

Concern over fiscal deficit of Centre and States

†*314. SHRI MOTILAL VORA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that ex-Governor of Reserve Bank of India has expressed concern over the increasing fiscal deficit of the Centre and States;

(b) whether it is also a fact that he has also advised to bring down non-productive expenditure in order to decrease fiscal deficit;

(c) if so, Government's reaction thereto; and

(d) whether it is also a fact that activities of public welfare are also affected due to increasing fiscal deficit?

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) and (b) The Chairman of the Twelfth Finance Commission and former Governor, Reserve Bank of India while inaugurating a Seminar on "The Issues before the Twelfth Finance Commission," on September 29, 2003, had, *inter alia*, observed that fiscal deficits of the Central and State Governments need to be brought down in a calibrated way by augmenting revenues and pruning expenditure.

(c) Budget 2003-04 lays stress on fiscal consolidation. The Fiscal Responsibility and Budget Management Act, 2003 envisages elimination of revenue deficit and reduction in fiscal deficit to 2 percent by March 2008.

(d) Budget allocations for social sectors and rural development have been increased significantly in the Central Government Budget for 2003-04.

International services from Ahmedabad Airport

†*315. SHRI JAYANTILAL BAROT: Will the Minister of CIVIL AVIATION be pleased to state whether his Ministry propose to introduce international flights by private airlines from Ahmedabad?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): It has been decided to permit private airlines

† Original notice of the question was received in Hindi.

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of India to operate to SAARC countries against the unutilized entitlements of Indian side subject to the provisions of the Air Services Agreement. Such operations can be from any airport in India. Actual operations are, however, matters of commercial judgement of the airlines.

Excise duty on EPI products

†*316. SHRI KAPIL SIBAL:

SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of FINANCE be pleased to State:

(a) whether it is a fact that the excise duty on production under the Food Processing Industry is collected in the country;

(b) if so, the rates on which the said excise duty has been collected during 2000-01, 2001-02, 2002-03; and

(c) the amount collected by Government during the above period,

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) Yes, Sir. However, a number of products of the Food Processing Industry are exempt from excise duty.

(b) and (c) The rates of central excise duty on excisable products of Food Processing Industry and the revenue realized there from during the years 2000-01, 2001-02 and 2002-03 are given below:

s.	Description	Year 2000-01	Year 2001-02	Year 2002-03
1.	Concentrated/condensed milk, whether sweetened or not, put up in unit containers (Chapter 4)	16%	16%	16%
2.	Malt and starch of grains other than tapioca and maize, (Chapter 11)	16%	16%	16%
3.	Preparations of meat, including chicken and meat products and Fish, packed in unit containers and bearing a brand name (Ch. 16)	16%	16%	16%

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