

**THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.
OKHLA INDUSTRIAL ESTATE
NEW DELHI - 110020**

SIC/HO/NSSH/Schemes/2016-17

Date: 9.9.2016

CIRCULAR

Sub: Subsidy for SC/ST enterprises under Single Point Registration Scheme (SPRS), Performance & Credit Rating Scheme (PCRS) and Marketing Assistance Scheme (MAS) to provide marketing support to SC/ST owned MSMEs

Ministry of Micro, Small and Enterprises has set up a **National SC/ST Hub (NSSH)** in NSIC as a special cell to provide professional support to Scheduled Caste and Scheduled Tribe Entrepreneurs to fulfil the obligations under the Central Government Public Procurement Policy for Micro & Small Enterprises Order 2012, adopt global best practices and leverage the Stand Up India initiatives.

With a view to increase availment of various Govt. schemes by SC/ST Enterprises, guidelines w.r.t. subsidy exclusively for SC/ST enterprises under NSSH for the following schemes are as follows:

A. Subsidy for SC/ST Enterprises to obtain Single Point Registration Scheme (SPRS) for participation in Government Purchases:

Keeping in view the objective of NSSH for reaching out to all SC/ST entrepreneurs in MSE sector for enabling their participation in public procurement, subsidy for availing the existing Single Point Registration Scheme (SPRS) of NSIC has been introduced exclusively for SC/ST Enterprises. The Scheme may be called Special Single Point Registration Scheme (SSPRS) The subsidy under SSPRS shall be availed as per the following guidelines:

1. The SC/ST units shall be eligible for upfront 100% subsidy on the fee of NSIC for fresh registration / renewal / amendments / competency certificate and also the inspection fees of the empanelled Inspection Agencies/NSIC including Service Tax applicable. The SSPRS shall be run as a pilot project charging nominal fee of Rs. 100 per unit during this F.Y. 2016-17.
2. However, there will be no subsidy on penalty amount towards renewal of registration under SPRS when the registered unit fails to apply for renewal before expiry of validity of registration.
3. Except for the subsidy on registration / inspection fee, the guidelines, terms & conditions, documentation and application form for SSPRS shall remain same as applicable for Single Point Registration Scheme of NSIC, as amended from time to time.
4. The SC/ST units shall be eligible for upfront 100% subsidy on the fee of NSIC for fresh registration / renewal / amendments / competency certificate and also the inspection fees of the empanelled Inspection Agencies/NSIC including Service Tax applicable. The subsidy shall be claimed by NSIC from Ministry of MSE under National SC-ST Hub

scheme, on quarterly basis, for all the components under SSPRS mentioned at Sl.1 above. Even in the cases of rejection/ adverse findings during inspection, claim of subsidy shall be allowed.

5. The above scheme of SSPRS shall be valid till 31.03.2017 and further continuation of the same shall be subject to review.

B. Special Marketing Assistance Scheme (SMAS) to provide marketing support to SC/ST owned MSMEs:

1. Under the above special Scheme, marketing support to the SC/ST enterprises for enhancement of competitiveness and marketability of their products will be provided by way of the following type of events:
 - a) Organizing Visit to International Exhibitions/Trade Fairs/Seminars Abroad
 - b) Participation in International Exhibitions/Trade Fairs Abroad
 - c) Organizing Visit to Domestic Exhibitions/Trade Fairs
 - d) Participation in Domestic Exhibitions/Trade Fairs
 - e) Vendor Development Programmes
 - f) Organizing Workshops/Seminars/Awareness Campaigns

2. The main features of **Special Marketing Assistance scheme** are:
 - i. SC/ST units must be registered in the MSME Data Bank at the time of availing the benefit under the scheme.
 - ii. Maximum size of the booth/stall in the exhibition/trade fair should be 3mx3m.
 - iii. SC/ST entrepreneurs shall be allowed reimbursement under SMAS for maximum of 2 (two) international events and 4 (four) domestic events in a financial year, irrespective of the number of units they own. Also, a person cannot represent more than one MSE in a financial year.
 - iv. Minimum participation of 5 SC/ST Enterprises for visit to International Exhibitions/Trade Fairs/Seminars abroad is essential. There is no minimum number of units prescribed for participation in international exhibitions/trade fairs abroad.
 - v. In case of participation of 5 or more SC/ST enterprises in international events abroad as detailed at para B.1. (a) & (b), 1 representative from NSIC may accompany. However, in case of participation of more than 10 SC/ST enterprises, one more representative from NSIC / Ministry of MSME may be considered. The duty allowance for such officials shall be as per their entitlement.
 - vi. The SC/ST units may apply to NSSH through field offices of NSIC under SMAS at least a month in advance for domestic events and two months for international events.

