



# **INDIA'S EXTERNAL DEBT**

## ***A Status Report***

***2013-14***

**GOVERNMENT OF INDIA**

MINISTRY OF FINANCE

DEPARTMENT OF ECONOMIC AFFAIRS

EXTERNAL DEBT MANAGEMENT UNIT

AUGUST 2014

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अरुण जेटली  
वित्त, कार्पोरेट कार्य  
एवं रक्षा मंत्री  
भारत



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Minister of Finance, Corporate Affairs  
and Defence  
India

## FOREWORD

I am happy to present the twentieth issue of 'India's External Debt: A Status Report 2013-14'. The Report provides a detailed analysis of the trend, composition and debt service of India's external debt covering the period upto end-March 2014 including sovereign external debt. The Report also provides a global comparison of external indebtedness of developing countries.

2. India's external debt stock stood at US\$ 440.6 billion at end-March 2014 as against US\$ 409.4 billion at end-March 2013. Notwithstanding the increase in external debt stock during 2013-14, crucial debt indicators such as external debt-GDP ratio and debt service ratio remained in the comfort zone. External debt of the country continues to be dominated by the long-term borrowings. The prudent external debt policy pursued by the Government has helped in maintaining external debt within manageable limits.

3. India continues to be among the less vulnerable countries with its external debt indicators comparing well with other indebted developing countries. This is particularly true of the external debt-GNI and debt-service ratios.

4. 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  
August 2014

  
(ARUN JAITLEY)

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**LIST OF ABBREVIATIONS**

AAAD	Aid Accounts & Audit Division
AD	Authorised Dealer
ADB	Asian Development Bank
BoP	Balance of Payments
CDO	Collateralised Debt Obligation
CDS	Credit Default Swap
CS-DRMS	Commonwealth Secretariat- Debt Recording and Management System
CUB	Committed Undisbursed Balance
DEA	Department of Economic Affairs
ECB	External Commercial Borrowings
EDMU	External Debt Management Unit
FCA	Foreign Currency Assets
FCCB	Foreign Currency Convertible Bond
FC(B&O)D	Foreign Currency (Banks & Other) Deposit
FCNR(A)	Foreign Currency Non-Resident Account
FCNR(B)	Foreign Currency Non-Resident Bank Deposit
FIIs	Foreign Institutional Investors
FOREX	Foreign Exchange Reserves
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
IFCs	Infrastructure Finance Companies
IFC (W)	International Finance Corporation (Washington DC)
IMD	India Millennium Deposit
IMF	International Monetary Fund
LBO	Leveraged Buyouts
LIBOR	London Inter-Bank Offered Rate
MOF	Ministry of Finance



NRI	Non-Resident Indian
NR(E)RA	Non-Resident (External) Rupee Account
NR (NR) D	Non-Resident (Non-Repatriable) Rupee Deposit
NRO	Non-Resident Ordinary Account
OECD	Organisation for Economic Cooperation and Development
OPEC	Organisation of the Petroleum Exporting Countries
PIO	Person of Indian Origin
PR	Partially Revised
PV	Present Value
QE	Quick Estimates
QEDS	Quarterly External Debt Statistics
RBI	Reserve Bank of India
RIB	Resurgent India Bonds
SDDS	Special Data Dissemination Standards
SDR	Special Drawing Rights
SEBI	Securities and Exchange Board of India
SED	Sovereign External Debt
SLR	Statutory Liquidity Ratio
TC	Trade Credit
XGS	Exports of Goods and Services

## CHAPTER 1

### OVERVIEW

1.1 India's external debt stock stood at US\$ 440.6 billion at end-March 2014, increasing by US\$ 31.2 billion (7.6 per cent) over the level at end-March 2013. The external debt- GDP ratio was 23.3 per cent at end-March 2014, as against 22.0 per cent at end March 2013.

1.2 At end-March 2014, long-term external debt was US\$ 351.4 billion, showing an increase of 12.4 per cent over the level at end-March 2013. At this level, long-term external debt accounted for 79.7 per cent of total external debt at end-March 2014 vis-à-vis 76.4 per cent at end-March 2013.

1.3 The increase in long-term external debt during the year was primarily on account of rise in NRI deposits. A sharp increase in NRI deposits reflected the impact of fresh FCNR(B) deposits mobilised under the swap scheme during September-November 2013 to tide over the difficult BoP situation in the initial parts of the year.

1.4 Short-term external debt stood at US\$ 89.2 billion at end-March 2014, showing a decline of 7.7 per cent over US\$ 96.7 billion at the end-March 2013. This owed to the compression in import arising from the slowdown in aggregate demand and restrictions on gold imports. Thus, the share of short-term external debt in total external debt declined from 23.6 per cent at end-March 2013 to 20.3 per cent at end-March 2014.

1.5 Government (sovereign) external debt stood at US\$ 81.5 billion at end-March 2014 vis-a-vis US\$ 81.7 billion at end-March 2013 and constituted 18.5 per cent of the total external debt at end-March 2014 as against 19.9 per cent at end-March 2013. Government guaranteed external debt was US\$ 9.9 billion at end-March 2014 vis-a-vis US\$ 9.5 billion at end-March 2013.

1.6 The currency composition of India's external debt shows that debt denominated in US dollar continues to remain the predominant component accounting for 61.8 per cent of total external debt at end-March 2014, followed by debt denominated in Indian rupee (21.1 per cent), SDR (6.9 per cent) and Japanese yen (5.1 per cent).

1.7 The valuation effect reflecting the appreciation of 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 2014 would have increased by US\$ 40.6 billion over the level at end-March 2013.

1.8 Notwithstanding the increase in absolute terms and the changing composition, India's external debt has remained within manageable limits. As a proportion of GDP, external debt was 23.3 per cent and debt service ratio of 5.9 per cent in 2013-14. India's external debt is dominated by long-term debt. The summary of key external debt indicators from 2005-06 is shown in Table 1.1 and from 1990-91 at Annex II.

**Table 1.1: India's Key External Debt Indicators***(Per cent)*

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	Short-Term to Foreign Exchange Reserves	Short- Term to Total External Debt
1	2	3	4	5	6	7	8
2005-06	139.1	16.8	10.1 <sup>a</sup>	109.0	28.4	12.9	14.0
2006-07	172.4	17.5	4.7	115.6	23.0	14.1	16.3
2007-08	224.4	18.0	4.8	138.0	19.7	14.8	20.4
2008-09	224.5	20.3	4.4	112.2	18.7	17.2	19.3
2009-10	260.9	18.2	5.8	106.9	16.8	18.8	20.1
2010-11	317.9	18.2	4.4	95.9	14.9	21.3	20.4
2011-12	360.8	20.5	6.0	81.6	13.3	26.6	21.7
2012-13 PR	409.4	22.0	5.9	71.3	11.1	33.1	23.6
2013-14 QE	440.6	23.3	5.9	69.0	10.5	29.3	20.3

PR: Partially Revised; QE: Quick Estimates.

a: Works out to 6.3 per cent, excluding India Millennium Deposit repayments of US\$ 7.1 billion and pre-payment of US\$ 23.5 million.

1.9 India's key debt indicators compare well with other indebted developing countries. According to the World Bank's *International Debt Statistics, 2014* which presents the debt data for 2012, showed that India's position was third in terms of absolute external debt stock, after China and Brazil in 2012<sup>1</sup>. The ratio of India's external debt stock to gross national income (GNI) at 20.8 per cent was the fourth lowest with China having the lowest ratio at 9.2 per cent. In terms of the cover provided by foreign exchange reserves to external debt, India's position was seventh highest at 71.4 per cent.

<sup>1</sup> India's position was fourth in external debt stock in absolute terms, after China, Russian Federation and Brazil in 2011. Russian Federation is excluded from the regional analysis now because it is classified as high-income country. In the past, Russian Federation's external debt in absolute terms was higher than that of India.

## CHAPTER 2

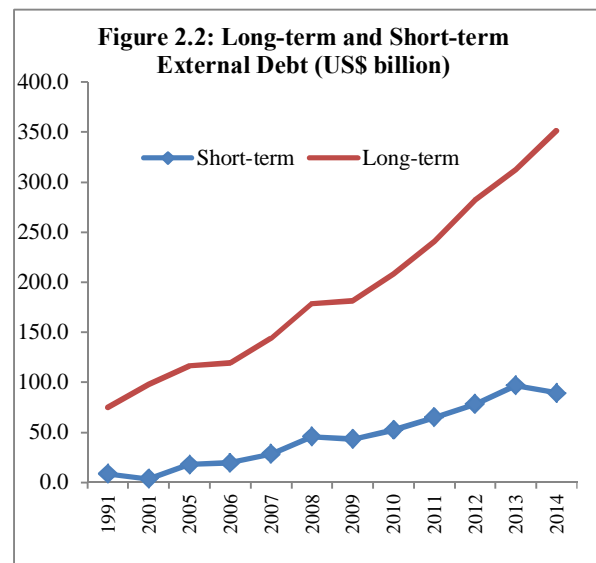
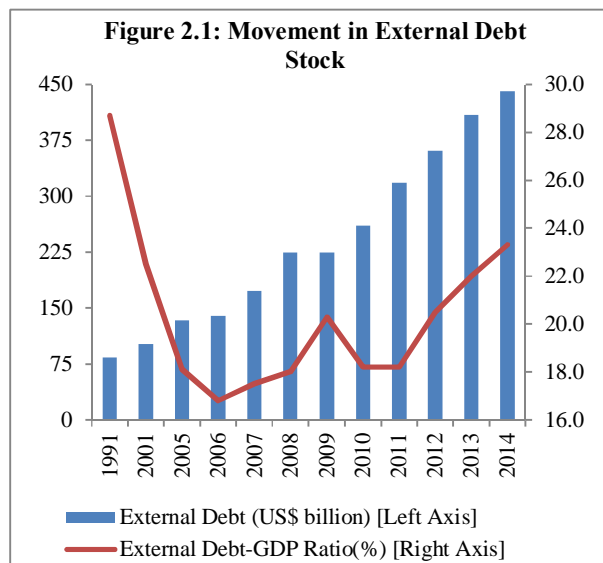
### CLASSIFICATION OF EXTERNAL DEBT

#### 2.1 Stock of External Debt

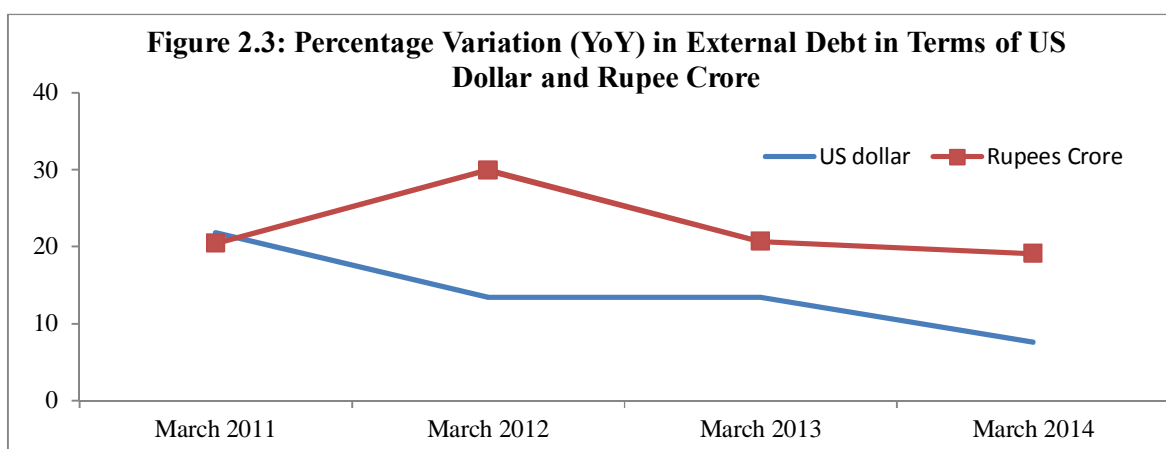
2.1.1 At end-March 2014, India's external debt stock in US dollar terms was US\$ 440.6 billion, recording an increase of 7.6 per cent over the level at end-March 2013. In rupee terms, external debt stock stood at ₹ 2,650,031 crore, an increase of 19.1 per cent over the end-March 2013 level of ₹ 2,225,001 crore, reflecting also the depreciation in exchange rate of the rupee (Table 2.1). The rise in external debt during the period was due to long-term debt particularly NRI deposits. The rise in the level of NRI deposits reflected the impact of fresh FCNR(B) deposits mobilised under the swap scheme during September-November 2013 to tide over the difficult BoP situation in the initial parts of the year. India's external debt to GDP ratio has declined significantly since the early 1990s (Figure 2.1). The composition of external debt indicates the dominance of long-term debt (Figure 2.2).

**Table 2.1: India's External Debt Stock (2008-14)**

Unit	at end-March						
	2008	2009	2010	2011	2012	2013	2014
1	2	3	4	5	6	7	8
US dollar million	224,407	224,498	260,935	317,891	360,766	409,421	440,614
Rupee crore	897,290	1,142,125	1,178,638	1,419,407	1,844,167	2,225,001	2,650,031
External debt to GDP (per cent)	18.0	20.3	18.2	18.2	20.5	22.0	23.3



2.1.2 The difference between growth rates of external debt in rupee and US dollar terms at end-March 2014 and end-March 2013 reflects the sharp depreciation of the rupee vis-à-vis the US dollar during the period. The value of rupee has witnessed substantial volatility, particularly after the credit downgrading of USA in August 2011 and deepening of the euro zone crisis. India has traditionally been a current account deficit country, with a few exceptions, that has been financed by capital flows. The decline in the rupee value reflected pressure due to current account deficit coupled with moderation in capital flows. The impact of rupee depreciation could be seen with significant and relatively higher growth in external debt stock in rupee terms vis-a-vis growth in external debt in US dollar term (Figure 2.3).

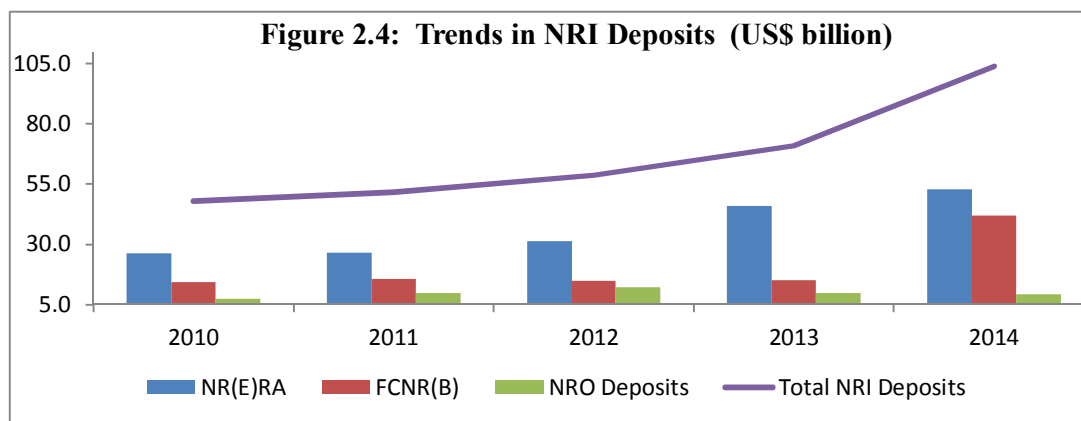


2.1.3 External debt is contracted in different currencies and the data on external debt is indicated in terms of US dollar. The valuation effect arises on account of the fact that exchange rate of US dollar fluctuates over time vis-a-vis other currencies. Excluding the *valuation effect* due to the appreciation of US dollar against the Indian rupee and other major currencies, the stock of external debt at end-March 2014 in US dollar terms would have increased by US\$ 40.6 billion instead of US\$ 31.2 billion over end-March 2013.

2.1.4 Increase in India's external debt during financial year 2013-14 was primarily on account of rise in NRI deposits. The surge in stock of NRI deposits can mainly be attributed to mobilisation of fresh FCNR(B) deposits by commercial banks under the swap scheme offered by the Reserve Bank of India during September to November 2013. Short-term external debt, however witnessed decline at end-March 2014 over the level at end-March 2013. Decline in short-term debt was primarily on account of lower trade related credits, reflecting the impact of economic slowdown and moderation in imports.

### Box 2.1: Recent Trends and Composition of NRI Deposits

The stock of NRI deposits in India's external debt has risen substantially recently. It increased from US\$ 47.9 billion at end-March 2010 to US\$ 70.8 billion at end-March 2013 and further to US\$ 103.8 billion at end-March 2014. NRI deposits stock recorded an increase of 46.6 per cent at end-March 2014 over the level at end-March 2013. Between 2011 and 2013, these deposits had recorded a growth of 14.1 per cent (average). The share of these deposits in India's total external debt also increased from 16.2 per cent at-end March 2012 to 17.3 per cent at end-March 2013 and further to 23.6 per cent at end-March 2014. At this level, the share of NRI deposits in total external debt at end-March 2014 was second highest after the external commercial borrowings.



Sharp rise in the NRI deposits in recent period can mainly be attributed to the mobilization of fresh FCNR(B) deposits by commercial banks under the special swap scheme offered by the Reserve Bank of India during the period September to November 2013. Rise in the NRI deposits particularly non-resident external rupee denominated deposits also reflected the impact of deregulation of interest rates in these deposits in December 2011.

The composition of NRI deposits indicates the dominance of non-resident external rupee denominated deposits. These deposits accounted for 56.1 per cent of the total stock of NRI deposits followed by FCNR(B) [26.7 per cent] and NRO deposits (17.2 per cent) during the period 2010 to 2013 (average). The share of FCNR(B), however witnessed significant rise recently due to special swap scheme during September to November 2013. At end-March 2014, the share of FCNR(B) in total NRI deposits was 40.3 per cent vis-à-vis 21.4 per cent at end-March 2013. The NR(E)RA accounted for 50.9 per cent while the share of NRO deposits in total stock of NRI deposits remained at 8.8 per cent at end-March 2014.

2.1.5 Rise in India's external debt reflects the increasing reliance on debt flows to meet the external financing requirements. The debt flows such as commercial borrowings and NRI deposits showed sharp rise and accounted for substantial share of net capital flows. The composition of India's external debt also has undergone changes with the substantial rise in the share of non-government debt in total debt.

### Box 2.2: Changing Composition of Capital Flows and Rise in External Debt Stock

India's external debt stock has shown rising trends reflecting dependence on debt flows for meeting external financing requirements of the country. India traditionally has a current account deficit, barring a few years, which is financed by capital flows. The level of India's current account deficit (CAD) was substantially higher in the period particularly during 2011-12 (4.2 per cent of GDP) and 2012-13 (4.7 per cent of GDP). However, there was moderation in the level of current account deficit in 2013-14. While non-debt capital flows continue to remain an important source of financing, increasingly debt flows are assuming significance in the financing of CAD. Dependence on debt flows tends to rise more during crisis period, as volatile capital flows particularly FIIs get reduced significantly. Besides, dependence on external assistance has come down significantly over the years with the rising share of other components such as commercial borrowings and NRI deposits in capital flows. The share of debt components in capital flows over the years is presented below in Table 2.2.

**Table 2.2 : Percentage Share of Debt Components in Net Capital Flows**

Component	1990-91	2000-01	2008-09	2011-12	2012-13	2013-14
1	2	3	4	5	6	7
External Assistance	31.2	4.6	33.0	3.4	1.1	2.1
Commercial Borrowings	31.9	48.7	106.3	15.3	9.5	24.1
Short-term Trade Credit	15.2	6.2	-26.8	9.8	24.3	-10.3
Non-Resident Deposits	21.8	26.2	58.0	17.6	16.6	79.7

India's external sector has displayed considerable strength and resilience and attracted substantial capital inflows over the years. With increasing participation of the private sector, the composition of external debt is undergoing a transformation. The share of concessional debt in total debt has declined due to shrinking share of official creditors and the Government debt and the surge in non-concessional private debt. The proportion of concessional debt to total debt declined from 42.9 per cent (average) during the period 1991-2000 to 28.1 per cent in 2001-2010 and further to 10.5 per cent at end-March 2014.

The share of non-government external debt in total external debt increased from 45.3 per cent (average) in the decade of 1990s to 65.6 per cent in the decade of 2000 and further to 81.5 per cent at end-March 2014. Component-wise, the share of multilateral and bilateral credit in total external debt are showing decline while the commercial borrowings reflect a rising trend. The share of commercial borrowings in total debt increased from 15.6 per cent in the decade of 1990s to 23.4 per cent during the decade of 2000 and further to 33.3 per cent at end-March 2014. Apart from the commercial borrowings, the NRI deposits also witnessed sharp rise in recent period. These two components accounted for 71.4 per cent of total long-term debt and 56.9 per cent of total external debt stock (long term plus short-term) at end-March 2014. The details of variation and contribution in the total variation in external debt between end-March 2013 and end-March 2014 are presented in Table below.

**Table 2.3: Variation in External Debt Stock at end-March 2014 over at end-March 2013**

	Variation		Contribution in the total variation (per cent)
	Amount (US\$ million)	Per cent	
1	2	3	4
<b>1. Long-term</b>	<b>38,659</b>	<b>12.4</b>	<b>123.9</b>
<i>Of Which</i>			
a. Multilateral	1,694	3.3	5.4
b. Bilateral	-363	-1.4	-1.2
c. Commercial Borrowings	6,364	4.5	20.4
d. NRI Deposits	33,023	46.6	105.9
e. Others*	-2,059	-8.3	-6.6
<b>2. Short-term</b>	<b>-7,466</b>	<b>-7.7</b>	<b>-23.9</b>
<b>3. Total External Debt (1+2)</b>	<b>31,193</b>	<b>7.6</b>	<b>100.0</b>

\*: Includes long term debt component such as rupee debt, IMF, export credit..

## 2.2 Creditor Classification

2.2.1 The composition of India's external debt has over the years changed in terms of duration/maturity and is being dominated by private flows like commercial borrowings and trade credit under short-term debt (Table 2.4) At end-March 2014, India's long-term external debt stood at US\$ 351.4 billion (79.7 per cent) while short-term debt was US\$ 89.2 billion (20.3 per cent of total debt stock of US\$ 440.6 billion).

**Table 2.4: Composition of India's External Debt (US\$ million)**

Sl. No.	Components	at end-March			Variation			
		2012	2013 PR	2014 QE	Amount		Per cent	
					2012 to 2013	2013 to 2014	2012 to 2013	2013 to 2014
1	2	3	4	5	6	7	8	9
1.	Multilateral	50,452	51,596	53,290	1,144	1,694	2.3	3.3
2.	Bilateral	26,884	25,170	24,807	-1,714	-363	-6.4	-1.4
3.	IMF	6,163	5,964	6,156	-199	192	-3.2	3.2
4.	Export credit	18,990	17,732	15,271	-1,258	-2,461	-6.6	-13.9
5.	Commercial Borrowings	120,136	140,182	146,546	20,046	6,364	16.7	4.5
6.	NRI Deposits	58,608	70,822	103,845	12,214	33,023	20.8	46.6
7.	Rupee debt	1,354	1,258	1,468	-96	210	-7.1	16.7
<b>8.</b>	<b>Long-term debt (1 to 7)</b>	<b>282,587</b>	<b>312,724</b>	<b>351,383</b>	<b>30,137</b>	<b>38,659</b>	<b>10.7</b>	<b>12.4</b>
<b>9.</b>	<b>Short-term debt (Original Maturity)</b>	<b>78,179</b>	<b>96,697</b>	<b>89,231</b>	<b>18,518</b>	<b>-7,466</b>	<b>23.7</b>	<b>-7.7</b>
<b>10.</b>	<b>Total External Debt (8+9)</b>	<b>360,766</b>	<b>409,421</b>	<b>440,614</b>	<b>48,655</b>	<b>31,193</b>	<b>13.5</b>	<b>7.6</b>

PR: Partially Revised, QE: Quick Estimates.



2.2.2 Among the long-term components - external commercial borrowings, NRI deposits and multilateral debt accounted for 68.9 per cent of total external debt, while the remaining 10.8 per cent was accounted for by the other components including bilateral debt and export credit. The share of commercial borrowings continued to be the highest (33.3 per cent) in total external debt followed by NRI deposits (23.6 per cent) (Table 2.5).

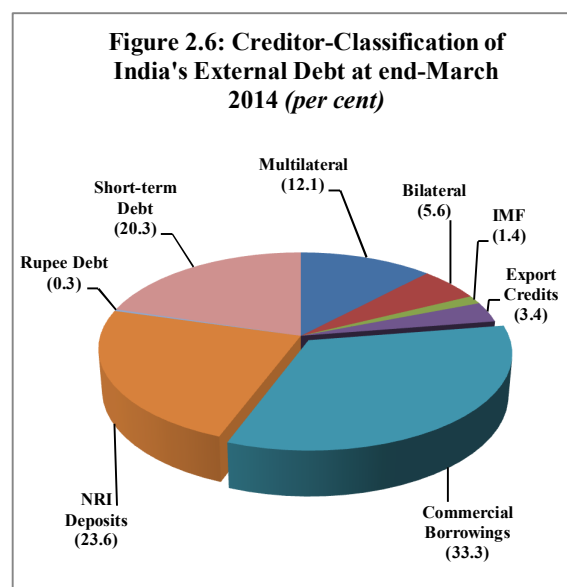
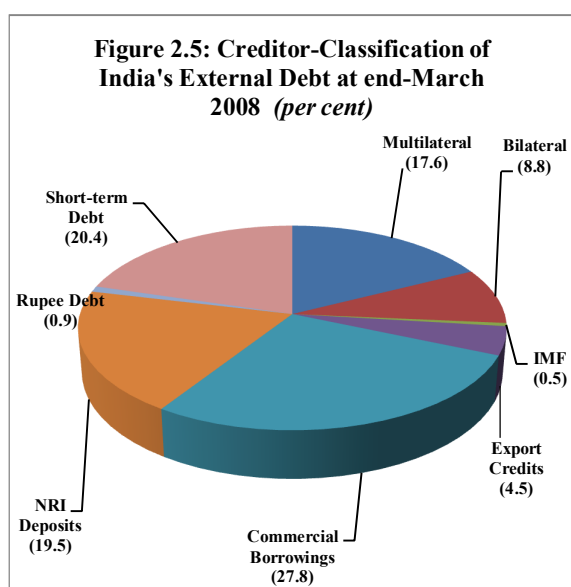
2.2.3 The component-wise share of external debt since 2004 in rupee crore and US dollar million are at Annex III and Annex IV respectively. The quarter-wise external debt outstanding since March 2012 in rupee crore and US dollar million is detailed in Annex V and VI, respectively.

**Table 2.5: Creditor Classification of External Debt**

*(per cent)*

Sl.	Category	at end-March						
		2008	2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8	9
1.	Multilateral	17.6	17.6	16.4	15.2	14.0	12.6	12.1
2.	Bilateral	8.8	9.2	8.7	8.1	7.4	6.1	5.6
3.	IMF	0.5	0.5	2.3	2.0	1.7	1.5	1.4
4.	Export Credit	4.5	6.5	6.5	5.9	5.3	4.3	3.4
5.	Commercial Borrowings	27.8	27.8	27.1	31.6	33.3	34.3	33.3
6.	NRI Deposits	19.5	18.5	18.3	16.3	16.2	17.3	23.6
7.	Rupee Debt	0.9	0.7	0.6	0.5	0.4	0.3	0.3
8.	<b>Long-term Debt (1to7)</b>	<b>79.6</b>	<b>80.8</b>	<b>79.9</b>	<b>79.6</b>	<b>78.3</b>	<b>76.4</b>	<b>79.7</b>
9.	<b>Short-term Debt</b>	<b>20.4</b>	<b>19.2</b>	<b>20.1</b>	<b>20.4</b>	<b>21.7</b>	<b>23.6</b>	<b>20.3</b>
10.	<b>Total (8+9)</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

PR: Partially Revised, QE: Quick Estimate.



2.2.4 The share of *official* creditors in total external debt has declined over the years (Table 2.6). The share of private creditors has increased from 71.6 per cent in 2008 to 80.2 per cent at end-March 2014.

**Table 2.6: 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 PR	20.9	79.1
2014 QE	19.8	80.2

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 2.7 and Annex VII). The latter is further categorized into financial sector and non-financial (public and private sectors). Non-Government debt as a proportion of total external debt has increased from 74.1 per cent at end-March 2008 to 81.5 per cent at end-March 2014.

**Table 2.7: External Debt by Borrower Classification (US\$ million)**

Sl. No.	Components	at end-March						
		2008	2009	2010	2011	2012	2013 PR	2014QE
1	2	3	4	5	6	7	8	9
<b>I.</b>	<b>Government Debt (A+B)</b>	<b>58,070</b>	<b>55,870</b>	<b>67,067</b>	<b>78,072</b>	<b>81,896</b>	<b>81,655</b>	<b>81,529</b>
A.	Of which long-term (1+2):	57,455	54,931	65,549	75,230	75,789	77,868	78,989
1.	Govt. Account	52,541	51,816	55,235	62,295	63,374	61,336	62,203
2.	Other Govt. Debt	4,914	3,115	10,314	12,935	12,415	16,532	16,786
B.	Of which short-term:	615	939	1,518	2,842	6,107	3,787	2,540
<b>II.</b>	<b>Non-Government Debt (C+D)</b>	<b>166,337</b>	<b>168,628</b>	<b>193,868</b>	<b>239,819</b>	<b>278,870</b>	<b>327,766</b>	<b>359,085</b>
C.	Of which long-term (1+2+3):	121,214	126,254	143,057	177,671	206,798	234,856	272,394
1.	Financial Sector*	51,138	48,617	55,933	74,786	85,689	102,252	135,033
2.	Public Sector**	11,040	12,599	13,749	16,070	19,180	23,950	32,045
3.	Private Sector***	59,036	65,038	73,375	86,815	101,929	108,654	105,316
D.	Of which short-term:	45,123	42,374	50,811	62,148	72,072	92,910	86,691
<b>III.</b>	<b>Total External Debt (I+II)</b>	<b>224,407</b>	<b>224,498</b>	<b>260,935</b>	<b>317,891</b>	<b>360,766</b>	<b>409,421</b>	<b>440,614</b>
<b>Memo Items:</b>								
	Share of Government debt in total debt (per cent)	25.9	24.9	25.7	24.6	22.7	19.9	18.5
	Share of Non-Government debt in total debt (per cent)	74.1	75.1	74.3	75.4	77.3	80.1	81.5
	Ratio of Government debt to GDP (per cent)	4.7	5.1	4.7	4.5	4.7	4.4	4.3

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.

2.3.2 With the rising share of non-Government debt, the composition of such debt assumes importance. As is evident from Table 2.7, the exposure of the financial sector and the non-financial private sector to external sources of finance is larger compared to that of the non-financial public sector.

## 2.4 Instrument-wise Classification

2.4.1 The instrument-wise (*viz.*, bonds, loans, trade credits and deposits) classification of external debt, along with borrower details depicts the major forms through which individual sectors are gaining access to external financing. At end-March 2014, 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 2.8).

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 majority share in short term external debt.

**Table 2.8: Instrument-wise Classification of External Debt at end-March 2014** (US\$ million)

Sl. No.	Borrowers	Bonds	Loans	Trade Credits	Deposits	Total
1	2	3	4	5	6	7
<b>I</b>	Government	9,479 (2.2)	61,954 (14.0)	1,400* (0.3)	6,156** (1.4)	<b>78,989</b> <b>(17.9)</b>
<b>II</b>	Financial Sector	13,292 (3.0)	28,976 (6.6)	0.0 (0.0)	103,845 (23.6)	<b>146,113</b> <b>(33.2)</b>
<b>III</b>	Non-Financial Public Sector	3,117 (0.7)	28,928 (6.6)	0.0 (0.0)	0.0 (0.0)	<b>32,045</b> <b>(7.3)</b>
<b>IV</b>	Non-Financial Private Sector	7,992 (1.8)	85,456 (19.4)	788 (0.2)	0.0 (0.0)	<b>94,236</b> <b>(21.4)</b>
<b>V</b>	Short-Term Debt	7,488 (1.7)	0.0 (0.0)	81,743 (18.5)	0.0 (0.0)	<b>89,231</b> <b>(20.2)</b>
<b>VI</b>	<b>Total External debt***</b> <b>(I to V)</b>	<b>41,368</b> <b>(9.4)<sup>1</sup></b>	<b>205,314</b> <b>(46.6)</b>	<b>83,931</b> <b>(19.0)</b>	<b>110,001</b> <b>(25.0)</b>	<b>440,614</b> <b>(100.0)</b>

\* 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.

<sup>1</sup> Includes Money market instruments.

Figures in parentheses denote percentage to total external debt at end-March 2014.

## 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 2014, the share of the US dollar debt in total external debt stood at 61.8 per cent, followed by the Indian rupee (21.1 per cent), SDR (6.9 per cent) and Japanese yen (5.1 per cent) (Table 2.9 and Annex IX).

**Table 2.9: Currency Composition of External Debt (Per cent)**

Sl. No.	Currency	at end-March						
		2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9
1.	US dollar	55.3	54.1	53.2	55.3	56.9	59.1	61.8
2.	Indian rupee	16.2	15.4	18.7	18.8	20.5	22.9	21.1
3.	SDR*	10.6	9.8	10.7	10.9	8.7	7.2	6.9
4.	Japanese yen	12.0	14.3	11.5	9.4	8.3	6.1	5.1
5.	Euro	3.5	4.1	3.6	3.6	3.7	3.4	3.4
6.	Pound sterling	2.2	1.9	1.8	1.6	0.9	0.7	1.1
7.	Others	0.2	0.4	0.5	0.4	1.0	0.6	0.6
<b>Total (1 to 7)</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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.

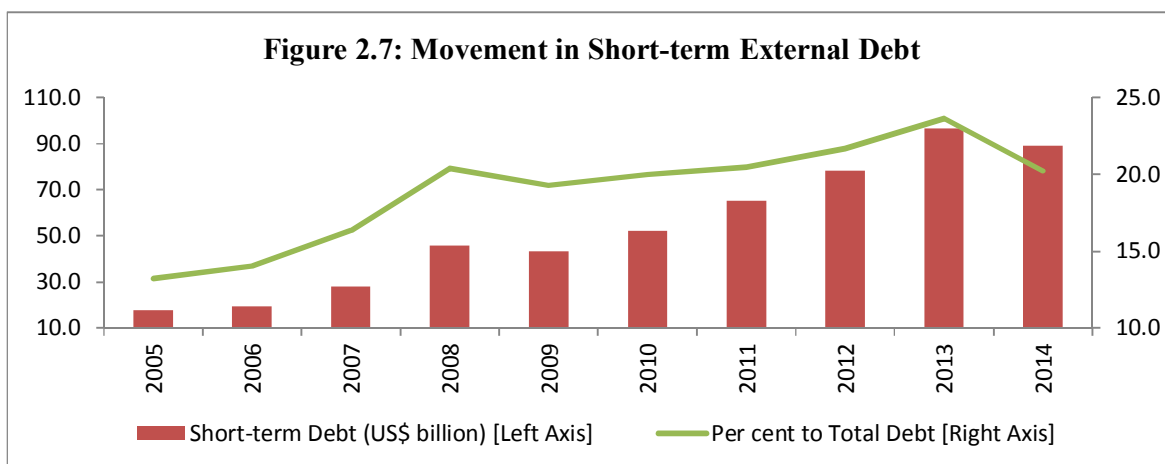
## 2.6 Short-term External Debt

### I. Short-term debt based on original maturity

2.6.1 Large magnitude of short term external debt may pose problems in the event of a global liquidity crisis when access to international financial markets get limited and the roll-over/refinancing opportunities are not easily forthcoming. India's short-term debt (by original maturity) exhibited an upward trend particularly from the second half of the decade of 2000s, reflecting among others the impact of revision in the coverage of short-term debt<sup>2</sup>. The data on 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.

2.6.2 At end-March 2014, short-term external debt stood at US\$ 89.2 billion showing a decline of 7.7 per cent over end-March 2013 (Figure 2.7). Short-term debt is dominated by trade related credits. The share of trade credits in total short-term debt was 91.6 per cent at end-March 2014 vis-a-vis 89.8 per cent at end-March 2013. The share of FII investments in short term debt has, however, declined (Table 2.10).

<sup>2</sup> 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 2.10: Short-term Debt by Original Maturity**

(US\$ million)

Sl.	Category	at end-March						
		2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9
1.	<b>Short-term Debt (a to d)</b>	<b>45,738</b>	<b>43,313</b>	<b>52,329</b>	<b>64,990</b>	<b>78,179</b>	<b>96,697</b>	<b>89,231</b>
a)	Trade Credits (1+2)	41,901	39,915	47,473	58,463	65,130	86,787	81,743
	1. Above 6 months and up to 1 year	22,884	23,346	28,003	35,347	39,182	59,021	54,992
	2. Up to 6 months	19,017	16,569	19,470	23,116	25,948	27,766	26,751
b)	FII investment in Govt. Treasury Bills and corporate securities	651	2,065	3,357	5,424	9,395	5,455	3,158
c)	Investment in Treasury Bills by foreign central banks and international Institutions, etc.	155	105	103	50	64	82	95
d)	External debt liabilities of	3,031	1,228	1,396	1,053	3,590	4,373	4,235
	1. Central Bank	1,115	764	695	155	170	181	148
	2. Commercial Banks	1,916	464	701	898	3,420	4,192	4,087

PR: Partially Revised; QE: Quick Estimates.

## II. Short-term debt by residual maturity

2.6.3 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 study of 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.

2.6.4 Based on residual maturity, India's short-term debt stood at US\$ 114.2 billion at end-March 2014 (Table 2.11). At this level, it accounted for 25.9 per cent of total external debt and 37.5 per cent of foreign exchange reserves. The details of short-term debt by residual maturity are contained at Annex X.

**Table 2.11: Short Term Debt by Residual Maturity**

(US\$ million)

Component	at end-March				
	2010	2011	2012	2013	2014
1	2	3	4	5	6
1. Short-term Debt (Original Maturity)	52,329	64,990	78,179	96,697	89,231
2. Long-term debt obligations maturing within one year*	13,359	22,986	20,387	19,430	24,995
3. External debt (residual maturity) (1+2)	65,688	87,976	98,566	116,127	114,226
<i>Per cent to Total Debt</i>	<i>25.2</i>	<i>27.7</i>	<i>27.3</i>	<i>28.4</i>	<i>25.9</i>
<i>Per cent of foreign exchange reserves</i>	<i>23.5</i>	<i>28.9</i>	<i>33.5</i>	<i>39.8</i>	<i>37.5</i>

*Note: Estimates of long-term debt obligations maturing within one year have been calculated on post facto basis and includes repayments arising from prepayments of long-term debt.*

*\*: Long term debt maturing within one year (2014-15) has been calculated by aggregating projected principal repayments on debt outstanding as at 31<sup>st</sup> March 2014. It excludes debt service on FII investment in Government / corporate securities and NRI deposits which are largely rolled over and are also locally withdrawn on maturity for rupee expenditure.*

*Memo Item: Short-term debt by residual maturity, inclusive of all the components namely NRI deposits and other items, is estimated at US\$ 174.6 billion at end-March 2014 as against a level of US\$ 172.3 billion at end-March 2013 (source: RBI Press Releases on (i) 'India's External Debt as at end-March 2014', dated June 30, 2014, (ii) 'India's External Debt end-March 2013' dated June 27, 2013).*

## 2.7 Concessional Debt

2.7.1 Concessional debt indicates softer terms of a loan in relation to prevailing market conditions. Concessional debt could be reflected in terms of lower rate of interest, longer 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 19.7 per cent in 2008 to 10.5 per cent at end-March 2014 (Table 2.12). The decline in the share of concessional debt reflects the declining share of multilateral and bilateral debt in India's total external debt.

**Table 2.12 : Share of Concessional Debt in Total External Debt***(US\$ million)*

Sl.	Component	at end-March						
		2008	2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8	9
1	Total external debt (2+3)	224,407	224,498	260,935	317,891	360,766	409,421	440,614
2	Concessional debt	44,164	41,899	43,931	47,499	48,063	45,518	46,453
3	Non-concessional debt	180,243	182,599	217,004	270,392	312,703	363,903	394,161
4	Concessional debt as share of total debt (per cent)	19.7	18.7	16.8	14.9	13.3	11.1	10.5

*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 2014, India's external debt (23.3 per cent of GDP) showed an increase of 7.6 per cent over the level at end-March 2013. The maturity structure of India's external debt is favourable with long-term debt dominating it. Among the long-term components, commercial borrowings accounted for the largest share, followed by NRI deposits. US dollar denominated debt continued to be the largest component of India's external with a share of 61.8 per cent at end-March 2014. Government (Sovereign) external debt accounted for 18.5 per cent of total external debt at end-March 2014, while the rest 81.5 per cent was non-Government external debt.

## CHAPTER 3

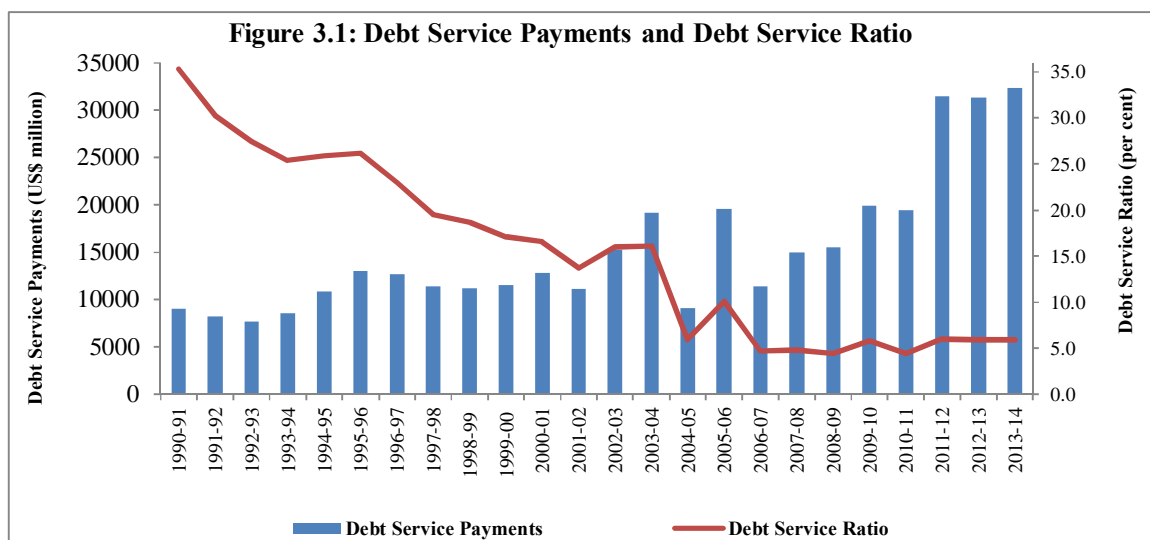
### DEBT SERVICE

#### 3.1 Introduction

3.1.1 Debt service payments and debt service ratio occupy a central place in analysis of external debt. Debt service payments or servicing of external debt is defined as the set of payments, inclusive of both principal and interest that are made to meet 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 pre-empt a significant part of foreign exchange earnings, straining the exchange rate. A higher debt service ratio as well as large debt service payments also increase the risk of exposing the country to external shocks.

#### 3.2 Trends in India's Debt Service Payments

3.2.1 Recent trends in India's external debt service payments and debt service ratio are presented in Figure 3.1. Gross debt service payments amounted to US\$ 32.3 billion during 2013-14, recording an increase of 3.1 per cent over the previous year. Principal repayments accounted for 65.4 per cent in the India's total debt service payments in 2013-14, while the rest 34.6 per cent was on account of interest payments. Increase in debt service payments was on account of higher interest payments for NRI deposits and larger repayment of external commercial borrowings during 2013-14. Debt service ratio stood at 5.9 per cent in 2013-14, same as in the previous year.

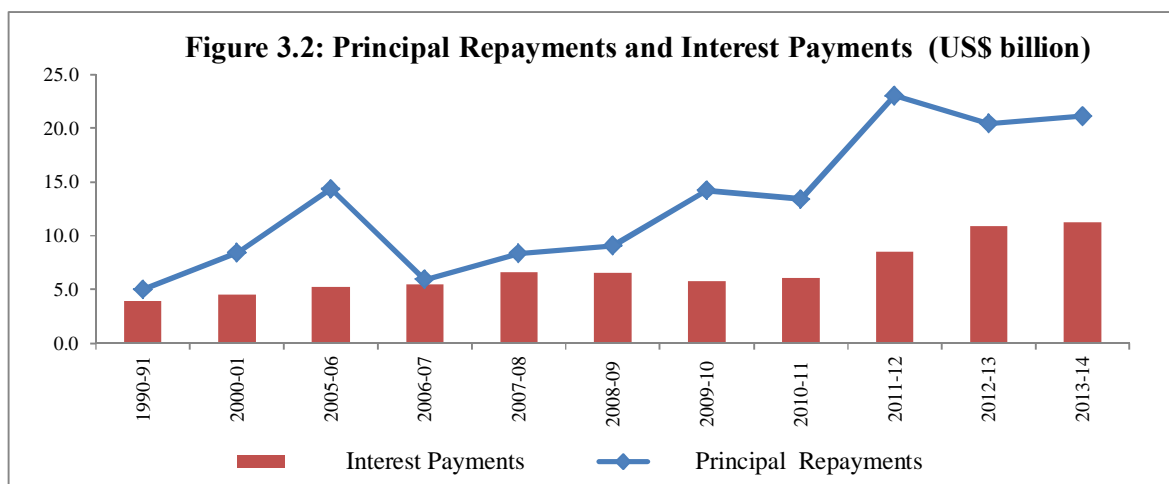


3.2.2 Component-wise debt service payments during 2008-09 to 2013-14 indicate the predominance of commercial borrowings (Table 3.1 and Figure 3.2). India's total external debt service payments which remained in the range of about US\$ 15 billion to US\$ 20 billion during the period 2008-09 to 2010-11, increased to US\$ 32.3 billion in 2013-14. The details of debt service payments since 2003-04 is given in Annex XI.

