

### DEBT POSITION OF THE GOVERNMENT OF INDIA

The outstanding internal and external debt and other liabilities of the Government of India at the end of 2006-2007 is estimated to amount to Rs.24,73,262.22 crore, as against Rs.21,95,086.58 crore at the end of 2005-2006 (RE). Broad details are as follows:-

(In crores of Rupees)

	As on 31st March 2006	As on 31st March 2007
Internal debt and other liabilities	2126694.81	2396546.53
<i>of which under Market Stabilisation Scheme</i>	27230.16	73230.16
External debt	68391.77	76715.69
<b>Total</b>	<b>2195086.58</b>	<b>2473262.22</b>

Internal Debt comprises loans raised in the open market, special securities issued to Reserve Bank, compensation and other bonds, etc. It also includes borrowings through treasury bills including 14 days treasury bills, issued to State Governments only, commercial banks and other parties, as well as non-negotiable, non-interest bearing rupee securities issued to international financial institutions viz., the International Monetary Fund, International Bank for Reconstruction and Development, International Development Association, International Fund for Agricultural Development, African Development Fund/Bank and Asian Development Bank. An analysis of the public debt outstanding at the beginning of the First Five Year Plan and close of each year from 2001-2002 to 2004-2005 and that estimated to be outstanding at the close of 2005-2006 and 2006-2007 is given in the **Statement of Liabilities**. Government of India has launched Market Stabilisation Scheme (MSS), in consultation with Reserve Bank of India, since April, 2004. The scheme envisages issue of treasury bills and/or dated securities to absorb excess liquidity, arising largely from significant foreign exchange inflows. During 2005-06, as per the MoU signed between Central Government and RBI, the ceiling of Rs.80,000 crore of outstanding liabilities at any given time (face value of dated securities plus discounted value of treasury bills) was retained. The estimated outstanding liabilities under MSS in respect of market loans, 91/182/364 days Treasury Bills are separately reflected in the Statement of Liabilities. The amounts outstanding both under internal and external debt reflect the liability of Government as represented by the book value of the outstanding debt. The outstanding stock of external liabilities is reckoned at historical rates of exchange on which the liability was initially accounted for in the books of accounts after netting the repayments made at current exchange rates.

In addition, Government is liable to repay the outstandings against the various Small Savings schemes, Provident Funds, securities issued to Industrial Development Bank of India, Unit Trust of India and nationalised banks, deposits under the Special Deposit Scheme and depreciation and other interest bearing reserve funds of departmental commercial undertakings, etc., deposits of local funds and civil deposits. Details of such liabilities are also shown in the Statement of Liabilities.

The position of guarantees given by the Government of India as envisaged under Rule 6 of the FRBM Rules, 2004 is given in the Statement on Guarantees.

A Statement of Asset Register as envisaged under Rule 6 of FRBM Rules as on March 31, 2005 has also been introduced.

**Statement of Assets** shows the extent to which the money raised by Government has been utilised for asset formation purposes. These assets are also shown at book value i.e., it does not take into account depreciation/appreciation in the value of assets as per current market rates. This statement includes only assets the ownership of which vests in Central Government and it excludes assets created by State Governments and non-Government bodies from grant assistance from Central Government.

The receipts from borrowings under MSS are being held as cash balance in a separate and identifiable account with RBI. These receipts are not available to meet any expenditure of the Government, other than repayment of treasury bills/dated securities issued under MSS. Accordingly, the estimates of cash balance under MSS have been shown separately in the Statement of Assets.

## STATEMENT OF LIABILITIES OF THE CENTRAL GOVERNMENT

(In crores of Rupees)

At the end of :

