

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1390.  
TO BE ANSWERED ON WEDNESDAY, THE 28<sup>TH</sup> JULY, 2021.**

**FACTORY ACTIVITIES**

**1390. SHRI A. GANESHAMURTHI:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether it is a fact that factory activities shrunk due to Covid-19 pandemic during the last 12 months and Purchasing Managers Index (PMI) for the manufacturing sector dropped;
- (b) if so, the details thereof;
- (c) whether the Union Government has undertaken any relief measures to overcome the present situation;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI SOM PARKASH)**

- (a) to (e):** Industrial growth plays an important role in the development of an economy and Government of India is making continuous efforts for promotion of industrial growth. The industrial growth process is accompanied by the formation of new enterprises and closure of old ones, in response to the prevailing financial and economic scenario driven by economic shocks and stimulus. The fundamentals of the economy remained strong as gradual scaling back of lockdowns, along with the support of Atmanirbhar Bharat Mission placed the economy firmly on the path of recovery from the second half of FY 2020-21. The performance of Indian economy based on Purchasing Managers' Index (PMI) and Index of Industrial Production for the last 12 months is provided at **Annex-I**.

Government has announced various relief measures for several sectors including health infrastructure under the Atmanirbhar Bharat Packages announced on 13th May, 2020 to 17<sup>th</sup> May, 2020, 12th

October, 2020 & 12<sup>th</sup> November, 2020 involving a total amount of Rs.29,87,641 crore (including amount provided for the Pradhan Mantri Garib Kalyan Package, Pradhan Mantri Garib Kalyan Anna Yojana from July to November, and measures announced by RBI). Besides, a Rs 6.28 lakh crore Covid stimulus package has also been announced on 28.06.2021. The details of the measures are at **Annex-II**. These measures will provide necessary impetus to the existing projects and help in boosting the economy.

Some of the recent steps taken by DPIIT to boost GDP growth and manufacturing sector are achieving integration of India Industrial National Land Bank (GIS Land Bank) in 17 states; covering over 400 industrial parks under Industrial Park Rating System 2.0. Steps like Startup India Seed Fund Scheme; Credit Guarantee Scheme for Startups; Startup Ranking Framework; National Startup Awards etc has been taken to build a strong ecosystem for nurturing innovation and entrepreneurship; continuation of Footwear Leather & Accessories Development Programme (FLADP) 2021-26 for boosting leather sector. Details of measures taken by DPIIT to boost Industrial activities in country is provided at **Annex-III**.

\*\*\*\*\*

**ANNEXURE-I****ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA  
UUSTARRED QUESTION NO.1390 FOR ANSWER ON 28.07.2021**

Performance of Indian Economy for latest 12 months based on Purchasing Managers' Index (PMI)			
Month	Manufacturing PMI	Services PMI	Composite PMI
Jun-20	47.2	33.7	37.8
Jul-20	46.0	34.2	37.2
Aug-20	52.0	41.8	46.0
Sep-20	56.8	49.8	54.6
Oct-20	58.9	54.1	58.0
Nov-20	56.3	53.7	56.3
Dec-20	56.4	52.3	54.9
Jan-21	57.7	52.8	55.8
Feb-21	57.5	55.3	57.3
Mar-21	55.4	54.6	56.0
Apr-21	55.5	54.0	55.4
May-21	50.8	46.4	48.1
Jun-21	48.1	41.2	43.1

Source: markiteconomics.com

Industrial production based on Index of Industrial Production (IIP) for latest 12 months				
Month	Mining (Weight 14.37)	Manufacturing (Weight 77.63)	Electricity (Weight 7.99)	General (Weight 100.00)
Jun-20	85.7	107.1	156.2	107.9
Jul-20	87.5	118.5	166.3	117.9
Aug-20	84.0	118.7	162.7	117.2
Sep-20	87.6	126.5	166.4	124.1
Oct-20	98.5	132.0	162.2	129.6
Nov-20	106.6	128.5	144.8	126.7
Dec-20	117.3	139.0	158.0	137.4
Jan-21	121.3	136.6	164.2	136.6
Feb-21	117.9	129.7	153.9	129.9
Mar-21(P)	138.7	143.2	180.0	145.5
Apr-21(P)	107.4	125.4	174.0	126.7
May-21(P)	108.0	113.5	161.9	116.6

