GOVERNMENT OF TAMIL NADU

TAMIL NADU TOY MANUFACTURING POLICY 2025

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Tamil Nadu
Toy Manufacturing Policy
2025

Industries, Investment Promotions and Commerce Department
Government of Tamil Nadu

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1. Overview

1.1. Introduction

Toys play a vital role in children's lives, contributing to the development of cognitive, motor, psychosocial, emotional, and linguistic skills. They are also instrumental in nurturing self-confidence and creativity among children. Article - 31 of the United Nations Convention on the Rights of the Child (UNCRC) establishes children's Right to Play, recognising it as a fundamental aspect of a child's development.

The global toy market is valued at USD 180 Billion in 2024 and is expected to reach USD 265 Billion by 2028, growing at a 7% CAGR. Currently, India's market share in this sector is less than 1%, valued at USD 1.70 Billion . The major segments include activity and ride-on toys, educational toys, infant and preschool toys, games and puzzles, plush toys, dolls, and electronic & remote-controlled toys.

Traditionally, India's toy market was highly fragmented, import-orientated, and driven by locally inspired cultural themes, handcrafted using indigenous materials. The growing global demand for edutainment and advancements in material technology have transformed this industry.

With over 25% of India's population under the age of 14, the country presents a substantial and growing market for the toy industry. This growth is further driven by increasing urbanisation and a rising preference for educational and interactive toys that cater to modern consumer preferences.

Tamil Nadu has a rich history of toy-making and traditional games that dates back to the Sangam period. Traditional toys and games, such as *Thanjavur Thalayatti Bommai, Pallanguzhi, Paramapadham,* and *Dayakattai,* reflect the State's culture, heritage, and craftsmanship. These toys, often handcrafted from natural materials like wood, clay, palm leaves, and cloth, showcase intricate designs, vibrant colours, and a cultural uniqueness that is inherent to the region. Traditional toys hold significant potential for the economic empowerment of local artisans. Given the promising growth of the toy industry globally, alongside India's aspirations to capture a larger share of the global market, this sector presents an attractive opportunity for Tamil Nadu's industrial ecosystem.

The Tamil Nadu Toy Manufacturing Policy aims to harness the State's strong manufacturing ecosystem to drive innovation in toy design, development, and production while strengthening traditional toy clusters.

1.2. Key Trends Driving Manufacturing & Innovation in the Toy Industry

i. Toy Licensing Agreements

Toy manufacturers use the intellectual property of popular brands and characters to create and market toys. Licensing agreements with popular franchises will continue to be a key strategy for toy manufacturers.

ii. Emphasis on STEM Education

With a growing emphasis on STEM (Science, Technology, Engineering, and Mathematics) education, toy manufacturers are developing products that encourage children to explore these areas, helping them develop problem-solving skills, critical thinking, and creativity.

iii. Greater Emphasis on Safety and Quality

The global regulatory landscape for toys involve stringent safety and material-related regulations, such as the American Society for Testing and Materials (F963-17) and the European Toy Safety Directive (2009/48/EC), to safeguard children. In India, the Toys (Quality Control) Order of February 2020 mandates the compulsory use of the Standard Mark and certification by the Bureau of Indian Standards (BIS).

iv. Inclusive Toy Design

Toys for children with special needs require new designs and manufacturing techniques to foster cognitive, sensory, and motor development.

v. Eco-Friendly Toys

Growing environmental consciousness among consumers is driving demand for eco-friendly toys made from sustainable materials. Manufacturers are integrating recycled materials and adopting waste-reduction measures to meet these expectations.

1.3. Synergies for Toy Manufacturing in Tamil Nadu

The manufacturing capabilities of Tamil Nadu, spanning diverse sectors such as auto components, electronics, textiles, and engineering, offer a strong foundation for the toy industry. The State has the potential to attract local and global toy makers to establish high-end toy manufacturing, including electromechanical toys.

Further, the established electronics sector in the State provides advanced infrastructure essential for high-end toys, particularly interactive toys. The robust injection moulding and die-casting capabilities are well-suited for producing durable and intricate toy components.

Tamil Nadu's focus on sustainable practices aligns well with eco-friendly toy manufacturing, meeting the needs of a conscious consumer base. As a leader in textiles, Tamil Nadu can support the plush and fabric toy market with high-quality and safe materials. Proximity to textile hub fosters opportunities for collaboration and innovation in textile-based toys.

This synergy makes Tamil Nadu an attractive hub for manufacturing world-class toys that appeal to both domestic and global markets.

