

/8 30/2023



DEPARTMENT OF INDUSTRIES
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
3rd FLOOR, UDYOG SADAN, PATPARGANJ INDUSTRIAL AREA, DELHI 92
7th December 2023

To,

Head of Office
Delhi Khadi & Village Industries Board,
Govt. of NCT of Delhi, 5th & 6th Floor, Nigam Bhawan,
Kashmiri Gate Delhi - 110006

**Subject: Memorandum of Understanding between Industries Department,
Government of NCT Of Delhi and Delhi Khadi & Village Industries Board**

Sir,

Please find enclosed herewith a set of Memorandum of Understanding between Industries Department, Government of NCT of Delhi and Delhi Khadi & Village Industries Board, duly signed by Additional Chief Secretary, Industries Department, as per guidelines issued by Finance Department, GNCTD for further necessary action at your end.

Yours faithfully,

**Signed by Ankur Prakash
Meshram**

Date: 07-12-2023 16:02:20

Reason: Approved

Deputy Commissioner Industries (DKVIB)/Link Officer

Enclosed: Memorandum of Understanding

Copy:

1. PPS to Additional Chief Secretary, Department of Industries, GNCTD
2. PS to Special Commissioner II, Department of Industries, GNCTD

Delhi Khadi & Village Industries Board
Govt. of NCT of Delhi

Date: 11-12-23

Dy. No: 1479

SA

8/12

OFFICE OF THE COMMISSIONER OF INDUSTRIES
GOVERNMENT OF NCT OF DELHI
UDYOG SADAN, 419, F.I.E., PATPARGANJ, DELHI-110092

MEMORANDUM OF UNDERSTANDING
BETWEEN
INDUSTRIES DEPARTMENT, GOVT OF NCT OF DELHI
AND
DELHI KHADI AND VILLAGE INDUSTRIES BOARD

File NO IND/AI/7/2023/DC(DKVIB)-IND/I/82630/2023

DATE: 7/12/2023

1. PARTIES

The Memorandum of Understanding (MoU) is entered into between the Industries Department, GNCTD through Addl. Chief Secretary (hereinafter referred to as Industries Department which expression shall, unless excluded by or repugnant to the context, be deemed to include his/her succession in office and assigns) on the one part and Managing Director, Delhi Khadi & Village Industries Board, (hereinafter referred to as Grant-in-Aid Institution which expression shall, unless excluded by or repugnant to the context, be deemed to include its successor, executor administrators, Legal heirs and assigns) on the other part on the 05th Dec day of 2023. (Effective date).


II. PURPOSE

As per the Rule 229(xi) of General Financial Rules, 2017 an Autonomous Organization with a budgetary support of more than Rupees Five Crore Per Annum should be required to enter into a Memorandum of Understanding (hereinafter referred as "MOU") with Administrative Ministry or Department, spelling out clearly the output targets in terms of details of programme of work and qualitative improvement in output along with commensurate input requirements. The output targets, given in measurable units of performance, should form the basis of budgetary support extended to these Organizations.

III OBJECTIVES FOR WHICH THE DKVIB IS ESTABLISHED.

The DKVIB was established on 01.05.1983 with an objective for promotion of Khadi and village industries. It got reconstituted from time to time and the last one on 08-12-2020. The Board is working as an implementing agency for the developmental schemes launched from time to time by the KVIC, Govt of India and Govt of NCT of Delhi & offer different kind of services. The Board organize Exhibitions, Fairs, Seminars and Public Education Programmes to promote schemes and the sale of Khadi's and village industries products.

- **Schemes:** To achieve the objectives, at present the Board is implementing two employment generation schemes, namely (i) Rajiv Gandhi Swavlamban Rozgar Yojna (RGSRY) of Govt. of Delhi (ii) Prime Minister Employment Generation Programme (PMEGP) of Khadi & Village Industries Commission (KVIC), Govt. of India


Dr. LALTINKHUMA FRANKLIN, IAS

Managing Director
Delhi Khadi & Village Industries Board
Govt. of NCT of Delhi
5th Floor, Nilgiri Bawan
Kashmere Gate, Delhi-110006

IV ACHIEVEMENTS OF LAST YEAR AND TARGET OF CURRENT FINANCIAL YEAR IN RESPECT OF PROGRAMMES, SCHEMES AND POLICIES OF THE DKVIB.

The Budget/Targets in respect of programmes/Schemes of Govt. of Delhi is prepared by DKVIB every year and for PMEGP district wise targets is communicated by Ministry of Micro, Small and Medium Enterprises (MoMSME), Govt. of India containing the physical achievements of last year and Target for the current financial year in financial and quantitative/Physical terms.

