

**MINISTRY OF FINANCE**  
**No. 35 (APPROPRIATION)**  
**Interest Payments**

A. The Budget allocations, net of recoveries and receipts, are given below:

|   |                  | <i>(In crores of Rupees)</i> |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |
|---|------------------|------------------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-----------|
| Major Head  | Actual 2011-2012 |                              |                  | Budget 2012-2013 |                  |                  | Revised 2012-2013 |                  |                  | Budget 2013-2014 |                  |                  |           |
|   | Plan             | Non-Plan                     | Total            | Plan             | Non-Plan         | Total            | Plan              | Non-Plan         | Total            | Plan             | Non-Plan         | Total            |           |
| Revenue   | ...              | 273149.88                    | 273149.88        | ...              | 319759.43        | 319759.43        | ...               | 316674.16        | 316674.16        | ...              | 370684.49        | 370684.49        |           |
| Capital   | ...              | ...                          | ...              | ...              | ...              | ...              | ...               | ...              | ...              | ...              | ...              | ...              |           |
| <b>Total</b>  | ...              | <b>273149.88</b>             | <b>273149.88</b> | ...              | <b>319759.43</b> | <b>319759.43</b> | ...               | <b>316674.16</b> | <b>316674.16</b> | ...              | <b>370684.49</b> | <b>370684.49</b> |           |
| 1. Prepayment Premium for reduction of debt                           | 2048             | ...                          | ...              | ...              | 100.00           | 100.00           | ...               | ...              | ...              | ...              | 2000.00          | 2000.00          |           |
| <b>Interest Payments</b>  |                  |                              |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |
| 2. Interest on Internal Debt  |                  |                              |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |
| 2.01 Market Loans   |                  |                              |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |
| 2.01.01 Market Loans  | 2049             | ...                          | 189416.34        | 189416.34        | ...              | 220091.72        | 220091.72         | ...              | 225537.27        | 225537.27        | ...              | 270745.66        | 270745.66 |
| 2.01.02 Less accrued interest   | 0049             | ...                          | -13832.22        | -13832.22        | ...              | -5000.00         | -5000.00          | ...              | -17323.33        | -17323.33        | ...              | -14000.00        | -14000.00 |
| Net   | ...              | ...                          | 175584.12        | 175584.12        | ...              | 215091.72        | 215091.72         | ...              | 208213.94        | 208213.94        | ...              | 256745.66        | 256745.66 |
| 2.02 Discount on Cash Management Bills                                | 2049             | ...                          | 1077.80          | 1077.80          | ...              | 1100.00          | 1100.00           | ...              | ...              | ...              | ...              | 1100.00          | 1100.00   |
| 2.03 Compensation & Other Bonds                                       | 2049             | ...                          | 3601.93          | 3601.93          | ...              | 1699.25          | 1699.25           | ...              | 2320.24          | 2320.24          | ...              | 1284.15          | 1284.15   |
| 2.04 14 days Treasury Bills   | 2049             | ...                          | 3795.52          | 3795.52          | ...              | 5200.00          | 5200.00           | ...              | 5200.00          | 5200.00          | ...              | 5500.00          | 5500.00   |
| 2.05 91 days Treasury Bills   | 2049             | ...                          | 9189.60          | 9189.60          | ...              | 8800.00          | 8800.00           | ...              | 11405.54         | 11405.54         | ...              | 12361.48         | 12361.48  |
| 2.06 182 days Treasury Bills  | 2049             | ...                          | 3762.56          | 3762.56          | ...              | 4472.00          | 4472.00           | ...              | 5181.00          | 5181.00          | ...              | 5532.00          | 5532.00   |
| 2.07 Discount on 364 days Treasury Bills                              | 2049             | ...                          | 6949.32          | 6949.32          | ...              | 8944.00          | 8944.00           | ...              | 9907.00          | 9907.00          | ...              | 10543.00         | 10543.00  |
| 2.08 Management of Debt   | 2049             | ...                          | 591.59           | 591.59           | ...              | 672.85           | 672.85            | ...              | 731.55           | 731.55           | ...              | 827.96           | 827.96    |
| 2.09 Ways & Means Advance   | 2049             | ...                          | 1513.62          | 1513.62          | ...              | 2000.00          | 2000.00           | ...              | 100.00           | 100.00           | ...              | 2000.00          | 2000.00   |
| 2.10 Marketable securities issued in conversion of special securities | 2049             | ...                          | 4855.57          | 4855.57          | ...              | 4855.57          | 4855.57           | ...              | 4855.57          | 4855.57          | ...              | 4710.17          | 4710.17   |
| 2.11 Market Stabilisation Scheme                                      |                  |                              |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |
| 2.11.01 Market Stabilisation Scheme                                   | 2049             | ...                          | ...              | ...              | ...              | 110.00           | 110.00            | ...              | ...              | ...              | ...              | 1630.38          | 1630.38   |
| 2.11.02 Less accrued interest   | 0049             | ...                          | ...              | ...              | ...              | -10.00           | -10.00            | ...              | ...              | ...              | ...              | -315.97          | -315.97   |
| Net   | ...              | ...                          | ...              | ...              | ...              | 100.00           | 100.00            | ...              | ...              | ...              | ...              | 1314.41          | 1314.41   |
| Total- Interest on Internal Debt                                      | ...              | ...                          | 210921.63        | 210921.63        | ...              | 252935.39        | 252935.39         | ...              | 247914.84        | 247914.84        | ...              | 301918.83        | 301918.83 |
| 3. Interest on External Debt  | 2049             | ...                          | 3501.29          | 3501.29          | ...              | 3946.56          | 3946.56           | ...              | 4073.23          | 4073.23          | ...              | 4276.24          | 4276.24   |
| 4. Interest on Small Savings, Provident Funds etc.                    |                  |                              |                  |                  |                  |                  |                   |                  |                  |                  |                  |                  |           |

