



**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
**DIRECTORATE OF KHADI PROGRAMME & MONITORING**  
**'Gramodaya' 3, Irla Road, Vile Parle (West), Mumbai-56**  
Telefax +91-22-2671 1593 e-mail: sksinha@kvic.gov.in Web: www.kvic.org.in

No. DKPM/KRDP/DRA/ist Phase/132/2011-12/

Date: 21.03.2012

**SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Belgaum Dist. Khadi Gramodyog Sangh, 6, S.P.M. Road, Belgaum - reg.

**Ref:** 1. SFC resolution No.Khadi/2011-12/46 dated 19.01.2012.  
2. Budget Allocation No.BGT/Khadi/Allo/2011-12 dt. 23.01.2012

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State / Divisional Office, KVIC, Bangalore sanction as accorded by SFC (Khadi) in its 7<sup>th</sup> meeting held on 19.12.2011 under above referred Resolution in favour of Belgaum Dist. Khadi Gramodyog Sangh, 6, S.P.M. Road, Belgaum for the year 2011-12 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

**A. Production Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		25.00	Director (KPM)
a)	New Model Charkha - Cotton/Wool/Polyvastra	175	21.00	
b)	Silk Reeling Basin			
c)	Looms – Cotton/Wool/Silk/ Polyvastra	20 IL	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	7.50	Director, SO/DO

3	Construction of shed for CFC etc.	-	5.00	Director, SO/DO
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00	Director, SO/DO Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO/DO
7	Margin money for Working Capital	-	14.00	Director, SO/DO
	<b>Total</b>		<b>63.50</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	3	19.00	Director, SO/DO
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO/DO
	<b>Total</b>		<b>34.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>97.50</b>	
--	--------------------------	--	--------------	--

(\* ) Quantity in Nos. is an indicative

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

- (1) An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at Annexure-I on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
- (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 Directorate of KPM.

- (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) The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time.
- (6) Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
- (7) The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
- (8) The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only.
- (9) 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 strictly followed.
- (10) 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.
- (11) The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
- (12) Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
- (13) 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.

- (14) The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
- (16) The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
- (17) The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
- (18) In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
- (19) The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.

- (21) A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
- (22) The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

This is issued with the approval of FA, CEO and Chairman with an advice to the Programme Directors and State/Divisional Director to ensure compliance of above conditions scrupulously.

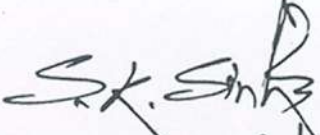
Encl: - As above

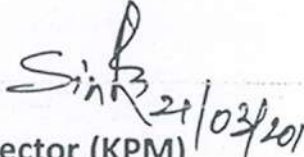
To  
The Secretary  
Belgaum Dist. Khadi Gramodyog Sangh,  
6, S.P.M. Road,  
Belgaum.

Through: State/Divisional Director,  
KVIC, Bangalore

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore.
2. State/Divisional Director, KVIC, Bangalore.
3. Director (RID), KVIC, Mumbai.
4. Director (Marketing), KVIC, Mumbai
5. Director (Capacity Building), KVIC, Mumbai
6. Director (IT), KVIC, Mumbai
7. Director (Accounts), KVIC, Mumbai

  
Director (KPM) 21/03/201

  
Director (KPM) 21/03/201



**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
**DIRECTORATE OF KHADI PROGRAMME & MONITORING**  
**'Gramodaya' 3, Irla Road, Vile Parle (West), Mumbai-56**  
Telefax +91-22-2671 1593 e-mail: sksinha@kvic.gov.in Web: www.kvic.org.in

No. DKPM/KRDP/DRA/1st Phase/132/2011-12/

Date: 21.03.2012

**SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Dharwad Dist. Khadi Gramodyog Sangh, Bengeri Post, Hubli - 580023 - reg.

**Ref:** 1. SFC resolution No.Khadi/2011-12/46 dated 19.01.2012.  
2. Budget Allocation No.BGT/Khadi/Allo/2011-12 dt. 23.01.2012

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State / Divisional Office, KVIC, Bangalore sanction as accorded by SFC (Khadi) in its 7<sup>th</sup> meeting held on 19.12.2011 under above referred Resolution in favour of Dharwad Dist. Khadi Gramodyog Sangh, Bengeri Post, Hubli - 580023 for the year 2011-12 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

**A. Production Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		9.00	Director (KPM)
a)	New Model Charkha - Cotton/Wool/Polyvastra	50	6.00	
b)	Silk Reeling Basin			
c)	Looms - Cotton/Wool/Silk/ Polyvastra	8 NL	3.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO/DO

3	Construction of shed for CFC etc.	-	5.00	Director, SO/DO
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00	Director, SO/DO Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO/DO
7	Margin money for Working Capital	-	14.00	Director, SO/DO
	<b>Total</b>		<b>50.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	2	19.00	Director, SO/DO
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO/DO
	<b>Total</b>		<b>34.00</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>84.00</b>	

(\*) Quantity in Nos. is an indicative

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

- (1) An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at Annexure-I on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
- (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 Directorate of KPM.

- (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) The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time.
- (6) Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
- (7) The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
- (8) The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only.
- (9) 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 strictly followed.
- (10) 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.
- (11) The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
- (12) Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
- (13) 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.



- (14) The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
- (16) The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
- (17) The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
- (18) In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
- (19) The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.

- (21) A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
- (22) The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

This is issued with the approval of FA, CEO and Chairman with an advice to the Programme Directors and State/Divisional Director to ensure compliance of above conditions scrupulously.

Encl: - As above

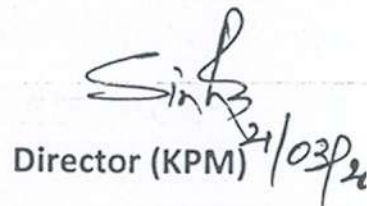
To  
The Secretary  
Dharwad Dist. Khadi Gramodyog Sangh,  
Bengeri Post,  
Hubli - 580023.

Through: State/Divisional Director,  
KVIC, Bangalore

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore.
2. State/Divisional Director, KVIC, Bangalore.
3. Director (RID), KVIC, Mumbai.
4. Director (Marketing), KVIC, Mumbai
5. Director (Capacity Building), KVIC, Mumbai
6. Director (IT), KVIC, Mumbai
7. Director (Accounts), KVIC, Mumbai

  
Director (KPM) 21/03

  
Director (KPM) 21/03



B/07

**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
**DIRECTORATE OF KHADI PROGRAMME & MONITORING**  
**'Gramodaya' 3, Irla Road, Vile Parle (West), Mumbai-56**  
Telefax +91-22-2671 1593 e-mail: sksinha@kvic.gov.in Web: www.kvic.org.in

No. DKPM/KRDP/DRA/1st Phase/132/2011-12/

Date: 21.03.2012

**SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Dharwad Taluka Garag Kshetriya Seva Sangh, Dharwad-580001, Karnataka - reg.

**Ref:** 1. SFC resolution No.Khadi/2011-12/46 dated 19.01.2012.  
2. Budget Allocation No.BGT/Khadi/Allo/2011-12 dt. 23.01.2012

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State / Divisional Office, KVIC, Bangalore sanction as accorded by SFC (Khadi) in its 7<sup>th</sup> meeting held on 19.12.2011 under above referred Resolution in favour of Dharwad Taluka Garag Kshetriya Seva Sangh, Dharwad-580001, Karnataka for the year 2011-12 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

**A. Production Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		0.00	Director (KPM)
a)	New Model Charkha - Cotton/Wool/Polyvastra			
b)	Silk Reeling Basin			
c)	Looms - Cotton/Wool/Silk/ Polyvastra			
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	13.00	Director, SO/DO

3	Construction of shed for CFC etc.	-	5.00	Director, SO/DO
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00	Director, SO/DO Director (IT)
5	Training	-	1.86	Director (Capacity Building)
6	Installation	-	0.00	Director, SO/DO
7	Margin money for Working Capital	-	14.00	Director, SO/DO
	<b>Total</b>		<b>41.86</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	1	8.00	Director, SO/DO
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO/DO
	<b>Total</b>		<b>23.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>64.86</b>	

(\*) Quantity in Nos. is an indicative

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

- (1) An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at Annexure-I on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
- (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 Directorate of KPM.