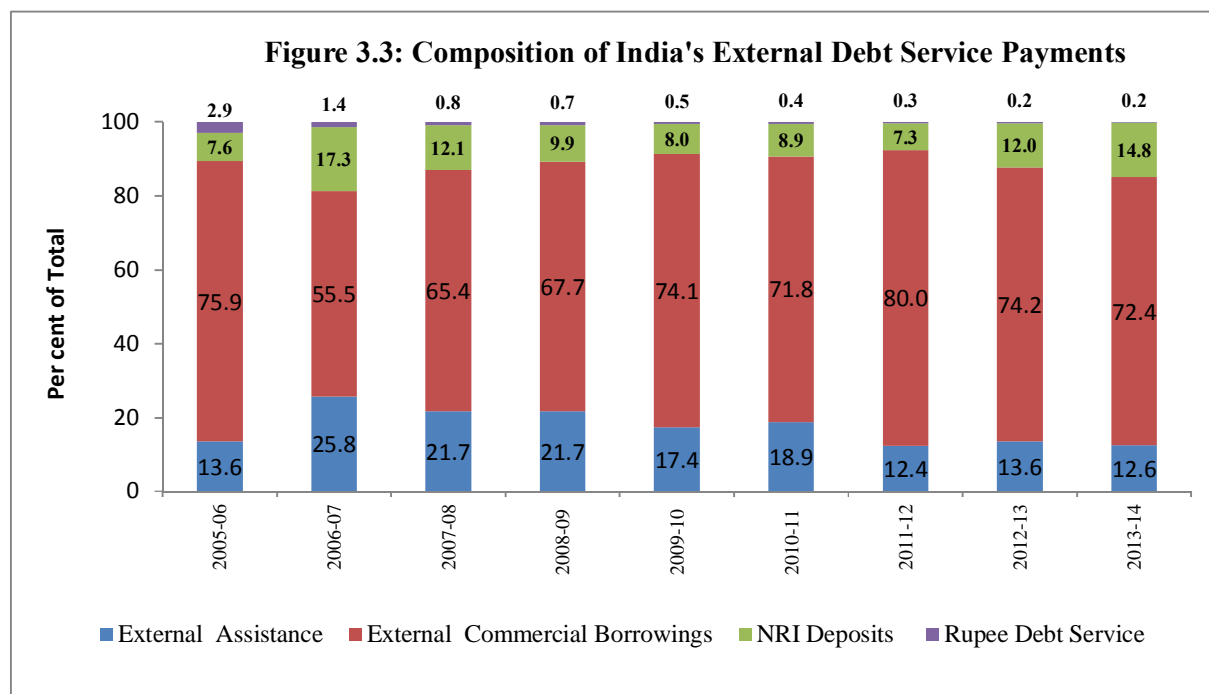


**Table 3.1 : India's External Debt Service Payments***(US\$ million)*

Sl.	Components	April – March					
		2008-09	2009-10	2010-11	2011-12	2012-13PR	2013-14QE
1	2	3	4	5	6	7	8
1	External Assistance	3,384	3,461	3,667	3,923	4,255	4,078
	Repayments	2,375	2,585	2,839	3,125	3,415	3,383
	Interest	1,009	876	828	798	840	695
2	External Commercial Borrowings	10,543	14,742	13,959	25,198	23,240	23,398
	Repayments	6,578	11,498	10,451	19,782	16,914	17,702
	Interest	3,965	3,244	3,508	5,416	6,326	5,696
3	NRI Deposits	1,547	1,599	1,737	2,313	3,778	4,784
	Interest	1,547	1,599	1,737	2,313	3,778	4,784
4	Rupee Debt Service	101	97	69	79	58	52
	Repayments	101	97	69	79	58	52
5	<b>Total Debt Service</b>	<b>15,575</b>	<b>19,899</b>	<b>19,432</b>	<b>31,513</b>	<b>31,331</b>	<b>32,312</b>
	<b>(1 to 4)</b>						
	Repayments	9,054	14,180	13,359	22,986	20,387	21,137
	Interest	6,521	5,719	6,073	8,527	10,944	11,175
<b>Memo items:</b>							
	Current Receipts*	356,175	345,144	445,999	528,372	530,163	551,072
	Debt Service Ratio (%)	4.4	5.8	4.4	6.0	5.9	5.9
	Interest payments /current receipts (%)	1.8	1.7	1.4	1.6	2.1	2.0

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

3.2.3 India's debt service payments are dominated by the external commercial borrowings which accounted for 72.4 per cent of gross debt service payments during 2013-14. Other components such as NRI deposits, external assistance and rupee debt service contributed the rest (27.6 per cent) (Figure 3.3). The dominance of external commercial borrowings is an indication of growing recourse to their use by the companies to meet their financing requirements. India's external debt service payments by creditor category are presented in Annex XII.



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 practice<sup>3</sup>. Net disbursement (gross disbursements *minus* principal repayments) on short-term debt however, is a useful indicator 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 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 showed substantial increase over the previous year and stood at US\$ 21.7 billion. Short term trade credit inflows which slowed down significantly in the first quarter of 2013-14 over the corresponding period of previous year, worsened further and turned negative in subsequent quarters largely reflecting subdued trend in imports. Thus, there has been net outflow of US\$ 5.0 billion under short-term trade credit in 2013-14 (Table 3.2).

<sup>3</sup> -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)*

<b>Period</b>	<b>Disbursements</b>	<b>Principal Repayment</b>	<b>Net</b>
<b>(April-March)</b>			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
2007-08	47,658	31,729	15,929
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 PR	122,734	101,077	21,657
2013-14 QE	100,117	105,161	-5,044

*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 is estimated by taking interest payments during the year as a percentage of the outstanding debt at the end of the previous year. During 2013-14, the implicit interest rate on total external debt was 2.7 per cent (3.2 per cent during 2012-13). The implicit interest on NRI deposits increased to 6.8 per cent in 2013-14 as against 6.4 per cent in the previous year. The interest on external assistance remained at 1.1 per cent, marginally lower from 1.2 per cent during 2012-13. The implicit interest rate on external commercial borrowings also witnessed moderation from the previous year and stood at 4.1 per cent in 2013-14 (Table 3.3).

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

<b>Components</b>	<b>April-March</b>					
	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13PR</b>	<b>2013-14QE</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Implicit Interest Rate on Total External Debt	2.9	2.5	2.3	2.8	3.2	2.7
<i>Of which:</i>						
1 External Assistance	1.8	1.5	1.3	1.1	1.2	1.1
2 NRI Deposits	3.5	3.9	3.6	4.5	6.4	6.8
3 External Commercial Borrowings	5.6	4.2	4.3	5.0	5.0	4.1

*PR: Partially Revised; QE: Quick Estimates.*

3.3.2 The average terms of new commitments to India from official and private creditors continue to indicate that it is favourable to avail credit from official *vis-à-vis* private creditors. This holds good for the three components (Table 3.4)

**Table 3.4: Average terms of new commitments for India**

Year	Official Creditors			Private Creditors		
	Interest	Maturity	Grace period	Interest	Maturity	Grace period
	(Per cent)	(Years)	(Years)	(Per cent)	(Years)	(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	2.8	7.6	5.8
2012	1.4	24.8	6.7	3.6	6.8	6.3

*Source: International Debt Statistics 2014, World Bank.*

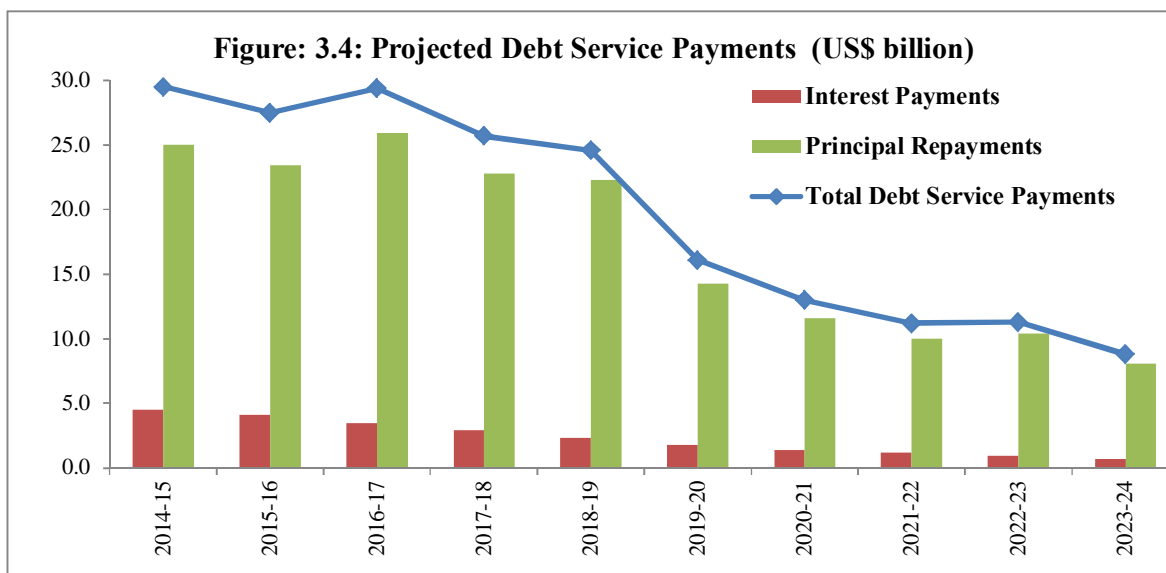
### 3.4 Projections of Debt Service Payments

3.4.1 Debt service projections based on long-term debt outstanding at the end of March 2014 show that debt service payments would reach US\$ 29.5 billion (US\$ 25.0 billion principal repayment and US\$ 4.5 billion interest) in 2014-15 (Table 3.5 and Figure 3.4). The large debt service payments are primarily on account of higher repayments of ECBs. The repayment of NRI deposits and FII investment in debt securities are not included in the projections.

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

Year	Principal	Interest	Total (2+3)
1	2	3	4
2014-15	24,995	4,519	29,514
2015-16	23,369	4,175	27,544
2016-17	25,869	3,537	29,406
2017-18	22,791	2,861	25,652
2018-19	22,264	2,300	24,564
2019-20	14,330	1,789	16,119
2020-21	11,579	1,403	12,982
2021-22	10,036	1,132	11,168
2022-23	10,445	938	11,383
2023-24	8,093	685	8,778

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



### 3.5 Summary

3.5.1 India's debt service payments remain manageable as indicated by the debt service ratio of 5.9 per cent in 2013-14. Total external debt service payments at US\$ 32.3 billion during 2013-14, showed an increase of 3.1 per cent over the previous year. Debt service on external commercial borrowings, with share of 72.4 per cent, dominated the India's debt service payments, followed by NRI deposits, external assistance and rupee debt. The dominance of external commercial borrowings is an indication of growing recourse to the use of ECBs by the companies to meet their financing requirements.

## CHAPTER 4

### INTERNATIONAL COMPARISON<sup>4</sup>

#### 4.1 Introduction

4.1.1 The cross-country comparison of external debt provides an assessment of India's external debt position in international perspective. The source of data is the World Bank's annual publication titled 'International Debt Statistics 2014' which provides external debt data and key indicators of the developing countries<sup>5</sup>. A comparative picture of India's external indebtedness *vis-à-vis* top twenty developing debtor countries is given in Annex XIII.

#### 4.2 External Debt of Developing Countries

4.2.1 A quick overview of the external indebtedness of developing countries is presented in Table 4. The combined external debt stock of 124 developing countries stood at US\$ 4,829.6 billion at end-December 2012, reflecting an increase of 8.8 per cent over the level of 2011. The pace of accumulation of total external debt stock witnessed some moderation in the year of 2012 as compared to the previous year. It had increased by 11.3 per cent in 2011 over the level of 2010. Long-term debt accounted for 73.5 per cent of total external debt in 2012.

**Table 4.1: External Debt of Developing Countries: Key Indicators**

<i>(US\$ billion)</i>						
Item	2007	2008	2009	2010	2011	2012
1	2	3	4	5	6	7
<b>External debt stock</b>	<b>2,993.5</b>	<b>3,262.1</b>	<b>3,542.1</b>	<b>3,987.5</b>	<b>4,437.8</b>	<b>4,829.6</b>
<i>Of which:</i>						
1. Long-term external debt (including IMF)	2,293.4	2,559.3	2,792.7	2,987.1	3,265.3	3,552.0
2. Short-term external debt	700.1	702.8	749.4	1,000.3	1,172.5	1,277.6
<b>Memo Items:</b>						
External debt stocks to exports (%)	69.4	62.9	83.4	75.4	69.3	71.9
External debt stocks to GNI (%)	23.9	21.9	23.7	22.3	21.3	22.1
Debt service to exports (%)	10.8	9.9	12.5	11.0	10.0	9.8
Short-term to external debt stock (%)	23.4	21.5	21.2	25.1	26.4	26.5
Reserves to external debt stock (%)	104.8	111.7	120.8	124.2	122.3	117.6
Reserves to imports (months)	8.8	8.4	11.8	10.8	9.6	9.6

*Source: International Debt Statistics, 2014, World Bank.*

<sup>4</sup> International comparison is made based on the data in 'International Debt Statistics 2014' of the World Bank. Therefore, data in respect of India may differ from official statistics published in India.

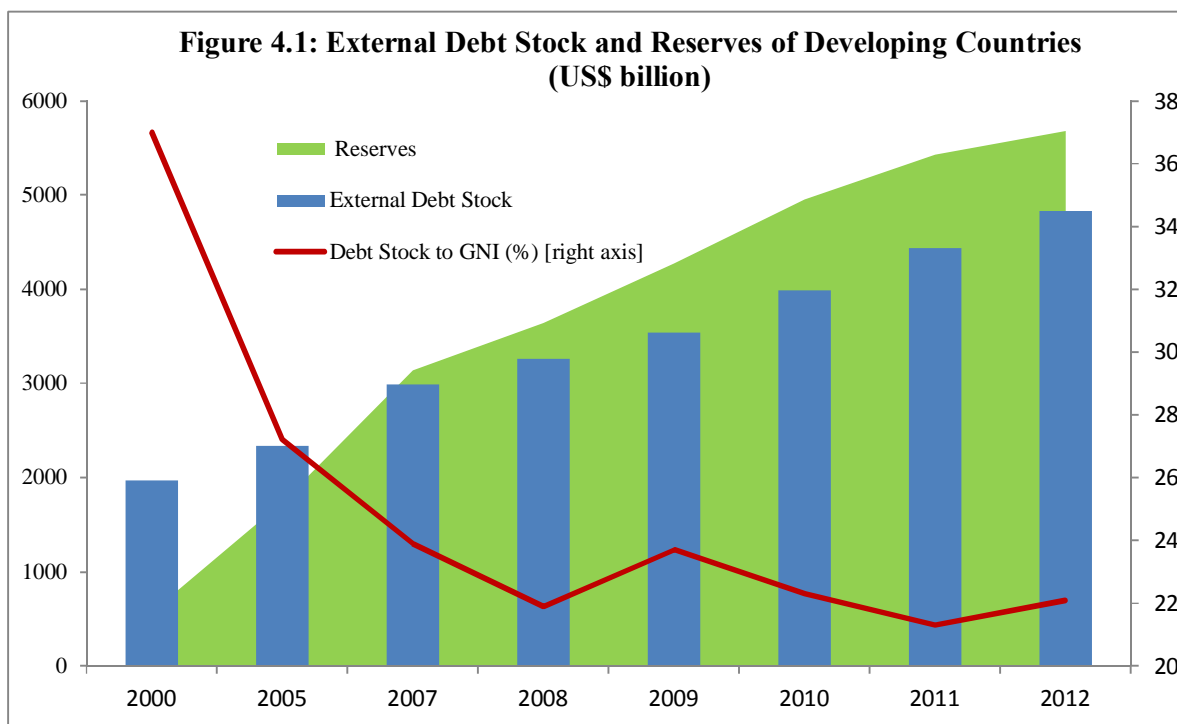
<sup>5</sup> The publication 'International Debt Statistics 2014' contains the external debt data for the year 2012.

4.2.2 Long-term external debt of developing countries increased by 108.3 per cent between 2000 and 2012. The share of public and publicly guaranteed debt in total long-term external debt declined from 68.5 per cent in 2005 to 54.1 per cent in 2010, while the private nonguaranteed component accounted for 45.9 per cent of long-term external debt in 2010 as against 31.5 per cent in 2005. The share of public and publicly guaranteed debt and private non-guaranteed debt in total long-term external debt stood at 51.8 per cent and 48.2 per cent respectively in 2012, the same as in the previous year.

4.2.3 The rising level of external debt stock does not necessarily translate into increasing debt burden, as it would also depend upon the rate of growth of income and export earnings vis-a-vis the accumulation of new external obligations. In the decade 2001-2010, there was a significant improvement in key debt indicators up to 2008 in terms of the proportion of external debt to gross national income (GNI) and export earnings. During the period 2000-2008, exports rose sharply, led by increased export volume and the high international prices for primary commodities. Further, the changing composition of capital flows from debt to equity and large scale forgiveness of external debt obligations for low-income countries played an important role in reducing the debt burden.

4.2.4 The trend of improvement of external debt in terms of GNI and exports from the start of decade to 2008 was interrupted in 2009, reflecting the impact of global economic and financial crisis. Exports witnessed decline in 2009 vis-a-vis 2008. Together with higher external borrowings to finance current account deficits and fiscal stimulus measures, this led to increase in the ratio of total debt stock to exports to 83.4 per cent in 2009. The ratio of debt stock to GNI also witnessed a rise in 2009.

4.2.5 Despite adverse global economic environment, most of the developing countries witnessed rapid recovery in their economies since 2010 with a concomitant improvement in key debt indicators. At end 2012, the proportion of external debt of developing countries to GNI was 22.1 per cent and external debt stock to exports was 71.9 per cent. The proportion of external debt to GNI and to exports was marginally higher in 2012 than that in 2011 but substantially lower than that at the start of the decade. The risks associated with the rising share of short-term debt in total external debt were mitigated by international reserves equivalent to 117.6 per cent of the total debt stock at end of the year 2012. Some developing countries had to drawdown their international reserves due to global crisis; however taken together, the developing countries have accumulated reserves since the onset of the crisis (Figure 4.1 and Figure 4.2).



### 4.3 Capital Flows to Developing Countries

4.3.1 Net capital flows to developing countries at US\$ 1,121.6 billion in 2012 were marginally higher than the previous year. In terms of GNI, net capital flows stood at 5.1 per cent in 2012 vis-a-vis 5.3 per cent in 2011 and 8.4 per cent in 2007. Increase in net capital flows in 2012 was mainly on account of a sharp rebound in portfolio equity inflows. In 2012, increase in portfolio equity flows offset both the fall in net FDI inflows and debt flows. Over the past three years, portfolio equity flows witnessed significant volatility.

#### Box 4.1: Trends and Composition of Capital Flows to Developing Countries

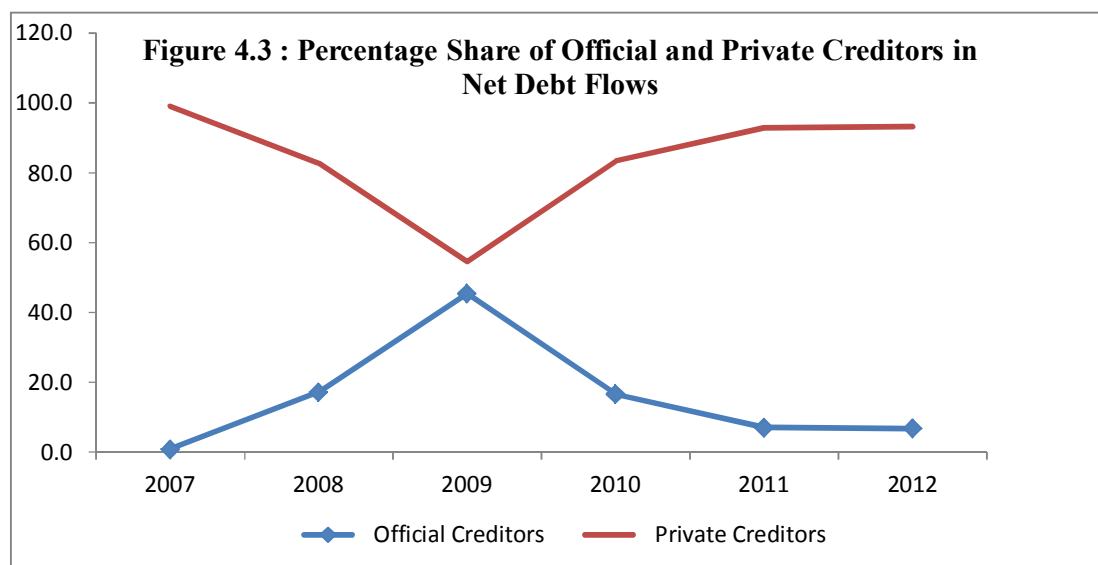
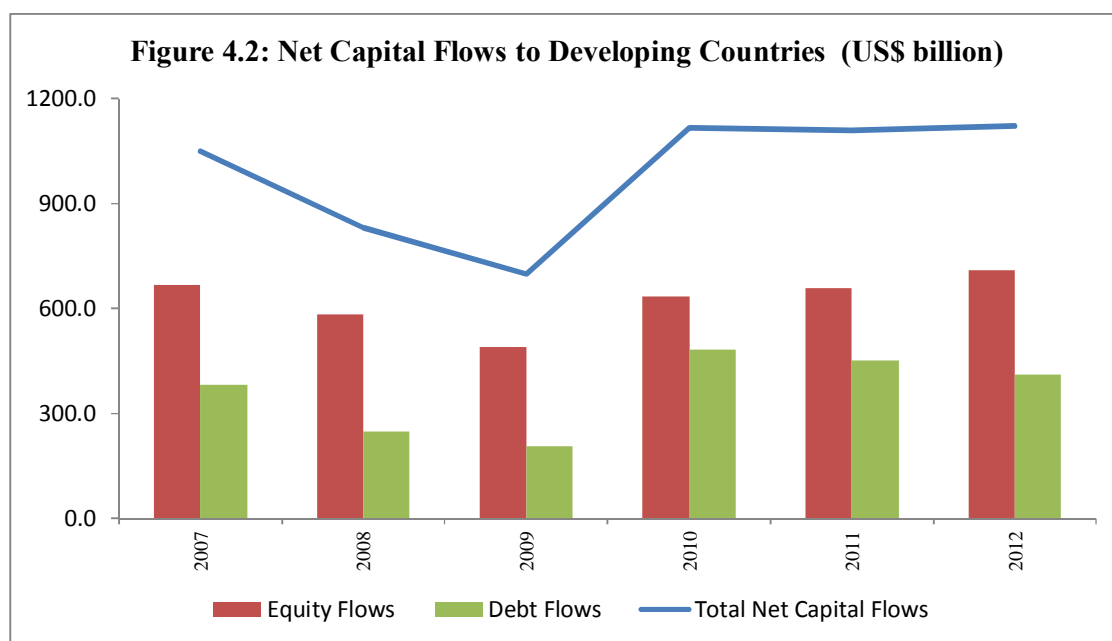
In recent years, net capital flows to developing countries are showing an increasing trend. Net capital inflows however had witnessed substantial moderation during the years of 2008 and 2009 reflecting the impact of global economic and financial crisis. Net capital flows increased from US\$ 698.0 billion in 2009 to US\$ 1,116.1 billion in 2010 and further to US\$ 1,121.6 billion in 2012. In 2012, the level of net capital inflows was higher than the pre-crisis year 2007. Portfolio equity flows have exhibited most volatile trends over the years. During the period 2009 to 2012, net portfolio equity flows remained in the range of US\$ 2.7 billion to US\$ 123.4 billion. There were net outflows of US\$ 40.6 billion in 2008 under the portfolio equity flows.

Over the years, composition of capital flows witnessed a change in favor of debt flows. The composition of debt inflows has also undergone significant changes in recent years. In the wake of the global economic and financial crisis of 2008, debt flows from private creditors to developing countries contracted sharply, while those from official creditors increased as multilateral creditors, in particular the International Monetary Fund (IMF) and the World Bank, stepped in with emergency financing for



countries most impacted by the crisis. Share of debt related flows in net capital flows (equity plus debt) of all developing countries increased from 29.6 per cent during 2009 to 36.7 per cent in 2012. During the same period, the share of equity flows declined from 70.4 per cent in 2009 to 63.3 per cent in 2012.

