

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3579
ANSWERED ON:14.12.2012
FISCAL DEFICIT
Barq Shri Shafiqur Rahman

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is facing difficulty in controlling the fiscal deficit; and
- (b) if so, the details thereof and reaction thereto?

Answer

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

(a) and (b) : No, Sir. The Government has reverted to the path of fiscal consolidation with gradual exit from the expansionary measures in a calibrated manner. The reduction in Fiscal deficit from 5.9 per cent of GDP in RE 2011-12 to 5.1 per cent of GDP in BE 2012-13 is designed with a mix of reduction in total expenditure as percentage of GDP and improvement in gross tax revenue as percentage of GDP. With reprioritization of expenditure towards developmental side and curtailing the growth in non-development expenditure, total expenditure is estimated to decline as percentage of GDP. Finance Minister has recently announced a fiscal roadmap to bring down the fiscal deficit to 3% by 2016-17 with a reduction of 0.5% - 0.6% every year.