- (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) The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time.
- (6) Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
- (7) The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
- (8) The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only.
- (9) 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 strictly followed.
- (10) 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.
- (11) The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
- (12) Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
- (13) 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.

- (14) The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
- (16) The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
- (17) The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
- (18) In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
- (19) The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.

- (21) A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
- (22) The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at Annexure – III, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at Annexure IV and Annexure - V respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at Annexure-VI.

This is issued with the approval of FA, CEO and Chairman with an advice to the Programme Directors and State/Divisional Director to ensure compliance of above conditions scrupulously.

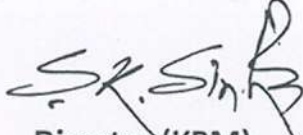
Encl: - As above


To  
The Secretary  
Dharwad Taluka Garag Kshetriya Seva Sangh,  
Dharwad-580001,  
Karnataka.

Through: State/Divisional Director,  
KVIC, Bangalore

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore.
2. State/Divisional Director, KVIC, Bangalore.
3. Director (RID), KVIC, Mumbai.
4. Director (Marketing), KVIC, Mumbai
5. Director (Capacity Building), KVIC, Mumbai
6. Director (IT), KVIC, Mumbai
7. Director (Accounts), KVIC, Mumbai

  
Director (KPM) 21/03/2011

  
Director (KPM) 21/03/2011



## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/S.O.Bangalore/3rd phase/2016-17

Date: 14.07.2016

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Rural Resource Development Association, B.G. Road, Bangalore (Karnataka) - reg.

**Ref:** 1. Modified Budget Allocation No. BGT/Khadi/Allo/16-17/dated. 29.06.2016 and 11.07.2016.

2. SFC Resolution No.: Khadi/2016-17/10 dated:30.06.2016

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) under Resolution referred above and modified Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Rural Resource Development Association, B.G. Road, Bangalore (Karnataka), for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		18.10	Director, SO, Bangalore
a)	New Model Charkha	60	8.10	
	Reeling Unit & Basin	25	10.00	
2	Common Facility Centre (CFC)	As per approved Action Plan	11.70	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 (SO)-Rs. 6.25 (IT)-Rs. 1.75	Director, Bangalore Director (IT)
5	Training	-	3.00	Director (C & B)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>60.80</b>	



**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	8.00	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>32.00</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>92.80</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	80.05
2	Director (I.T.)	9.75
3	Director (C.B.)	3.00
	<b>Total</b>	<b>92.80</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008–09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-

2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and

achievements against the targets projected in the approved Action Plan as per the prescribed format.

17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.

26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

**Encl:** - As above

/

**Director (Khadi)**

**To**

**The Secretary**

Rural Resource Development Association,  
6<sup>th</sup> Cross, Weavers Colony, B.G. Road,  
Bangalore-580023 (Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (KNT.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Dy. Director I/c (Marketing), KVIC, Mumbai-56
5. Director (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56



**Director (Khadi)**





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 284

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Suryodaya Khadi Gramodyog Rural Development Society, Mandyampalli (**Karnataka**) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Suryodaya Khadi Gramodyog Rural Development Society, Mandyampalli (**Karnataka**) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		23.20	Director, SO, Bangalore
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration	-	8.00 Rs. 6.25 (SO)	Director, SO, Bangalore,

	to Reform Implementation Officer]		Rs. 1.75 (IT)	Director (IT)
5	Training	-	2.61	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>61.81</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>93.31</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	81.44
2	Director (I.T.)	9.26
3	Director (C.B.)	2.61
	<b>Total</b>	<b>93.31</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for

implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.



19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

1  
Director (Khadi)

To

**The Secretary**

Suryodaya Khadi Gramodyog Rural Development Society,  
Mandyampalli (Karnataka)

Through: **State Director,**  
**KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

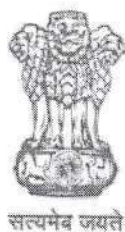
*KVIC*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 /888

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Sri Vinayaka Silk Industrial Association, Khadi Emporium, Gandhi Bhavan Building, V.V. Road, Mandya (**Karnataka**) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Sri Vinayaka Silk Industrial Association, Khadi Emporium, Gandhi Bhavan Building, V.V. Road, Mandya (**Karnataka**) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.55	Director, SO, Bangalore
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	SO, Bangalore, Director (IT)

5	Training	-	3.00	Director(Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>65.55</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>97.05</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	84.80
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>97.05</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to

the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

**The Secretary**

Sri Vinayaka Silk Industrial Association, Khadi Emporium,  
Gandhi Bhavan Building, V.V. Road, Mandya- 571401 (Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 887

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of The Kanakadasa Kuri Sangopan Mattu Unney Utapadak Sahakari Sangh Ltd., Belagavi, Sindolli (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of The Kanakadasa Kuri Sangopan Mattu Unney Utapadak Sahakari Sangh Ltd., Belagavi, Sindolli (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.50	Director, SO, Bangalore
a)	Charkha Traditional	350	14.00	
	Charkha Traditional (Replacement)	150	6.00	
b)	Improved Iron Looms (Woolen)	5	2.25	
	Improved Looms (replacement)	5	2.25	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore

4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>65.50</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>97.00</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	84.75
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>97.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for

implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

- 5-
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
  21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
  22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
  23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
  24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
  25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
  26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
  27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

**The Secretary**

The Kanakadasa Kuri Sangopan Mattu Unney Utapadak  
Sahakari Sangh Ltd., Belagavi, Sindolli - 591124 (Karnataka)

Through: **State Director,**  
**KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



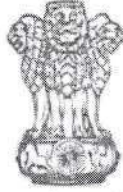
ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



कामधे दुखतप्रानाम्।  
प्राणिनाम् आतिनाशनम्॥



सत्यमेव जयते

## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 886

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of TNR Silk Khadi Industries Kariyappalli, Kagathi (Post)Chintamani (Tq), Chikkaballapur - 563125 (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of TNR Silk Khadi Industries Kariyappalli, Kagathi (Post)Chintamani (Tq), Chikkaballapur – 563125 (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		23.79	Director, SO, Bangalore
a)	(Replacement)			
	Reeling Unit & Basin	10	3.00	
	Boiler	1	1.75	
	Twisting Machine	1	6.00	
	Re-reeling machine	1	0.55	
	Dupion Charkha	3	1.95	
	Winding Machine (Silk)	1	0.74	
	Doubling Machine (Silk)	1	0.80	
b)	Improved Jacquard Looms	20	9.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment	As per approved Action	10.00	Director, SO, Bangalore

	facilities, testing laboratories, services and maintenance etc.]	Plan		
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>64.79</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>96.29</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	84.04
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>96.29</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRd PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.

18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

**The Secretary**

TNR Silk Khadi Industries Kariyappalli, Kagathi (Post)  
Chintamani (Tq), Chikkaballapur - 563125 (Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 /885

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Babitha Khadi Gramodyog Sangha, Melur –Post, Shidlaghatta, Chickaballapur (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Babitha Khadi Gramodyog Sangha, Melur –Post, Shidlaghatta, Chickaballapur (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		25.00	Director, SO, Bangalore
a)	Reeling Unit & Basin	1	3.00	
	Twisting machine	1	4.00	
b)	Improved Looms –	30	12.00	
	Cottage Basin Reeling M/c (Replacement)	20	6.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore

3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>66.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>97.50</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	85.25
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>97.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRd PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.



18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.

