

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1818
FOR ANSWER ON 16/12/2025

LOANS AND LINES OF CREDIT TO FOREIGN COUNTRIES

1818: Shri Abdul Wahab

Will the Minister of Finance be pleased to state:

- (a) the details of lines of credit (LOCs) extended to foreign governments through EXIM Bank or other agencies during the last five years;
- (b) the total amount sanctioned, disbursed and outstanding under these LOCs, year-wise and country-wise;
- (c) the rate of interest and repayment terms applicable to these credit lines; and
- (d) the steps taken to ensure timely repayment and minimise default risk?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) &(b) During last five years i.e. April 01, 2020 – March 31, 2025, under Indian Development and Economic Assistance Scheme (IDEAS), 38 LOCs for USD 5.84 bn were extended to 12 foreign countries. Out of the same, 16 LOCs for: USD 1.65 bn were annulled, according to the IDEAS guidelines. Total Cumulative disbursement and total Loan outstanding (as per Borrower's account) for these LOCs during the last five years is USD 1.10 bn and USD 0.61 respectively.

(c) The rate of interest and repayment terms is as per Indian Development & Economic Assistance Scheme (IDEAS) as amended from time to time.

(d) Government of India ensures timely repayments on LOCs extended to partner countries through coordinated efforts with stakeholders like host governments, lending banks, and Indian missions abroad. Robust monitoring mechanisms operate at multiple levels to track debt

servicing. Most borrowing countries maintain satisfactory repayment under LOCs. However, some face debt distress, worsened by the COVID-19 pandemic, India restructured select LOCs to alleviate burdens, participating in global initiatives like the Debt Service Suspension Initiative (DSSI) and the G20 Common Framework for post-DSSI debt treatments. These actions support economic recovery in affected nations.
