



### A ROLE AND IMPACT OF PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP) IN PALGHAR DISTRICT OF MAHARASHTRA TOWARDS VIKSIT BHARAT @ 2047

**Bhavana Yashwant Jadhav & Dr. Jyoti Thakur**

*Department of Commerce*

*SNDT Women's University, Mumbai*

#### **Abstract:**

*The process of economic growth is strong-minded by financial and non-financial elements. It helps to make national output for nation's growth. However, the basic problem is to increase the supply of entrepreneurs which series of socioeconomic conditions and appropriate personal motivations. Therefore, that encouragement of entrepreneurs is need of time. The present study based on primary data collection. The performance of Prime Minister Employment Generation Programme (PMEGP) is the main theme of the study. The study emphasizes on entrepreneurs in Palghar district. Majority of the beneficiaries are higher educated and are engaged in Manufacturing sector. The study concluded that the government should make the awareness of this programme by arranging campaign for the entrepreneur for improving the economic status. The study focus on performance of PMEGP in entrepreneur development in Palghar District.*

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#### **Introduction:**

Government of India had in August 2008, approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP), It was launched by merging the two schemes that were in operation till 31<sup>st</sup> March 2008, namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in non-farm sector for rural as well as urban areas. PMEGP is in operation since 2008-09 and has been approved for continuation over the 15<sup>th</sup> Finance Commission cycle i.e., for the period of five years from 2021-22 to 2025-26. PMEGP is a central sector scheme being

administered by the Ministry of Micro, Small and Medium Enterprises (Mo MSME). The scheme is being implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the National level. At the State level, the scheme is implemented through State offices of KVIC, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs), Coir Board (for coir related activities) and Banks. Government may also involve other suitable agencies for implementation of the scheme. The Government subsidy under the scheme is routed by KVIC through the nodal Bank to the Financing Bank branches & subsequently transferred to the beneficiary account



after completion of lock-in period based on the outcome of the physical verification report. The Implementing Agencies(IA) will associate reputed autonomous institutions in the field of Entrepreneurship Development in Government of India and State Government Self Help Groups (SHGs)/ National Small Industries Corporation (NSIC)/Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Rural Self Employment Training Institute (RSETIs)/Rural Development & Self Employment Training Institute (RUDSETIs), Panchayati Raj institutions and other relevant bodies in the implementation of the scheme, especially in the area of identification of beneficiaries, area specific viable projects, and providing training in entrepreneurship development, handholding and mentoring of beneficiaries. The Maximum project cost admissible for setting up of new project has been enhanced from Rs. 25 Lakhs to Rs. 50 Lakhs in Manufacturing Sector and from Rs. 10 Lakhs to Rs. 20 Lakhs in Service Sector. Units in Aspirational Districts and Transgenders have been included in the Special Category for higher subsidy. All implementing agencies are allowed to receive and process applications in all areas irrespective of the rural or urban category. Geo-tagging of the PMEGP units have been initiated for capturing the details of the products and services offered by the units and to create market linkages for them. Free 2-day Entrepreneurship Development Programme (EDP) training is being provided to entrepreneurs. Sunday webinars are also being organized by KVIC for providing information to potential beneficiaries covering various manufacturing and service sectors.

As per the vision of Prime Minister Shri Narendra Modi, to achieve the goal of 'Developed India' by the year 2047, KVIC is working on a plan to strengthen '**Khadi Gram Swaraj Abhiyan**' in every village. All preparations have been made to take Khadi from local

to global. Along with this, Prime Ministers' Employment Generation Programme (PMEGP) is also being expanded to increase the quality and reach of products related to village industry. In this sequence, KVIC has distributed Rs 299.25 Crore in the accounts of 7444 beneficiaries of all its 6 zones through online medium. Under this, subsidy of Rs 75.17 crore has been distributed to 2017 beneficiaries of Central Zone, Rs 22.92 crore to 763 beneficiaries of Eastern Zone, Rs 91.78 crore to 2477 beneficiaries of North Zone, Rs 9.2 crore in the account of 223 beneficiaries of Northeast Zone, Rs 72.97 crore to 1539 beneficiaries of South Zone and Rs 27.13 crore in the account of 425 beneficiaries of West Zone through online medium. 22187 jobs have been created in Central Zone, 8393 jobs in Eastern Zone, 27247 jobs in North Zone, 2453 jobs in Northeast States, 16929 jobs in South Zone and 4675 jobs in West Zone.

