

DIRECTORATE OF PMEGP  
KHADI AND VILLAGE INDUSTRIES COMMISSION,  
3-IRLA ROAD, VILE PARLE (W) MUMBAI - 400 056

No.PMEGP/Implementation of PMEGP/2010-11 March 3, 2011

**C I R C U L A R**

Sub : Improving the quality of implementation of PMEGP Programme.

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During the National Monitoring Committee meeting held on 22.2.2011 at Udyog Bhavan, New Delhi, under the Chairmanship of Secretary, MSME, detailed discussions were held with implementing agencies and Banks on the issue pertaining to implementation of PMEGP. After deliberation, the following recommendations were made for improving the quality of implementation of PMEGP.

1. To study the rate and reasons for rejection at bank level, a rejection analysis study will be conducted by Directorate of PMEGP through an independent agency selected as per GFR norms. The study will cover two states per zone, one best performing in the zone and one poor performing in the zone for the purpose of study. Concerned State/Divisional Directors will provide support and list of financing branches of bank and required data from KVIC, KVIB, DIC for carrying out the study successfully.

2. To bring transparency in information of PMEGP in public domain, all implementing agencies have to put up statewise, bankwise performance including details of applications received, forwarded to DLTF, sanctioned at DLTF, forwarded to banks, sanctioned by banks etc. on KVIC website for information of all concerned.

Director, PMEGP and Director, DIT should take necessary action for compliance. Field Directors should ensure sending the said information by e-mail to Director, PMEGP for uploading the same on regular basis in the format already stipulated under PMC and by weekly information system of PMEGP.

3. Secretary, MSME has directed that full-fledged e-tracking system should be on-line by June, 2011. In this regard, it has been decided that in case DICs/KVIBs are not forthcoming to take this responsibility, State Directors, KVIC should go in for an independent agency through open tender process as per GFR norms for data collection, data entry and uploading the information pertaining to KVIC, KVIBs, DICs and Banks in the e-tracking system. This work should be completed by 31<sup>st</sup> May, 2011, without fail. Director, DIT should ensure e-tracking training and technical support for the system to ensure that e-tracking is successful. Director, PMEGP should monitor and ensure compliance in the field offices by the stipulated date.

