

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2045

ANSWERED ON:31.07.2015

Subsidies

Naik Prof. Seetaram Ajmeera;Patil Shri Bheemrao Baswanthrao;Venkatesh Babu Shri T.G.

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

- (a) the details of subsidy being provided by the Government, sector-wise, scheme-wise, item-wise, during the last three years and the current year;
- (b) whether the aforesaid subsidy outgo is on the higher side and contribute to the fiscal deficit, if so, the details thereof and the reasons therefor;
- (c) whether the Expenditure Management Commission has submitted its report on rationalization of subsidies, if so, the details thereof and if not, the reasons therefor; and
- (d) the other steps taken/ being taken by the Government in this regard?

**Answer**

(SHRI JAYANT SINHA)

Minister of State for Finance

a) & (b): The information is as under:

Actuals 2012-13 Actuals 2013-14 Revised 2014-15 Budget 2015-16

Subsidies 257079 254632 266692 243811

Food 85000 92000 122676 124419

Fertilizers 65613 67339 70967 72969

Petroleum 96880 85378 60270 30000

Interest 7270 8137 11147 14903

Other 2316 1778 1632 1520

(Source: Statement No.4, Exp. Bud. Vol.I for the year 2014-15 & 2015-16)

As far as the fiscal impact of subsidy is concerned, the major subsidies in the BE for 2015-16, have been estimated at Rs. 2,43,811.00 crore as compared to Rs. 2,66,692.00 crore in the RE for 2014-15. Major subsidies which were 2.3 per cent of GDP in 2013-14, were brought down to 2.0 per cent of GDP in 2014-15 and are being further brought down to 1.6 per cent of GDP in 2015-16. The government is committed to pursuit of subsidy reforms in a manner that will ensure efficient and better targeting of subsidies to the poor and needy, while also saving scarce financial resources for investment in infrastructure, and pursuit of new development programs announced by the government.

(c) and (d): The interim recommendations of the Expenditure Management Commission have been considered and communicated to the Ministry of Petroleum and Natural Gas, Department of Fertilizers and Department of Food and Public Distribution vide OMs F. No. 67(03)/PF.II/2015 dated 12th June, 2015, for necessary action at their end.

\*\*\*\*\*