

**REPLY TO THE CALLING ATTENTION NOTICE TABLED BY SHRI NILESH CABRAL, MLA, (CURCHOREM), ON 18/12/2017**

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Shri Nilesh Cabral, MLA to call the attention of the Chief Minister (Finance):

*“Fear and apprehension in the minds of the people of Goa regarding financial stability of the State Government. In view of the reported excessive borrowing of the State for development for Rs. 10,000/- crores with gross borrowing of Rs. 13,000/- crores. This result is per capita loan of Rs. 90,000/-. The steps Government intends to take in the matter”.*

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*Speaker Sir*, I rise to reply to the Calling Attention Notice tabled by my colleague, Shri Nilesh Cabral, who is anxious about the fiscal and debt position of the State, more particularly, in view of certain “misleading” reports being published in some vernacular newspapers, apparently on account of incorrect interpretation of the replies given to this August House in response to LAQs sought by my Hon’ble colleagues.

*Speaker Sir*, the total Public Debt as on 31<sup>st</sup> March, 2017, is ₹ 12,395.42 crs. The Public Debt accounts for the Open Market Borrowings, assistance in the form of Loans by Government of India, External Aided Projects like JICA, World Bank, etc. and Loans taken from NABARD, Power Finance Corporations, NCDC, HUDCO, LIC, etc.

During the Financial Year 2017 – 18, the Ministry of Finance, Government of India has stipulated and prescribed the net borrowing ceiling at ₹ 2102 crores, which is 3% of the projected GSDP (2011 – 12 series).

For the period from April, 2017, till 30/11/2017, the total borrowings taken by the State Government are ₹ 1076.44 crs., while repayments of principal amounts of the earlier loans taken is ₹ 365.36 crs. and, therefore, the net increase is ₹ 711.08 crs. Thus, the total Public Debt as on 30/11/2017 stands at ₹ 13106.50 crs. Considering that the net borrowing for these 08 months is ₹ 711.08 crs., it leaves us with ₹ 1390.92 crs more to borrow.

*Speaker Sir*, I wish to state in this August House that we will not need to borrow such huge quantum during the remainder of this Financial Year and borrowing shall be curtailed so as to meet the requirements of capital expenditure only, after taking into account huge repayment of the principal amount which fall due during the remainder of the year on account of borrowings availed 10 years back.

*Speaker Sir*, we have already spent nearly ₹ 1640 crs. alone on capital expenditure so far during this year. Considering the figures of the tentative monthly accounts upto October, 2017, our fiscal position vis-à-vis the projected GSDP is well contained with the limit of 3%.

*Speaker Sir*, to make things very explicit and clear, I am enclosing a chart giving details of the total of the Public Debt and other liabilities from the period 2004-05 upto 30/11/2017 alongwith the fiscal deficit and GSDP figures. The total of the Public Debt and other liabilities to GSDP is marginally hovering above the 25% mark, which, I am sure, we will be able to curtail in the current and ensuing Financial Years.

*Speaker Sir*, considering the estimated GSDP for the year 2016 – 17 to be ₹ 64,443 crs. the *per capita* income stands at ₹ 4,25,084 crs. and the *per capita* debt stands at ₹ 81,764 crs. which is 19.23% of the Gross *per capita* Income and well within the norms.

*Speaker Sir*, my Government is committed to ensure the holistic, socio-economic and infrastructural development of the State and at the same time, keep the fiscal parameters under control.

I wish to assure the House that we shall continue to tread the path of fiscal progress without compromising the socio-economic and infrastructural development of the State. Therefore, there should be no cause for any fear and apprehension in the minds of the people of the State as regards the financial stability of the State Government as we continue prudently managing the fiscal condition with the best financial practices well within our fiscal resources.

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**DETAILS OF THE PUBLIC DEBT AND OTHER LIABILITIES (all figures in Rs. Crores)**

	01.04.05	31.03.06	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17*	30.11.17**
<b>Public Debt</b>	<b>3496.02</b>	<b>4123.81</b>	<b>4690.01</b>	<b>5126.49</b>	<b>5623.03</b>	<b>6077.33</b>	<b>6614.10</b>	<b>6872.36</b>	<b>8070.79</b>	<b>9034.52</b>	<b>9936.02</b>	<b>11344.19</b>	<b>12395.42</b>	<b>13106.50</b>
<b>Other Liabilities like GPF/NPS, Reserve Funds, Security Deposits etc.</b>	856.39	904.40	1011.16	1168.83	1506.06	1997.74	2371.35	2707.11	3160.89	3660.13	3940.72	4230.58	4428.50	
<b>Total of Public Debt and Other Liabilities</b>	<b>4352.41</b>	<b>5028.21</b>	<b>5701.17</b>	<b>6295.32</b>	<b>7129.09</b>	<b>8075.07</b>	<b>8985.45</b>	<b>9579.47</b>	<b>11231.68</b>	<b>12694.65</b>	<b>13876.74</b>	<b>15574.77</b>	<b>16823.92</b>	
<b>GSDP</b>														
<b>2004-05</b>	<b>12713</b>	<b>14327</b>	<b>16523</b>	<b>19565</b>	<b>25414</b>	<b>29126</b>	<b>33605</b>	<b>43255</b>	<b>42407</b>	<b>48897</b>	<b>52673</b>			
<b>2011-12</b>								42367	38120	35921	47814	<b>54275</b>	<b>64443</b>	<b>70887</b> estimated
<b>Fiscal Deficit</b>	-549.92	-580.57	-528.74	-540.80	-916.16	-1242.03	-485.66	-880.36	-1137.36	-1353.41	-948.62	-1482.08	-934.63	
<b>Fiscal Deficit / GSDP</b>	4.32%	4.05%	3.20%	2.76%	3.60%	4.26%	1.45%	2.03%	2.68%	2.76%	1.80%	2.73%	1.45%	
<b>Public Debt / GSDP</b>	27.50%	28.78%	28.38%	32.29%	22.13%	20.87%	19.68%	15.89%	19.03%	18.47%	18.86%	20.90%	19.29%	
<b>Total of Public Debt and other liabilities/ GSDP</b>	34.24%	35.10%	34.50%	32.18%	28.05%	27.72%	26.74%	22.15%	26.49%	25.96%	26.35%	28.70%	26.10%	

*Note: As per MoF, GSDP 2011-12 series taken into consideration for calculating fiscal parameters, with effect from the 14<sup>th</sup> FC implementation i.e. 2015-16 onwards. Figures for GSDP upto 31.03.2016 is as per CSO, MoSPI, GOI; while that of 31.03.2017 and for the year 2017-18 is as per DPSE, Govt. of Goa.*

(\*) subject to the finalisation of the Finance Account for the year 2016-17.

(\*\*) subject to reconciliation of the figures with Treasury.