



**Directorate of Polymer & Chemical
Based Industry
KHADI AND VILLAGE INDUSTRIES
COMMISSION**

Ministry of Micro, Small & Medium

NO: PCBI/VLI/RID-IA-Jalandhar/Part-VI/2017-18/80

Date:- 12.06.2017

To,
The State Director,
Khadi & V.I. Commission,
Chandigarh (Punjab)

Sub: Sanction of Fund to the tune of Rs. 100.00 Lakhs for implementation of Jalandhar Sports Goods Cluster under PCBI (Leather Industry) with the Implementing Agency Marigold International Educational Society, Jalandhar, Punjab under KRDP-Reg.

Ref: 1. SFC/(V.I) Reso.No. V.I/2016-17/16 dated 27.02.2017
2. Budget allocation No. BGT/V.I/ALLO/2016-17 dated 27.3.2017.

Sir,

The Standing Finance Committee has sanctioned an amount of Rs.100.00 Lakhs for Implementation of Jalandhar Sports Goods Cluster under PCBI (Leather Industry) In Favour of in favour of Implementing Agency Marigold International Educational Society, Jalandhar, Punjab under KRDP.The detail break up is given as under:-

Particulars	Revised Proposal (Rs. In lakhs)		
	IA Share	NA Share	Total Cost
Hard Intervention			
Common Facility Centre			
Infrastructure Development	5.00	15.00	20.00
Machinery & Equipment	6.04	17.96	24.00
Total (Hard Intervention)	11.04	32.96	44.00
Soft Intervention			
Market Promotion	0.00	8.00	8.00
Product Dev.& Design Development	0.75	2.25	3.00
Capacity Building	0.00	15.00	15.00
Total (Soft Intervention)	0.75	25.25	26.00
Others			
Fee for the Technical Agency (For 2 years)	0.00	6.00	6.00
Management Grant to the Implementing Agency	0.00	5.00	5.00
Cluster Development Executive Expenditure (for 2 years)	0.00	4.00	4.00
Operational Expenditure (Working Capital)	2.00	13.00	15.00
Total (others)	2.00	28.00	30.00
Grant Total	13.79	86.21	100.00

TERMS AND CONDITIONS FOR COMPLIANCE BY THE State Director, KVIC, Chandigarh, Implementing Agency, Technical Agency before release of Funds under KRDP Programme :-

1. A agreement (MOU) will be executed between State Director, Chandigarh and Reform Implementing Agency (RIA) & Technical Agency (T.A.) in the prescribed format which may be supplied separately that may be executed on non-judicial stamp paper as per the stamp Act / Rules existing in the respective states before extension of Direct Reform Assistance and fulfillment of conditions laid down there upon

2. KVIC shall extend under assistance under KRDP in kind and / or financial support as required. The State Director shall operate a separate ESCROW account for operation of fund for implementation of this programme and maintain necessary books of accounts and follow the guidelines circulated vide letter No. VIC/ V.I. Clusters under KRDP/ 2014-15 dated 9th Sept' 2014.
3. The interest accrued on the amount deposited in the bank, if any, for this programme should be refunded to Central office from time to time under intimation to Director KRDP
4. Since KRDP assistance will be in the form of grants -in-aid, the assets acquired by the institution wholly are substantially out of Government grant shall not be disposed off without obtaining prior approval of KVIC.
5. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/ ensuring the quality, rate reasonableness etc. The purchase terms and conditions should include supply of implements within the stipulated time period.
6. The supply contract/ agreement/ condition must include provision for proper skill development training to the master artisans so that he can be able to handle maintains of the equipment, day to day operational problems etc. the training shall also be organized as per project for the artisan so that the artisan could optimize its utilization and be able to ensure qualitative and quantitative production.
7. The payment shall be made to the suppliers and other parties strictly by Demand Draft / crossed Cheque only.
8. The Institution shall maintain separate record of the details for the assets acquired under this assistance. For procurement of machineries, goods assignment of work, norms prescribed in the GFR shall be followed.
9. The grants in aid shall be utilized for the purpose for which it has been sanctioned and shall not be diverted for any other purpose.
10. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
11. Registers of fixed assets, dead stock, etc., should be maintained in the prescribed Performa by the Reform Implementing Agency (RIA).
12. Details of new artisans proposed to be covered and existing artisans in the project are to be maintained and informed to the State / Divisional Offices from time to time.
13. The utilization of KRDP fund is subject to the audit and review by a Chartered accountant acceptable to ADB or internal audit of KVIC.
14. The assets and renovation / construction of work completed shall be made available for inspection by any officials of MSME, Govt. of India or its authorized agents or agencies and KVIC.
15. The project duration will be three years. After completion of the project the institution/Agency must continue the programme in the interest of the artisans and workers of the institution/Agency.
16. The Cluster Development Executive (CDE) and State Director, Chandigarh shall submit the physical & Financial progress report of the project on quarterly basis by 15th of month (June Oct., Jan) for the quarter ending 31st March, 30th June, 30th September and 31st December covering details

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17. The I.A shall appoint a Cluster Development Executive (CDE) for management of day to day activities for implementation of this programme. The required qualification and experience of RIO shall be as prescribed by KVIC. The Cluster Development Executive (CDE) must submit their monthly work report on progress of programme to the Director, State Office, KVIC Chandigarh.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by the State / Divisional Director shall be constituted.
19. The Cluster Development Executive (CDE) and the State Director, Chandigarh should ensure that the minutes of the Field Level execution Committee meeting is prepared and forwarded to Directors (PCBI) and Director (RID) within a week time for speedy implementation of the programme.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted as per the need on the recommendation of respective SLBT. Any cost escalation over and above the total sanctioned fund will have to be borne by the IA.
21. A Target should be given to Reform Implementing Agency (RIA) in consonance with Forest Based Industry for achievement of production, sales and employment during the annual SLBT meeting.
22. **State Director, Chandigarh may ensure the following :**
 - A. Implementing of program and release of funds may be regulated as per the laid down procedure and Scheme Guidelines prescribed by the Dte. of V.I.C. vide ref. No. VIC/VI cluster under KRDP/ 2014-15 dt. 9.9.2014.
 - B. Conditions stipulated by the Commissions, should be scrupulously followed by the S.O KVIC, Chandigarh and IA in implementation of the project.
 - C. Construction of Work shed procurement of goods and services, etc. as per GFR norms.
 - D. NGO need to Direct listing with KVIC and follow the procedure as per VIC Circular no. 6/27/VIC/02-03/dated 16. 9. 2002.
 - E. Before releasing the funds to IA, Director, S.O KVIC, Chandigarh may ensure to open the ESCROW account with concerned bank.

(K.J.Bhosale)

DIRECTOR (PCBI)/ Link Officer

Copy for information and necessary action to:

1. The Dy. C.E.O (North Zone), KVIC New Delhi.
2. The Dy. C.E.O (V.I.), KVIC Mumbai-56.
3. Secretary, SFC (V.I.), KVIC, Mumbai - 56
4. The Director (RID & New Scheme), KVIC, Mumbai - 56.
5. The Director (Budget), KVIC, Mumbai -56
6. The Director (VIC), KVIC, Mumbai -56
7. Director (Accounts), KVIC, Mumbai-56
8. The Director, CLRI, (T.A.), Chennai (TN)
9. The President/Chairman, Marigold International Educational Society, BX-587, Hoshiarpur Road, Jalandhar, Punjab. **Through: State Director, State Office, KVIC, Chandigarh.**

(K.J.Bhosale)

DIRECTOR (PCBI)/ link Officer