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Ministry of
Micro, small & Medium Enterprises

Standard Operating Procedure

MSME Trade Enablement and Marketing Initiative

(MSME TEAM Initiative)

(a Sub-Scheme under RAMP – Raising and Accelerating MSME Performance)

(December , 2024)

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Introduction

This Standard Operating Procedure (SOP) outlines the procedure for Micro, Small and Medium Enterprises (MSMEs) to register themselves for the MSME TEAM Initiative of Ministry of MSME, Govt of India and avail benefits of eCommerce through Open Network for Digital Commerce (ONDC) including expanded market reach, reduced cost of doing business and access to digital public infrastructure.

The document also details the procedure for the Seller Network Participants (SNPs) and Buyer Network Participants (BNPs) of ONDC, and other stakeholders for participating in the TEAM Initiative as per the Guidelines of the Initiative. This SOP should be read in conjunction with the approved operating guidelines (June 2024) by the Ministry.

The National Small Industries Corporation (NSIC) will be the Implementing Agency (IA) of the MSME TEAM Initiative.

MSMEs with Udyam Registration are eligible to register on the TEAM portal for participation in the workshops and for on-boarding onto the ONDC network. However, Network Participants (NPs) of ONDC can only claim incentives for Micro and Small Enterprises (MSEs) under the TEAM Initiative. In case of an upward change from Small to Medium enterprise, the unit will be eligible for the benefits (subsidy) for a period of 3 years from the date of such upward change, in accordance with the Ministry's Order No. S.O. 4926 (E) dated 18.10.2022 on the subject .

The effective date of taking benefits from the MSME TEAM Initiative will be on or after 27th June, 2024 and till the duration of the TEAM Initiative.

Section 1: SOP for onboarding MSMEs on ONDC and Creation of Catalogue

1.1. Eligibility criteria for an MSME to participate in the TEAM Initiative:

- a. The enterprise should have a valid Udyam Registration
- b. The enterprise should not already be on ONDC as a seller – a self-declaration will be submitted by the enterprise while registering on the TEAM Initiative portal
- c. The enterprise should not have taken benefits from similar ONDC initiative being run by Central/ State Government or any other Government entity - a self-declaration will be submitted by the MSME while registering on the TEAM Initiative portal.

The following should be noted by the Network Participants (NPs) participating in the TEAM Initiative:

The SNPs can onboard any MSME under the TEAM Initiative, however, they can claim incentives as per the TEAM Initiative guidelines, only for the following category of MSMEs:

- i. Only Micro and Small Enterprises (NPs will not be able to claim incentives for Medium enterprises)
- ii. The major activity of the Micro and Small enterprise should either be “Manufacturing” or “Services” (NPs will not be able to claim incentives for MSEs with “Trading” as the major activity)

1.2 Step by Step Registration process of MSMEs on the TEAM Initiative Portal

Step 1

Visit the website (www.team.msmemart.com) and click on the ‘Register’ tab on the home page to open the form.

Step 2

The MSMEs will input their Udyam Registration Number and registered mobile number linked with Udyam Registration number for registering on the portal, and click on **Validate Details** button.

Step 3

Post validation of details and authenticity of the MSME, the relevant details from the Udyam database will be fetched and auto populated. A few details need to be manually filled by the MSMEs to complete the registration process.

The following details will be captured from the MSMEs and passed on to the SNPs:

#	Questions	Responses	Comments
1	Udyam number	To be filled Manually	
2	Mobile No	To be filled Manually	
3	Name of entrepreneur		From UDYAM
4	Name of enterprise		From UDYAM
5	Type of organization	Proprietary, Partnership, HUF, Company, LLP, Cooperative Society, Society, Trust	From UDYAM
6	Has GSTIN?	Yes/No	From UDYAM or manually
7	Has PAN?	Yes/No	From UDYAM
8	Gender	M/F/Other	From UDYAM
9	Social category	General/ SC/ ST/ OBC	From UDYAM
10	Specially abled	Yes/ No	From UDYAM
11	Location of unit (official address of enterprise)	State, District	From UDYAM
12	Date of incorporation		From UDYAM
13	National Industrial Classification (NIC) Code		From UDYAM
14	Major activity of unit	Manufacturing/ Services/ Trading	From UDYAM
15	No of persons employed		From UDYAM
16	Net investment in plant and machinery		From UDYAM
17	Turnover (previous FY)		From UDYAM
18	MSME Classification	Micro/ Small/ Medium	From UDYAM
19	DIC attached to?		From UDYAM
20	What is the current state of your business?	<ol style="list-style-type: none"> 1. Only sell online 2. Only sell offline 3. Both 	To be selected from a drop down (select only one)
22	Which of the following types of transactions would you want to do through ONDC?	<ol style="list-style-type: none"> 1. Business to Business (B2B) 2. Business to Consumers (B2C) 	To be captured through a drop down (select only one)
23	Which category would your products come under?	<p>B2C category?</p> <ol style="list-style-type: none"> 1. Food & Beverage 2. Grocery 3. Fashion & Footwear 4. Home & Kitchen 5. Electronics 6. Beauty & Personal Care 7. Health & Wellness 8. Agriculture 9. Others (specify) <p>B2B category?</p> <ol style="list-style-type: none"> 1. Food & Beverage 2. Grocery 	To be chosen by the MSE from a dropdown (select only one)

