

**Royal Government of Bhutan  
Ministry of Finance**



**Public Debt Situation Report**

**For the quarter ended  
30 June 2021**

**Debt Management Division  
Department of Macroeconomic Affairs**

*July 2021*

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## LIST OF ABBREVIATIONS

ADB	Asian Development Bank
ADF	Asian Development Fund
ATM	Average Time to Maturity
ATR	Average Time to Re-fixing
BDFC	Bhutan Development Finance Corporation
BFAL	Bhutan Ferro Alloys Limited
BHSL	Bhutan Hydropower Service Ltd
BHTF	Bhutan Health Trust Fund
BoBL	Bank of Bhutan Ltd
BoP	Balance of Payment
CC	Convertible Currency
COL	Concessional OCR Lending
DCCL	Dungsam Cement Corporation Limited
FYP	Five Year Plan
GDP	Gross Domestic Product
GoI	Government of India
IDA	International Development Association
IFAD	International Fund for Agricultural Development
INR	Indian Rupee
JICA	Japan International Cooperation Agency
NPPF	National Pension and Provident Fund
NSB	National Statistical Bureau
OCR	Ordinary Capital Resources
ODF	Overdraft Facility
PNB	Punjab National Bank
RBI	Reserve Bank of India
RE	Rural Electrification
RGoB	Royal Government of Bhutan
RNR	Renewable Natural Resources
RMA	Royal Monetary Authority
SAARC	South Asian Association for Regional Cooperation
SBI	State Bank of India
SCF	Standby Credit Facility
SDF	SAARC Development Fund
T-Bills	Treasury Bills
USD	United States Dollar
WMA	Ways and Means Advances

*This debt report is prepared by the Debt Management Division, Department of Macroeconomic Affairs, Ministry of Finance. The external debt statistics in this report and those published by the RMA are different: in this report, only the public debt statistics are presented, while the RMA external statistics includes private external debt in addition to the public debt.*

## I Summary

1. The total public debt stock as of 30 June 2021, stood at Nu. **238,398.909 million**, accounting for 127.7 percent of FY 2020-21 GDP. Table 1 presents the comparative public debt summary as of 30 June 2021, and 30 June 2020.

**Table 1:** *Summary of Total Public Debt Stock*

Category	30-Jun-2020 (Million Nu.)	30-Jun-2021 (Million Nu.)	Change (Million Nu)	Change (%)
<b>Total Public Debt</b>	<b>215,369.842</b>	<b>238,398.909</b>	<b>23,029.067</b>	<b>10.7%</b>
Percent of GDP	122.6%	127.7%		
<b>External Debt</b>	<b>213,383.120</b>	<b>221,324.472</b>	<b>7,941.352</b>	<b>3.7%</b>
Percent of GDP	119.12%	118.6%		
Percent Total Public Debt	97.2%	92.8%		
<b>Domestic Debt</b>	<b>1,986.721</b>	<b>17,074.437</b>	<b>15,087.716</b>	<b>759.4%</b>
Percent of GDP	3.5%	9.1%		
Percent of Total Public Debt	2.8%	7.2%		

2. Total public debt increased by Nu. 23,029.067 million (10.7%) at the end of FY 2020-21 compared to the total public debt at the end of FY 2019-20. The increase was mainly because of an increase in domestic debt due to the issuance of long-term government bonds and T-Bills during the FY 2020-21. The loan disbursement for ongoing hydropower projects from the GoI and program loan disbursements from ADB and World Bank during the FY also significantly increased the total public debt.

3. Likewise, the external debt increased by Nu. 7,941.352 million (3.7%) on account of loan disbursements for ongoing hydropower projects from the GoI and program and project loans disbursement from ADB and World Bank. In addition, the depreciation of Ngultrum against Special Drawing Rights (SDR) and Euro—in which 75% of convertible currency (CC) debts are denominated—also caused a significant increase in the Ngultrum value of CC debt stock due to holding loss.

The total domestic debt stock was Nu. 17,074.437 million as on 30 June 2021, an increase of Nu. 15,087.716 million from Nu. 1,986.721 million at End-June 2020. The domestic debt increased due to unredeemed T-Bills of Nu. 13,000 million that were issued June 2021, and the issuance of two long-term bonds of Nu. 3,700 million during the year.

## II External Debt

### External debt by Gov't Debt, Corporate Debt, and Central Bank Debt

4. Table 2 shows the bifurcation of external debt into three categories: Gov't Debt, Corporate Debt, and Central Bank Debt as of 30 June 2021:

**Table 2:** *External Debt: By Govt. Debt, Corporate Debt, and Central Bank Debt*

Category	Amount (Million Nu.)
<b>(a) Gov't Debt</b>	<b>205,764.704</b>
Percent of Total External Debt	93.0%
<b>(b) Corporate Debt</b>	<b>8,559.769</b>
Percent of Total External Debt	3.9%
<b>(c) Central Bank Debt</b>	<b>7,000.000</b>
Percent of Total External Debt	3.2%

5. The Government debt accounted for 93% of the total external debt. The government debt includes debt on account of borrowings for budgetary activities, a development of hydropower projects, and project loans availed by the government and on-lent to public corporations.

6. The corporate debt of Nu. 8,559.769 million accounted for 3.9% of the total external debt. The corporate debt pertains to debts directly contracted by the public corporations, such as loan from SDF availed by Drukair for the purchase of new aircraft, and loans from ADB, EXIM Bank of India and State Bank of India contracted by Tangsjibji Hydro Energy Limited.

The Central Bank debt, which is on account of Standby Credit Facility availed from Government of India(GoI) during the Rupee crunch in the year 2011-12, accounted 3.2% of the total external debt. The RMA's short-term swap arrangement of INR 14.277 billion with the Reserve Bank of India has not been included.

## External debt by Hydropower and Non-hydropower debt

Table 3 shows the total external debt composition of hydropower and non-hydro power debt.

