

Ministry of Electronics &amp; IT



## “Advancing AI Readiness and Adoption in Manufacturing MSMEs” Session Held at India AI Impact Summit 2026, New Delhi

“India AI Mission committed to ensure AI has a meaningful impact on real sectors of the economy, especially manufacturing MSMEs” says, Shri S. Krishnan, Secretary MeitY

“AI is a ‘Great Force Multiplier’ for Industry and Atmanirbhar Bharat” says, Secretary MSME

“AI Will Play a Pivotal Role in India’s Journey to Becoming the Third-Largest Economy” says, Shri Bhuvnesh Kumar, CEO NISG

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A high-level thematic session titled “**Advancing AI Readiness and Adoption in Manufacturing MSMEs**” was held today on the second day of the India AI Impact Summit 2026 in New Delhi. The session brought together key Ministries of the Government of India, including the **Ministry of Electronics and Information Technology (MeitY)**, **Ministry of Micro, Small and Medium Enterprises (MSME)**, **Ministry of Textiles**, and the **Department of Pharmaceuticals (Ministry of Chemicals & Fertilizers)**, along with policymakers, industry representatives, and academia.

During the session, a **study** jointly undertaken by the **National Institute of Smart Governance (NISG)** and **Athena Infonomics**, under the aegis of MeitY and the India AI Mission, was launched. This study will focus on developing a practical and operational roadmap to accelerate AI adoption in manufacturing MSMEs across sectors such as textiles, pharmaceuticals (including medical devices), and electronics. The findings will inform MSME adoption pathways and guide government interventions that directly impact national manufacturing output, export competitiveness, and employment outcomes.



**Shri S. Krishnan**, Secretary, MeitY, emphasized the need for harnessing AI to enhance productivity, efficiency, and capabilities in the manufacturing MSME sector. He stated that the **India AI Mission** is committed to ensuring that AI meaningfully impacts real sectors of the economy, particularly in boosting manufacturing MSMEs.

In his address, **Shri S. C. L. Das**, Secretary, MSME, highlighted AI as a “**great force multiplier**” and emphasized that the industry would drive the AI-powered transformation of the Indian economy toward **Atmanirbhar Bharat**. He further pointed out that the confluence of AI at the shop floor level is crucial for MSMEs to become more competitive.

According to the **Economic Survey 2025–26**, the MSME sector contributes approximately **31.1% of India’s GDP**, accounts for **35.4% of total manufacturing output**, and **48.6% of the country’s exports**. Given that manufacturing is a key driver of India’s ambition to become a **\$35 trillion economy by 2047**, accelerating technology adoption, improving access to finance, and strengthening market linkages will be vital to future-proofing MSMEs' contribution to national economic growth.

This study will cover over 350 MSME manufacturing factories across India, gathering a granular, experience-based understanding from the shop floor to senior management. The research aims to identify AI interventions that can materially improve unit economics, enhance product-service extension, and expand global market access and participation.

**Shri Bhuvnesh Kumar**, CEO of NISG, expressed his enthusiasm about undertaking this study, noting that it would provide an **implementable roadmap** for driving AI adoption among manufacturing MSMEs. He further emphasized that AI will play a pivotal role in India’s journey to becoming the **third-largest economy** globally.

**Shri Rohit Kansal**, Additional Secretary, Ministry of Textiles, stressed that India's **AI dividend** will be realized on the factory floor. He underlined that the long-term economic shift of India will depend on whether AI can modernize legacy industries such as textiles, food processing, and more.

**Shri Aman Sharma**, Joint Secretary, Department of Pharmaceuticals, pointed out that AI can significantly reduce costs and improve the quality of production for MSMEs, which represent over **80% of the manufacturing units** in the sector.

The thematic session formed an essential part of the **India AI Summit 2026**, serving as a platform for structured dialogue, knowledge exchange, and coordinated action across various stakeholders in the AI ecosystem.

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