

CITIZEN'S CHARTER

GOA DAMAN AND DIU KHADI AND VILLAGE INDUSTRIES BOARD

ORGANISATION AND ITS OBJECTS:

The Government of Goa established the Goa Daman and Diu Khadi and Village Industries Board under Section 4 of the Goa Daman and Diu Khadi & Village Industries Board; Act, 1965. The first Board came into existence on 2/9/1982. The aim of the Board is to finance the Village Industries in the rural area to upto-date their traditional schemes and generate self employment in their own place of residence. This is the policy of the Father of the Nation, late Mahatma Gandhi which is followed throughout the country.

The Khadi and Village Industries Board is a statutory organization which provides financial assistance in the form of loan and grants to set up various projects, so as to generate employment for the masses. The Board Under the Scheme, which are formulated by the Khadi and Village Industries Commission, Mumbai, provides the financial assistance, The schematic funds for which are provided by the KVIC, Mumbai. The establishment expenditure is borne by the State Government. Thus the Schematic budget of the Board is controlled by the KVIC, Mumbai, and the nature of financial assistance and the Schemes under implementation may vary as per the terms and conditions formulated by the KVIC from time to time.

Scheme Under Implementation:

Presently Board is implementing Prime Minister's Employment Generation Programme (PMEGP). Guidelines on Prime Minister's Employment Generation Programme (PMEGP) are reproduced here below:

The Scheme:

The Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two Schemes that were in operation till 31.3.2008 namely prime Minister's Rojgar Yogana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a Central Sector Scheme to be administered by the Ministry of Micro, small and medium Enterprises (MOMSME). The Scheme will be implemented by the Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative Control of the Ministry of MSME as the single nodal agency at the National level. At the state level, the scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Board (KVIB) and District Industries centers (DICS) and banks.

Prime Minister's Employment Generation Programme

(PMEGP)

The Government of India has introduced Prime Minister's Employment Generation Programme (PMEGP) which is a credit linked subsidy Programme to generate employment in rural as well as in urban areas of the State. The scheme shall be implemented in the rural areas by KVIC/KVIB and in the urban and rural areas by the District Industries centre. The scheme shall be monitored by the Ministry of Micro, Small and Medium Enterprises, Government of India.

Levels of Funding under PMEGP

Categories of beneficiaries under PMEGP	Beneficiaries Contribution (of Project Cost)	Rate of Subsidy (of project cost)	
		Urban	Rural
Area (location the project/unit)			
General category	10%	15%	25%
Special Category (including SC/ST/OBC/Minorities/ Women Ex-servicemen / physically handicapped)	05%	25%	35%

- Note** 1. Maximum cost of the project unit under manufacturing sector shall be Rs.25 lakhs.
2. Maximum cost of the project unit under service sector shall be Rs.10 lakhs
3. The balance amount of the total project cost shall be provided by the Banks as term loan.

Eligibility conditions of the Beneficiaries

1. Any individual above 18 years of age.
2. No income ceiling for assistance.
3. For setting up of projects above Rs 10 lakhs for manufacturing sector and Rs.5 lakhs for service sector, minimum educational qualification is VIII Std.
4. Only new units are eligible for assistance.
5. Self Help Groups (who have not availed assistance under any scheme) are eligible.
6. Institutions registered under 1860 Societies Registration Act are eligible.
7. Cooperative Societies and Charitable Trusts are eligible.
8. Existing units (under PMRY, REGP or any other Scheme of Government of India or State Government) and the units that have already availed Government subsidy under any other scheme of Government of India or State Government are not eligible.

Terms and conditions of the scheme.

1. The project cost can be maximum Rs.25 lakhs for the manufacturing sector and Rs.10 lakhs for the service sector.
2. The project cost will include capital expenditure and one cycle of working capital. Projects without capital expenditure are not eligible for assistance. Projects above Rs.5 lakhs which do not require working capital require clearance from the controlling offices of the Banks.
3. Cost of the land should not be included in the project cost. The ready built shed/workshop can be included in the project cost.
4. PMEGP is applicable to all new viable projects except those included in the negative list of activities. The negative list includes:-

Negative List of Activities

The following list of activities will not be permitted under PMEGP for setting up of micro enterprises/projects/units.

- a) Any industry/business connected with Meat(slaughtered), i.e. processing, -canning and/or serving items made of it as food, production/manufacturing or sale of intoxicant items like Beedi/Pan/Cigar/Cigarette etc; any Hotel or Dhaba or sales outlet serving liquor, preparation/producing tobacco as raw materials, tapping of toddy for sale.
- b) Any industry/business connected with cultivation of crops/plantation like Tea, Coffee, Rubber etc. sericulture (Cocoon rearing), Horticulture, Floriculture, Animal Husbandry like Pisciculture, Piggery, Poultry, Harvester machines etc.
- c) Manufacturing of Polythene carry bags of less than 20 microns thickness and manufacture of carry bags or containers made of recycled plastic for storing, carrying dispensing or packaging of food stuff and any other item which causes environmental problems.

d) Industries such as processing of Pashmina Wool and such other products like hand spinning and hand weaving, taking advantage of Khadi Programme under the purview of Certification Rules and availing sales rebate.

e) Rural Transport (Except Auto Rickshaw in Andaman & Nicobar Islands, House Boat, Shikara & Tourist Boats in J&K and Cycle Rickshaw),

5. The KVIB/KVIC shall implement the programme in all areas except within the municipal limits of Panaji, Margao, Mapusa and Vasco. These urban areas shall be covered by the District Industries Centre for implementation of PMEGP.

6. The Project shall have to generate employment to one person after every Rs. 1.00 lakh invested in fixed assets.

Modalities of PMEGP.

