International Journal of Social Science Research (IJSSR)
Volume- 3, Issue- 5 | September - October 2026 ISSN: 3048-9490

Performance Evaluation of the Prime Minister's Employment Generation Programme in India

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ABSTRACT

The Prime Minister's Employment Generation Programme (PMEGP), a flagship credit-linked subsidy scheme administered by the Khadi and Village Industries Commission (KVIC) under the Ministry of MSME, serves as a crucial macroeconomic tool for rural industrialization, social inclusion, and self-employment by transitioning traditional models into bank-linked micro-enterprises targeting youth, women, and marginalized groups. Since its inception in 2008–09, the scheme has achieved massive cumulative growth by establishing 10.73 lakh micro-enterprises, mobilizing ₹29,295 crore in Margin Money subsidies, and generating 87.37 lakh jobs, with strong structural inclusivity as 80% of units operate in rural areas and over 50% are owned by women, SC, and ST entrepreneurs. Over the 15th Finance Commission cycle (2021–22 to 2025–26), this upward trajectory was maintained as the program fully utilized its ₹13,554.42 crore budget, exceeded its target by setting up 4,03,706 units, and generated 36.33 lakh job opportunities. Analytical findings reveal a significant capital-intensive evolution within the program, characterized by a sharp rise in average project loan size from ₹8.49 lakh to ₹12.55 lakh and an increase in individual unit subsidies from ₹2.88 lakh to ₹3.70 lakh. However, this transition to higher-value investments coincided with severe cyclical performance volatility, where project execution peaked sharply in 2021–22 (1,03,219 units; 9.29 lakh jobs) before entering a multi-year contraction that bottomed out in 2024–25 (5.37 lakh jobs), followed by a resilient 11.37% operational recovery phase up to December 2025. Moving forward, strategic suggestions dictate that the scheme must broaden its decentralized digital bank credit outreach to curb these sharp annual fluctuations, optimize unit-to-subsidy ratios to balance broader beneficiary coverage with high individual funding thresholds, streamline institutional delivery to eliminate administrative bottlenecks, and enhance post-stabilization market linkages to ensure sustainable, long-term employment generation at the grassroots level.

Key words: *Financial assistance through bank, generating employment and margin money subsidy.*

Published: 14 September 2026
DOI: https://doi.org/10.70558/IJSSR.2026.v3.i5.301304

INTRODUCTION

The Prime Minister's Employment Generation Programme (PMEGP) is a flagship scheme of the Government of India implemented through the Khadi and Village Industries Commission (KVIC) under the Ministry of Micro, Small and Medium Enterprises (MSME). The programme was launched in 2008–09 by merging the earlier Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP). PMEGP aims to promote self-employment and entrepreneurship by assisting individuals in establishing new micro-enterprises in the non-farm sector through bank credit linked with Margin Money subsidy. The scheme particularly supports unemployed youth, traditional artisans, women and socially disadvantaged groups, thereby contributing to rural industrialization, livelihood creation and inclusive economic development.

Since its inception in 2008–09, PMEGP has achieved considerable growth in enterprise creation and employment generation. According to the Ministry of MSME Annual Report 2025–26, up to 31 December 2025, the scheme had assisted 10.73 lakh micro-enterprises, with ₹29,295 crore provided as Margin Money subsidy and an estimated 87.37 lakh employment opportunities generated. Approximately 80% of the PMEGP units were established in rural areas, highlighting the programme's strong contribution to rural entrepreneurship and decentralized employment. More than 50% of the units were owned by women, Scheduled Castes and Scheduled Tribes, while around 15% of the units were established in Aspirational Districts, reflecting the inclusive character of the programme.

The performance during the 15th Finance Commission period from 2021–22 to 2025–26 was particularly significant. Against an approved budgetary outlay of ₹13,554.42 crore, PMEGP achieved full utilization of the allocated funds and facilitated the establishment of 4,03,706 micro-enterprises, exceeding the target of 4,02,000 enterprises. During this period, the programme generated approximately 36.33 lakh employment opportunities. This performance demonstrates the increasing importance of PMEGP as an instrument for promoting entrepreneurship, self-employment and grassroots economic development in India.

