

## PMEGP and Entrepreneurship Development in India: An Analysis of Subsidy Utilization and Employment Generation

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### ABSTRACT

The Prime Minister's Employment Generation Programme has played a significant role in shaping India's entrepreneurial landscape by generating employment opportunities at the grassroots level, reducing poverty, promoting entrepreneurship, and strengthening the rural economy. This study analyses the performance of PMEGP in India using secondary data collected from publications since the inception of the programme. The study examines state-wise project assistance, margin money subsidy disbursement, and employment generation. The analysis reveals considerable inter-state variations in the number of projects assisted, margin money subsidy utilized, and employment generated. The findings indicate a substantial increase in both margin money subsidy disbursed and employment opportunities created under PMEGP during the period from 2008-09 to 2023-24, reflecting the growing effectiveness of the scheme in promoting self-employment and micro-enterprise development. The study further identifies a very significant positive relationship between margin money subsidy utilized and employment generated. PMEGP significantly supported women entrepreneurship, although a decline was observed in the recent year. The study provides valuable insights for policymakers, researchers, and practitioners seeking to strengthen employment-oriented entrepreneurship programmes and promote inclusive economic development in India.

Keywords: Entrepreneurship, Unemployment, Employment generation, Margin money subsidy

### 1.Introduction

Unemployment has remained one of the major socio-economic problems in India for a long period. It is also a global issue, and international organizations such as the International Labour Organization have predicted a further rise in unemployment levels in India in the coming years (Khem Chand et al., 2017). The negative effect of unemployment in developing countries like India has created the greatest problem for the people and society and adversely affects consumption, purchasing power, and the capability of production for the economy (Sinha, 2022). Entrepreneurs in India are experiencing difficulties due to the government's failure to provide timely financial assistance (Wadichar et al., 2022). The Prime Minister's Employment Generation Programme PMEGP can contribute significantly to shaping the entrepreneurial landscape by generating employment opportunities at the local level, reducing poverty, promoting entrepreneurship, and strengthening the rural economy (Kritika & Prarag, 2025). The lack of stable employment opportunities often leads to the underutilization and migration of young talent in an economy. Entrepreneurship plays a significant role in fostering business growth, enhancing competitiveness, and promoting long-term economic development.

PMEGP is a flagship credit-linked subsidy scheme of the Government of India that aims to generate sustainable employment through the establishment of new micro enterprises in rural and urban areas. The scheme was introduced by merging the earlier Prime Minister's Rojgar Yojana and Rural Employment Generation Programme. PMEGP is implemented as a central sector scheme under the Ministry of Micro, Small and Medium Enterprises. The Khadi and Village Industries Commission acts as the national nodal agency for the scheme. At the state and district levels, the programme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards, District Industries Centres, and participating banks. The subsidy amount is routed through banks and directly credited to the beneficiaries' accounts to ensure transparency and financial inclusion. The main objectives of PMEGP are to promote self-employment, support traditional artisans and unemployed youth, and reduce rural-urban migration by creating jobs at the local level. The scheme is open to individuals above 18 years of age, with minimum educational qualifications required for higher-cost projects. Financial assistance is provided only for new and viable projects, while existing units that have already received subsidies under other government schemes are excluded. PMEGP supports various manufacturing, service, and village industry activities, except prohibited categories. The implementation of the scheme focuses on institutional coordination, entrepreneurship development training, project appraisal, and bank-led financial support. Through the combined efforts of KVIC, KVIBs, DICs, banks, NGOs, Panchayati Raj Institutions, and other agencies, PMEGP strengthens grassroots entrepreneurship and contributes to inclusive and balanced economic development (KVIC, 2024).

