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Volume 16

PRAGYA CONSULTING

SUSTAINABLE SOCIAL SENSIBLE

India’s First Magazine dedicated to MSMEs

BizIgnite

POWERING INDIA’S MSME REVOLUTION

IN COLLABORATION WITH: ni-msme

Digital is no longer optional for MSMEs

Success Stories of MSMEs

Empowering India’s MSME Future

About Us

Pragya Consulting is a **registered MSME** dedicated to empowering micro, small, and medium enterprises (MSMEs) with **strategic marketing and branding solutions**. Our mission is to provide sustainable, cost-effective, and tailored solutions that enhance the visibility, credibility, and growth of MSMEs in competitive markets.

Our Vision
We envision a future where MSMEs seamlessly **transition from informal operations to structured, scalable enterprises**, unlocking their full growth potential and evolving into future multinational corporations (MNCs).

With a strong foundation in economics and marketing, Pragya Consulting blends data-driven insights with innovative marketing strategies to help businesses create a strong market presence.

We specialize in:

✅ **Knowledge Management** – Enabling businesses with critical market insights and industry intelligence.
✅ **Custom Reports** – We go beyond standard insights by offering customized reports tailored to the specific needs of various stakeholders including industry and Government.
✅ **Brand Strategy & Positioning** – Crafting compelling brand narratives that enhance visibility and trust.
✅ **Digital & Performance Marketing** – Leveraging online platforms for lead generation, engagement, and conversions.
✅ **Thought Leadership & Content Marketing** – Showcasing MSMEs as credible industry leaders through strategic content.
✅ **BizIgnite** – **First indian magazine** dedicated to MSMEs for providing information on policy and regulatory framework in addition to various schemes being offered by Government for empowering MSMEs.

At Pragya Consulting, we don't just offer services; we build partnerships for success.

Our mission is to transform MSMEs from informal enterprises to structured, competitive businesses ready to scale and compete in global markets.

Editorial

July 2026 Issue

There was a time when going digital was seen as an advantage. Today, it has become a necessity.
India's MSME sector has always been defined by resilience. Whether adapting to changing markets, embracing new technologies, or overcoming resource constraints, MSMEs have consistently demonstrated that innovation is not the privilege of large corporations alone. Today, however, the pace of change is faster than ever. Digital technologies and Artificial Intelligence are no longer optional tools—they have become fundamental enablers of competitiveness, productivity, and sustainable growth.

This edition of BizIgnite explores this transformation through a practical lens. Our cover story examines why building a digital presence is now essential for every MSME and how technology is helping businesses reach new markets, improve customer engagement, and make better decisions. Complementing this theme are three inspiring success stories that illustrate different pathways to innovation. Zishta is preserving India's traditional craftsmanship through modern entrepreneurship. Naireeta Services demonstrates how deep-tech innovation can address climate challenges while creating livelihoods. Dermatouch showcases how AI-driven digital marketing can accelerate business growth and build nationally recognised brands. entrepreneurial spirit with knowledge, innovation, and purposeful action.

Meera Bhalla
Editor-in-Chief, BizIgnite

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MSME SAMACHAR

Your Gateway to MSME Insights & Innovation

National-level updates

RBI Overhauls TReDS Framework to Expand Institutional Credit Flows for Small Vendors
June 23, 2026

The Reserve Bank of India (RBI) has enacted the comprehensive Reserve Bank of India (Trade Receivables Discounting System) Directions, 2026, under Section 18 of the Payment and Settlement Systems Act, 2007. Superseding all past incremental circulars, this consolidated legal framework brings the entire TReDS operating network under a **singular regulatory regimen** to remove long-standing barriers to capital for micro, small, and medium enterprises (MSMEs).

The standard operating updates include a radical easing of the onboarding pipeline. The new norms remove mandatory due diligence for individual MSME sellers at the entry phase, transferring structural validation duties directly to the platform operators. Platform operators must now use primary verifications—chiefly the **Udyam Registration Certificate**—to ensure that onboarding sellers are authentic.

Financiers can now tap into credit guarantee covers from any government-notified fund trust, including the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Insurance firms are formally integrated into the system, and the framework explicitly bars financiers from passing on any credit insurance premiums to the MSME sellers.

To align platform operators with non-bank payment system rules, the RBI raised the minimum net worth mandate to ₹25 crore, giving existing players until March 31, 2028, to comply.

This policy shift directly impacts MSMEs by boosting liquidity on TReDS platforms. Allowing financiers to hedge exposures via government guarantee trusts reduces risk, prompting them to discount invoices from micro and small vendors. Resolving trade disruptions on a non-recourse basis helps MSMEs unlock quick, collateral-free cash flows from their outstanding corporate and public sector receivables.

Government Deploys Six Digital Platforms on MSME Day 2026 to Unify Enterprise Delivery
June 27, 2026

At the national MSME Day 2026 celebrations at the Dr. Ambedkar International Centre, Vice President C.P. Radhakrishnan unveiled six digital platforms engineered to transform government-to-business (G2B) workflows, market integration, and capital allocation for small businesses.

The technical deployment includes:

- **PMEGP 2.0 Portal:** Integrates with the national **Jan Samarth Portal**, allowing automated, real-time data exchanges with banks to quicken loan sanctions and cash disbursements under the Prime Minister's Employment Generation Programme.
- **SAMADHAAN 2.0 Portal:** A compliance platform that mandates Central Ministries, Departments, and Central Public Sector Enterprises (CPSEs) to log and clear outstanding dues, enforcing mandatory monthly reporting.
- **Procurement and Marketing Support (PMS) 2.0 Portal**: Eliminates manual friction by offering a paperless pipeline for exhibition listings, applications, and direct subsidy refunds linked via Udyam credentials.
- **MSME Global Mart 2.0:** Integrates with the Open Network for Digital Commerce (ONDC), providing direct cross-border and domestic e-commerce links for local vendors.
- **MSME Testing Portal:** Fully digitizes testing at national testing stations, letting units book samples, complete payments, and download quality certificates digitally.

- **MSME Idea Hackathon 6.0:** Offers direct financial grants of up to ₹15 lakh per product innovation to promote technology adoption.

This coordinated launch marks a transition from simple compliance portals to integrated business assistance systems. Adding AI voice grievance support and translation modules in 22 Scheduled Indian languages helps first-generation entrepreneurs bypass historical language barriers. For the broader ecosystem, this change lowers compliance overheads and connects rural units directly with global demand.

India-Japan Bilateral Strategy Moves Toward Integrated Supply Chains for MSME Clusters

July 4, 2026

The economic relationship between India and Japan is transitioning from massive infrastructure financing to deep supply-chain integration among MSMEs, focusing on technical skills and manufacturing tie-ups. The Indian Industries Association (IIA) highlighted that this coordinated approach aims to integrate Indian manufacturing clusters into global value chains.

This bilateral initiative centers on adopting advanced manufacturing standards, transferring electronic technologies, and adopting lean production methodologies. The focus is on tier-2 and tier-3 automotive component manufacturing, machinery assembly, and specialized electronic casting clusters. Rather than acting as low-value domestic subcontractors, local MSMEs are being readied for global tier-1 supply systems by setting up common training modules and aligning with Japanese quality benchmarks.

