

Government of India
Ministry of Finance
Department of Economic Affairs

LOK SABHA
STARRED QUESTION NO.*300
TO BE ANSWERED ON MONDAY 9th AUGUST, 2021
SRAVANA 18, 1943 (Saka)

‘Debt Burden’

QUESTION

*300. SHRIMATI SAJDA AHMED:

Will the Minister of FINANCE (वित्त मंत्री) be pleased to state:-

- (a) The steps taken by the Government to overcome its high debt burden;
- (b) The estimated present debt of the country and whether it is a great cause of concern;
- (c) If so, the details thereof;
- (d) Whether the Government has assessed the repayment capacity; and
- (e) If so, the details thereof?

ANSWER

MINISTER IN THE MINISTRY OF FINANCE (SMT NIRMALA SITHARAMAN)

(a) to (e): A Statement is placed on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.*300 for answer on August 09, 2021 raised by SHRIMATI SAJDA AHMED regarding 'Debt Burden'

(a) Towards overcoming the debt burden, Government's focus is to reduce fiscal deficit from 6.8% of GDP in BE 2021-22 to below 4.5% of GDP by 2025-26. Debt consolidation through increasing buoyancy of tax revenues through improved compliance, increased receipts from monetisation of assets including Public Sector Enterprises and land are the additional steps involved.

(b) & (c) Estimated debt of the Central Government as per the definition in the Fiscal Responsibility and Budget Management Act, 2003 and the details in rupees crore and as per cent of GDP are provided in the table below. Steps enumerated above for the Central Government and with adequate limits on the borrowings of State Governments, the present debt is not a great cause of concern.

Table: Public Debt of Central Government		
Description	2020-21 (P)	
	(₹ crore)	% of GDP
1. Public debt (2+3)	10267043	52.0
2. External debt	683677	3.5
3. Internal debt	9583366	48.5
4. Other liabilities	1686715	8.5
5. Total Debt (1+4)	11953758	60.5
GDP	19745670	
P: Provisional		

(d) & (e) The strategy of reducing debt involving reduction of fiscal deficit, increasing buoyancy of taxes through improved compliance and increased receipts from monetisation of assets, including Public Sector Enterprises and land ensures repayment capacity of the Government of India.
