



खादी और ग्रामोद्योग आयोग  
KHADI AND VILLAGE  
INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्योग मंत्रालय, भारत सरकार  
Ministry of Micro, Small & Medium Enterprises, Govt. of India

No. PMEGP/Policy/2016-17

Date: 09.08.2016

**CIRCULAR**

**Sub: - Policy Issues Relating To New PMEGP Online System**

Ministry of MSME has issued guidelines relating to operational modalities for new PMEGP online system which are detailed below for information and implementation by all concerned:

- 1) **Dealing with PMEGP applications pending with implementing agencies viz. KVIC, KVIB and DIC-** Applications received during 2016-17 prior to implementation of new online system may be returned to the applicants by implementing agencies and they may be directed to resubmit the applications in the new online PMEGP web-portal.  
**Action** by State/Divisional Directors KVIC, DIC and KVIB.
- 2) **Applications pending with DLTFC or recommended by DLTFC to banks-** Details of such applications shall be uploaded in the existing online system through date-entry operators to be provided by KVIC. The existing online system should have a separate link in the new web-portal. Similarly the applications which have already been sanctioned by banks, the details of such applications shall also be uploaded on the existing online system. The new web portal should be provided with a link to the existing online system, enabling access to all the applications in the existing system through the new PMEGP web-portal.  
**Action** by Director IT KVIC and State/Divisional Directors KVIC, DIC and KVIB.
- 3) **Name and ID address for DLTFC on PMEGP web- portal for each district** - State/ Divisional Directors should ensure that the name and ID for DLTFC should each DLTFC convener requested that these addresses of every district are to be reached at Director IT for up-loading the same with in week.  
**Action** by Director IT KVIC and State/Divisional Directors KVIC.
- 4) **Quorum for the DLTFC meeting:** No quorum has been fixed for the conduct of DLTFC meeting. Fixing quorum for meeting may lead to delay in conducting meeting as many a time all the members of DLTFC

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may not be available. Hence DLTF meeting may be held regularly with any fixed quorum.

**Action** State/Divisional Directors and DLTF conveners.

- 5) **Workshops** - All the State Directors should arrange a workshop on the PMEGP-MIS web-portal for the benefit of DIC, KVIB and Bank officials to familiarize them with the new system.

**Action** State and Divisional Directors KVIC.

- 6) **Physical verification of projects** - Pursuant to a meeting (27.05.2016) of the bankers and state officials, it has been clarified to the KVIC that a team consisting of KVIC, KVIB, DIC and Bank may be constituted where ever necessary for each districts by the KVIC for physical verification of units setup in that district.

It is also requested to take necessary action to constitute the said teams in the districts and also devise a specific format for report of Physical Verification. The report of physical verification shall be brought online and linked to the PMEGP web portal.

**Action** Director PMEGP and State/Divisional Directors KVIC.

- 7) **CGTMSE coverage for PMEGP units** - Banks should be encouraged by the KVIC to use CGTMSE coverage for the PMEGP loans where ever possible. Data on CGTMSE coverage of PMEGP units should also be captured by the PMEGP web portal. KVIC shall to make necessary arrangements in the system.

**Action** Director IT State/Divisional Directors KVIC.

- 8) **Public Grievances system** - Modified guidelines provides that if applicant is not satisfied with the recommendation of the Committee, he can file grievance against such rejection to the GM, DIC or State Director, KVIC of the concerned State, whoever is senior. Pursuant to the meeting (27.05.2016) of the bankers and State officials, Ministry has agreed to involve CEO, KVIB and Commissioner Industries. If the applicant is not satisfied with the decision of GM, DIC or State Director, KVIC, an appeal against the decision of GM, DIC/ State Dir., KVIC may be made to CEO, KVIB, Commissioner (Industries) and CEO, KVIC in their respective cases.

**Action** Director DIT, Director PMEGP, State/Divisional Directors KVIC.

9) **Institution by Laws**: As the By-laws are lengthy documents, instead of institution by-laws, only the authority letter authorizing the person to submit application on behalf of the institution may be called.

**Action** Director IT, Director PMEGP, State/Divisional Directors KVIC.

10) **Ratio of capital expenditure working capital**: Guideline provides for composite loan under PMEGP consisting of capital expenditure and working capital however any ratio for capital expenditure and working capital has not been specified. Through the emphasis should be one more capital expenditure, a ratio of 60:40 for capital and working expenditure will be permitted. Working capital more than 40% should be discouraged.

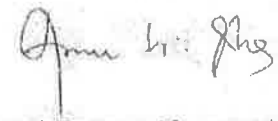
**Action** State/Divisional Directors KVIC.

11) **Help Desk**: A help desk to assist the uneducated and unemployed youths is filing and submitting the PMEGP application online may be created at each state office of KVIC and DIC so that the applicants not familiar with computers may not face difficulty in filing applications. Such help may also be extended through citizen service centers available at Village/Taluka levels, some nominal charges for providing requisite assistance may also be fixed, which may be applicable universally in all the states/UTs.

**Action** State/Divisional Directors KVIC.

All concerned officials are requested to take immediate follow up action on the above issues.

Zonal Dy. CEOs are requested to monitor the compliance of above directives of Ministry of MSME.



**Chief Executive Officer**

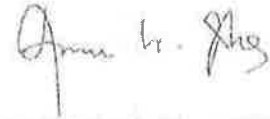
To

1. All State/Divisional Offices, KVIC
2. All State/UT KVI Boards
3. All Zonal Dy. CEOs
4. All Director, Industries, State Govt.

**Copy for kind information to-**

1. Jt. Secretary, Ministry of MSME, New Delhi
2. OSD to Chairman, KVIC
3. OSD to CEO, KVIC

4. JL CEO, KVIC, New Delhi
5. Dy. Director, CVO Cell, KVIC, Mumbai
6. Dy. Director (FA Cell), KVIC, Mumbai
7. Dy. CEOs in Central Office, Mumbai
8. All Zonal Dy. CEOs, KVIC.
9. All Industry/Programme Directors, KVIC, Mumbai
10. Director (IT) with a request to place the Circular on KVIC/PMEGP website.
11. Director (Publicity) with a request to publish the same in the ensuing "JAGRITI".
12. Director (Hindi Cell) for translation in Hindi
13. Master file for record.



**Chief Executive Officer**