

MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA UNSTARRED QUESTION NO. 4158
TO BE ANSWERED ON FRIDAY, THE 11th August, 2017

Debt to GDP Ratio

4158, Shri Abhishek Singh:

Will the Minister of Finance be please to state:

- (a) the present status of India's debt to Gross Domestic Products (GDP) ratio and its relative position among different countries of the world
- (b) the total annual interest payment on loans and debts over the last three years and the current year
- (c) whether the Government has fixed any target for bringing down the debt to GDP ratio; and
- (d) if so, details thereof?

ANSWER

Minister of State for Finance (Shri Arjun Ram Meghwal)

(a) The central government Debt-GDP ratio reduced from about 61.4 % in 2002-03 to about 46.7% in 2016-17 (RE) [includes External Debt (end-of-the financial year) at current exchange rate and excludes part of NSSF liabilities to the extent of the borrowings by the states from NSSF and MSS liabilities, which do not finance Central Government deficit]. It is estimated to further go down to 44.7 % in 2017-18 (BE).

The Debt-GDP Ratio data for different countries as available on the World Bank site is placed below.

(b) The figures of total annual interest payment on loans and debts over the last three years and the current year are as under:-

- (i) 2014-2015 → ₹ 4,02,444 crores (Actuals)
- (ii) 2015-2016 → ₹ 4,41,659 crores (Actuals)
- (iii) 2016-2017 → ₹ 4,83,069 crores (Revised Estimates)
- (iv) 2017-2018 → ₹ 5,23,078 crores (Budget Estimates).

(c) and (d) Yes Madam. The central government Debt – GDP ratio is estimated to go down to 44.7 % in 2017-18 (BE). Continuing the declining trend, as per MTFP statement 2017-18 rolling target under FRBM Act 2003, Debt-GDP ratio of Central Government is projected to reduce further to 42.8 % in 2018-19 and 40.9 % in 2019-20. Similarly General Government Debt (GGD) to GDP ratio also declined from 83.3% in 2002-03 to 68.5% in 2016-17.

Data Source : World Bank

Indicator Name : Debt - GDP Ratio

Country Name	2014	2015	2016
Estonia	0.92	0.86	

Solomon Islands	10.07	7.80	
Russian Federation	11.18	13.52	
Kazakhstan	12.65	19.31	
Lithuania	13.98	14.54	
Botswana	17.45		
Norway	18.38	22.88	
Peru	19.32	22.65	
Switzerland	22.67	22.67	
Europe & Central Asia (excluding high income)	22.82	24.14	
Namibia	22.95		
Micronesia, Fed. Sts.	23.48	30.09	
Belarus	24.55	37.60	
Moldova	24.81	25.29	
Europe & Central Asia (IDA & IBRD countries)	27.35	28.55	
Indonesia	27.42	30.29	
Uganda	29.23	25.15	
Thailand	30.03		
Luxembourg	31.38	30.41	
Turkey	31.56	29.10	
Bulgaria	32.09	30.27	
Georgia	35.38	41.28	
Kyrgyz Republic	37.87	69.69	
Czech Republic	38.21	36.74	
Korea, Rep.	38.39	39.74	
Malawi	40.63	39.54	55.39
Australia	42.44	47.17	
Uruguay	44.36	51.19	
Philippines	45.39		
Romania	45.82	44.96	
El Salvador	45.84	46.13	
India	47.50	47.20	47.70
Sweden	48.22	46.43	
Denmark	48.50	42.55	
Bosnia and Herzegovina	50.07		
Canada	50.34	54.71	53.25
Malaysia	52.67	54.49	
Poland	53.02	53.33	
Germany	53.53	50.47	
Central Europe and the Baltics	53.73	53.08	
Samoa	54.41	57.78	52.61
New Zealand	56.78	56.73	
Slovak Republic	58.00	56.59	
Finland	58.02	59.42	
Brazil	58.46	67.48	
Bahamas, The	59.86	63.87	
Latvia	63.28	56.86	
Ukraine	63.67	70.26	
Dominica	64.32		
St. Kitts and Nevis	64.76		
Seychelles	64.99	60.60	

Sri Lanka	71.33	77.64	
St. Lucia	72.90		
Albania	73.37	79.84	
Netherlands	73.43	70.57	
Belize	76.47		
Europe & Central Asia	78.89	78.13	
Jordan	79.93		
Colombia	80.30	67.12	
Antigua and Barbuda	82.99		
Malta	84.58	80.83	
Grenada	88.54		
European Union	90.63	89.33	
Bhutan	90.65		
World	92.21	93.93	
Euro area	92.80	91.53	
North America	92.86	93.93	95.55
Slovenia	94.12	94.90	
Austria	96.02	95.71	
United States	97.11	97.84	99.77
France	97.67	98.04	
Hungary	98.08	96.52	
Spain	98.73	99.35	
OECD members	99.39	99.99	
High income	100.44	101.12	
Post-demographic dividend	100.74	101.64	
Iceland	101.39	87.11	
Singapore	101.78	107.21	
United Kingdom	108.60	107.63	
Belgium	112.08	109.55	
Ireland	122.66	91.77	
Italy	148.98	150.39	
Portugal	151.82	150.27	
Cyprus	151.86	152.66	
Japan	193.43	197.95	