

INDIA'S EXTERNAL DEBT FOR QUARTER END-JUNE 2002*

Introduction

According to the present arrangement, India's external debt statistics are published for four reference periods in a fiscal year *viz.*, for end-June [in Reserve Bank of India (RBI) Monthly Bulletin], end-March [in RBI Annual Report], end-September [in Economic Survey, Ministry of Finance (MoF), Government of India (GoI)], and end-December [in Status Report, MoF, GoI] .

The present article, which is the third in the series, provides India's external debt position for the quarter ending June 2002¹. It may be recalled that the data for end-March 2002 were published in the Reserve Bank of India- Annual Report 2001-02.

External Debt at end-June 2002

India's external debt at US \$ 101.3 billion as on end-June 2002 increased by US \$ 3.1 billion or 3.2 per cent from US \$ 98.2 billion at end-March 2002 (*Table 1*). Detailed data on external debt for quarter ending June 2002 as also for the earlier four quarters (June 2001, September 2001, December 2001 and March 2002) are set out in *Statement 1 and 2*.

Component-wise analysis reveals that all components of external debt, except export credit, external commercial borrowings and rupee debt increased during the quarter under reference (*Chart 1*).

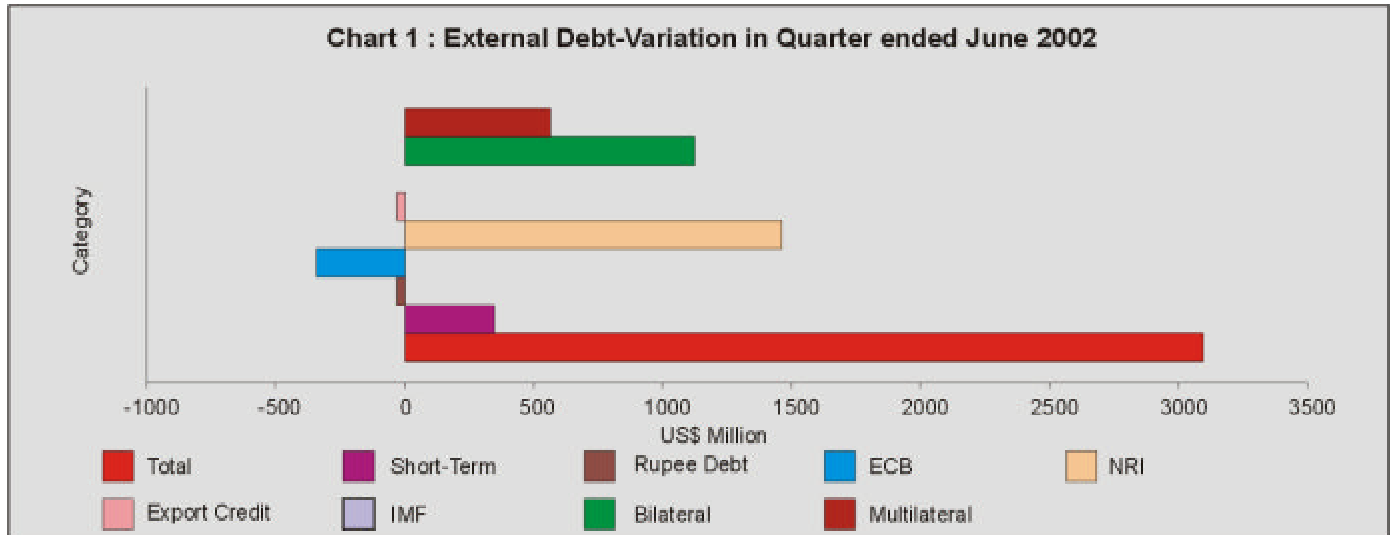
Table-1: India's External Debt

Item	At the end of				Variation during the Quarter Apr.-Jun. 2002	
	June-2002		March-2002		Absolute variation (6)	Percentage variation (7)
(1)	Amount (US \$ million) (2)	Share in total debt (per cent) (3)	Amount (US \$ million) (4)	Share in total debt (per cent) (5)		
1. Multilateral	32,288	31.9	31,724	32.3	564	1.8
2. Bilateral	16,306	16.1	15,181	15.5	1125	7.4
3. IMF	0	—	0	—	—	—
4. Export Credit	4,957	4.9	4,988	5.1	-31	-0.6
5. Commercial Borrowings #	23,081	22.8	23,422	23.9	-341	-1.5
6. NRI Deposits (long-term)	18,617	18.4	17,154	17.5	1463	8.5
7. Rupee debt	2,912	2.9	2,944	3.0	-32	-1.1
8. Long Term-Debt (1to 7)	98,161	96.9	95,413	97.2	2748	2.9
9. Short-Term Debt *	3,092	3.1	2,745	2.8	347	12.6
10. Total Debt (7+8)	101,253	100.0	98,158	100.0	3095	3.2

Includes net investment by 100 % FII debt funds.

