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PRAGYA CONSULTING

SUSTAINABLE SOCIAL SENSIBLE

Proudly Presents

India's First Magazine dedicated to MSMEs

BizIgnite

POWERING INDIA'S MSME REVOLUTION

IN COLLABORATION WITH:



Happy
new
year

Unlock Global Markets

From Playtime to
Profits

Rajasthan AL/ML
Policy 2026

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

January 2026 Issue

Fellow MSME trailblazers, a resounding **Happy New Year 2026!** As the calendar flips to this pivotal year!

BizIgnite joins 9,000+ subscribers—from ministers to ni-msme libraries—in celebrating your unbreakable spirit. Amid India's GDP sprint and Rupee realities, you're not just surviving; you're scripting Viksit Bharat's epic comeback!

This January explosive unleashes turbo-tools like Market Access Support (MAS) and NIRYAT PROTSAHAN, slashing export barriers with ₹25,060 crore firepower. First-timers, grab 80% event funding, airfare perks, and 2.75% credit subventions—thrusting textiles, toys, and tech to Africa, Latin America! Tourism's 2.96 billion visits? Your homestays and crafts snag the 10% GDP jackpot via circuits, skilling, and OTAs.

Rajasthan's AI-ML blitz ignites governance and green credits; Tamil Nadu toys chase \$265B glory with subsidies galore. Nuclear renaissance calls tier-2 suppliers; Pharma GMP tweaks shield 8,500 units. ni-msme dazzles with IP patents, SVEP rockets, NABARD digital wins—pure empowerment!

Boldly export, digitize fiercely, skill up! From local lanes to global gains, 2026 crowns you champions.

Welcome to BizIgnite—Your Partner in Growth.
Meera Bhalla,
Editor-in-Chief, BizIgnite



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MSME SAMACHAR

Your Gateway to MSME Insights & Innovation

National-level updates

Govt launches Market Access Support scheme to boost MSME exports

December 31, 2025

The Government of India has launched the Market Access Support (MAS) Intervention under the Export Promotion Mission (EPM) to strengthen international market access for Indian exporters, with a special focus on MSMEs, first-time exporters and priority sectors. Approved by the Union Cabinet on November 12, 2025, MAS operates under the NIRYAT DISHA sub-scheme and will be implemented jointly by the Department of Commerce, Ministry of MSME and Ministry of Finance in coordination with Indian Missions and Export Promotion Councils.

The scheme provides financial and institutional support for Buyer-Seller Meets, participation in international trade fairs and exhibitions, Mega Reverse Buyer-Seller Meets in India and trade delegations to priority and emerging markets. A three-to-five-year advance calendar of market access events will be drawn up, with at least 35 per cent MSME participation mandated per event and a typical delegation size of 50 participants.

Event-level support ceilings and cost-sharing ratios have been rationalised, with preferential

assistance for priority sectors and markets, while small exporters with annual exports up to ₹75 lakh will receive partial airfare support. All processes—from application to fund release and outcome monitoring—will run through the trade.gov.in portal, with digital tools and mandatory feedback mechanisms to track leads, buyer quality and export outcomes.

Govt Rolls Out NIRYAT PRO TSAHAN to Supercharge MSME Exports

January 6, 2026

India's Government has unveiled two pivotal interventions under the NIRYAT PRO TSAHAN sub-scheme of the ₹25,060 crore Export Promotion Mission (EPM), approved November 12, 2025, to slash export costs and unlock finance for MSMEs. Jointly executed by Departments of Commerce and MSME alongside Finance Ministry, these pilot measures target labor-intensive sectors, aiming for deeper global value chain integration and diversification into emerging markets.

Interest Subvention Scheme Details

The flagship Interest Subvention for Pre- and Post-Shipment Rupee Export Credit offers 2.75% annual relief on credit from eligible lenders, capped at ₹50 lakh per IEC for FY2025-26. Covering ~75% of tariff lines via a

data-driven positive list (HS-6 digit)—prioritizing high MSME-share, value-added products like textiles and engineering goods—it excludes waste, scrap, and overlaps.

Exporters file "Intent to Avail" on DGFT portal for UIN, shared with banks; reimbursements flow via RBI monthly. Bi-annual reviews (March/September) benchmark against repo rates, with extras for underserved markets post-readiness check. DGFT's Trade Notice 20/2025-26 (Jan 2) and RBI guidelines kick off pilot rollout.

Collateral Guarantee Boost

Complementing this, Collateral Support via CGTMSE provides up to 85% coverage for micro/small exporters (extra 10% over base) and 65% for medium ones, max ₹10 crore exposure yearly. Tackling collateral hurdles, it spurs bank lending to export-oriented MSMEs previously sidelined.

CGTMSE notifies ops post-pilot, integrating into broader frameworks for seamless scale-up.

Strategic Impact on MSME Ecosystem

NIRYAT PRO TSAHAN (focus: finance) pairs with NIRYAT DISHA (market access, logistics) for holistic push, easing working

capital strains amid 45% MSME export share. Benefits: liquidity surge, first-timer entry, innovation in sunrise sectors, sustained jobs (exports ~21% GDP).

Data-driven, feedback loops ensure refinements; fiscal prudence caps outlays (subvention ~₹5,181 crore tentative). Early buzz from exporters signals uptake, aligning with PM Modi's vision for \$2 trillion exports by 2030.

These launches amid EPM rollout fortify MSMEs against headwinds like high rates, positioning India as export powerhouse.

Centre Unveils Draft Guidelines for Battery Pack Aadhaar System to Track EV Batteries

January 6, 2026

The Ministry of Road Transport and Highways has floated draft guidelines for the Battery Pack Aadhaar system, assigning a unique 21-character Battery Pack Aadhaar Number (BPAN) with QR code to EV and large industrial batteries (>2 kWh) for full lifecycle traceability—from manufacturing to recycling. Targeting lithium-ion batteries (80-90% of demand), it excludes SLI and portable types, boosting transparency, safety, and circular economy in India's booming EV sector.

Static data under BPAN covers manufacturer details, specs, materials, and carbon footprint (public via QR). Dynamic info—health, cycles, thermal events, end-of-life—resides on central server for authorized access

(makers, recyclers, services), enabling AI diagnostics, predictive maintenance, and efficient repurposing. Producers/importers must register BPAN visibly/durably and upload dynamic data to official portal.

Developed via Automotive Industry Standards Committee for stakeholder input, it verifies domestic cells for PLI-ACC schemes, curbs counterfeits, builds trust, and aids oversight amid rapid battery scaling. Integration with BMS and national EV databases forms a robust intelligence ecosystem.

Stakeholders can comment; finalization eyes structured rollout, aligning with sustainability goals.

Govt Weighs Extra Year for Pharma MSMEs to Meet Tough GMP Norms

December 31, 2025

The Union Health Ministry is considering a one-year extension to the revised Schedule Good Manufacturing Practices (GMP) deadline for small and medium pharma firms, amid fears of widespread non-compliance and shutdowns. Low readiness among nearly 8,500 MSME drug manufacturers has raised concerns over potential plant closures and disruption in supplies from India's USD 50-billion generic medicines industry.

The revised WHO-aligned Schedule M norms are slated for nationwide rollout from 1 January 2026, following an earlier conditional extension for MSMEs

up to 31 December 2025. Industry associations warn that over 60% of small units may struggle to meet upgraded infrastructure and quality requirements without additional time and financial support.

India Mulls ₹2,000 Cr Green Tech Push for MSMEs Amid Carbon Tariff Threat

December 28, 2025

The Centre is considering a ₹2,000 crore technology upgradation scheme for MSMEs in Budget 2026–27, offering a 20% capital subsidy for energy-efficient machinery, automation and smart manufacturing upgrades. The proposal, targeting units with annual turnover below ₹50 crore, aims to help small manufacturers cut energy use and stay competitive as climate-linked trade barriers tighten.

The move comes as the EU's Carbon Border Adjustment Mechanism enters its full levy phase from 1 January 2026, with the UK, Norway, Taiwan, Canada and Australia working on similar carbon border regimes. Combined with steep tariffs of around 50% by the US and Mexico on select Indian goods, these measures pose a growing risk to MSME exports.

The government is also examining convergence with the World Bank-backed MSE-GIFT green finance scheme under the RAMP programme, which supports MSMEs in adopting cleaner technologies through interest

subvention and risk-sharing facilities.

DGFT Issues Guidelines for Interest Subvention on Export Credit for MSMEs

January 6, 2026

The Directorate General of Foreign Trade (DGFT) has notified guidelines for Interest Subvention Support for Pre- and Post-Shipment Export Credit under the Export Promotion Mission's NIRYAT PROSAHAN sub-scheme via Trade Notice No. 20/2025-26 dated January 2, 2026. Aimed at MSME exporters, it offers 2.75% annual interest subvention on rupee export credit, capped at ₹50 lakh per firm yearly, covering select products to enhance competitiveness.

