

**KHADI AND VILLAGE INDUSTRIES COMMISSION
IRLA ROAD, VILE PARLE (W), MUMBAI – 56**

No. PMEGP/Policy/M-939(II)/08-09

Dt. 04-03-2009

C I R C U L A R

Detailed guidelines for PMEGP scheme and its operation have already been issued in addition to Office Order and Standing Order for further clarification. KVIC is receiving request from various parts of the country for confirmation whether the business activities, urban transportation and activities like Goatery, Piggery, Poultry etc. is permitted to avail assistance under PMEGP scheme.

2. As already clarified in the scheme that the agriculture/farm sector activities and projects which do not involve manufacturing process, value addition and per capita investment criteria are not permitted under the scheme. The issue was further examined and also referred to the Ministry of MSME, Govt. of India for their advice on the issue.

3. After detailed examination of the issues, the Ministry of MSME, Govt. of India has further clarified not to consider such issues and encourage only the manufacturing sector intended primarily for promoting the industrialization. Accordingly, the following additions have been made to the negative list at para No.29 of the PMEGP guidelines circulated to all concerned.

- (i) Business activities like opening of grocery and stationary shops etc. involving no manufacturing process and value addition.
- (ii) Farm related activities like Goatery, Piggery, Poultry etc.
- (iii) All urban/rural Transport activities –
 - a) Except Auto Rickshaw, tourist boat and house boat in A & N Islands.
 - b) Except the House Boat, Shikara and tourist boat in J &K.
 - c) Except Cycle Rickshaw.

Cont.

4. Other items already mentioned in the Negative list will remain unchanged.

5. The above negative list will be applicable to all the cases sanctioned during 08-09 and onwards under PMEGP scheme.

(J.S. Mishra)
CHIEF EXECUTIVE OFFICER

Copy for information and for immediate compliance :

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

Copy for information to :

1. The Jt. Secretary, Ministry of MSME,. Udyog Bhawan, New Delhi.
2. Dy. Governor, RPCD, Reserve Bank of India, Mumbai.
3. All Commission Members.
4. Indl. Dev. Commissioner/Principal Secretary, Industry
_____ State
5. Principal Secretary, KVI _____ State
6. CMDs of all Public Sector Banks.
7. All Zonal Dy. CEOs, KVIC
8. Director (IT) for web-site
9. Director (Publicity) for publishing in 'Jagriti'.

CHIEF EXECUTIVE OFFICER