

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1971
ANSWERED ON:05.12.2012
FUNDS FOR SUBSIDY
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Will the Minister of PLANNING be pleased to state:

- (a) whether huge amount of funds is spent by the Government in the form of subsidy;
- (b) if so, the details of the sectors to which funds were provided in the form of subsidy along with the amount of fund provided during the last three years, year-wise;
- (c) whether the Government proposes to discontinue subsidy in the next few years; and
- (d) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS & PLANNING (SHRI RAJEEV SHUKLA)

(a) to (d): Central Government spends a very large amount on various subsidies. The subsidies constitute more than one-fifth of the total non-plan expenditure. The details of the subsidies provided to various sectors during the last three years are as follows:

(Rs. crore)

Sl	Sector	2009-10	2010-11	2011-12	RE
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1	Food	58443	63844	72823	
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2	Fertilizer	61264	62301	67199	
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3	Petroleum	14951	38371	68481	
	of which				

(a)	Subsidy on LPG & Kerosene for PDS	2770	2904	3000	
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(b)	Subsidy to oil companies for supply of natural gas for NER	159	445	458	
4	Interest subsidy	2687	4680	5791	

5	Others	4006	4224	2003	
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6	Total Subsidy	141351	173420	216297	
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Subsidy as % of non-plan expenditure	19.60	21.19	24.25		
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The Government has proposed to reduce subsidies over the Twelfth Plan period through various measures such as better alignment of prices and elimination of leakages.