	Accounts					Revised 2005-2006	Budget 2006-2007
	1950-51	2001-2002	2002-2003	2003-04	2004-2005		
<b>A. Public Debt</b>	<b>2054.33</b>	<b>984606.91</b>	<b>1080300.85</b>	<b>1187830.07</b>	<b>1336848.75</b>	<b>1424335.02</b>	<b>1598746.39</b>
<b>1. Internal Debt</b>	<b>2022.30</b>	<b>913061.12</b>	<b>1020688.79</b>	<b>1141705.58</b>	<b>1275971.30</b>	<b>1355943.25</b>	<b>1522030.70</b>
<i>of which under MSS</i>	...	...	...	...	<b>64211.16</b>	<b>27230.16</b>	<b>73230.16</b>
(i) Under Market Stabilisation Scheme							
(a) Dated Securities					25000.00	11000.00	11000.00
(b) 91 days Treasury Bills					19247.88	(-)1752.12	24247.88
(c) 182 days Treasury Bills					...	3000.00	26000.00
(d) 364 days Treasury Bills					19963.28	14982.28	11982.28
(ii) Market Loans (vide Annex 4)	1444.95	516517.48	619105.46	707965.23	758994.65	867367.71	984645.35
(iii) 91 days Treasury Bills	358.02	5046.64	9672.88	7184.43	8337.68	8545.68	8545.68
(iv) 91 days Treasury Bills funded into Special Securities	...	101817.95	61817.95	...	...	...	...
(v) Spl. Securities converted into Marketable Securities (vide Annex 4A)	...	20000.00	55000.00	116817.95	111817.95	103817.95	100317.95
(vi) Other Special Securities issued to Reserve Bank	...	3221.74	3595.95	3595.95	1517.24	1489.28	1489.28
(vii) 14 days Treasury Bills	...	2494.27	5628.04	7253.23	14606.74	14606.74	14606.74
(viii) 182 days Treasury Bills	...	3000.00	3000.00	...	...	7609.00	7499.00
(ix) Ways and Means Advances	...	5176.00	...	...	...	...	...
(x) 364 days Treasury Bills	...	16584.16	23122.45	26131.62	26147.55	26856.55	26856.55
(xi) Compensation and other bonds	6.73	14380.86	27624.22	48347.08	66423.55	72894.37	76419.36
(xii) Securities issued to International Financial Institutions	212.60	22551.41	23616.81	22139.48	21644.17	21905.20	21790.02
(xiii) Securities against Small Savings	...	202270.61	188505.03	202270.61	202270.61	203620.61	206630.61
<b>2. External Debt*</b>	<b>32.03</b>	<b>71545.79</b>	<b>59612.06</b>	<b>46124.49</b>	<b>60877.45</b>	<b>68391.77</b>	<b>76715.69</b>
<b>B. Other Liabilities</b>	<b>811.07</b>	<b>381801.51</b>	<b>478900.51</b>	<b>548848.33</b>	<b>657572.82</b>	<b>771051.56</b>	<b>874815.83</b>
1. National Small Savings Fund	336.87	98617.28	175885.41	232971.17	329759.50	418109.50	505499.50
2. State Provident Funds	95.05	45894.43	50515.48	55407.01	60717.01	66217.01	72217.01
3. Other Accounts	16.10	164156.95	172373.55	168094.20	174107.16	185555.25	183192.50
(i) Special Deposits of Non-Government Provident Funds, etc.	...	111388.98	120125.00	119748.13	118640.96	118640.96	118640.96
(ii) Other items	16.10	52767.97	52248.55	48346.07	55466.20	66914.29	64551.54
4. Reserve Funds and Deposits	363.05	73132.85	80126.07	92375.95	92989.15	101169.80	113906.82
(i) Bearing interest	260.85	31148.67	37125.79	46577.12	46202.79	53953.40	60190.75
(ii) Not bearing interest	102.20	41984.18	43000.28	45798.83	46786.36	47216.40	53716.07
<b>Total -Liabilities</b>	<b>2865.40</b>	<b>1366408.42</b>	<b>1559201.36</b>	<b>1736678.40</b>	<b>1994421.57</b>	<b>2195386.58</b>	<b>2473562.22</b>
Amount due from Pakistan on account of share of pre-partition debt (approx.)	-300.00	-300.00	-300.00	-300.00	-300.00	-300.00	-300.00
<b>Net Liabilities of the Central Government</b>	<b>2565.40</b>	<b>1366108.42</b>	<b>1558901.36</b>	<b>1736378.40</b>	<b>1994121.57</b>	<b>2195086.58</b>	<b>2473262.22</b>
Excess of Capital Outlay and Loans over Liabilities	...	...	...	...	...	...	...
<b>Total (Net)</b>	<b>2565.40</b>	<b>1366108.42</b>	<b>1558901.36</b>	<b>1736378.40</b>	<b>1994121.57</b>	<b>2195086.58</b>	<b>2473262.22</b>

\* Balances are according to book value.

