

**Royal Government of Bhutan
Ministry of Finance**



Public Debt Situation Report

**For the quarter-ended
31 March 2022**

**Debt Management Division
Department of Macroeconomic Affairs**

April 2022

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: Details of INR debt details.....	12
	Annexure III: Lending Terms.....	13

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.

FOREWORD

The Department of Macroeconomic Affairs (DMEA) is pleased to present the Public Debt Situation Report for the quarter-ended 31 March 2022. The report divulges the public debt stock, sovereign guarantee, and cost-risk indicators of the existing debt portfolio. On the other hand, the external debt statistics published by the RMA will be higher than MoF as it includes the private sector debt stock beside public debt.

As of 31 March 2022, the total public debt stock stood at **Nu. 247,681.514 million** accounting for 130.9% of estimated GDP. The total public debt comprised external debt stock of **Nu. 222,107.077 million**, and domestic debt stock of **Nu. 25,574.437 million**. Similarly, the sovereign guarantee stood at **Nu. 4,910.161 million**, accounting for 2.6% of estimated GDP.

In keeping with the sound public debt management practices, publication of quarterly Debt Situation Report was initiated to help policymakers and general public with the timely information. This will enhance public debt transparency, thus contributing towards effective public debt management in the country.



Tshering Dorji
Officiating Director General
Department of Macroeconomic Affairs

I. Summary

1. The total public debt stock as of 31 March 2022 stood at Nu. **247,681.514 million**, accounting for 130.9% of estimated GDP. The total public debt comprised the external debt stock of Nu. 222,107.077 million and the domestic debt stock of Nu. 22,574.437 million.

2. Table 1 presents the comparative public debt summary as of 31 March 2022 and 31 December 2021.

Table 1: Summary of Total Public Debt Stock

Category	31-Dec-2021	31-Mar-2022	Change (amount)	Change (%)
Total Public Debt	239,792.039	247,681.514	7,889.474	3.3%
Percent of GDP ¹	126.8%	130.9%		
External Debt	222,717.602	222,107.077	-610.526	-0.3%
Percent of GDP	117.7%	117.4%		
Percent Total Public Debt	92.9%	89.7%		
Domestic Debt	17,074.437	25,574.437	8,500.000	49.8%
Percent of GDP	9.0%	13.5%		
Percent of Total Public Debt	7.1%	10.3%		

3. Total public debt stock increased by Nu. 7,889.474 million (3.3%), compared to the public debt stock on 31 December 2021. The increase was mainly on account of issuance of new T-bills during the quarter.

4. The external debt stock decreased slightly by Nu.610.526 million (0.3%) mainly on account of MHPA repayment in January 2022. The domestic debt stock, on other hand, increased by Nu. 8,500 million (49.8%), compared to the domestic debt stock on 31 December 2021. The increase was due to issuance of additional T-Bills during the quarter.

¹ **Note:** The debt-to-GDP ratios are based on nominal GDP estimates of FY 2021-22. For this report, the GDP estimate of FY 2021-22 based on second quarter MFCTC update was used. Since GDP figures for the fiscal year is estimates only, the debt-to-GDP ratios are subject to change as and when GDP figures are updated during the quarterly MFCTC meetings.

II. External Debt

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

5. Table 2 shows the bifurcation of external debt into three categories: Gov't Debt, Corporate Debt, and Central Bank Debt as of 31 March 2022:

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

Category	Amount (Million Nu.)
(a) Gov't Debt	205,898.865
Percent of Total External Debt	92.7%
O/w on-lent to Public Corporations(including hydro loans)	160,485.068
Percent of Gov't Debt	77.9%
(b) Corporate Debt	9,208.212
Percent of Total External Debt	4.1%
(c) Central Bank Debt	7,000.000
Percent of Total External Debt	3.2%

6. The Government debt amounted to Nu. 205,898.865 million, accounting for 92.7% 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. Almost 78% of the government debt pertained to on-lending to public corporations and hydropower debt.

7. The corporate debt of Nu. 9,208.212 million accounted for 4.1% 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 Tangsibji Hydro Energy Limited.

