

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 4516
TO BE ANSWERED ON 19.03.2026

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME

4516. SHRI SRIBHARAT MATHUKUMILLI:

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

- (a) the number of micro enterprises established and the employment generated therefrom under the Prime Minister's Employment Generation Programme (PMEGP) during the last three years, year-wise and State-wise;
- (b) the measures undertaken by the Government, in coordination with banks and other stakeholders, to expand awareness and participation in PMEGP through Rural Self Employment Training Institutes;
- (c) whether the Government has reviewed the interest rates, margin requirements and lending practices being followed by banks under PMEGP, in view of variations across institutions and the repayment capacity of first generation entrepreneurs;
- (d) if so, the steps taken or proposed to promote greater consistency and transparency in lending terms and to strengthen credit access under the Scheme; and
- (e) whether the Government proposes to leverage advanced Artificial intelligence- enabled systems on the PMEGP portal to improve application processing under the scheme and if so, the details thereof?

ANSWER

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

- (a): State-wise and year-wise number of micro enterprises established and estimated employment generated under the Prime Minister's Employment Generation Programme (PMEGP) during the last three years i.e. FY 2022-23 to FY 2024-25 is given at **Annexure I**.
- (b): Measures undertaken in coordination with banks and implementing agencies to expand awareness and participation in PMEGP through Rural Self Employment Training Institutes (RSETIs) include the following:
 - i. Conducting Entrepreneurship Development Programmes/training programmes for prospective entrepreneurs aimed at developing and improving their managerial, technical, and business skills.
 - ii. Awareness and outreach programmes in all the States/UTs including backward and under-performing areas, Aspirational districts, North Eastern Region, etc. to identify potential beneficiaries and provide necessary guidance and handholding support during the application process.
 - iii. Conduct of two-days free online Entrepreneurship Development Programme (EDP) for prospective entrepreneurs.
 - iv. Financial literacy camps and customer awareness programmes conducted by Banks to educate prospective entrepreneurs about various initiatives of the Government, including PMEGP.

- v. Acceptance of PMEGP applications from beneficiaries in physical form in 19 regional languages excluding Hindi and English.
- vi. 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.
- vii. Providing hand holding and capacity building support to beneficiaries before and after establishment of micro enterprises.

(c): Reserve Bank of India has progressively deregulated the interest rate on advances sanctioned by banks in a calibrated manner with certain prudential prescriptions. The interest rates on advances are determined by banks with the approval of their Board of Directors, subject to the board regulatory framework issued in this regard by the RBI. The interest rate on advances depends on several factors such as cost of funds, operating cost, tenor of the advance etc. as also on the creditworthiness of the borrower. Reserve Bank of India has advised the banks to put in place a Board approved loan policy and they shall take credit related decisions as per the said policy, subject to the guiding principles of regulations.

(d): Steps taken to promote consistency and transparency in lending terms and to strengthen credit access under PMEGP 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. As per RBI Master Directions on lending to MSMEs, no collateral security to be insisted by Banks for projects involving loan up to Rs. 20 lakh. Strict compliance of this provision has been reemphasized to all financing Banks.
- iv. Review of rejection reasons and removal of reasons i.e. "Out of Service Area" and "Target Achieved" as basis for rejection of PMEGP applications by banks.
- v. Banks have advised their respective branches to ensure time-bound appraisal and disposal of loan applications under PMEGP by adhering to scheme guidelines and following uniform credit appraisal procedures in line with the Bank's approved lending policies.
- vi. An online PMEGP portal is in place to facilitate transparency, tracking of applications received and supporting uniformity in the overall processing mechanism.
- vii. Top level Banker's meetings, State Level Bankers Meetings and District level Bankers Meetings held on a regular basis to ensure proper sanctioning of loans and disbursement of margin money.
- viii. Periodical monitoring and review meetings by the Ministry with Implementing Agencies i.e. KVIC, State offices of KVIC, State Khadi and Village Industries Boards (KVIBs), District Industries Centers (DICs) and financial institutions.
- ix. State level Monitoring Committee (SLMC) and District Level Monitoring Committee (DLMC) meetings held at State and District levels on a regular basis to monitor and review the implementation of PMEGP.

(e): Introduction of Advanced digital technologies, including Artificial Intelligence, are being explored for integration into the PMEGP portal to streamline application processing and improve responsiveness, thereby ensuring greater accessibility and transparency for beneficiaries.