#	Questions	Responses	Comments
		3. Fashion & Footwear 4. Home & Kitchen 5. Electronics 6. Beauty & Personal Care 7. Health & Wellness 8. Agriculture 9. Industrial equipment 10. Others (specify)	
24	Do you use a physical device such as a Laptop/Tablet/Computer Systems for business transactions?	Yes/No	To be captured
25	Do you have a printer?	Yes/No	To be captured
26	Do you maintain a catalogue with product names, images and other details?	Yes/No	To be captured
27	Are you interested in attending the ONDC awareness workshop?	Yes/ No	To be captured
28	Please provide the 'google map' link of your unit (official address of enterprise)	-	To be captured

1.2.1 General Instructions:

- The following undertaking /Declaration will be obtained from MSMEs while submitting the application

"I/ We hereby declare that the details furnished above are true and correct to the best of my/ our knowledge and belief. If the above information is found to be incorrect / misleading/ false, appropriate action as per the laws may be taken against me/ us. I/ We hereby authorize NSIC/ ONDC to share the relevant details, including transactions on the ONDC Network, with NSIC for the purpose of scheme administration and support, in compliance with applicable laws. Accordingly, I/ we hereby declare that I/ we am/are not onboarded by any SNP as on the date of Operationalisation of the initiative. I / We wish to avail the SUBSIDY & BENEFITS of TEAM INITIATIVE/ I / We hereby declare that I have not taken similar assistance from any Central / State government schemes / Programmes. I / We hereby declare that I / We have read the Privacy Policy, Terms and Conditions, Disclaimer and Data Sharing Policy, Operating guidelines of TEAM Initiative, SOPs of TEAM Initiative and abide by it. NSIC reserves the right to change/ amend the SOPs with the approval of the Ministry of MSME as per the policy & procedural requirement as and when warranted and without giving any notice."

- An OTP will be sent to the MSMEs on the registered mobile number for validating the authenticity while submitting the information.
- Post completion of the registration process, the MSME will receive a confirmation on email (and registered Mobile number) along with a 'Unique TEAM Registration ID' for the TEAM Initiative.
- NSIC will continuously make an endeavour to reach out to Women-led MSMEs through Industry Associations, Women specific clusters to participate in the TEAM Initiative.

1.3 Empanelment of Seller Network Participant (SNP) for the TEAM Initiative

1.3.1. Eligibility criteria for a Seller Network Participant (SNP)

- The 'Network Status' for integration with ONDC should be 'Live'
- The SNP should have the necessary functionalities enabled for MSMEs as and when prescribed by ONDC

The SNPs are required to register themselves for offering their services to MSMEs under the TEAM Initiative on the portal.

The following details will be captured from the SNPs at the time of registration:

#	Question	
1	Organization ID (as on ONDC)	
2	Organization Name	
3	Official Email ID	
4	Name of Authorized Person	
5	Designation	
6	Authorization Certificate	Upload an Authorization Certificate
7	Contact No (Landline and Mobile)	
8	Configuration details -	
a.	Role	
b.	Domain	
c.	Sub-domain	
d.	Transaction type	
e.	API Version	
9	What are the States and UTs you cover?	Multiselect (from dropdown)
10	Bank details -	

a.	Bank Name	
b.	A/C No	
c.	IFSC Code	
11	GST Number	
12	PAN	
13	Commercial model (subdomain/ channel wise)	
14	No of live sellers on boarded by the SNP on ONDC to date	
15	Date of going live on ONDC for the SNP	
16	No of transactions done till date by the SNP on ONDC	
17	Short description of the SNP (in less than 150 words - can provide hyperlinks)	
18	Consent (through a tick box)	As mentioned below

“I/ We hereby declare that the details furnished above are true and correct to the best of my/ our knowledge and belief. If the above information is found to be incorrect / misleading/ false, appropriate action as per the laws may be taken against me/ us. I/ We hereby authorize NSIC/ ONDC to share the relevant details for the purpose of scheme administration and support, in compliance with applicable laws. I / We hereby declare that I / We have read the Privacy Policy, Terms and Conditions, Disclaimer and Data Sharing Policy, Operating guidelines of TEAM Initiative, SOPs of TEAM Initiative and abide by it. NSIC reserves the right to change/ amend the SOPs with the approval of the Ministry of MSME as per the policy & procedural requirement as and when warranted and without giving any notice.”

- A link will be sent to the SNPs/BNPs on the registered email id for validating the authenticity while submitting the information.
- Once an SNP has registered for the TEAM Initiative, NSIC will give ONDC access to the data through the portal itself where the SPOC of ONDC will validate the details submitted by SNPs.
- ONDC will appoint a SPOC to confirm/validate the details submitted by SNPs.
- Post confirmation by ONDC, NSIC will empanel the SNP for the TEAM Initiative.

1.3.2 General Instructions:

1. All the empanelled SNPs shall be provided a user login ID and password for updating information, uploading the required documents and making claims.
2. The SNPs can update the details submitted by them anytime during the course of the implementation of the Initiative, which will be again validated by ONDC.