The Central Bank debt, which is on account of Standby Credit Facility availed from the Government of India (GoI) accounts 3.2% of the total external debt.

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 31 March 2022.

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

Category	Amount (Nu. Million)
(A) Hydropower Debt	162,197.993
Percent of GDP	85.7%
Percent of Total External Debt	73.0%
(B) Non-Hydro Debt	59,909.084
Percent of GDP	31.7%
Percent of Total External Debt	27.0%
(B.1) Non-Hydro Debt: Budgetary	45,413.796
(B.2) Non-Hydro Debt: Commercial	7,495.288
(B.3) Non-Hydro Debt: Central Bank	7,000.000

8. The hydropower debt as of 31 March 2022 constituted 73% of total external debt and accounted for 85.7 % of estimated GDP. 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)

9. The non-hydro debt stood at Nu. 59,909.084 million, constituting 27% of total external debt and 31.7% of estimated GDP. The non-hydro debt to GDP of 31.7% 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 31 March 2022, is presented in **Table 4**.

Table 4: External Debt by INR and CC denomination

Category	Amount (Million Nu.)
(A) Rupee Debt	154,904.161
Percent of Total External Debt	69.7%
(A.1) Hydro Rupee Debt	147,904.16
(A.2) Central Bank Rupee Debt	7,000.000
(B) CC Debt (US\$ 884.191 Million)	67,202.916
Percent of Total External Debt	30.3%
Total External Debt	222,107.077
Percent of Total Public Debt	90.8%

10. As of 31 March 2022, the INR-denominated debt accounted for 69.7% of total external debt, of which 95.5% was hydropower debt.

The INR-denominated debt decreased by Rs.279.703 million, compared to the INR debt stock of Rs. 155,183.864 million on 31 December 2021. The decrease was mainly due to loan repayment of MHPA in January 2022.

The Convertible Currency (CC) debt stock stood at US \$884.191 million, equivalent to Nu. 67,202.196 million, accounting 30.3% of total external debt. The Ngultrum value of CC debt stock decreased by Nu.330.823 million from the total CC debt stock of Nu. 67,533.738 million (\$906.737 million) on 31 December 2021. The decrease was mainly owing to scheduled loan repayments during the quarter, without much corresponding CC-denominated loan disbursement during the quarter.

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

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

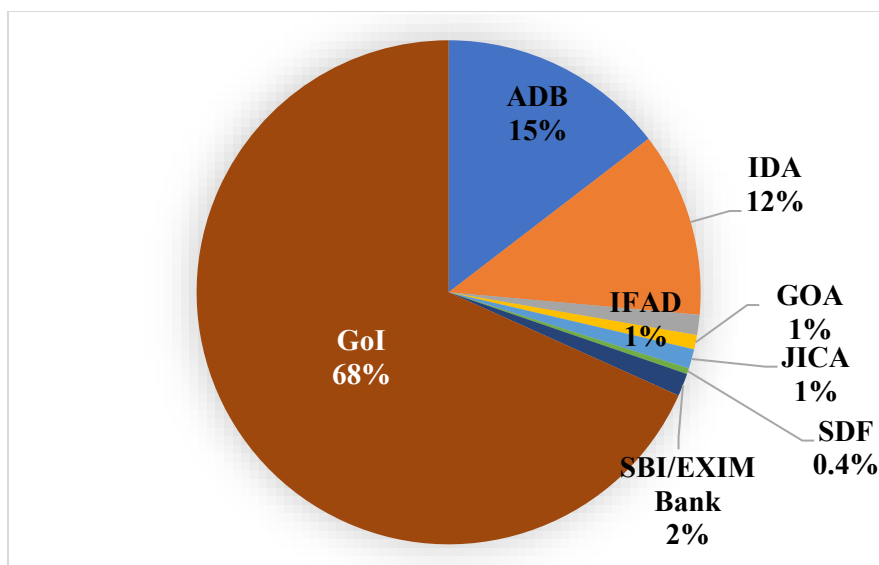


Figure 1: External debt by creditor composition

The government of India (GoI) remains the country's largest creditor. As of 31 March 2022, 68% of Bhutan's external debt was owed to GoI, followed by 15% to ADB and 12% to IDA. The rest, about 6% were owed to IFAD, JICA, GoA, SBI/EXIM Bank and SDF combined.