2. Objectives

2.1. Vision

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.

2.2. Targets

i. Attract at least 10 anchor players in the toy manufacturing industry.

ii. Establish a dedicated Toy Manufacturing Park in the State with a supporting ecosystem and infrastructure.

iii. Attract leading design entities to set up their creative studios in the State.

iv. Identify and promote traditional toy clusters in Tamil Nadu to make them globally competitive.

2.3. Scope

The policy aims to attract investments from reputable domestic and international players in toy design and manufacturing . Additionally, the policy supports ancillary and upstream entities involved in the development of raw materials (polymers/recycled textiles), components, and design. Furthermore, the policy outlines necessary market interventions to support traditional and artisanal toy manufacturing in the State.

The following sub-segments in toy manufacturing will be prioritised under the policy:

- Action Figures & Collectibles
- Dolls & Plush Toys
- Building Sets and Construction Toys
- Educational & Montessori Toys
- STEM Toys
- Electronic & Interactive Toys
- Board Games & Puzzles
- Remote-Controlled Toys (including recreational drone toys)
- Infant & Toddler Toys
- Costumes & Dress-Up

2.3.1. Ancillary Industries

Ancillary industries deriving at least 50% of their annual turnover from sales to toy manufacturing units shall be covered under this policy.

3. Incentives for Toy Manufacturing

Projects that are 'Mega' and 'Ultra-Mega' in "A" Category Districts (Rs. 500 Crore and above) and 'Large' or above in "B" and "C" Category Districts (Rs. 300 Crore and above) are eligible for the "Structured Package of Assistance" as per the Tamil Nadu Industrial Policy (TNIP) 2021. The toy manufacturing industry shall be treated as a sunrise sector under TNIP 2021 and shall be eligible for "Special Incentives for Sunrise Sector," which includes Investment Promotion Subsidy, Land Cost Subsidy, Stamp Duty Incentive, Enhanced Incentive for Quality Certification, Enhanced Incentive for Intellectual Property Creation, Interest Subvention, and Electricity Tax Exemption.

A company can choose to avail incentives under the "Special Package of Incentives for Toy Manufacturing" under this policy or the "Special Incentives for Sunrise Sector" under TNIP 2021, subject to satisfying the eligibility criteria of the applicable policy.

3.1. Special Package of Incentives for Toy Manufacturing

Eligible Units

To attract new investments in this niche sector and encourage domestic players to diversify into this segment, new/expansion projects with investments greater than Rs. 50 Crore and minimum employment of 50 jobs shall be eligible for the "Special Package of Incentives for Toy Manufacturing" under this policy. The minimum investment and employment commitments must be fulfilled within the Standard Investment Period of 3 years.

3.1.1. Fixed Capital Subsidy

Eligible units can avail Fixed Capital Subsidy as provided in the table below:

District Category	Fixed Capital Subsidy (% of EFA/Disbursal Period)
'A' District	7% / 5 years
'B' District	10% / 10 years
'C' District	12% / 10 years

The Fixed Capital Subsidy shall be disbursed in equal annual instalments over the incentive disbursal period upon fulfilment of investment and employment commitments and commencement of operations from the plant.

3.1.2. Traceability Incentive

To support the establishment of an end-to-end system that enhances traceability and quality, 50% of the expenditure incurred on implementing traceability systems (hardware & software) shall be refunded for a period of three years from the commencement of operations from the plant, subject to a ceiling of Rs. 25 Lakh.

3.1.3. Training Subsidy

Skilling support shall be provided in the form of a Training Subsidy of Rs. 4,000 per worker per month for 6 months for residents of Tamil Nadu. For women and transgender employees, individuals with benchmark disabilities, and individuals from SC/ST communities, the training subsidy shall be Rs. 6,000 per worker per month for 6 months.

3.1.4. Designer Training Subsidy

A training subsidy of Rs. 10,000 per month per designer shall be offered for 6 months for residents of Tamil Nadu, subject to a maximum of 50 employees.

3.1.5. Enhanced Incentive for Quality Certification

Projects obtaining certifications like BIS/ISO, or any other national or international certification shall receive a subsidy of 50% of the total cost incurred for obtaining the certification, as certified by a Chartered Accountant, limited to Rs. 1 Crore for the period of investment.

3.1.6. Enhanced Intellectual Property Creation Incentive

The Government will reimburse 50% of the expenditure incurred by the project, subject to a maximum of Rs. 1 Crore during the period of investment for a patent, copyright, trademark, and Geographical Indication (GI) registration.

