

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:821

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Per Capita Debt

Choudhary Shri Ram Tahal;Khaire Shri Chandrakant Bhaurao;Mahto Dr. Banshilal;Nayak Shri B.V.;Patle Smt. Kamla Devi;Sahu Shri Lakhan Lal

Will the Minister of FINANCE be pleased to state:

- (a) the ranking of India among debt burden countries;
- (b) whether the per capita debt of the country has been rising, if so, the details thereof and the reasons therefor;
- (c) the per capita domestic debt and foreign debt including long-term and short term borrowings/loans during the last three years;
- (d) the total amount paid as principal and interest against domestic and foreign loans, institution-wise and country-wise during the said period along with the outstanding amount as on date; and
- (e) the steps taken/proposed to be taken by the Government to reduce the debt burden?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) As per the World Bank publication 'International Debt Statistics-2015', India ranked fourth position in terms of absolute external debt stock, among the top 20 debtor developing countries.

(b) The per capita debt burden on the country inter-alia including external debt, internal debt and other liabilities as per Provisional Accounts of the Union Government for the year 2013-2014 is ` 41,129 and for the year 2014-2015 is ` 44,095. The increase in per capita debt is due to higher developmental expenditure to achieve higher growth.

(c) The per capita debt for the last three years is as given below:

Debt End-March (` in crore)

2012-13 2013-14 2014-15

Per capita Domestic debt 35434 39064 43419

Per capita Foreign debt (including long-term and short-term debt) 2688 2993 3020

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(d) Estimates of domestic and foreign debt (institution and country-wise) payments of principal and interest on Government Account during the last three years are given below (Table 1 & 2):

Table 1: Domestic Debt Service Payments on Government Account (` in crore)

2012-13 2013-14 2014-15 (prov.)

Principal Interest Total Principal Interest Total Principal Interest Total

90644 313170 403814 110597 374254 484851 145078 411354 556432

Table 2: External Debt Service Payments on Government Account (US\$ million)

2012-13 2013-14 PR 2014-15 QE

Principal Interest Total Principal Interest Total Principal Interest Total

External Debt on Govt. Account (A+B) 2,975 743 3,718 3,011 644 3,655 3,289 601 3,890

A Multilateral (1 to 6) 1,789 372 2,161 1,944 328 2,272 2,306 320 2,626

1 ADB 284 80 364 338 59 397 359 60 419

2 EEC 2 0 2 0 2 0 2 0 2

3 IBRD 553 93 646 611 65 676 663 54 717

4 IDA 937 196 1,133 979 201 1,180 1267 202 1,469

5 IFAD 11 3 14 11 3 14 12 3 15

6 OPEC 2 0 2 3 0 3 3 1 4

B Bilateral (7to 12) 1,186 371 1,557 1,067 316 1,383 983 281 1,264

7 Germany 166 35 201 192 34 226 190 31 221

8 France 42 6 48 38 7 45 38 7 45

9 Japan 760 273 1,033 644 227 871 594 201 795

10 Russian Federation 189 48 237 163 40 203 132 35 167

11 Switzerland 1 0 1 1 0 1 1 0 1

12 USA 28 9 37 29 8 37 28 7 35

PR: Partially Revised; QE: Quick Estimates. ADB: Asian Development Bank, EEC: European Economic Community, IBRD: International Bank for Reconstruction and Development, IDA: International Development Association, IFAD: International Fund for Agricultural Development, OPEC: Organisation of the Petroleum Exporting Countries

The total outstanding liability as on 31st March, 2015 amount to ` 6894990.99 crore.

(e) The Government has reverted to the path of fiscal consolidation with gradual exit from the expansionary measures in a calibrated manner. The reduction in Fiscal deficit from 4.6 per cent of GDP in Revised Estimates 2013-2014 to 4.1 per cent of GDP in Budget Estimates 2014-2015 is designed with a mix of reduction in total expenditure as percentage of GDP and improvement in gross tax revenue as percentage of GDP. With reprioritization of expenditure towards developmental side and curtailing the growth in non-development expenditure, total expenditure is estimated to decline as percentage of GDP. Government has announced a fiscal roadmap to bring down the fiscal deficit to 3% by 2016-2017 with a reduction of 0.5% - 0.6% every year.