1. Targets and achievements in respect of RGSRY

S.N o.	Name scheme/ Programme	Budget allocation/targets for 2022-23 (R.E.)		Achievements 2022-23		Budget allocation/targets for 2023-24 (B.E.)	
		Financi al (in lakh)	Quantitati ve/Physic al (No. of units)	Financi al (in lakh)	Quantitati ve (No. of units)	Financi al (in lakh)	Quantitati ve (No. of units)
01	RGSRY (LOAN) of Govt. of Delhi	20.00	08*	13.575	05	120.00	45
	RGSRY (SUBSIDY) of Govt. of Delhi	1.00		0.375		5.00	

* Proportionately revised as per R.E.

2. Prime Minister Employment Generation Programme (PMEGP)

This is a central sector scheme administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME) GOI. No direct fund allocation is made with DKVIB or State office, KVIC. Loan is released to the beneficiaries by the financing bank and Margin Money component is transferred directly by Central office KVIC. Targets for the scheme are communicated by Ministry of MSME, GOI for entire Delhi. Targets are to be achieved by both the implementing agencies i.e. State office KVIC and DKVIB. The role of the implementing agency is to scrutinise the projects and forward to the concerned bank for appraisal and take their own credit decision.

Tentative targets of Margin Money under PMEGP scheme for the years 2022-23 & 2023-24 of Delhi state and achievements:-

Name of scheme/ Programme	Targets for 2022-23 (For both implementing agencies)		Achievements 2022-23 (For both implementing agencies)		Targets for 2023-24 (For both implementing agencies)	
	Margin Money (Rs. In lakhs)	No. of Projects Quantit ative	Margin Money (Rs. In lakhs)	No. of Projects (Quantita tive)	Margin Money (Rs. In lakhs)	No. of Projects (Quantita tive)
(PMEGP) of Khadi & Village Industries Commission, Govt. of India.	286.94	91	471.13	72	332.00	114
	9.74*	01*			9.75*	01*
	Total 296.68	Total 92			Total 341.75	Total 115

*2nd loan for upgrading existing PMEGP unit (01 project)**V INPUT REQUIREMENTS**

The DKVIB is a 100 % Grantee Institution of Govt. of Delhi. All the Expenditure of the DKVIB is financed by Govt. of Delhi and released as Grant in Aid to DKVIB every year with the approval of Competent Authority in Delhi Govt.

The Strength of DKVIB is as under during CFY 2023-24 as on 1/11/2023:-

Component	Total Strength	Filled Strength	Vacant Strength	Contractual and Daily staff against vacant posts.
Grant-in-Aid (Salary)	51	36	15	04 Security guards

VI -B Head wise allocation of Budget approved by Delhi Govt. for the Financial Year 2023-24

Sl No.	Major Head Detailed Head as indicated in the Detailed Demand for Grants	Approved Budget Estimates for the year 2023-24 (In lakh)
1.	Grant-in-Aid to DKVIB (GIA) (2851) (a) GIA-General 105-97- 00- 31 (b) GIA for Salary 105- 97-00 -36 (c) GIA for Capital Assets 105-97- 00 -35 Total	 60.00 630.00 5.00 695.00
2.	Rajiv Gandhi Swavlamban RojgarYojna (2851) (Subsidy) 00-111-97- 00- 33	5.00
3.	Rajiv Gandhi Swavlamban Rojgar Yojna (6851) Loan) 00-105- 97 -00 -55	120.00
	Total	820.00

VII Operating Procedure:

- Any decision creating major liability on account of recurring non-recurring expenses for the Govt of NCT of Delhi, directly or indirectly should be subject to prior approval of Govt of NCT of Delhi
- The Budget estimation of grant needs to be segregated on revenue and capital head separately and in to sub heads like 'salary' 'general' and 'creation of assets (capital)' as per finance guidelines.
- The provisioning of budget for grant needs to be made on net deficit basis. (i.e. total revenue from all sources - total expenses)
- The Board shall evolve suitable mechanism to maximize generation of internal resources so as to attain self-sufficiency/self-sustainability over a period of time. Administrative Department to encourage this through both strict monitoring and supervision to at least make the Board to meet the recurring expenses.

5. The Administrative Department shall review the working of the Board periodically, depending on the scale and nature of activities/ programmes/ schemes being carried out by the DKVIB so as to ensure that the objective for which it was set up is achieved.