1.4 Mapping MSMEs with SNPs

An MSME can join the ONDC network through an SNP. Once the MSME has registered, they will be provided with the following two (2) options -

Option 1 - That the details of the MSMEs be provided to the empanelled SNPs, and the SNPs in turn reach out to the MSME for onboarding them on ONDC.

Option 2 - That the MSME themselves will choose the SNP that they want to get onboarded with through the TEAM Initiative portal.

Option 1:

- Once an MSME has registered, based on their domain, subdomain, transaction type and geography, their details will be shared with SNPs that operate in these domain, subdomain, transaction type and geography.
- The SNPs will then reach out to the MSME to discuss the terms of business and come to an agreement. This process will happen offline.
- Once an SNP has reached an agreement with an MSME, they will be required to mark this on the TEAM initiative portal and provide the 'Seller Provider ID' of the MSME. This will be validated through an OTP sent to the MSME, that the SNPs will have to enter on the TEAM Initiative portal.

Option 2:

Once an MSME has expressed its interest towards participation in the TEAM Initiative, a list of suitable / relevant SNPs will be made available to the MSME on the TEAM Initiative portal. The list would be dynamically generated basis the following -

- I. The domain and subdomains that the SNPs operate (e.g., Retail-Grocery)
- II. Transaction type (B2B/ B2C)
- III. Geography (State/UT)

The following details, along with a brief write up of the SNPs would be made available to the MSMEs to help them make an informed choice -

- I. Commercial model of the SNP
- II. No. of live Sellers on boarded by the SNP on ONDC, to date
- III. Date of going live on ONDC of the SNP
- IV. No. of transactions done till date by the SNP on ONDC
- V. Geographies of operation of SNP

The MSMEs would then select the SNP that they want to get onboarded through. Once an MSME has selected the SNP on the scheme portal, the details of the MSME will be shared with the respective SNPs for on boarding.

The contact details of the SNPs would also be made available in case an MSME wants to reach out to an SNP for clarifications.

1.4.1 General Instructions:

- The SNP will provide a 'tag' of 'MSME TEAM' against each MSME that has been onboarded as a seller through the TEAM Initiative portal as part of 'Creds' schema on the ONDC network. This is a mandatory requirement.
- Once an MSME has been onboarded on the ONDC network and they are live on the network as a Seller - the SNP will have to mark the same on the TEAM Initiative portal.
- An MSME can change its SNP during their journey. However, this can be done only once by an MSME -
 - For such a case, the MSME would be required to log on to the TEAM portal through their Udyam ID and select a new SNP (*however, the incentives under the TEAM Initiative can be claimed only by one SNP*)
- If the SNP chooses to not on board any MSME it will have to indicate the same on the TEAM Initiative portal along with the reason for not onboarding the MSME.
- If the MSME is not onboarded by the selected SNP (through option 2) within 30 days, the details of the MSME would be made available to all the SNPs that match the domain-subdomain, transaction type and geography criteria.
- If the MSME is not onboarded in 30 days, the call centre desk of NSIC will reach out to the MSME to understand the reasons and support the MSME.
- It must be noted that the incentives on behalf of an MSE could be claimed only by one SNP.
- This entire flow/journey of a registered MSME will be captured on the TEAM Initiative portal through appropriate tools.

1.5 Onboarding of MSMEs on the ONDC Network and creation of ONDC compliant 'Digital Catalogue'

1.5.1 Process of Onboarding MSMEs on the ONDC Network and creation of ONDC compliant 'Digital Catalogue'

Once an MSME has selected an SNP, the contact details and the profile of the MSME will be shared with the selected SNP. The SNP in turn will connect with the MSME and initiate the registration/KYC Process -

- i. The SNP will seek and validate the required documents from MSMEs to complete the on boarding process (the set of required documents may vary from SNP to SNP depending upon the domain-subdomain, transaction type and other requirements as mandated by the SNP)
- ii. The SNP will create the ONDC compliant digital catalogue for the MSEs for which the SNP shall be incentivised as below (*incentives cannot be claimed for onboarding or preparing the catalogue for Medium Enterprises – it can only be claimed for a Micro or Small enterprise*)
 - a. Rs. 50 per SKU up to 50 SKUs for B2C MSEs
 - b. Rs. 125 per SKU up to 20 SKUs for B2B MSEs

The incentive for cataloguing will be capped at Rs. 2,500/- per MSE (inclusive of taxes or any other charges).

1.5.2 Claim Process for SNP (Catalogue Creation)

While the SNP can onboard all types of Udyam registered enterprises on ONDC, it can claim the incentives for only the following enterprises:

- i. Micro and Small Enterprises
- ii. The major activity of the enterprise should either be "Manufacturing" or "Services"

To claim the incentives, the following will be required to be undertaken by the SNP -

- Prepare the ONDC compliant digital catalogue for the MSEs
- The claims can be made only after a minimum of two (2) successful orders* have been made for that particular MSE on the ONDC network
- In case of B2C order
 - **Minimum** 'Order Value' should be Rs. 100 per order.

- In case of B2B order
 - **Minimum** 'Order Value' should be Rs. 2,500 per order.

