

**Royal Government of Bhutan
Ministry of Finance**



Public Debt Situation Report

**For the quarter-ended
30 September 2021**

**Debt Management Division
Department of Macroeconomic Affairs**

October 2021

Table of Contents

I	Summary.....	1
II	External Debt.....	2
III	Domestic Debt.....	8
IV	Redemption profile.....	9
V	Government Guarantee.....	10
VI	Cost and Risk Indicators.....	11
	Annexure-I: Total Public Debt details.....	11
	Annexure II: Convertible Currency(CC) Debt details.....	12
	Annexure III: Details of INR debt details.....	19
	Annexure IV: Lending Terms.....	20

List of Tables

Table 1:	Summary of Total Public Debt Stock.....	1
Table 2:	External Debt: By Govt. Debt, Corporate Debt, and Central Bank Debt.....	2
Table 3:	External Debt: By hydropower and non-hydro debt.....	3
Table 4:	External Debt by INR and CC denomination.....	4
Table 5:	External Debt Servicing.....	7
Table 6:	Domestic debt summary.....	8
Table 7:	Status of Government Guarantees.....	10
Table 8:	Cost and Risk Indicators for existing debt.....	11

List of Figures

Figure 1:	External debt by creditor composition.....	5
Figure 2:	External debt by creditor type.....	5
Figure 3:	External debt by sectoral composition.....	6
Figure 4:	External debt by currency composition.....	6
Figure 5:	Principal repayment profile.....	9

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
BoBL	Bank of Bhutan Ltd
CC	Convertible Currency
COL	Concessional OCR Lending
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
DPNB	Druk 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

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 has a minor difference:: 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. Further, RMA also report currency swap arrangement with RBI under external debt.

I. Summary

1. The total public debt stock as of 30 September 2021 stood at Nu. **240,897.796 million**, accounting for 127.4% of FY 2021-22 GDP estimate. The total public debt comprised the external debt stock of Nu. 219,823.359 million and the domestic debt stock of Nu. 21,074.437 million.
2. Table 1 presents the comparative public debt summary as of 30 September 2021 and 30 June 2021.

Table 1:Summary of Total Public Debt Stock

Category	30-Jun-2021	30-Sep-2021	Change (amount)	Change (%)
Total Public Debt	238,398.879	240,897.796	2,498.917	1.0%
Percent of GDP	135.0%	127.4%		
External Debt	221,324.442	219,823.359	-1,501.083	-0.7%
Percent of GDP	125.37%	116.2%		
Percent Total Public Debt	92.8%	91.3%		
Domestic Debt	17,074.437	21,074.437	4,000.000	23.4%
Percent of GDP	9.7%	11.1%		
Percent of Total Public Debt	7.2%	8.7%		

Note: The debt-to-GDP ratios of 30 June 2021 and 30 September 2021 are based on nominal GDP estimates of FY 2020-21 and FY 2021-22, respectively. Since GDP figures for the fiscal years are estimates only, the debt-to-GDP ratios are subject to change as and when GDP figures are updated.

3. Total public debt stock increased by Nu. 2,498.917 million (1%), compared to the public debt stock on 30 June 2021. The increase was mainly because of the increase in T-Bills stocks by Nu. 4,000 million. However, the rise in total public debt due to the increase in T-Bills stock was slightly offset by the drop in external debt stock.
4. The external debt stock decreased by Nu. 1,501.083 million (-0.7%%) mainly on account of MHPA repayment—the second principal repayment of Nu. 1,392.502 million was made in July 2021, based on the draft repayment protocol between the RGoB and GoI. In addition, the depreciation of foreign currencies (USD, EUR, XDR, and JPY) in which CC debt is denominated also significantly reduced the Ngultrum value of CC debt stock, causing further decline in external debt stock.
5. The domestic debt stock increased by Nu. 4,000 million (23.4%), compared to the domestic debt stock on 30 June 2021. The increase was due to additional issuance of T-bills for the cash management during the quarter.

II. External Debt

II.1 External debt by Gov't Debt, Corporate Debt, and Central Bank Debt

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

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

Category	Amount (Million Nu.)
(a) Gov't Debt	204,130.388
Percent of Total External Debt	92.9%
O/w on-lent to Public Corporations(including hydro loans)	160,760.740
Percent of Gov't Debt	78.8%
(b) Corporate Debt	8,692.970
Percent of Total External Debt	4.0%
(c) Central Bank Debt	7,000.000
Percent of Total External Debt	3.2%

7. The Government debt accounted for 92.9% of the total external debt. The government debt includes debt on account of borrowings for budgetary activities, the development of hydropower projects, and project loans availed by the government and on-lent to public corporations.

8. The corporate debt of Nu. 8,692.970 million accounted for 4% of the total external debt. The corporate debt pertains to debts directly contracted by the public corporations, such as a loan from SDF availed by Drukair, 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 for 3.2% of the total external debt. The RMA's short-term swap arrangement of INR 14.541 billion with the Reserve Bank of India has not been included.

