



INDIA'S EXTERNAL DEBT

A Status Report

2015-16

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF ECONOMIC AFFAIRS

EXTERNAL DEBT MANAGEMENT UNIT

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अरुण जेटली
वित्त एवं कार्पोरेट कार्य मंत्री
भारत



Arun Jaitley
Minister of Finance and
Corporate Affairs
India

FOREWORD

I am happy to present the twenty-second issue of 'India's External Debt: A Status Report 2015-16'. The Report gives a detailed analysis of the trends, composition and debt service of India's external debt upto end-March 2016 including sovereign external debt. The Report also makes a cross-country comparison of external indebtedness of developing countries, BRICS and also developed countries.

2. India's external debt stock stood at US\$ 485.6 billion at end-March 2016 as against US\$ 475.0 billion at end-March 2015. While external debt has increased over 2015-16 by a small 2.2 per cent, important debt indicators such as external debt-GDP ratio and debt service ratio also remained in the comfort zone. External debt of the country continues to be dominated by long term borrowings. The prudent external debt policy pursued by the Government has helped in maintaining external debt within manageable limits. India continues to be among the less vulnerable countries with its external debt indicators comparing well with other indebted developing countries.

3. Apart from the usual analysis on external debt situation, this report also dwells on the ECB policy changes, the NRI deposits and the upcoming redemption of FCNR(B) deposits due in September-November 2016. This report also contains additional analysis and information on external debt parameters such as residual maturity of India's external debt, terms of borrowing, creditor classification, borrower classification and currency classification of external debt in the form of write-ups, boxes, tables and graphs. I am confident that the Report would be useful for the Hon'ble Members of Parliament, research scholars, policy makers and the general public.

New Delhi
September 06, 2016


(ARUN JAITLEY)

CONTENTS

Page No.

	List of Abbreviations	(v)
1	Overview	1
2	Classification of External Debt	3
2.1	Stock of External Debt	3
2.2	Creditor Classification	5
2.3	Borrower Classification	7
2.4	Instrument-wise Classification	8
2.5	Currency Composition	9
2.6	Short-term External debt	9
2.7	Concessional Debt	15
2.8	Summary	16
3	Debt Service	
3.1	Introduction	17
3.2	Trends in India's Debt Service Payments	17
3.3	Terms of Borrowings	20
3.4	Projections of Debt Service Payments	21
3.5	Summary	22
4	International Comparison	
4.1	Introduction	23
4.2	External Debt of Developing Countries	23
4.3	Financial Flows to Developing Countries	24
4.4	External Debt of Top Twenty Developing Debtor Countries	25
4.5	India's External Debt Position in International Perspective	26
4.6	Recent Cross Country External Debt Status	28
4.7	Summary	29
5	Sovereign External Debt	
5.1	Introduction	30
5.2	Composition of Sovereign External Debt	30
5.3	Currency Composition	35
5.4	Debt Service	35
5.5	Explicit Contingent Liability	36
5.6	Projections of Debt Service Payments on Government Account	37
5.7	Summary	38

Boxes

2.1	NRI Deposits	11
2.2	External Commercial Borrowings (ECB) – Revised Framework	14
5.1	Sovereign Bonds	32

Figures

1.1	Foreign Exchange Reserves to Total Debt	2
2.1	Movement in External Debt Stock	3
2.2	Long-term and Short-Term External Debt (US\$ billion)	4
2.3	Percentage Variation (YoY) in External Debt in Terms of US Dollar and Rupee	4
2.4	Creditor Classification of India's External Debt at end-March 2010 (per cent)	6
2.5	Creditor Classification of India's External Debt at end-March 2016 (per cent)	6
2.6	Movement in Short-term Debt	9
2.7	Share of ECB in External Debt	12
2.8	Implicit Interest Rate on ECB	13
3.1	Debt Service Payments and Debt Service Ratio	17
3.2	Principal Repayments and Interest Payments (US\$ billion)	18
3.3	Composition of India's External Debt Service Payments	19
3.4	Projected Debt Service Payments (US\$ billion)	22
4.1	External Debt Stock and Reserves of Developing Countries (US\$ billion)	24
4.2	Net Financial Inflows to Developing Countries (US\$ billion)	25
4.3	Percentage Share of Official and Private Creditors in Net Debt Inflows	25
4.4	International Comparison of Change in External Debt Stock between 2000 and 2014 (per cent)	26
4.5	External Debt Stock to Gross National Income of Top 20 Developing Debtor Countries, 2014 (per cent)	27
4.6	International Comparison of Short-term Debt to Total External Debt, 2014 (per cent)	28
5.1	Composition of External Debt on Government Account (Per cent to Total)	31
5.2	Movement of Multilateral and Bilateral External Debt on Government Account (US\$ billion)	31
5.3	Composition of Multilateral Sovereign Debt at end-March 2016 (per cent)	31
5.4	Composition of Bilateral Sovereign Debt at end-March 2016 (per cent)	31
5.5	Movement in Sovereign External Debt	32
5.6	Currency Composition of India's Sovereign External Debt at end-March 2014 (per cent)	35
5.7	Currency Composition of India's Sovereign External Debt at end-March 2016 (per cent)	35

Text Tables

1.1	India's Key External Debt Indicators	2
2.1	India's External Debt Stock (2010-2016)	3
2.2	Composition of India's External debt (US\$ million)	5
2.3	Share of Official and Private Creditors in External Debt (per cent)	6
2.4	External Debt By Borrower Classification (US\$ million)	7
2.5	Instrument-wise Classification of External Debt at end-March 2015 (US\$ million)	8
2.6	Currency Composition of External Debt (per cent)	9
2.7	Short-term debt by Original Maturity (US\$ million)	10
2.8	Short-term External Debt by Residual Maturity (US\$ million)	10
2.9	Residual Maturity of ECBs Outstanding (Principal) as at end-March 2016	13
2.10	Residual Maturity of External Debt Outstanding as at end-March 2016	15
2.11	Share of Concessional Debt in Total External Debt (US\$ million)	16
3.1	India's External Debt Service Payments (US\$ million)	18
3.2	Disbursements and Principal Repayments under Short-term Debt (US\$ million)	20
3.3	Implicit Interest Rate on India's External Debt (per cent)	20
3.4	Average Terms of New Commitments for India	21
3.5	Projected Debt Service Payments (US\$ million)	21
4.1	External Debt of Developing Countries: Key Indicators (US\$ billion)	23
4.2	International Comparison of Top Twenty Developing Debtor Countries, 2014	27
5.1	India's Sovereign External Debt (US\$ million)	30
5.2	Currency Composition of Sovereign External Debt (per cent)	35
5.3	Sovereign External Debt Service Payments (US\$ million)	36
5.4	Central Government Guarantees on External Debt (US\$ million)	37
5.5	Creditor-wise Projections of External Debt Service Payments under Government Account (US\$ million)	38

Annex

I	External Debt: Definitions, Concepts and Dissemination of Data	39
II	Key External Debt Indicators (Per cent)	43
III	India's External Debt Outstanding - Annual (₹ crore)	44
IV	India's External Debt Outstanding -Annual (US\$ million)	46
V	India's External Debt Outstanding -Quarterly (₹ crore)	49
VI	India's External Debt Outstanding -Quarterly (US\$ million)	52
VII	External Debt by Borrower Category (US\$ million)	55
VIII	Instrument-wise Classification of External Debt Outstanding at end-March 2015	56
IX	Currency Composition of India's External Debt (Per cent)	57
X	Short-term Debt by Residual Maturity (US\$ million)	58

Annex

XI	India's External Debt Service Payments- Source-wise (US\$ million)	59
XII	India's External Debt Service Payments by Creditor Categories (US\$ million)	60
XIII	International Comparison of Top Twenty Developing Debtor Countries, 2014	61
XIV	Gross External Debt Position of Top Twenty Developing Countries (US\$ million)	62
XV	External Debt Position of Top Twenty debtor countries in the World (US\$ million)	63
XVI	Creditor-wise Sovereign External Debt (₹ crore)	64
XVII	Creditor-wise Sovereign External Debt (US\$ million)	65
XVIII	Currency Composition of Sovereign External Debt (Per cent)	66
XIX	Sovereign External Debt Service Payments (Actual) (US\$ million)	67
XX	Central Government Guarantees on External Debt (US\$ million)	68
XXI	Creditor-wise External Debt Service Payments on Government Account (US\$ million)	69
XXII	Creditor-wise Projections of External Debt Service Payments under Government Account (US\$ million)	70
XXIII	External Commercial Borrowings (US\$ million)	72

LIST OF ABBREVIATIONS

ADB	Asian Development Bank
BoP	Balance of Payments
CAAA	Controller of Aid Accounts and Audit
CAD	Current Account Deficit
CUB	Committed Undisbursed Balance
ECB	External Commercial Borrowings
EDMU	External Debt Management Unit
FCCB	Foreign Currency Convertible Bond
FCNR(A)	Foreign Currency Non-Resident Account
FCNR(B)	Foreign Currency Non-Resident Bank Deposit
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FOREX	Foreign Exchange Reserves
FRBM	Fiscal Responsibility and Budget Management
GDP	Gross Domestic Product
GDDS	General Data Dissemination System
GNI	Gross National Income
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IFC (W)	International Finance Corporation (Washington DC)
IMD	India Millennium Deposit
IMF	International Monetary Fund
NRE	Non Resident External Account
NRI	Non-Resident Indian
NR(E)RA	Non-Resident (External) Rupee Account

NRO	Non-Resident Ordinary Account
OECD	Organisation for Economic Cooperation and Development
PR	Partially Revised
PV	Present Value
QE	Quick Estimates
QEDS	Quarterly External Debt Statistics
RIB	Resurgent India Bonds
SDDS	Special Data Dissemination Standards
SDR	Special Drawing Rights
SED	Sovereign External Debt
SEBI	Securities and Exchange Board of India
US	United States
YOY	Year OnYear

CHAPTER 1 OVERVIEW

1.1 India's external debt stock at US\$ 485.6 billion at end-March 2016, increased by US\$ 10.6 billion (2.2 per cent) over the level at end-March 2015. The external debt-GDP ratio was 23.7 per cent at end-March 2016, as against 23.8 per cent at end March 2015.

1.2 Long-term external debt of US\$ 402.2 billion at end-March 2016, increased by 3.3 per cent over end-March 2015. The share of long-term external debt in total external debt increased marginally to 82.8 per cent at end-March 2016 from 82.0 per cent at end-March 2015.

1.3 Commercial borrowings followed by NRI deposits continue to be the major components of long-term debt with shares of 37.3 per cent and 26.1 per cent respectively at end-March 2016. However, the increase in long-term external debt during the year was primarily on account of rise in NRI deposits, which in turn was mainly due to the rise in NR(E)RA and FCNR(B) deposits.

1.4 Short-term external debt (original maturity) at US\$ 83.4 billion at end-March 2016, declined by 2.5 per cent over the level at end-March 2015. This is mainly due to the decline in trade related credits, which is a major component of short-term debt with a share of 96.0 per cent. Also, the share of short-term external debt in total external debt declined marginally from 18.0 per cent at end-March 2015 to 17.2 per cent at end-March 2016.

1.5 Short term debt (Residual maturity) increased by 13.2 per cent at end March 2016. As a percentage of external debt it increased to 42.6 per cent at end-March 2016 from 38.2 per cent at end-March 2015 and also increased as a ratio of foreign exchange reserves to 57.4 per cent at end March 2016 from 53.5 per cent at end March 2015. The rise in short term debt (residual maturity) mainly reflects the payments which are due on account of the maturity of FCNR(B) deposits mobilised under the special swap scheme in 2013.

1.6 Government (sovereign) external debt increased from US\$ 89.7 billion at end-March 2015 to US\$ 93.4 billion at end-March 2016, and constituted 18.9 per cent of the total external debt, a tad above the 18.8 per cent in the previous year.

1.7 The currency composition of India's external debt shows that debt denominated in US dollar continues to remain the predominant component accounting for 57.1 per cent of total external debt at end-March 2016, followed by debt denominated in Indian rupee (28.9 per cent), SDR (5.8 per cent), Japanese yen (4.4 per cent) and Euro (2.5 per cent).

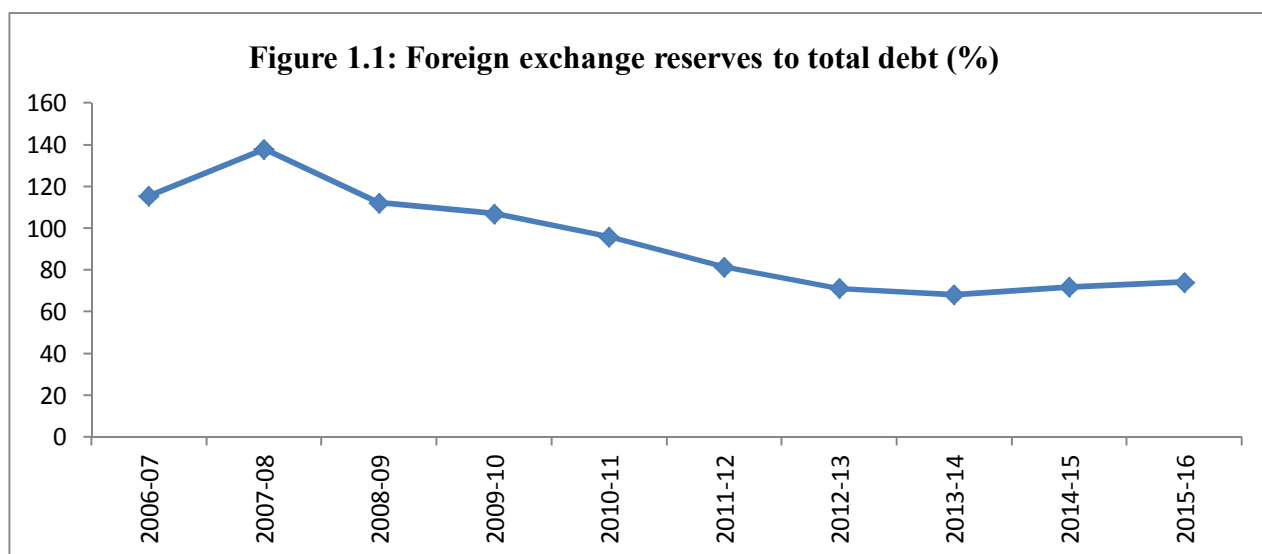
1.8 The valuation effect reflecting the appreciation of the US dollar in the international market moderated the increase in India's external debt. Excluding the valuation effect, the stock of external debt at end-March 2016 would have increased by US\$ 16.4 billion over the previous year.

1.9 Notwithstanding the increase in debt service ratio to 8.8 per cent in 2015-16 from 7.6 per cent in 2014-15, all external debt indicators show that India's external debt has remained within manageable limits (Table 1.1 and Annex II). As a proportion of GDP, external debt was 23.7 per cent in 2015-16, a shade below the share of 23.8 per cent in 2014-15. Foreign exchange reserves as a proportion of total external debt, were 71.9 per cent in 2014-15 and 74.2 per cent in 2015-16, thus reversing the declining trend since 2008-09 (Figure 1.1). India's external debt is dominated by long-term debt with its share in total debt showing a rising trend since 2013-14.

Table 1.1: India's Key External Debt Indicators

At end March	External Debt (US\$ billion)	External Debt to GDP	Debt Service Ratio	Foreign Exchange Reserves to Total Debt	Concessional Debt to Total Debt	(Per cent)		
						Short- Term Debt to Foreign Exchange Reserves	Short- Term Debt to Total Debt	Long- Term Debt to Total Debt
1	2	3	4	5	6	7	8	9
2006-07	172.4	17.5	4.7	115.6	23.0	14.1	16.3	83.7
2007-08	224.4	18.0	4.8	138.0	19.7	14.8	20.4	79.6
2008-09	224.5	20.3	4.4	112.2	18.7	17.2	19.3	80.7
2009-10	260.9	18.2	5.8	106.9	16.8	18.8	20.1	79.9
2010-11	317.9	18.2	4.4	95.9	14.9	21.3	20.4	79.6
2011-12	360.8	21.1	6.0	81.6	13.3	26.6	21.7	78.3
2012-13	409.4	22.4	5.9	71.3	11.1	33.1	23.6	76.4
2013-14	446.2	23.8	5.9	68.2	10.4	30.1	20.5	79.5
2014-15 PR	475.0	23.8	7.6	71.9	8.8	25.0	18.0	82.0
2015-16 QE	485.6	23.7	8.8	74.2	9.0	23.1	17.2	82.8

PR: Partially Revised; QE: Quick Estimates.



1.10 India continues to be among the less vulnerable nations in terms of its key debt indicators which compare well with other indebted developing countries. According to the World Bank's "International Debt Statistics, 2016" which gives the debt data of developing countries for 2014, India's position was third in terms of absolute external debt stock, after China and Brazil in 2014. The ratio of India's external debt stock to gross national income (GNI) at 22.7 per cent was the third lowest after China and Bangladesh. In terms of the cover provided by foreign exchange reserves to external debt, India's position was fifth highest at 65.5 per cent. As per the latest data on external debt given in the World Bank's Quarterly External Debt Statistics, India's position among the top debtor developing countries is third in 2015 (end-March) and 2016 (end-March). Among BRICS, India is at fourth position after China, Brazil and Russian Federation. Internationally the top 20 debtor countries in the world are the developed countries with US at the top. India is not among the top 20 debtor countries in the world and is at 25th position.

CHAPTER 2

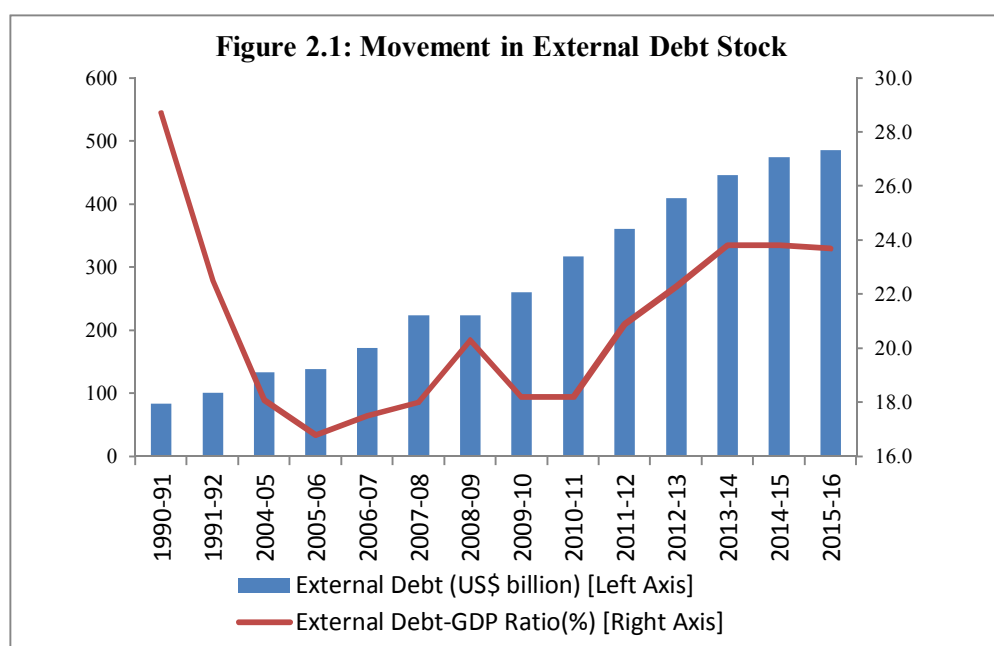
CLASSIFICATION OF EXTERNAL DEBT

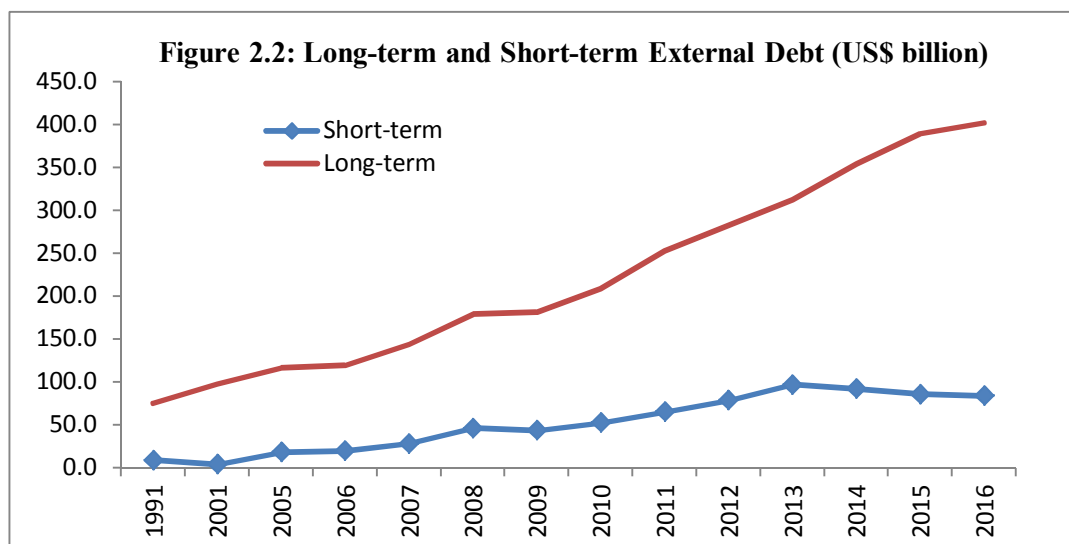
2.1 Stock of External Debt

2.1.1 India's external debt stock in US dollar terms at US\$ 485.6 billion at end-March 2016, recorded an increase of 2.2 per cent over the level at end-March 2015. In rupee terms, the external debt stock stood at ₹ 3,223,020 crore, an increase of 8.4 per cent over the end-March 2015 level of ₹ 29,73,865 crore. The higher increase in rupee terms reflects the depreciation in exchange rate of the rupee (Table 2.1). The rise in external debt during the period was due to higher levels of long term debt, especially NRI deposits. The growth in NRI deposits can be attributed to the rise in NR(E)RA and FCNR(B) deposits. India's external debt to GDP ratio has declined significantly since the early 1990s with fluctuations in a later period but showed a consistent rise since 2011-12 with a marginal decline in 2015-16 (Figure 2.1). During early 1990s, it used to be around 30 per cent. Notwithstanding the moderation in the rate of growth of external debt in dollar terms, the steady rise in external debt-GDP ratio till 2015, reflects the weakening of the rupee against the US dollar. External Debt, in rupee terms, increased relatively at a faster pace compared to GDP till 2015. The composition of external debt indicates the dominance of long-term debt (Figure 2.2). Over the years, while short term debt has increased at a relatively moderate pace, long term debt has gone up steeply from 2009 to 2016.

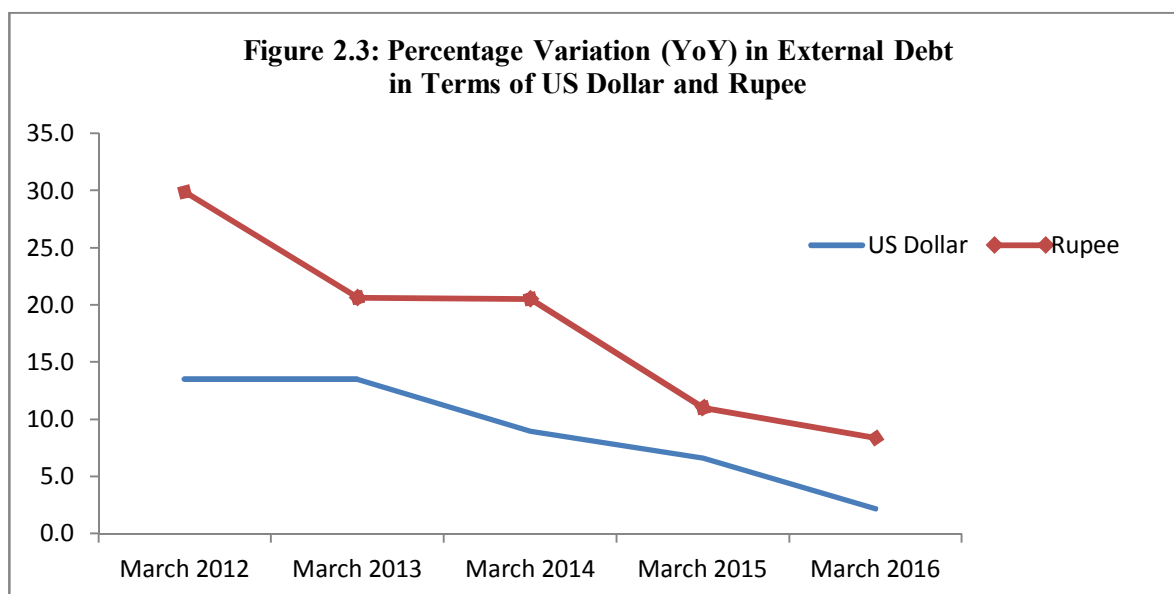
Table 2.1: India's External Debt Stock (2010-16)

Unit	at end-March						
	2010	2011	2012	2013	2014	2015	2016
1	2	3	4	5	6	7	8
US dollar million	260,935	317,891	360,766	409,374	446,178	475,045	485,614
Growth (%)	-	21.8	13.5	13.5	9.0	6.5	2.2
Rupees crore	1,178,638	1,419,407	1,844,167	2,224,734	2,682,214	2,973,865	3,223,020
Growth (%)	-	20.4	29.9	20.6	20.6	10.9	8.4
External debt to GDP (per cent)	18.2	18.2	21.1	22.4	23.8	23.8	23.7





2.1.2 While growth in external debt has been decelerating both in dollar and rupee terms, the difference between growth rates of external debt in rupee and US dollar terms at end-March 2016 and end-March 2015 reflects the depreciation of the rupee vis-à-vis the US dollar by around 5-6 per cent during the period. India has been mainly a current account deficit country that has been financed by capital flows. The impact of rupee depreciation is reflected in the relatively higher growth in external debt stock in rupee terms vis-a-vis dollar terms. While the gap between the two had narrowed down in March 2015 there was a small widening in March 2016 (Figure 2.3).



2.1.3 External debt is contracted in different currencies and the data on external debt is indicated in terms of US dollar. The valuation effect arises on account of the fact that exchange rate of US dollar fluctuates over time vis-a-vis other currencies. Excluding the *valuation effect* due to the appreciation of US dollar against the Indian rupee and other major currencies, the stock of external debt at end-March 2016 in US dollar terms would have increased by US\$ 16.4 billion instead of US\$ 10.6 billion over end-March 2015.

2.1.4 Increase in India's external debt during financial year 2015-16 was primarily on account of rise in NRI deposits. The growth in NRI deposits can be attributed to the rise in NR(E)RA and FCNR(B) deposits. Short-term external debt, however registered a decline at end-March 2016 over the level at

end-March 2015 primarily due to lower trade related credits, which is the principal component of short term debt, reflecting the impact of economic slowdown and moderation in imports. Among the other components, FII Investment in Government Treasury Bills and other instruments fell in the last two years and external debt liabilities of central and commercial banks registered a decline in 2015 and a slight recovery in 2016.

2.2 Creditor Classification

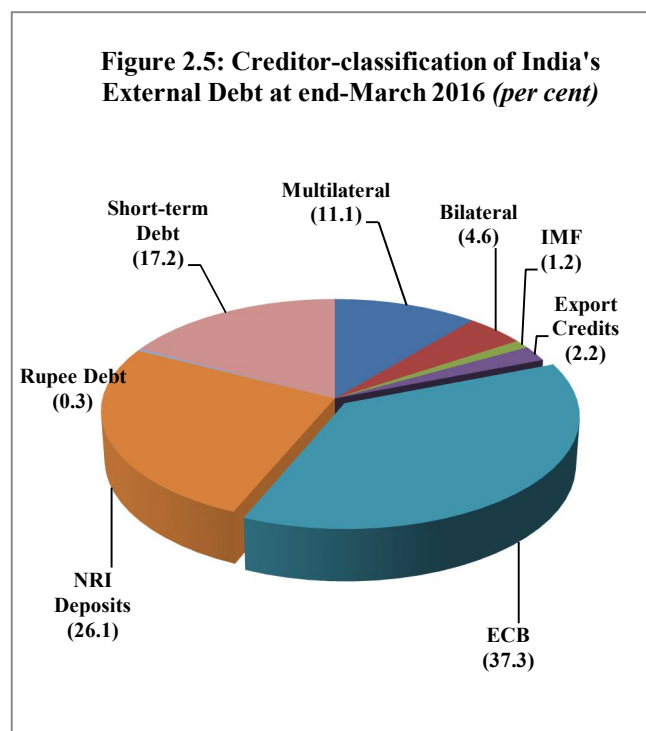
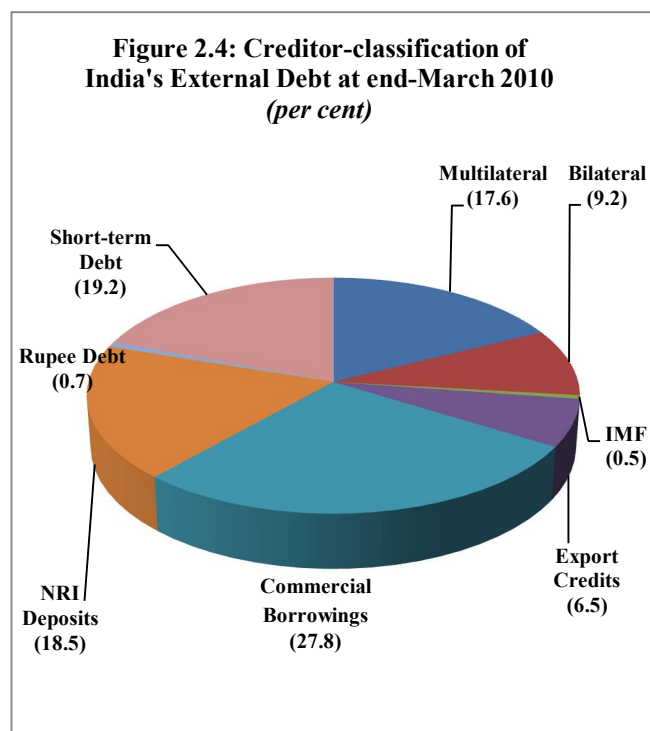
2.2.1 The composition of India's external debt has changed over the years in terms of duration/maturity and is being dominated by private flows like commercial borrowings, and NRI deposits under long term debt and trade credit under short-term debt (Table 2.2 and 2.3). During 2015-16, component-wise, the export credit, rupee debt and short term debt have shown a decline over the previous year, while other components viz., multilateral and bilateral credit, commercial borrowings and NRI deposits have exhibited a rise. Among these, commercial borrowings have shown a marginal rise of 0.4 per cent in 2015-16 compared to the sharp rise in 2014-15, while NRI deposits have exhibited a high rise of 10.9 per cent and 10.2 per cent in 2014-15 and 2015-16 respectively. The present composition of India's external debt is given in Figure 2.5. At end-March 2016, India's long-term external debt stood at US\$ 402.2 billion (82.8 per cent) while short-term debt was US\$ 83.4 billion (17.2 per cent of total debt stock of US\$ 485.6 billion).

