



An Overview Of Pmegp And Its Impact On Economic Development In India

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ABSTRACT

The Government of India has launched a new credit-linked subsidy initiative known as the Prime Minister's Employment Generation Programme (PMEGP). This programme merges two existing schemes, the Prime Minister's Rozgar Yojana (PMRY) and the Rural Employment Generation Programme (REGP), aimed at creating employment opportunities through the establishment of microenterprises in both rural and urban regions. PMEGP is a central scheme managed by the Ministry of Micro, Small, and Medium Enterprises. The implementation of the scheme is overseen by the Khadi and Village Industries Commission (KVIC), which operates as the primary nodal agency at the national level under the Ministry. At the state level, the PMEGP is executed through state KVIC directorates, state Khadi and Village Industries Boards (KVIBs), District Industries Centers (DICs), and banks. The government subsidy associated with the programme is allocated by KVIC through designated banks for final distribution. The study analyzed beneficiaries from various age groups, genders, rural and urban settings, as well as different socioeconomic backgrounds.

Keywords: PMEGP, Generation of Employment, Margin Money, Establishment units

Introduction

The Government of India has sanctioned the launch of a new credit-linked subsidy initiative known as the Prime Minister's Employment Generation Programme (PMEGP). This programme is a fusion of two earlier schemes, the Prime Minister's Rojgar Yojana (PMRY) and the Rural Employment Generation Programme (REGP), which were operational until March 31, 2008. The main objective of PMEGP is to create employment opportunities by facilitating the establishment of microenterprises in both rural and urban areas. PMEGP is a central government initiative, managed by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The implementation of the scheme is carried out by the Khadi and Village Industries Commission (KVIC), a statutory body operating under the Ministry of MSME, which serves as the primary nodal agency at the national level. At the state level, the programme is executed through the KVIC directorates, state Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs), and participating banks. The government subsidy is channeled by KVIC through designated banks, which are responsible for transferring the funds to the beneficiaries' bank accounts.

The implementing agencies, including KVIC, KVIBs, DICs, Pradhan Mantri Awas Yojana (Housing for All), Pradhan Mantri Jan Dhan Yojana (financial inclusion), Pradhan Mantri Ujjwala Yojana (clean cooking fuel), and Pradhan Mantri Kisan Samman Nidhi (income support for farmers), will collaborate with reputable NGOs, esteemed autonomous institutions, Self Help Groups (SHGs), the National Small Industries Corporation (NSIC), Udyami Mitras registered under the Rajiv Gandhi Udyami Mitra Yojana (RGUMY), and Panchayati Raj institutions, among other relevant organizations. Their involvement is crucial for the successful implementation of the scheme, particularly in identifying beneficiaries, locating viable projects specific to the area, and delivering entrepreneurship development training.

Objective of the Study

1. Evaluating the performance of the programme in generating employment opportunities
2. To analyse the impact of margin money on employment generation.
3. To assess the bank-wise performance of PMEGP in India for the year 2023-24.
4. To compare the performance of PMEGP for the period from 2017-18 to 2022-23.
5. To assess the state/union territory-wise overall performance of PMEGP in India for the year 2017-18 to 2022-23.

Performance of PMEGP scheme from 2017-18 to 2022-23

In 1993, the PMEGP strategy was introduced to tackle the significant problem of educated unemployment in India. The primary goal for the last four years of the Eighth Plan was to establish 700,000 micro businesses for those who were educated yet jobless. This initiative was also carried forward into the Ninth Five Year Plan. It is believed that all economically viable enterprises can lead to the development of self-employment opportunities. Under the PMEGP, the programme aims to collaborate with reputable non-governmental organizations, particularly in areas such as identifying beneficiaries, providing entrepreneur training, and developing project profiles. Eligibility extends to anyone who has completed at least the eighth grade. The program's advantages are available to young individuals who are initially unemployed and have completed their metric education, whether they have passed or failed.

Table-1 shows the special efforts to increase jobs under the PMEGP programme. The highest margin money subsidy received by Uttar Pradesh was Rs 16,866.47 lakhs, whereas 5,432 projects provided the highest employment generated at 43,456. Tamilnadu, which has more employment generation, accounted for 32,760, although 4,095 projects received margin money of Rs. 9,717.58 lakhs under the PMEGP programme.