6. The Board shall prepare Annual Report every year which should clearly contain the detail activities including achievements under Rajiv Gandhi Swavlamban Rozgar Yojna, Prime Minister Employment Generation Programme and Marketing Activities in each financial year and submit a copy of the same to Planning and Finance Department.

VIII. Funding and financial support:

1. The recurring grant for the purpose of salary, allowances and other approved and admissible recurring expenditure will be released in three instalments.

The first instalment equal to 25% of the approved budget estimates will be released in the month of April to cover the expenditure for the months from April to June. Second instalment equal to 50% of the approved budget estimates will be released in the month of July to cover the expenditure for the months from July to December after getting the following information/documents from the DKVIB.

(i). Amount required for recurring expenditure separately for Pay Allowances and approved and admissible recurring expenditure for the period from July to Feb. next year on realistic basis, with full details.

(ii) Present position of funds available with the DKVIB for recurring expenditure.

(iii) Utilization Certificate in Form 12-A under Rule (238) (1) of GFRS in respect of recurring grant released to the DKVIB during the last financial year.

(iv). Actual income & expenditure statement (item-wise) of the last financial year.

(v). Last year's audited accounts. The audit should be got conducted from ELFA, if the audit has not been done by ELFA, then the details of the steps taken by the DKVIB in this regard.

(vi). Actual income & expenditure statement (item-wise) for the current financial year for the period wef 1st April to 30th June.

(vii). Revised estimates for the current financial year and the Budget estimates for the next financial year will be duly approved by the Board on the basis of the recommendation of the DKVIB. The Budget proposal should be strictly in accordance with the prescribed guidelines and the norms of Appex Council and Delhi Govt. A certificate from the Executive Head of the DKVIB shall be furnished to the effect that budget proposals are formulated strictly in accordance with the approved norms/scales of Delhi Govt.

(viii). Details of the pending audit paras and their position along-with the action taken by the DKVIB to remove / settle the outstanding audit objections along with the proof of settlement, particularly in case of Recoveries.

(ix). Annual Achievement-cum-Performance Report for the previous financial year.

(x). Any other requisite document / information not submitted earlier by the DKVIB due to unavoidable reasons. The DKVIB has to submit the above mentioned information / documents by 5th of July. Third and final instalment will be released in the month of January or after finalization of R.E. to cover the expenditure from January to March.

IX CREATION OF POSTS

- (i) Creation of posts in the DKVIB shall be with the prior approval of the GNCTD since the DKVIB is fully funded by the Govt of NCT of Delhi.
- (ii) The DKVIB may create posts under various categories with the prior approval of GNCT Delhi within the frame-work of SIU or MCI or norms/ guidelines laid down by the Govt for the purpose of meeting its objectives as enunciated in the DKVIB Act
- (iii) All the posts proposed to be filled up by the DKVIB on deputation basis will also be circulated to various departments of GNCTD and other things being equal employees of GNCTD may be given preference
- (iv) All posts in the Finance and Accounts Wings of the DKVIB shall invariably be filled up from the Accounts Cadre of Delhi Government

X REAPPROPRIATION OF FUNDS:

1. The preparation of accounts of the DKVIB shall be the responsibility of Head of the Accounts Wing of the DKVIB and shall be approved by the Board. Funds shall not be re-appropriated without obtaining the approval of the Head of the Department and subsequently the approval of the Board and Govt of NCT of Delhi.
2. The pay-scales as approved by the Govt of Delhi shall be applicable to the employees of DKVIB. It should not be higher than those applicable to similar categories of employees in the Govt. of NCT of Delhi.
3. General instructions regarding "economy in expenditure" issued by the Finance Department. Govt of NCT of Delhi shall be strictly followed, if any exception is required, matter shall be referred to the Finance Department, Govt of Delhi.
4. The DKVIB shall create alternative sources of income in the medium and long term. Release of grants to it shall be link to the generation of income from other sources like consultancy etc.
5. Release of grants by itself does not become a license to spend the money. Any expenditure out of these grants would be subject to prior expenditure sanction by the Competent Authority, observance of provision of GFRS and instructions / guidelines issued by Finance Department from time to time and also economy instructions of the Govt. of NCT of Delhi.
6. Financial business in the DKVIB should be transacted in accordance with the provisions of General Financial Rules
7. All the directions / Instructions/guidelines issued by the Govt. of NCT of Delhi including directions / advise of CVC / DOV will be binding on the DKVIB
8. The directions/orders issued by government from time to time regulating expenditure out of grant-in-aid shall be binding on DKVIB and contravention thereof shall render the GIA liable to be withheld.