II.2 External debt stock by Hydropower and Non-hydropower debt

Table 3 shows the total external debt composition of hydropower and non-hydro power debt as of 30 September 2021.

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

Category	Million Nu.
(A) Hydropower Debt	161,651.950
Percent of GDP	85.5%
Percent of Total External Debt	73.5%
(B) Non-Hydro Debt	58,171.408
Percent of GDP	30.8%
Percent of Total External Debt	26.5%
(B.1) Non-Hydro Debt: Budgetary	43,369.648
(B.2) Non-Hydro Debt: Commercial	7,801.760
(B.3) Non-Hydro Debt: Central Bank	7,000.000

9. The hydropower debt as of 30 September 2021 constituted 73.5% of total external debt and accounted for 85.5 % of FY 2021-22 GDP estimate. The hydro debt stock comprises debt stock of six hydropower projects, namely MHPA, Puna-I, Puna-II, Nikachu, Dagachu, and Baoschu(upper and lower stage)

10. The non-hydro stood at Nu. 58,171.408 million, constituting 26.5% of total external debt and 30.8% of FY 2021-22 GDP estimate. The non-hydro debt to GDP of 30.8% is within the 35% threshold prescribed by the Public Debt Policy 2016.

II. 3 External debt by INR and CC denomination

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

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

Category	Amount (Million Nu.)
(A) Rupee Debt	154,383.863
Percent of Total External Debt	70.2%
(A.1) Hydro Rupee Debt	147,383.863
(A.2) Central Bank Rupee Debt	7,000.000
(B) CC Debt (US\$ 881.93 Million)	65,439.495
Percent of Total External Debt	29.8%
Total External Debt	219,823.358
Percent of Total Public Debt	91.3%

11. As of 30 September 2021, the INR-denominated debt accounted for 70.2% of total external debt, of which 95.5% was hydropower debt.

12. The INR-denominated debt decreased by Rs. 621.052 million, compared to the INR debt stock on 30 June 2021. During the first quarter of FY 2021-22(1 July 2021 to 30 Sept 2021), GoI disbursed INR 369.300 million for Puna-I and INR 402.150 million for Puna-II. After principal repayment of INR 1,392.502 million for MHPA in July 2021, the INR-denominated decreased by INR 621.052 million.

13. The Convertible Currency (CC) debt stock stood at US \$881.93 million, equivalent to Nu. 65,439.495 million, accounting for 29.8% of total external debt. The Ngultrum value of CC debt stock decreased by Nu. 880.032 million from the total CC debt stock of Nu. 66,319.527 million (US\$892.59million) on 30 June 2021.

14. The major portion of the decrease in CC debt stock (In Nu.) was due to depreciation of the currencies— XDR, USD, EUR, and JPY—in which external debt are denominated, which resulted in a significant holding gain, causing a fall in the Ngultrum value of CC debt stock. On the weighted average, these currencies had depreciated about 1% as of 30 September 2021 compared to their rates on 30 June 2021, causing a holding gain of Nu.638.007 million. The rest of the decline was due to net debt flows (disbursements minus repayment) of – Nu.242.025 million during the quarter.

II.4 External debt by creditor, sectoral and currency composition

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

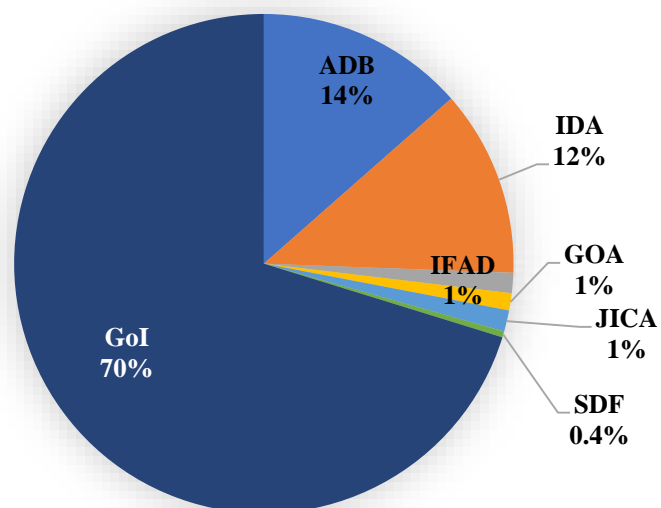


Figure 1: External debt by creditor composition

The government of India (GoI) remains the country's largest creditor. As of 30 September 2021, 70% of Bhutan's external debt was owed to GoI, followed by 14% to ADB and 12% to IDA. The rest, about 4% were owed to IFAD, JICA, GoA, and SDF combined.