For local manufacturers, this integration helps bridge the technological gap that often hinders export compliance. Working with Japanese technology firms allows small manufacturing units to cut factory floor waste, improve precision manufacturing capabilities, and secure sustainable export lines. This industrial push offers a clear pathway for domestic clusters to scale up and match global quality expectations.

SIDBI Expands MSME Samvaad to Disseminate Green Finance and Sustainability Frameworks

July 3, 2026

The Small Industries Development Bank of India (SIDBI) dedicated the latest sessions of its national MSME Samvaad outreach to green finance, energy-efficiency lending lines, and the practical application of ESG compliance criteria for small enterprises. This public initiative addresses information gaps that keep smaller businesses from taking advantage of lower-cost green loans.

The outreach addresses complex regulatory structures, such as cross-border carbon border taxes and global green procurement mandates, translating them into clear operational steps for small firms. SIDBI's sessions focus on introducing small businesses to specialized lending schemes for clean tech, like rooftop solar installations, energy-efficient boiler switches, and waste recycling equipment. By explaining these frameworks, the initiative shows that adopting eco-friendly systems is an asset for securing credit, not a costly compliance burden.

As global buyers enforce strict carbon tracking, this focus on green practices helps small exporters maintain their supply-chain positions. MSMEs that transition early can gain a distinct competitive edge by lowering energy bills and qualifying for lower-interest corporate and institutional credit.

State-level updates

Rajasthan Disburses ₹13 Crore and Deploys Industrial Development Policy on MSME Day

June 27, 2026

Marking the state's first major celebration of International MSME Day, Rajasthan Chief Minister Bhajan Lal Sharma launched a suite of infrastructure and credit programs, distributing more than ₹13 crore in direct fiscal subsidies, startup grants, and institutional loans to small businesses.

The state also introduced the Rajasthan Industrial Development Policy, a specialized One District One Product (ODOP) catalogue, and the state-specific RAMP Portal. Moving beyond traditional welfare support, the new policy speeds up land allotments, provides fast-track single-window clearances, and sets up financial top-ups for units entering advanced electronics and semiconductor-linked manufacturing chains.

This comprehensive policy package reduces bureaucratic delays for local enterprises. By explicitly connecting small-scale factories to higher-value tech sectors, Rajasthan is helping local suppliers upgrade from low-margin manufacturing to advanced technical production.

Telangana Backs Toy Testing Facilities to Build Global Quality Infrastructure for Local Artisans

July 3, 2026

The Government of Telangana has launched a program to build state-of-the-art toy testing facilities and dedicated Centres of Excellence across the state. This targeted infrastructure project aims to lift the state's small toy manufacturing units and artisan clusters to match international quality and safety rules.

The project focuses on removing technical hurdles for small firms. Toy manufacturing demands strict safety certifications and material testing, which are often costly for small businesses.

By setting up accessible testing hubs near key manufacturing clusters, Telangana reduces reliance on remote laboratories, cuts down validation times, and ensures compliance with global standards.

This infrastructure investment helps shift the state's toy sector from basic hand-carved production to verified export-grade manufacturing. Lowering certification costs allows small local toy makers to compete in high-value corporate and global retail markets.

Mizoram Proposes Specialized Ginger and Bamboo Processing Hubs to Boost Northeast Value Chains

July 3, 2026

The Government of Mizoram has submitted a comprehensive plan to the Central Government requesting dedicated support to set up large-scale ginger processing plants and expand industrial manufacturing lines for bamboo. The state has requested the establishment of a dedicated regional MSME Development and Facilitation Office to anchor these projects.

This proposal seeks to shift Mizoram's economy away from selling raw agricultural goods toward higher-value processed commodities.

Raw ginger and bamboo offer significant potential for small business networks across packaging, light manufacturing, chemical extractions, and eco-friendly crafts. Setting up regional processing clusters keeps the economic benefits within the state, building a resilient network of rural small businesses.

The project provides an entry point into organized manufacturing for local entrepreneurs. Setting up dedicated processing infrastructure and a localized central regulatory body helps the state transform raw agricultural proximity into a distinct industrial edge.

AI and tech updates

Google and India SME Forum Report: Generative AI to Unlock $490 Billion for Indian MSMEs

July 7, 2026

Google and the India SME Forum have published a **joint report examining the digital transformation of India's small business sector**. Based on a survey of 3,249 MSMEs alongside macroeconomic data, the study reveals that adopting artificial intelligence can add $490 billion to $685 billion in net economic value, expanding the sector's current $1.1 trillion contribution to India's GDP.

The report highlights that adopting digital workflows has driven double-digit revenue growth for nearly 60% of surveyed MSMEs. Integrating advanced AI and agentic systems allows small businesses to improve overall profitability by 30% to 35% while cutting operational costs by 20% to 30%. Additionally, 78% of AI-enabled businesses reported a drop in customer acquisition costs, and 54% secured a 2x to 3x return on digital advertising spend. The data shows that small business digital ad activity generates approximately ₹49,700 crore in economy-wide output, ₹32,300 crore in Gross Value Added (GVA), and has raised related GST collections to ₹6,534 crore.

Sushri Shobha Karandlaje, Minister of State for MSME, noted that AI democratizes visibility for rural entrepreneurs, allowing grassroots firms to reach consumers directly. Google Ads & Commerce VP Vidhya Srinivasan added that the next phase will feature agentic AI, which anticipates localized demand shifts and engages ready buyers automatically.

57% of Indian MSMEs Recognize AI as Primary Growth Driver as Digital Maturity Rises

June 29, 2026

A nationwide study by Vi Business reveals a major shift in how small business owners view technology, with 57% of Indian MSMEs identifying artificial intelligence as an essential driver for future growth. This demonstrates that small enterprises are moving beyond basic digitization toward sophisticated data tools.

The study shows that one in four small enterprises has deployed AI tools for everyday tasks like inventory management, automated customer service, and localized digital marketing. This digital shift is closing the competitive gap between small companies and larger firms by allowing small teams to manage high-volume customer accounts and balance distribution networks effectively.

This adoption helps reduce administrative bottlenecks and lowers overheads. As AI platforms become more affordable, early adopters can protect their margins against inflation and react quickly to changing market demands.

Meta Launches Muse Image Generative Model to Automate Low-Cost Marketing for Small Businesses

July 9, 2026

Meta Superintelligence Labs has launched Muse Image, an AI model tailored for small businesses and regional micro-brands to generate and edit promotional materials via simple conversational prompts.

This tools removes the need for complex, expensive editing software or technical design skills. Users can create product mockups, modify backdrops, and format localized marketing visuals using plain text commands.

Designed to function on standard smartphones and across low-bandwidth connections, it makes high-quality digital design accessible to resource-constrained teams.

This model helps micro-enterprises run agile, localized ad campaigns without large agency fees.

Lowering content production costs allows regional brands to market on digital platforms and compete effectively with national consumer brands.

Financial updates

ECLGS 5.0 Mobilizes ₹48,484 Crore in Emergency Credit for Small Businesses Impacted by Global Disruptions

June 11, 2026

The Union Government's Emergency Credit Line Guarantee Scheme (ECLGS) 5.0 has reached an operational milestone, issuing 1,06,549 credit guarantees worth ₹48,484.26 crore to protect businesses from liquidity pressures. Approved by the Cabinet on May 5, 2026, to counter economic friction from the West Asia crisis, the scheme aims to unlock up to ₹2.55 lakh crore in emergency capital.

