

**Government of India
Ministry of Finance
Department of Economic Affairs
(External Debt Management Unit)**

Press Release

Subject: India's External Debt: A Status Report 2014-15

The Department of Economic Affairs, Ministry of Finance is bringing out the twenty first issue of the annual publication 'India's External Debt: A Status Report 2014-15'. The Report presents a detailed analysis of India's external debt position at end-March 2015, based on the data released by the Reserve Bank of India on June 30, 2015. Apart from analysing trend, composition and debt service of India's external debt, the Report provides a comparative picture of India's external debt vis-a-vis other developing countries.

The salient features of the Report are:

India's external debt stock stood at US\$ 475.8 billion at end-March 2015, increasing by US\$ 29.5 billion (6.6 per cent) over the level at end-March 2014. The rise in external debt was due to the rise in long-term debt particularly commercial borrowings and NRI deposits.

At end-March 2015, long-term external debt was US\$ 391.1 billion, showing an increase of 10.3 per cent over the level at end-March 2014. At this level, long-term external debt accounted for 82.2 per cent of total external debt at end-March 2015 vis-à-vis 79.5 per cent at end-March 2014.

Short-term external debt stood at US\$ 84.7 billion at end-March 2015, showing a decline of 7.6 per cent over US\$ 91.7 billion at the end-March 2014. This owed mainly to the decline in FII investment in Government Treasury bills. Thus, the share of short-term external debt in total external debt declined from 20.5 per cent at end-March 2014 to 17.8 per cent at end-March 2015.

Government (sovereign) external debt stood at US\$ 89.7 billion at end-March 2015 vis-a-vis US\$ 83.7 billion at end-March 2014. The share of Government external debt in total external debt was 18.9 per cent at end-March 2015 vis-à-vis 18.8 per cent at end-March 2014.

India's external debt has remained within manageable limits as indicated by the external debt-GDP ratio of 23.8 per cent during 2014-15. External debt of the country continues to be dominated by the long-term borrowings. India's external debt position in recent years is given below:

Table: 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 Debt to Total Debt
1	2	3	4	5	6	7	8
2012-13	409.5	22.3	5.9	71.3	11.1	33.1	23.6
2013-14 PR	446.3	23.6	5.9	68.2	10.4	30.1	20.5
2014-15 QE	475.8	23.8	7.5	71.8	8.8	24.8	17.8
PR: Partially Revised; QE: Quick Estimates.							

A cross country comparison based on "International Debt Statistics 2015" of the World Bank which presents the debt data for 2013, shows that India continues to be among the less vulnerable countries with its external debt indicators comparing well with other indebted developing countries. India's key debt indicators, especially debt to GNI and debt service ratios continue to be comfortable.

The complete 'India's External Debt: A Status Report 2014-15' is available at the website of the Ministry of Finance – www.finmin.nic.in.