1. The Beneficiaries shall submit the proposal in the prescribed format alongwith other documents.
2. The proposals shall be placed before the District level Taskforce constituted for scrutiny of the proposals. The Task force may call the applicants for interview on the stipulated day.
3. After the approval of the Task force, the proposal shall be forwarded to the Bank selected by the applicant. All public sector Banks are covered under PMEGP.
4. The Bank shall appraise the proposals technically and economically and shall take its own credit decision after ensuring that the projects fulfill the criteria of the PMEGP.
5. No Collateral security shall be insisted upon in line with the guidelines of the RBI for projects up to Rs.10 lakhs.
6. Normal rate of interest shall be charged by the Banks. The repayment schedule may range between 3 to 7 years after an initial moratorium as may be prescribed by the Bank.

7. After the project is sanctioned by the Bank, the beneficiary shall be deputed for EDP training at the designated EDP centers for undergoing training of two weeks. Those who have undergone such training through reputed training centers, need not be deputed for the training.
8. After completion of the EDP training the beneficiary shall deposit 5% or 10% own contribution with the Bank. Thereafter the Bank shall release the first installment of loan.
9. After the release of the Bank finance either partly or fully, the Bank shall forward the margin money claim to its nodal branch in Panaji, in the prescribed format. The nodal branch shall remit the margin money to the financing Bank.
10. The margin money released by the nodal branch shall be kept as the TDR in the financing, Bank for a period of three years in the name of the beneficiary, which shall be adjusted after three years from the date of first disbursement of loan with the consent of the KVIC/KVIB.
11. The margin money is a one-time assistance. For any enhancement of credit, the margin money shall not be available. Only one project shall be sanctioned in one family (family is defined as person and the spouse)
12. Though the margin money is released, the KVIC/KVIB will be the final authority to accept or reject the project/subsidy based on the parameters of the scheme. The KVIC/KVIB shall have the right to recall the subsidy if the project fails to fulfill the criteria of the scheme.
13. All the units assisted under PMEGP should display a sign board indicating that the unit is assisted under PMEGP.
14. All units shall be physically verified by the officials of the KVIB/KVIC/DIC or any other agency authorized for undertaking such verifications.

15. Village Industry

Any Village Industry including Coir based projects (except those mentioned in the negative list) located in the rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of full time artisan or worker i.e. capital expenditure on work shop/work shade, machinery and furniture divided by full time employment created by the project does not exceed Rs.1 lakh in a plain, areas and Rs. 1.50 lakhs in hilly areas.

16. Rural Area:

- (i) Any area classified as Village as per the revenue record of the state/Union Territory, irrespective of population.
- (ii) It will also include any area even if classified as town, provided its population does not exceed 20,000 persons.

Procedure to be adopted for submitting the proposal and whom to approach.

The office of the KVIB is situated at 2nd floor, 2nd lift, Junta House, Panaji-Goa. The application forms are available in the office of the KVIB. The Board has appointed a District Officer for each of the District in the State. The applicant may contact these officers to know in detail the formalities to be completed before the proposal is submitted in the office. The applicant shall have to submit the proposal in full along with the required documents.

The incomplete proposals are liable to be rejected.

The proposals submitted to the office are thereafter placed before the District level Task force constituted for scrutiny of the proposals. The Task force may call the applicants for interview on the stipulated day. Task force will scrutinize the applications based on the experience, technical qualification, skill viability of the project etc.

The task force is headed by the Collector District Magistrate of respective District, (Chairman), Respective District lead Bank Manager, (member) State Director, KVIC, (Member). Respective District Coordinate of Nehru Yuva Kendra (special invitee) Director, MSME Development institute, (special invitee) Representative from 3 Panchayats (Member) one representative from Municipalities General Manager DIC (Member) and Chief Executive Officer, KVIB (convenor for both District).

The proposals cleared by the Task force are thereafter forwarded to the Bank selected by applicant.

Time limit for each particular job.

1. PMEGP

The applicant is required to produce the proposal in full alongwith the required documents once the proposal is submitted in the office. The proposal shall be placed before the District level Task force constituted for scrutiny of the proposal. After the approval of the Task force the proposals shall be forwarded to the Bank selected by the applicant. The frequency of holding this meeting shall depend upon the number of applications in hand. These meetings shall be conveyed at least once in two months.

On intimation, the beneficiary is required to complete the formalities as advised by the office. On completion of the same, the proposal shall be forwarded to the bank within 15 days. The time limit of submission of margin money claim by the beneficiary to the financing branch is 7 days. Whereas the financing branch shall forward the claim to

nodal branch within 15 days . The time limit for submission of the claim by the beneficiary to release of subsidy is 30 days.

2. FOR DIRECTLY FINANCED SCHEMES IMPLEMENTED BY THE KVIB.

After clearing the outstanding dues in full in old direct finance cases of Board, the beneficiary may ask for the no dues certificate in writing. The Board , shall issue the same within 15 days from the date of application.

In case the beneficiary who have provided mortgage of property or Bank Guarantee in old direct finance cases of Board, The beneficiary shall have to complete the required formalities after which the Board shall release the same within eight days.

Note: Any proposal/application/documentation which requires clearance/confirmation/instruction from the KVIC, Mumbai may not adhere to the time schedule indicated above.

Avenues for grievances:

The public may approach the chief Executive officer, who is the Head of the Department, to redress their grievances. The public may also approach the Chairman of the Board, in case of extreme cases. The Contact numbers of Chairman Tel. 2221452/2221410 Chief Executive Officer Tel. 2221452/2222494.

(Chief Executive Officer)

