

MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

QUESTION NO. 3249

TO BE ANSWERED ON MONDAY 09, August 2021/Sravana 18, 1943 (Saka)

Commercial Borrowing

3249: SHRI VELUSAMY P., MP

Will the Minister of FINANCE be pleased to state:

- a. the total amount of external debt as on date due to commercial borrowing with break up of the amount borrowed by Indian companies;
- b. the steps taken by the Government to control or reduce the burden of increasing commercial borrowings;
- c. the total amount of external commercial borrowing by the companies under automatic route and approval rate;
- d. whether the Government is having any proposal to abolish the automatic route; and
- e. if so, the details thereof?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI. PANKAJ CHAUDHARY)

- (a) As on 31st March 2021, the total outstanding external debt on account of commercial borrowings is USD 2,13,206 million. Out of this, External Commercial Borrowings (ECB) by eligible borrowers, including eligible Indian companies, amounts to USD 1,69,616 million.
- (b) A soft limit on the stock of outstanding ECB at 6.5 % of the Gross Domestic Product (GDP) at current prices has been put in place to address macro-stability concerns. The extant framework for ECB specifies prudential norms with respect to parameters including, but not limited to, minimum maturity, cost ceiling, prohibited end-uses, eligible borrowers, recognized lenders and mandatory hedging to rationalize commercial borrowings.

(c) The total amount of outstanding External Commercial Borrowings (ECB) by eligible borrowers, including eligible Indian companies, through various routes as on 31st March 2021 is given in the Table below:

ECB Route	Outstanding ECB amount as on 31st March 2021 (USD Million)
Approval	49,362
Automatic	1,18,445.5
Other*	1,809.3
Grand Total	1,69,616.8

Source: Department of Statistics and Information Management (RBI)

*Other are the loan issued before 2004 for which information regarding route is not available with source agency

(d) & (e) No, Sir