* Excludes suppliers' credit of up to 180 days.

* Prepared in the Division of International Finance of the Department of Economic Analysis and Policy.
¹ The earlier article covering the period ending June 2001 was published in the Reserve Bank of India Bulletin, January 2002.



The share of multilateral (excepting IMF) debt in the total debt declined marginally from 32.3 per cent at end-March 2002 to 31.9 per cent at end-June 2002.

The share of bilateral debt to total debt increased marginally from 15.5 per cent at end-March-2002 to 16.1 per cent at end-June 2002.

The share of commercial borrowings to total debt declined marginally from 23.9 per cent at end-March 2002 to 22.8 per cent, at end-June 2002.

The share of rupee debt in total debt continued its downward trajectory as it fell from 3.0 per cent to 2.9 per cent over the same period.

As a sequel to the decision to discontinue the NR(NR)RD scheme with effect from April 1, 2002 and credit the maturity proceeds of NR(NR)RD deposits to the account holder's NRE account, there was an increase in the proportion of debt under long-term non-resident deposits, from 17.5 per cent at end-March 2002 to 18.4 per cent at end-June 2002.

Share of export credits to total debt declined from 5.1 per cent at end-March 2002 to 4.9 per cent at end-June 2002.

Short-term debt increased from US \$ 2.8 billion at end-March 2002 to US \$ 3.1 billion at end-June 2002 mainly on account of an increase in short-term NRI deposits (*Chart 2*).

The consolidation of external debt was carried further during the quarter as indicated by key indicators of debt sustainability. The concessional debt as a proportion to total debt continued to be significant with a marginal increase to 36.8 per cent at end-June 2002 from 35.8 per cent at end-March 2002. The size of short-term debt remained modest both in regard to total debt and reserves. While the proportion of short-term to total debt increased to 3.1 per cent at end-June 2002 as against 2.8 per cent at end-March 2002 the ratio of short-term debt to foreign exchange reserves increased slightly from 5.1 per cent at end-March 2002 to 5.3 per cent at end-June 2002. (*Statement 1, Chart 3*).