### **1.1 Statement of the Problem**

One of the sectors of Indian economy that has been negatively affected by COVID - 19 pandemic is MSME sector. Due to its weak financial structure, low operational size, small business scale and limited accessibility to financial resources this sector has suffered immensely (Debadatta Adak and Shekhar Das,2024). Although PMEGP has been implemented extensively across different states and union territories, considerable variations exist in terms of projects assisted, margin money subsidy utilized, and employment generated. Such regional disparities necessitate a detailed examination of the state-wise performance of PMEGP to understand the effectiveness of the programme across India. The long-term trend in margin money subsidy utilization and employment generation under PMEGP requires systematic analysis to evaluate whether the scheme has achieved sustained growth over the years. Since PMEGP primarily aims at employment generation through financial assistance, it is important to examine the relationship between margin money subsidy utilized and employment generated in order to assess the effectiveness of financial support in creating entrepreneurship. In this context, the present study attempts to analyse the state-wise performance, trend, and relationship between subsidy utilization and employment generation under PMEGP in India.

### **1.2 Objectives of the Study**

To analyse the state-wise performance of PMEGP in terms of the number of projects assisted, margin money subsidy disbursed, and employment generated during the period 2021-22 to 2023-24.

To analyse the trend in margin money subsidy utilized and employment generated under PMEGP in India during the period from 2008-09 to 2023-24.

To examine the relationship between margin money subsidy utilized and employment generated under PMEGP in India.

### **1.3 Significance of the Study**

In India, many entrepreneurs face challenges due to the government's failure to provide timely financial assistance. To address this issue, the government launched PMEGP as a mechanism for financing various economic activities undertaken by entrepreneurs, which in turn generates employment and boosts the economy (Archana & Ragunadan, 2025).Evaluating the performance of such a programme is inevitable to understand its effectiveness in addressing unemployment and fostering inclusive economic growth. The present study is significant in several respects. By studying the state-wise performance in terms of projects assisted, margin money subsidy disbursed, and employment generated, the study helps identify regional disparities and variations in implementation efficiency. Such findings can assist policymakers and implementing agencies in improving resource allocation and strengthening programme delivery systems. The findings of the study may be useful to policymakers, academicians, researchers, and practitioners interested in entrepreneurship development. The study is relevant as it evaluates the effectiveness of financial assistance provided under PMEGP in creating employment opportunities.

### **1.4 Scope of the Study**

The scope of the present study is confined to the analysis of the PMEGP since its inception in India. The study examines the state-wise performance of PMEGP in terms of the number of projects assisted, margin money subsidy disbursed, and employment generated during the period 2021-22 to 2023-24. Further, the study examines the relationship between the margin money subsidy assisted and employment generation under PMEGP for the period 2008-09 to 2023-24. The analysis is based entirely on secondary sources such as annual reports, official PMEGP publications, and other relevant data. The study is limited to quantitative analysis and does not include primary data from beneficiaries.

## **2. Literature Review**

Entrepreneurship and economic development go hand in hand to make the development process sustainable (Gargi Banerjee,2019 ). Research by Sanjeeb Kumar Jena and Riko Mihu (2018) found that PMEGP positively influenced entrepreneurial growth through improvements in enterprise income, profit, savings, employment generation, repayment capacity, transactional relationships, and record management practices. Similarly, Amar Kuldeep Guria (2024) observed that the programme was successful in creating employment opportunities, particularly in rural areas, while also contributing to income generation and poverty reduction. The role of PMEGP as a major self-employment initiative has also been highlighted by several scholars. Amrinder Kaur (2014) described PMEGP as an important scheme for promoting self-employment and employment generation

in both rural and urban areas, although the demand for assistance under the scheme often exceeds the available support. Likewise, Rahul K. Wadichar, Jaywant D. Wadate, and Prashant Manusmare (2022) concluded that PMEGP has emerged as an effective livelihood tool for reducing unemployment, poverty, and socio-economic disparities among beneficiaries, particularly educated youth and women. Supporting this view, M. S. Altamash and D. M. Khandare (2020) reported that the programme significantly improved the living standards of beneficiaries by generating sustainable livelihood opportunities. Researchers have also emphasized the broader contribution of the MSME sector to entrepreneurship and economic growth. Satrajeet Choudhury and Anupam Ghosh (2015) argued that properly developed small-scale industries can generate large-scale employment opportunities, raise income levels, and promote balanced economic development. In the same context, J. Suresh Kumar and D. Shobana (2022) noted that the MSME sector has become a dynamic component of the Indian economy and serves as one of the largest sources of employment and entrepreneurship development.

