

No. K-02/4/2021-SME
Government of India
Ministry of Micro, Small and Medium Enterprises
(SME Section)

Udyog Bhawan, New Delhi.
Dated the 15 November 2021

OFFICE MEMORANDUM

Sub: Continuation of National Scheduled Caste and Scheduled Tribe Hub during 15th Financial Cycle i.e. from 2021-22 to 2025-26 – Regarding

The undersigned is directed to state that the Standing Finance Committee (SFC) in its meeting held on 11.10.2021 has approved the proposal for continuation of National Scheduled Caste and Scheduled Tribe Hub (NSSH) during 15th Financial Cycle i.e. from 2021-22 to 2025-26 with an outlay of Rs. 438 crore. A copy of the revised guidelines of the scheme is enclosed.

2. This issues with the approval of Hon'ble Minister(MSME)



(Bhaskar Kalra)
Under Secretary to the Govt. of India
Tel. 23063293

Encl: As above.

- 1) CEO, NITI Aayog, Sansad Marg, New Delhi.
- 2) Secretary, D/o Expenditure, North Block, New Delhi.
- 3) Secretary, D/o Financial Services, Jeevan Deep Building, New Delhi.
- 4) Secretary, D/o Economic Affairs, North Block, New Delhi
- 5) Secretary, DPIIT, Udyog Bhawan, New Delhi.
- 6) Secretary, D/o Commerce, Udyog Bhawan, New Delhi.
- 7) Secretary, D/o Social Justice and Empowerment, Shastri Bhawan, New Delhi.
- 8) Secretary, M/o Tribal Affairs, Shastri Bhawan, New Delhi
- 9) Secretary, M/o Skill Development & Entrepreneurship, Sharam Shakti Bhawan, New Delhi.
- 10) Secretary, Department of Public Enterprises, CGO Complex, New Delhi.
- 11) AS&FA, M/o MSME, Udyog Bhawan, New Delhi
- 12) AS&DC(MSME), Nirman Bhawan, New Delhi.
- 13) CMD, NSIC, New Delhi.
- 14) GM(NSSH), NSIC, New Delhi.

Copy to: O/o Secretary(MSME)/PPS to AS&FA(MSME)/EA(IFW)/PS to JS(SME)

GUIDELINES OF NATIONAL SCHEDULED CASTE AND SCHEDULED TRIBE HUB SCHEME

PART – A

1. Introduction

In accordance with the Budget Speech 2016-17, National Scheduled Caste and Scheduled Tribe Hub (NSSH) scheme was formally launched by the Hon'ble Prime Minister in October 2016. NSSH is aimed at capacity enhancement of SC/ST entrepreneurs and promoting "entrepreneurship culture" amongst the SC / ST population. The Scheme is empowering the SC/ST population to participate in public procurement process and fulfill the mandated target of 4% procurement from SC/ST enterprises under Public Procurement Policy by the Ministries, Departments and CPSEs.

The scheme is applicable from the date of sanction till 31.03.2026. The total plan outlay of NSSH for the period from FY 2021-22 to FY 2025-26 would be Rs. 438 crore.

2. Definition of SC-ST MSEs

Office of the DC (MSME), Ministry of MSME vide its memorandum no. **F. No. 22(1)/2012-MA** dated 20th February 2014 clarifies the definition of SC/ST Enterprises as under:

- a) In case of proprietary MSE, the 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% shares shall be held by SC/ST promoters

3. Functions of NSSH

- a) To encourage SC/ST owned units to achieve their share of at least 4% of total procurement being made by Central/State Governments, CPSEs, and other government agencies
- b) To prepare a strategy for intervention through industry associations to sensitize, encourage and enable the SC/ST owned units for participation in Public Procurement Process
- c) Collection, collation, and dissemination of information regarding SC/ST enterprises and entrepreneurs
- d) Facilitating SC/ST Entrepreneurs to be part of vendor development programs and mentoring support by specific CPSE matching the products/services of such entrepreneurs
- e) Capacity building of existing and prospective SC/ST entrepreneurs through skill development programs
- f) Providing handholding and mentoring support
- g) Facilitating credit linkages for SC/ST entrepreneurs
- h) Sharing of SC/ST MSEs data with CPSEs to enhance the procurement from SC/ST entrepreneurs
- i) Undertaking outreach activities for the promotion of the scheme among SC/ST population