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

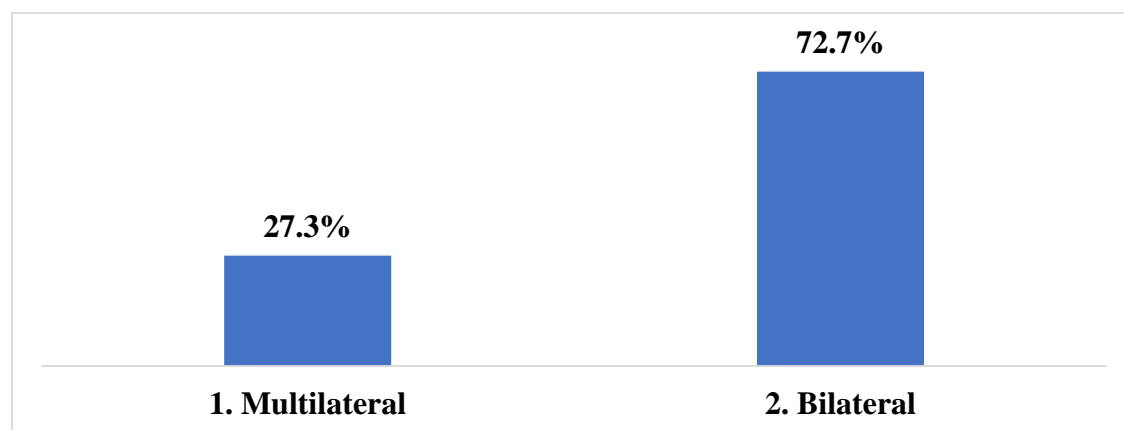


Figure 2: External debt by creditor type

As of 30 September 2021, bilateral debt accounted for 72.7% of total external debt and multilateral debt accounted for 27.3%.

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

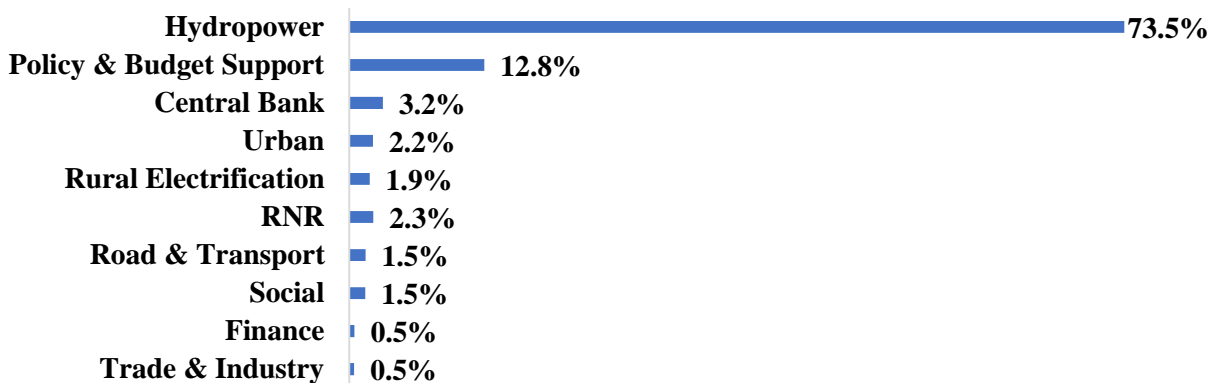
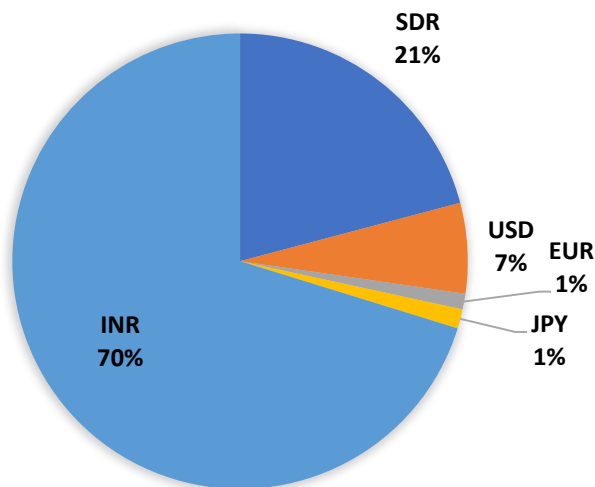


Figure 3: *External debt by the sectoral composition*

As of 30 September 2021, almost three-fourth (73.5%) 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 at 12.8% of the total external debt. Rest are on account of borrowings for financing infrastructure development in the country, such as rural electrification, road connectivity, trade infrastructure, and urban development.

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



A major portion (70%) of the country's external debt is denominated in Indian Rupee, followed by denomination in SDR (21%), USD (7%), and EUR and JPY at 1% each.

