



Foundation for MSME Clusters (FMC)

# PROJECT UPDATES

JANUARY - FEBRUARY 2026

## 9th FMC Award for Responsible BMOs Recognizes Driving Change With Green Finance

The 9th Responsible Business Membership Organizations (BMO) Awards, organized by the Foundation for MSME Clusters (FMC), brought together policymakers, financial institutions, Business Membership Organizations (BMOs), industry leaders, development partners, and MSMEs to promote dialogue on green finance and sustainable enterprise practices.

The event featured an information session on Resource Efficiency and Traceability, a Green Finance Pitch Clinic that connected MSMEs with financial institutions, and exhibitions showcasing financial products, cluster success stories, and digital tools. The Guest of Honour, Shri Manoj Tiwari, felicitated the awardees and emphasized that MSMEs continue to serve as the backbone of India's economy.



**Shri. Manoj Tiwari, Member of Parliament, Delhi, along with Mr. Mukesh Gulati, ED FMC; Mr. Rakesh Rewari, Jury Member BMO Awards; Mr. Asim Sharma, Senior Expert & Lead—Sustainable Finance WWF India; Padma Shri Nila Madhab Panda, National Award-Winning Filmmaker; and Dr. Nidhi Pundhir, SVP Global CSR, HCLTech & Director, HCLFoundation, inaugurated the Super16 book launch at the 9th Responsible BMO Awards, organized by the Foundation for MSME Clusters, along with other dignitaries**

### MESSAGE FROM THE EXECUTIVE DIRECTOR



The January–February edition of our newsletter highlights FMC's continued efforts to strengthen sustainable and resilient MSME ecosystems. The 9th Responsible BMO Awards brought together key stakeholders to advance dialogue on green finance and responsible business practices. In the Panipat textile cluster, multiple engagements promoted decarbonization, circular economy practices, and collaboration. Across partnerships with organizations including GIZ, HCL Foundation, HSBC, HDFC, HDB Financial Services, and The Asia Foundation, FMC continues to support MSMEs through digital resilience, market access, financial inclusion, and climate-conscious development

**- Mukesh Gulati**

# 9TH RESPONSIBLE BMO HIGHLIGHTS

(Driving Change with Green Finance)



**Smt. Ina Bahuguna, Traceability & Circularity Expert, delivered an information session on Resource Efficiency and Traceability for enterprises at the 9<sup>th</sup> Responsible BMO Awards**



**BMOs pitching collective infrastructure and innovation ideas while Financial Institutions provide feedback at the Green Finance Pitch Clinic during the 9<sup>th</sup> Responsible BMO Awards**

## 9th Responsible BMO Awards Winners

The awards recognized several Business Membership Organizations (BMOs) for their impactful work in social and environmental development. Haryana Environmental Management Society was declared the Winner in the Environment category at the country level. At the cluster/district level in the Social category, Eri Weave Pvt Ltd received the Winner award, followed by Santiniketan Artistic Leather Goods Manufacturers Welfare Association as the 1st Runner Up and Koderma Sadar Women Farmer Producer Company Ltd as the 2nd Runner Up. In the Environment category at the cluster/district level, Tarasankar Panchagram Producer Company Ltd emerged as the Winner, with Jagruk Mahila Farmer Producer Company Ltd as the 1st Runner Up and Kolkata Institute of Technical Education as the 2nd Runner Up. The Special Jury Award was presented to Basuba Brooms Producer Company Limited for its notable contribution.



**BMO Award Felicitation by Honourable Shri Manoj Tiwari along with other Dignitaries at the 9<sup>th</sup> Responsible BMO Awards**

## IDH Delegation Visit: Discussing Sustainability and Collaboration In the Panipat Textile Cluster



A meeting with the IDH delegation was organized to introduce the Foundation for MSME Clusters (FMC), work in the Panipat recycled textile cluster, and discuss the cluster's key environmental, social, and economic challenges. The engagement explored opportunities for collaboration, investment, and sustainable interventions, with a focus on initiating stakeholder consultations to build consensus on Sustainable Cluster Brand (SCB) criteria among MSMEs, associations, financiers, and value-chain actors. The delegation observed fragmented operations, reliance on manual sorting, and labour-intensive processes.