Exporters file intent on DGFT portal for Unique Identification Number (UIN), link to one bank for credit sanctioning; banks claim reimbursements monthly via RBI. Tentative outlay: ₹5,181 crore over FY2025-26 to 2030-31, with extra incentives planned for new markets.

Jointly with RBI, this boosts affordable finance, liquidity, and diversification amid global challenges, prioritizing labor/capital-intensive MSME sectors.

MSME push crucial to unlock India's tourism potential: Crisil

December 31, 2025

India's tourism sector needs a sharper supply-side push, with MSME facilitation and better

destination infrastructure emerging as central to realising its full economic potential, a new Crisil Intelligence report has found. In 2024, tourism was the country's largest non-farm employer, engaging over 13% of the workforce and logging 2.96 billion tourist visits, yet contributed only about 5% to GDP, far below the global average of 10%.

The report, titled "Tourism for Livelihoods: Building Circuits of Growth in India," underlines that MSMEs dominate tourism activities across accommodation, transport, food services, crafts and local experiences but remain constrained by weak access to finance, skills and formal market linkages, locking them into low-margin operations and seasonal employment. Crisil stresses that circuit-based infrastructure upgrades, improved safety and hygiene, stronger service standards, sustainable destination management and targeted skilling are essential to convert volume-led growth into value-led, year-round livelihoods, particularly for women and youth.

Crisil concludes that integrating tourism MSMEs more deeply into formal value chains, alongside coordinated policy action, can transform tourism into a higher-value livelihood engine and significantly enhance its contribution to inclusive growth in India.

Govt Waives 3-Year Rule for Deep-Tech Startup DSIR Recognition

January 6, 2026

The Government has scrapped the mandatory three-year existence requirement for deep-tech startups seeking DSIR recognition under the Industrial Research and Development Promotion Programme, enabling early access to fiscal incentives, customs exemptions, and loans up to ₹1 crore. Announced by MoS (Independent Charge) Science & Technology Dr. Jitendra Singh on DSIR's 42nd Foundation Day, it targets early-stage innovators in AI, robotics, semiconductors, and emerging tech.

Previously, CSIR/DSIR aid required viability proof over three years; now, tech maturity suffices, complementing ₹1 lakh crore RDI Fund for scaled ventures and schemes from DST, TDB. Singh hailed India's shift from Atmanirbhar to global dependency in vaccines/devices, urging industry-MSME-startup ties.

Event launched revised R&D guidelines, PRISM Network-TOCIC Pulse, Creative India 2025, DSIR Disaster Plan; MoUs for women skill centre (Chhattisgarh), CRTDH tech transfers. DSIR Secretary N. Kalaiselvi, PSA Ajay Kumar Sood attended.

Centre Invites State Proposals for AI Centres of Excellence under IndiaAI Mission

January 6, 2026

The Ministry of Electronics and IT (MeitY) has called for proposals from state governments to establish Artificial Intelligence Centres of Excellence (CoEs), aiming to supercharge R&D,

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startups and India's Global South AI leadership. Secretary S Krishnan confirmed funds will flow upon submission, aligning with the ₹10,371.92 crore IndiaAI Mission (approved March 2025).

Sector-specific CoEs will drive inclusive AI deployment, foundational models and entrepreneurship, benefiting 1.8 lakh startups (89% new ones AI-integrated). Builds on existing IIT Delhi/Ropar/Kanpur centres (₹990 crore, Oct 2024) and GPU ramp-up to 41,850 units at ₹65/hour subsidised rate.

Krishnan noted ongoing fund utilisation for computing infrastructure via empanelment (not tenders), with AI adoption surging in automotive, retail, BFSI, healthcare (60% value). Experts project \$1.7 trillion economic boost by 2035.

States urged to propose via IndiaAI Mission for transformative infra benefiting MSMEs and innovators nationwide.

State-level updates

Tamil Nadu Unveils Toy Manufacturing Policy 2025 to Boost MSME Growth

December 8, 2025

Chief Minister MK Stalin launched the Toy Manufacturing Policy 2025 at the TN Rising Investment Conclave in Madurai, aiming to position Tamil Nadu as a global toy hub while reviving artisanal traditions. The policy targets the \$180 billion global market, where India holds under 1% share, by

attracting 10 anchor investors, a dedicated Toy Park, and design studios for STEM, electronic, and interactive toys.

MSMEs gain capital subsidies up to ₹1.5 crore, payroll aid, IP support, and interest relief under the 2021 MSME Policy, plus incentives for inclusive toys and 30% payroll subsidy for creative studios over 12 months. Investments over ₹50 crore creating 50 jobs qualify for capital subsidies, land concessions, and tax exemptions; valid five years via Industries Department and SIPCOT.

Traditional clusters like Vilacheri clay toys and Thanjavur GI-tagged Bommai will integrate into modern supply chains, fostering rural jobs.

J&K Proposes Incentives to Revive Sick Units, Promote Green Tech in MSMEs

January 6, 2026

The Jammu & Kashmir Government has floated draft amendments to its Industrial Policy 2021-30, offering incentives to revive sick MSMEs, boost green technologies, and spur investments. Placed in public domain by Industries & Commerce Department, sick SMEs (per RBI definition) get same benefits as new units via special rehabilitation mechanism.

Key proposals: 30% capital aid (max ₹50 lakh) in Zone A, 50% (₹1 crore) in Zone B for MSMEs; women-led (51% stake) units extra 25%. 100% SGST reimbursement (5 years, ceilings

100-200% FCI by size/zone); 100% stamp duty waiver on govt estate land/mortgages. Stock listing incentive: ₹50 lakh for NSE/BSE equity debut; 100% patent filing reimbursement (₹2 lakh domestic, ₹5 lakh international).

Green push: 50% subsidy (max ₹50 lakh) for rooftop solar/net metering/green open access, rainwater harvesting, wastewater recycling, zero-discharge, waste management (PCB-certified); 60% pollution control devices (₹50 lakh); 50% tech upgradation/automation (₹25 lakh from nat'l institutes); cert reimbursements (ISO etc., ₹10 lakh).

Focus sectors multiplier (1.25x); single-window in-principle approval for MSMEs (3-year clearances grace). Aims transform J&K industry sustainably.

Vibrant Kutch Event Inks ₹8,500 Crore MoUs with 334 MSMEs

January 6, 2026

The Vibrant Gujarat Regional Conference reached Kutch district, where 334 MSME units signed MoUs worth ₹8,500 crore at the inauguration of the district-level programme on January 2 at Dr. Babasaheb Ambedkar Convention Centre in Gandhidham. Gujarat Forest and Environment Minister Arjun Modhwadia presided, with Minister of State for Higher and Technical Education Trikam B. Chhanga and dignitaries present, heralding industrial surge.

Modhwadia hailed Kutch's

transformation under PM Narendra Modi's leadership—from calamity-hit to progress model—spotlighting ports (40% national cargo), renewables, green hydrogen, blue economy, electronics, data centres, and marine sectors. He dubbed it Kutch's 'Golden Period', urging green cover expansion and tech hubs in AI, quantum computing, biotech.

Chhanga credited Modi's original Vibrant Gujarat for district expansion, turning earthquake/unemployment woes into opportunities; handicrafts hub now industrial powerhouse with reverse migration. MP Vinod Chavda praised ports/minerals/chemicals growth, aligning with Make in India, Vocal for Local amid Kutch's desert-sea-mountain bounty.

Deendayal Port Chairman S.K. Singh, industrialist Manish Kiri, DP World's Parag Kochar, and Collector Anand Patel echoed Kutch as Gujarat's economic engine and land of opportunity.

Himachal Signs ₹10,000 Crore MoUs at Him MSME Fest 2026 January 6, 2026

Himachal Pradesh sealed 37 MoUs worth ₹10,000 crore with investors at the Him MSME Fest-2026 investor meet in Shimla's Peterhoff on January 4, targeting food processing, pharma, defence, green mobility, and renewables. CM Thakur Sukhvinder Singh Sukhu engaged CEOs, unveiling green

industrialisation vision via new policy soon.

Sukhu prioritised EV taxis (22,000 replacements, 40% subsidy), green hydrogen buses tender, Section 118 resolutions, textiles, logistics cuts, Baddi-Chandigarh rail funding, 200 five-star hotels, Him Chandigarh city, 24x7 cheap power. Bulk Drug Park in Una (₹2,071 crore cost, 568.75 ha) cleared, eyeing ₹8,000-10,000 crore investments, 15,000-20,000 jobs.