The year-wise performance also shows considerable changes in the scale of PMEGP implementation. In 2021–22, the programme assisted 1,03,219 micro-units, disbursed ₹2,977.66 crore in Margin Money subsidy and generated an estimated 8,25,752 employment opportunities. In 2022–23, the number of units assisted declined to 85,167, while Margin Money subsidy stood at ₹2,722.17 crore and estimated employment generation was 6,81,336 persons. Performance improved in 2023–24, with 89,118 micro-units assisted, ₹3,093.88 crore in Margin Money subsidy and 7,12,944 estimated employment opportunities. In 2024–25, PMEGP assisted 59,708 units, with ₹2,202.00 crore in subsidy and 4,77,664 estimated employment opportunities. During 2025–26 up to 31 December 2025, the scheme assisted 54,351 units, disbursed ₹2,128.93 crore and generated an estimated 4,34,808 employment opportunities.

The latest MSME Dashboard indicates that from FY 2021–22 to FY 2026–27, PMEGP had recorded 5,87,393 projects and ₹60,750.13 crore in bank loans sanctioned. During the same period, 4,03,706 units received Margin Money subsidy amounting to

₹13,453.04 crore, while estimated employment generation was 36,33,354 persons. These figures indicate the substantial scale of credit mobilization and enterprise development achieved through PMEGP in the recent period.

Overall, the performance of PMEGP demonstrates its important role in micro-enterprise development, employment generation, rural entrepreneurship and inclusive growth. The cumulative achievement of 10.73 lakh micro-enterprises, ₹29,295 crore in Margin Money subsidy and 87.37 lakh estimated employment opportunities since inception illustrates the long-term contribution of the scheme. Although annual performance has fluctuated, the overall trend confirms that PMEGP has developed into a major government mechanism for converting credit support into productive enterprises and employment opportunities, particularly in rural and economically disadvantaged regions of India.

OBJECTIVES

1. To evaluate the overall performance of the PMEGP.
2. To assess the programme's performance in generating employment opportunities.
3. To analyze the impact of margin money subsidy on employment generation.
4. To assess the bank-wise performance of PMEGP in India.

BANK LOAN PERFORMANCE

Table-1 presents the year-wise performance of bank loans sanctioned under the Prime Minister's Employment Generation Programme (PMEGP) during 2021–22 to 2026–27. During the period, banks sanctioned loans to a cumulative 5,87,393 projects, involving total credit of ₹60,750.13 crore. The overall average loan sanctioned was approximately ₹10.34 lakh per project, indicating that PMEGP primarily supports micro and small entrepreneurial activities through relatively moderate-sized institutional loans. In 2021–22, banks sanctioned loans to 1,09,127 projects, amounting to ₹9,260.16 crore. The average loan was approximately ₹8.49 lakh per project. In 2022–23, project sanctions increased to 1,49,090, registering growth of 36.63%, while sanctioned credit increased to ₹14,661.34 crore, representing growth of 58.33%. The average loan consequently increased to ₹9.84 lakh, an increase of approximately 15.90% over 2021–22. Thus, credit growth was substantially faster than project growth.

The highest performance was recorded in 2023–24, with 1,65,725 projects receiving bank-loan sanctions worth ₹17,759.22 crore. The number of projects increased by 11.16% over 2022–23, while the sanctioned amount increased by 21.19%. The average loan rose to approximately ₹10.72 lakh per project, representing an increase of about 8.94% over the previous year. This year alone accounted for approximately 28.2% of all projects and 29.2% of the total sanctioned credit during the period, making it the strongest year in terms of both outreach and financial mobilization. The trend changed in 2024–25, when the number of projects declined to 1,08,923, a reduction of 34.26% from 2023–24. The sanctioned loan amount also fell to ₹12,315.94 crore, declining by 30.65%. However, the average loan increased to ₹11.31 lakh, or about 5.50% higher than in 2023–24. This indicates that the reduction in the number of projects was greater than the reduction in total credit, resulting in higher average financial assistance per project. In 2025–26, the decline became more pronounced. Project sanctions decreased to 49,708, representing a fall of 54.35%, while sanctioned credit declined to ₹6,148.49 crore, a reduction of 50.08%. Despite this sharp decline, the average loan increased to approximately ₹12.37 lakh per project, which were 9.37% higher than the previous year and about 45.70% higher than the ₹8.49 lakh average recorded in 2021–22. For 2026–27, the available data show 4,820 projects with sanctioned bank loans of ₹604.98 crore. The average sanction was approximately ₹12.55 lakh per project, the highest average recorded in the table. Compared with 2025–26, the reported number of projects and sanctioned amount declined by approximately 90.30% and 90.16%, respectively. However, these figures represent partial-year data, so they should not be interpreted as a full-year decline.

