

**Royal Government of Bhutan**

**Ministry of Finance**



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**Public Debt Situation Report**

**For the quarter ended**

**30<sup>th</sup> September 2023**

**Development Coordination and Debt Management Division**

**Department of Macro-Fiscal and Development Finance**

***October 2023***

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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
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
WMA	Ways and Means Advances

*This debt report is prepared by the Development Coordination and Debt Management Division, Department of Macro-Fiscal and Development Finance, 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 reports currency swap arrangement with RBI under external*

## FOREWORD

The Department of Macro-Fiscal and Development Finance (DMDF) is pleased to present the Public Debt Situation Report for the quarter that ended 30 September 2023. This report provides updated information on the public debt stock, sovereign guarantee, and the debt portfolio's cost-risk indicators, contributing towards effective public debt management in the country.

As of 30 September 2023, the public debt stock stood at Nu. 272,967.701 million, which represents 134.8% of the FY 2023-24 GDP estimate. The debt stock comprises the external debt of Nu. 246,867.149 million and the domestic debt of Nu. 26,100.552 million. The non-hydro budgetary debt stood at Nu. 90,600.350 million, constituting 33.2% of total public debt and 44.7% of estimated GDP. Similarly, the sovereign guarantee stood at Nu. 4,666.973 million, accounting for 2.3% of the FY 2023-24 GDP estimate.

The publication of this quarterly Debt Situation Report aligns with sound public debt management practice and enhances public debt transparency. We believe that providing regular updates on the public debt situation will contribute towards effective public debt management in the country.



**Thinlay Yandon**

**OFFTG. DIRECTOR**

**Department of Macro-Fiscal and Development Finance**



## Public Debt Situational Report for Quarter ended 30<sup>th</sup> September 2023

### I. Summary

The total public debt stock as of 30<sup>th</sup> September 2023 stood at Nu. 272,967.701 million. The debt stock comprises external debt of Nu. 246,867.149 million and domestic debt of Nu. 26,100.552 million. Scaled by the GDP estimate for FY 2023-24, the total public debt stood at 134.8%.

The total public debt stock declined by Nu. 4,009.250 million (-1.5%) from the preceding quarter. The external debt stock increased by Nu. 2,680.819 million (1.1%) and the internal debt decreased by Nu. 6,690.069 million (-20.4%), resulting in a decline in the total public debt stock.

Table 1 presents the comparative public debt summary for quarters ended 30 September 2023 & 30 June 2023.

Category	30-Jun-2022	30-Sep-2023	Change (amount)	Change (%)
<b>Total Public Debt</b>	<b>276,976.951</b>	<b>272,967.701</b>	<b>-4,009.250</b>	<b>-1.5%</b>
<i>Percent of GDP</i>	<i>136.8%</i>	<i>134.8%</i>		
<b>External Debt</b>	<b>244,186.330</b>	<b>246,867.149</b>	<b>2,680.819</b>	<b>1.1%</b>
<i>Percent of GDP</i>	<i>120.6%</i>	<i>122.0%</i>		
<i>Percent Total Public Debt</i>	<i>88.2%</i>	<i>90.4%</i>		
<b>Domestic Debt</b>	<b>32,790.621</b>	<b>26,100.552</b>	<b>-6,690.069</b>	<b>-20.4%</b>
<i>Percent of GDP</i>	<i>16.2%</i>	<i>12.9%</i>		
<i>Percent of Total Public Debt</i>	<i>11.8%</i>	<i>9.6%</i>		

Table 1: Summary of Total Public Debt Stock

### II. External Debt

For monitoring and reporting, external debt is classified based on the contracting party, by purpose, the currency of borrowing, and the creditor. The contracting party could be the government, corporation, or central bank. A hydro loan or a non-hydro loan are two categories of the purpose of the loan. And an external loan is contracted either in Rupees (INR) or convertible currency (CC), depending on the creditor.

## II.1 External debt by Contracting Agency: Government Debt, Corporate Debt, and Central Bank Debt

Table 2 is the bifurcation of external debt by contracting agencies: Gov't Debt, Corporate Debt, and Central Bank Debt as of 30 September 2023:

Category	Amount (M Nu.)
<b>(a) Gov't Debt</b>	<b>227,032.417</b>
Percent of Total External Debt	92.0%
<i>o/w on-lent to Public Corporations (including hydro loans)</i>	<b>161,832.618</b>
Percent of Gov't Debt	71.3%
<b>(b) Corporate Debt</b>	<b>12,834.732</b>
Percent of Total External Debt	5.2%
<b>(c) Central Bank Debt</b>	<b>7,000.000</b>
Percent of Total External Debt	2.8%

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

The government debt of Nu. 227,032.417 million accounts for 92% of the total external debt. It includes borrowings for budgetary activities, hydropower projects, and loans availed by the government and on-lent to public corporations.

Corporate debt pertains to borrowings directly contracted by public corporations. It amounts to Nu. 12,834.732 million and accounts for 5.2% of the total external debt.

