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**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
**3, IRLA ROAD, VILE PARLE (WEST), MUMBAI - 400 056**

No: PMEGP/Phy.verification/2011-12

June 24, 2011

C I R C U L A R

Sub: Concurrent Evaluation of PMEGP units during 2010-11  
Ref: Circular No. PMEGP/Phy.veri./2010-11 dt.28.9.2010

During the Core Group Meeting held under the Chairmanship of Secretary, Ministry of MSME on 15.9.2010 at New Delhi, it was discussed that to study the pace of implementation of PMEGP as well as evaluate the quality of implementation, concurrent evaluation of PMEGP units should be done by KVIC through an outside agency. It was also discussed that though as per the scheme, 3 years has been kept for lock in period for margin money and physical verification is to be conducted thereafter a large number of units with small project size below Rs. 5.00 lakhs and also service projects can be set up in a lesser period say a year or so. Accordingly circular on concurrent verification had been issued and filed offices are in the process of concurrent verification for the year 2009-10 in respect of PMEGP units. This needs to be expedited.

2. Since, physical verification is to be completed before expiry of lock in period of three years. State Director should ensure conducting of timely physical verification of the units and exercise should be completed before completion of lock in period, which may be noted for compliance.

3. Concurrent verification is to be conducted in respect of units sanctioned in 2010-11 also and for this purpose following units sanctioned during the first two quarters of 2010-11, may be taken up to study the status of setting up of units, time taken, provision of regular monitoring etc. Questionnaire for concurrent verification sent earlier is enclosed for ready reference.

- (i) Service units
- (ii) Units with project cost less than Rs. 5.00 lakhs

4. State Directors should carry out the concurrent verification for PMEGP units detailed above for the field offices and covering all the agencies i.e. KVIC, KVIBs and DICs.

5. In case it is not possible to involve the agency selected for physical verification for this purpose fresh tenders may be floated and GFR norms to be followed for this purpose.

6. Selection of Committee constituted for physical verification should be utilized for the purpose of selecting agency for concurrent evaluation also.

7. Budget provision for selection of agency has already been communicated to all the State Offices for 2011-12 which should be utilized for this purpose.

8. Concept note for concurrent verification is also enclosed for ready reference.

*hmn 24.6.11*  
**(J.S. Mishra)**  
**Chief Executive Officer**

Copy for information and immediate compliance:

1. All State/Divisional Directors of KVIC
2. All Zonal Dy. CEOs, KVIC
3. CEOs/M.D. of all KVI Boards
4. Director of Industries of all State/UT Govt.

Copy for information to:

1. The Jt. Secretary, Ministry of MSME, Udyog Bhavan, New Delhi.
2. All Zonal Members of KVIC
3. Secretary, Industries/IDC of all the States and Union Territories
4. CMDs of all Public Sector Banks
5. Director (IT) for website
6. Director (Publicity) for publishing in Jagriti
7. Secretary to Hon'ble Chairperson, KVIC
8. OSD to CEO, KVIC
9. A.O. to FA
10. A.O. to CVO
11. Sr. PA to Jt. CEO
12. All Industry/Programme Directors in Central Office.