Figure 4: *External debt by currency composition*

II.5 External Debt Servicing

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

Table 5: External Debt Servicing

<i>(Amount in million Nu.)</i>			
Category	2019/20 (Actual)	2020/21 (Actual)	2021/22 (Budget)
(A) External Debt Service through Budget	Amounts in Million Nu.		
Principal Repayment	1,776.183	3,725.060	5,641.229
Interest Payment	697.842	1,721.276	2,874.430
Total External Debt Service- through Budget	2,474.025	5,446.335	8,515.659
Total Budgetary Debt Service to Domestic Revenue	6.8%	15.2%	23.9%
(B) External Debt Service-Off-Budget			
Principal Repayment	0.000	52.606	4,106.873
Interest Payment	805.774	948.083	760.534
Total External Debt Service- Off-Budget	813.630	1,000.689	4,867.407
Total External Debt Service	3,287.655	6,447.025	13,383.066
Total External Debt Service to Exports of Goods & Services	5.9%	11.7%	21.2%
Memorandum Items**			
Nominal GDP	176,788.62	176,802.88	189,110.83
Export of Goods and Services	55,855.89	55,168.59	63,035.79
Domestic Revenue	36,218.88	35,855.45	35,600.00

**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;*

*** The figures for FY 2020-21 and 2021-22 are projections, which could change in the next quarter MFCTC updates.*

The external debt servicing in FY 2021-22 is expected to increase by more than 100% compared to prior year external debt servicing, mainly because of full annual debt servicing for MHPA and liquidation of Standby Credit Facility of INR 4,000 million. As a result, despite the projected increase in exports during FY 2021-22, the external debt service to exports ratio is expected to rise from 11.7% in FY 2020-21 to 21.2% in FY 2021-22.

III. Domestic Debt

20. The total domestic debt stock on 30 September 2021 stood at Nu. 21,074.437 million, accounting for 11.1% of GDP and 8.7% of total public debt stock. The details of domestic debt stock are provided in Table 6.

Table 6: Domestic debt summary

Particulars	Creditors	Maturity Date	Interest/Discount rate	Debt Stock (Million Nu.)
Cont. of Pling Hospital Staff Quarter	NPPF	01-Apr-22	7.50%	13.170
Bhutan Hydropower Services Ltd	NPPF	01-Oct-31	8.30%	361.267
3-Year RGoB Bond	FI&Individuals	26-Sep-23	6.50%	3,000.000
10-Year RGoB Bond	Financial Institutions	17-Feb-31	3.98%	700.000
T-Bills(R339, 63 days)	Financial Institutions	05-Oct-21	0.07%	2,000.000
T-Bills(R340, 91 days)	Financial Institutions	07-Dec-21	0.69%	3,000.000
T-Bills (R341, 56 days)	Financial Institutions	02-Nov-21	0.52%	6,000.000
T-Bills (R342, 28 days)	Financial Institutions	05-Oct-21	1.64%	6,000.000
Total				21,074.437

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

21. The domestic debt mainly comprised T-Bill stock of Nu. 17,000 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.

IV. Redemption profile

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

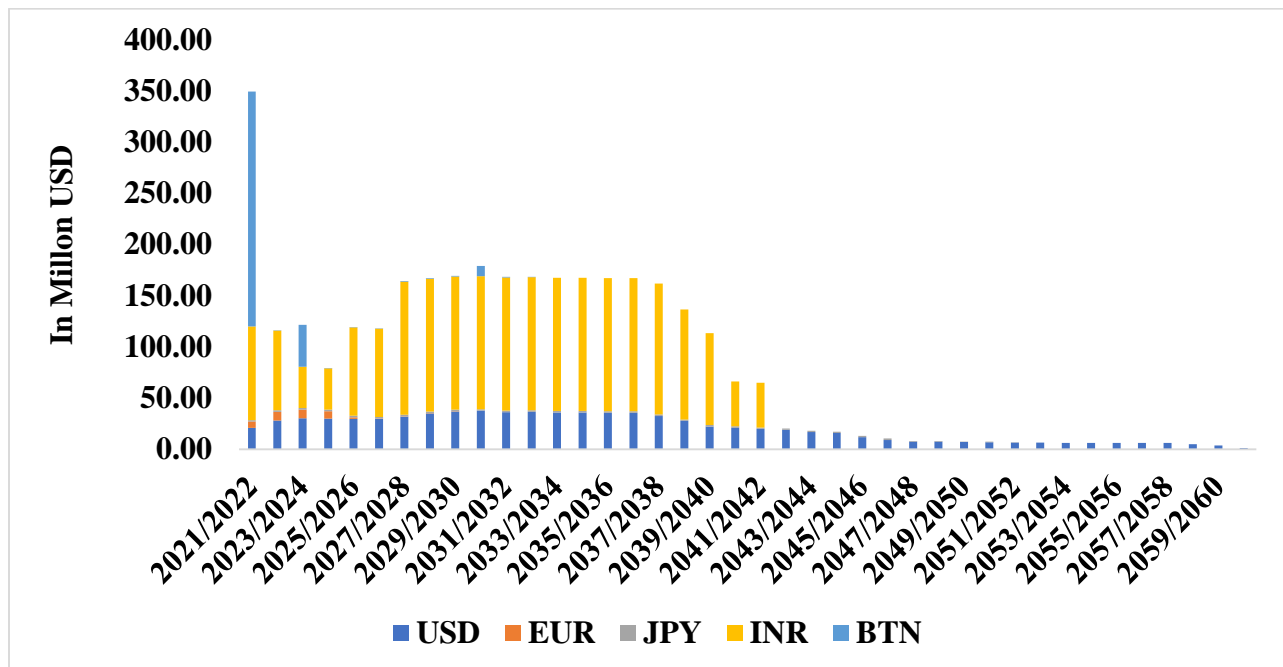


Figure 5: *Principal repayment profile*

23. The external repayment is expected to increase significantly from FY 2026/27 due to the 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 considerably from FY2038/39 and remain low and stable thereafter.

