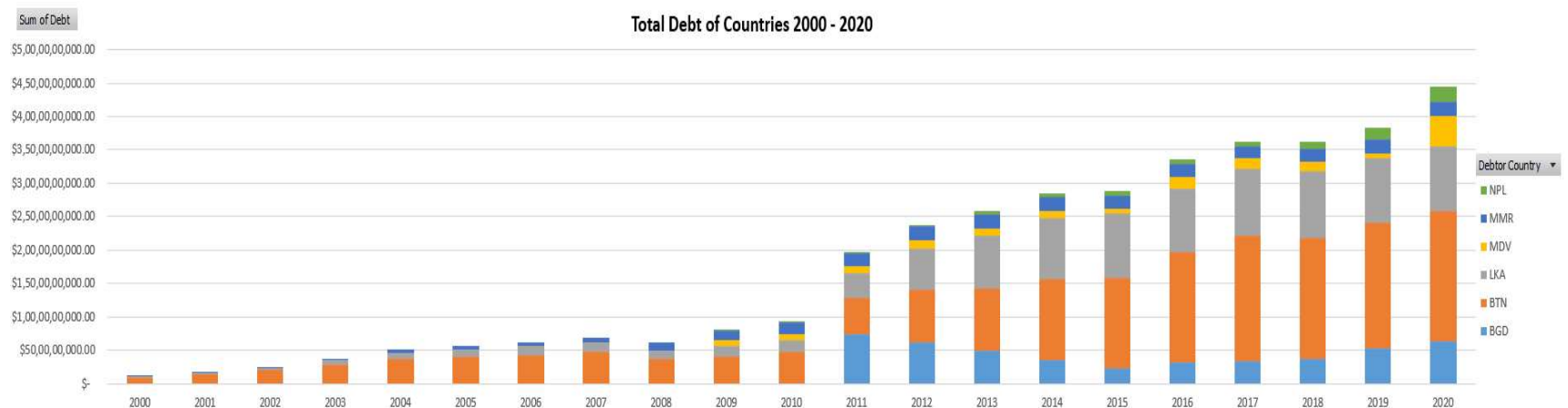




What is PPG Bilateral Debt?

- Public and publicly guaranteed debt comprises long-term external obligations of public debtors.
- It includes debt guaranteed by the national government, Public Corporations, State Owned Enterprises, Development Banks and other Mixed Enterprises, political subdivisions (or an agency of either), autonomous public bodies, and external obligations of private debtors that are guaranteed for repayment by a public entity.
- External indebtedness affects a country's creditworthiness and investor perceptions.
- Total debt service is contrasted with countries' ability to obtain foreign exchange through exports of goods, services, primary income, and workers' remittances.

India & Neighbouring Countries PPG Bilateral Lending 2000 - 2020



- Between the years 2000 – 2007, YoY growth has been minimal and steady
- 2008 shows a drop in lending due to Economic Crisis of 2008
- YoY growth has been maximum from the year 2010 onwards

India & Neighbouring Countries PPG Bilateral Lending 2000 – 2020 Total Debt By Country



- Bhutan has highest share of bilateral loans amounting to approx. 18 billion US\$
- Nepal has least share of bilateral loans amounting to approx. 1 billion US\$
- Total bilateral lending by India amounts to approx. 45 billion US\$

India & Neighbouring Countries PPG Bilateral Lending 2000 – 2020

Average Debt By Country over 20 years



- Bhutan has highest share of bilateral loans amounting to approx. 3.5 billion US\$ each year
- Nepal has least share of bilateral loans amounting to approx. 250 million US\$ each year
- Average bilateral lending by India amounts to approx. 13 billion US\$ over 20 years

