



खादी और ग्रामोद्योग आयोग  
KHADI AND VILLAGE INDUSTRIES COMMISSION  
सूक्ष्म लघु एवं मध्यम उद्यम मंत्रालय, भारत सरकार  
Ministry of Micro, Small & Medium Enterprises, Govt. of India,  
सुधार कार्यान्वयन प्रभाग  
REFORM IMPLEMENTATION DIVISION

No. RID/KRDP/ 3<sup>rd</sup> Tranche/2017-18

Dated: 02.11.2017

To,  
The Under Secretary,  
Govt. Of India,  
Ministry of MSME,  
Udyog Bhavan,  
**New Delhi- 110 011**

**Sub:** Compliance of 3<sup>rd</sup> Tranche revised restructured conditions under KRDP fulfilling the adoption of comprehensive reform plan to empower and revitalize 400 eligible KIs -Reg.

Sir,

Kindly refer letter of even number dated 23.10.2017 forwarding therein compliance report on 11<sup>th</sup> condition from third tranche related to adoption of comprehensive reform plan to empower and revitalize 400 eligible KIs is as follows :

Finalized restructured tranche condition	Evidence	Status as on 23.10.2017
KVIC shall have adopted the comprehensive reforms plan to empower and revitalize the four hundred (400) eligible Khadi institutions.	Report on adoption of Comprehensive Reform Plan	Completed. KVIC has adopted comprehensive reform plan to empower and revitalize 400 KIs

In this context, it is further informed that as discussed in the ADB meeting held on 24<sup>th</sup> October 2017, the revised compliance report on adoption of comprehensive reform plan to revitalize 400 KIs alongwith the sample of 10 Sanction Orders issued to KIs is forwarded herewith. The remaining sanction orders are heavy to be sent by mail and would be uploaded subsequently uploaded on the KRDP portal.

It is therefore, requested to kindly forward the said document to ADB for further needful action.

This is issued with the approval of Competent Authority.

Your's faithfully,

Encl: As above.

Dy. Chief Executive Officer (RID)

02/11/17

**Copy to:**

- 1) The JS, MSME, New Delhi.
- 2) The Senior Project Officer (Urban) ADB, New Delhi.
- 3) Shri Vivek Mathur, Senior Officer, MSME, New Delhi.



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# Khadi Reform and Development Programme

*KVIC shall have adopted the comprehensive reforms plan to empower and revitalize the four hundred (400) eligible Khadi institutions*

## Report on the adoption of Comprehensive Reform Plan

November 2017



कामये दुर्वत्प्रानाम् ।  
प्राणिनाम् आतिनाशनम्॥

### Khadi and Village Industry Commission

Ministry of Micro Small and Medium Enterprises,  
Government of India



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## 1. Background

The textile industry has made tremendous strides with the adoption of modern technology, branding, and savvy marketing. In contrast, khadi has been unable to keep pace with drastic changes in lifestyle, fashion trends and technological advancements impacting the textile markets. As a result, the community-based production and marketing model is neither able to gain market share nor substantially contribute to rural employment. Since the khadi artisans are dependent on the Khadi Institutions (KIs), the enhancement of their earnings, empowerment and inclusion is directly linked with the efficient function of the KIs.

KIs play a vital role in production and marketing of Khadi. Robust operations of KIs is important to ensure sustainable employment opportunities for artisans and enhancement of their earnings. However, most, if not all, KIs are in need of modern implements, better working conditions for artisans, skills for high-value products, and sales and marketing support. Therefore, strengthening of KIs formed an integral part of the Khadi Reforms and Development Program designed and supported by Asian Development Bank.

With the initiation of Tranche 1 of the KRDP project in 2008, a comprehensive reform package<sup>1</sup> was introduced with the objective of empowering and revitalizing 300 Khadi institutions. Based on several consultations the key interventions planned as a part of the comprehensive reform framework were identified. In brief these were:

- *Production reforms:* To include supply of charkhas, looms, warping machine, yarn processing unit, spinning sheds and working capital support to cover the increase in working capital requirement due to capacity enhancement and other reform measures.
- *Marketing Reforms:* Linked to overall marketing reforms to enable expert inputs from the MO for product strategy including product processing, designing and local marketing strategy. Marketing reforms will also include renovation of sales outlets.
- *Governance Reforms:* Re-organization of artisans into Self Help Groups
- *System Reforms:* Supply of basic information technology infrastructure (including accounting systems) and electronic networking of KIs with KVIC.

Further consultations were held by KVIC with MMSME to develop the criteria for selecting khadi institutions eligible for assistance under the khadi reform package which was decided to be performance-based with due regard to regional balance and the inclusion of backward areas.

On 15 December 2008, an official communication (Letter No. DRID&NS/KRDP/Policy/101/2008-09) was shared by KVIC to its State and Divisional Offices, KVIC disseminated information about the initiation of comprehensive reform plan framework for 300 KIs.

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<sup>1</sup> Also referred to the as Comprehensive Reforms Plan

While, KVIC adopted the comprehensive reforms plan framework in Tranche 1, the implementation of the plan began in tranche 2. Through an elaborate approach of shortlisting based on a management audit and KI action plans (Refer to section 3.2. for details of the selection methodology) 80 KIs were sanctioned the Direct Reform Assistance (DRA) under the Comprehensive Reform Plan in Tranche 2. Based on the initial assessment of the program on KIs, the comprehensive reform plan was extended to a total of 400 KIs during the Tranche 3 re-structuring signed on 19 December 2016. As a result, the comprehensive reform plan was adopted and implemented for 320 KIs in Tranche 3.

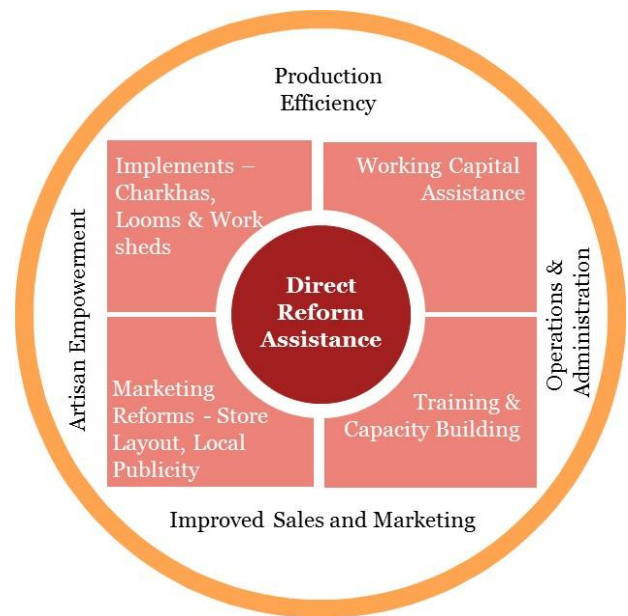
## 2. Comprehensive Reforms Plan Framework

The comprehensive reforms plan<sup>2</sup> broadly involved two types of support- Governance reform and In-Kind support.

### 2.1. Governance Reforms:

Key features of governance reforms were:

- The KI was responsible for organizing all artisans into Self Help Groups (SHGs) and encouraging SHGs to play a proactive role.
- The artisans were to be covered under the scheme should be brought under the umbrella of social security such as Janashree Bima Yojana and Artisans Welfare Fund Trust
- The KI was mandated to draw its raw material requirement from the nearest Central Sliver Plant of KVIC or its local Godown, or through captive production or KVIC specified sliver plants at Institutions. In case of silk, it should be obtained from the raw material bank operated by Central Silk Board and other Government or quasi -Government agencies.
- KI to devise a market and product strategy
- Assets like charkhas and looms would be given to the artisans and the institution should continue to extend all support to the artisans. Given the large number of women engaged in the sector, transfer of assets to women should be undertaken where women are the primary artisans.
- Adoption of non-discriminatory wages to women artisans, ensuring equal wages for equal work.
- Regular reporting to KVIC
- Representation of artisans in the KI management committee



<sup>2</sup> Targets for these have been clearly charted out in the MoUs signed between KVIC and the KIs as well

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## 2.2. *In- Kind support:*

Key initiatives envisaged for financial support were:

### 2.2.1. **Production Reforms:**

Production reforms is aimed at improving production efficiency of the Khadi Institutions through various interventions covering the entire production value chain. These are:

- **Procuring Implements:** Providing Production efficient implements including NMC charkhas and quality looms to the 400 institutions.
- **Establishing a Common Facility Center (CFC):** Providing funding to KIs to procure machinery such as Ready warp, yarn dyeing, fabric printing, readymade garment facilities, testing laboratories, services and maintenance etc for the CFC (as mentioned in their Action Plan). Partial funding was given for establishing a workshed to set up machines and get artisans to work together.
- **Installation of procured machinery:** Financial support to ensure smooth implementation of the charkhas, looms and other machinery procured by the KI.
- **IT intervention:** A feature of DRA is to digitize key process of the KI such as maintaining accounts, employment records, fund utilization and managing the KIs page on the KIMIS. KVIC provided support in hiring and paying salaries for an IT officer for each KI.
- **Training:** Support training of weavers and spinner to use the new implements, as well as other trainings pertaining to improving capacity of the KI employees, IT staff to strengthen implementation capacity of the institution.
- **Working capital:** KVIC provided Rs. 1.4 million as working capital to KIs for raw material and improved implements enabling KIs to target higher production.
- **Managerial support:** Support to KIs to hire a Reform Implementation Officer for smooth implementation of DRA.

### 2.2.2. **Marketing Reforms:**

Marketing reforms is aimed at improving the market perception and the final product value of Khadi products through the following identified interventions:

- **Renovation of sales outlet:** KIs were supported to renovate their sales outlet, making them more appealing to increase footfall and sales.
- **Inventory management:** To ensure efficient production inventory management support was provided to KIs.
- **Local publicity:** Funding provided to KIs to enable them to promote and market their products and events through developing leaflets, newspaper ads, TV ads, etc.

## Financial Assistance

Maximum financial assistance of Rs.10.5 million is provided to each KI in normal category while the assistance to KI falling under Hill Border and Left Wing affected category is Rs.7.6 million for Production & Marketing Reform Assistance. The quantum of assistance is determined as per the approved Action Plan of the KI by the Standing Finance Committee. The assistance is provided in kind, where payment is directly made, by KVIC, to the supplier of implements or the contractors selected for carrying out interventions and not directly to the KIs.

The component wise financial assistance provided under DRA is given in the table below:

**Table 1: Component wise financial assistance provided under DRA**

Particulars	Details	For normal category KIs	For KIs in Hill, Border, LWE affected areas (special category)
		(INR million)	(INR million)
<b>Production Reforms</b>	The production reforms are aimed at improving the production efficiency of the KIs through various interventions covering the entire production value chain		
Implements		2.5	1.5
Common Facility Centre & Work sheds		2.0	1.8
IT & Managerial		0.8	0.5
Training		0.3	0.3
Installation of machinery etc.		0.1	0.1
Working capital		1.4	1.4
<b>Sub Total</b>		<b>7.1</b>	<b>5.6</b>
<b>Marketing Reforms</b>	The marketing reforms are aimed at improving the market perception and the final product value of the khadi and VI products through various interventions		
Store layout		1.9	1.5
Inventory management		1.0	
Local publicity		0.5	0.5
<b>Sub Total</b>		<b>3.4</b>	<b>2.0</b>
<b>Grand Total</b>		<b>10.5</b>	<b>7.6</b>

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### 3. Selection of KIs for DRA

Khadi activities are highly decentralized and scattered countrywide and the products manufactured under Khadi are highly diversified. Accordingly, selection of institutions is a critical task for the program to ensure that the number of institutions is adequately representative of the population and different kinds of institutions, considering various parameters like Infrastructure, Financial Performance, Management and Human Resources, Marketing and Institutional Governance, so that the selection process is effective.

#### 3.2. Eligibility criteria for KIs

The eligibility criteria for the KIs to apply for DRA was decided by KVIC based on the production and average sales for 3 years, minimum number of artisans, number of sales outlets and the financial outgo of the institution.

Some general conditions were also framed, to implement DRA as envisaged under the program which were

- Adoption of Khadi mark is mandatory;
- Direct Benefit Transfer to artisans through Aadhaar seeded bank accounts only;
- Khadi institutions which have availed for any other scheme will not be eligible for any financial support under KRDP
- The institution should arrange adequate land and building to accommodate the infrastructure envisaged in the programme and creates equitable mortgage and hypothecation deeds in favour of KVIC for its assets.
- The RII may collectively represent production and marketing of three different kinds of khadi, viz. Cotton, Wool and Silk.

The criteria was found to be too stringent, as a result very few KIs came forward to take up DRA. The selection criteria was subsequently relaxed twice, with the approval of Competent Authority of KVIC, to reach the target of 400 KIs within the timelines of the tranche condition.

The KIs eligible for DRA were audited by Comptroller and Auditor General (CAG) empaneled Audit firms. Detailed guidelines for conducting audit and templates for compiling data of Khadi Institutions were developed by KVIC and the Consultants based on five major parameters i.e. Infrastructure, Financial Performance, Management and Human Resources, Marketing and Institutional Governance.

Based on the analysis of KIs on above parameters, the KI are rated on a scale of 1 to 10 on each parameter as well as overall performance. The ratings are as follows:

- a) Rating 1-3 : Average
- b) Rating 4-5 : Good
- c) Rating 6-8 : Very Good



d) Rating 9-10: Excellent

The KIs which are rated Excellent, Very Good and Good by the Auditors are considered for DRA. Based on the ratings, an action plan is prepared by the Khadi Institution based on their specific requirements. The action plan is approved by the State office of KVIC after a scrutiny of the proposed action plan. The action plan is further scrutinized at KVIC central office and placed for approval of the Standing Finance Committee (SFC) of KVIC. The DRA is provided to the KI only after the approval of the SFC. The KIs which were sanctioned DRA signed MoU with KVIC for implementation of Comprehensive Reform Plan. The MoU lays down the roles and responsibilities for both KVIC and the KIs.

### 3.3. Selection Methodology

The methodology for adoption of the comprehensive reform plan was as follows:

- **Management audit to rate identified KIs-** Management audits were conducted of 646 KIs by the Comptroller and Auditor General (CAG) empaneled auditors across 30 State offices and 6 zones. Detailed guidelines for conducting the audit and templates for compiling data of KIs were developed based on five major parameters – (1) Infrastructure, (2) Financial Performance, (3) Management and Human Resources, (4) Marketing, and (5) Institutional Governance. Additionally, risk areas were identified for each of these parameters. Based on the findings from the audit, KIs were required to be given ratings on a scale of 1 to 10 for which benchmarks were developed and approved prior to commencement of the audit. The audit was conducted in five phases. Overall 400 KIs were shortlisted to be eligible for DRA.
- **Action Plan development-** The eligible institutions then developed an Action Plan for support under DRA and submitted it to their respective State/ Divisional offices for review. The Action Plan contained the financial, production and infrastructure capacity of the institution, additional capacity required in terms of implements and infrastructure (CFCs, workshed establishment, renovation of sales outlets), capacity building, IT, marketing (publicity) and financial support required and the budgets for each of these. The Action Plans also charted out the proposed outcome targets of the programme in terms of increase in production and beneficiaries outreached. These were reviewed by the State Level Budget Team (SLBT) as and when they received them.
- **Approval and sanctioning DRA as per Action Plans by KVIC-** The approved Action Plans were further shared with the KVIC central office for review. Upon review and approval by the central office, they were sent to the Standing Finance Committee (SFC) for approval and sanctioning of DRA amounts to the KIs. Sanctioning of DRA for each KI was considered adoption of the comprehensive reforms plan at the KVIC and institutional level (400 Sanction orders have been shared with this report).
- **Signing of MoUs-** KIs which were sanctioned DRA signed a MoU with KVIC for implementation of Comprehensive Reform Plan and adhering to governance and

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performance guidelines set under the comprehensive reform plan framework. The MoU laid down the terms and conditions for implementation of the reforms proposed under DRA, terms of procurement of services and machinery, key roles and responsibilities for both KVIC and the KIs, the reporting structure and expected impact.