*(*A successful order is defined as an order that has been delivered to the end buyer and has not been returned/ cancelled within the return validity period.)*

After preparation of catalogue and after completion of two successful orders, a standardised report **against each MSE** will have to be uploaded by the SNP in the prescribed template on the TEAM Initiative portal. It will cover the following details:

- a. Unique TEAM Registration Id of the MSE
- b. Seller Provider ID of the MSE
- c. Date of onboarding the MSE on ONDC
- d. Udyam Registration No of MSE
- e. Tagging of the MSE as per the market channel (B2B/B2C)
- f. No. of SKUs catalogued for the MSE
- g. ONDC Network order IDs (for the first two orders), to be confirmed by ONDC
- h. Invoice numbers along with dates for the first two orders

The SNP will have to upload the following documents on the TEAM Initiative portal for claiming incentives -

- a. A copy of ONDC compliant digital catalogue for all the SKUs for which incentive is claimed for each MSE onboarded – in a pdf format to be uploaded on the scheme portal
- b. Copies of invoices for the first two successful orders of the MSE
- c. The SNPs will be required to submit transaction logs to NSIC while submitting their claims.
- d. All requests must be certified by the Statutory Auditor of the SNP. The certification document should include the Unique Document Identification Number (UDIN) along with the key checks and validations conducted by the auditors.
- e. Incentives computed under this Initiative are inclusive of GST and/or any other applicable taxes/charges, if any, and shall be paid by NSIC after deducting the TDS, if any, under the Income Tax Regulations on such assistance.
- f. NSIC will do a regular audit/ check of the claims submitted by SNPs. SNPs, if found guilty of fraud/ malpractice would be blacklisted and their details would be shared on the TEAM Portal and with ONDC, MCA, Financial institutions and other regulatory bodies. Other legal procedures including recovery of incentives will be initiated by

NSIC against the SNP. In the event of any dispute the legal matter shall be subjected to the jurisdiction of Delhi Court only.

- g. Forensic audit of the above said transactions shall be carried out periodically.

Online Claim Submission Process after uploading documents:

- a. A provision will be made in the TEAM Initiative portal for SNPs to upload the data in the excel format and generate claim reports. The same will have to be verified by the SNPs before submission of claim through the portal.
- b. Accordingly, a system generated claim report shall be generated through the portal which will be digitally signed by SNP management and the Statutory Auditor.

1.5.3. General Instructions:

- a. Only registered MSEs who have been onboarded through the TEAM Initiative portal will be considered for the claim process.
- b. The incentives are inclusive of taxes and other charges, if any.
- c. The claims against incentives for preparation of catalogues for MSEs will not be accepted in parts.
- d. If an MSE has availed cataloguing support from the 'AI cataloguing tool' of the TEAM Initiative Portal, then the SNP will not be able to claim incentives for cataloguing for such MSEs.
- e. SNPs will be incentivized for the first 5,00,000 MSEs under the TEAM Initiative or until the availability of budget under the component.
- f. The SNPs will not be able to claim dual incentives for the same set of MSEs or transactions. For instance, if an MSE has been onboarded through some other ONDC related program run by other institutions such as SIDBI, SFAC etc., then the SNP cannot claim incentives under this program. Similarly, if the SNP has claimed incentives for transactions for an MSE under some other program, they cannot claim incentive under this program for the same MSE.
- g. The incentives can only be claimed for MSEs who are currently not on ONDC as sellers, or have previously not been on ONDC. The liability for any such duplication would lie on the SNP.
- h. A declaration for points (f) and(g) above will have to be submitted by the SNP while submitting their claims.
- i. These SOPs can be updated as and when required during the scheme tenure.

Section 2: SOP for providing incentives under 'Account Management Support' and 'Subsidy for Transportation and Logistics' components of the TEAM Initiative

This section outlines the procedure for Seller Network Participants (SNPs) to claim incentives under the TEAM Initiative for the 'Account Management Support' and 'Subsidy for Transportation and Logistics' components.

2.1. Incentive Structure

- a. The incentives structure for the SNPs for 'Account Management Support' is as following -
 - For B2C MSEs: 5% of net sales* on the network- up to **Rs. 5,000 per MSE** (**net sales - to be calculated as invoice value minus taxes and logistics costs*)
 - For B2B MSEs: Rs. 250 per transaction on the ONDC network - up to **Rs. 5,000 per MSE**
- b. For 'Transportation and logistics'
 - For B2C orders: Rs. 50 per order for up to 10 orders per MSE
 - For B2B orders: Rs. 200 per order for up to 10 orders per MSE

A standardised report **against each MSE** will have to be provided by the SNP in the prescribed template on the TEAM Initiative portal. It will cover the following details:

- a. Team Registration ID of MSE
- b. Udyam Registration No of MSE
- c. Seller Provider ID of MSE
- d. Transaction type (B2B/B2C)
- e. Number of Orders
- f. Total Gross Merchandise Value (GMV) for the MSE on ONDC
- g. Net Sales for the MSE on ONDC
- h. Total commission charged from the MSE (in Rs.)
- i. Network Order IDs, to be confirmed by ONDC
- j. Invoice numbers (along with dates)

- k. Details from the 'Seller Panel' for that particular MSE as a proof for Logistics costs