Maharashtra received the margin money allocation of 8,749.73 lakhs, the total projects are 3,329; and employment generated 26,632 under the PMEGP programme during the same period. Jammu and Kashmir received the largest amount of Rs. 6,913.15 lakh. The total projects of 3,753 have generated PMEGP employment of 30,024 during the period 2017-18. Odisha has received low margin money of 5,680.65 lakhs while the total employment generated is 19,192 under this programme. Assam received margin money of Rs. 2,362.48 lakhs. It reveals that Assam reported the highest number of units assisted at 2,282. The PMEGP programme generated employment of 18,256.

Table-1

State or Union Territory-Wise Performance of PMEGP during 2017-18

S. No.	State/Union territory	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated
1	Andaman & Nicobar Islands	276.95	218	1744
2	Andhra Pradesh	5336.1	1527	12216
3	Arunachal Pradesh	309.42	209	1672
4	Assam	2362.48	2282	18256
5	Bihar	6558.85	2307	18456
6	Chhattisgarh	3398.4	1463	11704
7	Delhi	150.65	115	920
8	Goa	149.07	50	400
9	Gujarat*	12883.63	1876	15008
10	Haryana	4167.04	1718	13744
11	Himachal Pradesh	2042.5	886	7088
12	Jammu & Kashmir	6913.15	3753	30024
13	Jharkhand	2439.53	1111	8888
14	Karnataka	6477.94	2115	16920
15	Kerala	2910.44	1347	10776
16	Lakshadweep	00	00	00
17	Madhya Pradesh	7631.41	1804	14432
18	Maharashtra **	8749.73	3329	26632
19	Manipur	1383.87	600	4800
20	Meghalaya	118.27	75	600
21	Mizoram	274.05	249	1992
22	Nagaland	2672.15	930	7440
23	Odisha	5680.65	2399	19192
24	Puducherry	78.95	44	352
25	Punjab	3930.46	1520	12160
26	Rajasthan	4929.04	1577	12616
27	Sikkim	46.36	37	296
28	Tamilnadu	9717.58	4095	32760
29	Telangana	4030.21	1190	9520
30	Tripura	1892.3	1116	8928
31	UT Chandigarh	90.07	45	360
32	Uttar Pradesh	16866.47	5432	43456
33	Uttarakhand	2880.98	1613	12904
34	West Bengal	3891.37	1366	10928
Total		131240.07	48398	387184

* including Daman & Diu ** including Dadra & Nagar Haveli.

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Next, Bihar has the highest margin of money of Rs. 6,558.85 lakhs, but it provides the least employment at 18,456, whereas the total projects registered are 2,307 under this PMEGP programme. While Sikkim recorded the lowest number of units assisted, 37 during that same period, under the PMEGP programme, the employment estimate for Sikkim is 296. The total margin of money received was Rs. 46.36 lakhs during 2017-18.

The next lowest margin money in PMEGP was used by Puducherry, totaling Rs. 78.95 lakh. According to employment generation created to 352. The Union Territory Chandigarh, with the smallest amount of margin

money used, totaling Rs. 90.07 lakh and 45 total projects, provided employment to 360 under the PMEGP programme.

Table-2 displays the disbursement of margin money subsidy, the number of units established, and the employment generation generated under this PMEGP programme. Out of 587416 jobs, Jammu and Kashmir has the highest percentage of 10.25 percent, while the margin money subsidy disbursed 15,222 lakhs, but the number of units established was 7,529.

Maharashtra stated the margin money disbursed 15,272.02 lakh and it total projects established 5,642 units provided employment of 7.68percent during 2018-19. Uttar Pradesh's disbursement has the highest margin money of Rs. 19,033.28 lakhs, despite having the lowest employment rate at 7.14 percent and creating 5,243 units.

Next to Tamilnadu lowest amount of margin money distributed of Rs.13,290.95lakhs but employment generated 7.06 percent compare to Uttar Pradesh and Maharashtra. It established 5,185 units during the same period. Bihar, Chhattisgarh and Odisha disbursement of margin money of Rs.9,842 lakh, Rs6,784.52 lakhs and Rs.7,856.18 lakhs whereas the employment generated 4.50 percent, 4.21 percent and 4.18 percent respectively. PMEGP programme of these states all almost all employment increases proportionately.

The union territory Chandigarh disbursed margin money of Rs. 63.91lakhs, so 28 units provide poor employment to 0.04 percent. The least employment generated by the PMEGP programme 0.07 percent but the margin money provided by the Sikkim is 112.35 lakhs of 55 units.

