

About 5.70 Lakh Micro Enterprises Assisted under PMEGP upto 31st October, 2019

Ministry of MSME is implementing Prime Minister's Employment Generation Programme (PMEGP), which is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector, including Cottage, Khadi and Village Industry units, by helping traditional artisans and rural/urban unemployed youth. Under the scheme, beneficiary can avail loan up to Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector, with the subsidy of 15% to 35% for different categories.

As per guidelines of PMEGP scheme, 100% physical verification of units is carried out through outsourced agencies after completion of 24 months and before 36 months of setting up of units. Accordingly, as per currently available data for the period from 2008-09 to 2014-15, it is observed that on an average about 80 % of PMEGP units are found working and the rest are either closed or not found existing at the original registered location.

Under PMEGP scheme, since its inception in 2008-09, a total of about 5.70 lakh micro enterprises have been assisted with a margin money of Rs. 12902 crore providing employment to an estimated 47 lakh persons, till 2019-20 (up to 31.10.2019).

In order to enhance the employment opportunities, Ministry of MSME has also introduced a scheme of second financial assistance for expansion/upgrading existing PMEGP/MUDRA units. The second financial assistance for manufacturing unit is upto Rs. 1.00 crore and for service/trading unit it is up to Rs. 25.00 lakh with subsidy of 15% for non NER and 20% for NER and hilly States.

This information was given by Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises in written reply to a question in Rajya Sabha today.

RCJ/SKP/JK

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