*Based on the above process, 400 KIs were sanctioned DRA as a part of Comprehensive Reform Plan under KRDP with the approval from the competent authority.*

*The list of 400 DRA Khadi Institutions sanctioned under the Comprehensive Reform Plan is provided **in Annexure I.***

*A sample action plan submitted as part of the Comprehensive Reform Plan is provided in **Annexure II.***

*Copies of the 400 DRA sanction orders by KVIC have been shared with this report.*

## Annexure I- List of 400 Khadi Institutions that have adopted Comprehensive Reform Plan

Sr. No.	KVIC Office	State	Zone	State	Name of Khadi Institution
1	Ahmedabad	West	Gujarat	Udyog Bharati	
2	Ahmedabad	West	Gujarat	Shri Yogikrupa Khadi Gramodyog Vikas Sangh	
3	Ahmedabad	West	Gujarat	Bhimani Khadi Gramodyog Sangh	
4	Ahmedabad	West	Gujarat	Jay Hind Khadi Gramodyog Sangh	
5	Ahmedabad	West	Gujarat	Nav Jivan Khadi Gramodyog Sangh	
6	Ahmedabad	West	Gujarat	Paschim Kutch Khadi Gramodyog Sangh	
7	Ahmedabad	West	Gujarat	Mehta Khadi Udhyog Gruh	
8	Ahmedabad	West	Gujarat	Saghan Kshetra Yojana	
9	Ahmedabad	West	Gujarat	Surendranagar Zilla Sarvoday Vikas Mandal	
10	Ahmedabad	West	Gujarat	Bharat Khadi Gramodyog Sangh	
11	Ahmedabad	West	Gujarat	Lok Jagruti Seva Sangh Trust	
12	Ahmedabad	West	Gujarat	Zalawad Amber Khadi Gramodyog Sangh	
13	Ahmedabad	West	Gujarat	Gram Vikas Sangh	
14	Ahmedabad	West	Gujarat	Saurashtra Gram Vikas Trust	
15	Ahmedabad	West	Gujarat	Shree Khadi Gramodyog Vikas Vankar Seva Mandal	
16	Ahmedabad	West	Gujarat	Vadodara Jilla Khadi Gramodyog Sahakari Sangh Ltd	
17	Ahmedabad	West	Gujarat	Bhimani Khadi Mandal	
18	Ahmedabad	West	Gujarat	Panchmahal Jilla Vikas Sangh	
19	Ahmedabad	West	Gujarat	Vani Khadi Gramodyog Mandal	
20	Ahmedabad	West	Gujarat	Shree Bhagyoday Seva Sangh	
21	Ahmedabad	West	Gujarat	Parimal Khadi Gramodyog Sangh	
22	Ahmedabad	West	Gujarat	Shri Surendranagar Jilla Rachnatmak Khadi Gramodyog Mandal	
23	Ahmedabad	West	Gujarat	Parishram Rachnatmak Samiti	
24	Ahmedabad	West	Gujarat	Khadi Parivar Trust	
25	Ahmedabad	West	Gujarat	Rural Development Foundation	
26	Ahmedabad	West	Gujarat	Shri Sant Savaiyanath Khadi Utkarsh Samiti	
27	Ahmedabad	West	Gujarat	New Vision Trust for Women	
28	Ambala Cantt	North	Haryana	Amit Khadi Gramodyog Samit	
29	Ambala Cantt	North	Haryana	Amrit Khadi Gramodyog Samiti	
30	Ambala Cantt	North	Haryana	Arnai Khadi Mandir Samiti	
31	Ambala Cantt	North	Haryana	Bhartiya Khadi Gram Seva Ashram	

32	Ambala Cantt	North	Haryana	Chirag Arya Khadi Gramodyog Mandal
33	Ambala Cantt	North	Haryana	Gram Seva Mandal
34	Ambala Cantt	North	Haryana	Khadi Gramodyog Sangh
35	Ambala Cantt	North	Haryana	Khadi Gramodyog Sangh (Narar)
36	Ambala Cantt	North	Haryana	Khadi Gramodyog Seva Sadan
37	Ambala Cantt	North	Haryana	Khadi Seva Mandal
38	Ambala Cantt	North	Haryana	Khadi Udyog (Jathlana)
39	Ambala Cantt	North	Haryana	Kissan Khadi Gramodyog Samiti
40	Ambala Cantt	North	Haryana	Mahila Gramodyog Mandal
41	Ambala Cantt	North	Haryana	Mahila Khadi Niketan
42	Ambala Cantt	North	Haryana	Raipura Khadi Gramodyog Mandal
43	Ambala Cantt	North	Haryana	Rastriya Khadi Gramodyog Samiti
44	Ambala Cantt	North	Haryana	Saraswati Khadi Gramodyog Sangh
45	Ambala Cantt	North	Haryana	Shankar Gramodyog
46	Ambala Cantt	North	Haryana	Sohna Khadi Gramodyog Mandal
47	Ambala Cantt	North	Haryana	The Pooja Khadi Gramodyog Samiti
48	Ambala Cantt	North	Haryana	Yara Khadi Gramodyog Sangh
49	Bangalore	South	Karnataka	Akkanagamma Khadi Gramodyog Kaigarika Mahila Mandali
50	Bangalore	South	Karnataka	Aland Khadi Gramodyog Sangh
51	Bangalore	South	Karnataka	Astadevatha Khadi Gramodyog Sangh
52	Bangalore	South	Karnataka	Babita Khadi Gramodyog Sangh
53	Bangalore	South	Karnataka	Belgaum District Khadi Gramodyog Sangh
54	Bangalore	South	Karnataka	Bellary Ambar Charkha Kushala Karigar Sahakari Sangha
55	Bangalore	South	Karnataka	Bellary District Khadi Gramodyog Sangh
56	Bangalore	South	Karnataka	Bharathi Gramodyog Sangha
57	Bangalore	South	Karnataka	Chitradurga Sarvodaya Khadi Gromodyog Sangh
58	Bangalore	South	Karnataka	Chitrdurg district Khadi Co-operative Society
59	Bangalore	South	Karnataka	Davangere Charakha & Gramodyog Sahakara Sangha Ltd.
60	Bangalore	South	Karnataka	Dharwad District Khadi Gramodyog Sangh
61	Bangalore	South	Karnataka	Dharwad Taluka Garag Kshetriya Seva Sangh
62	Bangalore	South	Karnataka	Dharwad Taluka Seva Sangh
63	Bangalore	South	Karnataka	Indian Khadi Export Development Association
64	Bangalore	South	Karnataka	Jam Khandi Taluka Khadi Gramodyog Sangh
65	Bangalore	South	Karnataka	Kanakadasa Kuri SUU Sangh Ltd.
66	Bangalore	South	Karnataka	KGN Silk Khadi Gramodyog Sangh

67	Bangalore	South	Karnataka	Khadi & Gramodyog Sahakara Sangha Ltd
68	Bangalore	South	Karnataka	Khadi Gramodyog Sangh
69	Bangalore	South	Karnataka	Khadi Gramodyog Sangha
70	Bangalore	South	Karnataka	Khadi Nekkar Sahakari Utpadak Sangh
71	Bangalore	South	Karnataka	Khadi Silk Industrial Association
72	Bangalore	South	Karnataka	Khadi Workers Co-operative Society
73	Bangalore	South	Karnataka	Kurubar Kuri Unneya Audyogi Bal Sahakari Sangh
74	Bangalore	South	Karnataka	Laxmeshwar Bhagada Kuri Sangopana Hagu Unneya Audyogika Sahakari Sangh
75	Bangalore	South	Karnataka	Nazeen Silk Association
76	Bangalore	South	Karnataka	Rural Development Association
77	Bangalore	South	Karnataka	Seema Khadi Resham Industrial Association
78	Bangalore	South	Karnataka	Shreenivasa Khadi Industrial Association
79	Bangalore	South	Karnataka	Sri Allamprabhu Gramodyog Mattu Shikshn Samsthe
80	Bangalore	South	Karnataka	Sri Bhartmate Mahila Khadi Gram Sangh
81	Bangalore	South	Karnataka	Sri Laxmi Khadi Gramodyog Kaigarika Sangha
82	Bangalore	South	Karnataka	Sri Nidhi Khadi & V.I. Association
83	Bangalore	South	Karnataka	Sri Raghavendraswamy Khadi Gramodyog Sangha
84	Bangalore	South	Karnataka	Sri Ranga Khadi Gramodyog Sangh
85	Bangalore	South	Karnataka	Sri Venkateshwara Khadi Gramodyog Sangh
86	Bangalore	South	Karnataka	Sri Vinayaka Silk Industrial Association
87	Bangalore	South	Karnataka	Suryodaya Khadi Gramodyog Rural Development Society
88	Bangalore	South	Karnataka	Tazeen Silk Khadi and Village Industries Association
89	Bangalore	South	Karnataka	The Ron Taluka Kuri Sangopana Mattu Unney Belavanigaya Sahakara Sangh Ltd.
90	Bangalore	South	Karnataka	TNR Silk Khadi Industries
91	Bhopal	Central	Madhya Pradesh	Gramodyog Mandal
92	Bhopal	Central	Madhya Pradesh	Khadi Ashram Tikamgarh
93	Bhopal	Central	Madhya Pradesh	Kshetriya Shri Gandhi Ashram
94	Bhopal	Central	Madhya Pradesh	Madhya Bharat Khadi Sangh

95	Bhopal	Central	Madhya Pradesh	Mahatma Gandhi Seva Ashram
96	Bhubaneshwar	East	Odisha	Adarsh Khadi Utpadak Sangh
97	Bhubaneshwar	East	Odisha	Boipariguda Kshetra Samity
98	Bhubaneshwar	East	Odisha	Budhima Khadi Silk Patta Industrial Co-operative Society
99	Bhubaneshwar	East	Odisha	Ganjam Zilla Khadi Gramodyog Sangh
100	Bhubaneshwar	East	Odisha	Gram Bikash Parishad
101	Bhubaneshwar	East	Odisha	Gramya Unnayan Parishad
102	Bhubaneshwar	East	Odisha	Nilachal Exportable Khadi & Gramodyog Sangh
103	Bhubaneshwar	East	Odisha	Sarvodaya Samity
104	Bikaner	North	Rajasthan	Jaisalmer Jilla Khadi Gramodyog Parishad
105	Bikaner	North	Rajasthan	Khadi Gramodyog Vikas Samiti
106	Bikaner	North	Rajasthan	Nagour Jilla Khadi Gramodyog Sangh
107	Bikaner	North	Rajasthan	Shekhawati Khadi Gramodyog Sangh
108	Bikaner	North	Rajasthan	Uni Khadi Gramodyog Sansthan
109	Chandigarh	North	Punjab	Gyandeep Mahila Welfare Society
110	Chandigarh	North	Punjab	Khadi Seva Sangh
111	Chandigarh	North	Punjab	Kshetriya Punjab Khadi Mandal
112	Chandigarh	North	Punjab	Majitha Khadi Gramodyog Mandal
113	Chandigarh	North	Punjab	Sri Gandhi Khadi Gramodyog Sadan
114	Chennai	South	Tamil Nadu	Annur Sarvodaya Sangh
115	Chennai	South	Tamil Nadu	Arni Sarvodaya Sangh
116	Chennai	South	Tamil Nadu	Chengalpet Sarvodaya Sangh
117	Chennai	South	Tamil Nadu	Coimbatore North Sarvodaya Sangh
118	Chennai	South	Tamil Nadu	Coimbatore South Sarvodaya Sangh
119	Chennai	South	Tamil Nadu	Cuddalore Sarvodaya Sangh
120	Chennai	South	Tamil Nadu	Erode Sarvodaya Sangh
121	Chennai	South	Tamil Nadu	Gandhipuram Sarvodaya Sangh
122	Chennai	South	Tamil Nadu	Karur Sarvodaya Sangh
123	Chennai	South	Tamil Nadu	Kethanur Sarvodaya Sangh
124	Chennai	South	Tamil Nadu	Koduvai Sarvodaya Sangh
125	Chennai	South	Tamil Nadu	M. Kumarapalayam Sarvodaya Sangh
126	Chennai	South	Tamil Nadu	Mulanur Sarvodaya Sangh
127	Chennai	South	Tamil Nadu	Nilgiri District Sarvodaya Sangh
128	Chennai	South	Tamil Nadu	North Arcot Sarvodaya Sangh
129	Chennai	South	Tamil Nadu	Padiyur Sarvodaya Sangh
130	Chennai	South	Tamil Nadu	Pollachi Sarvodaya Sangh
131	Chennai	South	Tamil Nadu	Tamilnadu Sarvodaya Sangh

132	Chennai	South	Tamil Nadu	Thanjavur Sarvodaya Sangh
133	Chennai	South	Tamil Nadu	Thanjavur West Sarvodaya Sangh
134	Chennai	South	Tamil Nadu	Thirupattur Sarvodaya Sangh
135	Chennai	South	Tamil Nadu	Tiruchirapali North Sarvodaya Sangh
136	Chennai	South	Tamil Nadu	Tirupur Sarvodaya Sangh
137	Chennai	South	Tamil Nadu	Udamalpet Sarvodaya Sangh
138	Chennai	South	Tamil Nadu	Uttukuli Sarvodaya Sangh
139	Dehradun	Central	Uttarakhand	Bunkar Khadi Samiti
140	Dehradun	Central	Uttarakhand	Kaushlya Gramin Vikas Avam Parsshikshan Sansthan
141	Dehradun	Central	Uttarakhand	Khadi Evam Gramodyog Vikas Samiti
142	Dehradun	Central	Uttarakhand	Khadi Gramodyog Niketan
143	Dehradun	Central	Uttarakhand	Kshetriya Shri Gandhi Ashram
144	Dehradun	Central	Uttarakhand	Kshetriya Shri Gandhi Ashram
145	Dehradun	Central	Uttarakhand	Man Sarovar Uni Khadi Katai Bunai A.U.S. Samiti Ltd.
146	Dehradun	Central	Uttarakhand	Parvatiya Gram Swaraj Mandal
147	Dehradun	Central	Uttarakhand	Pragatipath Laghu Utpadak Samiti
148	Dehradun	Central	Uttarakhand	Shri Anand Gramodyog Samiti
149	Dehradun	Central	Uttarakhand	Uttar Pradesh Gramodyog Samiti
150	Gorakhpur	Central	Uttar Pradesh	Audyogik Sansthan
151	Gorakhpur	Central	Uttar Pradesh	Kambal Audyogik Utpadan Sahkari Samiti Ltd.
152	Gorakhpur	Central	Uttar Pradesh	Khadi Gramodyog Vikas Sewa Niketan
153	Gorakhpur	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
154	Guwahati	North East	Assam	Tamulpur Anchalik Gramdan Sangh
155	Hyderabad	South	Andhra Pradesh	Bapuji Khadi Silk Swarajya Seva Sangham
156	Hyderabad	South	Andhra Pradesh	Garladinne Gramodayog Khadi Silk Seva Sangham
157	Hyderabad	South	Andhra Pradesh	Grama Prarishramala Sanghamu
158	Hyderabad	South	Andhra Pradesh	Grama Swarajya Sangham
159	Hyderabad	South	Andhra Pradesh	Gramodyog Khadi Silk Society
160	Hyderabad	South	Andhra Pradesh	Khadi Gramodyog Sangh
161	Hyderabad	South	Andhra	Kodiginehalli Kumbly Cotton and Silk Weavers