**Table 3:** External Debt: By hydropower and non-hydro debt

Category	30-Jun-20 (Million Nu.)	30-Jun-21 (Million Nu.)	Change (%)
<b>(A) Hydropower Debt</b>	<b>159,359.575</b>	<b>162,359.048</b>	2,999.473
Percent of GDP	89.3%	87.0%	
Percent of Total External Debt	74.7%	73.4%	
<b>(B) Non-Hydro Debt</b>	<b>54,023.525</b>	<b>58,965.424</b>	4,941.899
Percent of GDP	30.3%	31.6%	
Percent of Total External Debt	25.3%	26.6%	
<b>(B.1) Non-Hydro Debt: Budgetary</b>	<b>39,816.522</b>	<b>43,972.854</b>	4,156.332
<b>(B.2) Non-Hydro Debt: Commercial</b>	<b>7,207.003</b>	<b>7,992.570</b>	785.567
<b>(B.3) Non-Hydro Debt: Central Bank</b>	<b>7,000.00</b>	<b>7,000.000</b>	0.000

7. The hydropower debt as of 30 June 2021 constituted 73.4% of total external debt and accounted for 87 % of FY 2020-21 GDP. The hydro debt at the end of FY 2020-21 increased by 1.9% mainly due to loan disbursements for Puna-I and Puna-II from GoI, and the loan disbursements for Nikachu from SBI, EXIM Bank of India and ADB.

8. Similarly, the non-hydro debt increased by 9.1% at the end of FY 2020-21 compared to non-hydro debt at the end of the previous FY. The increase was mostly because of program loan disbursement of US\$30 million from ADB and US\$34.5 million from World Bank during the FY 2020-21. The disbursements for other ongoing projects financed by ADB, JICA, World Bank, and International Fund for Agriculture Development(IFAD) also contributed towards the increase in non-hydro debt stock.

The non-hydro debt as 30 June 2021 accounted for 31.6% of GDP, remaining within the 35% threshold prescribed by the Public Debt Policy 2016.

## External debt by INR and CC denomination

The total external debt in terms of Rupee and Convertible Currency (CC) as of 30 June 2021, is presented in **Table 4**.

**Table 4:** External Debt by INR and CC denomination

Category	Amount (Million Nu.)
<b>(A) Rupee Debt</b>	<b>155,004.945</b>
Percent of Total External Debt	70.0%
(A.1) Hydro Rupee Debt	148,004.945
(A.2) Central Bank Rupee Debt	7,000.000
<b>(B) CC Debt (US\$ 892.59 Million )</b>	<b>66,319.527</b>
Percent of Total External Debt	30.0%
<b>Total External Debt</b>	<b>221,324.472</b>
Percent of Total Public Debt	92.8%

9. As of 30 June 2021, the INR-denominated debt accounted for 70% of total external debt. The hydropower constituted 95.5% of the INR-denominated debt.

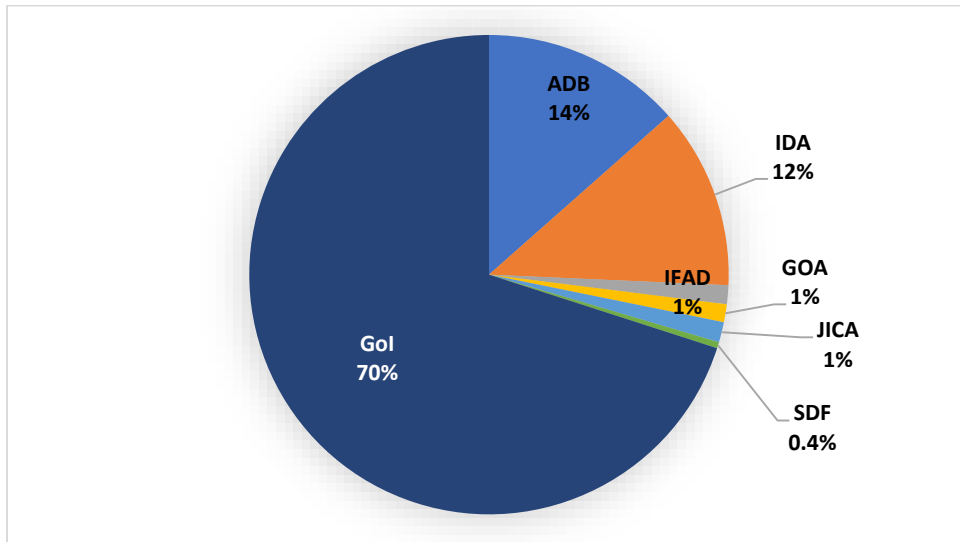
10. The INR-denominated debt increased by INR 2,807.497 million due to loan disbursements during the FY for ongoing hydropower projects—INR 3,900 million for Puna-II from GoI and INR 300 million for Tangsibji hydropower project from SBI and EXIM Bank of India. After MHP principal repayment of INR 1,392.502 million (which started in January 2021), the net increase in INR-denominated debt as on 30 June 2021 was INR 2,807.497 million.

11. The Convertible Currency (CC) debt stock stood at \$892.59 million, equivalent to Nu. 66,319.527 million, accounting for 29.9% of total external debt. The Ngultrum value of CC debt stock increased by Nu. 5,133.846 million from the total CC debt of Nu. 61,185.681 million (US\$808.69 million) on 30 June 2020.

12. The major portion of the increase in Ngultrum value of the CC debt stock was due to net debt inflows (disbursement-repayment) of Nu. 4,512.195 million during the FY and the rest of the increase (about 12%) was due to holding loss. The holding loss was incurred mainly because of appreciation of SDR and Euro against Ngultrum: on 30 June 2021, the SDR had appreciated by 1.7% and Euro by 4.2% compared to the rate on 30 June 2020. Thus, the appreciation of SDR and Euro and fluctuation of exchange rates during the FY caused a holding loss of Nu. 621.651 million, adding to the increase in CC debt stock due to net inflows.

