

**Quality in selected products
in Micro, Small and Medium Enterprises (MSMEs)
NOTIFICATION**

The 14th June, 2016

No. 49/43/2015-4IB1 - In pursuance to the provision under Chapter 12 of Enterprises Promotion Policy-2015 notified vide No. 49/43/2015-4IB1 dated 14th August, 2015, the Governor of Haryana is pleased to notify the Scheme of State Award for Quality Products for Micro, Small and Medium Enterprises. The scheme will consist of the following provisions:

1. Background:

The Micro, Small and Medium Enterprises (MSMEs) in Haryana have undergone a vast development in the last four decades. The MSMEs have registered tremendous growth as also the progress in terms of quality production, exports, innovation, product development and import substitution, exceeding the expected objectives of setting up MSMEs in the State. Entrepreneurial efforts have made it possible to produce domestically number of items, which were earlier imported. In quite a few cases, new variants so produced with the help of local innovations also have additional attributes not present in the original versions and are capable of solving a multitude of user problems. All this has become possible owing to the ambitious and visionary spirit of entrepreneurs of MSMEs.

2. Objective:

- To encourage MSME to produce quality products conforming to national and international standards.
- To propagate and merit a culture of quality consciousness amongst a vast section of MSMEs.
- To create a sense of confidence in MSMEs products with the domestic consumers and to enhance the image of Indian Products in export market.
- To motivate MSMEs to achieve higher levels of competitive advantage by quality production.

3. Quantum and categories of awards:

State Awards shall be given to the outstanding Micro, Small and Medium Enterprises of Rs. 3.00 lakh each separately for growth in production and profit, for innovation & development of new products, quality products and lean manufacturing techniques in the field of Agro and Food processing, Automobiles and auto parts, Textiles,

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Engineering, Pharmaceuticals, IT & Electronics, Miscellaneous for service as well as manufacturing enterprises. The unit once selected for award shall not be considered again during next 5 years.

4. Awards:

07 State awards for Quality products of Rs. 3.00 lakh each shall be given to Micro, Small and Medium Enterprises in the category of Agro and Food processing, Automobiles and auto parts, Textiles, Engineering, Pharmaceuticals, IT & Electronics, Miscellaneous.

5. 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 Udyog Aadhar Memorandum (UAM) with the respective District Industries Centre in accordance with the provisions contained in the Micro, Small and Medium Enterprises Development (MSMED) Act 2006. The MSMEs should have been in continuous production/services for last three years.

6. Criteria

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

- (i) Testing of raw materials
- (ii) Growth rate of Annual Sales and profit of Products
- (iii) Obtaining ISO-9000 Series/14000/22000 /HACCP/GMP / equivalent certification
- (iv) Providing Services after sales
- (v) Technology involved/Use of Technology
- (vi) Quality Assurance Techniques
- (vii) Standard of Packaging
- (viii) Standardization-Obtained BIS Mark/ International Standard /equivalent(DGQA, RDSO, GMP/BEE etc)-
- (ix) Export Growth
- (x) Energy Conservation
- (xi) Whether any reward scheme introduced for employees for leading quality circle/productivity -
- (xii) Inventory Control
- (xiii) Future Plan/Vision

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- (xiv) Any other area that the Principal Secretary to Govt. Haryana, Industries & Commerce department may decide from time to time before applications are sought

7. Composition of District Level Scrutiny Committee

The District Level Scrutiny Committee will consist of following:

Sr. No.	Description	Status
1.	The Joint Director/ Deputy Director, District Industries Centre of the respective District	Chairman
2.	Deputy Director/ Assistant Director Quality Marking Centre	Member
3.	Assistant Director, MSME-DI, Karnal	Member

It will scrutinise the applications received and would award the marks on various parameters.