24. The high repayment of Ngultrum-denominated debt in FY 2021/22 is due to the redemption of Nu. 17,000 million T-Bills stock, which will be redeemed in the coming months. 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

25. Table 7 presents the details of the guarantees issued by the Government as of 30 September 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	778.444
2	Bhutan Agro Industries Ltd.	05-Jun-17	BOBL	Financing for set up of an integrated agro based industry in Lingmethang, Mongar.	166.00	152.511
3	Bhutan Development Bank Ltd.	09-Mar-19	NPPF	OESD Loan Scheme to youths.	521.30	199.397
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	911.010
6	Multiple Beneficiaries	Multiple Dates	FIs	Gov't guarantee under NCGS		314.726
Total						5,048.68
Government Guarantee to GDP(%)						2.7%

26. As of 30 September 2021, the government guaranteed loan outstanding stood at Nu. 5,048.678 million, accounting for 2.7% of FY 2021-22 GDP. This included the sovereign guarantee of Nu.314.726 million provided for credits sanctioned under the National Credit Guarantee Scheme(NCGS). 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 (as of 30 September 2021)

Cost & Risk Indicators		External Debt	Domestic Debt	Total Public Debt
Nominal Debt (Million Nu.)		219,823.359	21,074.437	240,897.796
Nominal Debt as percent of GDP		116.2%	11.1%	127.4%
Weighted Average Interest Rate		7.2%	1.9%	6.7%
Refinancing Risks	Average Time to Maturity(Years)	11.7	0.8	10.8
	Debt Maturing in 1 Year(% of Total)	4.0%	80.7%	10.8%
Interest Rate Risks	Average Time to Refixing(Years)	11.2	0.8	10.3
	Debt Refixing in 1 Year(% of Total)	8.7%	80.7%	15.0%
	Fixed Rate Debt(% of Total)	95.2%	100.0%	95.6%
Forex Risk	CC Debt(% of Total)			27.2%
	Short-term CC Debt(% of Gross Reserve)			0.0%
Debt Stress	Hydro Debt to GDP(%)			85.5%
	Non-Hydro Debt to GDP(%)			30.8%

27. Table 8 above presents the summary of cost and risk indicators of the debt portfolio as of 30 September 2021. Though the level of total public debt remains elevated at 127.4% of GDP, the overall risk is considered low and manageable because of the following reasons:

1. The major portion of external debt is on account of hydropower projects which are deemed commercially viable, with a ready export market in India. In addition, 91.2% of the hydro debt is denominated in INR, which does not pose any exchange rate risks as Ngultrum is pegged at par with INR.
2. The debt with a fixed interest rate constituted 95.2% of the total public debt. In addition, the average time to re-fixing (ATR) is estimated at 10.3 years. Thus, due to the long ATR and the low portion of the variable-interest-rate debt, the interest rate risk is deemed low.
3. The Average Time to Maturity (ATM) is estimated at 10.8 years, and about 10.8% 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 more than 80% of domestic debt is maturing within one year, the domestic debt could pose huge refinancing and interest rate risks if banks do not have adequate liquidity in the coming months to refinance the maturing T-Bills.

4. Though the proportion of external debt is high at 91.3% 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 are CC-denominated debt, which are 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 has ensured that the impact of debt servicing on the government's cash flow and the forex reserve is spread over a long period, thus mitigating the liquidity risks.