India – Bangladesh PPG Bilateral Lending 2000 - 2020



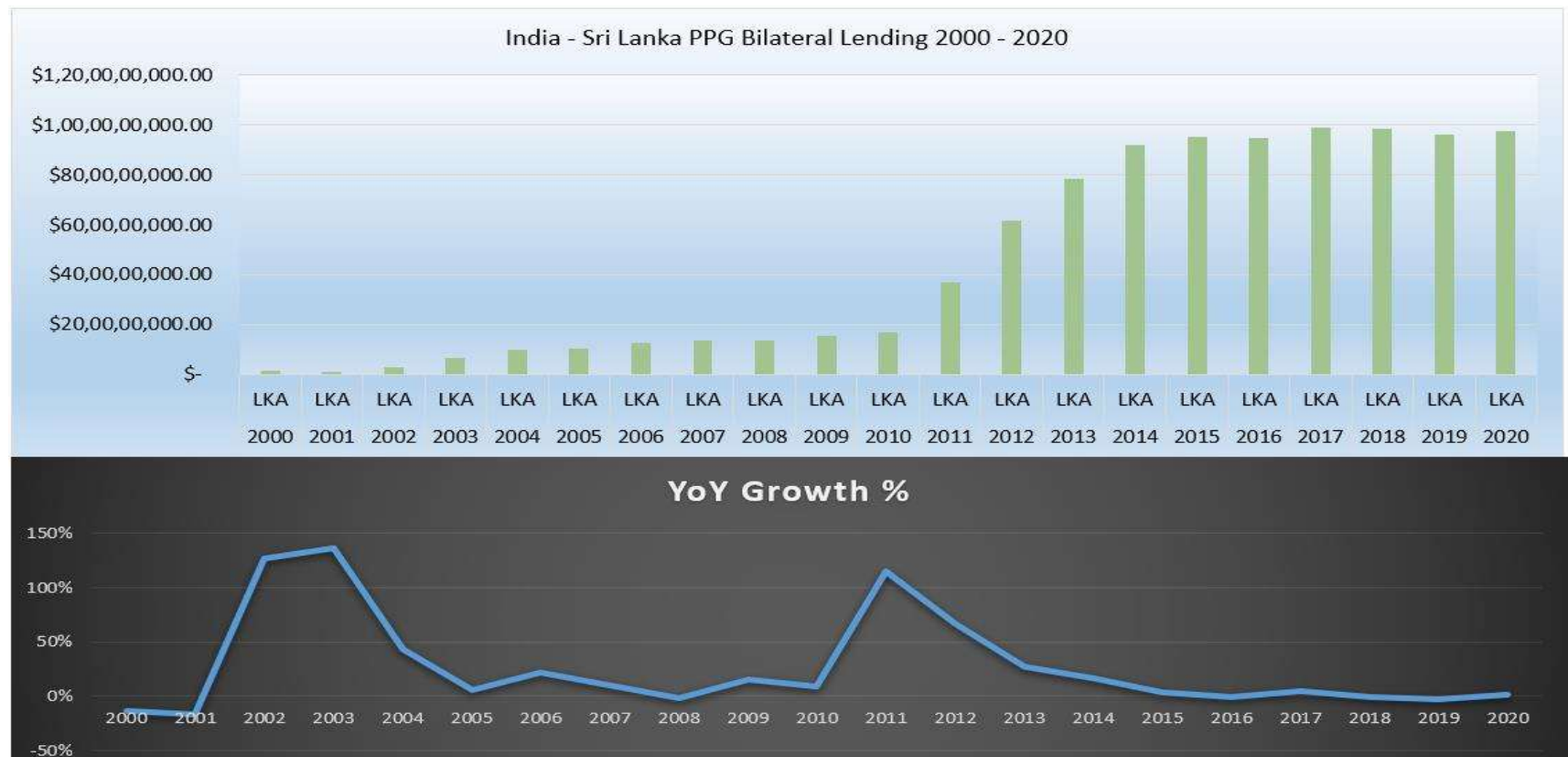
- Total debt of Bangladesh amounts to approx. 6 billion US\$
- Bilateral lending has dramatically increased after 2010, slowing again till 2015

