

Prime Minister Employment Generation Program (PMEGP)

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In News

- PMEGP projects record 44% implementation jump.

About Prime Minister's Employment Generation Programme:

- PMEGP is a central sector scheme **administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME)**.
- **Launched in 2008-09**, it is a credit-linked subsidy scheme which promotes self-employment through setting up of micro-enterprises, where subsidy up to 35% is provided by the Government through Ministry of MSME for loans up to ₹25 lakhs in manufacturing and ₹10 lakhs in the service sector.

Implementation:

- **National Level-** Khadi and Village Industries Commission (KVIC) as the nodal agency.
- **State Level-** State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs) and banks.

Nature Of Assistance

- The maximum cost of the project/unit admissible in the manufacturing sector is ₹ 25 lakhs and in the business/service sector, it is ₹ 10 lakhs.
- Categories of Beneficiary's Rate of subsidy under PMEGP (of project cost)
- Area (location of project/unit) General category 15%(Urban), 25%(Rural), Special 25%(Urban), 35%(Rural)
- (including SC/ ST/ OBC/ Minorities/Women, Ex-servicemen,

Physically handicapped, NER, Hill and Border areas, etc.)

- The balance amount of the total project cost will be provided by the banks in the form of term loan and working capital.

Who can apply?

- Any individual above 18 years of age, Self Help Groups, Institutions registered under Societies Registration Act 1860, Production Co-operative Societies and Charitable Trusts are eligible.
- Existing Units and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.
- Only new projects are considered for sanction under PMEGP

Khadi and Village Industries Commission (KVIC)

- **Statutory** body of the Indian Constitution.
- It comes under the **Ministry of Micro, Small and Medium Enterprises.**
- It was **established by Khadi and Village Industries Act, 1956.**
- It has been amended twice, in 1965 and 2006