Infrastructure ramps up: MSE Pharma Lab, MSME Tech Centre, gas connectivity, skill hubs in Baddi/Una, CIPET. Industry Minister Harshvardhan Chauhan touted liberal policies; Addl CS R.D. Nazeem detailed support.

TSSIA Launches 'Vision 2030' to Digitally Power MSMEs December 14, 2025

The Thane Small Scale Industries Association (TSSIA) has unveiled an ambitious Vision 2030 roadmap to drive end-to-end digital transformation of MSMEs, targeting higher productivity, market access and global competitiveness. Announced in Thane on December 14, the plan focuses on digital empowerment, Industry 4.0 adoption and sustainability for small manufacturers.

Key pillars include skilling and reskilling entrepreneurs on

digital tools, building partnerships with technical institutes, and promoting technologies such as cloud, AI and data analytics for MSME operations. TSSIA president Sandeep Parikh, who also heads the Chamber of Small Industry Associations (COSIA), said the initiative aims to position MSMEs as key contributors to India's 2030 growth vision through technology-led innovation.

AI and Tech updates

Rajasthan Clears AI-ML Policy 2026, Links Tech Push with Green Credit Incentives December 30, 2025

The Rajasthan Cabinet has approved the Rajasthan Artificial Intelligence and Machine Learning (AI-ML) Policy-2026, aiming to position the state as a technology-led investment hub while embedding ethics, transparency and citizen-centric governance at its core. Announced earlier in the state budget, the policy focuses on using AI to make public services faster, more accountable and secure, and to drive innovation-led economic growth across sectors.

The policy mandates transparent, fair and privacy-protected AI systems, with provisions to minimise algorithmic bias, secure data, make AI decisions explainable and auditable, and create clear channels to report and address AI-related cybercrimes. Each department will identify AI use cases and appoint an AI Nodal Officer, while a state Artificial Intelligence Centre of Excellence will anchor research, innovation and capacity building.

To back this, Rajasthan plans advanced digital infrastructure—AI cloud services, secure data repositories, sandboxes, and high-performance computing—alongside AI education across schools, ITIs, polytechnics and colleges, with targeted training for youth, teachers and government staff. Industries, MSMEs, startups and research institutions implementing AI projects will be eligible for top-up incentives aligned with RIPS, MSME and Startup policies, strengthening the innovation ecosystem.

The Cabinet also cleared the Green Credit Voucher Initiative-2025 to promote a green and circular economy by issuing tradable, redeemable green credit vouchers to urban local bodies and investors undertaking sustainable projects in renewable energy, efficiency, waste management, water conservation, pollution control and green infrastructure. By tying environmental performance to direct economic benefits, the scheme is expected to crowd in private and public capital into climate-resilient development.

Punjab Charts AI Roadmap for Agri-Tech Boost with IIT Ropar

January 6, 2026

The Punjab government is gearing up to deploy AI across agriculture to enhance productivity, sustainability and farmer incomes, partnering with IIT Ropar's Centre of Excellence

(₹310 crore, Centre-funded). Agriculture Minister Gurmeet Singh Khudian reviewed progress at Punjab Bhawan, directing field-level pilots scalable on proven results.

Khudian stressed farmer-first tech, mandating automatic weather stations, farmer-led data collection, horticulture cluster support and livestock AI expansion. IIT Ropar's Pushpendra P Singh detailed solutions: crop advisory systems, multilingual chatbots, yield estimation, soil health analytics, weather tools, smart livestock management.

Punjab backs IIT Ropar's national courses on precision agriculture/AI, reserving seats for state youth/officers to build agri-tech talent. Initiative eyes resource efficiency, climate resilience, positioning Punjab as AI-agri leader.

M&A updates

India Post, SIDBI ink MoU for verifying informal micro enterprises on Udyam Assist Platform

December 31, 2025

The Department of Posts (DoP) under the Ministry of Communications and Small Industries Development Bank of India (SIDBI) have signed a two-year MoU to conduct Contact Point Verification (CPV) of Informal Micro Enterprises (IMEs) registered on the Udyam Assist Platform (UAP). Signed at Dak Bhawan by DoP's

Manisha Bansal Badal and SIDBI's Amit Nagar, the pact leverages India Post's 1.64 lakh post offices for nationwide on-ground checks of enterprise details, business info and locations using geo-tagged evidence.

SIDBI, the apex MSME financier, administers UAP to formalise IMEs, validate data and enable institutional credit access, with CPV ensuring accuracy via a dedicated mobile app for real-time reporting. DoP's field staff will perform verifications, backed by SIDBI's training, infrastructure and guidelines, boosting lender confidence and financial inclusion. The MoU, valid till December 30, 2027, covers data security, GST compliance and payments, advancing MSME formalisation and credit enablement.

Tata Power Solarroof partners BCC&I to boost MSME rooftop solar in West Bengal

December 31, 2025

Tata Power Renewable Energy Limited (TPREL), a Tata Power subsidiary, has inked an MoU with The Bengal Chamber of Commerce and Industry (BCC&I) to accelerate rooftop solar adoption among MSMEs in West Bengal through targeted awareness and outreach programs across industrial clusters.

The partnership leverages Tata Power Solarroof's established network, which has already installed over 85 MWp of rooftop solar capacity in the state by November 2025 via 20+ channel partners, enabling localized

execution and seamless transitions to clean energy.

TPREL offers end-to-end solutions including high-performance modules with a 25-year warranty, financing, insurance, and after-sales support, aligning with India's national rooftop solar milestone of over 4 GWp from 3 lakh+ installations. This initiative empowers MSMEs to cut costs, enhance resilience, and drive sustainable growth amid rising renewable demand.

Nationally, Tata Power Solarroof operates via 650+ channel partners, reinforcing India's green energy push.

Other updates

MSMEs Deepen Footprint in Capital Markets, Shows SIDBI-Jocata Analysis

January 7, 2026

India's MSMEs are increasingly tapping equity markets, with NSE Emerge seeing capital raised jump from ₹44 crore by 2 firms in FY13 to over ₹7,000 crore by more than 160 companies in FY25, supported by insights from the SIDBI-Jocata Sumpoorn MSME Economic Activity Index. Household savings allocation to equities has risen from about 3% in FY12 to 15.2% in FY25, signalling a structural shift towards market-based funding and wider retail participation.

Experts from NSE and Jocata highlighted that governance, execution quality and data

transparency now determine MSME success on public markets more than ambition alone, with tighter norms on cash flows and promoter lock-ins encouraging long-term value creation over speculative activity.

While over 150 SMEs have migrated from SME platforms to the main board and total SME market capitalisation is estimated at around ₹2.2 lakh crore, liquidity remains patchy across counters, underlining the need for deeper secondary market participation.

State subsidies for listing costs and intensified exchange outreach are helping, yet many eligible MSMEs still lack awareness of compliance, disclosure and credibility benefits, making structured preparation essential before going public.

WTO Launches Study on MSME Integration via AEO Programmes

November 2025

The World Customs Organization (WCO), WTO, and International Chamber of Commerce (ICC) released a joint study in September 2025, highlighting how Authorized Economic Operator (AEO) programmes boost MSME participation in global trade.

The report compiles AEO initiatives from WTO members, showcasing success stories where MSMEs benefit from trusted trader schemes to cut costs and access markets.

Aimed at developing economies, the study provides guidance for inclusive AEO setups, addressing MSME barriers like complex regulations and limited finance. It emphasizes transformative potential for 95% of global firms—mostly MSMEs—that drive 60% of employment but struggle with trade.

MSMEs in LDCs gain from simplified procedures, fostering export growth and supply chain integration.◆

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UNLOCK GLOBAL MARKETS

A Deep Dive into the New Market Access Support (MAS) Intervention

The global trade landscape is shifting, and for Indian MSMEs, the challenge has never been greater—or the opportunity more significant. With the recent launch of the **Market Access Support (MAS) Intervention**, part of the ambitious **₹25,060 crore Export Promotion Mission (EPM)**, the Government of India is handing a powerful toolkit to small and medium enterprises to help them conquer international markets.

If you are an MSME owner or a first-time exporter, this intervention is designed specifically with you in mind. Let's break down what this means for your business and how you can leverage it to go global.

What is MAS? The "Niryat Disha" Powerhouse

The MAS Intervention is the first component to be operationalized under the broader EPM, a flagship mission approved by the Union Cabinet in late 2025 to boost India's export competitiveness.

While the EPM is split into two pillars—**Niryat Protsahan** (focusing on trade finance) and **Niryat Disha** (focusing on market readiness)—the MAS falls squarely under **Niryat Disha**.