8. Composition of State Level Scrutiny Committee

The State Level Scrutiny Committee will consist of following:

Sr. No.	Description	Status
1.	The Director, Industries & Commerce, Haryana	Chairman
2.	Two Joint Directors, District Industries Centre in the State,	Member
3.	Representative of Managing Director, HSIIDC, Panchkula not below the rank of DGM	Member
4.	Deputy Director, BIS, Sector-34, Chandigarh	Member
5.	Deputy Director, MSME-DI, Karnal	Member
6.	Additional Director of Industries & Commerce Haryana	Member-Secretary

9. Composition of State Award Selection Committee (SASC)

The State Level Selection Committee will consist of following:

Sr. No.	Description	Status
1.	The Administrative Secretary, Industries & Commerce Department, Haryana	Chairman
2.	Director of Industries & Commerce Haryana	Member
3.	Director, MSME-DI, Karnal	Member
4.	Director, National Institute of Technology, Kurukshetra	Member
5.	Managing Director, HSIIDC, Panchkula	Member
6.	Director, BIS, Sector-34, Chandigarh	Member
7.	Representatives of one State Level MSME Associations	Member
8.	Additional Director of Industries & Commerce Haryana	Member-Secretary

9.1 The State Level Scrutiny Committee after proper screening is to select eligible MSE in order of merit for the consideration of the State Award Selection Committee.

9.2 For the purpose of evaluation by the State Award Selection Committee, the Evaluation forwarding marks (Form- Y) is enclosed.

9.3 The Awardees should not be considered for the same Award in the subsequent 5 year(s).

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9.4 State Award Selection Committee before approving the names for State Awards would institute such inquiries as may be necessary 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.

9.5 A Committee consisting of the Joint Director, DIC and In-charge of the Quality marking centre in the respective district shall visit the MSE to verify the information furnished in the application form including details of technology, performance, quality, MSE status, growth rate/trend etc. and prepare a report for consideration of SASC.

9.6 SASC will select the awardees on the basis of merit and its decision will be final.

11 How to apply and Methodology:

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

- (i) The eligible Enterprises will apply in the prescribed Performa on the web portal of the department to the Joint/ Deputy Director, District Industries Centre of the concerned District.
- (ii) State Award Selection Committee will select MSME for the Award and award marks on the Criteria Performa (**Form Y**) enclosed.

Devender Singh
Principal Secretary to Government of Haryana,
Industries and Commerce Department

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(Application Form to be submitted in duplicate - Quality Product)

PART-I

Sr. No.	Description			
1.	Name of Entrepreneur			
2.	Name and address of Enterprise			
3.	District			
4.	State			
5.	Pin code			
6.	STD code & Telephone numbers			
7.	Aadhaar card number			
8	Mobile no.			
9.	Fax no.			
10.	Email ID			
11.	Educational/Professional Qualification of Entrepreneur (If required use separate sheet and attach the documentary proof)			
12.	Type of Enterprises			
13.	Permanent MSE Registration no./EM Part-II/ UAM of Enterprise			
14.	Date of commencement of production/Services			
15.	Name of Products manufactured (enclosed photos/Leaflets also)			
16.	Please give an affidavit on non-judicial stamp paper duly attested by Notary that you have cleared your income tax dues and that Enterprise/entrepreneur is not involved in any Economic or other offence for which legal action/enquiry is pending			
17.	Last 3 Financial years audited balance sheets:			
	Items	1 st F.Y.	2 nd F.Y.	3 rd F.Y.
	Original investment in Plant & Machinery/ Equipment(Rs. in lakh) cumulative upto 31st March			
	No. of Employees as on 31st March			
	Value of Annual Sales of Products/Services/			
	Job Work(Rs.in lakh)			
	Net Profit (after taxes) (Rs. in lakh)			
	Export-Direct /(Rs.in lakh)			

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PART-II

1. Do you have Testing/quality of Raw material used or Testing/Quality of Components/ sub assemblies. If yes, give details and attach documentary proof during last three years

Enclose as Annexure-1

2. Has the enterprise requisite Testing equipment/ instrument. If yes, give details and attach documentary proof.

Enclose as Annexure-2

3. Do you have Energy conservation measures? If yes, give details and attach documentary proof during last three years.

Enclose as Annexure-3

4. Have you taken measures for improvement upon the Manufacturing and Quality Assurance Techniques? Give details and attach documentary proof during last three years

Enclose as Annexure-4

5. Is your enterprise certified for ISO-9000/14000/18000/22000/HACCP/GMP/other equivalent Certification? If yes, give details and attach documentary proof during last three years.