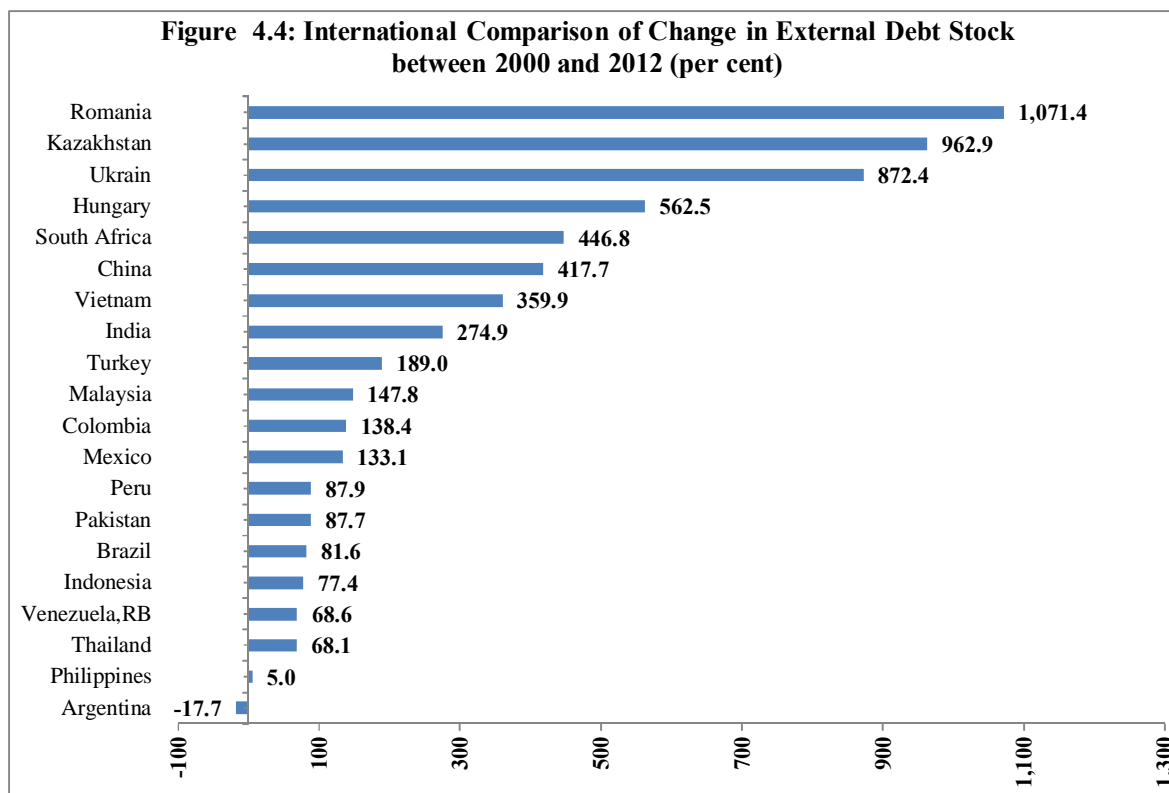
Component-wise, debt related flows are dominated by private creditors while under equity flows, FDI is the single largest component of capital flows to developing countries. FDI flows are the most resilient and accounted for 57 per cent of the total net capital inflows (equity plus debt) to developing countries and 89.1 per cent of total net equity flows (FDI plus portfolio flows) during the period 2007-2012 (average). During the same period, the share of debt flows (private creditors) stood at 30.8 per cent of total net capital flows (equity plus debt flows) and 84.3 per cent of total net debt flows (official plus private creditors).



Source: International Debt Statistics 2014, World Bank.

#### 4.4 External Debt of Top Twenty Developing Debtor Countries

4.4.1 In 2012, external debt of the top twenty developing debtor countries taken together stood at US\$ 4,013 billion, accounting for 83.1 per cent of total external debt of US\$ 4,829.6 billion of all 124 developing countries. Among the top twenty debtor countries, the external debt stock of Argentina showed decline, while the external debt of other countries recorded an increase between 2000 and 2012. Sharp increases were noticed in the external debt stock of Romania (1071.4 per cent), Kazakhstan (962.9 per cent) and Ukraine (872.4 per cent). China and India recorded an increase of 417.7 per cent and 274.9 per cent, respectively in total external debt during the period 2000-2012 (Figure 4.4).



#### 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 data given in the World Bank's 'International Debt Statistics, 2014' which contains the debt data for the year 2012 and has a time lag of two years, showed that India's position was third in terms of absolute external debt stock, after China and Brazil in 2012. The ratio of India's external debt stock to gross national income (GNI) at 20.8 per cent was the fourth lowest with China having the lowest ratio at 9.2 per cent (Table 4.2). The latter is a better indicator of comparison globally as size of the economies differ.

4.5.2. The cover of reserves for external debt across the countries remained in the wide range of 13.7 per cent (Venezuela) to 441.8 per cent (China) among the top twenty developing debtor countries in 2012. In terms of the cover of external debt provided by the reserves, India's position

was seventh highest at 71.4 per cent. The ratio of short-term to total debt ranged between 4.2 per cent (Pakistan) to 67.6 per cent (China) (Figure 4.5). India's position at 24.6 per cent was the fourteenth lowest. These estimates may not however be entirely comparable due to differences in coverage, resource endowments etc.

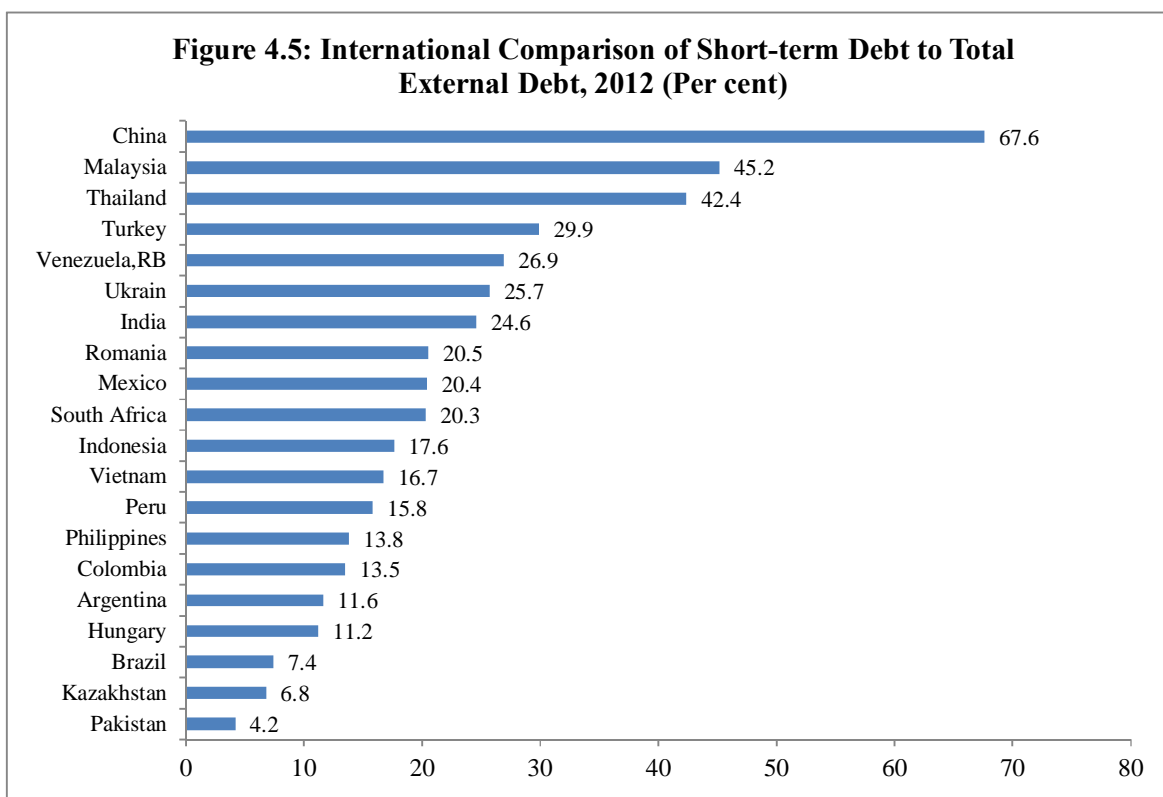
**Table 4.2: International Comparison of Top Twenty Developing Debtor Countries, 2012**

SI No.	Country	Total External Debt Stock (US\$ million)	Total Debt to Gross National Income (per cent)	Debt Service Ratio (per cent)	Foreign Exchange Reserves to Total Debt (per cent)
1	2	3	4	5	6
1	China	754,009	9.2	3.3	441.8
2	Brazil	440,478	19.9	15.5	83.9
3	India	379,099	20.8	6.8	71.4
4	Mexico	354,897	30.7	17.7	45.2
5	Turkey	337,492	43.1	26.1	29.6
6	Indonesia	254,899	29.9	17.1	42.7
7	Hungary	203,757	173.4	84.6	21.8
8	South Africa	137,501	36.6	7.9	32.0
9	Kazakhstan	137,014	79.0	23.5	16.2
10	Ukraine	135,067	77.9	31.5	16.8
11	Thailand	134,223	38.2	4.1	129.1
12	Romania	131,889	78.9	34.2	31.2
13	Argentina	121,013	26.3	13.2	33.0
14	Malaysia	103,950	35.5	3.5	132.5
15	Colombia	79,051	22.4	22.0	46.1
16	Venezuela	72,097	19.4	5.6	13.7
17	Pakistan	61,867	25.5	14.9	16.6
18	Philippines	61,390	24.6	8.0	119.7
19	Vietnam	59,133	44.1	4.4	43.2
20	Peru	54,148	29.4	12.5	115.1

Notes: (i) Countries are arranged based on the magnitude of debt presented in column no. 3 in the Table.

(ii) The Russian Federation is excluded from the regional analysis because it is now classified as high-income country. In the past, Russian Federation's external debt in absolute terms was higher than that of India.

Source: World Bank, International Debt Statistics, 2014.



4.5.3 Present Value (PV) concept is considered as a useful measure of 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\$ 324.3 billion in 2012, with the ratios of PV of external debt to Gross National Income and to export at 17.8 per cent and 71.5 per cent respectively.

4.5.4 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)/General Data Dissemination System (GDDS). As per the latest QEDS data available for end March 2014, India ranked at the second position after Brazil, among developing debtor countries<sup>6</sup>. The external debt position at the end of the first quarter of the calendar year 2014 for countries that subscribe to this arrangement is published by the World Bank (<http://go.worldbank.org/GWMYALHYQ0>) and is given at Annex XIV.

## 4.6 Summary

4.6.1 International comparison based on World Bank's 'International Debt Statistics 2014' indicates that India continues to be among the less vulnerable countries and India's key debt indicators comparing well with other indebted developing countries. India's key debt indicators, especially debt to GNI ratio, debt service ratio and short-term to total external debt ratio continue to be comfortable.

<sup>6</sup> External debt data at end-March 2014 of the Russian Federation and China are not available in the QEDS database. In the past, external debt in absolute terms of these countries was higher than that of India.

## **CHAPTER 5**

### **SOVEREIGN EXTERNAL DEBT**

#### **5.1 Introduction**

5.1.1 Sovereign external debt refers to foreign debt contracted by the Government of India. Sovereign external indebtedness or the extent of external liabilities of the Government has assumed importance in the backdrop of sovereign debt crisis in the euro zone. Government of India, unlike several other economies, does not access international capital markets for funds and the bulk of government borrowings are primarily from multilateral and bilateral sources and are long-term in nature. The share of sovereign debt in India's total external debt has declined over the years, mainly because of the increasing contribution of private sector to the country's economy.

5.1.2 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. In pursuance of a prudent external debt management policy, the Government of India has been borrowing only from the multilateral and bilateral sources. This chapter provides an overview of 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 up to the year 2023-24.

#### **5.2 Composition of Sovereign External Debt**

5.2.1 Sovereign external debt (SED) was US\$ 81.5 billion at end-March 2014 vis-a-vis US\$ 81.7 billion at end-March 2013. 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, SDR allocations by IMF and FII investment in Government securities.

5.2.2 Debt from multilateral sources has dominated India's SED on Government Account and has accounted on an average 69.6 per cent of total sovereign external debt under Government account during the period 2008 to 2014. Multilateral debt remained in the range of US\$ 35.7 billion to US\$ 44.6 billion during 2009 to 2014 (Table 5.1 and Figures 5.1 and 5.2).

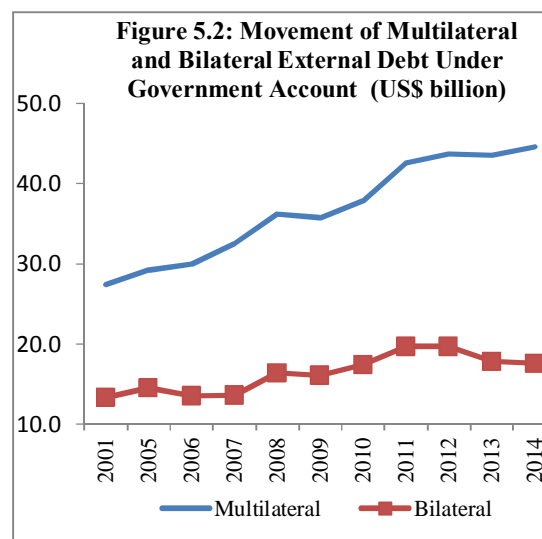
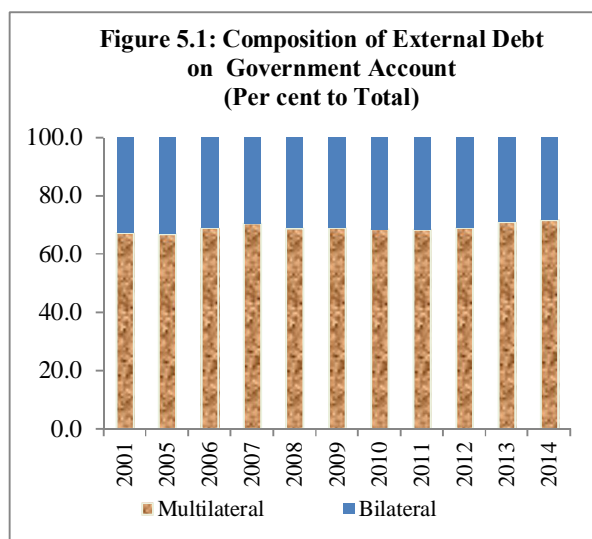
**Table 5.1: India's Sovereign External Debt** (US\$ million)

Sl.	Category	at end-March					
		2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8
<b>I.</b>	<b>External Debt on Govt. Account under External Assistance (A+B)</b>	<b>51,816</b>	<b>55,235</b>	<b>62,295</b>	<b>63,374</b>	<b>61,336</b>	<b>62,203</b>
<b>A</b>	<b>Multilateral (1 to 5)</b>	<b>35,724</b>	<b>37,825</b>	<b>42,579</b>	<b>43,686</b>	<b>43,539</b>	<b>44,597</b>
	<i>Multilateral Credit as percent of Govt. Account debt</i>	<i>68.9</i>	<i>68.5</i>	<i>68.4</i>	<i>68.9</i>	<i>71.0</i>	<i>71.7</i>
	1. IDA	24,758	25,380	26,637	26,853	26,072	26,770
	2. IBRD	5,878	6,397	8,774	8,897	8,912	8,876
	3. ADB	4,766	5,717	6,813	7,568	8,184	8,549
	4. IFAD	282	288	313	326	330	362
	5. Others	40	43	42	42	41	40
<b>B</b>	<b>Bilateral (6 to 11)<sup>a</sup></b>	<b>16,092</b>	<b>17,410</b>	<b>19,716</b>	<b>19,688</b>	<b>17,797</b>	<b>17,606</b>
	<i>Bilateral Credit as percent of Govt. Account debt</i>	<i>31.1</i>	<i>31.5</i>	<i>31.6</i>	<i>31.1</i>	<i>29.0</i>	<i>28.3</i>
	6. Japan	11,110	12,444	14,745	14,995	13,508	13,259
	7. Germany	2,451	2,458	2,662	2,702	2,554	2,672
	8. United States	435	380	333	298	270	241
	9. France	472	421	392	325	280	418
	10. Russian Federation	1,619	1,702	1,579	1,365	1,182	1,013
	11. Others	5	5	5	3	3	3
<b>II.</b>	<b>Total Other Govt. External Debt (C+D)</b>	<b>4,054</b>	<b>11,832</b>	<b>15,777</b>	<b>18,522</b>	<b>20,319</b>	<b>19,326</b>
<b>C.</b>	<b>Other Govt. External Debt (Long term)</b>	<b>3,115</b>	<b>10,314</b>	<b>12,935</b>	<b>12,415</b>	<b>16,532</b>	<b>16,786</b>
<b>D.</b>	<b>Other Govt. External Debt (Short-term)</b>	<b>939</b>	<b>1,518</b>	<b>2,842</b>	<b>6,107</b>	<b>3,787</b>	<b>2,540</b>
<b>III.</b>	<b>Total Sovereign External Debt (I+II)</b>	<b>55,870</b>	<b>67,067</b>	<b>78,072</b>	<b>81,896</b>	<b>81,655</b>	<b>81,529</b>

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

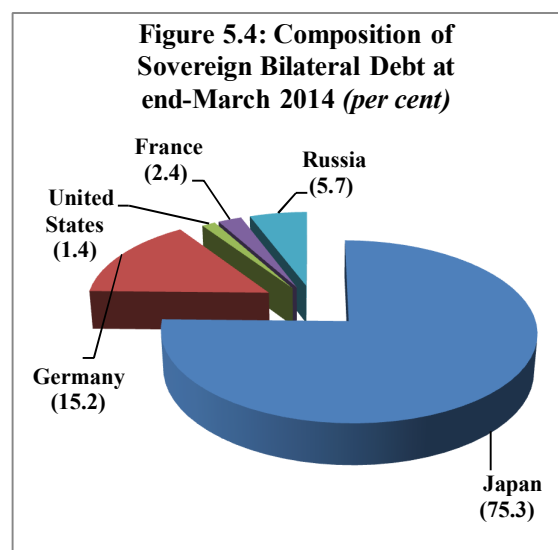
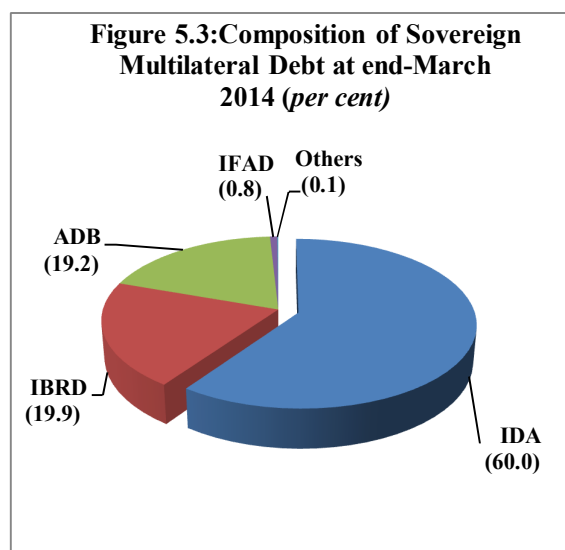
a: Includes civilian component of rupee debt.

PR: Partially Revised; QE: Quick Estimates.

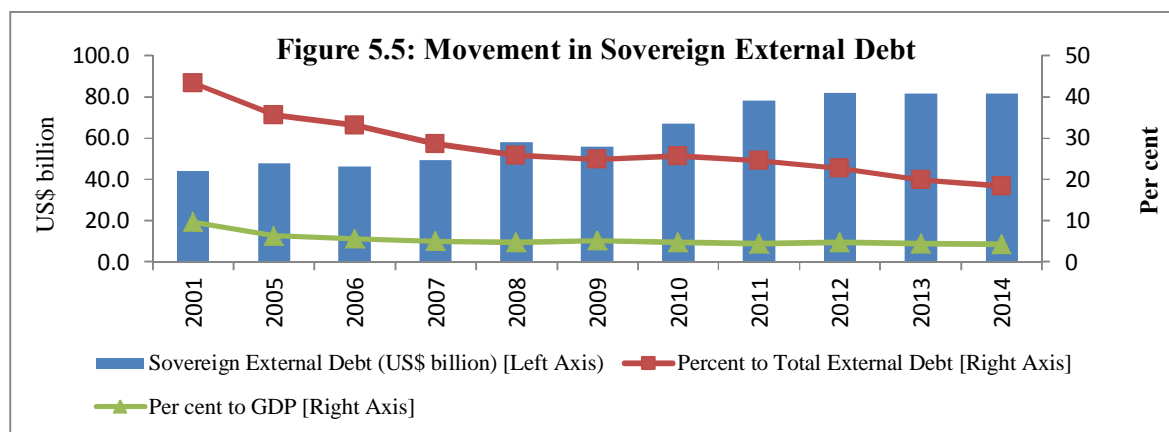


5.2.3 At end-March 2014, Japan was the single largest bilateral creditor, followed by Germany and the Russian Federation. The Government owed US\$ 13.3 billion to Japan, followed by Germany (US\$ 2.7 billion), Russian Federation (US\$ 1.0 billion), France (US\$ 0.42 billion) and the United States (US\$ 0.24 billion) at end-March 2014.

5.2.4 The composition of multilateral and bilateral sovereign debt at end-March 2014 is presented in the Figures 5.3 and 5.4. International Development Association (IDA) accounts for the bulk (60.0 per cent), followed by the International Bank for Reconstruction and Development (IBRD, 19.9 per cent), the Asian Development Bank (ADB, 19.2 per cent), the International Fund for Agricultural Development (IFAD, 0.8 per cent) and Others (0.1 per cent). In the bilateral sovereign debt, a substantial portion is accounted by Japan (75.3 per cent), followed by Germany (15.2 per cent), Russia (5.7 per cent) and France (2.4 per cent) and United States (1.4 per cent).



5.2.5 The share of sovereign external debt in total external debt has declined over the years, reflecting the increasing 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 21.4 per cent during 2011 to 2014 (average). At end-March 2014, the share of sovereign external debt in total external debt stood at 18.5 per cent vis-à-vis 19.9 per cent at end-March 2013. The ratio of sovereign external debt to GDP also posted a decline and remained below 5 per cent in recent years (Figure 5.5).



