

KVIC REGULATIONS 2007

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 OCTOBER 31, 2007/KArr1KA 9, 1929 31 2007 •rtr 2007 qr.%rfi. 1956 (1956 61) 27 1958 gg, 1. 1)
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 ERI, I : 9 1958 3(i) 13 1958 801 I 24 W) 1. 2. 14 THE GAZETTE OF INDIA EXTRAORDINARY
 MINISIRY OF MDIUM, SMALLAND MDIUM ENTERPRISES NOTIFICATION New Delhi, the 31st
 October, 2007 [PART IPSEC. 3(i)) G S.R. exercise of the powers conferred by Section 27 of the Khadi and
 Village Industries Commission Act 1956 (61 of 1956) the Commission hereby makes, with the previous
 sanction of the Central Government, and in supersession of the Khadi and Village Industries Commission
 Regulations, 1958, except as respects of things done or omitted to be done before such supersession, the
 following regulation, namely :— 1. title and commitment* 1) These Regulations may be called the Khadi
 and Industries Commission Regulation 2007. (2) They shall come into force on the date of their
 publication in the Official Gazette. 2 Definitions.—In these regulations, unless the context otherwise
 requires : "Act" means Khadi and Village Industries Commission Act, 1956 (61 of 1956); "Appointing
 authority" means an Appointing authority as defined under clause (a) of the Regulation 2 of the Khadi and
 Village Industries Commission Employees (Classification, Control and Appeal) Regulations, 2003;
 "Board" means the Board constituted under Section 10 of the Act; "Chairman" means the Chairman of the
 Commission; "Chief Executive Officer" means the Chief Executive Officer appointed under clause (c) of
 Sub-section (2) of Section 4 of the Act; "Commission" means the Khadi and Village Industries
 Commission, constituted under Section 4 of the Act; "Government" means the Central Government;
 "Head of the Office" means an Officer declared as such by the Commission; "Rules" means The Khadi and
 Village Industries Commission Rules 2006 made by the Government under Section 26 of the Act; "Zonal
 Committee" means the Committee constituted by the Commission under Section 12A of the Act; Words
 and expressions used but not Defined in these Regulations and Defined in the Act and the rules made
 under the Act shall have the same meanings respectively as assigned to them in the said Act and Rules.
 Employees of Commission : General Provisions.—(1) The Commission may, with the prior approval of the
 Government, adopt for its officers and employees scales of pay and allowances taking into account the
 rates fixed by the Government of India for employees of similar categories. () The Commission shall have
 four main classes of employees - Group - A, B, C, and D - who may be further, classified into grades and
 shall issue orders prescribing duties and responsibilities of its employees from time to time.) The
 Commission may employ persons, wherever necessary, on fixed monthly remuneration (including
 allowance) or on daily wages. Prior sanction of Government in such cases shall be taken if such monthly
 remuneration exceeds Rs. 20, 000/- per month.) (a) The Commission may, if it is necessary to do so in the
 interest of its work, appoint honorary workers on such terms and conditions as may be settled by it with
 the prior approval of Government; (b) The Commission may pay to the honorary workers such honoraria
 as it may think fit : provided that the prior sanction of Government shall be taken by the Commission
 where the amount of the honorarium proposed by the Commission exceeds Rs. 20, 000/- per month. (c) The
 Commission in consultation with its Financial Adviser may fix the grades of the honorary workers for
 the purpose of the determination of the traveling and daily allowances admissible to the honorary workers,
 after taking into consideration the social status and nature of duties which such honorary workers may be
 called upon to perform. Subject to the provisions of the Act, Rules and these Regulations, the Commission
 shall lay down the terms and conditions of service of all its employees and honorary workers (others than
 the Chief Executive Officer and the Financial Adviser). Inter alia these terms and conditions shall cover
 matters such as age limits at the time of recruitment, minimum qualifications and experience required in the
 case of any employees or class of employees, etc. The Commission may by order in writing, relax any of
 these terms and conditions wherever it thinks fit if necessary to do so in the interest of the work of the
 Commission : 15 Provided that nothing in this sub-regulation or any other provision made in pursuance
 thereof shall affect reservations and other concessions required to be provided for the Scheduled Castes,
 Scheduled Tribes or other special categories of persons by the Commission, on the basis of the order issued by
 the Central Government from time to time in this regard. (6) In the case of permanent servants of the