26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

**The Secretary**

Babitha Khadi Gramodyog Sangha, Melur -Post, Shidlaghatta,  
Chickaballapur (Karnataka)

Through: **State Director,**  
**KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17/889

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Indian Khadi Export Development Association, Doddadasarahalli, Sidlaghatta, Chikkabalapur (**Karnataka**) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Indian Khadi Export Development Association, Doddadasarahalli, Sidlaghatta, Chikkabalapur (**Karnataka**) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		23.00	Director, SO, Bangalore
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>62.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		9.50	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>22.00</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>84.00</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	71.75
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>84.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to

the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

1  
Director (Khadi)

To

**The Secretary**

Indian Khadi Export Development Association,  
Doddadasarahalli, Sidlaghatta, Chikkabalapur - 563102 (Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

*Krocca*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KNT/KRDP/3rd phase/2016-17/883

Date: 21.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Chitradurga Sarvodaya Khadi Gramodyog Sangh, Jagaluru (**Karnataka**) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Chitradurga Sarvodaya Khadi Gramodyog Sangh, Jagaluru (**Karnataka**) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		0.00	Director, SO, Bangalore
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

	Implementation Officer]			
5	Training	-	2.89	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>40.89</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>72.39</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	60.25
2	Director (I.T.)	9.25
3	Director (C.B.)	2.89
	<b>Total</b>	<b>72.39</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for

implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Chitradurga Sarvodaya Khadi Gramodyog Sangh, Jagaluru (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 840

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Asta Devatha Khadi Gramodyog Sangh (R) Chtrakodihalli, Kolar - 563101 (Karnataka) - reg.

**Ref :** Budget Allocation No. . BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Asta Devatha Khadi Gramodyog Sangh (R) Chtrakodihalli, Kolar - 563101 (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		22.95	Director, SO, Bangalore
a)	<b>Replacement</b>			
	Reeling Unit & Basin	15	4.50	
	Boiler	1	1.75	
	Twisting Machine	1	3.40	
	Re-reeling & Warping m/c	1	0.55	
	Dupion Charkha	10	6.50	
	Dupion Silk Twisting m/c	1	2.25	
b)	Improved Looms (Replacement)	10	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore

3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	2.51	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>61.46</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

<b>GRAND TOTAL (A+B)</b>		<b>92.96</b>	
--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	81.20
2	Director (I.T.)	9.25
3	Director (C.B.)	2.51
	<b>Total</b>	<b>92.96</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for



implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

↑  
Director (Khadi)

To

**The Secretary**

Asta Devatha Khadi Gramodyog Sangh (R) Chtrakodihalli, Kolar - 563101  
(Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

↑  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 /893

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Sri Raghavendraswamy Khadi Gramodyog Sangh ® Ammanallur, kolar - 563128 (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Sri Raghavendraswamy Khadi Gramodyog Sangh ® Ammanallur, kolar - 563128 (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.30	Director, SO, Bangalore
a)	New Model Charkha	15	3.50	
	Cottage basin Reeling m/c	2	3.50	
	Cottage basin (replacement)	2	3.50	
	Two pan cooking	3	0.47	
	Re - reeling m/c	2	1.02	
	Re - reeling m/c (replacement)	1	0.51	
	Boiler	1	1.05	
b)	Looms Traditional	5	2.25	
	Looms Trad. (replacement)	10	4.50	
	Looms Improved	10	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore

3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>65.30</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>96.80</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	84.55
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>96.80</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.



18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Sri Raghavendraswamy Khadi Gramodyog Sangh ®  
Ammanallur, kolar - 563128 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: directorkpm@kvic.gov.in and  
email: kc@kvic.gov.in Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 /srl

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Bharathi Gramodyoga Sangh, Murugamalla, Chintamani, Chikkaballapur -563125 (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction and accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Bharathi Gramodyoga Sangh, Murugamalla, Chintamani, Chikkaballapur -563125 (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms) <b>Replacement</b>		22.95	Director, SO, Bangalore
a)	<b>Replacement</b>			
	Reeling Basin	15	4.50	
	Boiler	1	1.75	
	Twisting machine	1	3.40	
	Re-reeling & warping m/c	1	0.55	
	Dupion Charkha	10	6.50	
	Dupion Silk Twisting m/c	1	2.25	
b)	Improved Looms Silk (replacement)	10	4.00	

2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	1.93	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>60.88</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

<b>GRAND TOTAL (A+B)</b>		<b>92.38</b>	
--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	81.20
2	Director (I.T.)	9.25
3	Director (C.B.)	1.93
	<b>Total</b>	<b>92.38</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KR D PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.

18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Bharathi Gramodyoga Sangh, Murugamalla, Chintamani,  
Chikkaballapur -563125 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and email:  
[kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 /sa)

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Shreenivasa Khadi Industrial Association, Ram Mohanpura, Bangalore-560021 (Karnataka) - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Shreenivasa Khadi Industrial Association, Ram Mohanpura, Bangalore-560021 (Karnataka) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.71	Director, SO, Bangalore
a)	Cottage Basin Reeling m/c	3	5.40	
	Two pan cooking unit	3	0.47	
	Re-reeling m/c	2	1.02	
	Boiler	1	1.05	
	<b>Replacement</b>			
	Cottage Basin Reeling m/c	2	3.50	
	Two pan cooking unit	1	0.16	
	Re-reeling m/c	1	0.51	
b)	Traditional Looms –	5	2.25	
	Improved Looms	8	3.60	
	Looms Traditional (replacement)	5	2.25	
	Looms Improved (replacement)	10	4.50	

2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	9.54	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	SO, Bangalore, Director (IT)
5	Training	-	1.45	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>63.70</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>95.20</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	84.50
2	Director (I.T.)	9.25
3	Director (C.B.)	1.45
	<b>Total</b>	<b>95.20</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRd PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II/2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to

the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

1  
Director (Khadi)

To

**The Secretary**

Shreenivasa Khadi Industrial Association, No. 44, 2<sup>nd</sup> Main, 2<sup>nd</sup> Cross,  
Ram Mohanpura, Bangalore-560021 (Karnataka)

**Through: State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

*K. K. K.*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 | 895

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Seema Resham Khadi Industrialists Association, No. 35, 3<sup>rd</sup> main, Kasturba Nagar, Mysore Road, Bangalore - 26 (Karnataka)** - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Seema Resham Khadi Industrialists Association, No. 35, 3<sup>rd</sup> main, Kasturba Nagar, Mysore Road, Bangalore - 26 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		23.25	Director, SO, Bangalore
a)	<b>Replacement</b>			
	Reeling Basin	20	7.00	
	Winding machine	1	0.74	
	Doubling machine	1	0.80	
	Twisting machine	1	3.40	
	Re-reeling m/c	1	0.55	
	Dupion charkha	6	3.90	
	Dupion silk twisting m/c	1	2.25	
	Improve loom (Silk)	11	4.40	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore

3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	2.81	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>62.06</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>93.56</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	81.50
2	Director (I.T.)	9.25
3	Director (C.B.)	2.81
	<b>Total</b>	<b>93.56</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.

18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Seema Resham Khadi Industrialists Association, No. 35, 3<sup>rd</sup> main,  
Kasturba Nagar, Mysore Road, Bangalore - 26 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



कामधे दुःखप्रदानम् ।  
प्राणिनाम् आतिनिश्चनम् ॥



सत्यमेव जयते

## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 894

Date: 22.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Khadi Gramodyog Sangh ® Halepalya, Tiptur, Tumkur-572202 (Karnataka) - reg.