### External debt by creditor, sectoral and currency composition

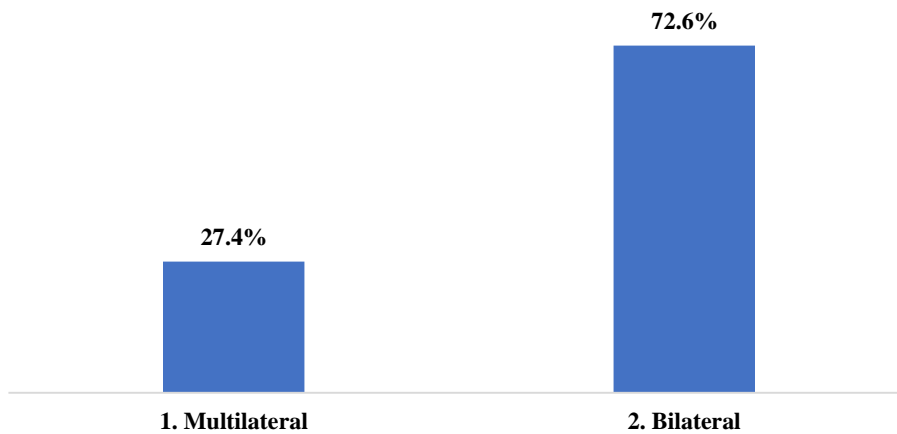
13. The Figure 1 presents external debt by creditor composition.



**Figure 1:** External debt by creditor composition

More than 95% of the country's external debts are owed to the three largest creditors: GoI (70%), ADB (14%), and IDA (12%).

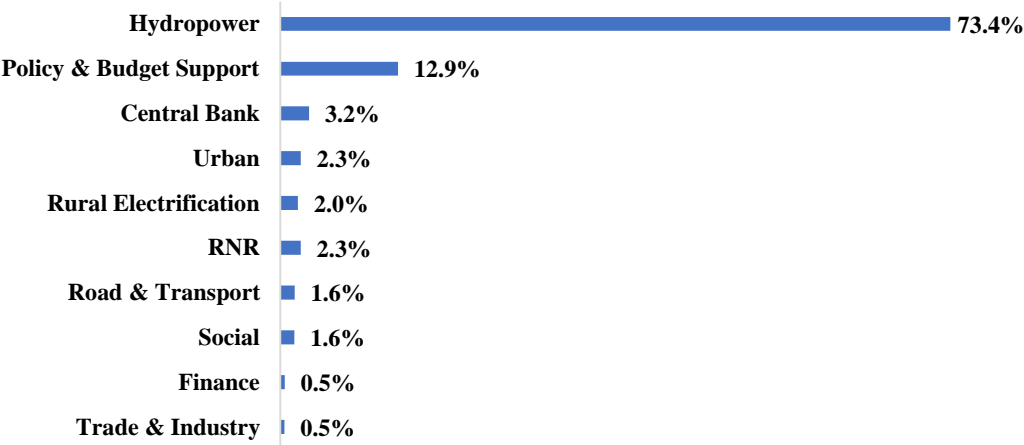
14. Figure 2 shows external debt multilateral and bilateral lender categories.



**Figure 2:** External debt by creditor type



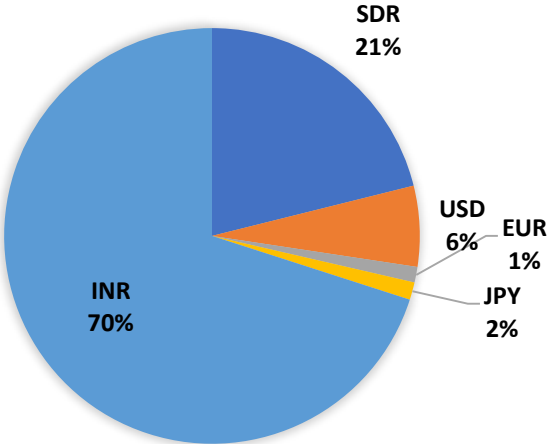
15. Similarly, *Figure 3* presents external debt by sectoral composition



**Figure 3:** *External debt by the sectoral composition*

As at 30 June 2021, almost three-fourth of the external debt was on account of debt contracted for financing hydropower developments in the country, followed by debt contracted for policy and budget support from the World Bank and ADB. Rest are on account of borrowings for financing infrastructure development in the country, such as rural electrification, road connectivity, trade infrastructure, and urban development.

16. Figure 4 presents the external debt by the currency composition:



**Figure 4:** *External debt by currency composition*

## External Debt Servicing

17. Table 5 shows external debt servicing for the three recent fiscal years.

**Table 5: External Debt Servicing**

Category	<i>(Amount in million Nu.)</i>		
	2018/19 (Actual)	2019/20 (Actual)	2020/21 (Actual)
<b>(A) External Debt Service through Budget</b>			
Principal Repayment	2,331.470	1,776.183	3,725.060
Interest Payment	1,315.945	697.842	1,721.276
<b>Total External Debt Service- through Budget</b>	<b>3,647.415</b>	<b>2,474.025</b>	<b>5,446.335</b>
<b>Total Budgetary Debt Service to Domestic Revenue</b>	<b>10.5%</b>	<b>6.8%</b>	<b>15.2%</b>
<b>(B) External Debt Service-Off-Budget*</b>			
Principal Repayment	500.970	0.000	52.606
Interest Payment	530.580	813.630	948.083
<b>Total External Debt Service- Off-Budget</b>	<b>1,031.550</b>	<b>813.630</b>	<b>1,000.689</b>
<b>Total External Debt Service</b>	<b>4,678.96</b>	<b>3,287.66</b>	<b>6,447.025</b>
<b>Total External Debt Service to Exports of Goods &amp; Services</b>	<b>9.0%</b>	<b>5.8%</b>	<b>12.1%</b>
<b>Memorandum Items**</b>			
Nominal GDP	172,758.81	178,370.12	186,653.00
Export of Goods and Services	52,052.29	56,784.84	53,309.73
Domestic Revenue	34,707.67	36,218.88	34,683.88

\*The off-budget debt services are those external debts (on-lent and outright SOE liabilities) servicing that are made directly by SoEs and RMA, without routing through the Government budget system;

\*\* Nominal GDP and Exports figures for FY2019/20 and FY2020/21 are based on April 2021 projections.