Table 2.2: Composition of India's External Debt (US\$ million)

Sl. No	Components	Amount			% share			Variation			
								Amount		Per cent	
		2014	2015 PR	2016 QE	2014	2015 PR	2016 QE	2014 to 2015	2015 to 2016	2014 to 2015	2015 to 2016
1	2	4	5	6	7	8	9	10	11	12	13
1.	Multilateral	53,418	52,391	53,969	12.0	11.0	11.1	-1,027	1,578	-1.9	3.0
2.	Bilateral	24,727	21,751	22,504	5.5	4.6	4.6	-2,976	753	-12.0	3.5
3.	IMF	6,149	5,488	5,605	1.4	1.2	1.2	-661	117	-10.7	2.1
4.	Export credit	15,518	12,620	10,669	3.5	2.7	2.2	-2,898	-1,951	-18.7	-15.5
5.	Commercial Borrowings	149,375	180,628	181,286	33.5	38.0	37.3	31,253	658	20.9	0.4
6.	NRI Deposits	103,845	115,163	126,929	23.3	24.2	26.1	11,318	11,766	10.9	10.2
7.	Rupee debt	1,468	1,506	1,278	0.3	0.3	0.3	38	-228	2.6	-15.1
8.	Long-term debt (1 to 7)	354,500	389,547	402,240	79.5	82.0	82.8	35,047	12,693	9.9	3.3
9.	Short-term debt (Original Maturity of which Trade credits	91,678	85,498	83,374	20.5	18.0	17.2	-6,180	-2,124	-6.7	-2.5
10.	Total External Debt (8+9)	446,178	475,045	485,614	100.0	100.0	100.0	28,867	10,569	6.5	2.2

PR: Partially Revised, QE: Quick Estimates.

2.2.2 Among the long-term components - external commercial borrowings, NRI deposits and multilateral debt accounted for 74.5 per cent of total external debt, while 8.3 per cent of external debt was accounted for by the other components - mainly bilateral debt and export credit. Between 2010(end-March) and 2016 (end-March) there were significant shifts in shares to commercial borrowings which continued to be the highest (37.3 per cent) in total external debt followed by NRI deposits (26.1 per cent) (Figure 2.4). Detailed, component-wise external debt since 2006 in rupees and US dollars are given in Annex III and Annex IV respectively and the quarterly external debt outstanding since March 2014 in rupees and US dollars component-wise are given in Annex V and VI, respectively.



2.2.3 Creditor's classification of India's external debt shows that the share of *official* creditors in total external debt has declined over the years, while the share of private creditors has increased from 71.4 per cent at end-March 2010 to 82.6 per cent at end-March 2016 (Table 2.3).

Table 2.3: Share of Official and Private Creditors in External debt (Per cent)

At end-March	Official Creditors	Private Creditors
1	2	3
2008	28.4	71.6
2009	28.5	71.5
2010	28.6	71.4
2011	26.3	73.7
2012	24.0	76.0
2013	20.9	79.1
2014	19.5	80.5
2015PR	17.3	82.7
2016QE	17.4	82.6

PR: Partially Revised; QE: Quick Estimates.

Note: (1) Official creditors include multilateral and bilateral sources of finance, loans and credits obtained from IMF, export credit component of bilateral credit, export credit for defence purposes and rupee debt. (2) Private creditors denote sources of loans raised under ECBs, NRI deposits, export credits (other than those included under official creditors and short-term debt).

2.3 Borrower Classification

2.3.1 The borrower classification provides break-up of India's external debt into Government (Sovereign) and non-Government debt (Table 2.4 and Annex VII) and both these debts are dominated by long term components. Sovereign debt (Government debt) increased to US\$ 93.4 billion at end-March 2016 from US\$ 89.7 billion at end-March 2015 though its share in total debt has fallen over the years from 25.7 percent at end-March 2010 to 18.9 percent at end-March 2016.

2.3.2 Non-Government debt has two components financial and non-financial sectors with the latter further classified into public and private sectors. Non-Government debt as a proportion of total external debt increased from 74.3 per cent at end-March 2010 to 81.1 per cent at end-March 2016. With the rising share of non-Government debt over the years, the composition of such debt assumes importance. As is evident from Table 2.4, the exposure of the financial sector and the non-financial private sector to external sources of finance is larger as compared to that of the non-financial public sector.

Table 2.4: External Debt by Borrower Classification (US\$ million)

Sl.	Components	at end-March						
		2010	2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8	9
I.	Government Debt (A+B)	67,067	78,072	81,896	81,654	83,695	89,717	93,437
A.	<i>Of which long-term (1+2):</i>	65,549	75,230	75,789	77,867	79,914	89,603	93,329
1.	Govt. Account	55,235	62,295	63,374	61,335	62,204	58,462	61,060
2.	Other Govt. Debt	10,314	12,935	12,415	16,532	17,710	31,141	32,269
B.	<i>Of which short-term:</i>	1,518	2,842	6,107	3,787	3,781	114	108
II.	Non-Government Debt (C+D)	193,868	239,819	278,870	327,720	362,483	385,328	392,177
C.	<i>Of which long-term (1+2+3):</i>	143,057	177,671	206,798	234,809	274,586	299,944	308,910
1.	Financial Sector*	55,933	74,786	85,689	102,261	135,175	144,213	159,203
2	Non-Financial Sector	87,124	102,885	121,109	132,548	139,411	155,731	149,707
	of which							
	a. Public Sector**	13,749	16,070	19,180	23,943	33,226	33,911	33,777
	b. Private Sector***	73,375	86,815	101,929	108,605	106,185	121,820	115,930
D.	<i>Of which short-term:</i>	50,811	62,148	72,072	92,911	87,897	85,384	83,267
III.	Total External Debt (I+II)	260,935	317,891	360,766	409,374	446,178	475,045	485,614
Memo items:								
	Share of Government debt in total debt (per cent)	25.7	24.6	22.7	19.9	18.8	18.8	18.9
	Share of Non-Government debt in total debt (per cent)	74.3	75.4	77.3	80.1	81.2	81.2	81.1
	Ratio of Government debt to GDP (per cent)	4.7	4.5	4.7	4.4	4.5	4.5	4.6

PR: Partially Revised; QE: Quick Estimates.

*: Financial sector represents borrowings by banks and financial institutions and also include long-term NRI Deposits.

**: Public sector debt represents borrowings of non-financial public sector enterprises.

***: Private sector debt represents borrowings of non-financial private sector enterprises.

2.4 Instrument-wise Classification

2.4.1 Instrument-wise classification (*viz.*, bonds, loans, trade credits and deposits) of external debt, along with borrower details depicts the major forms through which individual sectors are gaining access to external financing. At end-March 2016, exposure across sectors is primarily in the form of loans (including multilateral, bilateral credit and bank loans), followed by deposits, trade credits and bonds (Table 2.5).

2.4.2 For the Government and the non-financial private sector, the bulk of external debt is in the form of loans, while deposits constitute the major instrument for the financial sector. Trade credits constitute the major share in short term external debt.

Table 2.5: Instrument-wise Classification of External Debt at end-March 2016 (US\$ million)

Sl.	Borrowers	Bonds	Loans	Trade Credits	Deposits	Total
1	2	3	4	5	6	7
I	Government	25,650 (5.3)	60,731 (12.5)	1,344* (0.3)	5,605** (1.2)	93,330 (19.2)
II	Financial Sector	28,592 (5.9)	29,124 (6.0)	0.0 (0.0)	126,929 (26.1)	184,645 (38.0)
III	Non-Financial Public Sector	4,315 (0.9)	29,461 (6.1)	0.0 (0.0)	0.0 (0.0)	33,776 (7.0)
IV	Non-Financial Private Sector	8,173 (1.7)	81,407 (16.8)	909 (0.2)	0.0 (0.0)	90,489 (18.6)
V	Short-Term Debt	3,353 (0.7)	0.0 (0.0)	80,021 (16.5)	0.0 (0.0)	83,374 (17.2)
VI	Total External debt*** (I to V)	70,083 (14.4)¹	200,723 (41.3)	82,274 (16.9)	132,534 (27.3)	485,614 (100.0)

* Signifies 'export credit' component of bilateral external assistance.

** IMF SDR allocations have been classified as 'Deposits' under the 'Government' head.

*** Items I to IV constitute Total Long term Debt.

¹ Includes Money market instruments.

Figures in parentheses denote percentage of total external debt (US\$ 485.6 billion) at end-March 2016.

2.5 Currency Composition

2.5.1 The currency composition of India's external debt reveals the dominance of US dollar denominated debt. At end-March 2016, the share of the US dollar debt in total external debt stood at 57.1 per cent, followed by the Indian rupee (28.9 per cent), SDR (5.8 per cent) and Japanese yen (4.4 per cent) (Table 2.6 and Annex IX). The share of rupee denominated debt in total external debt increased sharply from 21.8 per cent at end-March 2014 to 27.8 per cent at end-March 2015 and further to 28.9 per cent at end-March 2016, owing to increased investment by FIIs in Government securities and corporate debt instruments compared to earlier periods.

Table 2.6: Currency Composition of External Debt (Per cent)

Sl.	Currency	at end-March						
		2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9
1.	US Dollar	53.2	55.3	56.9	59.1	61.1	58.3	57.1
2.	Indian Rupee	18.7	18.8	20.5	22.9	21.8	27.8	28.9
3.	SDR*	10.7	9.4	8.3	7.2	6.8	5.8	5.8
4.	Japanese Yen	11.5	10.9	8.7	6.1	5.0	4.0	4.4
5.	Euro	3.6	3.6	3.7	3.4	3.3	2.3	2.5
6.	Pound Sterling	1.8	1.6	0.9	0.7	1.1	0.9	0.8
7.	Others	0.5	0.4	1.0	0.6	0.9	0.9	0.5
Total (1 to 7)		100.0	100.0	100.0	100.0	100.0	100.0	100.0

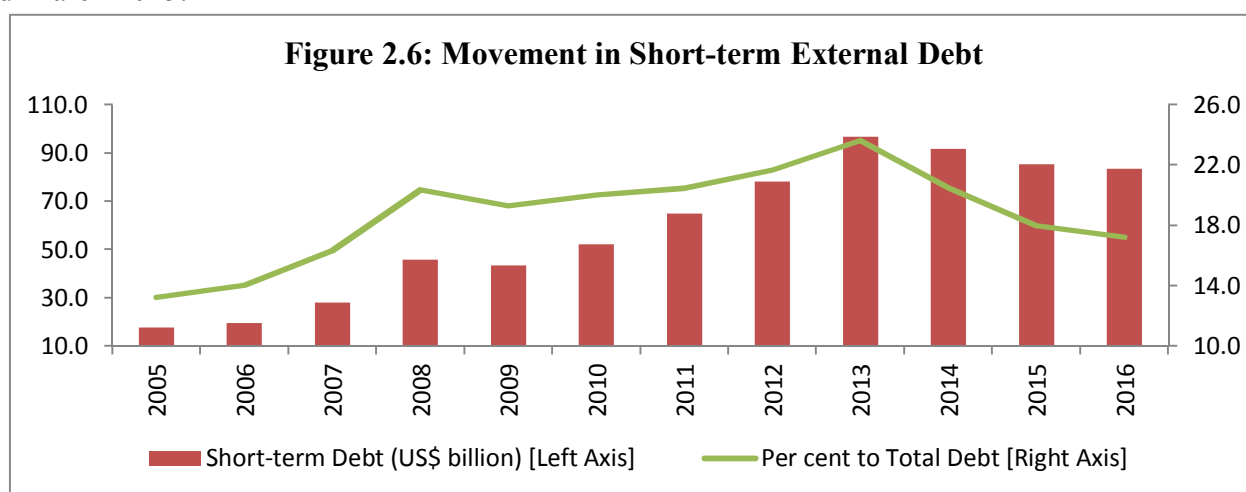
PR: Partially Revised; QE: Quick Estimates. * The SDR created by the IMF in 1969 to serve as an international reserve asset to supplement the official reserves of the member countries. The SDR valuation basket w.e.f January 1, 2011 consists of the following currencies with their associated weightage; US Dollar (41.9 per cent), Euro (37.4 per cent), Pound Sterling (11.3 per cent) and Japanese Yen (9.4 per cent) (Source: IMF). In case the currencies in the SDR basket are separately considered, the share of each currency in the table above would rise correspondingly.

2.6 Short-term External Debt

I. Short-term debt based on original maturity

2.6.1 Short-term debt includes: (i) Trade credit up to 180 days as well as above 180 days and up to 1 year, (ii) Foreign Institutional Investor (FII) investments in Government Treasury Bills and corporate securities, (iii) investments by foreign central banks and international institutions in Treasury Bills, and (iv) external debt liabilities of central bank and commercial banks. Trade credits are the single dominant component with a share of 96.0 percent in total short term debt at end-March 2016.

2.6.2 India's short-term debt (by original maturity) exhibited an upward trend particularly from the second half of the decade of 2000s to 2012-13, reflecting the growing import trade, besides the impact of revision in the coverage of short-term debt¹. However, it has been falling since 2013-14, with fall in trade credits reflecting the fall in imports. At end-March 2016, short-term external debt stood at US\$ 83.4 billion showing a decline of 2.5 per cent over end-March 2015 (Figure 2.6). There is also a fall in the last two years even in the other two important components viz. FII investment in Govt treasury bills & corporate securities and external debt liabilities of commercial banks (Table 2.7). Short-term debt also declined as a ratio of foreign exchange reserves at end-March 2016 to 23.0 percent from 25.0 percent at end-March 2015.



¹ Redefined from 2005-06 by including suppliers' credit (up to 180 days) and FII investments in the Government of India Treasury Bills and other instruments, and further in March 2007 by including external debt liabilities of the banking system and the investment in the Government securities by the foreign central banks and international institutions.

Table 2.7: Short-term Debt by Original Maturity

(US\$ million)

Sl.	Category	at end-March						
		2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9
1.	Short-term Debt (a to d)	52,329	64,990	78,179	96,697	91,678	85,498	83,374
a)	Trade Credits (1+2)	47,473	58,463	65,130	86,787	81,743	81,631	80,021
	1. Above 6 months and up to 1 year	28,003	35,347	39,182	59,021	54,992	53,405	51,207
	2. Up to 6 months	19,470	23,116	25,948	27,766	26,751	28,226	28,814
b)	FII investment in Govt. Treasury Bills and corporate securities	3,357	5,424	9,395	5,455	5,605	1,167	20
c)	Investment in Treasury Bills by foreign central banks and international Institutions, etc.	103	50	64	82	95	114	108
d)	External debt liabilities of	1,396	1,053	3,590	4,373	4,235	2,586	3,225
	1. Central Bank	695	155	170	181	148	150	180
	2. Commercial Banks	701	898	3,420	4,192	4,087	2,436	3,045

PR: Partially Revised; QE: Quick Estimates.

II. Short-term debt by residual maturity

2.6.3 Short term external debt by residual maturity includes short term debt by original maturity as well as long term debt repayments falling due within the next twelve months. The data on external debt by residual maturity is useful in assessing liquidity requirements to service contractual obligations within a year. Short-term debt is also known as a measure of external financing requirements of the economy. Apart from short term debt by original maturity, short term debt by residual maturity includes sovereign debt, commercial borrowings and NRI deposits, i.e., Foreign Currency Non-Resident Bank Deposit [FCNR(B)], Non-Resident (External) Rupee Account [NR(E)RA] and Non-Resident Ordinary Account [NRO] (Table 2.8).

Table 2.8: Short Term External Debt by Residual Maturity

(US\$ million)

Component	at end-March				
	2012	2013	2014	2015	2016
1	2	3	4	5	6
1. Sovereign Debt \$	4,455	5,603	5,708	6,807	4,337
2. Commercial Borrowings #	21,978	21,038	24,870	31,379	28,773
3. NRI Deposits (i+ii+iii)	42,800	49,005	54,768	58,998	90,389
i) FCNR (B)	12,169	11,816	12,965	12,162	33,851
ii) NRE(E)RA	21,882	29,575	34,303	39,193	48,027
iii) NRO	8,750	7,613	7,501	7,644	8,512
4. Short-term Debt* (Original Maturity)	78,179	96,697	91,678	85,498	83,374
Total Debt (1 to 4)	147,411	172,343	177,025	182,684	206,873

\$: Inclusive of FII investments in Government securities.

#: Commercial Borrowings are inclusive of trade credit, FII investments in corporate debt instruments and a portion of non-Government multilateral and bilateral borrowings.

*: Also includes FII investments in sovereign debt and commercial paper.

Note: Residual maturity of NRI Deposits is estimated on the basis of returns submitted by authorised dealers.

2.6.4 The analysis of the components of short term debt by residual maturity in 2016 reveals that NRI deposits occupies the major share (43.7 per cent) followed by short term debt with original maturity (40.3 per cent), commercial borrowings (13.9 per cent) and sovereign debt (2.1 per cent). Among NRI deposits, NR(E)RA occupies the major share.

2.6.5 Short term debt (residual maturity) increased by 13.2 per cent to US\$ 206.9 billion at end-March 2016. As a percentage of external debt it increased to 42.6 per cent at end-March 2016 from 38.2 per cent at end March 2015. It also increased as a ratio of foreign exchange reserves to 57.4 per cent at end-March 2016 from 53.5 per cent at end-March 2015. This is mainly due to high growth of 53.2 percent in NRI deposits (Box 2.1). Though, all three components of NRI deposits increased, the major increase is in FCNR(B) deposits mobilised under the special swap scheme in 2013 announced by RBI to deal with the high current account deficit and depreciating rupee. All other components viz. sovereign debt, commercial borrowings and short term debt (original maturity) have registered declines.

Box 2.1: NRI Deposits

Types of NRI Deposits

Under the Foreign Exchange Management Act (FEMA) of 1999, Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) can open and maintain three types of accounts namely, Non-Resident Ordinary Rupee Account (NRO Account), Non-Resident (External) Rupee Account NR(E)RA and Foreign Currency Non Resident (Bank) Account – FCNR (B) Account. NR(E)RA and NRO are rupee deposit accounts, while FCNR(B) is a foreign currency denominated deposit account.

Growth in NRI Deposits

Since 1991, India has experienced sharp growth in NRI deposits from US\$ 14.0 billion at end-March 1991 to US\$ 126.9 billion at end-March 2016 (Table 1)

Table 1: NRI Deposits (US\$ billion)

Year (End-March)	FCNR (B)	NR(E)RA	NRO	Total NRI deposits
1990-91	10.3*	3.7	0**	14.0
1995-96	10.0*	3.9	3.5	17.4
2000-01	9.1	7.1	6.9	23.1
2005-06	13.1	22.1	1.1	36.3
2006-07	15.1	24.5	1.6	41.2
2007-08	14.2	26.7	2.8	43.7
2008-09	13.2	23.6	4.8	41.6
2009-10	14.3	26.3	7.4	48.0
2010-11	15.6	26.4	9.7	51.7
2011-12	15.0	31.4	12.2	58.6
2012-13	15.2	45.9	9.7	70.8
2013-14	41.8	52.9	9.1	103.8
2014-15	42.8	62.7	9.6	115.1
2015-16	45.3	71.5	10.1	126.9

* In 1990-91, only FCNR (A) was there, while for 1995-96, the figure is a sum of both FCNR (A) and FCNR (B) deposits. Post-1998 period, FCNR (B) completely replaced the FCNR (A).

** NRO deposits are not freely repatriable and started accruing from 1992-93 as per the RBI data.

Source: RBI

There was a sharp growth in FCNR (B) deposits during 2013-14, increasing from US\$15.2 billion in 2012-13 to US\$ 41.8 billion in 2013-14. This increase was mainly due to the special swap window for FCNR (B) deposits and banks overseas borrowings through which nearly US\$34 billion was mobilized in 2013-14 to finance the growing current account deficit and arrest the falling rupee situation during that period. In 2013, the RBI did a buy/sell arrangement with banks against these deposits, taking dollars and providing rupees to banks, with a promise to provide the same amount of dollars and take back rupees. When NRIs redeem a large chunk of FCNR(B) deposits held in Indian banks in September 2016, the RBI has to return the dollars to the banks and take back the rupees.

Maturity of NRI Deposits

The short-term portion (which is to be paid in the next one year) of FCNR(B) component of NRI deposits has shot up from US\$ 12.2 billion at end-March 2015 to US\$ 33.9 billion at end-March 2016 (Table 2). This rise of more than US\$ 20 billion is on account of redemptions of FCNR (B) deposits accrued between September-November 2013 during the special swap window opened for NRIs. The three year deposits start maturing in September 2016.

Table 2: Maturity of NRI Deposits (US\$ billions)

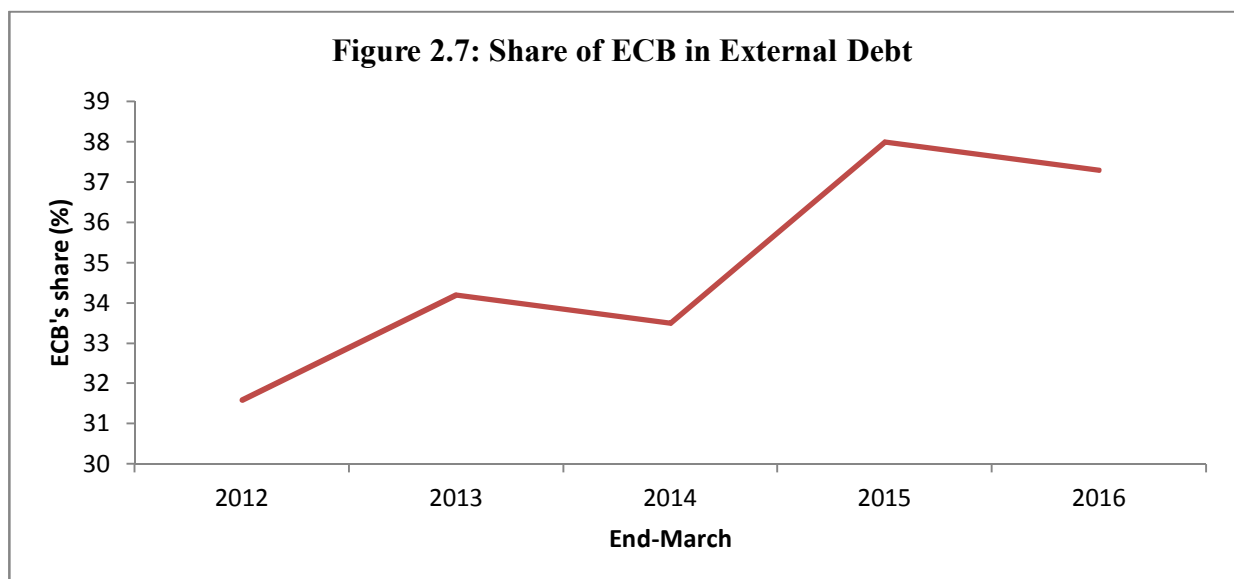
Components	End-March 2015		End-March 2016	
	Upto one year	More than 1 year	Upto one year	More than 1 year
FCNR(B)	12.2	30.6	33.9	11.4
NR(E)RA	39.2	23.6	48.0	23.5
NRO	7.6	2.0	8.5	1.6
Total	59.0	56.2	90.4	36.5

Source: RBI

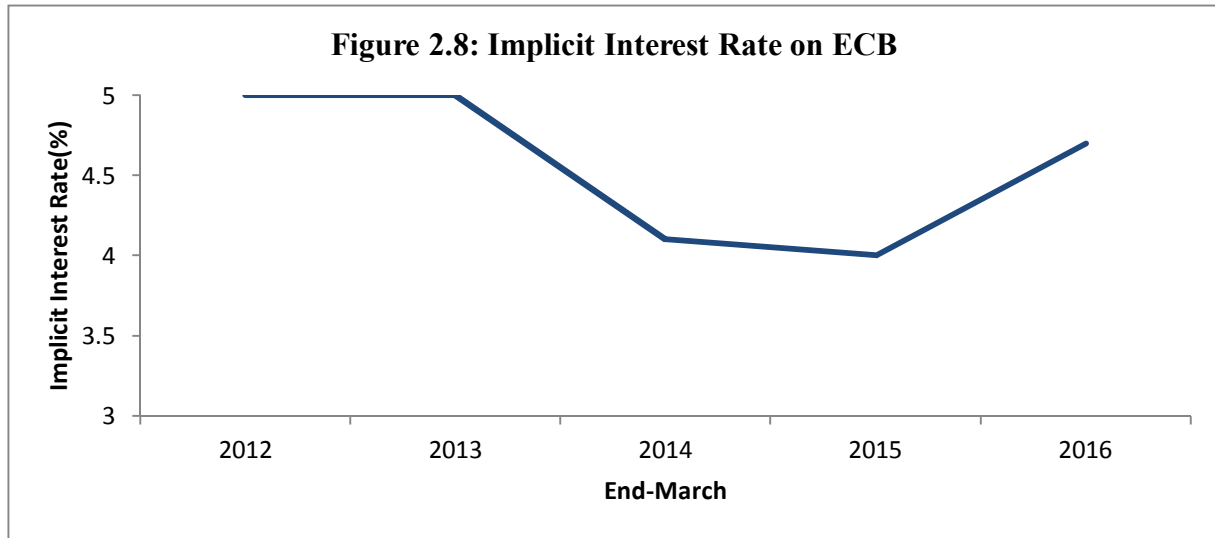
The FCNR (B) redemptions are unlikely to lead to any major market disruptions as preparations have already been made and the RBI has been frontloading liquidity provision through open market operations and spot interventions/deliveries of forward purchases. The Reserve Bank has also stated that it will continue with both domestic liquidity operations and foreign exchange interventions which should also enable management of the FCNR (B) redemptions without market disruptions.

2.6.6 ECBs by Residual Maturity

ECB has been a significant component in India's external debt and the key driver of its magnitude. ECB has been occupying the highest share in India's external debt over the years (Figure 2.7) with the share at 37.3 per cent as at end-March 2016. ECBs have largely witnessed a rising trend in the last few years.



The implicit interest rate on external commercial borrowings which had declined in 2013-14 and 2014-15, increased from the previous year and stood at 4.7 per cent in 2015-16 (Figure 2.8).



In the External Commercial Borrowings (ECBs) by residual maturity, Commercial loans less of financial lease has the largest share in the maturity amount of ECBs in all time-buckets (Table 2.9). Other major items are Foreign Currency Convertible Bond (FCCB), export credit and securitised instruments. The time interval analysis shows that as at end-March 2016, the highest maturity amount falls in the bracket 'above 1 to 6 years' at 61.9 per cent of the total maturity amount outstanding, followed by 'upto 1 year' (20.4 per cent), 'above 6 to 12 years' (15.2 per cent), and 'over 12 years' (2.5 per cent).

Table 2.9: Residual maturity of ECBs Outstanding (Principal) as at End-March 2016

Loan Classification	Maturity Amount (In US\$ million)			
	Upto 1 year	Above 1 year but up to 6 years	Above 6 years but up to 12 years	Over 12 years
Multilateral (Public)	47.3	184.4	173.3	18.8
Multilateral (F.I.)	327.5	1,091	515.7	100.8
Multilateral (Private)	155.2	409.9	121.6	32.2
Total for Multilateral	530.0	1,685.4	810.6	151.7
Bilateral (Public)	445.1	311.3	57.8	20.0
Bilateral (F.I.)	28.8	29.8	-	-
Bilateral (Private)	681.6	1,762.6	679.6	14.5
Total for Bilateral	1,155.6	2,103.7	737.4	34.4
Export Credit (Buyers')	2,214.6	4,959.0	1,212.6	30.0
Export Credit (Supplier)	191.9	600.0	108.0	9.5
Total for Export Credit	2,406.5	5,559.0	1,320.6	39.5
Comm.Loans-Less.Fin.Lease	19,190.5	63,886.3	10,964.0	974.2
Comm.Loans.(Fin. Lease)	386.7	1,132.2	1,294.5	55.5
Securitized Instruments	759.9	4,645.9	4,462.5	1,024.1
FCCB	2,080.9	1,589.6	-	1,074.3
Comm-Mult/Bilat Guar IFC	49.6	103.4	212.5	0.4
Total for Commercial Borrowings	22,467.6	71,357.5	16,933.6	3,128.5
Grand Total	26,559.7	80,705.6	19,802.2	3,354.2

In response to prevailing conditions, ECB guidelines have been reviewed under the revised framework – March 2016 (Box 2.2).