**Ref :** Budget Allocation No. . BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Khadi Gramodyog Sangh ® Halepalya, Tiptur, Tumkur-572202 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		20.05	Director, SO, Bangalore
a)	Reeling Basin	6	1.20	
	Twisting m/c	1	3.40	
	Re-reeling & warping m/c	1	0.45	
b)	Improved Looms (Silk)	10	4.00	
	Improve Looms (cotton)	10	4.00	
c	NMC (Replacement)	50	7.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore

4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>61.05</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>92.55</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	80.30
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>92.55</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

1  
Director (Khadi)

To  
The Secretary  
Khadi Gramodyog Sangh ® Halepalya, Tiptur,  
Tumkur-572202 (Karnataka)

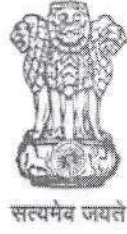
Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 (896)

Date: 23.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Chitradurga Dist Khadi Co-op Society, Chitradurga - 577501 (Karnataka)** - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Chitradurga Dist Khadi Co-op Society, Chitradurga - 577501 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		0.00	Director, SO, Bangalore
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation	-	8.00 Rs. 6.25 (SO)	Director, SO, Bangalore, Director (IT)

	Officer]		Rs. 1.75 (IT)	
5	Training	-	0.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>38.00</b>	

### B. Marketing Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>34.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>72.00</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	60.25
2	Director (I.T.)	11.75
3	Director (C.B.)	0.00
	<b>Total</b>	<b>72.00</b>

### TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for

- implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
  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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
  6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
  7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
  8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
  9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Chitradurga Dist Khadi Co-op Society, Chitradurga - 577501 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 898

Date: 23.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Shri Bhartambe mahila Khadi & Gramodyog Kaigarika Sangh ® Shiramagondanahalli, Davanagere - 577005 (Karnataka)** - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Shri Bhartambe mahila Khadi & Gramodyog Kaigarika Sangh ® Shiramagondanahalli, Davanagere - 577005 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.00	Director, SO, Bangalore
a)	New Model Charkha NMC (replacement)	32 50	5.00 7.00	
b)	Looms – Improve Loom (Replacement)	10 20	4.00 8.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	9.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore

4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	2.50	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>63.50</b>	

### B. Marketing Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		18.00	Director, SO, Bangalore
2	Inventory management	-	9.97	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>32.97</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>96.47</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	82.25
2	Director (I.T.)	11.72
3	Director (C.B.)	2.50
	<b>Total</b>	<b>96.47</b>

### TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for

- implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
  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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
  6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
  7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
  8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
  9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

Director (Khadi)

To

The Secretary

Shri Bhartambe mahila Khadi & Gramodyog Kaigarika Sangh ®  
Shiramagondanahalli, Davanagere - 577005 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
- ✓ 2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DKPM/SZ/KRDP/Bangalore/3rd phase/2016-17 / 89A

Date: 23.02.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Nazeen Silk Association Upperpet, Chintamani, Chikkaballapur (KNT.)** - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2016-17/07 dtd 8.2.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Nazeen Silk Association Upperpet, Chintamani, Chikkaballapur- 563125 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		23.45	Director, SO, Bangalore
a)	<b>Replacement</b> Reeling Basin Boiler Twisting Machine Re-reeling & Warping m/c Dupion Charkha Dupion Silk Twisting m/c Improved Looms	15 1 1 1 10 1 10	5.00 1.75 3.40 0.55 6.50 2.25 4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore

3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	2.93	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>62.38</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>93.88</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	81.70
2	Director (I.T.)	9.25
3	Director (C.B.)	2.93
	<b>Total</b>	<b>93.88</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank



account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only

9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.

18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

This is issued with the approval of Competent Authority.

Encl: - As above

1  
Director (Khadi)

To  
The Secretary  
Nazeen Silk Association Upperpet, Chintamani,  
Chikkaballapur- 563125 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: directorkpm@kvic.gov.in and  
email: kc@kvic.gov.in Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/61 Date: 11.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Aland Khadi Gramodyog Sangh, Aland-585302, Dist- Gulbarga (Karnataka)** - reg.

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Aland Khadi Gramodyog Sangh, Aland-585302, Dist- Gulbarga (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		14.75	Director, SO, Bangalore
	NMC	50	6.75	
	Improved loom	20	8.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	13.70	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>59.45</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>90.95</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	78.70
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>90.95</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II.**
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared



and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To  
The Secretary  
Aland Khadi Gramodyog Sangh, Aland-585302, Dist- Gulbarga (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

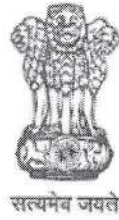
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/60 Date: 11.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Dharwad Taluka Seva Sangh, Dharwad, Belgaum Road, Dharwad- 580 008 (Karnataka) - reg.

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Dharwad Taluka Seva Sangh, Dharwad, Belgaum Road, Dharwad- 580 008 (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		3.50	Director, SO, Bangalore
	NMC	25	3.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	15.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>49.50</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

<b>GRAND TOTAL (A+B)</b>		<b>81.00</b>	
--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	68.75
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>81.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II.**

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To

**The Secretary**

Dharwad Taluka Seva Sangh, Dharwad, Belgaum Road, Dharwad- 580 008  
(Karnataka)

Through: **State Director,**  
**KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION  
सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार  
Ministry of Micro, Small & Medium Enterprises, Govt. of India,  
खादी निदेशालय  
DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/59 Date: 11.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Sri Allamprabhu Gramodyog Mattu Shikshan Samasthe, Terdal-587315, Tq- Jamkhandi, Dist- Bagalkot (**Karnataka**) - reg.

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Sri Allamprabhu Gramodyog Mattu Shikshan Samasthe, Terdal- 587315, Tq- Jamkhandi, Dist- Bagalkot (**Karnataka**) for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		24.00	Director, SO, Bangalore
	NMC	100	14.00	
	Improve loom	5	2.00	
	Pit loom Traditional (wool)	20	8.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	9.80	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>64.80</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		10.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>22.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>87.30</b>	

(\*) Quantity in Nos. is an indicative

Sr. No.	In favour of	(Rs. in Lakhs) Funds to be released
1	State Director, Bangalore	75.05
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>87.30</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II.**

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To

The Secretary

Sri Allamprabhu Gramodyog Mattu Shikshan Samasthe, Terdal- 587315, Tq-  
Jamkhandi, Dist- Bagalkot (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/64 Date: 12.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Davangere Charakha & Gramodyoga Sahakara Sangha Ltd.** Post- Nittuvalli Road, -577002 ,Dist- Davangere (Karnataka) - reg.

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Davangere Charakha & Gramodyoga Sahakara Sangha Ltd. Post- Nittuvalli Road, -577002 ,Dist- Davangere (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		22.00	Director, SO, Bangalore
	NMC	100	14.00	
	Improved loom	20	8.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>63.00</b>	

### B. Marketing Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>94.50</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	82.25
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>94.50</b>

### TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.



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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and

forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To  
The Secretary  
Davangere Charakha & Gramodyoga Sahakara Sangha Ltd. Post- Nittuvalli  
Road, -577002 ,Dist- Davangere (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/63 Date: 12.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Sri. Laxmi Khadi Gramodyog Kaigarika Sangha Post-Burujannahatti -577501 ,Dist- Chitradurga (Karnataka) - reg.**

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Sri. Laxmi Khadi Gramodyog Kaigarika Sangha Post- Burujannahatti -577501 ,Dist- Chitradurga (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		22.00	Director, SO, Bangalore
	NMC	100	14.00	
	Improved loom	20	8.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

	Officer]			
5	Training	-	2.89	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>62.89</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		10.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>22.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>85.39</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	73.25
2	Director (I.T.)	9.25
3	Director (C.B.)	2.89
	<b>Total</b>	<b>85.39</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRD PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II.**



19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure - III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
26. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
27. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
28. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

29. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
30. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To  
The Secretary  
Sri. Laxmi Khadi Gramodyog Kaigarika Sangha Post- Burujanahatti -577501  
,Dist- Chitradurga (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

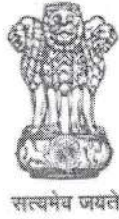
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार  
Ministry of Micro, Small & Medium Enterprises, Govt. of India,  
खादी निदेशालय  
DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/62 Date: 11.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Khadi & Gramodyog Sahakara Sangha Ltd. Post-Holenarasipur-573211, Dist- Hassan (Karnataka)** - reg.

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Khadi & Gramodyog Sahakara Sangha Ltd. Post- Holenarasipur-573211, Dist- Hassan (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		25.00	Director, SO, Bangalore
	NMC	50	7.00	
	Improved loom	20	8.00	
	Basin	2	6.00	
	Boiler	1	2.00	
	Two pan cooking unit	4	1.00	
	Re reeling machine	2	1.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore

4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>64.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

<b>GRAND TOTAL (A+B)</b>		<b>95.50</b>
--------------------------	--	--------------

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	83.25
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>95.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.

10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall

be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.

19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.

