



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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June 25, 2024

India's International Investment Position (IIP), March 2024

Today, the Reserve Bank released data relating to [India's International Investment Position](#) for [end-March 2024](#)^[1].

Key Features

IIP during January-March 2024:

- Net claims of non-residents on India declined by US\$ 6.4 billion during Q4:2023-24 to US\$ 361.7 billion as at end-March 2024.
- Indian residents' overseas financial assets recorded higher rise (US\$ 38.1 billion) as compared to that in the foreign-owned assets in India (US\$ 31.7 billion), which led to the decline in net claims of non-residents during the quarter ([Table 1](#)).
- The rise in India's foreign liabilities was attributed to higher inward direct investments, portfolio investments, loans as well as currency and deposits taken by resident entities even as trade credits recorded a marginal decline.
- Increase in the reserve assets (US\$ 23.9 billion) was the dominant component of the rise in Indian residents' overseas financial assets during January-March 2024, followed by currency and deposits, and overseas direct investments.
- On an outstanding basis, reserve assets accounted for 62.9 per cent of India's international financial assets in March 2024 ([Table 3](#)).
- The ratio of India's international assets to international liabilities improved to 74.0 per cent in March 2024 from 72.9 per cent a quarter ago.
- The share of debt liabilities in total external liabilities increased marginally during the quarter and stood at 51.1 per cent in March 2024 ([Table 4](#)).

IIP during April-March 2023-24:

- During 2023-24, the net claims of non-residents declined by US\$ 5.5 billion on the back of higher rise in India's external financial assets (US \$ 109.8 billion) vis-à-vis external financial liabilities (US \$ 104.3 billion) ([Table 1](#)).

[1] India's quarterly IIP is disseminated with a lag of one quarter and the previous quarterly IIP for end-December 2023 was released in the RBI website on [March 28, 2024](#).

- Reserve assets accounted for 62 per cent of the increase in total overseas financial assets of residents: currency and deposits, and overseas direct investments were other major components.
- Inward portfolio and direct investments as well as loans accounted for over three-fourths of the rise in foreign liabilities during the year.
- Variation in the exchange rate of rupee *vis-a-vis* other currencies impacted the change in liabilities, when valued in US dollar terms.
- The ratio of India's international financial assets to international financial liabilities increased to 74.0 per cent in March 2024 from 71.4 per cent a year ago.

Ratio of International Financial Assets and Liabilities to Gross Domestic Product (GDP):

- As a ratio to GDP (at current market prices), India's reserve assets and residents' overseas financial assets as well as liabilities increased during 2023-24 ([Table 2](#)).
- The ratio of net claims of non-residents on India to GDP improved to (-)10.3 per cent in March 2024 from (-)11.3 per cent a year ago, and (-)11.6 per cent two years ago.

Press Release: 2024-2025/560

(Puneet Pancholy)
Chief General Manager

Table 1: Overall International Investment Position of India

(US\$ billion)

Period	Mar-23 (PR)	Jun-23 (PR)	Sep-23 (PR)	Dec-23 (PR)	Mar-24 (P)
Net IIP (A-B)	-367.2	-378.9	-382.0	-368.1	-361.7
A. Assets	918.5	942.6	946.1	990.2	1,028.3
1. Direct Investment	225.6	228.2	232.1	236.5	242.2
1.1 Equity and investment fund shares	142.1	143.9	146.2	149.4	153.3
1.2 Debt instruments	83.5	84.3	85.9	87.1	88.9
2. Portfolio Investment	13.1	13.5	11.0	10.6	10.3
2.1 Equity and investment fund shares	7.4	11.5	7.9	8.4	8.5
2.2 Debt securities	5.7	2.0	3.1	2.2	1.8
3. Other Investment	101.4	105.8	115.3	120.6	129.4
3.1 Trade Credits	27.5	29.7	30.9	31.7	33.5
3.2 Loans	9.3	13.0	8.3	14.8	13.6
3.3 Currency and Deposits	33.0	33.1	45.8	44.5	52.8
3.4 Other Assets	31.6	30.0	30.3	29.6	29.5
4. Reserve Assets	578.4	595.1	587.7	622.5	646.4
B. Liabilities	1,285.7	1,321.5	1,328.1	1,358.3	1,390.0
1. Direct Investment	523.3	532.3	528.5	536.8	542.5
1.1 Equity and investment fund shares	493.9	501.4	497.6	505.6	511.1
1.2 Debt instruments	29.4	30.9	30.9	31.2	31.4
2. Portfolio Investment	243.6	258.6	259.4	269.2	283.8
2.1 Equity and investment fund shares	139.0	152.9	154.6	161.2	168.7
2.2 Debt securities	104.6	105.7	104.8	108.0	115.1
3. Other Investment	518.8	530.6	540.2	552.3	563.7
3.1 Trade Credits	124.3	119.3	124.7	120.4	118.6
3.2 Loans	202.3	207.1	208.9	215.0	222.0
3.3 Currency and Deposits	141.1	144.1	146.2	149.3	154.8
3.4 Other Assets	51.1	60.1	60.4	67.6	68.3
<i>of which:</i>					
Special drawing rights (Net incurrence of liabilities)	22.3	22.0	21.8	22.2	21.9
Memo Item: Assets to Liability ratio (%)	71.4	71.3	71.2	72.9	74.0

