

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2191

ANSWERED ON:05.12.2014

LINKING AADHAAR WITH SUBSIDY SCHEME

Kothapalli Smt. Geetha;Raut Shri Vinayak Bhaurao;Shewale Shri Rahul Ramesh;Venugopal Shri K. C.

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

- (a) the details of the subsidy being provided by the Government during each of the last three years, item-wise;
- (b) the steps being taken to achieve the targeted GDP growth rate in 12th Plan period;
- (c) whether the Government would like to reduce the subsidy on various items in future, if so, the thereof and steps taken for proposed to be taken in this regard;
- (d) whether there are plans to link subsidy to Aadhaar; and
- (e) if so, the details thereof?

**Answer**

Finance Minister : SHRI ARUN JAITLEY,

(a) :

	Actuals 2011-12	Actuals 2012-13	Revised 2013-14
Subsidies	217941	257079	255516
Food	72822	85000	92000
Fertilizers	70013	65613	67972
Petroleum	68484	96880	85480
Interest	5049	7270	8175
other	1573	2316	1890

(Source: Statement No. 4, Exp. Bud. Vol. I for the year 2011-12, 2012-13 & 2013-14)

(b): Several measures were outlined in the Union Budget 2014-15 to revive growth in the economy that, inter-alia, included : fiscal consolidation with emphasis on expenditure reforms via constitution of the Expenditure Management Commission; continuation of fiscal reforms with rationalization of tax structure; measures to boost agriculture vide emphasis on irrigation and long-term credit; fillip to industry and infrastructure, inter-alia through fiscal incentives and concrete measures for transport, power , and other urban and rural infrastructure; measures for promotion of Foreign Direct Investment (FDI) in selected sectors, including Defence manufacturing and insurance. Steps to augment low cost long-term foreign borrowings by Indian Companies and boost savings. Fiscal reforms have been bolstered further by the recent de-regulation of diesel prices. The 'Make in India' initiative, launched in September, 2014, along with attendant facilitatory measures, are expected to create a more conducive environment for investment in India. These steps, along with the labour reforms announced recently, are expected to boost business confidence and re-start the investment cycle in the economy.

(c), (d) & (e) : Government is following the policy of progressively reducing the expenditure on subsidy through improved targeting of beneficiaries. Government aims at aligning the pricing policy for subsidized goods to ensure that the total subsidies remain within affordable levels. For better targeting of subsidies, direct benefit transfer has been introduced in LPG cylinders. In modified DBTL (Direct Benefit Transfer of Subsidy in LPG), subsidy is transferred directly into the bank accounts of the LPG consumers. Aadhaar is not mandatory to receive the subsidy. However, consumers having Aadhaar can get it linked with their bank accounts and consumer database.