			Pradesh	Coop Product and Sales Society Ltd.
162	Hyderabad	South	Andhra Pradesh	Kurnool Zilla Gramaparisramala Sangham
163	Hyderabad	South	Andhra Pradesh	Manikanta Khadi & Silk Development Society
164	Hyderabad	South	Andhra Pradesh	Rayalaseema Grameena Vikasa Mandali
165	Hyderabad	South	Andhra Pradesh	Seva Mandir
166	Hyderabad	South	Andhra Pradesh	Sri Beeralingeswara Khadi Rural Development Association
167	Hyderabad	South	Andhra Pradesh	Sri Kanaka Dasa Khadi Rural Development Association
168	Hyderabad	South	Andhra Pradesh	Sri Lakshmi Narasimha Swamy Khadi Silk Twisting & Weaving Cooperative Society Ltd.
169	Hyderabad	South	Andhra Pradesh	Sri Maruthi Khadi Silk RTW ICS Ltd.
170	Hyderabad	South	Andhra Pradesh	Sri Mylara Lingeswara Khadi Rural Development Association
171	Hyderabad	South	Andhra Pradesh	Sri Rajeshwari Khadi Seva Samiti
172	Hyderabad	South	Andhra Pradesh	Sri Rama Khadi Rural Development Association
173	Hyderabad	South	Andhra Pradesh	Sri Sai Silk Khadi Gramodyog Seva Sangh
174	Hyderabad	South	Andhra Pradesh	Sri Venkateswar Khadi Rural Development Association
175	Imphal	North East	Manipur	Khiljit Muga & Khadi Industrial Production Centre
176	Imphal	North East	Manipur	Nirmal Khadi & V.I. Association
177	Imphal	North East	Manipur	Philanthropic Society
178	Imphal	North East	Manipur	Southern Manipur Development Organization
179	Jaipur	North	Rajasthan	Ajmer Merawara Gram Seva Mandal
180	Jaipur	North	Rajasthan	Banswara Zilla Seva Sangh
181	Jaipur	North	Rajasthan	Hadoti Khadi Gramodyog Samiti
182	Jaipur	North	Rajasthan	



183	Jaipur	North	Rajasthan	Khamor Khadi Gramodyog Utpadak Sangh Ltd.
184	Jaipur	North	Rajasthan	Kshetriya Khadi Gramodyog Samiti
185	Jaipur	North	Rajasthan	Lok Sewa Samiti
186	Jaipur	North	Rajasthan	Nav Nirman Sangh
187	Jaipur	North	Rajasthan	Shri Gandhi Seva Sadan
188	Jaipur	North	Rajasthan	Udyog Mandir
189	Kolkata	East	West Bengal	Akhtari Resham Silpa Khadi Samity
190	Kolkata	East	West Bengal	Alinagar Khadi Resham Shilpi Samity
191	Kolkata	East	West Bengal	Bala Silk Khadi Unnayan Sanstha
192	Kolkata	East	West Bengal	Balarampur Sarvoday Gram Swaraj Sangha
193	Kolkata	East	West Bengal	Baswa Resham Shilpi Samabaya Sangha Ltd.
194	Kolkata	East	West Bengal	Chaspara Silk Samity
195	Kolkata	East	West Bengal	Das Silk Khadi Samiti
196	Kolkata	East	West Bengal	Dubrajpur Block Khadi Industrial Society
197	Kolkata	East	West Bengal	Dwarka Tantipara Khadi Sanstha
198	Kolkata	East	West Bengal	Gandhi Gram Bikas Samity
199	Kolkata	East	West Bengal	Gayeshbari Khadi 'O' Gram Seva Sangha
200	Kolkata	East	West Bengal	Gohira Resham Khadi 'O' Gramodyog Samity
201	Kolkata	East	West Bengal	Gour Gramin Khadi and Silk Samiti
202	Kolkata	East	West Bengal	Gour Gramin Silk Unnayan Samity
203	Kolkata	East	West Bengal	Gram Unnayan Khadi and Silk Samity
204	Kolkata	East	West Bengal	Gramin Khadi Kendra
205	Kolkata	East	West Bengal	Gramin Kutir Shilpa Bhavan
206	Kolkata	East	West Bengal	Jaluabadal Khadi 'O' Resham Shilpa Samity
207	Kolkata	East	West Bengal	Jhargram Khadi and VI Association
208	Kolkata	East	West Bengal	Jotekamal Mahila Khadi Seva Ashram
209	Kolkata	East	West Bengal	Kadamtala Khadi & Silk Reeling Centre
210	Kolkata	East	West Bengal	Khadi Silk Silpodyog
211	Kolkata	East	West Bengal	Khadi Vikash Kendra
212	Kolkata	East	West Bengal	Kshetriya Shree Gandhi Ashram
213	Kolkata	East	West Bengal	Lalitakunda Silk 'O' Khadi Gramodyog Bhavan
214	Kolkata	East	West Bengal	Madan Mohan Silk Khadi Samity
215	Kolkata	East	West Bengal	Margram Khadi Seva Mondal
216	Kolkata	East	West Bengal	Margram Panchayat Silk Khadi Vander
217	Kolkata	East	West Bengal	Margram Resham Khadi Gramodyog Sangha
218	Kolkata	East	West Bengal	Memari Kutir Shilpa Prosikhan 'O' Utpadan Kendra
219	Kolkata	East	West Bengal	Mirzapur Resham Khadi Samity
220	Kolkata	East	West Bengal	Modern Reshm Khadi Samity

221	Kolkata	East	West Bengal	Mohanpur Silk Khadi Unnayan Samity
222	Kolkata	East	West Bengal	Mothabari Khadi Samity
223	Kolkata	East	West Bengal	Murshidabad Khadi Gramodyog Samity
224	Kolkata	East	West Bengal	Murshidabad Resham Khadi Silpa Samity
225	Kolkata	East	West Bengal	Murshidabad Silk Weavers Co-operative Society Ltd.
226	Kolkata	East	West Bengal	Nabadwip Kutir Shipa Pratishthan
227	Kolkata	East	West Bengal	Nabin Chandra Resham Khadi Gramodyog Samity
228	Kolkata	East	West Bengal	Nagar Resham Khadi and Gramodyog Sangha
229	Kolkata	East	West Bengal	Nagar Resham Shilpa Samabaya Samiti Ltd.
230	Kolkata	East	West Bengal	Nataraj Khadi Shilpa Samity
231	Kolkata	East	West Bengal	Noor Resham Khadi Samity
232	Kolkata	East	West Bengal	Palli Unnayan Sansthan
233	Kolkata	East	West Bengal	Piarapur Resham Bayan Silpi Samabaya Samity Ltd.
234	Kolkata	East	West Bengal	Ramkrishna Resham Khadi & Palli unnayan Sanstha
235	Kolkata	East	West Bengal	Ranpur Mahamaya Khadi Gramodyog Samity
236	Kolkata	East	West Bengal	Resham Khadi Gramonnayan Silpa Pratisthan
237	Kolkata	East	West Bengal	Resham Khadi 'O' Kutir Shilpa Samiti
238	Kolkata	East	West Bengal	Resham Kutir Shilpa
239	Kolkata	East	West Bengal	Sarbodaya Seva Sangha
240	Kolkata	East	West Bengal	Satish Sarvodaya Bharati
241	Kolkata	East	West Bengal	Silk Khadi Organisation
242	Kolkata	East	West Bengal	Sonamukhi Resham Silpi Samabaya Ltd
243	Kolkata	East	West Bengal	Sujanpur Resham KhadiSangha
244	Kolkata	East	West Bengal	The Baluchara Khadi Gram Unnayan Samity
245	Kolkata	East	West Bengal	The Chaspara Khadi Samity
246	Kolkata	East	West Bengal	United Silk Khadi Samity
247	Kolkata	East	West Bengal	Uttar Banga Khadi Pratisthan
248	Kolkata	East	West Bengal	Uttarpara Resham Khadi Gramodyog Sangha
249	Kolkata	East	West Bengal	Tantipara Tassor Resham silpi Samabaya Samity Ltd
250	Lucknow	Central	Uttar Pradesh	Bhuraj Seva Sansthan
251	Lucknow	Central	Uttar Pradesh	Bundelkhand Khadi Vikas Sansthan
252	Lucknow	Central	Uttar Pradesh	Gram Swavalambi Vidhyalay
253	Lucknow	Central	Uttar Pradesh	Gramin Vikas Ashram
254	Lucknow	Central	Uttar Pradesh	Gramin Vikas Ashram

255	Lucknow	Central	Uttar Pradesh	Kalpataru Seva Samiti
256	Lucknow	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
257	Lucknow	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
258	Lucknow	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
259	Lucknow	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
260	Lucknow	Central	Uttar Pradesh	Tarun Gramya Vikas Samiti
261	Lucknow	Central	Uttar Pradesh	Vinoba Gramodyog Vikas Sansthan
262	Madurai	South	Tamil Nadu	Aruppukottai Sarvodaya Sangh
263	Madurai	South	Tamil Nadu	Gandhigram Khadi & VIPC Trust
264	Madurai	South	Tamil Nadu	Kanyakumari District Sarvodaya Sangh
265	Madurai	South	Tamil Nadu	Madurai West Sarvodaya Sangh
266	Madurai	South	Tamil Nadu	Nanguneri Sarvodaya Sangh
267	Madurai	South	Tamil Nadu	Periyakulam Sarvodaya Sangh
268	Madurai	South	Tamil Nadu	Sankarankoil Sarvodaya Sangh
269	Madurai	South	Tamil Nadu	Tiruchendur Sarvodaya Sangh
270	Madurai	South	Tamil Nadu	Tuticorin Sarvodaya Sangh
271	Madurai	South	Tamil Nadu	Virudhunagar Sarvodaya Sangh
272	Meerut	Central	Uttar Pradesh	Amba Grramodyog Seva Samity
273	Meerut	Central	Uttar Pradesh	Amit Khadi Gramodyog Sansthan
274	Meerut	Central	Uttar Pradesh	Bhatona Gramodyog Sahakari Samiti Ltd.
275	Meerut	Central	Uttar Pradesh	Bhavana Khadi Ashram
276	Meerut	Central	Uttar Pradesh	Bunkar Gramodyog Samiti
277	Meerut	Central	Uttar Pradesh	Dharam Khadi Gramodyog Sewa Sansthan
278	Meerut	Central	Uttar Pradesh	Dhirendra Pradhan Gr.Seva Samity
279	Meerut	Central	Uttar Pradesh	Gangotri Khadi Gramodyog Mandal
280	Meerut	Central	Uttar Pradesh	Gramin Mahila Utthan Samiti
281	Meerut	Central	Uttar Pradesh	Gramodyog Seva Samiti
282	Meerut	Central	Uttar Pradesh	Gramodyog Vikas Mandal
283	Meerut	Central	Uttar Pradesh	Janta Khadi Gramodyog Samiti
284	Meerut	Central	Uttar Pradesh	K S J High School
285	Meerut	Central	Uttar Pradesh	Kaid Khadi Gramodyog Vikas Samiti
286	Meerut	Central	Uttar Pradesh	Khadi Gramodyog Ashram
287	Meerut	Central	Uttar Pradesh	Khadi Gramodyog Mandal
288	Meerut	Central	Uttar Pradesh	Khadi Gramodyog Mandal
289	Meerut	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
290	Meerut	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
291	Meerut	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
292	Meerut	Central	Uttar Pradesh	Kshetriya Shri Gram Swarajya Ashram
293	Meerut	Central	Uttar Pradesh	Lok Sewa Ashram

294	Meerut	Central	Uttar Pradesh	Mahalaxmi Khadi Gramodyog Sansthan
295	Meerut	Central	Uttar Pradesh	Mahila Khadi Gramodyog Samiti
296	Meerut	Central	Uttar Pradesh	Panchal Sewa Sansthan
297	Meerut	Central	Uttar Pradesh	Rashmi Khadi Gramodyog Sanstha
298	Meerut	Central	Uttar Pradesh	Rashtriya Gramodyog Sansthan
299	Meerut	Central	Uttar Pradesh	Roshan Gramodyog Sansthan
300	Meerut	Central	Uttar Pradesh	Rudayan Gram Vikas Ashram
301	Meerut	Central	Uttar Pradesh	Saghan Kshetra Vikas Samiti
302	Meerut	Central	Uttar Pradesh	Sarvoday Khadi Ashram
303	Meerut	Central	Uttar Pradesh	Shanti Niketan Etah
304	Meerut	Central	Uttar Pradesh	Shri Durga Khadi Evam Gramodyog Samiti
305	Meerut	Central	Uttar Pradesh	Shri Khadi Ashram Nindru
306	Meerut	Central	Uttar Pradesh	Shri Khadi Sewa Ashram
307	Meerut	Central	Uttar Pradesh	Shri Khadi Vikas Sansthan
308	Meerut	Central	Uttar Pradesh	Shri Narayan Bhatt Sewa Samiti
309	Meerut	Central	Uttar Pradesh	Shri Patel Sewa Ashram
310	Nagpur	West	Maharashtra	Bhandara Zilla Sahayak Samiti
311	Nagpur	West	Maharashtra	Gram Seva Mandal
312	Nagpur	West	Maharashtra	Nag Vidharbha Charkha Sangh
313	Nagpur	West	Maharashtra	Nagpur Khadi Mandal
314	Nagpur	West	Maharashtra	Pragati Bahuddeshiya Sansthan
315	Patna	East	Bihar	Adarsh Mahila Vikas Sahayog Samity Ltd.
316	Patna	East	Bihar	Babhua Anumandal Khadi Gramodyog Sangh
317	Patna	East	Bihar	Bihar Udyog Mandal
318	Patna	East	Bihar	Gopal Ganj Zilla Khadi Gramodyog Sangh
319	Patna	East	Bihar	Gram Bharti (Savodaya Ashram)
320	Patna	East	Bihar	Gram Nirman Samiti
321	Patna	East	Bihar	Gram Swarajya Sangh
322	Patna	East	Bihar	Habibullah Gramin Vikash Khadi & Gramodyog Sangh
323	Patna	East	Bihar	Khadi Shilpa Niketan Darima
324	Patna	East	Bihar	Makranda Bhandariso Gramoday Sahyog Samiti Ltd
325	Patna	East	Bihar	Muzaffar Zilla Khadi Gramodyog Sangh
326	Patna	East	Bihar	Narsinghpur Khadi Kendrit Rachnatmak Samiti Ltd.
327	Patna	East	Bihar	Nathnagar Gramodaya Sahyog Samiti Ltd.
328	Patna	East	Bihar	Purbi Champaran Zilla Khadi Gramodyog Sangh
329	Patna	East	Bihar	Resham Khadi Udyog Sangh

