No. PMEGP/Policy/2018-19   Date: 22.11.2018

CIRCULAR

Sub: Role of MSME-DIs and NSIC in the implementation of
      PMEGP regarding.

As all are aware that PMEGP, a major credit linked subsidy programme, is being implemented by this Ministry aimed at generating self employment opportunity through establishment of micro enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Khadi and Village Industries Commission (KVIC) is the nodal agency for implementation of the scheme at national level. State offices of KVIC, KVIBs, DICs and Coir Board are the implementing agencies in the States.

2.   The scheme guidelines provide that the nodal agency will associate with and involve other agencies including NSIC and MSME-DIs in identification of the beneficiaries and other implementing process of PMEGP. However, no specific role has been assigned yet to the NSIC and MSME-DIs in implementation of PMEGP in States.

3.   About 50000 micro enterprises are set up under PMEGP every year. Management Development Institute (MDI), Gurugram, in its evaluation study report on PMEGP has also observed that the key factors for NPA among PMEGP units are disconnect among stakeholder, lack of knowledge of running unit of marketing.
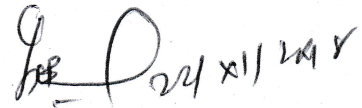
4.   In order to help PMEGP units expand and gain competence, it would be essential to maintain regular connect with the PMEGP units by the experts in the MSME sector.

Keeping this in view, the Ministry of MSME has decided that the officers of NSIC, MSME-DI and Toll Rooms would be assigned the role of handholding and mentoring the PMEGP units located in their respective area of operation. All State/Divisional Directors of KVIC shall co-ordinate with officers of NSIC, MSME-DIs and Tool Rooms located in their States, hold regular meeting, at least once in every month, where the data of PMEGP units set up in that State would be shared with the officials of NSIC/MSME-DI/Toll Rooms who shall visit the units and provide necessary guidelines on technical, entrepreneurial and marking aspects. It is also to inform that on PMEGP e-portal a link will be provided to DC (MSME) where in data of such visits would be incorporated.

5.   In view of the above, it is requested to all State/Divisional Directors of KVIC to associate with officers of NSIC, MSME-DIs and Toll Rooms located in their States and share the data of all PMEGP units set up in the State. Officers of NSIC, MSME-DIs and Tool Rooms may allocated the localities in the States among themselves according to their location and feasibility of access to the PMEGP unit, so that each unit shall be visited by them at least once in six month providing necessary handholding and monitoring support. Details of such visits will be captured and shared on PMEGP e-portal. MSME-DIs may also identify persons (in collaboration with DICs and KVICs) who can be assisted under PMEGP.

This is issued with the approval of competent authority.

Dy. Chief Executive Officer (PMEGP)

To,

1.   All State/Divisional Offices, KVIC
2.   All State/UT KVI Boards
3.   All Zonal Dy. CEOs
4.   All Director Industries, State Govt.
5.   All CMD of Banks.
6.   The Manging Director,
      The National Small Industries Corporation Ltd.,
      NSIC Bhawan, Okhla Industrial Estate, New Delhi – 110 020

Copy for kind information to–

1.   Jt. Secretary, Ministry of MSME, New Delhi
2.   OSD to Chairman, KVIC
3.   OSD to CEO, KVIC
4.   Jt. CEO cell, KVIC,
5.   CVO Cell, KVIC, Mumbai.
6.   FA Cell, KVIC, Mumbai
7.   Dy. CEOs in Central Office, Mumbai
8.   All Industry/Programme Directors, KVIC, Mumbai
9.   Director (IT) with a request to place the Circular on KVIC/PMEGP website.
10.   Director (Publicity) with a request to publish the same in the ensuing "JAGRITI".
11.   Director (Hindi Cell) for translation in Hindi
12.   Master file for record.