

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

No.PMEGP/Cir./Guidelines/2012-13

Date: 17-04-2012

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CIRCULAR

Sub : Irregularities noticed in implementation of PMEGP in field offices.

Our Ref: Circular No.PMEGP/Policy/Gen/2010-11 dated 27.5.2011 on the subject of Transparency and effective monitoring for implementation of PMEGP to prevent irregularities and malafide acts in implementation at implementing agency level.

The PMEGP Scheme is being implemented as per the guidelines already circulated by KVIC and compiled in the booklet "Road To Pride And Progress" . Further, guidelines were issued for transparency and effective monitoring of the scheme vide above mentioned circular dated 27.5.2011.

2. However, it is noticed that many lacunas are observed in maintenance of various records while implementing of scheme, some of the observations are as detailed below:

i. Records /documents of DLTFC meetings were not proper. The minutes of DLTFC meeting were not signed by concerned officers /official.

ii. The minutes of the DLTFC included only those applicants whose cases were approved by DLTFC. There was no mention of cases /projects which were rejected.

iii. There was no list available in office regarding applications which were put up before DLTFC.

iv. Records pertaining to DLTFC were kept haphazardly by District Coordinator, A.D. and other officials under their custody without any centralized system of maintaining records of DLTFC meeting in a chronological manner for a financial year.

v. Minutes of DLTFC meeting of another Field Office had recorded total number of applications considered by DLTFC and the decision of DLTFC was recorded in the last column of the minutes as "applicant absent", "sanctioned" or "rejected". However, reasons for rejection of a particular application were not recorded.

3. It is also observed that in one field office proposal were forwarded to bank without approval of DLTFC, which is violation of the scheme

and highly irregular. All the field Directors are KVIC directed to carry out check of bank sanction visa. viz the DLTFC list of applications forwarded to bank, so that such irregularities can be detected. In case such irregularities are detected Margin Money should be called back immediately in these cases and preliminary inquiry should be initiated and information should be sent to CVO and Director, PMEGP.


4. Further, instance has been noticed in a field office that the list of applications were forwarded to the banks under the signature of ADO. Therefore, it is directed that all the applications should be forwarded to DLTFC and banks by the State/Divisional Director only. In exceptional cases State/Divisional Directors can authorize an officer not below the rank of AD in writing to forward the application to DLTFC and bank.

5. It is therefore directed that all the State and Divisional Directors of KVIC should immediately check the relevant records and ongoing process to ensure that it is as per laid down guidelines.

6. Nodal Directors should visit their area of operation and verify the records and system and submit a report immediately.

7. Zonal Dy.C.E.O.s should conduct random inspection of State /Divisional offices under their jurisdiction to verify compliance of the above direction.

8. The above directions should be strictly complied.


(D. C. Pattanayak) 17/1/12
Chief Executive Officer

To

1. State/Divisional Directors, KVIC
2. CEO State/UT, KVIBs
3. Director/Commissioner, Industries

Copy for information to:

1. Director, Ministry of MSME, New Delhi
2. All Members of KVICs
3. All Zonal Dy. Chief Executive Officers
4. All District Collector/Chairman, DLTFC

Copy for information in KVIC, Central Office, Mumbai

1. Secretary to Chairperson.
2. Dy. Director, CEO Cell
3. AO, FA Cell
4. Dy. Director, CVO Cell
5. Sr.PA to Joint CEO
5. All Programme /Industry Directors, Mumbai
10. Director (IT) for website
11. Director (Publicity) for publishing in Jagriti