

**Government of India**  
**Ministry of Micro, Small and Medium Enterprises**  
**Office of the Development Commissioner (MSME)**  
**7th Floor, Nirman Bhavan, New Delhi-110108**

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**SCHEME FOR NATIONAL AWARD - 2009**  
**QUALITY IN SELECTED PRODUCTS IN**  
**MICRO & SMALL ENTERPRISES (MSEs)**

## **1. OBJECTIVE**

The Micro and Small Enterprises(MSEs) in India have undergone a vast development in the last five decades. The MSEs have registered tremendous growth as also the progress in terms of quality production, exports, innovation, product development and import substitution, very much beyond the expected objectives of setting up MSEs by the planners of industrial production base in the country. Entrepreneurial efforts have made it possible to produce number of items, which hitherto were imported. In quite a few cases new variants so produced are having additional attributes than their original versions and are capable of solving a multitude of user problems.

This all has become possible owing to the ambitious and visionary spirit entrepreneurs of MSEs.

Government of India, Ministry of Micro, Small & Medium Enterprises (MSME) has decided to encourage such entrepreneurs by giving National Awards for selected products in MSEs with the following objectives :

- (i) To encourage MSE to produce quality products conforming to national and international standards.
- (ii) To propagate and merit a culture of quality consciousness amongst a vast section of MSE.
- (iii) To instill a sense of confidence in MSE's products with the domestic consumers and to enhance the image of Indian Products in export market.
- (iv) To motivate MSEs to achieve higher levels of competitive advantage by quality production.

## **2. AWARDS**

The Awards will be given once in a calendar year for the selected Product Groups. One Award will be given for each Product Group covered in the list of Select Product Groups for the year of Award.

### **Leather**

- (1) Ladies & Men's Leather Footwear

### **Chemical**

- (2) Adhesives
- (3) Plastic Auto Components

### **Glass and Ceramics**

- (4) Ceramic Sanitary ware

**Food**

- (5) Fruit & Vegetable Processed Products

**Mechanical**

- (6) Hospital Furniture
- (7) Plastic Processing Machinery

**Electrical and Electronics**

- (8) Lighting Fixtures
- (9) Electric Power & Distribution Transformers

**Hosiery**

- (10) Knitwear

**1. National award for selected products in Micro & Small Enterprises:**

Rs. 1,00,000/- Cash prize, a Certificate and a Trophy.

**2. Special Recognition Awards**

MSEs scoring marks above 80 percent and (50 percent in case of North Eastern Region including Sikkim) will be given Cash prize of Rs. 20,000/- each, a Certificate and a Trophy.

**3. PERIODICITY & ELIGIBILITY**

The Awards will be given for every calendar year to deserving entrepreneurs managing Micro & Small Enterprises having permanent SSI registration/have filed Entrepreneurs Memorandum Part-II with the authorities notified by respective State Governments/UT Administration in accordance with the provisions contained in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which has since come into force from 2 October, 2006. The MSEs should have been in continuous production during last three years i.e. 2006-07, 2007-08 & 2008-09.

**4. CRITERIA**

The evaluation for Award is to be done on the basis of and on the Criteria & Proforma for Evaluation and Awarding Marks (Form Y) specifically designed for the purpose. The critical areas include:

1. Inspection/testing of raw materials
2. Energy Conservation
3. Manufacturing practices & in-house testing/ on-line inspection
4. Quality control standards
5. Customer Services
6. Manpower Development for Quality Assurance
7. Exports

8. Pollution control measures
9. Employee Welfare measures
10. Packaging standards
11. Details of Investment/Employment/production/profitability
12. Use of Technology.
13. Leadership Abilities
14. Strategic Initiatives

## **5. COMPOSITION OF STATE/UT LEVEL SELECTION COMMITTEE ( SLSC)**

The SLSC will consist of following members.

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|-----------------------------------------------------------------------------------------------------------------------------------------------|---|-----------------|
| (i) Secretary (Industries) of the State/UT                                                                                                    | - | Chairman        |
| (ii) Director of Industries of the State/UT                                                                                                   | - | Member          |
| (iii) Representative of the Bureau of Indian Standards (BIS) in the State                                                                     | - | Member          |
| (iv) A representative from one of the National Level Council of Scientific & Industrial Research (CSIR) Labs to be nominated by the chairman, | - | Member          |
| (v) Director, MSME Testing Center of the region                                                                                               | - | Member          |
| (vi) President of the State Level Apex Association or his nominee                                                                             | - | Member          |
| (vii) Two or three representatives from State Level Industry Associations (to be nominated by the Chairman)                                   | - | Member          |
| (viii) Representative of Consumer Association (if any, to be nominated by the Chairman)                                                       | - | Member          |
| (ix) Director, MSME-DI                                                                                                                        | - | Member Convener |

5.1 State Level Selection Committee after proper screening is to select eligible MSMEs in order of merit including at least one each from SC/ST and a woman entrepreneur for the consideration of the National Level Selection Committee. Recommendations made by the State/UT Level Selection Committee that do not conform to the above stipulation will not be considered. MSMEs should be assessed based on the data/information submitted by the entrepreneur after verification.