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.
A. External Debt			584.497	43,369.648		2,283.743	169,453.711		94.340	7,000.000		2,962.579	219,823.359
A.1 Concertible Currency(CC Debt)			584.497	43,369.648		297.437	22,069.847		0.000	0.000		881.934	65,439.495
ADB	SDR	92.949	131.303	9,742.681	65.111	91.978	6,824.773				158.059	223.281	16,567.454
ADB	USD	80.000	80.000	5,936.000	96.954	96.954	7,193.980				176.954	176.954	13,129.980
IDA	SDR	248.087	350.458	26,003.967	5.164	7.294	541.232				253.250	357.752	26,545.199
GOA	EUR	0.000	0.000	0.000	28.246	32.949	2,444.838				28.246	32.949	2,444.838
JICA	JPY	0.000	0.000	0.000	4,521.503	40.605	3,012.904				4,521.503	40.605	3,012.904
IFAD	SDR	15.033	21.236	1,575.700	11.398	16.101	1,194.699				26.431	37.337	2,770.399
IFAD	USD	1.500	1.500	111.300	0.000	0.000	0.000				1.500	1.500	111.300
SDF	USD	0.000	0.000	0.000	11.556	11.556	857.422				11.556	11.556	857.422
A.2 INR Debt			0.000	0.00	147,383.864	1,986.305	147,383.864	7,000.00	94.340	7,000.000	154,383.864	2,080.645	154,383.864
Hydropower projects	INR				147,383.864	1,986.305	147,383.864				147,383.864	1,986.305	147,383.864
BoP Support(RMA)	INR							7,000.00	94.340	7,000.000	7,000.000	94.340	7,000.000
B. Domestic Debt	BTN	21,074.437	284.022	21,074.437							21,074.437	284.022	21,074.437
Total Public Debt(A+B)			868.519	64,444.085		2,283.743	169,453.711		94.340	7,000.00	0.000	3,246.60	240,897.80
CHECK				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	0.415	30.779
2	Multi Project -II (DWH)	ADB	SDR	Non-Hydro: Budgetary	May-95	Nov-24	1.040	1.469	108.991
3	Chirang Hill Irrigation	ADB	SDR	Non-Hydro: Budgetary	Nov-95	May-25	0.134	0.189	14.006
4	Road Mechanisation Project	ADB	SDR	Non-Hydro: Budgetary	Dec-96	Jun-26	0.742	1.048	77.766
5	Highland Livestock Development Project	ADB	SDR	Non-Hydro: Budgetary	May-97	Nov-26	0.776	1.096	81.286
6	Industrial Estates Project	ADB	SDR	Non-Hydro: Budgetary	Dec-98	Jun-28	0.154	0.218	16.147
7	Bhutan Development Finance Corporation	ADB	SDR	Non-Hydro: Commercial	Jan-99	Jan-28	0.455	0.643	47.699
8	Technical & Vocational Educational Training	ADB	SDR	Non-Hydro: Budgetary	Apr-01	Oct-30	1.253	1.770	131.316
9	East West Highway Maintenance Project	ADB	SDR	Non-Hydro: Budgetary	Feb-04	Aug-33	1.759	2.485	184.396
10	Rural Electrification Project(RE-I)	ADB	SDR	Non-Hydro: Commercial	Feb-06	Aug-35	2.672	3.775	280.120
11	Financial Sector Development Program	ADB	SDR	Non-Hydro: Budgetary	Feb-08	Aug-37	1.881	2.657	197.121
12	Development Finance Loan	ADB	SDR	Non-Hydro: Commercial	Feb-08	Aug-37	1.877	2.652	196.790

13	Urban Infrastructure Improvement Project	ADB	SDR	Non-Hydro: Budgetary	Aug-08	Feb-38	2.802	3.958	293.691
14	Sustainable Rural Electrification(RE-II)	ADB	SDR	Non-Hydro: Commercial	Feb-08	Aug-31	2.943	4.157	308.458
15	Health Care Reform Program	ADB	SDR	Non-Hydro: Budgetary	Feb-09	Aug-24	1.428	2.017	149.642
16	Road Improvement project	ADB	SDR	Non-Hydro: Budgetary	Feb-09	Aug-32	3.329	4.703	348.943
17	Basic Skill Development Project	ADB	SDR	Non-Hydro: Budgetary	Oct-09	Apr-33	2.495	3.525	261.535
18	Rural Electrification and Network Expansion Project(RE III)	ADB	SDR	Non-Hydro: Commercial	Mar-12	Sep-35	3.841	5.426	402.584
19	Road Network Project	ADB	SDR	Non-Hydro: Budgetary	Apr-14	Oct-37	12.927	18.261	1,354.984
20	Urban Infrastructure Development Project	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Oct-38	11.112	15.698	1,164.764
21	Financial Sector Development Program	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Aug-37	4.437	6.267	465.025
22	Financial Sector Development Project	ADB	SDR	Non-Hydro: Budgetary	Apr-15	Oct-38	0.646	0.912	67.707
23	Green Power Development Project (Sepcial Operations)-Dagachu- ADF	ADB	SDR	Hydropower	Apr-17	Oct-40	15.301	21.615	1,603.821
24	Urban Infrastructure Project	ADB	SDR	Non-Hydro: Budgetary	May-20	Nov-43	10.045	14.190	1,052.929
25	SASEC Trade Facilitation Program (LOAN)	ADB	SDR	Non-Hydro: Budgetary	May-21	Nov-36	5.243	7.406	549.548
26	Strengthening Economic Management Program (Loan)	ADB	SDR	Non-Hydro: Budgetary	Sep-21	Mar-37	8.936	12.623	936.627
27	Green Power Development Project -Dagachu- Additional Financing	ADB	SDR	Hydropower	Feb-22	Aug-45	22.780	32.180	2,387.786