Box 2.2: External Commercial Borrowings (ECB) – Revised Framework (March 2016)

Taking into account the prevailing external funding sources, particularly for long term lending and the critical needs of infrastructure sector of the country, the ECB guidelines have been reviewed by the RBI in consultation with the Government of India. Accordingly, the changes announced in the ECB framework include the following:-

- Companies in infrastructure sector, Non-Banking Financial Companies -Infrastructure Finance Companies (NBFC-IFCs), NBFCs-Asset Finance Companies (NBFC-AFCs), Holding Companies and Core Investment Companies (CICs) will also be eligible to raise ECB under Track I of the framework with minimum average maturity period of 5 years, subject to 100 per cent hedging.
- For the purpose of ECB, “Exploration, Mining and Refinery” sectors which are not included in the Harmonised list of infrastructure sector but were eligible to take ECB under the previous ECB framework will be deemed as in the infrastructure sector, and can access ECB as applicable to infrastructure sector under (i) above.
- Companies in infrastructure sector shall utilize the ECB proceeds raised under Track I for the end uses permitted for this Track. NBFCs-IFCs and NBFCs-AFCs will, however, be allowed to raise ECB only for financing infrastructure.
- Holding Companies and CICs shall use ECB proceeds only for on-lending to infrastructure Special Purpose Vehicles (SPVs).
- The individual limit of borrowing under the automatic route for aforesaid companies shall be as applicable to the companies in the infrastructure sector (currently US\$ 750 million). Companies in infrastructure sector, Holding Companies and CICs will continue to have the facility of raising ECB under Track II of the ECB framework subject to the conditionalities prescribed thereof.

(Source: RBI)

2.6.7 Total External Debt by Residual Maturity

External debt by residual maturity reveals that as at end-March 2016, short term debt (residual maturity) of upto one year occupies a major share (42.6 per cent) in total debt, followed by ‘more than 3 years’ category (41.3 per cent), ‘2 to 3 years (8.1 per cent), and ‘1 to 2 years’ (7.9 per cent) (Table 2.10). Among the components, commercial borrowings are the highest followed by NRI deposits, sovereign debt and short term debt by original maturity. Among NRI deposits, NR (E)RA occupies a major share.

Table 2.10: Residual Maturity of External Debt Outstanding as at End-March 2016

Component	Short-term up to one year	Long-term			(US\$ billion)
		1 to 2 years	2 to 3 years	More than 3 years	Total (2 to 5)
		3	4	5	6
1. Sovereign Debt (long-term) \$	4.3	5.6	5.9	77.5	93.4
2. Commercial Borrowings #	28.8	19.6	22.2	111.4	182.0
3. NRI deposits {(i)+(ii)+(iii)}	90.4	13.3	11.5	11.8	126.9
(i) FCNR(B)	33.9	2.2	5.9	3.4	45.3
(ii) NR(E)RA	48.0	10.2	5.3	7.9	71.5
(iii) NRO	8.5	0.9	0.3	0.5	10.1
4. Short-term Debt* (Original maturity)	83.4				83.4
Total (1 to 4)	206.9	38.5	39.6	200.6	485.6
Memo Items					
Short-term debt (Residual maturity as per cent of total external debt)					42.6
Short-term debt (Residual maturity as per cent of Reserves)					57.4

\$: Inclusive of FII Investments in Government Securities.

#: Commercial Borrowings are inclusive of trade credit, FII investments in corporate debt instruments and a portion of non-Government multilateral and bilateral borrowing and therefore may not tally with the figures provided in other Tables under original maturity.

*: Also includes FII investments in sovereign debt and commercial paper.

Note: Residual Maturity of NRI Deposits is estimated on the basis of returns submitted by authorized dealers.

2.7 Concessional Debt

2.7.1 Softer terms of a loan in relation to prevailing market conditions indicates concessionality. Concessionality could be reflected in terms of lower rate of interest, elongation of maturity or repayment periods and is measured by the difference between the face value of a credit and the sum of the discounted future debt service payments.

2.7.2 Different multilateral institutions follow different norms for classifying credits into concessional and non-concessional. In India, loans from International Development Association (IDA), International Fund for Agricultural Development (IFAD), Rupee debt are categorized as concessional. The proportion of concessional loans in total external debt has declined steadily from 16.8 per cent at end-March 2010 to 9.0 per cent at end-March 2016 (Table 2.11). The decline in the share of concessional debt broadly reflects the declining share of multilateral and bilateral debt in India's total external debt.

Table 2.11 : Share of Concessional Debt in Total External Debt*(US\$ million)*

Sl.	Component	at end-March						
		2010	2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8	9
1	Total external debt (2+3)	260,935	317,891	360,766	409,374	446,178	475,045	485,614
2	Concessional debt	43,931	47,499	48,063	45,517	46,454	41,915	43,526
3	Non-concessional debt	217,004	270,392	312,703	363,856	399,724	433,130	442,088
4	<i>Concessional debt as a proportion of total debt (per cent)</i>	16.8	14.9	13.3	11.1	10.4	8.8	9.0

Note: Creditor classification is used for classifying debt as concessional.

PR: Partially Revised, QE: Quick Estimates.

2.8 Summary

2.8.1 At end-March 2016, India's external debt registered an increase of 2.2 per cent over the end-March 2015 level, though its share in GDP fell marginally to 23.7 per cent from 23.8 per cent. The maturity structure of India's external debt is favourable with the domination of long-term debt. Among the long-term debt components, commercial borrowings account for the largest share, followed by NRI deposits. US dollar denominated debt continued to be the largest component of India's external debt with a share of 57.1 per cent at end-March 2016. Government (Sovereign) external debt accounted for 18.9 per cent of total external debt at end-March 2016, while the rest 81.1 per cent was non-Government external debt.

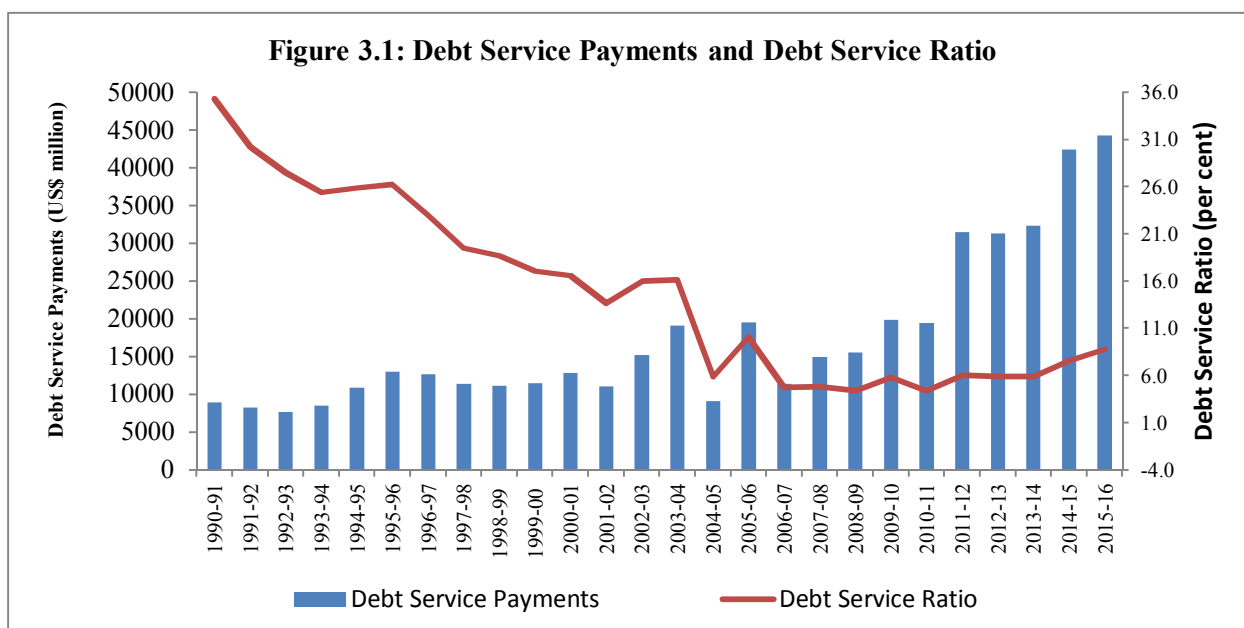
CHAPTER 3 DEBT SERVICE

3.1 Introduction

3.1.1 Debt service payment or servicing of external debt is defined as the set of payments, inclusive of both principal and interest that are made to meet the debt obligation to non-resident creditors. Debt service ratio, measured by the proportion of gross debt service payments to current receipts of Balance of Payments (BoP), serves as an important indicator of debt sustainability. A larger outgo on account of debt service payments could potentially strain the exchange rate and also increase the risk of exposing the country to external shocks.

3.2 Trends in India's Debt Service Payments

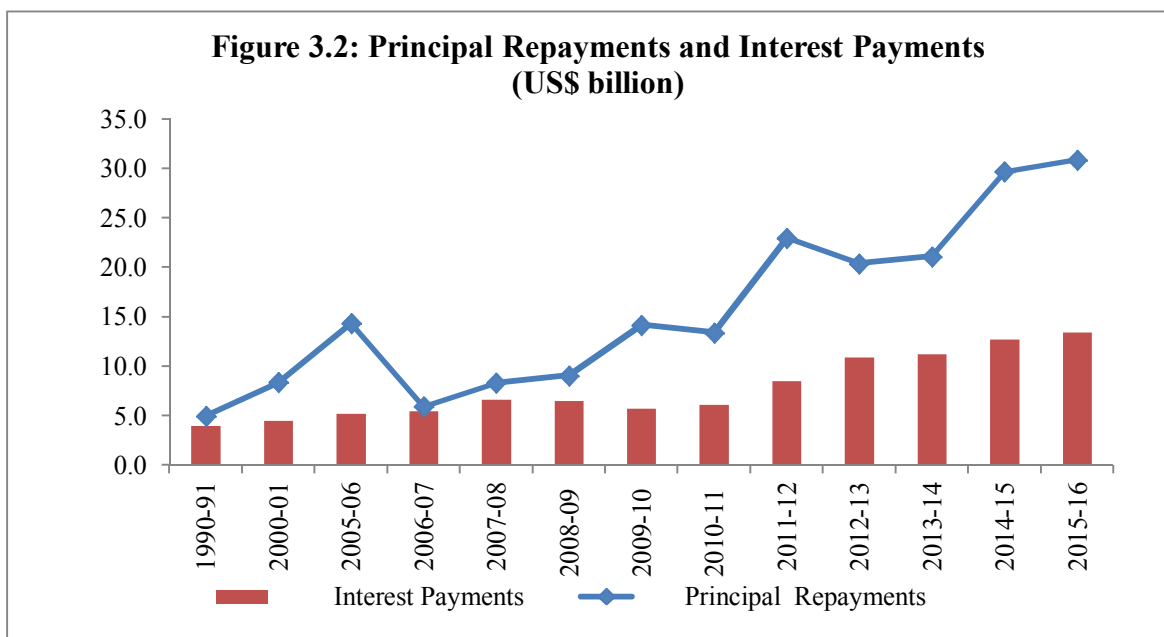
3.2.1 Gross debt service payments amounted to US\$ 44.3 billion during 2015-16, recording an increase of 4.5 per cent over the previous year. Principal repayments accounted for 69.7 per cent in India's total debt service payments in 2015-16, while the rest 30.3 per cent was on account of interest payments. Increase in debt service payments was on account of the higher repayment for ECBs and external assistance during 2015-16. Debt service ratio registered a sharp decline upto 2004-05, a small rise and then a fall in 2005-06 and 2006-07 respectively and thereafter remained around the same level till 2013-14. It has increased in 2014-15 and 2015-16. In 2015-16, the rise in debt service ratio to 8.8 per cent is firstly due to the sharp fall in current account receipts reflecting the sharp fall in exports; secondly it is due to the slight rise in gross debt service payments. The fall in current account receipts in 2015-16 is sharper than the fall in 2009-10 in the aftermath of the global financial crisis (Figure 3.1).



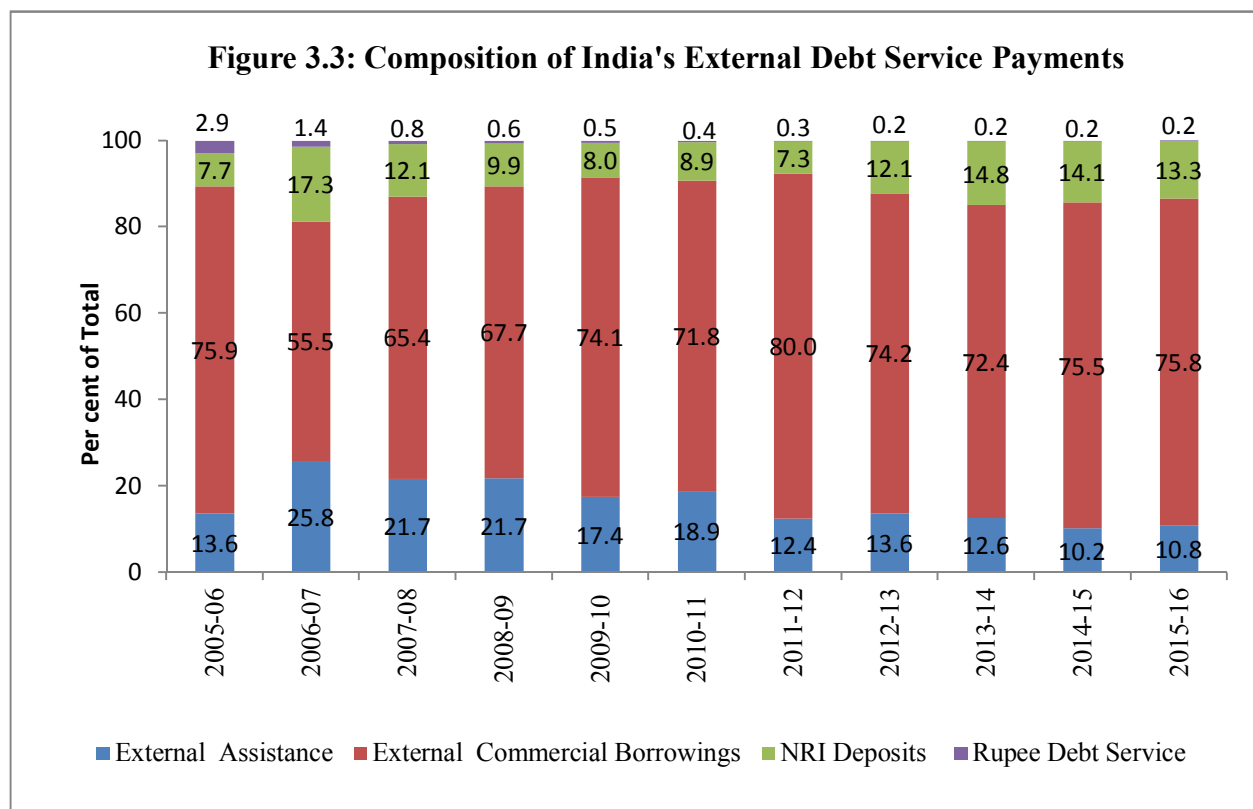
3.2.2 Component-wise debt service payments during 2010-11 to 2015-16 indicate the predominance of commercial borrowings (Table 3.1 and Figure 3.2). India's total external debt service payments which remained in the range of US\$ 31.3 billion to US\$ 32.3 billion during the period 2011-12 to 2013-14, increased to US\$ 42.4 billion in 2014-15 and US\$ 44.3 billion in 2015-16 mainly due to the rise in debt service due to ECBs. Repayments on account of NRI deposits also increased in these two years (details in Annex XI).

Table 3.1 : India's External Debt Service Payments*(US\$ million)*

Sl. No.	Components	April – March					
		2010-11	2011-12	2012-13	2013-14	2014-15 PR	2015-16 QE
1	2	3	4	5	6	7	8
1	External Assistance	3,667	3,923	4,255	4,078	4,355	4,771
	Repayments	2,839	3,125	3,415	3,383	3,667	4,099
	Interest	828	798	840	695	688	672
2	External Commercial Borrowings	13,959	25,198	23,240	23,398	31,994	33,586
	Repayments	10,451	19,782	16,914	17,702	26,004	26,716
	Interest	3,508	5,416	6,326	5,696	5990	6,870
3	NRI Deposits Interest	1,737	2,313	3,778	4,784	5,972	5,901
4	Rupee Debt Service Repayments	69	79	58	52	81	73
5	Total Debt Service (1 to 4)	19,432	31,513	31,331	32,312	42,402	44,331
	Repayments	13,359	22,986	20,387	21,137	29,752	30,888
	Interest	6,073	8,527	10,944	11,176	12,650	13,443
<i>Memo items:</i>							
	Current Receipts*	345,144	445,999	528,372	551,410	557,868	500,972
	Debt Service Ratio (%)	5.8	4.4	6.0	5.9	7.6	8.8
	Interest payments /current receipts (%)	1.7	1.4	1.6	2.0	2.3	2.7

*PR: Partially Revised; QE: Quick Estimates.***: Current Receipts minus Officials Transfers.*

3.2.3 India's debt service payments are dominated by the ECBs. ECBs account for 75.8 per cent of gross debt service payments during 2015-16. Other components such as NRI deposits, external assistance and rupee debt service contributed the rest (24.2 per cent) (Figure 3.3). The dominance of ECBs is an indication of the growing recourse to this source by the companies to meet their financing requirements. India's external debt service payments by creditor category are given in Annex XII. While, the share of NRI deposits in debt service payments has fluctuated, that of external assistance has progressively declined over the years.



3.2.4 The principal repayments under short-term debt are not included in total debt service payments, which is in line with the best international practice². Net disbursement (gross disbursements *minus* principal repayments) on short-term debt however, is a useful indicator of roll over risk in the event of external shocks. The experience of global financial crisis shows that gross disbursements of short-term credit to India declined in 2008-09, while repayment increased significantly, resulting in net outflows. With the revival of the global financial markets and economic growth, the short-term trade credit experienced net inflows during 2009-10 and 2010-11. It experienced some moderation in 2011-12 reflecting volatilities in global financial markets due to deepening euro-zone sovereign debt crisis. During 2012-13, net short-term trade credit at US\$ 21.7 billion registered substantial increase over the previous year helping in financing the elevated levels of CAD that year. The net disbursements under short term debt have turned negative during the last three years, with principal repayments being higher than the disbursements. The net outflow in 2015-16 was US\$ 1.6 billion due to subdued trade activity (Table 3.2).

² 'External Debt Statistics Guide for Compilers and Users', International Monetary Fund, 2003.

Table 3.2: Disbursements and Principal Repayments under Short-term Debt*(US\$ million)*

Period (April-March)	Disbursements	Principal Repayments	Net
1	2	3	4
2008-09	41,765	43,750	-1,985
2009-10	53,264	45,706	7,558
2010-11	76,776	64,742	12,034
2011-12	102,754	96,087	6,668
2012-13	122,734	101,077	21,657
2013-14	100,117	105,161	-5,044
2014-15	89,729	89,840	-111
2015-16QE	90,043	91,653	-1,610

*PR: Partially Revised; QE: Quick Estimates.**Source: Reserve Bank of India, Balance of Payment data.***3.3 Terms of Borrowings**

3.3.1 Implicit interest rate on total external debt estimated by taking interest payments during the year as a percentage of the outstanding debt at the end of the previous year was at 2.8 per cent in 2015-16, same as last year. In 2015-16 compared to the previous year, the implicit interest rate declined to 5.1 per cent from 5.8 per cent for NRI deposits, increased to 4.7 per cent from 4.0 per cent for ECBs and remained the same at 1.1 per cent for external assistance (Table 3.3).

Table 3.3: Implicit Interest Rate on India's External Debt*(Per cent)*

Components	April-March					
	2010-11	2011-12	2012-13	2013-14	2014-15 PR	2015-16 QE
1	2	3	4	5	6	7
Implicit Interest Rate on Total External Debt	2.3	2.8	3.2	2.7	2.8	2.8
<i>Of which:</i>						
1 External Assistance	1.3	1.1	1.2	1.1	1.1	1.1
2 NRI Deposits	3.6	4.5	6.4	6.8	5.8	5.1
3 External Commercial Borrowings	4.3	5.0	5.0	4.1	4.0	4.7

PR: Partially Revised; QE: Quick Estimates.

3.3.2 The average terms of new commitments to India shows that in terms of maturity, it is still markedly favourable to avail credit from official creditors than private creditors, despite a fall in maturity years in the case of former and rise in latter in 2014. In the case of grace period, the earlier advantage with respect to official creditors has narrowed down and there was only a marginal difference between official and private creditors in 2014. However, when it comes to interest rate, this has gone up in the case of official creditors and is in line with the rate of private creditors, whose interest rates are getting more competitive (Table 3.4).

Table 3.4: Average Terms of New Commitments for India

Year	Official Creditors			Private Creditors		
	Interest (Per cent)	Maturity (Years)	Grace period (Years)	Interest (Per cent)	Maturity (Years)	Grace period (Years)
1	2	3	4	5	6	7
2005	2.9	24.6	6.9	4.6	5.1	4.3
2011	1.0	25.1	5.0	2.9	7.6	5.8
2012	1.4	24.7	6.7	3.6	6.8	6.2
2013	1.0	28.8	7.4	2.3	5.5	4.2
2014	2.0	21.3	5.6	2.0	6.6	5.3

Source: *International Debt Statistics 2016, World Bank.*

3.4 Projections of Debt Service Payments

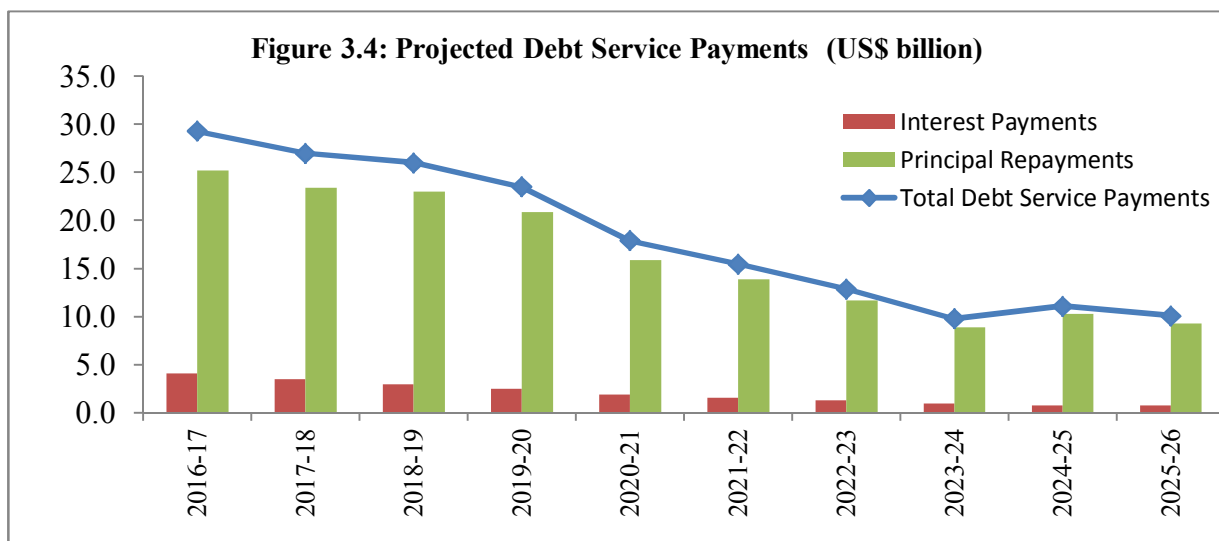
3.4.1 Debt service projections based on long-term debt outstanding show that debt service payments would reach US\$ 35.2 billion (US\$ 30.4 billion principal repayment and US\$ 4.8 billion interest) in 2016-17 (Table 3.5 and Figure 3.4). The large debt service payments are primarily on account of higher repayments of ECBs, particularly principal repayments. The repayment of NRI deposits and FII investment in debt securities are not included in the projections. Projections show that the debt service payments would progressively be declining during the coming decade due to decline in both interest payments as well as principal repayments.

Table 3.5: Projected Debt Service Payments (US\$ million)

Year	Principal	Interest	Total (2+3)
1	2	3	4
2016-17	30,384	4,787	35,171
2017-18	21,499	4,229	25,728
2018-19	24,373	3,669	28,042
2019-20	22,503	3,141	25,644
2020-21	23,439	2,504	25,943
2021-22	16,139	1,992	18,132
2022-23	12,872	1,593	14,465
2023-24	9,427	1,268	10,695
2024-25	10,825	1,165	11,990
2025-26	9,332	831	10,163

Note: Debt Service payment projections include external assistance, ECB and FCCB.

Source: RBI & CAAA



3.5 Summary

3.5.1 India's debt service payments are within manageable limits as indicated by the debt service ratio of 8.8 per cent in 2015-16. Though, it increased by 1.2 percentage points from the previous year, this was mainly due to the fall in the denominator i.e. current account receipts. Total external debt service payments at US\$ 44.3 billion during 2015-16, showed only a small increase of 4.5 per cent over the previous year. Debt service on external commercial borrowings with share of 75.8 per cent dominated India's debt service payments, followed by NRI deposits and external assistance. The dominance of external commercial borrowings is an indication of the growing recourse to the use of ECBs by the companies to meet their financing requirements.

CHAPTER 4

INTERNATIONAL COMPARISON³

4.1 Introduction

4.1.1 A comparative analysis of India's external indebtedness *vis-à-vis* other developing debtor countries can be made with the help of World Bank's annual publication titled 'International Debt Statistics 2016'⁴, which provides external debt data and key indicators of the developing countries and 'Quarterly External Debt Statistics' (QEDS). Such a cross-country comparison can help in assessing external debt position in an international perspective.

4.2 External Debt of Developing Countries

4.2.1 A quick overview of the external indebtedness of developing countries shows that the combined external debt stock of all developing countries increased by 6.6 per cent to US\$ 5,391.5 billion at end-December 2014, over 2013 compared to an increase of 10.8 per cent in 2013 over the previous year indicating a moderation in the pace of accumulation (Table 4.1). This is mainly due to the slower pace of short term debt accumulation. Net debt flows were also lower by 18 per cent in 2014 over 2013, with short term debt flows dropping by 62 per cent.

Table 4.1: External Debt of Developing Countries: Key Indicators

	<i>(US\$ billion)</i>					
Item	2009	2010	2011	2012	2013	2014
1	2	3	4	5	6	7
External debt stock	3,174.9	3,630.8	4,078.6	4,564.2	5,056.1	5,391.5
<i>Of which:</i>						
1. Long-term external debt (including IMF)	2,346.7	2,538.1	2,814.4	3,169.9	3,493.1	3,770.6
2. Short-term external debt	699.2	954.0	1,125.5	1,264.0	1,450.4	1,523.8
<i>Memo Items:</i>						
External debt stocks to exports (%)	79.2	72.1	67.0	71.0	76.1	79.1
External debt stocks to GNI (%)	22.1	20.6	19.8	20.9	21.8	22.2
Debt service to exports (%)	10.1	9.0	8.2	8.3	8.5	8.9
Short-term external debt to external debt stock (%)	22.0	26.3	27.6	27.7	28.7	28.3
Reserves to external debt stock (%)	131.2	133.4	130.6	122.4	120.8	113.5

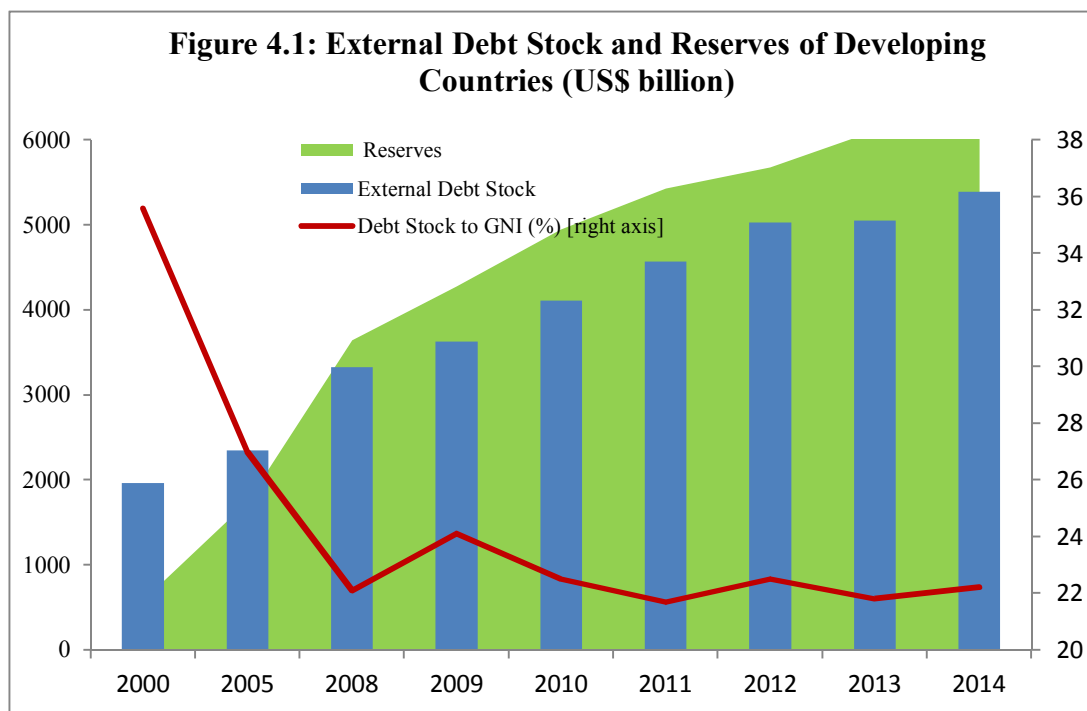
Source: International Debt Statistics, 2016, World Bank.

