

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2021
TO BE ANSWERED ON 21.03.2022

SCHEME BENEFICIAL FOR MSMEs

2021. SHRI BHUBANESWAR KALITA:

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

- (a) whether Government is planning to encourage start-ups and small business in the light of COVID-19 pandemic;
- (b) how the Emergency Credit Line Guarantee Scheme (ECLGS) will be beneficial to Micro, Small and Medium Enterprises (MSMEs); and
- (c) whether there is any special scheme to MSMEs sector in North Eastern States and, if so, the details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a): As informed by Department for Promotion of Industry & Internal Trade (DPIIT), Startup India initiative was launched by Hon'ble Prime Minister of India on 16th January, 2016. The flagship initiative aims to build a strong ecosystem for nurturing innovation and startups in the country that will drive sustainable economic growth and generate large-scale employment opportunities. The Action Plan comprises 19 action items spanning across areas such as "Simplification and handholding", "Funding support and incentives" and "Industry-academia partnership and incubation". A total of 36,216 startups have been recognized by DPIIT from April 2020 to 14th March 2022. In addition to facilitation for recognition, the Government has been working concertedly to support startups through the various schemes of Startup India viz. Seed Fund, Tax exemption u/s 80IAC and u/s 56, Patent application and IPR protection, easier public procurement norms, etc.

(b): Emergency Credit Line Guarantee Scheme (ECLGS) was announced as part of the Aatmanirbhar Bharat Package in May, 2020 with the objective of helping MSMEs/small businesses to meet their operational liabilities and resume businesses in view of the distress caused by the COVID-19 crisis. Initially, the admissible limit of the guarantee was Rs. 3 lakh crore which was later enhanced to Rs. 4.5 lakh crore. As per the Budget announcement 2022-23, the ECLGS is being extended up to March 2023 with an expanded guarantee cover of Rs. 5 lakh crore. The additional guarantee cover of Rs. 50,000 crore is earmarked exclusively for the hospitality and related enterprises.

(c): The scheme "Promotion of MSMEs in NER and Sikkim" has been approved for continuation with budget outlay of Rs. 295.0.Cr. (2021-22 to 2025-26). The scheme provides financial support for augmenting infrastructure for enhancing the productivity and competitiveness of Micro, Small and Medium Enterprises (MSMEs) of NER. The sub-components of scheme are follows.

- i. Setting up of new and modernization of existing Mini Technology Centres.
- ii. Development of new and existing Industrial Estates.
- iii. Development of Tourism Sector.

For the growth and development of MSMEs in the country including North Eastern States, the Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes like Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE), etc.
