

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4690
ANSWERED ON:04.05.2012
NON PLAN EXPENDITURE
Kumar Shri Kaushalendra

Will the Minister of FINANCE be pleased to state:

- (a) whether non-planned expenditure is on the rise under the revenue and capital heads over the last three years;
- (b) if so, the details thereof for each of the last three years;
- (c) whether Government has taken any steps to reduce such expenditure;
- (d) if so, the details thereof; and
- (e) the amount of revenue likely to be saved therefrom?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a)&(b): The details of non-plan expenditure during the last three years i.e. 2009-2010, 2010-2011 and 2011-2012 (RE) are as under:

(Rs. in crore)

Actuals RE

2009-10 2010-11 2011-12

Revenue 657925 726491 815740
Capital 63171 91808 76376

Total 721096 818299 892116

As % of GDP 11.2% 10.7% 10.0%

Therefore, while the non plan expenditure has gone up in absolute terms over last three years, however, as a percentage of GDP, it has shown declining trend.

(c) & (d): Government is committed to carry on the process of fiscal consolidation vigorously. In order to adhere to the fiscal targets set in Budget and for better expenditure management, Government has issued orders in May and July, 2011 for enforcing 10% cut on budgetary allocations for holding seminars, workshops and conferences, ban on holding meetings and conferences at 5 star hotels, ban on purchase of vehicles except for the operational requirements of Defence Forces, Central Paramilitary Forces and security related organisations, restrictions on foreign travel and adhering to the quarterly ceilings under foreign travel expenses, ban on creation of Plan and Non Plan posts, except for new organisations which are set up based on approved schemes, strict discipline in employing consultancy assignments. Fiscal transfers to States, Public Sector Undertakings and Autonomous Bodies at Central/State/Local level are also required to be monitored strictly for default in furnishing utilisation certificates, fulfilment of conditionalities attached to releases of Plan funds in case of matching funds and adjustment of unspent balances in the current releases.

(e): Steps have been taken for greater fiscal discipline and may not be quantifiable.