

EMPANELMENT OF INSPECTING AGENCY

1. BACKGROUND

The Small Scale Sector is one of the important segments of industry, playing a pivotal role in the development of national economy. In view of their vital contribution in generation of employment, dispersal of economy and better utilization of resources, the Government of India, in very first Industrial Resolution passed in 1950s, adopted a conscious approach for promotion and development of MSEs. It is well known that the MSEs contribute significantly to the gross domestic, manufacturing output and exports. The continuous support provided by the Government to this sector has resulted in the development of large reservoir of first generation entrepreneurs and has facilitated the sector to acquire a place of prominence in the socio-economic development of the country.

2. Objectives of the Scheme:

The main objective of NSIC for registration of MSEs under Single Point Registration Scheme is to establish reliable sources of procurement from MSEs Sector for goods/ services required by Government Departments and its agencies. The buying departments procure from the registered units whose credentials, manufacturing, capability, quality control system, past performance, financial background etc. have been verified before registration.

At the same time, such registered units need not to block their limited capital in the process of Govt. tendering. Issue of tender set free of cost, exemption from payment of EMD and other benefits have resulted into enhanced participation by MSEs in the Govt. tenders thereby enhancing chances of tenders being awarded in their favour. The ultimate result is the growth and development of MSEs in the country.

3. Current Status of Scheme:

National Small Industries Corporation Ltd. (NSIC) is the nodal agency for implementation of Single Point Registration Scheme (SPRS). The MSEs, under the said scheme, are registered by NSIC after proper appraisal regarding the extent of financial capabilities of the unit to execute the orders and technical competency regarding Quantity, Quality and Product Specifications such as IS/BIS etc., duly certified by independent third party Inspection Agency. Thus, the financially sound and technically competent MSEs capable of producing quality goods as per the requirement of Government Departments are registered under the scheme.

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4. OBJECTIVES & TERMS OF REFERENCE

4.1 In order to provide the marketing support to Micro & Small Enterprises under the Government Purchase Programme, NSIC operates Single Point Registration Scheme. The MSE registered with NSIC get the following benefits under the Government Stores Purchase Programme:-

1. Issue of Tender free of cost:
 2. Exemption from payment of Earnest Money Deposit (EMD)
 3. In tender participation, MSEs quoting price within the price band of L1+15 percent shall also be allowed to supply a portion upto 20% of requirement by bringing down their price to L1 price where L1 is non MSEs.
 4. Every Central Ministries/ Departments/ PSUs shall set an annual goal of minimum 20% of the total annual purchases of the products or services produced or rendered by MSEs. Out of annual requirement of 20% procurement from MSEs, 4% is earmarked for units owned by Scheduled Castes/ Scheduled Tribes.
 5. 358 items are reserved for exclusive purchase from MSEs.
4. The existing format of Inspection report is placed at **Annexure "A"**.

5. ROLE OF INSPECTION AGENCY: SCOPE OF WORK

5.1 The Inspection Agency shall carry out physical inspection of the factory/works premises of the applicant Micro & Small Enterprise manufacturing products/rendering service for ascertaining its genuineness and inspection-cum-capacity reports indicating the qualitative and quantitative capacity, specifications of each product/store/service which MSE is capable to manufacture/render and supply to government Department/PSU.

5.2 In the Inspection-cum-Capacity Report, the Inspection Agency shall specify the relevant Standards like BIS, BSS and/or the Order No., Drawing No., of the various department like Railways, Defence or specifications of other Government Department to which the MSE is supplying their products/services and or capable to manufacture the said products/stores and /or render services.

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- 5.3 The Inspection Agency shall also comment on the arrangement for quality control & testing facilities available with the manufacturing/service enterprise and or the standing arrangement made by the MSE with the recognized testing laboratories institutions or other Small Scale Units for getting their products tested/services certified so as to ensure the eligibility of the MSE to execute contracts to specified standards
- 5.4 The short listed agencies will have to sign a service level agreement with NSIC.
- 5.5 The interested Inspection Agencies must have sufficient experience in the field of carrying out Inspection-cum-Capacity Assessment of the manufacturing/service industries with minimum five years (5 years) experience in inspection activities and will have to submit report to NSIC within seven working days. Detailed guidelines are issued by NSIC w.r.t. the registration procedure.
- 5.6 The interested agencies may send their proposals in separate sealed covers for empanelment (including fee per proposal to be charged from the unit as per format at **Annexure "B"** mentioning all the relevant details such as (a) Past experience in carrying out inspection-sum-capacity assessment of the manufacturing/service industries (in different sectors), (b) Network of Offices (c) Availability of Professional/Technical experts in different disciplines to General Manager (SPRS), NSIC Bhawan, Okhla Indl. Estate, New Delhi. The last date for receipt of the EOI is 08.12.2017 at 3.00 PM. All EOI reference pages and annexure are to be duly signed and stamped by authorized signatory and the above annexure(s) should also be mentioned on the covering letter.