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

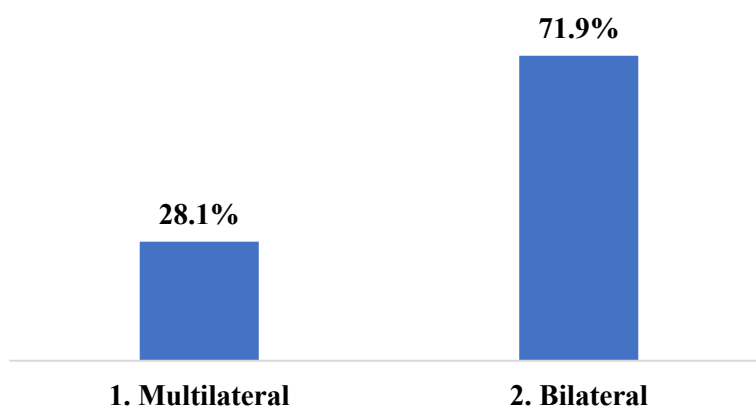


Figure 2: External debt by creditor type

As of 31 March 2022, bilateral debt accounted for 71.9% of total external debt and multilateral debt accounted for 28.1%.

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

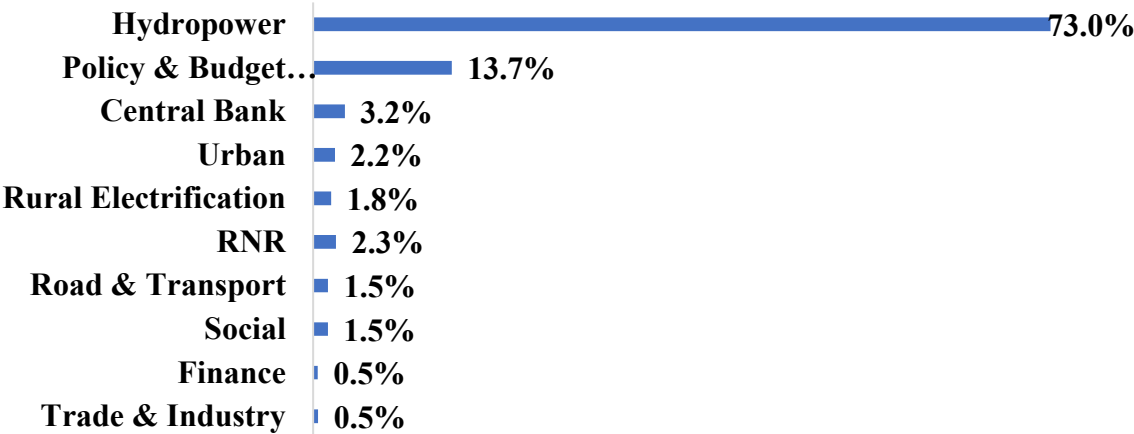


Figure 3: External debt by the sectoral composition

As of 31 December, almost three-fourth (73%) 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 13.7% 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.

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

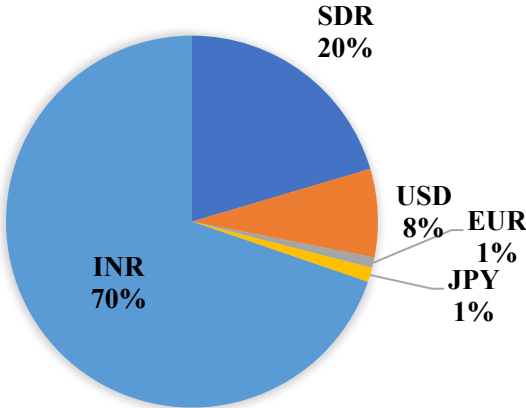


Figure 4: External debt by currency composition

A major portion (70%) of the country’s external debt is denominated in Indian Rupee, followed by denomination in SDR (20%), USD (8%), and EUR and JPY at 1% each.

II.5 External Debt Servicing

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

Table 5: External Debt Servicing

(Amount in million Nu.)