MSMEs are the primary beneficiaries, accounting for 96% of the guarantees issued by number and 86% of the total funds deployed. The scheme offers a 100% state-backed credit guarantee for eligible MSME accounts, while non-MSME and aviation accounts receive a 90% coverage tier. Public Sector Banks (PSBs) led the rollout, managing 96% of disbursements, with support from private lenders, small finance banks, and NBFCs. Loans feature tenures of up to seven years, including a two-year moratorium, and cap additional credit at 20% of peak working capital, allowing up to 50% of outstanding interest to be converted into a Funded Interest Term Loan (FITL).

This swift rollout provides a crucial buffer for small units managing volatile input prices and rising freight costs. Offering comprehensive government guarantees encourages banks to lend confidently, keeping vital working capital flowing to vulnerable manufacturing and export clusters.

Strong 23.5% MSME Credit Growth Tempered by Stress Indicators in Micro Segments
June 30, 2026

Bank credit to India's MSME sector grew by 23.5% during the 2025–26 fiscal year, highlighting banks' increased willingness to lend to small enterprises. However, recent portfolio data shows this headline growth is masking emerging financial stress in specific pockets, particularly among micro-scale and manufacturing units.

While medium enterprises with solid digital footprints secure credit easily, smaller micro-units are facing slower credit access and rising borrowing costs. This split indicates that credit distribution remains uneven, with lenders tightening approval requirements for cash-dependent and smaller accounts due to global economic fluctuations.

For small businesses, this environment highlights that securing capital is only part of the challenge—borrowing must also remain affordable. Micro-units must focus on building clean digital footprints through GST and Udyam filings to avoid risk penalties and access competitive interest rates from formal lenders.

Structural Delays in Payments Persist as Primary Working Capital Challenge for MSMEs
June 22, 2026

Despite improvements in formal credit programs, delayed payments from large corporate buyers and public sector entities remain a critical challenge for small suppliers. Reports indicate the government is assessing fresh legal and procedural adjustments to enforce stricter payment timelines.

The issue is severe for smaller sub-contractors who often lack the market leverage to demand on-time settlements from large corporate clients. While systems like TReDS offer useful workarounds, their effectiveness depends on broader corporate compliance and disciplined payment habits across the supply chain. This dynamic makes resolving payment delays more impactful for business health than simply taking on more debt.

To manage these cash-flow bottlenecks, small vendors must use statutory tools like the Samadhaan portal and shift toward buyers that prioritize timely invoice clearances. Reducing cash conversion cycles directly protects operating margins without adding interest costs.

High Court Reaffirms Strict MSME Status Rules for Debt Protection Benefits
July 11, 2026

In a key corporate legal judgment, a division bench clarified that an enterprise borrower must formally establish and verify its active MSME registration status before a credit account is classified as a Non-Performing Asset (NPA) to claim statutory debt restructuring benefits under the Reserve Bank of India's revival guidelines.

The court noted that retroactive registration filings completed after recovery actions have begun cannot hold up formal insolvency proceedings.

The ruling cements the principle that regulatory safety benefits depend on timely, disciplined regulatory compliance.

This legal clarification highlights the importance of maintaining up-to-date business registrations. Small business promoters often delay their formal Udyam registrations until they hit severe financial distress, discovering too late that they cannot access special insolvency protections.

Maintaining an active, fully verified regulatory status ensures that small firms can utilize state-backed mediation panels and debt restructuring windows early, protecting their assets from sudden recovery liquidations.

Other updates

West Asia Crisis Threatens to Squeeze Profit Margins for Small-Scale Export Clusters
June 18, 2026

The Ministry of MSME has initiated a comprehensive review of the ongoing West Asia crisis, as industry data warns that sustained geopolitical tensions could cut up to one percentage point off overall MSME growth and squeeze margins across key clusters.

Small units are particularly exposed to external supply-chain shocks due to tight operating cash flows and minimal buffers. Small businesses involved in engineering parts, chemical processing, apparel, and commodities are facing a double squeeze: rising ocean freight rates and spiking input prices for imported raw materials.

To shield against these disruptions, small exporters must diversify their supplier networks, secure fixed-rate shipping arrangements where possible, and adjust their financial planning to accommodate extended payment cycles.

RBI Steps Up Grassroots Outreach to Address Information Gaps in Non-Metropolitan Hubs
June 29, 2026

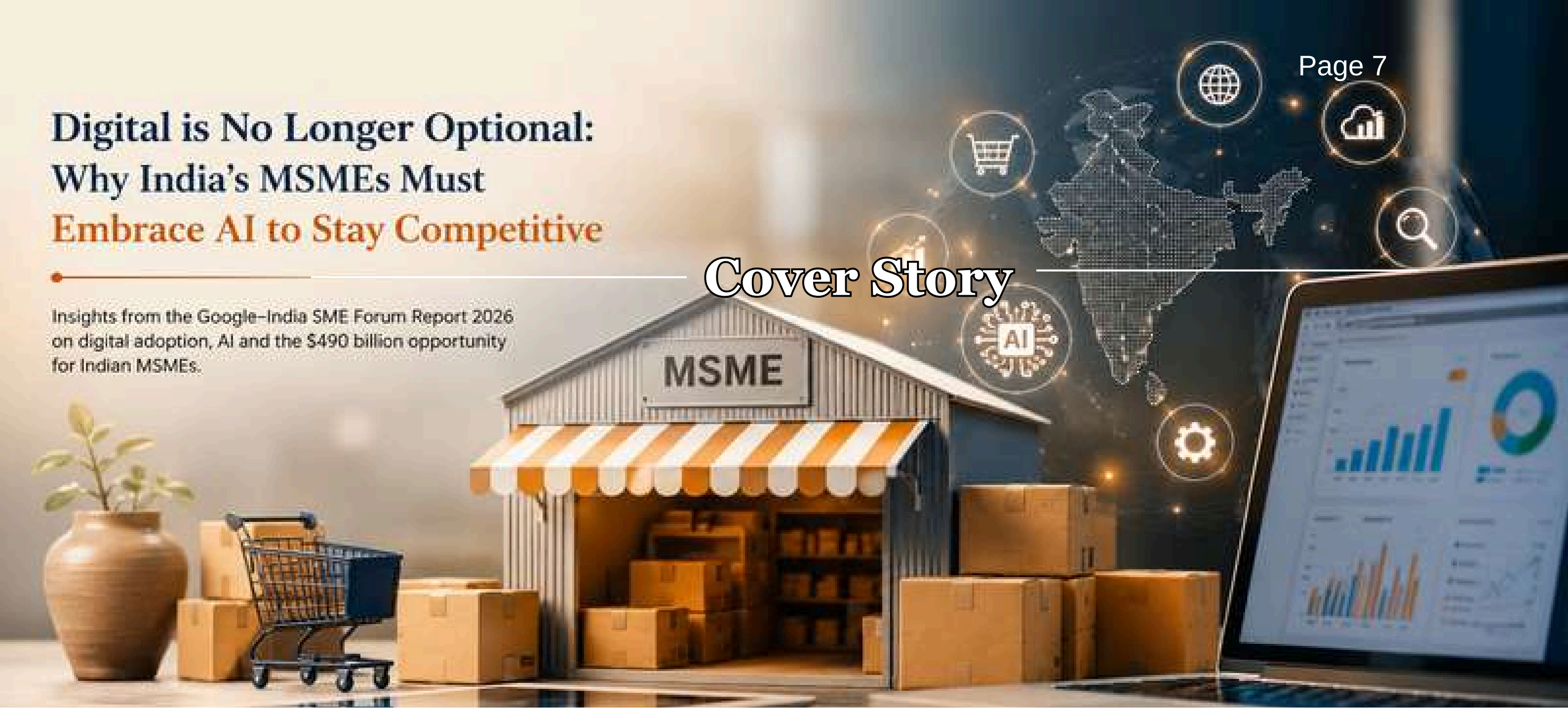
To mark International MSME Day, regional offices of the Reserve Bank of India in hubs like Nagpur and Panaji organized direct outreach programs to address information gaps that frequently cut off rural entrepreneurs from banking systems. These field events focused on clarifying official lending rules, explaining simplified onboarding on TReDS, and demonstrating how small firms can protect themselves against predatory loan apps. RBI officials noted that small businesses outside major metropolitan areas often miss out on support due to a lack of clear information rather than a lack of financial products.