Its core mission is simple: to improve "buyer connect" and

In August 2025, the USA imposed a steep 50% tariffs on Indian exports, creating severe headwinds for labor-intensive sectors.

India's Strategic Response: The Export Promotion Mission (EPM)

Announcement:
On November 12, 2025, the Union Cabinet approved the EPM, a flagship initiative from the Union Budget 2025-26.

Core Identity:
The EPM marks a strategic shift from multiple fragmented schemes (like MAI and IES) to a single, **outcome-based, and adaptive mechanism.**

"Ensuring 'Made in India' resonates even louder in the world market! The Union Cabinet approved the Export Promotion Mission (EPM), which will improve export competitiveness, help MSMEs, first-time exporters and sectors that are labour-intensive."

— Narendra Modi, November 13, 2025



The Mission at a Glance: Scale, Scope, and Focus

₹25,060 crore
Total Outlay

6 Years
FY 2025-26 to FY 2030-31

DGFT
Implementing Agency

Primary Target Audience:

 Micro, Small, and Medium Enterprises (MSMEs)

 First-time Exporters

 Labour-intensive Sectors

 Exporters in non-traditional and interior districts

Built on Two Pillars: A Framework for Comprehensive Support

The EPM operates through two integrated sub-schemes that address the critical needs of exporters.

₹

NIRYAT PROTSAHAN
(Financial Enablers)

Outlay: **₹10,401 Crore**

Focus point: Improving access to affordable trade finance.

Key Instruments:
Interest Subvention, Collateral Guarantees, Export Factoring, Credit Cards for e-commerce exporters.





NIRYAT DISHA
(Non-Financial Enablers)

Outlay: **₹14,659 Crore**

Focus point: Enhancing market readiness and competitiveness.

Key Instruments:
Market Access Support, Branding & Packaging, Quality & Compliance, Logistics Support.

enhance India's visibility in global markets through structured, outcome-oriented activities. With a dedicated allocation of ₹4,531 crore for the period 2025–2031, the government is moving away from fragmented schemes to a unified, digitally driven framework.

Financial Muscle: How Much Support Can You Get?

The MAS isn't just a policy on paper; it provides substantial financial backing for your international outreach. The government has rationalized support ceilings to ensure maximum impact:

- **Buyer-Seller Meets (BSMs):** Assistance is capped at ₹5 crore per event.
- **Mega Reverse BSMs:** For events held in India to bring global buyers to you, the support goes up to ₹10 crore.
- **Trade Delegations:** Strategic delegations to priority markets are supported with up to ₹5 crore.

In terms of cost-sharing, the government typically bears 60% of the cost, with the private sector contributing 40%. However, for priority sectors, government support can soar to 80%, significantly lowering the entry barrier for smaller players.

The MSME Advantage: A Reserved Seat at the Table

The MAS Intervention has a built-in "MSME-bias" to ensure that small businesses are not overshadowed by large corporations.

In Action: A Deep Dive into the Market Access Support (MAS) Intervention

Launched on **December 31, 2025**, the MAS is the first operational component under the Niryat Disha sub-scheme, replacing the old Market Access Initiative (MAI).

Total Allocation: ₹4,531 crore for FY26-31.

Objective: To provide Indian exporters with predictable market-entry pathways and stronger buyer engagement through structured, outcome-oriented interventions.

Supported Activities:



Buyer-Seller Meets (BSMs)



Participation in International Trade Fairs & Exhibitions



Mega Reverse Buyer-Seller Meets (RBSMs) in India



Trade Delegations to priority and emerging markets.



The MAS Framework: Predictable, Inclusive, and Outcome-Driven

- **Financial Ceilings**
Up to ₹5 crore per BSM/Trade Delegation; up to ₹10 crore per RBSM.
- **Cost-Sharing Model**
60% Government / 40% Private Sector (Base); Up to 80% Government share for priority sectors.
- **MSME Focus**
Mandatory 35% minimum participation for MSMEs in all supported events.
- **Support for Small Exporters**
Partial airfare support for exporters with turnover up to ₹75 lakh.
- **Predictability**
A forward-looking 3–5 year rolling calendar of major events, approved in advance.
- **Accountability**
Mandatory online feedback from participants on buyer quality and leads generated.

Unlocking Finance: Key Interventions under Niryat Protsahan
Launched on January 2, 2026, these interventions are designed to reduce credit costs and ease working capital constraints for MSME exporters.

- Interest Subvention on Export Credit**
- A base interest subvention of **2.75%** on pre- and post-shipment rupee export credit.
 - Applies to a 'positive list' of tariff lines covering ~75% of India's exports with high MSME concentration.
 - Annual cap of **₹50 lakh** per Importer Exporter Code (IEC) for FY 2025-26.

- Collateral Guarantee Support**
- Implemented with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).
 - Guarantee covers up to **85%** for Micro & Small exporters and **65%** for Medium exporters.
 - Maximum guaranteed exposure of **₹10 crore** per exporter per financial year.

- **Mandatory Quota:** A minimum of 35% participation in all supported events is strictly reserved for MSMEs.
- **Airfare Support:** If your export turnover was up to ₹75 lakh in the preceding year, you are eligible for partial airfare reimbursement, making it easier for new and small exporters to physically attend international fairs.
- **Frequency:** MSMEs can receive assistance for up to four BSMs in a single financial year, whereas other firms are capped at three.

geographies" and smaller markets, reducing our over-dependence on traditional trade partners.

Digital-First and Predictable Planning

Gone are the days of last-minute event announcements. The MAS introduces a forward-looking 3-to-5-year calendar of major market access events. This allows you to plan your production cycles and marketing budgets well in advance. The entire process—from proposal submission to fund release—is managed through the Trade Connect ePlatform (trade.gov.in). This ensures a paperless, transparent, and faster experience for every exporter.

Innovating for the Future: Proof-of-Concepts

In a first, the MAS will soon notify a new component for "Proof-of-Concept" (PoC) and product demonstrations. Aimed at technology-intensive and sunrise sectors (like telecom and electronics), this will help Indian firms demonstrate their technical prowess to potential overseas buyers before securing large contracts.

Priority Sectors and Geographies

The government is strategically focusing on sectors most impacted by global trade challenges, such as high US tariffs. Priority sectors include agriculture, leather, textiles, gems and jewellery, handicrafts, handlooms, toys, and sports goods. Services like tourism, medical, logistics, and IT are also on the priority list. Furthermore, the mission encourages diversification by prioritizing "new

The Road to "Viksit Bharat"

The MAS Intervention is more than just a subsidy; it is a strategic pillar of the Viksit Bharat @ 2047 vision. By integrating mandatory feedback mechanisms to track buyer quality and business leads generated, the government is ensuring that every rupee spent delivers real growth for Indian industry.

Rajasthan's leap into AI and the national push for MAS both share a common goal: providing a high-tech "irrigation system" for the economy, ensuring that tools, finance, and market access reach every entrepreneur so they can flourish on the global stage. ♦

A Coordinated Ecosystem Support





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★ Transforming India's Legal Landscape with AI ★

THE LIVELIHOOD MULTIPLIER

Empowering MSMEs through India's Tourism Revolution

India stands at a pivotal crossroads in its economic journey. While the nation aims for rapid growth, the **challenge remains to create large-scale, resilient non-farm employment.** According to the latest insights from the sources, the answer lies within the vibrant, diverse, and inherently MSME-intensive tourism sector. As we look toward 2025 and beyond, tourism is emerging not just as a leisure industry but as a high-multiplier livelihood engine capable of transforming rural and urban landscapes alike.

A Market Too Big to Ignore

India's tourism strength comes from something few countries can replicate: scale combined with diversity.

From 44 UNESCO World Heritage sites to spiritual circuits like the Char Dham, and from wellness and adventure tourism to medical travel, the country offers experiences across every segment and budget. This depth has earned India a 7th global rank in tourism resources in the Travel & Tourism Development Index (TTDI) 2024.

But the real momentum lies closer home.

In 2024 alone, India recorded an astonishing 296 crore tourist visits—and more than 99% of them were domestic travelers. Since

13.3%
A MASSIVE EMPLOYER
 Over 13.3% of India's workforce is engaged directly or indirectly in tourism-linked activities.

EMPOWERING COMMUNITIES
 It's a critical source of employment, especially for women and youth.

Tourism is one of India's most important non-farm livelihood engines.

MSME DRIVEN
 The ecosystem is powered by small enterprises, ensuring income is distributed across villages, towns, and remote geographies.