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%	24.8%
(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	175,067.32	176,419.44	189,162.92
Export of Goods and Services	55,855.89	55,168.59	63,035.79
Domestic Revenue	36,218.88	35,855.44	34,367.40

*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 nominal GDP for FY 2020-21 and FY 2021-22, and export and domestic revenue for FY 2021-22 are estimates based on second quarter (Jan 2022) MFCTC update; the figure could change in the next update.

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

16. The total domestic debt stock on 31 March 2022 stood at Nu. 22,574.437 million, accounting for 11.9% 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	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	FIS	17-Feb-31	3.98%	700.000
10-Year RGoB Bond	FIS	04-Feb-32	3.49%	3,000.000
T-Bills(R349, 91 days)	FIS	05-Apr-22	0.10%	4,000.000
T-Bills(R351, 84 days)	FIS	03-May-22	0.07%	4,500.000
T-Bills (R352, 91 days)	FIS	07-Jun-22	0.14%	4,000.000
T-Bills (R353, 56 days)	FIS	03-May-22	0.12%	3,000.000
T-Bills (R354, 28 days)	FIs	05-Apr-22	0.10%	3,000.000
Total (Million Nu.)				25,574.437

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

17. The domestic debt mainly comprised T-Bill stock of Nu. 18,500 million and the Government bond of Nu. 6,700 million (a 3-year Government bond of Nu. 3,000 million was issued in September 2020, a 10-year Government bond of Nu.700 million was issued in February 2021 and a 10-year Government bond of Nu. 3,000 million was issued in February 2022). 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.

18. The domestic debt increased by Nu. 8,500 million compared to the domestic debt in at the end of previous quarter due to issuance of additional T-Bills during the quarter.

