

Government of India
Ministry of Finance
Department of Economic Affairs

RAJYA SABHA
UNSTARRED QUESTION NO. 858
TO BE ANSWERED ON TUESDAY, FEBRUARY 11, 2025/ 22 MAGHA, 1946 (SAKA)

**ENSURING FINANCIAL STABILITY, REDUCE FISCAL DEFICIT, AND MANAGE
PUBLIC DEBT**

858. Shri Parimal Nathwani:

Will the Minister of FINANCE be pleased to state:

- (a) the steps taken to ensure financial stability, reduce fiscal deficit, and manage public debt in light of the current economic challenges;
- (b) whether Government has introduced or is planning targeted interventions to support small and medium enterprises (MSMEs), startups, and rural economies and if so, the details thereof; and
- (c) the status of initiatives aimed at improving credit flow, financial inclusion, and the banking sector's health to strengthen the overall economic resilience of the country?

A N S W E R

MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)

(a) The Union Government in Budget Speech of FY 2024-25 (Regular Budget) has outlined a medium-term fiscal policy stance. It seeks to keep the Central Government fiscal deficit to GDP ratio such that the debt to GDP ratio is on a declining path. Further, it has been highlighted in FRBM documents of FY 2025-26, that sans any major macro-economic disruptive exogenous shock(s), and while keeping in mind potential growth trends and emergent development needs, the Government endeavours to keep fiscal deficit in each year (from FY 2026-27 till FY 2030-31) such that the Central Government debt is on declining path to attain a debt to GDP level of about 50±1 per cent by 31st March 2031.

(b) and (c) The Government has taken various measures to make domestic economy more resilient amidst the global uncertainties. The speech for Budget 2025-26 contains a list of announcements/measures for the various sectors. Some of the relevant paragraphs of the Budget speech are as follows:

Sr. No.	Category	Paragraph
1.	MSMEs	25 & 27 to 36
2.	Startups	29, 31, 80 & 152
3.	Rural Economy	9 to 26, 96 & 98
4.	Improving Credit flow	22, 24, 26, 29, 30, 50 & 96 to 98
5.	Financial inclusion	24, 30, 50, 96 & 98