Chart 2 : Composition of External Debt-end June 2002

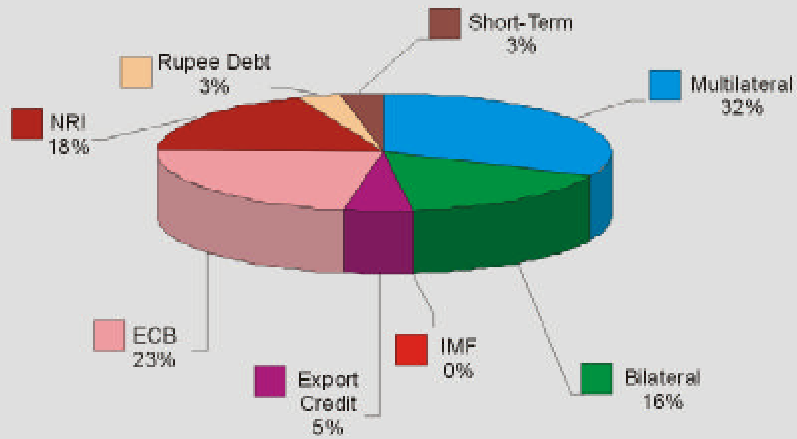
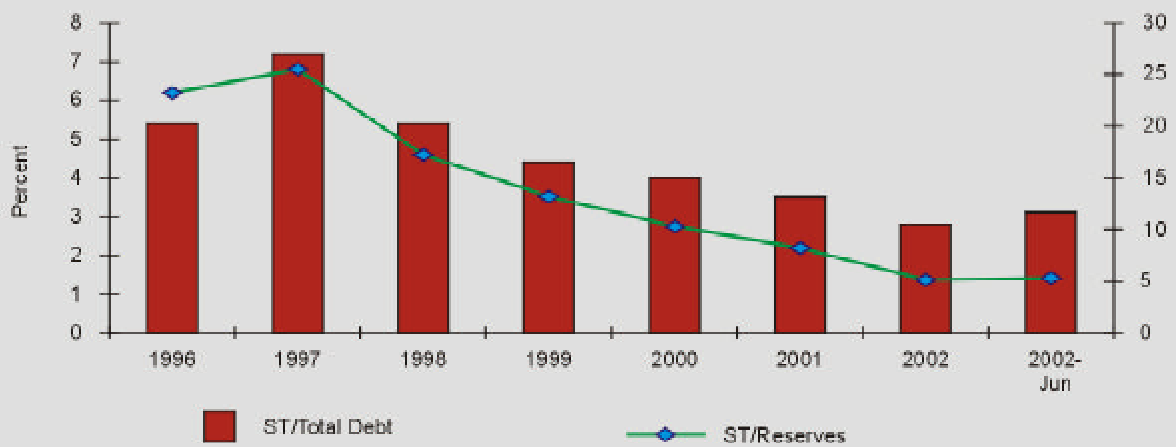


Chart 3 : External Debt Indicators



**Statement 1: India's External Debt Outstanding (Contd.)
(Quarterly Position)**

(Rs. crores)

Item	End Period				
	Jun-01	Sep-01	Dec-01	Mar-02	June-02
1	2	3	4	5	6
I. MULTILATERAL	145982	151131	150418	154812	157808
A. Government borrowing	128583	133595	132973	137045	142764
i) Concessional	89345	93583	93204	95228	101333
a) IDA	88083	92236	91884	93901	99935
b) Others	1262	1347	1320	1327	1398
ii) Non-concessional	39238	40012	39769	41817	41431
a) IBRD	26387	26921	26772	28011	27937
b) Others	12851	13091	12997	13806	13494
B. Non-Government borrowing	17399	17536	17445	17767	15044
i) Concessional	0	0	0	0	0
ii) Non-concessional	17399	17536	17445	17767	15044
a) Public sector	12413	12590	12449	12751	10166
IBRD	7048	7036	6984	7320	5704
Others	5365	5554	5465	5431	4462
b) Financial institutions	3534	3564	3638	3679	3734
IBRD	998	1020	995	1044	1046
Others	2536	2544	2643	2635	2688
c) Private sector	1452	1382	1358	1337	1144
IBRD	1155	1119	1124	1127	929
Others	297	263	234	210	215
II. BILATERAL	74416	79325	73899	74084	79698
A. Government borrowing	56461	60659	56177	56271	60361
i) Concessional	55606	59792	55304	55388	59789
ii) Non-concessional	855	867	873	883	572
B. Non-Government borrowing	17955	18666	17722	17813	19337
i) Concessional	6126	6708	6242	6364	6896
a) Public sector	3460	3826	3625	3758	4003
b) Financial institutions	2666	2882	2617	2606	2893
c) Private sector	0	0	0	0	0
ii) Non-concessional	11829	11958	11480	11449	12441
a) Public sector	3510	3566	3416	3299	3863
b) Financial institutions	3564	3680	3549	3738	4008
c) Private sector	4755	4712	4515	4412	4570
III. INTERNATIONAL MONETARY FUND	0	0	0	0	0
IV. EXPORT CREDIT	26028	26700	25412	24342	24227
a) Buyers' credit	16029	16177	15653	14713	14017
b) Suppliers' credit	5105	5261	4887	4812	5010
c) Export credit component of bilateral credit	4835	5199	4809	4817	5200
d) Export credit for defence purchases	59	63	63	0	0

