

Notification for Annual MSME Awards 2017

11th June 2017



DEPARTMENT OF INDUSTRIES & COMMERCE
GOVERNMENT OF ANDHRA PRADESH

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1 OBJECTIVES

1. The Government of Andhra Pradesh strongly believes that a strong Micro, Small and Medium Enterprises sector is vital for promoting entrepreneurship, generating employment and economic growth in the state and the country. Further, it also considers entrepreneurship to be one of the best forms of social empowerment for disadvantaged sections. In this regard, Government has instituted MSME Policy 2015-20 to promote MSME sector in the state with differentiated incentive structure for disadvantaged sections. In addition, it intends to recognize the spirit of entrepreneurship exhibited by outstanding MSMEs through 20 awards listed below in various categories.
2. Key objectives of instituting these awards are as follows:
 - i. Recognize partnerships between MSMEs and other stakeholders, which result in the growth of MSME sector and create an ecosystem where such partnerships flourish with time
 - ii. Promote collective growth amongst MSMEs by leveraging economies of scale, with special emphasis on traditional clusters which are gradually losing their competitive advantages
 - iii. Recognize outstanding performance amongst MSMEs, with special emphasis on entrepreneurs from disadvantaged sections of our community
 - iv. Recognize outstanding performance amongst major themes like employment generation, exports promotion, productivity enhancement, quality assurance, and technology deployment
 - v. Foster an ecosystem where enterprising nature is celebrated despite temporary set backs by recognizing revival of stressed enterprises
 - vi. Inspire MSMEs to achieve outstanding performance and provide an avenue for learning from outstanding performers.
3. This is the inaugural edition of these awards and will continue every year, with some customization based on feedback received from key stakeholders.

2 LIST OF AWARDS

4. The following 20 awards are shortlisted for this edition of annual MSME Awards:
 - i. Ancillary Development Partnership Award
 - ii. Collective Growth Partnership Award
 - iii. Collective Growth Partnership Award (Traditional Clusters)
 - iv. Micro Enterprise Award

- v. Small Enterprise Award
- vi. Medium Enterprise Award
- vii. ST Entrepreneurship Award
- viii. SC Entrepreneurship Award
- ix. BC Entrepreneurship Award
- x. Ten Years Achievement Award
- xi. Fifteen Years Achievement Award
- xii. Twenty Years Achievement Award
- xiii. Twenty Five Years Achievement Award
- xiv. Women Entrepreneurship Award
- xv. Employment Generation Award
- xvi. Exports Promotion Award
- xvii. Productivity Enhancement Award
- xviii. Quality Assurance Award
- xix. Technology Deployment Award
- xx. Phoenix Award (Revival of Stressed Enterprise)

3 TIMELINES

5. The following are the timelines instituted for this Awards programme:
 - i. Date of Notification: 11th June 2017
 - ii. Last Date for Receipt of Applications at Nodal Office: 20th June 2017
 - iii. Selection of Awardees: 25th June 2017
 - iv. Presentation of Awards: 27th June 2017
6. It is envisaged that the presentation of Awards will be presented by Hon'ble Chief Minister, but this is subject to confirmation later.

4 COMPOSITION OF SELECTION COMMITTEE

7. The following are the members of Selection Committee:
 - i. Commissioner, Industries (Chairperson)
 - ii. VC & MD, APIIC (Member)
 - iii. Executive Director (MSME), AP Invest (Member)
 - iv. Director, MSME-DI (Member)
 - v. Joint Director (MSME) (Convenor)
8. The Selection Committee shall have the discretion to not select any application for an award, if it deems appropriate.