The external debt servicing in FY 2020-21 almost doubled from the previous FY mainly because of the start of debt servicing for MHP, which started from January 2021. The increase in external debt service coupled with the decrease in exports during the year significantly increased the external debt service to exports ratio for the FY to 12% from 5.8% in the previous FY.

### III Domestic Debt

18. The total domestic debt stock on 30 June 2021 stood at Nu. 17,074.437 million, accounting for 9.1% of GDP and 7.1% of total public debt stock. The details of domestic debt stock are provided in Table 6.

**Table 6:** Domestic debt summary

Particulars	Creditor/Investor	Maturity Date	Interest/Discount rate	Debt Stock (Million Nu.)
Construction of staff quarter of Phuntsholing Hospital	NPPF	01-Apr-22	7.50%	13.170
Liquidation of loan from Deutsche Investitions (DEG), Germany	NPPF	01-Oct-31	8.30%	361.267
3-Year Government Bond		26-Sep-23	6.50%	3,000.000
10-Year Bond	Financial institutions and individuals	17-Feb-31	3.98%	700.000
91-Day T-Bills	Financial institutions	07-Sep-21	0.13%	6,000.000
34-days T-Bill	Financial institutions	03-Aug-21	0.08%	7,000.000
<b>Total</b>				<b>17,074.437</b>

**Note:** the discount rate for T-Bills is the weighted average discount rate of the winning bids.

19. The domestic debt mainly comprised T-Bill stock of Nu. 13,000 million and the Government bond of Nu. 3,700 million (a 3-year Government bond of Nu. 3,000 million was issued in September 2020 and a 10-year Government bond of Nu.700 million was issued in February 2021). The balance was loan outstanding to the National Pension and Provident Fund (NPPF) borrowed to construct staff quarters for the Phuntsholing Hospital and the liquidation of Bhutan Hydropower Services loan to the Deutsche Investitions (DEG), Germany.

#### **First government bond issued in September 2020**

The government issued its first bond in September 2020. A 3-year government bond of Nu. 3,000 million was sold through public subscription at the government-determined coupon rate of 6.5%. The bond was oversubscribed by more than 3 times. The first issuance was followed by the issuance of 10-year bond of Nu.700 million in February 2021. The second issuance of was sold through public auction using a yield-based auction method. The coupon rate for the bond was determined at 3.98% during the auction.

## IV Redemption profile

20. Chart 5 below shows the projected principal repayment of the public debt stock as 30 June 2021.

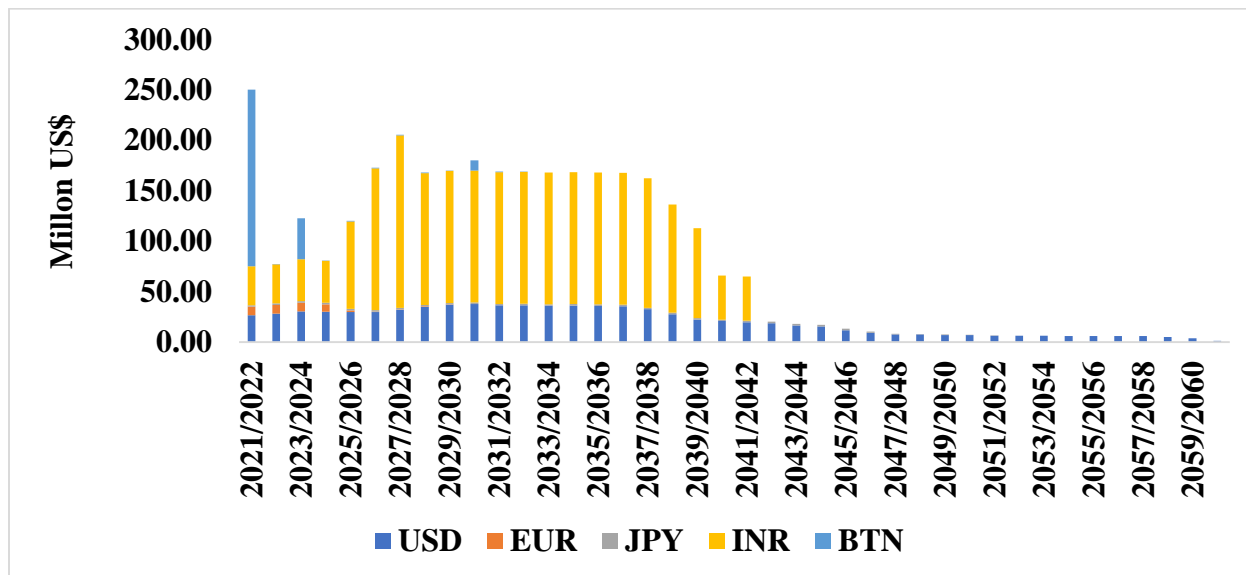


Figure 5: Principal repayment profile

21. The principal repayment will increase significantly from FY 2026/27 due to the expected start of the repayment for Puna-I and Kholongchu Hydropower loans. The repayment is projected to remain elevated from FY2026/27 until FY2037/38 as the repayment for all the mega hydropower projects would be ongoing then. However, after the liquidation of MHP and Puna-I debt in FY2037/38, the repayment is projected to drop sharply from FY2038/39 and remain low and stable thereafter.

22. The high repayment of Ngultrum-denominated debt in FY 2021/22 is due to the redemption of Nu. 13,000 million T-Bills, which were issued in June 2021. Similarly, the high repayment of Ngultrum debt in FY 2023/24 is due to the redemption of the 3-year Government bond of Nu. 3,000 million that was issued in September 2020.

