

## **Need for non-subsidised fossil fuels**

### **Why in news?**

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Government is planning to reduce the kerosene subsidies.

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### **What is the status of fossil fuels Subsidies in India?**

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- In India, fossil fuels receive eleven times the financial support that clean energy sources do.

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- India is making a lot of progress in cutting subsidies.

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- Diesel subsidies, have fallen from 37 crore in FY14 to FY17.

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- LPG subsidies have fallen from 50,327 crore in FY14 to Rs 15,132 crore in FY17.

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- Kerosene from 30,574 crore to Rs 7,606 crore in the same period.

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### **What are the pros of reduced kerosene subsidies?**

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- Financial burden is reduced largely for the nation.

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- Government thinks that rational pricing will ensure optimal usage.

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- This triggers the India's plan to increase the use of renewable energy.

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- E.g. Distributing 25.3 crore LED bulbs has reduced energy consumption by 32,896 million KWh.

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- Some studies shows that subsidising fossil fuels will extracts a health cost many times larger than the subsidies costs, such costs also can be reduced.

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### **What are the facts need to be considered?**

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- There is a view that, plan for reducing the kerosene subsidy would seriously affects the poor.
- Few report shows that use of fire food, kerosene and other low grade fossil fuels are contributing to diseases like respiratory disorders, heart attacks etc.
- Since health impacts on the society has high priority, such opinions should be addressed with alternate resources.

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**Source: Financial Express**

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