Overall Performance
Rank 39th
 Overall TTDI 2024 Rank (up from 54th in 2021)

Key Strength Travel & Tourism Resources **Rank 7th**

Key Weaknesses

Enabling Environment Rank 102nd	Infrastructure & Services Rank 52nd	Travel & Tourism Sustainability Rank 78th
---	---	---

2011, domestic tourism has grown at a CAGR of nearly 9.8%, making it one of the most widely distributed sources of non-farm livelihoods in the country.

Today, over 13.3% of India's workforce depends directly or indirectly on tourism. For women and youth—especially outside metro cities—few sectors offer this level of accessibility and employment intensity.

MSMEs: The Invisible Engine Behind Every Trip

Over 90% of India's tourism ecosystem runs on MSMEs. Unlike capital-heavy sectors, tourism spreads opportunity deep

into small towns, coastal belts, tribal regions, and hill districts. Every tourist journey sets off a chain reaction of economic activity:

- Travel and Transport sustain agents, digital marketers, and local drivers
- Accommodation supports homestays, B&Bs, and small hotels
- Services engage guides, artisans, adventure operators, and performers
- Ancillary Industries boost demand for food, handicrafts, construction, utilities, and local supplies

This is the true multiplier effect—

visitor spending turns into local income, helping small businesses retain seasonal workers and create entry-level jobs for semi-skilled youth.

Few sectors distribute income this efficiently or inclusively.

MSMEs: The Invisible Engine Behind Every Trip

Here is the most important takeaway for business leaders and policymakers:

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This is the true **multiplier effect**—visitor spending turns into local income, helping small businesses retain seasonal workers and create entry-level jobs for semi-skilled youth. Few sectors distribute income this efficiently or inclusively.

On one hand, the sector is booming, driven by strong domestic travel.

296 Crore
total tourist visits recorded in 2024

99%+
of these visits were from domestic travelers

9.8% CAGR
in domestic tourism since 2011.

Strong Recovery, Fragile Access: The MSME Reality

Post-pandemic recovery in tourism has been impressive.

Between 2021 and 2024, median revenues in the sector grew by 214%, with EBITDA margins rebounding to over 26%. Credit ratings for rated entities now sit at a healthy BBB+ (long-term) as of September 2025.

Yet beneath these averages lies a tougher ground reality.

- 45% of tourism MSMEs have no access to credit
- Nearly 40% are unaware of government support schemes
- High compliance costs and low technology adoption restrict scaling.

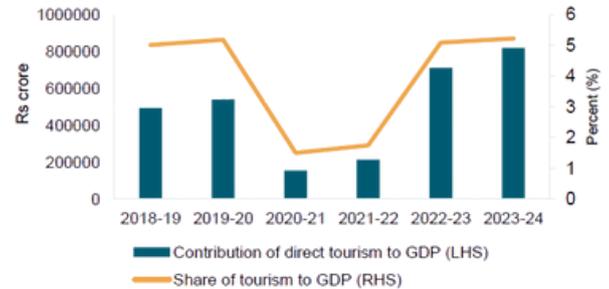
The result is a persistent information and credit gap—not a lack of entrepreneurial energy. Closing this gap is critical if tourism MSMEs are to move from survival to sustainable growth.

Two Demand Levers That Can Change the Game

To move from high volume to high value, India must act decisively on two fronts:

On the other hand, its macroeconomic contribution has not kept pace.

Tourism's share of national GDP has remained stagnant at **5-6%**



1. Attracting High-Value International Tourists:

India currently attracts just 1.4% of global international tourists, and nearly one-third of them are diaspora visitors. To boost economic returns, the country must draw high-spending leisure travelers who stay longer and spend more.

2. Retaining Indian Tourist Spend:

Indian outbound travel touched \$17 billion in FY 2024. Much of this spending leaks abroad due to a shortage of premium domestic experiences. Creating world-class offerings—such as positioning Lakshadweep as a sustainable alternative to the Maldives—can retain this capital within India's MSME ecosystem.

A Practical Blueprint for 2025

The path forward is clear—and achievable—if approached systematically:

- **Circuit-Based Infrastructure**
Integrated upgrades in roads, digital connectivity, and sanitation across high-potential regions through PPP models.

- **MSME Skilling and Integration**

Modular training in hospitality, food safety, and digital marketing for women and youth. Linking permits to skilling can professionalise the sector.

- **Policy Harmonisation**

Simplified and standardised licensing across states to allow MSMEs to operate seamlessly.

- **Targeted Financial Inclusion**

Affordable credit lines and guarantees focused on upgrading core facilities like kitchens and toilets.

- **Sustainable Destination Management**

Carrying-capacity limits and community-led waste management to protect long-term incomes.

The Bigger Picture

Tourism is not just another sector—it is India’s most inclusive non-farm livelihood platform. With the right investments in safety, infrastructure, skilling, and finance, India can convert its unmatched cultural wealth into stable incomes for millions of households. For MSMEs, the message is unmistakable: the opportunity is massive, the recovery is real, but global competitiveness requires an ecosystem-wide push.

Think of India’s tourism potential as a vast reservoir. The water—our culture and landscapes—is abundant. MSMEs are the pipes that carry this prosperity to every corner of the country. Today, many of those pipes are narrow or broken. Widen them, strengthen them, and the entire nation can drink deeply from the success of a global tourism powerhouse. ♦

The Path Forward: A 10-point agenda to transform tourism into a livelihood multiplier.

Unlocking India's full potential requires a coordinated, ecosystem-wide approach. This agenda provides a clear roadmap for action, focusing on infrastructure, community enablement, and market development.

Pillar 1: Build the Foundation

Pillar 2: Empower the Ecosystem

Pillar 1: Build world-class destinations and make travel seamless.

	Infrastructure with PPPs Develop high-potential circuits (Himalayan, North-East) with end-to-end amenities and PPP-based operations and maintenance.
	World-Class Hubs Create flagship 'managed destinations' with curated visitor experiences and universal accessibility.
	Ease of Travel Streamline visas (expand e-visa/VOA), create single-window clearances, and upgrade airports.
	Destination Management Implement carrying-capacity plans, deploy tourist police, and improve safety protocols.
	Cleanliness & Sustainability Introduce zero-waste models, plastic-free zones, and community-run sanitation enterprises.

Pillar 2: Empower MSMEs and local communities to deliver quality experiences.

- 6. Skills & Community Participation:** Scale modular training in hospitality, guiding, and digital commerce. Certify local guides and homestays. Integrate artisan clusters and women-led SHGs into the value chain.
- 7. Branding & Digital Marketing:** Refresh the 'Incredible India' campaign and integrate MSMEs into online travel agencies (OTAs) and digital platforms.
- 8. High-Value Segments:** Position India as a global hub for wellness, luxury travel, and cultural circuits to capture greater margins for local enterprises.
- 9. Access to Finance for MSMEs:** Expand affordable credit lines and tailored loan products.
- 10. Policy & Ecosystem Interventions:** Bridge information gaps and simplify compliance for small operators.



Key Insight

A recent survey shows **45%** of tourism MSMEs lack any credit access and **40%** are unaware of government support schemes.



From untapped potential to a powerful engine of prosperity.

By strengthening our foundations and empowering local communities, India can transform its unparalleled cultural and natural wealth into resilient, year-round incomes for millions of households. The opportunity is clear: with targeted infrastructure, deep community integration, and strategic investment, tourism can become one of India’s most powerful drivers of inclusive growth.

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Rajasthan AI/ML Policy 2026

Building the Future of Intelligence

Rajasthan is no longer just a land of history and heritage; it is rapidly transforming into a global hub for technology. With the launch of the **Rajasthan AI/ML Policy 2026**, the State Government has created a strategic roadmap to use Artificial Intelligence (AI) to improve public services and boost the economy. This policy is a key step toward the long-term vision of “Viksit Rajasthan 2047,” aiming for inclusive and sustainable growth.

The Three Main Pillars

To make this digital transformation a reality, the policy focuses on three strategic areas:

- **AI in Governance:** The State plans to integrate AI into daily government work to make services like healthcare, education, and tourism more efficient and personalized for citizens. By 2035, the goal is to have AI-driven automation across all eligible public services.
- **Skilling and Talent:** Rajasthan is committed to building a "future-ready" workforce. This includes introducing AI courses in over 3,000 schools, training 10% of science teachers, and upskilling at least 20,000 government officials.

- **Incentives for Industry:** To encourage businesses, the state is offering financial support to startups and MSMEs. This includes grants for AI research, interest subsidies for data centers, and reimbursements for high-performance computing (GPU) costs.

Four Core Objectives of the Policy



1. AI Adoption in Governance

Enable AI-led public service delivery and sectoral transformation to enhance efficiency, accessibility, and citizen-centric outcomes.



2. Empowering Talent

Develop a future-ready workforce through targeted AI skilling, curriculum integration, research promotion, and fostering academia-industry collaboration.



