

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5281

ANSWERED ON:26.04.2013

DEFICIT DUE TO SUBSIDIES

Singh Shri Jagada Nand;Viswanathan Shri P.

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

- (a) the amount of subsidy given by the Ministry of Finance to other Ministries scheme-wise during each of the last three years;
- (b) the details of borrowings estimated/ budgeted and the actuals during the same period along with the reasons for imbalance, if any; and
- (c) the measures taken or proposed to be taken by the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) Government budgets for various items of subsidies viz. Food, Fertiliser and Petroleum etc., which are released by the administrative Ministry/Department. During the last three years the details of subsidies released/budgeted are as under:

CRs. crore)			
Item	2010-11	2011-12	2012-13 (RE)
Total Subsidies of which	1,64,516	2,11,319	2,47,854
Food	63,844	72,822	85,000
Fertilizer	62,301	70,013	65,974
Petroleum	38,371	68,484	96,880

(b) The estimated gross borrowing and actual gross borrowings through dated securities in the last three years is given below:

(Rs. Crore)			
	2010-11	2011-12	2012-13
Estimated (BE)	4,57,143	4,17,128	5,69,616
Actual	4,37,000	5,09,796	5,58,000

During 2011-12, due to shortfall in other financing items (draw down of cash balances, NSSF etc) along with large scale direct tax refunds, Government had decided in consultation with RBI to increase the volume of market borrowings by ₹ 92,668 crore over the BE of ₹ 4,17,128 crore.

(c): The Central Government has been following a comprehensive strategy to moderate growth in Public Debt through a policy of fiscal rectitude inter-alia, including recourse to lower cash borrowings, phased introduction of active consolidation and from less expensive sources with longer maturities, monitoring short term debt and encouraging non-debt creating capital flows. The Central Government has also set up a middle office in order to have a more prudent management of government debt.