

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 1958**  
**TO BE ANSWERED ON 11.12.2025**

**PMEGP IN TAMIL NADU**

1958. DR. T SUMATHY *Alias* THAMIZHACHI THANGAPANDIAN:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the number of projects sanctioned under the Prime Minister's Employment Generation Programme (PMEGP) in Tamil Nadu has declined during the last three financial years and if so, the details thereof;
- (b) whether the Union Government has received representations from the Government of Tamil Nadu regarding delays in approvals or fund release under PMEGP and CGTMSE schemes and if so, the details thereof;
- (c) whether beneficiary approvals in urban districts such as Chennai, Kancheepuram, Chengalpattu and Tiruvallur have faced procedural delays due to revised eligibility norms, if so, the details thereof; and
- (d) the steps being taken to ensure timely sanctioning and disbursal of benefits to MSMEs in Tamil Nadu, particularly for urban manufacturing and service-sector clusters?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SUSHRI SHOBHA KARANDLAJE)

(a): Prime Minister's Employment Generation Programme (PMEGP) is a demand-driven scheme. Banks, as lending institutions, appraise the projects and take their own credit decisions on the basis of viability of each project as per the scheme guidelines. Number of projects sanctioned by banks in Tamil Nadu under PMEGP Scheme during the last three financial years is given at below:

<b>Year</b>	<b>No. of projects Sanction by bank</b>
2022-23	11,475
2023-24	16,355
2024-25	12,057

(b): No representations on delays in approvals or fund release have been received from the Government of Tamil Nadu regarding PMEGP and CGTMSE Schemes.

(c): PMEGP being a central sector scheme is administered by the Ministry of Micro Small and Medium Enterprise (MSME) and implemented by Khadi and Village Industries Commission (KVIC) at national level. As per information provided by KVIC, no procedural delays were observed under the scheme in the urban districts of Tamil Nadu such as Chennai, Kancheepuram, Chengalpattu and Tiruvallur.

(d): Steps being taken under PMEGP to ensure timely sanctioning and disbursement of benefits across the country including the State of Tamil Nadu, are as follows:

- i. Review meetings with Implementing Agencies (IAs) i.e. Khadi and Village Industries Commission (KVIC), State offices of KVIC, KVIBs, DICs & Coir Board and financial institutions are periodically held to review the progress of implementation of the Scheme.
- ii. State Level Monitoring Committee (SLMC) and District Level Monitoring Committee (DLMC) meetings are held at State and District level to monitor the implementation of the scheme.
- iii. Top-level Bankers meeting, State Level Bankers Meetings and District Level Bankers meetings are held on a regular basis to ensure proper loan sanctioning and margin money disbursement by banks.
- iv. A PMEGP Portal is in place for monitoring of the complete process of PMEGP application till adjustment of Margin Money subsidy into beneficiary's loan account.

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