

(a) whether the Government have received some complaints regarding last minute cancellation/diversion of flights from their scheduled routes by private airlines under some pretext, causing great inconvenience to the passengers;

(b) is so, the details thereof; and

(c) the action/remedial measures being taken/proposed by the Government to avoid such complaints in future?

THE MINISTER OF CIVIL AVIATION AND TOURISM AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : (a) to (c). Some complaints had been received in this regard and therefore instructions have recently been issued that operators shall report all cancellations along with reasons thereof to the Director General of Civil Aviation. Strict action including grounding of the airline would be taken in accordance with the Aircraft Rules and Regulations in cases, where on verification, it is found that reasons for cancellation were not genuine/correct and the aircraft had been re-routed on other sectors.

Fiscal Deficit

1071 MAJ. GEN. (RETD.) BHUWAN CHANDRA KHANDURI : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the reported observations of the World Bank that the heavy fiscal deficit is likely to adversely affect the tariff reform; and

(b) is so, the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) and (b). Fiscal deficit is a function of both tax and expenditure policies. There is no direct one to one correspondence between the fiscal deficit and tariff reforms. Fiscal deficit as a percentage of gross domestic product at market prices declined from 8.3 per cent in 1990-91 to 5.9 per cent (revised estimate) in 1995-96. Over the same period peak tariff rates have come down from over 300 per cent to 50 per cent.

Budget Deficit

1072. SHRI SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the revenue budget deficit in absolute figures

and as percentage of the total revenue budget during the corresponding financial years, since 1991-92 year-wise;

(b) the estimated corresponding figures for 1995-96;

(c) the total money in circulation as on April 1 of each year wise since 1991;

(d) the level of money in circulation as on December 31, 1995 and as estimated for March 31, 1996; and

(e) the measures the Government propose to take to reduce the revenue budget deficit during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) and (b) The details are as under :

(Rs. Crore)			
Year	Revenue Expenditure	Revenue Deficit	% age of (3) to (2)
1991-92	82292	16261	19.8
1992-93	92702	18574	20.0
1993-94	108169	32716	30.2
1994-95	122112	31029	23.4
1995-96	143522	33331	23.2

(RE)

(c) and (d). Date on the level of money in circulation as reflected in the broad money (M3) at the end of March (March, 31) are as under :

As on March 31	Broad money (M3) outstanding (Rs. In Crore)
1990-91	2,65,828
1991-92	3,17,049
1992-93	3,66,825
1993-94	4,34,407
1994-95*	5,30,802
End-December, 1995* (22-12-1995)	5,64,778

*Provisional.