

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO.2441
TO BE ANSWERED ON TUESDAY, AUGUST 10, 2021
SRAVANA 19, 1943 (SAKA)**

CASH TRANSFER RECOMMENDED BY CII

2441. SHRI PRABHAKAR REDDY VEMIREDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Confederation of Indian Industry (CII) has recommended for cash transfer to the poor as a short-term fiscal measures to push demand side of the economy;
- (b) whether it is also the fact that CII has also recommended for giving Rs. 2 lakh crore credit guarantee scheme to MSME sector; and
- (c) if so, the steps taken by Government in this regard?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

- (a) to (c): (i) Confederation of Indian Industry (CII) in its pre-budget memorandum 2021-22 made recommendations related to fiscal management; revival of demand cycle, Health care sector, export and trade policy, Employment and livelihood, direct and indirect taxes etc.

(ii) To support long-lasting and inclusive growth, Government of India has undertaken a judicious mix of both supply side and demand side measures in a calibrated manner. In FY 2020-21, Government measures include special economic and comprehensive package under Pradhan Mantri Garib Kalyan Package, Atma Nirbhar Bharat (ANB) Package, and measures announced by RBI, to combat the impact of the COVID-19 pandemic, to revive economic growth, and to bolster employment. Measures taken under Pradhan Mantri Garib Kalyan Package also included direct cash transfer to women Jan Dhan account holders, senior citizens, widows and disabled persons in addition to front loading of first installment to the beneficiaries of PM-KISAN scheme.

(iii) Some specific measures taken to support the MSME Sector includes Emergency Credit Line Guarantee Scheme (ECLGS) to provide them additional funding of up to ₹ 3 lakh crore in the form of a fully guaranteed emergency credit line, provision of ₹ 20,000 crore Subordinate Debt for Stressed MSMEs, ₹ 50,000 crores equity infusion through MSME Fund of Funds, disallowing global tender enquiries in government procurement of goods and services of value of less than ₹ 200 crores which is in support of the Make in India initiative and promotion of MSMEs growth, revised definition of MSME by raising the Investment limit, Credit Guarantee Scheme for Micro Finance Institutions etc.

(iv) Budgetary allocation for Ministry of MSMEs of ₹ 15,700 crores provided in 2021-22 is more than double of BE for 2020-21.