4.2.2 Long-term external debt which accounted for 69.9 per cent of total external debt in 2014 for developing countries, increased by 48.6 per cent between 2010 and 2014 and by 7.9 per cent in 2014 over 2013. The share of public and publicly guaranteed debt in total long-term external debt declined from 53.6 per cent in 2010 to 51.5 per cent in 2014, while private non-guaranteed debt increased to 48.5 per cent in 2014 from 46.4 per cent in 2010. The former increased only marginally from 51.2 per cent, while the latter declined marginally from 48.8 per cent in 2013.

³ International comparison is made based on the data in 'International Debt Statistics 2016' of the World Bank. Therefore, data in respect of India may differ from official statistics published in India.

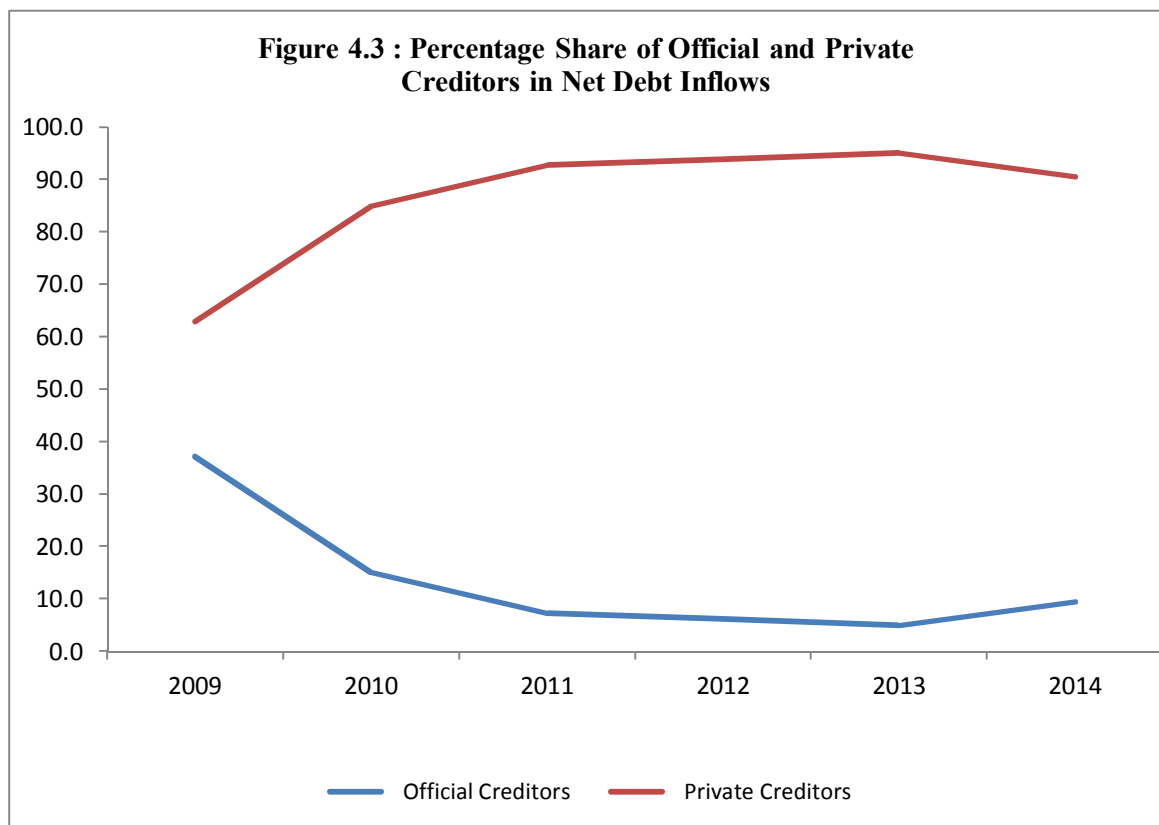
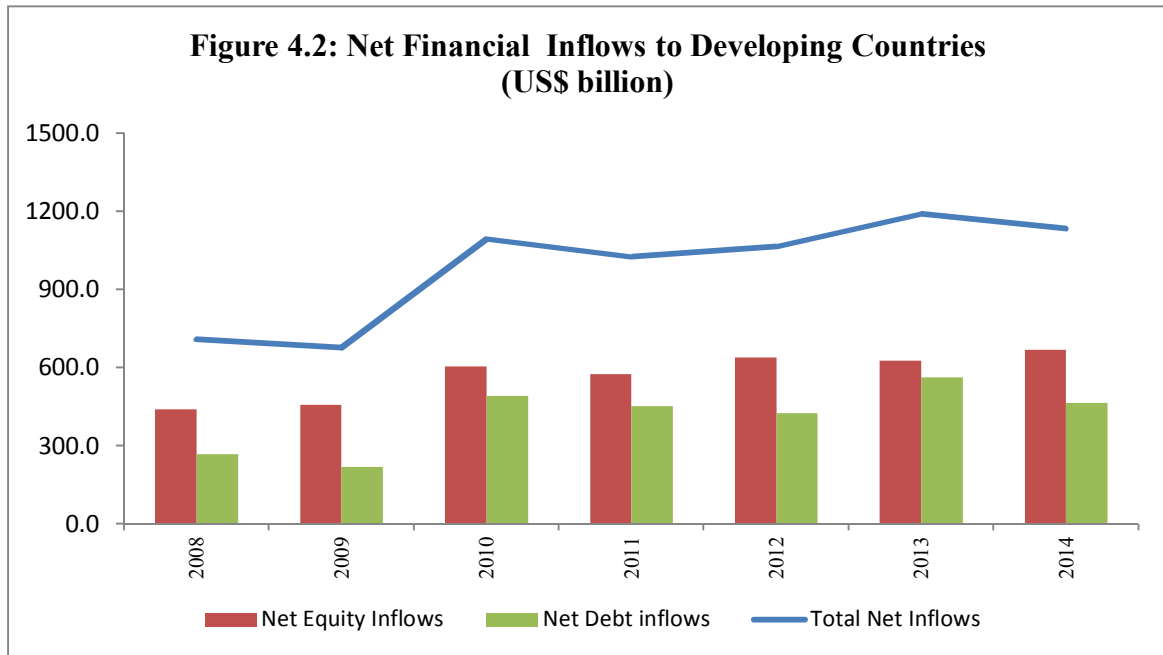
⁴ The publication 'International Debt Statistics 2016' contains the external debt data for the year 2014.

4.2.3 The increasing magnitude of external debt stock does not necessarily indicate the rising debt burden, as it also depends on the growth rate of income and export earnings vis-a-vis the accumulation of new external obligations. The ratio of external debt to gross national income (GNI) and the proportion of external debt stock to exports at 22.2 per cent and 79.1 per cent respectively in 2014 were more or less in the same range as between 2009-2013 and much below the 2000 levels. While the ratio of short term debt to external debt stock has fallen marginally in 2014 over 2013, the reserves, though slightly depleted compared to earlier years, were still 113.5 per cent of external debt stock (Figure 4.1). The ratio of debt service to debt stock at 8.9 per cent was marginally higher than in 2013, but lower than in 2009 and significantly lower than in 2000. These coupled with improved external debt servicing capacity in recent years, debt restructuring and outright debt relief from official and private creditors from initiatives like the Heavily Indebted Poor Countries (HIPC) initiative and Multilateral Development Relief Initiative (MDRI) and increasing number of developing countries being able to access international capital markets and secure attractive borrowing terms, have helped in mitigating any risks associated with the relatively higher share of short term debt in total debt in recent years.



4.3 Financial Flows to Developing Countries

4.3.1 Net financial inflows to developing countries declined by 5 per cent from US\$ 1,190.4 billion in 2013 to US\$ 1,132.3 billion in 2014 (Figure 4.2), but relative to GNI, they declined marginally from 5.1 per cent in 2013 to 4.7 per cent in 2014. Decline in net inflows in 2014 was mainly due to a decrease in net short term debt inflows to US\$ 72 billion from US\$ 188 billion in 2013. It was also due to the fall in net debt inflows from private creditors, which has a dominant share, despite a small increase in net debt inflows from official creditors. Net equity flows increased by 7 per cent as a result of steady rise in foreign direct investment and rebound in portfolio equity flows (Figure 4.3).

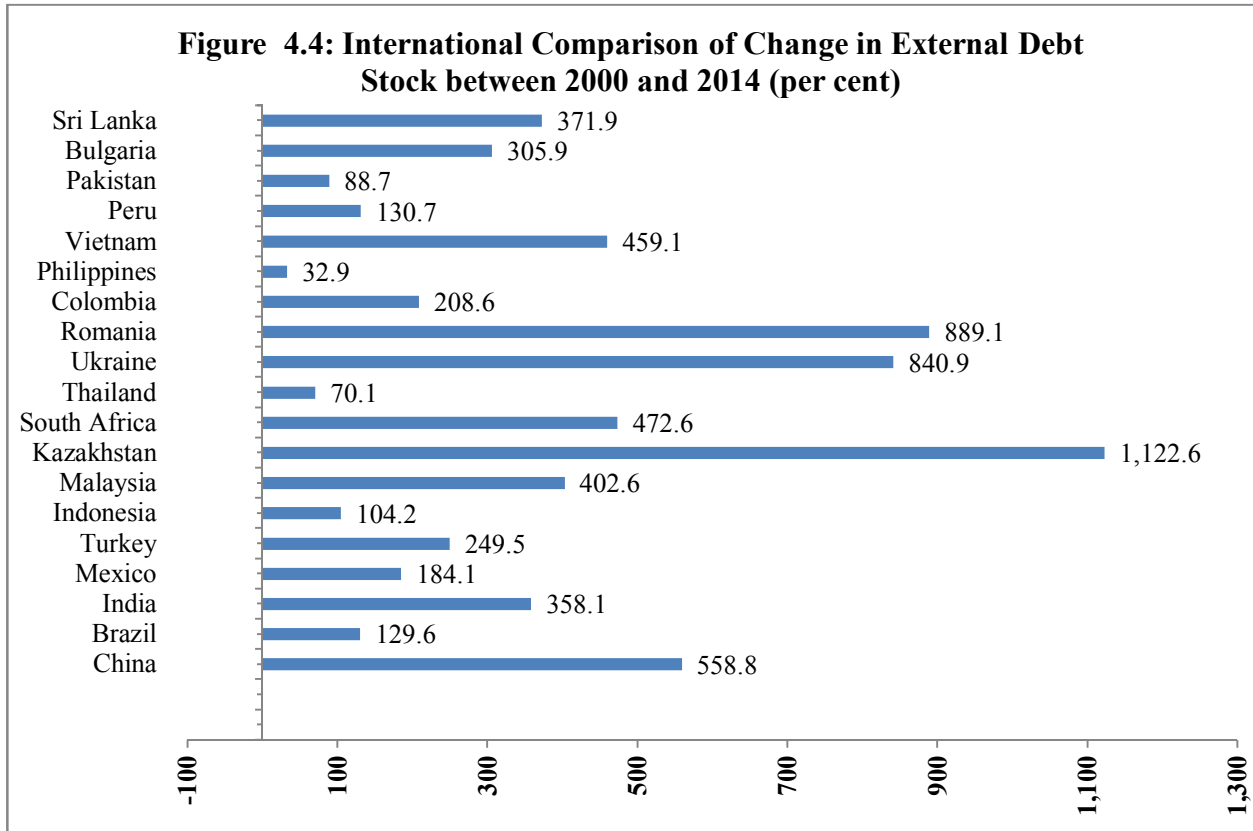


Source: International Debt Statistics 2016, World Bank.

4.4 External Debt of Top Twenty Developing Debtor Countries

4.4.1 In 2014, external debt of the top twenty developing debtor countries taken together stood at US\$ 4,511.8 billion, accounting for 83.7 per cent of total external debt of US\$ 5,391.5 billion of all developing countries. All these countries recorded an increase in external debt between 2000 to 2014.

There were sharp increases in the external debt stocks of Kazakhstan (1,122.6 per cent), Romania (889.1 per cent), Ukraine (840.9 per cent) and China (558.8 per cent). India's external debt stock increased by 358.1 per cent during this period (Figure 4.4). In 2014, compared to 2013 there was significant increase in debt of countries like Brazil (15.1%), Philippines (16.1%) and Peru (17.3%) and significant decrease in debt of Ukraine (-11.2%) and Romania (-10.2%). In the Indian case, the increase was 7.8 per cent.



4.5 India's External Debt Position in International Perspective

4.5.1 A cross country comparison of external debt of twenty most indebted developing countries, based on the World Bank's "International Debt Statistics, 2016" containing the debt data for 2014, shows that India's position was third in terms of absolute external debt stock, after China and Brazil in 2014. This is one notch up from the 2013 position when Mexico was in third and India in fourth positions. The ratio of external debt stock to gross national income (GNI) which is a better indicator taking account of the size of economies was at 22.7 per cent for India indicating an improvement from the sixth lowest position in 2013 to the third lowest (after China and Bangladesh) in 2014 with China continuing to have the lowest ratio of 9.3 per cent (Table 4.2 and Figure 4.5).

4.5.2. The cover of reserves for external debt for the top developing debtor countries is in the broad range of 5.1 per cent (Ukraine) to 402.2 per cent (China) in 2014. India's position was fifth highest at 65.5 per cent. The ratio of short-term debt to total debt ranged between 6.3 per cent (Kazakhstan) to 71.2 per cent (China) (Figure 4.6). India's position at 18.5 per cent was the twelfth lowest. While India's debt service ratio is within manageable limits, it is twelfth lowest among these countries, with China at 1.9 per cent being the lowest. However, these estimates may not be entirely comparable because of differences in coverage, resource endowments, size of economies, etc.

Table 4.2: International Comparison of Top Twenty Developing Debtor Countries, 2014

Sl. No.	Country	Total External Debt Stock (US\$ million)	Total External Debt to Gross National Income (per cent)	Debt Service Ratio (per cent)	Foreign Exchange Reserves to Total External Debt (per cent)	Short term debt to Total External Debt (per cent)
1	2	3	4	5	6	7
1	China	9,59,510	9.3	1.9	402.2	71.2
2	Brazil	5,56,871	24.1	21.6	64.8	10.4
3	India	4,63,230	22.7	18.6	65.5	18.5
4	Mexico	4,32,602	34.7	12.2	44.1	21.1
5	Turkey	4,08,203	51.6	25.0	26.2	32.5
6	Indonesia	2,93,397	34.1	23.1	37.1	15.9
7	Malaysia	2,10,820	66.8	5.8	54.3	49.3
8	Kazakhstan	1,57,595	83.3	35.1	13.7	6.3
9	South Africa	1,44,006	42.3	8.6	30.7	24.3
10	Thailand	1,35,799	38.2	5.2	111.4	41.7
11	Ukraine	1,30,686	100.3	25.2	5.1	17.2
12	Romania	1,11,290	56.0	21.8	35.8	11.1
13	Colombia	1,02,345	28.0	19.5	45.3	11.9
14	Philippines	77,659	22.7	7.5	92.8	20.9
15	Vietnam	71,890	40.6	4.2	47.6	18.2
16	Peru	66,469	34.3	10.9	92.1	10.5
17	Pakistan	62,184	23.9	19.1	19.0	8.9
18	Bulgaria	48,742	90.1	14.7	38.1	25.1
19	Sri Lanka	43,609	59.7	14.7	16.8	17.0
20	Bangladesh	34,925	18.8	5.2	62.4	11.9

Note: Countries are arranged based on the magnitude of debt presented in column no.3 in the Table.

Source: World Bank, International Debt Statistics, 2016.

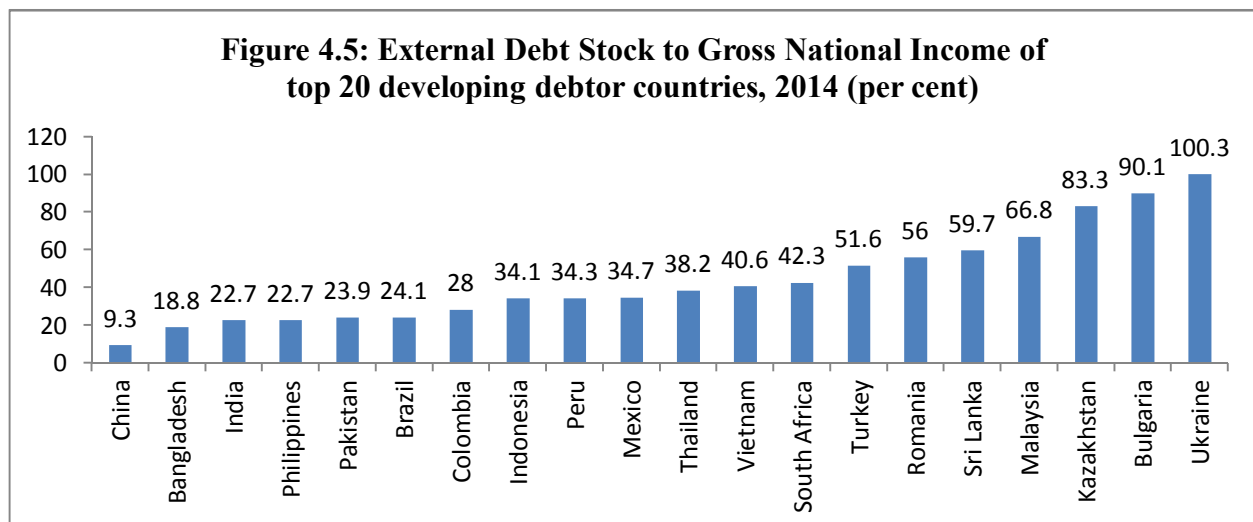
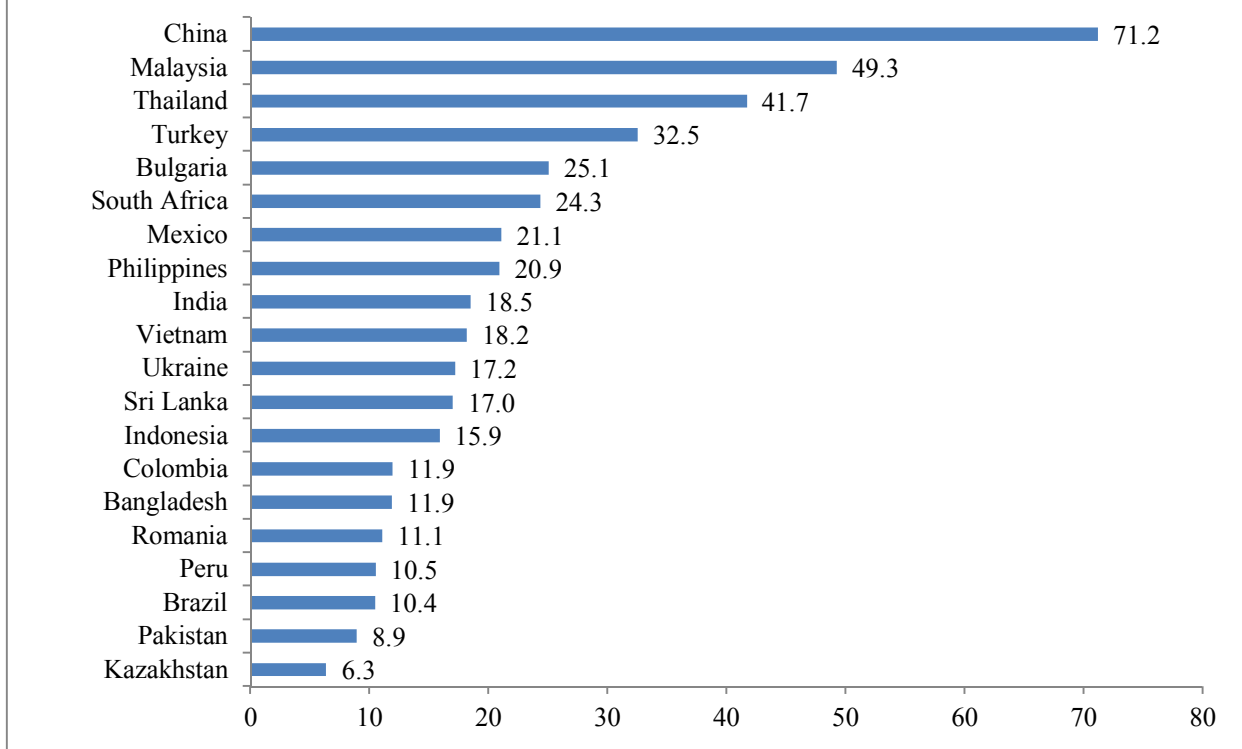


Figure 4.6: International Comparison of Short-term Debt to Total External Debt, 2014 (Per cent)



4.5.3 The concept of Present Value (PV) is a useful measure of assessing indebtedness. The PV of external debt outstanding is arrived at by discounting the nominal value of all future debt service payments by the prevailing market rates of interest and aggregating such PVs. The interest rates used in the calculations are the Commercial Interest Reference Rates for each relevant currency compiled and published by the Organization for Economic Cooperation and Development (OECD). The PV of India's external debt was US\$ 108.0 billion in 2014, with the ratios of PV of external debt to Gross National Income and to export at 5.3 per cent and 21.7 per cent, respectively.

4.6 Recent Cross Country External Debt Status

4.6.1 The Quarterly External Debt Statistics (QEDS) database, jointly developed by the World Bank and the IMF, brings together detailed external debt data of countries that subscribe to IMF's Special Data Dissemination Standard (SDDS) and General Data Dissemination System (GDDS) providing the latest data for end March 2015 and 2016.

4.6.2 The share of the top 20 debtor developing countries in the world external debt stock is 6.9 per cent at end-March 2016 (Annex XIV). India is at third position both in 2015 (end-March) and 2016 (end-March) among these countries. Long term debt is the major component for most of these countries except China. Among the BRICS countries, India is at fourth position after China, Brazil and Russian Federation in terms of total debt stock both in 2015 (end-March) and 2016 (end-March) (Annex XIV).

4.6.3 Interestingly, the top debtor nations in the World are the developed countries with the US at the top. Except China and Brazil which are at 14th and 20th positions respectively in this list in 2016 (end-March), none of the other countries in the top 20 developing countries are in this list (Annex XV). India is not in these top twenty debtor countries in the world and is at 25th position. The total external debt stock of these top 20 countries in this world forms 88.7 per cent of World external debt (i.e., aggregated

debt of countries reporting data to World Bank) at end-March 2016. Total external debt stock of these countries increased by 1 per cent at end-March 2016 over end-March 2015, while it decreased by 1.3 per cent at end-March 2015 over end-March 2014. Long term debt is the major component in most of these countries, except UK, Japan, Switzerland, China, Singapore and Hong Kong. Long term debt forms 61.5 per cent of total external debt of these countries in 2016 (end-March) (Annex XV).

4.7 Summary

4.7.1 International comparison based on World Bank's 'International Debt Statistics 2016' indicates that India continues to be among the less vulnerable nations and India's main debt indicators compare well with other indebted developing countries. India's key debt indicators, especially external debt to GNI ratio, debt service ratio and short-term debt to total external debt ratio continue to be comfortable indicating that our external debt is within manageable limits. Among developing countries, while China has the highest debt stock and the highest share of short term external debt to total external debt, its key debt indicators like total external debt to GNI, debt service ratio and foreign exchange cover for external debt are more favourable than the other developing countries.

CHAPTER 5

SOVEREIGN EXTERNAL DEBT

5.1 Introduction

5.1.1 Sovereign external indebtedness or the extent of external liabilities of the Government has assumed importance in the context of sovereign debt crisis in the euro zone. Sovereign external debt refers to foreign debt contracted by the Government. As per Article 292 of the Indian Constitution, the Central Government can borrow abroad upon the security of the Consolidated Fund of India within limits (if any) specified by the Parliament from time to time, while Article 293 of the Indian Constitution mandates that State Governments can borrow only from internal sources.

5.1.2 Government of India, unlike many other economies, and in pursuance of its prudent external debt management policy has been borrowing mainly from multilateral and bilateral sources. These borrowings are also long-term in nature. This chapter provides an overview of the emerging trends in the country's sovereign external debt, explicit contingent liabilities of the Government, debt service payments and projected debt service obligations under Government Account.

5.2 Composition of Sovereign External Debt

5.2.1 Sovereign external debt (SED) increased to US\$ 93.4 billion at end-March 2016 from US\$ 89.7 billion at end-March 2015. There are two major categories under SED– (i) External Debt on Government Account under External Assistance and (ii) 'Other Government External Debt' that comprises Rupee debt owed to Russia, defence debt and FII investment in Government securities, etc.

5.2.2 Debt from multilateral sources has dominated India's SED on Government Account with a share ranging from 68.4 per cent to 73.6 per cent of External Debt under External Assistance during the period 2011 to 2016. In absolute terms, it remained in the range of US\$ 42.6 – 44.6 billion during 2011 to 2016 and was at US\$44.2 billion at end-March 2016 (Table 5.1 and Figures 5.1 and 5.2).

Table 5.1: India's Sovereign External Debt

(US\$ million)

Sl. No.	Category	At end-March					
		2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8
I.	External Debt on Govt. Account under External Assistance (A+B)	62,295	63,374	61,336	62,204	58,463	61,061
A	Multilateral (1 to 5)	42,579	43,686	43,539	44,598	43,015	44,171
	<i>Multilateral Credit as per cent of Govt. Account debt</i>	<i>68.4</i>	<i>68.9</i>	<i>71.0</i>	<i>71.7</i>	<i>73.6</i>	<i>72.3</i>
	1. IDA	26,637	26,853	26,072	26,771	24,294	24,595
	2. IBRD	8,774	8,897	8,912	8,876	9,117	9,244
	3. ADB	6,813	7,568	8,184	8,549	9,219	9,921
	4. IFAD	313	326	330	362	342	369
	5. Others	42	42	41	40	43	42
B	Bilateral (6 to 11) ^a	19,716	19,688	17,797	17,606	15,448	16,890
	<i>Bilateral Credit as per cent of Govt. Account debt</i>	<i>31.6</i>	<i>31.1</i>	<i>29.0</i>	<i>28.3</i>	<i>26.4</i>	<i>27.7</i>
	6. Japan	14,745	14,995	13,508	13,259	12,014	13,533
	7. Germany	2,662	2,702	2,554	2,672	2,013	2,039
	8. United States	333	298	270	241	212	182
	9. France	392	325	280	418	329	371
	10. Russian Federation	1,579	1,365	1,182	1,013	879	764
	11. Others	5	3	3	3	1	1
II.	Total Other Govt. External Debt (C+D)	15,777	18,522	20,319	21,491	31,255	32,377
C.	Other Govt. External Debt (Long term)	12,935	12,415	16,532	17,710	31,141	32,269
D.	Other Govt. External Debt (Short-term)	2,842	6,107	3,787	3,781	114	108
III.	Total Sovereign External Debt (I+II)	78,072	81,896	81,655	83,695	89,718	93,438

Note: Figures in parentheses indicate per cent of external debt on Government Account under external assistance.

a: Includes civilian component of rupee debt.

PR: Partially Revised; QE: Quick Estimates.

Figure 5.1: Composition of External Debt on Government Account (Per cent to Total)

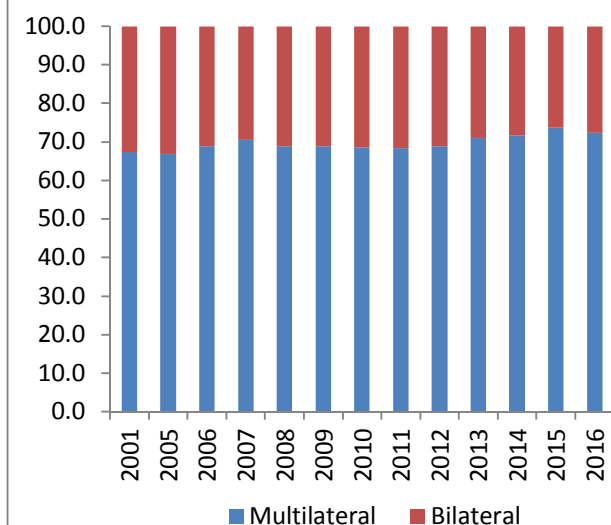
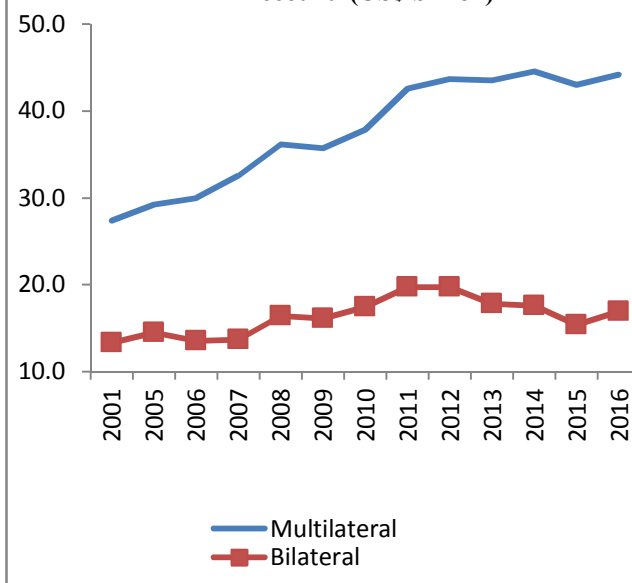


Figure 5.2: Movement of Multilateral and Bilateral External Debt Under Government Account (US\$ billion)



5.2.3 At end-March 2016, Japan was the single largest bilateral creditor, followed by Germany and the Russian Federation. The Government owed US\$ 13.5 billion to Japan, followed by Germany (US\$ 2.0 billion), Russian Federation (US\$ 0.8 billion), France (US\$ 0.4 billion) and the United States (US\$ 0.2 billion) at end-March 2016.