Central Government or any State Government whose services are lent to the Commission, the terms and conditions of (including their pay, gratuity, leave, provident fund, leave salary, and pension contribution) shall be such as may be laid down at the time of their deputation to the Commission. The Commission may grant study leave to its employees in order to enable them to undertake study or research or to obtain specialized training in scientific, technical or economic subjects connected with the work of the Commission, subject to such terms and conditions as be prescribed by the Commission. (8) The Commission may, with the prior approval of the Commission, grant of gratuity to its permanent servants, (b) Medical aid to be given to its employees from the funds of the Commission; (c) The institution of contributory provident fund for the employees; and (d) Conduct and discipline of its employees and appeals from orders in relation thereto.

4. Certificate of Health (1) Every employee of the Commission shall produce a medical certificate of health from such authority as may be prescribed by the Commission from time to time. Such certificates shall be produced within one month from the date of appointment. (2) The Commission may for sufficient cause extend the period within which the medical certificate has to be produced. (3) The Commission may, by order in the conditions regarding certificate altogether in special cases if it deems it necessary to do so in the interest of the work of the Commission. (4) An employee discharged due to inability to secure the necessary medical certificate shall not be re-employed under the Commission without producing such a certificate by him in advance. (5) A fresh certificate of health shall not be required if a discharged person within six months of the date of the certificate produced during the previous period of service. (6) Trial period, against permanent or temporary vacancies shall be on trial period respectively for which may be specified in the guidelines issued by the Department of Personnel (DOYO), Government of India. Such period of probation or trial may be extended by a maximum period of one year in individual cases by the Appointing authority if he considers it necessary to do so. (2)(a) After satisfactory completion of the trial period employees will be continued in the posts. (b) Employees recruited against permanent vacancies will be confirmed thereafter satisfactory completion of probation, provided that the employees have passed the prescribed Hindi Examination. (3)(a) Except as otherwise provided in this sub-regulation, every employee of (other than an honorary worker or a Government Servant) shall retire on the day he attains the age of sixty years, (b) Notwithstanding anything contained in clause (a), the Commission may, if it is in public interest to do so, have the absolute right to retire any employee by giving three months pay and allowances in lieu of notice; (i) (ii) if he is Group - A or Group - B service or post and had attained the age of thirty five years after he has attained the age of fifty years; in all other cases, after he has attained the age of fifty five years; any employee of the Commission may by giving notice of not less than three months in writing to the Appointing authority, retire from service of the Commission after he has attained the age of fifty years if he is in Group-A or Group-B service or post and had entered the Commission's service before attaining the age of thirty five years and in all other cases after he has attained the age of fifty five years : Provided that it shall be open to the Commission to withhold permission to an employee under suspension who seeks to retire under this clause. 16 (iv) THE GAZETTE OF INDIA : EXTRAORDINARY Guiding factors for invoking provisions of regulation 5(3) (b) (i) and (ii): [PART II—SEC. 3(i)] (2) (3) 1.(5) (6) In every case where it is proposed to retire a Commission's employee in exercise of the powers conferred by sub-paragraphs (i) and (ii) of regulation 5(3) (b) (i) and (ii), the Commission shall record in each case its reasons, that it is necessary to retire the Commission's employee in pursuance of the aforesaid regulation in the public interest. While the review should be made on an assessment of the entire service record of an employee, no employee should ordinarily be retired on the grounds of incompetency if his service during the preceding five years, or where he has been promoted to a higher post during that 5 years period, his service in the higher post, has been found satisfactory. No employee should ordinarily be retired on grounds of incompetency, if, in any event, he would be retiring on superannuation within a period of one year from the date of consideration of his case. When representations are received against premature retirements, final orders on the representations shall be passed only after obtaining the approval of the Chief Executive Officer and the Commission. The three months' notice referred to in regulation 5(3) (b) (i) and (ii) may be given before the Commission's employee attains the specified age or has completed thirty years of service but the retirement should take place after the Commission's employee has attained the relevant age or has completed thirty years of service, as the case may be. The aforesaid regulations shall not be applicable, (1) to retire a Commission's employee on grounds of specific acts of misconduct as a short-cut to initiating formal disciplinary proceedings; or (ii) for reduction of surplus staff or as a measure of effecting general

