Prime Minister's Employment Generation Programme (PMEGP)

Credit-Linked Subsidy for New Micro-Enterprises

A Ministry of MSME scheme helping unemployed individuals and entrepreneurs set up new micro-enterprises in manufacturing and services, with attractive subsidies and collateral-free term loans.

1 Eligibility Criteria

Age: Above 18 years; no upper age limit.

Education: Min 8th pass if project cost exceeds ₹10 lakh (manufacturing) or ₹5 lakh (service).

Business Type: Only new projects eligible — existing units/prior subsidy recipients don't qualify.

Entities: Individuals, SHGs, Charitable Trusts, Production Co-operative Societies.

Income: No income ceiling applies.

2 Benefits & Financial Assistance

Urban Areas

General Category	**15%**
Special Category*	**25%**

Rural Areas

General Category	**25%**
Special Category*	**35%**

**SC, ST, OBC, Women, Minorities, Ex-servicemen, Physically Handicapped, etc.*

₹50 Lakh	₹20 Lakh	5–10%	₹10 Lakh
Max Project Cost (Manufacturing)	Max Project Cost (Service)	Beneficiary Contribution	Collateral-Free Loan Limit

3 Documents Required

ID Proof: Aadhaar Card and PAN Card

Photographs: Passport-size photos

Education: 8th Pass certificate (if applicable)

Category Certificate: Caste/Community/Special (if applicable)

Project Report: DPR with cost, technology & income projections

Bank Details: Account details & statement/passbook

Quotations: For machinery/equipment to be purchased

EDP Certificate: Training certificate, if completed

4 Scheme Validity

Ongoing

SCHEME STATUS

PMEGP continues to run and support new entrepreneurs. Apply via the **PMEGP Portal** (pmegp.msme.gov.in) or the **JanSamarth Portal**.