5 NODAL OFFICE FOR MSME AWARDS

9. Commissionerate of Industries will be the nodal office for this awards programme.
10. All applications in two sets of hard copies shall be sent to following address via courier or in-hand: Joint Director (MSME), Commissionerate of Industries, 1st Floor, Government Regional Press, Muthyalampadu, Vijayawada 520011.
11. “Application for Annual MSME Awards 2017 - *Name of Award*” shall be written on top of envelope. *Name of Award* refers to the award the application is meant for, of the 20 awards listed here.
12. An application may be sent to Commissionerate, so that it is received on or before the last date for receipt of applications, on enterprise’s letterhead or even a plain paper. There is no specific application form instituted for applying for these awards.
13. Applicants can seek necessary assistance/guidance in drafting applications for these awards from District Industries Centers.
14. In case of any queries/doubts, applicants can send an e-mail to ap.msme.awards.2017@gmail.com with their query/doubt in brief along with their contact details.

6 AWARDS AND PRIVILEGES

15. The awardees will get a trophy as well as a certificate. Further, the winners of the awards shall have a privilege of allowing their employees to wear labels, pins, ties or other distinctive badges indicating their award and the year in which it was received. The entrepreneurs can also use similar symbols on their letterheads or any advertisement issued along with the year of the award. However, it may be noted that the award and privileges may be revoked, if it is found at any stage that there was a misrepresentation of facts or any information provided as part of application materials.

7 ELIGIBILITY

16. It may be noted that only those MSMEs who have begun their commercial production on and before 31st March 2014 can apply for these awards.

17. An MSME fulfilling the above criteria is eligible to apply for multiple awards. However, an MSME applying for multiple awards should send separate applications in full. A single application will not be considered for more than one award.
18. Units belonging to any sector may apply as long they fulfill the application requirements as listed in this notification.

8 PERIOD FOR WHICH APPLICATION REQUIREMENTS SHOULD BE PROVIDED

19. For all awards except Phoenix Award (Revival of Stressed Enterprise), Application details should be provided yearwise for three years - 2014-15, 2015-16 and 2016-17.
20. Applicants are required to give year-wise details for all these three years. If some details are not available for one or two years, the applicants can still apply. But it may be noted that the chances of winning the awards increase with complete information.
21. Unless otherwise specified, the details of the indicators correspond to the status as on 31st March of the respective financial year.

9 APPLICATION DETAILS

9.0 Mandatory Application Details for all Awards

22. Each application shall have a Cover Letter with the following details:
- i. Name of the Institutions/Organizations applying, Authorized Representatives along with their physical addresses, contact phone numbers and email addresses
 - ii. Award for which Application is being sent
 - iii. MSMEs applying for the awards either jointly or individually should provide the following details as well as supporting documents:
 - a. SSI Registration Certificate/Entrepreneurship Memorandum/ Udyog Aadhar Memorandum showing the investment in plant and machinery to indicate size (Small Scale Industry or Micro/Small/Medium as appropriate; Micro, Small and Medium Enterprises are as defined in Micro, Small, Medium Enterprises Development Act 2006).
 - b. Photo of Front View of Building of Enterprise showing name board

- c. Date of Commercial Production as per date of First Sale Bill/Invoice. Please attach a copy of First Sale Bill/Invoice, if available.
- d. Name of Products Manufactured/Services Offered
- e. Income Tax Returns and Audited Financial Statements of 2014-15, 2015-16 and 2016-17, as available
 - 1. Audited Financial Statements refers to Audited Profit & Loss Statement and Audited Balance Sheet
 - 2. If Audited statements are not available for 2016-17, unaudited statements may be sent.
 - 3. Income Tax Returns should be sent for 2014-15 and 2015-16 and may be sent for 2016-17, if available
- f. Caste Certificate, if MSME is applying for ST/SC/BC Entrepreneurship awards
- g. Proof of Commence of Production before 10/15/20/25 years if applying for 10/15/20/25 years achievement award
- iv. Mandatory Short Write-up:
 - a. Please give write-up of not more than 300 words about yourself, your organization/partnership and why your application deserves to be considered for the award for which you applied.
- v. Mandatory Signed Self-Declaration:
 - a. "I/We declare that the information furnished in this application is correct. I/We also declare that there is neither any enquiry pending against me/the organization I/We am/are representing for any economic or any other offence nor any conviction held against me/the organization I/We am/are representing. Further, I/We also declare that I/We/the organization I am representing do not have any tax or electricity overdues. By applying for these awards, I/We declare that I/We have read all the terms and conditions present in this notification and agree to abide by the same. "