330	Patna	East	Bihar	Rosera Anumandaliya Gramodyog Vikas Mandal
331	Patna	East	Bihar	Samstipur Anumandaliy Khadi Gramodyog Samiti
332	Patna	East	Bihar	Sarvodaya Ashram
333	Patna	East	Bihar	Sitamarhi Zilla Khadi Gramodyog Sangh
334	Patna	East	Bihar	Vanvasi Seva Kendra
335	Patna	East	Bihar	Vikas Samiti
336	Patna	East	Bihar	Zilla Khadi Gramodyog Sangh
337	Raipur	Central	Chattisgarh	Baster Adimjati Khadi Gramodyog Sangh
338	Raipur	Central	Chattisgarh	Baster Jilla Khadi Gramodyog Sangh
339	Raipur	Central	Chattisgarh	Champa Khadi Gramodyog Mandal
340	Raipur	Central	Chattisgarh	Gramin Vikas Pratishthan
341	Raipur	Central	Chattisgarh	Kanker Mahila Khadi Sangh Sangh
342	Raipur	Central	Chattisgarh	Khadi Gramodyog Vikas Sangh
343	Raipur	Central	Chattisgarh	Mahamaya Khadi Ashram
344	Raipur	Central	Chattisgarh	Mahila Hastshilp Sansthan
345	Raipur	Central	Chattisgarh	Resham Gramodyog Sadan
346	Raipur	Central	Chattisgarh	Sarvodaya Samiti Sarguja
347	Ranchi	East	Jharkhand	Adim Jati Samagra Vikash Parishad
348	Ranchi	East	Jharkhand	Badlao Foundation
349	Ranchi	East	Jharkhand	Gadadhar Mishra Smarak Nidhi
350	Ranchi	East	Jharkhand	Hiranpur Littipada Samagra Gram Vikas Parishad
351	Ranchi	East	Jharkhand	Kasturba Khadi Gramodyog Sanstha
352	Ranchi	East	Jharkhand	Khadi Gramodyog Sangh
353	Ranchi	East	Jharkhand	Khadi Gramodyog Sangh
354	Ranchi	East	Jharkhand	Lok Seva Kendra
355	Ranchi	East	Jharkhand	Mahadeo Smarak Khadi Gramodyog Mandal
356	Ranchi	East	Jharkhand	Ranchi Zilla Vanbasi Khadi Gramodyog Vikas Sansthan
357	Ranchi	East	Jharkhand	Raneshwar Samagra Vikash Parishad
358	Ranchi	East	Jharkhand	Saraikelel Kharsawan Zilla Khadi Gramodyog Sangh
359	Ranchi	East	Jharkhand	Shikaripara Samgra Vikas Parishad
360	Shillong	North East	Meghalaya	A P Seva Sangh
361	Shillong	North East	Meghalaya	Paham Khadi Gramodyog Sangha
362	Shimla	North	Himachal	Himachal Khadi Ashram

			Pradesh	
363	Shimla	North	Himachal Pradesh	Himachal Khadi Mandal
364	Shimla	North	Himachal Pradesh	Khadi Gramodyog Samiti
365	Shimla	North	Himachal Pradesh	Khadi Gramodyog Sansthan
366	Shimla	North	Himachal Pradesh	Pragatisheel Khadi Gramodyog Samiti
367	Shimla	North	Himachal Pradesh	Shivalik Khadi Ashram
368	Shimla	North	Himachal Pradesh	Shree Sidh Baba Laxman Jati Ji Khadi Gramodyog Vikas Samiti
369	Telangana	South	Telangana	Gadwal Taluka Khadi Gramodyog Sangh
370	Telangana	South	Telangana	Bhagyanagar Khadi Samithi
371	Trivandrum	South	Kerala	Cannanore Sarvodayay Sangh
372	Trivandrum	South	Kerala	G.S.G.S. Kendram
373	Trivandrum	South	Kerala	Kerala Gandhi Smaraka Nidhi
374	Trivandrum	South	Kerala	Kerala Khadi and VI Federation
375	Trivandrum	South	Kerala	Kerala Sarvodaya Sangh
376	Trivandrum	South	Kerala	Palakkad Sarvodaya Sangh
377	Trivandrum	South	Kerala	Trivandrum Sarvodaya Sangh
378	Varanasi	Central	Uttar Pradesh	Adarsh Kambal Bunker Audhyogic Utpadan Sahakari Samiti
379	Varanasi	Central	Uttar Pradesh	Banwasi Seva Ashram
380	Varanasi	Central	Uttar Pradesh	Gram Kalyan Ashram
381	Varanasi	Central	Uttar Pradesh	Gram Seva Mandal Jagatpur
382	Varanasi	Central	Uttar Pradesh	Gramin Vikash Seva Sansthan
383	Varanasi	Central	Uttar Pradesh	Jay Prabha Khadi Gramodyog Pratishtan
384	Varanasi	Central	Uttar Pradesh	Khadi Gramodyog Ashram
385	Varanasi	Central	Uttar Pradesh	Khadi Kambal Udyog Sansthan
386	Varanasi	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
387	Varanasi	Central	Uttar Pradesh	Kshetriya Shri Gandhi Ashram
388	Varanasi	Central	Uttar Pradesh	Rangdhari Manav Vikas Sansthan
389	Varanasi	Central	Uttar Pradesh	Saghan Vikas Kshetra Samiti
390	Varanasi	Central	Uttar Pradesh	Samagra Lokhit Seva Ashram
391	Varanasi	Central	Uttar Pradesh	Sambhav Khadi Gramodyog Sansthan
392	Varanasi	Central	Uttar Pradesh	Shri Mahadev Smriti Mandir
393	Varanasi	Central	Uttar Pradesh	Sri Mahadev Khadi Gramodyog Sanstha

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<b>394</b>	Varanasi	Central	Uttar Pradesh	Udaya Khadi Sewa Ashram
<b>395</b>	Vishakhapatnam	South	Andhra Pradesh	Gandhi Khadi V.I. Production & Sales
<b>396</b>	Vishakhapatnam	South	Andhra Pradesh	S J N K Sangham
<b>397</b>	Vishakhapatnam	South	Andhra Pradesh	Swarajya Sangh, Tuni
<b>398</b>	Vishakhapatnam	South	Andhra Pradesh	Swarajya Sangh, Krishnapuram
<b>399</b>	Vishakhapatnam	South	Andhra Pradesh	Swarajya Sangh, Vemulapadi
<b>400</b>	Vishakhapatnam	South	Andhra Pradesh	Swarajya Sangham, Kotananduru

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## Annexure II- Developed Action Plan



**ACTION PLAN FOR KHADI REFORM AND DEVELOPMENT  
PROGRAMME UNDER ADB ASSISTANCE**

(Pl.fill-up relevant columns below. Before filling up the columns kindly read meticulously the guidelines of Direct Reform Assistance attached with the format )

**A).GENERAL INFORMATION**

**1. Name of Reform Implementing Institution (RII)**

NAME: <b>SURYODAYA KHADI GRAMODYOGA &amp; RURAL DEVELOPMENT SOCIETY</b>
Address : <b>Mandyampalli, Palakere Post, Bagepalli Tk., Chikkaballapur District.</b>
Pin Code : <b>563 124</b>
Phone No : <b>-----</b>
Fax No : <b>-----</b>
Email : <b>skgrds1992@gmail.com</b>
Website : <b>----</b>
Name, designation and Cell No Of Contact Person : <b>Venkatarama, Secretary, 94486 62757</b>

**2. Certification Details:**

Khadi Certificate No	<b>KNT/0008</b>
Year of Khadi Certificate obtained first	<b>01.04.1992</b>
Renewed up to	<b>31-03-2016</b>

**3. Status of Implementing Institution**

RII aided by :  KVIC  
 Categorization status of RII : A+ A  B C SC/ST

**4. Production and Sales turnover per annum for the last three years**

(Rs.in lakhs)

Year	Total Production	Major Production		Retail Sales
		Variety (Cotton/ Woollen/ Silk/Polyvastra)	Value	
<b>2011-12</b>	<b>93.58</b>	<b>Silk Plain, Silk Sarees &amp; Dupion Silk.</b>	<b>93.58</b>	<b>23.61</b>
<b>2012-13</b>	<b>117.25</b>	<b>Silk Plain, Silk Sarees &amp; Dupion Silk.</b>	<b>117.25</b>	<b>78.48</b>
<b>2013-14</b>	<b>124.95</b>	<b>Silk Plain, Silk Sarees &amp; Dupion Silk.</b>	<b>124.95</b>	<b>77.45</b>
<b>2014-15</b>	<b>183.26</b>	<b>Silk Plain, Silk Sarees</b>	<b>183.26</b>	<b>125.01</b>

		& Dupion Silk.		
2015-16	194.34	Silk Plain, Silk Sarees & Dupion Silk.	194.34	135.78

### 5. Existing Employment:

Sr No	Particulars	Cotton	Muslin	Silk	Wool	Total Khadi	Polyvastra
1	Spinners	-	-	-	-	-	-
	a)Full time	-	-	25	-	25	-
	b)Part time	-	-	-	-	-	-
	Total Spinners	-	-	25	-	25	-
2	Weavers	-	-	45	-	45	-
3	Other Artisans	-	-	30	-	30	-
4	Supervisory & allied staff	-	-	6	-	6	-
	<b>Total</b>	-	-	106	-	106	-

### 6. Available working implements (in Nos.of)

Sl no	Particulars	Cotton	Muslin	Silk	Wool	Total Khadi	Polyvastra
<b>A</b>	<b>Spinning</b>						
1	Charkhas-Traditional	-	-	-	-	-	-
2	Charkhas-NMC	-	-	-	-	-	-
3	Reeling Basins	-	-	20	-	20	-
	Total Spinning Capacity (Yarn in Kgs)	-	-	4500	-	4500	-
<b>B</b>	<b>Weaving</b>						
1	Looms-Traditional	-	-	40	-	40	-
2	Looms Improved	-	-	-	-	-	-
	Total Weaving Capacity(Cloth in Mtrs)	-	-	60000	-	60000	-

## 7. Available support facilities

Sl no	Activity	Availability(Yes/No)	Annual Production		
			Particulars	Installed Capacity	Actual Production
1	Scutcher Card	-	Silver/Roving(In Kgs)	-	-
2	Ready Warp Unit	-	Warp length (In Mtrs)	-	-
3	Dyeing & Printing	-	Cloth length Processed (In Mtrs)	-	-
4	Readymade Garment Unit	-	No. of Pieces	-	-

## B) PRODUCTION REFORM

### 1. Capacity Addition Requirement

Sl no	Particulars	Cotton	Muslin	Silk	Wool	Total Khadi	Polyvastra
1	Spinning ( Yarn in Kgs )	-	-	-	-	-	-
2	Weaving (Fabric In Mtrs)	-	-	-	-	-	-

### 2. Implements And Common Facility Centre (CFC)

Sl no	Activities	No of Implements (Nos)	Cost per Implements (in Rs)	Total Cost (in lakhs)
	<b>NEW (A)</b>			
1	-	-	-	-
	<b>Total</b>	-	-	-

Sl no	Activities	No of Implements (Nos)	Cost per Implements (in Rs)	Total Cost (in lakhs)
	<b>Replacement (B)</b>			
1	Reeling Basins (Silk)	10 basins	400000	400000
2	Boiler	1	175000	175000

3	Winding machine (Silk)	1	74000	74000	X
4	Doubling machine (Silk)	1	80000	80000	X
5	Twisting machine (Silk)	-	-	-	
6	Re-reeling & Warping machine (SILK)	1	55000	55000	
7	Dupion Charkha	10	65000	650000	
8	Dupion Silk Twisting machine	1	225000	225000	
9	Improved Looms with Jaquard (Silk)	20	40000	800000	
	<b>Total (B)</b>	<b>45</b>	<b>-</b>	<b>2459000</b>	
	<b>Grand Total (A+B)</b>	<b>45</b>	<b>-</b>	<b>2459000</b>	230
	<b>CFC</b>				
1	Cone Winding				
2	Hydro Extractor				
3	Yarn Dyeing				
4	Fabric Printing i. Block ii. Screen iii. Others(Pls. Mention)				
5	Testing Laboratory				
6	Readymade garment Unit	1	-	500000	
7	Others (Pls Mention) Mini Generator	1	-	500000	300
	<b>Total</b>	<b>1</b>	<b>-</b>	<b>1000000</b>	500

Note: May please furnish details in a separate seat wherever necessary

## 2. Work Shed for CFC etc.

Funding for work shed shall be provided in such cases, where the existing facility is not sufficient for supporting the existing/planned activities. In case there is no requirement for investment in work shed, the allocated fund can be utilized for investment under other heads

### a) Floor Area Requirement (in sq.ft)

1	Available floor area	16983
2	Required floor area	3600
3	Additional floor area required	-

**b) Activities Proposed in workshed**

Sl No	Activities	Estimated cost (Rs in lakhs)	Expected completion period
1	Renovation of Work shed at Mandyampalli.	Material - 7.00 Works (Labour) - 3:00  <b>Total - 10.00</b>	Within 3 months

The Reform Implementing Institution needs to give activity wise estimated funding required for work shed along with expected date of completion

**4. IT and Managerial**

**a) IT intervention**

Production Reforms			
Non-Recurring Budget		Qty.	Cost
	At Head Office of Reform Implementing Institution		
	Total KI Data Storage Server (For Batch Processing)	1	1.00
	Printer + Copier + Scanner + Fax	1	0.40
	HDD External / Pen Drive for DATA Backup	1	0.05
	UPS-Three hour Backup	1	0.30
	<u>Computers</u>		
	Production DATA Maintenance	1	0.35
	<u>LAN-Broadband</u>		
	Router with Firewall	1	0.05
	Switch-16 Port	1	0.07
	CAT Cable + Networking Laying	1	0.05
	Broadband	1	0.05
	Site Preparation		
	Partition / Sealing / Electricity	1	0.25
	Furniture	1	0.25
	Misc.	1	0.05
	<u>Software</u>		
	Production	1	0.24
	Artisan / Accounts	1	0.24
	Total - Non - recurring (A)		3.15
Recurring Budget	Broadband (0.02 X 12 X 3) (HO)	1	0.72
	Consumables / Stationery (0.15 X 12 X 3)		0.54
	Total - Recurring (B)		1.26
	Grand Total (A + B)		4.41

**b) Managerial**

Sl No	Staff Category	No	Expenditure for 2 years (Rs in lakhs)
1	RIO	1	2.52
2	IT Officer	1	2.52
3	Mobility Allowance		-
	<b>Total</b>	<b>2</b>	<b>5.04</b>

**5. Training**

Sl No	Category	Name of Institution/ Expert/ Trainer	Persons to be trained (Nos)	Cost/ person	Total Cost	Justification (indicative)
1	Office bearers	10	10	5000	50000	The Office required computer trained with Tally for maintenance of accounts
2	Staff	6	6	3000	18000	Provide the training for management/computer and other items
3	Artisans					
a)	Reelers	25	25	2060	51500	Provide the skill up-gradation training for 30 existing reelers.
b)	Twisters	30	30	2060	61800	Provide the skill up-gradation training for 11 existing twisters and other artisans.
b)	Weavers and other artisans	40	40	2000	80000	Provide the skill up-gradation training for 45 existing weavers.
	<b>Total</b>	<b>111</b>	<b>111</b>	<b>-</b>	<b>261300</b>	<b>-</b>

## 6. Installation

Sl No	Particulars	Estimated Installation Expenses (Rs in lakhs)			Remarks
		Physical	Electrical	Others	
1	Dupion Charkhas	0.10	-	0.10	
2	Looms				
3	Reeling Basins & Others	0.10	0.20	0.10	
4	Common Facility Centre				
a)	Ready warp unit	0.10	0.10	0.20	
b)	Cone winding				
c)	Readymade unit				
d)	Dyeing				
e)	Printing				
f)	others				
	<b>Total</b>	<b>0.30</b>	<b>0.30</b>	<b>0.40</b>	