2.2. Documents to be uploaded:

The SNP will have to upload the following documents on the TEAM Initiative portal for claiming incentives under the components of 'Account Management Support' and 'Subsidy for Transportation and Logistics' -

- a. Copies of invoices against each transaction
- b. The SNPs will be required to submit transaction logs to NSIC while submitting their claims.
- c. Data dump from the Seller Panel of the SNP
- d. The SNP will furnish a report reflecting the settlement of 'Subsidy for Transportation and Logistics' with the MSE
- e. All requests must be certified by the statutory auditor of the network participants. The certification document should include the Unique Document Identification Number (UDIN) along with the key checks and validations conducted by the auditors.
- f. Incentives computed under this program are inclusive of GST and/or any other applicable taxes, if any and shall be paid by NSIC after deducting the TDS, if any, under the Income Tax legislation regulations.

2.3. Online Claim Submission Process:

- a. A provision will be made in the TEAM Initiative portal for SNPs to upload the data in the excel format and generate claim reports. The same will have to be verified by the SNPs before submission of claim through the portal.
- b. Accordingly, a system generated claim report shall be generated through the portal which will be digitally signed by SNP management and the Statutory auditor.

To claim the incentives, the following will be required to be undertaken by the SNP -

- a. In case of B2C order
 - i. **Minimum** 'Order Value' should be Rs. 100 per order.
- b. In case of B2B order
 - i. **Minimum** 'Order Value' should be Rs. 2,500 per order.

2.4. General Instructions:

- a. The claims can only be made against successful orders (an order that has been delivered to the end buyer and has not been returned/ cancelled within the return validity period)
- b. The first two transactions for any MSE will not be considered for incentives being provided under 'Account Management' and 'Transportation and Logistics' support as they have already been accounted for in incentives for 'Onboarding and Cataloguing'.
- c. While the TEAM Initiative aims to incentivize SNPs for onboarding 5,00,000 eligible MSEs – the incentives for 'Account Management Support' and 'Subsidy for Transportation and Logistics' will be provided for only the first 1,50,000 MSEs and 1,25,000 MSEs respectively.
- d. The SNP can claim the 'Subsidy for Transportation and Logistics' as per the actuals or up to the amount as per the TEAM initiative guidelines (whichever is lower).
- e. The SNP should have settled the same with the MSE before submitting the claim to the NSIC.
- f. NSIC will do a regular audit/ check of the claims submitted by SNPs. SNPs, if found guilty of fraud/ malpractice would be blacklisted and their details would be shared on the TEAM Initiative portal, and with ONDC, MCA, Financial institutions and other regulatory bodies. Other legal procedures including recovery of incentives will be initiated by NSIC against the SNP. In the event of any dispute the legal matter shall be subjected to the jurisdiction of Delhi Court only.
- g. Forensic audit of the above said transactions shall be carried out periodically.
- h. The incentives for account management will be paid to the SNPs every 01 months.
- i. The incentives for any particular MSE for account management support will have to be claimed by the SNP within the first six months of the first transaction done on the network for that particular MSE.
- j. These SOPs can be updated as and when required during the scheme tenure.

Section 3: Demand Generation

3.1 Demand Generation through Buyer Network Participants

“Incentives to Buyer Network Participants of ONDC for visibility and order generation (Rs. 50 per order with a maximum of 10 orders per MSE through a Buyer Network Participant)”

3.1.1. Eligibility criteria for a Buyer Network Participant (BNP)

- The ‘Network Status’ for integration with ONDC should be ‘Live’
- For a Buyer Network Participant (BNP) to claim the incentives, the BNP will have to get empanelled with NSIC through the TEAM Initiative portal. The following details will have to be submitted by the BNP -

#	Question	
1	BNP Organization ID (as per ONDC)	
2	Organization Name	
3	Email ID	
4	Contact No	
5	Bank details -	
a.	Bank Name	
b.	A/C No	
c.	IFSC Code	
6	GST Number	
7	PAN	

- Once a BNP has registered for the TEAM Initiative, NSIC will give ONDC access to the data through the portal itself where the SPOC of ONDC will validate the details submitted by SNPs.
- ONDC will appoint a SPOC to confirm/validate the details submitted by BNPs.
- Post confirmation by ONDC, NSIC will empanel the BNP for the TEAM Initiative.

BNP will run campaign in any form of print/ banners/ discount coupons/ social media/ any other promotional activity for visibility/ demand generation for the MSEs registered under the TEAM Initiative.

A standardised report **against each MSE** will have to be provided by the BNP in the prescribed template on the TEAM Initiative portal. It will cover the following details:

- a. BNP Org ID
- b. Seller Provider ID of MSE
- c. Campaign run date/ period
- d. Number of Orders
- e. Network Order IDs

The BNP will have to upload the following documents on the TEAM Initiative portal for claiming incentives under 'Demand Generation' component -

- a. Copies of invoices against each transaction
- b. The BNPs will be required to submit transaction logs to NSIC while submitting their claims
- c. Documentary evidence for demand generation in the form of print/ banners/ discount coupons/ social media/ any other promotional activity
- d. All requests must be certified by the statutory auditor of the network participants. The certification document should include the Unique Document Identification Number (UDIN) along with the key checks and validations conducted by the auditors.
- e. Incentives computed under this program are inclusive of GST and/or any other applicable taxes, if any and shall be paid by NSIC after reducing the TDS to be deducted, if any, under the Income Tax legislation on such assistance.