23. Additional Application details required for each award, as listed below.

- i. Each & every document should be given page no. and properly tagged/ spiral bound along with Cover Letter.
- ii. All application details should be supported with documentary evidence such as documents/reports/certificates/audited financial statements/Photos etc., as deemed necessary.

24. Applicants may explicitly note that every application will be deemed to include all available information. No clarification may be sought from applicants after receipt of

applications. Therefore, applicants should submit all the required details to the extent possible.

9.1 Ancillary/Vendor Development Partnership Award

25. Objective: To recognize partnerships between MSMEs and Large Industries in terms of developing ancillaries/vendors for Large Industries, thereby improving capabilities and opportunities for MSMEs.

26. Application Details:

- a. The application for this award shall be a joint application, applied by both an MSME as well as a Large Industry
- b. Each Application should have a Cover Letter signed by Authorized Representatives of both the respective organizations
- c. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - i. Outputs Generated through this Partnership by the MSME
 1. Products Developed
 2. Turnover added
 3. Employment Generated
 - ii. Capabilities Added by Large Industry to the MSME
 1. Trainings Imparted
 2. Product Development Support provided
 3. Technology Transferred
 4. Quality Assurance Support provided
 5. Financing Provided
 - iii. Sustainability of the capabilities developed
 1. Details of orders from any other customers, if any, to which the MSME has supplied these products or variants of them.
 - iv. Additional Information, if any, either as separate documents or remarks as Annexures.

9.2 Collective Growth Partnership Award

27. Objective: To recognize partnerships between MSMEs to promote collective growth leveraging scale economies through their associations/groups.

28. Application Details:

- a. A MSME Association may apply for this award, duly signed by authorized representative of the Association.

- b. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable, relating to activities undertaken by the Association in the following areas for the MSME Association/Cluster, either self-financed or by accessing government schemes or through other means of financing:
 - i. Common procurement of goods/services
 - ii. Marketing activities undertaken on behalf of Cluster/Association
 - iii. Pooling supply of goods/services to Customers, including Government agencies
 - iv. Training/Skill Development for manpower in the Cluster/Association
 - v. Establishment and Operationalization of Common Facility Centers
 - vi. Representations made to Government for support in streamlining regulatory requirements or any other financial/nonfinancial support
 - vii. Credit facilitation support to MSMEs
 - viii. Regulatory facilitation provided for new enterprises coming to the Cluster/Association or existing enterprises going for expansion/diversification for getting approvals/clearances
 - ix. Supporting Stressed/Sick Enterprises for revival
 - x. Providing any other Forward and Backward linkages
 - xi. Organizing Social Events on behalf of the Association/Cluster
 - xii. Any awards achieved by the Cluster
- c. Additional Information, if any, either as separate documents or remarks

9.3 Collective Growth Partnership Award (Traditional Clusters)

29. **Objective:** To recognize partnerships between MSMEs in Traditional Clusters to promote collective growth through their associations/groups. Only the following clusters may apply for this Award, however, any other traditional cluster may apply after consulting with Nodal Officer for these awards. The places mentioned below are only **indicative**, similar clusters elsewhere in the districts are also eligible to apply for this Award:

- a. **Srikakulam:** Budithi Brassware, Grass/Jute Craft,
- b. **Vizianagaram:** Bobbili Veena
- c. **Visakhapatnam:** Etikoppaka Lacquer Ware
- d. **East Godavari:** Uppada Sarees
- e. **West Godavari:** Eluru Carpets, Narsapur Lace
- f. **Krishna:** Machilipatnam Kalamkari, Kondapalli Bommalu
- g. **Guntur:** Durgi Stone Craft, Mangalagiri Sarees
- h. **Prakasam:** Addanaki Basket, Chirala Textiles