## V Government Guarantee

23. Table 6 presents the details of the guarantees issued by the Government as of 30 June 2021.

**Table 7: Status of Government Guarantees**

Sl#	Beneficiary	Date of Issue	Issued To	Purpose	Original Amt	Balance (Million Nu.)
1	National Housing Development Corporation Ltd.	11-Sep-17	NPPF	Financing for Affordable Housing Project in Phuntsholing.	890.00	784.682
2	Bhutan Agro Industries Ltd.	05-Jun-17	BOBL	Financing for setup of integrated agro-based industry in Lingmethang, Mongar.	166.00	160.985
3	Bhutan Development Bank Ltd.	09-Mar-19	NPPF	OESD Loan Scheme to youths.	521.30	305.250
4	Drukair Corporation Ltd.	11-Feb-19	NPPF	Financing for purchase of new Aircraft A320 Neo.	US\$ 36.6 m	2,692.590
5	Drukair Corporation Ltd.	13-Aug-19	SDF	Purchase of New ATR 42-600	US\$ 13 m	916.460
6	Multiple Beneficiaries		Various FI	Guarantee under NCGS		86.598
<b>Total</b>						<b>4,946.565</b>
<b>Government Guarantee to GDP (%)</b>						<b>2.7%</b>

24. As of 30 June 2021, the government guaranteed loan outstanding stood at Nu. 4,946.565 million, accounting for 2.7% of FY2020/21 GDP. This included the sovereign guarantee of Nu.86.598 million provided for credits sanctioned under the National Credit Guarantee Scheme(NCGS), which was launched by the government in October 2020. The sovereign guarantee was within the threshold of 5% of GDP prescribed by Public Debt Policy 2016.

## VI Cost and Risk Indicators

**Table 8:** Cost and Risk Indicators for existing debt

Cost & Risk Indicators		External Debt	Domestic Debt	Total Public Debt
<b>Nominal Debt (Million Nu.)</b>		221,324.472	17,074.437	238,398.909
<b>Nominal Debt as percent of GDP</b>		118.6%	9.1%	127.7%
<b>Weighted Average Interest Rate</b>		7.1%	1.5%	6.7%
<b>Refinancing Risks</b>	Average Time to Maturity(Years)	11.8	0.9	11.0
	Debt Maturing in 1 Year(% of Total)	2.5%	76.2%	7.8%
<b>Interest Rate Risks</b>	Average Time to Re-fixing(Years)	11.4	0.9	10.6
	Debt Re-fixing in 1 Year(% of Total)	7.1%	76.2%	12.0%
	Fixed Rate Debt(% of Total)	95.3%	100.0%	95.6%
<b>Forex Risk</b>	CC Debt(% of Total)			27.8%
	Short-term CC Debt(% of Gross Reserve)			0.0%
<b>Debt Stress</b>	Hydro Debt to GDP(%)			87.0%
	Non-Hydro Debt to GDP(%)			31.6%

25. *Table 8* above presents the summary of cost and risk indicators of the current debt portfolio. Though the level of total public debt remains elevated at 128% of GDP, the overall risk is considered low and manageable because of the following reasons:

1. The major portion (73.4%) of external debt is on account of hydropower projects which are commercially viable with significant export potential. In addition, 91.2% of the hydro debt is denominated in INR, to which the Ngultrum is pegged at par, mitigating exchange rate risks.
2. The debt with a fixed interest rate constituted 95.6% of the total public debt. In addition, the average time to re-fixing (ATR) is estimated at 10.6 years. Thus, due to the long ATR and the small portion of the variable-interest-rate debt, the interest rate risk is deemed low.
3. The Average Time to Maturity (ATM) is estimated at 11.8 years, and about 7.8% of the debt will be maturing in 1 year. The long ATM and the low level of debt maturing in 1 year indicate that the refinancing/rollover risk is low. However, since about 76.2% of domestic debt is maturing within one year, the domestic debt might pose some refinancing and interest rate risks.
4. Though the proportion of external debt is quite high at 92.9% of the total public debt, the exchange rate risk is low because of the following reasons:

- The INR-denominated debt constitutes a major proportion (70%) of total external debt, and the Ngultrum is pegged at par with the INR, which lowers exchange rate risks.
- The balance 30% of the external debt is CC-denominated debt, which is concessional loans with nominal interest rates (from 0% to 1.5%), long grace periods (8 to 10 years), and repayment periods up to 40 years. The concessional nature of the CC-denominated debt lowers the periodical debt servicing amount, reducing the pressure on government revenue and cash flows.

## Annexure-I: Total Public Debt details

(Amount in millions)

Category	Borrowing Currency	A. Gov't Budgetary Debt			B. On-lent & Corporate(Including hydropower)			C. Central Bank Debt			Total Public Debt (A+B+C)		
		Amount in Borrowing Currency	Amount in Equivalent US\$	Amount in Equivalent Nu.	Amount in Borrowing Currency	Amount in Equivalent US\$	Amount in Equivalent Nu.	Amount in Borrowing Currency	Amount in Equivalent US\$	Amount in Equivalent Nu.	Amount in Borrowing Currency	Amount in Equivalent US\$	Amount in Equivalent Nu.
<b>A. External Debt</b>			591.828	43,972.854		2,292.754	170,351.618		94.213	7,000.000		2,978.795	221,324.472
<b>A.1 Concertible Currency(CC Debt)</b>			591.828	43,972.854		300.763	22,346.673		0.000	0.000		892.591	66,319.527
ADB	SDR	93.790	133.866	9,946.208	65.011	92.790	6,894.261				158.800	226.655	16,840.469
ADB	USD	80.000	80.000	5,944.000	94.784	94.784	7,042.461				174.784	174.784	12,986.461
IDA	SDR	249.743	356.457	26,484.755	5.467	7.803	579.794				255.210	364.260	27,064.548
GOA	EUR	0.000	0.000	0.000	30.209	35.977	2,673.085				30.209	35.977	2,673.085
JICA	JPY	0.000	0.000	0.000	4,500.416	40.704	3,024.280				4,500.416	40.704	3,024.280
IFAD	SDR	15.068	21.506	1,597.892	11.509	16.427	1,220.554				26.577	37.933	2,818.445
SDF	USD	0.000	0.000	0.000	12.278	12.278	912.239				12.278	12.278	912.239
<b>A.2 INR Debt</b>			0.000	0.00	148,004.945	1,991.991	148,004.945	7,000.00	94.213	7,000.000	155,004.945	2,086.204	155,004.945
Hydropower projects	INR				148,004.945	1,991.991	148,004.945				148,004.945	1,991.991	148,004.945
BoP Support(RMA)	INR							7,000.00	94.213	7,000.000	7,000.000	94.213	7,000.000
<b>B. Domestic Debt</b>	BTN	17,074.437	229.804	17,074.437							17,074.437	229.804	17,074.437
<b>Total Public Debt(A+B)</b>			821.632	61,047.291		2,292.754	170,351.618		94.213	7,000.00	0.000	3,208.60	238,398.91
<b>CHECK</b>				OK			OK			OK			OK