Enclose as Annexure-5

6. Standardization-

Enclose as Annexure-6

(i) Has enterprise obtained BIS mark /international standard/CE/ ULA/equivalent (DGQA,RDSO, GMP/BEE etc.) please give details and attach the documentary evidence

(ii) Whether product is confirm to IS or any other standards, please give details and attach the documentary evidence.

Enclose as Annexure-7

(iii) Whether product confirm to enterprise's / user's specification. Please give details and attach the documentary evidence.

Enclose as Annexure-8

7. Do you have practice Stage Inspection Procedure during the production/ process? Please give details and attach the documentary evidence.

Enclose as Annexure-9

8. Do you get instruments/Gauges /test rigs Calibrated on regular intervals during last three years. Please give details and attach the documentary evidence.

Enclose as Annexure-10

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9. Any reward scheme introduced for employees for suggesting Improvements Leading to Quality/ Productively improvement. Please give details and attach the documentary evidence.

Enclose as Annexure-11

10. Are you providing services after sales during period. Please give details and attach the documentary evidence.

Enclose as Annexure-12

11. Do you have redressing system for customers complaints. Please give details and attach the documentary evidence.

Enclose as Annexure-13

12. Whether Enterprise has given skill knowledge to the staff and workers for Quality Assurance. Please give details and attach the documentary evidence

Enclose as Annexure-14

13. Whether Enterprise has Quality Audit Team. Please give details and attach the documentary evidence and report of auditing team.

Enclose as Annexure-15

14. Whether Status of Star Export House. Please give details and attach the documentary evidence.

Enclose as Annexure-16

15. Export (Direct)

Are you direct exporter? If yes, give details of last 3 years duly supported with documentary evidence and country to whom exported. In case due to specific product / supplies to strategic organization i.e. Defense etc. where export not permissible, please give the details of the last 3 years products supplied to Strategic Organization. Attach the documentary evidence. Enclose photocopy of at least three shipping bills of each last three years.

Enclose as Annexure-17

16. Value of Exports (Direct) during the period .

Note: In case due to specific product /supplies to strategic organizations (viz. Defense etc. where exports not permissible, marks may be awarded on the basis of average growth rate of supply to strategic organizations. Please give details and attach the documentary evidence.

Enclose as Annexure-18

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Year	Name of Strategic Value of Products	Supplied to Name of Products	Organisation Strategic Organizations (Rs./lakh)
1 st Financial Year			
2 nd Financial Year			
3 rd Financial Year			

17. Employees Welfare Measures. Please give details and attach the documentary evidence.

(i) ESI (ii) CPF (iii) Bonus/others

Enclose as Annexure-19

18. Do you adopt Standard of Packaging. Please give details and attach the documentary evidence.

Enclose as Annexure-20

19. Systematic maintenance of Inventory Control. Please give details and attach the documentary evidence.

Enclose as Annexure-21

20. Use of Technology. Please give details and attach the documentary evidence.

- (i) Self developed (with own R&D and by using Product/Processes superior to conventional)
- (ii) Technology from NRDC/CSIR/Any other R&D Institutions/ Imported
- (iii) Conventional

Enclose as Annexure-22

21. Please give the details of the plant and machinery and their purchase value year wise purchased during last three years & Attach documentary proof Certified by Chartered Accountant.

Enclose as Annexure-23

22. Please give the details of the employees year wise during last three years Attach documentary proof certified by Chartered Accountant.

Enclose as Annexure-24

23. Please give the details of the annual sales year wise during last three years. Attach documentary proof certified by Chartered Accountant.

Enclose as Annexure-25

24. Please give the details of the net profit (after taxes) of products / process year wise during last three years. Attach documentary proof certified by Chartered Accountant.

Enclose as Annexure-26

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25. Future Plan/Vision (Vision to improve the quality of products / process in future. Please give details and attach the documentary evidence. **Enclose as Annexure-27**

26. Strategic Initiatives (Strategic initiatives taken to transform the enterprise to meet change in business environment in next 3 years through quality improvement. Please give details and attach the documentary evidence. **Enclose as Annexure-28**

27. Please give write up of not more than 300 words about yourself, your enterprise and the products(s) manufactured/service(s) rendered by indicating your achievements to justify as to why your application deserves to be considered for the award.

