

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:390
ANSWERED ON:23.11.2012
CUT IN SUBSIDY ON CERTAIN ITEMS
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Will the Minister of FINANCE be pleased to state:

- (a) the details of total subsidy outgo during the last three years and the current year, year-wise, State-wise during each of the last three years and the current year and its proportion to Gross Domestic Product (GDP) of the country;
- (b) whether the Government has any proposal to cut-down subsidy on certain items;and
- (c) if so, the details thereof along with the reasons therefor?

Answer

SHRI NAMO NARAIN MEENA Minister of State in Ministry of Finance The details of total subsidy outgo as a proportion to Gross Domestic Product

(GDP) of the country is as follows:

(Rs. crore)

Actuals Actuals Revised Budget

| | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|-----------|---------|---------|---------|---------|
| Subsidies | 141,351 | 173,420 | 216,297 | 190,015 |

Out of which for

| | | | | |
|-------------|-----------|-----------|-----------|------------|
| Food | 58,443 | 63,844 | 72,823 | 75,000 |
| Fertiliser | 61,264 | 62,301 | 67,199 | 60,974 |
| Petroleum | 14,951 | 38,371 | 68,481 | 43,580 |
| GDP | 64,57,352 | 76,74,148 | 89,12,179 | 101,59,884 |
| Subsidies | | | | |
| as % of GDP | 2.2% | 2.3% | 2.4% | 1.9% |

(b) & (c) To improve the quality of public spending, the Government would endeavour to restrict the expenditure on Central subsidies to under 2% of GDP in 2012-13, and to further bring it down to 1.75% of GDP over the next three years.