**STATEMENT OF ASSETS**  
**(Capital Investments and Loans by the Central Government)**

(In crores of Rupees)

At the end of :

	Accounts					Revised 2005-2006	Budget 2006-2007
	1950-51	2001-2002	2002-2003	2003-2004	2004-2005		
<b>A- Capital Outlay</b>							
<b>1. General Services</b>	<b>496.74</b>	<b>135632.77</b>	<b>151980.93</b>	<b>170757.07</b>	<b>204829.87</b>	<b>240775.08</b>	<b>281420.26</b>
(i) Defence Services	260.93	124201.18	139154.03	156016.64	188010.43	221085.57	258543.57
(ii) Other General Services	235.81	11431.59	12826.90	14740.43	16819.44	19689.51	22876.69
<b>2. Social Services</b>	<b>26.25</b>	<b>6887.65</b>	<b>7844.45</b>	<b>8949.64</b>	<b>9777.12</b>	<b>10588.94</b>	<b>11753.77</b>
<b>3. Economic Services</b>	<b>965.02</b>	<b>226981.42</b>	<b>240268.54</b>	<b>254016.06</b>	<b>272552.81</b>	<b>291254.66</b>	<b>311609.24</b>
(i) Agriculture and Allied Activities	7.78	7562.16	7631.28	7706.07	7788.98	8404.23	8549.41
(ii) Rural Development	...	22.38	24.37	25.15	27.03	27.03	27.03
(iii) Special Areas Programme	...	2356.12	2554.29	2767.32	3018.33	4766.59	6877.15
(iv) Water and Power Development	5.59	...	...	...	...	...	...
(a) Irrigation & Flood Control	...	272.19	286.52	298.64	311.51	326.25	335.74
(b) Energy	...	46128.31	48967.24	51074.02	54474.08	55850.25	57913.86
(v) Industry and Minerals	34.34	36358.97	37296.21	37424.76	38497.90	39697.03	41241.93
(vi) Transport							
(a) Railways	817.93	41038.03	46651.75	53566.65	62034.65	69219.65	76019.79
(b) Other Transport Services	12.47	25582.80	28867.61	32213.16	35537.15	41121.24	45367.31
(vii) Communication							
(a) Postal Services	49.98	872.41	914.66	963.02	1089.32	1439.98	1808.76
(b) Telecommunications Services	...	5001.27	5083.81	4603.39	4718.39	4718.39	4718.39
(c) Other Communication Services	...	118.50	60.73	586.39	615.02	633.43	763.04
(viii) Science and Technology and Environment	...	4366.92	4850.14	5545.44	6512.58	7713.57	8923.60
(ix) General Economic Services	36.93	57301.36	57079.93	57242.05	57927.87	57337.02	59063.23
Disbursements of UT's	...	...	...	...	...	273.73	1206.53
<b>Grand Total</b>	<b>1488.01</b>	<b>369501.84</b>	<b>400093.92</b>	<b>433722.77</b>	<b>487159.80</b>	<b>542892.41</b>	<b>605989.80</b>
<b>B- Loans advanced by the Central Government, net of loan recovery</b>							
State Governments	195.58	228901.80	227342.98	192981.23	160045.09	157002.92	154495.96
Union Territory Governments	...	5013.79	4500.36	3141.59	1123.40	1184.40	1175.36
Foreign Governments	0.01	1485.60	2198.47	2692.30	3135.60	3505.17	3610.18
Investment in special securities of States under National Small Savings Fund	...	95219.86	147481.34	215123.29	301535.72	389985.72	473475.72
Public Sector Enterprises, Railway Development & Revenue Reserve Funds, Posts & Telegraphs Revenue Reserve Fund, Port Trusts, Municipalities and Statutory bodies, Co-operative & Educational Institutions, Displaced persons and Private Institutions, etc	24.58	58063.44	56640.71	53444.33	63869.41	65291.65	67144.04
Government Servants	0.51	2406.12	2509.91	2452.21	2341.57	2247.57	2167.57
<b>TOTAL</b>	<b>220.68</b>	<b>391090.61</b>	<b>440673.77</b>	<b>469834.95</b>	<b>532050.79</b>	<b>619217.43</b>	<b>702068.83</b>
<b>TOTAL- Capital Outlay and Loans Advanced by the Central Government</b>	<b>1708.69</b>	<b>760592.45</b>	<b>840767.69</b>	<b>903557.72</b>	<b>1019210.59</b>	<b>1162109.84</b>	<b>1308058.63</b>
<b>C- Cash balances under MSS</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>64211.16</b>	<b>27230.16</b>	<b>73230.16</b>
<b>GRAND TOTAL</b>	<b>1708.69</b>	<b>760592.45</b>	<b>840767.69</b>	<b>903557.72</b>	<b>1083421.75</b>	<b>1189340.00</b>	<b>1381288.79</b>
<i>Excess of Liabilities over Capital Outlay and Loans Advanced including cash balances under MSS</i>							
	856.71	605515.97	718133.67	832820.68	910699.82	1005746.58	1091973.43
<b>Total</b>	<b>2565.40</b>	<b>1366108.42</b>	<b>1558901.36</b>	<b>1736378.40</b>	<b>1994121.57</b>	<b>2195086.58</b>	<b>2473262.22</b>