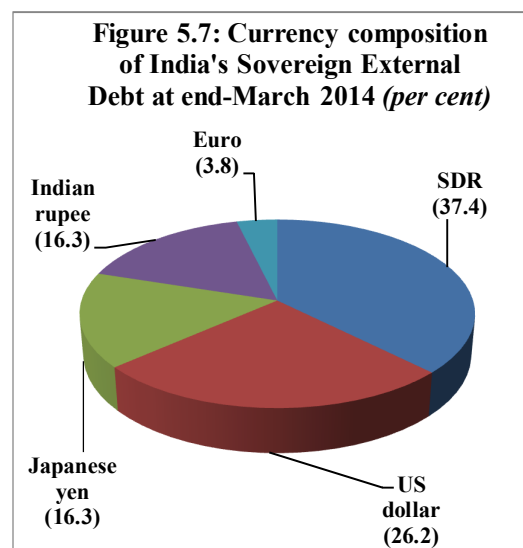
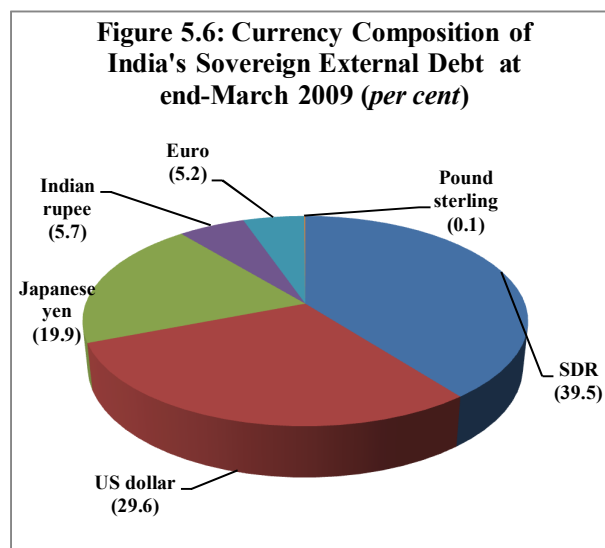
### 5.3 Currency Composition

5.3.1 The currency composition indicates that SDR continues to remain the predominant currency in sovereign external debt, primarily due to borrowings from IDA. The share of SDR stood at 37.4 per cent, (Table 5.2) followed by the US dollar (26.2 per cent), Indian rupee (16.3 per cent), Japanese yen (16.3 per cent) and the Euro (3.8 per cent) at end-March 2014 (Annex XVII). This in conjunction with the earlier composition at end-March 2009 reflects some shifts particularly in respect of greater share of rupee denominated debt (Figure 5.6 and 5.7).

**Table 5.2: Currency Composition of Sovereign External Debt**

		<i>(Per cent)</i>					
Sl.	Currency	As end-March					
		2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8
1.	SDR	39.5	41.7	38.1	36.8	36.0	37.4
2.	US dollar	29.6	26.5	26.7	25.9	26.3	26.2
3.	Indian rupee	5.7	8.9	12.4	15.3	17.7	16.3
4.	Japanese yen	19.9	18.6	18.9	18.3	16.5	16.3
5.	Euro	5.2	4.3	3.9	3.7	3.5	3.8
6.	Pound sterling	0.1	0.0	0.0	0.0	0.0	0.0
<b>Total (1 to 6)</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

PR: Partially revised QE: Quick Estimates.



### 5.4 Debt Service

5.4.1 Sovereign external debt service payments that were around US\$ 2.8 billion during 2007-08 to 2008-09, stood at US\$ 3.7 billion at end-March 2014. Principal repayments constituted the bulk of external debt servicing (Table 5.3 and Annex XVIII).



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

Sl.	Debt Service Payments	(April - March)						
		2007-08	2008-09	2009-10	2010-11	2011- 12	2012-13 PR	2013-14 QE
1	2	3	4	5	6	7	8	9
<b>I.</b>	<b>Debt Service Payments under Government Account (A+B)</b>	<b>2,696</b>	<b>2,719</b>	<b>3,273</b>	<b>3,340</b>	<b>3,354</b>	<b>3,718</b>	<b>3,655</b>
<b>A</b>	<b>Multilateral (i + ii)</b>	<b>1,738</b>	<b>1,625</b>	<b>1,818</b>	<b>1,846</b>	<b>1,859</b>	<b>2,161</b>	<b>2,271</b>
	i. Principal	1,066	1,110	1,386	1,529	1,545	1,789	1,943
	ii. Interest	672	515	432	317	314	372	328
<b>B</b>	<b>Bilateral (iii +iv)</b>	<b>958</b>	<b>1,094</b>	<b>1,455</b>	<b>1,494</b>	<b>1,495</b>	<b>1,557</b>	<b>1,384</b>
	iii. Principal	713	793	1,084	1,105	1,122	1,186	1,067
	iv. Interest	245	301	371	389	373	371	317
<b>II.</b>	<b>Other Government Debt Service Payments (v + vi)</b>	<b>121</b>	<b>101</b>	<b>97</b>	<b>69</b>	<b>79</b>	<b>58</b>	<b>52</b>
	v. Principal	121	101	97	69	79	58	52
	vi. Interest	0	0	0	0	0	0	0
<b>III.</b>	<b>Total Government External Debt Service Payments (I+II)</b>	<b>2,817</b>	<b>2,820</b>	<b>3,370</b>	<b>3,409</b>	<b>3,433</b>	<b>3,776</b>	<b>3,707</b>
	vii. Total Principal (i+ iii + v)	1,900	2,004	2,567	2,703	2,746	3,033	3,062
	viii. Total Interest (ii + iv + vi)	917	816	803	706	687	743	645

PR: Partially Revised QE: Quick Estimates.

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

## 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 primarily 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\$ 6.8- 9.9 billion during 2009 to 2014 (Table 5.4 and Annex XIX).

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

Sl.	Component	at end-March					
		2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8
1.	<b>Government Debt</b>	<b>55,870</b>	<b>67,067</b>	<b>78,072</b>	<b>81,896</b>	<b>81,655</b>	<b>81,529</b>
2.	<b>Non-Government Debt</b>	<b>168,628</b>	<b>193,868</b>	<b>239,819</b>	<b>278,870</b>	<b>327,766</b>	<b>359,085</b>
3.	<i>of which with</i>	6,807	7,786	8,563	9,361	9,543	9,919
	Government Guaranteed*: (a+b+c)						
	a. Financial Sector	1,800	2,276	2,748	2,794	2,748	2,741
	b. Public Sector	4,926	5,450	5,757	6,534	6,784	7,177
	c. Private Sector	81	60	58	33	11	1
4.	<b>Total External Debt (1+2)</b>	<b>224,498</b>	<b>260,935</b>	<b>317,891</b>	<b>360,766</b>	<b>409,421</b>	<b>440,614</b>
5.	<b>Government and Government Guaranteed Debt (1+3)</b>	<b>62,677</b>	<b>74,853</b>	<b>86,635</b>	<b>91,257</b>	<b>91,198</b>	<b>91,448</b>
		<i>Per cent</i>					
6.	<b>Govt. and Government Guaranteed Debt to Total External Debt</b>	<b>27.9</b>	<b>28.7</b>	<b>27.3</b>	<b>25.3</b>	<b>22.3</b>	<b>20.8</b>
7.	<b>Govt. Guaranteed Debt to Total External Debt</b>	<b>3.0</b>	<b>3.0</b>	<b>2.7</b>	<b>2.6</b>	<b>2.3</b>	<b>2.3</b>
8.	<b>Govt. Guaranteed to Total Non-Govt. Debt</b>	<b>4.0</b>	<b>4.0</b>	<b>3.6</b>	<b>3.4</b>	<b>2.9</b>	<b>2.8</b>

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 as well as that of non-government debt guaranteed by the Government are declining. Within the category of non-Government debt *guaranteed by the Government*, the share of the non-financial public sector stood at 72.4 per cent at end-March 2014. The share of the financial sector (that represents borrowings by banks and financial institutions) was 27.6 per cent at end-March 2014.

## 5.6 Projections of Debt Service on Government Account

5.6.1 Total sovereign external debt service payments, based on disbursed outstanding debt at end March 2014, are estimated to rise gradually from US\$ 4.2 billion in 2014-15 to US\$ 5.5 billion in 2023-24 (Table 5.5). The institution wise break-up of both multilateral and bilateral components of debt service is contained in Annex XX.

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

		(US\$ million)									
Sl.	Components	2014 -15	2015- 16	2016 - 17	2017 - 18	2018 - 19	2019 - 20	2020 - 21	2021- 22	2022- 23	2023- 24
1	2	3	4	5	6	7	8	9	10	11	12
<b>I</b>	<b>Multilateral</b>	<b>2,787</b>	<b>3,173</b>	<b>3,549</b>	<b>3,805</b>	<b>4,001</b>	<b>4,220</b>	<b>4,193</b>	<b>4,005</b>	<b>4,150</b>	<b>3,810</b>
a)	Principal	2,468	2,850	3,220	3,472	3,668	3,900	3,893	3,731	3,903	3,592
b)	Interest	319	323	329	333	333	320	300	274	247	218
<b>II</b>	<b>Bilateral</b>	<b>1,386</b>	<b>1,437</b>	<b>1,430</b>	<b>1,502</b>	<b>1,556</b>	<b>1,624</b>	<b>1,590</b>	<b>1,580</b>	<b>1,659</b>	<b>1,645</b>
c)	Principal	1,066	1,107	1,099	1,172	1,228	1,306	1,290	1,300	1,403	1,413
d)	Interest	320	330	331	330	328	318	300	280	256	232
e)	<b>Total Principal (a+ c)</b>	<b>3,534</b>	<b>3,957</b>	<b>4,319</b>	<b>4,644</b>	<b>4,896</b>	<b>5,206</b>	<b>5,183</b>	<b>5,031</b>	<b>5,306</b>	<b>5,005</b>
f)	<b>Total Interest (b+d)</b>	<b>639</b>	<b>653</b>	<b>660</b>	<b>663</b>	<b>661</b>	<b>638</b>	<b>600</b>	<b>554</b>	<b>503</b>	<b>450</b>
<b>III</b>	<b>Total Debt Service Payments (I+II)</b>	<b>4,173</b>	<b>4,610</b>	<b>4,979</b>	<b>5,307</b>	<b>5,557</b>	<b>5,844</b>	<b>5,783</b>	<b>5,585</b>	<b>5,809</b>	<b>5,455</b>

*Note: The projections are based on debt outstanding as at end-March 2014 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 and 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. A substantial portion of sovereign external debt is denominated in SDRs mainly on account of borrowings from IDA, as well as inclusion of IMF Credits in the country's external debt liabilities since 2004-05. The composition of multilateral sovereign borrowing is undergoing a transformation with increase in the share of IBRD and ADB over the last few years. This implies lesser access to loans on concessional terms in the coming years, especially with terms on IDA borrowings beginning to harden. This carries implications for future debt service payments under Government Account; but remains at manageable levels as per projections for the same up to 2023-24.

## 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 borrowing 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](http://www.finmin.nic.in)

and [www.rbi.org.in](http://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)

End March	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 <sup>a</sup>	72.5	20.3	36.8	6.1	4.5
2003-04	1,12,653	16.1 <sup>b</sup>	100.3	18.0	35.8	3.9	3.9
2004-05	1,34,002	5.9 <sup>c</sup>	105.6	18.1	30.7	12.5	13.2
2005-06	1,39,114	10.1 <sup>d</sup>	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	20.5	13.3	26.6	21.7
2012-13 PR	4,09,421	5.9	71.3	22.0	11.1	33.1	23.6
2013-14 QE	4,40,614	5.9	69.0	23.3	10.5	29.3	20.3

PR : Partially Revised; QE: Quick Estimates.

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

<sup>b</sup> 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.

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

<sup>d</sup> 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)

(₹ crore)

Sl.No.	Components of External Debt	End - March										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. MULTILATERAL</b>		<b>1,31,105</b>	<b>1,38,897</b>	<b>1,45,503</b>	<b>1,54,053</b>	<b>1,57,901</b>	<b>2,01,425</b>	<b>1,93,436</b>	<b>2,16,672</b>	<b>2,57,089</b>	<b>2,79,350</b>	<b>3,20,793</b>
A. Government Borrowing		1,20,073	1,27,782	1,33,800	1,41,746	1,44,627	1,81,997	1,70,722	1,90,326	2,22,579	2,35,670	2,68,484
(i) Concessional		1,01,490	1,05,114	1,05,852	1,08,448	1,07,395	1,27,771	1,16,046	1,20,653	1,38,691	1,43,130	1,63,582
a) IDA		1,00,065	1,03,671	1,04,457	1,07,019	1,05,947	1,26,127	1,14,552	1,19,068	1,36,816	1,41,119	1,61,161
b) Others		1,425	1,443	1,395	1,429	1,448	1,644	1,494	1,585	1,875	2,011	2,421
(ii) Non-concessional		18,583	22,668	27,948	33,298	37,232	54,226	54,676	69,673	83,888	92,540	1,04,902
a) IBRD		14,074	16,500	19,626	21,864	22,631	29,948	28,874	39,218	45,328	48,239	53,433
b) Others		4,509	6,168	8,322	11,434	14,601	24,278	25,802	30,455	38,560	44,301	51,469
B. Non-Government Borrowing		11,032	11,115	11,703	12,307	13,274	19,428	22,714	26,346	34,510	43,680	52,309
(i) Concessional		0	0	0	0	0	0	0	0	0	0	0
(ii) Non-concessional		11,032	11,115	11,703	12,307	13,274	19,428	22,714	26,346	34,510	43,680	52,309
a) Public Sector		7,916	8,000	8,510	9,315	10,352	14,298	14,919	15,802	19,407	23,413	28,121
i) IBRD		4,402	4,462	4,594	4,550	4,690	7,105	8,544	9,193	11,092	12,749	14,412
ii) Others		3,514	3,538	3,916	4,765	5,662	7,193	6,375	6,609	8,315	10,664	13,709
b) Financial Institutions		2,902	2,789	2,628	2,414	2,350	3,721	5,385	7,511	10,290	14,369	18,063
i) IBRD		381	252	630	655	593	744	1,343	1,899	2,707	2,973	3,820
ii) Others		2,521	2,537	1,998	1,759	1,757	2,977	4,042	5,612	7,583	11,396	14,243
c) Private Sector		214	326	565	578	572	1,409	2,410	3,033	4,813	5,898	6,125
i) IBRD		0	0	0	0	0	0	0	0	0	0	0
ii) Others		214	326	565	578	572	1,409	2,410	3,033	4,813	5,898	6,125
<b>II. BILATERAL</b>		<b>77,084</b>	<b>74,530</b>	<b>70,302</b>	<b>70,034</b>	<b>78,802</b>	<b>1,04,997</b>	<b>1,01,976</b>	<b>1,14,904</b>	<b>1,37,086</b>	<b>1,36,396</b>	<b>1,49,290</b>
A. Government borrowing		58,121	57,458	54,593	53,810	59,391	74,662	71,584	80,406	91,641	88,006	96,918
(i) Concessional		57,742	57,207	54,468	53,810	59,391	74,662	71,584	80,406	91,641	88,006	96,918
(ii) Non-concessional		379	251	125	0	0	0	0	0	0	0	0
B. Non-Government borrowing		18,963	17,072	15,709	16,224	19,411	30,335	30,392	34,498	45,445	48,390	52,372
(i) Concessional		8,876	7,471	6,949	1,727	1,737	3,262	3,169	4,101	7,648	8,436	10,319
a) Public Sector		5,759	5,653	5,285	1,241	1,226	1,156	1,121	1,621	4,963	5,916	7,764
b) Financial Institutions		3,117	1,818	1,664	486	511	2,106	2,048	2,480	2,685	2,520	2,555
c) Private Sector		0	0	0	0	0	0	0	0	0	0	0
(ii) Non-concessional		10,087	9,601	8,760	14,497	17,674	27,073	27,223	30,397	37,797	39,954	42,053
a) Public Sector		4,851	4,353	3,628	7,420	10,097	15,076	13,845	13,789	14,200	13,047	13,249
b) Financial Institutions		3,119	2,847	2,386	3,828	3,735	4,311	3,436	3,754	3,886	4,206	4,320
c) Private Sector		2,117	2,401	2,746	3,249	3,842	7,686	9,942	12,854	19,711	22,701	24,484

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Sl.No.	Components of External Debt	End - March										(₹ crore)
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>III. IMF<sup>a</sup></b>		<b>4,381</b>	<b>4,503</b>	<b>4,378</b>	<b>4,484</b>	<b>4,479</b>	<b>5,188</b>	<b>27,264</b>	<b>28,163</b>	<b>31,528</b>	<b>32,439</b>	<b>38,211</b>
<b>IV. EXPORT CREDIT</b>		<b>20,553</b>	<b>21,976</b>	<b>24,175</b>	<b>31,237</b>	<b>41,296</b>	<b>73,772</b>	<b>76,011</b>	<b>83,112</b>	<b>97,117</b>	<b>96,406</b>	<b>91,792</b>
a)	Buyers' credit	11,061	13,040	16,088	23,617	33,134	64,046	66,849	73,273	85,896	84,513	78,631
b)	Suppliers' credit	4,471	3,961	3,351	2,941	2,998	3,234	2,937	2,847	3,252	4,240	4,733
c)	Export credit component of bilateral credit	5,021	4,975	4,736	4,679	5,164	6,492	6,225	6,992	7,969	7,653	8,428
<b>V. COMMERCIAL BORROWINGS</b>		<b>95,611</b>	<b>1,15,533</b>	<b>1,17,991</b>	<b>1,80,669</b>	<b>2,49,243</b>	<b>3,18,209</b>	<b>3,19,221</b>	<b>4,48,448</b>	<b>6,14,623</b>	<b>7,62,438</b>	<b>8,80,740</b>
a)	Commercial bank loans <sup>b</sup>	50,346	62,896	73,508	1,07,145	1,60,577	2,19,925	2,02,350	2,61,678	3,73,194	4,54,638	5,77,626
b)	Securitized borrowings <sup>c</sup>	41,567	48,992	41,112	68,020	82,641	91,286	1,13,177	1,83,504	2,38,849	3,06,056	3,01,215
c)	Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	3,698	3,645	3,371	5,504	6,025	6,998	3,694	3,266	2,580	1,744	1,899
<b>VI. NRI DEPOSITS<sup>d</sup></b>		<b>1,35,618</b>	<b>1,43,267</b>	<b>1,61,834</b>	<b>1,79,786</b>	<b>1,74,623</b>	<b>2,10,118</b>	<b>2,17,062</b>	<b>2,30,812</b>	<b>2,99,840</b>	<b>3,85,202</b>	<b>6,24,101</b>
	(Above one year maturity)											
<b>VII. RUPEE DEBT<sup>e</sup></b>		<b>11,856</b>	<b>10,071</b>	<b>9,184</b>	<b>8,508</b>	<b>8,065</b>	<b>7,760</b>	<b>7,480</b>	<b>7,147</b>	<b>6,922</b>	<b>6,839</b>	<b>8,826</b>
a)	Defence	10,539	8,887	8,112	7,533	7,172	6,935	6,709	6,416	6,220	6,164	8,180
b)	Civilian	1,317	1,184	1,072	975	893	825	771	731	702	675	647
<b>VIII. TOTAL LONG TERM DEBT (I TO VII)</b>		<b>4,76,208</b>	<b>5,08,777</b>	<b>5,33,367</b>	<b>6,28,771</b>	<b>7,14,409</b>	<b>9,21,469</b>	<b>9,42,450</b>	<b>11,29,258</b>	<b>14,44,205</b>	<b>16,99,070</b>	<b>21,13,753</b>
<b>IX. SHORT-TERM DEBT</b>		<b>19,251</b>	<b>77,528</b>	<b>87,155</b>	<b>1,22,631</b>	<b>1,82,881</b>	<b>2,20,656</b>	<b>2,36,188</b>	<b>2,90,149</b>	<b>3,99,962</b>	<b>5,25,931</b>	<b>5,36,278</b>
a)	NRI deposits (up to one year maturity) <sup>d</sup>	1,321	0	0	0	0	0	0	0	0	0	0
b)	Trade-Related Credits	17,930	71,173	86,531	1,13,256	1,67,540	2,03,345	2,14,267	2,61,006	3,33,202	4,72,026	4,91,271
1)	Above 6 Months and upto 1 year	17,930	32,922	38,788	52,188	91,502	1,18,936	1,26,391	1,57,806	2,00,454	3,21,010	3,30,500
2)	Upto 6 Months	0	38,251	47,743	61,068	76,038	84,409	87,876	1,03,200	1,32,748	1,51,016	1,60,771

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Sl.No.	Components of External Debt	End - March										(₹ crore)
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
c)	FII Investment in Govt. Treasury Bills and other instruments	0	6,355	624	1,732	2,603	10,522	15,153	24,214	48,066	29,671	18,979
d)	Investment in Treasury Bills by foreign central banks and other international institutions etc.	0	0	0	712	620	534	467	225	326	447	572
e)	External Debt Liabilities of:	0	0	0	6,931	12,118	6,255	6,301	4,704	18,368	23,787	25,456
1)	Central Bank	0	0	0	2,185	4,458	3,892	3,139	693	871	985	892
2)	Commercial banks	0	0	0	4,746	7,660	2,363	3,162	4,011	17,497	22,802	24,564
<b>X.</b>	<b>GRAND TOTAL ( VIII+IX )</b>	<b>4,95,459</b>	<b>5,86,305</b>	<b>6,20,522</b>	<b>7,51,402</b>	<b>8,97,290</b>	<b>11,42,125</b>	<b>11,78,638</b>	<b>14,19,407</b>	<b>18,44,167</b>	<b>22,25,001</b>	<b>26,50,031</b>

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)

(US\$ million)

Sl.No.	Components of External Debt	End - March										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. MULTILATERAL</b>		<b>29,297</b>	<b>31,744</b>	<b>32,620</b>	<b>35,337</b>	<b>39,490</b>	<b>39,538</b>	<b>42,857</b>	<b>48,475</b>	<b>50,452</b>	<b>51,596</b>	<b>53,290</b>
A. Government Borrowing		26,826	29,204	29,996	32,514	36,171	35,724	37,825	42,579	43,686	43,539	44,597
(i) Concessional		22,674	24,023	23,731	24,876	26,859	25,080	25,711	26,992	27,221	26,443	27,172
a) IDA		22,356	23,693	23,418	24,548	26,497	24,757	25,380	26,637	26,853	26,071	26,770
b) Others		318	330	313	328	362	323	331	355	368	372	402
(ii) Non-concessional		4,152	5,181	6,265	7,638	9,312	10,644	12,114	15,587	16,465	17,096	17,425
a) IBRD		3,144	3,771	4,400	5,015	5,660	5,878	6,397	8,774	8,897	8,912	8,876
b) Others		1,008	1,410	1,865	2,623	3,652	4,766	5,717	6,813	7,568	8,184	8,549
B. Non-Government Borrowing		2,471	2,540	2,624	2,823	3,319	3,814	5,032	5,896	6,766	8,057	8,693
(i) Concessional		0	0	0	0	0	0	0	0	0	0	0
(ii) Non-concessional		2,471	2,540	2,624	2,823	3,319	3,814	5,032	5,896	6,766	8,057	8,693
a) Public Sector		1,770	1,828	1,908	2,136	2,589	2,807	3,305	3,536	3,808	4,323	4,672
i) IBRD		984	1,020	1,030	1,043	1,173	1,395	1,893	2,057	2,177	2,355	2,394
ii) Others		786	808	878	1,093	1,416	1,412	1,412	1,479	1,631	1,968	2,278
b) Financial Institutions		651	637	589	554	587	730	1,193	1,681	2,017	2,650	3,002
i) IBRD		85	58	141	150	148	146	298	425	531	549	634
ii) Others		566	579	448	404	439	584	895	1,256	1,486	2,101	2,368
c) Private Sector		50	75	127	133	143	277	534	679	941	1,084	1,019
i) IBRD		0	0	0	0	0	0	0	0	0	0	0
ii) Others		50	75	127	133	143	277	534	679	941	1,084	1,019
<b>II. BILATERAL</b>		<b>17,277</b>	<b>17,034</b>	<b>15,761</b>	<b>16,065</b>	<b>19,708</b>	<b>20,610</b>	<b>22,593</b>	<b>25,712</b>	<b>26,884</b>	<b>25,170</b>	<b>24,807</b>
A. Government borrowing		12,987	13,132	12,239	12,344	14,853	14,655	15,860	17,988	17,987	16,258	16,099
(i) Concessional		12,900	13,074	12,211	12,344	14,853	14,655	15,860	17,988	17,987	16,258	16,099
(ii) Non-concessional		87	58	28	0	0	0	0	0	0	0	0
B. Non-Government borrowing		4,290	3,902	3,522	3,721	4,855	5,955	6,733	7,724	8,897	8,912	8,708
(i) Concessional		1,983	1,708	1,558	396	435	641	702	918	1,501	1,558	1,714
a) Public Sector		1,287	1,292	1,185	285	307	227	248	363	974	1,093	1,290
b) Financial Institutions		696	416	373	111	128	414	454	555	527	465	424
c) Private Sector		0	0	0	0	0	0	0	0	0	0	0

