

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 2515**  
**TO BE ANSWERED ON 13.03.2025**

**FINANCIAL ASSISTANCE UNDER PMEGP**

2515. SHRI CHHOTELAL:

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

- (a) the number of enterprises provided with financial assistance under Prime Minister's Employment Generation Programme (PMEGP) so far along with the number of employment generated through it;
- (b) the details of the eligibility criteria to avail financial assistance under this scheme;
- (c) whether the Government proposes to increase the credit limit for MSMEs particularly for the pandemic affected enterprises;
- (d) if so, the time by which the revised limit is likely to be implemented; and
- (e) if not, the reasons therefor?

**ANSWER**

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

- (a): Since inception from FY 2008-09 till FY 2024-25 (up to 06.03.2025), more than 9.99 lakh micro enterprises have been provided with financial assistance in terms of Margin Money (MM) subsidy of Rs. 26,569.84 Crore under Prime Minister's Employment Generation Programme (PMEGP) across the country providing employment to an estimated 81.50 lakh persons.
- (b): Details of eligibility criteria to avail financial assistance for setting up of new enterprises under the Scheme are given below:
  - i. Any individual, above 18 years of age
  - ii. Assistance under the scheme is available only for new projects sanctioned specifically under the PMEGP.
  - iii. For setting up of project costing above Rs.10 lakh in the Manufacturing sector and above Rs. 5 lakh in the Business /Service sector, the beneficiaries should possess at least VIII standard pass educational qualification.
  - iv. Projects without Capital Expenditure are not eligible for Financing under the Scheme.
  - v. All new units setup under PMEGP will be mandatorily registered under Udyam Portal before Physical Verification of the unit and the adjustment of the Margin Money in the PMEGP beneficiary loan account.
  - vi. Only one person from one family is eligible for obtaining financial assistance for setting up of projects under PMEGP.

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Since 2018-19, existing PMEGP/REGP/MUDRA enterprises are also supported with a 2<sup>nd</sup> loan with subsidy for upgrading the existing units. Eligibility criteria to avail the 2<sup>nd</sup> loan is as below:

- i. MM subsidy claimed under PMEGP has to be successfully adjusted on the completion of lock in period of 3 years and first loan availed should be successfully repaid.
- ii. The unit should have been making profit for the last three years .

(c), (d) and (e): Presently, there is no proposal under consideration of the Government to increase the credit limit under the PMEGP Scheme for pandemic affected enterprises. However, the maximum cost of the project/unit admissible for Margin Money subsidy under the Scheme has been enhanced from Rs. 25 lakh to Rs. 50 lakh in manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh in service sector since the year 2022, for extending the subsidy benefits of the Scheme to more enterprises.

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