

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1303

ANSWERED ON:30.11.2012

EXTERNAL DEBT

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Will the Minister of FINANCE be pleased to state:

- (a) the external debt of the country during the last three years, year-wise and extent of manageability of the same;
- (b) the details of external lenders from whom the Central Government has borrowed money during the last three years, country/institution-wise and year-wise;
- (c) the reasons for disproportionate increase in the external debt; and
- (d) efforts made / being made by the Government to bring it down to a minimum level?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) Details of India's external debt over the last three years are given below:

India's External Debt Stock (US\$ million)
at end-March
Year 2010 2011 PR 2012 PR
External Debt 260,935 305,931 345,661
PR: Partially Revised

The external debt remains at manageable level as indicated by the Debt-GDP ratio of 20.0 per cent at end-March 2012 and the debt service ratio of 6.0 per cent of current receipts for 2011-12.

(b) Lender-wise details of India's sovereign external debt on Government Account over the last three years are given below:

India's Sovereign External Debt (US\$ million)
Sl. No. Institution/Country at end-March
2010 2011PR 2012PR
A. Multilateral (1 to 5) 37,825 42,579 43,686
1. IDA 25,380 26,637 26,853
2. IBRD 6,397 8,774 8,897
3. ADB 5,717 6,813 7,568
4. IFAD 288 313 326
5. Others 43 42 42
B. Bilateral (6 to 11) 17,410 19,715 19,688
6. Japan 12,444 14,744 14,995
7. Germany 2,458 2,662 2,702
8. United States 380 333 298
9. France 421 392 325
10. Russian Federation 1,702 1,579 1,365
11. Others 5 5 3
C. External Debt on Government Account 55,235 62,294 63,374
under External Assistance (A+B)

(c) At the end-March 2012, India's external debt stock stood at US\$ 345,661 million, increasing by US\$ 39,730 million (13.0 per cent) over the end-March 2011 level of US\$ 305,931 million. The rise was attributed mainly to increase in commercial borrowings, short-term debt, and non-resident Indian deposits.

(d) The external debt management policy followed by the Government of India emphasizes monitoring of long and short term debt, raising sovereign loans on concessional terms with long maturities, regulating external commercial borrowings through end-use and all-in-cost restrictions and rationalizing interest rates on Non-Resident Indian (NRI) Deposits.