

Prime Minister's Employment Generation Programme (PMEGP)

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Prime Minister's Employment Generation Programme Latest News

The Khadi and Village Industries Commission (KVIC), under the Ministry of Micro, Small and Medium Enterprises (MSME), recently disbursed ₹300 crore in margin money subsidy to 8,794 beneficiaries under the Prime Minister's Employment Generation Programme (PMEGP).

About Prime Minister's Employment Generation Programme

- Launched in August **2008**, PMEGP is a **credit-linked subsidy scheme** administered by the **Ministry of Micro, Small, and Medium Enterprises (MSME)**.
- It is a **central sector scheme**.
- PMEGP aims to **generate employment opportunities** through the **establishment of micro-enterprises in the non-farm sector for rural as well as urban areas**.

Prime Minister's Employment Generation Programme Implementing Agency

- The scheme is implemented by the **Khadi and Village Industries Commission (KVIC)** functioning as the nodal agency **at the national level**.
- At the state level, the scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs), and banks.

Prime Minister's Employment Generation Programme Benefits

- Bank-financed subsidy program for setting up new micro-enterprises in the **non-farm sector**.
- **Margin money subsidy on bank loans** ranges from **15% to 35% for projects up to Rs. 50 Lakh in manufacturing and Rs. 20 Lakh in the service sector**.
- The **remaining portion** of the cost **can be provided** by the lending institution **as a regular loan**.
- **For beneficiaries belonging to special categories** such as SC/ST/WomenPH/ Minorities/Ex-Servicemen/NER, the **margin money subsidy is 35% in rural areas and 25% in urban areas**.

Prime Minister's Employment Generation Programme Eligibility

- Any **individual above 18 years** of age is eligible.
- There will be **no income ceiling** for assistance for setting up projects under PMEGP.
- Beneficiaries should possess **at least an VIII standard** pass educational qualification **for setting up of projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business/service sector**.
- **Self Help Groups** (including those belonging to BPL provided that they have not availed benefits under any other Scheme), **institutions** registered **under the Societies Registration Act, 1860, Production Co-operative Societies**, and, **Charitable Trusts** are **also eligible** for assistance under PMEGP.
- **Existing units** that have **already availed government subsidy** under any other scheme of the Government of India or State Government are **not eligible**.

About Khadi and Village Industries Commission (KVIC)

- It is a **statutory body** established under the **Khadi and Village Industries Commission Act of 1956**.
- It is an **apex organization** under the Ministry of Micro, Small, and Medium Enterprises, with regard to **khadi and village industries within India**.
- The KVIC is charged with the **planning**, promotion, organisation and **implementation of programmes for the development of Khadi and other village industries in rural areas** in coordination with other agencies engaged in rural development wherever necessary.

Prime Minister's Employment Generation Programme FAQs

Q1. What is the Prime Minister's Employment Generation Programme?

Ans. It is a credit-linked subsidy scheme administered by the Ministry of Micro, Small, and Medium Enterprises (MSME)

Q2. Which is the nodal agency of PM Employment Generation Programme?

Ans. Khadi and Village Industries Commission (KVIC)

Q3. In which year was the Prime Minister's Employment Generation Programme (PMEGP) launched?

Ans. 2008

Source: BS

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