



SMEDA's Organizational Development (OD) Grant Frequently Asked Questions

1. About Organizational Development Grant

i. What is an Organizational Development Grant?

Organizational Development Grant which is also referred to as the OD Grant helps the small and medium enterprises in developing and improving their organizational structures and processes. Through its OD grant component, NBDP/SMEDA will be supporting the following business functions; General Management, Production Management, Financial Services, Human Resource Management Services, Regulatory Services and Information Technology Services.

2. Amount of Organizational Development Grant

i. What is the maximum OD Grant size that an applicant may apply for?

The maximum OD Grant size for which an applicant may apply is PKR 500,000 (Five Hundred Thousand).

ii. Can the applicant apply for a grant amount less than the maximum size of the grant i.e. PKR.500,000 (Five Hundred Thousand)?

Yes. An applicant may apply for a grant size less than the maximum PKR. 500,000 (Five Hundred Thousand) as per his business need.

iii. Does the applicant have to contribute any amount to the OD Grant?

Yes, the applicant needs to contribute a matching share of 20% to the OD Grant.

3. What is matching share

i. What is a matching share?

Here, matching share refers to the contribution that the grantee would have to make to share the cost of the services provided by the BDSP.

ii. What is the amount of matching share that the applicant has to contribute?

The OD Grant will be provided on an 80:20 matching share rule. This means that when an applicant applies for a grant, based on his need, NBDP will contribute 80% of the total expenses required by the applicant. The remaining 20% will be the responsibility of the applicants. This is applicable for cases where 80% expenses are below PKR.500,000 (Five Hundred Thousand). However, in cases where an amount greater than PKR.500,000 (Five Hundred Thousand) is quoted the whole PKR. 500,000 (Five Hundred Thousand) may also be disbursed after carrying out proper need evaluation.

4. Applicant Eligibility Criteria

i. Is there any eligibility criteria that the applicant has to meet before applying for the OD Grant?

Yes, the entrepreneur must meet the following eligibility criteria to apply for the OD Grant.

- Must be an SME
- Must be a Pakistani national bearing a valid CNIC
- Must have a valid National Tax Number (NTN)
- Must have operational business for at-least 1(One) year from the date of application for grant

ii. Can SMEs possessing National Identity Card for Overseas Pakistanis (NICOP) instead of Computerized National Identity Card (CNIC) apply for the OD Grant?

No, only applicants bearing the Computerized National Identity Card (CNIC) are eligible to apply for the OD Grant.

- iii. **Is there any minimum educational qualification requirement for OD Grant eligibility?**
No, there is no minimum educational qualification requirement in order to apply for the OD Grant. However, additional marks will be given to the applicants based on their educational qualification
Note: Applicants holding Sanad (Degree/Certificate) issued by Deeni Madaris, would be required to submit an Equivalence Certificate issued by the Higher Education Commission.
- iv. **Are non-filers eligible to apply for the OD grant?**
Yes, both tax filers and non-filers having an NTN certificate are eligible to apply for the OD grant.
- v. **Do religious minorities have a separate quota under the OD Grant?**
No, there is no separate quota for religious minorities under the OD Grant, however, additional marks will be given to applicants belonging to any religious minority of Pakistan.
- vi. **What are the competent authorities / organizations with which the business must be registered?**
Applicant businesses should be registered with the below mentioned concerned government departments, depending on the nature of their business;
- NTN for Sole Proprietorship
 - Registrar of Firms in district government for Partnerships
 - SECP for limited company and Limited Liability Partnership
- vii. **Is there a minimum business age criterion to apply for the Organizational Development Grant?**
Yes, the applicant's business should have existed as an operational entity for the last one (01) year. e.g. before the application submission deadline.
- vii. **Is there any eligibility criteria for the size of the enterprise for applying for the OD Grant?**
Yes, the enterprise must meet the following requirements for applying for the OD Grant.
- Paid-up Capital of up to PKR. 25 Million
 - Number of Employees up to 250
 - Annual Sales of up to PKR.250 Million
- ix. **Can third party contractors working with SMEDA/NBDP or any of its projects apply for the OD Grant?**
Yes, third party contractors working with SMEDA/NBDP or any of its projects can apply for the OD Grant, subject to fulfillment of the eligibility criteria.
- x. **Can Retired Government Employees and Ex-Spouses of government employees apply for the OD Grant?**
Yes, Retired Government Employees and Ex-Spouses of government employees are eligible to apply for the OD Grant, subject to fulfillment of the eligibility criteria.

