

Small, medium enterprises want weekly cash withdrawal limit to be hiked to ₹2 lakh

Cash crunch following demonetisation has affected these units, says Minister

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The Ministry for Small and Medium Enterprises will ask the Finance Ministry to allow higher withdrawal limit of ₹2 lakh per week for small and medium enterprises to ease their cash crunch that has followed the government's demonetisation drive.

"We are having a discussion with MSME associations and the suggestions that we have received such as increasing the withdrawal limit from ₹50,000 to ₹2 lakh, removal of penalties and interest will be put before the Finance Minister and the Prime Minister," Minister of State for Micro, Small and Medium En-



terprises Haribhai Parthibhai Chaudhuri said on the sidelines of a conference organised by ASSOCHAM. The weekly withdrawal

limit for current accounts is ₹50,000 at present.

The Minister also asked businesses to go in for digital transactions, observing, "Demonetisation will help to control the fiscal deficit".

Chaudhuri further said that the government is witnessing a new trend with many MSMEs taking the e-commerce route to establish themselves in the Indian market and they are using internet not only as a marketing

tool but also as a tool to enable them to understand if a unique product has high demand in the market.

By adopting e-commerce, he said, MSMEs will achieve significant advantages such as increased revenues and margins, improved market reach, access to new markets, cost savings in marketing and communication spend, customer acquisition and improved customer experience. Meanwhile, an ASSOCHAM

study on MSMEs has said the government must realise that the small scale sector will certainly move to e-payments.

It is important to acknowledge that money generated in business is not irregular, it said, adding that certain issues cannot be pushed so much that the system chokes and the outcome is distorted. Inadequacy of bank branches is one primary reason why cash dominates small businesses, it said.

■ Hike Withdrawal Limit for MSMEs to ₹2 lakh: Minister



NEW DELHI The MSME Ministry will seek from the Finance Ministry higher withdrawal limit of ₹2 lakh per week for small and medium enterprises to ease their cash crunch that has followed the government's demonetisation of high value currency notes. "We are having a discussion with various MSME associations and the suggestions such as increasing the withdrawal limit from ₹50,000 to ₹2 lakh, removal of penalties and interest, will be put before the FM and the Prime minister," Minister of State for MSMEs Haribhai Parthibhai Chaudhuri said on the sidelines of a conference organised here by Assocham.

MSME min seeks Fin min nod for higher withdrawal limit of ₹2 lakh per week

PTI ■ NEW DELHI

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said on the sidelines of a conference organised by Assocham. The weekly withdrawal limit for current accounts is ₹50,000 at present. The Minister also suggested to businesses to go in for digital transactions, observing 'demonetisation will help to control the fiscal deficit'.

Chaudhuri further said that the government is witnessing a new trend with many MSMEs taking the e-commerce route to establish themselves in the Indian market and they are using internet not only as a marketing tool but also as a tool to enable them to understand if a unique product has high demand in the market.

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SNIPPETS

MSME Minister wants cash withdrawal limit raised

NEW DELHI: Minister of State for Micro Small and Medium Enterprises Haribhai Parathibhai Chaudhary said here on Tuesday that he would push the Finance Ministry to raise the cash withdrawal limit for small enterprises to Rs.2 lakh a week to ease their cash crunch following demonetisation of high-value currency notes. The weekly withdrawal limit for current account holders is Rs.50,000 at present. He added, "We need to be (a) cashless economy to be the best in the world. Demonetisation will help control the fiscal deficit." Mr. Chaudhary was addressing ASSOCHAM's national summit on e-commerce for MSMEs in the capital. — Special Correspondent

Hike withdrawal limit for units to Rs 2 lakh: MSME Ministry

NEW DELHI, PTI: The MSME Ministry will seek from the Finance Ministry higher withdrawal limit of Rs 2 lakh per week for small and medium enterprises to ease their cash crunch that has followed the government's demonetisation of high value currency notes.

"We are having a discussion with MSME associations and the suggestions that we have received such as increasing the withdrawal limit from Rs 50,000 to Rs 2 lakh, removal of penalties and interest, will be put before the Finance Minister and the Prime Minister," Minister of State for Micro, Small and Medium Enterprises Haribhai Parthibhai Chaudhuri said on the sidelines of a conference organised by Assocham.

The weekly withdrawal limit for current accounts is Rs 50,000 at present.

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to businesses to go in for digital transactions, observing "demonetisation will help control the fiscal deficit".

Chaudhuri further said that the government is witnessing a new trend with many MSMEs taking the ecommerce route to establish themselves in the In-

dian market and they are using Internet not only as a marketing tool but also as a tool to enable them to understand if a unique product has high demand in the market.

By adopting ecommerce, he said, MSMEs will achieve significant advantages such as increased revenues and margins, improved market reach, access to new markets, cost savings in marketing and communication spend, customer acquisition and improved customer experience.

Meanwhile, an Assocham study on MSMEs has said that the government must realise that the small scale sector will certainly move to e-payments.

It is important to acknowledge that money generated in business is not irregular, it said, adding that certain issues cannot be pushed so much that the system chokes and the outcome is distorted.

MSME min wants withdrawal limit of ₹2 lakh per week

The MSME ministry will seek from the finance ministry higher withdrawal limit of ₹2 lakh per week for small and medium enterprises to ease their cash crunch that has followed the government's demonetisation move. "We are having a discussion with MSME associations and the suggestions that we have received such as increasing the withdrawal limit from ₹50,000 to ₹2 lakh, removal of penalties and interest, will be put before the finance minister and the PM," MoS for micro, small and medium enterprises Haribhai Parthibhai Chaudhuri said.

MSME ministry wants withdrawal limit for units hiked to ₹2 lakh

The MSME ministry will seek higher withdrawal limit of ₹2 lakh per week for small and medium enterprises, from the finance ministry, to ease their cash crunch that has followed the demonetisation of high value currency notes. The weekly withdrawal limit for current accounts is ₹50,000 at present.

PTI

MSME cash crunch:
The MSME ministry will seek from the finance ministry higher withdrawal limit of Rs 2 lakh per week for SMEs to ease their cash crunch following demonetisation drive. PTI

