GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 3009
TO BE ANSWERED ON 06.08.2026

IMPLEMENTATION OF PMEGP IN PERAMBALUR

3009. THIRU ARUN NEHRU:

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

(a) the total financial subsidies and margin money disbursed under the Prime Minister's Employment Generation Programme (PMEGP) within the Perambalur Lok Sabha constituency of Tamil Nadu over the last three years;

(b) the specific number of new agro-based and textile manufacturing micro-units successfully established by the local youth and women entrepreneurs in the Perambalur district during the said period;

(c) whether the Ministry has noted a high rate of rejection of the applications or excessive demands for collateral by the regional rural banks, contrary to the central scheme guidelines and if so, the details thereof;

(d) the total formal employment directly generated by these PMEGP-funded enterprises within the said constituency during the last three years; and

(e) the administrative steps being taken by the Government to simplify the online application process and conduct targeted entrepreneurship awareness camps in the rural blocks of Perambalur?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): Margin Money (MM) Subsidy amounting to Rs. 5.66 crore has been disbursed under the Prime Minister's Employment Generation Programme (PMEGP) in the Perambalur Lok Sabha constituency of Tamil Nadu during the last three years i.e. FY 2023-24 to FY 2025-26.

(b): During the last three years, 26 micro-enterprises have been established under agro-based industries and 1 micro-enterprise under textile manufacturing by entrepreneurs, including local youth, in the Perambalur district. Out of these, 9 micro-enterprises were established by women entrepreneurs in the agro-based sector during the said period.

(c): The Ministry has not observed any excessive collateral demands or unusually high rejection rates by Regional Rural Banks under PMEGP. As per RBI Master Directions on lending to MSMEs, no collateral security is to be insisted by Banks for projects involving loan up to Rs. 20 lakh and strict compliance of this provision has been reemphasized to all the financing Banks. On the contrary, rejection rates have shown a declining trend, reducing from 52% to 46% during the last three years, reflecting improved implementation of the scheme in line with scheme guidelines.

(d): Sustainable employment opportunities to around 3,105 persons have been generated through PMEGP assisted micro enterprises within the Perambalur Lok Sabha constituency during the last three years.

(e): Steps taken by the Government to simplify the online application process and conduct targeted entrepreneurship awareness camps under PMEGP throughout the country including rural blocks of Perambalur in Tamil Nadu include the following:

i. PMEGP Portal developed as an end-to-end digital platform is integrated with financing banks through Jan Samarth Portal, streamlining the approval process with SMS alert to applicants at different stages.
ii. Establishment of PMEGP Helpdesks at State Offices to provide real-time assistance and hand-holding support to potential beneficiaries.
iii. A wide range of more than 1,000 Model of Detailed Project Reports prepared on various industries has been made available on the PMEGP portal.
iv. Awareness and outreach programmes in all the States/UTs including backward and under-performing areas, Aspirational districts, NER etc. to identify potential beneficiaries and provide handholding support during the application process.

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