

## Directorate of Prime Minister's **Employment Generation Programme**

### Khadi & Village Industries Commission

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NO.PMEGP/Policy/Gen/2013-14/

Date: 10.12.2013

# CORRIGENDUM

Sub: Transparency and effective monitoring for implementation of PMEGP to irregularities and malafide implementation at implementing agency level.

Ref: Corrigendum Circular to No. PMEGP /Policy/Gen/2010-11 dated 27.05.2011

Kind invitation is invited to the above mentioned Circular issued as a part of preventing irregularities in implementation of PMEGP scheme.

In this regard references have been received seeking clarification to paragraph 3(i) relating to inviting applications and to the following paragraph

"Therefore applications to the extent of maximum three times of the target of Margin Money subsidy may be accepted at District/Divisional/State Office of KVIC/KVIB/DIC. After receipt of the same no more applications are to be accepted."

- Apprehension has been expressed that bank's rejection rates are high at District Level Task Force Committee (DLTFC) Level and Bank level and received applications are inadequate. There is no provision in the Circular for inviting additional applications to achieve the targets.
- In this regard the matter has been examined and the following policy is stipulated relating to inviting applications as Corrigendum to the Circular dated 27.05.2011:
- a. Applications should be invited keeping in mind the targets fixed at District Level by the concerned implementing

agency. This will also depend on rejection rates at the level of DLTFC and at the level of bank which may vary from State to State. Thumb rule is that the applications are to be invited to the extent of maximum of 3 times of the targets. However, the actual number of applications to be invited will depend on the rejection rate and requirement to achieve the targets of the State/Divisional Offices, KVIC.

- b. Further quality of applications should also be improved through involving NIESBUD, DCMSME, RUDSETI and other training centers for getting skilled and trained applicants for taking up PMEGP scheme.
- c. Applications received should not be returned but should be utilized on first in first serve basis and applications received in excess of the targets could also be added to application inventory for future utilization in first in first serve basis only.
- d. Application inward register is mandatory and should be regularly entered and updated so that process of transparency, forwarding and disposal of applications can be done on first in first serve basis. Concerned State Directors should inspect the Register once a week and put his signature as a mark of cross checking.
- e. Other guidelines issued from time to time including guidelines of e-tracking also need to be followed strictly for PMEGP scheme.
- f. All other points mentioned in the Circular No:PMEGP/Policy/Gen/2010-11 dated 27.05.2011 will remain unchanged. Above corrigendum will come into Immediate Effect.

This is issued with the approval of FA and CEO, KVIC

(K. S. Rao) Director (PMEGP)

To,

- 1. All State/Divisional Directors, KVIC.
- 2. All State/UT. KVI Boards.
- 3. The Heads of all State/UT DIC.
- 4. All Zonal Dy. CEO's KVIC.

- 5. All Principal Secretaries, State Governments
- 6. All CMDs, of Public Sector Banks

#### Copy for kind information to:-

- 1. All Members of the Commission
- 2. Director, Ministry of MSME, Govt. of India, New Delhi

## Copy for kind information in Central Office:

- 1. Secretary to Hon'ble Chairman, KVIC, Mumbai
- 2. OSD to Chief Executive Officer, KVIC, Mumbai
- 3. Dy. Director, CVO Cell, KVIC, Mumbai-56
- 4. A.O. to Finance Advisor, KVIC, Mumbai-56
- 5. P.A. to Jt. CEO, KVIC, Mumbai-56
- 6. All Industry/Programme Directors, KVIC, Mumbai-56
- 7. The Director (IT) with a request to place the circular on KVIC/PMEGP website
- 8. The Director Publicity with a request to publish the same in the ensuing issue of 'Jagruti'
- 9. The Director (Hindi) for translation in Hindi