5.2.4 The composition of multilateral and bilateral sovereign debt at end-March 2016 is given in the Figures 5.3 and 5.4. International Development Association (IDA) accounts for the bulk (55.7 per cent), followed by the Asian Development Bank (ADB) (22.5 per cent), the International Bank for Reconstruction and Development (IBRD) (20.9 per cent), the International Fund for Agricultural Development (IFAD) (0.8 per cent) and 'Others' (0.1 per cent). In the last two years, there is some fall in the share of IDA in multilateral sovereign debt, while there is a slight increase in the share of IBRD & ADB loans indicating lesser access to concessional finance. In the bilateral sovereign debt, a substantial portion is accounted by Japan (80.1 per cent), followed by Germany (12.1 per cent), Russia (4.5 per cent), France (2.2 per cent) and United States (1.1 per cent).

Figure 5.3: Composition of Multilateral Sovereign Debt at end-March 2016 (per cent)

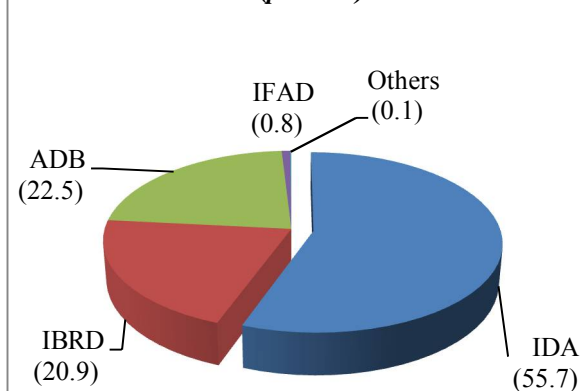
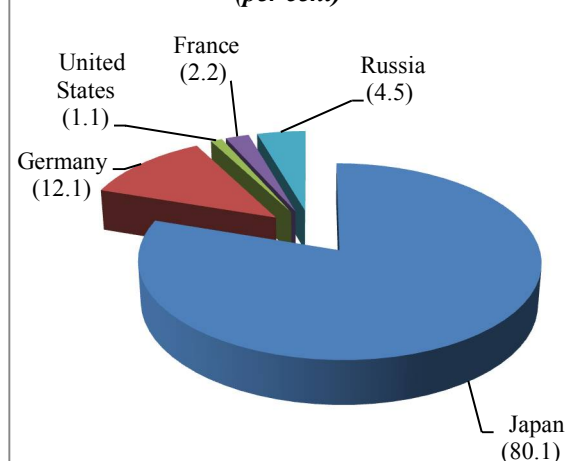
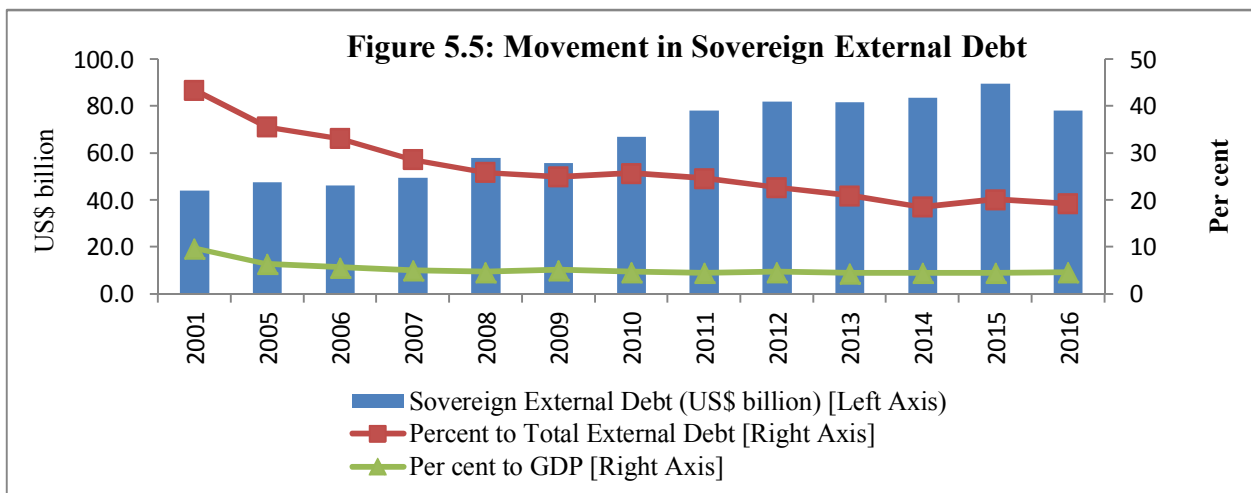


Figure 5.4: Composition of Bilateral Sovereign Debt at end-March 2016 (per cent)



5.2.5 Total other government external debt has increased suddenly in 2015 and 2016 to US\$ 31.3 billion and US\$ 32.4 billion respectively from US\$ 21.5 billion in 2014. This is mainly due to rise in other government external debt (long term). While IMF SDR and defence debt have been stable in the range of US\$ 5.5-6.3 billion and US\$ 1.0-1.4 billion, the increase in government external debt (long-term) is due to more than doubling of FII investment in government securities in 2015 and further increase in 2016.

5.2.6 The share of sovereign external debt in total external debt has declined over the years, indicating the rising contribution of the private sector to the economy. The share of sovereign external debt in total external debt which was 29.0 per cent on an average during the period 2005 to 2010, decreased to 20.7 per cent during 2011 to 2016 (average) and was at 19.2 per cent at end-March 2016. The ratio of sovereign external debt to GDP also exhibited a decline and remained below 5 per cent in recent years (Figure 5.5 and Annex XVII). A topical issue in the area of sovereign debt is the relevance of issuing sovereign bonds by different countries in different currencies (Box 5.1).



Box 5.1: Sovereign bonds

Sovereign bonds are bonds issued by governments. They can be either local-currency-denominated or denominated in a foreign currency. Many developing emerging economies have also issued sovereign bonds in several currencies, but the first choice seems to be the local currency only. This could be due to the fact that by issuing sovereign bonds in local currency, the currency risk gets minimized. Bonds issued in local currency gets repatriated in local currency only, thus eliminating the currency risks. Generally, the government of a country with an unstable economy denominates its bonds in the currency of a country with stable economy to reduce the risks for bondholders and make them attractive. The less stable a currency denomination, the greater the risk the bondholder faces.

While the Indian government has been issuing government bonds in local currency i.e., rupee with different maturities and coupon rates, it has never issued sovereign bonds in foreign currency, unlike several other economies like Argentina, China, Indonesia, Brazil, Bulgaria, Bangladesh, Hungary, South Africa, Mexico, Colombia, Philippines, Peru, Venezuela, Vietnam, Russia, Malaysia, Turkey, Thailand, Sri Lanka, Korea, Egypt, Mauritius and Morocco. This reflects the strength and stability of the Indian currency and also the credibility of the Indian government. Borrowing in local currency also safeguards India against currency fluctuations.

Government of India has never issued a foreign currency denominated sovereign bond directly. In 1991, India Development Bond was a quasi-sovereign bond, while the Resurgent India Bond in 1998

and the Millennium India Deposit in 2000 were NRI bonds. All these were one-time issuances and helped banks raise \$1.6 billion, \$4.8 billion and \$5.5 billion respectively. All these three bonds were issued by the State Bank of India (SBI) (Table 1).

Table 1: Past History of Sovereign Bond issuance

	India Development Bond	Resurgent India Bond	Millennium India Deposit
Month/Year of Issue	October 1991	August 1998	October 2000
Amount mobilised	\$1.6 billion	\$4.23 billion	\$5.5 billion
Currency of Issue	Dollar, Pound sterling	Dollar, Pound sterling, Deutsche Mark	Dollar, Pound sterling, Euro
Interest (% p.a.)	9.5,13.25	7.75,8,8.25	8.5,7.85,6.85

Source: State Bank of India

Issuance of Sovereign Dollar Denominated Bonds in India

At present there is a discussion whether India should issue the sovereign dollar/foreign currency denominated bonds.

Arguments in favour:-

- The proceeds of bonds can be utilized for meeting infrastructure needs which in turn would help in the growth of the economy. It could also be a green bond to meet the climate change finance needs e.g., Bank of China recently issued a green bond worth US\$ 3.03 billion in July 2016.
- The present good demand in international market for high-yield good scrip could attract considerable flows.
- External debt/GDP ratio is low at 23.7 per cent in 2015-16, leaving the necessary headroom for raising finances through sovereign bonds.
- In recent years external debt raised through multilateral and bilateral agencies has declined and there is room for issuance of sovereign bonds.
- At present, interest rates in the international market are low and borrowing through sovereign bonds could be cost-effective for India.
- Issuance of sovereign bonds could broaden the investor base and also provide a benchmark for private sector borrowing overseas.

Arguments against:-

- Generally, sovereign bonds are issued to attract capital inflows for financing the current account deficit. In the Indian case, the CAD is just 1.1 per cent of GDP in 2015-16 helped by low crude oil prices. Crude oil prices are expected to remain subdued in the near future as also indicated by the IMF while lowering its baseline global growth forecast by 0.1 percentage points for 2016 and 2017 in the aftermath of the Brexit in its World Economic Outlook Update, July 2016.
- In 2015-16, India attracted a record all-time high net FDI of US\$36.0 billion and further in just two months of 2016-17 (April-May) it has attracted additional US\$3.6 billion, owing to liberalized FDI norms and opening up of various sectors. As compared to sovereign bonds, this kind of investment is more promising, job-oriented and stable, thus reducing the need to issue sovereign bonds.

- India received a record net foreign portfolio investment of US\$ 42.2 billion in 2014-15. While there was an outflow of US\$ 4.1 billion in 2015-16, in 2016-17 (April-May), India has received a net portfolio investment of US\$ 2.5 billion with signs of recovery in the future.
- RBI has come out with a Medium Term Framework (MTF) for Foreign Portfolio Investments (FPI) limits in Government securities (announced on October 06, 2015) to provide a more predictable regime for FII investment in Government Securities which includes the following and thus reduces the need for sovereign bonds, which may merely substitute other capital flows.
 - The limits for FPI investment in debt securities will henceforth be announced / fixed in rupee terms.
 - The limits for FPI investment in the Central Government securities will be increased in phases to reach 5 per cent of the outstanding stock by March 2018. In aggregate terms, this is expected to open up room for additional investment of ₹ 1,200 billion in the limit for Central Government securities by March 2018 over and above the existing limit of ₹ 1,535 billion for all Government securities.
 - There will also be a separate limit for investment by all FPIs in the State Development Loans (SDLs), to be increased in phases to reach 2 per cent of the outstanding stock by March 2018. This would amount to an additional limit of about ₹ 500 billion by March 2018.
- In the present global uncertainties, sentiments can be affected if the subscription of the bond is inadequate and the failure can have a cascading effect, which could also bring down India's rating. Under-subscription involves reputational risk. Unlike domestic bonds which have the captive audience due to norms like SLR requirements for banks, there is no captive base of subscribers in the world market. There is also an exchange rate risk.

Precautions

Precautions to be taken while issuing the foreign currency (FC) denominated sovereign bonds in India include the following.

- The issuance of sovereign bonds needs to be well-planned. The exchange rate and market yields need to be watched for this purpose. There are low and high yield phases in the market. Suitable timings of the issuance of bonds on the basis of yield will have an important bearing on the cost of borrowing.
- At present, the Government (sovereign) external debt is at US\$ 93.4 billion at end-March 2016 vis-a-vis US\$ 89.7 billion at end-March 2015 and constitutes 19.2 per cent of the total external debt at end-March 2016 as against 18.9 per cent at end-March 2015. Present level of debt is sustainable. In the event of issuing foreign currency denominated sovereign bonds, to avoid the non-sustainability of sovereign debt as also the pressure on forex reserves, there needs to be a suitable cap on the issuance of FC sovereign bonds.
- The tenure/period of the bond should be long term so that redemption pressure will not be there on government finances and forex reserves.
- Different tranches of bonds should be evenly spread in terms of periodicity, tenure and magnitude to avoid the bunching of redemptions which could strain the treasury and reserves.
- Since Indian Government has never issued any sovereign bonds in non-rupee currency so far, initial issuance could be small sized to get the flavour or experience. Subsequent issuances could be launched on the basis of acquired experience.

5.3 Currency Composition

5.3.1 The currency composition shows that SDR continues to remain the dominant currency in sovereign external debt, mainly due to borrowings from IDA. The share of SDR stood at 30.2 per cent (Table 5.2 and Annex XVIII) followed by Indian rupee (28.7 per cent), the US dollar (24.0 per cent), Japanese yen (14.5 per cent) and the Euro (2.6 per cent) at end-March 2016. Since end-March 2015, the composition reflects greater shift to rupee denominated debt due to increase in FII investment in government securities (Figure 5.6 and 5.7).

Table 5.2: Currency Composition of Sovereign External Debt

(Per cent)

Sl. No.	Currency	As end-March					
		2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8
1.	SDR	38.1	36.8	36.0	37.4	30.8	30.2
2.	US Dollar	26.7	25.9	26.3	26.2	24.4	24.0
3.	Indian Rupee	12.4	15.3	17.7	16.3	28.8	28.7
4.	Japanese Yen	18.9	18.3	16.5	16.3	13.4	14.5
5.	Euro	3.9	3.7	3.5	3.8	2.6	2.6
Total (1 to 6)		100	100	100	100	100	100

PR: Partially revised QE: Quick Estimates.

Figure 5.6: Currency Composition of India's Sovereign External Debt at end-March 2014 (per cent)

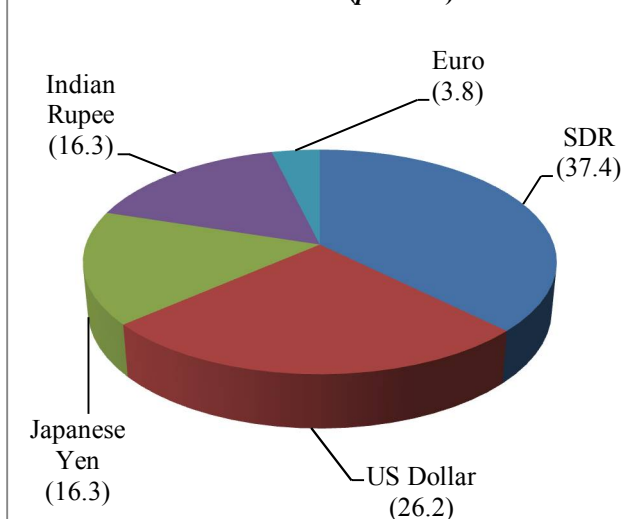
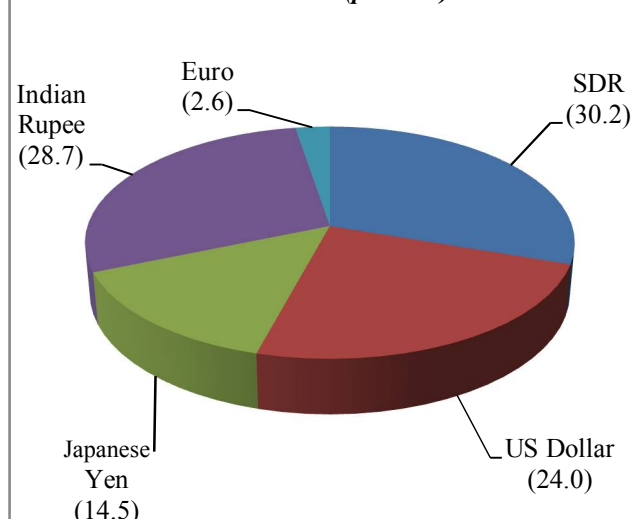


Figure 5.7: Currency composition of India's Sovereign External Debt at end-March 2016 (per cent)



5.4 Debt Service

5.4.1 Sovereign external debt service payments have increased gradually from US\$ 3.4 billion during 2009-10 to US\$ 4.1 billion during 2015-16. Principal repayments constituted the bulk of external debt servicing (Table 5.3 and Annex XIX).

Table 5.3 : Sovereign External Debt Service Payments*(US\$ million)*

Sl. No.	Debt Service Payments	(end - March)						
		2009-10	2010-11	2011- 12	2012-13	2013-14	2014-15 PR	2015-16 QE
1	2	3	4	5	6	7	8	9
I.	Debt Service Payments under Government Account (A+B)	3,273	3,340	3,354	3,718	3,655	3,892	4,059
A	Multilateral (i + ii)	1,818	1,846	1,859	2,161	2,271	2,626	2,934
	i. Principal	1,386	1,529	1,545	1,789	1,943	2,306	2,600
	ii. Interest ^a	432	317	314	372	328	320	334
B	Bilateral (iii +iv)	1,455	1,494	1,495	1,557	1,384	1,266	1,125
	iii. Principal	1,084	1,105	1,122	1,186	1,067	984	875
	iv. Interest	371	389	373	371	317	282	250
II.	Other Government Debt Service Payments (v + vi)	97	69	79	58	52	81	73
	v. Principal	97	69	79	58	52	81	73
	vi. Interest	0	0	0	0	0	0	0
III.	Total Government External Debt Service Payments (I+II)	3,370	3,409	3,433	3,776	3,707	3,973	4,132
	vii. Total Principal (i+ iii + v)	2,567	2,703	2,746	3,033	3,062	3,371	3,548
	viii. Total Interest (ii + iv + vi)	803	706	687	743	645	602	584

PR: Partially Revised QE: Quick Estimates.

Note: Debt service payments on account of FII investment in Government securities are not included.

^a: Though IDA loans are interest-free, the service charges associated with it are treated as 'interest payments'.

5.5 Explicit Contingent Liability

5.5.1 Explicit contingent liabilities refer to such legal obligations that may devolve on the Government in the event of a default by a borrower of the principal and / or interest of a credit. Sovereign external contingent liabilities relate to guarantees provided by the Government of India for specific loans raised by the non-Government sector from non-residents. The magnitude of contingent liabilities is regularly monitored from the point of view of their implications for overall macroeconomic and financial stability.

5.5.2 In accordance with the 'Fiscal Responsibility and Budget Management (FRBM) Rules 2004', there is an overall cap of 0.5 per cent of GDP in any financial year on the quantum of Central Government guarantees. The Central Government extends guarantees mainly on loans from multilateral/bilateral agencies to various public sector undertakings/financial institutions. Government guaranteed external debt has remained relatively low, in the range of US\$ 8-10 billion

during 2011 to 2016. It was just 2.1 per cent of total external debt at end-March 2016 (Table 5.4 and Annex XX).

Table 5.4 : Central Government Guarantees on External Debt (US\$ million)

Sl. No.	Component	At end-March					
		2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8
1.	Government Debt	78,072	81,896	81,655	83,695	89,718	93,438
2.	Non-Government Debt	239,819	278,870	327,719	362,483	385,327	392,176
3.	<i>of which with Government Guaranteed*:</i>	8,563	9,361	9,536	9,913	9,577	10,085
	(a+b+c)						
	a. Financial Sector	2,748	2,794	2,748	2,741	2,448	2,670
	b. Public Sector	5,757	6,534	6,777	7,172	7,129	7,398
	c. Private Sector	58	33	11	0	0	18
4.	Total External Debt (1+2)	317,891	360,766	409,374	446,178	475,045	485,614
5.	Government and Government Guaranteed Debt (1+3)	86,635	91,257	91,191	93,608	99,295	103,523
6.	% of Govt. and Government Guaranteed Debt to Total External Debt	27.3	25.3	22.3	21.0	20.9	21.3
7.	% of Govt. Guaranteed Debt to Total External Debt	2.7	2.6	2.3	2.2	2.0	2.1
8.	% of Govt. Guaranteed to Total Non-Govt. Debt	3.6	3.4	2.9	2.7	2.5	2.6

PR: Partially Revised; QE: Quick Estimates.

* Direct Credit guarantees on non-government external debt provided by the Central Government.

5.5.3 The share of Government and Government guaranteed debt in total external debt has generally been declining over the years. At end-March 2016, it was at 21.3 per cent, marginally higher than at end-March 2015. Bulk of the non-Government debt guaranteed by the Government, is public sector debt with a share of 73.4 per cent, while the share of the financial sector (that represents borrowings by banks and financial institutions) was 26.5 per cent at end-March 2016.

5.6 Projections of Debt Service Payments on Government Account

5.6.1 Total sovereign external debt service payments, based on disbursed outstanding debt at end March 2016, are estimated to rise gradually from US\$ 4.4 billion in 2016-17 to US\$ 6.3 billion in 2025-26 (Table 5.5). Multilateral debt accounts for a major portion in sovereign external debt service payments. The institution wise break-up of both multilateral and bilateral components of debt service is given in Annex XXII. Principal repayments forms the bulk of debt service payments under government account.

Table 5.5: Creditor-wise projections of External Debt Service Payments under Government Account

(US\$ million)

Sl. No.	Components	2016 - 17	2017 - 18	2018 - 19	2019 - 20	2020 - 21	2021- 22	2022- 23	2023- 24	2024- 25	2025- 26
I	Multilateral	3,093	3,793	4,025	4,392	4,576	4,664	4,674	4,432	4,456	4,267
a)	Principal	2,778	3,409	3,629	3,991	4,181	4,290	4,332	4,124	4,182	4,027
b)	Interest	315	384	396	401	395	373	342	308	274	239
II	Bilateral	1,279	1,722	1,826	1,957	2,014	2,020	2,109	2,129	2,065	2,035
c)	Principal	1,045	1,408	1,492	1,595	1,623	1,628	1,733	1,783	1,755	1,762
d)	Interest	233	314	334	362	391	392	376	346	309	273
e)	Total Principal (a+ c)	3,824	4,817	5,121	5,586	5,804	5,919	6,065	5,907	5,937	5,789
f)	Total Interest (b+d)	548	698	730	763	786	765	718	654	583	513
III	Total Debt Service Payments (I+II)	4,372	5,515	5,852	6,349	6,590	6,683	6,783	6,561	6,520	6,302

Note: The projections are based on debt outstanding as at end-March 2016 on Government Account for multilateral and bilateral credit under External Assistance.

The projections do not include debt service arising out of Committed Undisbursed Balance (CUB) and fresh borrowings. It excludes debt servicing on account of Defence debt, FII investment in Government securities.

5.7 Summary

5.7.1 Multilateral sources continue to dominate India's sovereign external debt and Japan remains the single largest bilateral creditor. While IDA continues to account for bulk of the multilateral sovereign debt in the last two years, there is some fall in IDA's share, while there is a slight increase in the share of IBRD and ADB loans. This indicates lesser access to loans on concessional terms in the coming years, especially with terms on IDA borrowings also beginning to harden. Though this has implications for future debt service payments under Government Account, it is within manageable levels as indicated in the projections for the same. Currency-wise, while SDR continues to remain the dominant currency, there is sudden increase in rupee denominated debt since 2015 (end-March) due to the increase in FII investment in government securities.

External Debt: Definition, Concepts and Dissemination of Data

I. Definitions and Concepts

1. External Debt

Gross external debt, is a stock variable and is measured at a point in time. External debt is defined as “the outstanding amount of those actual current, and not contingent, liabilities that require payment(s) of principal and/or interest by the debtor at some point(s) in the future and that are owed to non-residents by residents of an economy” { *External Debt Statistics - Guide for Compilers and Users*, International Monetary Fund (IMF), 2003 }.

2. Original and Residual Maturity

(i) *Original maturity* is defined as the period encompassing the precise time of creation of the financial liability to its date of final maturity.

(ii) Debt by *residual maturity* (or *remaining maturity*) includes short term debt by original maturity of up to one year, combined with medium to long term debt repayment by original maturity falling due within the twelve month period following a reference date. External debt is commonly expressed in terms of original maturity.

3. Long and Short-term

One way of classifying external debt is the two-way scheme based on duration-long and short-term. Long term debt is defined as debt with an original maturity of *more than* one year, while short term debt is defined as debt repayments on demand or with an original maturity of *one year or less*.

The coverage of short-term was redefined in 2005-06 by including supplier's credit upto 180 days and FII investment in the Government Treasury Bills and other instruments and further in March 2007 by including external debt liabilities of the banking system and the investment in the Government securities by the foreign central banks and the international institutions.

4. Multilateral and Bilateral Debt

Multilateral creditors are primarily multilateral institutions such as the International Development Association (IDA), International Bank for Reconstruction and Development (IBRD), Asian Development bank (ADB) etc. Bilateral creditors are sovereign countries with whom sovereign and non-sovereign entities enter into one-to-one loan arrangements. Some of India's bilateral creditors who extend loans to both sovereign and non-sovereign debtors include Japan, Germany, United States, France, Netherlands and Russian Federation.

5. Sovereign (Government) and Non-Sovereign (Non-Government) debt

Sovereign debt includes (i) external debt outstanding on account of loans received by Government of India under the ‘external assistance’ programme, and civilian component of Rupee Debt; (ii) other Government debt comprising borrowings from IMF, defence debt component of Rupee debt as well as foreign currency defence debt and (iii) FII investment in Government Securities. *Non-sovereign* includes the remaining components of external debt.

6. Trade Credits/Export Credits

Trade credits/Export credits refer to loans and credits extended for imports directly by overseas

supplier, bank and financial institution to sovereign and non-sovereign entities. Depending on the source of finance, such credits can be either *suppliers' credit* or *buyers' credit*.

- (i) *Suppliers' Credit*: Such credit is extended by the overseas supplier of goods in the form of deferred payments.
- (ii) *Buyers' Credit*: Such credit is provided by a bank or financial institution and is generally governed by OECD consensus terms and carries insurance from export credit agency of the concerned country.

7. External Commercial Borrowings

The definition of commercial borrowing includes loans from commercial banks, other commercial financial institutions, money raised through issue of securitized instruments like bonds (including India Development Bonds (IDBs) and Resurgent India Bonds (RIBs)), Floating Rate Notes (FRN) and securitized borrowings of commercial banks, etc. It also includes borrowings through buyers' credit & supplier credit mechanism of the concerned countries, International Finance Corporation, Washington [IFC (W)], Nordic Investment Bank and private sector borrowings from Asian Development Bank (ADB).

8. NRI Deposits

Non-Resident Indian (NRI) deposits are of three types:

- (i) *Non Resident (External) Rupee Account {NR(E)RA} Deposits* were introduced in 1970. Any NRI can open an NRE account with funds remitted to India through a bank abroad. A NRE account maintained in Indian rupee may be opened as current, savings or term deposit. The amount held in these deposits together with the interest accrued can be repatriated.
- (ii) *Foreign Currency (Non Resident) (Banks) Deposits {FCNR (B)}* were introduced with effect from May 15, 1993. These are term deposits maintained only in Pound Sterling, U.S. dollar, Japanese Yen, Euro, Canadian dollar and Australian dollar. The minimum maturity period of these deposits was raised from six months to 1 year effective October 1999. From July 26, 2005, banks have been allowed to accept FCNR (B) deposits up to a *maximum* maturity period of five years against the earlier maximum limit of three years.
- (iii) *Non-Resident Ordinary Rupee (NRO) Accounts* – Any person resident outside India may open and maintain NRO account with an Authorised Dealer or in authorised bank for the purpose of putting through bonafide transactions denominated in Indian Rupees. NRO Accounts may be opened/maintained in the form of current, saving, recurring or fixed deposits. NRI/Persons of Indian Origin (PIO) may remit an amount not exceeding USD 1 million per financial year out of the balances held in NRO Accounts.

9. Concessional Debt

Generally, a loan is defined as 'concessional' when it carries a grant element of 25 per cent or more. In India, loans from multilateral (the International Development Association (IDA), International Fund for Agricultural Development (IFAD)) and bilateral sources (including rupee debt that is serviced through exports) is categorized as 'concessional', based on their terms of long maturity and less-than-market rate of interest charged on them.

10. External Debt from Official and Private Creditors

External debt from multilateral and bilateral sources of finance, export credit component of bilateral credit, export credit for defence purposes and rupee debt, etc, is called as official debt. External debt from private creditor denotes sources of loans raised under ECBs, NRI deposits, export credits (other than those included under official creditors), and short-term debt.

11. External Debt to GDP Ratio

The ratio of the external debt stock to GDP is derived by scaling the total outstanding debt stock (in rupees) at the end of the financial year by the GDP (in rupees at current market prices) during the financial year.