9. The DKVIB shall not do any act or undertake any activity which entails addition financial liability for the government without the approval of Department of Industries and Finance/Planning Department like creation of posts, grant of pay scales higher than those of corresponding posts in the Government of NCT of Delhi, undertaking of infrastructural projects estimated cost of which is above Rs 5.00 Crore. Provision/extension of pension to employees etc.

10. As per the provisions contained in Chapter 3 of Himachal Pradesh Khadi & Village Industries Board Act, 1966 as extended to the union territory of Delhi, the Board has to perform the following functions

- a) To Plan, organize and implement programmes for development of Khadi & Village Industries.
- b) To promote, encourage and assist in the development of Khadi & Village Industries and to carry on trade or business in the products of such Industries.
- c) To provide work to persons who have been professionally engaged in the Khadi & Village Industries.
- d) To grant loans to individuals, societies or Institutions engaged in Khadi & Village Industries on such terms as may be prescribed.
- e) To encourage establishment of co-operative societies in Khadi & Village Industries.
- f) To conduct training with a view to impart necessary skill and knowledge for carrying on Khadi & Village Industries
- g) To manufacture tools and implements and to arrange supply of such tools and implements and raw material in order to secure development of Khadi & Village Industries.
- h) To conduct Publicity and Propaganda and organize marketing of finished products of Khadi & Village Industries by opening stores, shops, emporia and exhibitions.
- (i) To undertake and encourage research with a view to improve the quality and marketability of Khadi and the products of village industries.
- j) To collect statistics relating to Khadi & village industries from such person or persons as may be prescribed and to publish the statistics so collected
- k) To carry out any other matter which may be prescribed.

11. The DKVIB will execute a bond in the format prescribed by Govt. of NCT of Delhi binding themselves jointly and severally to abide the conditions of Grant-in-Aid and not to divert the grants to another institution/organization and on committing breach of bond, the signatories will be liable to refund to the President of India, the whole or part of amount of grant with interest at ten percent per annum there on or the sum specified under the bond.

12. The DKVIB shall not seek Grant-Aid from any Ministry or Deptt. of Govt. of India or State Govt. for the purpose the grant is provided by the Govt. of NCT of Delhi.

13. The DKVIB will not dispose of any Assets acquired/created wholly or substantially out of the grant given by the government without obtaining the prior approval of the authority which sanctioned the grants.

XI. AUTONOMY TO AUTONOMOUS ORGANIZATION

1. Without the prior approval of competent authority in the Delhi Govt., the DKVIB may not sign any understanding/MOU with any other party including similar organisation abroad.

XII. PERIOD OF AGREEMENT

This MOU will be effective when signed by both parties, and will be valid for three financial years up to 2025-26 i.e. 31/3/2026. This MOU may be amended at any time, by the mutual written consent of the Parties(s).

XIII. Miscellaneous

Neither Party shall be liable by reason of failure or delay in the performance of its obligations under this Memorandum of Understanding if such failure or delay is caused by acts of God, strikes, lockouts, war or any other reason beyond its control and without its fault or negligence

In the event of any one or more of the provisions contained in this Memorandum of Understanding being waived, modified or altered, none of the other provisions here of shall in any way be affected or impaired thereby. If any of the provisions of this Memorandum of Understanding become invalid/illegal or unenforceable in any respects under any applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

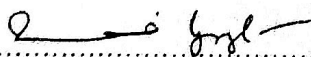
No amendments to the Memorandum of Understanding shall be valid unless executed in writing and signed by both parties.

XIV. EXTENSION OF MOU

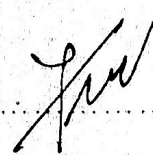
This MOU can be extended by agreement of both the Parties(s) by mutual understanding/consent.

IN WITNESS WHEREOF the Parties hereto have caused this MOU to be signed on 05.12.2023 (date), between Industries Department, GNCTD and DKVIB.

SIGNED AND DELIVERED FOR
AND ON BEHALF OF INDUSTRIES
DEPARTMENT, GNCTD



SIGNED AND DELIVERED FOR
AND ON BEHALF OF DKVIB



NAME: MANISH KUMAR GUPTA

NAME: Dr LALTINKHUMA FRANKLIN

TITLE: ADDL. CHIEF SECRETARY

TITLE: MANAGING DIRECTOR

MANISH KUMAR GUPTA, IAS
Additional Chief Secretary, Industries

Dr. LALTINKHUMA FRANKLIN
Managing Director
Delhi Khadi & Village Industries Board
Govt.
5th Floor, Block No. 1
Kashmere Gate, New Delhi - 110006