achieved.

I would appreciate if feedback on the above is provided to this Ministry on a monthly basis. I am directing GoI's MSME-Development Institutes in the States to also help coordinate the above initiatives with the State Industries Department. I would be grateful if they are rendered full cooperation.

With regards,

Yours sincerely,

Encl.: As above.

(Dinesh Rai)

The Chief Secretaries/Administrators of all States/UTs

Copy to: Directors of all MSME - DIs.

(Madhav Lal)
AS & DC (MSME)

**STATEWISE ALLOCATION OF MARGIN MONEY (MM) TARGETS UNDER
PMEGP FOR 2008-09**

Rs. in lakh

S.No.	State	Total MM	State DIC			KVIC	KVIB
			Rural	Urban	%		
1	Chandigarh	59.94	11.99	11.99	40%	0	35.96
2	Delhi	899.1	179.82	179.82	40%	269.73	269.73
3	Haryana	1431.16	286.23	286.23	40%	429.35	429.35
4	Himachal Pradesh	452.14	90.43	90.43	40%	135.64	135.64
5	Jammu & Kashmir	748.14	149.63	149.63	40%	134.66	314.22
6	Punjab	1608.02	321.61	321.6	40%	482.41	482.4
7	Rajasthan	4011.54	802.31	802.31	40%	1203.46	1203.46
8	A & N Islands	19.98	4	3.99	40%	0	11.99
9	Bihar	6440.22	1288.05	1288.04	40%	1932.07	1932.06
10	Jharkhand	2366.52	473.31	473.3	40%	709.96	709.95
11	Orissa	2946.68	589.34	589.33	40%	884.01	884
12	West Bengal	5513.74	1102.75	1102.75	40%	992.47	2315.77
13	Andhra Pradesh	5319.86	1063.97	1063.97	40%	1595.96	1595.96
14	Karnataka	3571.24	714.25	714.25	40%	1071.37	1071.37
15	Kerala	2123.8	424.76	424.76	40%	637.14	637.14
16	Lakshadweep	6.66	1.33	1.33	40%	0	4
17	Puducherry	59.94	11.99	11.99	40%	0	35.96
18	Tamilnadu	4220.23	844.05	844.04	40%	1266.07	1266.07
19	Goa	86.59	17.32	17.31	40%	15.6	36.36
20	Gujarat	3460.98	692.2	692.19	40%	1038.3	1038.29
21	Dadra & Nagar Haveli	13.32	2.67	2.66	40%	7.99	0
22	Daman & Diu	13.32	2.67	2.66	40%	7.99	0
23	Maharashtra	6628.91	1325.79	1325.78	40%	1988.67	1988.67
24	Chattisgarh	1736.78	347.36	347.35	40%	521.04	521.03
25	Madhya Pradesh	4619.82	923.97	923.96	40%	1385.95	1385.94
26	Uttarakhand	641.59	128.32	128.32	40%	192.48	192.47
27	Uttar Pradesh	11768.96	2353.79	2353.79	40%	3530.69	3530.69
28	Arunachal Pradesh	102.86	20.57	20.57	40%	30.86	30.86
29	Assam	2050.54	410.11	410.11	40%	615.16	615.16
30	Manipur	235.32	47.07	47.06	40%	70.6	70.59
31	Meghalaya	241.98	48.4	48.39	40%	72.6	72.59
32	Mizoram	119.14	23.83	23.83	40%	21.44	50.04
33	Nagaland	215.34	43.07	43.07	40%	38.76	90.44
34	Tripura	236.06	47.21	47.21	40%	70.82	70.82
35	Sikkim	62.9	12.58	12.58	40%	18.87	18.87
		74033.32	14806.75	14806.6	40%	21372.12	23047.85