

## **Standard Operating Procedure**

### **Sub-Component II of International Cooperation Scheme of Ministry of MSME: Capacity Building of First Time MSE Exporters (CBFTE)**

Ministry of MSME has issued vide OM No. 4(8)/2021-IC dated 15-07-2022, Guidelines of Sub-Component II: Capacity Building of First Time MSE Exporters (CBFTE) of International Cooperation Scheme.

The key interventions under the CBFTE scheme are as under:

Reimbursement of costs incurred by first time MSE exporters on export shipments:

- i. Registration-cum-Membership Certificate (RCMC) fee paid by the first-time exporters for registration with EPCs. (To be implemented by EPCs)
- ii. Export insurance premium paid by MSEs. (To be implemented by ECGC)
- iii. **Fee paid on Testing & Quality Certification acquired by MSEs to export products.** (To be implemented by NSIC)

Out of the above three sub-components, NSIC shall be the implementing agency for the third sub-component only as highlighted above.

#### **A. Eligibility Conditions to avail the Scheme benefits:**

- i. Micro and Small Enterprise (MSE) with valid Udyam Registration.
- ii. To claim the benefits under the scheme, the applicant's Importer Exporter Code (IEC) must not be older than 3 years on the date of export shipment.
- iii. This sub-component of the scheme is applicable from the date of issuance of scheme guidelines.

#### **B. Scale of Assistance and Eligible Items of Expenditure**

Financial assistance towards costs incurred by first time MSE Exporters on export shipments:

<p>Fee paid on Testing &amp; Quality Certification acquired by MSEs to Export Products.</p> <p><i>(Note: Ministry of MSME shall share the list of beneficiaries who have availed the financial assistance under this sub component, with MAI Division, Department of Commerce, on quarterly basis.)</i></p>	<p><b>75 percent</b> of the testing and quality certification with a ceiling of <b>Rs. 1.00 Lakh</b> or actual, whichever is lower, subject to following conditions:</p> <ul style="list-style-type: none"><li>• Financial assistance is allowed for a maximum of 3 certificates per financial year with a <b>ceiling of Rs. 1.00 Lakh</b> per MSE unit.</li><li>• Certificate, for which financial assistance is requested, should be attained within the same financial year.</li></ul>
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#### **C. Release of Grant**

Grants under the Scheme will be released by the Ministry of MSME on re-imbursement basis on submission of the re-imbursement claim in the proforma (uploaded on the IC Scheme Portal) by the implementing agency. Claim must be accompanied with the documents, as prescribed by the Ministry.

Ministry of MSME shall pay to NSIC the administrative charges @ 7.5% of the total reimbursed amount to MSEs being processed by NSIC under the said subcomponent of CBFTE scheme.

**D. Accordingly, the Step by Step Procedure for processing the proposals under the above mentioned sub-component of CBFTE scheme (Fee paid on Testing & Quality Certification acquired by MSEs to export products) is as under:**

<b>S. No.</b>	<b>Procedure</b>	<b>Responsibility</b>
<b>STEP 1</b>	<p>MSEs, fulfilling the eligibility criteria mentioned at Sl. No. (A) above shall submit the following requisite documents at the nearest NSIC Branch Office within 30 days of export shipment of product for which Testing and Quality Certification is claimed:</p> <ol style="list-style-type: none"> <li>1. Valid Udyam Registration Certificate.</li> <li>2. Claim Form at Annexure M.</li> <li>3. Import Export Code (IEC) not more than 3 years old on the date of export shipment.</li> <li>4. Testing and Quality Certification acquired within the current FY. (self-attested copy)</li> <li>5. Original Invoice/Bills along with payment receipt for claiming cost incurred to acquire the Testing and Quality Certification.</li> <li>6. Proof of export shipment of product for which Testing and Quality Certification is claimed. Any one of the following document may be collected- Airway Bill, Bill of Lading, Shipping Bill, Letter of Credit etc.</li> <li>7. Proof of mandatory requirement of Testing and Quality Certification for such export.</li> <li>8. Self-certification by MSE that he/she has not availed benefits under Market Access Initiative (MAI) Scheme of Department of Commerce, for the same purpose (Annexure-N).</li> <li>9. Undertaking from MSE for number of times assistance availed under the scheme during current financial year.(Annexure-U)</li> <li>10. PFMS Unique ID.</li> </ol> <p><b>Note: All the documents mentioned above are mandatory and should be self-attested by the promoter of the MSE.</b></p>	MSEs.
<b>STEP 2</b>	Field office will examine/verify the documents and send the proposal with local financial concurrence, in prescribed format (Annexure-CBFTE) alongwith all requisite documents, with recommendation of Zonal Head to H.O. by the <b>20<sup>th</sup> of each month.</b>	Respective Branch Head, Accounts Head & Zonal Head
<b>STEP 3</b>	IC Division will compile all the proposals received from NSIC field offices during a month and submit the proposal to Ministry for reimbursement of claim.	IC Division
<b>STEP 4</b>	The sanctioned amount received from Ministry of MSME will then be transferred to the respective field offices through PFMS Portal for further disbursement to concerned MSEs through PFMS portal.	IC Division, Central Accounts Division, NSIC field office.

<b>CLAIM FORM — To be submitted by National Small Industries Corporation Limited (NSIC) (For Component II (c))</b>	
<b>Name of Applicant MSE</b>	
<b>Address</b>	
Phone	
E-mail	
Fax	
Website Address	
<b>Udyam Registration Number</b>	
<b>Status of the Unit (Proprietorship/ Partnership/ Private Limited)</b>	
<b>Importer Exporter Code (IEC)</b>	
Date of Issuance of IEC	
<b>Name of Testing or Quality Certification</b>	
Issuing Authority	
Proof of export shipment of product for which testing and quality certification is claimed.	
Proof of mandatory requirement of Testing and Quality Certification for such export.	
<b>Claim Amount (Rs.)</b>	
Original Bill/Invoices of the Certification	

**Undertaking:**

The list of MSE for which claim has been sought, has been verified for the following criteria, as set by the Ministry of MSME in International Cooperation Scheme:

- IEC Code less than 3 years old.
- Proof of export shipment of product for which testing and quality certification is claimed.
- Proof of mandatory requirement of Testing and Quality Certification for such export.

We, \_\_\_\_\_, hereby declare that all information has been verified and is true to the best of our knowledge.

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Signature of the authorised signatory

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Stamp of the Applicant Organization:

**On the letter head of the Association/Organization in Original**

**CERTIFICATE**

This is to certify that no Grants-in-Aid for the purpose of activities as approved vide sanction letter No \_\_\_\_\_ dated \_\_\_\_\_ of Ministry of MSME has been applied for or obtained from Department of Commerce (Under Market Access Initiative Scheme or any other scheme) OR any other Ministry or Department of Government of India or any other State Government or Government Institute/Agency.

Signature of the authorized signatory:

Name:

Designation:

Date:

Stamp of Applicant Organization:

**UNDERTAKING**

**(On Company's Letter Head with Company Seal)**

**To whomsoever it may concern**

I, on behalf of \_\_\_\_\_ **(Company Name)** having **Udyam Registration Number** \_\_\_\_\_ hereby confirm to NSIC that our company has not availed assistance under the said sub-component of CBFTE scheme (Fee paid on Testing & Quality Certification acquired by MSEs to export products) more than three times during the current Financial Year i.e. FY \_\_\_\_\_, including present claim and the claim submitted are genuine and as per scheme guidelines.

Signature of the authorized signatory:

Name:

Designation:

Date:

Stamp of Applicant Organization: