

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 2010-2011 is estimated to amount to Rs. 39,31,461.88 crore, as against Rs. 35,02,769.72 crore at the end of 2009-2010 (RE). Broad details are as follows:-

	As on 31 st March 2010	As on 31 st March 2011
Internal debt and other liabilities	33,76,024.94	37,82,253.01
<i>of which under Market Stabilisation Scheme</i>	2,737.00	50,000.00
External debt	1,39,581.04	1,62,045.13
Total	35,15,605.98	39,44,298.14

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 treasury bills issued to State Governments, 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 of 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 2005-2006 to 2008-2009 and that estimated to be outstanding at the close of 2009-2010 and 2010-2011 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 flows. During 2010-11, as per the MoU signed between Central Government and RBI, the ceiling of outstanding liabilities at any given time (face value of dated securities plus discounted value of treasury bills) has been kept at Rs. 50,000 crore. 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. A further MoU signed between the Central Government and RBI to amend the MoU relating to MSS enables, on mutual agreement between the Government of India and the RBI, the transfer of a part of the amount in the MSS Cash Account to the normal Cash Account as part of the Government's market borrowing programme for meeting Government's approved expenditure. The amount 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 outstanding against the various Small Savings schemes, Provident Funds, securities issued to Industrial Development Bank of India, Unit Trust of India, Nationalised Banks, Oil marketing companies, Fertilizer companies, Food Corporation of India and 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 at the end of 2008-09, as envisaged under Rule 6 of the FRBM Rules, 2004, is given in the Statement on Guarantees.

A statement of Asset Register as on March 31, 2008 as envisaged under Rule 6 of the FRBM Rules has also been included.

Statement of Assets shows the extent to which the money raised by Government has been utilized 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.

ANNEX - 3 (i)

STATEMENT OF LIABILITIES OF THE CENTRAL GOVERNMENT

(In crores of Rupees)

	At the end of :					Revised 2009-2010	Budget 2010-2011
	1950-51	2005-2006	Accounts 2006-2007	2007-2008	2008-2009**		
A. Public Debt	2054.33	1484001.33	1647690.71	1920390.09	2151594.77	2477262.81	2898798.73
1. Internal Debt	2022.30	1389758.29	1544975.17	1808359.17	2028549.17	2337681.77	2736753.60
of which under MSS	...	29062.17	62973.95	170553.77	88772.78	2737.00	50000.00
(i) Under Market Stabilisation Scheme							
(a) Dated securities under MSS	...	11000.00	22000.00	128317.00	79772.78	2737.00	50000.00
(b) 91 days Treasury Bills under MSS	...	...	14208.97	9631.77	...	...	...
(c) 182 days Treasury Bills under MSS	...	2917.21	7675.28	7605.00	...	...	...
(d) 364 days Treasury Bills under MSS	...	15144.96	19089.70	25000.00	9000.00	...	...
(ii) Market Loans(vide Annexure 4)	1444.95	862370.08	972800.89	1092467.57	1326093.61	1734504.63	2079534.63
(iii) Spl. Securities converted into Marketable Securities (Vide Annex 4-A)	...	103817.95	100317.95	91317.95	86817.95	76817.95	76817.95
(iv) Spl. Securities (to Banks) converted into Marketable Securities	...	...	...	20808.75	20808.75	20808.75	20808.75
(v) Other special Securities issued to Reserve Bank	...	1489.28	1489.28	1489.28	1489.28	1489.28	1489.28
(vi) 14 days Treasury Bills	...	39339.53	39475.31	68629.79	98662.88	98662.88	98662.88
(vii) 91 days Treasury Bills	358.02	16363.83	30801.70	30371.05	75594.76	73547.76	73547.76
(viii) 182 days Treasury Bills	...	6771.37	9255.69	9180.00	20175.00	22500.00	22500.00
(ix) 364 days Treasury Bills	...	29014.42	33368.70	32201.39	45545.89	41363.89	41363.89
(x) Compensation and other bonds	6.73	72760.38	62091.69	71321.19	47506.38	37753.33	31368.70
(xi) Securities issued to International Financial Institutions	212.60	25151.61	25798.49	24719.40	23085.34	20244.23	20152.17
(xii) Securities against small savings	...	203617.67	206601.52	195299.03	193996.55	207252.07	220507.59
2. External Debt*	32.03	94243.04	102715.54	112030.92	123045.60	139581.04	162045.13
B. Other Liabilities	811.07	776143.72	890905.25	917035.29	1007583.25	1038643.17	1045799.41
1. National Small Savings Fund	336.87	413498.83	468009.62	478289.52	470140.77	473334.63	475927.31
2. State Provident Funds	95.05	66262.14	71439.92	75330.22	83377.44	91877.44	98877.44
3. Other Accounts	16.10	186920.97	220160.41	236372.57	325383.30	335988.15	341135.86
(i) Spl. Deposits of Non.Govt. Provident Funds,etc.	...	118256.90	117697.77	116451.90	114119.03	114119.03	114119.03
(ii) Other items	16.10	68664.07	102462.64	119920.67	211264.27	221869.12	227016.83
4. Reserve Funds and Deposits	363.05	109461.78	131295.30	127042.98	128681.74	137442.95	129858.80
(i) Bearing interest	260.85	53649.96	62704.80	73055.56	78383.87	78076.88	83345.31
(ii) Not bearing interest	102.20	55811.82	68590.50	53987.42	50297.87	59366.07	46513.49
Total - Liabilities	2865.40	2260145.05	2538595.96	2837425.38	3159178.02	3515905.98	3944598.14
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
Net Liabilities of the Central Government	2565.40	2259845.05	2538295.96	2837125.38	3158878.02	3515605.98	3944298.14
Excess of Capital Outlay and Loans over Liabilities	...	...	...	...	...	...	...
Total (Net)	2565.40	2259845.05	2538295.96	2837125.38	3158878.02	3515605.98	3944298.14

* Balances are according to book value.

** Actuals of 2008-09 are provisional.

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

(In crores of Rupees)

At the end of :

	Accounts					Revised 2009-2010	Budget 2010-2011
	1950-51	2005-2006	2006-2007	2007-2008	2008-2009*		
A. Capital Outlay							
1. General Services	496.74	239862.48	276278.03	317830.03	363583.18	419163.67	490021.81
(i) Defence Services	260.93	220348.31	254176.55	291638.30	332556.78	380380.78	440380.78
(ii) Other General Services	235.81	19514.17	22101.48	26191.73	31026.40	38782.89	49641.03
2. Social Services	26.25	10558.58	11709.16	13473.71	16866.85	20034.45	23457.16
3. Economic Services	965.02	292625.62	315295.19	391436.63	419785.16	445739.98	462711.25
(i) Agriculture and Allied Activities	7.78	7852.03	7944.66	8346.89	9165.91	9270.37	9452.31
(ii) Rural Development	...	29.13	31.35	53.05	56.69	57.94	65.76
(iii) Special Areas Programme	...	3074.19	3144.45	3227.10	3353.27	5343.95	7711.05
(iv) Water and Power Development	5.59	...	...	...	...	...	...
(a) Irrigation & Flood Control	...	324.60	340.96	357.28	380.81	392.82	416.32
(b) Energy	...	55621.46	57298.81	57874.78	59064.88	61109.46	62582.00
(v) Industry and Minerals	34.34	39854.39	42878.15	47871.82	50482.94	52937.88	55592.20
(vi) Transport							
(a) Railways	817.93	69846.11	77400.32	85534.87	95080.22	110411.52	126286.52
(b) Other Transport Services	12.47	41384.55	46478.02	52733.84	59348.25	66393.36	76544.88
(vii) Communication							
(a) Postal Services	49.98	1358.51	1643.25	1733.88	1978.73	2194.63	2484.88
(b) Telecommunications Services	...	4718.39	4718.39	4718.39	5963.08	5963.08	5963.08
(c) Other Communications Services	...	631.59	703.74	1294.29	796.53	1220.32	3335.74
(viii) Science and Technology and Environment	...	7641.03	8772.78	10338.11	12027.62	14163.07	17495.21
(ix) General Economic Services	36.93	60289.64	63940.31	117352.33	122086.23	116281.58	94781.30
Disbursement to UT's	...	...	...	...	...	1522.04	2484.90
Grand total	1488.01	543046.68	603282.38	722740.37	800235.19	886460.14	978675.12
B. Loans advanced by the Central Government, net of Loan recovery							
State Governments	195.58	157003.93	146652.58	145098.17	143869.59	141160.77	137344.24
Union Territory Governments	...	1019.91	1003.00	973.22	935.08	827.76	720.40
Foreign Governments	0.01	3413.31	3455.72	3294.82	3947.20	3699.75	3437.78
Investment in Special Securities of States under National Small Savings Fund	...	391302.21	452063.88	458891.92	460056.02	485299.86	515159.20
Public Sector Enterprises, Railway Development & Revenue Reserve Funds, Post & Telegraphs Revenue Reserve Funds, Port Trusts, Municipalities and Statutory Bodies, Co-operative & Educational Institutions, Displaced Persons and Private Institutions etc.	24.58	67458.63	67769.32	66272.14	69720.23	68529.73	67586.72
Government Servants	0.51	2139.14	1917.68	1721.40	1506.95	1311.95	1116.95
TOTAL	220.68	622337.13	672862.18	678373.46	680035.07	700829.82	725365.29
Total -Capital Outlay and Loans							
Advanced by the Central Government	1708.69	1165383.81	1276144.56	1401113.83	1480270.26	1587289.96	1704040.41
Cash balance under MSS	...	29062.17	62973.95	170553.77	88772.78	2737.00	50000.00
Grand Total	1708.69	1194445.98	1339118.51	1571667.60	1569043.04	1590026.96	1754040.41
Excess of Liabilities over Capital Outlay and Loans Advanced including cash balances under MSS	856.71	1065399.07	1199177.45	1265457.78	1589834.98	1925579.02	2190257.73
Total	2565.40	2259845.05	2538295.96	2837125.38	3158878.02	3515605.98	3944298.14

* Actuals of 2008-09 are provisional.

ANNEX - 3(iii)

**GUARANTEES GIVEN BY THE UNION GOVERNMENT
Under Rule 6 of the FRBM Rules, 2004**

*(As at the end of Reporting Year 2008-09)
(In crores 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.	39,262.79 (62)	38,475.11 (57)	787.68 (5)	1,289.21 (13)	...	...	37,973.58 (49)	189.16	12.74	...
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.	20,138.48 (145)	19,938.48 (144)	200.00 (1)	4,120.47 (43)	...	...	16,018.01 (102)	68.49	22.21	...
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.	57,609.72 (155)	45,838.41 (130)	11,771.31 (25)	2,503.01 (6)	...	...	58,712.20 (149)	259.55	255.36	...
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.	647.86 (11)	620.36 (9)	27.50 (2)	16.90 (1)	...	...	630.96 (10)	33.04	6.20	...
5. Guarantees given to Railways/ State Electricity Boards for due and punctual payment of dues/ freight charges by Companies/ Corporations.	...	...	...	...	...	...	...	...	...	...

Receipts Budget, 2010-2011

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	
6. Performance guarantees given for fulfilment of contracts/projects awarded to Indian companies in foreign countries.	1.67
7. Performance guarantees given for fulfilment of contracts/projects awarded to Foreign companies in foreign countries.	...	...	...	...	...	...	...	...	...	...
8. Others	...	...	...	...	...	...	...	...	...	...
Grand Total	1,17,658.85 (373)	1,04,872.36 (340)	12,786.49 (33)	7,929.59 (63)	...	...	1,13,334.75 (310)	551.91	296.51	...

Figures in parenthesis indicate number of Guarantees.

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.
- The difference in the closing balance as on 31st March, 2009 in Col. 8 vis-à-vis actual calculation (Col. 3 + Col. 4 - Col. 5 - Col. 6) is due to Outstanding at the beginning of the year in Col. 3 being reported at earlier exchange rate for guaranteed external loans whereas Col. 4, Col. 5, Col. 6 and Col. 8 are reported at the exchange rate as on 31.3.2009.
- The net accretion of Guarantees for the year 2008-2009 is Rs. 4,856.90 crore which is 0.09% of the GDP at market prices for 2008-2009.
- For Financial Year 2009-2010, Guarantees amounting to Rs. 38,778 crore have been committed/approved by the Ministry of Finance till 31st January, 2010.

ASSET REGISTER
Under Rule 6 of the FRBM Rules, 2004

(As at the end of Reporting Year 2008-2009)

Cost (Rs. in Crore)

	Assets at the beginning of 2008-09	Assets acquired during the year 2008-09	Cumulative total of assets at the end of the year 2008-09
Physical assets:			
Land	116752.85	395.91	117148.76
Building			
Office	13124.58	400.14	13524.72
Residential	8126.82	561.46	8688.28
Roads	1240.39	72.96	1313.35
Bridges	13977.52	318.10	14295.62
Irrigation Projects	1257.87	30.67	1288.54
Power Projects	185.97	24.45	210.42
Other Capital Projects	1653.66	124.26	1777.92
Machinery & Equipment	8721.86	896.29	9618.15
Office Equipment	1882.77	165.86	2048.63
Vehicles	1574.52	196.79	1771.31
Total	168498.81	3186.89	171685.70
Financial assets:			
Equity Investment			
Shares	129877.76	11227.41	141105.17
Bonus Shares	14.18	505.61	519.79
Loans and Advances			
Loans to State & UT Govts*	147165.67	-487.19	146678.48
Loans to Foreign Govts.	1904.36	729.46	2633.82
Loans to Companies	39597.48	2698.30	42295.78
Loans to Others	18971.64	2067.28	21038.92
Other Financial Investment			
Railways	85699.04	9545.35	95244.39
Others	54085.06	8245.79	62330.85
Total	477315.19	34532.01	511847.20
GRAND TOTAL	645814.00	37718.90	683532.90

* Capital invested from General Revenues

Notes:

1. This disclosure statement does not include assets of Cabinet Secretariat, Central Police Organisations, Ministry of Defence, Departments of Space and Atomic Energy as per Fiscal Responsibility and Budget Management Rules.
2. These figures, compiled on the basis of reports of respective Ministries/Departments, may be impacted, inter alia, by any ongoing liquidation/adjudication/administrative decision relating to valuation of assets and improvement in capture of data.
3. Figures are rounded off.