The following subsidies (3.1.7 To 3.1.9) shall be applicable, subject to meeting the eligibility criteria as per TNIP 2021.

3.1.7. Land Cost Subsidy

For eligible projects in SIPCOT, land allotment will be made at a 10% concessional rate in "A" & "B" districts and at a 50% concessional rate in "C" districts for land up to 20% of EFA. For private land in "C" districts, a 50% subsidy will be offered on the cost of land as per guideline value up to an extent of 50 acres, subject to land cost not exceeding 20% of EFA and a cap of Rs. 2 Crore, provided that at least 70% of the land is used for manufacturing operations. If the investor chooses to avail the land cost subsidy, the land will be excluded from Eligible Fixed Assets for the purpose of the Investment Promotion Subsidy.

3.1.8. Stamp Duty Incentive

A 100% stamp duty exemption will be given for the lease or purchase of land/shed/buildings meant for industrial use on land obtained from SIPCOT. For private lands, a stamp duty concession will be provided as a 100% back-end subsidy for up to 50 acres upon fulfilment of investment and employment commitments.

3.1.9. Electricity Tax Exemption

Eligible units will be granted an electricity tax exemption for a period of 5 years on power purchased from the Tamil Nadu Power Distribution Corporation Limited (TNPDCL) or generated and consumed from captive sources.

3.2. Incentives for MSME units

Micro, Small, and Medium Enterprise units—as defined under the MSME Policy, 2021 - which are not eligible for the incentives listed under Section 3.1 – Special Package of Incentives for Toy Manufacturing may avail the following incentives as per the Micro, Small, and Medium Enterprises (MSME) Policy 2021, subject to meeting the eligibility criteria:

3.2.1. Capital Subsidy

a. Small and Medium Enterprises

Eligible units setting up in industrially backward blocks (as notified by Government) and all industrial estates promoted by the Government and Government agencies like SIPCOT & TANSIDCO, except those located in industrial estates within a radius of 50 km from Chennai city centre, can avail a capital subsidy equivalent to 25% of plant & machinery value, with a maximum of up to Rs. 1.50 Crore in three instalments.

b. Micro Enterprises

Eligible units located anywhere in the State can avail of a capital subsidy equivalent to 25% of plant & machinery value, with a maximum of up to Rs. 25 Lakh.

3.2.2. Additional Capital Subsidy for Women, SC/ST, Differently Abled & Transgender Entrepreneurs

An additional capital subsidy of 5% on the value of eligible plant and machinery, subject to a maximum of Rs. 5 Lakh, to enterprises set up by Women/Scheduled Caste/Scheduled Tribe/Differently abled/ Transgender entrepreneurs. The subsidy is applicable to all eligible micro enterprises established anywhere in the State and Small & Medium enterprises being set up in industrially backward blocks and all industrial estates promoted by the Government and Government agencies like SIPCOT & TANSIDCO, except those located in industrial estates within the radius of 50 km from Chennai city centre.

3.2.3. Subsidy for Adoption of Sustainable Technologies

An additional capital subsidy of 25% on the value of eligible plant and machinery/equipment (for items not covered under capital subsidy) installed to promote cleaner and environment-friendly technologies, subject to a maximum of Rs. 10 Lakh. This subsidy shall be applicable to all new Micro manufacturing enterprises set up anywhere in Tamil Nadu and all new Small and Medium manufacturing enterprises set up in declared backward blocks and industrial estates, excluding those located in industrial estates within the radius of 50 km from Chennai city centre.

3.2.4. Reimbursement of Stamp Duty and Registration Charges

Reimbursement of stamp duty and registration charges for purchase of land meant for industrial use, at the rate of 50% of the actual value, will be extended to eligible Micro and Small manufacturing enterprises set up in declared backward blocks. This incentive is admissible to eligible enterprises on the land area up to five times the plinth area of the factory building constructed.

3.2.5. Low Tension Power Tariff Subsidy

New Micro-enterprises or existing enterprises undergoing expansion and diversification using Low Tension Power Supply (Tariff III B) can avail an amount equivalent to 20% of power consumption charges paid to TANGEDCO for the first 36 months from the date of commencement of production or the date of receiving the power connection, whichever is later.

3.2.6. Reimbursement of Energy Audit and Implementation Charges

Eligible units can avail a 75% subsidy on the cost of taking up an energy audit, subject to a maximum of Rs. 1 Lakh per energy audit, and 50% of the cost of eligible components, subject to a maximum of Rs. 10 Lakh for implementing the recommendations of the energy audit.