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Sl.No.	Components of External Debt	End - March										(US\$ million)
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
	(ii) Non-concessional	2,307	2,194	1,964	3,325	4,420	5,314	6,031	6,806	7,396	7,354	6,994
	a) Public Sector	1,110	995	813	1,702	2,525	2,959	3,072	3,087	2,781	2,404	2,202
	b) Financial Institutions	710	650	535	878	934	846	761	840	762	776	718
	c) Private Sector	487	549	616	745	961	1,509	2,198	2,879	3,853	4,174	4,074
<b>III.</b>	<b>IMF<sup>a</sup></b>	<b>1,008</b>	<b>1,029</b>	<b>981</b>	<b>1,029</b>	<b>1,120</b>	<b>1,018</b>	<b>6,041</b>	<b>6,308</b>	<b>6,163</b>	<b>5,964</b>	<b>6,156</b>
<b>IV.</b>	<b>EXPORT CREDIT</b>	<b>4,697</b>	<b>5,022</b>	<b>5,420</b>	<b>7,165</b>	<b>10,328</b>	<b>14,481</b>	<b>16,841</b>	<b>18,647</b>	<b>18,990</b>	<b>17,732</b>	<b>15,271</b>
	a) Buyers' credit	2,546	2,980	3,607	5,417	8,287	12,572	14,811	16,437	16,790	15,538	13,083
	b) Suppliers' credit	1,029	905	751	675	750	635	651	646	636	780	788
	c) Export credit component of bilateral credit	1,122	1,137	1,062	1,073	1,291	1,274	1,379	1,564	1,564	1,414	1,400
<b>V.</b>	<b>COMMERCIAL BORROWINGS</b>	<b>22,007</b>	<b>26,405</b>	<b>26,452</b>	<b>41,443</b>	<b>62,334</b>	<b>62,461</b>	<b>70,726</b>	<b>1,00,476</b>	<b>1,20,136</b>	<b>1,40,182</b>	<b>1,46,546</b>
	a) Commercial bank loans <sup>b</sup>	11,588	14,375	16,479	24,577	40,159	43,169	44,832	58,643	72,946	83,590	96,111
	b) Securitized borrowings <sup>c</sup>	9,568	11,197	9,217	15,603	20,668	17,918	25,075	41,100	46,686	56,271	50,119
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	851	833	756	1,263	1,507	1,374	819	733	504	321	316
<b>VI.</b>	<b>NRI DEPOSITS<sup>d</sup></b>	<b>31,216</b>	<b>32,743</b>	<b>36,282</b>	<b>41,240</b>	<b>43,672</b>	<b>41,554</b>	<b>47,890</b>	<b>51,682</b>	<b>58,608</b>	<b>70,822</b>	<b>1,03,845</b>
	(Above one year maturity)											
<b>VII.</b>	<b>RUPEE DEBT<sup>e</sup></b>	<b>2,720</b>	<b>2,302</b>	<b>2,059</b>	<b>1,951</b>	<b>2,017</b>	<b>1,523</b>	<b>1,658</b>	<b>1,601</b>	<b>1,354</b>	<b>1,258</b>	<b>1,468</b>
	a) Defence	2,426	2,031	1,819	1,728	1,794	1,361	1,487	1,437	1,216	1,133	1,361
	b) Civilian	294	271	240	223	223	162	171	164	138	125	107
<b>VIII.</b>	<b>TOTAL LONG TERM DEBT (I TO VII)</b>	<b>1,08,222</b>	<b>1,16,279</b>	<b>1,19,575</b>	<b>1,44,230</b>	<b>1,78,669</b>	<b>1,81,185</b>	<b>2,08,606</b>	<b>2,52,901</b>	<b>2,82,587</b>	<b>3,12,724</b>	<b>3,51,383</b>

Sl.No.	Components of External Debt	End - March										(US\$ million)
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>IX.</b>	<b>SHORT-TERM DEBT</b>	<b>4,431</b>	<b>17,723</b>	<b>19,539</b>	<b>28,130</b>	<b>45,738</b>	<b>43,313</b>	<b>52,329</b>	<b>64,990</b>	<b>78,179</b>	<b>96,697</b>	<b>89,231</b>
a)	NRI deposits (up to one year maturity) <sup>d</sup>	304	0	0	0	0	0	0	0	0	0	0
b)	Trade-Related Credits	4,127	16,271	19,399	25,979	41,901	39,915	47,473	58,463	65,130	86,787	81,743
	1) Above 6 Months and upto 1 year	4,127	7,529	8,696	11,971	22,884	23,346	28,003	35,347	39,182	59,021	54,992
	2) Upto 6 Months	0	8,742	10,703	14,008	19,017	16,569	19,470	23,116	25,948	27,766	26,751
c)	FII Investment in Govt. Treasury Bills and other instruments	0	1,452	140	397	651	2,065	3,357	5,424	9,395	5,455	3,158
d)	Investment in Treasury Bills by foreign central banks and other international institutions etc.	0	0	0	164	155	105	103	50	64	82	95
e)	External Debt Liabilities of:	0	0	0	1,590	3,031	1,228	1,396	1,053	3,590	4,373	4,235
	1) Central Bank	0	0	0	501	1,115	764	695	155	170	181	148
	2) Commercial banks	0	0	0	1,089	1,916	464	701	898	3420	4,192	4,087
<b>X.</b>	<b>GRAND TOTAL (VIII+IX)</b>	<b>1,12,653</b>	<b>1,34,002</b>	<b>1,39,114</b>	<b>1,72,360</b>	<b>2,24,407</b>	<b>2,24,498</b>	<b>2,60,935</b>	<b>3,17,891</b>	<b>3,60,766</b>	<b>4,09,421</b>	<b>4,40,614</b>
<b>Memo Items :</b>												
	Concessional Debt <sup>f</sup>	40,277	41,107	39,559	39,567	44,164	41,899	43,931	47,499	48,063	45,518	46,453
	Concessional Debt to total external debt (per cent)	35.8	30.7	28.4	23.0	19.7	18.7	16.8	14.9	13.3	11.1	10.5
	Short-term debt	4,431	17,723	19,539	28,130	45,738	43,313	52,329	64,990	78,179	96,697	89,231
	Short-term debt to total external debt (per cent)	3.9	13.2	14.0	16.3	20.4	19.3	20.1	20.4	21.7	23.6	20.3

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), also includes 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. 2012	June 2012	Sept. 2012	Dec. 2012	March 2013 PR	June 2013 PR	Sept. 2013 PR	Dec. 2013 PR	March 2014 QE
1	2	3	4	5	6	7	8	9	10	11
<b>I.</b>	<b>MULTILATERAL</b>	<b>2,57,089</b>	<b>2,84,571</b>	<b>2,71,538</b>	<b>2,83,210</b>	<b>2,79,350</b>	<b>3,09,676</b>	<b>3,27,383</b>	<b>3,26,142</b>	<b>3,20,793</b>
	A. Government Borrowing	2,22,579	244536	231300	240179	2,35,670	2,61,053	2,75,178	2,73,872	2,68,484
	(i) Concessional	1,38,691	149810	142459	146769	1,43,130	1,58,114	1,68,434	1,66,209	1,63,582
	a) IDA	1,36,816	147783	140490	144717	1,41,119	1,55,852	1,65,963	1,63,748	1,61,161
	b) Others	1,875	2027	1969	2052	2,011	2,262	2,471	2,461	2,421
	(ii) Non-concessional	83,888	94726	88841	93410	92,540	1,02,939	1,06,744	1,07,663	1,04,902
	a) IBRD	45,328	51007	47338	49186	48,239	53,845	55,223	55,162	53,433
	b) Others	38,560	43719	41503	44224	44,301	49,094	51,521	52,501	51,469
	B. Non-Government Borrowing	34,510	40035	40238	43031	43,680	48,623	52,205	52,270	52,309
	(i) Concessional	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	34,510	40035	40238	43031	43,680	48,623	52,205	52,270	52,309
	a) Public Sector	19,407	22859	21619	23130	23,413	26,110	27,912	27,790	28,121
	i) IBRD	11,092	12661	12052	12530	12,749	14,130	14,850	14,387	14,412
	ii) Others	8,315	10198	9567	10600	10,664	11,980	13,062	13,403	13,709
	b) Financial Institutions	10,290	11591	13296	13993	14,369	16,209	17,791	18,046	18,063
	i) IBRD	2,707	3008	2816	2908	2,973	3,362	3,569	3,601	3,820
	ii) Others	7,583	8583	10480	11085	11,396	12,847	14,222	14,445	14,243
	c) Private Sector	4,813	5585	5323	5908	5,898	6,304	6,502	6,434	6,125
	i) IBRD	0	0	0	0	0	0	0	0	0
	ii) Others	4,813	5585	5323	5908	5,898	6,304	6,502	6,434	6,125
<b>II.</b>	<b>BILATERAL</b>	<b>1,37,086</b>	<b>1,56,313</b>	<b>1,48,755</b>	<b>1,44,619</b>	<b>1,36,396</b>	<b>1,48,576</b>	<b>1,54,795</b>	<b>1,48,649</b>	<b>1,49,290</b>
	A. Government borrowing	91,641	104968	100055	95649	88,006	95,858	99,596	95,602	96,918
	(i) Concessional	91,641	104968	100055	95649	88,006	95,858	99,596	95,602	96,918
	(ii) Non-concessional	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	45,445	51345	48700	48970	48,390	52,718	55,199	53,047	52,372
	(i) Concessional	7,648	8712	8901	8777	8,436	9,366	10,486	9,966	10,319
	a) Public Sector	4,963	5698	6010	6011	5,916	6,671	7,672	7,379	7,764
	b) Financial Institutions	2,685	3014	2891	2766	2,520	2,695	2,814	2,587	2,555
	c) Private Sector	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	37,797	42633	39799	40193	39,954	43,352	44,713	43,081	42,053
	a) Public Sector	14,200	15774	14716	14249	13,047	13,983	14,549	13,923	13,249
	b) Financial Institutions	3,886	4920	4613	4544	4,206	4,589	4,735	4,480	4,320
	c) Private Sector	19,711	21939	20470	21400	22,701	24,780	25,429	24,678	24,484

Contd..

## End period

## Sl.No. Components of External Debt

		Mar. 2012	June 2012	Sept. 2012	Dec. 2012	March 2013 PR	June 2013 PR	Sept. 2013 PR	Dec. 2013 PR	March 2014 QE
1	2	3	4	5	6	7	8	9	10	11
<b>III.</b>	<b>IMF<sup>a</sup></b>	<b>31,528</b>	<b>33,996</b>	<b>32,331</b>	<b>33,492</b>	<b>32,439</b>	<b>35,719</b>	<b>38,313</b>	<b>37,986</b>	<b>38,211</b>
<b>IV.</b>	<b>EXPORT CREDIT</b>	<b>97,117</b>	<b>1,07,757</b>	<b>1,00,764</b>	<b>1,01,516</b>	<b>96,406</b>	<b>1,03,710</b>	<b>1,04,444</b>	<b>1,00,829</b>	<b>91,792</b>
	a) Buyers' credit	85,896	95042	88487	89010	84,513	90,661	90,816	87,521	78,631
	b) Suppliers' credit	3,252	3587	3577	4189	4,240	4,714	4,968	4,995	4,733
	c) Export credit component of bilateral credit	7,969	9128	8700	8317	7,653	8,335	8,660	8,313	8,428
<b>V.</b>	<b>COMMERCIAL BORROWINGS</b>	<b>6,14,623</b>	<b>670908</b>	<b>657137</b>	<b>708366</b>	<b>7,62,438</b>	<b>8,10,680</b>	<b>8,36,320</b>	<b>8,37,378</b>	<b>8,80,740</b>
	a) Commercial bank loans <sup>b</sup>	3,73,194	4,17,289	4,07,958	4,36,238	4,54,638	5,00,359	5,39,663	5,52,007	5,77,626
	b) Securitized borrowings <sup>c</sup>	2,38,849	251520	247313	270266	3,06,056	3,08,383	2,94,713	2,83,462	3,01,215
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	2,580	2099	1866	1862	1,744	1,938	1,944	1,909	1,899
<b>VI.</b>	<b>NRI DEPOSITS(Above one year maturity)<sup>d</sup></b>	<b>2,99,840</b>	<b>342775</b>	<b>353167</b>	<b>370730</b>	<b>3,85,202</b>	<b>4,24,599</b>	<b>4,63,917</b>	<b>6,12,151</b>	<b>6,24,101</b>
	a) NR(E) RA	1,60,684	200915	217679	235669	2,49,780	2,81,678	3,02,705	3,08,146	3,17,973
	b) FCNR (B)	76,576	80,365	78,860	81,215	82,608	90,067	1,08,396	2,50,838	2,51,354
	c) NRO Deposits	62,580	61495	56628	53846	52,814	52,854	52,816	53,167	54,774
<b>VII.</b>	<b>RUPEE DEBT<sup>e</sup></b>	<b>6,922</b>	<b>6878</b>	<b>6874</b>	<b>6868</b>	<b>6,839</b>	<b>7,459</b>	<b>8,659</b>	<b>8,785</b>	<b>8,826</b>
	a) Defence	6,220	6202	6199	6193	6,164	6,810	8,012	8,138	8,179
	b) Civilian	702	676	675	675	675	649	647	647	647
<b>VIII.</b>	<b>TOTAL LONG TERM DEBT (I TO VII)</b>	<b>14,44,205</b>	<b>16,03,198</b>	<b>15,70,566</b>	<b>16,48,801</b>	<b>16,99,070</b>	<b>18,40,419</b>	<b>19,33,831</b>	<b>20,71,920</b>	<b>21,13,753</b>
<b>IX.</b>	<b>SHORT-TERM DEBT</b>	<b>3,99,962</b>	<b>4,53,010</b>	<b>4,46,149</b>	<b>5,11,341</b>	<b>5,25,931</b>	<b>5,77,652</b>	<b>5,94,877</b>	<b>5,73,824</b>	<b>5,36,278</b>
	a) Trade - Related Credits	3,33,202	397020	393333	450918	4,72,026	5,32,743	5,48,517	5,33,655	4,91,271
	1) Above 6 months and upto 1 year	2,00,454	254628	265450	308844	3,21,010	3,65,282	3,73,698	3,65,928	3,30,500
	2) Up to 6 months	1,32,748	142392	127883	142074	1,51,016	1,67,461	1,74,819	1,67,727	1,60,771
	b) FII Investment in Govt. Treasury Bills and other instruments	48,066	46556	43351	40734	29,671	18,729	14,534	8,669	18,979
	c) Investment in Treasury Bills by foreign central banks and international institutions etc.	326	319	302	444	447	439	417	582	572
	d) External Debt Liabilities of:	18,368	9,115	9,163	19,245	23,787	25,741	31,409	30,918	25,456
	1) Central Bank	871	981	988	905	985	1,142	1,009	823	892
	2) Commercial banks	17,497	8134	8175	18340	22,802	24,599	30,400	30,095	24,564
<b>X.</b>	<b>GRAND TOTAL ( VIII+IX )</b>	<b>18,44,167</b>	<b>20,56,208</b>	<b>20,16,715</b>	<b>21,60,142</b>	<b>22,25,001</b>	<b>24,18,071</b>	<b>25,28,708</b>	<b>26,45,744</b>	<b>26,50,031</b>



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. 2012	June 2012	Sept. 2012	Dec. 2012	March 2013 PR	June 2013 PR	Sept. 2013 PR	Dec. 2013 PR	March 2014 QE
1	2	3	4	5	6	7	8	9	10	11
<b>I.</b>	<b>MULTILATERAL</b>	<b>50,452</b>	<b>49,727</b>	<b>50,689</b>	<b>51,611</b>	<b>51,596</b>	<b>51,720</b>	<b>52,565</b>	<b>52,536</b>	<b>53,290</b>
	A. Government Borrowing	43,686	42,706	43,146	43,767	43,539	43,594	44,201	44,109	44,597
	(i) Concessional	27,221	26,163	26,574	26,745	26,443	26,404	27,055	26,769	27,172
	a) IDA	26,853	25,809	26,207	26,371	26,071	26,026	26,658	26,373	26,770
	b) Others	368	354	367	374	372	378	397	396	402
	(ii) Non-concessional	16,465	16,543	16,572	17,022	17,096	17,190	17,146	17,340	17,425
	a) IBRD	8,897	8,908	8,830	8,963	8,912	8,992	8,870	8,884	8,876
	b) Others	7,568	7,635	7,742	8,059	8,184	8,198	8,276	8,456	8,549
	B. Non-Government Borrowing	6,766	7,021	7,543	7,844	8,057	8,126	8,364	8,427	8,693
	(i) Concessional	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	6,766	7,021	7,543	7,844	8,057	8,126	8,364	8,427	8,693
	a) Public Sector	3,808	3,997	4,037	4,215	4,323	4,360	4,481	4,477	4,672
	i) IBRD	2,177	2,211	2,248	2,283	2,355	2,359	2,385	2,317	2,394
	ii) Others	1,631	1,786	1,789	1,932	1,968	2,001	2,096	2,160	2,278
	b) Financial Institutions	2,017	2,032	2,496	2,551	2,650	2,710	2,847	2,911	3,002
	i) IBRD	531	525	525	530	549	561	573	580	634
	ii) Others	1,486	1,507	1,971	2,021	2,101	2,149	2,274	2,331	2,368
	c) Private Sector	941	992	1,010	1,078	1,084	1,056	1,036	1,039	1,019
	i) IBRD	0	0	0	0	0	0	0	0	0
	ii) Others	941	992	1,010	1,078	1,084	1,056	1,036	1,039	1,019
<b>II.</b>	<b>BILATERAL</b>	<b>26,884</b>	<b>27,391</b>	<b>27,842</b>	<b>26,364</b>	<b>25,170</b>	<b>24,828</b>	<b>24,820</b>	<b>23,958</b>	<b>24,807</b>
	A. Government borrowing	17,987	18,332	18,664	17,430	16,258	16,007	15,998	15,398	16,099
	(i) Concessional	17,987	18,332	18,664	17,430	16,258	16,007	15,998	15,398	16,099
	(ii) Non-concessional	0	0	0	0	0	0	0	0	0
	B. Non-Government borrowing	8,897	9,059	9,178	8,934	8,912	8,821	8,822	8,560	8,708
	(i) Concessional	1,501	1,521	1,660	1,599	1,558	1,564	1,684	1,605	1,714
	a) Public Sector	974	995	1,121	1,095	1,093	1,114	1,232	1,188	1,290
	b) Financial Institutions	527	526	539	504	465	450	452	417	424
	c) Private Sector	0	0	0	0	0	0	0	0	0
	(ii) Non-concessional	7,396	7,538	7,518	7,335	7,354	7,257	7,138	6,955	6,994
	a) Public Sector	2,781	2,779	2,769	2,599	2,404	2,339	2,327	2,246	2,202
	b) Financial Institutions	762	863	864	829	776	767	760	722	718
	c) Private Sector	3,853	3,896	3,885	3,907	4,174	4,151	4,051	3,987	4,074

(US\$ million )

		End period								
Sl.No.	Components of External Debt	Mar. 2012	June 2012	Sept. 2012	Dec. 2012	March 2013 PR	June 2013 PR	Sept. 2013 PR	Dec. 2013 PR	March 2014 QE
1	2	3	4	5	6	7	8	9	10	11
<b>III.</b>	<b>IMF<sup>a</sup></b>	<b>6,163</b>	<b>6,037</b>	<b>6,135</b>	<b>6114</b>	<b>5,964</b>	<b>5,983</b>	<b>6,103</b>	<b>6,127</b>	<b>6,156</b>
<b>IV.</b>	<b>EXPORT CREDIT</b>	<b>18,990</b>	<b>19,110</b>	<b>19,094</b>	<b>18,530</b>	<b>17,732</b>	<b>17,368</b>	<b>16,648</b>	<b>16,286</b>	<b>15,271</b>
	a) Buyers' credit	16,790	16,879	16,792	16249	15,538	15,186	14,466	14,140	13,083
	b) Suppliers' credit	636	637	679	765	780	790	791	807	788
	c) Export credit component of bilateral credit	1,564	1,594	1,623	1516	1,414	1,392	1,391	1,339	1,400
<b>V.</b>	<b>COMMERCIAL BORROWINGS</b>	<b>1,20,136</b>	<b>1,19,148</b>	<b>1,24,702</b>	<b>1,29,297</b>	<b>1,40,182</b>	<b>1,35,794</b>	<b>1,33,480</b>	<b>1,35,243</b>	<b>1,46,546</b>
	a) Commercial bank loans <sup>b</sup>	72,946	74,107	77,416	79638	83,590	83,813	85,965	89,182	96,111
	b) Securitized borrowings <sup>c</sup>	46,686	44,668	46,932	49319	56,271	51,656	47,205	45,753	50,119
	c) Loans/securitized borrowings etc., with multilateral/bilateral guarantee + IFC(W)	504	373	354	340	321	325	310	308	316
<b>VI.</b>	<b>NRI DEPOSITS(Above one year maturity)<sup>d</sup></b>	<b>58,608</b>	<b>60,874</b>	<b>67,019</b>	<b>67,593</b>	<b>70,822</b>	<b>71,123</b>	<b>75,055</b>	<b>98,639</b>	<b>1,03,845</b>
	a) NR(E) RA	31,408	35,681	41,308	42968	45,924	47,183	48,973	49,653	52,908
	b) FCNR (B)	14,968	14,272	14,965	14807	15,188	15,087	17,537	40,419	41,823
	c) NRO Deposits	12,232	10,921	10,746	9818	9,710	8,853	8,545	8,567	9,114
<b>VII.</b>	<b>RUPEE DEBT<sup>e</sup></b>	<b>1,354</b>	<b>1,219</b>	<b>1,302</b>	<b>1,254</b>	<b>1,258</b>	<b>1,249</b>	<b>1,380</b>	<b>1,419</b>	<b>1,468</b>
	a) Defence	1,216	1101	1,176	1131	1,133	1,141	1,276	1,315	1,361
	b) Civilian	138	118	126	123	125	108	104	104	107
<b>VIII.</b>	<b>TOTAL LONG TERM DEBT (I TO VII)</b>	<b>2,82,587</b>	<b>2,83,506</b>	<b>2,96,783</b>	<b>3,00,763</b>	<b>3,12,724</b>	<b>3,08,065</b>	<b>3,10,051</b>	<b>3,34,208</b>	<b>3,51,383</b>
<b>IX.</b>	<b>SHORT-TERM DEBT</b>	78,179	80,451	84,663	93,349	96,697	96,759	94,761	92,707	89,231
	a) Trade - Related Credits	65,130	70508	74,641	82319	86,787	89,238	87,376	86,217	81,743
	1) Above 6 months and upto 1 year	39,182	45220	50,373	56382	59,021	61,187	59,528	59,119	54,992
	2) Up to 6 months	25,948	25288	24,268	25937	27,766	28,051	27,848	27,098	26,751
	b) FII Investment in Govt. Treasury Bills and other instruments	9,395	8268	8,226	7436	5,455	3,137	2,315	1,401	3,158
	c) Investment in Treasury Bills by foreign central banks and international institutions etc.	64	56	57	81	82	73	66	94	95
	d) External Debt Liabilities of:	3,590	1619	1,739	3513	4,373	4,311	5,004	4,995	4,235
	1) Central Bank	170	174	188	165	181	191	161	133	148
	2) Commercial banks	3,420	1445	1,551	3348	4,192	4,120	4,843	4,862	4,087
<b>X.</b>	<b>GRAND TOTAL (VIII+IX)</b>	<b>3,60,766</b>	<b>3,63,957</b>	<b>3,81,446</b>	<b>3,94,112</b>	<b>4,09,421</b>	<b>4,04,824</b>	<b>4,04,812</b>	<b>4,26,915</b>	<b>4,40,614</b>
	<b>Memo Items :</b>									
	Concessional Debt <sup>f</sup>	48,063	47,235	48,200	47,028	45,518	45,224	46,117	45,191	46,453
	Concessional Debt to total external debt (per cent)	13.3	13.0	12.6	11.9	11.1	11.2	11.4	10.6	10.5
	Short-term debt	78,179	80,451	84,663	93,349	96,697	96,759	94,761	92,707	89,231
	Short-term debt to total external debt (per cent)	21.7	22.1	22.2	23.7	23.6	23.9	23.4	21.7	20.3

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**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

<sup>a</sup> Relates to SDR allocations from March 2004 onwards.