economy without following the rules and instructions relating to retrenchment; (iii) on the ground that the Commission's employee may not be suitable to continue in his officiating post or for promotion to a higher post for which he might be eligible after his attaining the age of fifty/fifty five years, or completing thirty year's service, as the case may be. 6. Termination of Services.—(1) During the period of trial, the services of a temporary employee may be terminated by the Appointing authority or an authority superior to the Appointing authority, without notice and without assigning any reason. (2) (3) (4) After satisfactory completion of the period of trial, the services of a temporary employee may be terminated without assigning any reason by notice of one month or by payment of salary of one month (with allowances) in lieu of notice. The services of an employee appointed on probation against a permanent post may be terminated by the Appointing authority or an authority superior to the Appointing authority during the period of probation Without notice and without assigning any reasons. After satisfactory completion of the period of probation, the services of an employee in permanent employment may be terminated if his post is abolished: Provided that the services of an employee in permanent service shall not be liable to termination under this regulation, so long as any post of the same grade and class or cadre and under the same Appointing Authority continues to be held by any person junior to him. Provided further that such an employee may be offered an alternative appointment if vacant, suitable his qualifications and experience and if he accepts that appointment, his services shall not be terminated. (5)(a) No employee in permanent service shall quit his service under the Commission without first having his resignation accepted by the competent authority. (b) When, owing to the abolition of a permanent post, an employee in the permanent service of the Commission is discharged from the Commission's service, he shall be entitled to three calendar months notice, signifying the Commission's intention to terminate his appointment or, in lieu thereof, a sum equivalent to his pay for the period by which the notice actually given, falls short of the period specified in Rules

7. Travelling Allowances.— (1) Employees of the Commission shall be eligible for travelling and daily allowances for journeys on tour or on transfer at such rates and according to such condition as may be specified by the Central Government for employees of similar categories. 11—We 3 (i) 1 17 (2) The Commission may however, with the approval of the Central Government, vary such rates and conditions for its employees as and when necessary

8. Controlling The Chairman, the Chief Executive Officer and the Financial Adviser shall be the controlling officers in of their own travelling and daily allowance bills.(2) The Chairman shall be the controlling officer in respect of the travelling allowance and daily allowance bills of the Members of the Commission and the Board. (3) The Chief Executive Officer shall be the controlling Officer in respect of the travelling allowance and daily allowance bills of the employees of the Commission and nonofficials other than the Members of the Commission and the Board. (4) The Chief Executive Officer may, by order in writing, direct that the powers of controlling officer for the purpose of travelling and daily allowance shall be exercisable by any other officer of the Commission provided that an officer is not declared his own controlling officer. (5) Heads of offices will be the controlling officers in respect of Group 'C' and 'D' employees, 9. Daily Allowance.—Daily allowance shall not be drawn at full rate by any of the employees of the Commission for a continuous halt of more than ten days at any one place while on tour; Provided that the Commission may, by order in writing, grant general or individual exemption from of this regulation, if the Commission thinks it necessary that the Chief Executive Officer's prolonged halts are necessary in the interest of the work of the Commission : Provided further that the Chief Executive Officer may, by order in writing, grant general or individual exemption from operation of this regulation; if the C.E.O. think it respect of the all employees if prolonged halts are necessary in the interest of the work of the Commission

10. Advances for Chief Executive Officer may issue order in respect of granting advances to the employees of the Commission from the travelling allowance grants for journeys which are to be performed by them in with their official work

11. Leave and leave allowances of the employees of the Commission shall be regulated according to the rules and orders applicable to the employees of the Government who are in receipt of corresponding scales of pay Provided that the Commission, may, with the prior approval of Government, either frame fresh rules on the subject or make necessary changes in the rules and order aforesaid

12. Promotions and salaries to all the and higher initial salary or sanctioning advance increments subsequently shall be made strictly as per the guidelines issued by the Government of India, Department of Personnel and Training from time to time

13. Deputation with work of the Commission may, with the prior sanction of the Government; depute any member of the Commission or any of its employees to proceed outside India in connection with its work. The Commission may issue orders, with the prior approval of the Government regarding the grant of funds to persons deputed outside India. - 14. Committees and Sub-committees for Special purposes.—The Commission may appoint committees or sub-committees consisting of one or more of its members or of other persons or both, for specific purpose to assist or advise the Commission in complying with any of the provisions of the Act. 15. Canteen, •Commission may, out of its funds, provide facilities such as canteens, recreation clubs, lunch rooms, ladies room and •medical aid centers for its employees: The Commission may include the necessary provision of funds in its annual budget

