

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 30
TO BE ANSWERED ON 29.01.2026

REVIEW OF PMEGP

30. SHRI NEERAJ MAURYA:
SHRI BABU SINGH KUSHWAHA:

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

- (a) whether the Government is aware that loans and subsidies have been sanctioned for self-employment generation under the Prime Minister's Employment Generation Programme (PMEGP) in Etah-Kasganj, Aonla and Jaunpur Lok Sabha constituencies, if so, the details thereof;
- (b) the number of applications received/approved and the number of beneficiaries to whom loans were actually disbursed in these constituencies during the last three years, district-wise;
- (c) whether it is true that in several cases eligible youth, women and backward classes have been unable to avail benefits of the scheme due to delays in loan sanction, imposition of additional conditions or rejection by Banks, if so, the details thereof;
- (d) the concrete steps taken by the Government to ensure effective implementation of the PMEGP, simplification of banking procedures and monitoring at the local level; and
- (e) whether the Government is considering to undertake a special review or target-based intervention in these parliamentary constituencies and if so, the details thereof?

ANSWER

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

(a): Under Prime Minister's Employment Generation Programme (PMEGP), loans have been sanctioned by banks and financial assistance in the form of Margin Money (MM) subsidy is being disbursed to micro entrepreneurs for setting up of micro enterprises for generation of sustainable employment opportunities throughout the country including Etah-Kasganj, Aonla and Jaunpur Lok Sabha constituencies. Details of loans sanctioned and MM subsidy disbursed in Etah-Kasganj, Aonla and Jaunpur Lok Sabha constituencies during the last three years are given below:

Lok Sabha Constituency Name	FY 2022-23		FY 2023-24		FY 2024-25	
	MM Subsidy (Rs. Lakh)	Loan Sanction (Rs. Lakh)	MM Subsidy (Rs. Lakh)	Loan Sanction (Rs. Lakh)	MM Subsidy (Rs. Lakh)	Loan Sanction (Rs. Lakh)
Etah	60.28	171.05	45.32	135.74	19.6	53.2
Kasganj	109.92	329.14	165.86	530.56	61.78	184.15
Aonla	6.04	17.76	0.00	0.00	0.00	0.00
Jaunpur	133.05	373.15	171.75	487.75	225.95	623.65

(b) and (c): District-wise number of applications received and number of loans sanctioned and disbursed by Banks under PMEGP to beneficiaries in Etah-Kasganj, Aonla and Jaunpur Lok Sabha constituencies during the last three years is given below:

District	No. of Application received by Implementing Agencies	No. of applications sanctioned and loan disbursed by banks
Etah	1,218	414
Kasganj	957	344
Aonla (Bareilly district)	26	2
Jaunpur	1,654	777

Under PMEGP, Banks taken their own credit decision for sanctioning of projects and releasing of loan based upon technical and economical viability of each project belonging to prospective beneficiaries including youth, women and backward classes. Banks are advised to extend collateral free loans for projects involving loan up to Rs. 10 lakhs in line with the guidelines of RBI. Meetings by State Level Bankers' Committees (SLBC) at the state level and District Consultative Committees (DCCs) and District Level Review Committees (DLRCs) at the district level as per RBI guidelines and State Level Monitoring Committees (SLMC) and District Level Monitoring Committees (DLMC) are organised periodically to review the scheme's performance and its effective monitoring and implementation at the ground level.

(d): Steps taken by Government to ensure effective implementation of the PMEGP, simplification of banking procedures and monitoring at the local level include the following:

- i. Enhancement of maximum project cost from Rs. 25 lakh to Rs. 50 lakh for manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh for service sector.
- ii. Inclusion of applicants from Aspirational districts and transgenders under Special Category eligible for higher subsidy.
- iii. Awareness programmes in all the States/UTs including backward and under-performing areas, Aspirational districts, North Eastern Region, etc.
- iv. Conduct of two-day free online Entrepreneurship Development Programme (EDP) for prospective entrepreneurs.
- v. Acceptance of PMEGP applications from beneficiaries in physical form in 19 regional languages excluding Hindi and English.
- vi. As per RBI guidelines on Lead Bank Scheme, Bankers' Committee meetings at Block, District, and State levels are held on a regular basis to ensure effective coordination, monitoring and implementation of the scheme.
- vii. SLMC and DLMC meetings are held at State and District level on a regular basis to monitor and review the implementation of PMEGP.

- viii. No collateral security is to be insisted by Banks for projects involving loan up to 10 lakhs. Strict compliance of this provision has also been reemphasized during Bankers' meetings and written communication to all major Banks.
- ix. A wide range of more than 1,000 Model of Detailed Project Reports have been prepared on various industries and made available on the PMEGP online portal.
- x. Periodical review meetings by the Ministry with Implementing Agencies i.e. Khadi and Village Industries Commission (KVIC), State offices of KVIC, State Khadi and Village Industries Boards (KVICBs), State District Industries Centers (DICs) and financial institutions.
- xi. A portal for tracking the process from application till adjustment of MM subsidy into the beneficiary's loan account.
- xii. To facilitate timely adjustment of MM subsidy into the beneficiary's loan account, a mechanism for physical verification of micro-enterprises is in place under PMEGP with geo-tagging and working status of the establishment is in place.

(e): PMEGP is a demand driven scheme being implemented throughout the country and the final sanction of projects and sanction and release of loan is done at the level of concerned financing bank based upon technical and economical viability of each project. However, the Ministry undertakes periodical review meetings with the Implementing Agencies to review the performance and implementation of PMEGP at the national and state/district level.