A significant micro-level finding is the continuous increase in the average bank loan per project. It increased from ₹8.49 lakh in 2021–22 to ₹9.84 lakh in 2022–23, ₹10.72 lakh in 2023–24, ₹11.31 lakh in 2024–25, ₹12.37 lakh in 2025–26, and ₹12.55 lakh in 2026–27. Between 2021–22 and 2026–27, the average loan therefore increased by approximately 47.82%. This suggests a gradual increase in the financial scale of PMEGP-supported projects.

The combined performance of 2021–22 to 2023–24 was particularly strong. Project sanctions increased from 1,09,127 to 1,65,725, an increase of 56,598 projects or 51.88%. During the same period, sanctioned credit increased from ₹9,260.16 crore to ₹17,759.22 crore, an increase of ₹8,499.06 crore or 91.78%. Therefore, the growth in credit was almost twice the growth in the number of projects, indicating a substantial increase in the average financial assistance available to beneficiaries.

In contrast, between 2023–24 and 2025–26, the number of sanctioned projects declined from 1,65,725 to 49,708, a reduction of 1,16,017 projects or 70.00%. Sanctioned credit declined from ₹17,759.22 crore to ₹6,148.49 crore, a reduction of ₹11,610.73 crore or 65.38%. Since project numbers declined faster than loan value, the average loan increased from ₹10.72 lakh to ₹12.37 lakh. This indicates that the contraction was stronger in terms of the number of enterprises financed than in the value of credit provided per enterprise.

The cumulative contribution of individual years also provides useful insight. The 2023–24 figure of 1,65,725 projects represented about 28.20% of the total projects recorded during the period, while its sanctioned credit of ₹17,759.22 crore represented approximately 29.23% of total credit. Similarly, 2022–23 accounted for approximately 25.38% of total projects and 24.13% of total sanctioned credit. Together, these two years contributed 3,14,815 projects, or approximately 53.59% of the total, and ₹32,420.56 crore, or about 53.37% of cumulative sanctioned credit.

Overall, the figures reveal two distinct phases of PMEGP credit performance. The first phase, from 2021–22 to 2023–24, was characterized by strong growth in both project coverage and credit mobilization. The second phase, from 2024–25 onward, witnessed a substantial decline in project numbers and total sanctioned credit, although the average loan per project continued to increase. The cumulative sanction of ₹60,750.13 crore for 5,87,393 projects, together with the increase in average loan size from ₹8.49 lakh to ₹12.55 lakh, demonstrates the continuing financial importance of PMEGP for micro-enterprise development. The major area requiring attention is therefore the expansion of credit outreach to a larger number of eligible entrepreneurs, while maintaining adequate financial support for each project.

Table -1

Financial assistance through bank loans under PMEGP

SI. No.	Financial year	Bank loans sanctioned	
		No of projects	Amount (Rs. Cr)
1	2021-22	1,09,127	9,260.16
2	2022-23	1,49,090	14,661.34
3	2023-24	1,65,725	17,759.22
4	2024-25	1,08,923	12,315.94
5	2025-26	49,708	6,148.49
6	2026-27	4,820	604.98
Total		5,87,393	60,750.13

Source:
https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2035100&reg=48&lang=2

