

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

UNSTARRED QUESTION NO:1226

ANSWERED ON:01.12.2014

PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME

Chandel Kunwar Pushpendra Singh; Chaudhary Shri C.R.

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

(a) whether any loan is being granted to the youth in the country including Rajasthan under the Prime Minister Employment Generation Programme (PMEGP);

(b) if so, the details of the scheme;

(c) the details of amount of loan granted to youths under the said programme during each of the last three years and the current year as well as the targets fixed and achieved in this regard, State-wise; and

(d) the steps taken by the Government to ensure achievement of above targets as well as proportionate disbursement of loan amount under the said programme, State-wise?

**Answer**

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

(a) to (c): Government in the Ministry of Micro, Small and Medium Enterprises (MSME) has been implementing a credit-linked subsidy scheme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 through Banks with Khadi and Village Industries Commission (KVIC) as nodal agency at the national level for generating employment in the Country including Rajasthan by setting up of micro-enterprises in the non-farm sector. Under PMEGP, general category beneficiaries can avail of margin money 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, physically handicapped, beneficiaries belonging to North Eastern Region, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector.

State-wise release of margin money subsidy which is treated as target as also the achievements in term of the margin money subsidy utilized, the corresponding number of projects assisted and estimated employment generated during the last three years and current year is given at Annex.

(d): Although KVIC is the nodal agency for PMEGP at the national level, the role of State Governments/Union Territories is crucial in achieving the targets as the beneficiaries and projects are selected by the District level Task Force Committee (DTFC) and the scheme is also reviewed at the State level Bankers Committee by senior functionaries of the State Governments/Union Territories. Central Government has been providing necessary funds, policy inputs and guidance to KVIC for achieving the targets. Intensive monitoring of the scheme and periodic interaction with Banks are also carried out at various levels by KVIC and at national level by the Ministry, in addition to 100% physical verification of the units assisted.

KVIC has undertaken awareness camps, workshops, exhibitions, etc at State and district levels to further popularize the scheme.