GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**
**UNSTARRED QUESTION NO. 2382**
TO BE ANSWERED ON 04.08.2025

## EXTERNAL DEBT

**2382. Smt. Harsimrat Kaur Badal:**
Will the Minister of FINANCE be pleased to state:
(a) the details regarding outstanding amount of external debt owed by the country at the end of FY-2024-25;
(b) whether there has been any changes in the percentage of the amount of external debt as compared to FY-2023-24;
(c) the instrument-wise profile of the country's external debt;
(d) the share of long-term and short-term debt in the current debt;
(e) the ratio of capital expenditure to fiscal deficit during the last five years, including the current year; and
(f) the percentage share of Capex (capital expenditure by the Government) and GiA Capex (Grant-in-Aid provided to the State Governments and other grantee bodies for asset creation) in the capital expenditure incurred out of the borrowed money?

## ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b): External debt of any nation is associated with increasing investment and productivity. India’s external debt outstanding as at the end of March 2025 stood at USD 736.3 billion, having increased by 10.1 per cent from the levels as of March 2024. India has managed its external debt prudently with the overarching objective of keeping the current account deficit within sustainable limits. As of end-March 2025, the ratio of foreign exchange reserves to total external debt was 90.8, and the ratio of external debt to GDP was 19.1 per cent. These debt vulnerability indicators are benign and indicate that India’s external debt remains sustainable and prudently managed.

(c): The details on the instrument-wise profile of India's external debt as at end-March 2025 are presented below:

| **Outstanding External Debt by Instruments as at end-March 2025** | |
|---|---|
| **Instrument** | **Amount (USD billion)** |
| 1. Special Drawing Rights (allocations) | 22.0 |
| 2. Currency and Deposits | 167.6 |

| | |
|---|---|
| 3. Debt Securities | 130.1 |
| 4. Loans | 250.6 |
| 5. Trade Credit and Advances | 131.2 |
| 6. Other Debt Liabilities | 0.0 |
| 7. Direct Investment: Intercompany Lending | 34.9 |
| **Total External Debt** | **736.3** |

*Sources: RBI; Ministry of Finance, GoI.*

(d): The share of long-term and short-term external debt in total external debt, as at end March 2025 is presented below:

| **Long-term and Short-term External Debt as at the end March 2025** | | |
|---|---|---|
| **Item** | **USD billion** | **As per cent of Total External Debt** |
| Long-term Debt (original maturity) [@] | 601.9 | 81.7 |
| Short-term Debt (original maturity) [#] | 134.5 | 18.3 |

*@: Debt with original maturity of above one year.*
*#: Debt with original maturity of up to one year.*
*Source: RBI; Ministry of Finance, GoI.*

(e): The ratio of capital expenditure to fiscal deficit of the Central Government, during the last five years is presented below:

| **Financial Year** | **Capital Expenditure (₹ crore)** | **Fiscal Deficit (₹ crore)** | **Capital Expenditure/Fiscal Deficit (%)** |
|---|---|---|---|
| | **(a)** | **(b)** | **(a)/(b)** |
| 2021-22 | 592874 | 1584521 | 37.4 |
| 2022-23 | 740025 | 1737755 | 42.6 |
| 2023-24 | 949195 | 1654643 | 57.4 |
| 2024-25(PA) | 1052007 | 1577270 | 66.7 |
| 2025-26 (BE) | 1121090 | 1568936 | 71.5 |

*Source: Union Budget and Controller General of Accounts*
*PA: Provisional Actuals*
*BE: Budget Estimates*
**Fiscal deficit is financed through borrowing.*

(f): Central Government incurs capital expenditure broadly through two routes, i.e. capital expenditure by the Central Government Ministries/ Departments (Capex) and Grant-in-Aid provided to the State Governments and other grantee bodies for asset creation (GiA Capex). Capex and GiA Capex both taken together is referred to as effective capital expenditure. The ratio of effective capital expenditure to fiscal deficit (which is financed through borrowings) was 84 per cent in 2024–25 (as per Provisional Actuals) and is estimated to be 98.7 per cent in 2025–26 (as per Budget Estimates).

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