

purpose or end-use of the credit to one account-holder per household, preferably lady of the house after 6 months of satisfactory operation of the account. The rate of interest chargeable is "Not exceeding 2% above base rate".

(d) The management of loan sanctioning/recovery activity is essentially an internal management function and each bank is authorized to frame suitable policies subject to Income Recognition and Asset Classification (IRAC) norms of Reserve Bank of India.

Reduction in maturity period of tax saving deposit instruments

†65. SHRI VIJAY GOEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government proposes to reduce the maturity period of National Savings Certificates (NSC) and bank deposit accounts involving income tax rebate, so that more and more income tax payers may deposit their money in these schemes;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) Sir, there is no such proposal and NSCs have a fixed maturity period. However, for making small savings schemes investor centric, interest rates are reset on 1st April of every year, as per recommendations of Shyamala Gopinath Committee. While resetting the rates are aligned with the prevailing rates of Government securities.

Expenditure on subsidies

66. DR. CHANDAN MITRA: Will the Minister of FINANCE be pleased to state:

(a) total annual expenditure on various kinds of subsidies for the last 3 years, year-wise;

(b) whether Government have formulated any plan to rationalize all the subsidies and public expenditure;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the steps taken by Government to rationalize various kinds of subsidies being provided at present in order to have stability in tax and other policies?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) The information is given in the Statement (*See* below).

(b) to (e) The Government supports merit subsidies and proposes to better target them to the poor and vulnerable sections of the population. Government has deregulated the petrol and diesel prices, and has also approved the Modified Direct Benefit Transfer Scheme for cooking gas (MDBTL), where all households, whether they possess Aadhaar card or not will be eligible for LPG subsidy under the scheme. The Government has also constituted Expenditure Reform Commission (ERC) to look into various aspects of expenditure reforms, including subsidy reforms. This will not only enable the Government to better target the subsidies, but also improve the allocative and operational efficiency of government expenditure. Government is also expanding the coverage of Direct Benefit Transfer scheme to ensure better targeting the beneficiaries, reducing delays in the payment of entitlement and benefits.

Statement*Total annual expenditure on various kinds of subsidies*

(In ₹ crores)								
	Actuals 2007-08	Actuals 2008-09	Actuals 2009-10	Actuals 2010-11	Actuals 2011-12	Actuals 2012-13	Revised 2013-14	Budget 2014-15
a. Major Subsidies	66638	123206	134658	164516	211319	247493	245451	251397
1.0 Food	31328	43751	58443	63844	72822	85000	92000	115000
2.0 Indigenous(Urea) Fertiliser	12950	17969	17580	15081	20208	20000	26500	36000
3.0 Imported (Urea) Fertiliser	6606	10079	4603	6454	13716	15133	12044	12300
4.0 Sale of decontrolled fertiliser with concession to farmers	12934	48555	39081	40766	36089	30480	29427	24670
TOTAL FERTILIZER SUBSIDY	32490	76603	61264	62301	70013	65613	67971	72970
5.0 Petroleum Subsidy	2820	2852	14951	38371	68484	96880	85480	63427
b. Other Subsidies	4288	6502	6693	8904	6622	9586	10065	9261
c. TOTAL-SUBSIDIES	70926	129708	141351	173420	217941	257079	255516	260658
GDP at Market current price	4987090	5630063	6477827	7795314	9009722	10113281	11355073	12876653
As per cent of GDP								
a. Major Subsidies	1.3	2.2	2.1	2.1	2.3	2.4	2.2	2.0
1.0 Food	0.6	0.8	0.9	0.8	0.8	0.8	0.8	0.9
2.0 Total Fertilizer Subsidy	0.7	1.4	0.9	0.8	0.8	0.6	0.6	0.6
3.0 Petroleum Subsidy	0.1	0.1	0.2	0.5	0.8	1.0	0.8	0.5
b. Other Subsidies	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
c. TOTAL-SUBSIDIES	1.4	2.3	2.2	2.2	2.4	2.5	2.3	2.0

Source: Expenditure Budget, Government of India and Central Statistics Office.