

# External debt rose to \$629.1 bn by Jun-end

India's external debt rose marginally to \$629.1 billion at June-end 2023, although the debt-GDP ratio declined, according to a Reserve Bank data released on Thursday. The debt rose by about \$4.7 billion from \$624.3 billion at March-end.

"The external debt to GDP ratio declined to 18.6 per cent at end-June 2023 from 18.8 per cent at end-March 2023," RBI said.

Valuation effect due to the appreciation of the US dollar vis-à-vis the major currencies such as yen and SDR amounted to \$3.1 billion. US dollar-denominated debt remained the largest component of India's external debt, with a share of 54.4 per cent at end-June 2023, followed by debt denominated in the Indian rupee (30.4 per cent), SDR (5.9 per cent), yen (5.7 per cent), and the euro (3.0 per cent). Excluding the valuation effect, external debt would have increased by \$7.8 billion instead of \$4.7 billion at end-June 2023 over end-March 2023, the central bank said.

According to the data, at end-June 2023, long-term debt (with original maturity of above one year) was placed at \$505.5 billion, recording an increase of \$9.6 billion over its level at end of the preceding quarter.

The share of short-term debt (with original maturity of up to one year) in total external debt declined to 19.6 per cent at end-June 2023 from 20.6 per cent at end-March 2023.