

copy \*  
12/11

No. PMEGP/Policy/Ministry Ref./2017-18

Date: 13.11.2017

**CIRCULAR**

Sub: - Trading units & EDP guideline under PMEGP Scheme -  
Clarifications regarding.

It is to inform that Ministry of MSME as per Letter No. PMEGP/Policy/3/2017 dated 04.10.2017 on the subject cited above issued guidelines that the issue pertaining to the setting up of trading units under PMEGP has been re-examined, in order to boost the marketing of Khadi & Village Industry products. It is clarified that trading activities may be allowed under PMEGP across the country subject to the following conditions:-

- a) Retail outlets/business: Selling Khadi products, Village Industry products procured from Khadi & Village Industry Institutions certified by KVIC and products manufactured by PMEGP/SFURTI units only may be permitted under PMEGP across the country.
- b) Maximum 10% of the financial allocation of a state in a year may be used for the business/trading activities mentioned in (a) above.
- c) Existing instructions on trading activities in NER, LWE and A&N Island and trading activities backed by manufacturing activities as issued vide letter dated 27.07.2012 may also continue.
- d) The impact, of allowing of 10% of financial allocation for trading activities as stated above, on manufacturing /service sector would be reviewed after three years.

2. Further, the incubates under ASPIRE-LBIs /Tool Room and Technology Centres/MSME-DIs under Ministry of MSME, NSIC /NIMSME /RESETI /NISBUD / IIE, or other institution /agency approved by Ministry would be eligible for assistance under PMEGP on priority basis and without undergoing EDP training, if the EDP component is already included in curriculum of the LBIs/Tool /Room/Training etc.

The above inclusion may be publicized and included in all leaflet, pamphlets and printed material of PMEGP scheme in the interest of public at large in a regional languages. State/Divisional Directors should take follow up action on the above modified point wise details including point 2 as a part of operational guidelines of PMEGP scheme and contents of this modification may be brought to the knowledge of SLBC/SLMC/State Govts./Bank/DICs/KVIEs etc. Zonal Dy. CEOs are requested to monitor the compliance.

This is issued with the approval of competent authority.

  
DIRECTOR (PMEGP)

1. All State/ Divisional Offices, KVIC
2. All State/UT KVI Boards
3. All Zonal Dy. CEO'S KVIC
4. All Director, Industries, State Government

Copy for kind information for:-

5. Jt. Secretary, Ministry of MSME, Govt. of India, New Delhi
6. OSD to Chairman, KVIC
7. OSD to CEO, KVIC
8. Jt. CEO, KVIC, New Delhi
9. Dy. Director, CVO Cell, KVIC, Mumbai
10. Dy. Director (FA Cell), KVIC, Mumbai
11. Dy. CEOs in Central Office, Mumbai
12. All Zonal Dy. CEOs, KVIC.
13. All Industry/Programme Directors, KVIC, Mumbai
14. Director (IT) with a request to place the Circular on KVIC/PMEGP website.
15. The Director (Publicity) KVIC, Mumbai with request to publish the same JAGRITI.
16. Director (Hindi Cell) for translation in Hindi
17. Master file for record.

Directorate of PMEGP  
Khadi and Village Industries Commission,  
3, Irla Road, Vile Parle (West), Mumbai-400 056

No. PMEGP/Ministry/2/2011-12

Date: 28.08.2012  
4/9

CIRCULAR

Sub: Inclusion of business/trading activities under Prime Ministers Employment Generation Programme for availing assistance.

The Ministry of MSME vide their letter no. 4(83)/2007-KVI-pt. dated 23.07.2012 has communicated the approval of inclusion of business/trading activities for availing assistance under Prime Ministers Employment Generation Programme. The salient guidelines for inclusion are as detailed below:

(i) Business / trading activities in the form of sales outlets may be permitted in NER, LWE-affected districts and A&N Islands. The LWE-affected districts, the extant classification on MHA may be adopted. The same was recently obtained from MHA vide MHA's ID dated 06.02.2012 (copy enclosed.)

ii) Retail outlets backed by manufacturing (including processing) / service facilities may be permitted (across the country).

Note: That the retail outlets are backed by bonafide manufacturing / service facilities may be certified to be so by the district level task force committee which recommends the case and specifically checked and certified to be so by the bank which sanctions the loan.

iii) The maximum cost of the project for business / trading activities as above ((i) and ii) may be Rs.10 lakh (at par with the maximum project cost for service sector.)

iv) Maximum 10% of the Margin Money allocation in a year in a State may be used for business / trading activities as above (i) and (ii).

v) The products sold from these sales outlets/retail centers may not fall in the negative list of PMEGP.

vi) It may be ensured that the trading/business units should not exceed 10% of the financial allocation of the Margin Money allocated for the year to the State including the targets of KVIC, KVIB and DIC. Margin Money targets for trading/business activities Statewise and implementing agencies wise for 2012-13 is detailed at annexure - I.

vii) It is also clarified that for those States where on account of large pending margin money claims, no fresh sanctions are possible under PMEGP for 2012-13, in such case no business/trading units should be sanctioned, which may be noted.

viii) Further at para ii retail outlets backed by manufacturing/service facility can be sanctioned only to new units/projects being submitted for sanction under PMEGP.

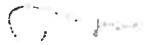
ix) This will be a single composite project. For manufacturing with retail outlet the project cost should not exceed ₹. 25.00 lakhs. For service projects with sales outlets the maximum project cost should not exceed ₹. 10.00 lakhs.

x) State/Divisional Directors of KVIC are requested to note the above guidelines and circulate in SIMC, SLBC and also bring it to the notice of implementing agencies, banks, District Collectors and all concerned.

xi) The contents of the above circular may be given due publicity through advertisement, awareness camp, workshop etc.

It should be kept in mind that margin money targets for States should be strictly adhered to and in no case should be exceeded.

This is issued with the approval of CLO

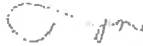
  
(K.S. RAO)  
Director(PMEGP)

Encl: As above

1. All State /Divisional Directors of KVIC
2. All CEOs of State/UT KVI Boards
3. Director of Industries of all State/UT Govts
4. CMDs of Banks..

Copy for information to:

1. Jt. Secretary, Ministry of MSME, GOI, New Delhi.
2. All Members of the Commission
3. Secretary to Hon'ble Chairperson
4. O.S.D to C.E.O. KVIC
5. A.O to F.A Cell, KVIC
6. Dy. Director, CVO cell, KVIC
7. P.A. to Jt.C.E.O, KVIC
8. Director (IT) for web-site
9. Director (Publicity) for publishing in Jagriti
10. Director (Hindi Cell) for Hindi version.

  
(K.S. RAO)  
Director(PMEGP)