3. Incentivizing AI Initiatives in Industries

Strengthen the AI adoption in the industry ecosystem by promoting innovation and research-driven enterprises to accelerate AI-based economic growth.



4. Responsible Framework

Ensure safe and ethical AI deployment through robust governance mechanisms, fairness, data protection, risk mitigation, and equitable access to AI benefits.

A Three-Pillar Strategy for a Vibrant AI Ecosystem

To accelerate AI-led transformation, the State has outlined three strategic pillars that will serve as the foundation for a vibrant AI ecosystem in Rajasthan.

Pillar 1: Reimagining Governance with AI



Strategic & Responsible Adoption: A phased, pilot-based approach with mandated fairness, transparency, human oversight, and regular audits. All government AI systems will be auditable and explainable.



State-of-the-Art IT Infrastructure: Investment in High-Performance Computing (HPC) and AI Cloud Infrastructure within the Rajasthan State Data Centre (RSDC) to provide on-premises GPUs and AI-optimized resources.



Secure Experimentation: Creation of AI-as-a-Service and secure sandboxes for startups, MSMEs, and academic institutions to test and validate AI solutions.



Data for Development: Curation of anonymized, high-quality government datasets to be made available via the Rajasthan Data Exchange (RajDEX), promoting innovation while ensuring privacy.

Responsible and Ethical AI

A major focus of the policy is "Responsible AI". The government wants to ensure that AI is safe, transparent, and fair. Every AI system must protect citizen privacy and avoid harmful biases. To maintain public trust, the State will conduct periodic AI audits and follow strict legal frameworks regarding data protection.

Infrastructure and Innovation

At the heart of this movement is the Centre of Excellence for AI (CoE-AI). This flagship center will serve as the State's brain for AI strategy, helping with research, supporting startups, and building a knowledge repository for the entire region. The policy also uses a "hub-and-spoke" model, connecting this central hub to different districts and departments to share knowledge and innovations.

Pillar 2: Building a World-Class Talent Pool

3,000+ Schools: Introduce AI courses in Government schools offering the Science stream.

50,000 Youths: Partner with MeitY under the FutureSkills Prime initiative to enroll youth in cutting-edge technological courses.

100,000 Youths & Developers: Scale AI talent by training in foundational LLM skills over three years.

20,000 Government Officials: Adopt the IndiaAI Competency Framework to upskill officials in ethical and responsible AI use.

Pillar 3: A Compelling, Layered Incentives Framework

The 'Top-Up' Advantage: The Rajasthan AI/ML Policy 2026 is designed to provide additional, targeted incentives over and above the benefits available under existing State policies like the Rajasthan Investment Promotion Scheme (RIPS) 2024 and the MSME Policy 2024.



This approach creates a uniquely attractive and powerful incentive structure for AI-focused enterprises, from startups to large industries.

Fueling Growth for Sunrise Industries and MSMEs



For Sunrise Industries & Data Centres

- **IP Creation:** Additional **10%** reimbursement on eligible costs for patent, copyright, and trademark (capped at ₹10 lakh).
- **Skilling:** One-time **20%** reimbursement of employee AI training costs.
- **Data Centres:** Additional **1%** interest subvention on term loans for AI-ready data centres (with ≥30% AI-optimized compute).



For MSMEs

- **Expansion:** Additional interest subvention of **0.5%** (up to ₹10 crore loan) and **0.25%** (₹10-50 crore loan) over MSME Policy 2024.
- **Tech Acquisition:** **10%** reimbursement (up to ₹50,000) for acquiring AI technologies or software.
- **Access to Capital:** Reimbursement of up to **₹5 lakh** of eligible expenses for listing on an SME exchange.

Igniting for Startups and R&D



For Startups

- **Seed Support:** Additional one-time grant of 5% (up to ₹1.5 lakh) over existing seed support.
- **AI Cloud Credits:** Financial assistance for GPU compute infrastructure costs, linked with the national IndiaAI Mission (reimbursement of up to ₹5 lakh).
- **Networking:** Top-up incentive of 10% of eligible expenditure for conference participation (capped at ₹50,000).
- **Public Procurement:** Aligned with the State Startup Policy for preferential access to government contracts.



For R&D

- **Capacity Building:** Additional 10% reimbursement on eligible AI R&D training costs (capped at ₹1,000 per person per month).
- **IP Acquisition:** Additional 5% reimbursement on eligible AI-related IP acquisition costs (capped at ₹25 lakh).

The Centre of Excellence for AI (CoE-AI): Rajasthan's Implementation Engine

The CoE-AI is a flagship initiative serving as the State's apex hub for AI strategy. It will steer the three key enablers of the policy and support the full AI lifecycle—from ideation and prototyping to piloting and statewide scaling.



Innovation & Startup Support:

Incubate AI-based startups with infrastructure, mentorship, and access to curated datasets.



Policy & Ethical Frameworks:

Provide guidance on ethical AI, data governance, privacy, and bias mitigation.



Capacity Building:

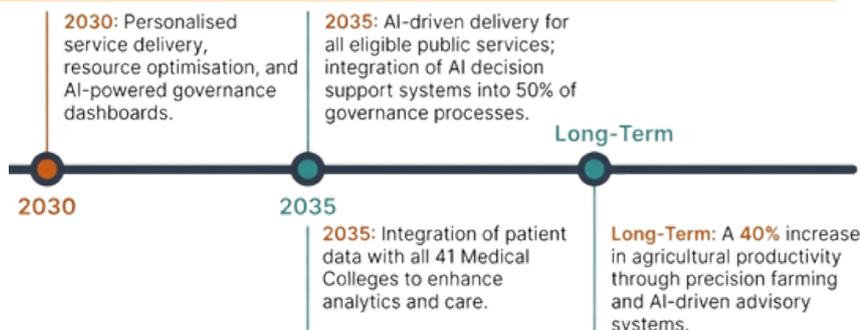
Organize training, certifications, and workshops for students, professionals, and government officials.

Real-World Impact

The policy sets measurable goals for the next decade. For example, in agriculture, the State aims to increase productivity by 20% by 2030 through AI-based farming advice. In healthcare, AI will be integrated into the data of 41 medical colleges by 2035 to improve patient care. Additionally, AI will be used to enhance forest monitoring and even assist in wildlife conservation.

Rajasthan's AI policy is like building a high-tech irrigation system for a vast field; it provides the infrastructure and tools (AI) to ensure that every corner of the state receives the resources it needs to flourish and grow. ♦

A Roadmap tow to an AI-Powered Future



FROM PLAYTIME TO PROFITS

How Tamil Nadu Is Turning Toys into a Global Business Opportunity

Here's a question worth pausing for: How can a country with one of the youngest populations in the world hold less than 1% of the global toy market?

In 2024, the global toy industry is already worth USD 180 billion. By 2028, it is expected to surge to USD 265 billion. And yet, India—home to over 25% of the world's children under 14—barely figures in the global rankings.

That gap is not a weakness. It is an opportunity.

Spotting this early, the Government of Tamil Nadu has launched the Toy Manufacturing Policy 2025—a decisive move to convert childhood play into a serious global business. For MSMEs, this policy is not just encouraging. It is transformational.

Why Tamil Nadu Is Starting from a Position of Strength

Tamil Nadu is not experimenting. It is building on what it already does well.

The state's long-established strengths in auto components, electronics, textiles, and engineering fit naturally into modern toy manufacturing. Interactive and electronic toys can

leverage the electronics ecosystem, while plush and fabric toys align seamlessly with the textile sector.

By declaring toy manufacturing a "Sunrise Sector," the state has made its intent clear: **toys are no longer cottage products—they are future export champions.** The policy identifies several priority sub-segments, including STEM toys, electronic and interactive toys, remote-controlled drones, and educational Montessori tools. By treating toy

manufacturing as a "Sunrise Sector," Tamil Nadu is positioning itself to attract at least 10 anchor players and establish a dedicated Toy Manufacturing Park equipped with world-class infrastructure.

MSMEs at the Centre of the Strategy

This policy is not designed only for large factories and global brands. Its real engine is the MSME sector.

India's toy industry has long been

A Global Playground of Opportunity Awaits

\$180 Billion

Global Toy Market Value in 2024



\$265 Billion

Expected Market Value by 2028 (7% CAGR)

< 1%

India's Current Share of the Global Market



Tamil Nadu unmatched Manufacturing Eco system



Electronics Hub

Advanced infrastructure ready for interactive and electro-mechanical toys.



Precision Engineering

Robust injection moulding and die-casting capabilities for durable, intricate components.



Textile Leadership

High-quality, safe materials for the plush and fabric toy market.



