

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 646
TO BE ANSWERED ON 25.07.2024

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)

646. SHRI RAJEEV RAI:

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

- (a) the objectives and salient features of Prime Minister's Employment Generation Programme (PMEGP);
- (b) the details of budget outlays for the programme to the State of Uttar Pradesh during the last three years, year-wise;
- (c) the number of beneficiaries who have set up their units with assistance from this programme in Mau and Ballia districts (with break-up of rural and urban areas);
- (d) the details of the employment generated by this programme in Mau and Ballia districts;
- (e) whether the Government proposes augmenting implementation of this programme in the said districts; and
- (f) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a): Ministry of MSME, through Khadi and Village Industries Commission (KVIC), is implementing Prime Minister's Employment Generation Programme (PMEGP) for assisting entrepreneurs across the country in setting up of new units in the non-farm sector. Any individual above 18 years of age is eligible to apply. It 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 such as Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Differently-abled, Transgenders, beneficiaries belonging to Northeastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban areas. Besides, beneficiaries from General Categories contribute 10% of project cost while beneficiaries from Special Categories contribute 5% of project cost. The maximum cost of project is Rs. 50 lakhs in the manufacturing sector and Rs. 20 lakhs in the service sector.

Since 2018-19, 2nd financial assistance of upto Rs. 1 cr. for upgradation and expansion of well-performing existing PMEGP/REGP/MUDRA units have been introduced with subsidy of 15% (20% for NER and hilly areas).

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(b): Details of expenditure incurred in the form of Margin Money disbursement under PMEGP in Uttar Pradesh during the last 3 years is as below:

| Financial Year | Expenditure incurred (MM Subsidy disbursed in Crore) |
|-----------------------|---|
| 2021-22 | 411.6 |
| 2022-23 | 378.7 |
| 2023-24 | 435.3 |

(c): The number of beneficiaries who have set up their units with assistance from PMEGP in Mau and Ballia districts (with breakup of rural and urban areas):

PMEGP Performance in Mau District during the last 3 Financial years:

| Financial Year | Rural | | Urban | | Total | |
|-----------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| | No. of Units Assisted | MM Subsidy (Rs. Lakhs) | No. of Units Assisted | MM Subsidy (Rs. Lakhs) | No. of Units Assisted | MM Subsidy (Rs. Lakhs) |
| 2021-22 | 84 | 322.60 | 5 | 11.85 | 89 | 334.46 |
| 2022-23 | 96 | 403.94 | 20 | 58.15 | 116 | 462.09 |
| 2023-24 | 88 | 391.13 | 23 | 64.52 | 111 | 455.66 |

PMEGP Performance in Ballia District during the last 3 Financial years:

| Financial Year | Rural | | Urban | | Total | |
|-----------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| | No. of Units Assisted | MM Subsidy (Rs. Lakhs) | No. of Units Assisted | MM Subsidy (Rs. Lakhs) | No. of Units Assisted | MM Subsidy (Rs. Lakhs) |
| 2021-22 | 190 | 664.18 | 19 | 44.07 | 209 | 708.26 |
| 2022-23 | 142 | 561.92 | 18 | 45.25 | 160 | 607.17 |
| 2023-24 | 111 | 401.02 | 11 | 32.31 | 122 | 433.33 |

(d): The details of the employment generated by PMEGP in Mau and Ballia districts:

Estimated employment generated under PMEGP in Mau District in the last 3 Financial years:

| Financial Year | No. of Units Assisted | Estimated Employment Generated |
|-----------------------|------------------------------|---------------------------------------|
| 2021-22 | 89 | 712 |
| 2022-23 | 116 | 928 |
| 2023-24 | 111 | 888 |

Estimated employment generated under PMEGP in Ballia District in the last 3 Financial years:

| Financial Year | No. of Units Assisted | Estimated Employment Generated |
|-----------------------|------------------------------|---------------------------------------|
| 2021-22 | 209 | 1,672 |
| 2022-23 | 160 | 1,280 |
| 2023-24 | 122 | 976 |

(e) & (f): PMEGP being a Central Sector Scheme assists prospective entrepreneurs throughout the country including Mau and Ballia districts in setting up of new micro enterprises for generating employment opportunities by providing Margin Money (MM) subsidy.

Ministry of MSME has also introduced financial assistance on the Second loan of upto Rs. 1.00 Crore for expansion/upgradation of the existing PMEGP/REGP/MUDRA units from the year 2018-19 with Margin Money subsidy of 15% (20% for NER and hilly areas). Coordination with the State Governments for creating awareness amongst the successful first loan beneficiaries is being undertaken for increase in uptake of second loans.

The following additional steps are being taken by the Government all over the country including the said districts to include more beneficiaries and creation of employment:

- i. Maximum project cost admissible has been enhanced from Rs. 25 Lakhs to Rs. 50 Lakhs for Manufacturing sector and from Rs. 10 Lakhs to Rs. 20 Lakhs for Service sector.
- ii. Applicants from Aspirational districts and Transgenders have been included in Special Category.
- iii. Industries related to Animal Husbandry like dairy, poultry, aquaculture, insects (bees, sericulture, etc.) have been allowed under the scheme.
- iv. COVID years i.e., FY2020-21 and FY2021-22 have been exempted while considering profitability of existing PMEGP/ REGP/ MUDRA units applying for 2nd Loan under PMEGP.
- v. No mandatory EDP for project cost up to Rs. 2 lakh and shorter period of training (up to 5 days) for projects up to Rs. 5 lakh.
- vi. Awareness camps, workshops and exhibitions at all levels are being organized for creating awareness about the scheme among the prospective entrepreneurs.
- vii. Publicity of PMEGP scheme through print and electronic media.
- viii. A two-day free online Entrepreneurship Development Programme (EDP) for prospective entrepreneurs.
- ix. Webinars are organized on various activities for setting up of micro-enterprises on every Sunday to create awareness among the youth and prospective entrepreneurs.
- x. Radio jingles in regional languages have been made to create awareness of the scheme.