## Annexure II- Convertible Currency(CC) Debt details

(Amount in millions)

Sl#	Project	Creditor	Agreement Currency	Category	Agreement Date	Maturity Date	Disbursed Outstanding Debt (DOD)		
							In Agreement Currency	Equivalent USD	Equivalent Nu.
1	Multi Project I	ADB	SDR	Non-Hydro: Budgetary	Dec-93	Jun-23	0.294	0.419	31.140
2	Multi Project -II (DWH)	ADB	SDR	Non-Hydro: Budgetary	May-95	Nov-24	1.040	1.484	110.270
3	Chirang Hill Irrigation	ADB	SDR	Non-Hydro: Budgetary	Nov-95	May-25	0.134	0.191	14.171
4	Road Mechanisation Project	ADB	SDR	Non-Hydro: Budgetary	Dec-96	Jun-26	0.742	1.059	78.678
5	Highland Livestock Development Project	ADB	SDR	Non-Hydro: Budgetary	May-97	Nov-26	0.776	1.107	82.240
6	Industrial Estates Project	ADB	SDR	Non-Hydro: Budgetary	Dec-98	Jun-28	0.154	0.220	16.336
7	Bhutan Development Finance Corporation	ADB	SDR	Non-Hydro: Commercial	Jan-99	Jan-28	0.487	0.696	51.694
8	Technical & Vocational Educational Training	ADB	SDR	Non-Hydro: Budgetary	Apr-01	Oct-30	1.253	1.788	132.857
9	East West Highway Maintenance Project	ADB	SDR	Non-Hydro: Budgetary	Feb-04	Aug-33	1.833	2.616	194.333
10	Rural Electrification Project(RE-I)	ADB	SDR	Non-Hydro: Commercial	Feb-06	Aug-35	2.768	3.951	293.525
11	Financial Sector Development Program	ADB	SDR	Non-Hydro: Budgetary	Feb-08	Aug-37	1.939	2.768	205.669

12	Development Finance Loan	ADB	SDR	Non-Hydro: Commercial	Feb-08	Aug-37	1.936	2.763	205.314
13	Urban Infrastructure Improvement Project	ADB	SDR	Non-Hydro: Budgetary	Aug-08	Feb-38	2.887	4.120	306.141
14	Sustainable Rural Electrification(RE-II)	ADB	SDR	Non-Hydro: Commercial	Feb-08	Aug-31	3.090	4.410	327.682
15	Health Care Reform Program	ADB	SDR	Non-Hydro: Budgetary	Feb-09	Aug-24	1.666	2.377	176.631
16	Road Improvement project	ADB	SDR	Non-Hydro: Budgetary	Feb-09	Aug-32	3.480	4.968	369.085
17	Basic Skill Development Project	ADB	SDR	Non-Hydro: Budgetary	Oct-09	Apr-33	2.495	3.561	264.604
18	Rural Electrification and Network Expansion Project(RE III)	ADB	SDR	Non-Hydro: Commercial	Mar-12	Sep-35	3.978	5.678	421.855
19	Road Network Project	ADB	SDR	Non-Hydro: Budgetary	Apr-14	Oct-37	12.927	18.451	1,370.885
20	Urban Infrastructure Development Project	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Oct-38	11.112	15.860	1,178.432
21	Financial Sector Development Program	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Aug-37	4.437	6.332	470.482
22	Financial Sector Development Project	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Oct-38	0.646	0.922	68.502
23	Green Power Development Project (Sepcial Operations)-Dagachu- ADF	ADB	SDR	Hydropower	Apr-17	Oct-40	15.301	21.839	1,622.641
24	Urban Infrastructure Project	ADB	SDR	Non-Hydro: Budgetary	May-20	Nov-43	10.024	14.307	1,063.035
25	SASEC Trade Facilitation Program (LOAN)	ADB	SDR	Non-Hydro: Budgetary	May-21	Nov-36	5.243	7.483	555.996
26	Strengthening Economic Management Program (Loan)	ADB	SDR	Non-Hydro: Budgetary	Sep-21	Mar-37	9.224	13.165	978.187

27	Green Power Development Project - Dagachu- Additional Financing	ADB	SDR	Hydropower	Feb-22	Aug-45	22.780	32.514	2,415.806
28	2nd Green Power Development Project (Special Operations- Tangsibji)-Nik	ADB	SDR	Hydropower	Feb-23	Aug-46	14.670	20.939	1,555.745
29	Strengthening Economic Management Program II (LOAN)	ADB	SDR	Non-Hydro: Budgetary	Dec-23	Jun-39	14.443	20.614	1,531.651
30	SASEC Transport, Trade Facilitation and Logistics Project (Loan 3421-BH)	ADB	SDR	Non-Hydro: Budgetary	Feb-25	Aug-48	2.453	3.501	260.123
31	Secondary Towns Urban Development Project	ADB	SDR	Non-Hydro: Budgetary	Aug-26	Feb-50	4.590	6.551	486.760
32	Green Power Development Project (Ordinary Operations)- Dagachu- OCR	ADB	USD	Hydropower	Apr-14	Oct-38	45.743	45.743	3,398.717
33	2nd Green Power Development Project (Ordinary Operations - Tangsibji)-	ADB	USD	Hydropower	Nov-20	Nov-44	39.652	39.652	2,946.115
34	Phuentsholing Township Development Project (Loan)-Amochu	ADB	USD	Non-Hydro: Commercial	Aug-26	Feb-50	1.889	1.889	140.379
35	Financial Market Development Program - Sub Program I	ADB	USD	Non-Hydro: Budgetary	May-28	Nov-43	30.000	30.000	2,229.000
36	COVID-19 Active Response &	ADB	USD	Non-Hydro: Budgetary	May-20	May-52	20.000	20.000	1,486.000