3.1.2. Online Claim Submission Process

- a. A provision will be made in the TEAM Initiative portal for BNPs to upload the data in the excel format and generate claim reports. The same will have to be verified by the BNPs before submission of claim through the portal.
- b. Accordingly, a system generated claim report with management shall be generated through the portal which will be digitally signed by BNP management and the Statutory auditor.

3.1.3. General Instructions

1. Only registered MSEs who have been onboarded through the scheme portal will be considered for the claim process.
2. The BNPs will be able to claim incentives for the first 10 transactions for an MSE (the number of MSEs for this component is capped at 1,00,000)
3. NSIC will do a regular audit/ check of the claims submitted by BNPs. BNPs, if found guilty of fraud/ malpractice would be blacklisted and their details would be shared

with ONDC, MCA, Financial institutions and other regulatory bodies. Other legal procedures including recovery of incentives will be initiated by NSIC against the BNP.

4. Forensic audit of the abovesaid transactions shall be carried out periodically.
5. These SOPs can be updated if required during the scheme tenure.

3.2. Demand Generation through Digital Marketing

“Digital marketing campaigns (Social Media platforms) and expenditure towards print/offline media at Rs. 450 per MSE on-boarded on ONDC as part of the Initiative.”

NSIC will appoint a ‘Digital Marketing Agency’ through an open competitive process for undertaking marketing focussed on demand generation for the products/services being sold by the MSEs on the ONDC network.

The appointed agency will prepare a quarterly plan as per the approved budget for ‘Demand Generation’ and seek NSIC’s approval. Once approved, the agency will run the campaign for the considered duration. The agency will be required to submit reports on impressions and click through rates and any other metric as determined by the IA on a monthly basis to push the demand generation.

Section 4: SOP for Awareness Creation under the Ministry of MSME TEAM Initiative

4.1 Brief about the component

The first Component under the TEAM Initiative is the Awareness Creation and Demand Generation. This component envisages to organize 150 workshops across the country among MSMEs giving them details about benefits of e-commerce and ONDC. The ultimate objective is to on-board these MSMEs onto ONDC compliant Seller Network Participants (SNPs).

4.2. SOPs for Awareness Creation

#	Component	Standard Operating Procedure
1	Awareness Creation	<p>Part – I (Awareness Creation) Publicity, Promotion, Content Management etc.</p> <p>a) 360-degree promotion of the initiative comprising of Advertising (TV, radio, print, online), brochures, flyers, short videos, promotional content public relations, social media marketing, content marketing, Direct marketing, event marketing etc will be prepared.</p> <p>b) Frequent e-mailers shall be sent from MoMSME to Udyam database for outreach of the TEAM Initiative and workshops. Apart from the above, letters will be sent to State Govt/UTs, Industry Associations & clusters, different ministries, Self-help group, NGOs (Women centric, MSEs) etc. MoMSME Social media handlers will promote the TEAM Initiative.</p> <p>c) The collateral material for awareness workshop and the presentation will be made. Also, a standard template will be prepared by NSIC and ONDC which will be used by the trainers during the workshop.</p> <p>Part – II (Conducting Awareness Workshops)</p> <p>a) 150 workshops will be organized across the country to create awareness among MSMEs about business benefits of e-commerce for their eventual onboarding onto ONDC compliant Seller Network Participants (SNPs).</p>

- b) The workshops will be conducted preferably in Tier 2 and 3 cities and MSME Clusters for greater outreach especially to women and SC/ ST owned MSMEs. The SNPs will also be invited to attend the workshops and will be encouraged to onboard MSMEs on ONDC.
- c) NSIC (Implementing agency) will be conducting these workshops with support from the Ministry of MSME, DFOs, State Governments/ UTs, Industry bodies and ONDC. For organizing 150 workshops NSIC would create an awareness workshop calendar. The NSIC workshop calendar would be aligned with the RAMP calendar and the workshop dates and venue would be mapped accordingly.
- d) While preparing the workshop calendar, endeavour will be made for representation of all States and Union Territories as far as possible. NSIC Branch Offices are mapped to tier 2 and 3 cities for greater outreach and representation of maximum Industrial cluster/ districts of states and UTs are taken while preparing the calendar.
- e) The SNPs would be identified for each workshop, based on the product category/ archetype of MSMEs (B2B/B2C) (with the details of the MSMEs already shared with the SNPs as far as possible).
- f) Invitations will be sent to MSMEs and SNPs for the workshops from MoMSME and NSIC before the workshop.

For offline registration, desk registration provision will be made on the day of the workshop who have not registered themselves online for the workshop.

- j) For the successful conducting of awareness workshop, dedicated capacity building resources would be utilized from the NPMU.