*(In crores of Rupees)*

|                    | Major Head  | Actual 2011-2012 |          |                  | Budget 2012-2013 |          |                  | Revised 2012-2013 |          |                  | Budget 2013-2014 |          |                  |                  |
|--------------------|---|------------------|----------|------------------|------------------|----------|------------------|-------------------|----------|------------------|------------------|----------|------------------|------------------|
|                    |   | Plan             | Non-Plan | Total            | Plan             | Non-Plan | Total            | Plan              | Non-Plan | Total            | Plan             | Non-Plan | Total            |                  |
| 4.01               | Interest on Small Savings deposits, certificates and operational expenses | 2049             | ...      | 18014.84         | 18014.84         | ...      | 18872.00         | 18872.00          | ...      | 20871.92         | 20871.92         | ...      | 18520.25         | 18520.25         |
| 4.02               | State Provident Funds   | 2049             | ...      | 8504.80          | 8504.80          | ...      | 9815.27          | 9815.27           | ...      | 9815.27          | 9815.27          | ...      | 9764.28          | 9764.28          |
| 4.03               | Insurance & Pension Funds   | 2049             | ...      | 5895.43          | 5895.43          | ...      | 6988.50          | 6988.50           | ...      | 6988.50          | 6988.50          | ...      | 6728.49          | 6728.49          |
| 4.04               | Special Deposits of Non-Government Provident Funds                        | 2049             | ...      | 9179.82          | 9179.82          | ...      | 9346.88          | 9346.88           | ...      | 9421.00          | 9421.00          | ...      | 9221.00          | 9221.00          |
| 4.05               | Special Securities issued to UTI  | 2049             | ...      | 11.04            | 11.04            | ...      | ...              | ...               | ...      | ...              | ...              | ...      | ...              | ...              |
| 4.06               | Other Special Deposits  | 2049             | ...      | 1519.23          | 1519.23          | ...      | 1727.05          | 1727.05           | ...      | 1727.05          | 1727.05          | ...      | 1918.52          | 1918.52          |
|                    | <i>Total- Interest on Small Savings, Provident Funds etc.</i>             |                  | ...      | <i>43125.16</i>  | <i>43125.16</i>  | ...      | <i>46749.70</i>  | <i>46749.70</i>   | ...      | <i>48823.74</i>  | <i>48823.74</i>  | ...      | <i>46152.54</i>  | <i>46152.54</i>  |
| 5.                 | Interest on Reserve Funds   | 2049             | ...      | 68.72            | 68.72            | ...      | 268.50           | 268.50            | ...      | 268.50           | 268.50           | ...      | 268.50           | 268.50           |
| 6.                 | <i>Interest on other obligations</i>                                      |                  |          |                  |                  |          |                  |                   |          |                  |                  |          |                  |                  |
