



Product Development and Commercialization Fund (PCF) in Malaysia

MSC Malaysia

<http://www.mscomalaysia.my>

Product Development and Commercialisation Fund (PCF) is aimed at assisting local Malaysia Status Companies (MSCs) to accelerate the development and commercialization of innovative, market-driven product/solutions/services as well as increasing the creation of Intellectual Property for commercialization.

About PCF

- Funding based on competitive bidding on targeted technology CALL areas – funds the best set of projects from a larger pool of bids.
- Is a performance-based fund, i.e., applicants spell out realistic and achievable technical and commercial targets? Disbursements of PCF are based on reimbursement basis upon meeting the said technical and commercial targets.
- Supports market-driven, innovative product development with high commercial potential – applicants are encouraged to gather and address market demand as well as identify pilot implementation(s).
- Supports end-to-end funding as it covers product development and commercialization costs.

PCF Call Areas for 2014

- **Security: Proposed “suggested areas for PCF applicants”**
 - i. AI for Fraud Detection on User Online Behavioral Patterns in Malaysian context
 - Protects customers and enterprise information, assets, accounts, and transactions through the real-time or batch analysis of activities by users and other defined entities (such as kiosks); and
 - Uses background server-based processes that examine users’ and other defined entities’ access and behavior patterns, and typically compares this information to a profile of what’s expected.
 - ii. Trust Ratings for Independent Online Sellers
 - An opinion public rating system (like Amazon Feedbacks).
 - Rating agency for online trust.
 - There are many independent local online sellers who sell their wares in online forums (lowyat.net, mudah.my, hardwarezone.com.sg, etc. Develop a system to provide trust ratings to these independent sellers.

- **e-Commerce: Proposed “suggested areas for PCF applicants”**

- i. Socially linked consumer network
- ii. Auto induced recommender
- iii. Social data sentiment-driven customer purchase analysis and sales segmentation
- iv. Social entrepreneur business model
- v. Ubiquitous assertive e-commerce design
- vi. Semantic Web Search Engine:
 - Provision of an independent e-Commerce enterprise and consumer product and services search engine.
 - Context-aware search engine that requires users to login via Google+, Facebook, Twitter to use their profile a more accurate search results.
 - Provide the users suggestions to not only established sellers such as Lelong, Rakuten, Amazon but also smaller independent sellers and SMEs within the region.

- **Big data: Proposed “suggested areas for PCF applicants”**

- i. Big data in a box
 - Provision of pre-packaged Big Data Analytics (BDA) components needed for ease of deployment of BDA application for industry usage and non-ICT end-users.
 - This package can comprise of the following:
 - Connectors for various data sources types;
 - Unstructured data storage; and
 - Basic sentiment/analytics/visualization/etc. tool kits.

Funding details

- Up to 50% of the approved total project cost or RM 750K (70% for product development cost and 30% for commercialization cost) whichever is lower.
- Each project is funded for up to 2 years only. (6 months to 1 year Product Development and up to 1 year Commercialization).

PCF outcomes

- Mandatory creation of at least one Intellectual Property.
- Achieved project commercialization within 1 year after product development completion.

Application fee

A non-refundable processing fee of RM 3,000 is payable upon submission of the final application documents.



Financing schemes for enterprises in India

The office of Development Commissioner (MSME), Ministry of Micro, Small & Medium Enterprises, Government of India

<http://www.dcmsme.gov.in>

The Small Industries Development Bank of India (SIDBI) offers the following financing schemes for the small industry sector of India:

- **National Equity Fund Scheme** which provides equity support to small entrepreneurs setting up projects in Tiny Sector.
- **Technology Development and Modernization Fund (TDMF) Scheme** for providing finance to existing small scale industries (SSI) units for technology upgradation/modernization.
- **Single Window Scheme** to provide both term loan for fixed assets and loan for working capital through the same agency.
- **Composite Loan Scheme** for equipment and/or working capital and also for work sheds to artisans, village, and cottage industries in Tiny Sector.
- **Mahila Udyam Nidhi (MUN) Scheme** provides equity support to women entrepreneurs for setting up projects in Tiny Sector.
- **Scheme for financing activities relating to marketing** of SSI products which provides assistance for undertaking various marketing related activities such as marketing research, R&D, product upgradation, participation in trade fairs and exhibitions, advertising branding, and establishing distribution networks including show room, retail outlet, wears-housing facility.
- **Equipment Finance Scheme** for acquisition of machinery/equipment including Diesel Generator Sets which are not related to any specific project.
- **Venture Capital Scheme** for acquisition of machinery/equipment including Diesel Generator Sets which are not related to any specific project.
- **ISO 9000 Scheme** to meet the expenses on consultancy, documentation, audit, certification fee, equipment, and calibrating instruments required for obtaining ISO 9000 certification.
- **Micro Credit Scheme** to meet the requirement of well-managed Voluntary Agencies that are in existence for at least 5 years; have a good track record; and have established network and experience in small savings-cum-credit programs with self-help groups' (SHGs) individuals.

New schemes

- (i) To enhance the export capabilities of SSI units;
- (ii) Scheme for Marketing Assistance;
- (iii) Infrastructure Development Scheme;
- (iv) Scheme for acquisition of ISO 9000 certification;

(v) Factoring Services; and

(vi) Bills Re-discounting Scheme against inland supply bills of SSIs.

Major schemes

1. Technology Development and Modernization Fund

SIDBI has set up TDMF scheme for direct assistance of SSIs to encourage existing industrial units in the sector, to modernize their production facilities and adopt improved and updated technology so as to strengthen their export capabilities. Assistance under the scheme is available for meeting the expenditure on purchase of capital equipment acquisition of technical know-how, upgradation of process technology, and products with thrust on quality improvement, improvement in packaging and cost of TQM, and acquisition of ISO-9000 series certification.

SIDBI in July 1996 had permitted SFCs and promotional banks to grant loans for modernization projects costing up to Rs. 50 lakhs. The coverage of the TDMF scheme has been enlarged w.e.f. September 1, 1997. Non-exporting units and units which are graduating out of SSI sector are now eligible to avail assistance under this scheme.

2. National Equity Fund

National Equity Fund (NEF) under SIDBI provides equity type assistance to SSI units, tiny units at 5% service charges. The scope of this scheme was widened in 2000–01 raising the limit of loan from Rs. 6.25 lakhs to Rs. 10 lakhs and project cost limit from Rs. 25 lakhs to Rs. 50 lakhs.

The following are eligible for assistance under the scheme:

- i. New projects in tiny and small scale sectors for manufacture, preservation, or processing of goods irrespective of the location (except for the units in metropolitan areas).
- ii. Existing tiny and small scale industrial units and service enterprises as mentioned above (including those which have availed of NEF assistance earlier), undertaking expansion, modernization, technology upgradation, and diversification irrespective of location (except in metropolitan areas).
- iii. Sick units in the tiny and small scale sectors including service enterprises as mentioned above, which are considered potentially viable, irrespective of the location of the units (except for the units in metropolitan areas).
- iv. All industrial activities and service activities (except Road Transport Operators).