- i. **Nellore:** Venkatagiri Sarees, Thupilipalem/Anjalapuram Conch-Shell, Peddacherukuru Textiles, Grass Craft
- j. **Kadapa:** Folk Painting, Textiles
- k. **Kurnool:** Stone Carving, Metal Images (Kanchamu)
- l. **Anantapur:** Dharmavaram Sarees, Nimmalakunta Leather Puppetry, Kadiri Textiles
- m. **Chittoor:** Sri Kalahasti Kalamkari, Sri Kalahasti Wood Carving, Madanapalli Textiles

30. Application Details:

- a. Same as those listed for Collective Growth Partnership Award
- b. In addition, efforts to obtain Geographical Identification or using Geographical Identification for branding and marketing may be included

9.4 Micro Enterprise Award

31. Objective: To recognize an outstanding Micro Enterprise.

32. Application Details:

- i. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - a. Investment in Plant & Machinery/ Equipment (Rs. Crores) cumulative upto 31st March during the financial year
 - b. Investment in Plant & Machinery/ Equipment (Rs. Crores) net addition during the financial year
 - c. Turnover (Rs. Crores)
 - d. Net Profit (after taxes) (Rs. Crores)
 - e. Exports (Rs. Crores)
 - f. Number of Regular Employees on 31st March
 - g. Total Employee Costs (Rs. Crores) (including Wages, Salaries, Benefits, CPF etc.)
- ii. Other Details that should be provided in this application:
 - a. Key strategic initiatives undertaken to improve the performance of this enterprise in the previous three years
 - b. Key strategic initiatives planned for the next three years, along with targets for Turnover and Net Profit after taxes in the next three years (2017-18, 2018-19 and 2019-20)
- iii. In case, direct exports are present, documentary evidence of registration with DGFT should be attached with the application form.
- iv. Additional Information, if any, either as separate documents or remarks

9.5 Small Enterprise Award

33. Objective: To recognize an outstanding Small Enterprise.

34. Application Details:

- a. Same as those listed for Micro Enterprise Award

9.6 Medium Enterprise Award

35. Objective: To recognize an outstanding Medium Enterprise.

36. Application Details:

- a. Same as those listed for Micro Enterprise Award

9.7 ST Entrepreneurship Award

37. Objective: To recognize an outstanding entrepreneur from Scheduled Tribes.

38. Application Details:

- a. A caste certificate should be provided to ascertain the entrepreneur's caste.
- b. Additional details as listed for Micro Enterprise Award

9.8 SC Entrepreneurship Award

39. Objective: To recognize an outstanding entrepreneur from Scheduled Castes.

40. Application Details:

- a. A caste certificate should be provided to ascertain the entrepreneur's caste.
- b. Additional details as listed for Micro Enterprise Award

9.9 BC Entrepreneurship Award

41. Objective: To recognize an outstanding entrepreneur from Backward Classes.

42. Application Details:

- a. A caste certificate should be provided to ascertain the entrepreneur's caste.
- b. Additional details as listed for Micro Enterprise Award

9.10 Women Entrepreneurship Award

43. Objective: To recognize an outstanding woman entrepreneur.

44. Application Details:

- a. Additional details as listed for Micro Enterprise Award

9.11 Ten Years Achievement Award

45. Objective: To recognize an outstanding entrepreneur who has been in production for more than 10 years but less than 15 years.

46. Application Details:

- a. A proof of commencement of production on or before 31st March 2006 but on or after 1st April 2001 is required to be submitted as part of application materials.
- b. Additional details as listed for Micro Enterprise Award

9.12 Fifteen Years Achievement Award

47. Objective: To recognize an outstanding entrepreneur who has been in production for more than 15 years but less than 20 years.

