Ministry of Micro, Small and Medium Enterprises, Govt. of India

Scheme guidelines

Reimbursement of testing fee charged by various NABL and BIS accredited laboratories for SC/ST MSEs

under

National SC-ST Hub

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1. Introduction

The micro, small and medium enterprises (MSME) sector occupies a position of strategic importance in Indian economy. Currently, there are over 6.3 crore MSMEs across various industries that employs more than 111 million persons and produces more than 8,000 products. Comprehending the significance of the sector vis -a – vis lending numbers to the job market, contribution to GDP etc., the development of the sector is significant.

Over the years, the Govt. has taken several initiatives in the form of various policies and programmes to promote the sector. However, to further augment these initiatives and encourage MSMEs to participate in public procurement process, **focus needs to be given on quality product development.**

Quality products that meet national and international standards have become a prime attribute for customers today. The ability of MSMEs to develop quality conscious products is heavily dependent on their capacity to access testing facilities available in their geography. Therefore, testing is an integral part of production of quality products and is essential for MSE units to become potential suppliers to core industries.

However, due to various costs associated with testing of products, it becomes difficult for SC/ST units to access testing facilities. Considering this, a scheme for reimbursement of testing fees for SC/ST entrepreneurs has been introduced with an aim to reduce the financial burden on SC/ST MSE units.

2. National SC-ST Hub (NSSH)

The **National SC-ST Hub (NSSH),** set up under the aegis of Ministry of Micro, Small and Medium Enterprises, seeks to offer financial assistance against the testing fee charged by various testing centers and laboratories across the country, exclusively for SC-ST micro and small enterprises (MSEs).

While, the overall objective for offering this assistance is to achieve the procurement target of 4% set aside for SC-ST MSEs under the public procurement policy, some of the basic objectives are to:

- i) Quality of products manufactured by SC/ST MSEs
- ii) Access to testing facilities available in their geography, and
- iii) Participation rate in government tender
- iv) To meet the national/international standards which will help in indigenization

The National Small Industries Corporation Ltd. (NSIC) is the nodal agency for implementation of the scheme.

3. Reimbursement of testing fees

The assistance under this scheme will be released from NSSH funds and would be limited to 50% or Rs 1.00 Lakh, whichever is less, per SC/ST MSEs per financial year, on the testing fee charged (excluding GST and all other applicable taxes) by various

NABL or BIS accredited laboratories across the country, only after submission of final NABL/ BIS attested testing report and other documents as listed in the guideline.

The scheme can be availed multiple times in a financial year by SC/ST MSEs but the financial assistance shall be restricted to the ceiling mentioned.

Please note that the reimbursement shall be allowed subject to production of valid documents as mentioned in **Annexure-1**.

The reimbursements shall only be made for testing fee paid post 14th November, 2018, provided all other criteria are met.

4. Eligibility Criteria/ beneficiaries

Availing testing services: All eligible SC-ST MSEs can avail testing services from any NABL or BIS accredited laboratories or centers across the country. The list of NABL and BIS accredited laboratories is annexed¹ for reference purpose. These laboratories or testing centers must be Government and/ or privately owned.

The following definition is applicable for recognizing the SC or ST MSEs:

- In case of proprietorship firm, the proprietor should be from SC or ST category
- In case of partnership firm, the SC or ST partners should be holding at least 51% shares in the unit
- In case of private limited companies, at least 51% shares should be held by SC/ST promoters

Only SC/ST MSEs having Udyog Aadhaar Memorandum (UAM),PANnumberand registration under Goods and Services Tax (GST) are eligible to avail the scheme. It is apt to mention that where unit has not provided GST number, self-declaration for the same with reasons thereof shall be provided by the unit.

5. Testing Centre Criteria

Only testing done by National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited laboratories and license or certification given by Bureau of Indian Standards (BIS) can be considered under the scheme.

The reimbursement is applicable only for availing testing services related to **Raw** materials, Semi – finished products and Finished products.

¹Please note that the list is indicative in nature. In case the laboratory or testing facility name is not covered in the attached list, but is accredited by NABL or BIS, it will be considered for reimbursement under this scheme. It is recommended that the latest list of accredited laboratories under NABL and BIS be referred to from the respective websites. In certain cases, the implementing agency may ask for relevant documents to ascertain the applicability of the laboratory.