5. Ineligible Applicants

- i. **Can SMEDA, NBDP staff and their family members or government employees of other departments apply for these grants?**
No, Federal & Provincial Government Employees, SMEDA / NBDP staff, their blood relatives and spouses. Government Organizations / Departments / Entities are not eligible to apply for this grant.
- ii. **Will a recipient of the OD Grant be eligible to reapply for it?**
No, a recipient of OD Grant will not be able to apply for it more than once.
- iii. **Would an applicant whose OD Grant application has been rejected, be eligible to reapply for this grant?**
Yes, applicants rejected for the OD Grant, would be eligible to reapply for this grant.

6. Application Process

- i. **What is the application process for the OD Grant?**
Eligible SMEs can apply for the OD Grant through an online application form by following the given link www.nbdp.org/grants
- ii. **Is there an alternate way to apply for the OD Grant other than an online application?**
No, there is no other alternate way to apply for the OD Grant.
- iii. **Can an applicant Edit or Change his application details, once he has already submitted the OD Grant application form?**
No, once submitted, the details of the application form can neither be edited nor changed. The applicant is encouraged to thoroughly check the application before submission
- iv. **What can be the maximum size of the file attachment?**
The maximum size of each attachment should not exceed 250 KB.

- v. **What should be stated against the "Expected Grant Impact" section of the application form?**
The applicant would be required to share any previous attempts to implement the service/s applied for in the OD Grant application and lessons learnt during the implementation of those services. Furthermore, how does he expect to benefit from the OD Grant.

7. Documents Required

i. Which documents are required to apply for the OD Grant?

Scanned copies of the following documents are required along with the grant application to apply for the OD Grant:

Applicant's Documents;

- A Valid CNIC (Front Side and Back Side)
 - A valid NTN Certificate
 - A Passport Size Photograph (not older than 1 year)
 - Business Registration Certificate:
 - o NTN for Sole Proprietorship
 - o Registrar of Firms in district government for Partnerships
 - o SECP for Limited Company and Limited Liability Partnership
 - Disability Certificate (Issued by Social Welfare Department)
 - Education Certificates
 - Professional Membership Certificates
- Businesses Documents;
- NTN Certificate
 - SECP Registration/Registrar of Firms
 - Export Proof (E-Form or Tax Returns) (Exporters Only)
 - Chamber of Commerce Association Membership Certificate
 - Quality or any other Certification

ii. What does the term, Professional Certification, refer to?

Here, Professional Certifications refers to the acknowledgement regarding the knowledge or skills that the applicant would get. Some of the popular professional certifications include Project Management Professional (PMP) Certification, 6 Sigma Certification, Microsoft Certified Professional etc.

iii. What does the term, Business Certification, refer to?

Business Certification refers to the certification specific to business operations, in order to meet regulatory or industry requirements. These may include ISO Certifications, Halal Certification, etc.

8. Regions

i. In which regions of Pakistan will the OD Grant be given?

The OD Grant will be given across Pakistan that is in Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan, Islamabad, Azad Jammu and Kashmir, and Gilgit Baltistan.

ii. Is there any grant quota for the above-mentioned regions?

Yes, there is a grant quota for each of the above-mentioned regions, based on their population proportions as per the national population census 2017.

The quota for each region is as mentioned below;

Punjab: 51.7%

Sindh: 22.5%

Kyber Pakhtunkhwa: 16.7%

Balochistan: 5.8%

Islamabad: 0.9%

Azad Kashmir: 1.9%

Gilgit Baltistan: 0.4%

9. Eligible Business Areas for the OD Grant?

i. Are there any defined business areas for the OD Grant?

The following business areas are covered under the Organizational Development Grant:

- Manufacturing Sector
- Services Sector
- Trading SMEs
- IT/ICT, Mining / Mineral Processing
- Agri. Processing / Value Addition
- SMEs of Balochistan may also apply for Livestock / Dairy Farming / Value addition

ii. Please provide an indicative list of eligible livestock and dairy farming activities for Balochistan region.

Activities that may help in the development of businesses e.g. manual for animal health, productivity, animal husbandry practices, feed management, herd management etc.

