

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

**LOK SABHA  
UN STARRED QUESTION NO. 5020  
TO BE ANSWERED ON 16<sup>TH</sup> DECEMBER 2016/25<sup>TH</sup> AGRAHAYANA  
SAKA, 1938  
INCENTIVES TO INDUSTRY POST DEMONETISATION**

**5020. SHRI B. SRIRAMULU:**

**QUESTION**

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

- (a) whether the Government has received suggestion/feedback from business councils and forums for measures to facilitate various industries during the transition period of the demonetisation exercise;
- (b) if so, the details thereof;
- (c) whether the Government proposes to cut excise duty to reduce prices in order to increase demand, encourage cost cutting measures and provide interest subsidies to retain the competitiveness of the industrial sector and if so, the details thereof;
- (d) whether the National Institute of Public Finance and Policy (NIPFP) has indicated that demonetisation could lead to a contraction of economic activity; and
- (e) if so, the reaction of the Government thereto along with steps being taken to boost-up industry sector during the demonetisation exercise?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ARJUN RAM MEGHWAL)**

(a) & (b): On the basis of feedback/suggestions received from various quarters, various steps have been/are being taken by Government from time to time, the information regarding which is available at [finmin.nic.in](http://finmin.nic.in). The situation after the cancellation of legal tender character of old denomination banknotes is being regularly monitored in the Government.

(c): At present, there is no such proposal for reduction in excise duty.

(d): As per information obtained from NIPFP, they have not indicated any official opinion on this matter.

(e): Does not arise.

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