Discussions highlighted the potential for improvements in energy efficiency, workplace safety, ergonomics, and material quality through small, affordable interventions with quick payback periods.

## Cross-Cluster Learning Visit to Tiruppur and Karur Textile Clusters



Tiruppur and Karur are among India's leading textile hubs, playing a vital role in global apparel and home textile value chains. Tiruppur is widely known as the country's knitwear export capital, while Karur is a major center for home textiles such as bed linens, table linen, and kitchen linen.

Recognizing their importance, the FMC team visited these clusters under the EU SWITCH-Asia Green Threads Project to promote cross-learning and stakeholder engagement. Interactions with industry representatives and cluster associations focused on sustainable production, ESG practices, and circular economy approaches. The visit also explored opportunities for collaboration and knowledge exchange with the Panipat textile recycling cluster.

## Recognition at the 4th Mahindra Finance CSR Implementation Partners Meet



In today's rapidly evolving business environment, many MSMEs remain excluded from formal banking and government support due to limited digital awareness and access. Through Mahindra Finance's Dhan Samvaad 2.0, FMC is promoting financial and digital inclusion among micro and nano entrepreneurs, helping them access financial services, government schemes, and digital tools essential for business growth. In recognition of these efforts, the FMC team received the Appreciation Award at the 4th Mahindra Finance (FSS) CSR Implementation Partners Meet in Mumbai. The event brought together partners to share learnings and discuss the growing role of ESG in driving collaborative development impact.

## Advancing Cyber Resilience for 50,000+ MSMEs under the APAC Cybersecurity Fund



Most MSMEs operate with limited technical awareness and weak security systems, making them vulnerable to cyber threats such as phishing, data theft, ransomware, and online payment scams. To address this, FMC—under the APAC Cybersecurity Fund, in partnership with The Asia Foundation and supported by Google.org—has strengthened the cyber resilience of 50,000+ MSMEs across 10 states through cybersecurity training. During January–February, Andhra Pradesh recorded the highest outreach with 4,000+ MSMEs trained, alongside a learnshop in Lucknow and specialized training for 10 BMOs in Madhya Pradesh.

## Creating 100+ New Designs and Expanding Digital Market Access for Artisans



The Government of India continues to promote handloom and khadi to support artisan livelihoods and sustainable fashion. Yet artisans often face challenges such as limited market access and digital awareness. With support from HCL Foundation, FMC is strengthening handloom clusters through the Design for Impact initiative, developed 10+ new designs and around 100 samples across Kotpad, Maheshwar, Pochampally, and Dhemaji. Artisans were also trained in e-commerce and onboarded on platforms like ONDC, My E-Haat, India Handmade, and Amazon Karigar, resulting in 400+ verified product listings.

## BDSP-MSME Connect Accelerates Decarbonization in Panipat Textile Cluster



Textile MSMEs are highly energy-intensive and often lack access to the technical expertise and financing needed to adopt low-carbon solutions. Under the HSBC-supported project “Demonstrating Decarbonization Pathways through Pilots in Textile SMEs,” FMC organized a BDSP-MSME Connect in the Panipat textile cluster. The event promoted resource efficiency, energy-efficient technologies, and rooftop solar while linking MSMEs with service providers, encouraging energy audits, and exploring financing options to support the sector’s low-carbon transition.

## Strengthening Financial Inclusion through HDB Aarthik Aarogyam Kendra



Limited digital and financial awareness often prevents micro and nano enterprises from accessing formal financial systems and government support. Through the HDB Aarthik Aarogyam Kendra initiative, FMC has trained 4,000+ entrepreneurs and facilitated 500+ registrations for services such as UDYAM, BHIM, GST, and other government schemes across Uttar Pradesh and Delhi, helping enterprises formalize operations and improve access to financial and welfare benefits.