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SAMPLE INSPECTION REPORT PERFORMA

Annexure "A"

INSPECTION OFFICER'S REPORT OF TECHNICAL INSPECTING AGENCY

Declaration of Entry in MSME Data Bank

Detail of UAM No.: _____

Detail of EM Part-II (Optional) : _____

Detailed report on Inspection of premises and work of
Messrs. _____

Date of Inspector's visit to firm: _____

1. Location of Mfg. Works/services
2. Brief description of the factory e.g. area covered, accommodation, departments into which it is divided, laboratory etc.
3. Foreign Collaboration, if any.
4. Details of stores under manufacture or service rendered at the time of Inspection.
5. Details of plant and machinery /equipment & tools installed in each department.
6. Details and stocks of raw materials held at the time of Inspection also whether imported or indigenous.
7. Standard of workmanship and quality.
8. The details of DGS&D/State Govt./Quasi-Govt. bodies orders handled by the firm so far.
9. Capacity and out turn with the existing plant and machinery of various items manufactured by the firm.

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10. Number of Supervisory Staff/Technical Staff and Skilled labour at present employed.
11. a) Arrangement for Quality Control and Testing Facilities available with
 - b) Details of common Testing Facilities and Quality Control provided in common at Industrial Estate, or in a laboratory etc. to which the manufacturing unit has access.
 - c) Agreement with any nearby large scale or small scale unit about the utilization of their Testing Facilities together with the details of such facilities enjoyed.
12. Facilities for after sales service.
13. Whether the Proprietor/Partners/Directors have any link with large scale industries, if so, details thereof.
 - a) Is the firm a Subsidiary or Associate of a large scale unit or not.
 - b) Whether sizeable portion of the capital is held by any large unit?
 - c) Is there any Inter-locking of capital and loan funds, with one or two large scale units under the same management?
 - d) Has any loan or advance been under-written by one or more large scale units or persons possessing large means?

RECOMMENDATIONS:-

- a) Remarks when not recommended
- b) **RECOMMENDED FOR REGISTRATION AS MICRO & SMALL ENTERPRISE AS MANUFACTURERS OF FOLLOWING:**

S.No.	Name of Stores/products/items	Specification	Qualitative Capacity	Quantitative Capacity p.m./p.a.
1.				
2.				
3.				
4.				
5.				
6.				

OR

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RECOMMENDED FOR REGISTRATION AS MICRO & SMALL ENTERPRISE SERVICES FOR THE FOLLOWING:

S.No.	Name of the Services/Activities	Definition of Activity/Service	Quantitative Capacity/service s p.m./p.a.
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

OR

FOR MANUFACTURING & SERVICE UNITS

A. FOR MANUFACTURING UNITS				
S.No	Name of the stores/product/items	Specifications	Qualitative Capacity	Quantitative Capacity p.m./p.a.
1.				
2.				
3.				
4.				
5.				
6.				
7.				

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B. FOR SERVICE INDUSTRY			
S.No	Name of Service/Activity	Definition of the activity/service	Quantitative Capacity/services p.m.
1.			
2.			
3.			
4.			
5.			

Countersigned:
Divisional Head:
Director:
Ref. No.:
Station:
Date:

Signature of Inspecting Office
(with Seal)

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Annexure – “B”

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SCOPE OF WORK	PROFESSIONAL FEE PER PROPOSAL(INCLUDING TRAVEL CHARGES AND TAXES (IF ANY) IN WORDS AND FIGURES
<p>The Inspection Agency shall carry out the following tasks :</p> <ol style="list-style-type: none"> 1. Physical inspection of the factory/works premises of the applicant Micro & Small Enterprise manufacturing products/rendering service for ascertaining its genuineness 2. The Inspecting Agency submit to its Inspection-cum-capacity report of the unit clearly mentioning the followings:- <ol style="list-style-type: none"> a). Name of the stores/products/services, specifications of each products/store/services, qualitative and quantitative capacity, which MSE is manufacturing/rendering and/or capable to manufacture/render and supply Government Department/PSU. b). The Inspection Agency shall also indicate in their Inspection-cum-capacity Report the relevant Standard like BIS,BSS and/or the Order No., Drawing No., of the various department like Railways, Defence or specifications of other Government Department to which the MSE is supplying their products/service and/or capable to manufacture the said products/stores and /or render services.. c). The Inspection Agency shall also comment on the arrangements for Quality Control & Testing Facilities available with the manufacturing/service enterprise and / or the standing arrangements made by the MSE with the recognized Testing Laboratories/Institutions or other small Scale Units (MSE) for getting their products tested/services certified so as to ensure the eligibility of the MSE to execute contracts to specified standards. 	

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