

- (a) whether India currently has an external debt of Rs. 3.66 lakh crore till 31 March, 2015 of which Rs. 2.37 lakh crore is unutilised committed loans, if so, the details thereof along with the reasons therefor;
- (b) whether an earlier study by the Government had found that between 1991 and 2009 the Government had paid close to Rs. 1400 crore as commitment charge for loans not utilized. if so, the details thereof along with the sector which lags behind in achieving the pace of the expenditure committed by the Government while negotiating the loans; and
- (c) the steps taken by the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) India's total external debt stock comprises government and non-government loans. India's total external debt was Rs. 29,74,636 crore at end-March 2015. India has an external debt outstanding of Rs. 3.66 lakh crore on Government account as on March 31, 2015. The outstanding external debt on government account consists of the utilised portion of the external loans only. Out of the total undrawn balances on committed external loans of Rs. 2.37 lakh crore as on March 31, 2015, the undrawn balance of committed external loans (on Government Account) was Rs. 2.10 lakh crore. The undrawn balances on Government guaranteed external loans were Rs. 26,913 crore as on March 31, 2015.

(b) The commitment charges paid on undrawn external loan on Government account from the year 1991-92 to 2008-09 were Rs. 1455.7 crore. The major undrawn external loans were in the sectors like urban development, atomic energy, roads, power and railways.

(c) Commitment charges on the undisbursed amount of total approved loan is levied by the lenders, which begin accruing 60 days after the loan agreement is signed. The disbursement rate of a project is related to the structuring of the project. Commitment charges are required to be paid even on the part of the loan which they have committed to draw only in subsequent years. Several steps have been taken by the Government to speed up the disbursement of the projects including a readiness checklist which has been devised for ensuring adequate preparedness of projects before implementation. Strict monitoring of disbursements/ projects through meeting with stakeholders including those for slow moving projects is being undertaken periodically to minimize the outgo as commitment charges for loans.
