

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1383
TO BE ANSWERED ON 13.03.2023

PMEGP

1383. DR. ASHOK KUMAR MITTAL:

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

- (a) the details of the 72 newly inaugurated units under the Prime Minister's Employment Generation Programme (PMEGP) scheme;
- (b) details of the number of citizens benefitted under PMEGP and the amount disbursed for them under PMEGP;
- (c) the number of projects planned to be assisted under this scheme in the upcoming FY 2023-24;
- (d) whether there will be any improvement in the allocation of budget for the PMEGP scheme since last year; and
- (e) whether the District Level Task Force Committee was removed from approving the PMEGP projects, if so, reasons therefor?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): Ministry of MSME, through Khadi and Village Industries Commission (KVIC), is implementing Prime Minister's Employment Generation Programme (PMEGP) for assisting entrepreneurs in setting up of new units in the non-farm sector. It aims to bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities 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, Physically Handicapped, Transgenders, beneficiaries belonging to North Eastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is Rs.50 lakhs in the manufacturing sector and Rs.20 lakhs in the service sector.

Since its inception in 2008 and till 09.03.2023, more than 8.57 lakhs enterprises have been assisted generating a total estimated employment of around 70 lakhs. Around Rs. 21,485 cr. has been disbursed till date as Margin Money subsidy under PMEGP.

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(c) & (d): During FY 2023-24, 78,700 units are planned to be assisted under PMEGP. The BE allocation for 2022-23 is Rs 2500 cr., while the BE allocation for 2023-24 is proposed at Rs. 2700 cr.

(e): In May 2020, in order to streamline the process of selection of applicants and to expedite the flow of applications under PMEGP, the role of District Level Task Force Committee (DLTFC) was discontinued for approving the PMEGP projects. Simultaneously, a score card model was also developed in association with Indian Banks' Association (IBA) to enable the Implementing Agencies (IAs) to directly recommend the eligible PMEGP applications to the financing banks. The Banks appraise the projects and take their own credit decision on the basis of technical and economic viability of the projects. The role of DLTFC is limited to monitor the performance of scheme on quarterly basis in their respective districts.
