

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. †1685
TO BE ANSWERED ON 11.02.2021

LOSS OF JOBS DUE TO CLOSURE OF MSMEs

†1685. SHRI DEEPAK BAIJ:

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

- (a) the decline recorded in working of the Ministry and various MSMEs during lockdown;
- (b) the number of new and renewable energy industries closed in MSME sector during the lockdown;
- (c) the number of persons lost their jobs due to closure of industries;
- (d) the steps being taken by the Government so as to start production again by the MSME industries; and
- (e) the impact of steps taken by the Government for starting production by MSME industries?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a) to (c): The figures of the real GDP in India during the first quarter of 2020-21 indicate that economic activity contracted due to the strict lockdown measures imposed by the Government. This contraction has also had impact on the MSME sector. However, as MSMEs are there in both formal and informal sector, data regarding temporary or permanent closure of the units are not maintained by the Government of India in Ministry of Micro, Small and Medium Enterprises (MSME).

(d) & (e): The Ministry of MSME implements various schemes and programmes for growth and development of MSME Sector in the country. These schemes and programmes include Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE), Interest Subvention Scheme for Incremental Credit to MSMEs, Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS).

Recently, post Covid-19, Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 pandemic. Some of them are:

- i) Rs 20,000 crore Subordinate Debt for MSMEs.
- ii) Rs. 3 lakh crores Collateral free Automatic Loans for business, including MSMEs.
- iii) Rs. 50,000 crore equity infusion through MSME Fund of Funds.
- iv) New revised criteria for classification of MSMEs.
- v) New Registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.
- vi) No global tenders for procurement up to Rs. 200 crores, this will help MSME.

An online Portal "Champions" has been launched on 01.06.2020 by Hon'ble Prime Minister. This covers many aspects of e-governance including grievance redressal and handholding of MSMEs. Through the portal, total 26,693 grievances have been redressed upto 31.01.2021.