5.2 For the purpose of evaluation by the State/UT Level Selection Committee, the Evaluation Criteria for awarding marks (Form Y) is enclosed. The recommendations of the State/UT Level Selection Committee should also accompany the break-up of marks on Form Y (duly completed).

5.3 Minimum qualifying marks as per criteria for consideration by the National Level Selection Committee for any type of Award will be 60 percent and 50 percent in case of enterprise from SC/ST and NER including Sikkim.

**5.4 State/UT Level Selection Committee while recommending the names for National Awards would institute such inquiries as may be necessary to satisfy themselves that the entrepreneur has been abiding by all statutory requirements in vogue, is maintaining the proper documentation and is also not involved in any economic/other offence for which enquiry/legal action is pending. The MSE status of the enterprise for the Award year be specifically verified and certified keeping in view the investment limit permissible in plant & Machinery as also other norms in vogue and in accordance with the provisions contained in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which has since come into force from 2 October 2006.**

5.5 A Committee consisting of the Representative(s) of Director, MSME-DI and a Representative (s) of Directorate of Industries of the State/UT (on behalf of the State/UT Selection Committee) may visit the MSE to verify the information furnished in the application form including details on technology, performance, quality, Enterprises status, growth rate etc. and prepare a report for consideration of State Level Selection Committee while finalizing its recommendations.

5.6 The State Level Selection Committee may send its recommendations along with the applications to the Office of the Development Commissioner (MSME), Ministry of MSME, Govt. of India, 7th Floor, 'A' Wing, Nirman Bhawan, New Delhi-110108 latest by **20th May, 2010**.

## **6. COMPOSITION OF NATIONAL LEVEL SELECTION COMMITTEE (NLSC)**

NLSC will consist of following member

(i) Additional Secretary & Development Commissioner (MSME)	Chairman
(ii) Secretary Industries Govt. of four States (representing each region by rotation)	Member
(iii) Chairman, National Small Industries Corporation (NSIC)	Member
(iv) Director General, National Productivity Council (NPC) or his nominee	Member
(v) Director General, Council of Scientific & Industrial Research (CSIR) or his nominee	Member
(vi) Director General, Bureau of Indian Standards (BIS) or his nominee	Member
(vii) Managing Director, Small Industries Development Bank of India (SIDBI) or his nominee	Member
(viii) President, Federation of Associations of Small Industries of India (FASII)	Member
(ix) President, Federation of Indian Micro & Small & Medium Enterprises (FISME)	Member
(x) President, Laghu Udyog Bharti	Member
(xi) Additional Development Commissioner o/o DC (MSME)	Member Convener

## **7. METHODOLOGY**

For purposes of selecting enterprises for consideration for awards, the following procedure will be observed :-

- (i) The eligible Enterprises will send their nominations in the prescribed proforma in duplicate (with original/downloaded only on the prescribed form) to Director, MSME-DI of the State where their MSEs is registered/have filed Entrepreneurs Memorandum (EM).

- (ii) State Level Selection Committee will select MSE for each of the Product Groups selected for the Award-2009 and award marks on the Criteria proforma (**Form Y**) enclosed.
- (iii) The recommendations of the State Level Selection Committee(SLSC) received without break-up of marks on Form Y and those on Application form will not be considered by the National Level Selection Committee (NLSC).
- (iv) The applications will further be scrutinized by the technical group of the office of DC(MSME) for evaluating the mark for submitting before National Level Selection Committee for selecting the awardees.
- (v) Qualifying marks as per criteria for consideration by the National Level Selection Committee will be 60% and (50% in case of NER including Sikkim). There will be no bar for an earlier awardees to be nominated again for same or different product included in the list of Product Groups selected for the year of Award.

## **8. PRIVILEGES**

The Award winners are given second AC sleeper Class, Railway fare for to and fro journeys performed by them by the shortest route from the location of the unit and daily allowance as per govt. rules to attend the Award Function. The winners of the Award shall have the privilege of using the symbol of the Award in their letter heads and their employees can wear labels, pins, ties or other distinctive badges with Award symbol indicating the year of the Award. The amount of Cash Prize received by the Winners of the National Award is exempted under Section 10(17) of Income Tax Act 1961.

## **9. TO WHOM TO APPLY**

The eligible Enterprises will send their nominations in the prescribed proforma in duplicate to Director, MSME-DI of the State where their MSME is registered/ have filed Entrepreneurs Memorandum. The application could also be routed to Director, MSME-DI through Director of Industries of State/General Manager, District Industries Centre but it should reach the Director MSME-DI by the last date of application **ie 20th April, 2010**. (Visit Website: [www.dcmsme.gov.in](http://www.dcmsme.gov.in)).