

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION No. 906
TO BE ANSWERED ON 28.07.2025

STATUS OF PMEGP

906. SMT. SUNETRA AJIT PAWAR:

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

- (a) whether central Government has launched the Prime Minister's Employment Generation Programme, which is a "credit linked subsidy programme for setting up new micro enterprises in the non-agriculture sector" across the country;
- (b) if so, the details thereof;
- (c) the success rate of PMEGP units in terms of providing sustained employment and profitability state-wise, particularly in Maharashtra;
- (d) whether there are challenges in loan disbursal or follow up support; and
- (e) if so, the extent to which these challenges have been addressed so far?

ANSWER

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

(a) and (b): Government had launched Prime Minister's Employment Generation Programme (PMEGP) in 2008-09, which is a credit linked subsidy programme for assisting prospective micro entrepreneurs in setting up of new micro enterprises in the non-farm sector.

PMEGP aims to provide employment opportunities to traditional artisans/ rural and urban unemployed youth at their doorstep. Under PMEGP, General Category beneficiaries can avail of Margin Money (MM) subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories i.e. Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Physically Handicapped, Transgenders, beneficiaries belonging to Northeastern Region, Hill and Border areas, and Aspirational Districts, the MM subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is Rs. 50 lakh in the manufacturing sector and Rs. 20 lakh in the service sector.

(c): As per findings of evaluation studies conducted by third-party agencies from time to time, PMEGP units have consistently contributed in generating sustained employment, enhanced income generation and rising profitability trends.

As per data available, State-wise achievement under PMEGP, including Maharashtra since inception i.e. FY 2008-09 to FY 2025-26 (up to 24.07.2025) in terms of no. of units assisted and estimated employment generated is given at **Annexure I**.

(d) and (e): No major challenges have been faced in loan disbursal or follow up support under PMEGP. However, to facilitate smooth loan disbursal or follow up support under the scheme, the following measures are being undertaken:

- i. A dedicated portal for tracking the complete process from application till adjustment of MM subsidy into the beneficiary's loan account.
- ii. To facilitate timely adjustment of MM subsidy into the beneficiary's loan account, a mechanism for physical verification of micro-enterprises set up under PMEGP with geo-tagging of the establishment and its working status is in place.
- iii. Review meetings with major banks to ensure proper sanctioning of loans and disbursement of margin money.
- iv. Periodical review meetings with Implementing Agencies (IAs) i.e. State offices of Khadi and Village Industries Commission, State Khadi and Village Industries Boards, State District Industries Centers and financial institutions.
- v. Meetings by District Level Monitoring Committee (DLMC) in every district to monitor effective implementation of the scheme.

ANNEXURE - I

ANNEXURE-I: REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 906 FOR ANSWER ON 28.07.2025

State-wise details of achievement under PMEGP since inception i.e. 2008-09 to 2025-26 (as on 24.07.2025)

State Name	No. of Units Assisted	Estimated Employment Generated
Uttar Pradesh	111,097	966,465
Jammu Kashmir	101,838	810,972
Assam	67,445	411,657
Tamil Nadu	67,394	630,195
West Bengal	57,397	482,259
Maharashtra**	56,324	446,466
Karnataka	52,669	429,781
Madhya Pradesh	51,075	424,225
Bihar	50,945	421,534
Odisha	47,949	371,345
Andhra Pradesh	38,730	433,278
Gujarat*	35,459	317,572
Kerala	33,959	276,753
Rajasthan	33,663	276,905
Chhattisgarh	30,590	248,633
Jharkhand	28,001	193,877
Uttarakhand	23,255	178,418
Haryana	21,835	170,535
Punjab	21,093	163,989
Telangana	19,720	163,146
Himachal Pradesh	16,742	113,242
Tripura	16,639	126,364
Manipur	12,344	85,001
Nagaland	11,255	93,232
Mizoram	9,515	75,354
Meghalaya	7,373	50,651
Arunachal Pradesh	4,262	32,265
Andaman Nicobar	2,687	15,210
Delhi	1,969	15,556
Goa	1,306	13,034
Sikkim	1,302	8,666
Puducherry	1,089	6,916
Ladakh	926	7,408
Chandigarh	518	3,474
Lakshadweep	93	368
Total	10,38,458	84,64,746

* including Daman and Diu **including Dadra and Nagar Haveli