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**KHADI AND VILLAGE INDUSTRIES COMMISSION
3, IRLA ROAD, VILE PARLE (WEST), MUMBAI -56**

No:PMEGP/Social Category/2012-13

July 5, 2012

C I R C U L A R

Sub:- Utilization of Margin Money Subsidy allocated for Scheduled caste sub plan and Tribal Sub plan by Ministry of MSME under PMEGP.

The Ministry of MSME allocates and releases margin money subsidy fund to KVIC statewise for implementation of PMEGP scheme in the country. While sanctioning and releasing the fund Ministry stipulates the fund component for Scheduled caste sub plan, Tribal Sub plan, general category and NER component which is to be kept in mind during the utilization.

2. It is however, observed that against the specific allocation of SC and Tribal sub component the actual utilization achieved is much lower at field level. This is an area of concern.

3. State/Divisional Directors of KVIC were advised to ensure achieving of social category targets especially for SC and ST under PMEGP. The issue had also been taken up during various review meetings and also with CMDs of Banks. However, results have not been very encouraging.

4. Accordingly it has been decided to go in for intensive campaign to achieve the social category targets especially for SC & ST categories for which separate allocation have been made by Ministry of MSME for PMEGP.

5. All out efforts should be made to achieve 15% for SC and 8.20% towards ST category under PMEGP. States having higher percentage of SC in their population for example Punjab (28.9%), Himachal Pradesh (24.7%),