3.2.7. Payroll Subsidy

Reimbursement of employers' contribution to the EPF for the first three years from the date of commencement of commercial production shall be provided if the enterprise employs greater than 20 persons or employs 25% of its workforce as differently abled individuals, subject to a ceiling of Rs. 24,000 per person per annum.

The subsidy shall be applicable to all Micro enterprises and all new SMEs employing more than 25% of their workforce as differently abled, setting up anywhere in the State. It shall also be applicable to Small and Medium Enterprises establishing units in industrially backward blocks and industrial estates promoted by the Government and its agencies like SIPCOT and TANSIDCO, except those located in industrial estates within the radius of 50 km from Chennai city centre.

3.2.8. Back-Ended Interest Subsidy

Eligible units will be supported with a 5% back-ended interest subsidy for a maximum of 5 years for term loans taken up to Rs. 2 Crore with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) coverage or up to Rs. 5 Crore taken up for technology upgradation/modernisation, subject to a maximum subsidy of Rs. 20 Lakh and Rs. 25 Lakh, respectively.

3.2.9. Credit-linked Subsidies

Eligible MSME units can avail support under existing credit-linked subsidy schemes such as the New Entrepreneur cum Enterprise Development Scheme (NEEDS) for first-generation entrepreneurs, the Annal Ambedkar Business Champions Scheme (AABCS) for entrepreneurs from the SC/ST community, the *Kalaignar Kaivinai Thittam* (KKT) for those involved in artisanal trades including doll/toy making, and the Prime Minister Employment Generation Program (PMEGP).

3.2.10. Incentives for Quality Certification

Eligible units shall be supported with 100% reimbursement of certification and consulting charges subject to a maximum of Rs. 2 Lakh per unit for National certifications and Rs. 10 Lakh per unit for international certifications.

A unit with a valid Udyam Registration can obtain multiple certifications within the given financial limit. A unit can also claim this amount for new certifications on scaling up to the next category.

3.2.11. Incentives for Intellectual Property Creation

a. Patent Registration

Eligible entities can avail a 75% subsidy on the cost of filing the application for patent registration, including the cost of the first-time maintenance fee, subject to a maximum of Rs. 3 Lakh per patent registered.

b. For Trademark Registration and Geographical Indication

Eligible entities can avail a 50% subsidy on the cost of filing an application for trademark registration, including the cost of the first-time maintenance fee, subject to a maximum of Rs. 25,000 per trademark or Geographical Indication (GI).

3.2.12. Innovation Voucher Program, TANFUND and Listing Support in SME Exchange

Through the innovation voucher program, grants between Rs. 2 - 5 Lakh shall be provided to support scaling up of innovative ideas towards prototyping and commercialisation, accordingly. Eligible startups shall be supported with funding and access to networking/mentor support through the TANFUND promoted by Startup TN. One-time assistance of 75% of expenditure incurred, subject to a cap of Rs. 30 Lakh for listing in the SME exchange, shall be provided.

3.2.13. Marketing Support

Reverse Buyer-Seller Meets (RBSM), Vendor Development Programs, and B2B meetings with Public Sector Undertakings (PSUs) and large industries shall be facilitated on a need basis between MSMEs and large anchor buyers from India and abroad.

- As per the MSME policy 2021, MSME associations in the State shall be supported with reimbursement of 50% of the hall rent for conducting exhibitions in India and 50% of the rent paid towards stalls or space charges, subject to a maximum of Rs. 7.5 Lakh for domestic events and up to Rs. 15 Lakh for international events.

- As per the FaMeTN Sponsorship Policy, individual MSME units can claim reimbursements for expenditures incurred towards setting up stalls, participating in seminars/conferences, exhibitions, and buyer-seller meets in domestic and international events, subject to meeting eligibility criteria.

4. Support for Toy Manufacturing to Promote Experiential Learning

Manufacturers engaged in the production of experiential toys within the State shall be provided with a custom incentive package. Furthermore, to promote learning by doing, educational institutions shall be supported with access to experiential toys.

5. Support for Toy Manufacturing for Children with Special Needs

Recognising the importance of catering to the special needs of differently abled children, the State shall promote the production of specialised toys designed to aid in cognitive, motor, and sensory development. By encouraging manufacturers to integrate universal design principles, these toys can offer a blend of functionality and engagement that meets specific developmental needs.

This focused approach could further position Tamil Nadu as a leader in inclusive toy manufacturing, fostering innovation and socially conscious entrepreneurship. The State shall encourage local production of toys that adhere to global safety and accessibility standards, making Tamil Nadu a hub for inclusive toy manufacturing.