The Standby Credit Facility with the GoI makes up 2.8% of the total external debt and is classified as Central Bank's debt.

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

Table 3 shows the total external debt composition of hydropower and non-hydropower debt as of 30 September 2023.

Category	Amount (M Nu.)
<b>(A) Hydropower Debt</b>	<b>167,100.138</b>
<i>Percent of GDP</i>	82.5%
<i>Percent of Total External Debt</i>	67.7%
<b>(B) Non-Hydro Debt</b>	<b>79,767.010</b>
<i>Percent of GDP</i>	39.4%
<i>Percent of Total External Debt</i>	32.3%
(B.1) Non-Hydro Debt: Budgetary	65,199.798
(B.2) Non-Hydro Debt: Commercial	7,567.212
(B.3) Non-Hydro Debt: Central Bank	7,000.000

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

The hydropower debt as of 30 September 2023 stood at Nu. 167,100.138 million, constituting 67.7% of total external debt and 82.5% of the FY 2023-24 GDP estimate. The hydro debt comprises the debt stock of six hydropower projects of MHPA, Puna-I, Puna-II, Nikachu, Dagachu, and Basoschu (upper stage & lower stage).

The non-hydro debt stood at Nu. 79,767.010 million, constituting 32.3% of total external debt and 39.4% of estimated GDP.

### II.3 External Debt by INR and CC denomination

The total external Rupee and Convertible Currency (CC) debt as of 30 September 2023 is presented in Table 4.

Category	Amount (M Nu.)
<b>(A) Rupee Debt</b>	<b>158,696.623</b>
<i>Percent of Total External Debt</i>	<i>64.3%</i>
(A.1) Hydro Rupee Debt	151,696.623
(A.2) Central Bank Rupee Debt	7,000.000
<b>(B) CC Debt (US\$ 1,058.724 Million)</b>	<b>88,170.526</b>
<i>Percent of Total External Debt</i>	<i>35.7%</i>
<b>Total External Debt</b>	<b>246,867.149</b>
<i>Percent of Total Public Debt</i>	<i>90.4%</i>

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

As of 30 September 2023, the INR-denominated debt accounted for 64.3% of total external debt, of which 95.6% was hydropower debt. The INR-denominated debt decreased by Rs. 1,457.497 million (0.95%) from the previous quarter on account of repayment of MHP and Nikachhu Common Rupee loan.

The Convertible Currency (CC) debt stock stood at US \$1.058.724 million, equivalent to Nu. 88,170.526 million, accounting for 35.7% of total external debt. The Ngultrum value of CC debt stock increased by Nu. 4,138.316 million (4.9%) owing to the ongoing project<sup>1</sup> loan disbursement during the quarter and the depreciation of BTN against USD. The total CC debt stock as of 30 June 2023 was Nu. 84,032.210 million (\$1,023.223 million).

<sup>1</sup> Received US\$ 50.2 million (Nu.4,134.741 m) of the World Bank budgetary support loan – Bhutan Second Green & Resilient Growth Policy Credit in August 2023.



## II.4 External debts by the creditor, sectorial, and currency composition

Figure 1 below is the external debt composition of different creditors.

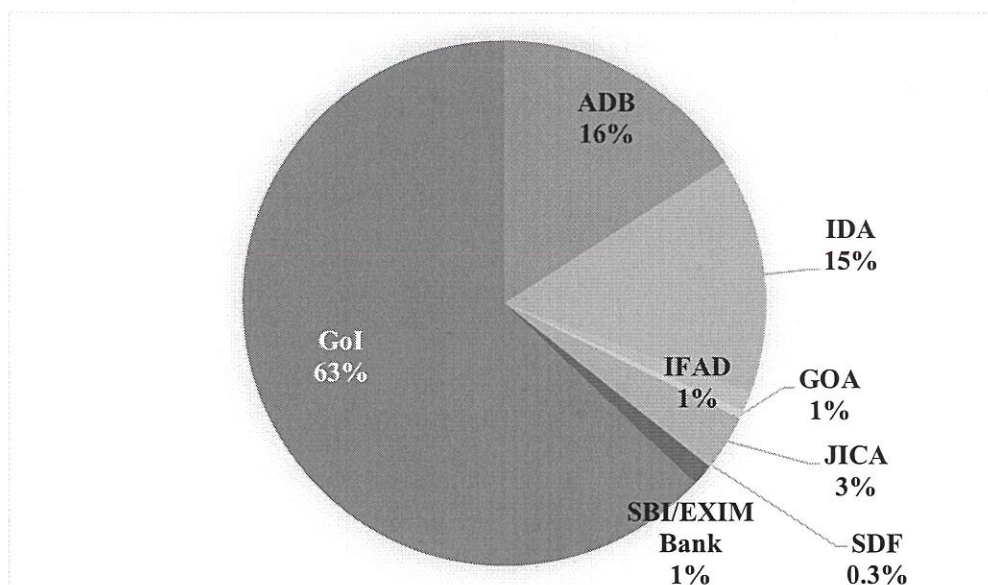


Figure 1. *External debt by creditor composition*

The GoI remains the country's largest creditor. As of 30 September 2023, 63% of Bhutan's external debt was owed to GoI, followed by 16% to ADB and 15% to IDA. The rest, about 6%, were owed to IFAD, JICA, GoA, SBI/EXIM Bank, and SDF combined.