16. Notice of (1) The Chairperson shall decide the date, time and place of every meeting of the Commission this shall be communicated by the Chief Executive Officer to other members of Commission, including of the Government, if any, nominated by the Government for attending the meeting to be transacted shall also be supplied to the members and other persons aforesaid Chief Executive Officer at least ten days in advance. Business other than that shown in the list can, however, be transacted with the permission of the Chairman. (2) The members present shall elect one of the members other than the Chairperson to preside over the meeting. 44/ d c f/0 18 THE GAZETTE OF : EXTRAORDINARY [PART 11--SEC. 3(i)] 17. Quorum.— (1) Four members of the Commission shall form the quorum for meeting of the Commission. (2) One third of the members of the Zonal Committee shall form the quorum for the meeting of the Zonal Committee. (3) If at any meeting of the Commission or the Zonal Committee, there is no quorum, the Chairman or any other person presiding over such a meeting shall adjourn the meeting to another date and it shall thereupon be lawful to dispose of the business at such an adjourned meeting irrespective of the number of members attending the adjourned meeting : Provided that the adjourned meeting is fixed for a date not less than seven days later and that all the members are informed of the date, time and place of such adjourned meeting

18. Casting of votes.— All votes shall be taken by voice or by show of hands unless the meeting decides that votes shall be taken by ballot in particular cases

19. Minutes of the Meetings of the Commission, Committee and Board.— (1) Proceedings of the meetings of the Commission, the Zonal Committee and the Board shall be recorded under the general supervision and control of the Chairman of the Commission, Zonal Committee and the minutes of meeting will be circulated to the members and other persons aforesaid by the Chief Executive Officer. (2) : Minutes of the meetings of the Commission, the Zonal Committee and the Board shall be compiled and shall be placed before the next meeting of the Commission, the Zonal Committee or the Board, as the case may be, for confirmation. The minutes of the meeting shall inter alia, show the names of the persons who attended such meeting and the decisions taken thereat. The Chairman of the Commission, Zonal Committee as the case may be, the Board of the meeting shall sign the minutes, after they are confirmed. Copies of the minutes shall be forwarded to Central Government by the Chief Executive Officer, after each meeting. (3) Summoning and holding of meeting and the conduct of business of Standing Finance Committee. The date, time and place of every meeting of a Standing Finance Committee fixed by its Chairman shall be (ii) (iii) 20. Information communicated by the Secretary to the Committee to all members of the Committee including ex-officio members, together with a list of business to be transacted at the meeting and no business which is not shown in the list, may be transacted except with the permission of the Chairman of the Committee. Two third of the members of the Standing Finance Committee shall form a quorum for a meeting except at an adjourned meeting for which no quorum shall be necessary. If at any meeting, there is no quorum, the Chairman or the person presiding at such meeting shall adjourn the meeting and fix any other time on the same or another day for the adjourned meeting. The proceedings of the meetings of a Standing Finance Committee shall be recorded by the Secretary to the Committee who shall also compile the minutes of each meeting and get them approved by the members present at that meeting. Copies of the minutes thus approved shall be placed before the Commission for information. Use for Payments, Deposits and Investments on Behalf of the Commission* 1) All payments other relating to

salaries, wages and allowances by or on behalf of the Commission shall be made by cheques drawn against the current/savings accounts of the Commission; payment in respect of individual claims not exceeding Rs. 5,000 may however be made in cash. (Z) All payments relating to salaries, wages and allowances to the employees of the Commission shall ordinarily be made through the Bank Account of the employees or by cheques drawn against the current or savings accounts of the Commission. (3) All cheques drawn against the current/savings accounts of the Commission (i.e. 'Khadi Fund', 'Village Fund' and 'General and Miscellaneous Fund' account) and all orders for making investment or for the withdrawal of the sum (a) (4) for the disposal in any other manner of the funds of the Commission shall : . be signed by the Director (Accounts) or any other Officer as may be nominated by the Financial Adviser from time to time by an order in writing when the value of the cheque drawn does not exceed Rs. (Rupees one lakh only); signed jointly by the Chief Executive Officer or any other Officer not below the rank of a Director (other than the Director of Audit) nominated by the Chief Executive Officer and the Financial Adviser or any other Account Officer, nominated by the Financial Adviser when the value of the cheque exceeds Rs. 1 (Rupees one lakh only) . Placing of moneys belonging to the Commission in fixed deposits and their investment or disposal in any other manner shall require approval of the Commission. 36) 19 21. CXOD of May (1) The Commission shall maintain bank accounts three heads (Khadi Fund Account, Village Industries Fund Account and General and Miscellaneous Fund Account) in the Reserve Bank of India and its branches or with any other Nationalized Bank or Scheduled: Bank approved All-moneys of the Commission with the exception of petty cash of funds kept at deposit in accordance with these regulations shall be paid into the repective fund account: (2) The Commission may authorize any of its maintain a *uate current or saving accounts in any of the Banks referred in for funds placed at its disposal in connection with the work of the Commission. (3) The petty cash, required for meeting current expenditure shall be in the custody of the Chief Executive Officer or an Officer nominated by him in writing in this behalf. The Commission may decide the amount of petty cash thus maintained from time to time: (4) The in any one case to any of the officers for incurring expenditure within the powers delegated to them. The officers to whom such amounts are advanced shall be responsible for the security of the account, in the form specified by the Commission

