SUBJECT:- RISING DEBT AND FUTURE REPAYMENT BURDEN OF THE STATE

STARRED LAQ NO. 002A TABLED BY S/ Shri. Venzy Viegas, Shri. Viresh Borkar, Shri. Yuri Alemao, Shri. Altone D'Costa and Shri. Carlos Ferreira, M.L.As TO BE ANSWERED ON 09/03/2026.

	QUESTION	ANSWER
*002A	Will the Minister for Finance be pleased to state:	By Shri Pramod Sawant, Chief Minister/Finance Minister
(a)	the total outstanding debt and liabilities of the State as on date, including internal debt, State Development Loans (SDLs), guarantees and off budget liabilities along with year-wise growth of such liabilities for the last ten years, interest rates applicable, maturity profile, and department-wise break-up of guarantees and off-budget borrowings;	Sir, the total outstanding debt and liabilities of the State as on date, including internal debt, State Development Loans (SDLs), guarantees along with year-wise growth of such liabilities for the last ten years, interest rates applicable, maturity profile are enclosed as **Annexure-I.** The department-wise break-up of guarantees enclosed as **Annexure-II** The details of off-budget borrowings are enclosed as **Annexure-III.** which are furnished to the Ministry of Finance while seeking consent for availing market borrowings and other negotiated loans by the State Government.
(b)	the year-wise details of principal and interest repayments due from 2026–27 onwards, particularly over the next five financial years, indicating repayments towards government securities, SDLs, loans from financial institutions and other internal debt and the proportion of revenue receipts expected to be consumed by debt servicing in each year;	The details are enclosed as **Annexure-IV**
(c)	whether the Comptroller and Auditor General (CAG) has flagged fiscal vulnerability and breach of debt-to-GSDP targets, including repeated	Yes. The State Government has curtailed its borrowing after the COVID-19 period, leading to

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<tr><td></td><td>breach of the 25% benchmark; if so, the specific corrective measures taken, targets fixed, timelines prescribed and outcomes achieved as on date along with copies of action taken notes or reports or any analysis prepared based on the CAG findings;</td><td>decline in the Debt-to-GSDP ratio, details of which are given below.
<table><tr><td>F.Y.</td><td>Debt to GSDP ratio</td></tr><tr><td>2020-21</td><td>34.63%</td></tr><tr><td>2021-22</td><td>32.55%</td></tr><tr><td>2022-23</td><td>30.55%</td></tr><tr><td>2023-24</td><td>29.27%</td></tr><tr><td>2024-25</td><td>27.05%</td></tr></table>
Based on the CAG findings, Government has started preparation of Debt sustainability framework and same is entrusted to National Institute of Public Finance & Policy (NIPFP) which is under progress.</td></tr>
<tr><td>(d)</td><td>whether the Government has been rolling over old debt through fresh borrowings, refinancing or re-issuance of securities; if so, the quantum of debt refinanced year-wise, the authority or mechanism that decided such refinancing, whether refinancing was limited only to maturing debt or also included other debt, with details of the last 5 years; the criteria used for such selection, the average interest rate of the outstanding debt, the reasons for continued reliance on fresh borrowings despite warnings from RBI and CAG and whether any alternative debt-reduction strategy was examined; and</td><td>Government has not rolled out any of its old debt through fresh borrowings, refinancing or re-issuance of securities.</td></tr>
<tr><td>(e)</td><td>the specific, written plan of the Government to manage future debt repayments, ensure fiscal stability and prevent further burden on public finances including measures for expenditure rationalisation, revenue augmentation, reduction of committed expenditure and limits on fresh borrowings, along with copies of any debt management strategy, medium-term fiscal plan, or internal notes prepared in this regard?</td><td>Government has never defaulted for its principal and interest repayment.
The Office Memorandum for rationalization of expenditure issued by the Government is enclosed as Annexure-V.
Borrowing limits are prescribed by the Ministry of Finance and the State Government borrowings are within the ceiling limit. Copy of limits on fresh borrowings given</td></tr>
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		by the Ministry of Finance, Department of Expenditure, New Delhi for F.Y. 2025-26 is enclosed as **Annexure-VI.** Copy of medium-term fiscal plan 2025 enclosed as **Annexure-VII.** The State has revenue surplus for the last four years. The State manages its debt obligations as well as loan repayments in a prudent and sustainable manner, adhering to the prescribed fiscal parameters and ensuring that borrowings are primarily done for capital expenditure, while maintaining overall fiscal discipline and stability of the State's finances.

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