IV. Redemption profile

19. Chart 5 below depicts the projected principal repayment of the public debt stock as of 31 December 2021.

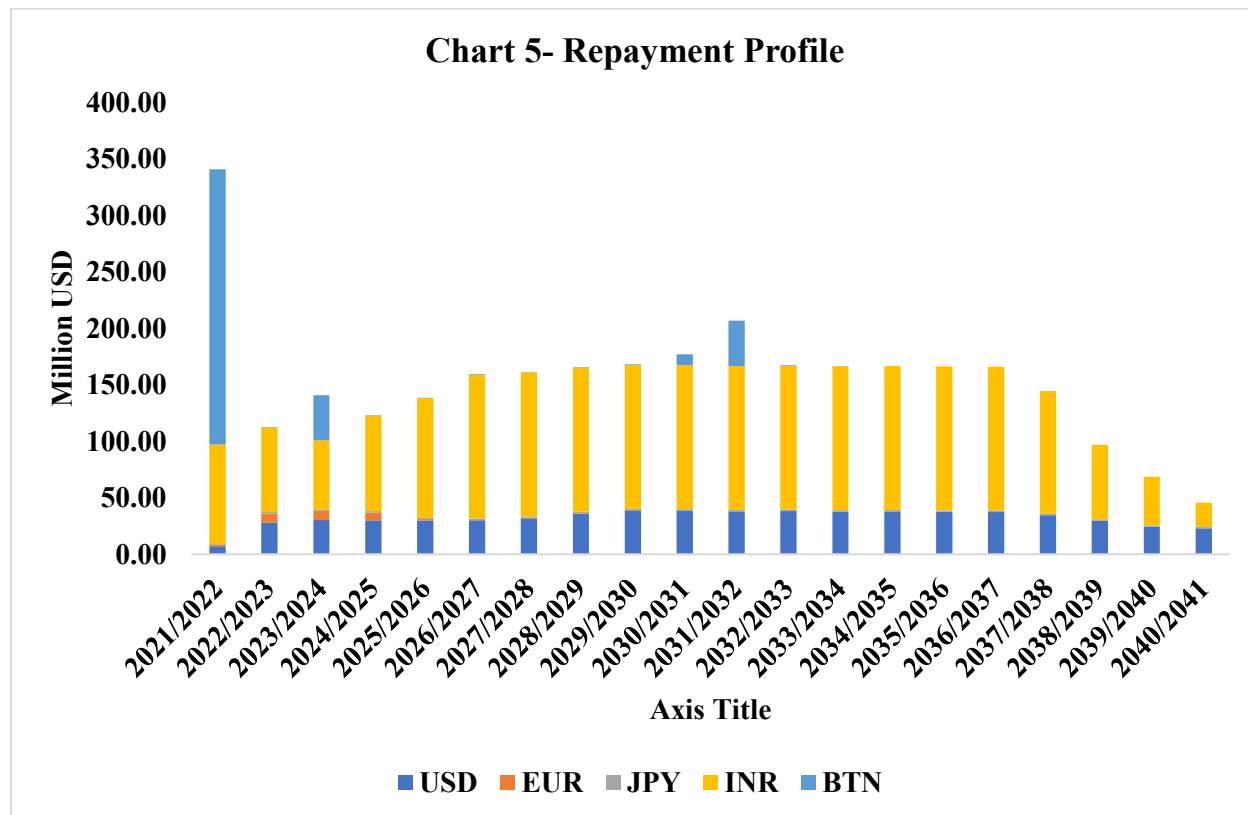


Figure 5: *Principal repayment profile*

Note: *This repayment profile is based on current loan outstanding; future disbursements are not included.*

20. 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 FY2036/37 as the repayments for all the mega hydropower projects would be ongoing then. However, after the liquidation of MHP in FY2037/38 and Puna-II in FY 2038/39, the repayment is projected to drop considerably thereafter. Not only that, it will remain low and stable thereafter too.

21. The high repayment of Ngultrum-denominated debt in FY 2021/22 is due to the redemption of Nu. 18,500 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

22. Table 7 presents the details of the guarantees issued by the Government as of 31 March 2022.

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	717.548
2	Bhutan Agro Industries Ltd.	05-Jun-17	BOBL	Financing for set up of an integrated agro based industry in Lingmethang, Mongar.	166.00	146.432
3	Bhutan Development Bank Ltd.	09-Mar-19	NPPF	OESD Loan Scheme to youths.	521.30	143.758
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	805.302
6	Multiple Beneficiaries	Multiple Dates	FIs	Gov't guarantee under NCGS		404.531
Total						4,910.161
Government Guarantee to GDP (%)						2.6%

23. As of 31 March 2022, the government guaranteed loan outstanding stood at Nu. 4,910.161 million, accounting for 2.6% of estimated GDP. This included the sovereign guarantee of Nu.404.531 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 Indicator

Table 8: Cost and Risk Indicators for existing debt as of 31 March 2022.

Cost & Risk Indicators		External Debt	Domestic Debt	Total Public Debt
Nominal Debt (Million Nu.)		222,107.077	25,574.437	247,681.514
Nominal Debt as percent of GDP		117.4%	13.5%	130.9%
Weighted Average Interest Rate		7.1%	1.8%	6.7%
Refinancing Risks	Average Time to Maturity (Years)	10.7	2.0	9.7
	Debt Maturing in 1 Year (% of Total)	3.3%	72.4%	10.5%
Interest Rate Risks	Average Time to Re-fixing (Years)	10.2	2.0	9.2
	Debt Re-fixing in 1 Year (% of Total)	8.2%	72.4%	14.8%
	Fixed Rate Debt (% of Total)	95.1%	100.0%	95.6%
Forex Risk	CC Debt (% of Total Public Debt)			27.5%
	Short-term CC Debt (% of Gross Reserve)			0.0%
Debt Stress	Hydro Debt to GDP (%)			85.7%
	Non-Hydro Debt to GDP (%)			31.7%

24. *Table 8* above presents the summary of cost and risk indicators of the debt portfolio as of 31 March 2022. Though the total public debt level remains elevated at 130.9% of GDP, the overall risk is deemed manageable due to 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 fixed interest rate debt constituted 95.6% of the total public debt. In addition, the average time to re-fixing (ATR) is estimated at 9.2 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 10.2 years, and about 15% of the debt (3.3% of external debt, and 72.4% of domestic 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.
4. Although 72.4% of domestic debt (mostly T-Bills) would be maturing within one year, the refinancing risks is low due to current liquidity glut with the banks, the main investors of T-Bills. However, in the medium term if the COVID-19 situation improves and bank lending activities pick up, such high level of T-Bills could pose refinancing risks.

