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KHADI AND V.I. COMMISSION
3, IRLA ROAD, VILE PARLE (WEST), MUMBAI - 56

No: PME GP/EDP Trg./2010-11

Date: 18.01.2011

CIRCULAR

Subject: Accrediting of Training Centers/Institutions
for EDP under PME GP- regarding.

Prime Minister's Employment Generation Programme (PME GP) has been launched w.e.f. 26th September, 2008 by merging erstwhile REGP and PMRY that were in operation till 31st March, 2008. Khadi and Village Industries Commission is the Nodal Agency at National level for implementation of the scheme and the programme is being implemented through field offices of KVIC, U.T. /State Khadi and Village Industries Boards and District Industries Centers of States Governments in rural as well as urban area.

2. With a view to ensure effective implementation of the PME GP, it is felt necessary to provide accreditation to suitable training institutions/centers which are fulfilling criteria / parameters prescribed by the KVIC to impart qualitative EDP training to the PME GP beneficiaries of KVIC to enable them to carry out the programme effectively.

3. Objectives of EDP:

- To impart knowledge on the concept of entrepreneurship, its challenges and prospects.
- To develop entrepreneurial competencies of viz., achievement motivation, risk taking ability, confidence, goal setting ability of the potential entrepreneurs.
- Impart knowledge on procedure and formalities of setting of an enterprise.

.....2/-

- Develop skills on management of a unit establishment including financial and marketing.
- To impart knowledge on identification of industries opportunities and preparation of its plan.

4. **Eligibility Criteria:**

To provide the qualitative EDP training to the PMEGP beneficiaries, KVIC accredits suitable training institutions/centers those are fulfilling the following criteria / parameters.

- a. The Training Institute must be registered Society/Charitable Institutions/NGO or Educational/Vocational/Technical Institutions (ITI, Polytechnic, and Engineering College) or Institutions Engaged in SDP including State/Central Govt. Departments.
- b. The training institute must be situated in such area where public transport is easily available.
- c. Institute should have own/rented office Building, at least 2 Class rooms (50 intake capacity) with LCD Projector, Power supply, potable water with Hostel facility etc.
- d. The institute must have Landline Phone, Fax and internet connectivity in the premises.
- e. Permanent faculties having knowledge of Technical, Economics, Environmental, Accounting, Taxation, Marketing, Entrepreneurship etc, along with the other administrative supporting staff preferred.
- f. 2 to 3 year's minimum experience of conducting similar courses in the institute.
- g. Credibility of the institution in particular located area certified by the State/Divisional Director.

5. Duration of EDP:

As per the Scheme guidelines, duration of Entrepreneurship Development Programme (EDP) is as given under:

Two weeks (10 working days) for industrial activities and 3 days for Service activities project costing up to Rs. 2.00 lakhs, EDP training was mandatory before release of first installment of loan sanctioned to beneficiaries. However, this condition was waived to reduce the time lag for release of MM from Nodal Branches to beneficiary's account. It is also decided that the sanctioning authorities need not wait for completion of EDP for disbursement of loan and in such cases, financing bank and concerned implementing agencies should ensure that the beneficiaries will have to complete EDP training within 12 months from first release as applicable duration.

6. Approving authority for accreditation/deletion:

After verifying the present list of EDP Training Institutions/Centers, State/Divisional Director/In charges are to issue a certificate in favour of Director (PMEGP) stating that *"This is to certify that all the training institutions/centers falling under their jurisdiction are physically verified and all are complying the parameters/ criteria mentioned in para No.3 (a to f) laid down by KVIC and recommended for accrediting/deleting the institutions/training centers for imparting of EDP Training under PMEGP"*.

Based on the certificate issued by the respective State/ Divisional Director, accreditation/deletion shall be issued with the approval of CEO. Deletion if any is also to be recommended by State/Divisional office with justification for approval of CEO.