Out of 5,87,416employment, the least employment registered 0.10 percent of Puducherry, 0.53percent of Meghalaya, 0.38 percent of Arunachal Pradesh, 0.11 percent of Goa, 0.31 percent of Andaman and Nikobar Islands and 0.18 percent of Delhi whereas the margin money subsidy disbursed under the PMEGP scheme of Rs. 10.7 lakhs , Rs. 587.14lakhs, Rs.419.88 lakhs, Rs.237.23 lakhs, Rs.318.52lakhs, Rs.357.13 lakhs respectively.

Table-2
State or Union Territory-Wise Performance of PMEGP during 2018-19

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	A & N Islands	318.52	229	1832	0.31
2	Andhra Pradesh	9046.31	2220	17760	3.02
3	Arunachal Pradesh	419.88	280	2240	0.38
4	Assam	4167.41	3737	29896	5.09
5	Bihar	9842	3303	26424	4.50
6	Chhattisgarh	6784.52	3094	24752	4.21
7	Delhi	157.13	132	1056	0.18
8	Goa	237.23	78	624	0.11
9	Gujarat*	25443.87	3500	28000	4.77
10	Haryana	5178.43	2165	17320	2.95
11	Himachal Pradesh	4135.61	1399	11192	1.91
12	Jammu& Kashmir	15222	7529	60232	10.25
13	Jharkhand	4535.69	1797	14376	2.45
14	Karnataka	10725.32	3657	29256	4.98
15	Kerala	5383.93	2486	19888	3.39
16	Lakshadweep	0	0	0	0.00
17	Madhya Pradesh	10002.28	2526	20208	3.44
18	Maharashtra **	15272.02	5642	45136	7.68
19	Manipur	2041.06	1291	10328	1.76

20	Meghalaya	587.14	390	3120	0.53
21	Mizoram	1514.9	1123	8984	1.53
22	Nagaland	2349.67	1208	9664	1.65
23	Odisha	7856.18	3070	24560	4.18
24	Puducherry	150.7	76	608	0.10
25	Punjab	4766.68	1801	14408	2.45
26	Rajasthan	7199.28	2359	18872	3.21
27	Sikkim	112.35	55	440	0.07
28	Tamilnadu	13290.95	5185	41480	7.06
29	Telangana	7180.89	2051	16408	2.79
30	Tripura	2314.24	1179	9432	1.61
31	UT Chandigarh	63.91	28	224	0.04
32	Uttar Pradesh	19033.28	5243	41944	7.14
33	Uttarakhand	4098.38	2181	17448	2.97
34	West Bengal	7568.78	2413	19304	3.29
Total		207000.54	73427	587416	100

* including Daman & Diu ** including Dadra & Nagar Haveli

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Table 3 depicts the employment generation, margin money disbursement, and number of projects handled during the period 2018-19. Out of 5,33,224 employment, the highest percentage of 9.18 percent (48,960 persons) in Uttar Pradesh, It has margin money disbursed Rs. 21,652.48 lakhs but the number of units established 6,150 during the period. 5,355 units provided employment of 8.03 percent (42,840 persons) whereas the margin money subsidy disbursement of 11,142.86 lakhs by the Jammu & Kashmirduring the same period. 7.76 percent (41,376 persons) of employment registered in Tamilnadu, but units were established in 5,172. The margin money subsidy disbursement amount of Rs.12,347.58 lakhs was disbursed during the period.

Table-3
State or Union Territory-Wise Performance of PMEGP during 2019-20

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	A & N Islands	146.16	93	744	0.14
2	Andhra Pradesh	9042.34	2192	17536	3.29
3	Arunachal Pradesh	363.79	211	1688	0.32
4	Assam	3589.39	2603	20824	3.91
5	Bihar	6958.68	2221	17768	3.33
6	Chhattisgarh	6107.03	2811	22488	4.22
7	Delhi	110.63	93	744	0.14
8	Goa	244.36	90	720	0.14
9	Gujarat*	28740.29	3983	31864	5.98
10	Haryana	4938.21	2029	16232	3.04
11	Himachal Pradesh	3229.32	1226	9808	1.84
12	Jammu & Kashmir	11142.86	5355	42840	8.03
13	Jharkhand	3749.79	1544	12352	2.32
14	Karnataka	10681.14	3697	29576	5.55
15	Kerala	5319.39	2421	19368	3.63
16	Lakshadweep	0	0	0	0.00
17	Madhya Pradesh	8046.65	2168	17344	3.25
18	Maharashtra **	11215.23	4404	35232	6.61
19	Manipur	2036.3	1173	9384	1.76
20	Meghalaya	569.17	377	3016	0.57