5. Though the proportion of external debt is high at 117.4% of estimated GDP, the risks of external debt distress is low or moderate 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 exchanges rate risks.
 - In addition, hydropower debt constitutes 73% of total external debt, and major 91.2% hydropower debt are denominated in Indian Rupee. The risks from hydropower debt is low because of the following:
 - ✓ Debt servicing for hydropower loans from India start only one year after the commissioning of the project, ensuring revenue inflow is in place when the debt servicing starts, thus mitigating the liquidity risk.
 - ✓ The export tariff for electricity is set by taking into account the overall cost of the project, including the projected debt servicing cost. This implies that there would be revenue from the sale of electricity would provide adequate cushion for debt servicing.
 - 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			597.511	45,413.796		2,232.659	169,693.280		92.099	7,000.000		2,922.269	222,107.077
A.1 Concertible Currency(CC Debt)			597.511	45,413.796		286.680	21,789.119		0.000	0.000		884.191	67,202.916
ADB	SDR	91.060	125.554	9,542.754	64.645	89.132	6,774.487				155.705	214.686	16,317.241
ADB	USD	110.000	110.000	8,360.550	101.417	101.417	7,708.210				211.417	211.417	16,068.760
IDA	SDR	246.272	339.560	25,808.269	4.860	6.701	509.288				251.131	346.261	26,317.557
GOA	EUR	0.000	0.000	0.000	24.060	26.786	2,035.850				24.060	26.786	2,035.850
JICA	JPY	0.000	0.000	0.000	4,441.118	36.462	2,771.258				4,441.118	36.462	2,771.258
IFAD	SDR	14.734	20.315	1,544.078	11.132	15.350	1,166.640				25.867	35.665	2,710.718
IFAD	USD	2.081	2.081	158.145	0.000	0.000	0.000				2.081	2.081	158.145
SDF	USD	0.000	0.000	0.000	10.833	10.833	823.387				10.833	10.833	823.387
A.2 INR Debt			0.000	0.00	147,904.161	1,945.979	147,904.161	7,000.00	92.099	7,000.000	154,904.161	2,038.079	154,904.161
Hydropower projects	INR				147,904.161	1,945.979	147,904.161				147,904.161	1,945.979	147,904.161
BoP Support(RMA)	INR							7,000.00	92.099	7,000.000	7,000.000	92.099	7,000.000
B. Domestic Debt	BTN	22,574.437	297.013	22,574.437							22,574.437	297.013	22,574.437
Total Public Debt(A+B)			894.523	67,988.233		2,232.659	169,693.280		92.099	7,000.00	0.000	3,219.28	244,681.51
CHECK				OK			OK		OK				OK

Annexure II – Details of INR debt details

(Million INR)

<i>Sl. No.</i>	<i>Project</i>	<i>Capacity</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	48,958.78	-	-	48,958.783
2	Punatshangchu Hydropower Project Authority(PHPA)-II	1020 MW	52,532.14	-	-	52,532.136
3	Mangdechu Hydropower Project Authority(MHPA)*	720 MW	47,345.08	4,177.51	3,020.32	43,167.572
4	Tangsibji Hydro Energy Limited	118 MW	3,245.67	-	1,047.71	3,245.670
	Sub-total (Hydro-power Rupee loans)	3058 MW	152,081.67	4,177.51	4,068.03	147,904.161
5	Standby Credit Facility II		3,000.00	-	1,467.88	3,000.000
6	Standby Credit Facility III		4,000.00	-	1,778.50	4,000.000
	Sub-total (Other Rupee loans)		7,000.00	-	3,246.38	7,000.000
	Grand Total (Rupee loans)		159,081.67	4,177.51	7,314.41	154,904.161

*includes IDC of INR 12,256.669 million (added to the total loan disbursed after MHP's commissioning in August 2019)

Annexure III- 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%; 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%
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%

Exchange Rate

Currency	Forex Rate (Currency/BTN) as on 31-Mar- 2022
USD	76.005
SDR	104.796
EURO	84.615
JPY	0.624
INR	1.000