PART- III (Budgeting)

- a) The cost of conducting a workshop as per approved operating guidelines is as follows: -
 - a. Metro cities @ Rs 4.75 lakhs
 - b. Non metro cities @ Rs. 3 lakhs

Budgeting for awareness workshop would be as follows: -

Sr.no	Expense Category	Tier 1 (INR)	Tier 2/3 (INR)
1	Venue Rental, Equipment Rental, Catering	2,70,000	1,65,000
2	Travel and lodging	1,00,000	60,000
3	Workshop Material	20,000	15,000
4	Marketing and Promotion	30,000	15,000
5	Expert fees, mementos,	35,000	30,000
6	Miscellaneous expenses	20,000	15,000
	Total cost per workshop	4,75,000	3,00,000

b) Endeavour will be made to utilize the conference hall or other venue of the industry associations/ DFOs/ NSIC and other chambers.

c) For conducting the workshop Field Offices of NSIC will follow NSIC purchase procedure.

d) Once the proposal is approved from the Head office, the amount will be released to the said Field Offices of NSIC for smooth conduct of the workshop through PFMS.

Section 5: SOP for Subsidy on Packaging Design through IIP

5.1 Introduction

This SOP outlines the procedure for Micro and Small Enterprises to get packaging design from IIP (Indian Institute of Packaging), under the Ministry of MSME (TEAM Initiative) and subsidy on the same.

5.2 Objective

The objective is to provide Subsidy on Packaging Design under the Ministry of MSME TEAM Initiative, from Implementing Agency (NSIC), to support MSEs in getting excellent / premium quality packaging design, provided by IIP (Indian Institute of Packaging). It will comprise the following actions:

- **Subsidy of 20% of packaging design cost or Rs. 2,000 per MSE, whichever is less.**
- **Subsidy for packaging design will be claimed by IIP from the IA.**

5.3 Step wise implementation

- The Packaging Design Partner (PDP), in this case, IIP (Indian Institute of Packaging) is the designated agency for facilitating quality packaging design for the MSEs, under the TEAM Initiative. The packaging design includes structure design, graphical design, label design, logo design etc.
- The subsidy will not be applicable for packaging design(s) based on single-use plastic as per the definitions of MoEFCC.
- The MSE will be eligible for a subsidy of Rs. 2,000 or 20% of the design cost (whichever is less) upfront from IIP. This subsidy will be available for MSEs who wish to avail the new/existing packaging designs.
- Subsidy for the packaging design would be paid to the PDP (IIP) by the Implementing Agency (IA) on a quarterly basis.
- PDP needs to submit documentary evidence of the benefit of subsidy given to MSEs for claiming the subsidy amount from the IA.
- This packaging design subsidy will only be available to registered MSEs on the TEAM portal approaching IIP for design, subject to the subsidy cap available.

5.4 Online Claim Submission Process:

- a. A provision will be made in the TEAM Initiative portal for IIP to upload the data in the excel format and generate claim reports. The same will have to be verified by the IIP before submission of claim through the portal.
- b. Accordingly, a system generated claim report with management shall be generated through the portal which will be digitally signed by IIP management.

5.5 General Instructions

1. Only design provided to registered MSEs who have been on-boarded through the scheme portal will be considered for the claim process.
2. The IIP will be able to claim incentives for the number of designs provided as per the approved scheme guidelines. The number of MSEs for this component is capped at 10,000 or Rs. 2 Cr as total subsidy.
3. These SOPs can be updated if required during the scheme tenure.

Section 6: SOP for Funds Flow

1. 40% of the annual requirement for the first year will be given as the first tranche to NSIC in the bank account created for the TEAM Initiative. For receiving the funds, a Zero Balance Sub Agency (ZBSA) Account shall be opened for PFMS mapping.
2. Amount shall be received by NSIC as Grant in Aid (GIA). Allocations shall be made to NSIC field offices for carrying out the activities of the Scheme like workshops etc.
3. The subsequent tranches will be provided to NSIC on the utilization of 75% of the previous tranche as per GFR.
4. NSIC will submit utilization certification to the MoMSME on a quarterly basis.
5. The utilization details will be submitted in three parts -
 - A. For **SNPs** against the following: -
 - Onboarding of MSEs on the ONDC Network and Creation of ONDC Compliant Digital Catalogue
 - Account Management support to MSEs, Subsidy for transportation and logistics and Subsidy on Packaging material
 - B. For BNPs – for Demand Generation
 - C. For NSIC against the following: -
 - I. IT/ Portal Management, Chatbot
 - II. Workshops
 - III. Call Centre/ Help Desk
 - IV. Digital Marketing
 - V. AI Catalogues
 - VI. PMU
 - VII. Miscellaneous charges
 - VIII. Subsidy for Packaging design from Indian Institute of Packaging (IIP)
 - IX. IA administrative charges
6. Reports shall be provided by NSIC to the Ministry of MSME with details of the beneficiaries periodically.
7. 5% NSIC admin free shall be over the total expenses made.

Section 7: SOP for Helpdesk

- i. NSIC will engage bilingual (Hindi & English) Helpdesk support services for the TEAM Initiative following the due Public Procurement Policy.
- ii. Call centre facility will be engaged on per seat charge basis. Bidder shall be responsible for all expenses including land, infrastructure, set up and operation and maintenance of the Call Centre facility.
- iii. Call centre shall be set up with 5 resources and the strength/size of the team could be altered as per the requirements.
- iv. Call centre will be responsible for providing complete help desk support to TEAM beneficiaries (Outbound/inbound calls, handling chatbot queries, and email support).
- v. Operation of the call centre shall be 9:30 AM to 06:30 PM, 07 days a week with the resources operating in a staggered manner.