- vii. With regard to Vendor Development Programme, targets should be fixed for each year and MSME-Dis may also be involved in achieving the targets.
- viii. The proposals under SMAS shall be processed at NSSH and placed before the Screening Committee at NSIC for MAS and based upon its recommendation, the approval may be provided by CMD-NSIC. In exceptional cases of deviations, the proposals shall be sent for approval of Administrative Ministry.
- ix. All other terms & conditions, application forms, documents required and eligibility criteria laid down in the guidelines of International Cooperation scheme of Ministry of MSME, as amended from time to time, shall be applicable to SMAS.
- x. The Scheme of SMAS shall be monitored and funded by the Ministry of MSME under National SC-ST Hub scheme.
- xi. The proposed activities with component-wise admissibility is given as under:

Activity	Component	Scale of Assistance	
1. Organizing Visit to International Exhibitions/Trade Fairs/Seminars Abroad	Airfare	100% of the economy class Airfare by the shortest route for one representative belonging to SC/ST from each participating SC/ST enterprise	
	Daily Allowance	Double of the rate of the country-specified daily allowance as per MEA guidelines. This would include expenses for accommodation, transport etc.	
	Maximum Budgetary support	Rs. 1.50 Lac for a participating SC/ST enterprise per event	
2. Participation in International Exhibitions/Trade Fairs Abroad	Built-up stall charges	100% subsidy on minimum stall size.	
	Airfare	100% of the economy class Airfare by the shortest route for one representative belonging to SC/ST from each participating SC/ST enterprise	
	Daily Allowance	Double of the rate of the country-specified daily allowance as per MEA guidelines. This would include expenses for accommodation, transport etc.	
	Freight	Rs. 30000 maximum	
	Maximum Budgetary support	Micro SC/ST Enterprises	Rs.3.00 Lacs
Small SC/ST Enterprises		Rs.2.50 Lacs	

		Medium SC/ST Enterprises	Rs.1.50 lacs
3. Organizing Visit to Domestic Exhibitions/Trade Fairs	Fare	100% to and fro actual fare of bus /train/air travel (limited to AC-III tier class) from the nearest railway station/ airport, to the place of exhibition by shortest route for one SC/ST person per SC/ST enterprise subject to maximum of Rs. 10,000/-.	
4. Participation in Domestic Exhibitions/Trade Fairs	Built up Stall charges	100% subsidy on minimum stall size of the event.	
	Fare	100% to and fro actual fare of bus /train/air travel (limited to AC-III tier class) from the nearest railway station/ airport, to the place of exhibition by shortest route for one SC/ST person per SC/ST enterprise subject to maximum of Rs. 10,000/-.	
	Freight	100% to and fro transport charges for carrying exhibits/products from the location of manufacturing unit up to the place of exhibition subject to maximum amount of Rs. 15,000/- per exhibition.	
	Maximum Budgetary support	Rs. 1.50 Lacs for a participating SC/ST enterprise per event	
5. Vendor Development Programmes	Organizing VDPs / BSM by Industry Associations	<p>The budget would depend upon the various components of the expenditure i.e. space rental, interior decoration, advertisement, stationery & printing material, transportation, lunch/refreshments etc. However, the net budgetary support for the VDP would be subject to the following limits:-</p> <p>National level :Rs.10 Lacs State / regional level :</p> <ul style="list-style-type: none"> • Rs. 5 Lacs if the meet is held in 'A' class cities. • Rs. 3 Lacs if the meet is held in 'B' class cities. • Rs. 2 Lacs if the meet is held in 'C' class cities. • Rs. 1 Lac if the meet is held in rural areas. <p>Note:-Transportation cost will be paid to SC/ST units to participate in Vendor Development Programmes (VDPs)</p>	
6. Workshops/ Seminars/ Awareness Campaigns	To be organized by Industry Association/ Field Offices of NSIC, MSME DI	Expenditure for organizing Workshop/Seminars would be subject to a maximum limit of : - National level : Rs.5 Lacs State / regional level : <ul style="list-style-type: none"> • Rs. 2,00,000 in case of 'A' class cities. 	

