

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1992
TO BE ANSWERED ON TUESDAY, THE 10th MARCH, 2026
PHALGUNA 19, 1947 (SAKA)

Assessment of public debt

1992 Smt. Rajani Ashokrao Patil:

Will the Minister of *FINANCE* be pleased to state:

- (a) whether Government has assessed the current level of public debt in the country;
- (b) the latest estimates of public debt as a percentage of GDP, including internal and external debt components;
- (c) whether any debt sustainability analysis has been undertaken by Government in line with fiscal responsibility frameworks, the findings thereof;
- (d) the impact of rising public debt on future generations, fiscal space and expenditure on critical development sectors such as health, education and infrastructure; and
- (e) the reasons for the absence of a clearly articulated and credible medium-term debt reduction path and the steps proposed to restore fiscal consolidation while sustaining growth?

ANSWER

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

- (a):** Yes.
- (b):** The Revised Estimates 2025-26 and Budget Estimates 2026-27 of Central Government debt as a percentage of GDP, including internal and external debt components is 56.1% and 55.6% respectively.
- (c):** The Government releases a Status Paper on Debt and a Quarterly Report on Debt Management regularly. These reports give the details on public debt management and cash management of the Government and can be accessed at <https://dea.gov.in/reports-public-debt-management>.
- (d):** To minimise the impact of rising debt on future generations, Government focuses on capital expenditure. This supports growth and income-generation. For example, in BE 2026-27, the Effective Capital Expenditure of the Government which includes expenditure on critical development sectors such as health, education and infrastructure is kept at ₹ 17.15 lakh cr. This is higher than the borrowings at ₹16.96 lakh cr.

(e): Does not arise. Fiscal deficit has shown a medium-term reduction from 6.7 percent of GDP in 2021-22 to 4.3 percent of GDP in BE 2026-27. This has led to a consequent reduction in debt as well.
