

**LOK SABHA**

**UNSTARRED QUESTION NO. 489**

TO BE ANSWERED ON MONDAY, THE 24<sup>th</sup> JULY, 2023

SRAVANA 2, 1945 (SAKA)

**Debt Amount per Citizen**

489. SHRI ADHIKARI DEEPAK (DEV):

SHRI RAVNEET SINGH BITTU:

Will the Minister of FINANCE be pleased to state:

- (a) the details of debt amount per citizen of the country as on 30th June, 2023;
- (b) the details of the debt amount per citizen of the country as on 31st March, 2014;
- (c) whether the debt amount has increased;
- (d) if so, the reasons therefor;
- (e) whether the total debt of the Government has reached a very high level and has almost trebled in nine years and if so, the details thereof in the last five years, year-wise;
- (f) the total annual interest being paid by the Government on its debt for the last five years, year-wise;
- (g) the details of the impact on the economy due to this rapid rise in debt of the Government; and
- (h) the corrective measures taken or likely to be taken by the Government to bring down the debt to a reasonable level and strengthen the economy?

**ANSWER**

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

(a) to (e):

- (i) The Central Government's debt was ₹ 58.6 lakh crore (52.2 % of GDP) and ₹ 155.6 lakh crore (57.1% of GDP) as on 31<sup>st</sup> March, 2014 and 31<sup>st</sup> March, 2023, respectively. The debt is normally monitored as percentage of GDP.
- (ii) In FY 2020-21, the Central Government debt was ₹ 121.9 lakh crore (61.5% of GDP) as compared to ₹ 105.1 lakh crore (52.4% of GDP) at the end of FY 2019-20. This change in Central Government debt by about 9% of GDP in a single year was mainly on account of Covid-19 global pandemic, which hugely disrupted projections of Government's public finances. However, the Central Government's debt has reduced to about 57.1% of GDP at the end of FY 2022-23.
- (iii) The risk profile of Central Government's debt stands out as safe and prudent in terms of accepted parameters of indicator-based approach for debt sustainability. The Government debt is held predominantly (about 95%) in domestic currency. Outstanding external debt is financed by multilateral and bilateral agencies at concessional rates.

(iv) The details of Central Government's debt in the last five years are as under:

(₹ in lakh crore)

Financial Year	Central Government Debt*
2018-19	93.3
2019-20	105.1
2020-21	121.9
2021-22	138.7
2022-23(Prov.)	155.6

\*Includes external debt valued at current exchange rate as on 31<sup>st</sup> March of the respective FY.

(f): The total net amount of annual interest paid by the Government on its debt/liabilities in last five years is as under:

(₹ in lakh crore)

Financial Year	Interest paid on Central Government Debt
2018-19	5.83
2019-20	6.12
2020-21	6.80
2021-22	8.05
2022-23(Prov.)	9.28

(g) & (h):

(i) There is no negative impact on the economy due to rapid rise in the Government debt during the Covid-19 period. Instead, the Government's expenditure profile has improved on account of targeted support to the needy people/sectors of the economy and significant increase in capital expenditure allocations which has helped speedy, robust and sustained economic recovery.

(ii) The Government has taken various measures including delicately balancing the need for broad-based and sustained economic revival and fiscal consolidation. The Government has announced its commitment to reduce fiscal deficit to the level below 4.5% of GDP by FY 2025-26. Increasing the buoyancy of tax revenue through improved compliance, improving efficiency and effectiveness of public expenditure, augmenting productive efficiency of the economy etc. are the important measures taken by Government to bring down the debt and strengthen the economy.

(iii) Fiscal deficit as a percentage of GDP has reduced from high level of 9.2% in FY 2020-21 to 6.4% of GDP in FY 2022-23 and it is estimated to further reduce to 5.9% of GDP in FY 2023-24. Similarly, the Central Government debt as a percentage of GDP has also reduced from high of 61.5% in FY 2020-21 to about 57.1 in FY 2022-23.

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