Despite these achievements, several studies have pointed out the challenges associated with PMEGP and MSME development. Rahul K. Wadichar et al. (2022) suggested that the government should simplify capital requirements and improve awareness mechanisms to ensure wider access to PMEGP benefits. Similarly, Pratap J. Phalphale and Saurabh U. Shinde (2025) observed that many MSME schemes fail to effectively reach rural beneficiaries because of poor awareness, inadequate infrastructure, and ineffective delivery systems. S. Subrahmanyam, S. Sarada Devi, and Ramadevi Puli (2025) further identified limited access to finance, outdated technology, marketing difficulties, and regulatory barriers as major obstacles to MSME growth. Regional studies also provide important insights into the effectiveness of PMEGP. Dinesh Gupta (2018), in a study conducted in Sikkim, found that PMEGP and related state government schemes were effective in generating employment opportunities; however, the industrial coverage remained limited. The study recommended the introduction of industry-specific training programmes and diversification of the industrial base to strengthen the long-term impact of the scheme.

**3. Materials and Methods**

The study adopts a descriptive and analytical research design to analyse the performance of the PMEGP in India. The analysis is based exclusively on secondary data collected from reliable sources such as MSME Annual Reports, PMEGP official publications, KVIC reports, and other relevant documents. The study covers multiple time periods, primarily from 2017-18 to 2023-24, to analyse trends in number of projects assisted, margin money subsidy disbursed, and employment generated. Statistical tools such as percentage analysis, growth analysis, trend analysis and correlation analysis are employed to analyse the data. Due to the use of secondary data and macro-level indicators, the study focuses on overall programme performance rather than individual beneficiary level outcomes.

**4. Results and Discussion**

**4.1 Analysis of State-wise performance under PMEGP in India (2021-22 to 2023-24)**

The below given tables show the relative contribution of each State to the overall performance of the PMEGP.

**4.1.1 State wise Performance under PMEGP during the year 2021-22**

Table 1. State wise Performance under PMEGP during the year 2021-22

Sr. No	State / UT	Projects Assisted	% of Total Projects	Margin Money Subsidy (₹ lakh)	% of Total Subsidy	Employment Generated	% of Total Employment
1	Chhattisgarh	3,020	2.93	6,940.38	2.33	24,798	2.63
2	Madhya Pradesh	8,082	7.83	20,957.75	7.04	71,037	7.53
3	Uttar Pradesh	12,594	12.21	41,163.38	13.83	1,23,100	13.06
4	Uttarakhand	1,836	1.78	3,982.66	1.34	11,454	1.21
5	Andaman &	162	0.16	238.55	0.08	362	0.04

	Nicobar						
6	Bihar	2,477	2.40	8,169.4	2.74	26,132	2.77
7	Jharkhand	1,714	1.66	4,187.74	1.41	13,295	1.41
8	Odisha	4,301	4.17	11,334.24	3.81	35,928	3.81
9	West Bengal	2,305	2.23	8,538.3	2.87	24,061	2.55
10	Chandigarh (UT)	21	0.02	62.09	0.02	202	0.02
11	Delhi	100	0.10	315.21	0.11	1,393	0.15
12	Haryana	1,726	1.67	6,092.79	2.05	17,613	1.87
13	Himachal Pradesh	1,274	1.24	3,550.65	1.19	9,320	0.99
14	Jammu & Kashmir	21,648	20.99	46,710.12	15.69	1,31,494	13.95
15	Ladakh (UT)	295	0.29	1,182.27	0.40	2,561	0.27
16	Punjab	1,790	1.73	6,017.08	2.02	16,071	1.71
17	Rajasthan	2,599	2.52	9,024.59	3.03	26,275	2.79
18	Arunachal Pradesh	196	0.19	788.85	0.26	2,697	0.29
19	Assam	3,855	3.74	6,658.49	2.24	21,039	2.23
20	Manipur	1,139	1.10	3,337.08	1.12	12,685	1.35
21	Meghalaya	699	0.68	974.01	0.33	3,719	0.39
22	Mizoram	650	0.63	1,461.58	0.49	4,577	0.49
23	Nagaland	1,241	1.20	2,494.69	0.84	11,932	1.27
24	Sikkim	85	0.08	214.27	0.07	615	0.07
25	Tripura	958	0.93	2,083.56	0.70	6,640	0.70
26	Andhra Pradesh	2,477	2.40	10,088.56	3.39	31,271	3.32
27	Karnataka	5,877	5.70	15,841.47	5.32	58,233	6.18
28	Kerala	2,789	2.70	6,858.02	2.30	22,748	2.41
29	Lakshadweep	7	0.01	17.49	0.01	50	0.01
30	Puducherry	66	0.06	144.25	0.05	535	0.06
31	Tamil Nadu	5,972	5.79	16,444.67	5.52	59,821	6.35
32	Telangana	2,906	2.82	9,845.50	3.31	32,401	3.44
33	Dadra Nagar Haveli	5	0.00	25.51	0.01	84	0.01
34	Daman & Diu	3	0.00	7.56	0.00	32	0.00
35	Goa	87	0.08	298.18	0.10	935	0.10
36	Gujarat	4,140	4.01	28,696.67	9.64	92,640	9.83
37	Maharashtra	4,123	3.99	12,991.86	4.37	44,898	4.76
	Grand Total	1,03,219	100	2,97,739.47	100	9,42,648	100