## 7. Working Capital Requirement

### a) Existing

Variety	Production	Sales	W.C Requirement	Working Capital Available	Short fall in requirement/ Surplus
Cotton	-	-	-	KVIC: - 4.07	118.36
Silk	216.00	376.00	330.68	Bank finance: - 98.58	
Wool	-	-	-	Own: 86.57	
Polyvastra	-	-	-	CBC: --5.00 <b>Total: 194.22</b>	

### b) Proposed

Variety	Production	Sales	W.C Requirement	Working Capital available	Requirement of W.C
Cotton				KVIC: - 4.07	From KRDP- 14.00 From Bank- 200.58
Silk	260.00	400.00	408.80	Bank finance: - 98.58	
Wool				Own: 86.57	
Polyvastra				CBC: --5.00 <b>Total: 194.22</b>	

## 8. Abstract of Financial Requirement for Production Reform

Sl no	Activity Heads	Total Fund Requirements (Rs in Lakhs)
1	Implements	24.59
2	Common facility centre	10.00
3	Workshed	10.00
4	IT and Managerial	9.45
5	Training	2.61
6	Installation	1.00
7	Working Capital	14.00
	<b>Total</b>	<b>71.65</b>

## C. MARKETING REFORM

### 1. Store Layout

Sl no	Sales outlet	Ownership (own/ Rented/Lease)	Available Floor Area (in Sq.Ft)	Approx Expenditure for Modernization (Rs. In Lakhs)
1	Khadi Bhandar, Chintamani	Lease	600	9.00
2	Khadi Bhandar, Nagenahalli, Yelahanka, Bangalore	Lease	800	10.00
	<b>Total</b>	-	<b>1400</b>	<b>19.00</b>

### 2. Inventory Management

The components has been dealt under para B.4(a) IT intervention

Marketing Reforms – Inventory Management				
Non-Recurring Budget		Qty.	Cost	
	At Central Vastragar			
	Bar-Coding Computer	1	0.50	
	Barcode Scanner	1	0.08	
	Barcode Printer	1	0.25	



	Laser Printer + Copier + Scanner + Fax	1	0.40
	UPS- three Hour Backup	1	0.30
	Software Bar-Coding with DATA Pooling to Server	1	0.50
	Sub total - Non - recurring ( A )		2.03
	<b>At One Sale outlet</b>		
	Computer for Billing	1	0.50
	Barcode Scanner	1	0.08
	Laser Printer ( For bill printing and Reports ) + copier	1	0.40
	Software for Billing	1	0.24
	Sub-total		1.22
	For four outlets - Non - recurring ( B )		4.88
	Sub Total ( A+B)		6.91
Recurring			
Budget	Broad band @ 2000 X 12 X 3 X 4	1	2.88
	Stationery / Misc. (0.005 X 12 X 3)	1	0.18
	For 4 outlets - recurring ( C )		3.06
	Grand Total ( A+B+C)		9.97

### 3. Local Publicity

#### Plan for Local Publicity Campaign: Activities Proposed

Sl no	Activities	Cost (Rs in lakhs)	Estimated Period of completion
1	Pamphlets	0.50	Within 6 months
2	Banner Advertisement	0.50	
3	Paper advertisement	0.75	
4	Local TV	0.75	
5	Hoarding Publicity at 2 prime places in Chintamani & Bangalore @ Rs 0.50 lakhs	1.00	
6	Brouchers	0.50	
7	Awareness Camp	1.00	
	<b>Total</b>	<b>5.00</b>	

### 4. Abstract of Financial Requirement for Marketing Reforms

Sl no	Activity Heads	Total fund Requirement (Rs in Lakhs)
1	Store Layout	19.00
2	Inventory Management	10.00
3	Local Publicity	5.00
	<b>Total</b>	<b>34.00</b>

#### D) CONTRIBUTION OF RII

Any capacity above the sanctioned KVIC assistance in kind required by the RII for the reforms /capacity building shall be solely by the RII

#### E) OUTCOME OF THE PROGRAMME

##### 1. Expected Outcome

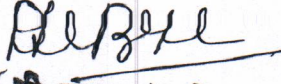
Particulars	Pre Intervention	Post Intervention	% increase
a) Production (Rs in lakhs)	216.00	260.00	20%
b) Sales (Rs in lakhs)	376.00	400.00	7%
c) Employment (No of persons)	106	125	18%
d) Artisans Average Earnings/day	200.00	250.00	25%

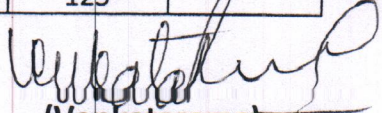
##### 2. Target Beneficiaries proposed to be covered under the project: (No of persons)

Sl no	Year	Spinners		Weavers		Other artisans	Supervisory and allied staff /worker
		Full Time	Part Time	Full Time	Part Time		
1	2015-16	25	-	45	-	30	6
2	2016-17	25	-	45	-	30	6

##### 4. Target Beneficiaries –category-wise details (No of persons)

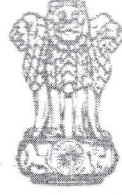
Sl no	Year	Scope for Total No of employment	Total No of employment will include		
			Women	SC,ST.OBC	Others
1	2015-16	106	30	106	-
2	2016-17	125	50	125	-

  
डी. सुबाश चंद बोस  
State Director  
SUBASH CHANDRA BOSE  
निदेशक  
By. DIRECTOR  
Director (RID)

  
(Venkatarama)  
SECRETARY  
SURYODAYA KHADI GRAMODYOG  
& RURAL DEVELOPMENT SOCIETY  
MANDYAMPALLI, PALLYAKERE (P), BAGEPALLI (T),  
CHIKKABALLAPUR (DL) KARNATAKA STATE. PIN - 563 124



कामये दुःखतापानम्।  
प्राणिनाम् आतिनिशमम्॥



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/KRDP/Gen./Ahmedabad/3rd phase/2016-17. *hmr* Date: 11-01-2017

### **SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Mehata Khadi Udhog Gruh, Wadhvan, Ahmedabad. - reg.

**Ref :1.** Budget Allocation No. BGT/Khadi/Allo/16-17/96 dtd. 02.01.2017

**2.** SFC Resolution No:Khadi/2016-17/22 dated 24.12.2016.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Ahmedabad, sanction as accorded by SFC (Khadi) under Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Mehata Khadi Udhog Gruh, Wadhvan, Ahemdabad for the year 2016-17 under Normal Category programme 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>24.60</b>	Director, SO, Ahmedabad.
a)	New Model Charkha Reeling Unit & Basin	8 Spdl.NMC-120 Imp.Loom-21		
2	Common Facility Centre (CFC)	As per approved Action Plan	12.50	Director, SO.
3	Construction of shed for CFC	-	5.00	Director, SO,
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs.6.25 SO Rs. 1.75 (IT)	Director, SO, Director (IT)
5	Training	-	2.63	Director , (CB)
6	Installation	-	1.00	Director, SO,
7	Margin money for Working Capital	-	14.00	Director, SO,
	<b>Total</b>		<b>67.73</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,
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO,
	<b>Total</b>		<b>34.00</b>	

<b>GRAND TOTAL (A+B)</b>		<b>101.73</b>	
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(\* ) Quantity in Nos. is an indicative

Sr. No.	In favour of	( Rs. in Lakhs)
		<b>Funds to be released</b>
1	State Director, Ahmedabad	87.35
2	Director (I.T.)	11.75
3	Director (C.B.)	2.63
	<b>Total</b>	<b>101.73</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. 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 (Kh.) 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**

Mehata Khadi Udhyog Gruh, Near Vikas Vidhyalay, Dist.Surendranagar-363030.

**Through: State Director, KVIC, Ahemadabad (Gujarat)**  
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (West **Zone**), KVIC, Mumbai-20.
2. State Director, KVIC, Ahmedabad, (Gujarat)
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

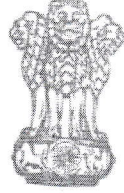


**Director (Khadi)**

ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६  
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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 इत्युत्तमानम्।  
प्राणिनाम् आर्तिनाशनम्॥



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/KRDP/Gen./Ahmedabad/3rd phase/2016-17.1291 Date: 11-01-2017

### **SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Saghan Kshetrayojana, Patadi, Ahmedabad - reg.

**Ref :1.** Budget Allocation No. BGT/Khadi/Allo/16-17/96 dtd. 02.01.2017  
**2.** SFC Resolution No:Khadi/2016-17/22 dated 24.12.2016.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Ahmedabad, sanction as accorded by SFC (Khadi) under Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Saghan Kshetrayojana, Patadi, Ahmedabad for the year 2016-17 under Normal Category programme 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>24.11</b>	Director, SO, Ahmedabad.
a)	New Model Charkha Reeling Unit & Basin	8 Spdl.NMC-116 Imp.Loom-21		
2	Common Facility Centre (CFC)	As per approved Action Plan	14.50	Director, SO.
3	Construction of shed for CFC	-	5.00	Director, SO,
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs.6.25 SO Rs. 1.75 (IT)	Director, SO, Director (IT)
5	Training	-	1.17	Director , (CB)
6	Installation	-	1.00	Director, SO,
7	Margin money for Working Capital	-	14.00	Director, SO,
	<b>Total</b>		<b>67.78</b>	



## B. Marketing Reform

Sr. No.	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout		15.00	Director, SO,
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO,
	<b>Total</b>		<b>30.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>97.78</b>	
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(\* ) Quantity in Nos. is an indicative

( Rs. in Lakhs)		
Sr. No.	In favour of	Funds to be released
1	State Director, Ahmedabad	84.86
2	Director (I.T.)	11.75
3	Director (C.B.)	1.17
	<b>Total</b>	<b>97.78</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.**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 (Kh.) 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**

Saghan Kshetra yojana, Near Gadi Darwaja, Patdi, Surendranagar,  
Pin-382765.

**Through: State Director, KVIC, Ahmedabad, (Gujarat)**

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

1. The Dy. C.E.O. (West **Zone**), KVIC, Mumbai-20.
2. State Director, KVIC, Ahmedabad, (Gujarat)
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)**

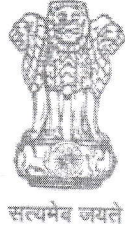


ग्रामोदय, 3, इर्ला रोड, विले पार्ले (प.), मुंबई - ४०००५६

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/KRDP/Gen./Ahmedabad/3rd phase/2016-17. 1790 Date: 11-01-2017

### **SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Surendranagar Jilla Sarvoday Vikas Mandal, Joravarnagar. - reg.

**Ref :1.** Budget Allocation No. BGT/Khadi/Allo/16-17/96 dtd. 02.01.2017

**2.** SFC Resolution No:Khadi/2016-17/22 dated 24.12.2016.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Ahmedabad, sanction as accorded by SFC (Khadi) under Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Surendranagar Jilla Sarvoday Vikas Mandal, Joravarnagar.Ahmedabad for the year 2016-17 under Normal Category programme 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>23.25</b>	Director, SO, Ahmedabad.
a)	New Model Charkha Reeling Unit & Basin	8 Spdl.NMC-50 Imp.Loom-25 Reeling Basin-1		
2	Common Facility Centre (CFC)	As per approved Action Plan	14.50	Director, SO.
3	Construction of shed for CFC	-	5.00	Director, SO,
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs.6.25 SO Rs. 1.75 (IT)	Director, SO, Director (IT)
5	Training	-	2.77	Director , (CB)
6	Installation	-	1.00	Director, SO,
7	Margin money for Working Capital	-	14.00	Director, SO,
	<b>Total</b>		<b>68.52</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,
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO,
	<b>Total</b>		<b>34.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>102.52</b>	
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(\* ) Quantity in Nos. is an indicative

( Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Ahmedabad	88.00
2	Director (I.T.)	11.75
3	Director (C.B.)	2.77
	<b>Total</b>	<b>102.52</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.

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**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.

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**12.**Registers of fixed assets, dead stock etc., should be maintained in the prescribed proforma by the RII.

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**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.**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 (Kh.) is placed at **Annexure-VI**.

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**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**

Surendranagar Jilla Sarvodaya Vikas Mandal, Sindhav Nagar, Ghar Shala Road, Joravar Nagar, Surendra Nagar, Pin-363020.

**Through: State Director, KVIC, Ahmedabad (Gujarat)**  
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (West **Zone**), KVIC, Mumbai-20.
2. State Director, KVIC, Ahmedabad, (Gujarat)
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/KRDP/Gen./Ahmedabad/3rd phase/2016-17. *12/1* Date: 11-01-2017

### SANCTION ORDER

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

**Ref :1.** Budget Allocation No. BGT/Khadi/Allo/16-17/96 dtd. 02.01.2017  
**2.** SFC Resolution No:Khadi/2016-17/22 dated 24.12.2016.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Ahmedabad, sanction as accorded by SFC (Khadi) under Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Bharat Khadi Gramodyog Sangh, Ahmedabad for the year 2016-17 under Normal Category programme 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)		24.25	Director, SO, Ahmedabad.
a)	New Model Charkha Reeling Unit & Basin	8 Spdl.NMC-150 Imp.Loom-10		
2	Common Facility Centre (CFC)	As per approved Action Plan	15.00	Director, SO.
3	Construction of shed for CFC	-	5.00	Director, SO,
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs.6.25 SO Rs. 1.75 (IT)	Director, SO, Director (IT)
5	Training	-		
6	Installation	-	2.77	Director , (CB)
7	Margin money for Working Capital	-	1.00 14.00	Director, SO, Director, SO,
	<b>Total</b>		<b>70.02</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,
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO,
	<b>Total</b>		<b>34.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>104.02</b>	
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(\* ) Quantity in Nos. is an indicative

Sr. No.	In favour of	( Rs. in Lakhs)
		<b>Funds to be released</b>
1	State Director, Ahmedabad	89.50
2	Director (I.T.)	11.75
3	Director (C.B.)	2.77
	<b>Total</b>	<b>104.02</b>

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

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**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.

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**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.

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**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**

Bharat Khadi Gramodyog Sangh, A/6, Marine Drive Flats, Sterling Society,  
Memnagar, Ahmedabad. Gujarat-380052.

**Through: State Director, KVIC, Ahmedabad (Gujarat)**

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

1. The Dy. C.E.O. (West **Zone**), KVIC, Mumbai-20.
2. State Director, KVIC, Ahmedabad, (Gujarat)
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/KRDP/Gen./Ahmedabad/3rd phase/2016-17.789 Date: 11-01-2017

### **SANCTION ORDER**

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Lok Jagruti Seva Sangh Trust, Dholka, Ahmedabad. – reg.

**Ref :1.** Budget Allocation No. BGT/Khadi/Allo/16-17/96 dtd. 02.01.2017  
**2.** SFC Resolution No:Khadi/2016-17/22 dated 24.12.2016.

