

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2086  
ANSWERED ON:03.08.2001  
REVENUE DEFICIT  
PRABHUNATH SINGH

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

- (a) whether the revenue deficit has been increasing steadily since 1979-80;
- (b) if so, the reasons thereof;
- (c) the actual revenue deficit of 2000-2001 and whether the same outstripped the Budget Estimates of 2000-2001;
- (d) if so, the details thereof;
- (e) the revenue deficit of the last three years;
- (f) the main factors responsible for the revenue deficit and steps taken by the Government to overcome the same;
- (g) the measures taken by the Government to recover the dues pending against big corporate houses in respect of income tax, excise duty, customs duty, bank loans (NPAs) etc;and
- (h) the total amount of these dues as on date?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH):

{a} and (b) The revenue deficit has been increasing in absolute terms since 1981-82 due to increase in interest payments, subsidies, defence, police, pay and allowances and pensions.

(c) and (d) The revenue deficit in 2000-2001 (provisional) was Rs 81,708 crore (3.7% of GDP) against the budgeted amount of Rs. 77,425 crore (3.6% of GDP).

(e) The revenue deficit in last three years was as under:

1998-1999	Rs. 66976 crore (3.8% of GDP)
1999-2000	Rs. 67596 crore (3.5% of GDP)
2000-2001 (provisional)	Rs. 81708 crore (3.7% of GDP)

(f) The Government has taken several expenditure management measures viz. zero base budgeting, review of subsidies, review of staffing norms and down-sizing of Government, rationalisation of administered interest rates, etc. Simultaneously, efforts are being made to increase tax collections by deepening of tax reforms and widening of tax base. Government have also introduced a Bill titled 'Fiscal Responsibility and Budget Management Bill' in Lok Sabha on 21st December, 2000. The Bill provides, inter alia, for a legal and institutional framework to eliminate revenue deficit in a given time frame.

(g) and (h) The information is being collected and will be laid on the table of the House.