

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE**

DEPARTMENT OF EXPENDITURE

LOK SABHA

STARRED QUESTION NO. 2

TO BE ANSWERED ON MONDAY 19th JULY, 2021

[28 Ashadha, 1943 (SAKA)]

Stimulus Package for Covid-affected Sectors

**2. SHRI RAJVEER SINGH (RAJU BHAIYA):
DR. SUKANTA MAJUMDAR:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has recently announced Rs 6.28 lakh crore stimulus package to boost Covid-affected sectors and if so, the details thereof;
- (b) whether the Government has planned to offer guarantees to banks for lending to microfinance sector and if so, the details thereof;
- (c) whether the Government has also planned to increase the size of Emergency Credit Line Guarantee Scheme (ECLGS) to Rs 4.5 lakh crore from Rs 3 lakh crore and if so, the details thereof;
- (d) whether the Government has planned to give loan guarantees to tourism sector under ECLGS and free visa for first 5 lakh tourists once borders re-open and if so the details thereof; and
- (e) the other important steps being taken by the Government during the Covid-19 pandemic in this regard?

ANSWER

FINANCE MINISTER

(SHRIMATI NIRMALA SITHARAMAN)

- (a) to (e): A statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No. 2 for answer on July 19, 2021 raised by Shri Rajveer Singh (Raju Bhaiya) and Dr. Sukanta Majumdar regarding 'Stimulus Package for Covid-affected Sectors':

- (a) Yes Sir. Government of India has on 28th June, 2021 announced a stimulus package of Rs.6,28,993 crore. The package aims to boost diverse sectors of economy affected by COVID-19 pandemic. The Government has announced a total of 17 measures in three broad categories: -
- i) **Economic relief from Pandemic:** Eight measures in the stimulus package announced aim at providing economic relief to people and businesses affected by the COVID-19 pandemic. In this part of the package, the Government has laid special focus on health and reviving travel and tourism sectors.
 - ii) **Strengthening Public Health:** Besides supporting the health sector through credit guarantee schemes, Rs. 23,220 crore was announced for public health with emphasis on children and pediatric care/pediatric beds
 - iii) **Impetus for Growth and employment:** Eight measures in the stimulus package announced aim at providing impetus for growth and employment.
- (b) Yes Sir. Government of India has decided to provide guarantee to the Scheduled Commercial Banks for loans to new or existing Non Banking Financial Companies (NBFC) and Micro Finance Institutions (MFIs) for on lending of upto Rs 1.25 lakh to approximately 25 lakh small borrowers with interest rate on loans from banks capped in each case at Marginal Cost of Funds based Lending Rate (MCLR) plus 2%.
- (c) Yes Sir. The government has decided to expand the Emergency Credit Line Guarantee Scheme (ECLGS), launched as part of Aatma Nirbhar Bharat Package in May, 2020, by additional Rs 1.5 lakh crore. ECLGS has got a very warm response with Rs 2.73 lakh crore sanctioned and Rs 2.10 lakh crore already disbursed under the scheme.
- (d) Yes Sir. The government has decided to provide working capital/personal loans to Regional Level Tourist Guides recognised by Ministry of Tourism and Tourist Guides recognised by the State Governments; and Travel and Tourism Stakeholders (TTS) recognized by Ministry of Tourism.
- (e) Apart from aforesaid measures, the Government has taken many other steps. These include extension of Aatma Nirbhar Bharat Rozgar Yojana till 31st March 2022; additional subsidy of Rs. 14,775 crore for DAP & P&K fertilizers; extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) – Free food grains from May to November, 2021; Rs. 33,000 crore boost for project exports through National Export Insurance Account (NEIA); Rs. 88,000 crore boost to Export Insurance Cover; Rs. 19,041 crore for Broadband to each Village through BharatNet PPP Model; and extension of tenure of PLI Scheme for Large Scale Electronics Manufacturing till the financial year 2025-26.