Note: Financial year 2025-26 data upto 08-05-2026

MARGIN MONEY SUBSIDY PERFORMANCE

Table-2 presents the year-wise disbursement of Margin Money (MM) subsidy under the Prime Minister's Employment Generation Programme (PMEGP) during 2021–22 to 2025–26. The table covers the number of units assisted and the amount of subsidy disbursed. During the five-year period, 4,03,706 units received assistance involving a total subsidy of ₹13,453.04 crore. The average subsidy worked out to approximately ₹3.33 lakh per unit, indicating the significant role of Margin Money support in reducing the initial financial burden on micro-enterprises. In 2021–22, PMEGP assisted the highest number of units during the period, with 1,03,219 units receiving ₹2,977.65 crore in subsidy. The average subsidy was approximately ₹2.88 lakh per unit. The year accounted for 25.57% of total assisted units and 22.13% of cumulative subsidy disbursement, reflecting particularly wide beneficiary coverage. In 2022–23, assisted units declined to 85,167, a reduction of 17.49%, while subsidy disbursement fell to ₹2,722.17 crore, a smaller decline of 8.58%. Consequently, average subsidy increased to approximately ₹3.20 lakh per unit, suggesting that the reduction in beneficiary numbers was partly offset by higher assistance per unit. The programme improved in 2023–24, when the number of assisted units increased to 89,118, representing growth of 4.64%, while subsidy disbursement rose to ₹3,093.87 crore, an increase of 13.65%. The average subsidy reached approximately ₹3.47 lakh per unit, about 20.5% higher than in 2021–22. This was the highest annual subsidy disbursement in the period and accounted for approximately 23.00% of total subsidy. The faster growth in subsidy compared with units indicates increased financial support for individual enterprises. A significant contraction occurred in 2024–25, when assisted units fell sharply to 59,708, a decline of 33.00% from the previous year. Subsidy disbursement also decreased to ₹2,202.00 crore, representing a reduction of 28.83%. However, the average subsidy increased to approximately ₹3.69 lakh per unit, about 6.34% higher than in 2023–24. This indicates that although fewer enterprises received assistance, the financial support associated with each assisted unit was comparatively greater. In 2025–26, the programme showed signs of recovery. Assisted units increased to 66,494, representing growth of 11.37%, while subsidy disbursement increased to ₹2,457.34 crore, a rise of 11.60%. The average subsidy increased marginally to approximately ₹3.70 lakh per unit, the highest level recorded during the period. Nevertheless, the number of assisted units remained substantially below the 1,03,219 units recorded in 2021–22, while subsidy disbursement was also below the ₹3,093.87 crore peak of 2023–24.

An important finding emerges from comparing the beginning and end of the period. Between 2021–22 and 2025–26, assisted units declined from 1,03,219 to 66,494, a reduction of 36,725 units or 35.58%. During the same period, annual subsidy disbursement declined from ₹2,977.65 crore to ₹2,457.34 crore, a reduction of ₹520.31 crore or 17.47%. Since subsidy declined at a much slower rate than beneficiary coverage, the average subsidy increased from ₹2.88 lakh to ₹3.70 lakh, representing an increase of approximately 28.5%. This indicates a shift towards greater financial assistance per supported unit despite lower overall coverage.

The five-year distribution also shows that 2021–22, 2022–23 and 2023–24 together accounted for 2,77,504 units, representing approximately 68.75% of total assisted units, while their combined subsidy of ₹8,793.69 crore represented about 65.37% of total disbursement. The remaining two years, 2024–25 and 2025–26, accounted for 1,26,202 units and ₹4,659.34 crore, respectively. Thus, the majority of beneficiary coverage and financial assistance occurred during the first three years of the period.

The relationship between beneficiary coverage and subsidy disbursement further highlights changes in programme intensity. In 2022–23, units declined by 17.49%, but subsidy declined by only 8.58%. In 2023–24, units increased by 4.64%, whereas subsidy increased by 13.65%. In 2024–25, units declined by 33.00%, compared with a 28.83% fall in subsidy. Finally, in 2025–26, both indicators recovered by more than 11%. These differences demonstrate that subsidy expenditure is influenced not only by the number of beneficiaries but also by the financial size and characteristics of the supported projects.

The average subsidy trend provides a clear indication of the changing financial intensity of PMEGP assistance. It increased from ₹2.88 lakh per unit in 2021–22 to ₹3.20 lakh in 2022–23, ₹3.47 lakh in 2023–24, ₹3.69 lakh in 2024–25, and ₹3.70 lakh in 2025–26. The increase of approximately ₹0.82 lakh per unit over the period suggests that supported enterprises were receiving progressively higher Margin Money assistance. This may strengthen the beneficiaries' ability to meet investment requirements and reduce their dependence on borrowed capital.

Overall, the findings indicate that PMEGP disbursed ₹13,453.04 crore in Margin Money subsidy to 4,03,706 units during 2021–22 to 2025–26. 2021–22 was the strongest year in terms of beneficiary coverage, with 1,03,219 units, while 2023–24 was the strongest year in terms of subsidy disbursement, with ₹3,093.87 crore. The sharp decline in beneficiary coverage during 2024–25, followed by the 11.37% recovery in 2025–26, indicates considerable variation in implementation. At the same time, the rise in average subsidy from ₹2.88 lakh to ₹3.70 lakh per unit shows increasing financial support at the enterprise level. Therefore, future implementation should focus on expanding the number of assisted units while retaining adequate subsidy levels, so that higher financial assistance translates into broader entrepreneurship, enterprise creation and employment opportunities.

