

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3349

ANSWERED ON:12.12.2014

DEFICIT REDUCTION

Singh Shri Parvesh Sahib;Thakur Shri Anurag Singh

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has announced a slew of measures to meet its deficit reduction goal in the current fiscal year and if so, the details thereof;
- (b) whether the Government proposes to narrow the fiscal deficit to 4.1 per cent of its GDP;
- (c) if so, the details thereof and the net savings likely to be accrued through these measures;
- (d) whether these austerity measures have also placed restriction on foreign travel and ban on first class air travel, conferences in five star hotels, purchase of vehicles and creation of new posts in the department;
- (e) if so, the savings likely to be accrued as a result thereof; and
- (f) the time upto which these measures are likely to be stringently enforced?

**Answer**

MINISTER OF STATE FOR FINANCE (SHRI JAYANT SINHA)

(a) Government has announced measures for fiscal prudence and economy to rationalise expenditure and optimize available resources. This include 10% mandatory cut in the current financial year on non-plan expenditure excluding interest payments, repayment of debt, Defence capital, salaries, pension and Finance Commission grants to States. Austerity measures, such as restrictions on holding of meetings and conferences at five star hotels, ban on creation of Plan and Non Plan posts, restriction on purchase of new vehicles, restrictions on foreign travel, observance of discipline in fiscal transfers to States, Public Sector Undertakings and Autonomous Bodies at Central/State/Local level have also been imposed.

(b) In the General Budget 2014-15, fiscal deficit has been estimated to 4.1 per cent of GDP.

(c), (d) & (e) Yes Sir.

The savings are not centrally monitored and cannot be quantified.

(f) The measures for fiscal prudence and economy are enforced with immediate effect and until further orders.