ANNEXURE-I REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO. 4516 FOR ANSWER ON 19.03.2026.

State-wise and year-wise number of micro enterprises established and estimated employment generated under the Prime Minister's Employment Generation Programme (PMEGP) during the last three years is given below:

| Sr. No. | State | FY 2022-23 | | FY 2023-24 | | FY 2024-25 | |
|---------|-------------------|-----------------------|--------------------------------|-----------------------|--------------------------------|-----------------------|--------------------------------|
| | | No. of Units Assisted | Estimated Employment Generated | No. of Units Assisted | Estimated Employment Generated | No. of Units Assisted | Estimated Employment Generated |
| 1 | Andaman Nicobar | 121 | 968 | 135 | 1080 | 61 | 488 |
| 2 | Andhra Pradesh | 3073 | 24584 | 5577 | 44616 | 3249 | 25992 |
| 3 | Arunachal Pradesh | 158 | 1264 | 169 | 1352 | 156 | 1248 |
| 4 | Assam | 2596 | 20768 | 2417 | 19336 | 3170 | 25360 |
| 5 | Bihar | 4459 | 35672 | 6837 | 54696 | 5035 | 40280 |
| 6 | Chandigarh | 15 | 120 | 10 | 80 | 5 | 40 |
| 7 | Chattishgarh | 2543 | 20344 | 2379 | 19032 | 1853 | 14824 |
| 8 | Delhi | 72 | 576 | 50 | 400 | 26 | 208 |
| 9 | Goa | 66 | 528 | 68 | 544 | 39 | 312 |
| 10 | Gujarat* | 3071 | 24568 | 3000 | 24000 | 1783 | 14264 |
| 11 | Haryana | 1559 | 12472 | 1398 | 11184 | 788 | 6304 |
| 12 | Himachal Pradesh | 930 | 7440 | 974 | 7792 | 796 | 6368 |
| 13 | Jammu & Kashmir | 12023 | 96184 | 15065 | 120520 | 9863 | 78904 |
| 14 | Jharkhand | 1851 | 14808 | 2101 | 16808 | 1452 | 11616 |
| 15 | Karnataka | 5618 | 44944 | 4672 | 37376 | 2839 | 22712 |
| 16 | Kerala | 3129 | 25032 | 3389 | 27112 | 2260 | 18080 |
| 17 | Ladakh | 91 | 728 | 122 | 976 | 135 | 1080 |
| 18 | Lakshadweep | 2 | 16 | 0 | 0 | 0 | 0 |
| 19 | Madhya Pradesh | 5957 | 47656 | 5292 | 42336 | 2626 | 21008 |
| 20 | Maharashtra** | 3625 | 29000 | 2766 | 22128 | 1857 | 14856 |
| 21 | Manipur | 545 | 4360 | 348 | 2784 | 608 | 4864 |
| 22 | Meghalaya | 306 | 2448 | 280 | 2240 | 1114 | 8912 |
| 23 | Mizoram | 412 | 3296 | 401 | 3208 | 484 | 3872 |
| 24 | Nagaland | 469 | 3752 | 517 | 4136 | 1262 | 10096 |
| 25 | Odisha | 3880 | 31040 | 2975 | 23800 | 1867 | 14936 |
| 26 | Puducherry | 25 | 200 | 30 | 240 | 38 | 304 |
| 27 | Punjab | 1564 | 12512 | 1469 | 11752 | 970 | 7760 |
| 28 | Rajasthan | 2037 | 16296 | 1678 | 13424 | 916 | 7328 |
| 29 | Sikkim | 57 | 456 | 132 | 1056 | 316 | 2528 |
| 30 | Tamil Nadu | 6140 | 49120 | 6814 | 54512 | 3949 | 31592 |
| 31 | Telangana | 2540 | 20320 | 2503 | 20024 | 1850 | 14800 |
| 32 | Tripura | 703 | 5624 | 588 | 4704 | 730 | 5840 |
| 33 | Uttar Pradesh | 11601 | 92808 | 11689 | 93512 | 5518 | 44144 |
| 34 | Uttarakhand | 1803 | 14424 | 1354 | 10832 | 734 | 5872 |
| 35 | West Bengal | 2126 | 17008 | 1919 | 15352 | 1359 | 10872 |
| Total | | 85167 | 681336 | 89118 | 712944 | 59708 | 477664 |

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