12. Debt Service Ratio

Debt service ratio is measured by the proportion of total debt service payments (i.e., principal repayment plus interest payment) to current receipts (minus official transfers) of Balance of Payments (BoP). It indicates the claim that servicing of external debt makes on current receipts and is, therefore, a measure of strain on BoP due to servicing of debt service obligations.

13. Borrower Classification of External Debt

The borrower classification of external debt provides breakup into Government (Sovereign) and non-Government debt. The latter is further categorized into financial, public and private sectors. Financial sector represents borrowings by banks and financial institutions including long-term NRI Deposits. Public sector debt represents borrowings of non-financial public sector enterprises and private sector debt represents borrowings of non-financial private sector enterprises.

14. External Debt Denominated in Rupee Currency

Unlike foreign currency denominated external debt, where the currency (exchange rate) risk is borne by the *borrower*, the characteristic feature of domestic currency denominated debt is that the *exchange rate risk* is borne by the *creditor*. The contractual liability, however, is settled in terms of the designated foreign currency (Exports in case of Rupee debt owed to Russia). This implies that the *borrower* gains (and the *creditor* loses) when the local currency depreciates since less has to be repaid in foreign currency terms and *vice versa*.

India's External Debt denominated in Rupees consist of the following categories:-

- i. *Rupee Debt*; The outstanding state credits (both defence and civilian) extended to India by the erstwhile Union of Soviet Socialist Republic (USSR). The debt is denominated in Rupees and repayment of such debt is made primarily through the export of goods to Russia;
- ii. *Rupee Denominated* NRI Deposits viz. the Non-Resident (External) Rupee Account {NR(E)RA} and the Non-Resident Ordinary Rupee (NRO) Accounts. The NR(E)RA is categorized as an external debt liability since the principal amount held in such accounts as well as the interest accrued are repatriable;
- iii. Foreign Institutional Investor's (FII) Investments in Government Treasury Bills (TBs) and dated securities; and
- iv. FII Investments in corporate debt securities.

15. Dissemination of External Debt Statistics in India

(i) The Government of India has been publishing the Status Report on India's external debt annually since 1993. The coverage of external debt statistics has been expanded over the years to align it with the best international practices and make it more comprehensive. India has also been disseminating data on external debt under IMF's Special Data Dissemination Standards (SDDS) and Quarterly External Debt Statistics (QEDS) database jointly developed by the World Bank and the International Monetary Fund.

(ii) The external debt statistics of India are disseminated with a lag of three months from the end of the reference quarter in both the country specific and SDDS format and are accessible at www.finmin.nic.in

and www.rbi.org.in. In November 2006, India joined the 'Quarterly External Debt Statistics' database, jointly developed by the World Bank and International Monetary Fund and has been compiling external debt statistics in the QEDS format every quarter and furnishing the same for release on the World Bank's website.

(iii) Under the present arrangement, the External Debt Management Unit (EDMU) in the Ministry of Finance (MoF), Department of Economic Affairs (DEA), Government of India compiles external debt data for the quarters ending September and December, while the Reserve Bank of India (RBI) compiles and disseminates data for the quarters ending March and June every year. In addition, an annual publication 'India's External Debt: A Status Report' is brought out by the EDMU, MoF, Government of India. Office of the Controller of Aid, Accounts & Audit (CAAA) of the DEA, MoF publishes a report titled 'External Assistance' which provides a detailed account of external assistance received by the Government of India in the form of loans/credits and grants from foreign countries, international institutions and other organizations. It provides donor/country/currency-wise details along with information relating to interest rate structure and maturity profile of external debt availed from multilateral and bilateral creditors.

(iv) The data published for the current quarter/year are termed as 'Quick Estimates'. Quick estimates data are subject to revision during the next twelve months which are labelled as 'Partially Revised' as and when they are published. The partially revised data are fully 'frozen' and released as final data with a lag of twenty four months from the reference date. Extraordinary revisions are undertaken within the cycle only in the event of methodological changes in respect of data collection and compilation procedures and/or significant changes indicated by data sources that may entail structural shifts in the data series.

(v) External debt recording and compilation is done with the aid of the latest version of *Commonwealth Secretariat Debt Recording and Management System (CS-DRMS) 2000+* (version 1.3) by the CAAA, DEA, MoF and (Department of Statistics and Information Management (DSIM)) Reserve Bank of India (RBI). About 60 percent of external debt is recorded in CS-DRMS 2000+, except NRI deposits and short-term debt. Besides, FII investment and defence debt and some minor portions of the external debt are also not under the purview of this computerization scheme.

(vi) The external debt statistics are compiled using the methodology and practices prescribed in the '*External Debt Statistics: Guide for Compilers and Users*' brought out by the IMF. The coverage of India's external debt statistics particularly short-term external debt has been expanded gradually to make these statistics more comprehensive. In fact, short-term trade credits, which are not adequately captured in external debt statistics of several countries due to conceptual issues and data-related problems, are being compiled regularly and included in the short-term debt. To that extent, global comparisons may be problematic in terms of magnitudes.

Key External Debt Indicators (per cent)

Year	External Debt (US\$ million)	Debt Service Ratio	Ratio of Foreign Exchange Reserves to Total Debt	Ratio of Total External Debt to GDP	Ratio of Concessional Debt to Total Debt	Ratio of Short-term Debt to Foreign Exchange Reserves	Ratio of Short- term Debt to Total Debt
1	2	3	4	5	6	7	8
1990-91	83,801	35.3	7.0	28.7	45.9	146.5	10.2
1991-92	85,285	30.2	10.8	38.7	44.8	76.7	8.3
1992-93	90,023	27.5	10.9	37.5	44.5	64.5	7.0
1993-94	92,695	25.4	20.8	33.8	44.4	18.8	3.9
1994-95	99,008	25.9	25.4	30.8	45.3	16.9	4.3
1995-96	93,730	26.2	23.1	27.0	44.7	23.2	5.4
1996-97	93,470	23.0	28.3	24.6	42.2	25.5	7.2
1997-98	93,531	19.5	31.4	24.3	39.5	17.2	5.4
1998-99	96,886	18.7	33.5	23.6	38.5	13.2	4.4
1999-00	98,263	17.1	38.7	22.0	38.9	10.3	4.0
2000-01	1,01,326	16.6	41.7	22.5	35.4	8.6	3.6
2001-02	98,843	13.7	54.7	21.1	35.9	5.1	2.8
2002-03	1,04,914	16.0 ^a	72.5	20.3	36.8	6.1	4.5
2003-04	1,12,653	16.1 ^b	100.3	18.0	35.8	3.9	3.9
2004-05	1,34,002	5.9 ^c	105.6	18.1	30.7	12.5	13.2
2005-06	1,39,114	10.1 ^d	109.0	16.8	28.4	12.9	14.0
2006-07	1,72,360	4.7	115.6	17.5	23.0	14.1	16.3
2007-08	2,24,407	4.8	138.0	18.0	19.7	14.8	20.4
2008-09	2,24,498	4.4	112.2	20.3	18.7	17.2	19.3
2009-10	2,60,935	5.8	106.9	18.2	16.8	18.8	20.1
2010-11	3,17,891	4.4	95.9	18.2	14.9	21.3	20.4
2011-12	3,60,766	6.0	81.6	21.1	13.3	26.6	21.7
2012-13	4,09,374	5.9	71.3	22.4	11.1	33.1	23.6
2013-14	4,46,178	5.9	68.2	23.8	10.4	30.1	20.5
2014-15PR	4,75,045	7.6	71.9	23.8	8.8	25.0	18.0
2015-16QE	4,85,614	8.8	74.2	23.7	9.0	23.1	17.2

PR : Partially Revised; QE: Quick Estimates.

^a Works out to 12.4 per cent, with the exclusion of pre-payment of US\$ 3.4 billion.

^b Works out to 8.2 per cent, with the exclusion of pre-payment of US\$ 3.8 billion and redemption of Resurgent India Bonds (RIBs) of US\$ 5.5 billion.

^c Works out to 5.7 per cent, with the exclusion of pre-payment of US\$ 381 million.

^d Works out to 6.3 per cent, with the exclusion of India Millennium Deposits (IMDs) repayments of US\$ 7.1 billion and pre-payment of US\$ 23.5 million.

India's External Debt Outstanding (Annual)

Sl.No.	Components of External Debt	End - March										(₹ crore)
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I.	MULTILATERAL	145,503	154,053	157,901	201,425	193,436	216,672	257,089	279,310	321,560	328,149	359,286
	A. Government Borrowing	133,800	141,746	144,627	181,997	170,722	190,326	222,579	235,670	268,491	269,431	294,122
	(i) Concessional	105,852	108,448	107,395	127,771	116,046	120,653	138,691	143,130	163,589	154,581	166,506
	a) IDA	104,457	107,019	105,947	126,127	114,552	119,068	136,816	141,119	161,165	152,171	163,772
	b) Others	1,395	1,429	1,448	1,644	1,494	1,585	1,875	2,011	2,424	2,410	2,734
	(ii) Non-concessional	27,948	33,298	37,232	54,226	54,676	69,673	83,888	92,540	104,902	114,850	127,616
	a) IBRD	19,626	21,864	22,631	29,948	28,874	39,218	45,328	48,239	53,433	57,107	61,553
	b) Others	8,322	11,434	14,601	24,278	25,802	30,455	38,560	44,301	51,469	57,743	66,063
	B. Non-Government Borrowing	11,703	12,307	13,274	19,428	22,714	26,346	34,510	43,640	53,069	58,718	65,164
	(i) Concessional	0	0	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	11,703	12,307	13,274	19,428	22,714	26,346	34,510	43,640	53,069	58,718	65,164
	a) Public Sector	8,510	9,315	10,352	14,298	14,919	15,802	19,407	23,414	28,105	31,385	35,409
	i) IBRD	4,594	4,550	4,690	7,105	8,544	9,193	11,092	12,749	14,412	15,674	17,005
	ii) Others	3,916	4,765	5,662	7,193	6,375	6,609	8,315	10,664	13,693	15,711	18,404
	b) Financial Institutions	2,628	2,414	2,350	3,721	5,385	7,511	10,290	14,370	18,881	21,860	24,986
	i) IBRD	630	655	593	744	1,343	1,899	2,707	2,973	3,820	3,709	5,984
	ii) Others	1,998	1,759	1,757	2,977	4,042	5,612	7,583	11,397	15,061	18,151	19,002
	c) Private Sector	565	578	572	1,409	2,410	3,033	4,813	5,856	6,083	5,473	4,769
	i) IBRD	0	0	0	0	0	0	0	0	0	0	0
	ii) Others	565	578	572	1,409	2,410	3,033	4,813	5,856	6,083	5,473	4,769
II.	BILATERAL	70,302	70,034	78,802	104,997	101,976	114,904	137,086	136,329	148,813	136,219	149,746
	A. Government borrowing	54,593	53,810	59,391	74,662	71,584	80,406	91,641	88,007	96,918	88,452	102,925
	(i) Concessional	54,468	53,810	59,391	74,662	71,584	80,406	91,641	88,007	96,918	88,452	102,925
	(ii) Non-concessional	125	0	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	15,709	16,224	19,411	30,335	30,392	34,498	45,445	48,322	51,895	47,767	46,821
	(i) Concessional	6,949	1,727	1,737	3,262	3,169	4,101	7,648	8,435	10,318	10,080	11,892
	a) Public Sector	5,285	1,241	1,226	1,156	1,121	1,621	4,963	5,916	7,763	7,546	9,052
	b) Financial Institutions	1,664	486	511	2,106	2,048	2,480	2,685	2,519	2,555	2,534	2,840
	c) Private Sector	0	0	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	8,760	14,497	17,674	27,073	27,223	30,397	37,797	39,887	41,577	37,687	34,929
	a) Public Sector	3,628	7,420	10,097	15,076	13,845	13,789	14,200	13,010	13,374	11,561	10,992
	b) Financial Institutions	2,386	3,828	3,735	4,311	3,436	3,754	3,886	4,206	4,361	3,323	3,119
	c) Private Sector	2,746	3,249	3,842	7,686	9,942	12,854	19,711	22,671	23,842	22,803	20,818
III.	IMF^a	4,378	4,484	4,479	5,188	27,264	28,163	31,528	32,439	36,910	34,350	37,177
IV.	EXPORT CREDIT	24,175	31,237	41,296	73,772	76,011	83,112	97,117	96,556	93,275	78,993	70,809
	a) Buyers' credit	16,088	23,617	33,134	64,046	66,849	73,273	85,896	84,667	80,069	66,093	55,827
	b) Suppliers' credit	3,351	2,941	2,998	3,234	2,937	2,847	3,252	4,236	4,779	5,209	6,032
	c) Export credit component of bilateral credit	4,736	4,679	5,164	6,492	6,225	6,992	7,969	7,653	8,427	7,691	8,950

Contd...

Sl.No.	Components of External Debt	End - March										(₹ crore)
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
V.	COMMERCIAL BORROWINGS	117,991	180,669	249,243	318,209	319,221	448,448	614,623	762,128	897,744	1,130,586	1,202,524
a)	Commercial bank loans ^b	73,508	107,145	160,577	219,925	202,350	261,678	373,194	454,450	582,644	635,797	649,294
b)	Securitized borrowings ^c	41,112	68,020	82,641	91,286	113,177	183,504	238,849	306,070	313,416	492,429	550,802
c)	Loans/secured borrowings etc., with multilateral/bilateral guarantee + IFC(W)	3,371	5,504	6,025	6,998	3,694	3,266	2,580	1,608	1,684	2,360	2,428
VI.	NRI DEPOSITS^d	161,834	179,786	174,623	210,118	217,062	230,812	299,840	385,202	624,101	720,997	841,955
	(Above one year maturity)											
VII.	RUPEE DEBT^e	9,184	8,508	8,065	7,760	7,480	7,147	6,922	6,839	8,826	9,426	8,480
a)	Defence	8,112	7,533	7,172	6,935	6,709	6,416	6,220	6,164	8,179	8,807	7,888
b)	Civilian	1,072	975	893	825	771	731	702	675	647	619	592
VIII.	TOTAL LONG TERM DEBT (I TO VII)	533,367	628,771	714,409	921,469	942,450	1,129,258	1,444,205	1,698,803	2,131,229	2,438,720	2,669,977
IX.	SHORT-TERM DEBT	87,155	122,631	182,881	220,656	236,188	290,149	399,962	525,931	550,985	535,145	553,043
a)	Trade-Related Credits	86,531	113,256	167,540	203,345	214,267	261,006	333,202	472,026	491,271	510,938	530,806
1)	Above 6 Months	38,788	52,188	91,502	118,936	126,391	157,806	200,454	321,010	330,500	334,267	339,674
2)	Upto 6 Months	47,743	61,068	76,038	84,409	87,876	103,200	132,748	151,016	160,771	176,671	191,132
b)	FII Investment in Govt. Treasury Bills and other instruments	624	1,732	2,603	10,522	15,153	24,214	48,066	29,671	33,686	7,307	132
c)	Investment in Treasury Bills by foreign central banks and other international institutions etc.	0	712	620	534	467	225	326	447	572	714	714
d)	External Debt Liabilities of:	0	6,931	12,118	6,255	6,301	4,704	18,368	23,787	25,456	16,186	21,391
1)	Central Bank	0	2,185	4,458	3,892	3,139	693	871	985	892	939	1,197
2)	Commercial banks	0	4,746	7,660	2,363	3,162	4,011	17,497	22,802	24,564	15,247	20,194
X.	GRAND TOTAL (VIII+IX)	620,522	751,402	897,290	1,142,125	1,178,638	1,419,407	1,844,167	2,224,734	2,682,214	2,973,865	3,223,020

Source: Ministry of Finance (Department of Economic Affairs), Ministry of Defence, Reserve Bank of India, Securities and Exchange Board of India.

PR: Partially Revised QE : Quick Estimates.

IFC(W): International Finance Corporation, Washington D.C.

FII: Foreign Institutional Investors

^a Relates to SDR allocations from March 2004 onwards.

^b Includes Financial Lease since 1996.

^c Also includes India Development Bonds (IDBs), Resurgent India Bonds (RIBs), India Millennium Deposits (IMDs), Foreign Currency Convertible Bonds (FCCBs) and net investment by 100% FII debt funds and securitized borrowings of commercial banks. FCCB debt has been adjusted since end-March, 1998 after netting out conversion into equity and redemptions.

^d Figures include accrued interest.

^e Rupee denominated debt owed to Russia and payable through exports.

Note: NRO Deposits are included under NRI Deposits from the quarter ending June 2005. Supplier's credits upto 180 days and FII investment in short-term debt instruments are included under short-term debt from the quarter ending March 2005. Vostro balances /Nostro overdrafts of commercial banks, balances of foreign central banks/international institutions with RBI and investment in T-Bills/securities by foreign central banks/international institutions have been included in external debt from the quarter ended March 2007.

India's External Debt Outstanding (Annual)

Sl.No.	Components of External Debt	End - March										(US\$ million)
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I.	MULTILATERAL	32,620	35,337	39,490	39,538	42,857	48,475	50,452	51,590	53,418	52,391	53,969
	A. Government Borrowing	29,996	32,514	36,171	35,724	37,825	42,579	43,686	43,539	44,598	43,015	44,171
	(i) Concessional	23,731	24,876	26,859	25,080	25,711	26,992	27,221	26,443	27,173	24,679	25,006
	a) IDA	23,418	24,548	26,497	24,757	25,380	26,637	26,853	26,071	26,770	24,294	24,595
	b) Others	313	328	362	323	331	355	368	372	403	385	411
	(ii) Non-concessional	6,265	7,638	9,312	10,644	12,114	15,587	16,465	17,096	17,425	18,336	19,165
	a) IBRD	4,400	5,015	5,660	5,878	6,397	8,774	8,897	8,912	8,876	9,117	9,244
	b) Others	1,865	2,623	3,652	4,766	5,717	6,813	7,568	8,184	8,549	9,219	9,921
	B. Non-Government Borrowing	2,624	2,823	3,319	3,814	5,032	5,896	6,766	8,051	8,820	9,376	9,798
	(i) Concessional	0	0	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	2,624	2,823	3,319	3,814	5,032	5,896	6,766	8,051	8,820	9,376	9,798
	a) Public Sector	1,908	2,136	2,589	2,807	3,305	3,536	3,808	4,324	4,669	5,010	5,319
	i) IBRD	1,030	1,043	1,173	1,395	1,893	2,057	2,177	2,355	2,394	2,502	2,554
	ii) Others	878	1,093	1,416	1,412	1,412	1,479	1,631	1,969	2,275	2,508	2,765
	b) Financial Institutions	589	554	587	730	1,193	1,681	2,017	2,650	3,139	3,492	3,760
	i) IBRD	141	150	148	146	298	425	531	549	635	592	899
	ii) Others	448	404	439	584	895	1,256	1,486	2,101	2,504	2,900	2,861
	c) Private Sector	127	133	143	277	534	679	941	1,077	1,012	874	719
	i) IBRD	0	0	0	0	0	0	0	0	0	0	0
	ii) Others	127	133	143	277	534	679	941	1,077	1,012	874	719
II.	BILATERAL	15,761	16,065	19,708	20,610	22,593	25,712	26,884	25,158	24,727	21,751	22,504
	A. Government borrowing	12,239	12,344	14,853	14,655	15,860	17,988	17,987	16,259	16,099	14,121	15,457
	(i) Concessional	12,211	12,344	14,853	14,655	15,860	17,988	17,987	16,259	16,099	14,121	15,457
	(ii) Non-concessional	28	0	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	3,522	3,721	4,855	5,955	6,733	7,724	8,897	8,899	8,628	7,630	7,047
	(i) Concessional	1,558	396	435	641	702	918	1,501	1,558	1,714	1,610	1,786
	a) Public Sector	1,185	285	307	227	248	363	974	1,093	1,290	1,205	1,359
	b) Financial Institutions	373	111	128	414	454	555	527	465	424	405	427
	c) Private Sector	0	0	0	0	0	0	0	0	0	0	0

Sl.No.	Components of External Debt	End - March										(US\$ million)
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
	(ii) Non-concessional	1,964	3,325	4,420	5,314	6,031	6,806	7,396	7,341	6,914	6,020	5,261
	a) Public Sector	813	1,702	2,525	2,959	3,072	3,087	2,781	2,397	2,223	1,846	1,654
	b) Financial Institutions	535	878	934	846	761	840	762	776	724	531	469
	c) Private Sector	616	745	961	1,509	2,198	2,879	3,853	4,168	3,967	3,643	3,138
III.	IMF^a	981	1,029	1,120	1,018	6,041	6,308	6,163	5,964	6,149	5,488	5,605
IV.	EXPORT CREDIT	5,420	7,165	10,328	14,481	16,841	18,647	18,990	17,760	15,518	12,620	10,669
	a) Buyers' credit	3,607	5,417	8,287	12,572	14,811	16,437	16,790	15,567	13,323	10,560	8,416
	b) Suppliers' credit	751	675	750	635	651	646	636	779	795	832	909
	c) Export credit component of bilateral credit	1,062	1,073	1,291	1,274	1,379	1,564	1,564	1,414	1,400	1,228	1,344
V.	COMMERCIAL BORROWINGS	26,452	41,443	62,334	62,461	70,726	100,476	120,136	140,125	149,375	180,628	181,286
	a) Commercial bank loans ^b	16,479	24,577	40,159	43,169	44,832	58,643	72,946	83,555	96,946	101,580	97,884
	b) Securitized borrowings ^c	9,217	15,603	20,668	17,918	25,075	41,100	46,686	56,274	52,149	78,671	83,036
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	756	1,263	1,507	1,374	819	733	504	296	280	377	366
VI.	NRI DEPOSITS^d	36,282	41,240	43,672	41,554	47,890	51,682	58,608	70,822	103,845	115,163	126,929
	(Above one year maturity)											
VII.	RUPEE DEBT^e	2,059	1,951	2,017	1,523	1,658	1,601	1,354	1,258	1,468	1,506	1,278
	a) Defence	1,819	1,728	1,794	1,361	1,487	1,437	1,216	1,133	1,361	1,407	1,189
	b) Civilian	240	223	223	162	171	164	138	125	107	99	89
VIII.	TOTAL LONG TERM DEBT											
	(I TO VII)	119,575	144,230	178,669	181,185	208,606	252,901	282,587	312,677	354,500	389,547	402,240

Sl.No.	Components of External Debt	End - March										(US\$ million)
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	20156 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
IX.	SHORT-TERM DEBT	19,539	28,130	45,738	43,313	52,329	64,990	78,179	96,697	91,678	85,498	83,374
a)	Trade-Related Credits	19,399	25,979	41,901	39,915	47,473	58,463	65,130	86,787	81,743	80,820	80,021
	1) Above 6 Months	8,696	11,971	22,884	23,346	28,003	35,347	39,182	59,021	54,992	52,593	51,207
	2) Upto 6 Months	10,703	14,008	19,017	16,569	19,470	23,116	25,948	27,766	26,751	28,227	28,814
b)	FII Investment in Govt. Treasury Bills and other instruments	140	397	651	2,065	3,357	5,424	9,395	5,455	5,605	1,167	20
c)	Investment in Treasury Bills by foreign central banks and other international institutions etc.	0	164	155	105	103	50	64	82	95	114	108
d)	External Debt Liabilities of:	0	1,590	3,031	1,228	1,396	1,053	3,590	4,373	4,235	2,586	3,225
	1) Central Bank	0	501	1,115	764	695	155	170	181	148	150	180
	2) Commercial banks	0	1,089	1,916	464	701	898	3420	4,192	4,087	2,436	3,045
X.	GRAND TOTAL (VIII+IX)	139,114	172,360	224,407	224,498	260,935	317,891	360,766	409,374	446,178	475,045	485,614
Memo Items :												
	Concessional Debt ^f	39,559	39,567	44,164	41,899	43,931	47,499	48,063	45,517	46,454	41,915	43,526
	Concessional Debt to total external debt (per cent)	28.4	23.0	19.7	18.7	16.8	14.9	13.3	11.1	10.4	8.8	9.0
	Short-term debt	19,539	28,130	45,738	43,313	52,329	64,990	78,179	96,697	91,678	85,498	83,374
	Short-term debt to total external debt (per cent)	14.0	16.3	20.4	19.3	20.1	20.4	21.7	23.6	20.5	18.0	17.2

Source: Ministry of Finance (Department of Economic Affairs), Ministry of Defence, Reserve Bank of India, Securities & Exchange Board of India.

PR: Partially Revised; QE : Quick Estimates.

IFC(W): International Finance Corporation, Washington D.C.

FII: Foreign Institutional Investors

a Relates to SDR allocations from March 2004 onwards.

b Includes Financial Lease since 1996.

c Also includes India Development Bonds (IDBs), Resurgent India Bonds (RIBs), India Millennium Deposits (IMDs), Foreign Currency Convertible Bonds (FCCBs) and net investment by 100% FII debt funds and securitized borrowings of commercial banks. FCCB debt has been adjusted since end-March, 1998 after netting out conversion into equity and redemptions.

d Figures include accrued interest.

e Rupee denominated debt owed to Russia and payable through exports.

f The definition of concessional debt here includes 'Concessional' categories under Multilateral and bilateral debt and rupee debt under item VII.

Note: NRO Deposits are included under NRI Deposits from the quarter ending June 2005. Supplier's credits upto 180 days and FII investment in short-term debt instruments are included under short-term debt from the quarter ending March 2005. Vostro balances /Nostro overdrafts of commercial banks, balances of foreign central banks/international institutions with RBI and investment in T-Bills/securities by foreign central banks/international institutions have been included in external debt from the quarter ended March 2007.

India's External Debt Outstanding (Quarterly)

(₹ crore)

		End period								
Sl.No.	Components of External Debt									
		Mar. 2014	June 2014	Sept. 2014	Dec. 2014	March 2015 PR	June 2015 PR	Sept. 2015 PR	Dec. 2015 PR	March 2016 QE
1	2	3	4	5	6	7	8	9	10	11
I.	MULTILATERAL	321,560	322,986	328,051	337,354	328,149	339,717	350,843	352,709	359,286
	A. Government Borrowing	268,491	270,116	272,254	279,194	269,431	278,400	287,715	288,671	294,122
	(i) Concessional	163,589	164,681	162,568	164,049	154,581	160,972	165,628	162,999	166,506
	a) IDA	161,165	162,200	160,107	161,499	152,171	158,435	162,967	160,339	163,772
	b) Others	2,424	2,481	2,461	2,550	2,410	2,537	2,661	2,660	2,734
	(ii) Non-concessional	104,902	105,435	109,686	115,145	114,850	117,428	122,087	125,672	127,616
	a) IBRD	53,433	53,913	54,945	56,918	57,107	58,825	60,122	60,606	61,553
	b) Others	51,469	51,522	54,741	58,227	57,743	58,603	61,965	65,066	66,063
	B. Non-Government Borrowing	53,069	52,870	55,797	58,160	58,718	61,317	63,128	64,038	65,164
	(i) Concessional	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	53,069	52,870	55,797	58,160	58,718	61,317	63,128	64,038	65,164
	a) Public Sector	28,105	28,530	30,117	31,524	31,385	32,582	34,250	34,986	35,409
	i) IBRD	14,412	14,605	15,439	15,822	15,674	15,934	16,936	16,933	17,005
	ii) Others	13,693	13,926	14,679	15,702	15,711	16,649	17,313	18,053	18,404
	b) Financial Institutions	18,881	18,320	19,751	20,654	21,860	23,274	23,827	24,085	24,986
	i) IBRD	3,820	3,231	3,307	3,636	3,709	4,564	5,403	5,387	5,984
	ii) Others	15,061	15,089	16,444	17,018	18,151	18,710	18,424	18,698	19,002
	c) Private Sector	6,083	6,020	5,929	5,982	5,473	5,461	5,051	4,967	4,769
	i) IBRD	0	0	0	0	0	0	0	0	0
	ii) Others	6,083	6,020	5,929	5,982	5,473	5,461	5,051	4,967	4,769
II.	BILATERAL	148,813	148,255	143,272	138,162	136,219	135,131	141,004	141,027	149,746
	A. Government borrowing	96,918	96,434	93,093	89,237	88,452	88,008	93,763	95,113	102,925
	(i) Concessional	96,918	96,434	93,093	89,237	88,452	88,008	93,763	95,113	102,925
	(ii) Non-concessional	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	51,895	51,821	50,179	48,925	47,767	47,123	47,241	45,914	46,821
	(i) Concessional	10,318	10,221	9,705	9,284	10,080	9,951	10,456	10,184	11,892
	a) Public Sector	7,763	7,794	7,383	7,172	7,546	7,526	7,889	7,739	9,052
	b) Financial Institutions	2,555	2,427	2,322	2,112	2,534	2,425	2,567	2,445	2,840
	c) Private Sector	0	0	0	0	0	0	0	0	0

49

Contd..

