

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 742
TO BE ANSWERED ON 29.07.2024

INNOVATIONS IN MSMEs SECTOR

742. DR. ASHOK KUMAR MITTAL:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether steps have been taken to remove the current environment of distrust and fear for private enterprises, if so, the details thereof;
- (b) whether measures have been implemented to protect innovation and intellectual property rights for MSMEs, if so, the specifics;
- (c) whether low-interest loans are being offered to Self-Help Groups through banks, if so, the details of the scheme; and
- (d) whether a comprehensive review of various charges levied by banks on MSMEs has been undertaken, if so, the outcomes?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI JITAN RAM MANJHI)

- (a): Government has recently taken a number of steps to support the MSME sector in the country and create an enabling positive environment:
- i. New criteria for classification of MSMEs with higher threshold, based on Investment and Turnover, to widen the ambit of the MSME sector, notified on 26.06.2020.
 - ii. No global tenders for procurement up to Rs. 200 crores.
 - iii. “Udyam Registration” for MSMEs, for Ease of Doing Business, launched on 01.07.2020.
 - iv. Launch of Udyam Assist Platform, on 11.01.2023, for bringing Informal Micro Enterprises in the formal ambit.
 - v. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 02.07.2021 for credit purpose.
 - vi. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
 - vii. Launch of SAMADHAAN Portal for filing of grievances and monitoring of outstanding dues to the Micro and Small Enterprises from the buyers of goods and services.
 - viii. Launch of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.

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(b): Government launched MSME Innovative Scheme (Incubation, Design and Intellectual Property Rights) on 10th March 2022 with the objective to promote innovations in the complete value chain from developing ideas into innovative applications through incubation and design interventions. Financial assistance being provided under the scheme is mentioned below:

- i. Incubation: Financial assistance up to Rs. 15 lakh per idea and up to Rs. 1.00 crore for relevant plant and machines will be provided.
- ii. Design: Up to Rs. 40 lakh for design project and up to Rs. 2.5 lakh for student project will be provided.
- iii. Intellectual Property Rights: Upto Rs. 5 lakh for Foreign Patent, Rs. 1.00 lakh Domestic Patent, Rs. 2.00 lakh for GI Registration, Rs. 15,000/- for Design Registration, Rs.10,000/- for Trademark in the form of reimbursement.

(c): According to the information provided by Reserve Bank of India, low interest loans are extended to the Self Help Groups (SHGs) through Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM), wherein interest subvention on loans is provided on credit to Women SHG, for loans up to ₹3 lakh, at a concessional interest rate of 7% per annum.

Further, under the Deendayal Antyodaya Yojana - National Urban Livelihood Mission, the financial assistance to urban poor in setting up individual and group enterprises are available in the form of interest subsidy on the bank loans over and above 7% rate of interest.

(d): As informed by Indian Banks' Association, a review of charges levied is done from time to time by the Bank's Board or any competent authority, duly authorized by the Board.
