

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
STARRED QUESTION NO. †*75
TO BE ANSWERED ON MONDAY, THE 07th FEBRUARY, 2022
MAGHA 18, 1943 (SAKA)

Assistance from RBI

†*75. Shri Sukhbir Singh Jaunapurja:

Will the Minister of FINANCE be pleased to state:

- (a) the amount of assistance taken by the Government from the Reserve Bank of India (RBI) during the last three years and the current year so far;
- (b) whether the Government is considering to take more assistance from RBI and if so, the details thereof;
- (c) Whether the Government has considered to take the said assistance in view of slowdown in industries; and
- (d) if so the details thereof along with the process of repayment of such market or secured loans?

ANSWER

MINISTER IN THE MINISTRY OF FINANCE (SMT NIRMALA SITHARAMAN)

- (a) to (d): A Statement is placed on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No. †*75 for answer on February 07, 2022 raised by Shri Sukhbir Singh Jaunapuria regarding 'Assistance from RBI'

- (a) In terms of section 17(5) of the RBI Act, a facility/assistance for grant of Ways & Means Advance (WMA) and over draft (OD) is provided as assistance/ temporary loans by RBI to Central Government to meet its temporary mismatches between expenditure and flow of receipts. The details of assistance availed by the Government of India in the last three years and in the current year, is tabulated below:

Aggregated amount of WMA and OD availed by the Government from RBI		
(` crore)		
Financial Year	Amount of WMA and OD availed	WMA and OD repaid
2018-19	9,55,243	9,55,243
2019-20	11,79,582	11,79,582
2020-21	3,98,990	3,98,990
2021-22*	0	0
*WMA/OD has not been availed so far.		

- (b) & (C) The WMA and OD facility is availed by the Government only on need basis. In the current financial year, the WMA limit though fixed at `1.20 lakh crore for H-1 (from April 01, to September 30, 2021) and `0.50 lakh crore for H-2 (from October 01, 2021 to March 31, 2022), however, owing to continuous positive balance in Government account, so far, the facility has not been availed of.

- (d) The WMA is provided as a temporary finance facility by RBI for a period of 90 days. When limit of WMA is exceeded the OD is provided to the Central Government for periods not exceeding 10 consecutive working days. RBI retains the flexibility to revise the limit at any time, in consultation with the Government of India, taking into consideration the prevailing circumstances. The interest rate on WMA and overdraft to the Government for the financial year 2021-22 are (i) Repo rate for WMA; (ii) and 2 percent above Repo Rate for Overdraft.