This focus on grassroots communication helps non-metro MSMEs enter the formal financial system. Connecting small business owners directly with regulatory guidelines ensures they can confidently approach formal banks, access lower-cost loans, and use official grievance channels like Samadhaan 2.0. ◆

Digital is No Longer Optional: Why India's MSMEs Must Embrace AI to Stay Competitive

Cover Story

Insights from the Google–India SME Forum Report 2026 on digital adoption, AI and the $490 billion opportunity for Indian MSMEs.



> *"Digital transformation is no longer about simply being online. For India's MSMEs, it is becoming the foundation for future competitiveness."*

For years, digitalisation was often viewed as an optional investment for small businesses—a useful tool to improve communication, expand marketing reach, or simplify bookkeeping. Today, that perception is rapidly changing.

According to the **joint report by Google and the India SME Forum**, digital technologies are no longer just improving business efficiency; they are reshaping how MSMEs compete, grow, and create value. More importantly, the report suggests that **Artificial Intelligence (AI) could become the next major driver of productivity and economic growth for India's small business sector.**

For MSME entrepreneurs, the message is clear: digital transformation is no longer about keeping pace with competitors—it is about preparing for the next phase of business growth.

India's MSMEs Are Becoming Increasingly Digital

The report, based on a survey of 3,249 MSMEs across India, indicates that businesses are steadily embracing digital technologies to improve their operations and market reach.

One of the strongest findings is that ***digital adoption is producing measurable business outcomes rather than merely improving convenience.***

Businesses using digital platforms reported stronger revenue growth, greater customer reach, and improved operational efficiency.

The report also highlights that digitalisation enables MSMEs to access markets that were previously beyond their geographical limitations.

Whether through digital marketing, e-commerce platforms, online customer engagement, or cloud-based business tools, technology is helping small enterprises compete on a much larger stage.

For many MSMEs, digital adoption is no longer a technology decision—it is a business strategy.

Revenue Growth Is Closely Linked to Digital Maturity

One of the most encouraging findings from the study is the relationship between digital adoption and business performance.

Nearly 60% of digitally enabled MSMEs surveyed reported achieving double-digit revenue growth.

While every business operates under different market conditions, the findings indicate that enterprises investing in digital capabilities are significantly better positioned to expand their customer base and improve financial performance.

Similarly, the report notes that 66% of surveyed MSMEs experienced improved market access through digital technologies, while 78% reported reductions in customer acquisition costs.

These findings reinforce an important business lesson.

Technology itself does not generate growth. Instead, it enables businesses to become more visible, more efficient, and more responsive to customer needs—creating the conditions necessary for sustained growth.

Artificial Intelligence Represents the Next Opportunity

Perhaps the most significant insight from the report is the growing role of Artificial Intelligence.

While digitalisation has already transformed many business processes, AI has the potential to take this transformation much further.

The report estimates that wider AI adoption across India's MSME sector could unlock more than US$490 billion in economic value. It also suggests that AI-driven improvements could increase MSME profitability by 30–35%.

Importantly, AI should not be viewed as a replacement for entrepreneurs or employees.

Instead, it functions as a decision-support tool capable of helping businesses analyse data, automate routine processes, improve customer engagement, forecast demand, strengthen inventory management, and enhance overall productivity.

For MSMEs operating with limited manpower and resources, these capabilities could significantly improve competitiveness.

The Opportunity Is Practical, Not Just Technological

Many entrepreneurs still associate AI with large technology companies or multinational corporations.

The report challenges this perception.

For small businesses, AI adoption can begin with relatively simple applications such as customer support automation, intelligent document processing, digital marketing optimisation, business analytics, or predictive sales planning.

The value lies not in adopting sophisticated technology for its own sake, but in identifying routine business activities that can be completed faster, more accurately, and at lower cost.

In other words, ***AI becomes most valuable when it solves everyday business problems.***

What This Means for India's MSMEs

The report paints an optimistic picture of India's entrepreneurial ecosystem.

Businesses that embrace digital technologies are demonstrating stronger business outcomes, improved market reach, and greater operational efficiency. As ***AI becomes increasingly accessible,*** these advantages are expected to grow further. ***However, technology alone cannot guarantee success.***

Successful digital transformation requires leadership commitment, employee capability, willingness to experiment, and continuous learning. MSMEs that view technology as a strategic investment rather than a one-time project are likely to derive the greatest long-term benefits.

BizIgnite Takeaways

The findings of the Google–India SME Forum report offer several practical lessons for MSME entrepreneurs:

- Treat digital transformation as a business strategy, not merely an IT initiative.
- Focus on solving business problems before investing in technology.
- Build digital capabilities gradually rather than attempting large-scale transformation at once.
- Explore practical AI applications that improve productivity and customer experience.
- Continuously develop digital skills within the organisation.

India's MSMEs have long demonstrated resilience, innovation, and entrepreneurial spirit. The next stage of their growth will increasingly depend on how effectively they combine these strengths with digital technologies and Artificial Intelligence.
The digital economy is no longer emerging—it is already here. The businesses that prepare today will be the ones best positioned to lead tomorrow.

Evidence from Bharat's growing businesses...