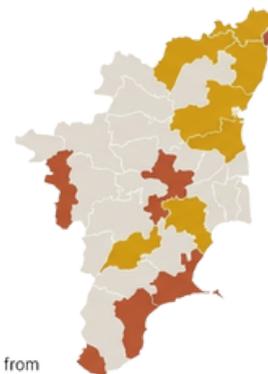
Sustainable Practices

Aligning with the growing global demand for eco-friendly toys.



Rich Heritage

A deep-rooted history of traditional toy-making, from Thanjavur to Vilacheri, offering unique cultural products.



fragmented and import-heavy. The new approach flips that model by helping MSMEs scale, formalise, and compete globally.

The policy encourages MSMEs to:

- Set up units in industrially backward blocks
- Register on the Udyam portal
- Form artisan and MSME clusters to collectively handle large orders

This aggregation model is critical. It allows small players to achieve scale, brand visibility, and market access—without losing their identity.

Incentives That Make Manufacturing Viable

The policy backs its vision with a carefully structured incentive framework.

For MSMEs, the highlights include:

- 25% capital subsidy on plant and machinery
 - Up to ₹1.50 crore for SMEs in backward blocks
 - Up to ₹25 lakh for Micro Enterprises
- An additional 5% subsidy for enterprises led by women, SC/ST, transgender, or differently-abled entrepreneurs
- 5% back-ended interest subsidy for five years on term loans for technology upgrades

Quality and innovation are equally supported:

- 100% reimbursement of certification costs
 - Up to ₹2 lakh for national certifications
 - Up to ₹10 lakh for international certifications

- 75% subsidy on patent registration and 50% subsidy on trademark or GI registration

In simple terms: the policy reduces the cost of setting up, upgrading, and going global.

Breathing New Life into Traditional Toy Making

Tamil Nadu's toy story stretches back centuries—from the Thanjavur Thalayatti Bommai (dancing dolls) to the lacquered wooden toys of Ambasamudram.

The policy places these traditions at its core through the Kalaingar Kaivinai Thittam (Artisan Development Scheme).

Artisans receive:

- Collateral-free loans up to ₹3 lakh
- 25% loan subsidy

But the intervention goes beyond finance. One of the biggest challenges artisans face is halted production during the monsoon, especially during wood preparation. To solve this, the state is developing Common Facility Centres (CFCs) with shared workspaces, tooling, storage, and polishing facilities—ensuring year-round production.

To protect cultural value, clusters also receive up to ₹3 lakh per toy category to secure Geographical Indication (GI) tags.

Tamil Nadu Toy Manufacturing Policy 2025

Vision Statement: To position Tamil Nadu as a global hub for design, development, and manufacturing of new-age toys and to champion the global recognition of Tamil Nadu's traditional toy heritage.

Key Targets

 Attract **10+ anchor players** in toy manufacturing.

 Establish a **dedicated Toy Manufacturing Park**.

 Attract leading **creative design studios**.

 Promote **traditional toy clusters** to global competitiveness.

Policy Scope: The policy supports new investments, existing expansions, and ancillary industries (where ≥50% of turnover is from sales to toy units).

The Tamil Nadu Toy Manufacturing Policy provides a comprehensive suite of incentives specifically designed to de-risk investment, reduce costs, and accelerate growth for MSMEs. We've grouped these benefits into three core areas.



Financial Foundation

Lower your upfront costs and improve cash flow with powerful capital and interest subsidies.



Operational Excellence

Enhance efficiency, quality, and sustainability with targeted support for your daily operations.



Go-to-Market & Innovation

Sharpen your competitive edge with incentives for branding, IP creation, and market expansion.

Designing Toys for the Future—and for Everyone

The policy looks ahead, not backward.

Modern toys are increasingly about experiential learning, and Tamil Nadu is aligning with that shift by promoting Creative Design Studios. These studios receive a 30% payroll subsidy for new hires from within the state, helping build capabilities in STEM, engineering, arts, and 3D prototyping.

Inclusivity is another key pillar. The policy actively encourages toys designed for children with special needs, supporting manufacturers who adopt universal design principles that enhance cognitive and sensory development.

Skilling initiatives through TNSDC and EDII further ensure that talent keeps pace with technology.

From Factory Floor to Global Marketplaces

Manufacturing is only half the journey. Visibility is the other half. The policy ensures that toys made in Tamil Nadu reach global buyers by facilitating onboarding on platforms such as Amazon, Flipkart, GeM, and the Open Network for Digital Commerce.

It also promotes Reverse Buyer-Seller Meets and B2B interactions with domestic and international buyers. An added dimension is experience tourism, where toy clusters connect with tourism corridors, allowing visitors to witness traditional toy-making firsthand.

The Bigger Message

The Tamil Nadu Toy Manufacturing Policy 2025 is not about subsidies alone. It is about **engineering an ecosystem**—where modern technology, MSMEs, artisans, designers, and global markets move together. For the B2B community and MSMEs, the message is simple and powerful: **This is not just a policy window. It is a market opening.** Tamil Nadu is no longer content with assembling toys. It wants to **design, brand, certify, and export them to the world.** And in doing so, it is quietly rewriting how India plays—and wins—in the global toy industry. ♦

TN Toy Manufacturing Policy 2025: Financial Incentive



Capital Subsidy: Reduce your upfront costs on plant & machinery.

- **25% subsidy** (up to **₹1.50 Crore**) for SMEs in backward blocks & government industrial estates.
- **25% subsidy** (up to **₹25 Lakh**) for Micro enterprises anywhere in the state.



Back-Ended Interest Subsidy: Lower your borrowing costs.

- **5% interest subsidy** for 5 years on term loans.
- Applicable for loans up to **₹5 Crore** for technology upgrades.



Credit-Linked Support: Access crucial funding.

- Leverage existing schemes like **NEEDS** (New Entrepreneurs), **AABCS** (SC/ST Entrepreneurs), and **PMEGP**.



Stamp Duty Reimbursement:

50% reimbursement on stamp duty for land purchase for Micro & Small enterprises in backward blocks.



Payroll Subsidy: Lower your staffing costs.

- Reimbursement of employer's EPF contribution for the first **3 years** (for units with >20 employees).
- Capped at **₹24,000 per person per annum**.



Sustainable Technology Subsidy: Go green and save.

- **25% additional subsidy** (up to **₹10 Lakh**) on machinery for cleaner/eco-friendly technologies.



Energy Efficiency Support: Reduce your power bills.

- **75% subsidy** on energy audit costs (max **₹1 Lakh**).
- **50% subsidy** on implementation costs (max **₹10 Lakh**).



Low Tension Power Tariff Subsidy:

20% subsidy on power charges for the first **36 months** for Micro enterprises.



Incentives for Quality Certification: Build trust and access new markets.

- **100% reimbursement** for certification charges.
- Maximum **₹2 Lakh** for National certifications (BIS, etc.).
- Maximum **₹10 Lakh** for International certifications (ISO, etc.).



Incentives for Intellectual Property (IP) Creation: Protect your ideas.

- **75% subsidy** on patent registration costs (max **₹3 Lakh**).
- **50% subsidy** on trademark & GI registration (max **₹25,000**).



Marketing Support: Expand your reach.

- Up to **₹15 Lakh** reimbursement for participating in international exhibitions.
- Facilitated B2B meetings with large domestic and international buyers.



Innovation Voucher Program:

- Grants of **₹2 Lakh - ₹5 Lakh** to scale innovative ideas to prototype and commercialization.

Foster Innovation in Niche & Inclusive Toy Segments



For Creative Design Studios

Benefit: A **30% payroll subsidy** for 12 months to attract top design talent.

Details: Capped at ₹10,000 per month per new Tamil Nadu-resident employee.



For Manufacturers of Toys for Children with Special Needs

Benefit: Custom incentive packages and strategic partnerships.

Goal: Position Tamil Nadu as a hub for inclusive toy manufacturing that adheres to global safety and accessibility standards.



For Experiential Learning Toy Manufacturers

Benefit: Custom incentive packages to promote “learning by doing.”



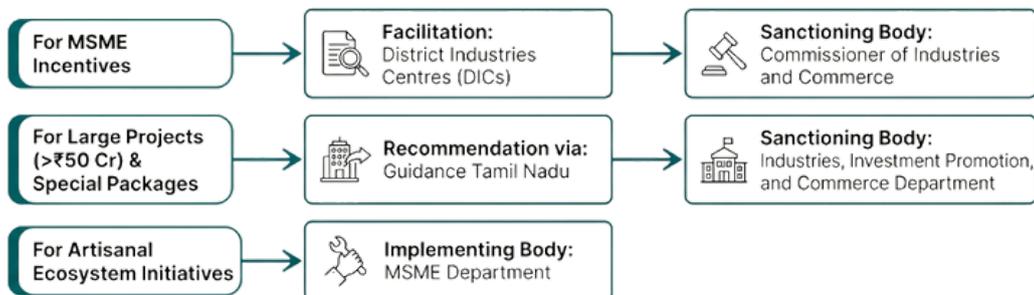
For Diverse Entrepreneurs

Benefit: An additional **5% capital subsidy** (up to **₹5 Lakh**) for enterprises set up by Women, SC/ST, Differently Abled, or Transgender entrepreneurs.