In These Paper the researcher discuss the role and impact of PMEGP Scheme through study of Pilot Study Survey of 50 Beneficiaries in Palghar district of Maharashtra. The analyzes of Demographics characteristics of beneficiaries such as Age, Gender, education, annual income, Occupation in the Survey. And also study the endeavor to identify key factors that influence the efficiency of PMEGP Scheme, enhancing beneficiary's engagement, improving employment generation outcomes, and shaping the Policy future.

### **Objectives of the Study:**

The following are the proposed objectives for pilot study:

1. To study the of Prime Minister's Employment Generation Programme (PMEGP) in Palghar District.
2. To study the problems and prospects of entrepreneur beneficiaries of PMEGP in the Palghar district.
3. To study the Entrepreneurship development of the Beneficiaries through PMEGP in Palghar District.



4. To analyze training provided to the beneficiaries of PMEGP under Entrepreneurship development Problem.

### Research Methodology:

- A. Sources of Data** - The researcher has collected data using primary source. The researcher made a structured questionnaire to collect the data from the individual who are the beneficiaries of the PMEGP.
- B. Area of Study** - Out of 4 district of Palghar which includes Palghar, Wada. Vasai, Vikramgad the researcher has collected data from only Palghar district.
- C. Sample Size** - There are total 968 beneficiaries who

have availed the benefits of PMEGP Scheme under the Palghar district. The sample size is 484 (50%) of total beneficiaries. The researcher has collected data of only 50 beneficiaries who are the availed the PMEGP Scheme.

- D. Sampling Technique** - The researcher has used Convenience sampling technique to select the beneficiaries due to time constraints.
- E. Limitations of the Study** - Only 50 beneficiaries have been given questionnaire to collect the data due to time constraints. Only Palghar district area has been selected for the pilot study purpose.

**Data Analysis & Interpretation:** The data has been analyzed using Statistical Tables for interpretation.

**Table 1.1**

**Socio-economic characteristics of the Beneficiaries**

Variables		Frequency	Percentage
<b>Age</b>	16-25	24	48
	26-40	19	38
	41-55	6	12
	55 & above	1	2
	Total	50	100
<b>Gender</b>	Male	33	66
	Female	17	34
	Total	50	100
<b>Social Status</b>	General	6	12
	SC	6	12
	ST	11	22
	OBC	26	52
	Minority	1	2
	Total	50	100
<b>Education Level</b>	Primary	3	6
	Secondary	13	26
	Higher	31	62
	Others	3	6
	Total	50	100
<b>Annual Income</b>	Below 50,000	21	42
	50,000-10Lakh	22	44
	10 Lakh-50Lakh	6	12

	Above 50Lakh	1	2
	Total	50	100
<b>Occupation</b>	Self-Employed	20	40
	Service	13	26
	Professional	4	8
	Others	13	26
	Total	50	100

From the above Table 1.1, It indicates that majority of respondents i.e. 48% of the respondents are belong to age group of 18 to 25 years followed by 38% of respondents belonging to age group of 26 to 40 years of age. Only 12% of respondents belongs to 41 to 55 years of age. And only 2% of respondents are age group of 55 and above. It shows gender that majority of respondents i.e. 66% of respondents are Male whereas only 34% of respondents are Female. Category wise it shows that majority of respondents i.e. 52% of respondents are OBC categories, 22% are ST, 12% are SC and General Categories. And 2% are from Minority. Educationally majority of respondents i.e. 62% of respondents Higher educated, 26% are Secondary, and 6% are Primary and others. It shows that majority of respondents i.e. 44% of respondents are of Income level of 50000-100000. 42% are of below 50000. 12% respondents are having income level of 100000-500000. and 2% are of above 500000 and above income level. Also It shows that majority of respondents i.e. 40% of respondents are self-employed, 26% are from Service and Others sectors, and 8% are Professionals. The loan availed under banks shows that majority of respondents i.e. 20%, & 10% Respondents are from Availing loan under Public sectors Banks. I.e. SBI, UNION. Bank of Maharashtra etc.