		<ul style="list-style-type: none"> • Rs. 1,00,000 in case of 'B' class cities. • Rs. 50,000 in case of 'C' class cities. • Rs. 30,000 in case of rural areas.
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C. Subsidy for Performance and Credit Rating Scheme (PCRS) for SC/ST enterprises:

1. The concept of Performance & Credit Rating is one among several global best practices that are envisaged under NSSH. The following subsidy benefits to SC/ST enterprises only shall be extended under NSSH scheme;

- i) Presently, there is subsidy @ 75% on the rating fee charged by the rating agencies for all categories (General or SC/ST) of MSEs for fresh rating. An additional subsidy of 15% for SC/ST units, over and above 75% i.e. total 90% subsidy shall be provided on rating fee of all rating agencies for fresh rating under the Scheme of NSSH, subject to the specified ceilings mentioned below at para C.1.(iii), whichever is less.
- ii) Presently, there is no subsidy on renewal fee for subsequent years for all categories of MSEs under PCRS. However, for renewal of ratings of MSEs in SC/ST category having a rating of up to 5 only, a subsidy of up to 50% of the rating fee payable in the first year shall also be allowed in subsequent years subject to the specified ceilings mentioned below at para C.1.(iii), whichever is less.
- iii) The subsidy on fresh and renewal cases only for SC/ST enterprises shall be further subject to the following ceilings based on turn-over of the unit:

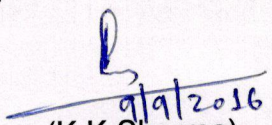
Turn Over	Rating Fee for first instance	Rating Fee for renewal of Rating
Up to Rs.50 lacs	Rs. 20,000/-	Rs. 10,000/-
Above Rs.50 lacs to Rs.200 lacs	Rs. 40,000/-	Rs. 20,000/-
Above Rs.200 lacs	Rs.50,000/-	Rs.25,000/-

- iv) The applicant SC/ST units shall apply for obtaining fresh/ renewal rating at the field offices of NSIC or directly to the empanelled Rating Agencies in the prescribed application form of PCRS clearly stating the rating agency chosen and enclosing beneficiary's contribution from the MSE by way of cheque/pay order/ demand draft in favour of such rating agency.
- v) The subsidy on rating fee shall be released by NSIC to rating agencies based on number of SC/ST entrepreneurs rated, on reimbursement basis.
- vi) The funds available under SC Sub-Plan and Tribal Sub-Plan of PCRS shall be used by the Ministry to reimburse NSIC for rating of SC/ST units.
- vii) All other terms, conditions, forms etc. of the guidelines of PCRS, as amended from time to time, shall remain unchanged.

D. Definition of SC/ST MSEs and Eligibility for benefits under NSSH:

1. Ministry of MSME, under the Public Procurement Policy for MSEs Order 2012, has defined the SC/ST MSEs as follows:
 - (a) In case of proprietary MSE, proprietor shall be SC /ST.
 - (b) In case of partnership MSE, the SC/ ST partners shall be holding at least 51% shares in the unit.
 - (c) In case of Private Limited Companies, at least 51% share shall be held by SC / ST promoters.
2. The SC/ST units must also be registered in the MSME Data Bank (<http://www.msmedatabank.in>) before applying under the Scheme of NSSH and all special Schemes thereunder announced from time to time.

All the field offices of the Corporation should follow the above guidelines w.r.t. applications received from SC/ST Enterprises under SPRS, MAS and PCRS schemes.


9/9/2016
(K.K.Sharma)
General Manager (NSSH/Exhb)

To:

1. Joint Secretary (SME), Ministry of MSME, Government of India
2. Additional Development Commissioner, o/o DC-MSME
3. All Zonal/NTSC/Branch Heads, NSIC Ltd.
4. All concerned HODs (SPRS, MAS & PCRS) at Head Office NSIC Ltd.