Case studies

ZERAKI JEWELS	knya	THE SLEEP COMPANY	Moiz
Founded in 2023, **Zeraki Jewels** is a high-end fashion jewelry brand that wanted to ***scale up its business value*** while ***promoting its content*** to build consideration for its flagship products. Zeraki used **Google's full-time Demand Gen strategy** to target in-market, affinity, and retargeting audiences, supported by **localized content**, **feed optimization, and enhanced conversion tracking**	**Knya,** a medical-apparel SMB, aimed to maximize impact of Doctor's Day Sale by ***driving awareness, traffic, and conversions*** during the brand's biggest annual event. Deploy Google's full-time campaign approach: pre-buzz VVC, CPM **Masthead** on sale day, **Performance Max** for sale assets, and **re**marketing VVC for masthead visiting audience	**The Sleep Company** wanted to scale in Delhi's NCR by maximizing ***brand visibility and consideration***, while driving search interest and store visits. They used Google's **Video Reach campaigns** to front the messaging & ensure efficiency while building reach. **Ad Sequencing** and **In-stream Campaigns** aided the **Video Reach Campaigns** in driving View through rates	**Moiz**, a prescription skincare brand sought to strengthen ***brand awareness and drive consideration*** for hero product line. Moiz used **Google's video-first strategy** with a focus on high-frequency exposure, leveraging **Video Reach Campaigns**, VVC, and Target Frequency, supported by **Brand Lift and Search Lift studies** to maximize visibility and measure impact
11% Increase in Conversions; **82%** Increase in Conversions value	**1.67%** Absolute Lift (Awareness); **23%** Increase in conversion	**75%** In-market audience reach; **54%** Increase in Store visits in the region	**3X** Brand Lift; **4.5%** Search lift

Source: Google **Brand Case Studies**

Note: SMM = Small and medium-sized businesses C.PM =. Cost-per-thou sand impressions: VWC-Video-Web Campaigns

The future of Indian commerce is going to be driven by four forms: Inspired, immersive, instant and intelligent

Consumer needs	New inspirations and discoveries	Meaningful interactive experiences	Maximum speed and convenience	Smarter purchasing choices
Four forces	Inspired commerce	Immersive commerce	Instant commerce	Intelligent commerce
How the four forces will power commerce growth by 2030!	By 2030, creators will spur **50-60 million** new Bharat users to shop online, accounting for approximately **10%** of e-commerce GMV	Immersive commerce will drive a **20% increase in revenue** by optimizing the customer experience, creating immersive, interactive touchpoints and embedding omnichannel journeys	Instant commerce is poised to leap **6x**, mainly through scaled quick commerce in Bharat, the rise of specialist quick commerce players, and the integration of hybrid retail models	Intelligent commerce sees retailers leveraging AI in two distinct ways: to reshape shopper journeys and to optimize backend operations, potentially boosting profitability by **30-35%**
	77% of Tier-1 and Tier-2 shoppers have made impulse purchases based on creator content	**44%** of shoppers who have tried AR/VR try-on tools have increased their online purchases	**44%** of shoppers bought instantly after discovering a product via quick commerce platforms.	**17%** of Indian shoppers now use Gen AI tools to uncover new and relevant products

Source: Google Deloite Future of Commerce Report

Note: GMV = Grossmerchandise value, ARVR = Augmented Reality/Virtual reality

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COMING IN OUR NEXT ISSUE

INDUSTRY 4.0 FOR DEFENCE MANUFACTURING IN INDIA

INSIGHTS & PERSPECTIVES FROM

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- INDUSTRY LEADERS
- DEFENCE PSUs & OEMs
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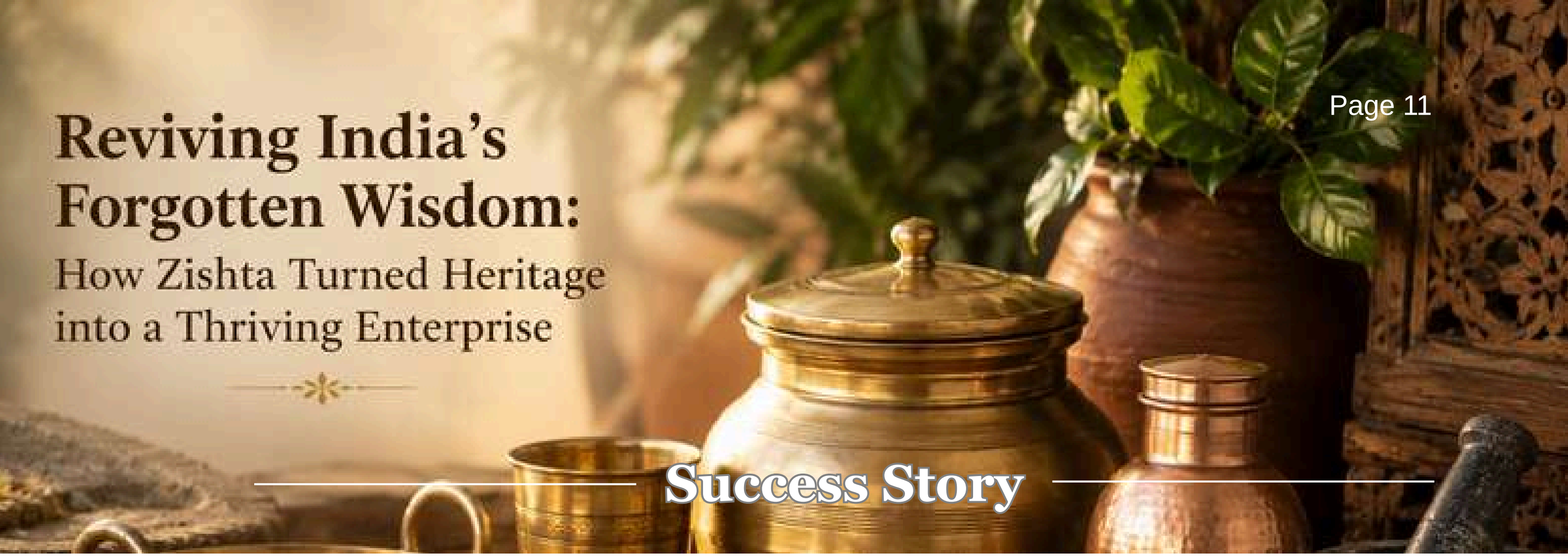
Shaping the future of India's defence ecosystem through **technology**, **innovation** and **collaboration**.



Reviving India's Forgotten Wisdom:

How Zishta Turned Heritage into a Thriving Enterprise

Success Story

"Innovation does not always begin with a new invention. Sometimes, it begins with rediscovering what generations before us already knew."

India's rich tradition of craftsmanship has produced products that have served households for centuries—from brass and kansa cookware to stone grinders, wooden kitchenware, and earthen vessels. Yet, as industrial manufacturing expanded and consumer preferences shifted, many of these products quietly disappeared from everyday life. Along with them, countless artisan communities began losing their livelihoods, and centuries of traditional knowledge faced the risk of extinction.

For most, this was an inevitable consequence of modernisation. For **Zishta**, it was an opportunity.

Rather than creating another lifestyle brand, Zishta set out to preserve India's traditional wisdom while building a sustainable business around it.

More Than a Business

The inspiration behind Zishta came from a deeply personal experience. Growing up, the founder watched her grandmother use traditional cookware that reflected generations of accumulated knowledge. Over time, those products disappeared from modern kitchens, replaced by mass-produced alternatives, leaving many families disconnected from their cultural roots.

Recognising this growing gap, Zishta chose to become more than a retailer. Its mission was to document traditional knowledge, revive forgotten products, and reconnect consumers with India's rich culinary and craft heritage while supporting the artisan communities that continue to preserve these skills.

Rebuilding an Entire Ecosystem

The company's biggest challenge was not convincing people to buy traditional products—it was rebuilding trust.

Years of cost pressures had forced many manufacturers to compromise on quality by using cheaper alloys, reducing material thickness, and cutting corners in craftsmanship. At the same time, many artisans had abandoned their ancestral professions in search of stable incomes, leaving only a handful of ageing craftsmen in several heritage clusters.

