ROLE, ISSUES AND CHALLENGES OF MSME'S SECTOR DURING COVID – 19 AND POLICY IMPLICATIONS IN UP (A CASE STUDY)

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ABSTRACT

India is a developing country and MSME sector is recognized as the backbone of Indian economy. The position of Indian MSME is the 2nd largest in world after china. It plays a significant role in accelerating the growth of Indian Economy, But in the period of COVID -19 Indian MSME is sector also facing very crucial and unpredictable situations, due to limited resources capacity. Textile and garment industries are an important and integral part of the MSME after Agro based industries of the country, because it provides huge of employment, greater GDP contribution and sufficient large foreign money. But due to pandemic, Indian textile and garment industry has also suffered and faced many challenges such as raw material supply, production, distribution channel and management etc. In this crisis, Face mask is accepted as an essential and safe item for pandemic. So production of face mask has provided a good opportunity for textile and garment industry. The state of Uttar Pradesh has largest number of MSME with share of 14.2% out of total MSMEs in the country. In this situation, UP government has promoted actively the work for MSME sector. This paper is based on a case study of mask production in UP, especially in Allahabad city now called Prayagraj. For the study, primary and secondary both types of data has been used. The main objective of this paper is (i) To study the Impact of Covid – 19 on various sector of Indian Economy and (ii) To study the role of MSME in generation of employment opportunities. The paper has divided into three sections. First section is related to Introduction part, second part discusses role of MSME in mass production and last section is related to conclusion and policy suggestions.

KEYWORDS: *MSME, Textile, Employment*