21	Mizoram	1083.78	760	6080	1.14
22	Nagaland	2650.24	1109	8872	1.66
23	Odisha	7808.85	2718	21744	4.08
24	Puducherry	117.26	64	512	0.10
25	Punjab	3914.83	1695	13560	2.54
26	Rajasthan	8174.68	3025	24200	4.54
27	Sikkim	174.56	79	632	0.12
28	Tamilnadu	12347.58	5172	41376	7.76
29	Telangana	7137.38	2178	17424	3.27
30	Tripura	1833.64	962	7696	1.44
31	UT Chandigarh	28.71	14	112	0.02
32	Uttar Pradesh	21652.48	6120	48960	9.18
33	Uttarakhand	3440.03	1844	14752	2.77
34	West Bengal	8487.4	2222	17776	3.33
Total		195082.15	66653	533224	100

* Including Daman & Diu **Including Dadra & Nagar Haveli

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Maharashtra including Dadra & Nagar Haveli margin money subsidy disbursement amount of Rs.11,215.23 lakhs whereas the less number of projects registered but employment of 6.61 percent (35,232 persons) during the study period. Arunachal Pradesh and Meghalaya provided employment somewhat better 0.32 percent (1,688 persons), 0.57 percent (3,016 persons) and margin money subsidy disbursement of Rs.363.79 lakhs, Rs.569.17 lakhs respectively.

The employment registered 0.14 percent of these three states of Goa, Delhi and Andaman and Nihobar Islands where as the margin money disbursement of Rs 244.36 lakhs, Rs.110.63 lakhs, and Rs.146.16 lakhs respectively and all most all the same number of units all these states. Very poor employment registered 0.02 percent (112persons) in Union Territory of Chandigarh but margin money disbursed very low amount of Rs.28.71 lakhs. The Sikkim and Puducherry also follows same level of employment of 0.12 percent (632 persons), 0.10 percent (512 persons) and margin money disbursement of Rs.174.56 lakhs, Rs.117.26 lakhs respectively.

Andaman and Nichobar Islands, Arunachal Pradesh, Delhi, Goa, Meghalaya, Puducherry, Sikkim, Union Territory of Chandigar providing very poor employment registered less than one percent and margin money also all most all less amount disbursed by these states during the period. There is no subsidy provided and no employment generated in the state of Lkshadweep because the PMEGP programme was not implemented during the year.

Table 4 shows the employment generation, margin money disbursement, and number of projects handled under the PMEGP scheme during 2019-20. Uttar Pradesh has distributed the highest margin money of 32985.38 lakhs to produce 9994 units, but employment created in 79,952 (13.43 percent) during the period. The Jammu and Kashmir established 8575 units, providing employment of 11.52 percent (68,600 persons) while disbursing margin money subsidy worth 18,306.28 lakhs during the same period. During the study period, margin money subsidy was disbursed in Madhya Pradesh, where only 4,854 units were established, even though 65.2 percent (38,832 persons) of employment was registered.

Tamil Nadu has disbursed Rs. 13,881.57 lakhs in margin money subsidies, despite the higher number of projects registered and the creation of 6.97 percent (41,504 persons) of employment during the period.

Karnataka and Maharashtra, including Dadra Nagar Haveli, provided employment at a slightly better rate of 5.96 percent (35,504 persons), 4.17 percent (3,104 persons) and a subsidy of Rs. 12,510.51 lakhs, respectively. Assam, Chhattisgarh, Gujarat, including Daman and Diu, Kerala, Rajasthan, and Uttarakhand generated employment rates of 3 to 3 plus percent during the same period. The margin money also all most all the same disbursed by all these specified states. 15.36 lakhs of margin money was provided, but there was very little employment generated in the state of Lakshadweep due to the PMEGP programme not being effectively implemented during the year.