27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To  
The Secretary  
Khadi & Gramodyog Sahakara Sangha Ltd. Post- Holenarasipur-573211, Dist-  
Hassan (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South **Zone**), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

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

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 15.09.2017

### SANCTION ORDER (REVISED)

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Bellary Dist. Khadi Gramodyog Sangh, Ittagi, Dist- Bellary (Karnataka)** - reg.

**Ref:** 1. SFC(K) Reso. No. Khadi/2017-18/07 & 28 dtd.25.04.2017 & 29.6.17  
2. Budget Allo No. BGT/Khadi/Allo/2017-18/197 & 250 dtd 19.05.2017 & 25.07.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (KNT), sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Bellary Dist. Khadi Gr. Sangh, Ittagi, Dist- Bellary (Karnataka) for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	Director, SO, Bangalore
	NMC	25	3.50	
	Improved looms	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	6.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	10.00	Director, SO, Bangalore
	<b>Total</b>		<b>34.00</b>	

## B. Marketing Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>47.00</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	39.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>47.00</b>

### TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and

Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II/2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September

*u*

and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.

17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.

- 5 -
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
  27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
  28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
  29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*KVIC/15/08*  
Director (Khadi)/  
Link officer

To

**The Secretary**

Bellary Dist. Khadi Gr. Sangh, Ittagi, Dist- Bellary (Karnataka)

Through: **State Director,  
KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56.
4. Asstt. Director-I I/c (Marketing), KVIC, Mumbai-56.
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*KVIC*  
Director (Khadi)/L.O.



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: directorkhadi@gmail.com  
and email: kc@kvic.gov.in Website: [www.kvic.org.in](http://www.kvic.org.in)



सत्यमेव जयते  
प्रतिनाम आतिशयम्।



सत्यमेव जयते

## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 15.09.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Khadi Nekkar Sahakari Utpadak Sangh Niyamit, Uppinbetegeri, Dist-Dharwad - 581206 (Karnataka)** - reg.

**Ref:** 1. SFC(K) Reso. No. Khadi/2017-18/07 & 28 dtd.25.04.2017& 29.6.17  
2. Budget Allo No. BGT/Khadi/Allo/2017-18/197 & 250 dtd 19.05.2017 and dated : 25.07.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Khadi Nekkar Sahakari Utpadak Sangh Niyamit, Uppinbetegeri, Dist-Dharwad -581206 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	Director, SO, Bangalore
	NMC	25	3.50	
	Improved looms	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	7.50	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>39.50</b>	

**B. Marketing Reform**

-2-

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>52.50</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	45.00
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>52.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II/2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification



-4-

and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.

18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be

-5-

reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.

29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*15/08/17*  
Director (Khadi) /  
Link office

To  
The Secretary  
Khadi Nekkar Sahakari Utpadak Sangh Niyamit, Uppinbetegeri, Dist-Dharwad -  
581206 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56.
4. Asstt. Director-I I/c (Marketing), KVIC, Mumbai-56.
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*15/08/17*  
Director (Khadi) / L.O.



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

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

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 15.09.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Sri Ranga Khadi Gramodyog Sangh, Hosadurga, Dist- Chitradurga (Karnataka)** - reg.

**Ref:** 1. SFC(K) Reso. No. Khadi/2017-18/07 & 28 dtd. 25.04.2017 & 29.6.17  
2. Budget Allo No. BGT/Khadi/Allo/2017-18/197 & 250 dtd 19.05.2017 and dated :25.07.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Sri Ranga Khadi Gramodyog Sangh, Hosadurga, Dist- Chitradurga (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	Director, SO, Bangalore
	NMC	25	3.50	
	Improved looms	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	6.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	9.00	Director, SO, Bangalore
	<b>Total</b>		<b>33.00</b>	

**B. Marketing Reform**

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>46.00</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	38.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>46.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RiIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008–09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and

Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September

and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.

17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.

26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)/L.O.

To  
The Secretary  
Sri Ranga Khadi Gramodyog Sangh, Hosadurga, Dist- Chitradurga (Karnataka)

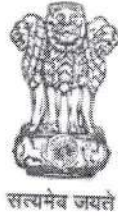
Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56.
4. Asstt. Director-I I/c (Marketing), KVIC, Mumbai-56.
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)





## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 15.09.2017

### SANCTION ORDER ( REVISED)

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Kurubar Kuri Unnayan Audyogika Belavanigeya Sahakari SanghNiyamit, Ranebennur, Dist- Haveri (Karnataka)** - reg.

**Ref:** 1. SFC(K) Reso. No. Khadi/2017-18/05 & 28 dtd.25.04.2017 & 29.6.17  
2. Budget Allo No. BGT/Khadi/Allo/2017-18/195 & 250 dtd 19.05.2017 & 25.07.2017 .

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Kurubar Kuri Unnayan Audyogika Belavanigeya Sahakari SanghNiyamit, Ranebennur, Dist- Haveri (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		10.00	SO, Bangalore
	Woollen Medleri Charkha	25	3.50	
	Replacement Traditional	75	3.00	
	Improved looms	5	2.00	
	Pit Loom	10	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	4.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (Capacity Building)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>41.00</b>	



**B. Marketing Reform**

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>54.00</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	46.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>54.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-

2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and

achievements against the targets projected in the approved Action Plan as per the prescribed format.

17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.

- 5
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
  27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
  28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
  29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*[Handwritten Signature]*  
15/09  
Director (Khadi)/  
Link officer

To  
The Secretary  
Kurubar Kuri Unnayan Audyogika Belavanigeya Sahakari SanghNiyamit,  
Ranebennur, Dist- Haveri (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56.
4. Asstt. Director-I I/c (Marketing), KVIC, Mumbai-56.
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*[Handwritten Signature]*  
15/09  
Director (Khadi)  
Lo

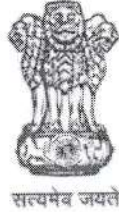


ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)

and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 15.09.2017

### SANCTION ORDER (REVISED)

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Khadi Workers Co-op Producers Society Ltd. Rod, Dist-Gadag (Karnataka)** - reg.

**Ref:** 1. SFC(K) Reso. No. Khadi/2017-18/05 & 28 dtd.25.04.2017 & 29.6.17  
2. Budget Allo No. BGT/Khadi/Allo/2017-18/195 & 250 dtd 19.05.2017 & 25.07.2017

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Khadi Workers Co-op Producers Society Ltd. Rod, Dist-Gadag 582101 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.50	Director, SO, Bangalore
	Replacement NMC	25	3.50	
	Replacement Improved Loom	5	2.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	7.50	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	Director, SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>40.00</b>	

**B. Marketing Reform**

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		10.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>18.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>58.00</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	50.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>58.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008–09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and

Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September

and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.

17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.



25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*[Signature]*  
Director (Khadi) /  
Link officer

To  
The Secretary  
Khadi Workers Co-op Producers Society Ltd. Rod, Dist-Gadag (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56.
4. Asstt. Director-I I/c (Marketing), KVIC, Mumbai-56.
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*[Signature]*  
Director (Khadi)  
Link officer





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 01.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Bellary Amber Charkha Kushala Kaigarika Sahakara Sangha Niyamitha, Millerpet, Bellary, 583101 (Karnataka)** - reg.

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2017-18/251 dtd 25.07.2017

2. SFC (Khadi) Reso. No. Khadi/2017-18/17 dt. 29.06.2017.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Bellary Amber Charkha Kushala Kaigarika Sahakara Sangha Niyamitha, Millerpet, Bellary, 583101 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	SO, Bangalore
	8 Spindle NMC	25	3.50	
	Improved Loom	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	6.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (c.b.)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>38.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		10.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>18.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>56.00</b>	

(\*) Quantity in Nos. is an indicative

( Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	48.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>56.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-

09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.

