

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:394
ANSWERED ON:11.07.2014
REDUCTION IN SUBSIDY
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) the total amount being given as subsidy at present on different products and services, Sector-wise;
- (b) the total subsidy amount given during 2013-14 fiscal;
- (c) whether Government proposes to reduce the subsidy to minimise fiscal deficit; and
- (d) if so, the details thereof and steps taken or being taken by Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

- (a) The provision made during interim budget for major subsidies during 2014-15 are as under:

- (i) Fertilizer Subsidy - ` 67970.30 Cr.
- (ii) Food Subsidy - ` 115000.00 Cr.
- (iii) Petroleum Subsidy - ` 63426.95 Cr.
- (iv) Interest Subsidies - ` 8462.88 Cr.
- (v) Other Subsidies - ` 847.49 Cr.

- (b) The provision made in R.E. 2013-14 for major subsidies are as under:

- (i) Fertilizer Subsidy - ` 67971.50 Cr.
- (ii) Food Subsidy - ` 92000.00 Cr.
- (iii) Petroleum Subsidy - ` 85480.00 Cr.
- (iv) Interest Subsidies - ` 8174.85 Cr.
- (v) Other Subsidies - ` 1889.90 Cr.

(c) The outlay of Union Government on 'Major Subsidies' is one of the major items of Revenue Expenditure (Non-Plan). It is the constant endeavor of the Government to bring down expenditure on Central subsidies while keeping in mind the support to marginally poor, SCs and STs.

(d) Government has deregulated diesel prices in small increments. This is likely to reduce burden of Petroleum subsidy. Measures have also been initiated to reduce the administrative overheads for optimum utilization of outlays meant for food subsidy and rationalize fertilizer subsidy. Further, the strategy for direct transfer of subsidy using the Aadhar platform would ensure substantial economies in subsidy outgo.