**Source: Compiled and calculated from KVIC, PMEGP Annual Report**

The above data shows substantial growth in both project implementation and employment generation across India. Uttar Pradesh, Jammu & Kashmir, and Madhya Pradesh emerge as the leading states. Uttar Pradesh contributed 12.21% of total projects, received 13.83% of the total margin money subsidy, and generated 13.06% of total employment under PMEGP. Jammu & Kashmir and Madhya Pradesh also show strong performance. Smaller states and union territories such as Lakshadweep, Daman & Diu, and Dadra & Nagar Haveli account for less than 0.1% of total projects, subsidies, and employment, suggesting limited program penetration in these places.

**4.1.2 State wise Performance under PMEGP during the year 2022-23**

Table 2. State wise Performance under PMEGP during the year 2022-23

Sr.	State / UT	No. of Projects Assisted	% of Total Projects	Margin Money Subsidy (₹ lakh)	% of Total Margin Money	Employment Generated	% of Total Employment
1	CHHATTISGARH	2543	2.99	7492.77	2.75	22457	2.92
2	MADHYA PRADESH	5957	7.00	18129.70	6.66	53789	7.00
3	UTTAR PRADESH	11601	13.63	37865.82	13.90	106596	13.87
4	UTTARAKHAND	1803	2.12	4631.73	1.70	12032	1.57
5	ANDAMAN NICOBAR	121	0.14	202.92	0.07	286	0.04
6	BIHAR	4459	5.24	12123.20	4.45	38051	4.95
7	JHARKHAND	1851	2.18	4837.65	1.78	13506	1.76
8	ODISHA	3880	4.56	10731.75	3.94	30136	3.92
9	WEST BENGAL	2126	2.50	7408.96	2.72	20198	2.63
10	CHANDIGARH-UT	15	0.02	44.53	0.02	98	0.01
11	DELHI	72	0.08	471.11	0.17	1168	0.15
12	HARYANA	1559	1.83	6319.98	2.32	15621	2.03
13	HIMACHAL PRADESH	930	1.09	3149.58	1.16	5949	0.77
14	JAMMU KASHMIR	12023	14.12	23993.89	8.81	67332	8.76
15	LADAKH	91	0.11	376.09	0.14	787	0.10
16	PUNJAB	1564	1.84	7250.63	2.66	13785	1.79
17	RAJASTHAN	2037	2.39	11418.57	4.19	21688	2.82
18	ARUNACHAL PRADESH	158	0.19	701.26	0.26	2098	0.27
19	ASSAM	2596	3.05	5954.20	2.19	15922	2.07
20	MANIPUR	545	0.64	1462.51	0.54	5166	0.67
21	MEGHALAYA	306	0.36	665.74	0.24	1902	0.25
22	MIZORAM	412	0.48	1353.86	0.50	3892	0.51
23	NAGALAND	469	0.55	1535.13	0.56	5427	0.71
24	SIKKIM	57	0.07	131.46	0.05	371	0.05