Notes (applicable for all tables):

1. P: Provisional; PR: Partially Revised; and R: Revised.
2. The sum of the constituent items may not add to the total due to rounding off.

Table 2: Ratios of External Financial Assets and Liabilities to GDP

	(per cent)		
Period	Mar-22 (R)	Mar-23 (PR)	Mar-24 (PR)
Net IIP (A-B)	-11.6	-11.3	-10.3
A. Assets	30.0	27.9	29.0
1. Direct Investment	6.8	6.9	6.8
1.1 Equity and investment fund shares	4.3	4.3	4.3
1.2 Debt instruments	2.5	2.6	2.5
2. Portfolio Investment	0.6	0.4	0.3
2.1 Equity and investment fund shares	0.3	0.2	0.2
2.2 Debt securities	0.3	0.2	0.1
3. Other Investment	3.1	3.0	3.6
3.1 Trade Credits	0.6	0.8	0.9
3.2 Loans	0.3	0.3	0.4
3.3 Currency and Deposits	1.5	1.0	1.5
3.4 Other Assets	0.7	0.9	0.8
4. Reserve Assets	19.5	17.6	18.3
B. Liabilities	41.6	39.2	39.3
1. Direct Investment	16.8	16.0	15.3
1.1 Equity and investment fund shares	15.9	15.1	14.4
1.2 Debt instruments	0.9	0.9	0.9
2. Portfolio Investment	8.6	7.4	8.0
2.1 Equity and investment fund shares	5.0	4.2	4.8
2.2 Debt securities	3.6	3.2	3.2
3. Other Investment	16.2	15.8	16.0
3.1 Trade Credits	3.8	3.8	3.4
3.2 Loans	6.3	6.2	6.3
3.3 Currency and Deposits	4.6	4.3	4.4
3.4 Other Assets	1.5	1.5	1.9
<i>of which:</i> Special drawing rights (Net incurrence of liabilities)	0.7	0.7	0.6

Table 3: Composition of International Financial Assets and Liabilities of India

(per cent)

Period	Mar-23 (PR)	Jun-23 (PR)	Sep-23 (PR)	Dec-23 (PR)	Mar-24 (P)
A. Assets					
1. Direct Investment	24.6	24.2	24.5	23.9	23.6
2. Portfolio Investment	1.4	1.4	1.2	1.1	1.0
3. Other Investment	11.0	11.3	12.2	12.1	12.5
4. Reserve Assets	63.0	63.1	62.1	62.9	62.9
Total	100.0	100.0	100.0	100.0	100.0
B. Liabilities					
1. Direct Investment	40.7	40.3	39.8	39.5	39.0
2. Portfolio Investment	18.9	19.6	19.5	19.8	20.4
3. Other Investment	40.4	40.1	40.7	40.7	40.6
Total	100.0	100.0	100.0	100.0	100.0

Table 4: Share of External Debt and Non-Debt Liabilities of India

(per cent)

Period	Mar-23 (PR)	Jun-23 (PR)	Sep-23 (PR)	Dec-23 (PR)	Mar-24 (P)
Non-Debt Liabilities	49.2	49.5	49.1	49.1	48.9
Debt Liabilities	50.8	50.5	50.9	50.9	51.1
Total	100.0	100.0	100.0	100.0	100.0