Table-4

State or Union Territory-Wise Performance of PMEGP during 2020-21

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	A & N Islands	186.12	155	1240	0.21
2	Andhra Pradesh	6857.3	1674	13392	2.25
3	Arunachal Pradesh	232.63	98	784	0.13
4	Assam	4948.48	2939	23512	3.95
5	Bihar	7208.74	2192	17536	2.95
6	Chhattisgarh	6062.77	2718	21744	3.65
7	Delhi	147.61	74	592	0.10
8	Goa	156.65	58	464	0.08
9	Gujarat*	20637.05	2854	22832	3.84
10	Haryana	5512.55	1740	13920	2.34
11	Himachal Pradesh	3381.1	1208	9664	1.62
12	Jammu & Kashmir	18306.28	8575	68600	11.52
13	Jharkhand	3847.8	1522	12176	2.05
14	Karnataka	12510.51	4438	35504	5.96
15	Kerala	5225.88	2389	19112	3.21
16	Lakshadweep	15.36	3	24	0.00
17	Madhya Pradesh	13807.82	4854	38832	6.52
18	Maharashtra **	8844.29	3104	24832	4.17
19	Manipur	5899.03	1556	12448	2.09
20	Meghalaya	579.65	359	2872	0.48
21	Mizoram	1412.46	810	6480	1.09
22	Nagaland	2045.47	740	5920	0.99
23	Odisha	8748.07	3171	25368	4.26
24	Puducherry	116.81	44	352	0.06
25	Punjab	5011.41	1652	13216	2.22
26	Rajasthan	8806.83	2772	22176	3.73
27	Sikkim	152.28	57	456	0.08
28	Tamilnadu	13881.57	5188	41504	6.97
29	Telangana	6376.33	2025	16200	2.72
30	Tripura	1829.57	842	6736	1.13
31	UT Chandigarh	16	10	80	0.01
32	UT of Ladakh	1168.41	281	2248	0.38
33	Uttar Pradesh	32985.38	9994	79952	13.43
34	Uttarakhand	4536.62	2249	17992	3.02
35	West Bengal	7425.32	2070	16560	2.78
	Total	218880.15	74415	595320	100

*Including Daman & Diu ** Including Dadra & Nagar Haveli

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Table-5 shows the special efforts to increase employment under the PMEGP programme. The highest margin money subsidy provided by Jammu and Kashmir was Rs 46713.54 lakhs, whereas 2,1648 projects were established, providing the highest employment generated to 1,73,184 (20.97 percent).

Table-5
State or Union Territory-Wise Performance of PMEGP during 2021-22

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	Andaman Nicobar	238.69	162	1296	0.16
2	Andhra Pradesh	10088.8	2477	19816	2.40
3	Arunachal	788.88	196	1568	0.19
4	Assam	6659.71	3855	30840	3.73
5	Bihar	8169.92	2477	19816	2.40
6	Chandigarh-UT	62.08	21	168	0.02
7	Chattisgarh	6941.44	3020	24160	2.93
8	Delhi	315.23	100	800	0.10
9	Goa	298.22	87	696	0.08
10	Gujarat*	28704.84	4143	33144	4.01
11	Haryana	6093.33	1726	13808	1.67
12	Himachal	3550.95	1274	10192	1.23
13	Jammu&Kashmir	46713.54	21648	173184	20.97
14	Jharkhand	4188.27	1714	13712	1.66
15	Karnataka	15843.36	5877	47016	5.69
16	Kerala	6859.29	2789	22312	2.70
17	Ladakh	1182.31	295	2360	0.29
18	Lakshadweep	17.50	7	56	0.01
19	Madhya Pradesh	20961.46	8082	64656	7.83
20	Maharashtra**	13018.54	4128	33024	4.00
21	Manipur	3337.25	1139	9112	1.10
22	Meghalaya	974.17	699	5592	0.68
23	Mizoram	1461.76	650	5200	0.63
24	Nagaland	2494.89	1241	9928	1.20
25	Odisha	11335.95	4301	34408	4.17
26	Puducherry	144.3	66	528	0.06
27	Punjab	6017.86	1790	14320	1.73
28	Rajasthan	9025.60	2599	20792	2.52
29	Sikkim	214.27	85	680	0.08
30	Tamil Nadu	16445.76	5972	47776	5.79
31	Telangana	9846.14	2906	23248	2.82
32	Tripura	2083.7	958	7664	0.93
33	Uttar Pradesh	41165.07	12594	100752	12.20
34	Uttarakhand	3983.2	1836	14688	1.78
35	West Bengal	8539.63	2305	18440	2.23
Total		297765.91	103219	825752	100

* Including Daman And Diu **Including Dadra Nagar and Haveli

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Next to Uttar Pradesh, employment generation accounted for 1,00,752 (12.20 percent), although 12,594 projects provide a margin money subsidy of Rs. 41,165.07 lakhs under the PMEGP programme. In Madhya

Pradesh, the margin money disbursement allocation to 20,961.46 lakhs, the total units established to 8,082, provides employment generated of 64,656 (7.83 percent) under the PMEGP programme during the same period.