25	TRIPURA	703	0.83	1689.01	0.62	4688	0.61
26	ANDHRA PRADESH	3073	3.61	12929.93	4.75	37076	4.83
27	KARNATAKA	5618	6.60	16154.42	5.93	51944	6.76
28	KERALA	3129	3.67	7329.23	2.69	18687	2.43
29	LAKSHADWEEP	2	0.00	2.49	0.00	7	0.00
30	PUDUCHERRY	25	0.03	65.56	0.02	310	0.04
31	TAMIL NADU	6140	7.21	17891.66	6.57	61451	7.99
32	TELANGANA	2540	2.98	10225.11	3.75	28198	3.67
33	DADRA NAGAR HAVELI	3	0.00	17.45	0.01	56	0.01
34	DAMAN AND DIU	3	0.00	10.85	0.00	37	0.00
35	GOA	66	0.08	291.08	0.11	828	0.11
36	GUJARAT	3068	3.60	24171.77	8.87	64302	8.37
37	MAHARASHTRA	3622	4.25	13185.85	4.84	42243	5.50
	Grand Total	85,167	100	272217.45	100	768084	100

**Source: Compiled and calculated from KVIC, PMEGP Annual Report**

PMEGP 2022-23 had supported a total of 85,167 projects across. Uttar Pradesh stands out as the leading contributor with 11,601 projects (13.63%), the highest subsidy of ₹37,865.82 lakh (13.90%), and 1,06,596 jobs (13.87). Other top performing states include Jammu & Kashmir, Tamil Nadu, Madhya Pradesh, and Gujarat. The percentage analysis highlights disparities in the distribution of projects, subsidy, and employment. States like Uttar Pradesh, Tamil Nadu, and Gujarat demonstrate high efficiency in converting subsidy into employment, whereas smaller states and union territories such as Lakshadweep, Dadra & Nagar Haveli, and Daman & Diu contribute minimal.

#### 4.1.3 State wise Performance under PMEGP during the year 2023-24

Table 3. State wise Performance under PMEGP during the year 2023-24

Sr.	State/UT	No. of Projects Assisted	% of Total Projects	Margin Money Subsidy (₹ lakh)	% of Total Subsidy	Employment Generated	% of Total Employment
1	CHHATTISGARH	2379	2.67	7625.32	2.46	18966	2.66
2	MADHYA PRADESH	5292	5.93	18521.49	5.99	44647	6.27
3	UTTAR PRADESH	11689	13.11	43528.99	14.08	112217	15.75
4	UTTARAKHAND	1354	1.52	4191.68	1.35	8420	1.18
5	ANDAMAN NICOBAR	135	0.15	134.35	0.04	247	0.03
6	BIHAR	6837	7.67	19175.75	6.20	53275	7.48
7	JHARKHAND	2101	2.36	5123.27	1.66	12621	1.77
8	ODISHA	2975	3.34	9354.84	3.02	21833	3.06
9	WEST BENGAL	1919	2.15	7423.17	2.40	17677	2.48
10	CHANDIGARH-UT	10	0.01	22.19	0.01	42	0.01
11	DELHI	50	0.06	334.32	0.11	965	0.14