Statement 1: India's External Debt Outstanding (Concl..)
(Quarterly Position)

(Rs. crores)

Item	End Period				
	Jun-01	Sep-01	Dec-01	Mar-02	June-02
1	2	3	4	5	6
V. COMMERCIAL BORROWING	112235	113118	114965	114300	112809
a) Commercial bank loans#	45912	45999	48194	49581	48157
b) Securitized borrowings## (inclu. IDBs and FCCBs)	63688	64417	64170	62342	62247
c) Loans/securitized borrowings, etc. with multilateral/bilateral guarantee and IFC(W)	2635	2702	2601	2377	2405
d) Self Liquidating Loans	0	0	0	0	0
VI. NRI & FC(B&O) Deposits (above one-year maturity)	73989	77417	81103	83712	90991
a) NRI deposits@	73989@	77417@	81103@	83712@	90991
b) FC(B&O) deposits	0	0	0	0	0
VII. Rupee Debt *	15283	15547	15371	14366	14233
a) Defence	13550	13815	13640	12756	12654
b) Civilian	1733	1732	1731	1610	1579
VIII. TOTAL LONG-TERM DEBT (I to VII)	447933	463238	461168	465616	479766
IX. SHORT-TERM DEBT	14775	14797	13250	13396	15111
a) NRI deposits@@ (up to 1 year maturity)	3806	4144	4413	4724	6070
b) FC(B&O)D (up to 1 year maturity)	0	0	0	0	0
c) Others (trade related) ** of which short-term debt of 6 months	10969	10653	8837	8672	9041
X. GROSS TOTAL(VIII+IX)	462708	478035	474418	479012	494877
Memo Items					
Concessional Debt***	166360	175630	170121	171346	182251
As % of Total Debt	36.0	36.7	35.9	35.8	36.8
Short Term Debt	14775	14797	13250	13396	15111
As % of Total Debt	3.2	3.1	2.8	2.8	3.1

IFC(W) : International Finance Corporation(Washington)

FC(B&O) Deposits:Foreign Currency(Banks & Others)Deposits

: Includes financial lease since 1996.

: Includes Resurgent India Bonds (RIBs), India Millenium Deposits (IMDs).

Also includes Foreign Currency Convertible Bonds (FCCBs) and net investment by 100% FII debt funds.

FCCB debt has been adjusted since End-March,1998 after netting out conversion into equity and redemptions.

@ The estimated NRI deposits do not include Non-Resident Non-Repatriable Deposits(NRNRD) which is not repatriable and which has been discontinued w.e.f. April 1, 2002.

@@ Figures include accrued interest.

However,interest service for NRNRD,which is repatriable,is included as part of debt service payment.

* Rupee denominated debt owed to Russia and payable through exports.

** This does not include suppliers' credit of up to 180 days since end-March 1984

*** The definition of concessional debt here includes concessional categories under multilateral and bilateral debt and rupee debt under item VII.

Note : Data for quarter ended June 2001, September 2001, December 2001 and March 2002 are revised.