End period

Sl.No. Components of External Debt

1	2	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	March 2015 PR	June 2015 PR	Sept. 2015 PR	Dec. 2015 PR	March 2016 QE
		3	4	5	6	7	8	9	10	11
	(ii) Non-concessional	41,577	41,600	40,474	39,641	37,687	37,172	36,785	35,730	34,929
	a) Public Sector	13,374	13,043	12,377	11,810	11,561	11,324	11,365	11,030	10,992
	b) Financial Institutions	4,361	4,147	3,916	3,692	3,323	3,262	3,317	3,115	3,119
	c) Private Sector	23,842	24,410	24,181	24,139	22,803	22,586	22,103	21,585	20,818
III.	IMF^a	36,910	36,957	36,340	36,502	34,350	35,671	36,713	36,564	37,177
IV.	EXPORT CREDIT	93,275	90,204	87,706	84,936	78,993	75,716	76,005	73,479	70,809
	a) Buyers' credit	80,069	76,850	74,587	72,004	66,093	62,706	61,844	59,115	55,827
	b) Suppliers' credit	4,779	4,968	5,024	5,172	5,209	5,357	6,007	6,094	6,032
	c) Export credit component of bilateral credit	8,427	8,386	8,095	7,760	7,691	7,653	8,154	8,270	8,950
V.	COMMERCIAL BORROWINGS	897,744	936,817	1,001,619	1,063,070	1,130,586	1,181,782	1,193,281	1,215,215	1,202,524
	a) Commercial bank loans ^b	582,644	584,487	598,402	628,004	635,797	641,406	654,070	657,871	649,294
	b) Securitized borrowings ^c	313,416	350,647	401,559	432,391	492,429	538,043	536,847	554,970	550,802
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	1,684	1,683	1,658	2,675	2,360	2,333	2,364	2,374	2,428
VI.	NRI DEPOSITS(Above one year maturity)^d	624,101	638,527	669,433	700,435	720,997	762,562	798,708	811,875	841,955
	a) NR(E) RA	317,973	328,582	349,351	371,421	392,832	419,917	442,944	451,264	474,068
	b) FCNR (B)	251,354	255,947	263,971	269,954	268,106	281,104	292,257	295,897	300,593
	c) NRO Deposits	54,774	53,998	56,111	59,060	60,059	61,541	63,507	64,714	67,294
VII.	RUPEE DEBT^e	8,826	8,992	8,944	8,982	9,426	8,918	7,356	8,445	8,480
	a) Defence	8,179	8,371	8,325	8,363	8,807	8,325	6,764	7,853	7,888
	b) Civilian	647	621	619	619	619	593	592	592	592
VIII.	TOTAL LONG TERM DEBT (I TO VII)	2,131,229	2,182,738	2,275,365	2,369,441	2,438,720	2,539,497	2,603,910	2,639,314	2,669,977
IX.	SHORT-TERM DEBT	550,985	541,286	536,002	541,955	535,145	533,155	557,486	540,973	553,043
	a) Trade - Related Credits	491,271	492,554	495,246	500,488	510,938	505,396	520,469	513,250	530,806
	1) 6 Months and above/up to 1 year	330,500	327,770	322,190	317,864	334,267	337,669	342,337	329,109	329,674
	2) Up to 6 months	160,771	164,784	173,056	182,624	176,671	167,727	178,132	184,141	191,132
	b) FII Investment in Govt. Treasury Bills and other instruments	33,686	20,340	13,568	11,211	7,307	3,885	1,965	244	132
	c) Investment in Treasury Bills by foreign central banks and international institutions etc.	572	567	784	663	714	698	691	676	714
	d) External Debt Liabilities of:	25,456	27,825	26,404	29,593	16,186	23,176	34,361	26,803	21,391
	1) Central Bank	892	1,008	899	816	939	1,065	1,106	1,085	1,197
	2) Commercial banks	24,564	26,817	25,505	28,777	15,247	22,111	33,255	25,718	20,194
X.	GRAND TOTAL (VIII+IX)	2,682,214	2,724,024	2,811,367	2,911,396	2,973,865	3,072,652	3,161,396	3,180,287	3,223,020

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Source: Ministry of Finance (Department of Economic Affairs), Ministry of Defence, Reserve Bank of India, Securities & Exchange Board of India.

PR: Partially Revised; QE: Quick Estimates.

IFC(W): International Finance Corporation, Washington D.C.

FII: Foreign Institutional Investors

- a Relates to SDR allocations from March 2004 onwards.
- b Includes Financial Lease since 1996.
- c Also includes India Development Bonds (IDBs), Resurgent India Bonds (RIBs), India Millennium Deposits (IMDs), Foreign Currency Convertible Bonds (FCCBs) and net investment by 100% FII debt funds and securitized borrowings of commercial banks. FCCB debt has been adjusted since end-March, 1998 after netting out conversion into equity and redemptions.
- d Figures include accrued interest.
- e Rupee denominated debt owed to Russia and payable through exports.

Note: NRO Deposits are included under NRI Deposits from the quarter ended June 2005. Supplier's Credits upto 180 days and FII investment in short-term debt instruments are included under short-term debt from the quarter ended March 2005. Vostro balances / Nostro overdrafts of commercial banks, balances of foreign central banks/international institutions with RBI and investment in T-bills/ securities by foreign central banks/ international institutions have been included in external debt from the quarter ended March 2007.

India's External Debt Outstanding (Quarterly)

(US\$ million)

		End period								
Sl.No.	Components of External Debt	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	March 2015 PR	June 2015 PR	Sept. 2015 PR	Dec. 2015 PR	March 2016 QE
1	2	3	4	5	6	7	8	9	10	11
I.	MULTILATERAL	53,418	53,664	53,252	53,005	52,391	53,380	53,086	53,122	53,969
	A. Government Borrowing	44,598	44,876	44,195	43,854	43,015	43,750	43,520	43,474	44,171
	(i) Concessional	27,173	27,359	26,390	25,768	24,679	25,297	25,053	24,548	25,006
	a) IDA	26,770	26,947	25,991	25,367	24,294	24,898	24,651	24,147	24,595
	b) Others	403	412	399	401	385	399	402	401	411
	(ii) Non-concessional	17,425	17,517	17,805	18,086	18,336	18,453	18,467	18,926	19,165
	a) IBRD	8,876	8,957	8,919	8,940	9,117	9,244	9,094	9,127	9,244
	b) Others	8,549	8,560	8,886	9,146	9,219	9,209	9,373	9,799	9,921
	B. Non-Government Borrowing	8,820	8,788	9,057	9,151	9,376	9,630	9,566	9,648	9,798
	(i) Concessional	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	8,820	8,788	9,057	9,151	9,376	9,630	9,566	9,648	9,798
	a) Public Sector	4,669	4,740	4,889	4,953	5,010	5,120	5,183	5,270	5,319
	i) IBRD	2,394	2,426	2,506	2,485	2,502	2,504	2,562	2,550	2,554
	ii) Others	2,275	2,314	2,383	2,468	2,508	2,616	2,621	2,720	2,765
	b) Financial Institutions	3,139	3,046	3,206	3,253	3,492	3,653	3,615	3,629	3,760
	i) IBRD	635	537	537	571	592	717	817	811	899
	ii) Others	2,504	2,509	2,669	2,682	2,900	2,936	2,798	2,818	2,861
	c) Private Sector	1,012	1,002	962	945	874	857	768	749	719
	i) IBRD	0	0	0	0	0	0	0	0	0
	ii) Others	1,012	1,002	962	945	874	857	768	749	719
II.	BILATERAL	24,727	24,639	23,257	21,727	21,751	21,227	21,353	21,243	22,504
	A. Government borrowing	16,099	16,021	15,112	14,016	14,121	13,830	14,183	14,324	15,457
	(i) Concessional	16,099	16,021	15,112	14,016	14,121	13,830	14,183	14,324	15,457
	(ii) Non-concessional	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	8,628	8,618	8,145	7,711	7,630	7,397	7,170	6,919	7,047
	(i) Concessional	1,714	1,698	1,576	1,459	1,610	1,564	1,582	1,534	1,786
	a) Public Sector	1,290	1,295	1,199	1,127	1,205	1,183	1,194	1,166	1,359
	b) Financial Institutions	424	403	377	332	405	381	388	368	427
	c) Private Sector	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	6,914	6,920	6,569	6,252	6,020	5,833	5,588	5,385	5,261
	a) Public Sector	2,223	2,169	2,009	1,860	1,846	1,778	1,724	1,662	1,654
	b) Financial Institutions	724	689	635	580	531	512	502	469	469
	c) Private Sector	3,967	4,062	3,925	3,812	3,643	3,543	3,362	3,254	3,138
III.	IMF ^a	6,149	6,150	5,898	5,764	5,488	5,595	5,584	5,513	5,605

Contd..

(US\$ million)

		End period								
Sl.No.	Components of External Debt	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	March 2015 PR	June 2015 PR	Sept. 2015 PR	Dec. 2015 PR	March 2016 QE
1	2	3	4	5	6	7	8	9	10	11
IV.	EXPORT CREDIT	15,518	15,009	14,235	13,405	12,620	11,878	11,554	11,077	10,669
	a) Buyers' credit	13,323	12,789	12,106	11,369	10,560	9,835	9,407	8,913	8,416
	b) Suppliers' credit	795	827	815	817	832	840	914	919	909
	c) Export credit component of bilateral credit	1,400	1,393	1,314	1,219	1,228	1,203	1,233	1,245	1,344
V.	COMMERCIAL BORROWINGS	149,375	155,893	162,573	167,806	180,628	185,403	181,554	183,250	181,286
	a) Commercial bank loans ^b	96,946	97,263	97,122	99,161	101,580	100,605	99,491	99,188	97,884
	b) Securitized borrowings ^c	52,149	58,350	65,182	68,223	78,671	84,432	81,703	83,704	83,036
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	280	280	269	422	377	366	360	358	366
VI.	NRI DEPOSITS(Above one year maturity)^d	103,845	106,251	108,724	110,070	115,163	119,892	121,840	122,636	126,929
	a) NR(E) RA	52,908	54,676	56,739	58,367	62,746	66,020	67,569	68,165	71,468
	b) FCNR (B)	41,823	42,590	42,872	42,422	42,824	44,196	44,583	44,696	45,316
	c) NRO Deposits	9,114	8,985	9,113	9,281	9,593	9,676	9,688	9,775	10,145
VII.	RUPEE DEBT^e	1,468	1,496	1,452	1,418	1,506	1,398	1,119	1,273	1,278
	a) Defence	1,361	1,393	1,351	1,321	1,407	1,305	1,029	1,184	1,189
	b) Civilian	107	103	101	97	99	93	90	89	89
VIII.	TOTAL LONG TERM DEBT (I TO VII)	354,500	363,102	369,391	373,195	389,547	398,773	396,090	398,114	402,240
IX.	SHORT-TERM DEBT	91,678	90,074	86,993	85,574	85,498	83,626	84,799	81,563	83,374
	a) Trade - Related Credits	81,743	81,965	80,379	79,026	81,631	79,273	79,169	77,383	80,021
	1) 6 Months and above/upto 1 year	54,992	54,544	52,292	50,190	53,405	52,965	52,073	49,620	51,207
	2) Up to 6 months	26,751	27,421	28,087	28,836	28,226	26,308	27,096	27,763	28,814
	b) FII Investment in Govt. Treasury Bills and other instruments	5,605	3,385	2,202	1,770	1,167	609	299	37	20
	c) Investment in Treasury Bills by foreign central banks and international institutions etc.	95	94	127	105	114	109	105	102	108
	d) External Debt Liabilities of:	4,235	4,630	4,285	4,673	2,586	3,635	5,226	4,041	3,225
	1) Central Bank	148	168	146	129	150	167	168	164	180
	2) Commercial banks	4,087	4,462	4,139	4,544	2,436	3,468	5,059	3,877	3,045
X.	GRAND TOTAL (VIII+IX)	446,178	453,176	456,384	458,769	475,045	482,399	480,889	479,677	485,614
<u>Memo Items :</u>										
	Concessional Debt ^f	46,454	46,575	44,529	42,660	41,915	42,089	41,936	41,679	43,526
	Concessional Debt to total external debt (per cent)	10.4	10.3	9.7	9.3	8.8	8.7	8.7	8.7	9.0
	Short-term debt	91,678	90,074	86,993	85,574	85,498	83,626	84,799	81,563	83,374
	Short-term debt to total external debt (per cent)	20.5	19.9	19.0	18.6	18.0	17.3	17.6	17.0	17.2

Contd..

Source: Ministry of Finance (Department of Economic Affairs), Ministry of Defence, Reserve Bank of India and Securities & Exchange Board of India.

PR: Partially Revised QE: Quick Estimates

IFC(W): International Finance Corporation, Washington D.C.

FII: Foreign Institutional Investors

^a Relates to SDR allocations from March 2004 onwards.

^b Includes Financial Lease since 1996.

^c Also includes India Development Bonds (IDBs), Resurgent India Bonds (RIBs), India Millennium Deposits (IMDs), Foreign Currency Convertible Bonds (FCCBs) and net investment by 100% FII debt funds and securitized borrowings of commercial banks. FCCB debt has been adjusted since end-March, 1998 after netting out conversion into equity and redemptions.

^d Figures include accrued interest.

^e Rupee denominated debt owed to Russia and payable through exports.

^f The definition of concessional debt here includes 'concessional' categories under multilateral and bilateral debt and rupee debt under item VII.

Note: NRO Deposits are included under NRI Deposits from the quarter ended June 2005. Supplier's Credits upto 180 days and FII investment in short-term debt instruments are included under short-term debt from the quarter ended March 2005. Vostro balances / Nostro overdrafts of commercial banks, balances of foreign central banks/international institutions with RBI and investments in T-bills/securities by foreign central banks/ international institutions have been included in external debt from the quarter ended March 2007.

External Debt by Borrower Category

(US\$ million)

Sl. No.	Category	End-March										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I.	Government Debt (A+B):	46,259	49,360	58,070	55,870	67,067	78,072	81,896	81,654	83,695	89,717	93,437
A	of which long-term:	46,119	49,034	57,455	54,931	65,549	75,230	75,789	77,867	79,914	89,603	93,329
1	Government Account	43,510	46,155	52,541	51,816	55,235	62,295	63,374	61,335	62,204	58,462	61,060
2	Other Government Debt	2,609	2,879	4,914	3,115	10,314	12,935	12,415	16,532	17,710	31,141	32,269
B.	of which short-term:	140	326	615	939	1,518	2,842	6,107	3,787	3,781	114	108
II	Non-Govt. Debt (C+D):	92,855	1,23,000	1,66,337	1,68,628	1,93,868	2,39,819	2,78,870	3,27,720	3,62,483	3,85,328	3,92,177
C	of which long-term:	73,456	95,196	1,21,214	1,26,254	1,43,057	1,77,671	2,06,798	2,34,809	2,74,586	2,99,944	3,08,910
1	Financial Sector ^a	42,334	48,414	51,138	48,617	55,933	74,786	85,689	1,02,261	1,35,175	1,44,213	1,59,203
2	Public Sector ^b	6,671	7,978	11,040	12,599	13,749	16,070	19,180	23,943	33,226	33,911	33,777
3	Private Sector ^c	24,451	38,804	59,036	65,038	73,375	86,815	1,01,929	1,08,605	1,06,185	1,21,820	1,15,930
D	of which short-term:	19,399	27,804	45,123	42,374	50,811	62,148	72,072	92,911	87,897	85,384	83,267
	(Share of Short-term Debt in total Debt)	13.9	16.1	20.1	18.9	19.5	19.6	20.0	22.7	19.7	18	17
III.	Total External Debt (I+II)	1,39,114	1,72,360	2,24,407	2,24,498	2,60,935	3,17,891	3,60,766	4,09,374	4,46,178	4,75,045	4,85,614
Memo Items :												
IV	Share of Government debt in total debt	33.3	28.6	25.9	24.9	25.7	24.6	22.7	19.9	18.8	18.8	18.9
V	Share of Non-Government debt in total debt	66.7	71.4	74.1	75.1	74.3	75.4	77.3	80.1	81.2	81.2	81.1

PR: Partially Revised; QE: Quick Estimates.

Note : The definition of Government debt here includes debt on Government Account maintained by the Controller of Aid Accounts & Audit, Ministry of Finance. Other Government debt include IMF, Defence Debt and FII investment in Debt securities. All others, including short-term debt are shown as part of non-Government debt. Debt of Defence public sector enterprises is included as part of non-Government debt from 1996 onwards.

^a: Financial Sector debt represent borrowings of external debt by commercial banks and financial institutions. Long-term NRI deposits are included in the financial sector.

^b: Public Sector debt represents borrowings of non-financial public sector enterprises.

^c: Private Sector debt represents borrowings of non-financial private sector enterprises.

Instrument-wise Classification of Long-term External Debt Outstanding at end-March 2016

(US\$ million)

		INSTRUMENTS					
Borrower	Creditor	Bonds & Notes	Loans	Trade Credits	Deposits	Total	
1	2	3	4	5	6	7	8
I Government:		25,650	60,731	1,344	5,605	93,330	
1	Multilateral	0	44,171	0	0	44,171	
2	Bilateral	0	15,457	0	0	15,457	
3	IMF (SDR)	0	0	0	5,605	5,605	
4	Export Credit	0	0	1,344	0	1,344	
5	Commercial ^a	25,650	0	0	0	25,650	
6	Rupee Debt	0	1,103	0	0	1,103	
II Financial Sector^b:		28,592	29,124	0	1,26,929	1,84,645	
1	Multilateral	0	2,429	0	0	2,429	
2	Bilateral	0	1,032	0	0	1,032	
3	Export Credit	0	26	0	0	26	
4	Commercial	28,592	25,637	0	0	54,229	
5	NRI Deposits	0	0	0	1,26,929	1,26,929	
III Non-Financial Public Sector		4,315	29,461	0	0	33,776	
1	Multilateral	0	5,666	0	0	5,666	
2	Bilateral	0	3,028	0	0	3,028	
3	Export Credit	0	1,656	0	0	1,656	
4	Commercial	4,315	18,936	0	0	23,251	
5	Rupee Debt	0	175	0	0	175	
IV Non-Financial Private Sector:		8,173	81,407	909	0	90,489	
1	Multilateral	0	1,703	0	0	1,703	
2	Bilateral	0	2,987	0	0	2,987	
3	Export Credit	0	6,734	909	0	7,643	
4	Commercial	8,173	69,983	0	0	78,156	
V. Total Long Term External Debt: (I to IV)		66,730	2,00,723	2,253	1,32,534	4,02,240	
1	Multilateral	0	53,969	0	0	53,969	
2	Bilateral	0	22,504	0	0	22,504	
3	IMF	0	0	0	5,605	5,605	
4	Export Credit	0	8,416	2,253	0	10,669	
5	Commercial	66,730	1,14,556	0	0	1,81,286	
6	NRI Deposits	0	0	0	1,26,929	1,26,929	
7	Rupee Debt	0	1,278	0	0	1,278	
Memo Items:							
Borrower Category		per cent to total long-term debt					
		Bonds & Notes	Loans	Trade Credits	Deposits	Total	
I	Government	6.4	15.1	0.3	1.4	23.2	
II	Financial Sector	7.1	7.2	0.0	31.6	45.9	
III	Non-Financial Public Sector	1.1	7.3	0.0	0.0	8.4	
IV	Non-Financial Private Sector	2.0	20.2	0.2	0.0	22.5	
V	Total Long-Term Debt:	16.6	49.9	0.6	32.9	100.00	

Note : The central bank, i.e., Reserve Bank of India has no external debt liability.

^a: Includes investment by FII in Central Government domestic debt securities and treasury bills.

^b: Financial sector includes financial development institutions, commercial banks and non-banking financial companies.

Currency Composition of India's External Debt (per cent)

Sl. No.	Currency	at end-March										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	US dollar	48.8	51.1	55.3	54.1	53.2	55.3	56.9	59.1	61.1	58.3	57.1
2	Indian rupee	18.8	18.5	16.2	15.4	18.7	18.8	20.5	22.9	21.8	27.8	28.9
3	Japanese yen	10.9	11.4	12.0	14.3	11.5	10.9	8.7	6.1	5.0	4.0	4.4
4	SDR	14.3	12.4	10.6	9.8	10.7	9.4	8.3	7.2	6.8	5.8	5.8
5	Euro	4.4	3.9	3.5	4.1	3.6	3.6	3.7	3.4	3.3	2.3	2.5
6	Pound sterling	2.6	2.4	2.2	1.9	1.8	1.6	0.9	0.7	1.1	0.9	0.8
7	Others	0.2	0.3	0.2	0.4	0.5	0.4	1.0	0.6	0.9	0.9	0.5
Total (1 to 7)		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

PR: Partially Revised; QE: Quick Estimates.

Short-term Debt By Residual Maturity

(US\$ million)

Year(End March)	Short-term debt (Original Maturity)	Long-term debt repayment obligations maturing in one year	Post facto Short-term debt Residual Maturity(2+3)	Ratio of residual short-term debt to total debt (per cent)	Ratio of residual short-term debt to Foreign Currency Assets (per cent)	Ratio of residual short-term debt to Foreign Exchange Reserves (percent)
1	2	3	4	5	6	7
2008	45,738	38,400	84,138	37.5	28.1	27.2
2009	43,313	43,900	87,213	38.8	36.1	34.6
2010	52,329	55,171	1,07,500	41.2	42.2	38.5
2011	64,990	64,072	1,29,062	40.6	47.0	42.3
2012	78,179	69,232	1,47,411	40.9	56.7	50.1
2013	96,697	75,646	1,72,343	42.1	66.4	59.0
2014	91,678	85,347	1,77,025	39.7	64.1	58.2
2015	85,498	97,186	1,82,684	38.5	57.6	53.5
2016	83,374	1,23,499	2,06,873	42.6	61.6	57.4

Source : RBI

India's External Debt Service Payments-Source-wise

(US\$ million)

Sl. No.	Components	April - March										
		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 PR	2015-16 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	External Assistance ^a	2,652	2,942	3,241	3,384	3,461	3,667	3,923	4,255	4,078	4,355	4,771
	Repayments	1,945	1,960	2,099	2,375	2,585	2,839	3,125	3,415	3,383	3,667	4,099
	Interest	707	982	1142	1009	876	828	798	840	695	688	672
2	External Commercial Borrowings	14,839	6,331	9,771	10,543	14,742	13,959	25,198	23,240	23,398	31,994	33,586
	Repayments	11,824	3,814	6,119	6,578	11,498	10,451	19,782	16,914	17,702	26,004	26,716
	Interest	3,015	2,517	3,652	3,965	3,244	3,508	5,416	6,326	5,696	5,990	6,870
3	NRI Deposits	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784	5,972	5,901
	Interest	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784	5,972	5,901
4	Rupee Debt Service	572	162	121	101	97	69	79	58	52	81	73
	Repayments	572	162	121	101	97	69	79	58	52	81	73
5	Total Debt Service	19,560	11,404	14,946	15,575	19,899	19,432	31,513	31,331	32,312	42,402	44,331
	Repayments	14,341	5,936	8,339	9,054	14,180	13,359	22,986	20,387	21,137	29,752	30,888
	Interest	5,219	5,468	6,607	6,521	5,719	6,073	8,527	10,944	11,175	12,650	13,443
Memo Items:												
	Current Receipts	1,94,170	2,42,811	3,14,284	3,56,175	3,45,144	4,45,999	5,28,372	5,30,163	5,51,410	5,57,868	5,00,972
	Debt Service Ratio (%)	10.1 ^c	4.7	4.8	4.4	5.8	4.4	6.0	5.9	5.9	7.6	8.8
	Interest to Current Receipts Ratio (%)	2.7	2.3	2.1	1.8	1.7	1.4	1.6	2.1	2.0	2.3	2.7

PR: Partially Revised, QE: Quick Estimates.

a: Inclusive of Non-Government account figures supplied by the office of Controller of Aid Accounts & Audit, DEA, Ministry of Finance.

b: Works out to 5.7 per cent, with the exclusion of pre-payment of US\$ 381 million.

c: Works out to 6.3 per cent, with the exclusion of India Millennium Deposits (IMDs) repayments of US\$ 7.1 billion and pre-payment of US\$ 23.5 million.

India's External Debt Service Payments by Creditor Categories

(US \$ million)

		April - March										
Sl. No.	Creditor Category	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15PR	2015-16 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Multilateral :	1,549	1,866	2,096	2,016	2,084	2,382	2,537	2,680	3,005	3,395	3,956
	Principal	1,060	1,149	1,255	1,367	1,560	1,927	2,026	2,165	2,548	2,914	3,384
	Interest	489	717	841	649	524	455	511	515	457	481	572
2	Bilateral :	1,491	1,400	1,615	1,863	1,974	2,111	2,292	2,598	2,480	2,526	2,374
	Principal	1,193	986	1,098	1,276	1,353	1,583	1,624	1,981	1,926	2,003	1,870
	Interest	298	414	517	587	621	528	668	617	554	523	504
3	Export Credit :	1,343	1,033	1,971	1,732	2,048	2,186	3,182	3,448	3,855	4,129	3,018
	Principal	1,114	645	1,345	1,150	1,394	1,734	2,671	2,608	3,276	3,565	2,517
	Interest	229	388	626	582	654	452	511	840	579	564	501
4	Commercial Borrowings:	13,108	4,974	7,330	8,316	12,097	10,947	21,110	18,769	18,136	26,299	29,009
	Principal	10,402	2,994	4,520	5,160	9,776	8,046	16,586	13,575	13,335	21,189	23,044
	Interest	2,706	1,980	2,810	3,156	2,321	2,901	4,524	5,194	4,801	5,110	5,965
5	NRI Deposits :	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784	5,972	5,901
	Interest ^a	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784	5,972	5,901
6	Rupee Debt :	572	162	121	101	97	69	79	58	52	81	73
	Principal	572	162	121	101	97	69	79	58	52	81	73
7	Total Debt Service:	19,560	11,404	14,946	15,575	19,899	19,432	31,513	31,331	32,312	42,402	44,331
	Principal	14,341	5,936	8,339	9,054	14,180	13,359	22,986	20,387	21,137	29,752	30,888
	Interest	5,219	5,468	6,607	6,521	5,719	6,073	8,527	10,944	11,175	12,650	13,443
Memo items:												
I	Current Receipts	1,94,170	2,42,811	3,14,284	3,56,175	3,45,144	4,45,999	5,28,372	5,30,163	5,51,410	5,57,868	5,00,972
II	Debt Service Ratio (%)	10.1 ^b	4.7	4.8	4.4	5.8	4.4	6.0	5.9	5.9	7.6	8.8
III	Interest to Current Receipts Ratio (%)	2.7	2.3	2.1	1.8	1.7	1.4	1.6	2.1	2.0	2.3	2.7

PR: Partially Revised, QE: Quick Estimates.

Note: 1) This corresponds to the creditor-wise debt outstanding ie. major heads of debt outstanding as per Annex 3 & 4 (Annual).

2) Figures for debt service and interest payments is calculated on cash payment basis except for Non-Resident Indian Deposits for which accrual method is used. The estimates may, therefore, differ from BOP data compilation methodology.

a: Interest payments on NRI Deposits include both long term and short term external debt component of NRI Deposits.

b: Works out to 6.3 per cent, with the exclusion of India Millennium Deposits (IMDs) repayments of US\$ 7.1 billion and pre-payment of US\$ 23.5 million.

International Comparison of Top Twenty Debtor Countries, 2014

Sl. No.	Country	Total external debt (US\$ million)	Present value of debt (US\$ million)	Ratio of total external debt to exports of goods and service(%)	Ratio of present value of debt to exports of goods and service(%)	Ratio of total external debt to GNI (%)	Ratio of present value of debt to GNI (%)	Short-term debt (US\$ million)	Ratio of foreign exchange reserve/ total debt (%)	Ratio of short term debt to total debt (%)
1	2	3	4	5	6	7	8	9	10	11
1	China	9,59,510	84,296	34.8	3.1	9.3	0.8	6,83,363	402.2	71.2
2	Brazil	5,56,871	1,51,609	200.6	54.6	24.1	6.6	58,177	64.8	10.4
3	India	4,63,230	1,07,995	93.1	21.7	22.7	5.3	85,574	65.5	18.5
4	Mexico	4,32,602	2,35,990	101.1	55.2	34.7	18.9	91,147	44.1	21.1
5	Turkey	4,08,203	1,21,616	182.4	54.4	51.6	15.4	1,32,859	26.2	32.5
6	Indonesia	2,93,397	1,33,855	146.0	66.6	34.1	15.6	46,580	37.1	15.9
7	Malaysia	2,10,820	-	95.2	-	66.8	-	1,03,833	54.3	49.3
8	Kazakhstan	1,57,595	13,624	177.6	15.4	83.3	7.2	9,986	13.7	6.3
9	South Africa	1,44,006	50,491	123.2	43.2	42.3	14.8	35,042	30.7	24.3
10	Thailand	1,35,799	27,538	47.3	9.6	38.2	7.7	56,624	111.4	41.7
11	Ukraine	1,30,686	38,748	184.5	54.7	100.3	29.7	22,435	5.1	17.2
12	Romania	1,11,290	44,161	127.8	51.6	56.0	22.6	12,326	35.8	11.1
13	Colombia	1,02,345	58,533	150.6	86.1	28.0	16.0	12,221	45.3	11.9
14	Philippines	77,659	54,206	95.1	66.4	22.7	15.9	16,248	92.8	20.9
15	Vietnam	71,890	38,378	44.5	23.8	40.6	21.7	13,057	47.6	18.2
16	Peru	66,469	21,753	142.6	46.7	34.3	11.2	6,978	92.1	10.5
17	Pakistan	62,184	39,831	200.1	128.2	23.9	15.3	5,538	19.0	8.9
18	Bulgaria	48,742	5,981	124.2	15.2	90.1	11.1	12,219	38.1	25.1
19	Sri Lanka	43,609	25,815	258.2	152.9	59.7	35.3	7,408	16.8	17.0
20	Bangladesh	34,925	20,632	105.2	62.1	18.8	11.1	4,153	62.4	11.9

Source: International Debt Statistics, 2016 World Bank.

Note: The order of the countries are the ranking of total external debt stock appearing in column No.3.