Source: Ministry of Statistics and Programme Implementation P - Provisional

\*\*\*\*\*

## ANNEXURE-II

### ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA UUSTARRED QUESTION NO.1390 FOR ANSWER ON 28.07.2021

#### A. Announcements made on 13.05.2020

1. Rs. 3 lakh crore Emergency Working Capital Facility for Businesses, including MSMEs
2. Rs. 20,000 crore Subordinate Debt for Stressed MSMEs
3. Rs. 50,000 crore equity infusion through MSME Fund of Funds
4. New Definition of MSME and other Measures for MSME
5. No Global tenders for Government tenders of upto Rs.200 crore.
6. Extending the Employees Provident Fund Support for business and organised workers for another 3 months for salary months of June, July and August 2020
7. EPF Contribution to be reduced for Employers and Employees for 3 months to 10% from 12% for all establishments covered by EPFO for next 3 months
8. Rs. 30,000 crore Special Liquidity Scheme for NBFC/HFC/MFIs
9. Rs. 45,000 crore Partial credit guarantee Scheme 2.0 for Liabilities of NBFCs/MFIs
10. Rs. 90,000 crore Liquidity Injection for DISCOMs
11. Relief to Contractors given by extension of up to six months for completion of contractual obligations, including in respect of EPC and concession agreements
12. Relief to Real Estate Projects the registration and completion date for all registered projects will be extended up to six months.
13. Tax relief to business as pending income tax refunds to charitable trusts and non-corporate businesses and professions to be issued immediately
14. Reduction in Rates of 'Tax Deduction at Source' and 'Tax Collected at Source' by 25% for the remaining period of FY 20-21
15. Due Dates for various tax related compliances extended

#### B. Announcements made on 14.05.2020

16. Free food grains supply to Migrants for 2 months.
17. Technology system to be used enabling Migrants to access PDS(Ration) from any Fair Price Shops in India by March,2021-One Nation one Ration Card
18. Scheme for Affordable Rental Housing Complexes for Migrant Workers and Urban Poor to be launched
19. 2% Interest Subvention for 12 months for Shishu MUDRA loanes- Relief of Rs. 1500 crore
20. Rs. 5000 crore Credit facility for Street Vendors.
21. Rs.70,000 crore boost to housing sector and middle-income group through extension of Credit Linked Subsidy Scheme for MIG under PMAY(Urban)
22. Rs. 6,000 crore for Creating employment using CAMPA funds
23. Rs. 30,000 crore Additional Emergency Working Capital for farmers through NABARD
24. Rs. 2 lakh crore concessional credit boost to 2.5 crore farmers under Kisan Credit Card Scheme

**C. Announcements made on 15.05.2020**

- 25. Rs. 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers
- 26. Rs. 10,000 crore scheme for formalisation of Micro Food Enterprises (MFE)
- 27. Rs. 20,000 crore for Fishermen through Pradhan Mantri Matsya Sampada Yojana (PMMSY)
- 28. National Animal Disease Control Programme
- 29. Setting up of Animal Husbandry Infrastructure Development Fund – Rs. 15,000 crore
- 30. Promotion of Herbal Cultivation : outlay of Rs. 4,000 crore
- 31. Beekeeping initiatives –Rs. 500 crore
- 32. From 'TOP' to TOTAL- – Rs. 500 crore [Operation Greens Scheme TOP to TOTAL provides 50% subsidy on transport and storage of notified fruits and vegetables if prices of such fruits or vegetables are below the trigger price.
- 33. Measures for Governance and Administrative Reforms for Agriculture Sector
  - a. Amendments to Essential Commodities Act to enable better price realisation for farmers
  - b. Agriculture Marketing Reforms to provide marketing choices to farmers
  - c. Agriculture Produce Price and Quality Assurance