	Expenditure Support (CARES) Program								
37	Financial Market Development Program - Subprogram 2	ADB	USD	Non-Hydro: Budgetary	Dec-20	Dec-52	30.000	30.000	2,229.000
38	Rural Finance Development Project	ADB	USD	Non-Hydro: Commercial	Dec-20	Dec-52	7.500	7.500	557.250
39	Technical Assistance	IDA	SDR	Non-Hydro: Budgetary	Apr-94	Oct-33	0.949	1.355	100.651
40	Forestry Development Project	IDA	SDR	Non-Hydro: Budgetary	Sep-94	Sep-34	1.620	2.313	171.824
41	Bhutan Calcium and Carbide Ltd	IDA	SDR	Non-Hydro: Budgetary	Nov-95	May-35	2.339	3.339	248.078
42	Second Forestry Development	IDA	SDR	Non-Hydro: Budgetary	Oct-98	Apr-28	0.169	0.241	17.880
43	Primary Education Project	IDA	SDR	Non-Hydro: Budgetary	Oct-98	Apr-28	0.868	1.239	92.050
44	Third Forestry Development Project	IDA	SDR	Non-Hydro: Budgetary	Jan-04	Jul-33	1.940	2.768	205.697
45	Second Education Project	IDA	SDR	Non-Hydro: Budgetary	Jul-08	Jan-38	6.696	9.557	710.082
46	Urban Development Project	IDA	SDR	Non-Hydro: Budgetary	Jun-10	Dec-39	5.508	7.862	584.110
47	Rural Access Project	IDA	SDR	Non-Hydro: Budgetary	Jun-10	Dec-39	5.865	8.372	622.006
48	Education Development Project	IDA	SDR	Non-Hydro: Budgetary	Sep-13	Mar-43	18.480	26.376	1,959.763
49	Decentralised Rural Development Project	IDA	SDR	Non-Hydro: Budgetary	Aug-15	Feb-45	3.996	5.704	423.782
50	Development Policy Financing for Institutional Strengthening	IDA	SDR	Non-Hydro: Budgetary	Sep-19	Mar-49	7.234	10.324	767.109

51	Second Urban Development Project (Urban Dev. II)	IDA	SDR	Non-Hydro: Commercial	Sep-20	Mar-30	5.467	7.803	579.794
52	First Development Policy Credit	IDA	SDR	Non-Hydro: Budgetary	Feb-21	Aug-30	15.675	22.373	1,662.302
53	Strengthening Regional Cooperation for Wildlife Protection in Asia Pro	IDA	SDR	Non-Hydro: Budgetary	Nov-21	May-31	1.395	1.991	147.959
54	Second Development Policy Credit	IDA	SDR	Non-Hydro: Budgetary	Apr-18	Apr-38	21.140	30.172	2,241.807
55	Remote Rural Communities Development Project	IDA	SDR	Non-Hydro: Budgetary	Nov-17	May-37	5.031	7.180	533.505
56	Additional Financing for UDP II	IDA	SDR	Non-Hydro: Budgetary	Jul-19	Jan-39	10.504	14.993	1,113.980
57	Fiscal Sustainability & Investment Climate Development Policy Financin	IDA	SDR	Non-Hydro: Budgetary	Nov-20	May-40	13.828	19.737	1,466.442
58	DPC II Fiscal Sustainability & Investment Climate	IDA	SDR	Non-Hydro: Budgetary	Feb-22	Aug-41	17.500	24.978	1,855.840
59	Strengthening Fiscal Mgmt & Pvt Sector Employment Opportunities(DPC I)	IDA	SDR	Non-Hydro: Budgetary	Aug-28	Feb-58	20.600	29.402	2,184.589
60	Strengthening Fiscal Management & Private Sector Employment Opportunit	IDA	SDR	Non-Hydro: Budgetary	Aug-29	Feb-59	21.700	30.972	2,301.242
61	COVID-19 Emergency Response & Health Systems Preparedness Project	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Jan-00	2.206	3.149	233.961

62	Third Strengthening Fiscal Mgt & Pvt Sector Employment Opportunities (DPC III)	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Dec-89	29.200	41.677	3,096.602
63	Development Policy Financing With Catastrophe Deferred Drawdown Option	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Jan-00	10.900	15.558	1,155.923
64	COVID-19 Crisis Response Development Policy Financing	IDA	SDR	Non-Hydro: Budgetary	Sep-31	Mar-61	24.400	34.826	2,587.571
65	Small Farm Development & Irrigation Rehabilitation Project	IFAD	SDR	Non-Hydro: Budgetary	Jun-91	Dec-30	0.893	1.275	94.740
66	Tashigang & Mongar Area Development	IFAD	SDR	Non-Hydro: Budgetary	Jun-96	Dec-35	0.927	1.323	98.270
67	Punakha Wangdi Valley Development Project	IFAD	SDR	Non-Hydro: Budgetary	Oct-98	Apr-38	0.830	1.185	88.010
68	First Eastern Zone Agricultural Project	IFAD	SDR	Non-Hydro: Budgetary	Jul-02	Jan-42	1.466	2.093	155.474
69	Second Eastern Zone Agricultural Project	IFAD	SDR	Non-Hydro: Commercial	Mar-10	Sep-39	4.129	5.894	437.897
70	Agriculture, Marketing and Enterprise Promotion Programme	IFAD	SDR	Non-Hydro: Commercial	Oct-15	Apr-45	7.380	10.534	782.656
71	Market Access and Growth Intensification Project(MAGIP-LOAN)	IFAD	SDR	Non-Hydro: Budgetary	Apr-21	Oct-50	5.503	7.854	583.583
72	Commercial Agriculture & Resilient Livelihoods Enhancement Programme (CARLEP-LOAN)	IFAD	SDR	Non-Hydro: Budgetary	Oct-20	Apr-40	5.449	7.777	577.815

