

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 881**  
TO BE ANSWERED ON TUESDAY, THE 11<sup>th</sup> FEBRUARY, 2025  
22 MAGHA, 1946 (SAKA)

**GOVERNMENT DEBT**

**881. Shri Raghav Chadha:**

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has data on India's total Government debt since independence;
- (b) if so, the year-wise details of Government debt, categorized as internal and external debt, along with their respective percentages of GDP;
- (c) the trends in India's tax-to-GDP ratio over the decades, with year-wise data since independence;
- (d) the key factors contributing to fluctuations in the tax-to-GDP ratio; and
- (e) the measures being implemented to manage public debt effectively and improve the tax-to-GDP ratio?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The Central Government Debt for FY 1950-51 was ₹2865.40 crore. The available data on Central Government debt from 1980-81 in ₹ crore is available at <https://data.rbi.org.in/#/dbie/reports/Statistics/Public%20Finance/Central%20Govt.%20Finance> and as percent of GDP is available at <https://data.rbi.org.in/#/dbie/reports/Statistics/Public%20Finance/Central%20&%20State%20Govt.%20Finance%20%28Combined%29> .

(c): The trend in tax to GDP Ratio of Central Government for last decade is as follows:

Year	Tax to GDP Ratio
2016-17	11.1
2017-18	11.2
2018-19	11.0
2019-20	10.0
2020-21	10.2
2021-22	11.5
2022-23	11.3
2023-24	11.7
2024-25 RE	11.9
2025-26 BE	12.0

The historical series on the same is available in table 1.8 of Indian Public Finance Statistics at <https://dea.gov.in/sites/default/files/INDIAN%20PUBLIC%20FINANCE%20STATISTICS%202017-18.pdf>.

(d) & (e): The tax to GDP ratio has been on increasing trend since Covid-19. The fluctuations in tax to GDP ratio is recorded either due to exogenous shock like Covid -19, or any structured reforms implemented by the Government like rationalization of tax rates. Regarding, effective debt management, the Union Government in Budget Speech of FY 2024-25 (Regular Budget) has outlined a medium-term fiscal policy stance. It seeks to keep the Central Government fiscal deficit to GDP ratio such that the debt to GDP ratio is on a declining path. Further, it has been highlighted in FRBM documents of FY 2025-26, that sans any major macro-economic disruptive exogenous shock(s), and while keeping in mind potential growth trends and emergent development needs, the Government endeavours to keep fiscal deficit in each year (from FY 2026-27 till FY 2030-31) such that the Central Government debt is on declining path to attain a debt to GDP level of about  $50\pm 1$  per cent by 31st March 2031.

\*\*\*