**GUARANTEES GIVEN BY THE GOVERNMENT**

As on 31.3.2005

*(Amounts in crore of Rupees)*

Class	Maximum amount guaranteed during the year	Outstanding at the beginning of the year	Additions during the year	Deletions (other than invoked) during the year	Invoked during the year		Outstanding at the end of the year	Guarantee Commission or Fee		Other material details
					Discharged	Not discharged		Receivable	Received	
1	2	3	4	5	6	7	8	9	10	11
1 Guarantees given to the Reserve Bank of India, other Banks, Industrial Financial Institutions viz., Industrial Finance Corporation of India, Industrial Development Bank of India, Life Insurance Corporation of India, Unit Trust of India etc., for repayment of principal and payment of interest, cash credit facility, financing seasonal agricultural operations and for providing working capital in respect of companies, corporations, co-operative societies and co-operative banks.	56,060.21 (105)	21,731.09 (85)	34,329.12 (20)	17,250.59 (12)	...	1200 (2)*	38,809.62 (93)	171.35	70.44	...
2 Guarantees given for repayment of share capital, payment of minimum annual dividend and repayment of bonds/loans, debentures issued/raised by the statutory corporations and financial institutions.	22,268.78 (162)	17,007.61 (158)	5,261.17 (4)	1,397.40 (11)	...	...	20,871.38 (151)	149.63	52.66	...
3 Guarantees given in pursuance of agreements entered into by the Government of India with international financial institutions, foreign lending agencies, foreign Governments, contractors, consultants etc., towards repayment of principal, payment of interest/commitment charges on loans etc., by them, and payment against agreements for supplies of material and equipment on credit basis, to the Companies, Corporations/Port Trusts etc.	53,418.82 (272)	50,308.99 (252)	3,109.83 (20)	6,145.48 (18)	...	...	47,324.90 (254)	788.35	140.48	...
4 Counter-guarantees to Banks in consideration of the Banks having issued Letters of Authority to Foreign Suppliers for Supplies/ Services made/rendered by them on credit basis, in favour of the Companies/Corporations.	932.06 (10)	932.06 (10)	...	28.85 (1)	...	...	903.21 (9)	10.47	1.02	...
5 Guarantees given to Railways/ State Electricity Boards for due and punctual payment of dues/ freight charges by Companies, Corporations.	...	...	...	...	...	...	...	...	...	...