Adding to the challenge, rural logistics were underdeveloped, making it difficult to transport handcrafted products safely. Consumers had also forgotten the purpose and benefits of many traditional products, making education just as important as sales.

Zishta realised that preserving heritage required rebuilding the entire value chain—from artisans and craftsmanship to consumer awareness.

Authenticity as a Competitive Advantage

Instead of competing on price, Zishta chose to compete on authenticity.

Working directly with heritage craftsmen, **the company has revived more than 100 traditional product designs while helping over 100,000 customers** reconnect with India's culinary traditions. Every product is supported by the story behind its origin, craftsmanship, and cultural significance, transforming heritage into a meaningful consumer experience.

In a market driven by mass production, authenticity became Zishta's strongest differentiator.

Blending Tradition with Technology

Although rooted in tradition, Zishta has embraced modern technology to expand its impact.

Digital platforms such as Instagram, Facebook, YouTube, and WhatsApp have enabled the company to educate consumers about traditional products and engage directly with customers. More recently, it has **introduced AI-powered tools** to answer customer queries and assist buyers in making informed decisions.

Rather than replacing artisans, technology has helped amplify their stories and connect them with a new generation of consumers.

A Decade of Purposeful Growth

This year marks Zishta's tenth anniversary—a milestone that reflects both resilience and disciplined growth.

From working with just three artisan clusters and ten craftsmen, the company has expanded to collaborate with over 650 craftsmen across more than 50 artisan clusters in 15 states. It has remained profitable since its first year, successfully navigated the COVID-19 pandemic, established flagship stores in Bengaluru,

Zishta
TRADITIONAL WISDOM IN PRACTICE

Chennai, and Hyderabad, and received the FICCI FLO MSME Award 2026 for Social Impact.

Its journey demonstrates that businesses built on purpose, quality, and trust can also achieve commercial success.

Lessons for India's MSMEs

Zishta's journey offers valuable lessons for entrepreneurs across sectors.

Solve a deeper problem. Successful businesses often address emotional and cultural needs alongside commercial ones. Compete through authenticity. In crowded markets, trust and quality can become stronger differentiators than price.

Use technology to amplify your strengths. Digital platforms and AI are most effective when they help businesses communicate value and improve customer experience rather than simply automate processes.

Strengthen ecosystems, not just enterprises. Sustainable growth becomes more meaningful when suppliers, artisans, and local communities grow alongside the business.

The Bigger Picture

As India advances towards becoming a globally competitive manufacturing economy, innovation will not always emerge from advanced laboratories or high-tech factories. It will also come from enterprises that recognise the enduring value of indigenous knowledge and traditional craftsmanship.

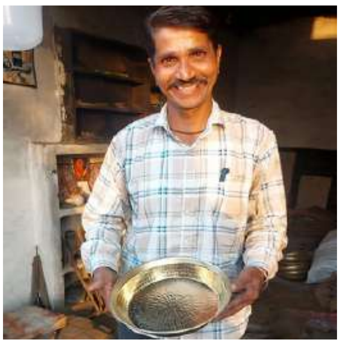
Zishta demonstrates that India's heritage is not merely a legacy to be preserved—it is a strategic asset that can inspire innovation, create livelihoods, strengthen rural economies, and build globally relevant businesses.

For India's MSMEs, the message is clear: sometimes, the most powerful ideas for the future are hidden in the wisdom of the past.

BizIgnite Takeaway

The success of Zishta reminds us that innovation is not always about creating something entirely new. It can also mean rediscovering forgotten knowledge, preserving traditional skills, and using modern business practices to make them relevant for today's world. For MSMEs seeking sustainable growth, India's heritage may well be one of its most valuable competitive advantages.

Based on Inputs provided by Zishta.



TURNING CLIMATE CHALLENGES INTO BUSINESS OPPORTUNITIES

The Naireeta Services Story

Success Story

"The most successful MSMEs do not merely respond to challenges—they redefine them as opportunities for innovation."

What if the same land that floods in one season could support farming in the next? That is the question Naireeta Services set out to answer, and it is what makes the company's journey so relevant for India's MSMEs.

Founded in 2011 as a for-profit social enterprise, **Naireeta Services** developed ***BHUNGROO®***, a rainwater management system that captures excess monsoon runoff, filters it, and stores it underground for later use. In plain business terms, it turns a seasonal problem into a usable asset.

Why It Matters

For farmers, flooding and water scarcity are not separate problems. In many regions, fields are waterlogged during the monsoon and then dry when crops need moisture most. BHUNGROO® was designed to deal with that exact cycle by reducing waterlogging and creating an underground water reserve for dry spells.

That is important for MSMEs because the best business opportunities often come from solving a persistent, expensive problem in a practical way. Naireeta did not begin with a fashionable product idea. It began with a field-level pain point and built a solution around it.

How The Model Works

Naireeta says BHUNGROO® is based on aquifer storage and recovery, managed aquifer recharge and recovery, and vertical drainage principles. The system captures rainwater, filters it, and sends it into the subsoil, where it can be stored for later irrigation. The company also says each unit occupies only one to two square metres of surface area and can conserve between 1-4 million litres of water annually.

For MSME readers, the lesson is simple: innovation does not have to be complex in appearance to be powerful in impact. A solution that works reliably in the field can create stronger value than a product that looks advanced but fails under real conditions.

Women At The Centre

One of the strongest parts of the Naireeta story is its community model. The company says it trains women to run and monitor the system, and the UNFCCC has highlighted that groups of women farmers jointly own Bhungroo in some locations. This means the solution is not only technical; it is also social and economic.

That matters because user ownership improves adoption and long-term use. For MSMEs, this is a useful business lesson: when customers become part of the operating model, trust grows faster and the solution becomes harder to displace.

Scale And Reach

As per the company, as of December 2022, 5,324 Bhungroo units had benefited more than 15,000 women smallholders and nearly 160,000 people. The company also reports that the technology has been adapted for different agro-climatic zones and used in India, Bangladesh, Ghana, and Vietnam, with further expansion being explored in Africa and Southeast Asia.

This shows how a locally designed solution can travel when the problem it solves is universal.

Why BHUNGROO?

BHUNGROO* integrates comprehensive geophysical and geological analyses, coupled with data simulation techniques, to selectively filter, inject, and store excess stormwater (post filtration) in subsoil formations via a tailormade/ optimal assembly of casings.