7. Remunerations and charges for EDP :

The KVIC has circulated the guidelines for reimbursement of EDP training expenditure for 2 weeks and 3 days vide Circular No. REGP/PMEGP/Cir.Guide/BFL/09-10 dated 17.6.2009 at Annexure "A" Point No. B (11), circular No. PMEGP/EDP Trg./09-10 dated 25.06.2009 (para 7) and Circular No. PMEGP/EDP/Cir/09-10 dated 9/12/2009 (At Annexure "A") which is partially modified as under and the other terms and conditions of the Circulars referred to above will remain unchanged.

ESTIMATED CONSOLIDATED EXPENDITURE FOR DEPARTMENT/NON DEPARTMENTAL TRAINING CENTRES PER BATCH

(Amt. in Rs.)

Sr. No	Head of Expenditure	Expenditure for 2 weeks		Expenditure for 3 days	
		State & Central Govt. Aided Training Centres KVIC/ KVIB/ DIC Training Centres (Rs.)	Accredited Training Centre (Rs)	State & Central Govt. Aided Training Centers KVIC/KVIB /DIC Training Centers (Rs)	Accredited Training Centre (Rs)
1	Lodging of Participants	15,000.00	15,000.00	3000.00	3000.00
2	Boarding	33,600.00	33,600.00	7200.00	7200.00
3	Guest Faculty	17,500.00	17,500.00	4500.00	7200.00
4	Study material	4,000.00	4,000.00	1000.00	1000.00
5	Stationary/Printing	2,000.00	2,000.00	500.00	500.00
6	Misc Expenditure	4,000.00	4,000.00	1000.00	1000.00
7	Incentive to Institute	5,000.00	5,000.00	1000.00	1000.00
	Total	81,100.00	81,100.00	18,200.00	18,200.00

.....5/-

Note :-

1. Per head expenditure in respect of two weeks EDP training for all accredited training centers per batch (20 trainees batch) @ Rs.4055/- per trainee.
2. Per head expenditure for 3 days EDP training to all accredited training centers for per batch (20 number batch) @ Rs.910 per trainee.
3. The accredited training centers (2 weeks or 3 days) are eligible to reimburse the expenditure incurred on boarding charges on day scholar basis restricted to the above mentioned amount.

8. Validity of Accreditation:

The period of validity will initial be three years, subsequently renewed for further period of three years if the performance of EDP training center is found satisfactory as per recommendation of the respective State/Divisional Director.

9. Termination/Withdrawing of accreditation.

If at any point of time, it is observed by the State/Divisional Director, KVIC that the performance of accredited agency is not satisfactory, then based on the recommendation and justification of State/Divisional Director, KVIC, the accreditation will be withdrawn/terminated. KVIC also reserve the rights to claim damages/penalty if required in case of any omissions/ commissions committed by the accredited agencies adversely affecting KVIC's interest/image.

10. Settlement of expenditure and performance monitoring.

All State/Divisional Directors, KVIBs and DICs will ensure to conduct quality EDP training to the PMEGP beneficiaries on time in their jurisdiction. The expenditure of EDP may also be reimbursed to the respective Accredited EDP training centers/Institutions by obtaining the requisite statement of expenditure/vouchers etc.,

the no. of candidates trained and expenditure incurred during the month may also be furnished regularly to the Directorate of PMEGP by 10th of every month.

The above Circular will come into force with immediate effect.

hms 19.11
(J. S. Mishra)
CHIEF EXECUTIVE OFFICER

Copy for information and immediate action:

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

Copy for information to:

1. Jt. Secretary, Ministry of MSME, Udyog Bhavan, New Delhi-110011
2. All Commission Members
3. All CMDs of Public Sector Banks
4. Principal Secretary, Industry _____ State
5. All Zonal Dy.CEOs, KVIC
6. All Industry/Programme Directors
7. Secretary to Chairperson
8. C.E.O. Cell
9. F.A. Cell
10. C.V.O. Cell
11. Jt. CEO, KVIC, Mumbai
12. Director (IT) for web-site
13. Director (Publicity) for publishing in "Jagriti"
14. Director (Hindi Cell) with a request to issue Hindi Version.

