

**GOVERNMENT OF INDIA  
MICRO, SMALL AND MEDIUM ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:1778

ANSWERED ON:01.12.2011

ALLOCATION UNDER PMEGP

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

- (a) the details of various employment generation schemes including Prime Minister Employment Generation Programme (PMEGP) being run by the Ministry;
- (b) the allocation made for the purpose during each of the last three years and the current year, State-wise;
- (c) whether the Government proposes to provide training and incentives to emerging entrepreneurs in Micro, Small and Medium Enterprises; and
- (d) if so, the details thereof ?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a): Government in the Ministry of Micro, Small and Medium Enterprises has been implementing a credit-linked subsidy programme named the Prime Minister's Employment Generation Programme (PMEGP) since 2008-09. PMEGP is being implemented through Khadi and Village Industries Commission (KVIC), a statutory organisation under this Ministry. PMEGP is aimed at generating self-employment opportunities through establishment of micro enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Under PMEGP, beneficiaries can establish micro enterprises by availing of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. In case of beneficiaries belonging to special categories such as scheduled castes, scheduled tribes, women, etc, this is 35 % and 25%, respectively. The maximum cost of the projects assisted under PMEGP is 25 lakh in the manufacturing sector and 10 lakh in the service sector.

(b) State/UTs-wise allocation of margin money subsidy under PMEGP is given at Annex I.

(c)&(d) Providing entrepreneurship development training to beneficiaries is an internal component of PMEGP. KVIC has accredited a number of training centres for this purpose, besides tying-up with national level entrepreneurship development institutions such as National Institute for Entrepreneurship and Small Business Development (NIESBUD), National Institute for Micro, Small and Medium Enterprises (NIMSME) and Indian Institute of Entrepreneurship (IIE). KVIC also provides training in the KVI sector through its 39 departmental and non-departmental training centres.