India – Bhutan PPG Bilateral Lending 2000 - 2020



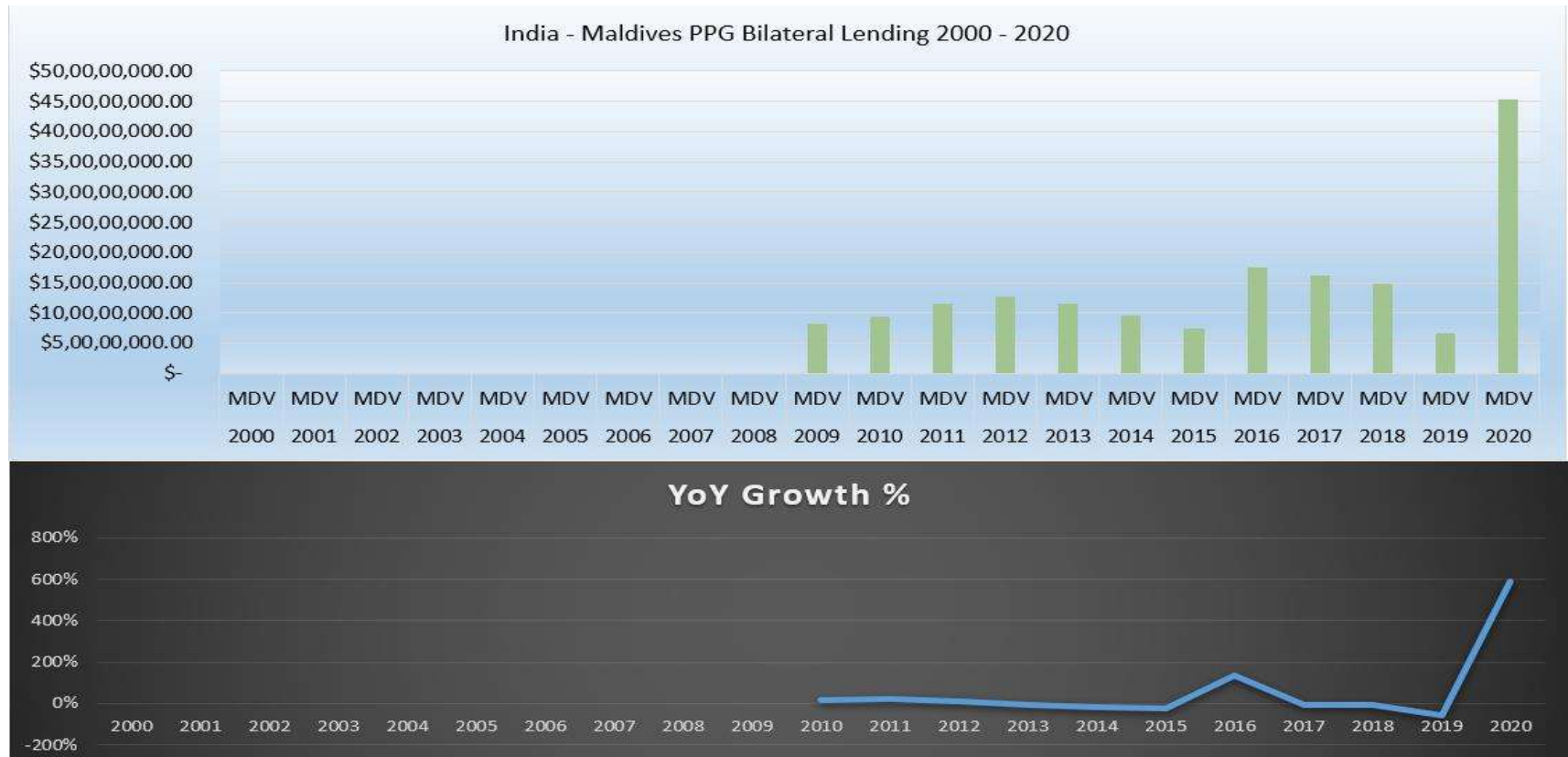
- Total debt of Bhutan amounts to approx. 18 billion US\$
- Bilateral lending has steadily increased over the years

