Mandatory items in Part (B) of RFD – Identification of potential areas of corruption related to departmental activities and development of an action plan to mitigate them.

The following areas have been identified as potential areas of corruption and action plan has been strategized.

1. **Filing of EM-I/ EM-II:**

   The Micro Small and Medium Enterprises have to obtain registration from the local DIC. Two forms that is EM I and EM II are required to be filed for the purpose. The present system of registration is time consuming and manual. The procedure is also not hassle-free which may lead to corruption.

   Action Plan:

   It has been decided to gradually move towards Electronic filing of EM-I and EM-II which would make the process of registration transparent and efficient.

2. **Application for various schemes**:

   Presently, the applications / proposals for various schemes has to be submitted manually either in the field offices or the head office at New Delhi. The mechanism of filing applications is not transparent.

   Action Plan:
   It is proposed to gradually move towards a system of online filing of applications which would also help in tracking of the status of applications by the applicants. It has been decided that online filing of application and their approval for the Schemes of O/o DC(MSME) viz. Bar Code, ISO 18000, 22000 and 27000, Domestic Exhibition and Corporate Governance Practices, would be initiated.

3. **Tracking of Prime Minister's Employment Generation Programme (PMEGP):**

   Ministry is introducing an electronic tracking system for online tracking of all cases under this scheme, beginning with filing of application to selection, sanction, disbursal, setting up of unit and its physical verification. Application will be able to view the status of their cases online. The system which is likely to cover over 2 million applications in next five years will introduce complete transparency in the decision processes, lead to better governance and will check corruption in

implementation. It will also ensure better accountability within all the implementing agencies i.e. KVIC, State Khadi Boards, DICs and Banks.

The following two items, in respect of **PMEGP** and **REMOT**, the two subsidy-based flagship schemes of the Ministry implemented by KVIC and Coir Board, respectively:

(i)   **PMEGP:** It has been decided that the selection of beneficiaries in PMEGP will be made more objective and transparent, in both KVIC/ KVIBs / DICs and in Banks. This will necessarily entail (a) a unique identification number to be provided to each application, immediately on receipt, (b) each application to be duly fed into the e-tracking system, immediately on receipt, (c) timelines for completing each activity/ step to be laid down in respect of both KVIC/ KVIBs / DICs and Banks and (d) objective, logical criteria to be specified, wherever appropriate and necessary, for an application to be (i) rejected or (ii) to be kept in abeyance for the fulfilment of certain conditions/ requirements, and then and only then the immediate next one to be taken up.

(ii)   **REMOT**: It has also been decided that, similarly, the selection of beneficiaries in REMOT will be made more objective and transparent, in both Coir Board and in Banks. Timelines for completing each activity/ step will be laid down in respect of both Coir Board and in Banks.