Government of India
Ministry of Finance
Department of Economic Affairs

**RAJYA SABHA**

**UNSTARRED QUESTION NO. 1660**

**TO BE ANSWERED ON TUESDAY, THE 3RD AUGUST, 2021/SRAVANA 12, 1943 (SAKA)**

**AMENDMENT IN FRBM ACT**

**1660. SHRI KUMAR KETKAR:**
**SMT. PHULO DEVI NETAM:**
**SHRI RAJMANI PATEL:**
**SHRI SHAKTISINH GOHIL:**

Will the Minister of FINANCE be pleased to state:

(a) whether Government has estimated the debt to GDP ratio for financial years 2020-21 and 2021-22;

(b) if so, the details thereof and, if not, the reasons therefor;

(c) whether Government intends to amend the Fiscal Responsibility and Budget Management (FRBM) Act;

(d) if so, the details thereof and, if not, the reasons therefor;

(e) whether Government is considering revising debt to GDP ratio targets, as stipulated in the FRBM Act, from target figure to a target range; and

(f) if so, the details thereof and, if not, the reasons therefor?

**A N S W E R**

**MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)**

(a) Yes Sir.

(b) The Central Government debt position as per the definition in the Fiscal Responsibility and Budget Management (FRBM) Act, 2003 may be seen at Annexure-I.

(c)&(d) Government's amendment of the FRBM Act will target a path of fiscal consolidation aimed towards reaching a level of fiscal deficit below 4.5 % of GDP by 2025-26.

(e)&(f) Amendment to the FRBM debt targets will be in consonance with the broad fiscal deficit path indicated above.

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**Annexure-I**

(*% of GDP*)

| | **2020-21 (Prov.)** | **2021-22 (Prov.)** |
|---|---|---|
| 1. Public debt (2+3) | 52.0 | 54.2 |
| 2. External debt | 3.5 | 3.2 |
| 3. Internal debt | 48.5 | 51.0 |
| 4. Other liabilities | 8.5 | 7.6 |
| 5. TOTAL DEBT (1+4) | 60.5 | 61.7 |