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, Ahmedabad, sanction as accorded by SFC (Khadi) under Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Lok Jagruti Seva Sangh Trust, Dholka, Ahmedabad for the year 2016-17 under Normal Category programme 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)		24.70	Director, SO, Ahmedabad.
a)	New Model Charkha Reeling Unit & Basin	8 Spdl.NMC-100 Imp.Loom-28		
2	Common Facility Centre (CFC)	As per approved Action Plan	14.50	Director, SO.
3	Construction of shed for CFC	-	5.00	Director, SO,
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs.6.25 SO Rs. 1.75 (IT)	Director, SO, Director (IT)
5	Training	-	2.27	Director , (CB)
6	Installation	-	1.00	Director, SO,
7	Margin money for Working Capital	-	14.00	Director, SO,
	<b>Total</b>		<b>69.47</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,
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, SO,
	<b>Total</b>		<b>34.00</b>	

	<b>GRAND TOTAL (A+B)</b>		<b>103.47</b>	
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(\* ) Quantity in Nos. is an indicative

( Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director, Ahmedabad	89.45
2	Director (I.T.)	11.75
3	Director (C.B.)	2.27
	<b>Total</b>	<b>103.47</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-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. 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. 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 (Kh.) 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**

Lok Jagruti Seva Sangh Trust, DhAt & PO. Jawahar, Ta-Dolka, Ahemadabad.  
Pin-382230.

**Through: State Director, KVIC, Ahemadabad (Gujarat)**

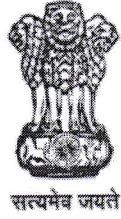
**Copy for information & necessary action to:-**

1. The Dy. C.E.O. (West **Zone**), KVIC, Mumbai-20.
2. State Director, KVIC, Ahmedabad, (Gujarat)
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/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

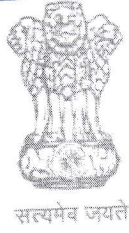
  
**Director (Khadi)**







कामये दुर्यतप्रानाम्।  
प्रणिनाम् अतिनाशनम्॥



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/NZ/KRDP/S.O.Jaipur/3rd phase/2016-17 /620

Date: 27.10.2016

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Lok Sewa Samiti, Nagar, Bharatpur (Raj)- reg.

**Ref :** 1. Budget Allocation No. BGT/Khadi/Allo/16-17/70 dt. 13.10.2016  
2. SFC Resolution No. Khadi/2016-17/17 dt. 30.09.2016

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, JAIPUR, sanction as accorded in anticipation of SFC and further rectified by SFC (Khadi) vide its Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Lok Sewa Samiti, Nagar, Bharatpur (Raj) for the year 2016-17 under **Normal Category** 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, S.O.
a)	New Model Charkha Reeling Unit & Basin	Charkha - 140 Imp.Loom - 7	17.20 2.80	
2	Common Facility Centre (CFC)	As per approved Action Plan	8.00	Director, S.O.
3	Construction of shed for CFC	-	5.00	Director, S.O.
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 Rs. 1.75	Director, S.O. Director (IT)
5	Training	-	3.00	Director (CB)
6	Installation	-	1.00	Director, S.O.
7	Margin money for Working Capital	-	14.00	Director, S.O.
	<b>Total</b>		<b>59.00</b>	

**B. Marketing Reform**

S.N..	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	1	15.00	Director, S.O.
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, S.O.
	<b>Total</b>		<b>30.00</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>89.00</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director	74.25
2	Director (I.T.)	11.75
3	Director (C.B.)	3.00
	<b>Total</b>	<b>89.00</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.
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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

Lok Sewa Samiti, Nagar, Bharatpur (Raj) – 321 205

Through: State Director, KVIC,

Copy for information & necessary action to:-

1. The Dy. C.E.O. (North Zone), KVIC, Chandigarh
2. State Director, KVIC, Jaipur
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

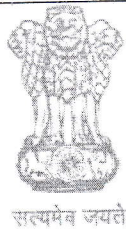
  
Director (Khadi)



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)



कामये दूरवत्प्रानाम्।  
प्राणिनाम् अतिनिशानम्॥



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/NZ/KRDP/S.O.Jaipur/3rd phase/2016-17/619

Date: 27.10.2016

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Khadi Gramodyog Vikas Samiti, Nadbai, Bharatpur (Raj) - reg.

**Ref :** 1. Budget Allocation No. BGT/Khadi/Allo/16-17/70 dt. 13.10.2016  
2. SFC Resolution No. Khadi/2016-17/17 dt. 30.09.2016

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, JAIPUR, sanction as accorded in anticipation of SFC and further rectified by SFC (Khadi) vide its Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of of Khadi Gramodyog Vikas Samiti, Nadbai, Bharatpur (Raj) for the year 2016-17 under **Normal Category** 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)		16.85	Director, S.O.
a)	New Model Charkha Reeling Unit & Basin	Charkha - 75 Imp.Loom - 18	10.12 6.73	
2	Common Facility Centre (CFC)	As per approved Action Plan	9.00	Director, S.O.
3	Construction of shed for CFC	-	5.00	Director, S.O.
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 Rs. 1.75	Director, S.O. Director (IT)
5	Training	-	3.00	Director (CB)
6	Installation	-	1.00	Director, S.O.
7	Margin money for Working Capital	-	14.00	Director, S.O.
	<b>Total</b>		<b>56.85</b>	

**B. Marketing Reform**

S.N..	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	2	10.00	Director, S.O.
2	Inventory management	-	5.00	Director (IT)
3	Local publicity	-	5.00	Director, S.O.
	<b>Total</b>		<b>20.0</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>76.85</b>	

(\*) Quantity in Nos. is an indicative

(Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director	67.10
2	Director (I.T.)	6.75
3	Director (C.B.)	3.00
	<b>Total</b>	<b>76.85</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**

Khadi Gramodyog Vikas Samiti, Nadbai, Bharatpur(Raj) – 321 602

**Through: State Director, KVIC,**

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

1. The Dy. C.E.O. (North **Zone**), KVIC, Chandigarh
2. State Director, KVIC, Jaipur
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

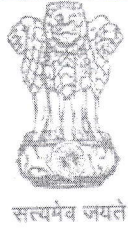
  
Director (Khadi)



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)



काममे दृष्टव्यप्रदानम्।  
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/NZ/KRDP/S.O.Jaipur/3rd phase/2016-17 /618

Date: 27.10.2016

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Nav Nirman sangh, Udaypur(Raj) - reg.

**Ref :** 1. Budget Allocation No. BGT/Khadi/Allo/16-17/70 dt. 13.10.2016

2. SFC Resolution No. Khadi/2016-17/17 dt. 30.09.2016

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, JAIPUR, sanction as accorded in anticipation of SFC and further rectified by SFC (Khadi) vide its Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of Nav Nirman sangh, Udaypur(Raj) for the year 2016-17 under **Normal Category** 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)		13.20	Director, S.O.
a)	New Model Charkha Reeling Unit & Basin	Charkha - 60 Imp.Loom - 10	9.20 4.00	
2	Common Facility Centre (CFC)	As per approved Action Plan	8.20	Director, S.O.
3	Construction of shed for CFC	-	5.00	Director, S.O.
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 Rs. 1.75	Director, S.O. Director (IT)
5	Training	-	3.00	Director (CB)
6	Installation	-	1.00	Director, S.O.
7	Margin money for Working Capital	-	14.00	Director, S.O.
	<b>Total</b>		<b>52.40</b>	

**B. Marketing Reform**

S.N..	Particulars	Quantity (in Nos.) (*)	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	2	19.00	Director, S.O.
2	Inventory management	-	9.66	Director (IT)
3	Local publicity	-	4.55	Director, S.O.
	<b>Total</b>		<b>33.21</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>85.61</b>	

(\* ) Quantity in Nos. is an indicative

( Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director	71.20
2	Director (I.T.)	11.41
3	Director (C.B.)	3.00
	<b>Total</b>	<b>85.61</b>

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

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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**

Nav Nirman Sangh, Udaipur(Raj)-313 001

Through: **State Director, KVIC,**

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

1. The Dy. C.E.O. (North Zone), KVIC, Chandigarh
2. State Director, KVIC, Jaipur
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

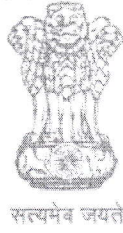
  
Director (Khadi)



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  
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कामये दूरवत्प्रदानम्।  
प्रणिनाम् 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/NZ/KRDP/S.O.Jaipur/3rd phase/2016-17 /617

Date: 27.10.2016

### SANCTION ORDER

**Sub:** Direct Reform Assistance under Khadi Reform and Development programme (with ADB assistance) in favour of Khamor Khadi Gramodyog Ut.S.S. Ltd.,Shahpura,Bhilwara(Raj)- reg.

**Ref :** 1. Budget Allocation No. BGT/Khadi/Allo/16-17/70 dt. 13.10.2016  
2. SFC Resolution No.Khadi/2016-17/17 dt. 30.09.2016

In pursuance of the Project/Action Plan received by this office duly recommended by SLBT of State Office, KVIC, JAIPUR, sanction as accorded in anticipation of SFC and further rectified by SFC (Khadi) vide its Resolution referred above and Budget Allocation to this effect issued by Directorate of Budget under reference mentioned above in favour of of Khamor Khadi Gramodyog Ut.S.S. Ltd.,Shahpura,Bhilwara(Raj) for the year 2016-17 under **Normal Category** 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)		11.75	Director, S.O.
a)	New Model Charkha Reeling Unit & Basin	Charkha - 50 Imp.Loom - 10	7.75 4.00	
2	Common Facility Centre (CFC)	As per approved Action Plan	8.00	Director, S.O.
3	Construction of shed for CFC	-	5.00	Director, S.O.
4	IT and Managerial [Computer and remuneration to Reform Implementation Officer]	-	8.00 Rs. 6.25 Rs. 1.75	Director, S.O. Director (IT)
5	Training	-	3.00	Director (CB)
6	Installation	-	1.00	Director, S.O.
7	Margin money for Working Capital	-	14.00	Director, S.O.
	<b>Total</b>		<b>50.75</b>	



**B. Marketing Reform**

S.N..	Particulars	Quantity (in Nos.) (* )	Grant sanctioned (Rs. in lakhs)	Activities to be carried out by
1	Store layout	1	14.00	Director, S.O.
2	Inventory management	-	10.00	Director (IT)
3	Local publicity	-	5.00	Director, S.O.
	<b>Total</b>		<b>29.00</b>	
	<b>GRAND TOTAL (A+B)</b>		<b>79.75</b>	

(\* ) Quantity in Nos. is an indicative

( Rs. in Lakhs)

Sr. No.	In favour of	Funds to be released
1	State Director	65.00
2	Director (I.T.)	11.75
3	Director (C.B.)	3.00
	<b>Total</b>	<b>79.75</b>

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE / DIVISIONAL OFFICES, RIs, 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**

Khamor Khadi Gramodyog Ut.S.S. Ltd., Shahpura, Bhilwara(Raj) – 311 404

**Through: State Director, KVIC,**

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

1. The Dy. C.E.O. (North **Zone**), KVIC, Chandigarh
2. State Director, KVIC, Jaipur
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)**



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)

# Comprehensive Reform plans to empower and revitalize Khadi Institutions

**KRDP Second Tranche Condition Number 27**

Khadi and Village Industries Commission

**Enclosure:**

1. CCEA Notification on Khadi Reform Package
2. KVIC internal notification regarding KRDP

**Telegram : INDMINISTRY**  
**Fax : 011-23062858**  
**: 011-23062886**

**MOST IMMEDIATE/BY FAX**  
**No. 4(56)/2008-KVI-II**

भारत सरकार  
 सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय  
 उद्योग भवन, नई दिल्ली-110011

GOVERNMENT OF INDIA  
 MINISTRY OF Micro, Small and  
 Medium Enterprises  
 Udyog Bhawan, New Delhi-110011  
 Dated the 15.12.2009

To,

Shri J.S. Mishra,  
 Chief Executive Officer,  
 Khadi and Village Industries Commission,  
 Gramodaya, 3 Irla Road,  
 Vile Parle(West)  
 Mumbai.

**Subject:- Implementation of Khadi Reform Programme (KRP) through Khadi and Village Industries Commission (KVIC) with loan from Asian Development Bank (ADB) amounting to US\$ 150 million.**

Sir,

I am directed to inform that Ministry's proposal as contained in CCEA Note dated 4.12.2009 on implementation of Khadi Reform Programme (KRP) through Khadi and Village Industries Commission (KVIC) with loan from Asian Development Bank (ADB) amounting to US\$ 150 million was considered by the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 10.12.2009 and the proposal contained in Paragraph 6.1 thereof was approved by the CCEA.

2. The paragraph 6.1 of the Note dated 4.12.2009 referred in the minutes of the meeting of the CCEA held on 10.12.2009 is reproduced below:-

"6.1 Approval of the CCEA is solicited to the introduction of Khadi Reform Programme, to be implemented through KVIC with ADB assistance of US \$150 million which, inter-alia includes:-

- (a) setting up Marketing Organisation with minimum 51 per cent ownership through private participation and a maximum investment from KVIC of US\$ 7 million,
- (b) Conversion of 6 Central Sliver Plants of KVIC into the PPP mode and augmentation of Sliver production at an estimated maximum investment from KVIC of US\$ 12 million, and
- (c) Re-modelling four sales outlets of KVIC in PPP mode.
- (d) KVIC will work out the details for implementation of the programme."



3. It is requested that details for implementation of the Khadi Reform Programme may kindly be forwarded to the Ministry on priority, no later than 22.12.2009. Further, the demand for release of funds and the action plan for the utilization of the funds earmarked in BE 2009-10 in this regard, may also be forwarded immediately to the Ministry to ensure that the funds are released and utilized in the current financial year and we do not have to surrender the funds on account of non-utilization.

*Tudy*  
 Dir (RD) / Dir (F&D) / Dir (PMC)

**TOP PRIORITY**

*16/12/09*

4. A proposal has been taken up separately with Department of Economic Affairs for finalizing the date and time for signing of the loan agreement in the week beginning 21 December,2009.

5. A copy of the CCEA Note dated 4.12.2009 is enclosed for reference/record.

Yours faithfully,



(M.K. Mishra)

Under Secretary to the Govt. of India

Tel: 23062573

Fax: 23062886



**KHADI AND VILLAGE INDUSTRIES COMMISSION**  
**DIRECTORATE OF RID & NEW SCHEMES**  
 3, IRLA ROAD, VILE PARALE (WEST), MUMBAI-56  
 Telefax +91-22-2671 1593 e-mail: sksinha@kvic.gov.in Web www.kvic.org.in

No.DRID&NS/KRDP/Policy/101/2008-09

Date: Dec. 15<sup>th</sup> 2008.

**C I R C U L A R**

**Sub:** Khadi Reform and Development Programme under ADB assistance.

The Asian Development Bank (ADB) has approved to assist KVIC to implement Khadi Reform and Development Programme (KRDP) in their Board meeting held on 2<sup>nd</sup> Oct. 2008. The reform programme contains several measures for total transformation of the Khadi sector making it self reliant, more responsive to artisans and also expand to its full potential.

2. The reform package proposes sectoral as well as institutional reforms which are to be implemented over a period of 3 years. The details of work that are to be carried out during the tenure of reform process are capsuled in two documents namely, Khadi Reform Package - the basic document (**Annexure-I**) and the Policy Matrix (**Annexure-II**) - a compilation of activities in the pre-determined time frame. The KRDP encompass support for institutional reform for 300 Khadi institutions to be identified based on the selection criteria devised by ADB (**Annexure-III**).

3. It is requested that these documents may kindly be studied properly and preserved carefully, as it may be required for frequent reference during implementation of reform process. Those are also being uploaded in the KVIC website.

4. All Programme Directors / In charges at Central Office of KVIC, State / Divisional Directors of KVIC and Chief Executive Officers of State KVI Boards are requested to study the reform package and policy matrix carefully and brief their team about the reform programme and the activities to be accomplished along with time schedule as detailed in the policy matrix.