160000	5324	2129	2035
No. of Rural people benefited	No. of Bhungroo constructed	M Liters Minimum Water saved/ Collected per year	No. of women farmers trained as a climate leader

Lessons for India's MSMEs

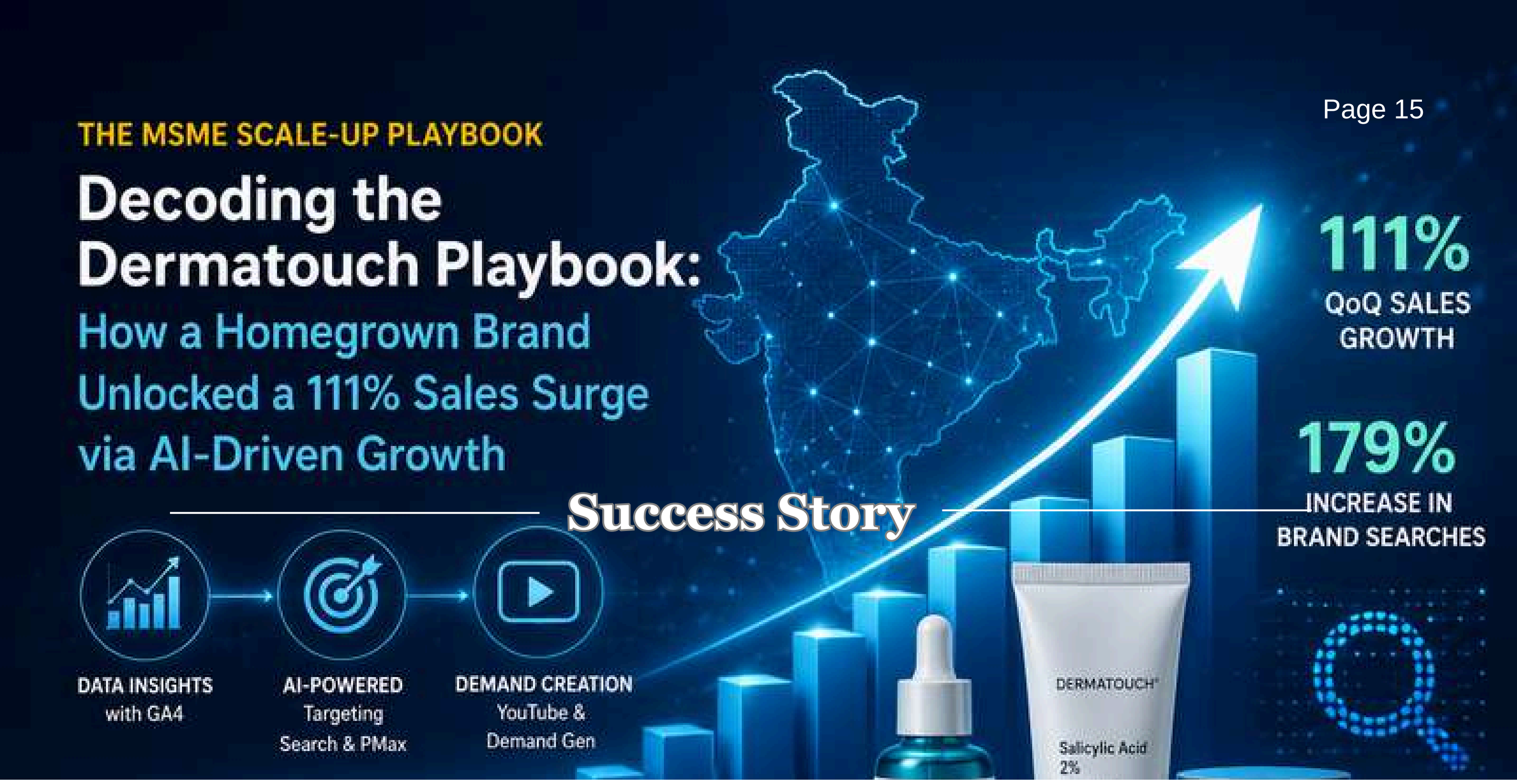
Naireeta Services offers valuable lessons for entrepreneurs across sectors.

- **Solve root causes, not symptom**s. The company addressed flooding and drought through a single integrated solution instead of treating them as separate problems.
- **Build innovation around real needs**. BHUNGROO® was designed after understanding the realities faced by smallholder farmers, making it both practical and scalable.
- **Create value beyond customers**. By empowering women farmers and strengthening rural communities, Naireeta has built an ecosystem that grows alongside the business.
- **Think globally from the beginning.** A solution developed for Indian agriculture is now creating impact across multiple countries, proving that MSME innovations can address global challenges.

The Bigger Message

Naireeta Services is more than a climate-tech story. It is a reminder that MSMEs can create value by solving hard problems with simple, durable ideas. That is especially important in sectors like agriculture, water, and rural services, where trust and performance matter more than hype.

For India's entrepreneurs, the lesson is worth keeping close. A strong MSME is not always the one with the loudest pitch. It is often the one that understands the problem best and delivers a solution people can actually use. ◆



Imagine you are standing in front of a giant map of the Indian consumer landscape. You have a stellar product, your early customers love you, and you know there is a massive market out there. But as you look closer, the traditional pathways to expansion seem crowded, expensive, and opaque.

Every ambitious Indian MSME eventually faces this exact crossroads: How do we break out of our existing channels, scale our reach, and drive profitable growth without burning through our hard-earned capital?

For Dermatouch, a fast-growing homegrown brand specializing in high-performance dermo-cosmetics, the answer wasn't to outspend the competition, but to outsmart them.

According to the latest Google India and India SME Forum Report (July 2026), Dermatouch pulled off a masterful digital expansion that resulted in a staggering 111% Quarter-on-Quarter (QoQ) increase in sales and a massive 179% explosion in brand searches.

How did they do it? Let's dissect the Dermatouch playbook to uncover the actionable, high-ROI insights your MSME can deploy today.

The Challenge: The Scale-Up Ceiling

Dermatouch operated in the highly competitive, rapidly evolving skincare and dermo-cosmetics space. While they had established a foothold, **they encountered a classic growth hurdle: the scale-up ceiling.** Relying solely on existing channels was limiting their market access, and customer acquisition costs were rising.

They needed a mechanism that would do three things simultaneously:

1. Identify high-intent buyers who were actively seeking dermo-cosmetic solutions.
2. Expand market access beyond their current demographics into India's surging Tier-II and Tier-III digital markets.

- Optimize ad spend to ensure that every rupee spent on marketing directly contributed to the bottom line.

The Strategy: The Triple Threat of GA4, PMax, and Demand Gen

Dermatouch didn't just guess where their next customer would come from. They **used data as their compass**, building a highly efficient growth engine using three core pillars:

Pillar 1: *Swapping Intuition for Google Analytics 4 (GA4)*

Many MSMEs treat analytics as a rearview mirror—something to look at at the end of the month to see what happened. Dermatouch treated GA4 as their windshield. By deploying advanced analytics, they unlocked deep, actionable insights into consumer behavior. They stopped asking "What did we sell?" and started answering "Who is buying, what are they searching for before they buy, and where are we losing them in the funnel?"

Pillar 2: *Hyper-Targeting with Search and Performance Max (PMax)*

Instead of casting a wide, expensive net, Dermatouch utilized Google's AI-powered Search and Performance Max solutions. By feeding GA4 audience insights directly into PMax, the AI automatically identified high-intent audiences across YouTube, Search, Discover, and Maps. If a consumer was searching for a targeted solution—say, a serum for pigmentation or acne—Dermatouch appeared at the exact micro-moment of high intent.

Pillar 3: *Creating Desire via Demand Gen*

Finding people who are already looking for you is great, but true scale happens when you introduce your brand to people who need you but don't know you exist yet. Dermatouch utilized Demand Gen campaigns to drive visual, immersive ad experiences across YouTube and Shorts. This scaled their reach, warmed up cold audiences, and expanded their market access exponentially.

The Results: Numbers That Don't Lie

The synergy of AI-driven targeting and deep data analytics completely transformed Dermatouch's growth trajectory:

- **111% QoQ Sales Growth**: They more than doubled their revenue quarter-over-quarter, proving that digital transformation directly fuels top-line growth.

