

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4158
ANSWERED ON:11.08.2017
Debt to GDP Ratio
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Will the Minister of FINANCE be pleased 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.