

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1039

ANSWERED ON:10.07.2009

PER CAPITA DEBT BURDEN

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Will the Minister of FINANCE be pleased to state:

(a) the per capita external and internal debt burden of the Union Government during each of the last three years and current year upto June, 2009;

(b) the total amount of funds spent on the payment of interest on such debt during each of the last three years and this financial year till date; and

(c) the steps taken/proposed to be taken by the Government to reduce the same?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a) The per capita external debt and internal debt (including other liabilities) burden of the Union Government during the last three years (figures for the current year upto June 2009 are not available separately) is as under:

(Amount in Rs.)

Year	Per capita external debt	Per capita internal debt
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2006-07	1,878	21,707
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2007-08	2,001	23,946
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2008-09	2,422	26,119
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(RE)

(b) Interest payments on external debt and internal debt including other liabilities of the Union Government during the last 3 years (figure for the current year is available only upto May 2009) is as under:

(Amount in Rs. crore)

Year	Interest Payment
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2006-07	1,50,272
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2007-08 1,71,030

2008-09 (Provisional Actual) 1,90,485

2009-10 (upto May 2009) 25,938

(c) The Central Government has been following a comprehensive strategy to moderate growth in public debt through a policy of fiscal rectitude inter alia, including recourse to lower cost borrowings, phased introduction of active consolidation of debt, emphasis on raising funds on concessional terms and from less expensive sources with longer maturities, monitoring short term debt and encouraging non-debt creating capital flows. The Central Government has also set up a Middle Office in order to have prudent management of debt and to bring greater focus on carrying cost and secondary market liquidity.