Karnataka provided the largest amount of Rs. 15,843.36 lakh. The total projects of 5,877 have generated employment of 47,016 (5.69 percent) during the study period. Tamil Nadu provided low margin money of 16,445.76 lakhs, while the total employment generated 47,776 (5.79 percent) and 5,972 units established under this programme. The Odisha provided margin money of Rs. 11,335.95 lakhs. It reveals that Odisha reported the most number of units assisted to 4,301. The employment generated 34,408 (4.17 percent). Maharashtra, including Dadra & Nagar Haveli, and Gujarat, including Daman & Diu, had the lowest margin money of Rs. 13,018.54 lakhs (4.00 percent) and Rs. 28,704.84 lakhs, but it provided the least employment of 33,024 (4.00 percent) and 33,144 (4.01 percent), whereas the total projects registered were 4,128 units and 4,143 units, respectively.

The lowest employment registered to Andaman Nicobar was 0.16 percent, Arunachal 0.19 percent, Chandigarh-UT 0.02 percent, Delhi 0.10 percent, Goa 0.08 percent, Goa 0.08 percent, Ladakh 0.29 percent, Lakshadweep 0.01 percent, Puducherry 0.06 percent, Sikkim 0.08 percent, and Tripura 0.93 percent, respectively.

The margin money subsidy disbursement and number of units established and employment generation during 2022–23 under this programme of PMEGP exposed in Table-6. Out of 3,60,288 employment, Jammu and Kashmir occupied the highest percentage of 17.43 percent (62,808 persons), whereas the margin money subsidy disbursed 16,473.97 lakhs, but the number of units established 7,851. Next, the highest margin money was disbursed to 15,272.02 lakhs, and it total projects established 6,363 units and provided employment of 14.13 percent (50,904 persons) registered by Uttar Pradesh during 2022-23. Karnataka has third place of disbursed highest margin money of Rs. 10,024.25 lakhs but lowest employment generated to 7.76 percent (27,944 persons), but the number of units established is 3,493.

Next to Tamilnadu, the lowest amount of margin money was distributed to Rs. 9,961.32 lakhs, but employment generated 7.56 percent (27,232 persons). It established a number of 3,404 units during the same period. Madhya Pradesh, Maharashtra, including Dadra Nagar, and Haveli disbursed margin money of Rs. 7,245.9 lakhs and Rs. 6,7,155.07 lakhs, whereas employment generated 5.40 percent (19,448 persons) and 4.77 percent (17,184 persons), but 2,431 units and 2,148 units registered under this programme respectively. PMEGP programme of these states, almost all employment increases proportionately.

Gujarat, including Daman and Diu, disbursed margin money of Rs. 13,955 lakhs, whereas the establishment of 1,994 units provided employment to 4.43 percent (15,952 persons). Andhra Pradesh, Bihar, and Odisha registered employment generated to three plus percentages by the PMEGP programme but the margin money provided by the all states is nearly the same.

Table-6

State or Union Territory-Wise Performance of PMEGP during 2022-23 RE (As on 30.11.2022)

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	Andaman & Nicobar	119.94	68	544	0.15
2	Andhra Pradesh	7323.67	1765	14120	3.92
3	Arunachal Pradesh	390.70	86	688	0.19
4	Assam	2438.55	1182	9456	2.62
5	Bihar	5179.01	1541	12328	3.42
6	Chandigarh-UT	14.77	5	40	0.01
7	Chhattisgarh	3321.94	1242	9936	2.76
8	Delhi	318.44	53	424	0.12
9	Goa	130.08	32	256	0.07
10	Gujarat*	13955.12	1994	15952	4.43
11	Haryana	3357	889	7112	1.97
12	Himachal	1265.77	389	3112	0.86
13	Jammu & Kashmir	16473.97	7851	62808	17.43
14	Jharkhand	1823.97	642	5136	1.43
15	Karnataka	10024.25	3493	27944	7.76
16	Kerala	2959.88	1211	9688	2.69
17	Ladakh	300.39	71	568	0.16
18	Lakshadweep	2.49	2	16	0.00
19	Madhya Pradesh	7245.9	2431	19448	5.40
20	Maharashtra**	7155.07	2148	17184	4.77
21	Manipur	908.74	310	2480	0.69
22	Meghalaya	175.74	95	760	0.21
23	Mizoram	929.95	303	2424	0.67
24	Nagaland	1196	349	2792	0.77
25	Odisha	4416.55	1562	12496	3.47
26	Puducherry	60.54	22	176	0.05
27	Punjab	4425.68	922	7376	2.05
28	Rajasthan	5389.32	1089	8712	2.42
29	Sikkim	59.45	26	208	0.06
30	Tamil Nadu	9961.32	3404	27232	7.56
31	Telangana	4647.12	1083	8664	2.40
32	Tripura	943.75	379	3032	0.84
33	Uttar Pradesh	21755.88	6363	50904	14.13
34	Uttarakhand	2024.24	829	6632	1.84
35	West Bengal	4153.15	1205	9640	2.68
Total		144848.34	45036	360288	100