*(Amounts in crore of Rupees)*

Class	Maximum amount guaranteed during the year	Outstanding at the beginning of the year	Additions during the year	Deletions (other than invoked) during the year	Invoked during the year		Outstanding at the end of the year	Guarantee Commission or Fee		Other material details
					Discharged	Not discharged		Receivable	Received	
1	2	3	4	5	6	7	8	9	10	11
6 Performance guarantees given for fulfilment of contracts/projects awarded to Indian companies in foreign countries.	48.32 (3)	48.32 (3)	...	...	...	...	48.32 (3)	...	...	...
<b>Grand Total</b>	<b>132,728.19</b> <b>(552)</b>	<b>90,028.07</b> <b>(508)</b>	<b>42,700.12</b> <b>(44)</b>	<b>24,822.32</b> <b>(42)</b>	...	<b>12.00</b> <b>(2)</b>	<b>107,957.43</b> <b>(510)</b>	<b>1,119.80</b>	<b>264.60</b>	...

Figures in parenthesis indicate number of Guarantees.

\* Two guarantees in favour of Fertilizer Corporation of India Limited had been invoked. These guarantees have been discharged during 2005-06.

**Note:**

- The above data is based on information reported by Ministries/Departments. The data may be impacted upon by changes due to further reconciliation of records.
- Changes in opening balance as on 1.4.2004 vis-à-vis closing balance as on 31.3.2004 reported in Budget 2005-06 are due to capturing of data in the revised format and revaluation of foreign currency guarantees. Such revaluation has also impacted the value of outstanding balance as on 31.3.2005 in respect of guarantee class at sl.no. 3 of the statement.
- The net accretion to Guarantee stock during 2004-05 was 0.57% of the GDP for that year. Under rule 3(3) of the Fiscal Responsibility and Budget Management Rules, 2004, Central Government shall not give guarantees aggregating to an amount exceeding 0.50% of the GDP. The minor deviation from this ceiling during 2004-05 is explained as required under section 7(3)(b) of FRBM Act, 2003 as being mainly on account of guarantees given in favour of Food Corporation of India for procurement operations to ensure food security.

**ASSET REGISTER**  
Under Rule 6 of the FRBM Rules, 2004

(As at the end of Reporting Year 2004-2005)

	Assets at the beginning of 2004-05	Assets Acquired during the year 2004-05	Cumulative total of assets at the end of the year 2004-05
			<i>Cost (Rs. Crore)</i>
<b>Physical assets:</b>			
Land	114747.07	23.77	114770.84
Building			
Office	4564.71	181.34	4746.05
Residential	5049.78	34.66	5084.44
Roads	129.18	22.63	151.81
Bridges	23.01	2.00	25.01
Irrigation Projects	150.80	2.41	153.21
Power Projects	12.78	12.00	24.78
Other Capital Projects	654.57	30.96	685.53
Machinery & Equipment	2448.40	300.84	2749.24
Office Equipment	711.33	98.45	809.78
Vehicles	571.30	44.44	615.74
<b>Total</b>	<b>129062.93</b>	<b>753.50</b>	<b>129816.43</b>
<b>Financial assets:</b>			
Equity Investment			
Shares	105527.51	5137.57	110665.08
Bonus Shares	64.62	75.20	139.82
Loans and Advances			
Loans to State & UT Govts.	137190.58	22573.59	159764.17
Loans to Foreign Govts.	2824.55	325.59	3150.14
Loans to Companies	40075.75	1977.75	42053.50
Loans to Others	4431.21	-390.08	4041.13
Other Financial Investment			
Railways*	53566.66	8456.00	62022.66
Others	49897.11	325.54	50222.65
<b>Total</b>	<b>393577.99</b>	<b>38481.16</b>	<b>432059.15</b>
<b>GRAND TOTAL</b>	<b>522640.92</b>	<b>39234.66</b>	<b>561875.58</b>

\* Capital invested from General Revenues.

**Notes:**

- This disclosure statement does not include assets of Cabinet Secretariat, Central Police Organizations, Ministry of Defence, Departments of Space and Atomic Energy.
- These figures, compiled on the basis of reports of respective ministries/departments, may be impacted, inter alia, by any ongoing liquidation/adjudication/administrative decisions relating to valuation of assets and improvements in capture of data.
- Figures are rounded off.