6. Process Flow

The scheme is envisioned to be implemented through a workflow enabled online portal. Till the time the online portal is operational, the scheme will be implemented offline as per the following process.

- a) Submission of claims: On receipt of final NABL/ BIS attested testing report from the laboratory or center, the applicant can approach local/nearest NSSH office for claiming their reimbursement(s) with duly filled prescribed application form along with all documents. Full set of application forms along with the list of supporting documents required can be collected from the nearest NSSH Office (NSSHO) or www.scsthub.in
- b) Due Diligence by NSSHO: In-depth evaluation of the application in terms of documentation would be conducted by respective officer at NSSHO. In case of any discrepancy (fake or incomplete documents), clarification would be sought from applicant/laboratory or center appropriately. Applications with incomplete documents shall not be accepted at all.
- c) Submission of documents to NSSH Cell at NSIC head office: Post evaluation by NSSHO, proposals of all applicants in prescriber format (Annexure) duly signed by the NSSHO and Accounts Head, will be submitted to NSSH Cell at NSIC head office for approval.
- d) Final approval on reimbursement: Based on the evaluation conducted by NSSHO, the consolidated proposal shall be put up by NSSH Cell at NSIC head office, to the Screening Committee headed by Director (P&M)-NSIC and having officials from Ministry of MSME, NSSH Cell and Finance Division of NSIC as members, for consideration. The screening committee will consider the proposals received in line with the eligibility and other criteria laid down in the guidelines. The Committee shall also review the overall progress of the scheme and its implementation on monthly basis and may suggest amendments in the guidelines and any other aspects of the Scheme for better implementation The proposals duly recommended by the Screening Committee, shall be put up to the CMD-NSIC, for approval.
- e) **Mode of Payment:** The reimbursement amount would be transferred to the applicant's bank account, where the fees charged/ debited by the testing centers or laboratories, directly through **Public Financial Management System (PFMS)** by the respective NSSHO/ NSSH Cell.
- f) Timeline for submission of claims: Applicant can submit their claims within 45 days from the receipt of final NABL/ BIS attested testing report from the

laboratory or center. Once, the claim is submitted, the NSSH Office will conduct due diligence and accordingly, reimbursements will be made to each applicant by NSSH Office within 45 days from the receipt of application form subject to submission of all required documents.

- g) Clubbing this scheme with any other scheme is not permitted. Any SC-ST MSE availing reimbursement under this scheme can not avail reimbursement of testing fee processing fees, from any other scheme of government or private agencies.
- h) Mere submission of the application form and documents does not guarantee the reimbursement under this scheme as the claim is subject to scrutiny, approval and availability of funds.
- i) In case, of any further queries or information regarding the procedural aspect, SC/ST MSEs may contact **NSSH cell** at NSIC Bhawan, Head Office, Okhla Industrial Estate, New Delhi, India at +91-011-26926275, 26926370 or may drop an email at nsshsupport@nsic.co.in

7. Duration of Scheme

The scheme is valid till the existence of National SC/ST Hub (NSSH) Scheme or until further orders/guidelines of Ministry of MSME, whichever is applicable. Further, these guidelines are subject to revisions and amendments issued from time to time.

8. Formats

Annexure 1: Application Form Annexure 2: Feedback Form

Annexure 3: For internal purpose only

- a. Guidelines for evaluation to be used by NSSHO
- b. NSSH Head Office Summary Form
- c. Application Summary Form
- d. Monitoring Mechanism and Reporting Matrix

Annexure-1

APPLICATION FORM FOR CLAIMING REIMBURSEMENT OF TESTING FEE PAID BY SC-ST OWNED MICRO AND SMALL ENTERPRISE (MSEs)

For internal use by NSSHO
Application number
Date of application received by NSSHO

The following details are to be filled by the applicant

1. Enterprise Details

Enterprise Details					
Unit Name					
Date of Incorporation					
UAM Number					
GST Number					
Office Address					
District					
Pin Code					
Telephone Number					
Email ID					
Category (Micro/ Small)					
Name of Promoter (s)					
Social Category of Promoter (SC/ST)					
Gender (Male/ Female/ Other)					
PAN Card No.					
Cost of Investment in Plant & Machinery or					
equipment's (In Rs.)					
Annual turnover in previous three financial years					
(In Rs)					
Range of Products manufactured or serviced	•				
	•				
	•				