*Including Daman And Diu **Including Dadra Nagar and Haveli

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Andaman & Nicobar, Arunachal Pradesh, Chandigarh-UT, Delhi, Goa, Himachal, Ladakh, Lakshadweep, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, and Tripura registered the least employment, less than one percent.

Table-7 illustrates employment generation, margin money disbursement, and the number of projects managed during the 2023-24 period. Jammu and Kashmir recorded the highest employment at 16.90 percent (29,808 people) from a total of 176,400, with a margin money disbursement amounting to Rs. 84,96,02,251 and the establishment of 3,726 units.

Table-7
State-Wise Performance of Employment Generation during 2023-24

S. No.	State/UT	Margin Money subsidy disbursed (Rs. lakh)	Number of projects assisted	Estimated Employment Generated	Percentage to total
1	Andaman Nicobar	3323103	25	200	0.11
2	Andhra Pradesh	590132754	1216	9728	5.51
3	Arunachal Pradesh	45867921	51	408	0.23
4	Assam	170438308	630	5040	2.86
5	Bihar	821813286	2289	18312	10.38
6	Chhattisgarh	129869207	370	2960	1.68
7	Dadra Nagar Haveli	148610	1	8	0.00
8	Delhi	15555372	22	176	0.10
9	Goa	7730625	17	136	0.08
10	Gujarat	1146589909	1065	8520	4.83
11	Haryana	180508259	314	2512	1.42
12	Himachal Pradesh	63064781	160	1280	0.73
13	Jammu Kashmir	849602251	3726	29808	16.90
14	Jharkhand	136056835	459	3672	2.08
15	Karnataka	447310427	1192	9536	5.41
16	Kerala	141627727.00	613	4904	2.78
17	Ladakh	6491000	14	112	0.06
18	Madhya Pradesh	311352973	818	6544	3.71
19	Maharashtra	242566453	482	3856	2.19
20	Manipur	25484923	109	872	0.49
21	Meghalaya	19695350	61	488	0.28
22	Mizoram	88695451	175	1400	0.79
23	Nagaland	33091130	88	704	0.40
24	Odisha	255237361	757	6056	3.43
25	Puducherry	626315	2	16	0.01
26	Punjab	354714306	484	3872	2.20
27	Rajasthan	323007704	411	3288	1.86
28	Sikkim	8428125	28	224	0.13
29	Tamil Nadu	546840424	1551	12408	7.03
30	Telangana	356343103	670	5360	3.04
31	Tripura	51146975	215	1720	0.98
32	Uttar Pradesh	1348717259	3269	26152	14.83
33	Uttarakhand	70200635	205	1640	0.93
34	West Bengal	210021893	561	4488	2.54
Total		9002300755	22050	176400	100

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Uttar Pradesh followed with 3,269 units that generated employment for 14.83 percent (26,152 individuals), alongside a margin money subsidy disbursement of Rs. 1,34,87,17,259 during the same timeframe. Bihar registered 10.38 percent (18,312 persons) in employment, having established 2,289 units and disbursed Rs. 82,18,13,286 in margin money.

In Tamil Nadu, despite a margin money subsidy of Rs. 54,68,40,424, only 1,551 projects were registered, resulting in 7.03 percent (12,408 individuals) of employment during the study period. Karnataka achieved slightly better results, with 5.41 percent (9,536 individuals) in employment and a margin money disbursement of

Rs. 4,47,31,0427, while registering 1,192 projects. Andhra Pradesh reported 5.51 percent in employment, supported by a margin money disbursement of Rs. 5,90,13,2754, and established 1,216 units in the year.

Gujarat provided a margin money disbursement of Rs. 11,46,58,9909, with 1,065 units creating employment for 4.83 percent (8,520 individuals). Several states, including Andaman and Nicobar, Arunachal Pradesh, Dadra and Nagar Haveli, Delhi, Goa, Himachal Pradesh, Ladakh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Tripura, and Uttarakhand, exhibited poor employment rates, each registering less than 1 percent.