5. It is also requested that adequate publicity to the Khadi Reform and Development Programme may also be given in consultation with Director (Publicity), Director (RID) so that all stake holders have clear understanding about of the reform programme and the process involved.
6. It needs utmost attention.

Encl: as above

*hmi 23/12/18*  
**(J.S. Mishra)**  
**Chief Executive Officer**

To

1. All Programme Directors at C.O., KVIC
2. All State / Divisional Directors and In-charges of KVIC
3. All CEOs/MDs/Secretaries of State KVI Boards

Copy to:

1. All Members of the Commission.
2. Chairman, Central Certification Committee
3. All Members of Central Certification Committee
4. Chairmen of the Zonal Certification Committees (North Zone, South Zone, Central Zone, East Zone, North-East Zone and West Zone)
5. Zonal Dy. Chief Executive Officers (North Zone, South Zone, Central Zone, East Zone, North-East Zone and West Zone)
6. All Members of the Zonal Certification Committees
7. All Programme / Industry Directors in the Central Office.
8. Secretary to Hon'ble Chairperson
9. O.S.D. to Chief Executive Officer.
10. Accounts Officer to Financial Advisor.
11. P.A. to Chief Vigilance Officer
12. Director (Information Technology) for placing the circular on website.
13. Director (Publicity) with a request to publish the same in the ensuing issue of 'Jagriti'.
14. Circular file.

*Sid 23/12*  
**Director**  
**(RID & New Schemes)**

## KHADI REFORM PACKAGE

1. With nearly three fourths of the Indian population residing in rural areas, strengthening the rural economy for inclusive development is a key priority of the Government of India (the Government). The rural non-farm sector (RNFS) is critical for providing alternative livelihoods since the agriculture sector cannot absorb the rural work force in any significant number. While the Khadi and Village Industries (KVI) sub-sector of the RNFS has made progress, Khadi has yet to realize its employment generation and poverty reduction potential. A comprehensive Khadi Reform Package has been developed by the Government to revitalize the KVI sub-sector with enhanced sustainability, Khadi, increased incomes and employment, increased artisan welfare, and development of selected village industries (VIs).

### 1. Promoting and Marketing of Khadi

#### 1A. Establishing identity of Khadi through Khadi Mark

2. Creating a niche as a hand spun and hand woven fabric produced through fair trade practices is important for Khadi to become commercially viable in the highly competitive textiles market. A necessary condition for such a market niche to be sustainable is the creation of distinct identity of Khadi through a Khadi Mark.

- to lend an identity and help in positioning and awareness building of Khadi,
- to guarantee Khadi's 'hand spun and hand woven' nature, and
- to link Khadi to specified base earnings to artisans

3. The Khadi mark will be developed by the Khadi and Village Industries Commission (KVIC). As the promoter and guardian of the proposed Khadi Mark, KVIC will monitor, verify and enforce the genuineness of a product being sold as Khadi.

#### 1B. Effective marketing through private sector participation

4. Khadi will need to be marketed effectively keeping in view the evolving market dynamics and changing consumer preferences. While significant progress has been made in terms of creating decentralized production centers for Khadi and VIs products, the paradigm shift from supply-side focus to demand-side focus will need to be managed to assess as well as respond to markets with speed and flexibility. Accordingly, a Marketing Organization (MO) will be set up with majority private sector ownership in partnership with KVIC. Among others, the proposed MO will:

- Develop marketing strategies,
- Develop product strategy including identification of products for domestic and international markets;
- Introduce public-private partnerships (PPPs) in KVIC's direct sales outlets (DSOs),
- Rejuvenate sales outlets (or Institutional Sales Outlets) of Khadi Institutions (KIs) and
- Establish new direct sales outlets.

5. Establishment of new direct sales outlets by the MOs will be supported through a Khadi Market Extension Program. The MOs will also promote the use Khadi Mark. MO will be provided operating flexibility and policy support given its important role in revitalizing Khadi.

## 2. Realizing Procurement and Production Efficiencies

### 2A. Facilitating raw material procurement and cotton sliver production

6. Cotton procurement determines both the quality of end products and working capital requirements during the production process. KVIC presently has a limited role in procurement of cotton (and other raw materials) with most KIs procuring cotton either for direct consumption (in traditional charkhas or Institutional Sliver Plants) or for outsourced job work (from Central Sliver Plants). In addition, sliver production by KVIC operated Central Sliver Plants accounts for only 30% of total sliver production and is also costlier. In view of the above, the following actions will be taken for enhancing efficiency in raw material procurement and production of sliver.

- Quality norms for procurement of raw materials will be developed,
- KVIC will disengage from sliver/roving production in a phased manner through PPPs,
- Capacity of the Institutional Sliver Plants of KIs will be augmented, and
- A Fund (Rs 50 crore) will be created for facilitating sliver/roving capacity augmentation through PPPs.

### 2B. Market-linked pricing to replace Cost Chart; Introduction of Benefit Chart

7. KIs that avail Sales Rebate under the KVIC programme are currently required to follow a Cost Chart for pricing of Khadi products. This arrangement does not provide the flexibility in product pricing for increasing the sales profile of Khadi. Accordingly the Cost Chart will be discontinued. The transition from centrally administered pricing to market-linked pricing will be accompanied with training and familiarization process.

8. Simultaneously, KVIC will introduce a system of 'Benefit Chart' for KIs registered with KVIC or Khadi and Village Industries Boards (KVIBs) as well as for the envisaged new Khadi ventures (2D). The Benefit Chart is intended to ensure that surpluses generated by shift to market-linked pricing and expected increases in the price realization through proposed product and marketing reforms are used for the benefit of the Khadi artisans and workers.

### 2C. Rationalization of Financial Assistance in Khadi

#### *Replacement of Sales Rebate with Production Incentive*

9. Currently, KIs receive Sales Rebate for the sale of Khadi products at the price specified by the Cost Chart. The Sales Rebate system has come to be characterised with lumping of sales during the special rebate period. Further, delays in release of Sales Rebate constrain the cash flows of KIs. In response to these, a Market Development Assistance (MDA) system based on production cost of Khadi was to be introduced from 1<sup>st</sup> April 2009. However, MDA is only a partial solution to the above issues. Accordingly, the Sales Rebate and MDA will be replaced with Production Incentive (PI) for KIs registered with KVIC or KVIB. Assessment will be made of the impact on sales of Khadi products as a result of the PI and product categories that can graduate out.

#### *Rationalization of Assistance with respect to Interest Subsidy Eligibility Certificate (ISEC)*

10. The working capital norms currently used by KVIC for ISEC was formulated in late 1980s. While there would be a gestation period, the Khadi Reform Package especially (i) sliver production reforms, (ii) market-linked pricing (iii) Production Incentive, and (iv)

marketing reforms are likely to ease working capital requirements of KIs. Accordingly, the ISEC will be partially phased out based on the outcome of the assessment of the impact of the PI.

## 2D. Creation of new Khadi ventures

11. In order to spur growth in Khadi and empower artisans, KVIC will allow setting up of future ventures in Khadi, under two models, viz. Producer Company Model and Entrepreneur Model. While detailed model parameters would be prescribed at a later stage, key highlights are as follows:

- **Producer Company Model (PC)** will comprise of primary producers (artisans, spinners and weavers) who will collectively appoint a governing board, as specified by the Companies Act, which would be made responsible for all decisions to be made for the PC. The PC would form an equal joint venture with an entrepreneur for marketing of Khadi Products. The model endeavors to provide for adequate artisan representation and participation of entrepreneurs, boosting Khadi growth.
- **Entrepreneur Model.** The model is primarily aimed at promoting Khadi by encouraging entrepreneurial participation, without sacrificing artisan welfare and authenticity of Khadi. Two variants would be allowed within the entrepreneurial model (a) the venture would be allowed to avail assistance from KVIC under Rural Employment Generation Programme of assistance, and (b) no financial assistance would be provided by KVIC.

12. Both types of new ventures would be eligible to avail advisory assistance from the MO. KVIC will ensure monitoring of quality control and minimum payment of specified base earnings to artisans, through applicability of Khadi Mark.

## 3. Institutional Reforms

### 3A. Revitalize Khadi Institutions

#### *Comprehensive Reform Plan for selected Khadi Institutions*

13. KIs play a vital role in production and marketing of Khadi. The Khadi artisans and workers are directly associated with KIs. Robust operations of KIs are important to ensure continued employment opportunities for artisans and enhancement of their earnings. However, most, if not all, KIs need improved implements, better working conditions for artisans, skills for high-value products, and sales and marketing support. Therefore, strengthening of KIs is an integral part of the Khadi Reform Package.

14. KVIC will develop a Comprehensive Reform Plan to be implemented in a phased manner for 300 KIs selected with due regard to regional balance and the inclusion of backward areas. Reform of these KIs could serve as model for other KIs. The elements of the Comprehensive Reform Plan to ensure viability of KIs and enhancement of artisan earnings and empowerment are as follows:

- **Production reforms:** To include supply of charkhas, looms, warping machine, yarn processing unit, spinning sheds and working capital support to cover the increase in working capital requirement due to capacity enhancement and other reform measures.
- **Marketing Reforms:** Linked to overall marketing reforms to enable expert inputs from the MO for product strategy including product processing, designing and local marketing strategy. Marketing reforms will also include renovation of sales outlets.
- **Governance Reforms:** Re-organization of artisans into Self Help Groups.

- System Reforms: Supply of basic information technology infrastructure (including accounting systems) and electronic networking of KIs with KVIC

### ***Restructuring Plan for Weak Khadi Institutions***

15. As per the last categorization of KIs, 270 Institutions are categorized D, representing dismal performance in the area of financial management, marketing and production. For restructuring such KIs, the following measures will be taken.

- KIs will be re-categorized based on revised parameters that emphasize role of artisans, governance, human resources, finances, and products, and
- Customized restructuring plan will be developed for such KIs

### **3B. Restructuring KVIC**

16. Given the enormous inclusive development, employment, and income generating scope of Khadi, KVIC has significant responsibilities to discharge and a pivotal role to play as a nodal institution. KVIC role in strengthening KIs, enhancing the stake and role of artisans, facilitating flow of raw materials and finances, and creating a niche for Khadi through Khadi Mark are considered most important. Accordingly, KVIC needs to gradually disengage from direct commercial activities. Transition to the new role will be done through restructuring and devolution of KVIC including, (i) restructuring khadi, village industries, science and technology, and economic research directorates, (ii) strengthening human resource and administration directorate, (iii) realignment of reporting relationships; and (iv) devolution of powers and responsibilities to zonal offices. In addition, KVIC will rationalize its operating and business process including the certification process. An integrated management information system and e-governance will underpin the reforms.

### **3C. Strengthen the Capability of all KVIC, KIs, and Artisans**

17. Systemic and pervasive skills deficit persists at all levels in the set up for Khadi. Accordingly, KVIC will develop a comprehensive capacity building plan based on assessment of existing training arrangements - infrastructure, capacity of trainers, curriculum, and demand for training. The implementation of the comprehensive capacity building plan will be prioritized.

### **3D. Developing synergies with traditional VIs**

18. There are inherent synergies between Khadi and traditional VIs, which are in line with the overall ethos of khadi - handmade, use of organic inputs/processes and/or socially aware. To systematically realize this synergy, KVIC will identify five traditional VIs through a market assessment study. Thereafter, a cluster development strategy will be developed by KVIC in consultation with the MO for each of the identified traditional VIs. The cluster development strategy will be implemented by drawing on the marketing and institutional reforms as well as the capacity building elements of the Khadi Reform Package.

## **4. Implementation**

19. Any reform is only as good as its implementation. KVIC, as the nodal agency, will implement the Khadi Reform Package under the overall guidance of the Ministry of Micro Small and Medium Enterprises. Implementation details will ensure increasing role of private sector to complement the base level production and marketing of Khadi undertaken by the KIs, which are private enterprises. Due care will be taken to phase the reforms to minimize disruptions if any and to provide capacity building support for facilitating a smooth transition.

**POLICY MATRIX / ACTIVITY MATRIX**

Duration of intervention - 3 years  
To be accomplished in 4 parts

**I. Establishing a Policy Reform and Implementation Framework**

**A) A comprehensive reform package for the development of khadi**

First part US\$20 million	Second part US\$40 million (Within 8 months from 1 <sup>st</sup> part)	Third part US\$40 million (Within 13 months from 2 <sup>nd</sup> part)	Fourth part US\$50 million (Within 15 months from 3 <sup>rd</sup> part)
<p>Government of India (the Government) conducts a review of the performance of khadi sub-sector comprising KVIC and other subsidiary institutions and develops a khadi reform package to strengthen the khadi sub-sector. (khadi reform package)</p> <p>KVIC agrees on the khadi reform package comprising – policy, legal, marketing, and institutional reforms for achieving sustainability of khadi and enhancing artisan welfare. (KVIC letter indicating concurrence)</p> <p>KVIC, in consultation with MMSME, develops (i) criteria for selecting khadi institutions eligible for assistance under the khadi reform package which will primarily be performance-based with due regard to regional balance and the inclusion of backward areas, and (ii) draft MOU between KVIC and khadi institutions on comprehensive reforms for</p>	<p>KVIC ensures the completion of the audit for 50 eligible khadi institutions by independent auditors (summary of audit findings)</p> <p>KVIC disseminates the khadi reform package nationwide through workshops. (list of state-wide workshops)</p>	<p>KVIC undertakes the first independent assessment of the khadi reform package, holds a stakeholder consultation on the outcome of the assessment, and prepares appropriate measures to address the feedback. (assessment report )</p> <p>KVIC ensures the completion of the audit of remaining 250 eligible khadi institutions by independent auditors. (summary of audit findings)</p>	<p>KVIC undertakes the second independent assessment of the khadi reform package, holds a stakeholder consultation on the outcome of the assessment, and prepares appropriate measures to address the feedback. (assessment report )</p>

<b>First part US\$20 million</b>	<b>Second part US\$40 million (Within 8 months from 1<sup>st</sup> part)</b>	<b>Third part US\$40 million (Within 13 months from 2<sup>nd</sup> part)</b>	<b>Fourth part US\$50 million (Within 15 months from 3<sup>rd</sup> part)</b>
<p>khadi institutions, which will include performance benchmarks and sanctions for khadi institutions that fail to meet the performance benchmarks. (eligibility criteria and MOU)</p> <p>KVIC selects 300 khadi institutions eligible for support under the khadi reform package. (list of eligible khadi institutions)</p>			

**II. Promoting and Marketing of Khadi**

**A) Establishing identity of khadi through khadi mark**

<p><b>First part US\$20 million</b></p>	<p><b>Second part US\$40 million (Within 8 months from 1<sup>st</sup> part)</b></p>	<p><b>Third part US\$40 million (Within 13 months from 2<sup>nd</sup> part)</b></p>	<p><b>Fourth part US\$50 million (Within 15 months from 3<sup>rd</sup> part)</b></p>
<p>KVIC agrees to undertake steps to develop khadi mark and link the artisan's base earnings to the use of khadi mark. <b>(khadi reform package)</b></p>	<p>KVIC develops the khadi mark, including designing its logo, and registers the khadi mark under the Trade Marks Act <b>(registration certificate)</b></p> <p>KVIC undertakes (i) the formulation and execution of the MOU with the Ministry of Textiles for testing infrastructure, (ii) the formulation and execution of the model agreement for licensing the use of khadi mark, (iii) the development of the detailed plan for the creation of basic testing infrastructure for khadi mark at KVIC; and (iv) the arrangement for managing khadi mark by KVIC State/Divisional offices <b>(khadi mark procedural protocols)</b></p> <p>KVIC adopts procedures and assigns the Khadi Directorate to grant usage of khadi mark to khadi Institutions and other entities. <b>(notification)</b></p> <p>KVIC through its Khadi Directorate ensures that the khadi institutions registered at either KVIC or KVIB adopt the khadi mark. <b>(registration records)</b></p>	<p>KVIC through the Khadi Directorate of KVIC prepares and maintains a list of the khadi institutions and other entities authorized to use khadi mark and publish this in its website. <b>(list on KVIC website)</b></p> <p>KVIC creates the basic testing infrastructure for the khadi mark. <b>(testing infrastructure)</b></p> <p>KVIC conducts random spot audits of khadi institutions and other entities authorized to use khadi mark regarding their adherence to the licensing requirements for the use of khadi mark. <b>(spot audit report)</b></p>	<p>KVIC through the Khadi Directorate of KVIC updates the list of the khadi institutions and other entities authorized to use the khadi mark. <b>(list on KVIC website)</b></p> <p>KVIC continues to conduct random spot audits of khadi institutions and other entities authorized to use khadi mark regarding their adherence to the licensing requirements for the use of khadi mark. <b>(spot audit report)</b></p>