4. Components/Interventions under NSSH

Under NSSH, various components/interventions have been introduced to cater the needs of SC-ST MSEs in the areas of finance, technology, market linkages, capacity building etc. with a view to provide a conducive ecosystem. These components are

- a) Special Credit Linked Capital Subsidy for technology enablement
- b) Capacity building of existing & aspiring SC/ST entrepreneurs
- c) Support for enhancing competitiveness through various reimbursement sub-schemes/interventions
- d) Special Marketing Assistance Scheme (SMAS) for SC/ST entrepreneurs

The detailed guidelines of above-mentioned components have been specified in the subsequent chapters.

5. Governance Structure- NSSH

Three committees have been formulated that help in the functioning of the Hub:

- a) **High Powered Monitoring Committee (HPMC)**- HPMC to be chaired by Minister of MSME with Minister/s of State (MSME) as co-chair. The committee will monitor the overall activities of the Hub and will have the power to decide about any addition of new activities/ functions for the Hub, which will be notified separately. The Committee would have the following members:

- Minister of MSME- Chair
- Minister(s) of State – Co-chair
- Secretary, MSME
- Secretary, Department of Social Justice & Empowerment
- Secretary, Ministry of Tribal Affairs
- CEO, NITI Aayog or his representative
- Secretary, Department of Public Enterprises or his representative
- Secretary, Department of Financial Services or representative
- AS&FA (MSME)
- AS&DC (MSME),
- JS (SME)
- A representative of FICCI
- A representative of CII
- A representative of ASSOCHAM
- A representative of Dalit Indian Chamber of Commerce and Industry (DICCII)
- Three representatives (one each from MSME associations)
- CMD, NSIC
- CMD, SIDBI or his representative
- Two representatives of State Governments.
- Four prominent SC/ST Entrepreneurs nominated by M/o MSME
- CEO, National Skill Development Corporation (NSDC)

- CMD, National Schedule Castes Finance and Development Corporation (NSFDC)
 - CMD, National Schedule Tribe Finance and Development Corporation (NSTFDC)
 - ED, RBI dealing with MSME credit,
- i. The term of Non-official members of HPMC will be three years from the first meeting of the committee after constitution. The chair will reconstitute the committee after completion of three years tenure.
 - ii. The expenditure involved in the meetings of HPMC including participation of non-official members of HPMC will be met from the budgetary allocation of hub.
- b) Advisory Committee:** Advisory Committee to be chaired by representative of Industry Associations. The Committee will advise the hub about new interventions which can be included for providing entrepreneurial support to SC/ST entrepreneurs. This will bring industry perspective to the hub for better implementation of the scheme. The Committee would have the following composition:
- The President, DICCI – to be chaired initially for 2 years
 - Joint Secretary (NSSH), Ministry of MSME
 - Chairman-cum-Managing Director, National Small Industries Corporation Limited (NSIC)
 - AS&DC or his/her representative
 - AS&FA or his/her representative
 - Representative from Industry bodies/Associations representing SC entrepreneurs
 - Representative from Industry bodies/Associations representing ST entrepreneurs
 - Representative from National Scheduled Caste Finance and Development Corporation (NSFDC)
 - Representative from National Scheduled Tribe Finance and Development Corporation (NSTFDC)
 - Any other member suggested by stakeholders.
- i. The term of the Advisory Committee would be two years and the chairperson of the Committee will be nominated afresh on rotation basis in every two years. The nomination of chairman of the Committee and Industry Associations will be made by Hon'ble Minister(MSME).
 - ii. The expenditure involved in the meetings of Advisory Committee including participation of non-official members of Advisory Committee will be met from the budgetary allocation of hub.
- c) Project Screening Committee (PSC):** Joint Secretary (SME/NSSH) to be the chairperson of the committee. The committee will have representatives from IFW, O/o DC(MSME), KVIC, Coir Board, NSIC, and NSSH Cell. The Committee will be responsible for the following:

- i. Formulation of the annual action plan of the scheme and its finalization with the approval of Secretary (MSME)
- ii. Consideration/Approval of proposals received for financial assistance under all sub-components of the scheme
- iii. Any other activity with the approval of Secretary (MSME)

d) NSSH Cell

National SC-ST Hub (NSSH) scheme of Ministry of MSME is implemented by National Small Industries Corporation (NSIC). An NSSH Cell created by NSIC to perform day to day operations related to execution of the scheme and is headed by a Senior GM level officer. The NSSH cell is reporting to Functional Director-NSIC, who is in turn reporting to CMD-NSIC.