Finance plays a vital role in every industry, significantly accelerating the industrialization of any region. Banks are crucial in funding projects, and out of the 122 banks operating across India, a total of 22,050 units have received financial assistance. The margin money provided by these banks amounts to ₹9,002,300,755, leading to the creation of approximately 176,400 jobs. Details of the top ten banks offering margin money assistance and their branches can be found in Table-8.

Jammu and Kashmir Bank Ltd ranks first, granting financial assistance to 3,264 units and generating 26,112 jobs with a margin money contribution of ₹748,100,542 in the fiscal year 2023-24. Canara Bank holds the second position, supporting 2,513 projects with a margin money amounting to ₹1,018,791,869 and creating 20,104 jobs during the same period. Punjab National Bank is third, providing financial assistance to 2,266 units, generating employment for 18,128 individuals, and contributing a margin money of ₹812,934,302. Union Bank of India ranks fourth, offering financial aid of ₹9,224,011,261 under the PMEGP programme and supporting 2,234 projects, resulting in 17,872 job creations. Bank of Baroda is in fifth place, assisting 1,703 units, creating 13,624 jobs, and providing margin money assistance of ₹1,121,708,289 during the year 2023-24.

Bank of India ranks sixth by providing financial assistance to 1,315 units, generating 10,520 jobs, with a margin money contribution of ₹499,397,800 during the study period. The State Bank of India comes in seventh, offering financial assistance to 1,253 units, creating 10,024 jobs, and providing margin money of ₹457,191,424 during the fiscal 2023-24. Indian Bank occupies the eighth rank, contributing financial assistance of ₹427,853,902 under the PMEGP programme, with a total of 1,034 projects set up, resulting in 8,272 job creations.

The Central Bank of India is in ninth place, providing financial aid to 825 units, generating 6,600 jobs, and offering margin money assistance of ₹427,349,973 during the study period. Finally, Indian Overseas Bank ranks tenth, offering financial assistance under the PMEGP programme to 567 units, contributing margin money of ₹212,203,654, and creating 4,536 jobs during the period.

Table-8
Top Ten Banks Margin Money Disbursed to Units during 2023-24

S.No.	Bank Name	Number of projects	Margin money	Employment	Rank
Total 122 banks financial assistance		22050	9002300755	176400	
1	Bank of Baroda	1703	1121708289	13624	5
2	Bank of India	1315	499397800	10520	6
3	Canara Bank	2513	1018791869	20104	2
4	Jammu and Kashmir Bank Ltd	3264	748100542	26112	1
5	Punjab National Bank	2266	812934302	18128	3
6	State Bank of India	1253	457191424	10024	7
7	Union Bank of India	2234	1126192240	17872	4
8	Central Bank of India	825	427349973	6600	9
9	Indian Bank	1034	427853902	8272	8
10	Indian Overseas Bank	567	212203654	4536	10
Total of top ten banks		16974	640057556	135792	

Source: <https://dashboard.msme.gov.in/dashboard.aspx>

Conclusions

The finance is considered to be the lifeblood of any business concern. PMEGP helps to solve the problems of operational and seed capital. In the study area, business prospects were found to be very high in different sectors. Only productive engagement and proper direction/motivation of unemployment youth toward undertaking some business venture will get a positive result towards eradication of poverty. PMEGP is found to be an effective livelihood measure to remove poverty and unemployment and reduce social and economic disparity among the beneficiaries. PMEGP is playing an important role in reducing unemployment among youths. It is also providing scope for further development of women entrepreneurs in India, which will help improve their economic growth in a developing country like India. PMEGP showed a positive influence on socio-economic factors like age, educational qualification, income, employment generation, etc. and significantly contributed to the economy of India. The gradual increase in income, profitability, asset acquisition, revenue, and employment throughout the considered years shows positive progress of PMEGP.

The performance of the PMEGP is satisfactory but can be enhanced by implementing a grievance handling mechanism to clear pending cases for sanction by banks. The training has shown a positive impact on the skill enhancement of beneficiaries, and the effectiveness of the trainee has been evaluated on the basis of trained candidates. If this present study enlightens problems of budding entrepreneurs under PMEGP and suggestions offered here are considered by the promoting and implementing agencies, the researcher will feel gratified that his several years of hard work have served its purpose.

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