28	2nd Green Power Development Project (Special Operations-Tangsibji)-Nik	ADB	SDR	Hydropower	Feb-23	Aug-46	15.241	21.530	1,597.514
29	Strengthening Economic Management Program II (LOAN)	ADB	SDR	Non-Hydro: Budgetary	Dec-23	Jun-39	14.443	20.403	1,513.886
30	SASEC Transport, Trade Facilitation and Logistics Project (Loan 3421-BH)	ADB	SDR	Non-Hydro: Budgetary	Feb-25	Aug-48	2.464	3.481	258.298
31	Secondary Towns Urban Development Project	ADB	SDR	Non-Hydro: Budgetary	Aug-26	Feb-50	4.611	6.513	483.294
32	Green Power Development Project (Ordinary Operations)-Dagachu- OCR	ADB	USD	Hydropower	Apr-14	Oct-38	45.743	45.743	3,394.143
33	2nd Green Power Development Project (Ordinary Operations - Tangsibji)-	ADB	USD	Hydropower	Nov-20	Nov-44	41.676	41.676	3,092.364
34	Phuentsholing Township Development Project (Loan)-Amochu	ADB	USD	Non-Hydro: Commercial	Aug-26	Feb-50	2.035	2.035	150.974
35	Financial Market Development Program - Sub Program I	ADB	USD	Non-Hydro: Budgetary	May-28	Nov-43	30.000	30.000	2,226.000
36	COVID-19 Active Response & Expenditure Support (CARES) Program	ADB	USD	Non-Hydro: Budgetary	May-20	May-52	20.000	20.000	1,484.000
37	Financial Market Development Program - Subprogram 2	ADB	USD	Non-Hydro: Budgetary	Dec-20	Dec-52	30.000	30.000	2,226.000
38	Rural Finance Development Project	ADB	USD	Non-Hydro: Commercial	Dec-20	Dec-52	7.500	7.500	556.500
39	Technical Assistance	IDA	SDR	Non-Hydro: Budgetary	Apr-94	Oct-33	0.949	1.341	99.484

40	Forestry Development Project	IDA	SDR	Non-Hydro: Budgetary	Sep-94	Sep-34	1.558	2.201	163.299
41	Bhutan Calcium and Carbide Ltd	IDA	SDR	Non-Hydro: Budgetary	Nov-95	May-35	2.339	3.305	245.201
42	Second Forestry Development	IDA	SDR	Non-Hydro: Budgetary	Oct-98	Apr-28	0.169	0.238	17.673
43	Primary Education Project	IDA	SDR	Non-Hydro: Budgetary	Oct-98	Apr-28	0.868	1.226	90.982
44	Third Forestry Development Project	IDA	SDR	Non-Hydro: Budgetary	Jan-04	Jul-33	1.862	2.630	195.179
45	Second Education Project	IDA	SDR	Non-Hydro: Budgetary	Jul-08	Jan-38	6.499	9.181	681.203
46	Urban Development Project	IDA	SDR	Non-Hydro: Budgetary	Jun-10	Dec-39	5.508	7.781	577.335
47	Rural Access Project	IDA	SDR	Non-Hydro: Budgetary	Jun-10	Dec-39	5.865	8.286	614.792
48	Education Development Project	IDA	SDR	Non-Hydro: Budgetary	Sep-13	Mar-43	18.260	25.795	1,913.973
49	Decentralised Rural Development Project	IDA	SDR	Non-Hydro: Budgetary	Aug-15	Feb-45	3.951	5.581	414.107
50	Development Policy Financing for Institutional Strengthening	IDA	SDR	Non-Hydro: Budgetary	Sep-19	Mar-49	7.158	10.112	750.313
51	Second Urban Development Project (Urban Dev. II)	IDA	SDR	Non-Hydro: Commercial	Sep-20	Mar-30	5.164	7.294	541.232
52	First Development Policy Credit	IDA	SDR	Non-Hydro: Budgetary	Feb-21	Aug-30	14.850	20.978	1,556.547
53	Strengthening Regional Cooperation for Wildlife Protection in Asia Pro	IDA	SDR	Non-Hydro: Budgetary	Nov-21	May-31	1.395	1.971	146.243
54	Second Development Policy Credit	IDA	SDR	Non-Hydro: Budgetary	Apr-18	Apr-38	21.140	29.863	2,215.805
55	Remote Rural Communities Development Project	IDA	SDR	Non-Hydro: Budgetary	Nov-17	May-37	5.031	7.107	527.317