The State shall support such manufacturers with custom incentive packages and partnerships with organisations specialising in care of differently abled individuals.

6. Promotion of Creative Design Studios

The toy industry's trend-driven nature demands advanced design and R&D to meet consumer preferences for educational, STEM-based, and eco-friendly toys. Establishing design studios in the State shall enable local toy manufacturers to become globally competitive, support SMEs, and create high-end jobs in STEM, engineering, and the arts, strengthening the State's creative landscape.

Creative design studios undertaking toy design or R&D related to toys, with clearly demarcated facilities in the State, shall be provided a 30% payroll subsidy for 12 months, subject to a cap of Rs. 10,000 per month per employee for new hires employed during the policy period who are residents of Tamil Nadu.

7. Artisanal Toy Ecosystem in Tamil Nadu

The traditional toys from Tamil Nadu are not only a testament to the State's rich cultural heritage but also offer significant potential for the economic empowerment of local artisans.

The clay toys of Tamil Nadu are famed for their artistic charm, vibrant colours, and wide range of toys and decorative items. The Vilacheri toy cluster in Madurai holds rich cultural significance, with artisans passing down their trade and craft through generations. Prominent centres in contemporary times include Chennai, Kanchipuram, and parts of the Ranipet district.

Another toy-making tradition in the State is the wooden lacquerware toys crafted in the villages of Ambasamudram taluk in the Tirunelveli district. These toys include miniature birds, musical instruments, kids' walkers, cradle sticks, and miniature kitchen sets.

Inspired by the traditional dance forms, the *Thanjavur Thalayatti Bommai* (dancing doll) is recognised under the Geographical Indication (GI) tag for its unique design and cultural significance. These dolls have become one of the iconic faces of the State, serving as attractive souvenirs.

The Tamil Nadu Handicrafts Development Corporation, Poompuhar, in collaboration with the Development Commissioner for Handicrafts, Government of India, has developed and continues to implement several programs to support the revival of traditional art forms.

7.1. Kalaignar Kaivinai Thittam (Artisan Development Scheme)

S.No.	Credit Support	Description
1	Enterprise Development Loan	Beneficiaries will be eligible for collateral-free loan assistance of up to Rs. 3 lakhs.
2	Subsidy	Subsidy will be 25% of the loan value capped to Rs. 50,000.
3	Concessional Interest	Enterprises will be provided loans at a subsidised interest rate of 7% under the Kalaignar Credit Assistance Scheme implemented by Tamil Nadu Industrial Co-operative Bank (TAICO). Other banks shall extend support to MSMEs based on prevailing interest rates.
4	Interest Subvention	2% - 5% (Based on lending bank)

Artisans shall be supported with access to modern tools and Common Facility centres (CFCs) developed by the MSME Department, TANSIDCO, and ITIs functioning under the Department of Labour Welfare and Skill Development to improve the quality and productivity level of their products.

The beneficiaries shall also be supported with branding and marketing, with a focus on enabling access to wider markets through value chain linkages. The MSME department shall facilitate the onboarding of artisanal products and services onto e-commerce platforms, including Flipkart, Amazon, Poompuhar, Co-optex, Mathi Sandhai, GeM, Khadi India, and the Open Network for Digital Commerce (ONDC).

To promote formalisation, beneficiaries shall be facilitated with voluntary registration on the Udyam/ Udyam Assist Portal, and doll/toy makers shall be supported to expand their capacity to fulfil bulk orders through the formation of artisan clusters to achieve benefits of aggregation and common brand creation.

7.2. Artisan Cluster Development Initiatives

The State shall support traditional artisans and manufacturers engaged in creating toys and games by enhancing the quality and appeal of their products, encouraging product innovation, and promoting diversification.

Additionally, market research studies shall be undertaken to assess the capacity of toy manufacturing MSMEs and artisans in Tamil Nadu to cater to the global demand and to explore strategies to elevate the global recognition of traditional artisanal toy products from Tamil Nadu.

The State, through IC&DIC, shall identify clusters for the following focused development initiatives:

7.2.1. Infrastructure Development

Under the Micro Cluster Development Program (MCDP), the State is developing a toy cluster in Madurai. The State shall undertake a detailed mapping of the infrastructural requirements, Common Facility centres (CFCs), tooling, and storage needs of similar toy clusters to support artisanal and traditional toy manufacturers across the State.