Section 8: SOP for AI Cataloguing

- i. NSIC will empanel AI based Cataloguing service provider(s) for the TEAM Initiative.
- ii. The services will be offered to MSEs through the initiative portal to fast rack and reduce the cost of preparation of digital catalogue.
- iii. For an MSE utilizing the AI cataloguing on TEAM portal, the SNP will not be eligible to claim support for cataloguing.
- iv. The Cataloguing support will be offered to eligible MSEs as per the Approved Subsidy rates in the TEAM guidelines i.e. at Rs. 50 per SKU upto 50 SKUs for B2C and at Rs. 125 per SKU up to 20 SKUs for B2B).
- v. MSEs can also avail AI cataloguing facility beyond the above number of SKUs as mentioned at (iv) at the rate fixed by IA.

Section 9: General

- i. For successful and smooth execution of the Initiative, 12 dedicated resources as per NSIC requirement shall be provided by the IIFCL Pvt. Ltd. (IPL) ~~as PMU~~ for TEAM Initiative.
- ii. Need based resources shall be provided for execution of certain specific tasks for limited period of time depending on the task.
- iii. IPL will raise the invoice to NSIC for resources being deployed.
- iv. Funds earmarked for specific components of the TEAM Initiative, if not utilized fully can be utilized for other components with approval of the SMC.
- v. Ministry will support IA in collaborating with the states/ other ministries/ industry associations/ DFOs etc. which are working on RAMP awareness programs for the workshops.
- vi. To encourage women-owned MSEs to participate in the Initiative workshops shall be carried out in conjunction with Yashasvini campaign of MoMSME and other Women Enterprises Associations / Chambers/ State Govt. Agencies etc.
- vii. NSIC reserves the right to change/ amend the SOPs with the approval of the Scheme Monitoring Committee in the Ministry of MSME as per the policy & procedural requirement as and when warranted and without giving any notice to any party concerned.

Annexure – Claim Certificate Format

Format of Statutory Auditor Certificate:

On the letterhead of Statutory Auditor Certificate firm

To,

The Board of Directors

1. This certificate is issued in accordance with the terms of our engagement letter dated _____ with (company name)
2. The accompanying statement containing the details of claims on incentive programs for the months of _____ ('the statement') under the MSME TEAM Initiative Operating Guidelines / SOPs issued by Ministry of Micro, Small & Medium Enterprise, GOI has been prepared by the management of the Company, for the purpose of submission of the Statement to Ministry of MSME pursuant to the requirement of the MSME TEAM Initiative. We have certified/ authenticated the said Statement and found to be true and correct as per the prevailing laws.

Management's Responsibility for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the organization complies with the requirements of the MSME TEAM Initiative for the purpose of furnishing this Statement and for providing all relevant information to the Ministry of MSME.

Auditors' Responsibility

5. Pursuant to the requirements stated in paragraph 2 above, it is our responsibility to provide assurance in the form of a conclusion as to whether any matter has come to our attention that causes us to believe that the information included in the accompanying Statement is, in all material respects, not in agreement with the conditions mentioned in MSME TEAM Initiative.
6. We conducted our examination of the Statement, on a test check basis, in accordance with the Guidance Note on Reports or Certificate for the special purposes (Revised

2016) ('the Guidance Note'), issued by the Institute of Chartered Accountant of India ("ICAI"). The Guidance Notes requires that comply with the ethical requirements of the. Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
8. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the statement:
 - Obtained the list of all sellers eligible for respective incentive programs under the Incentive scheme, as detailed in the accompanying Statement.
 - Verified the following:
 - Eligibility of the sellers on boarded as laid out in the terms and conditions of the respective incentive programs under the MSME TEAM Initiative to ascertain the correctness of the claims.
 - On boarding date of sellers based on the data provided by the management is within the program duration of _____ to _____.
 - Component wise claim summary as per the Operating Guidelines/ SOP.
 - We have ensured that, the amount of claims is within the limit of prescribed in the MSME TEAM Initiative in terms of claim per MSE and overall limits per Seller NP.
 - Verified the arithmetical and clerical accuracy of the accompanying Statement.
 - Obtained necessary representations from the Management of the Company.
9. It is also confirmed that all be the benefits of financial assistance being claimed have been provided/ passed on to the MSEs and have been settled with them before making the claims to NSIC.
10. Based on the procedures performed as above, evidences obtained, and the information and explanation provided to us, along with the representations provided by the Management, nothing has come to our attention that causes us to believe that the information contained in the accompanying Statement for acclaim of

Rs..... /- is in all material respects in agreement with the conditions mentioned in the MSME TEAM Initiative.

Restriction on distribution or use

11. For, our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
12. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Incentive.
13. Scheme read with MSME TEAM INITIATIVE communication which requires it to submit this certificate along with the accompanying Statement to the MSME TEAM INITIATIVE.

Stamp & Sign by Statutory Auditor Certificate

Stamp & Sign by Management

End of the Document