**Statement 2: India's External Debt Outstanding (Contd.)
(Quarterly Position)**

(US \$ Million)

Item	End Period				
	Jun-01	Sep-01	Dec-01	Mar-02	June-02
1	2	3	4	5	6
I. MULTILATERAL	31034	31545	31233	31724	32288
A. Government borrowing	27335	27885	27611	28083	29210
i) Concessional	18994	19533	19353	19514	20733
a) IDA	18725	19252	19079	19242	20447
b) Others	269	281	274	272	286
ii) Non-concessional	8341	8352	8258	8569	8477
a) IBRD	5609	5619	5559	5740	5716
b) Others	2732	2733	2699	2829	2761
B. Non-Government borrowing	3699	3660	3622	3641	3078
i) Concessional	0	0	0	0	0
ii) Non-concessional	3699	3660	3622	3641	3078
a) Public sector	2639	2628	2585	2613	2080
IBRD	1498	1469	1450	1500	1167
Others	1141	1159	1135	1113	913
b) Financial institutions	751	744	755	754	764
IBRD	212	213	206	214	214
Others	539	531	549	540	550
c) Private sector	309	288	282	274	234
IBRD	246	233	234	231	190
Others	63	55	48	43	44
II. BILATERAL	15820	16560	15338	15181	16306
A. Government borrowing	12003	12661	11665	11531	12350
i) Concessional	11821	12480	11484	11350	12233
ii) Non-concessional	182	181	181	181	117
B. Non-Government borrowing	3817	3899	3673	3650	3956
i) Concessional	1302	1400	1296	1304	1411
a) Public sector	735	798	753	770	819
b) Financial institutions	567	602	543	534	592
c) Private sector	0	0	0	0	0
ii) Non-concessional	2515	2499	2377	2346	2545
a) Public sector	746	745	707	676	790
b) Financial institutions	758	769	735	766	820
c) Private sector	1011	985	935	904	935
III. INTERNATIONAL MONETARY FUND	0	0	0	0	0
IV. EXPORT CREDIT	5533	5579	5263	4988	4957
a) Buyers' credit	3407	3381	3240	3015	2868
b) Suppliers' credit	1085	1100	1011	986	1025
c) Export credit component of bilateral credit	1028	1085	999	987	1064
d) Export credit for defence purchases	13	13	13	0	0

Statement 2: India's External Debt Outstanding (Concl..)
(Quarterly Position)

(US \$ Million)

Item	End Period				
	Jun-01	Sep-01	Dec-01	Mar-02	June-02
1	2	3	4	5	6
V. COMMERCIAL BORROWING	23859	23649	23798	23422	23081
a) Commercial bank loans#	9760	9613	9976	10160	9853
b) Securitized borrowings## (inclu. IDBs and FCCBs)	13539	13471	13283	12775	12736
c) Loans/secured borrowings, etc. with multilateral/bilateral guarantee and IFC(W)	560	565	539	487	492
d) Self Liquidating Loans	0	0	0	0	0
VI. NRI & FC(B&O) Deposits (above one-year maturity)	15729	16179	16835	17154	18617
a) NRI deposits@	15729@	16179@	16835@	17154@	18617
b) FC(B&O) deposits	0	0	0	0	0
VII. Rupee Debt *	3249	3248	3190	2944	2912
a) Defence	2880	2886	2831	2614	2589
b) Civilian	369	362	359	330	323
VIII. TOTAL LONG-TERM DEBT (I to VII)	95224	96760	95657	95413	98161
IX. SHORT-TERM DEBT	3141	3092	2750	2745	3092
a) NRI deposits@@ (up to 1 year maturity)	809	866	916	968	1242
b) FC(B&O)D (up to 1 year maturity)	0	0	0	0	0
c) Others (trade related) ** of which short-term debt of 6 months	2332	2226	1834	1777	1850
X. GROSS TOTAL(VIII+IX)	98365	99852	98407	98158	101253
Memo Items					
Concessional Debt***	35366	36661	35323	35112	37289
As % of Total Debt	36.0	36.7	35.9	35.8	36.8
Short Term Debt	3141	3092	2750	2745	3092
As % of Total Debt	3.2	3.1	2.8	2.8	3.1

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