

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

**RAJYA SABHA
STARRED QUESTION NO. 128**

TO BE ANSWERED ON 14th MARCH, 2017/ PHALGUNA 23, 1938 (SAKA)

Saving small traders and daily wagers from demonetisation

QUESTION

*128: **SHRI K.T.S. TULSI:**

Will the Minister of **FINANCE** be pleased to state:

- (a) the steps, if any, taken by Government to ensure that the small traders and daily wage earners who earn livelihood in cash were not affected by its decision of banning 500 and 1000 currency notes; and
- (b) if so, the details thereof and if not, the reasons therefor?

ANSWER

**MINISTER OF FINANCE
(SHRI ARUN JAITLEY)**

(a) to (b) A statement is laid on the table of the House.

**STATEMENT REFERRED TO IN REPLY TO RAJYA SABHA STARRED
QUESTION NO. 128 RAISED SHRI K.T.S. TULSI, HON'BLE MEMBER OF
PARLIAMENT, FOR REPLY ON 14th MARCH, 2017**

(a) & (b): Following the cancellation of legal tender character of Specified Bank Notes (SBNs) Government have taken various step to minimize the inconvenience to public including small traders as well as daily wage earners. These steps inter-alia, includes:-

- i. Allowing old SBNs for certain categories of transactions like payments at petrol pumps, Government Hospitals, Pharmacies, Railway in Metro ticketing, Consumer cooperative stores, etc.
- ii. In addition to deposit of specified banknotes in accounts, exchange of the same into new currency from the branches of Commercial banks, RRBs, State-Co-Operative banks, Urban Co-operative banks and post-offices was made available from November 10 to 24, 2016. This facility was also available at RBI offices from November 10 to December, 2016.
- iii. As a relief to small borrower (i.e. loans upto Rs. 1 crore), RBI has already decided to provide additional 60 days' time for repayment of dues. This would be applicable to personal and crop loans including housing and agricultural loans, taken from banks, NBFCs, DCCBs, PACS or NBFC-MFIS.
- iv. During Rabi crop season, the RBI advised all the banks to ensure that adequate allocation of banknotes for the rural branches including RRBs, post offices and DCCBs. NABARD had made available Rs. 21,000 crores limit to DCCBs through State Cooperative Banks for Rabi agricultural operations, that would enable the DCCBs to sanction and disburse crop loans to the farmers through network of PACS.
- v. Banks were advised that bank branches located in APMCs might be given extra cash to facilitate smooth procurement.
- vi. Banks were advised to deploy Micro ATMs (Bala Mitras, etc) near village Panchayat Offices, Police Stations/ Police and military Outposts, Government Departments, offices of Public Sector Units, Petrol Pumps and other similar secure locations.
- vii. Banks were advised to open accounts, in a camp mode, for Tea/coffee and other plantation workers, employees of Sugar cooperatives, dairy farms and such other worker groups with concentrated payment locations so that they may be better served in terms of deposit into accounts and withdrawal therefrom.

With effect from 13/03/2017, restrictions on cash withdrawals from Saving Bank accounts (including accounts opened under PMJDY) have been removed.
