

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3712
TO BE ANSWERED ON 18.03.2021

FIRE ACCIDENTS IN CRACKERS MANUFACTURING UNITS

3712. SHRI MANICKAM TAGORE B:

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

- (a) whether the Government is concerned about the continuous fire accidents in crackers manufacturing units in Sivakasi, Tamil Nadu and if so, the details thereof;
- (b) whether the Government would come forward to set up any investigation/experts team to find out the actual reasons behind such accidents and if so, the details thereof;
- (c) the total number of fire accidents that happened during the last four years in fire manufacturing industries and the compensation provided by the Government to the affected victims/families;
- (d) whether the Government is concerned that firework units, mostly comprising MSMEs in Sivakasi, are indefinitely closed due to huge financial crisis as well as the ban of crackers ;
- (e) if so, whether the Government has decided to retrieve those sick or closed MSME units with the help of financial package; and
- (f) if so, the details thereof along with the financial package offered by the Government to make those closed MSME units functional?

ANSWER

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

(a): Yes, Sir. The Government is concerned about the repeated fire accidents in the cracker manufacturing units in Sivakasi, Tamil Nadu. There are 952 firework units in Tamil Nadu as per the licenses issued by the District Revenue officer (DRO) and the Petroleum and Explosives Safety Organization (PESO). The details of firework units are as follows:

- | | |
|-------------------------------------|------------|
| (i) Firework units with DRO License | - 259 nos. |
| (ii) Firework Units with PESO | - 693 nos. |

Government and PESO have taken steps for conducting regular inspection of fireworks factories licensed by them. During the inspection, if any, serious violations are noticed, penal action as per the provisions of Explosives Rules, 2008 is taken. Organizing training programmes, awareness campaign on use of Green Crackers are ongoing activities for prevention of such accidents. A separate Fire Works Welfare Board has also been set up to get compensation on accident / injuries from the Welfare Board.

(b): The District Administration has formed 7 special squads, consisting of the officials of Revenue Department, Police Department, Fire and Rescue Department, Labour Welfare Department, Industrial Safety and Health Services. The squads will inspect and review the functions of fireworks units. It is observed that the factory accidents occur mostly due to the following reasons:

- i. Friction
- ii. Improper composition of chemicals
- iii. Usage of decomposed chemicals
- iv. Mishandling of chemicals
- v. Usage of more chemicals than permitted
- vi. Employing more number of people than permitted numbers.

(c): As per the information provided by Department for Promotion of Industry & Internal Trade under the Ministry of Commerce & Industry and Government of Tamil Nadu, the total number of fire accidents that happened during last 4 years in fire manufacturing industries and compensation provided by the Government to the affected victims/families is as under:

Year	Number of Accidents
2016-17	16
2017-18	10
2018-19	16
2019-20	14

(Source: DPIIT)

The District Administration, Government of Tamil Nadu has given compensation as follows:

Year	Number of Death	Amount of Compensation (Rs.)
2017-18	1	1.00 lakh
2018-19	2	2.00 lakh
2019-20	17	51.00 lakh
Total	20	54.00 lakh

(Source: Government of Tamil Nadu)

The District Administration has also given compensation for 19 injuries for an amount of Rs. 19.00 lakh)

(d): The Hon'ble Supreme Court has permitted the fire work units to manufacture green crackers and ordered that the fire crackers manufacturing units shall manufacture fire crackers in accordance with the standard prescribed by new composition recommended by National Environmental Engineering Research Institute (NEERI) and prescribed by PESO.

(e) & (f): Government has announced a comprehensive package of Rs.20 lakh crore, including for MSMEs, under Aatmanirbhar Bharat Abhiyan (ABA). Announcements pertaining to MSMEs are given below:

- i. Emergency Credit Line for MSMEs: Government has operationalized Rs. 3,00,000 crore collateral free loan scheme w.e.f. 23.05.2020 which is likely to benefit 45 lakh MSMEs.
- ii. Rs. 20,000 crore Credit Guarantee Scheme for Subordinate Debt (CGSSD) for the stressed MSMEs.
- iii. Reserve Bank of India (RBI) vide its circular dated 01.01.2019 has indicated that MSME account can be restructured on or before 31.03.2020. The borrower will continue to be classified as Standard Asset till the date of restructuring. The same has further been extended up to 31.03.2021 vide RBI's circular dated 06.08.2020.
- iv. RBI has provided the relief measures and the CRR of all the banks to be reduced by 100 basis points to 3% of net demand and time liabilities w.e.f. March, 28, 2020, which would inject Rs. 1,37,000 crore across the banking system.
- v. In addition, Ministry of MSME has taken initiatives to provide employment opportunities to people including migrant workers in 116 districts of 6 States under Garib Kalyan Rojgar Abhiyaan. Under PMEGP, Margin Money (subsidy) amounting to Rs. 216.45 crore has been disbursed for setting up 6218 units till 31.01.2021.