6. Duration of components

The components under National SC/ST Hub (NSSH) scheme shall remain co-terminus with the NSSH scheme.

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CHAPTER- IV

SPECIAL MARKETING ASSISTANCE SCHEME (SMAS) FOR SC/ST ENTREPRENEURS

1. Objective

The Ministry of Micro, Small & Medium Enterprises has been operating various schemes to provide marketing support to the MSMEs and also facilitate them in tapping and developing overseas markets to the MSMEs. It has been felt that there is abysmal representation of the MSMEs owned by SC/ST entrepreneurs in participation of events under above schemes. With the objective to encourage SC/ST enterprises for availing marketing support for their development and growth, such schemes have been synergized to form Special Marketing Assistance Scheme (SMAS).

Under the above scheme, marketing support is provided to the SC/ST enterprises for enhancement of competitiveness and marketability of their products through National SC-ST Hub by way of the following type event:

1. Organizing Visit to International Exhibitions/Trade Fairs/Seminars Abroad
2. Participation in International Exhibitions/Trade Fairs Abroad
3. Organizing Visit to Domestic Exhibitions/Trade Fairs
4. Participation in Domestic Exhibitions/Trade Fairs
5. Vendor Development Programmes
6. Organizing Workshops/Seminars/Awareness Campaigns

2. Eligibility

- 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.
- Minimum participation of 5 SC/ST Enterprises for participation in international exhibitions/trade fairs abroad.
- In case of participation of 5 or more SC/ST enterprises in international events abroad, 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.

- The SC/ST units may apply under SMAS at least a month in advance for domestic events and two months for international events.
- The proposals under SMAS shall be examined by the implementing agency and placed before Project Steering Committee (PAC). Any deviation may be with the approval of Secretary(MSME).
- The Scheme of SMAS shall be monitored and funded under National SC-ST Hub.

3. Scale of assistance for various activities with component-wise admissibility are given below :

A. Physical mode			
Activity	Component	Scale of Assistance	
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	
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

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/-.
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
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. Financial assistance will be provided on reimbursement basis to the organization subject to production of supporting Invoices and complete information of event and participants. 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..

Workshops/ Seminars/ Awareness Campaigns	To be organized by Industry Association, Field Offices of NSIC, MSME-DIs, banks, EPCs, etc.	<p>Expenditure for organizing Workshop/Seminars would be subject to a maximum limit of : -</p> <p>National level : Rs.5 Lacs</p> <p>State / regional level :</p> <ul style="list-style-type: none"> • Rs. 2,00,000 in case of 'A' class cities. • 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. <p>Financial assistance will be provided on reimbursement basis to the organization subject to production of supporting Invoices and complete information of event and participants.</p>
C. Virtual mode		
Participation in International Exhibitions/Trade Fairs Abroad	Scale of assistance for participation in international exhibitions/trade fair abroad will be applicable as per the provisions under International Cooperation (IC) Scheme and Procurement and Marketing Assistance Scheme (PMAS) of this Ministry.	
Participation in Domestic Exhibitions/Trade Fairs		
Organize Vendor Development Programmes/ Workshops, Seminars and Awareness Campaigns:	<p>(i) Up to Rs. 2 lacs or actual for Virtual Space/Platform/ License Fee/ Rent</p> <p>(ii) Up to Rs. 2 lacs or actual for advertising and publicity</p> <p>(iii) Up to Rs. 1 lacs or actual for Translation and Interpretation charges involved in the virtual event</p>	

(C) Mega Events

Apart from the above components, it is proposed to include a provision for organising Mega SC-ST conclaves/conferences in partnership with Industry Associations/ organizations of the Ministry of MSME. The financial assistance for such events will be recommended by PSC and approved at the level of Secretary, MSME with consultation of IFW.

4. Project Screening Committee headed by the Joint Secretary (NSSH) of the Ministry will approve the proposals. The expenditure under SMAS will be considered by the Project Screening Committee.

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