K. S. RAO
(K. S. RAO)
Director (PMEGP)

AGREEMENT

THIS AGREEMENT is entered into at on this..... day Month of 20—between State/Divisional Director, KHADI AND VILLAGE INDUSTRIES COMMISSION having its State/Divisional office at -----, herein after referred to as **KVIC** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the ONE PART and....., having its registered office at, herein after referred to as the "**Accredited Training Centre/Institute**" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the OTHER PART.

PRELIMINARY :

WHEREAS,

(A) KVIC has been constituted to devote itself for the development and propagation of Khadi and Villages Industries in the country and for the generation of rural/urban employment by implementing Khadi and village Industries Programme.

(B) The KVIC is implementing its programmes with the active participation of State/UT KVI Boards, State DIC's Banks, Individuals, Societies, and Institutions/NGOs by providing financial and technical assistance.

(C) KVIC has been providing grants and subsidies to its implementing agencies and Individuals Entrepreneurs with a view to encourage them to undertake its activities effectively and efficiently.

(D) KVIC/State/UT KVIBs and DICs are implementing Prime Minister's Employment Generation Programme (PMEGP), wherein subsidy in the form of Margin Money to the extent of 15% to 25% to the general category and 25% to 35% to weaker sections categories is allowed. Depending on the location of the project i.e Rural/Urban area, for the projects costing up to Rs.25.00 lakhs for manufacturing and up to Rs.10.00 lakhs for service industry.

.....2/-

(E) As per the approved guidelines of PMEGP by Ministry of MSME, 2 weeks/3 days Entrepreneurship Development Programme (EDP) is mandatory to the beneficiaries. To develop entrepreneurial competencies of viz. achievement motivation, risk taking ability, confidence, goal setting abilities of the potential entrepreneurs, KVIC is providing free EDP trainings through Departmental and Non Departmental /accredited training institutions/centers.

AND WHEREAS,

- (A) The accredited Training Centre/Institute is an institution engaged in the process of impart of training on various disciplines including Technical, Economics, Environmental, Accounting, Taxation, Marketing, Entrepreneurship etc.
- (B) The accredited Training Centre/Institute possess the required infrastructure and experience for undertaking the EDP training programme of the KVIC

NOW THIS INDENTURE WITNESSETH:

1. Objectives of the EDP Training :

- (a) To impart knowledge on the concept of entrepreneurship, its challenges and prospects;
- (b) to develop entrepreneurial competencies of viz., achievement motivation, risk taking ability, confidence, goal setting ability of the potential entrepreneurs;
- (c) to impart knowledge on procedure and formalities of setting of an enterprise, to develop skills on management of a unit establishment including financial and marketing;
- (d) to impart knowledge on identification of industries opportunities and preparation of its plan.

.....3/-

2. Duration of EDP:

The duration of Entrepreneurship Development Programme (EDP) shall be Two weeks (10 working days) for industrial activities and 3 days for Service activities project costing upto Rs. 2.00 lakhs,

3. Validity of Accreditation:

The period of validity shall initial be for a period of three years, subsequently renewed for further period of three years if the performance of EDP training centers is found satisfactory as per recommendation of the respective State/Divisional Directors.

4. Remuneration And other Charges

KVIC shall pay to the accredited training centers/ institutions :

- (i) an amount of Rs.4055/- (Rupees Four thousand Fifty Five Only) for 2 weeks training per head for 20 trainees;
- (ii) an amount of Rs.910/-(Rupees Nine Hundred Ten only) for 3 day training for per head of 20 trainees; and
- (iii) reimbursement of expenditure incurred on boarding charges on day scholar basis restricted to the above mentioned limit.

5. Performance Standards:

The accredited training centre/institute shall undertakes to perform the assignment with the highest standards of professional and ethical competence and integrity.

