

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5864
ANSWERED ON:31.08.2001
EXTERNAL AID RECEIPTS AND DEBT REPAYMENTS
A.K. PREMAJAM

Will the Minister of FINANCE be pleased to state:

(a) whether the external aid receipts and debt service repayments from April to January in the fiscal Year 2000-01 resulted in a net outflow of Rs.3647 crore whereas, there was an outflow of only Rs. 2365 crore in the corresponding period during the last fiscal year 1999-2000;

(b) if so, the reasons for heavy increase of outflow; and

(c) the steps being taken by the Government to curb it?

Answer

Minister of State in the Ministry of Finance (Shri Balasaheb Vikhe Patil)

a) Yes, Sir. As indicated in the Table below, the figures reflect the net external assistance position, taking into account the gross disbursements and debt service payments, both on Government and Non-Government accounts:

Net External Assistance (Rs. crore)

April-Jan. April-Jan
1999-2000 2000-01

1. Gross Disbursements	10,312	10,419
2. Debt Service Payments	12,677	14,066
a) Amortization	8,096	9,502
b) Interest Payments	4,581	4,564
3. Net External Assistance (1-2)	-2,365	-3,647

b) The main reasons for the increased outflow up to end January 2001, as compared to January 2000, were prepayment of 8 high cost IBRD loans involving additional outflow of Rs.580 crores and slower pace of disbursements in respect of non-Government projects.

c) All externally aided projects are monitored closely so as to maximize disbursements.