

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4400
TO BE ANSWERED ON: 19.03.2026

MSME INNOVATORS GRANT SCHEME

4400. SHRI P V MIDHUN REDDY:

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

- (a) whether the Micro, Small and Medium Enterprises (MSMEs) Innovators Grant Scheme has been launched to support innovation within micro and small enterprises, if so the details thereof;
- (b) the number of grants awarded under the scheme during the last two financial years, including the sectors or industries covered;
- (c) whether there have been any challenges in the distribution or utilization of these grants; and
- (d) if so, the measures taken to address these challenges and ensure effective utilization of the grants?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): The Ministry of Micro, Small and Medium Enterprises (MoMSME) is implementing the “MSME Innovative Scheme” launched on 10.03.2022, which integrates three sub-components, namely: Incubation, Design, and IPR (Intellectual Property Rights). The scheme is aimed at developing innovation, design interventions, and intellectual property awareness and protection among MSMEs.

1. Incubation component:

The primary objective of the scheme is to support untapped creativity and to promote adoption of latest technologies in MSMEs that seek the validation of their ideas at the proof-of-concept level. Under this scheme, Financial Assistance is provided up to maximum of Rs. 15 lakh per idea to Host Institutions (HIs) for developing and nurturing the ideas.

2. Design component:

The objective of this component is to bring Indian manufacturing sector and Design expertise/fraternity on to a common platform. It provides expert advice and cost-effective solution on real time design problems for new product development, and value addition in existing/new products. It provides financial assistance to the Implementing Agency, for the design projects approved. For any MSMEs, 75% (Micro) and 60% (Small & Medium) of the total project cost will be contributed by GoI up to a maximum of Rs. 40 lakh and the remaining project cost will be borne by MSMEs. This component also supports design work of students by providing financial assistance up to Rs. 2.5 lakh.

3. IPR component:

Under this component, the Ministry promotes and protects the intellectual property assets of MSMEs. The financial assistance provided for reimbursement of expenses incurred by MSMEs for filing various types of IPRs is as per the following structure:

- Domestic Patent : ₹1.00 lakh
- Foreign Patent : ₹5.00 lakh
- Geographical Indication (GI) : ₹2.00 lakh
- Design Registration : ₹15,000
- Trademark : ₹10,000

(b): The component-wise number of grants approved in the last two financial years are as below: -

Name of component under MSME Innovative Scheme	No. of Grant awarded in last two financial year (F.Y. 2023-24 and 2024-25)	Sectors/industries
Incubation	673	As per the Sectors/Industries approved in Scheme Guidelines
Design	45	
IPR	1122	

(c) & d): Grants are released under CNA Module to the beneficiaries after following the prescribed guidelines and the fund flow is digitized through Public Financial Management System (PFMS) accordance with the OM of Dept. of Expenditure, Ministry of Finance vide No.-1(18)/PFMS/FCD/2021 dated 9th March, 2022. The scheme has witnessed fulfillment of targeted expenditure as per approved budget outlay of the scheme over the last two financial years.