56	Additional Financing for UDP II	IDA	SDR	Non-Hydro: Budgetary	Jul-19	Jan-39	10.319	14.577	1,081.608
57	Fiscal Sustainability & Investment Climate Development Policy Financing	IDA	SDR	Non-Hydro: Budgetary	Nov-20	May-40	13.828	19.534	1,449.434
58	DPC II Fiscal Sustainability & Investment Climate	IDA	SDR	Non-Hydro: Budgetary	Feb-22	Aug-41	17.500	24.721	1,834.315
59	Strengthening Fiscal Mgmt & Pvt Sector Employment Opportunities(DPC I)	IDA	SDR	Non-Hydro: Budgetary	Aug-28	Feb-58	20.600	29.100	2,159.251
60	Strengthening Fiscal Management & Private Sector Employment Opportunities	IDA	SDR	Non-Hydro: Budgetary	Aug-29	Feb-59	21.700	30.654	2,274.551
61	COVID-19 Emergency Response & Health Systems Preparedness Project	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Jan-00	2.238	3.162	234.595
62	Third Strengthening Fiscal Mgt & Pvt Sector Employment Opportunities (DPC III)	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Jul-02	29.200	41.249	3,060.686
63	Development Policy Financing With Catastrophe Deferred Drawdown Option	IDA	SDR	Non-Hydro: Budgetary	Jan-00	Jan-00	10.900	15.398	1,142.516
64	COVID-19 Crisis Response Development Policy Financing	IDA	SDR	Non-Hydro: Budgetary	Sep-31	Mar-61	24.400	34.468	2,557.559
65	Small Farm Development & Irrigation Rehabilitation Project	IFAD	SDR	Non-Hydro: Budgetary	Jun-91	Dec-30	0.893	1.262	93.641
66	Tashigang & Mongar Area Development	IFAD	SDR	Non-Hydro: Budgetary	Jun-96	Dec-35	0.927	1.309	97.130

67	Punakha Wangdi Valley Development Project	IFAD	SDR	Non-Hydro: Budgetary	Oct-98	Apr-38	0.830	1.172	86.989
68	First Eastern Zone Agricultural Project	IFAD	SDR	Non-Hydro: Budgetary	Jul-02	Jan-42	1.431	2.022	150.012
69	Second Eastern Zone Agricultural Project	IFAD	SDR	Non-Hydro: Commercial	Mar-10	Sep-39	4.018	5.675	421.121
70	Agriculture, Marketing and Enterprise Promotion Programme	IFAD	SDR	Non-Hydro: Commercial	Oct-15	Apr-45	7.380	10.426	773.579
71	Market Access and Growth Intensification Project(MAGIP-LOAN)	IFAD	SDR	Non-Hydro: Budgetary	Apr-21	Oct-50	5.503	7.774	576.815
72	Commercial Agriculture & Resilient Livelihoods Enhancement Programme (CARLEP-LOAN)	IFAD	SDR	Non-Hydro: Budgetary	Oct-20	Apr-40	5.449	7.697	571.113
73	Commercial Agriculture & Resilient Livelihoods Programme (CARLEP AF Loan)	IFAD	USD	Non-Hydro: Budgetary	Jul-30	Jan-60	1.500	1.500	111.300
74	Basochhu Hydro Power Project (Upper Stage)	GOA	EUR	Hydropower	Dec-06	Dec-25	4.296	5.011	371.822
75	Basochhu Hydro Power Project (Lower Stage)	GOA	EUR	Hydropower	Jun-10	Dec-24	7.291	8.505	631.038
76	Dagachhu Hydroelectric Power Project (Raiffeisen Bank International)	GOA	EUR	Hydropower	Jan-15	Mar-25	13.744	16.032	1,189.600
77	The Financing of Rural Electrification	GOA	EUR	Non-Hydro: Commercial	Dec-18	Dec-29	2.916	3.401	252.378
78	Rural Electrification Project (Phase I) - JICA	JICA	JPY	Non-Hydro: Commercial	May-17	May-47	2,759.848	24.785	1,839.025
79	Rural Electrification Project (Phase II) - JICA	JICA	JPY	Non-Hydro: Commercial	Jun-21	Jun-51	1,761.655	15.820	1,173.879

80	Purchase of New Aircraft ATR 42-600 By Druk Air Corporation	SDF	USD	Non-Hydro: Commercial	Mar-20	Mar-30	11.556	11.556	857.422
TOTAL CONVERTIBLE CURRENCY (currency other than INR and BTN) DEBT								881.934	65,439.49 5
								CHECK	OK
									OK

Currency	Forex Rate (Currency/BTN) as on 30-Sep-2021
USD	74.200
SDR	104.818
EURO	86.555
JPY	0.666
INR	1.000

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	93,755.75	48,643.78	48,643.78	-	-	48,643.783
2	Punatshangchu Hydropower Project Authority(PHPA)-II	1020 MW	89,770.74	51,034.34	51,034.34	-	-	51,034.336
3	Mangdechu Hydropower Project Authority(MHPA)	720 MW	50,448.90	35,088.41	35,088.41	2,785.00	2,013.54	44,560.075
4	Tangsibji Hydro Energy Limited	118 MW	10,658.50	3,145.67	3,145.67	-	712.47	3,145.670
	Sub-total (Hydro-power Rupee loans)	3058 MW	244,633.89	137,912.20	137,912.20	2,785.00	2,726.01	147,383.864
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
	Sub-total (Other Rupee loans)		7,000.00	7,000.00	7,000.00	-	2,637.61	7,000.000
	Grand Total (Rupee loans)		251,633.89	144,912.20	144,912.20	2,785.00	5,363.62	154,383.864

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
Bilateral						
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%; <i>For new loans effective from April 2013, front end fee of 0.2% is applicable instead of commitment charge</i>
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%
Multilateral						
1	Asian Development Bank					
(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% (Tangsibji)	0.15%

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