

## **India's external debt was placed at US\$ 663.8 billion at end-March 2024, an increase of US\$ 39.7 billion over its level at end-March 2023**

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### **Major highlights**

- The external debt to GDP ratio declined to 18.7 per cent at end-March 2024 from 19.0 per cent at end-March 2023.
- Valuation effect due to the appreciation of the US dollar vis-à-vis the Indian rupee and other major currencies such as yen, the euro and SDR2 amounted to US\$ 8.7 billion.
- Excluding the valuation effect, external debt would have increased by US\$ 48.4 billion instead of US\$ 39.7 billion at end-March 2024 over end-March 2023.
- At end-March 2024, long-term debt (with original maturity of above one year) was placed at US\$ 541.2 billion, recording an increase of US\$ 45.6 billion over its level at end-March 2023.
- The share of short-term debt (with original maturity of up to one year) in total external debt declined to 18.5 per cent at end-March 2024 from 20.6 per cent at end-March 2023. Similarly, the ratio of short-term debt (original maturity) to foreign exchange reserves declined to 19.0 per cent at end-March 2024 (22.2 per cent at end-March 2023).
- Short-term debt on residual maturity basis (i.e., debt obligations that include long term debt by original maturity falling due over the next twelve months and short term debt by original maturity) constituted 42.9 per cent of total external debt at end-March 2024 (44.0 per cent at end-March 2023) and stood at 44.1 per cent of foreign exchange reserves (47.4 per cent at end-March 2023) .
- US dollar-denominated debt remained the largest component of India's external debt, with a share of 53.8 percent at end-March 2024, followed by debt denominated in the Indian rupee (31.5 per cent), yen (5.8 per cent), SDR (5.4 per cent), and euro (2.8 per cent).
- Outstanding debt of both government and non-government sectors increased at end-

March 2024 over the level a year ago.

- The share of outstanding debt of non-financial corporations in total external debt was the highest at 37.4 per cent, followed by deposit-taking corporations (except the central bank) (28.1 per cent), general government (22.4 per cent) and other financial corporations (7.3 per cent).
- Loans remained the largest component of external debt, with a share of 33.4 per cent, followed by currency and deposits (23.3 per cent), trade credit and advances (17.9 per cent) and debt securities (17.3 per cent).
- Debt service (i.e., principal repayments and interest payments) increased to 6.7 per cent of current receipts at end-March 2024 from 5.3 per cent at end-March 2023, reflecting higher debt service.

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