

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES
OFFICE OF THE DEVELOPMENT COMMISSIONER (MSME)
7TH FLOOR, NIRMAN BHAVAN, NEW DELHI-110108

SCHEME FOR NATIONAL AWARDS - 2009
MICRO, SMALL AND MEDIUM ENTERPRISES FOR
OUTSTANDING EFFORTS IN ENTREPRENEURSHIP

1. OBJECTIVE

The Micro, Small and Medium Enterprises (MSMEs) in India have undergone a vast development in the last five decades. The MSMEs have registered tremendous growth as also progress in terms of quality production, exports, innovation, product development and import substitution, very much beyond the expected objectives of setting up MSMEs 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 of entrepreneurs of MSMEs.

Recognizing the achievements of successful entrepreneurs in MSMEs, Government has decided to encourage such entrepreneurs by giving national awards to Micro, Small and Medium Enterprises for outstanding efforts in entrepreneurship.

2. AWARD

Under the scheme, details of awards are as under.

2.1 National Award for outstanding Entrepreneurship in Micro & Small Enterprises engaged in manufacturing.

1. First National Award : Rs.1,00,000/-cash prize, a Trophy and a Certificate
2. Second National Award :Rs. 75,000/- cash prize, a Trophy and a Certificate
3. Third National Award : Rs. 50,000/- cash prize, a Trophy and a Certificate
4. Special National Award to outstanding Woman Entrepreneur : Rs.1,00,000/- cash prize, a Trophy and a Certificate
5. Special National Award to outstanding SC/ST Entrepreneur : Rs.1,00,000/- cash prize, a Trophy and a Certificate
6. Special National Award to outstanding Entrepreneur from NER including Sikkim : Rs.1,00,000/- cash prize, a trophy and a certificate.

2.2 National Award for outstanding Entrepreneurship in Micro & Small Enterprises rendering services.

1. First National Award : Rs.1,00,000/- cash prize, a Trophy and a Certificate
2. Second National Award : Rs.75,000/- cash prize, a Trophy and a Certificate

2.3 National Award for outstanding Entrepreneurship in Medium Enterprises engaged in manufacturing.

1. First National Award : Rs.1,00,000/- cash prize, a Trophy and a Certificate
2. Second National Award : Rs.75,000/- cash prize, a Trophy and a Certificate

2.4 Special Recognition Award-

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

The awards will be presented in a public function

3. PERIODICITY & ELIGIBILITY

The Awards will be given for every calendar year to deserving entrepreneurs managing Micro, Small and Medium 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 MSMEs should have been in continuous production/servicing at least during three years i.e.2006-07, 2007-08 and 2008-09.

4. CRITERIA

The evaluation for the Awards is to be done on the basis of the for Evaluation and Awarding Marks (Form X MSMEs engaged in manufacturing) & X-I (for MSMEs rendering services) The critical areas include:

1. Rate of growth of MSME based upon investment, employment, production & profit
2. Use& choice of technology
3. Export
4. Innovation/diversification
5. Standarisation
6. Inventory control Method
7. Manufacturing practices & in-house testing/on-line inspection
8. Quality control standards
9. Customers Services
10. Environmental Protection control measures
11. Employee Welfare measures
12. Conformity to ISO-9000 Series/Equivalent Quality systems
13. Leadership Abilities
14. Strategic Initiatives

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

The SLSC will consist of following members.

- (i) Secretary/Commissioner of Industries of the State/UT, - Chairman
- (ii) Member of Parliament(M.P.) from the State/UT, nominated by the concerned State Government, - Member
- (iii) Director of Industries of State/UT, - Member
- (iv) Representative of Entrepreneurship Development Institute (EDI) in the State, to be nominated by the State Government. - Member
- (v) A representative of one of the lead Banks, - Member
- (vi) Representative of one of the State-Level Micro & Small Enterprise Association, to be nominated by the State Government. - Member
- (vii) Representative of one of the State-Level Medium Enterprise Association, to be nominated by the State Government. - Member
- (viii) 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 X & X-I) is enclosed. The recommendations of the State/UT Level Selection Committee should also accompany the break-up of marks on Form 'X or X-I' (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 There will be no bar for an Awardee to be nominated or considered for a higher Award in the subsequent year. The Awardees should not be nominated or considered for the same or lower Award in the subsequent 5 year(s).

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 MSME 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 MSMEs 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 Members.

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| (i) Additional Secretary & Development Commissioner (MSME), Ministry of MSME, Govt. of India, | Chairman |
| (ii) Two Secretaries, (Industries) of the State Govt. to be nominated by Govt. of India (by rotation) | Member |
| (iii) A representative of the Reserve Bank of India or SIDBI or Nationalized Banks as nominated by the Govt. of India | Member |
| (iv) Representative of Bureau of Indian Standards (BIS) | Member |
| (v) Representative of Department of Science & Technology | Member |
| (vi) Representative of Director General of Foreign Trade (DGFT) / Ministry of Commerce | Member |
| (vii) President, Federation of Associations of Small Industries of India (FASII) | Member |
| (viii) President, Laghu Udyog Bharti | Member |
| (ix) President, Indian Council of Small Industries, Kolkata | Member |
| (x) Additional Development Commissioner O/o DC (MSME) | Member Convener |

NLSC will select the awardees on the basis of merit.

7. METHODOLOGY

For the 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 (formerly SISI) of the State where their MSMEs is registered/have filed Entrepreneurs Memorandum (EM).
- (ii) State Level Selection Committee will select MSMEs for the Award- 2009 and award marks on the Criteria proforma **Form X (MSMEs engaged in manufacturing) & X-I (MSEs rendering services)** enclosed.
- (iii) 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.
- (iv) Qualifying marks as per criteria for consideration by the National Level Selection Committee will be 60% and (50% in case of enterprise from SC/ST and NER including Sikkim).

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).