....4/-

6. Termination/Withdrawing of accreditation.

If at any point of time, it is observed by the State/Divisional Director, KVIC that the performance of Accredited Training Centre/Institute is not satisfactory, then based on the recommendation and justification of State/Divisional Director, KVIC, the accreditation will be withdrawn/ terminated with the approval of CEO. KVIC also reserve the rights to claim damages/ penalty, if required, in case of any omissions/ commissions committed by the accredited Training Centre/ Institute adversely affecting KVIC's interest/image.

7. No Liability to KVIC :

KVIC shall not be responsible or accountable to training centers for the employees and officers employed by the training centers who shall work on the assignment and all the personnel appointed by training centers shall be the employees of training center exclusively and under the responsibility of Accredited Training Centre/Institute for such matters as payment of salaries and wages, bonus, compensation, contingency benefits and compensation in the event of death, accidents etc. All employer/ employee disputes between Accredited Training Centre/ Institute and its employees and agents shall be dealt with by training center/Accredited Agency at its own cost without recourse to KVIC.

There shall be no contractual nexus or privity between KVIC and the officers and its agents appointed by Accredited Training Centre/Institute and KVIC shall not be liable in anywise (employer – employee relationship, legal and financial) to such personnel who shall be the exclusive liability and responsibility of the Accredited Training Centre/Institute.

8. Submission of Reports

Accredited Training Centre/Institute shall furnish detailed report on the training programme undertaken by it to the KVIC on quarterly basis.

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9. Maintenance of Accounts and Audit

Accredited Training Centre/Institute shall maintain separate books of Accounts for the amounts received from the KVIC and shall allow such books of accounts to be inspected /audited by the Auditors /Officers /agents of the KVIC.

10. Amendment to Agreement:

Accredited Training Centre/Institute and KVIC may make amendment to this agreement as per requirements, by mutual consent, in writing.

11. Indemnity

If any false/irrelevant EDP training reports are furnished by the accredited training centre or any legal issue arises on the EDP training and any financial losses incurred by KVIC/KVIB's/DIC's on that count, the Accredited Training Centre/Institute shall indemnify the KVIC against such losses

12. Force Majeure:

Accredited Training Centre/Institute shall not be held responsible for delay in fulfillment of their respective obligation under this agreement due to exigency of one or more force major events like floods, fire etc., provided on the occurrence of such events, the accredited training centre shall give one month notice to the KVIC within occurrence of such event.

13. Events of Dispute :

If a dispute arises out of or in connection with this contract/agreement, or in respect of any defined legal relationship associated herewith or derived therefrom, the parties agrees either to seek an amicable settlement of that dispute by conciliation under the ICADR Conciliation Rules, 1996 or to submit that dispute to Arbitration under the ICADR Arbitration Rules, 1996.

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The authority to appoint Conciliator/Arbitrator shall be the International Centre for Alternative Dispute Resolution.

The place of conciliation/arbitration proceedings shall be _____".

However, agreement and its interpretation shall be subject to the exclusive jurisdiction of the courts in Mumbai alone.

14. Notice:

The address of the parties for all communication is

- i) **KVIC**
(Khadi and Village Industries Commission),
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- ii) Accredited training centre/institute :
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All the notices with the aforesaid addresses sent by prepaid registered post or sent by fax with confirmation of its delivery or E-Mail shall be deemed to have been served and received by addressee within the time they should have been delivered/received at the addressee's end.

Any change of address will not be valid unless acknowledge by the other party.

IN WITNESS WHEREOF the parties to this Agreement have hereunto signed their respective names and affixed their respective seals on the date and place herein above mentioned.

....7/-

Signed, sealed and delivered by

Shri.....

For and on behalf of the KHADI AND VILLAGE INDUSTRIES
COMMISSION.....

1st Party in presence of witness

1.

2.

Signed, sealed and delivered by

Shri.....

For and on behalf of the

2nd part in presence of Witness

1.

2.