- **179% Increase in Brand Searches:** This is the holy grail of marketing. Consumers weren't just clicking on random ads; they were actively typing "Dermatouch" into search bars. The brand had successfully transitioned from a generic product to a highly sought-after name.

The BizIgnite Masterclass: Actionable Takeaways for Your MSME

You might be thinking, "That sounds amazing for a cosmetics brand, but how does this apply to my manufacturing, B2B, or lifestyle business?" The core principles of the Dermatouch strategy are universally applicable. Here are three strategic shifts you can implement in your business this week:

1. Stop Guessing, Start Tracking
If you haven't migrated fully to an advanced analytics framework like GA4, you are leaving money on the table. Use data to segment your audience. Identify your top 20% highest-value customers and map their behavior.

2. Embrace AI-Driven Performance Tools
As an MSME founder, you don't have the time or budget to micro-manage ad bids manually. Leverage AI-powered campaigns like Performance Max. Give the system a clear budget, high-quality creative assets, and your defined target audience signals, and let the algorithm optimize for the best possible ROI.

3. Capture and Create Demand
Do not rely on a single channel. Use Search ads to capture consumers who are ready to buy right now, but pair it with visual, content-driven discovery campaigns (like short-form videos) to build long-term brand equity and generate new demand.

4. Double Down on Retention to Multiply Margins

Data from the broader Google study highlights a critical reality for scaling brands: **retention is often more profitable than pure acquisition**. In fact, returning customers regularly yield a significantly higher Average Order Value (AOV) compared to first-time buyers. Across successful digital campaigns, loyal returning users have been shown to drive a staggering 50% of all conversions and over 63% of total conversion value. Don't just spend to find new eyes; build tailored re-engagement loops to keep your existing buyers coming back, as they are the true engine behind sustained, high-margin profitability.

The Bottom Line

The Dermatouch story proves a vital truth for the modern Indian entrepreneur: **Digital adoption is the ultimate equalizer**. You don't need a multi-million-dollar legacy marketing budget to build a national brand. All you need is AI-driven digital strategies. T*he tools are ready. Are you?* ◆

EMPOWERING INDIA'S MSME FUTURE

ni-msme Driving India's Next Wave of MSME Transformation

India's Micro, Small and Medium Enterprises (MSMEs) are no longer competing only on cost. Today, success depends on innovation, digital adoption, sustainability, access to finance, skilled human resources, and global competitiveness. Supporting this transformation requires institutions that not only train entrepreneurs but also strengthen the entire ecosystem that enables businesses to grow.

The National Institute for Micro, Small and Medium Enterprises (ni-msme) has been playing precisely this role. Through a series of initiatives undertaken during June 2026, the institute demonstrated how capacity building, technology adoption, policy implementation, financial inclusion, and international collaboration can collectively accelerate MSME development.

Building Capable Institutions

Strong MSMEs require strong institutions. Recognising this, ni-msme organised multiple capacity-building programmes under the Raising and Accelerating MSME Performance (RAMP) initiative for government officials from Assam and Manipur.

The programmes covered strategic interventions for green and digital MSMEs, Industry 4.0, innovation, cluster development, project appraisal, export promotion, and leadership development.

Participants also visited innovation hubs such as T-Hub and T-Works in Hyderabad to gain first-hand exposure to startup ecosystems, advanced manufacturing, and collaborative innovation models.

These initiatives are designed to strengthen the capabilities of officials responsible for implementing MSME development programmes at the grassroots level.

Bridging the Finance Gap

Access to institutional finance continues to be one of the biggest challenges faced by aspiring entrepreneurs. To address this, ni-msme organised a Loan Mela that brought together representatives from twelve leading public and private sector banks.

More than 100 entrepreneurs interacted directly with bankers to understand loan products, documentation requirements, eligibility criteria, and government-supported credit schemes. Such initiatives simplify the financing process while encouraging entrepreneurs to leverage formal financial systems for business growth.

Empowering Women Entrepreneurs

Women-led enterprises are becoming an increasingly important pillar of India's MSME sector. To support this momentum, ni-msme organised the "Nari Shakti: Women Empowerment through

Entrepreneurship & Leadership" workshop in collaboration with IDBI Bank.

Around 120 women entrepreneurs, professionals, and aspiring business owners participated in sessions covering business planning, Detailed Project Reports (DPRs), enterprise loan facilitation, and financial literacy. Banking institutions also presented women-centric credit schemes and entrepreneurship support programmes, enabling participants to better understand available financial opportunities and institutional support mechanisms.

Driving Green and Digital Manufacturing

Sustainability is rapidly becoming a competitive advantage for MSMEs. During the month, ni-msme strengthened this agenda through an expert-level Train-the-Trainer Programme on Steam System Optimisation, conducted under the GEF-7 EEIB Project in collaboration with UNIDO and the Ministry of MSME.

The programme equipped experienced energy professionals with advanced skills in boiler efficiency, waste heat recovery, steam system optimisation, energy auditing, and industrial diagnostics. Participants also conducted real-time assessments in MSME industries, translating technical knowledge into practical energy-saving solutions.

Complementing this effort, ni-msme organised an awareness workshop for establishing a Water and Fuel Testing Laboratory in the Bidar industrial cluster. The proposed facility will help MSMEs improve energy efficiency, reduce emissions, optimise boiler performance, and enhance process reliability through scientific testing and technical support.

Encouraging Innovation Beyond Manufacturing

Innovation today extends beyond factories and production lines. Demonstrating this broader vision, ni-msme collaborated with the CINICA Creators Council to organise CINICATHON 2026, a unique programme promoting entrepreneurship in the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) ecosystem.

The initiative encouraged creators to develop original intellectual property, embrace artificial intelligence and virtual production technologies, and build globally competitive creative enterprises. By supporting emerging industries, ni-msme is expanding the scope of entrepreneurship beyond traditional sectors.

Strengthening Global Partnerships

The institute is also strengthening India's international engagement in MSME development. A high-level delegation from Ghana visited ni-msme to explore collaboration in pharmaceuticals, agriculture, agro-processing, textiles, and information technology. Discussions focused on technology transfer, entrepreneurship development, incubation, market access, faculty exchange, and joint research. Such partnerships position India as a knowledge partner while creating opportunities for cross-border cooperation in enterprise development.

Inclusive Growth at the Grassroots

Economic development is meaningful only when it reaches the most vulnerable communities. Through its implementation and monitoring of the SEED Scheme in Andhra Pradesh, ni-msme supported livelihood creation among De-notified, Nomadic, and Semi-Nomadic Communities.

Field visits confirmed the establishment of numerous micro-enterprises, including tailoring units, dairy farms, grocery stores, bamboo handicrafts, flour mills, and food businesses. Community infrastructure such as drinking water facilities and community halls further improved local living conditions, demonstrating how entrepreneurship can drive inclusive development.

Building a Resilient MSME Ecosystem

Beyond enterprise development, ni-msme also focused on strengthening governance. Workshops on Online Dispute Resolution (ODR) under the RAMP initiative promoted faster and technology-enabled resolution of delayed payment disputes, while specialised orientation programmes on the POSH Act, 2013 enhanced institutional capacity to create safe and inclusive workplaces.