

## External Debt

53. India's stock of external debt at end-September 1998 stood at U.S.\$ 95.2 billion as against U.S.\$ 93.9 billion at end-March 1998 and U.S.\$ 93.5 billion at end-March 1997 (Table 6.14). All the major indicators of external indebtedness have improved over time. The debt service payments, as ratio of current receipts, continued to improve over the years declining steadily from 30.2 per cent in 1991-92 to 19.5 per cent in 1997-98. The ratio of external debt to GDP, which shows the size of external debt *vis-à-vis* national output declined from 37.7 per cent in 1991-92 to 23.8 per cent in 1997-98.

54. The share of short-term to total debt declined from 7.2 per cent at end-March 1997 to 5.4 per cent at end-March 1998 and further to 3.7 per cent at end September 1998. This was due to an absolute decline in the short-term debt during this period, the bulk of which occurred under non-resident deposits.

55. The share of concessional debt in total external debt has been high. However, since 1996, the share of debt on concessional terms has been declining gradually showing signs of structural change in the composition of external debt. The share stood at 37.7 per cent at end-September 1998.

**TABLE 6.14**  
**India's External Debt Outstanding**

(Amounts in US \$ million)

Categories	End-March					End-March	End-Sept.
	1991	1994	1995	1996	1997	1998	1998P
I. Long term debt	75257	89068	94739	88696	86744	88862	91664
II. Short-term debt	8544	3627	4269	5034	6726	5046	3531
Total External Debt :	83801	92695	99008	93730	93470	93908	95195
Short-term as % of total debt	10.2	3.9	4.3	5.4	7.2	5.4	3.7
External Debt to GDP ratio** (%)	28.0	33.1	30.0	26.3	23.8	23.8	22.9
Concessional debt as share of total debt (%)	45.9	44.3	45.3	44.7	42.2	39.3	37.7

**P Provisional.**  
\* End-September 1998 debt as ratio of GDP at current market prices for 1998-99.  
\*\* The ratios to GDP are based on new series of National Accounts Statistics with 1993-94 as base year released by the CSO on February 3, 1999. The GDP at current market prices for the years 1990-91, 1991-92 and 1992-93 have been interpolated by using average link factor of 1.0878 obtained from the overlapping data for 1993-94 to 1996-97 for which old and new series of GDP at current market prices are available.