**D. Announcements made on 16.05.2020**

- 34. Commercial Mining introduced in Coal Sector
- 35. Diversified Opportunities in Coal Sector
- 36. Liberalised Regime in Coal Sector
- 37. Enhancing Private Investments and Policy Reforms in Mineral Sector
- 38. Enhancing Self Reliance in Defence Production
- 39. Policy Reforms in Defence Production
- 40. Efficient Airspace Management for Civil Aviation
- 41. More World-Class Airports through PPP
- 42. India to become a global hub for Aircraft Maintenance, Repair and Overhaul (MRO)
- 43. Tariff Policy Reform in Power Sector; Privatization of Distribution in UTs
- 44. Boosting private sector investment through revamped Viability Gap Funding Scheme in Social Sector
- 45. Boosting private participation in space activities
- 46. Reforms in Atomic Energy Sector

**E. Announcements made on 17.05.2020**

- 47. Rs. 40,000 crore increase in allocation for MGNREGS to provide employment boost
- 48. Increased investments in Public Health and other health reforms to prepare India for future pandemics
- 49. Technology Driven Education with Equity post-COVID
- 50. Further enhancement of Ease of Doing Business through IBC related measures
- 51. Decriminalisation of Companies Act defaults

- 52. Ease of Doing Business for Corporates
- 53. Public Sector Enterprise Policy for a New, Self-reliant India
- 54. Increase borrowing limits of States from 3% to 5% for 2020-21 only & promoting State level reforms

**F. Announcements made on 12th October 2020**

- 55. LTC Cash Voucher Scheme- cash payment to employees in lieu of one LTC during 2018-21, (full payment on Leave encashment and tax-free payment of LTC fare)
- 56. Special Festival Advance Scheme- interest-free advance of Rs. 10,000 in the form of a prepaid RuPay Card, to be spent by March 31, 2021.
- 57. Capital Expenditure Boost for States- A special interest-free 50-year loan to states for ₹ 12,000 crore capital expenditure
  - ₹ 200 crore each for 8 North East states
  - ₹ 450 crore each Uttarakhand, Himachal
  - ₹ 7,500 crore for remaining states, as per share of Finance Commission's devolution
- 58. Capital Expenditure Boost for the Centre-Additional budget of ₹ 25,000 crore (in addition to ₹ 4.13 lakh crore given in Budget 2020-21) provided for capital expenditure on roads, defence, water supply, urban development and domestically produced capital equipment.

**G. Announcements made on 12th November 2020**

- 59. Aatma Nirbhar Bharat Rozgar Yojana- to incentivize job creation during COVID-19 recovery. If EPFO-registered establishments take in new employees without EPFO numbers or those who lost jobs earlier, the Yojana will benefit these employees.
- 60. Emergency Credit Line Guarantee Scheme for MSMEs, businesses, MUDRA borrowers and individuals (loans for business purposes), extended till March 31, 2021. Credit guarantee support scheme launched for Health care sector and 26 sectors stressed due to COVID-19. Entities will get additional credit up to 20% of outstanding credit; repayment can be done in five years (1 year moratorium + 4 years repayment).
- 61. Production Linked Incentive worth ₹ 1.46 Lakh Crore offered to 10 champion sectors.
- 62. ₹ 18,000 Crore Additional outlay for PM Awaas Yojana – Urban
- 63. Support for Construction & Infrastructure – Relaxation of Earnest Deposit Money & Performance Security on Government Tenders
- 64. Income Tax relief for Developers & Home Buyers
- 65. Platform for Infra Debt Financing
- 66. Support for Agriculture: ₹ 65,000 Crore for subsidized fertilizers
- 67. Boost for Rural Employment: Additional outlay of ₹ 10,000 Crore is being provided for PM Garib Kalyan Rozgar Yojana. Funds can be used for MGNREGA or for Gram Sadak Yojana, this will help accelerate rural economy.
- 68. Boost for Project Exports ₹ 3,000 Crore boost to be given for project exports through assistance given by India to developing countries under Indian Development and Economic Assistance Scheme (IDEAS Scheme). This will

- help EXIM Bank facilitate these Line of Credit development assistance activities and promote exports from India.
69. Capital and Industrial Stimulus ₹ 10,200 Crore additional budget stimulus will be provided for capital and industrial expenditure on defence equipment, industrial infrastructure and green energy.
70. R&D grant for COVID Vaccine; ₹ 900 Crore is being provided to Department of Biotechnology for research activities related to COVID-19 vaccine development. This does not include cost of vaccine or logistics for vaccine distribution (whatever is required for that will be provided)