India – Sri Lanka PPG Bilateral Lending 2000 - 2020



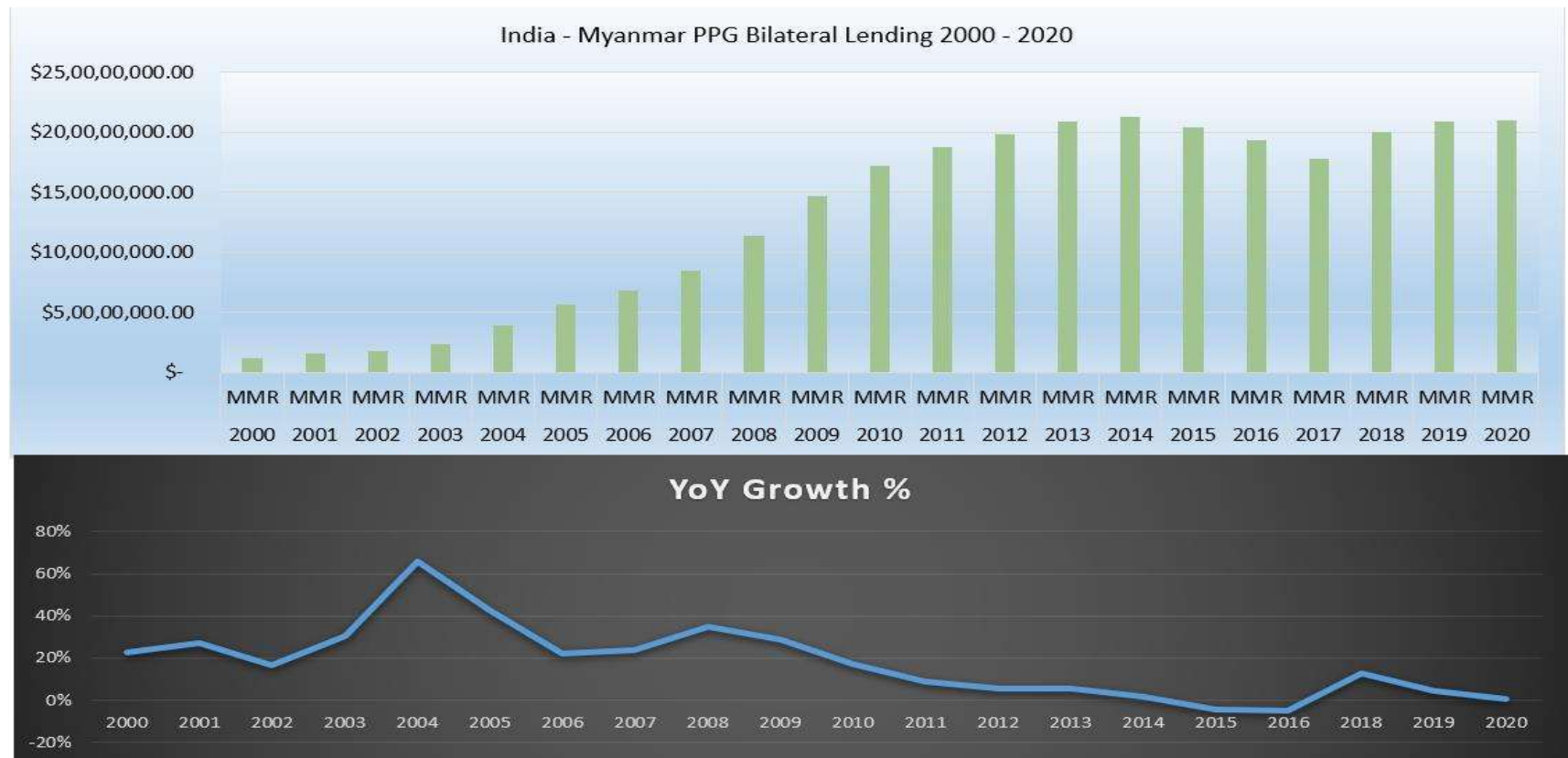
- Total debt of Sri Lanka amounts to approx. 9.5 billion US\$
- Bilateral lending has rapidly increased during 2010 – 2015 and remained constant till 2020

India – Maldives PPG Bilateral Lending 2000 - 2020



- Total debt of Maldives amounts to approx. 1.8 billion US\$
- Bilateral lending has rapidly increased after 2008 and huge spike in 2020

India – Myanmar PPG Bilateral Lending 2000 - 2020



- Total debt of Myanmar amounts to approx. 2.8 billion US\$
- Bilateral lending has steadily increased since 2000 with small dip during 2015 - 2017

India – Nepal PPG Bilateral Lending 2000 - 2020



- Total debt of Nepal amounts to approx. 90 million US\$
- Bilateral lending has rapidly increased after 2008



Conclusion

- Total PPG Bilateral Lending has increased from less than 500 million \$ in 2000 to about 45 billion \$ in 2020
- Bhutan has been the biggest debtor country receiving almost 18 billion \$ over the period of 20 years
- Nepal has received the least bilateral lending amounting to less than 1 billion \$
- Total bilateral lending show a positive growth rate since last 20 years
- Total bilateral lending to neighbouring countries is approx. 1.2% of overall GDP of India
- In the event of default by any neighboring country in future, its impact on India's financial sector will be minimal