

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1094**  
**TO BE ANSWERED ON MONDAY, DECEMBER 2, 2024/AGRAHAYANA 11, 1946 (SAKA)**  
**BALANCING FISCAL DEFICIT AND SOCIAL WELFARE**

**1094. SHRI KODIKUNNIL SURESH:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has established specific strategies to manage the fiscal deficit while ensuring that social welfare programs and developmental projects are adequately funded;
- (b) if so, the details of these strategies, including any targets set for fiscal deficit reduction and the measures being implemented to achieve them;
- (c) whether the Government has conducted any assessments to evaluate the impact of fiscal deficit management on the sustainability of social welfare programs and developmental projects;
- (d) the time by which these strategies are implemented along with any milestones or benchmarks established for monitoring progress;
- (e) whether the Government has engaged economic experts, stakeholders, and civil society organizations to gather input on effective fiscal management and its implications on social welfare; and
- (f) the anticipated outcomes of these strategies in terms of maintaining fiscal discipline while supporting economic growth, social equity, and long-term development goals?

**A N S W E R**

**MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)**

(a) and (b): In the Budget Speech for FY 2021-22, it was announced that the Government of India aims to attain the fiscal deficit level below 4.5 per cent of GDP by FY 2025-26. This glide path of fiscal consolidation was announced to retain adequate flexibility to manage public finances prudently and to ensure adequate resources are available to finance social welfare/development projects. Measures, inter-alia, include efforts to rationalise revenue expenditure with emphasis on capital expenditure and augmentation of revenues.

(c) and (d): Assessment of impact of fiscal deficit is a continuous exercise conducted by Ministry of Finance. This has enabled the government to prudently manage its public finances while ensuring adequate resource availability for social welfare projects/development programs, notwithstanding the unprecedented impact of Covid-19 pandemic. The Government has also ensured that the requisite consolidation is achieved in line with the Budget 2021-22 announcement.

(e) and (f): The Ministry of Finance holds meetings with the stakeholders including Finance Ministers of States and Union Territories with legislature, economic experts, as part of pre-budget consultations. The inputs from these meetings are aptly used in the annual budget.