#### **H. Announcements made on 28.06.2021**

1. Rs. 1.1 lakh crore loan guarantee scheme for COVID affected sectors
2. Additional Rs. 1.5 lakh crore for Emergency Credit Line Guarantee Scheme
3. Credit Guarantee Scheme to facilitate loans to 25 lakh persons through Micro Finance Institutions (MFIs)
4. Financial support to more than 11,000 Registered Tourists/ Guides/ Travel and Tourism Stakeholders
5. Free one-month Tourist Visa to first 5 lakh tourists
6. Extension of Aatma Nirbhar Bharat Rozgar Yojana till 31st March 2022
7. Additional subsidy of Rs. 14,775 crores for DAP & P&K fertilizers
8. Extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) – Free food grains from May to November, 2021
9. Rs. 23,220 crores more for public health with emphasis on children and paediatric care/paediatric beds
10. 21 varieties of bio-fortified crop for nutrition, climate resilience and other traits to be dedicated to the nation
11. Revival of North Eastern Regional Agricultural Marketing Corporation (NERAMAC) with package of Rs. 77.45 crore
12. Rs. 33,000 crore boost for project exports through National Export Insurance Account (NEIA)
13. Rs. 88,000 crore boost to Export Insurance Cover
14. Rs. 19,041 crores For Broadband to each Village through BharatNet PPP Model
15. Extension of Tenure of PLI Scheme for Large Scale Electronics Manufacturing till 2025-26
16. Rs. 3.03 lakh crore for Reform-Based Result-Linked Power Distribution Scheme
17. New Streamlined Process for PPP Projects and Asset Monetization

\*\*\*\*\*

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA  
UUSTARRED QUESTION NO.1390 FOR ANSWER ON 28.07.2021**

**DPIIT's measures to boost Industrial activities in country**

**1. Ease of Doing Business and compliance burden:**

- Government is working with Central Ministries/ Departments and State Governments to get to the target of India being in top nations. India has improved its rank from 142 to 63, a leap of 79 ranks, during the last 5 years in the World Bank's Doing Business Report (DBR). With a view to track implementation of business reforms at the State and district level, State and District Reform Action Plan is also being promoted.
- To translate the Atmanirbhar Bharat vision into a reality, Government is working to reduce Compliance Burden on businesses and citizens. Initiatives taken for compliance reduction are focused on simplifying and digitizing various processes, reduction in documents to be submitted along with applications, reduction in frequency of inspections, third-party inspections, auto-renewals, decrease in frequency of return filings and digital maintenance of registers/records.

**2. Startup India:**

- India is counted as one of the largest startup ecosystem in the world with more than 50,775 recognized startups.
- To simplify ease of starting up, till 9th April 2021, 48 regulations have been simplified since the launch of the Startup India initiative. To enable ease of procurement, Central Ministries/ Departments are directed to relax conditions of prior turnover and prior experience in public procurement for all Startups.
- A Fund of Funds for Startups Scheme (FFS) with corpus of Rs. 10,000 crores to meet the funding needs of startups. Start-up India Seed Fund Scheme approved with an outlay of Rs 945 Crore. The scheme shall provide financial assistance to startups for proof of concept, market entry, commercialization, etc. It will support an estimated 3,600 entrepreneurs through 300 incubators in the next 4 years.

**3. Production linked Incentive Scheme**

- Keeping in view India's vision of becoming 'Aatmanirbhar' and enhancing India's Manufacturing Capabilities and Exports, an outlay of Rs. 1.97 lakh crore has been announced in Union Budget 2021-22 for Production Linked Incentive scheme (PLI) schemes for 13 key sectors for 5 years starting from fiscal year (FY) 2021- 22.
- DPIIT's PLI Scheme for White Goods (ACs and LED lights) : The PLI Scheme with an outlay of Rs 6238 crore on White Goods is designed to create complete component ecosystem for Air Conditioners and LED Lights Industry in India and make India an integral part of the global supply chains. The



scheme is expected to attract global investments, generate large scale employment and enhance exports substantially.

