

**PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP)**

<b>Purpose</b>	To generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises.			
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>i. Any individual, above 18 years of age</li> <li>ii. There will be no income ceiling for assistance for setting up projects under PMEGP.</li> <li>iii. For setting up of project costing above Rs.10 lakhs in the manufacturing sector and above Rs. 5 lakhs in the business /service sector, the beneficiaries should possess at least VIII standard pass educational qualification.</li> <li>iv. Assistance under the Scheme is available only for new projects sanctioned specifically under the PMEGP.</li> <li>v. A certified copy of the caste/community certificate or relevant document issued by the competent authority in the case of other special categories is required to be produced by the beneficiary.</li> <li>vi. Existing Units (under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.</li> <li>vii. Negative list of activities will not be permitted under PMEGP for setting up of micro enterprises/ projects /units.</li> <li>viii. Only one person from one family is eligible for obtaining financial assistance for setting up of projects under PMEGP. The 'family' includes self and spouse.</li> <li>ix. industries/Business connected with Animal Husbandry such as Dairy, Poultry, Aquaculture, Insects(Sericulture,Bees) will also be allowed.</li> </ul>			
<b>Project cost</b>	<ul style="list-style-type: none"> <li>i. Cost of the project to be set up under the scheme, should not exceed Rs. 50 lakhs in respect of manufacturing activity and Rs. 20 lakhs in respect of Service / business activity (including Term loan for Capital Expenditure and Working Capital, if any) for all categories of eligible borrowers for availing Margin Money Subsidy. If the total project cost exceeds Rs.50 lakhs or Rs.20 lakhs for Manufacturing and Service/Business sector respectively, the balance amount (excluding the own contribution) may be provided by Banks without any Government subsidy.</li> <li>ii. An additional component for expanding/upgrading the existing unit set up under PMEGP/REGP/MUDRA has been added, wherein the units already setup under PMEGP/REGP/MUDRA and performing very well in terms of turnover, profit making and loan repayment will be eligible for availing further financial assistance of up to Rs.1.00 crore for Manufacturing units, through Banks with uniform subsidy of 15-20% by the Government for all specified categories. For Service/Trading units the financial assistance would be up to Rs.25 lakhs only.</li> </ul>			
<b>Margin</b>	Categories of beneficiaries under PMEGP (for setting up of new enterprises)	Beneficiary's Contribution (of project cost)	Rate of Subsidy (of project cost)	
	Area (location of project/unit)		Urban	Rural
	General Category	10%	15%	25%
	Special Category (including SC, ST, OBC, Minorities, Women, Ex-Servicemen, Transgender, Differently-abled, NER, Aspirational Districts, Hill etc.	5%	25%	35%

<b>Other conditions</b>	<p>I) Projects financed jointly i.e., financed from two different sources (Banks / Financial Institutions), are not eligible for Margin Money (subsidy) assistance.</p> <p>II) EDP training is a mandatory training to be undergone by beneficiary to be eligible for sanction and release of loan to the beneficiary. The applicants who have already undergone training of at least 10 days (for offline mode) / 60 Hours (for online mode) under EDP / Skill Development Programme (SDP) / Entrepreneurship cum Skill Development Programme (ESDP) or Vocational Training (VT) need not undergo EDP training again. EDP training is mandatory for claiming the Margin Money (subsidy). The training will include interaction with successful rural entrepreneur, Banks as well as orientation through field visits. No EDP training will be mandatory for projects up to Rs.2 Lakh. The prospective entrepreneurs and beneficiaries can opt for the mode of training i.e. Online and Offline.</p>
<b>Repayment</b>	3 to 7 years with an initial moratorium not exceeding 6 (six) months.
<b>ROI</b>	As per extant guidelines of the Bank issued from time to time, as applicable to the type of activity (industry/service).
<b>Security</b>	Assets created out of the bank's finance.
<b>Service fee</b>	As per extant guidelines of the Bank.
<b>CGTMSE coverage</b>	Eligible units to be covered.
<b>Tenability</b>	2021-22 to 2025-26.

Terms & Conditions apply. The information provided above is only illustrative and not exhaustive.

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