- Artisanal toy manufacturers currently face significant disruptions in wood preparation activities, such as cutting, chiselling, smoothening, and colouring, during the monsoon season due to inadequate infrastructure. The CFCs shall address this gap by providing well-equipped workspaces, ensuring continuity of production irrespective of seasonal constraints.

- The CFCs shall also include a workshop area serving as a foundational space for all equipment, a designated work floor area, and the necessary tooling and polishing facilities.

- Further, an inventory area with adequate storage space for raw materials, tools, and finished goods shall also be facilitated.

- As part of the CFCs, a Design Development Centre with a Prototype Tool-Making Unit shall be established to develop various tools such as wood turning lathe machines, hand saws, chisels, and gauges, tailored to localised requirements and suited to address intricate design requirements.

7.2.2. Skilling Initiatives

Skill upgradation programs shall be developed in partnership with leading design schools and institutions and implemented through the Tamil Nadu Skill Development Corporation (TNSDC), with the support of community organisations and craft associations.

Targeted capacity-building initiatives will be undertaken through the Entrepreneurship Development and Innovation Institute (EDII) to upskill artisans for toy commercialisation, covering scalability, market demand, logistics, financial literacy, profitability, international standards, safety, sustainability, and packaging.

Specific modules shall be developed to encourage artisans to use natural, non-toxic, and environment-friendly materials in toy manufacturing. Artisans shall also be trained in sustainable practices, allowing them to meet the growing global demand for eco-conscious products.

7.2.3. Financial Assistance for GI Tag

To promote the acquisition of GI tags for traditional toys in the State, financial assistance towards legal fees, capped at Rs. 3 Lakh per toy category, shall be provided to clusters undertaking efforts for approval.

7.2.4. Market Access

The State shall facilitate market access by strengthening forward linkages in both traditional and modern channels. In addition, the artisans shall be assisted in listing their products on major e-commerce platforms and participating in local and international trade fairs, exhibitions, and government-backed marketing initiatives. Under district-level MSME support initiatives, activities such as buyer-seller meets, e-commerce onboarding workshops, financial and export workshops, and quality control workshops shall be undertaken.

7.2.5. Experience Tourism Development

Toy clusters will be developed with facilities for heritage or toy enthusiasts to experience traditional toy-making firsthand. Synergies will be identified to link these clusters with key tourism destinations and corridors identified under the Tamil Nadu Tourism Policy 2023. To facilitate experience tourism within the identified clusters, the State shall develop tourism amenities & toy museum centres.

7.3. Design Innovation and Technology Integration

The State shall encourage collaborations between artisans, design institutes, and technology partners to introduce fresh, innovative designs that complement traditional techniques. Technology integration, such as 3D prototyping and digital marketing, shall also be promoted to help artisans expand their reach and enhance production efficiency. Digital design tools shall be developed to support artisans in adopting the latest sustainable designs without the need for prototyping.

8. Policy Implementation

The incentive packages under this policy will be sanctioned to eligible industries by the Industries, Investment Promotion, and Commerce Department based on the recommendation from Guidance Tamil Nadu to the Government/Inter-Departmental Committee. SIPCOT will serve as the nodal agency for incentive disbursal. The existing institutional mechanism for disbursal of investment-related incentives to industries and other implementation guidelines (as per TNIP 2021 or the prevailing industrial policy) will be applicable to eligible industries under this policy.

The incentives for the MSME sector will be sanctioned by the Commissioner of Industries and Commerce. Single-window facilitation for the MSME sector will be undertaken by the Commissioner of Industries and Commerce & District Industries Centre.

The initiatives discussed under Section 7, Artisanal toys ecosystem in Tamil Nadu, shall be implemented by the MSME Department.

9. Policy Period

The policy will be valid for a period of 5 years from the date of notification or until a new policy is announced.

Annexure

Segments/Products covered under the following HSN codes shall be eligible for incentives under this policy:

HSN Code	Product Description
9501	Wheeled toys designed to be ridden by children; dolls' carriages; dolls, and other toys
9502	Toys representing animals or non-human creatures
9503	Tricycles, scooters, pedal cars, and similar wheeled toys; dolls; other toys
9505	Festive, carnival, or other entertainment articles, including magic tricks and practical joke articles
9507	Fishing rods, fishing hooks, and other line fishing tackle; decoy "birds" (other than those of heading 9208 or 9705) and similar hunting or shooting requisites
902300	Instruments, apparatus, and models, designed for demonstrational purposes (for example, in education or exhibitions), unsuitable for other uses

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