

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. †3782
TO BE ANSWERED ON 18.03.2021

CLOSURE OF SMALL SCALE INDUSTRIES

†3782. SHRI SADASHIV KISAN LOKHANDE:

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

- (a) whether a large number of small industries have been closed in various States of the country;
- (b) if so, the number of such industries that have been closed and the reasons behind their closure; and
- (c) the steps taken by the Government to revive them?

ANSWER

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

(a) & (b): 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).

(c): 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 28,862 grievances have been redressed upto 11.03.2021.