12	HARYANA	1398	1.57	7325.23	2.37	13992	1.96
13	HIMACHAL PRADESH	974	1.09	3647.92	1.18	5136	0.72
14	JAMMU KASHMIR	15065	16.90	28249.88	9.14	74805	10.50
15	LADAKH	122	0.14	584.66	0.19	889	0.12
16	PUNJAB	1469	1.65	9087.81	2.94	11726	1.65
17	RAJASTHAN	1678	1.88	12406.43	4.01	19467	2.73
18	ARUNACHAL PRADESH	169	0.19	1764.81	0.57	2200	0.31
19	ASSAM	2417	2.71	6406.26	2.07	13786	1.94
20	MANIPUR	348	0.39	810.72	0.26	3124	0.44
21	MEGHALAYA	280	0.31	725.03	0.23	1430	0.20
22	MIZORAM	401	0.45	1755.33	0.57	4278	0.60
23	NAGALAND	517	0.58	2917.65	0.94	5838	0.82
24	SIKKIM	132	0.15	449.18	0.15	867	0.12
25	TRIPURA	588	0.66	1444.21	0.47	3593	0.50
26	ANDHRA PRADESH	5577	6.26	17199.84	5.56	40268	5.65
27	KARNATAKA	4672	5.24	15862.48	5.13	37228	5.22
28	KERALA	3389	3.80	7881.81	2.55	13946	1.96
29	PUDUCHERRY	30	0.03	97.44	0.03	441	0.06
30	TAMIL NADU	6814	7.64	19871.81	6.42	48733	6.84
31	TELANGANA	2503	2.81	10811.78	3.49	23673	3.32
32	DADRA NAGAR HAVELI	4	0	23.16	0.01	63	0.01
33	DAMAN AND DIU	6	0.01	42.09	0.01	75	0.01
34	GOA	68	0.08	322.70	0.10	664	0.09
35	GUJARAT	2994	3.36	32082.49	10.37	60354	8.47
36	MAHARASHTRA	2762	3.10	12181.54	3.94	35207	4.94
Grand Total		89118	100	309387.63	100	712693	100

**Source: Compiled and calculated from KVIC, PMEGP Annual Report**

The data indicates that Uttar Pradesh, Madhya Pradesh, and Jammu & Kashmir emerged as the leading states in terms of projects assisted, margin money subsidy disbursed, and employment generated under PMEGP during 2023–24. Uttar Pradesh alone accounted for 13.11% of total projects, 14.08% of total subsidy disbursed, and 15.75% of total employment generated, demonstrating its dominant contribution to the programme. In contrast, smaller states and union territories such as Andaman & Nicobar Islands, Puducherry, Dadra & Nagar Haveli, and Daman & Diu recorded only a marginal share, indicating that the benefits of PMEGP are concentrated mainly in larger and more economically active regions.

**4.2 Trend Analysis of the Relationship between Margin Money Subsidy Utilized and Employment Generated.**

Table 4. Trend Analysis of the Relationship between Margin Money Subsidy Utilized and Employment Generated

Year	Margin Money Subsidy Utilized (₹ Crore)	Index	Employment Generated	Index
2008-09	356.23	100.00	1,53,328	100.00
2009-10	762.44	214.02	3,27,344	213.49
2010-11	891.18	250.16	3,92,512	255.99
2011-12	1,057.84	296.96	4,41,080	287.66
2012-13	1,080.66	303.37	4,63,072	301.99
2013-14	1,076.44	302.18	4,03,944	263.45
2014-15	1,122.54	315.12	3,85,344	251.32
2015-16	1,020.06	286.34	3,54,720	231.35
2016-17	1,280.94	359.57	4,08,000	266.10
2017-18	1,312.40	368.40	3,87,184	252.52
2018-19	2,070.01	581.07	5,87,416	383.11
2019-20	1,950.82	547.61	5,33,224	347.77
2020-21	2,188.80	614.41	5,95,320	388.26
2021-22	2,977.66	835.92	8,25,752	538.54
2022-23	2,722.17	764.20	6,81,336	444.36
2023-24	3,093.88	868.59	7,12,944	464.98
2024-25	2,202.00	618.13	4,77,664	311.53

Source: Compiled and calculated from KVIC, PMEGP Annual Report

The trend analysis of margin money subsidy utilized and employment generated under PMEGP from 2008-09 to 2023-24 indicates a strong upward movement. Taking 2008-09 as the base year, the trend index of margin money subsidy increased from 100 to 868.59 in 2023-24. It reflects a substantial rise in financial assistance provided under the scheme. The index of employment generated increased from 100 to 464.98, showing significant improvement in self-employment opportunities. Although moderate fluctuations were observed during the middle years, particularly from 2013-14 to 2017-18, the scheme recorded rapid growth after 2018-19. The highest growth was observed in 2021-22 and 2023-24.