2. Testing and Fee details

	Testing and Fee details							
Name of	Whether	Contact D	etails of Te	esting	Category of	GST	Total	Total
Testing	the testing	Center			tests availed	Invoice/	Amount	Amount
Center	laboratory				– Raw	Bill No.	Paid	Paid after
from	is NABL or				Material,	and	before	GST (In
where the	BIS				Semi –	Date	GST (In	Rs)
services	Accredited				Finished,		Rs)	
have been					Finished			
availed					Product or			
					other type**			
1		Location	Address	Ph. No.				
2								
3								

	Details of Tests Availed**					
Name of Testing	GST	Raw Material	Semi-Finished	Finished	Other Type of	
Center from	Invoice/	Tests availed	Product Tests	Products Tests	Tests availed	
where the	Bill No.		availed	availed		
services have	and Date	(list out details			(list out details	
been availed		of tests)	(list out details	(list out details	of tests)	
			of tests)	of tests)		
1						
2						
3						

3. In case, the applicant has availed reimbursement under this scheme before, please mention the following details:

Details of Tests availed previously under this Scheme							
Application ID No	Application ID No						
Name of Testing Center from where the services have been availed	Whether the testing laboratory is NABL or BIS Accredited	Date of Availment of services from Testing Laboratories or Centers	Total amount paid to Testing Lab or Center (In Rs)	Total amount reimbursed under the Scheme (In Rs)	Date on which reimbursement was received under the scheme		
1							
2							
3							

^{*}Please attach the proof of amount received as reimbursement by NSSHO/ NSIC through PFMS under the scheme

4. List of documents to be enclosed with the application form

#	List of Documents	Page No.
1	Self-certified copy of UAM & GST	
2	Self-certified copy of PAN card - In case of proprietorship, PAN card of SC/ST proprietor ought to be submitted	
3	Self-certified copy of Caste certificate of proprietor/ all partners/ directors	
4	Details of shareholding in case of partnership / Pvt. Ltd / LLP firm. In case of partnership concerns, shareholding of the enterprise would be required to ascertain status of the MSE as SC/ST MSE (shareholding of SC/ST entrepreneur to be > 51%). Attested copy of Partnership Deed for Partnership Firm / Memorandum and Article of Association in case of LLP/Private Limited Company are required	
5	Attested or original copy (signature with stamp) of payment receipt and system generated GST invoice for total amount paid to respective testing center or laboratory for availing various testing services	
6	NABL/ BIS attested copy of final testing report received from the laboratory duly stamped and signed for all tests availed by SC-ST MSE unit	
7	Proof of transferred amount as reimbursement by NSSHO/ NSIC through PFMS under the scheme, where any such assistance is availed earlier with in the same financial year	
8	Cancelled Cheque of the current account of the enterprise from which the testing charges have been debited	

I, declare that all details given by me are true and correct. I confirm that I have not availed any reimbursement/ subsidy or financial assistance of any kind, in the current financial year w.r.t to reimbursement of testing fee paid to testing laboratory or center. I further undertake that I am not listed as defaulter by any of the Government Dept./ Private agencies. I also agree that I will refund the claimed amount in total, in case any discrepancies/ any of the above information/data provided by me found to be false/incorrect/ misleading.

Date Signature of Applicant (Proprietor/ Partners/ Directors only)

Place Name of Applicant

FEEDBACK FORM

SCHEME FOR REIMBURSEMENT OF TESTING FEE (TO BE FILLED BY APPLICANT)

A.	Did you find the reimbursement scheme useful?								
Υe	es/ No								
В.	3. Please rate the scheme process mechanism								
	o Excellent								
	GoodAverage								
	o Poor								
	o Very Poor								
C.	Would you recommend this reimbursement scheme to oth	ers?							
Υe	es / No								
D.	Was the application process easy?	Yes/ No							
E.	Was your interaction with NSSHO satisfactory?	Yes/ No							
F.	Did you face any challenges in the application process?	Yes/ No							
G.	If yes, please mention the challenges								
	What further support do you need from National SC ST He	ub?							
	1								
	2								
	3								
	4								
Н.	Were you informed of other initiatives under the National S	SC ST Hub during your							
	interaction with NSSH Officials?	Yes/ No							
Date	•	ure of Applicant Partners/ Directors only							
Place	Name	of Applicant							