34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.
35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*3/12 21/11/12*  
Director (Khadi)

To

**The Secretary**

Bellary Amber Charkha Kushala Kaigarika Sahakara Sangha Niyamitha, Millerpet,  
Bellary, 583101 (Karnataka)

Through: **State Director,**  
**KVIC, Bangalore (Karnataka)**

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

*3/12 21/11/12*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

**KHADI AND VILLAGE INDUSTRIES COMMISSION**

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 02.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Sri Venkateshwar Khadi Gramodyog Sangha, Vill.& Post- Medihala, Taluka-Kolar, Dist- Kolar 563 101 (Karnataka) - reg.**

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2017-18/251 dtd 25.07.2017

2. SFC (Khadi) Reso. No. Khadi/2017-18/17 dt. 29.06.2017.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of of **Sri Venkateshwar Khadi Gramodyog Sangha, Vill.& Post- Medihala, Taluka-Kolar, Dist- Kolar 563 101 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	SO, Bangalore
	8 Spindle NMC	25	3.50	
	Improved Loom	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	6.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (c.B.)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	8.00	SO, Bangalore
	<b>Total</b>		<b>32.00</b>	



**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>45.00</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	37.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>45.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
4. 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 Directorate of KPM.
5. 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.
6. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently

empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

7. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
8. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
9. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
10. 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 strictly followed.
11. 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.
12. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
13. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
14. 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.
15. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction work completed shall be made available for inspection by any officials of MSME, Govt. of India or its authorized agents or agencies and KVIC.

- 4-
16. The project duration will be three years. After completion of the project the institution must continue the programme in the interest of artisans and workers of the institution.
  17. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
  18. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
  19. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
  20. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
  21. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
  22. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
  23. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

24. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
25. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
26. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posted in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
30. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
31. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
32. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
33. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
34. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
35. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

- 6-
36. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
  37. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
  38. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To

The Secretary

Sri Venkateshwar Khadi Gramodyog Sangha, Vill.& Post- Medihala, Taluka-Kolar,  
Dist-Kolar 563 101 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

Copy for information & necessary action to:-

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



कामधे सुखमिदमम्।  
प्राणिनाम् अतिनिश्चयम्॥



सत्यमेव जयते

## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 02.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Sri Nidhi Khadi & V.I. Association ,Surabone, Honnali Dist- Davangere. 577215 (Karnataka) - reg.**

**Ref :** Budget Allocation No. BGT/Khadi/Allo/2017-18/251 dtd 25.07.2017

2. SFC (Khadi) Reso. No. Khadi/2017-18/17 dt. 29.06.2017.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of of **Sri Nidhi Khadi & V.I. Association ,Surabone, Honnali Dist- Davangere. 577215 , (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.00	SO, Bangalore
	8 Spindle NMC	25	3.50	
	Improved Loom	5	1.50	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	6.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	1.00	Director (c.B.)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>38.00</b>	

-2-

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>13.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>51.00</b>	

(\*) Quantity in Nos. is an indicative

Sr. No.	In favour of	(Rs. in Lakhs) Funds to be released
1	State Director, Bangalore	43.50
2	Director (I.T.)	6.50
3	Director (C.B.)	1.00
	<b>Total</b>	<b>51.00</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently

empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction work completed shall be made available for inspection by any officials of MSME, Govt. of India or its authorized agents or agencies and KVIC.



- 4 -
15. The project duration will be three years. After completion of the project the institution must continue the programme in the interest of artisans and workers of the institution.
  16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
  17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
  18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
  19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
  20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
  21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
  22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

- 35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
- 36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
- 37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*12/2/12*  
Director (Khadi)

To  
The Secretary

Sri Nidhi Khadi & V.I. Association ,Surabone, Honnali Dist- Davangere. 577215  
(Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

- 1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
- 2. State Director, KVIC, Bangalore (Karnataka.)
- 3. Dy. Director I/c (RID), KVIC, Mumbai-56
- 4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
- 5. Director, (Capacity Building), KVIC, Mumbai-56
- 6. Director (IT), KVIC, Mumbai-56.
- 7. Director (Accounts), KVIC, Mumbai-56

*12/2/12*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com) and  
email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18/65 Date: 12.04.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Akkanagamma Khadi Gramodyoga Kaigarika Mahila Mandali Post- Nittuvalli -577004 ,Dist- Davangere (Karnataka) - reg.**

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/152 dtd 05.4.2017

**2. SFC (Khadi) Reso. No. Khadi/2016-17/55 dtd. 29.03.2017**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore , sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Akkanagamma Khadi Gramodyoga Kaigarika Mahila Mandali Post- Nittuvalli -577004 ,Dist- Davangere (Karnataka)** for the year 2016-17 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		20.00	Director, SO, Bangalore
	NMC	100	14.00	
	Improved loom	15	6.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	10.00	Director, SO, Bangalore
3	Construction of shed for CFC	-	5.00	Director, SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 (SO) Rs. 1.75 (IT)	Director, SO, Bangalore, Director (IT)

5	Training	-	3.00	Director (Capacity Building)
6	Installation	-	1.00	Director, SO, Bangalore
7	Margin money for Working Capital	-	14.00	Director, SO, Bangalore
	<b>Total</b>		<b>61.00</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		19.00	Director, SO, Bangalore
2	Inventory management	-	7.50	Director (IT)
3	Local publicity	-	5.00	Director, SO, Bangalore
	<b>Total</b>		<b>31.50</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>92.50</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	80.25
2	Director (I.T.)	9.25
3	Director (C.B.)	3.00
	<b>Total</b>	<b>92.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.

11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the minutes of the Field Level Execution Committee meeting is prepared and

forwarded to the concerned Programme Directors 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 (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. The Programme Directors and State/Divisional Director should ensure timely submission of UCs in the prescribed format and also comply the above conditions scrupulously.
27. Zonal Dy.CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.

28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

  
Director (Khadi)

To  
The Secretary  
Davangere Charakha & Gramodyoga Sahakara Sangha Ltd. Post- Nittuvalli  
Road, -577002 ,Dist- Davangere (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Director (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56
7. Director (Accounts), KVIC, Mumbai-56

  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkpm@kvic.gov.in](mailto:directorkpm@kvic.gov.in) and

email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 02.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Jamkhandi Tq. Khadi Gramodyog Sangh, Vill.& Post- Banahatti, Taluka- Jamkhandi, Dist- Bagalkot 587 311 (Karnataka) - reg.**

**Ref:** Budget Allo. No. BGT/Khadi/Allo/2017-18/252 dtd 25.07.2017

2. SFC (Khadi) Reso. No. Khadi/2017-18/21 dt. 29.06.2017.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **Jamkhandi Tq. Khadi Gramodyog Sangh, Vill.& Post- Banahatti, Taluka- Jamkhandi, Dist- Bagalkot 587 311 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		11.00	SO, Bangalore
	8 Spindle NMC	75	7.00	
	Improved Loom	10	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.50	Director (C.B.)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	8.00	SO, Bangalore
	<b>Total</b>		<b>41.50</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		8.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>16.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>57.50</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	48.50
2	Director (I.T.)	6.50
3	Director (C.B.)	2.50
	<b>Total</b>	<b>57.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIS, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
4. 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 Directorate of KPM.
5. 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.
6. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide

Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

7. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
8. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
9. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
10. 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 strictly followed.
11. 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.
12. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
13. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
14. 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.
15. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction work completed shall be made available for inspection by any officials of MSME, Govt. of India or its authorized agents or agencies and KVIC.