**4.3 Relationship between Margin money subsidy utilized and Employment Generated**

Table 5: Relationship between Margin money subsidy utilized and Employment Generated

**Correlations**

	Margin Money Subsidy Utilized	Employment Generated
Margin Money Utilized	1	.960**
Pearson Correlation Sig. (2-tailed)		.000

Employment Generated	N	16	16
	Pearson Correlation	.960**	1
	Sig. (2-tailed)	.000	
	N	16	16

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis reveals a very high positive relationship between margin money subsidy utilized and employment generated under PMEGP during the period of study. The Pearson correlation coefficient between the two variables is **0.960** and that indicates an extremely strong positive association. The significance value (p-value) is **0.000**, which is less than the 0.01 level of significance. Therefore, the relationship is statistically significant at the 1 percent level and it confirms that the association between the variables is not due to random variation. The analysis clearly suggests that the utilization of margin money subsidy has played a crucial role in enhancing employment opportunities through PMEGP.

#### 4.4 Women Entrepreneurs Assisted under PMEGP

**Table 6:** Women Entrepreneurs Assisted under PMEGP

Year	Number of Women Entrepreneurs	Annual Growth Rate (%)
2020–21	27,285	–
2021–22	39,156	43.51
2022–23	32,626	-16.68
2023–24	36,806	12.81
2024–25	23,434	-36.33

Source compiled from MSME annual reports-various years

The data indicate that PMEGP has played a significant role in promoting women entrepreneurship in India. The number of women beneficiaries increased substantially from 27,285 in 2020–21 to 39,156 in 2021–22, registering a growth rate of 43.51 percent. Although the number declined during 2022–23, it recovered again in 2023–24 with 36,806 beneficiaries. However, a sharp decline was observed in 2024–25, where the number fell to 23,434.

#### 4.5 Differently-Abled (PHC) Entrepreneurs Assisted under PMEGP

**Table 7.** Differently-Abled (PHC) Entrepreneurs Assisted under PMEGP

Year	PHC Entrepreneurs	Annual Growth Rate (%)
2021–22	484	–
2022–23	433	-10.54
2023–24	349	-19.40
2024–25	213	-38.97

The data relating to differently-abled entrepreneurs under PMEGP reveal a declining trend during the study period. The number of beneficiaries decreased from 484 in 2021–22 to 213 in 2024–25. The annual growth rates remained negative throughout the period, indicating a continuous reduction in assistance provided to differently-abled entrepreneurs

### **5. Major findings**

1. UP consistently emerged as the leading state under PMEGP during the study period. It records the highest share in projects assisted, margin money subsidy disbursed, and employment generated across most years from 2021-22 to 2023-24.
2. Madhya Pradesh, Jammu & Kashmir, Gujarat, Tamil Nadu, Karnataka, and Maharashtra also demonstrated strong PMEGP performance. It reflects the role of industrial infrastructure, entrepreneurial climate, and effective implementation of PMEGP in these regions.
3. It reveals significant regional disparities in PMEGP performance. The smaller states and Union Territories like Lakshadweep, Daman & Diu, Dadra & Nagar Haveli, Andaman & Nicobar Islands, and Puducherry contributed only a marginal share in projects, subsidy utilization, and employment generation.
4. The study found a substantial increase in both margin money subsidy utilized and employment generated under PMEGP, indicating the growing effectiveness of the scheme from 2008-09 to 2023-24.
5. The study found a very high and statistically significant positive relationship between margin money subsidy utilized and employment generated, indicating that increased financial support under PMEGP contributes substantially to employment creation.
6. The study found that PMEGP significantly supported women entrepreneurship, although fluctuations and a decline were observed in the recent year. It is also revealed a continuous decline in the number of differently-abled beneficiaries assisted under PMEGP during the period under study.

### **6. Summary**

The present study examined the performance and impact of the Prime Minister's Employment Generation Programme in India with a focus on employment generation, inclusiveness, and financial support mechanisms. Using secondary data from official PMEGP and MSME sources, the study analysed state-wise performance in terms of projects assisted, margin money subsidy disbursed, and employment generated and the relationship between subsidy and employment creation over the period 2008-09 to 2023-24. State wise performance varied significantly, highlighting regional disparities in implementation and outcomes, with some states demonstrating greater efficiency in converting project assistance into actual employment.

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