B) Effective marketing through private sector participation

<p>First part US\$20 million</p>	<p>Second part US\$40 million (Within 8 months from 1<sup>st</sup> part)</p>	<p>Third part US\$40 million (Within 13 months from 2<sup>nd</sup> part)</p>	<p>Fourth part US\$50 million (Within 15 months from 3<sup>rd</sup> part)</p>
<p>KVIC agrees to establish a new marketing organization with majority private sector ownership (khadi reform package)</p>	<p>KVIC identifies potential private partners for the new marketing organization and ensures the incorporation of marketing organization. (MOU and incorporation certificate).</p> <p>KVIC transfers the rights of promotion and usage of khadi mark to marketing organization under a licensing agreement. (licensing agreement)</p> <p>MMSME issues a directive to allow KVIC to provide capital contribution for the establishment of the joint-venture marketing organization. (directive)</p> <p>Marketing organization commissions a product specific market survey of khadi and village industries products through a specialist firm. (appointment letter)</p> <p>MMSME develops the Khadi Marketing Extension Program for incentivizing the establishment of new DSOs by the marketing organization. (khadi marketing extension programme)</p>	<p>Marketing organization develops the framework for introducing PPP in the KVIC DSOs and introduces PPPs in 2 KVIC DSOs (PPP framework and PPP agreements)</p> <p>Based on the outcome of the survey, the marketing organization identifies products for both domestic and international markets and develop marketing strategies for all khadi related institutions and products. (marketing strategy)</p> <p>Marketing organization prepares a product catalogue and sets up the market information system (product catalogue and marketing organization certification)</p> <p>Marketing organization develops and implements the Institutional Sales Outlets Rejuvenation Plan. (institutional sales outlets rejuvenation plan and progress report)</p> <p>Marketing organization establishes three</p>	<p>The Marketing organization introduces PPPs in at least 2 other KVIC DSOs (PPP agreements)</p> <p>Marketing organization continues to implement the Institutional Sales Outlets Rejuvenation Plan (progress report)</p> <p>Marketing organization formulates guidelines for the setting up of new sales outlets by khadi institutions. (guidelines)</p> <p>Marketing organization establishes at least 10 additional DSOs under the Khadi Marketing Extension Program. (establishment report)</p>

<b>First part US\$20 million</b>	<b>Second part US\$40 million (Within 8 months from 1<sup>st</sup> part)</b>	<b>Third part: US\$40 million (Within 13 months from 2<sup>nd</sup> part)</b>	<b>Fourth part US\$50 million (Within 15 months from 3<sup>rd</sup> part)</b>
		DSOs are opened under the Khadi Marketing Extension Program. (establishment report)	

### III. Realizing procurement and production efficiencies

First part US\$20 million	Second part US\$40 million (Within 8 months from 1 <sup>st</sup> part)	Third part US\$40 million (Within 13 months from 2 <sup>nd</sup> part)	Fourth part US\$50 million (Within 15 months from 3 <sup>rd</sup> part)
<b>A) Facilitating raw material procurement and cotton sliver production</b>			
<p>KVIC develops quality norms for raw material procurement by khadi institutions. <b>(quality norms issued by KVIC)</b></p> <p>KVIC initiates the creation of a fund to kick-start private sector participation in sliver/roving production. <b>(KVIC letter, which will incorporate the guidelines for utilization of the fund)</b></p>	<p>KVIC conducts training for the 300 eligible khadi institutions on quality testing of raw materials. <b>(trainings)</b></p> <p>KVIC executes PPP agreements, on pilot basis, in two CSPs. <b>(executed agreements)</b></p>	<p>KVIC assesses PPP in CSPs identifying the success factors and the issues to be resolved in the next phase of PPP. <b>(progress report)</b></p> <p>KVIC develops the sliver capacity augmentation plan for the khadi institutions. <b>(framework)</b></p>	<p>KVIC executes PPP agreements in the remaining CSPs. <b>(progress report)</b></p>
<b>B) Market-linked pricing to replace cost-based pricing</b>			
<p>KVIC agrees to undertake steps to allow khadi institutions to set their khadi prices. <b>(khadi reform package)</b></p>	<p>KVIC issues a notification to allow khadi institutions to set market-linked prices. <b>(notification)</b></p> <p>KVIC formulates benefit chart. <b>(Benefit chart)</b></p>	<p>KVIC notifies the benefit chart and the requirement for the benefit chart to be implemented by the 300 eligible khadi institutions. <b>(notification)</b></p>	<p>KVIC monitors and assesses the effectiveness of the implementation of the benefit chart. <b>(assessment report)</b></p>
<b>C) Rationalization of financial assistance in khadi</b>			
<p>KVIC agrees to undertake steps for the khadi institutions to shift to the production incentive plan. <b>(khadi reform package)</b></p>	<p>KVIC formulates the production incentive plan and provides production incentive to all khadi products. <b>(production incentive plan)</b></p> <p>KVIC reassesses working capital requirement for khadi production. <b>(assessment of working capital requirement)</b></p>	<p>In consultation with marketing organization, KVIC determines the product categories that can phase out of production incentives and commence its phasing out and assesses the impact on sales as a result of this. <b>(assessment report)</b></p>	<p>In consultation with marketing organization, KVIC continues the phasing out of production incentives on other categories of products, and assesses the impact on sales as a result of this. KVIC continues phasing out of ISEC on other categories of products in line with</p>

First part US\$20 million	Second part US\$40 million (Within 8 months from 1 <sup>st</sup> part)	Third part US\$40 million (Within 13 months from 2 <sup>nd</sup> part)	Fourth part US\$50 million (Within 15 months from 3 <sup>rd</sup> part)
	KVIC appoints a focal person to engage with the bankers to enhance access of the khadi institutions to working capital. (appointment letter)	KVIC commences phasing out of the ISEC, in line with the production incentives phase out. (progress report)	production incentives phase out (progress report)
<b>D) Creation of new khadi ventures with greater entrepreneurial activity and enhanced artisan empowerment</b>			
KVIC agrees to pursue the producer company model and enterprise model for new ventures in khadi (khadi reform package)	KVIC develops the framework for producer company model and enterprise model for new ventures in khadi. (framework for producer company model and entrepreneurial model)	KVIC implements the producer company model for new ventures in khadi. (progress report)  KVIC implements the enterprise model for new ventures in khadi. (progress report)	KVIC continues the implementation of the producer company model for new ventures in khadi. (progress report)  KVIC continues the implementation of the enterprise model for new ventures in khadi. (progress report)

**IV. Institutional Reforms**

<b>First part</b> <b>US\$20 million</b>	<b>Second part</b> <b>US\$40 million</b> <b>(Within 8 months</b> <b>from 1<sup>st</sup> part)</b>	<b>Third part</b> <b>US\$40 million</b> <b>(Within 13 months</b> <b>from 2<sup>nd</sup> part)</b>	<b>Fourth part</b> <b>US\$50 million</b> <b>(Within 15 months</b> <b>from 3<sup>rd</sup> part)</b>
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**A) Organizational restructuring of KVIC for better focus on facilitative and developmental role**

<p>KVIC adopts the restructuring devolution plan for (i) restructuring khadi, village industries, science and technology, and economic research directorates; (ii) strengthening of human resource and administration directorate; (iii) realignment of reporting relationships; and (iv) devolution of powers and responsibilities to zonal offices. <b>(restructuring devolution plan)</b></p> <p>KVIC creates the steering committee and users committee for the IT/IS planning and implementation. <b>(KVIC notification)</b></p>	<p>KVIC (i) restructures khadi directorates, village industry directorates, science and technology directorates, and economic research directorates, (ii) strengthens human resource and administration directorates, (iii) realigns reporting relationships for efficiency, and (iv) devolves power to zonal offices. <b>(KVIC notification)</b></p> <p>KVIC reviews the existing structures and processes for certification of khadi institutions and to streamline the certification process including the directorates within KVIC the authority to make such certification <b>(review report)</b></p> <p>KVIC develops staffing norms consonant with the khadi reform package. <b>(staffing norms)</b></p> <p>KVIC develops integrated MIS. <b>(MIS)</b></p> <p>KVIC develops IT/e-governance roadmap, infrastructure requirements, and linkage of IT/IS strategy to the khadi reform package <b>(integrated application</b></p>	<p>KVIC reallocates resources based on the staffing norms and manpower planning. <b>(administrative order)</b></p> <p>KVIC implements the MIS. <b>(progress report)</b></p> <p>KVIC implements the integrated application system. <b>(progress report)</b></p> <p>KVIC incorporates the Marketing Directorate as one of the divisions within the Strategic Planning Cell. <b>(revised KVIC organization chart)</b></p> <p>KVIC issue procedural guidelines to delegate the certification of khadi institutions to directorates within KVIC <b>(guidelines).</b></p>	
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First part US\$20 million	Second part US\$40 million (Within 8 months from 1 <sup>st</sup> part)	Third part US\$40 million (Within 13 months from 2 <sup>nd</sup> part)	Fourth part US\$50 million (Within 15 months from 3 <sup>rd</sup> part)
	<p>system)</p> <p>MMSME reviews the functions of the Marketing Directorate of KVIC (MMSME review report)</p>		

### B) Revitalize khadi Institutions

<p>KVIC agrees to formulate the comprehensive reforms plan for the 300 eligible khadi institutions. (khadi reform package)</p>	<p>KVIC modifies categorization norms for khadi institutions and re-categorize khadi institutions using the modified norms. (list of re-categorized khadi institutions)</p> <p>KVIC adopts the comprehensive reforms plan to empower and revitalize the 300 eligible khadi institutions. (comprehensive reforms plan)</p> <p>KVIC signs with 50 eligible khadi institutions the MOUs for comprehensive khadi institution reforms. (MOUs)</p>	<p>KVIC ensures that the 50 eligible khadi institutions implement the comprehensive reforms plan. (progress report)</p> <p>KVIC signs with 250 eligible khadi institutions the MOUs for comprehensive khadi institution reforms. (MOUs)</p>	<p>KVIC ensures that the additional 250 eligible khadi institutions implement the comprehensive reforms plan. (progress report)</p> <p>KVIC evaluates the performance of the 300 eligible khadi Institutions. (evaluation report)</p>
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### C) Strengthening the capability of all institutions

<p>KVIC agrees to develop a comprehensive capacity building plan covering KVIC, KVIBs, khadi institutions, and artisans.</p>	<p>KVIC completes (i) the assessment of existing training arrangements (infrastructure, capacity of trainers, curriculum, and demand for training), and (ii) based on the assessment, a comprehensive plan for (a) demand driven training delivery; (b) the creation of linkages with external</p>	<p>KVIC implements the comprehensive capacity building plan. (progress report)</p> <p>KVIC periodically publishes in its website the training calendar with inputs from marketing organization. (training calendar in the KVIC website)</p>	<p>KVIC continues the implementation of the comprehensive capacity building plan. (progress report)</p>
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First part US\$20 million	Second part US\$40 million (Within 8 months from 1 <sup>st</sup> part)	Third part US\$40 million (Within 13 months from 2 <sup>nd</sup> part)	Fourth part US\$50 million (Within 15 months from 3 <sup>rd</sup> part)
	training program, (c) the upgrade physical infrastructure, and (d) the enhancement of skills of training staff. (comprehensive capacity building plan)		

**D) Develop synergies through traditional village industries**

KVIC agrees to identify around 5 village industries that are in line with the ethos of khadi – handmade, use of organic inputs processes, and socially aware. (khadi reform package)	KVIC identifies around five thrust traditional village industries based on the market survey by marketing organization. (identified village industries)  In coordination with the marketing organization, KVIC formulates cluster development strategy for the identified village industries. (cluster development strategy)	KVIC ensures the establishment of one cluster for each of the identified village industry. (progress report).  KVIC ensures the implementation of the comprehensive capacity building plan in the identified clusters. (progress report)	KVIC monitors the performance of the clusters. (progress report)
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CSP = central sliver plant, DSO = department sales outlets, ISEC = interest subsidy eligibility criteria, IT = information technology, IS = information system, KVIB = khadi Village Industries Board, KVIC = Khadi and Village Industries Commission, MIS = management information system, MOU = Memorandum of Understanding, PPP = private-public partnership.

**COMPREHENSIVE REFORMS OF KHADI INSTITUTIONS****I. CRITERIA FOR SELECTION OF KHADI INSTITUTIONS**

1. Khadi activities are highly decentralized and scattered countrywide and the products manufactured under Khadi are also highly diversified. Accordingly, selection of institutions is a critical task for the capacity building program to ensure that the number of institutions for the Pilot & Scale up program is adequately representative of the population and different kinds of institutions, considering various parameters as illustrated hereunder, are covered so that the selection process is effective.

2. Selection Criteria:

- (i) The selected institution (Reform Implementing Institution) is to be a directly aided institution of KVIC, registered either with the KVIC or the State Khadi & V.I. Board (KVIB). In case of State Board aided institutions, the Board is to recommend the name of the institution with an NOC for release of assistance to the institution and necessary monitoring of the implementation of the program by KVIC.
- (ii) The Reform Implementing Institution (RII) is to implement the Khadi program in a composite manner, i.e. spinning, weaving and marketing of Khadi.
- (iii) The RII is to satisfy either the 'A+' or 'A' or 'B' categorization norm based on the re-categorization undertaken by KVIC.
- (iv) The selection of Khadi institutions will primarily be performance-based with due regard to regional balance and the inclusion of backward areas.
- (v) Institutions which are availing financial support from KVIC under any other capacity building scheme, such as SFURTI and Scheme for Enhancing Productivity and Competitiveness of Khadi Industry and Artisans, will not be eligible for any financial support under this Program.
- (vi) The RII will collectively represent production and marketing of three different kinds of khadi, viz. Cotton, Wool and Silk.
- (vii) The scale of the activities of the RII in the selected Program will be as follows:
  - a. Production and/or average sales turnover will be at least of Rs. {50} lakh per annum in the last three years. In the case of North-East states – Rs {25} lakh per annum in the last 3 years.
  - b. Number of artisans associated. a minimum of 200 artisans will be registered with the RII;
  - c. The RII will be engaged in the production of khadi for at least 3 years at the point of selection.
  - d. Number of sales outlets managed by the RII: Not less than {4} sales outlets, and
  - e. Adequate land or building will be available with the RII so as to accommodate the infrastructure envisaged in the Program.

3. The selected 300 RII will subject itself to prescribed audit procedures.