A Growth Toolkit for Artisans and Traditional Toy Makers

 Financial Access (Kalaingar Kaivinai Thittam) <ul style="list-style-type: none"> • Collateral-free loans up to ₹3 Lakhs • 25% subsidy on loan value (up to ₹50,000) • Subsidised interest rates. 	 Infrastructure Development <ul style="list-style-type: none"> • Access to Common Facility Centres (CFCs) with modern tools, workspaces, and storage to ensure year-round production. • Development of a toy cluster in Madurai under the MCDP. 	 Market Access & Branding <ul style="list-style-type: none"> • Facilitated onboarding onto e-commerce platforms like Amazon, Flipkart, ONDC, and Poompuhar. • Assistance in participating in national and international trade fairs. • Financial assistance (up to ₹3 Lakh) for acquiring GI Tags 	 Skilling & Design Innovation <ul style="list-style-type: none"> • Capacity-building programs on commercialization, financial literacy, and international standards. • Training in sustainable, non-toxic materials and digital design tools.
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How to Access Incentives



Nodal Agency for Incentive Disbursal
 SIPCOT will serve as the central agency for disbursing sanctioned incentives.



Policy Validity
 This policy is in effect for **5 years** from the date of its notification.

NI-MSME'S DECEMBER DYNAMO

Igniting MSME Dreams with Cutting-Edge Initiatives



Picture a bustling Hyderabad campus where MSME heroes are forged—from IP wizards to rural startup gurus. The National Institute for Micro, Small and Medium Enterprises (ni-msme) is on fire in December 2025, unleashing initiatives that supercharge India's 6.3 crore small businesses. From IP breakthroughs to ethics bootcamps, this powerhouse is scripting success stories for tomorrow's exporters and innovators.

IPFC Powerhouse: Patents and Partnerships Soar

ni-msme's Intellectual Property Facilitation Centre (IPFC) is redefining innovation shields for MSMEs. In a landmark win, IPFC secured Patent No. 577014 for "Reusable Educational Slate for Multi-Language Learning and Arithmetic Practice" on December 31, 2025, for startup My Slate Makers. This eco-smart slate with sensors and erasable LCD slashes paper waste, perfect for rural

schools—proving IPFC turns ideas into protected gold.

IPFC didn't stop there: It fast-tracked three copyright registrations for Quality Circle Forum of India (QCFI) books like "Quality Circle Vyavaharik Guide Book" (LD-38991/2025) on December 30. Ms. V. Swapna, Faculty Head, shone at the second Joint Working Group (JWG) meeting with Denmark's Patent Office (December 8-12), crafting SOPs, KPIs, and scaling blueprints for national IPFCs. Site visits to ni-msme and IIT Hyderabad's TTFC honed real-world fixes, briefing top MSME brass like Joint Secretary Shri Ateesh Singh.

Training Turbo: Skilling Telecom and Admin Stars

Ethics meets excellence in ni-msme's two-week blitz for 21 Junior Telecom Officers (JTOs) from December 29, 2025, to January 9, 2026, backed by National Communications

Academy. Dr. Manisha Kumari and Dr. E. Vijaya kicked off modules on governance integrity, emotional IQ, and stress hacks. Chief Guest Mrs. Sujatha Gupta nailed it: Ethics isn't add-on—it's the backbone of public trust in telecom's high-stakes world.

Admin aces from DC-MSME's Office got a double-dose: A December 1-12 residential on Administration, Establishment, and Accounts for 25 officers, plus December 8-19 official language training for 15 Senior/Junior Translation Officers at IIT-Roorkee GNEC. Inaugurated by Shri Gaurav Katiyar, these drilled transparency, Hindi inclusivity, and rule mastery—certificates handed amid cheers from Shri Dinesh Mohan.

Rural Rockets: SVEP and Beekeeping Buzz

Grassroots glory! ni-msme's School of Enterprise Extension (SEE) empowered 207 Community Resource Persons-Enterprise Promotion (CRP-EPs) via Start-up

Village Entrepreneurship Programme (SVEP) in Telangana (November-December 2025). Sessions at Chilkur, Sangareddy, and Warangal drilled biz dev, e-com, and licensing—coordinated by Dr. Shreekant Sharma's team for SERP Telangana.

Bees to bucks: A one-week scientific beekeeping camp under National Honey Mission at Kothapeta, Anantapur (December 27), trained 25 farmers from Gowthampuri FPO. Dr. Shirish Prabhakar Kulkarni demoed oil seeds integration, certificates in hand—buzzing up rural incomes.

IPR Awareness Avalanche in Andhra

RAMP scheme fireworks! IPFC's December workshops blanketed Andhra Pradesh—Tirupati (52 attendees, Prof. Radhakrishna), Peddapuram (52, Prof. Radhakrishna), Nellore (52, Prof. KVS Avinash), Anakapalli (50, Prof. A. Raju), Rajahmundry (54, Prof. KVS Avinash), Kurnool (50, Prof. KVS Avinash). MSMEs devoured patents-trademarks basics, interactive Q&As sparking "aha" moments for biz protection.

Digital Branding and Beyond: NABARD Sync

ni-msme's Centre for Digital Branding & Marketing (CDBM) hit a high note with NABARD at the Final Review Meeting on December 16, 2025, wrapping a transformative year-long push: "Leveraging Digital Tools for Market Acquisition—A Way Forward for Branding & Marketing." This powerhouse

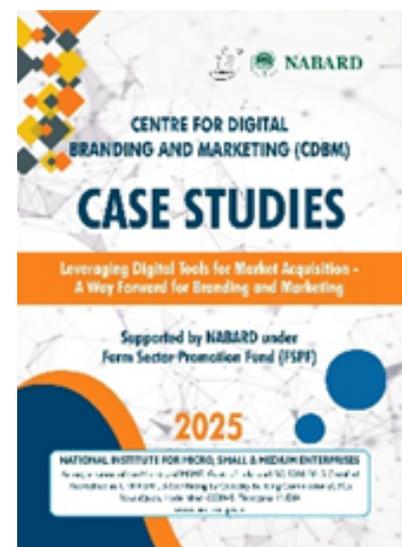
collab rallied top NABARD brass like General Manager Shri R. Ganapathy R. and Deputy GM Smt. V. Jisha, plus District Development Managers (DDMs), Lead District Managers (LDMs), and stakeholders from nine districts, dissecting real impacts on rural entrepreneurship.

Shri Ganapathy hammered home the digital imperative: Tools aren't luxuries—they're lifelines for market reach and customer loyalty in FPOs, SHGs, and MSMEs. NABARD applauded ni-msme's magic in converting policy dreams into dirt-level wins, praising handholding that turned villagers into online sellers. Shri Surya Prakash Goud, Director SED, and CDBM Head Mr. Sarath Muthyala unpacked the secret sauce: relentless mentoring, plug-and-play toolkits, and platform-driven learning that flipped old-school hawking into data-smart branding.

Hands-on wins? Farmers' Producer Orgs now rock social media reels for millet sales, SHGs craft WhatsApp catalogs for handicrafts, spiking orders 3x in pilots. Metrics glowed: 80% adoption of Google My Business, SEO spikes, and e-com tie-ups via ONDC. Challenges like spotty internet? Tackled with offline-first apps and vernacular content. Future gears? Scaling to 50 districts, AI chatbots for leads, and VR fair demos—bridging rural India to billion-dollar bazaars.

This NABARD-ni-msme synergy isn't just events; it's ecosystem alchemy, fueling Aatmanirbhar rural MSMEs amid 2026's digital export boom.

ni-msme isn't just training—it's transforming MSMEs into global players. With alumni like NMIT's Excellence Awardee Mr. Basudev Datta inspiring, these initiatives promise jobs, exports, and pride. Dive in, MSME trailblazers—your breakthrough awaits! ♦





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About ni-msme

ni-msme is an autonomous institution of the Ministry of MSME, GoI. It is ISO 9001:2015-certified, holds a 3-Star Utkrisht accreditation from the Capacity Building Commission, and is certified under the ILO's Women's Entrepreneurship (WE)-Check programme.

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