<sup>b</sup> Includes Financial Lease since 1996.

<sup>c</sup> 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.

<sup>d</sup> Figures include accrued interest.

<sup>e</sup> Rupee denominated debt owed to Russia and payable through exports.

<sup>f</sup> 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.	Borrower Category	End - March										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I.</b>	<b>Government Debt (A+B):</b>	<b>45,681</b>	<b>47,697</b>	<b>46,259</b>	<b>49,360</b>	<b>58,070</b>	<b>55,870</b>	<b>67,067</b>	<b>78,072</b>	<b>81,896</b>	<b>81,655</b>	<b>81,529</b>
<b>A</b>	<b>of which long-term:</b>	<b>45,681</b>	<b>46,538</b>	<b>46,119</b>	<b>49,034</b>	<b>57,455</b>	<b>54,931</b>	<b>65,549</b>	<b>75,230</b>	<b>75,789</b>	<b>77,868</b>	<b>78,989</b>
1	Government Account	41,142	43,686	43,510	46,155	52,541	51,816	55,235	62,295	63,374	61,336	62,203
2	Other Government Debt	4,539	2,852	2,609	2,879	4,914	3,115	10,314	12,935	12,415	16,532	16,786
<b>B.</b>	<b>of which short-term:</b>	<b>0</b>	<b>1,159</b>	<b>140</b>	<b>326</b>	<b>615</b>	<b>939</b>	<b>1,518</b>	<b>2,842</b>	<b>6,107</b>	<b>3,787</b>	<b>2,540</b>
<b>II</b>	<b>Non-Govt. Debt (C+D):</b>	<b>66,972</b>	<b>86,305</b>	<b>92,855</b>	<b>123,000</b>	<b>166,337</b>	<b>168,628</b>	<b>193,868</b>	<b>239,819</b>	<b>278,870</b>	<b>327,766</b>	<b>359,085</b>
<b>C</b>	<b>of which long-term:</b>	<b>62,541</b>	<b>69,741</b>	<b>73,456</b>	<b>95,196</b>	<b>121,214</b>	<b>126,254</b>	<b>143,057</b>	<b>177,671</b>	<b>206,798</b>	<b>234,856</b>	<b>272,394</b>
1	Financial Sector <sup>a</sup>	40,575	43,455	42,334	48,414	51,138	48,617	55,933	74,786	85,689	102,252	135,033
2	Public Sector <sup>b</sup>	7,685	6,496	6,671	7,978	11,040	12,599	13,749	16,070	19,180	23,950	32,045
3	Private Sector <sup>c</sup>	14,281	19,790	24,451	38,804	59,036	65,038	73,375	86,815	101,929	108,654	105,316
<b>D</b>	<b>of which short-term:</b>	<b>4,431</b>	<b>16,564</b>	<b>19,399</b>	<b>27,804</b>	<b>45,123</b>	<b>42,374</b>	<b>50,811</b>	<b>62,148</b>	<b>72,072</b>	<b>92,910</b>	<b>86,691</b>
	<b>(Share of Short-term Debt in total Debt)</b>	<b>3.9</b>	<b>12.4</b>	<b>13.9</b>	<b>16.1</b>	<b>20.1</b>	<b>18.9</b>	<b>19.5</b>	<b>19.6</b>	<b>20.0</b>	<b>22.7</b>	<b>20.0</b>
<b>III.</b>	<b>Total External Debt (I+II)</b>	<b>112,653</b>	<b>134,002</b>	<b>139,114</b>	<b>172,360</b>	<b>224,407</b>	<b>224,498</b>	<b>260,935</b>	<b>317,891</b>	<b>360,766</b>	<b>409,421</b>	<b>440,614</b>
<b>Memo Items :</b>												
<b>IV</b>	<b>Share of Government debt in total debt</b>	<b>40.6</b>	<b>35.6</b>	<b>33.3</b>	<b>28.6</b>	<b>25.9</b>	<b>24.9</b>	<b>25.7</b>	<b>24.6</b>	<b>22.7</b>	<b>19.9</b>	<b>18.5</b>
<b>V</b>	<b>Share of Non-Government debt in total debt</b>	<b>59.4</b>	<b>64.4</b>	<b>66.7</b>	<b>71.4</b>	<b>74.1</b>	<b>75.1</b>	<b>74.3</b>	<b>75.4</b>	<b>77.3</b>	<b>80.1</b>	<b>81.5</b>

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.

<sup>a</sup>: Financial Sector debt represent borrowings of external debt by commercial banks and financial institutions and also include long-term NRI deposits.

<sup>b</sup>: Public Sector debt represents borrowings of non-financial public sector enterprises.

<sup>c</sup>: Private Sector debt represents borrowings of non-financial private sector enterprises.

# Instrument-wise Classification of Long-term External Debt Outstanding at end-March 2014

(US\$ million)

		INSTRUMENTS				
Borrower	Creditor	Bonds & Notes	Loans	Trade Credits	Deposits	Total
1	2	3	4	5	6	7
8						
<b>I</b>	<b>Government:</b>	<b>9,479</b>	<b>61,954</b>	<b>1,400</b>	<b>6,156</b>	<b>78,989</b>
1	Multilateral	0	44,597	0	0	44,597
2	Bilateral	0	16,099	0	0	16,099
3	IMF (SDR)	0	0	0	6,156	6,156
4	Export Credit	0	0	1,400	0	1,400
5	Commercial <sup>a</sup>	9,479	0	0	0	9,479
6	Rupee Debt	0	1,258	0	0	1,258
<b>II</b>	<b>Financial Sector<sup>b</sup>:</b>	<b>13,292</b>	<b>28,976</b>	<b>0</b>	<b>103,845</b>	<b>146,113</b>
1	Multilateral	0	2,190	0	0	2,190
2	Bilateral	0	1,257	0	0	1,257
3	Export Credit	0	148	0	0	148
4	Commercial	13,292	25,381	0	0	38,673
5	NRI Deposits	0	0	0	103,845	103,845
<b>III</b>	<b>Non-Financial Public Sector</b>	<b>3,117</b>	<b>28,928</b>	<b>0</b>	<b>0</b>	<b>32,045</b>
1	Multilateral	0	4,940	0	0	4,940
2	Bilateral	0	3,483	0	0	3,483
3	Export Credit	0	2,675	0	0	2,675
4	Commercial	3,117	17,620	0	0	20,737
5	Rupee Debt	0	210	0	0	210
<b>IV</b>	<b>Non-Financial Private Sector:</b>	<b>7,992</b>	<b>85,456</b>	<b>788</b>	<b>0</b>	<b>94,236</b>
1	Multilateral	0	1,563	0	0	1,563
2	Bilateral	0	3,968	0	0	3,968
3	Export Credit	0	10,260	788	0	11,048
4	Commercial	7,992	69,665	0	0	77,657
<b>V</b>	<b>Total Long Term External Debt:</b>					
	<b>(I to IV)</b>	<b>33,880</b>	<b>205,314</b>	<b>2,188</b>	<b>110,001</b>	<b>351,383</b>
1	Multilateral	0	53,290	0	0	53,290
2	Bilateral	0	24,807	0	0	24,807
3	IMF	0	0	0	6,156	6,156
4	Export Credit	0	13,083	2,188	0	15,271
5	Commercial	33,880	112,666	0	0	146,546
6	NRI Deposits	0	0	0	103,845	103,845
7	Rupee Debt	0	1,468	0	0	1,468
<b>Memo Items:</b>						
<b>Borrower Category</b>		<b>per cent to total long-term debt</b>				
		<b>Bonds &amp; Notes</b>	<b>Loans</b>	<b>Trade Credits</b>	<b>Deposits</b>	<b>Total</b>
I	Government	2.7	17.6	0.4	1.8	22.5
II	Financial Sector	3.8	8.2	0.0	29.6	41.6
III	Non-Financial Public Sector	0.9	8.2	0.0	0.0	9.1
IV	Non-Financial Private Sector	2.3	24.3	0.2	0.0	26.8
<b>V</b>	<b>Total Long-Term Debt</b>	<b>9.6</b>	<b>58.4</b>	<b>0.6</b>	<b>31.3</b>	<b>100.00</b>

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

<sup>a</sup>: Includes investment by FII in Central Government domestic debt securities and treasury bills.

<sup>b</sup>: 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										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	US dollar	40.0	47.7	48.8	51.1	55.3	54.1	53.2	55.3	56.9	59.1	61.8
2	Indian rupee	22.5	19.4	18.8	18.5	16.2	15.4	18.7	18.8	20.5	22.9	21.1
3	Japanese yen	11.6	10.4	10.9	11.4	12.0	14.3	11.5	10.9	8.7	6.1	5.1
4	SDR	16.3	14.9	14.3	12.4	10.6	9.8	10.7	9.4	8.3	7.2	6.9
5	Euro	5.7	4.6	4.4	3.9	3.5	4.1	3.6	3.6	3.7	3.4	3.4
6	Pound sterling	3.4	2.6	2.6	2.4	2.2	1.9	1.8	1.6	0.9	0.7	1.1
7	Others	0.5	0.4	0.2	0.3	0.2	0.4	0.5	0.4	1.0	0.6	0.6
<b>Total (1 to 7)</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

PR: Partially Revised; QE: Quick Estimates.

### Short-term Debt By Residual Maturity

(US\$ million)

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
1990	7,501	5,028	12,529	16.5	372.0	316.2
1991	8,544	4,705	13,249	15.8	592.5	227.1
1992	7,070	4,181	11,251	13.2	199.8	122.0
1993	6,340	4,810	11,150	12.4	173.3	113.4
1994	3,627	6,689	10,316	11.1	68.5	53.6
1995	4,269	8,727	12,996	13.1	62.5	51.6
1996	5,034	8,229	13,263	14.2	77.8	61.2
1997	6,726	6,901	13,627	14.6	60.9	51.6
1998	5,046	6,723	11,769	12.6	45.3	40.1
1999	4,274	7,059	11,333	11.7	38.4	34.9
2000	3,936	8,359	12,295	12.5	35.1	32.3
2001	3,628	6,776	10,404	10.3	26.3	24.6
2002	2,745	11,530	14,275	14.4	28.0	26.4
2003	4,669	14,614	19,283	18.4	26.8	25.3
2004	4,431	6,117	10,548	9.4	9.8	9.3
2005 <sup>a</sup>	17,723	14,341	32,064	23.9	23.7	22.7
2006	19,539	5,936	25,475	18.3	17.6	16.8
2007 <sup>b</sup>	28,130	8,340	36,470	21.2	19.0	18.3
2008	45,738	9,054	54,792	24.4	18.3	17.7
2009	43,313	14,180	57,493	25.6	23.8	22.8
2010	52,329	13,359	65,688	25.2	25.8	23.5
2011	64,990	22,986	87,976	28.8	32.1	28.9
2012	78,179	20,387	98,566	28.5	37.9	33.5
2013	96,697	19,430	116,127	29.8	44.7	39.8
2014 <sup>c</sup>	89,231	24,995	114,226	25.9	41.3	37.5

Note: Short-term debt (original maturity) at end-March (Column No.2) and repayments made in the next financial year (Column No.3) work out to be the residual maturity (Column No.4) for the next financial year.

<sup>a</sup>: Since end-March 2005, short-term debt classification and coverage was improved with inclusion of trade credits (i) Above 180 days; (ii) upto 180 days.

<sup>b</sup>: Since end-March 2007, short term debt classification and coverage was further improved to include (i) investment in treasury bills (up to 364 days) by foreign central banks and international institutions. (ii) external debt liabilities of Central Bank (Reserve Bank of India) and other commercial banks.

<sup>c</sup>: For 2013-14, short-term debt at end-March 2014 and projected debt service payments (Long-term) during April 2014-March 2015 amounts to short-term debt by residual maturity for 2014-15. Projected debt service payments (Long-term) do not include FII investment in government/corporate debt securities and NRI Deposits.



## India's External Debt Service Payments-Source-wise

(US\$ million)

Sl. No.	Components	April - March										
		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13PR	2013-14 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	External Assistance <sup>a</sup>	6,983	2,855	2,652	2,942	3,241	3,384	3,461	3,667	3,923	4,255	4,078
	Repayments	6,193	2,129	1,945	1,960	2,099	2,375	2,585	2,839	3,125	3,415	3,383
	Interest	790	726	707	982	1142	1009	876	828	798	840	695
2	External Commercial Borrowings	10,164	4,530	14,839	6,331	9,771	10,543	14,742	13,959	25,198	23,240	23,398
	Repayments	8,045	3,571	11,824	3,814	6,119	6,578	11,498	10,451	19,782	16,914	17,702
	Interest	2,119	959	3,015	2,517	3,652	3,965	3,244	3,508	5,416	6,326	5,696
3	NRI Deposits	1,642	1,353	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784
	Interest	1,642	1,353	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784
4	Rupee Debt Service	376	417	572	162	121	101	97	69	79	58	52
	Repayments	376	417	572	162	121	101	97	69	79	58	52
5	Total Debt Service	19,165	9,155	19,560	11,404	14,946	15,575	19,899	19,432	31,513	31,331	32,312
	Repayments	14,614	6,117	14,341	5,936	8,339	9,054	14,180	13,359	22,986	20,387	21,137
	Interest	4,551	3,038	5,219	5,468	6,607	6,521	5,719	6,073	8,527	10,944	11,175
<b>Memo Items:</b>												
	Current Receipts	119,239	154,123	194,170	242,811	314,284	356,175	345,144	445,999	528,372	530,163	551,072
	Debt Service Ratio (%)	16.1 <sup>b</sup>	5.9 <sup>c</sup>	10.1 <sup>d</sup>	4.7	4.8	4.4	5.8	4.4	6.0	5.9	5.9
	Interest to Current Receipts Ratio (%)	3.8	2.0	2.7	2.3	2.1	1.8	1.7	1.4	1.6	2.1	2.0

PR: Partially Revised, QE: Quick Estimates

<sup>a</sup>: Inclusive of Non-Government account figures supplied by the office of Controller of Aid Accounts & Audit, DEA, Ministry of Finance.<sup>b</sup>: 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.<sup>c</sup>: Works out to 5.7 per cent, with the exclusion of pre-payment of US\$ 381 million.<sup>d</sup>: 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)

SlNo.	Creditor Category	April - March										
		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13PR	2013-14QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Multilateral :	4,553	1,299	1,549	1,866	2,096	2,016	2,084	2,382	2,537	2,680	3,005
	Principal	4,093	919	1,060	1,149	1,255	1,367	1,560	1,927	2,026	2,165	2,548
	Interest	460	380	489	717	841	649	524	455	511	515	457
2	Bilateral :	2,923	1,960	1,491	1,400	1,615	1,863	1,974	2,111	2,292	2,598	2,480
	Principal	2,525	1,524	1,193	986	1,098	1,276	1,353	1,583	1,624	1,981	1,926
	Interest	398	436	298	414	517	587	621	528	668	617	554
3	Export Credit :	1,090	718	1,343	1,033	1,971	1,732	2,048	2,186	3,182	3,448	3,855
	Principal	877	618	1,114	645	1,345	1,150	1,394	1,734	2,671	2,608	3,276
	Interest	213	100	229	388	626	582	654	452	511	840	579
4	Commercial Borrowings:	8,581	3,408	13,108	4,974	7,330	8,316	12,097	10,947	21,110	18,769	18,136
	Principal	6,743	2,639	10,402	2,994	4,520	5,160	9,776	8,046	16,586	13,575	13,335
	Interest	1,838	769	2,706	1,980	2,810	3,156	2,321	2,901	4,524	5,194	4,801
5	NRI Deposits :	1,642	1,353	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784
	Interest <sup>a</sup>	1,642	1,353	1,497	1,969	1,813	1,547	1,599	1,737	2,313	3,778	4,784
6	Rupee Debt :	376	417	572	162	121	101	97	69	79	58	52
	Principal	376	417	572	162	121	101	97	69	79	58	52
7	<b>Total Debt Service:</b>	<b>19,165</b>	<b>9,155</b>	<b>19,560</b>	<b>11,404</b>	<b>14,946</b>	<b>15,575</b>	<b>19,899</b>	<b>19,432</b>	<b>31,513</b>	<b>31,331</b>	<b>32,312</b>
	<b>Principal</b>	<b>14,614</b>	<b>6,117</b>	<b>14,341</b>	<b>5,936</b>	<b>8,339</b>	<b>9,054</b>	<b>14,180</b>	<b>13,359</b>	<b>22,986</b>	<b>20,387</b>	<b>21,137</b>
	<b>Interest</b>	<b>4,551</b>	<b>3,038</b>	<b>5,219</b>	<b>5,468</b>	<b>6,607</b>	<b>6,521</b>	<b>5,719</b>	<b>6,073</b>	<b>8,527</b>	<b>10,944</b>	<b>11,175</b>
<b>Memo items:</b>												
I	Current Receipts	119,239	154,123	194,170	242,811	314,284	356,175	345,144	445,999	528,372	530,163	551,072
II	Debt Service Ratio (%)	16.1 <sup>b</sup>	5.9 <sup>c</sup>	10.1 <sup>d</sup>	4.7	4.8	4.4	5.8	4.4	6.0	5.9	5.9
III	Interest to Current Receipts Ratio (%)	3.8	2.0	2.7	2.3	2.1	1.8	1.7	1.4	1.6	2.1	2.0

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 &amp; 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.

<sup>a</sup>: Interest payments on NRI Deposits include both long term and short term external debt component of NRI Deposits.<sup>b</sup>: 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.<sup>c</sup>: Works out to 5.7 per cent, with the exclusion of pre-payment of US\$ 381 million.<sup>d</sup>: 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, 2012

SI. 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 reserves / total debt(%)
1	2	3	4	5	6	7	8	9	10
1	China	754,009	734,316	32.4	31.5	9.2	9.0	509,592	441.8
2	Brazil	440,478	390,445	150.2	133.1	19.9	17.6	32,583	83.9
3	India	379,099	324,340	83.5	71.5	20.8	17.8	93,349	71.4
4	Mexico	354,897	320,189	89.0	80.3	30.7	27.7	72,311	45.2
5	Turkey	337,492	307,872	159.2	145.2	43.1	39.4	100,832	29.6
6	Indonesia	254,899	226,355	119.3	106.0	29.9	26.5	44,764	42.7
7	Hungary	203,757	166,449	161.7	132.1	173.4	141.6	22,745	21.8
8	South Africa	137,501	68,480	120.0	59.8	36.6	18.2	27,868	32.0
9	Kazakhstan	137,014	114,443	138.5	115.7	79.0	66.0	9,345	16.2
10	Ukraine	135,067	124,585	144.7	133.5	77.9	71.9	34,750	16.8
11	Thailand	134,223	112,750	47.4	39.8	38.2	32.1	56,968	129.1
12	Romania	131,889	111,675	203.7	172.5	78.9	66.8	27,006	31.2
13	Argentina	121,013	101,478	123.3	103.4	26.3	22.0	13,978	33.0
14	Malaysia	103,950	94,789	37.2	33.9	35.5	32.4	46,987	132.5
15	Colombia	79,051	68,403	112.3	97.2	22.4	19.4	10,687	46.1
16	Venezuela	72,097	69,381	71.0	68.3	19.4	18.6	19,393	13.7
17	Pakistan	61,867	46,279	194.3	145.4	25.5	19.1	2,598	16.6
18	Philippines	61,390	52,331	84.5	72.0	24.6	21.0	8,483	119.7
19	Vietnam	59,133	46,519	47.5	37.4	44.1	34.7	9,889	43.2
20	Peru	54,148	49,847	105.7	97.3	29.4	27.0	8,532	115.1

Source: International Debt Statistics, 2014 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 for Selected Countries

(US\$ million)

Sl.No.	Countries	2014 Q1 (end-March 2014)			Ratio of Short-term Debt to total Debt (4/5)
		Long-term	Short-term	Total	
1	2	3	4	5	6
1	Brazil	4,66,378	38,095	5,04,473	7.6
2	India	3,51,383	89,231	4,40,614	20.3
3	Mexico	3,26,062	1,04,209	4,30,271	24.2
4	Turkey	2,62,105	1,24,681	3,86,786	32.2
5	Poland	3,35,226	43,507	3,78,733	11.5
6	Indonesia	2,29,263	47,229	2,76,492	17.1
7	Hungary	1,73,853	23,341	1,97,194	11.8
8	Malaysia	1,09,045	79,063	1,88,108	42.0
9	Kazakhstan	1,41,224	10,004	1,51,228	6.6
10	Thailand	84,451	55,614	1,40,065	39.7
11	South Africa	1,09,576	28,900	1,38,476	20.9
12	Argentina	1,03,709	34,100	1,37,809	24.7
13	Ukraine	1,05,382	32,000	1,37,382	23.3
14	Chile	1,13,726	17,174	1,30,900	13.1
15	Romania	1,16,171	13,907	1,30,078	10.7

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.

Note: External Debt data at end-March 2014 of the Russian Federation and China are not available in the QEDS data base. In the past years, external debt in absolute terms of these countries was higher than that of India.

