

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

**Press Release**

**Subject: India's External Debt: A Status Report 2013-14**

The Department of Economic Affairs, Ministry of Finance is bringing out the twentieth issue of the annual publication 'India's External Debt: A Status Report 2013-14'. The Report presents a detailed analysis of India's external debt position at end-March 2014, based on the data released by the Reserve Bank of India on June 30, 2014. 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\$ 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 rise in external debt was due to long-term debt particularly NRI deposits. The surge 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.

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.

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.

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. The share of Government external debt in total external debt was lower at 18.5 per cent at end-March 2014 as compared to 19.9 per cent at end-March 2013.

India's external debt has remained within manageable limits as indicated by the external debt-GDP ratio of 23.3 per cent and debt service ratio of 5.9 per cent during 2013-14. 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:

<b>Table 1.1: India's Key External Debt Indicators</b>							
<b>At end March</b>	<b>External Debt (US\$ billion)</b>	<b>External Debt to GDP</b>	<b>Debt Service Ratio</b>	<b>Foreign Exchange Reserves to Total Debt</b>	<b>Concessional Debt to Total Debt</b>	<b>Short-Term to Foreign Exchange Reserves</b>	(Per cent)
							<b>Short-Term to Total Debt</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
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 cross country comparison based on "International Debt Statistics 2014" of the World Bank which presents the debt data for 2012, 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 2013-14' is available at the website of the Ministry of Finance – [www.finmin.nic.in](http://www.finmin.nic.in).