

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2481
TO BE ANSWERED ON: 10.08.2026

INCENTIVES FOR AI ADOPTION AMONG MSMEs

2481. SHRI MALLIKARJUN KHARGE:

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

- (a) whether Government proposes to introduce targeted incentives to accelerate AI adoption among MSMEs, including tax rebates on approved AI tools, AI-linked loans through SIDBI and Mudra and subsidised access to GPUs;
- (b) whether Government plans to develop simple, ready-to-use AI toolkits for key MSME sectors such as textiles, retail, logistics and food processing to help them adopt AI more easily;
- (c) whether any study has been conducted on the cost barriers faced by MSMEs in adopting AI technologies; and
- (d) the timeline by when such incentives or support measures are expected to be rolled out?

ANSWER

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

(a) & (b): At present, the Ministry of MSME does not have any separate scheme providing tax rebates on AI tools, AI-linked loans through SIDBI/MUDRA, or sector-specific AI toolkits exclusively for MSMEs.

(c) & (d): No separate study has been conducted by this Ministry specifically on cost barriers faced by MSMEs in adopting AI technologies. However, the Government has launched IndiaAI Mission as a comprehensive initiative, approved on 7th March 2024 with a budgetary outlay of ₹10,371.92 crore. India AI mission encompasses key pillars of the AI ecosystem including, India AI Compute Capacity, India AI Innovation Centre, India AI Datasets Platform, India AI Application Development Initiative, India AI Future Skills, India AI Startup Financing etc. These initiatives are expected to benefit MSMEs in adoption of AI tools and technologies.
