Many loan borrowers want disbursement after lockdown: FM

Modes of financing the ₹20-lakh-crore package will be clearer only after the government announces the relief measures in four-five rounds in the coming days, finance minister Nirmala Sitharaman said in a press conference on Wednesday. Edited excerpts:

On financing the ₹20-lakh-crore package

May be this is the question I should answer after I finish all my announcements in the various tranches. But the government has also given a slightly-altered borrowing schedule (its gross market borrowing plan has been raised to ₹12 lakh crore, against the budgeted ₹7.8 lakh crore), so that is one of the ways in which we are expecting to finance the package.

Other details of how exactly we are going to finance it will be probably more appropriately answered once we finish announcing all the tranches.

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On requirement of extra borrowing
At the end of four or five announcements (in the next few days), it will be known. The Prime Minister has clearly said what is the total size of the stimulus package.

On likely fiscal deficit in FY21
Wait for the next sets of announcements

On banks willing to increase liquidity
We have announced guarantees for loans. That will help banks provide more liquidity. Liquidity support from banks have improved in the past few weeks. They are not hesitant to give loans. So loans have been sanctioned, but most customers have requested banks not to disburse loans until lock-down is lifted. That is the reason why banks were parking excess liquidity with RBI through the reverse repo route.

On delay in offering relief to MSMEs, others
We had announced measures for MSMEs in July 2019 Budget and then in the February 2020 Budget. Now, we have announced comprehensively covering stressed as well as standard, viable units.

On delay in release of April GST mop-up numbers
(Replied by revenue secy)
April GST figures have not been released so far, as returns filing date has been extended till June 30. We will get a clear picture by then as to how much revenue has come and how many have filed returns. In April, ₹11,000 crore GST refunds were issued. About 27,000 people have got IGST refunds and 1.39 lakh people have got GST refunds.

On change in MSME definition
Intention of definition change is to have more companies remain as micro, small and medium enterprises. This is because under earlier definition, many MSMEs were going out of this purview.

On loss to economy due to lockdown
It is difficult to answer speculative questions. We are
responding to the crisis to bring to life a new economy and help businesses to revive.