48. Application Details:

- a. A proof of commencement of production on or before 31st March 2001 but on or after 1st April 1996 is required to be submitted as part of application materials.
- b. Additional details as listed for Micro Enterprise Award

9.13 Twenty Years Achievement Award

49. Objective: To recognize an outstanding entrepreneur who has been in production for more than 20 years but less than 25 years.

50. Application Details:

- a. A proof of commencement of production on or before 31st March 1996 but on or after 1st April 1991 is required to be submitted as part of application materials.
- b. Additional details as listed for Micro Enterprise Award

9.14 Twenty Five Years Achievement Award

51. Objective: To recognize an outstanding entrepreneur who has been in production for more than 25 years.

52. Application Details:

- a. A proof of commencement of production on or before 31st March 1991 is required to be submitted as part of application materials.
- b. Additional details as listed for Micro Enterprise Award

9.15 Employment Generation Award

53. Objective: To recognize an outstanding MSME in terms of employment generation, utilization, skill development and employee welfare.

54. Application Details: Details that should be provided in this application, as applicable, with documentary evidence:

- i. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - a. Total Number of Regular Employees as ascertained by payment of ESI/PF documentation or any other relevant.
 - b. Number of Regular Employees who left the enterprise during the financial year
 - c. Number of Regular Employees who joined the enterprise during the financial year
 - d. Total Employee Costs (Rs. Crores) (including Wages, Salaries, Benefits, CPF etc.)
 - e. Financial Benefits provided to Employees, retirement benefits like CPF as well as social benefits such as education support/health support, ESI, housing loans, vehicle loans etc., with split of each head
 - f. Non-Salary/Non-Wage Benefits (Rs. Crores) provided to Employees (such as CPF, ESI, etc.)
 - g. Turnover (Rs. Crores)
- ii. Other Details
 - a. Amenities at Work place such as Canteen, Toilets, Drinking Water, First Aid etc.
 - b. Safety regulations instituted for Employees and Measures to check compliance with safety regulations

- c. Skill Development support/training programmes for employees in the past three years
- d. Measures instituted to reward suggestions from employees to improve their own working conditions and improving the business prospects of the enterprise
- e. Key initiatives undertaken to improve hiring processes, skill up-gradation of existing employees in the previous three years
- f. Key initiatives planned for the next three years to improve talent acquisition and up gradation (2017-18, 2018-19 and 2019-20)
- iii.** Additional Information, if any, either as separate documents or remarks

9.16 Exports Promotion Award

55. Objective: To recognize an outstanding MSME in terms of exporting *directly* to other countries. Documentary evidence of registration with DGFT should be attached with the application form.

56. Application Details:

- i.** Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - a. Exports (USD)
 - b. Countries to which exports were made
 - c. International Fairs/Exhibitions participated
- ii.** Other Details:
 - a. Photocopies of at least three shipping bills of each of the last three years.
 - b. Measures instituted to reward suggestions from employees to promote exports
 - c. Key initiatives undertaken to improve exports
 - d. Key initiatives planned for the next three years, along with targets for Exports (2017-18, 2018-19 and 2019-20)
- iii.** Additional Information, if any, either as separate documents or remarks

9.17 Productivity Enhancement Award

57. Objective: To recognize an outstanding MSME in terms of instituting measures for improving its own productivity measured vis-à-vis labor, energy, water, and capital productivity.