73	Basochhu Hydro Power Project (Upper Stage)	GOA	EUR	Hydropower	Dec-06	Dec-25	4.296	5.116	380.113
74	Basochhu Hydro Power Project (Lower Stage)	GOA	EUR	Hydropower	Jun-10	Dec-24	7.291	8.682	645.109
75	Dagachhu Hydroelectric Power Project (Raiffeisen Bank International)	GOA	EUR	Hydropower	Jan-15	Mar-25	15.707	18.706	1,389.858
76	The Financing of Rural Electrification	GOA	EUR	Non-Hydro: Commercial	Dec-18	Dec-29	2.916	3.472	258.005
77	Rural Electrification Project (Phase I) - JICA	JICA	JPY	Non-Hydro: Commercial	May-17	May-47	2,759.848	24.961	1,854.618
78	Rural Electrification Project (Phase II) - JICA	JICA	JPY	Non-Hydro: Commercial	Jun-21	Jun-51	1,740.568	15.742	1,169.662
79	Purchase of New Aircraft ATR 42-600 By Druk Air Corporation	SDF	USD	Non-Hydro: Commercial	Mar-20	Mar-30	12.278	12.278	912.239
<b>TOTAL CONVERTIBLE CURRENCY (currency other than INR and BTN) DEBT</b>								<b>892.591</b>	<b>66,319.527</b>

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Currency	Forex Rate (Currency/BTN) as on 30-Jun-2021
USD	74.300
SDR	106.048
EURO	88.485
JPY	0.672
INR	1.000

Currency	Currency /USD
SDR	1.427
EUR	1.191
JPY	0.009
USD	1.000
INR	0.013

### Annexure III – Details of INR debt details

(Million INR)

<i>Sl. No.</i>	<i>Project</i>	<i>Capacity</i>	<i>Total Project Cost</i>	<i>Loan Component</i>	<i>Loan Disbursed</i>	<i>Principal Repayment (cumulative)</i>	<i>Interest Paid (cumulative)</i>	<i>Disbursed Outstanding Debt(DoD)</i>
1	Punatshangchu Hydropower Project Authority(PHPA)-I	1200 MW	93,756.00	48,274.48	48,274.48	-	-	48,274.483
2	Punatshangchu Hydropower Project Authority(PHPA)-II	1020 MW	72,906.20	50,632.19	50,632.19	-	-	50,632.186
3	Mangdechu Hydropower Project Authority(MHPA)	720 MW	50,448.90	35,088.41	35,088.41	1,392.50	1,006.77	45,952.606
4	Tangsibji Hydro Energy Limited	118 MW	10,658.50	3,145.67	3,145.67	-	712.47	3,145.670
5	Kholongchu Hydro Energy Limited	600 MW	39,134.500	-	-	-	-	-
	<b>Sub-total (Hydro-power Rupee loans)</b>	<b>3058 MW</b>	<b>227,769.60</b>	<b>137,140.75</b>	<b>137,140.75</b>	<b>1,392.50</b>	<b>1,719.24</b>	<b>148,004.945</b>
5	Standby Credit Facility II		3,000.00	3,000.00	3,000.00	-	1,206.51	3,000.000
6	Standby Credit Facility III		4,000.00	4,000.00	4,000.00	-	1,431.10	4,000.000
	<b>Sub-total (Other Rupee loans)</b>		<b>7,000.00</b>	<b>7,000.00</b>	<b>7,000.00</b>	<b>-</b>	<b>2,637.61</b>	<b>7,000.000</b>
	<b>Grand Total (Rupee loans)</b>		<b>234,769.60</b>	<b>144,140.75</b>	<b>144,140.75</b>	<b>1,392.50</b>	<b>4,356.85</b>	<b>155,004.945</b>



## Annexure IV- Lending Terms

Sl. No.	Creditors	Agreement Currency	Repayment Period	Grace Period	Interest Rate (p.a)	Other charges (Commitment/ Mgt. fees/ Guarantee/service charges) p.a
<b>Bilateral</b>						
1	Government of India - Hydropower Loans	Indian Rupees	10-15 years	8 and 9 years	9% - 10.75 %	
	Government of India - Standby Credit Facility	Indian Rupees	5 years		5%	
2	Japan International Cooperation Agency (JICA)	JPY	30 years	10 years	0.01 % and 0.2 %	0.1%; For new loans effective from April 2013, front end fee of 0.2% is applicable instead of commitment charge
3	Govt. of Denmark (Danish Mixed Credit)	EUR	10 years	3 years	0%	
4	Government of Austria	EUR	12-20 years	3.5 - 10 years	0 % - 5.92 %	0.15 % - 0.25 %
5	Germany - (Deutsche Investitions-DEG)	EUR	8 years	5 years	3 months EUROBOR + Margin (4.5%)	Commitment fee- 0.75%; Front end fee - 1.3%
<b>Multilateral</b>						
1	<b>Asian Development Bank</b>					
(i)	ADF	SDR	16 and 24 years	8 years	1% during the grace period; 1.5% thereafter	
	(a) Project loans		24 years			
	(b) Program loans		16 years			
(ii)	Hard-Term ADF	SDR	24 years	8 years	3.15%	
(iii)	OCR	USD	25 years	5 years	6 month LIBOR + 0.20% (Dagachhu); 6 month LIBOR + 0.70% (Tangsiuji)	0.15%

2	<b>World Bank</b>					
(i)	IDA -Regular	<b>SDR</b>	30 years	10 years	0%	0.75%
(ii)	IDA -Blend	<b>SDR</b>	20 years	5 years	1.25%	0.75%
(iii)	IDA Small Economy Term Credits	<b>SDR</b>	30 years	10 years	0%	Commitment Fee 0-0.5% & Service charge 0.75%
3	<b>International Fund for Agricultural Development (IFAD)</b>					
(i)	IFAD -Regular	<b>SDR</b>	40 and 30 years	10 years	0%	1 % and 0.75%
(ii)	IFAD -Blend	<b>SDR</b>	20 years	5 years	1.25%	0.75%