22. Maintenance of Accounts* 1) The Executive Officer maintain or cause to be maintained an account of receipts and expenditure of the Commission, qualified the (2) the Chief Executive Officer* responsible for ensuring that no expenditure is made the funds of the Commission unless provisions for such expenditure has been made in the budget effected or appropriation made by Parliament by Law in this behalf and funds are available for incurring the expenditure. (3) The Chief Executive Officer shall also prepare and to be prepared such statements of accounts and records and subsidiary accounts as may be required by the Government or by the Commission, from time to time. (4) The Chief Executive Officer in consultation with the Financial Manager, conduct necessary internal audit of the expenditure out of the funds of the Commission in strictly according to rules and regulations under the and in accordance the. orders issued by the Commission and Other competent authorities from time to time

23. Financial Power.—The Commission may delegate necessary powers to its officers for ensuring expeditious disposal of work and smooth and efficient functioning of the Commission. The make suitable rules in this behalf for the guidance of its staff in order to ensure that these powers are judiciously used by the officers concerned. 24. and the Forms of Certificates etc, to be by the— (1) The Commission shall appoint one or more Certification Committees shall grant certificates to producers of or dealers in khadi or the products of any village industry, in with the certification rules for the issue, renewal validity of Khadi certificate and such instructions as the Commission may issue from time to time for khadi or the products of any village industry with the prior approval of the Government. Every such certificate in the form as per Annexure-i. Form for the purpose. *Matters will be decided prior approval of the Government by the Commission. (2) A Certification shall consist of such number of members as the Commission may think fit to appoint thereto, one of them shall be appointed as the Chairman of the Committee. (3) A Certification Committee—levy fees for issue of certificates at rates that may be approved by the Commission from time to time in its Financial Adviser. 25. Advice—The Commission may seek advice of non-official — or of Central Government or State Government in regard to specific problem or may request them to attend of the Commission, the Board of Committees appointed by the Government for having first benefit by experience. The Commission shall pay traveling and daily allowances to such non-official persons at rates and according to such conditions as may be specified by the Commission with the prior approval of the Government. Until such rates and

conditions as specified by the Commission, the nonofficial persons shall draw traveling and daily allowances at the rates and conditions specified by the Government for its employees of corresponding grades. The traveling and daily allowances of officials would be governed by the rules applicable to them as such officials. SESH KUMAR PILLAI, Joint Secy. Note: The Principal Regulations dated 9th September, 1958 were published in Section 3(i) of Part-II of Gazette of India No. G.S.R. 801 on 13th September, 1958 at Bombay. 20 THE GAZETTE OF INDIA :-EXTRAORDINARY/ (See Regulation 24) [PART Evolution and Development of Handloom, Cotton, Woolen and Silk Khadi and Implements and for the sales of Khadi Implements and Village Industries products : Certificate Validity and of Certificate : (If it is not cancelled in between) Date : Name of Certificate receiver : And Full Address : , i.e. Approved Evolution/Development : 1. Handloom Dhandhadari Khadi 2 3

4. Village Industries Approved area :
 1. Village 2 Agency Location : Date : Chairman Certification Committee Printed by -the Manager, Govt. of India Press, Ring Road, Mayapuri, New Delhi-110064 and Published by the Controller of Publications, Delhi-110054.