Table - 2

Disbursement of margin money subsidy under PMEGP

SI. No.	Financial year	Margin money subsidy disbursed	
		No. of units assisted	Amount (Rs. Cr)
1	2021-22	1,03,219	2,977.65
2	2022-23	85,167	2,722.17
3	2023-24	89,118	3,093.87
4	2024-25	59,708	2,202.00
5	2025-26	66,494	2,457.34
Total		4,03,706	13,453.04

Source:
https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2035100&reg=48&lang=2

Note: Financial year **2025-26 data upto 08-05-2026**

EMPLOYMENT PERFORMANCE

Table-3 presents the estimated employment generation under the Prime Minister's Employment Generation Programme (PMEGP) during 2021–22 to 2025–26. Over the five-year period, PMEGP was estimated to generate 36,33,354 employment opportunities, averaging approximately 7,26,671 opportunities per year. The data show considerable annual variation, with employment generation closely reflecting changes in the scale and implementation of PMEGP-supported projects. In 2021–22, estimated employment generation reached 9,28,971 opportunities, the highest level during the period. This strong performance indicates extensive employment potential through PMEGP-supported micro-enterprises. In 2022–23, employment generation declined to 7,66,503, a reduction of 1,62,468 opportunities or 17.49%. Despite the decline, the programme continued to generate more than 7.66 lakh estimated employment opportunities, demonstrating its substantial contribution to livelihood creation.

Employment generation recovered moderately in 2023–24, increasing to 8,02,062 opportunities. This represented an increase of 35,559 opportunities or 4.64% over 2022–23. However, the level remained 1,26,909 opportunities lower than the 2021–22 peak. The positive growth nevertheless indicates an improvement in employment-generating activity during the year. A sharp contraction occurred in 2024–25, when estimated employment generation fell to 5,37,372 opportunities. This was a decline of 2,64,690 opportunities or 33.00%, making it the lowest annual performance in the five-year period. The decline was substantial compared with both 8,02,062 opportunities in 2023–24 and the 9,28,971 opportunities recorded in 2021–22, indicating a significant reduction in the estimated employment potential of supported projects.

In 2025–26, employment generation improved to 5,98,446 opportunities, representing an increase of 61,074 opportunities or 11.37% over 2024–25. This recovery is significant because it reversed part of the previous year's decline. However, employment generation remained 3,30,525 opportunities, or about 35.58%, below the 2021–22 level, indicating that the recovery was only partial.

The cumulative distribution of employment generation provides further insight. 2021–22 contributed 25.56% of total estimated employment, followed by 2022–23 with 21.09%, 2023–24 with 22.08%, 2024–25 with 14.79%, and 2025–26 with 16.47%. Thus, the first three years together accounted for 24,97,536 employment opportunities, or approximately 68.74% of the five-year total. The remaining two years contributed about 31.26%, reflecting the contraction in employment generation after 2023–24.

The gap between the highest and lowest annual outcomes was also considerable. The difference between the peak of 9,28,971 opportunities in 2021–22 and the low of 5,37,372 in 2024–25 was 3,91,599 opportunities. The lowest year therefore generated approximately 42.15% fewer employment opportunities than the highest year. This wide variation highlights the need for more consistent implementation and timely conversion of sanctioned projects into operational enterprises.

A comparison of the beginning and end of the period shows that estimated employment generation declined from 9,28,971 in 2021–22 to 5,98,446 in 2025–26, a reduction of 3,30,525 opportunities or 35.58%. At the same time, the increase of 11.37% in 2025–26 indicates a positive change after the sharp contraction in 2024–25. The figures therefore suggest that PMEGP has retained substantial employment-generating potential, although the programme has yet to return to its earlier performance levels.

The employment figures can also be considered alongside the PMEGP project and subsidy trends. The decline in employment during 2024–25 coincided with a reduction in assisted units, while the recovery in 2025–26 was accompanied by an increase in assisted units. This relationship suggests that the scale of beneficiary coverage has an important influence on estimated employment generation. However, employment outcomes may also depend on the size, nature and operational capacity of individual enterprises, meaning that an increase in project numbers does not necessarily translate into an identical increase in employment.