Enclose as Annexure-29

I certify that the above information furnished by me is correct. I undertake to refund the cash prize, return the trophy and certificate, if awarded to me, in case it is ever found that the information furnished above was incorrect. Further I may also be liable for any action under the law of the land for any false declaration.

**SIGNATURE OF THE ENTREPRENEUR
SEAL OF THE ENTERPRISE**

Place:

Date:

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(Forms Y Criteria & Performa for Evaluation and Awarding Marks - Quality Product)

Note: For Evaluation and awarding marks, achievements for last Three Financial Year or as specified in the application form for all points should only be considered. Marks should be awarded on the basis of documentary evidence.

A. Name of the Enterprise_____

B. Products_____

C. Type of Enterprise (Micro, Small or Medium)

D. District

Part-I (Weight age-70%)

S. No.	Parameters for Awarding Marks	Maximum Marks	Marks allotted by District Level Scrutiny Committee	Marks allotted by State Level Scrutiny Committee	Marks allotted by State Level Selection Committee
(1)	(2)	(3)	(4)	(5)	(6)
1	Testing/quality of Raw material used or Testing/Quality of Components/sub assemblies (Ref. Annex-1)	6			
	i. Adequate - 6 Marks				
	ii. Others- 3 Marks				
	iii. No- 0 Mark				
2	Has the enterprise requisite Testing equipment/ instrument (Ref. Annex-2)	6			
	i. Adequate - 6 Marks				
	ii. Others- 3 Marks				
	iii. No- 0 Mark				
3	Improvement upon the Manufacturing and Quality Assurance Techniques (Ref. Annex-4)	6			
	i. Adequate - 6 Marks				
	ii. Others- 3 Marks				
	iii. No- 0 Mark				
4	Obtaining ISO-9000 Series/14000/22000 /HACCP/ GMP /equivalent certification - (Ref. Annex-5)	8			
	(i) 3 years and above-8 Marks				
	(ii) less than 3years - 5 marks				
	(iii) No Certificate - 0 Mark				
5	Standardization (Ref. Annex-6, 7 & 8)	12			

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	(i) Obtained BIS Mark/International/ National Standard (RDSO, GMP,BEE, FSSAI, Ag Mark etc) - 12 Marks				
	(ii) Product equivalent to any other Specification - 6 Marks				
6	Stage Inspection Procedure during the production/process (Ref. Annex-9)	3			
	i. Yes, with supporting documents - 3 Marks				
	ii. No - 0 Mark				
7	Getting instruments/Gauges/test rigs Calibrated on regular intervals (Ref. Annex- 10)	3			
	i. Yes, with supporting documents - 3 Marks				
	ii. No - 0 Mark				
8	Any reward scheme introduced for employees for suggesting Improvements Leading to Quality / Productively improvement (Ref. Annex-11)	5			
	i. Yes, with supporting documents, 50% & above employees - 5 Marks				
	ii. Yes, with supporting documents, less than 50% employees - 3 Marks				
	iii. No - 0 Mark				
9	Whether Enterprise has given skill knowledge to the staff and workers for Quality Assurance (Ref. Annex-14)	5			
	i. Yes, with supporting documents, 50% & above employees - 5 Marks				
	ii. Yes, with supporting documents, less than 50% employees - 3 Marks				
	iii. No - 0 Mark				
10	Whether Enterprise has Quality Audit Team (Ref. Annex-15)	5			
	i. Yes, with supporting documents, 3 years 5 Marks				
	ii. Yes, with supporting documents, less than 3 years - 3 Marks				
	iii. No - 0 Mark				
11	Energy conservation measures (Ref. Annex-3)	4			
	i. Yes, with supporting documents, ie Energy Audit Report - 4 Marks				
	ii. Write up - 2 Marks				
	iii. No initiative - 0 Mark				