## Creditor-wise Sovereign External Debt

(₹ crore)

Sl.No.	Institution/Country Category	End - March										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. External Debt on Govt.</b>												
<b>Account under External Assistance (A+B)</b>												
<b>A. Multilateral (1 to 5)</b>		<b>1,84,153</b>	<b>1,91,147</b>	<b>1,94,076</b>	<b>2,01,199</b>	<b>2,10,086</b>	<b>2,63,976</b>	<b>2,49,288</b>	<b>2,78,455</b>	<b>3,22,890</b>	<b>3,32,004</b>	<b>3,74,477</b>
1	IDA	1,00,065	1,03,671	1,04,457	1,07,015	1,05,944	1,26,127	1,14,552	1,19,067	1,36,815	1,41,119	1,61,161
2	IBRD	14,075	16,500	19,625	21,852	22,638	29,948	28,872	39,218	45,328	48,239	53,433
3	ADB	4,509	6,169	8,322	11,434	14,594	24,278	25,803	30,455	38,560	44,301	51,469
4	IFAD	1,172	1,211	1,189	1,222	1,247	1,437	1,300	1,398	1,662	1,789	2,179
5	Others	253	231	206	211	207	207	193	188	213	223	242
<b>B. Bilateral (6 to 11)</b>		<b>64,079</b>	<b>63,365</b>	<b>60,277</b>	<b>59,465</b>	<b>65,456</b>	<b>81,979</b>	<b>78,568</b>	<b>88,129</b>	<b>1,00,312</b>	<b>96,333</b>	<b>1,05,993</b>
6	Japan	43,210	42,275	39,896	38,014	43,207	56,600	56,156	65,907	76,401	73,120	79,825
7	Germany	11,244	11,217	10,190	10,660	11,393	12,485	11,090	11,899	13,765	13,826	16,085
8	United States	4,042	3,458	3,071	2,567	2,049	2,216	1,715	1,489	1,516	1,460	1,453
9	France	2,851	2,807	2,469	2,441	2,446	2,406	1,901	1,750	1,657	1,514	2,517
10	Russian Federation	2,561	3,576	4,627	5,761	6,336	8,246	7,684	7,062	6,953	6,397	6,099
11	Others	171	32	24	22	25	26	22	22	20	16	14
<b>II. Total Other Govt. External Debt [C+D]</b>												
<b>Debt [C+D]</b>		<b>13,776</b>	<b>17,553</b>	<b>12,258</b>	<b>13,967</b>	<b>22,112</b>	<b>20,675</b>	<b>53,405</b>	<b>70,439</b>	<b>94,752</b>	<b>1,10,514</b>	<b>1,17,365</b>
<b>C. Other Govt. External Debt (Long-term)</b>												
<b>(Long-term)</b>		<b>13,776</b>	<b>12,479</b>	<b>11,634</b>	<b>12,548</b>	<b>19,652</b>	<b>15,891</b>	<b>46,550</b>	<b>57,748</b>	<b>63,511</b>	<b>89,918</b>	<b>1,02,097</b>
<b>D. Other Govt. External Debt (Short-term)</b>												
<b>(Short-term)</b>		<b>0</b>	<b>5,074</b>	<b>624</b>	<b>1,419</b>	<b>2,460</b>	<b>4,784</b>	<b>6,855</b>	<b>12,691</b>	<b>31,241</b>	<b>20,596</b>	<b>15,268</b>
<b>III. Total Government External Debt (I+II)</b>												
<b>Debt (I+II)</b>		<b>1,97,929</b>	<b>2,08,700</b>	<b>2,06,334</b>	<b>2,15,166</b>	<b>2,32,198</b>	<b>2,84,651</b>	<b>3,02,693</b>	<b>3,48,894</b>	<b>4,17,642</b>	<b>4,42,518</b>	<b>4,91,842</b>
<b>IV.Total External Debt</b>		<b>4,95,459</b>	<b>5,86,305</b>	<b>6,20,522</b>	<b>7,51,402</b>	<b>8,97,290</b>	<b>11,42,125</b>	<b>11,78,638</b>	<b>14,19,407</b>	<b>18,44,167</b>	<b>22,25,001</b>	<b>26,50,031</b>
Memo Items :												
a) Total Government External Debt to GDP												
		7.0	6.4	5.6	5.0	4.7	5.1	4.7	4.5	4.6	4.4	4.3
b) Total External Assistance (Government Account)to GDP												
		6.5	5.9	5.2	4.7	4.2	4.7	3.8	3.6	3.6	3.3	3.3

PR: Partially Revised; QE: Quick Estimates.

## Creditor-wise Sovereign External Debt

(US\$ million)

Sl.No. Institution/Country		End - March										
Category		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. External Debt on Govt.</b>												
<b>Account under External Assistance (A+B)</b>												
<b>A Multilateral (1 to 5)</b>		<b>41,142</b>	<b>43,686</b>	<b>43,510</b>	<b>46,155</b>	<b>52,541</b>	<b>51,816</b>	<b>55,235</b>	<b>62,295</b>	<b>63,374</b>	<b>61,336</b>	<b>62,203</b>
1. IDA		22,356	23,693	23,418	24,548	26,496	24,758	25,380	26,637	26,853	26,072	26,770
2. IBRD		3,144	3,771	4,400	5,015	5,662	5,878	6,397	8,774	8,897	8,912	8,876
3. ADB		1,007	1,410	1,866	2,623	3,650	4,766	5,717	6,813	7,568	8,184	8,549
4. IFAD		262	277	267	280	312	282	288	313	326	330	362
5. Others		57	53	46	49	51	40	43	42	42	41	40
<b>B Bilateral (6 to 11)</b>		<b>14,316</b>	<b>14,482</b>	<b>13,513</b>	<b>13,640</b>	<b>16,370</b>	<b>16,092</b>	<b>17,410</b>	<b>19,716</b>	<b>19,688</b>	<b>17,797</b>	<b>17,606</b>
6. Japan		9,654	9,662	8,944	8,720	10,806	11,110	12,444	14,745	14,995	13,508	13,259
7. Germany		2,512	2,564	2,285	2,445	2,849	2,451	2,458	2,662	2,702	2,554	2,672
8. United States		903	790	688	589	512	435	380	333	298	270	241
9. France		637	642	554	560	612	472	421	392	325	280	418
10. Russian Federation		572	817	1,037	1,321	1,585	1,619	1,702	1,579	1,365	1,182	1,013
11 Others		38	7	5	5	6	5	5	5	3	3	3
<b>II. Total Other Govt.</b>												
<b>External Debt [C+D]</b>		<b>4,539</b>	<b>4,011</b>	<b>2,749</b>	<b>3,205</b>	<b>5,529</b>	<b>4,054</b>	<b>11,832</b>	<b>15,777</b>	<b>18,522</b>	<b>20,319</b>	<b>19,326</b>
C. Other Govt. External Debt (Long term)		4,539	2,852	2,609	2,879	4,914	3,115	10,314	12,935	12,415	16,532	16,786
D. Other Govt. External Debt (Short-term)		0	1,159	140	326	615	939	1,518	2,842	6,107	3,787	2,540
<b>III. Total Sovereign External Debt (I+II)</b>		<b>45,681</b>	<b>47,697</b>	<b>46,259</b>	<b>49,360</b>	<b>58,070</b>	<b>55,870</b>	<b>67,067</b>	<b>78,072</b>	<b>81,896</b>	<b>81,655</b>	<b>81,529</b>
<b>IV. Total External Debt</b>		<b>1,12,653</b>	<b>1,34,002</b>	<b>1,39,114</b>	<b>1,72,360</b>	<b>2,24,407</b>	<b>2,24,498</b>	<b>2,60,935</b>	<b>3,17,891</b>	<b>3,60,766</b>	<b>4,09,421</b>	<b>4,40,614</b>
Memo Items :												
a) Multilateral debt to External Assistance (Ratio)		65.2	66.8	68.9	70.4	68.8	68.9	68.5	68.4	68.9	71.0	71.7
b) Bilateral debt to External Assistance (Ratio)		34.8	33.2	31.1	29.6	31.2	31.1	31.5	31.6	31.1	29.0	28.3
c) External Assistance to total external debt (Ratio)		36.5	32.6	31.3	26.8	23.4	23.1	21.2	19.6	17.6	15.0	14.1
d) Total Sovereign External Debt to total external debt (Ratio)		40.6	35.6	33.3	28.6	25.9	24.9	25.7	24.6	22.7	19.9	18.5

PR: Partially Revised; QE: Quick Estimates.

## Currency Composition of Sovereign External Debt

		(per cent)										
SI. No.	Currency	End - March										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 PR	2014 QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	US dollar	23.4	24.4	27.2	27.9	26.6	29.6	26.5	26.7	25.9	26.3	26.2
2	SDR	40.2	41.8	43.0	43.3	40.7	39.5	41.7	38.1	36.8	36.0	37.4
3	Indian rupee	8.2	6.7	4.3	4.9	8.0	5.7	8.9	12.4	15.3	17.7	16.3
4	Japanese yen	21.1	20.2	19.3	17.7	18.6	19.9	18.6	18.9	18.3	16.5	16.3
5	Euro	7.0	6.7	6.1	6.1	6.0	5.2	4.3	3.9	3.7	3.5	3.8
6	Pound sterling	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
7	Others	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>Total (1 to 7)</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

PR: Partially revised; QE: Quick Estimates.

## Sovereign External Debt Service Payments

(US\$ million)

Sl.	April - March											
No.	Debt Service Payments	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13PR	2013-14QE
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. Debt Service Payments under Government</b>												
	<b>Account (A+B)</b>	<b>6,296</b>	<b>2,262</b>	<b>2,272</b>	<b>2,722</b>	<b>2,696</b>	<b>2,719</b>	<b>3,273</b>	<b>3,340</b>	<b>3,354</b>	<b>3,718</b>	<b>3,655</b>
	<b>A Multilateral (i + ii)</b>	<b>3,932</b>	<b>1,044</b>	<b>1,192</b>	<b>1,543</b>	<b>1,738</b>	<b>1,625</b>	<b>1,818</b>	<b>1,846</b>	<b>1,859</b>	<b>2,161</b>	<b>2,271</b>
	i. Principal	3,562	737	790	959	1066	1110	1,386	1,529	1,545	1,789	1,943
	ii. Interest	370	307	402	584	672	515	432	317	314	372	328
	<b>B Bilateral (iii +iv)</b>	<b>2,364</b>	<b>1,218</b>	<b>1,080</b>	<b>1,179</b>	<b>958</b>	<b>1,094</b>	<b>1,455</b>	<b>1,494</b>	<b>1,495</b>	<b>1,557</b>	<b>1,384</b>
	iii. Principal	2067	884	776	868	713	793	1,084	1,105	1,122	1,186	1,067
	iv. Interest	297	334	304	311	245	301	371	389	373	371	317
<b>II. Other Government Debt</b>												
	<b>Service Payments (v + vi)</b>	<b>376</b>	<b>417</b>	<b>572</b>	<b>162</b>	<b>121</b>	<b>101</b>	<b>97</b>	<b>69</b>	<b>79</b>	<b>58</b>	<b>52</b>
	v. Principal	376	417	572	162	121	101	97	69	79	58	52
	vi. Interest	0	0	0	0	0	0	0	0	0	0	0
<b>III.Total Government</b>												
	<b>External Debt Service Payments (I+II)</b>	<b>6,672</b>	<b>2,679</b>	<b>2,844</b>	<b>2,884</b>	<b>2,817</b>	<b>2,820</b>	<b>3,370</b>	<b>3,409</b>	<b>3,433</b>	<b>3,776</b>	<b>3,707</b>
	vii. Total Principal (i+ iii + v)	6,005	2,038	2,138	1,989	1,900	2,004	2,567	2,703	2,746	3,033	3,062
	viii. Total Interest (ii +iv + vi)	667	641	706	895	917	816	803	706	687	743	645

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)

		at end-March										
Sl. No.	Components	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013PR	2014QE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Govt. Debt	45,681	47,697	46,259	49,360	58,070	55,870	67,067	78,072	81,896	81,655	81,529
2	Non-Govt. Debt	66,972	86,305	92,855	1,23,000	1,66,337	1,68,628	1,93,868	2,39,819	2,78,870	3,27,766	3,59,085
3	of which with Govt.											
	Guarantee <sup>a</sup> (a+b+c)	6,528	6,240	6,096	6,107	6,563	6,807	7,786	8,563	9,361	9,543	9,919
a.	Financial Sector	1,856	1,600	1,465	1,446	1,422	1,800	2,276	2,748	2,794	2,748	2,741
b.	Public Sector	4,614	4,484	4,506	4,557	5,040	4,926	5,450	5,757	6,534	6,784	7,177
c.	Private Sector	58	156	125	104	101	81	60	58	33	11	1
4	Total External Debt (1+2)	1,12,653	1,34,002	1,39,114	1,72,360	2,24,407	2,24,498	2,60,935	3,17,891	3,60,766	4,09,421	4,40,614
5	Govt. Debt and Guaranteed											
	Debt (1+3)	52,209	53,937	52,355	55,467	64,633	62,677	74,853	86,635	91,257	91,198	91,448
Memo Items:												
I	Per cent of Govt. Debt and											
	Guaranteed Debt to Total											
	External Debt (5/4)	46.3	40.3	37.6	32.2	28.8	27.9	28.7	27.3	25.3	22.3	20.8
II	Per cent of Govt. Guaranteed											
	Debt to Non-Govt. Debt (3/2)	9.7	7.2	6.6	5.0	3.9	4.0	4.0	3.6	3.4	2.9	2.8

<sup>a</sup>: Direct credit guarantees on non-government external debt provided by the Central Government.

PR: Partially Revised QE: Quick Estimates

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

(US\$ million)

Sl. No.	Component	2014-15			2015-16			2016-17			2017-18			2018-19		
		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
<b>A</b>	<b>Multilateral (1 to 6)</b>	<b>2,467.96</b>	<b>318.57</b>	<b>2,786.53</b>	<b>2,849.73</b>	<b>322.96</b>	<b>3,172.69</b>	<b>3,220.70</b>	<b>328.74</b>	<b>3,549.44</b>	<b>3,471.83</b>	<b>332.83</b>	<b>3,804.66</b>	<b>3,668.57</b>	<b>332.61</b>	<b>4,001.18</b>
1	ADB	464.00	47.14	511.14	501.68	49.01	550.69	565.23	50.22	615.45	600.39	49.69	650.08	648.25	48.78	697.03
2	IBRD	687.59	44.53	732.12	780.48	43.25	823.73	938.5	42.95	981.45	977.98	41.59	1,019.57	1019.08	40.09	1,059.17
3	IDA	1298.58	223.1	1,521.68	1549.26	226.6	1,775.86	1696.71	231.14	1,927.85	1872.15	236.87	2,109.02	1979.45	238.85	2,218.30
4	IFAD	13.28	3.18	16.46	13.8	3.38	17.18	15.75	3.61	19.36	16.8	3.84	20.64	17.28	4.07	21.35
5	EEC(SAC)	1.51	0.19	1.70	1.51	0.18	1.69	1.51	0.17	1.68	1.51	0.15	1.66	1.51	0.14	1.65
6	OPEC	3.00	0.43	3.43	3.00	0.54	3.54	3.00	0.65	3.65	3.00	0.69	3.69	3.00	0.68	3.68
<b>B</b>	<b>Bilateral (7 to 12)</b>	<b>1,066.05</b>	<b>320.02</b>	<b>1,386.07</b>	<b>1,106.55</b>	<b>330.45</b>	<b>1,437.00</b>	<b>1,098.70</b>	<b>331.16</b>	<b>1,429.86</b>	<b>1,171.96</b>	<b>330.51</b>	<b>1,502.47</b>	<b>1,228.19</b>	<b>327.53</b>	<b>1,555.72</b>
7	Germany	209.91	34.94	244.85	211.99	32.95	244.94	168.0	29.08	197.08	178.27	29.25	207.52	221.63	29.07	250.70
8	France	31.95	5.18	37.13	27.15	4.67	31.82	23.93	4.36	28.29	38.85	4.15	43.00	45.17	3.87	49.04
9	Japan	630.43	228.73	859.16	676.5	235.69	912.23	718.08	242.32	960.40	766.52	248.08	1,014.60	823.79	253.12	1,076.91
10	Russian Federation	163.83	43.84	207.67	163.83	50.86	214.69	163.83	50.05	213.88	163.83	44.49	208.32	113.28	37.71	150.99
11	Switzerland	0.82	0.12	0.94	0.78	0.07	0.85	0.32	0.02	0.34	0.06	-	0.06	0.03	-	0.03
12	USA	29.11	7.21	36.32	26.26	6	32.47	24.54	5.33	29.87	24.43	4.54	28.97	24.29	3.76	28.05
<b>13</b>	<b>Grand Total (A+B)</b>	<b>3,534.01</b>	<b>638.59</b>	<b>4,172.60</b>	<b>3,956.28</b>	<b>653.41</b>	<b>4,609.69</b>	<b>4,319.40</b>	<b>659.90</b>	<b>4,979.30</b>	<b>4,643.79</b>	<b>663.34</b>	<b>5,307.13</b>	<b>4,896.76</b>	<b>660.14</b>	<b>5,556.90</b>

Note 1: Loan currencies converted to INR adopting the exchange rate as on 28th March 2014 and subject to change. INR converted to US\$ adopting 60.2025 (RBI reference rate for Government Foreign Transaction)

Note 2: The Projections are based on debt outstanding as at end 31st March 2014 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.

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

(US\$ million)

S.No.	Component	2019-20			2020-21			2021-2022			2022-2023			2023-24		
		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
<b>A</b>	<b>Multilateral (1 to 6)</b>	<b>3,899.52</b>	<b>320.36</b>	<b>4,219.88</b>	<b>3,893.08</b>	<b>300.36</b>	<b>4,193.44</b>	<b>3,731.01</b>	<b>274.39</b>	<b>4,005.40</b>	<b>3,902.39</b>	<b>247.10</b>	<b>4,149.49</b>	<b>3,591.90</b>	<b>218.28</b>	<b>3,810.18</b>
1.	ADB	735.21	46.7	781.91	764.22	44.06	808.28	680.11	40.42	720.53	712.39	37.48	749.87	688.86	34.36	723.22
2.	IBRD	1058.61	37.58	1096.19	984.87	33.73	1018.6	872.7	29.84	902.54	828.59	26.33	854.92	797.63	23.12	820.75
3.	IDA	2082.06	231.15	2313.21	2119.7	217.75	2337.45	2153.91	199.5	2353.41	2334.21	178.92	2513.13	2077.34	156.71	2234.05
4.	IFAD	19.13	4.18	23.31	19.78	4.15	23.93	19.78	4.05	23.83	22.69	3.9	26.56	23.56	3.7	27.24
5.	EEC(SAC)	1.51	0.13	1.64	1.51	0.12	1.63	1.51	0.11	1.62	1.51	0.10	1.61	1.51	0.09	1.6
6.	OPEC	3.00	0.62	3.62	3.00	0.55	3.55	3.00	0.47	3.47	3.00	0.40	3.4	3.00	0.32	3.32
<b>B</b>	<b>Bilateral (7 to 12)</b>	<b>1,306.02</b>	<b>318.35</b>	<b>1,624.37</b>	<b>1,289.46</b>	<b>300.40</b>	<b>1,589.86</b>	<b>1,299.37</b>	<b>280.24</b>	<b>1,579.61</b>	<b>1,402.85</b>	<b>256.54</b>	<b>1,659.39</b>	<b>1,412.69</b>	<b>232.63</b>	<b>1,645.32</b>
7.	Germany	207.12	26.49	233.61	193.38	23.79	217.17	187.0	21.38	208.36	187.0	18.82	205.80	156.7	15.78	172.46
8.	France	44.39	3.52	47.91	43.09	3.10	46.19	42.84	2.67	45.51	41.12	2.2	43.32	37.62	1.8	39.42
9.	Japan	918.74	252.02	1,170.76	926.91	242.46	1,169.37	941.75	230	1,171.67	1,004.65	215.3	1,219.98	1,095.53	200.1	1,295.60
10.	Russian Federation	113.28	33.36	146.64	113.28	29.01	142.29	115.16	24.61	139.77	157.73	18.91	176.64	113.28	14.12	127.40
11.	Switzerland		-			-			-			-			-	
12.	USA	22.49	2.96	25.45	12.80	2.04	14.84	12.64	1.66	14.30	12.37	1.28	13.65	9.58	0.86	10.44
<b>13.</b>	<b>Grand Total (A+B)</b>	<b>5,205.54</b>	<b>638.71</b>	<b>5,844.25</b>	<b>5,182.54</b>	<b>600.76</b>	<b>5,783.30</b>	<b>5,030.38</b>	<b>554.63</b>	<b>5,585.01</b>	<b>5,305.24</b>	<b>503.64</b>	<b>5,808.88</b>	<b>5,004.59</b>	<b>450.91</b>	<b>5,455.50</b>

Note 1: Loan currencies converted to INR adopting the exchange rate as on 28th March 2014 and subject to change. INR converted to US\$ adopting 60.2025 (RBI reference rate for Government Foreign Transaction)

Note 2: The Projections are based on debt outstanding as at end 31st March 2014 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.

## Creditor-wise External Debt service Payments on Government Account

(US\$ million)

		2009-10			2010-11			2011-12			2012-13PR			2013-14QE		
Sl. No.	Component	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
<b>I. External Debt on Govt. Account under External Assistance (A+B)</b>		<b>2,471</b>	<b>802</b>	<b>3,273</b>	<b>2,634</b>	<b>706</b>	<b>3,340</b>	<b>2,667</b>	<b>687</b>	<b>3,354</b>	<b>2,975</b>	<b>743</b>	<b>3,718</b>	<b>3,011</b>	<b>644</b>	<b>3,655</b>
<b>A. Multilateral (1 to 6)</b>		<b>1,386</b>	<b>432</b>	<b>1818</b>	<b>1,528</b>	<b>317</b>	<b>1,845</b>	<b>1,545</b>	<b>314</b>	<b>1,859</b>	<b>1,789</b>	<b>372</b>	<b>2,161</b>	<b>1,944</b>	<b>328</b>	<b>2,272</b>
1	ADB	135	100	235	182	53	235	213	46	259	284	80	364	338	59	397
2	EEC	2	0	2	1	0	1	1	0	1	2	0	2	2	0	2
3	IBRD	388	126	514	474	70	544	469	69	538	553	93	646	611	65	676
4	IDA	849	203	1052	858	191	1,049	849	196	1,045	937	196	1,133	979	201	1,180
5	IFAD	11	3	14	11	3	14	11	3	14	11	3	14	11	3	14
6	OPEC	1	0	1	2	0	2	2	0	2	2	0	2	3	0	3
<b>B. Bilateral (7 to 12)</b>		<b>1,085</b>	<b>370</b>	<b>1455</b>	<b>1,106</b>	<b>389</b>	<b>1,495</b>	<b>1,122</b>	<b>373</b>	<b>1,495</b>	<b>1,186</b>	<b>371</b>	<b>1,557</b>	<b>1,067</b>	<b>316</b>	<b>1,383</b>
7	Germany	106	24	130	93	28	121	114	30	144	166	35	201	192	34	226
8	France	56	11	67	47	9	56	44	8	52	42	6	48	38	7	45
9	Japan	699	262	961	733	280	1,013	737	271	1,008	760	273	1,033	644	227	871
10	Russian Federation	162	60	222	184	61	245	193	55	248	189	48	237	163	40	203
11	Switzerland	1	0	1	1	0	1	1	0	1	1	0	1	1	0	1
12	USA	61	13	74	48	11	59	33	9	42	28	9	37	29	8	37

PR: Partially Revised; QE: Quick Estimates.

External Commercial Borrowings<sup>a</sup>

(US\$ million)

Year	Approvals <sup>b</sup>	Gross Disbursements <sup>c</sup>	Amortisation <sup>c</sup>	Interest <sup>c</sup>	Total Debt Service <sup>c</sup>	Debt Outstanding <sup>c</sup>
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 PR	31,670	28,563	16,355	4,990	21,345	1,38,694
2013-14 QE	33,218	29,198	18,386	4,663	23,049	1,47,932

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.