58. Application Details:

- i. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - a. Turnover (Rs. Crores)
 - b. Working Capital (Rs. Crores)
 - c. Total Employee Costs (Rs. Crores) (including Wages, Salaries, Benefits, CPF etc.)
 - d. Total Energy Costs (Rs. Crores)
 - e. Total Water Charges (Rs. Crores)
 - f. Production (for all goods/services as measured by the Enterprise)
 - g. Waste (Kg)
- ii. Other Details
 - a. Measures to minimize waste instituted in the previous three years, such as lean manufacturing, six sigma, etc.
 - b. Measures to conserve energy, water usage etc.
 - c. Systems in place for Inventory Management
 - d. Measures instituted to reward suggestions from employees to improve productivity of capital, labour, energy, water etc.
 - e. Key initiatives undertaken to improve productivity in previous three years
 - f. Key initiatives planned for the next three years to improve productivity (2017-18, 2018-19 and 2019-20)
- iii. Additional Information, if any, either as separate documents or remarks

9.18 Quality Assurance Award

59. Objective: To recognize an outstanding MSME in terms of instituting systems for assuring quality of products/services provided.

60. Application Details:

- i. Year-wise details that should be provided in this application, for 2014-15, 2015-16 and 2016-17, with documentary evidence, as applicable:
 - a. Quality Targets for Products/Services
 - b. Quality Achievements
 - c. Quality Control Team
 - d. Quality Control Systems
 - e. Quality Lab Infrastructure
- ii. Other Details
 - a. Quality Assurance Systems in place for Products/Services offered, including testing of raw materials/finished products, sampling

procedures, having a quality audit team, periodic calibration of measuring devices, etc.

- b. Quality Assurance Systems in place for Packaging of Products offered
 - c. Preparedness vis-à-vis Zero Defect Zero Effect (ZED) Scheme of Quality Council of India
 - d. Standards/Accreditations obtained by the enterprise (ISO-9000/14000/18000/22000/HACCP/GMP/other equivalent Certification etc.)
 - e. Customer Orientation
 - 1. Measures instituted to capture Customer Feedback/Grievances and address the same
 - 2. Systems to measure Customer Satisfaction and steps taken to improve Customer Satisfaction
 - 3. After Sales Service, if any, being provided to Customers
 - f. Measures instituted to reward suggestions from employees to improve quality assurance
 - g. Key initiatives undertaken to improve quality assurance in the previous three years
 - h. Key initiatives planned for the next three years to improve quality assurance (2017-18, 2018-19 and 2019-20)
- iii. Additional Information, if any, either as separate documents or remarks

9.19 Technology Deployment Award

61. Objective: To recognize an outstanding MSME in terms of deploying technology to improve its business prospects.

62. Application Details: Details that should be provided in this application, as applicable, with documentary evidence:

- a. Details of technologies deployed in Production Processes (Conventional/Developed in-House/Sourced from a Knowledge Institution). If technologies are developed in –house, details of patent applications made/patents obtained.
- b. Details of technology used for marketing & sales like E-Commerce etc.,
- c. Yearwise details of sales made through online mode for 2014-15, 2015-16 and 2016-17
- d. Yearwise details of sales made through offline mode for 2014-15, 2015-16 and 2016-17
- e. Details of technology adoption in business management like ERP, SAP etc.

- f. Measures instituted to rewarding suggestions from employees in deploying technology for improving business prospects
- g. Key initiatives undertaken to deploy technology in the previous three years
- h. Key initiatives planned for the next three years to deploy technology (2017-18, 2018-19 and 2019-20)
- i. Additional Information, if any, either as separate documents or remarks

9.20 Phoenix Award (Revival of Stressed Enterprise)

63. Objective: To recognize an outstanding entrepreneur who has earned profits for a few years and then had commercial losses for at least two or more successive years and then bounced back to earning commercial profits for at least two or more successive years. There is no stipulation of period for this award.

64. Application Details: Details that should be provided in this application, as applicable, with documentary evidence:

- a. Income Tax Returns filed in the last two successive years when the unit earned net profits before facing losses.
- b. Income Tax Returns filed in all the succeeding years when the unit earned losses (this period should be two successive years or more)
- c. Income Tax Returns filed in the succeeding first two years of earning net profits post the losses period
- d. Causes for Commercial Losses
- e. Strategy adopted for Commercial Success
- f. Additional Information, if any, either as separate documents or remarks