- iii. **Are there any priority sectors that will be considered when organizational development grants would be awarded to the applicants?**
No, there are no specific sectors that will be given any priority over the competitive sectors, at the time of award of grants.
- iv. **If a business enterprise has been conducting business for the past few years but it recently got its registration number / license, would it be eligible to apply for the OD Grant?**
Such a business would only be eligible to apply for the OD Grant, if it was registered at least one year ago, before the application submission deadline.
- v. **If an applicant registered his business 10 years ago but operated it for only 5 years and it is, currently, non-operational, would he be eligible to apply for the Organizational Development Grant?**
No, such an applicant would not be able to apply for the OD Grant. The applicant must have an operational business for at least last one year, before the application submission deadline.

10. **Ineligible Business Areas for the OD Grant**

- i. **Are Non-Government Organization (NGOs) and not-for-profit organizations eligible to apply?**
No. Non-governmental Organization (NGOs) and Not-for-profit Organizations are not eligible to apply for the OD Grant.

11. **Services that can be availed under OD Grant**

- i. **Which expense heads are covered under the Organizational Development Grants?**
Expenses pertaining to the below mentioned services will be considered eligible for Organizational development grants
- General Management Services
 - Production. Management
 - Financial Services
 - HR Management Services
 - Regulatory Services
 - Information Technology Services
- ii. **What are the services that a business can acquire under General Management Services Grant?**
Here is the indicative list of activities that a grantee can acquire under General Management Services Grant
- Task Management System
 - Project Management System
 - Contract Management System
 - Procurement
 - Supply Chain Management
 - Inventory Management/Warehousing System (including software)
 - Worker and Workplace Safety Manual
- iii. **What are the services that a business can acquire under Production Management Grant?**
Here is the indicative list of activities that a grantee can acquire under Production Management Grant.
- Production Planning
 - Production Management
- iv. **What are the services that a business can acquire under Financial Services Grant?**
Here is the indicative list of activities that a grantee can acquire under Financial Services Grant.
- Accounting / bookkeeping, Accounting Software, ERP Systems etc.
 - Manuals for financial controls & management, product costing etc.
- v. **What are the services that a business can acquire under HR Management Services Grant?**
Here is the indicative list of activities that a grantee can acquire under HR Management Grant.
- HR Policies and Procedures (Employee Manuals)
 - HR System i.e. Time Attendance & Payroll Solution
 - Performance Appraisal System, Leave Management etc.
 - Sales Force Management System etc.
 - Employee Internal Training Manuals
- vi. **What are the services that a business can acquire under Regulatory Services Grant?**
Here is the indicative list of activities that a grantee can acquire under Regulatory Services Grant.
- Manuals for sales Tax and Income Tax Management, Import / export procedures / documentation etc.
 - Trademark, copyright, patent & design registration, franchising etc.
 - Business Registration, partnership agreements, memorandum & Article of association, for limited liability company / partnership etc.
 - Business to Business and Business to Consumer contracting systems
 - Sales Tax Registration Services
 - Business Licensing

- vii. **What are the services that a business can acquire under Information Technology Services Grant?**
Here is the indicative list of activities that a grantee can acquire under Information Technology Services Grant.
- MIS Systems
 - HR & ERP Automations
- viii. **Can the grant applicant procure multiple services under one grant?**
Yes, the grantee can avail a number of services for OD Grant. However, he has to ensure that the cost of the services does not exceed PKR. 500,000 (Five Hundred Thousand).
- ix. **Will expenditures on hardware support be covered under the OD Grant?**
No, hardware support expense will not be covered under the OD Grant.
- x. **Can OD Grant be used to obtain the membership of organizations such as South Asian Chamber of Commerce (SACC) and other similar organizations that have presence in Pakistan?**
No, OD Grant cannot be used to obtain the membership of SACC or any such organization.
- xi. **Please provide an indicative list of business licenses that can be obtained by using the OD Grant?**
OD Grant may be utilized for acquiring Consultancy Services to obtain business license, required under the prevailing rules and regulations of the Federal and Provincial Governments, relating to the existing business subject, for the fulfillment of the basic eligibility criteria. However, the OD Grant cannot be used for payment of license fee of the regulatory bodies.
- xii. **Can an OD Grant be used for making an asset declaration or financial statements?**
No, the OD Grant cannot be utilized for making an asset declaration or financial statements.
- xiii. **Can the OD Grant be used for license renewal purposes?**
No. OD Grant cannot be used for any license renewal.