## Driving Community-Led Climate Action under the Net Positive Panchayat Initiative



The Net Positive Panchayat (NPP) initiative in Goa promotes climate-resilient and sustainable development at the grassroots level by addressing challenges such as waste management, tourism pressure, and resource use. Under the Government of Goa-led and GIZ-supported initiative, with FMC as the implementing partner, the programme strengthened climate-conscious local governance through awareness, capacity building, and community participation. Schools led waste management sessions, Harvalem advanced green cooking and decentralized waste systems, and Calangute promoted solar and clean energy awareness—positioning Panchayats as drivers of community-led climate action.

## **Promoting Skill Development and Market Linkages under the HDFC CSR Initiative**



Bamboo plays a vital role in climate action as it absorbs carbon while growing and stores it in products such as furniture, panels, and construction materials, keeping carbon locked away for longer periods. Recognizing its environmental and livelihood potential, FMC, under the CSR initiative supported by HDFC, conducted 12 skill development training programmes at Common Facility Centres in Assam and organized 35 awareness sessions on scientific bamboo cultivation in Meghalaya. Additionally, five Entrepreneurship Development Programmes were held in Odisha to support local entrepreneurs. A semi-automatic Frame Loom Training Centre was also established in Bhojpur, Uttar Pradesh, to enhance skills and promote sustainable bamboo-based livelihoods.

## **Student Exposure Visit Highlights Panipat's Textile Recycling Ecosystem**



Raising awareness among youth about Panipat's textile recycling cluster is vital for its sustainable future. As the implementing partner of the EU-funded Green Threads programme under SWITCH-Asia, FMC organized a Student Exposure Visit for The Environment Society of Stephen's college to Sonia International, a leading recycling unit in Panipat. Students observed the complete recycling value chain—from sorting textile waste to producing recycled fiber—gaining practical insights into circular economy practices. The visit bridged classroom learning with real-world sustainability, inspiring youth to pursue innovation, climate action, and green livelihood opportunities.

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## POLICY UPDATE

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Schemes to bolster the Micro, Small, and Medium Enterprises (MSME) sector

- The Government continues strengthening the Udyam Registration system by integrating GST and Income Tax data to automatically verify turnover and investment. This improves transparency, reduces paperwork, and helps MSMEs access schemes, subsidies, and formal credit more easily.
- Central government ministries and CPSEs must continue to procure at least 25% of their purchases from MSMEs, with sub-targets for women entrepreneurs and SC/ST-owned enterprises. This policy ensures steady market access and promotes inclusive growth within the MSME ecosystem.
- The government has expanded the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to improve collateral-free loans. Higher guarantee coverage and increased corpus aim to help MSMEs access affordable credit and encourage banks to lend more confidently to small businesses.

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## ABOUT US

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The Foundation for MSME Clusters (FMC) is a non-government, not-for-profit trust dedicated to promoting and developing Micro, Small, and Medium Enterprises (MSMEs) through clusters and value chains. FMC provides cutting-edge policy and research support, comprehensive training, and capacity-building programs. It leads initiatives to generate employment, alleviate poverty, and promote a green economy. FMC supports cluster-specific infrastructure, market linkages, and management support, fostering MSME growth and development. With 35 scholarly publications, FMC is a leading authority on MSME cluster development.

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## GET INVOLVED



### Volunteer

### Opportunities:

Contribute your expertise to our ongoing projects and make a tangible impact on MSME development.



[Info@msmefoundation.org](mailto:Info@msmefoundation.org)



### Corporate

### Partnerships:

Collaborate with us to foster the growth and development of MSMEs across India. Your support can make a significant difference.



[Megha@msmefoundation.org](mailto:Megha@msmefoundation.org)

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## CONTACT US

