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To, All Members of the Council

Dear Sir/ Madam,

## <u>Subject : Scheme guidelines Reimbursement of membership fee charged by various Export</u> <u>Promotion Councils (EPCs) for SC/ST MSEs under National SC-ST Hub</u>

The Micro, Small and Medium Enterprises (MSME) sector occupies a position of strategic importance in Indian economy. Over the years, the Govt. has taken several initiatives in the form of various policies and programmes to promote the sector.

To encourage MSMEs to participate in the public procurement process, the Government has decided to provide financial support to SC/ST owned MSEs under the Export Promotion Council Membership Reimbursement Scheme. Accordingly, the National SC-ST Hub (NSSH), set up under the aegis of Ministry of Micro, Small and Medium Enterprises offers financial assistance against the membership fee charged by various Export Promotion Councils (EPCs), 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) Enhance marketing capabilities and competitiveness of SC-ST MSEs
- ii) Update these enterprises about the prevalent global market scenario
- iii) Showcase their competencies

iv) Provide a platform for interaction with large institutional buyers The National Small Industries Corporation Ltd. (NSIC) is the nodal agency for implementation of the scheme.

### Reimbursement of annual membership fee

The assistance under this scheme will be released from NSSH funds and would be limited to 50% or Rs. 20,000 (excluding GST and all other applicable taxes), whichever is less, per financial year to an SC/ST MSE, on annual membership subscription fee (excluding entrance fee) charged by various Export Promotion Councils (EPC), only after submission of attested copy of valid Registration Cum Membership Certificate (RCMC) issued by the respective Export Promotion Council (EPC) post registration and other documents as listed in the guideline.

Membership of multiple EPCs is allowed within the overall capped amount of Rs. 20,000/- per enterprise in a financial year.

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.

# <u>The reimbursements shall only be made for membership subscription fee paid post 14th November,</u> 2018, provided all other criteria are met.

#### Eligibility Criteria/ beneficiaries Availing membership:

All eligible SC-ST MSEs can avail/ renew membership (new as well as existing) of any Export Promotion Council (EPC) under the scheme upon submission of relevant documents identified below.

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), registration under Goods and Services Tax (GST), PAN number and valid Import-Export Code (IEC) are eligible to avail the scheme, provided they meet all conditions and qualifications as laid by respective council for becoming a member. 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.

Timeline for submission of claims: Applicant can submit their claims within 45 days from the receipt of Registration cum Membership Certificate (RCMC) issued by the respective Export Promotion Council (EPC). 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.

#### Members are requested to go through the complete scheme before applying, available at

https://www.scsthub.in/sites/default/files/news-update/NSSHGuidelinesWeb-EPC.pdf

#### https://www.scsthub.in/export-promotion-council-membership-reimbursement-scheme

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 <u>nsshsupport@nsic.co.in</u>

This is for your information.

Best regards Plexconcil Team