#### **4. Foreign Direct Investment (FDI):**

- The FDI policy reforms carried out by Government in the last seven years are nothing less than historic. In the last two years alone, reforms in the FDI policy have been undertaken across sectors such as Coal Mining, Contract Manufacturing, Digital Media, Single Brand Retail Trading, Insurance Intermediaries, Civil Aviation, Defence and Insurance Companies.
- Measures taken by the Government on FDI policy reforms have resulted in increased FDI inflows in the country, which year after year is setting up new records. FDI inflow in India stood at US\$ 45.15 billion in 2014-15 and has continuously increased since then. India registered its highest ever annual FDI inflow of US\$ 81.72 billion (provisional figures) in the financial year 2020-21.

#### **5. Investment Promotion:**

- Empowered Group of Secretaries (EGoS) & Project Development Cells (PDCs) have been established in 30 Ministries/Departments of the Government of India, headed by respective Joint Secretary-level nodal officers. It aims to support, facilitate and provide an investor-friendly ecosystem to investors investing in India.
- An Investment Clearance Cell (ICC) to provide facilitation and support to businesses through a one-stop digital platform – the central Single Window System (SWS) is being set up. This national portal will integrate the existing clearance systems of the various Ministries/Departments of Govt. of India and State Governments without disruption to the existing IT portals of Ministries.

#### **6. Public Procurement**

- Public procurement is a sizeable share of Indian economy. To promote domestic investment and usage of made in India products by the government, the Public Procurement (Preference to Make in India) Order has been revised on 16.09.2020. Some of the salient features of the present order are:
  - a) For purchases with estimated value less than Rs. 200 Crore, no Global tender enquiry will be issued.
  - b) For the items, where there is sufficient local capacity and local competition, Class -1 local suppliers (i.e. suppliers offering items with minimum 50% domestic value addition) are only eligible to bid irrespective of purchase value. In all other purchases, Class -1 local suppliers get purchase preference over other suppliers in government procurement process.

#### **7. India Industrial Land Bank (IILB)**

- Government has developed a national level land bank by integrating Industrial Information System (IIS) with State industrial GIS systems. This will enable the investors to see plot level data and availability of updated land related

information in real time. Integration with 17 states achieved and currently ongoing with 6 States.

## **8. Industrial Corridor:**

- The National Industrial Corridor Programme (NICP) has been conceived to promote world class manufacturing facilities and develop futuristic industrial cities in India. Eleven (11) Industrial Corridors have been identified with 32 nodes/projects proposed to be developed in 04 phases until 2024- 25.
- Implementation works for 04 industrial cities under Delhi Mumbai Industrial Corridor (DMIC) are underway, as below;
  - a) Trunk infrastructure activities completed for 02 nodes, namely, Integrated Industrial Township (IITGN) at Greater Noida (747 acres), Uttar Pradesh and Integrated Industrial Township (IITVUL) at Vikram Udyogpuri (1,100 acres), Ujjain in Madhya Pradesh.
  - b) Trunk infrastructure activities nearing completion in other 02 nodes, namely, Dholera Special Investment Region (DSIR) (22.5 sq. kms), Gujarat and Shendra Bidkin Industrial Area (AURIC) (18.55 sq. kms), Aurangabad, Maharashtra.
- Planning & development activities are underway for 21 nodes/projects under Industrial Corridor Programme.

## **9. Intellectual Property Rights:**

- The introduction of the National IPR Policy, 2016 is a giant leap by the Government of India to spur creativity and stimulate innovation. Some of the major achievements are:
  - a) Filing and Processing fees for small entities reduced to 20% (from the existing 50%) w.e.f 4.11.2020 as compared to large entities. This will incentivize Small entities to file for more patents.
  - b) To encourage IPR protection amongst Startups, the Scheme for Facilitating Start-Ups Intellectual Property Protection (SIPP) which was launched in 2016 has been extended upto 31.03.2023.
  - c) 80% fee concession for patent application filed by Startups whereas 50% fee concession for trademark applications by Startups, as compared to large entity.
- Modernisation of IP offices: Offices under Controller General of Patents, Design and Trademarks (CGPDTM) have been modernized to enable e-filing of applications. With these steps, time required for Patent Examination reduced from average 72 months in 2015 to 5-30 months at present, depending upon technology fields.
- Patent filings increased by 36.8% and Examination increased by 223.3% in 2020-21 vis-à-vis 2014-15. Patent grants increased by 374.9%; Disposal increased by 269.8%.

\*\*\*\*\*