| 6.01               | Special bonds to Oil Companies  | 2049             | ...      | 10957.56         | 10957.56         | ...      | 10457.66         | 10457.66          | ...      | 10457.66         | 10457.66         | ...      | 10255.96         | 10255.96         |
| 6.02               | Special bonds issued to Food Corporation of India                         | 2049             | ...      | 1319.26          | 1319.26          | ...      | 1319.26          | 1319.26           | ...      | 1319.26          | 1319.26          | ...      | 1319.26          | 1319.26          |
| 6.03               | Special bonds issued to Fertilizer Companies                              | 2049             | ...      | 1386.37          | 1386.37          | ...      | 1173.58          | 1173.58           | ...      | 1173.58          | 1173.58          | ...      | 1173.58          | 1173.58          |
| 6.04               | Bonds for SBI Rights  | 2049             | ...      | 834.67           | 834.67           | ...      | 834.67           | 834.67            | ...      | 834.67           | 834.67           | ...      | 834.67           | 834.67           |
| 6.05               | Special Bonds to PLI  | 2049             | ...      | 562.80           | 562.80           | ...      | 1157.80          | 1157.80           | ...      | 1145.90          | 1145.90          | ...      | 1730.70          | 1730.70          |
| 6.06               | Interest on other obligations   | 2049             | ...      | 672.51           | 672.51           | ...      | 816.31           | 816.31            | ...      | 662.78           | 662.78           | ...      | 754.21           | 754.21           |
|                    | <i>Total- Interest on other obligations</i>                               |                  | ...      | <i>15733.17</i>  | <i>15733.17</i>  | ...      | <i>15759.28</i>  | <i>15759.28</i>   | ...      | <i>15593.85</i>  | <i>15593.85</i>  | ...      | <i>16068.38</i>  | <i>16068.38</i>  |
| 7.                 | Actual Recoveries   | 2049             | ...      | -200.09          | -200.09          | ...      | ...              | ...               | ...      | ...              | ...              | ...      | ...              | ...              |
| <b>Grand Total</b> |   |                  | ...      | <b>273149.88</b> | <b>273149.88</b> | ...      | <b>319759.43</b> | <b>319759.43</b>  | ...      | <b>316674.16</b> | <b>316674.16</b> | ...      | <b>370684.49</b> | <b>370684.49</b> |

The entire expenditure included in this Appropriation is classified as 'Charged' on the Consolidated Fund of India under article 112 (3)(C) of the Constitution.

2. The Appropriation provides for interest charges on Central Government's debt obligations, both internal and external. It also includes provisions for interest payable on provident funds, special deposits with the Government besides depreciation and other reserve funds of commercial departments, like Railways. Provision for management of debt and other liabilities of the Central government are also included in this Appropriation. The provision for interest/discount payment on dated securities/treasury bills issued under the Market Stabilisation Scheme(MSS) is shown separately, in compliance with the provisions of the MOU on MSS dated March 25, 2004.

3. The increase in the Budget Estimates, 2013-2014 is mainly due to larger requirements for interest on market loans, Discount on Treasury Bills, charges payable for management of Debt, interest on external debt and interest on special bonds issued to PLI.