Overall, PMEGP generated an estimated 36.33 lakh employment opportunities during 2021–22 to 2025–26, confirming its importance as an instrument for promoting self-employment, entrepreneurship and livelihood opportunities. 2021–22 was the strongest year with 9,28,971 opportunities, while 2024–25 was the weakest with 5,37,372. The subsequent 11.37% recovery in 2025–26 is encouraging, but the programme still recorded fewer employment opportunities than in the first three years. The findings therefore emphasize the importance of improving project implementation, expanding beneficiary coverage and ensuring timely access to institutional finance so that PMEGP can generate more stable and sustainable employment outcomes.

Table - 3

Employment generation achievements under PMEGP

SI. No.	Financial year	Estimated Employment Generation	Employment growth rate
1	2021-22	9,28,971	--
2	2022-23	7,66,503	-17.49
3	2023-24	8,02,062	4.64
4	2024-25	5,37,372	-33.00
5	2025-26	5,98,446	11.37
Total		36,33,354	

Source:
https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2035100&reg=48&lang=2

Note: Financial year 2025-26 data upto 08-05-2026

FINDINGS

1. The period of 2021–22 to 2023–24 showed robust growth in sanctioned projects, hitting a peak of 1,65,725 projects in 2022–23.
2. A sharp contraction occurred between 2023–24 and 2025–26, with sanctioned projects plunging by 70% down to 49,708 projects.
3. Average loan sizes grew steadily over the five years, increasing from ₹8.49 lakh in 2021–22 to ₹12.55 lakh in 2025–26.
4. Over 65.37% of total margin money assistance was heavily concentrated in the first three years of the period.
5. Margin money subsidy disbursements saw a steep drop of 33% in 2024–25 and dropped to ₹2,457.34 crore by 2025–26.
6. Employment opportunities peaked in 2021–22 with 9,28,971 jobs created, driven by large-scale project setups.
7. Mirroring the project decline, employment generation dropped by 33% in 2024–25 and fell to 5,98,446 jobs by 2025–26.

SUGGESTIONS

1. Implement targeted outreach to arrest the massive 70% slide in project approvals witnessed in the later years.
2. Address underlying bottlenecks causing bank credit contractions to ensure a steady, reliable flow of financial assistance.
3. Create mechanisms to distribute margin money subsidies evenly across all years instead of heavily front-loading them.
4. Boost the budget and processing speed for subsidy disbursements in future cycles to match early-stage performance.
5. Prioritize funding for micro-enterprises with high labor demands to reverse the downward trend in employment generation.
6. Help existing units maximize their operational capacity to secure stable, long-term employment growth rather than just temporary setups.
7. Upgrade tracking infrastructure to ensure timely financial sanctions, widening beneficiary coverage during economic slowdowns.

CONCLUSION

The Prime Minister's Employment Generation Programme (PMEGP) has proven to be a highly effective instrument for rural industrialization, social inclusion, and grassroots economic development, successfully exceeding its 15th Finance Commission target by establishing 4,03,706 micro-enterprises, fully utilizing its ₹13,554.42 crore budget, and generating 36.33 lakh jobs. A deeper cumulative analysis since its 2008–09 inception reveals an extraordinary long-term footprint of 10.73 lakh micro-enterprises and 87.37 lakh jobs backed by ₹29,295 crore in Margin Money, with strong structural inclusivity as 80% of units operate in rural areas, 15% in Aspirational Districts, and over 50% under women, SC, and ST ownership. Operationally, the program successfully intensified individual enterprise-level backing—evidenced by the dashboard average loan size scaling from ₹8.49 lakh to ₹12.55 lakh and average subsidies rising from ₹2.88 lakh to ₹3.70 lakh per unit—yet it simultaneously faced a sharp, multi-year volume contraction following its 2021–22 peak (1,03,219 units; 9.29 lakh jobs) down to a trough in 2024–25 (5.37 lakh jobs). Although a subsequent 11.37% recovery phase up to December 2025 (54,351 units; ₹2,128.93 crore subsidy) demonstrates systemic resilience, the overall trend underscores a critical transition from high-volume, lower-budget projects to higher-value, credit-intensive investments. Moving forward, strategic policy execution must focus on expanding digital bank credit outreach to a larger pool of eligible grassroots entrepreneurs, resolving administrative bottlenecks to stabilize yearly fluctuations, and balancing high individual funding thresholds with broader beneficiary coverage to guarantee sustainable, long-term employment generation.

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