

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 4054**

**TO BE ANSWERED ON TUESDAY, THE 3rd April, 2018/Chaitra 13, 1940 (Saka)**

**Reduction in public-debt by States**

**4054. SHRI MOHD. ALI KHAN:**

Will the Minister of FINANCE be pleased to state:

- a) whether it is a fact that several States are allocating considerable fund towards payments of interest on public debts in their budgets;
- b) if so, the details thereof;
- c) whether there is any Indian State which has reduced its public-debt over a period of time; and
- d) which States are utilising maximum allowed public-debt based on debt-GSDP ratio?

**ANSWER**

**MINISTER OF STATE IN MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)**

(a) to (d) Yes. As per Reserve bank of India (RBI) report titled "State Finances: A Study of Budgets of 2016-17, the States allocated fund of Rs. 2,542.70 billion for 2016-17 (BE) towards payments of interest on public debts in their budget estimates. State of Arunachal Pradesh's public debt is estimated to decrease from Rs. 61.60 billion in 2014-15 (FA) to Rs.51.50 billion in 2016-17 (BE), the debt-GSDP ratio of the State of Jammu and Kashmir in 2016-17 (BE) is the highest in the country, i.e. 48.8 per cent, which includes public debt of Rs. 641.20 billion. However, maximum public debt amount is of the State of Uttar Pradesh, which is estimated to be Rs. 4,582 billion in 2016-17(BE).

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