BDSP Selection

- i. **Will SMEDA/NBDP select the BDSPs or will the grantee have the discretion to select the BDSPs?**
The grantee will have the complete discretion to select a BDSP for his business needs.
- ii. **Does the applicant have to share the details of the selected BDSP before acquisition of services?**
Yes, the applicant has to upload three (3) quotations along with his application form. Out of those three quotations, the applicant will acquire services from the lowest quoted BDSP.
- iii. **Can an applicant provide the three quotations from individual consultants, as well as, firms?**
The three quotations provided by the applicant should be comparable i.e. all the quotations must be either from individual BDSPs or from firms.
- iv. **What would be the criteria for selection of a BDSPs?**
The criteria for selection of a BDSP is mentioned below;
- Selected BDSP should be registered, having a valid NTN
 - BDSP should not be an immediate family member of the applicant
 - BDSP should be willing to fulfil all the codal formalities / documentary requirements of the grant program
- v. **Can OD Grant be used to pay for any outstanding payment, against services acquired before the application procedure?**
No, the OD Grant can only be used for the services acquired after the approval of grant application.
- vi. **Can the OD Grant be used to pay for expenses such as airfare or accommodation costs incurred in the acquisition of services from the BDSP?**
Yes, OD Grant can be used to pay for expenses such as airfare or accommodation costs incurred for the acquisition of services. However, any such charges must be within the maximum grant limit of PKR. 500,000 (Five Hundred Thousand).
- vii. **Is there a mechanism for dealing with delays in service delivery by the BDSPs?**
There is no such existing mechanism, however, if a delay occurs due to factor(s) due to unforeseeable circumstances (force majeure), the Grant Approval Committee may take a decision on, case to case basis.

12. Payment mode

- i. **How would I know about the decision on my application regarding the OD Grant?**
The successful applicants will be intimated regarding the decision through a time bound Letter of Intent (LOI) via an email. Whereas, the unsuccessful applicant will be informed about the decision through an email.
- ii. **What will be the mode of payment once my grant has been approved?**
The payment will only be made in a reimbursement mode through business bank account, against the services already availed and for which the payment has been made to the BDSP.

- iii. **Can a grantee pay the BDSP for the acquired services in tranches?**
The mode of payment between the BDSP and the SME will be decided in the TORs agreed upon through mutual agreement of the BDSP and grantee.
- iv. **What are the documents required to claim reimbursement?**
The applicant will be required to submit the documents mentioned in the approval letter, for claiming reimbursement. The list of documents is as follows;
- Grant Reimbursement Form (Available on www.nbdp.org.pk/grants)
 - Service Delivery Acceptance (On Prescribed Format)
 - Service Invoice
 - Proof of Payment (Via Banking Transaction)
 - Standard Contract (Between Grantee and BDSP)
 - Proof of Deliverable (If Applicable)
- v. **Does the BDSP need to provide an invoice inclusive of tax for payment purposes?**
Yes, the invoice amount should include all the applicable taxes, duties and any other charges, as per the relevant rules and regulations.
- vi. **What am I expected to do once I receive the disbursement of funds?**
After reimbursement of the grant, you will be periodically contacted by the NBDP / SMEDA team(s) through email / phone / visit to collect information about benefits generated through the grant implementation. The grantee who will provide impact assessment information, may be considered for further facilitations under NBDP, subject to Terms & Conditions.
- 13. Who should I contact in case of any queries, regarding my application?**
- i. **Who should I contact in case of any queries with respect to my application?**
The applicant may contact the SME Business Helpline at 92-42-111-763-111 (Monday to Friday, 9 a.m till 5 p.m) or send an email at grant@nbdp.org.pk to inquire about his application. He may also visit the NBDP Head Office, Lahore or his nearest SMEDA Regional Business Center (RBC), for any further information.
- ii. **How can I locate my nearest Regional Business Center (RBC)?**
The complete list of Regional Business Centers is available on the SMEDA website at the following link.
<https://smeda.org.pk/contact-us/Smeda-offices>
- 14. Complaint Filing**
- i. **If any applicant has a grievance, what is the process of filing a complaint to the SMEDA/NBDP management?**
In case an applicant wants to file a grievance at any point, he / she may register an Online Complaint through the Grant Portal.



National Business Development
Program for SMEs

NBDP - A project of SMEDA, Ministry of Industries and Production,
Government of Pakistan



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