

Stakeholder consultations are being held. Government has set up a National Traders' Welfare Board with the objectives of welfare of traders and their employees, simplification of the acts and rules applicable to traders, reduction of compliance burden and improvement in access to funds for traders.

Slowing down of Industrial growth rate

1492. SHRIMATI PRIYANKA CHATURVEDI:

SHRI MANAS RANJAN BHUNIA:

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

- (a) whether it is a fact that Industrial growth in India has seen a continuous slowdown;
- (b) if so, the reasons therefor and the details thereof;
- (c) the growth rate of industry at present; and
- (d) the steps taken by Government to address the sluggish growth?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI PIYUSH GOYAL):

(a) to (c) Industrial growth depends on a number of factors including structural, external, fiscal and industrial factors. The moderation in India's industrial growth coincides with deceleration in growth of global output. The sudden outbreak of COVID-19 has severely impacted some of the major economies of the world. It has affected countries across the globe including some of the major players like USA, European Union, UK, and India. Both World Bank and IMF estimate contraction in global GDP for FY 2020-21 due to the spillover effects of the lockdown to curb the spread of COVID-19 pandemic. Various sectors were affected due to the nation-wide lockdown. However, after the lockdown was relaxed, improvement has been witnessed in several sectors of the economy.

(d) Government has implemented several measures to address the sluggish growth of industries, which, *inter-alia*, include:-

- (i) Relief measures have been taken for MSMEs such as collateral-free lending program with 100 percent credit guarantee, subordinate debt for stressed MSMEs with partial guarantee, partial credit guarantee scheme for public

sector banks on borrowings of non-bank financial companies, housing finance companies (HFCs), and micro finance institutions, Fund of Funds for equity infusion in MSMEs, additional support to farmers via concessional credit, as well as a credit facility for street vendors (PM SVANidhi), amongst others.

- (ii) Several Regulatory and compliance measures have been taken, viz. postponing tax-filing and other compliance deadlines, reduction in penalty interest rate for overdue GST filings, change in government procurement rules, faster clearing of MSME dues, IBC related relaxations for MSMEs, amongst others.
- (iii) Structural reforms have been announced as part of the Aatmanirbhar Package which, *inter alia*, include deregulation of the agricultural sector, change in definition of MSMEs, new PSU policy, commercialization of coal mining, higher FDI limits in defence and space sector, development of Industrial Land/ Land Bank and Industrial Information System, revamp of Viability Gap Funding scheme for social infrastructure, new power tariff policy and incentivizing States to undertake sector reforms.
- (iv) Government has launched National Infrastructure Pipeline, expanded Phased Manufacturing Programme, Production Linked Incentive Schemes and is creating Centralised Investment Clearance Cell for end to end support for investment. Empowered Group of Secretaries and Project Development Cells have been set up to facilitate domestic and foreign investment. Further, reduction in EPF contributions, employment provision for migrant workers; insurance coverage for workers in the healthcare sector; and wage increase for MGNREGA workers and support for building and construction workers, collateral free loans to self-help groups are some other relief measures.
- (v) Common digital platform for Certificate of Origin has been launched to facilitate trade and increase Free Trade Agreement utilization by exporters. Government is promoting districts as export hubs by identifying products with export potential in the District, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the District.