Gross External Debt Position of top twenty Developing Countries

(US\$ million)

Sl.No.	Countries	2015 Q1 (end-March 2015)			Ratio of Short-term Debt to total Debt (4/5) (%)	2016 Q1 (end-March 2016)			Ratio of Short-term Debt to total Debt (8/9) (%)
		Long-term	Short-term	Total		Long-term	Short-term	Total	
1	2	3	4	5	6	7	8	9	10
1	China	5,71,800	11,01,400	16,73,200	65.8	6,18,518	7,46,010	13,64,529	54.7
2	Brazil	6,40,947	58,351	6,99,298	8.3	6,14,417	61,342	6,75,759	9.1
3	India	3,89,547	85,498	4,75,045	18.0	4,02,240	83,374	4,85,614	17.2
4	Mexico	3,44,286	78,229	4,22,515	18.5	3,70,121	62,651	4,32,771	14.5
5	Turkey	2,64,667	1,28,131	3,92,798	32.6	3,05,028	1,06,474	3,92,812	27.1
6	Indonesia	2,57,418	41,647	2,99,065	13.9	2,77,857	38,128	3,15,985	12.1
7	Malaysia	2,06,410	2,06,297	..
8	Argentina	1,15,139	32,249	1,47,388	21.9	1,17,985	45,251	1,63,236	27.7
9	Hungary	1,55,658	19,699	1,75,356	11.2	1,45,041	15,239	1,60,280	9.5
10	Kazakhstan	1,46,173	8,236	1,54,409	5.3	1,47,524	6,464	1,53,988	4.2
11	Thailand	94,633	42,382	1,37,016	30.9	88,980	44,901	1,33,882	33.5
12	South Africa	1,10,565	33,841	1,44,406	23.4	1,00,122	29,037	1,29,159	22.5
13	Ukraine	1,06,263	18,059	1,24,322	14.5	99,419	17,939	1,17,358	15.3
14	Colombia	94,177	12,035	1,06,212	11.3	1,02,244	11,959	1,14,203	10.5
15	Romania	88,193	11,513	99,705	11.5	87,583	13,569	1,01,152	13.4
16	Philippines	62,222	13,097	75,319	17.4	63,337	14,303	77,640	18.4
17	Peru	54,473	7,124	61,597	11.6	60,050	7,455	67,505	11.0
18	Sri Lanka	35,112	7,059	42,171	16.7	37,492	7,036	44,528	15.8
19	Bulgaria	33,942	9,309	43,251	21.5	31,890	8,578	40,468	21.2
20	Bangladesh	30,512	5,819	36,331	16.0	32,984	5,980	38,964	15.3

External Debt Position of BRICS

Sl.No.	Countries	2015 Q1 (end-March 2015)			Ratio of Short-term Debt to total Debt (4/5) (%)	2016 Q1 (end-March 2016)			Ratio of Short-term Debt to total Debt (8/9) (%)
		Long-term	Short-term	Total		Long-term	Short-term	Total	
1	2	3	4	5	6	7	8	9	10
1	China	5,71,800	11,01,400	16,73,200	65.8	6,18,518	7,46,010	13,64,529	54.7
2	Brazil	6,40,947	58,351	6,99,298	8.3	6,14,417	61,342	6,75,759	9.1
3	Russian Federation	5,08,350	47,881	5,56,231	8.6	4,79,951	40,268	5,20,219	7.7
4	India	3,89,547	85,498	4,75,045	18.0	4,02,240	83,374	4,85,614	17.2
5	South Africa	3,44,286	78,229	4,22,515	18.5	3,70,121	62,651	4,32,771	14.5

Source: Table 1 of the Quarterly External Debt Database. The Quarterly External Debt Statistics (QEDS) data base has been jointly developed by the World Bank and the International Monetary Fund.

External Debt Position of Top 20 Debtor Countries in the World

(US\$ million)

Sl.No.	Countries	2016 Q1 (end-March)			2015 Q1 (end-March)			2014 Q1 (end-March)		
		Long-term	Short-term	Total	Long-term	Short-term	Total	Long-term	Short-term	Total
1	2	3	4	5	6	7	8	9	10	11
1	United States	1,27,51,810	51,59,049	1,79,10,859	1,23,08,848	55,39,146	1,78,47,994	1,13,14,922	54,69,156	1,67,84,078
2	United Kingdom	28,17,205	53,08,965	81,26,170	28,83,530	57,58,556	86,42,086	29,94,340	66,48,564	96,42,904
3	France	33,26,013	20,34,455	53,60,468	32,44,276	20,06,041	52,50,317	37,38,111	20,05,324	57,43,435
4	Germany	34,67,873	18,58,319	53,26,192	34,24,157	17,85,492	52,09,649	40,69,050	18,98,398	59,67,448
5	Netherlands	33,05,188	9,79,203	42,84,391	31,22,709	8,97,553	40,20,263	37,23,114	9,95,725	47,18,839
6	Luxembourg	29,68,174	8,13,057	37,81,231	29,89,039	8,16,643	38,05,682	27,13,384	9,05,957	36,19,341
7	Japan	8,24,709	24,15,609	32,40,318	6,91,175	21,38,357	28,29,531	6,49,071	21,29,101	27,78,172
8	Ireland	20,23,364	4,46,507	24,69,871	19,09,144	4,40,680	23,49,824	17,39,184	5,31,704	22,70,888
9	Italy	17,38,834	7,04,853	24,43,688	16,80,406	6,19,447	22,99,854	19,27,757	7,32,635	26,60,392
10	Spain	13,36,997	7,56,515	20,93,512	13,04,981	6,57,915	19,62,896	15,70,385	7,14,132	23,21,850
11	Switzerland	7,17,208	9,46,393	16,63,601	6,90,173	9,72,457	16,62,630	6,12,506	10,10,396	16,22,902
12	Canada	10,56,958	5,51,134	16,08,093	10,51,682	4,98,182	15,49,863	10,36,490	4,61,331	14,97,821
13	Australia	11,22,635	3,35,359	14,57,994	10,57,472	3,25,286	13,82,759	11,05,566	3,23,066	14,28,632
14	China	6,18,518	7,46,010	13,64,529	5,71,800	11,01,400	16,73,200	NA	NA	NA
15	Belgium	8,60,339	4,20,555	12,80,894	7,91,956	4,21,997	12,13,953	9,33,422	4,48,789	13,82,211
16	Singapore	3,16,487	9,63,776	12,80,263	2,99,311	10,18,853	13,18,164	2,81,617	10,56,629	13,38,246
17	Hong Kong SAR, China	3,79,282	8,85,533	12,64,815	3,45,954	9,40,147	12,86,100	3,19,157	9,15,627	12,34,784
18	Sweden	6,25,289	3,14,632	9,39,921	5,97,898	3,31,484	9,29,381	7,58,367	3,83,809	11,42,177
19	Austria	5,25,631	1,63,460	6,89,091	5,13,312	1,66,018	6,79,330	6,22,487	2,07,178	8,29,665
20	Brazil	6,14,417	61,342	6,75,759	6,40,947	58,351	6,99,298	4,66,378	38,095	5,04,473
Total		4,13,96,931	2,58,64,726	6,72,61,660	4,01,18,769	2,64,94,005	6,66,12,775	4,05,75,308	2,68,75,616	6,74,88,258

Source: QEDS data, World Bank

Creditor-wise Sovereign External Debt

(Rs.crore)

Sl.No. Institution/Country		End - March										
Category		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I. External Debt on Govt.												
Account under External Assistance (A+B)												
A. Multilateral (1 to 5)		1,33,799	1,41,734	1,44,630	1,81,997	1,70,720	1,90,326	2,22,578	2,35,671	2,68,490	2,69,430	2,94,122
1 IDA		1,04,457	1,07,015	1,05,944	1,26,127	1,14,552	1,19,067	1,36,815	141119	161164	152170	163771
2 IBRD		19,625	21,852	22,638	29,948	28,872	39,218	45,328	48,239	53433	57107	61553
3 ADB		8,322	11,434	14,594	24,278	25,803	30,455	38,560	44,301	51469	57743	66063
4 IFAD		1,189	1,222	1,247	1,437	1,300	1,398	1,662	1,789	2182	2145	2458
5 Others		206	211	207	207	193	188	213	223	242	265	277
B. Bilateral (6 to 11)		60,277	59,465	65,456	81,979	78,568	88,129	1,00,312	96,333	1,05,993	96,763	1,12,467
6 Japan		39,896	38,014	43,207	56,600	56,156	65,907	76,401	73,120	79825	75253	90112
7 Germany		10,190	10,660	11,393	12,485	11,090	11,899	13,765	13,826	16085	12611	13575
8 United States		3,071	2,567	2,049	2,216	1,715	1,489	1,516	1,460	1453	1329	1215
9 France		2,469	2,441	2,446	2,406	1,901	1,750	1,657	1,514	2517	2058	2467
10 Russian Federation		4,627	5,761	6,336	8,246	7,684	7,062	6,953	6397	6099	5504	5094
11 Others		24	22	25	26	22	22	20	16	14	8	4
II. Total Other Govt.												
External Debt [C+D]		12,258	13,967	22,112	20,675	53,405	70,439	94,752	1,10,514	1,29,116	1,95,083	2,14,765
C. Other Govt. External Debt (Long-term)		11,634	12,548	19,652	15,891	46,550	57,748	63,511	89,918	1,06,391	1,94,369	2,14,051
D. Other Govt. External Debt (Short-term)		624	1,419	2,460	4784	6,855	12,691	31,241	20,596	22,725	714	714
III. Total Government												
External Debt (I+II)		2,06,334	2,15,166	2,32,198	2,84,651	3,02,693	3,48,894	4,17,642	4,42,518	5,03,599	5,61,276	6,21,354
IV. Total External Debt		6,20,522	7,51,402	8,97,290	11,42,125	11,78,638	14,19,407	18,44,167	22,24,734	26,82,214	29,73,865	32,23,020
Memo Items :												
a) Total Government External Debt to GDP		5.6	5.0	4.7	5.1	4.7	4.5	4.6	4.4	4.5	4.5	4.6
b) Total External Assistance (Government Account)to GDP		5.2	4.7	4.2	4.7	3.8	3.6	3.6	3.3	3.3	2.9	3.0

PR: Partially Revised; QE: Quick Estimates.

Creditor-wise Sovereign External Debt

(US\$ million)

Sl.		End - March										
No.	Category	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I. External Debt on Govt. Account												
	under External Assistance (A+B)	43,510	46,155	52,541	51,816	55,235	62,295	63,374	61,336	62,204	58,463	61,061
	A Multilateral (1 to 5)	29,997	32,515	36,171	35,724	37,825	42,579	43,686	43,539	44,598	43,015	44,171
	1. IDA	23,418	24,548	26,496	24,758	25,380	26,637	26,853	26072	26771	24294	24595
	2. IBRD	4,400	5,015	5,662	5,878	6,397	8,774	8,897	8912	8876	9117	9244
	3. ADB	1,866	2,623	3,650	4,766	5,717	6,813	7,568	8184	8549	9219	9921
	4. IFAD	267	280	312	282	288	313	326	330	362	342	369
	5. Others	46	49	51	40	43	42	42	41	40	43	42
	B Bilateral (6 to 11)	13,513	13,640	16,370	16,092	17,410	19,716	19,688	17,797	17,606	15,448	16,890
	6. Japan	8,944	8,720	10,806	11,110	12,444	14,745	14,995	13508	13259	12014	13533
	7. Germany	2,285	2,445	2,849	2,451	2,458	2,662	2,702	2554	2672	2013	2039
	8. United States	688	589	512	435	380	333	298	270	241	212	182
	9. France	554	560	612	472	421	392	325	280	418	329	371
	10. Russian Federation	1,037	1,321	1,585	1,619	1,702	1,579	1,365	1182	1013	879	764
	11 Others	5	5	6	5	5	5	3	3	3	1	1
II. Total Other Govt. External												
	Debt [C+D]	2,749	3,205	5,529	4,054	11,832	15,777	18,522	20,319	21,491	31,255	32,377
	C. Other Govt. External Debt											
	(Long term)	2,609	2,879	4,914	3,115	10,314	12,935	12,415	16,532	17,710	31,141	32,269
	D. Other Govt. External Debt											
	(Short-term)	140	326	615	939	1,518	2,842	6,107	3,787	3,781	114	108
III. Total Sovereign External Debt												
	(I+II)	46,259	49,360	58,070	55,870	67,067	78,072	81,896	81,655	83,695	89,718	93,438
IV. Total External Debt												
	Memo Items :											
	a) Multilateral debt to External Assistance (Ratio)	68.9	70.4	68.8	68.9	68.5	68.4	68.9	71.0	71.7	73.6	72.3
	b) Bilateral debt to External Assistance (Ratio)	31.1	29.6	31.2	31.1	31.5	31.6	31.1	29.0	28.3	26.4	27.7
	c) External Assistance to total external debt (Ratio)	31.3	26.8	23.4	23.1	21.2	19.6	17.6	15.0	13.9	12.3	12.6
	d) Total Sovereign External Debt total external debt (Ratio)	33.3	28.6	25.9	24.9	25.7	24.6	22.7	19.9	18.8	18.9	19.2

PR: Partially Revised; QE: Quick Estimates

Currency Composition of Sovereign External Debt

		(per cent)										
SI. No.	Currency	End - March										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 PR	2016 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	US dollar	27.2	27.9	26.6	29.6	26.5	26.7	25.9	26.3	26.2	24.4	24.0
2	SDR	43.0	43.3	40.7	39.5	41.7	38.1	36.8	36.0	37.4	30.8	30.2
3	Indian rupee	4.3	4.9	8.0	5.7	8.9	12.4	15.3	17.7	16.3	28.8	28.7
4	Japanese yen	19.3	17.7	18.6	19.9	18.6	18.9	18.3	16.5	16.3	13.4	14.5
5	Euro	6.1	6.1	6.0	5.2	4.3	3.9	3.7	3.5	3.8	2.6	2.6
6	Pound sterling	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Total (1 to 7)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

PR: Partially revised; QE: Quick Estimates.

Sovereign External Debt Service Payments (Actual)

(US\$ million)

Sl. No. Debt Service Payments		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15PR	2015-16QE
1	2	3	4	5	6	7	8	9	10	11	12	13
I. Debt Service Payments under												
	Government Account (A+B)	2,272	2,722	2,696	2,719	3,273	3,340	3,354	3,718	3,655	3,892	4,059
A	Multilateral (i + ii)	1,192	1,543	1,738	1,625	1,818	1,846	1,859	2,161	2,271	2,626	2,934
	i. Principal	790	959	1066	1110	1386	1529	1545	1789	1943	2306	2600
	ii. Interest ^a	402	584	672	515	432	317	314	372	328	320	334
B	Bilateral (iii +iv)	1,080	1,179	958	1,094	1,455	1,494	1,495	1,557	1,384	1,266	1,125
	iii. Principal	776	868	713	793	1084	1105	1122	1186	1067	984	875
	iv. Interest	304	311	245	301	371	389	373	371	317	282	250
II. Other Government Debt												
	Service Payments (v + vi)	572	162	121	101	97	69	79	58	52	81	73
	v. Principal	572	162	121	101	97	69	79	58	52	81	73
	vi. Interest	0	0	0	0	0	0	0	0	0	0	0
III. Total Government External												
	Debt Service Payments (I+II)	2,844	2,884	2,817	2,820	3,370	3,409	3,433	3,776	3,707	3,973	4,132
	vii. Total Principal (i+ iii + v)	2,138	1,989	1,900	2,004	2,567	2,703	2,746	3,033	3,062	3,371	3,548
	viii. Total Interest (ii + iv + vi)	706	895	917	816	803	706	687	743	645	602	584

a: Though IDA loans are interest-free, the service charges associated with it are treated as 'interest payments'

Note: Debt service payments on account of FII investment in Government Treasury Bills and dated securities are not included.

PR: Partially Revised; QE: Quick Estimates

Central Government Guarantees on External Debt

(US\$ million)

Sl. No.	Components	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015PR	2016QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Govt. Debt	46,259	49,360	58,070	55,870	67,067	78,072	81,896	81,655	83,695	89,718	93,438
2	Non-Govt. Debt	92,855	1,23,000	1,66,337	1,68,628	1,93,868	2,39,819	2,78,870	3,27,719	3,62,483	3,85,327	3,92,176
3	of which with Govt.											
	Guarantee ^a (a+b+c)	6,096	6,107	6,563	6,807	7,786	8,563	9,361	9,536	9,913	9,577	10,085
a.	Financial Sector	1,465	1,446	1,422	1,800	2,276	2,748	2,794	2,748	2,741	2,448	2,670
b.	Public Sector	4,506	4,557	5,040	4,926	5,450	5,757	6,534	6,777	7,172	7,129	7,398
c.	Private Sector	125	104	101	81	60	58	33	11	0	0	18
4	Total External Debt (1+2)	1,39,114	1,72,360	2,24,407	2,24,498	2,60,935	3,17,891	3,60,766	4,09,374	4,46,178	4,75,045	4,85,614
5	Govt. Debt and											
	Guaranteed Debt (1+3)	52,355	55,467	64,633	62,677	74,853	86,635	91,257	91,191	93,608	99,295	1,03,523
Memo Items:												
I	Per cent of Govt. Debt and											
	Guaranteed Debt to Total											
	External Debt (5/4)	37.6	32.2	28.8	27.9	28.7	27.3	25.3	22.3	21.0	20.9	21.3
II	Per cent of Govt. Guaranteed											
	Debt to Non-Govt. Debt (3/2)	6.6	5.0	3.9	4.0	4.0	3.6	3.4	2.9	2.7	2.5	2.6

^a: Direct credit guarantees on non-government external debt provided by the Central Government.

PR: Partially Revised QE: Quick Estimates

Creditor-wise External Debt service Payments on Government Account

(US\$ million)

Sl. No.	Component	2011-12			2012-13			2013-14			2014-15PR			2015-16QE		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
I.	External Debt on Govt. Account under External Assistance (A+B)	2,667	687	3,354	2,975	743	3,718	3,011	644	3,655	3,289	601	3,890	3,501	590	4,091
A.	Multilateral (1 to 6)	1,545	314	1,859	1,789	372	2,161	1,944	328	2,272	2,306	320	2,626	2,600	335	2,935
1	ADB	213	46	259	284	80	364	338	59	397	359	60	419	414	75	489
2	EEC	1	0	1	2	0	2	2	0	2	2	0	2	1	0	1
3	IBRD	469	69	538	553	93	646	611	65	676	663	54	717	745	70	815
4	IDA	849	196	1,045	937	196	1,133	979	201	1,180	1267	202	1,469	1425	186	1,611
5	IFAD	11	3	14	11	3	14	11	3	14	12	3	15	12	3	15
6	OPEC	2	0	2	2	0	2	3	0	3	3	1	4	3	1	4
B.	Bilateral (7 to 12)	1,122	373	1,495	1,186	371	1,557	1,067	316	1,383	983	281	1,264	901	255	1,156
7	Germany	114	30	144	166	35	201	192	34	226	190	31	221	166	24	190
8	France	44	8	52	42	6	48	38	7	45	38	7	45	17	6	23
9	Japan	737	271	1,008	760	273	1,033	644	227	871	594	201	795	580	190	770
10	Russian Federation	193	55	248	189	48	237	163	40	203	132	35	167	108	29	137
11	Switzerland	1	0	1	1	0	1	1	0	1	1	0	1	1	0	1
12	USA	33	9	42	28	9	37	29	8	37	28	7	35	29	6	35

PR: Partially Revised; QE: Quick Estimates.

Creditor-wise Projections of External Debt Service Payments under Government Account

(US\$ million)

Sl. No.	Component	2016-17			2017-18			2018-19			2019-20			2020-21		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
A	Multilateral (1 to 6)	3,096.36	381.46	3,477.82	3,377.11	396.07	3,773.18	3,619.13	405.82	4,024.95	3,978.01	409.35	4,387.36	4,133.35	403.46	4,536.81
1	ADB	562.85	56.97	619.82	646.43	59.07	705.50	728.91	61.52	790.43	847.66	62.92	910.58	961.39	62.86	1024.25
2	IBRD	931.24	93.13	1,024.37	977.34	92.70	1,070.04	1,038.34	90.55	1,128.89	1,112.23	88.37	1,200.60	1,038.80	85.30	1,124.1
3	IDA	1,585.27	227.13	1,812.40	1,735.14	239.43	1,974.57	1,833.25	248.22	2,081.47	1,995.29	251.91	2,247.20	2,108.60	248.65	2,357.25
4	IFAD	13.87	3.44	17.31	15.07	4.06	19.13	15.50	4.73	20.23	19.70	5.39	25.09	21.43	5.95	27.38
5	EEC(SAC)	1.31	0.14	1.45	1.31	0.13	1.44	1.31	0.12	1.43	1.31	0.11	1.42	1.31	0.10	1.41
6	OPEC	1.82	0.65	2.47	1.82	0.68	2.50	1.82	0.68	2.50	1.82	0.65	2.47	1.82	0.60	2.42
B	Bilateral (7 to 12)	979.00	288.04	1,267.04	1,345.13	314.08	1,659.21	1,436.69	335.42	1,772.11	1,491.38	363.59	1,854.97	1,529.87	394.68	1,924.55
7	Germany	135.81	24.80	160.61	149.03	27.36	176.39	189.04	30.08	219.12	195.14	32.34	227.48	200.40	35.15	235.55
8	France	17.39	8.41	25.80	30.72	13.48	44.20	36.35	18.12	54.47	45.96	22.51	68.47	67.30	26.30	93.60
9	Japan	630.22	207.88	838.10	670.15	214.69	884.84	716.24	219.47	935.71	814.12	223.11	1,037.23	835.70	223.05	1,058.75
10	Russian Federation	170.75	41.60	212.35	470.75	54.01	524.76	470.75	63.99	534.74	413.67	82.67	496.34	413.67	108.14	521.81
11	Switzerland	0.29	0.02	0.31	0.05	-	0.05	0.02	-	0.02	-	-	-	-	-	-
12	Italy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	USA	24.54	5.33	29.87	24.43	4.54	28.97	24.29	3.76	28.05	22.49	2.96	25.45	12.80	2.04	14.84
13	Grand Total (A+B)	4,075.36	669.50	4,744.86	4,722.24	710.15	5,432.39	5,055.82	741.24	5,797.06	5,469.39	772.94	6,242.33	5,663.22	798.14	6,461.36

Note 1: Loan currencies converted to INR adopting the exchange rate as on 31/03/2016 and subject to change. INR converted to US\$ adopting 66.5880(RBI reference rate for Government Foreign Transaction)

Note 2: The Projections are based on debt outstanding as at end 31st March 2016 on Government Account against Multilateral and Bilateral debt under external assistance. The projections include debt service arising out of Committed Undisbursed Balance (CUB). It excludes debt servicing on account of Defence debt and FII investment in Government securities.

Contd.....

Creditor-wise Projections of External Debt Service Payments under Government Account

(US\$ million)

S.No.	Component	2021-2022			2022-2023			2023-24			2024-25			2025-26		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	2	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
A	Multilateral (1 to 6)	4,146.27	382.73	4,529.00	4,339.38	352.16	4,691.54	4,080.39	317.29	4,397.68	4,002.07	281.56	4,283.63	3,969.64	247.23	4,216.87
1	ADB	911.17	59.92	971.09	946.59	56.25	1002.84	932.58	51.74	984.32	932.82	47.32	980.14	944.56	42.70	987.26
2	IBRD	1,019.94	80.20	1100.14	1,000.78	73.18	1073.96	990.15	65.94	1056.09	879.69	57.67	937.36	842.02	51.36	893.38
3	IDA	2,186.95	235.77	2422.72	2,361.15	216.12	2577.27	2,126.01	193.28	2319.29	2,157.69	170.63	2328.32	2,151.19	147.60	2298.79
4	IFAD	25.08	6.19	31.27	27.73	6.02	33.75	28.52	5.78	34.3	29.30	5.46	34.76	29.30	5.13	34.43
5	EEC(SAC)	1.31	0.09	1.4	1.31	0.08	1.39	1.31	0.08	1.39	1.31	0.07	1.38	1.31	0.06	1.37
6	OPEC	1.82	0.56	2.38	1.82	0.51	2.33	1.82	0.47	2.29	1.26	0.41	1.67	1.26	0.38	1.64
B	Bilateral (7 to 12)	1,591.34	397.03	1,988.37	1,753.10	382.03	2,135.13	1,746.66	351.06	2,097.72	1,756.43	314.71	2,071.14	1,775.66	278.35	2,054.01
7	Germany	244.66	35.82	280.48	277.98	34.68	312.66	244.23	31.47	275.70	254.36	28.44	282.80	244.56	24.74	269.30
8	France	67.10	26.39	93.49	65.73	23.63	89.36	62.90	20.84	83.74	59.49	18.11	77.60	57.54	15.38	72.92
9	Japan	851.40	218.37	1,069.77	938.91	208.59	1,147.50	1,016.28	196.44	1,212.72	1,020.36	182.77	1,203.13	1,053.75	169.46	1,223.21
10	Russian Federation	415.54	114.79	530.33	458.11	113.85	571.96	413.67	101.45	515.12	413.65	84.84	498.49	413.61	68.46	482.07
11	Switzerland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Italy	-	-	-	-	-	-	-	-	-	1.44	-	1.44	1.44	-	1.44
12	USA	12.64	1.66	14.30	12.37	1.28	13.65	9.58	0.86	10.44	7.13	0.55	7.68	4.76	0.31	5.07
13	Grand Total (A+B)	5,737.61	779.76	6,517.37	6,092.48	734.19	6,826.67	5,827.05	668.35	6,495.40	5,758.50	596.27	6,354.77	5,745.30	525.58	6,270.88

Note 1: Loan currencies converted to INR adopting the exchange rate as on 31/03/2016 and subject to change. INR converted to US\$ adopting 66.5880(RBI reference rate for Government Foreign Transaction)

Note 2: The Projections are based on debt outstanding as at end 31st March 2016 on Government Account against Multilateral and Bilateral debt under external assistance. The projections include debt service arising out of Committed Undisbursed Balance (CUB). It excludes debt servicing on account of Defence debt and FII investment in Government securities.

External Commercial Borrowings^a

(US\$ million)

Year	Approvals ^b	Gross Disbursements ^c	Amortisation ^c	Interest ^c	Total Debt Service ^c	Debt Outstanding ^c
1	2	3	4	5	6	7
1990-91	1,903	1,700	1,191	1,042	2,233	13,909
1991-92	2,127	2,798	1,146	994	2,140	15,557
1992-93	2,200	1,001	1,357	917	2,274	15,818
1993-94	2,585	1,859	1,703	896	2,599	16,650
1994-95	4,469	2,670	2,513	1,091	3,604	18,037
1995-96	6,286	4,538	3,311	1,162	4,473	19,024
1996-97	8,581	7,018	4,032	1,177	5,209	20,261
1997-98	8,712	7,400	3,411	1,406	4,817	23,946
1998-99	5,200	6,927	3,153	1,575	4,728	28,182
1999-00	3,398	2,289	3,460	1,635	5,095	27,530
2000-01	2,837	9,295	5,043	1,683	6,726	30,922
2001-02	2,653	2,933	4,013	1,534	5,547	29,579
2002-03	4,235	3,033	5,001	1,180	6,181	28,074
2003-04	6,671	5,149	8,015	2,031	10,046	25,809
2004-05	11,490	9,094	3,571	959	4,530	31,595
2005-06	17,175	14,606	11,518	2,996	14,514	32,371
2006-07	24,492	20,727	3,785	1,709	5,494	48,459
2007-08	28,842	29,112	6,063	2,630	8,693	71,051
2008-09	16,517	14,024	6,426	2,702	9,128	77,862
2009-10	21,703	15,951	11,501	2,397	13,898	82,518
2010-11	25,012	23,008	10,440	2,584	13,024	1,08,328
2011-12	35,240	31,791	16,478	4,326	20,804	1,26,288
2012-13	30,992	28,563	16,355	4,990	21,345	1,38,735
2013-14	30,563	29,901	17,778	4,739	22,517	1,49,146
2014-15PR	27,677	29,454	26,000	4,886	30,886	1,46,467
2015-16QE	23,902	23,794	26,713	4,956	31,669	1,46,728

PR: Partially Revised; QE: Quick Estimates.

a: The definition of commercial borrowing includes loans from commercial banks, other commercial financial institutions, money raised through issue of securitised instruments like Bonds (including India Development Bonds (IDBs) and Resurgent India Bonds (RIBs), Floating Rate Notes (FRN), etc. It also includes borrowings through Buyers' credit & Supplier credit mechanism, of concerned countries, International Finance Corporation, Washington [IFC(W)], Nordic Investment Bank and private sector borrowings from Asian Development Bank (ADB).

b: Based on date of agreement of the loan which may differ from the date of granting the loan registration number by the RBI. Ceiling on ECB approvals is fixed on the basis of the latter, which may either be after or before the date of agreement of the loan. Hence, there may be some difference between the amount shown under approvals in the table and the amount of ceiling fixed for a particular year.

c: May show small variation as compared to other figures given elsewhere in this Report due to differences in classification.

Note: Disbursements during 1998-99 and 2000-01 include RIBs (US\$4.2 billion) and IMDs (US\$5.5 billion), respectively. Debt service payments during 2003-04 and 2005-06 include redemption of RIBs {US\$5.2 billion (principal US\$ 4.2 billion and interest US\$1 billion)} and IMDs {US\$7.1 billion (principal US\$5.5 billion and interest US\$1.6 billion)}, respectively.