16. The project duration will be three years. After completion of the project the institution must continue the programme in the interest of artisans and workers of the institution.
17. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
18. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
19. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
20. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
21. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
22. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
23. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

24. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
25. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
26. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
27. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
28. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
29. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
30. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
31. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
32. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
33. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
34. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
35. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

36. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
37. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
38. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*J. 2/10/12*  
Director (Khadi)

To  
The Secretary  
Jamkhandi Tq. Khadi Gramodyog Sangh, Vill.& Post- Banahatti, Taluka-  
Jamkhandi, Dist- Bagalkot 587 311 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

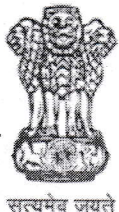
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*J. 2/10/12*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 02.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Khadi Gramodyog Sangh, Udgir Road, Dist- Bidar 585 401 (Karnataka) - reg.**

**Ref :** Budget Allo. No. BGT/Khadi/Allo/2017-18/252 dtd 25.07.2017

2. SFC (Khadi) Reso. No. Khadi/2017-18/21 dt. 29.06.2017.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore, sanction as accorded by SFC (Khadi) and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of **of Khadi Gramodyog Sangh, Udgir Road, Dist- Bidar 585 401 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		11.00	SO, Bangalore
	8 Spindle NMC	75	7.00	
	Improved Loom	10	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	8.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.50	Director (c.B.)
6	Installation	-	1.00	SO, Bangalore
7	Margin money for Working Capital	-	10.00	SO, Bangalore
	<b>Total</b>		<b>43.50</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		10.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	3.00	Director, SO, Bangalore
	<b>Total</b>		<b>18.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>61.50</b>	
--	--------------------------	--	--------------	--

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	52.50
2	Director (I.T.)	6.50
3	Director (C.B.)	2.50
	<b>Total</b>	<b>61.50</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RiIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

- An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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.
- KVIC shall extend assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC - KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
- 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 Directorate of KPM.
- 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.
- The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide



Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*J/12 2/8/12*  
Director (Khadi)

To  
The Secretary  
Khadi Gramodyog Sangh, Udgir Road, Dist- Bidar 585 401 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*J/12 2/8/12*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 23.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Laxmeshwar Bhagada Kuri Sangopanan Hagu Unneya Audyogika Sahakari Sangh, Niyamit, Vill- Laxmeshwar, Taluka – Shirahatti, Dist- Gadag - 582 116(KNT) - reg.**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (Karnataka), sanction as accorded in anticipation of ratification by SFC (Khadi) in favour of **Laxmeshwar Bhagada Kuri Sangopanan Hagu Unneya Audyogika Sahakari Sangh, Niyamit, Vill- Laxmeshwar, Taluka – Shirahatti, Dist- Gadag - 582 116 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		10.30	SO, Bangalore
	Dupion Charkha (Medleri Charkha)	70	6.30	
	Wooden Pit Looms Traditional	20	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	4.90	SO, Bangalore
3	Construction of work shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.00	Director (c.B.)
6	Installation	-	0.50	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>42.70</b>	

### B. Marketing Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	1.50	Director, SO, Bangalore
	<b>Total</b>		<b>11.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>54.20</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	45.70
2	Director (I.T.)	6.50
3	Director (C.B.)	2.00
	<b>Total</b>	<b>54.20</b>

### TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives

issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.



24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*J12 24/8/2022*  
Director (Khadi)

To

The Secretary

Laxmeshwar Bhagada Kuri Sangopanan Hagu Unneya Audyogika Sahakari Sangh,  
Niyamit, Vill- Laxmeshwar, Taluka – Shirahatti, Dist- Gadag - 582 116 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*J12 24/8/2022*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - 400056

Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056

Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)

and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 24.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **KGN Silk Khadi Gramodyog Sangh, Post- Maderahalli, Kondarajanahalli, Dist- Kolar - 563101(KNT) - reg.**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (Karnataka), sanction as accorded in anticipation of ratification by SFC (Khadi) in favour of **KGN Silk Khadi Gramodyog Sangh, Post- Maderahalli, Kondarajanahalli, Dist- Kolar - 563101** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		10.75	SO, Bangalore
	Improved Iron Loom (silk)	05	2.00	
	Reeling Basin (Silk)	10	3.00	
	Boiler	01	1.75	
	Twisting Machine (Silk)	01	3.20	
	Doubling Machine (Silk)	01	0.80	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	5.00	SO, Bangalore
3	Construction of shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.00	Director (c.B.)
6	Installation	-	0.50	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>43.25</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	2.00	Director, SO, Bangalore
	<b>Total</b>		<b>12.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>55.25</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	46.75
2	Director (I.T.)	6.50
3	Director (C.B.)	2.00
	<b>Total</b>	<b>55.25</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives

issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.

- 5-
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
  25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
  26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
  27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
  28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
  29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
  30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
  31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
  32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
  33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
  34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*[Handwritten signature]*  
24/8/22  
Director (Khadi)

To

The Secretary

KGN Silk Khadi Gramodyog Sangh, Post- Maderahalli, Kondarajanahalli, Dist- Kolar - 563101 (KNT)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*[Handwritten signature]*  
24/8/22  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 24.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Tazeen Silk Khadi and Village Industries Association, Vill & Post - Shahinsha Nagar, Dist- Kolar - 563 101(KNT) - reg.**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (Karnataka), sanction as accorded in anticipation of ratification by SFC (Khadi) in favour of **Tazeen Silk Khadi and Village Industries Association, Vill & Post - Shahinsha Nagar, Dist- Kolar - 563 101 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		10.75	SO, Bangalore
	Improved Iron Loom (silk)	05	1.25	
	Reeling Basin (Silk)	10	3.00	
	Boiler	01	1.75	
	Twisting Machine (Silk)	01	3.40	
	Doubling Machine (Silk)	01	0.80	
	Re-reeling & warping machine (silk)	01	0.55	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	5.00	SO, Bangalore
3	Construction of work shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.00	Director (c.B.)
6	Installation	-	0.50	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>43.25</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	2.00	Director, SO, Bangalore
	<b>Total</b>		<b>12.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>55.25</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	46.75
2	Director (I.T.)	6.50
3	Director (C.B.)	2.00
	<b>Total</b>	<b>55.25</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives

issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.
23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.

24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.
34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.

35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*12/24/8/2014*  
Director (Khadi)

To  
The Secretary  
Tazeen Silk Khadi and Village Industries Association, Vill & Post - Shahinsha Nagar,  
Dist- Kolar - 563 101 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*12/24/8/2014*  
Director (Khadi)



ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)



## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 24.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **The Ron Taluka Kuri Sangopanan Hagu Unne Belavanigeya Sahakari Utpadakar Sangh, Niyamit, Vill & Post – Mallapur, Dist- Gadag - 582209(KNT) - reg.**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (Karnataka), sanction as accorded in anticipation of ratification by SFC (Khadi) in favour of **The Ron Taluka Kuri Sangopanan Hagu Unne Belavanigeya Sahakari Utpadakar Sangh, Niyamit, Vill & Post – Mallapur, Dist- Gadag - 582209 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		10.30	SO, Bangalore
	Dupion Charkha (Medleri Charkha)	70	6.30	
	Looms Traditional	20	4.00	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	2.50	SO, Bangalore
3	Construction of work shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.00	Director (c.B.)
6	Installation	-	0.50	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>40.30</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	1.50	Director, SO, Bangalore
	<b>Total</b>		<b>11.50</b>	
<b>GRAND TOTAL (A+B)</b>			<b>51.80</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	43.30
2	Director (I.T.)	6.50
3	Director (C.B.)	2.00
	<b>Total</b>	<b>51.80</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/



dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.

6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.

23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.

34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka.) should ensure timely implementation and submission of UCs in the prescribed format.
35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.

This is issued with the approval of Competent Authority.

