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Enterprise Promotion in Odisha: A Case Study of PMEGP in Gajapati

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Introduction

In 2008 the Government of India has introduced a credit linked subsidy programme called the Prime Minister's Employment Generation Program (PMEGP) for generation of employment opportunities by establishing micro enterprises. PMEGP is administered by the Ministry of Micro, Small and Medium Enterprises. The Khadi and Village Industries Commission (KVIC) under the Ministry of MSME is the implementing agency at the national level. The KVIC undertakes activities like skill improvement, transfer of technology, research & development, marketing, etc., in the process of generating employment or self-employment opportunities in rural areas. PMEGP allows potential stakeholders to set up enterprises. Individuals above the age of 18 years, self-help groups, societies, co-operative societies and charitable trusts are all eligible for this programme. The maximum cost of project admissible under this programme is Rs. 25 lakh for manufacturing sector and Rs. 10 lakh for service sector. Public sector banks, scheduled commercial banks, regional rural banks, co-operative banks provide loans.

The main aim of this programme is to generate employment in rural and urban areas through self-employment ventures and micro