

DELHI KHADI & VILLAGE INDUSTRIES BOARD

(Govt. of NCT of Delhi)

NIGAM BHAWAN, 5TH FLOOR, OLD HINDU COLLEGE, KASHMERE GATE, DELHI –110006.

SILENT FEATURES OF THE SCHEME

RAJIV GANDHI SWAVLAMBAN ROZGAR YOJNA

Introduction

Rajiv Gandhi Swavlamban Rozgar Yojna has been designed, developed and promoted by the Delhi Khadi & Village Industries Board, with the help of Government of NCT of Delhi, to provide the employment opportunities to the unemployed youths, artisans, trained professionals, skilled technocrats and entrepreneurs by promotion/expansion of permissible industries, professions, tertiary and service sector in the UT of Delhi.

1 Eligibility

A Any one of the following can avail loan under the scheme: -

- a. School/College dropouts.
- b. Individual entrepreneur.
- c. Trade Professionals.
- d. Artisan
- e. Passed out candidates from any technical/professional institute recognized by the Government and its authorized undertaking bodies, without further training.
- f. Small-Scale Industrial units which have total investment in plant, machinery and equipment, not exceeding the ceiling prescribed for small scale units by the Central Government from time to time and must be located within the N. C. T. of Delhi, are also eligible for financial aid/ loan.

B **Age Limit** : From 18 years to 50 years.

2 Jurisdiction, Purpose and Quantum of Assistance

Financial aid as loan under these rules may be granted to the eligible projects pertains to any of the following groups/sector:-

- a. Secondary Sector (Tiny/Cottage Industries)
- b. Tertiary Sector (Trade, Transportation, Hostels, Restaurants without Liquor and Meat etc.)
- c. Services Sector: (Under the ambit of various Terms & Conditions, provisions of local bodies and Delhi Master Plan.

3 Quantum of Loan

- a. The quantum of loan granted under this scheme, to proposed and functioning units shall not exceed Rs. 3,00,000 provided that concerned entrepreneur shall make at least 10% contribution of amount demanded as loan from the DKVIB. In case of weaker sections i.e. SC/ST/OBC/Ph. H./Women/Ex. Servicemen, only 5% contribution of entrepreneur is required.
- b. Loan shall not be sanctioned to such parties who have already been advanced any loan for the same or similar purpose by the Government or any Government controlled financial institutions and has not been repaid in full with interest or has been mis-utilized.

4 Subsidy

Govt. of Delhi would provide subsidy @ 15% of the project cost subject to the ceiling of Rs. 7,500.00 per entrepreneur. In case of more than one entrepreneur joining together and setting up a project under partnership, subsidy would be calculated for each partner separately, @15% of his share in the project cost, limited to Rs. 7,500.00 each partner. Subsidy component would be adjusted to the borrower's loan account after a period of two years from the date of disbursement of loan. Subsidy component would be recovered from the borrower along with 18 % penal interest in cases where the loan amount has been found not utilized for the purpose for which it was released.

5 Tenure of loans and Repayment

- a Every loan with interest thereon shall be repaid in full within 5 years in equal quarterly installments. The recovery of loan may be started after a gap of 12 months from the date of release of loan amount. However, interest on released amount will be recoverable from the first quarter, from the date of release of loan amount. To ensure timely recovery, borrower shall provide equal nos. of post dated cheques for quarterly installments of Principal amount including interest due as on date of installment fixed by the Board.
- b The Borrower shall ensure for timely encashment of each and every cheque. In case of any default, DKVI Board will be entitled to take action against him / her and/or sureties as prescribed under the law.

6 Rate of interest

The loan granted under this scheme shall bear interest as prescribed by the Govt. of NCT of Delhi from time to time. The interest on loan will accrue from the date of its disbursement and where the loan is disbursed in installments, interest shall run on each installment from the date of disbursement of such installment. No interest subsidy.

7 Utilization of Loan

- a The borrower shall utilize the loan for the specific purpose for which it is advanced within three months. However, Managing Director of the DKVI Board will be competent to grant maximum three months grace for the utilization of amount released by the DKVI Board. After six months, no further concession will be allowed and in case of non-utilization of funds within the maximum permissible period, loan amount will be treated as mis-utilized and DKVI Board will be liable to make recovery of entire amount along with 18% interest, prescribed from time to time by Delhi Govt
- b If the borrower utilizes the financial assistance received from the DKVI Board in violation of the provisions of these loan rules or instructions of the DKVI Board, the amount of loan shall be treated as mis-utilized and shall invite interest @18% along with principal amount may be recovered.

8 Security of Loan

All applicants to whom loans are sanctioned shall furnish the surety from any of followings:

- A. Any Govt. Servent working on non transferable post in Delhi in any of office of State Government/Central Govt. or its autonomous bodies, undertakings. OR
- B. FDR/NSC's/Bank Guarantee equal to the 75% of loan amount
- C. Immovable property having worth equivalent to 100% of loan amount.

9 Area of implementation

Under Rajiv Gandhi Swavlamban Yojna industrial/professional unit can be set up in any area comes under preview of Govt. of NCT of Delhi. In residential / non confirming areas loan for only those professional / industrial activities will be provided which are permitted under the Master Plan of Delhi for those areas. To

set up a unit in non-confirming areas, the applicant will also submit No Objection Certificate of High Power Committee constituted by Industries Department, Govt. of Delhi and Municipal Corporation License (MCL), for the respective industry. In the case of professional / commercial activities the applicant should also submit Registration Certificate from MCD for the concerned trade.

10 **Marketing Support**

Under this scheme the following arrangements are proposed for extending marketing support to the beneficiaries who avail financial assistance under this Scheme.

- a Display of their products in Delhi Emporium as per availability of space.
- b. DSIIDC/ Cooperative Stores can get the products manufactured by the selected entrepreneurs and market the same in their own brand name.
- c. Allowing such entrepreneur to participate in trade fairs particularly in Delhi Pavilion and in the exhibitions organized by Board or any other Govt. Organization.
- d. Issue of certificate to the beneficiary unit to get the recognition in the market/society.

11 **Submission of application**

The applicant shall apply to the DKVI Board on the prescribed Loan Application Form. The loan application can also be downloaded from the website of Board and can deposit along with all essential documents as prescribed by the Board.

12 **The list of Documents required along with the loan application form:**

- i Copy of Electoral Card/ Valid Passport/Aadhaar Card as Identity proof
- ii Passport size attested photographs : Two
- iii Education Proof
- iv Work site detail viz. Proof of Ownership/Possession, Rent Agreement, No Objection from Owner, Electricity Bill etc.
- v Electricity Bill (Residence)
- vi (i). For Shop/ Business/Professions : Registration Certificate from MCD
(ii). Industrial unit in non-confirming area: NOC of HPC & MCL
- vii Declaration in Prescribed Format (Proforma Attached)
- viii Consent letter of the Surety /Guarantor

13 **Processing of Application:**

Applications received under the scheme will be dealt on First Come First Serve basis.

14 **Facilitation Center:**

Public relation Officer/ Development Officer will be available at 5th Floor, Nigam Bhawan, Old Hindu College, Kashmere Gate, Delhi -06 daily for inquiry about the scheme and Public relation Officer can also be contacted over phone no. 011-23830912 and Development Officer on phone no. 011-23831195.