**Table 1.2**  
**Beneficiaries Details Analysis**

<b>Variables</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Are you aware about PMEGP Scheme?</b>		
Yes	26	52
No	24	48
Total	50	100
<b>Where have you deposited application for PMEGP?</b>		
District Industries Centre (DIC)	20	40
Khadi village industrial board (KVIB)	14	28
Khadi village industrial Commission (KVIC)	16	32
Total	50	100
<b>What is the Reasons for availing loan under PMEGP?</b>		
No Collateral Money	12	24
Unemployment	9	18
Low Family Income	15	30
Reasonable rate of interest	14	28
Total	50	100
<b>Type of business started under PMEGP?</b>		
Manufacturing	31	62
Business/Services	16	32
Others	3	6
Total	50	100

<b>What is the Loan amount sanctioned under PMEGP Scheme?</b>		
Less than 5 lacs	20	40
5 lacs to less than 10 lacs	20	40
10 lacs to less than 15 lacs	7	14
More than 15 lacs	3	6
Total	50	100
<b>Have you got the subsidy under PMEGP?</b>		
Yes	33	66
No	17	34
Total	50	100
<b>What was the time gap between submitting application to DIC/KVIB/KVIC &amp; final disbursement of the loan from Bank?</b>		
1 -3 Months	27	54
3-6 Months	11	22
6-12 Months	8	16
More than 12 Months	4	8
Total	50	100
<b>Have you taken EDP training under PMEGP?</b>		
Yes	37	74
No	13	26
Total	50	100
<b>How many days did the Entrepreneur Development Training (EDP) take place?</b>		
1 to 5 days	7	14
5 to 10 days	15	30
10 to 15 days	15	30
15 to 30 days	13	26
Total	50	100
<b>Do you think PMEGP Scheme is useful in employment generation?</b>		
Yes	43	86
No	7	14
Total	50	100

From the table 1.2 Awareness of PMEGP Scheme 48% beneficiaries are aware of PMEGP Scheme. And 52% are not aware of these scheme in Palghar district. Industrywide Loan taken shows that majority of respondents i.e. 40%, are availing loan under DIC centres, 32% are availing under khadi and Village Commission, and 28% are availing loan under Khadi and Village Board. The loan availing purpose shows that majority of respondents i.e. 30%, are availing loan for their Low Family Income, 28% are availing loan for Reasonable Rate of Interest, 24% are for No Collateral Monetary, and 18% for Unemployment Reason. Sector wise shows that majority of respondents i.e. 62%, are starting unit under Manufacturing sectors and 32% are started unit of Service Sectors. And 6% are started others sectors. Income level shows that majority of respondents i.e. 40%, of Respondents are availed Loan of below 5 Lacs and 5 Lacs to less than 10 Lacs. 14% Respondents are availed loan of between 10 lacs to less than 15 lacs. And 6% are More than 15 lacs.

The granting of subsidy under PMEGP shows that majority of respondents i.e. 66%, of Respondents got the subsidy under PMEGP Scheme. And 34% are not got subsidy. It shows that time gap between submitting application to DIC/KVIB/KVIC & final disbursement of the loan from Bank majority of respondents i.e. 54%, of Respondents are of time between 1-3 Months, 22% are of time period of 3-6 Months, 16% are of 6-12 Months and very few of 8% of respondents time period is More than 12 Months under PMEGP Scheme. It shows that 74% respondents are taken EDP training under PMEGP and 26% respondents are not taken training under EDP Programme. The day's shows that 30% respondents are taken EDP training under PMEGP for period of 5-10 days and 10-15 days. 26% respondents are taken training for 15-30 days. And 14% respondents are taken training for 1-5 days. It shows that PMEGP Scheme is useful in employment generation. 86% respondents are agree, and 14% respondents are not agree with Employment generation.

### Findings & Conclusion:

- The study shows that majority of respondents belongs to age group of 18 to 25 years and 26 to 40 years which indicate that they are taking loan under PMEGP Scheme.
- The study also shows that majority of respondents are male in nature as compared to female.
- The study also shows that majority of respondents are OBC Categories in Social status.
- The study also shows that majority of respondents are already in self-employed nature.
- Only 52% are aware about PMEGP Scheme.
- The most of beneficiaries are taking loan from DIC.
- The purpose for taking loan is of having Low rate of Interest and No Collateral Money.
- The study shows that most of beneficiaries are started Manufacturing Unit.
- The study shows that most of beneficiaries are taking loan up to 10 Lacs of limit.
- The most of beneficiaries are have got the subsidy of loan.
- The study shows that the time gap between submitting application to DIC/KVIB/KVIC & final disbursement of the loan from Bank is 1-3 Months.
- The most of beneficiaries are have taken EDP training.
- The study shows that majority of respondents feel that PMEGP has useful in employment generation.

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