

### External borrowings

2644. SHRI AMBETH RAJAN: Will the Minister of FINANCE be pleased to state:

(a) the details of amount of external borrowing received during last three years, year-wise along with country and agency;

(b) what is the rate of interest in which such borrowings were taken;

(c) the amount repaid against these external borrowings;

(d) the details of principal paid and interest paid thereon, separately; and

(e) what is the current status of each borrowing as on 31 March, 2009?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The details of external borrowings received by the Government from multilateral and bilateral creditors, agency and country-wise during the last three years are as under:

*Table 1: External Borrowings received by the Government from 2006-07 to 2008-09*

(US\$ million)				
Sl.No.	Agency/Country	2006-07	2007-8(PR)	2008-9(QE)
A	Multilateral (1 to 5)	2,648.0	2,717.0	3,032.8
1	ADB	825.0	1,051.7	1,279.9
2	IBRD	865.5	833.3	618.8
3	IDA	947.6	810.9	1,122.8
4	OPEC	0	4.2	2.9
5	IFAD	9.8	17.0	8.4
B	Bilateral (6 to 11)	798.9	1,093.2	1,269.96
6	Russia	310.9	244.7	190.17
7	Germany	26.6	20.7	144.2
8	France	1.0	0.0	5.0
9	Italy	0.0	0.0	0.4
10	Japan	460.0	827.7	930.2
11	Switzerland	0.3	0.0	0.0

PR: Partially Revised:

QE: Quick Estimates

(b) to (e) External borrowings are contracted at different rates of interest. The details of average rate of interest for major categories are given in Table 2.

*Table 2: Average Interest Rate on External borrowings of the Government*

	(per cent)		
Source of borrowings	2006-07	2007-08 PR	2008-09 QE
Multilateral	1.75	1.98	1.50
Bilateral	2.19	2.23	2.10

PR: Partially Revised;

QE: Quick Estimates.

Note: Average interest rate is the ratio of total interest payments made during the year to the outstanding debt at the end of the previous financial year.

The amount repaid, *i.e.* principal amount and interest paid thereon in the last three years is in Table 3.

*Table 3: Debt service payments on Government borrowings*

		(US\$ million)		
	Source	2006-07	2007-08 PR	2008-09 QE
A	Multilateral	1,441	1,706	1,761
	Repayments	914	1,063	1,220
	Interest	527	643	541
B	Bilateral	1,123	1,103	1,300
	Repayments	827	799	956
	Interest	296	304	344
C	Total (A+B)	2,564	2,809	3,061
	Repayments	1,741	1,862	2,176
	Interest	823	947	885

PR: Partially Revised;

QE: Quick Estimates.

The amount outstanding against external borrowings by the Government as at end-March 2009 is presented in Table 4.

*Table 4: Outstanding Government External borrowings as at end-March 2009*

		(US\$ million)
S.No.	Agency/Country	At end-March 2009 (QE)
1	2	3
<b>A</b>	<b>Multilateral (1 To 5)</b>	35,724
1	IDA	24,758
2	IBRD	5,878

1	2	3
3	ADB	4,766
4	IFAD	282
5	Others	40
<b>B</b>	<b>Bilateral (6 to 11)</b>	16,092
6	Japan	11,110
7	Germany	2,451
8	United States	435
9	France	472
10	Russian Federation	1,619
11	Others	5

QE: Quick Estimates

#### Functioning of the Internal Audit Wing

2645. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) whether there is scope or means for an Income Tax Department concerned before finalizing the income tax assessment to get speedy clarification either formally or informally without giving up his/her powers as an Assessing Authority;

(b) what is the exact job profile of Internal Audit Wing in the Income Tax Department; and

(c) whether it is a fact that there are many audit objections of the Comptroller and Auditor General because the Internal Audit Wing had been inadequate and ineffective in its task?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Formally, the Assessing Officer can seek directions from the Joint CIT/Addl. CIT under section 144A of the Income Tax Act 1961 and if Joint CIT/Addl. CIT considers that, having regard to the nature of the case or the amount involved or for any other reason it is necessary or expedient so to do, he may issue such directions as he thinks fit for the guidance of the Assessing Officer to enable him to complete the assessment.

The JCIT/Addl. CIT & CIT regularly interact with the assessing Officers to monitor the progress of assessments and give suitable advice. (Informally, the Assessing Officer is free to discuss the assessments with the Joint CIT/Addl. CIT for their opinion and guidance.)

Where considerable number of cases are involved, the CBDT issues clarification, Circular & Instruction to all the assessing Officers on that particular provision of the statute.