Encl: - As above

*Y/12 24/8/2012*  
Director (Khadi)

To

The Secretary

The Ron Taluka Kuri Sangopanan Hagu Unne Belavanigeya Sahakari Utpadakar Sangh, Niyamit, Vill & Post – Mallapur, Dist- Gadag - 582209 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*Y/12 24/8/2012*  
Director (Khadi)





## खादी और ग्रामोद्योग आयोग

KHADI AND VILLAGE INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार

Ministry of Micro, Small & Medium Enterprises, Govt. of India,

खादी निदेशालय

DIRECTORATE OF KHADI

No. DK(KPM)/SZ/KRDP/3rd phase/Bangalore/2017-18

Date: 24.08.2017

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of **Khadi Silk Industrial Association, Vill & Post- Channasandra, Taluka – Kolar, Dist- Kolar – 563 264 (KNT) - reg.**

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Bangalore (Karnataka), sanction as accorded in anticipation of ratification by SFC (Khadi) in favour of **Khadi Silk Industrial Association, Vill & Post- Channasandra, Taluka – Kolar, Dist- Kolar – 563 264 (Karnataka)** for the year 2017-18 is hereby communicated for implementation of Khadi Reform and Development Programme as per details given below :-

#### A. Production Reform

Sr. No	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Implements (NMC and looms)		5.31	SO, Bangalore
	Silk Reeling machine	6	1.75	
	Re-reeling machine	1	0.51	
	Looms (Traditional)	10	2.00	
	Boiler	1	1.05	
2	Common Facility Centre (CFC) [Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc.]	As per approved Action Plan	9.00	SO, Bangalore
3	Construction of work shed for CFC	-	5.00	SO, Bangalore
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	6.00 Rs. 4.50 (SO) Rs. 1.50 (IT)	SO, Bangalore, Director (IT)
5	Training	-	2.00	Director (c.B.)
6	Installation	-	0.50	SO, Bangalore
7	Margin money for Working Capital	-	14.00	SO, Bangalore
	<b>Total</b>		<b>41.81</b>	

**B. Marketing Reform**

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		5.00	Director, SO, Bangalore
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	2.00	Director, SO, Bangalore
	<b>Total</b>		<b>12.00</b>	
<b>GRAND TOTAL (A+B)</b>			<b>53.81</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Bangalore	45.31
2	Director (I.T.)	6.50
3	Director (C.B.)	2.00
	<b>Total</b>	<b>53.81</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIIs, PROGRAMME DIRECTORS UNDER KRDP PROGRAMME**

1. An agreement will be executed between State/Divisional Director and Reform Implementing Institution (RII) in the prescribed format placed at **Annexure-I** on the 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 assistance under KRDP in kind and/or financial support as required. The State / Divisional Director shall operate a separate savings bank account in the name of "KVIC – KRDP" for operation of fund for implementation of this programme and maintain necessary books of accounts.
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 Directorate of KPM.
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. The procurement of the Khadi implements (NMC Charkha and Looms) shall be regulated in terms of the letter No. DKPM/Costing/ Implements/ 2008-09/ dated 09.01.2009 issued by the Directorate of KPM or as per the directives issued by the Commission from time to time. KVIC has recently empanelled 8 manufacture for supply of Charkhas and notified vide Circular No:DKPM/Kh Imple/Mfg/860/Vol-II/2013-14 dated 04-03-2014 and Addendum No:DKPM /Kh. Imple/Mfg/860/Vol-II/2013-14 dated 03/04-06-2014. Similarly list of loom manufacturer were also notified vide Circular No: DKPM/Kh. Imple/Mfg /860 / Vol-II2013-14 dated 15-07-2014.
6. Procurement of other implements related to the KRDP programme shall be preferably made from the reputed manufacturer/s, ensuring the quality, rate reasonableness etc by obtaining expert opinion from SITRA, BTRA, NITRA, ATIRA, MGIRI, WSC etc. Apart from these, the expert opinion from NIFT or any other Technical Institute or Technical expertise may also be obtained. The purchase terms and condition should include supply of implements within the stipulated time period.
7. The supply contract/agreement/condition must include provision for proper skill development training to the master artisan so that he can be able to handle maintenance 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.
8. The payment shall be made to the suppliers and other parties strictly by demand draft/crossed cheque only
9. 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 strictly followed.
10. 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.
11. The assets created out of the KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
12. Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.
13. 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.
14. The utilization of KRDP fund is subject to the audit and review by a chartered accountant acceptable to ADB or Internal Audit of KVIC. The assets and

renovation/construction 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 must continue the programme in the interest of artisans and workers of the institution.
16. The RII and State/Divisional Director shall submit the physical and financial progress report of the project on quarterly basis by 15<sup>th</sup> April, July, October and January for the quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December covering details of the expected outcome and achievements against the targets projected in the approved Action Plan as per the prescribed format.
17. The RII shall appoint a Reform Implementing Officer (RIO) for management of day to day activities for implementation of this programme and also an IT Assistant (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by KVIC. The Reform Implementing Officer and IT Assistant must submit their monthly work report on progress of programme to the State/Divisional Office.
18. In order to monitor and evaluate the programme, a Field Level Execution Committee (FLEC) headed by State/Divisional Director shall be constituted. The detailed composition and ToR for FLEC is placed at **Annexure – II**.
19. The RII and the State / Divisional Director should ensure that the monthly report, which would contain highlights of Field Level Execution Committee (FLEC) decisions, should be sent to Central Office.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted (except the head of margin money for working capital) 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 RII.
21. A target should be given to each RII in consonance with the Khadi Reform and Development Programme for achievement of production, sales and employment during the annual SLBT meeting.
22. The linkage matrix among the State / Divisional Directors, Programme Directors at Central Office and RII are illustrated in the activity flow chart at **Annexure – III**, the contour and description of role and responsibility of the State / Divisional Directors, Programme Directors at Central Office and RII are given at **Annexure - IV** and **Annexure - V** respectively. A copy of the approved action plan by the Standing Finance Committee (Khadi) is placed at **Annexure-VI**.



23. The institutions should avail Bank Finance for achieving the projected targets and desired objectives.
24. Since, the assistance under KRDP will be in the form of Grant-in-aid, a condition should be laid down in the agreement with the institution that assets acquired wholly and substantially out of Govt. grant shall not be disposed off without obtaining prior approval of the KVIC.
25. All concerned are to ensure adherence to the detailed operational guidelines and GFR for proper utilization of the fund to be released from time to time under KRDP.
26. Zonal Dy. CEOs will closely monitor the implementation of the programme and report to CEO on monthly basis.
27. The Committee also directed that output and outcome on various interventions to be specified in the agreement to be executed with the implementing institutions. The timeline for completion of the project to be reduced otherwise it will lose its focus. All the sanction details should be posed in the KVIC website. Fund release is subject to compliance of Khadi mark requirement.
28. The "Khadi Logo" should be displayed prominently in the CFC and all other places where the Khadi programme is implemented.
29. The work shed constructed under this KRDP programme should be uniform in look and for that suitable specification, design etc may be finalized and communicated to all such institutions.
30. Charkhas, looms and other implements are also provided under other schemes like SFURTI. Hence, in order to identify the scheme under which the assistance given, there should be some code number embossed on such tools and implements.
31. POS machine should be installed in the sales outlets for enabling digital transaction, under marketing reform.
32. Quality of the charkhas, looms and other implements should be ensured strictly as per specification in order to avoid complaint after sale.
33. The institution should maintain separate record of the details of the assets acquired from the assistance provided.

34. Director Khadi, Director RID and State Office, KVIC, Bangalore (Karnataka) should ensure timely implementation and submission of UCs in the prescribed format.
35. Output and outcome on various interventions to be specified in the agreement to be executed with the implementing Institutions. The timeline for completion of the project to be strictly followed otherwise it will lose its focus.
36. All the sanction details should be posted on the KVIC website. Fund will be released subject to compliance of Khadi Mark requirement.
37. The sanction is subject to receipt of additional budget and funds from the Ministry under KRDP.
- This is issued with the approval of Competent Authority.

Encl: - As above

*Jin 24/8/2022*  
Director (Khadi)

To  
The Secretary  
Khadi Silk Industrial Association, Vill & Post- Channasandra, Taluka – Kolar, Dist-  
Kolar – 563 264 (Karnataka)

Through: State Director,  
KVIC, Bangalore (Karnataka)

**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (South Zone), KVIC, Bangalore (Karnataka)
2. State Director, KVIC, Bangalore (Karnataka.)
3. Dy. Director I/c (RID), KVIC, Mumbai-56
4. Asstt. Director I/c (Marketing), KVIC, Mumbai-56
5. Director, (Capacity Building), KVIC, Mumbai-56
6. Director (IT), KVIC, Mumbai-56.
7. Director (Accounts), KVIC, Mumbai-56

*Jin 24/8/2022*  
Director (Khadi)



ग्रामोदय, ३, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai-400056  
Tele-fax: 022-2671 5860 email: [directorkhadi@gmail.com](mailto:directorkhadi@gmail.com)  
and email: [kc@kvic.gov.in](mailto:kc@kvic.gov.in) Website: [www.kvic.org.in](http://www.kvic.org.in)