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12	Standard of Packaging (Ref. Annex-20)	4			
	i. Excellent with supporting documents-4 Marks				
	ii. Good - 3 marks				
	iii. Poor - 1 Mark				
13	Inventory Control Method (Ref. Annex-21)	5			
	i. Excellent with supporting documents-5 Marks				
	ii. Good - 3 marks				
	iii. Poor - 1 Mark				
	iv. No inventory control - 0 mark				
14	Use of Technology(Ref. Annex-22)	10			
	(i) Advanced - 10 Marks				
	(ii) Developed - 8 Marks				
	(iii) Conventional - 5 Marks				
15	Value of Average Annual Turnover/Sales of 3 years (Ref. Annex - 25)	6			
	(i) up to Rs.100 lakh - 1 Marks				
	(ii.) above Rs.100 lakh & up to Rs.500 lakh - 2 Marks				
	(iii) above Rs.500 lakh & up to Rs.1000 lakh - 4 Marks				
	(iv) above Rs.1000 lakh - 6 Marks				
16	Growth rate of Average Annual Turnover/Sales of 3 years from 1st year. (Ref. Annex - 25)	6			
	(i) growth rate up to 10% - 1 Marks				
	(ii) growth rate above 10% & up to 20% - 2 Marks				
	(iii) growth rate above 20% & up to 30% - 4 Marks				
	(iv) growth rate above 30% - 6 Marks				
	(v) No growth - 0 Mark				
17	Growth rate of Average Net Profit (after Taxes) of 3 years from 1st year (Ref. Annex-26)	6			
	(i) growth rate up to 10% - 1 Marks				
	(ii) growth rate above 10% & up to 20% - 2 Marks				
	(iii) growth rate above 20% & up to 30% - 4 Marks				
	(iv) growth rate above 30% - 6 Marks				
	(v) No growth - 0 mark				
	Total	100			

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Part-II (Weight age-30%)

S. No.	Parameters for Awarding Marks	Maximum Marks	Marks allotted by District Level Scrutiny Committee	Marks allotted by State Level Scrutiny Committee	Marks allotted by State Level Selection Committee
1	Growth rate upon Investment in Plant & Machinery (Ref. Annex-23)	18			
	(i) Rising - 18 Marks				
	(ii) Stable +10% -12 Marks				
	(iii) Erratic - 6 Marks				
	(iv) Falling - 0 Marks				
2	Growth rate upon Employment (Ref. Annex - 24)	18			
	(i) Rising - 18 Marks				
	(ii) Stable $\pm 10\%$ -12 Marks				
	(iii) Erratic - 6 Marks				
	(iv) Falling - 0 Marks				
3	Exports (Direct) during the period Note: In case due to specific product / supplies to strategic organizations (viz. Defense etc. where exports not permissible, marks may be awarded on the basis of average growth rate of supply to strategic organizations. Export (Direct) (Ref. Annex-17 & 18)	12			
	(i) 3 years export - 9 Marks				
	(ii) 2 years export - 6 Marks				
	(iii) 1 years export - 3Marks				
	(iv) No export - 0 Mark				
4	Value of Export Average of 3 years (Ref. Annex - 17 & 18)	10			
	(i) up to Rs.20 lakh - 1 Mark				
	(ii) above Rs.20 lakh & up to Rs.100 lakh 2 Marks				
	(iii) above Rs.100 lakh & up to Rs.200 lakh 4 Marks				
	(iv) above Rs.200 lakh - 6 Marks				

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5	Growth rate of Average export value of 3 years from 1st year (Ref. Annex - 17 & 18)	10			
	(i) Average growth rate up to 10% - 1 Marks				
	(ii) Average growth rate above 10% & up to 20% - 2 Marks				
	(iii) Average growth rate above 20% & up to 30% - 4 Marks				
	(iv) Average growth rate above 30% -6 Marks				
	(v) No growth - 0 mark				
6	Welfare Measures (Ref. Annex-19)	12			
	(i) ESI-4 Mark				
	(ii) CPF-4 Mark				
	(iii) Bonus-4 Mark				
7	Future Plan/Vision & Strategic Initiatives to improve the quality of products / process in future (Ref. Annex-27&28)	20			
	(i) Excellent with supporting documents-20 marks				
	(ii) Good -10 marks				
	(iii) No such initiatives taken - 0 marks				
	Total	100			

Weight age: Part-I - 70%, Part-II -30%.

Example : Average growth rate =

	Ist year	II year	III year
	Rs. 10.00 Lakh	Rs. 12.00 Lakh	Rs. 20.00 Lakh

Average turnover of three years = $\frac{10 + 12 + 20}{3} = 14$

Average growth rate = $\frac{14 - 10}{10} \times 100$

=

40 = 40%

10 10