Figure 2 shows external debt multilateral and bilateral lender categories.

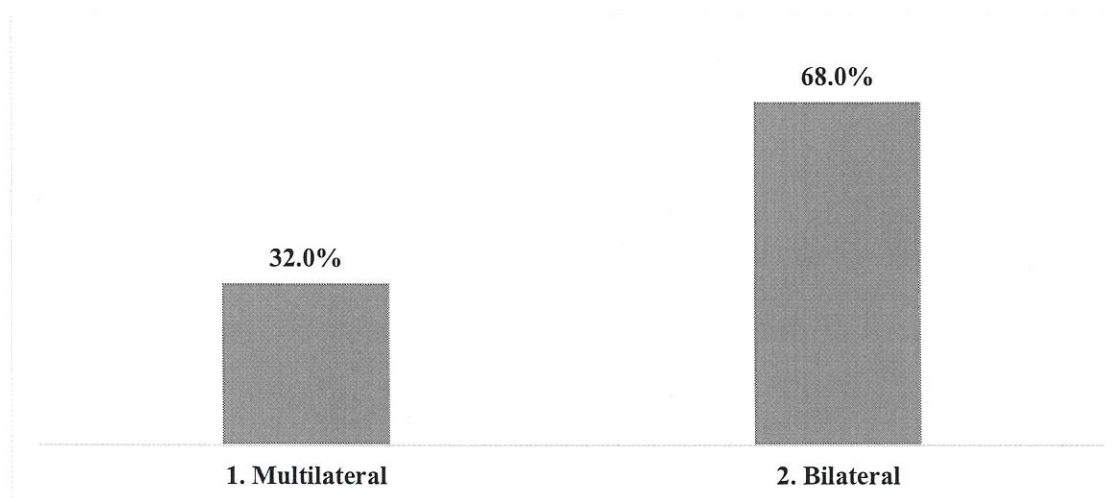


Figure 2: External debt by creditor type



As of 30 September 2023, bilateral debt accounted for 68% of total external debt, and multilateral debt accounted for 32%.

Figure 3 presents external debt by sectoral composition.

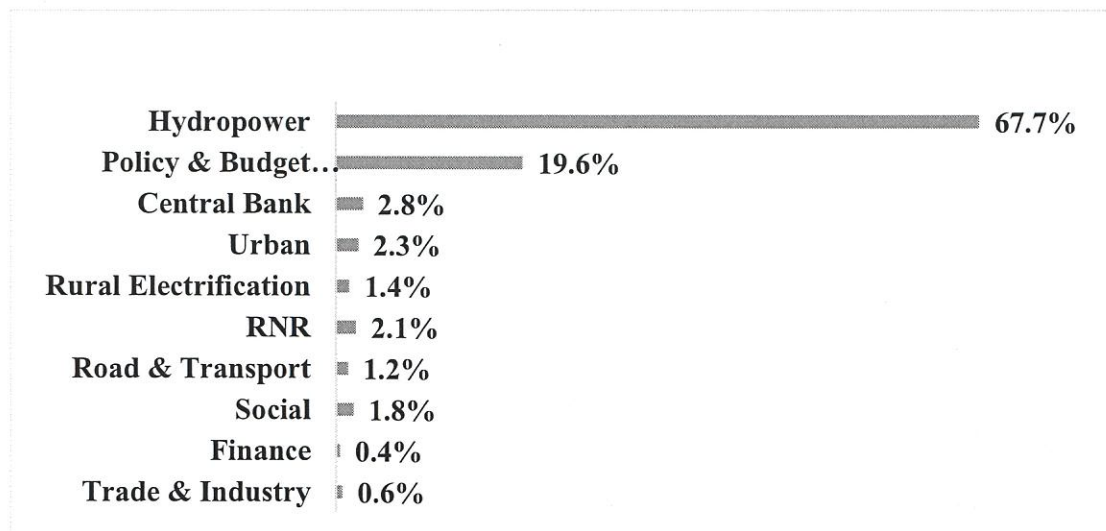


Figure 3: External debt by the sectoral composition

As of 30 September 2023, 67.7% of the external debt was on account of debt contracted for financing hydropower projects in the country, followed by 19.6% budgetary support from the World Bank, ADB, and JICA. Others include borrowing for financing infrastructure development, such as rural electrification, agriculture, road connectivity, trade infrastructure, and urban development. It also includes borrowing for education and health sectors under the social category.

Figure 4 presents the external debt by currency composition:

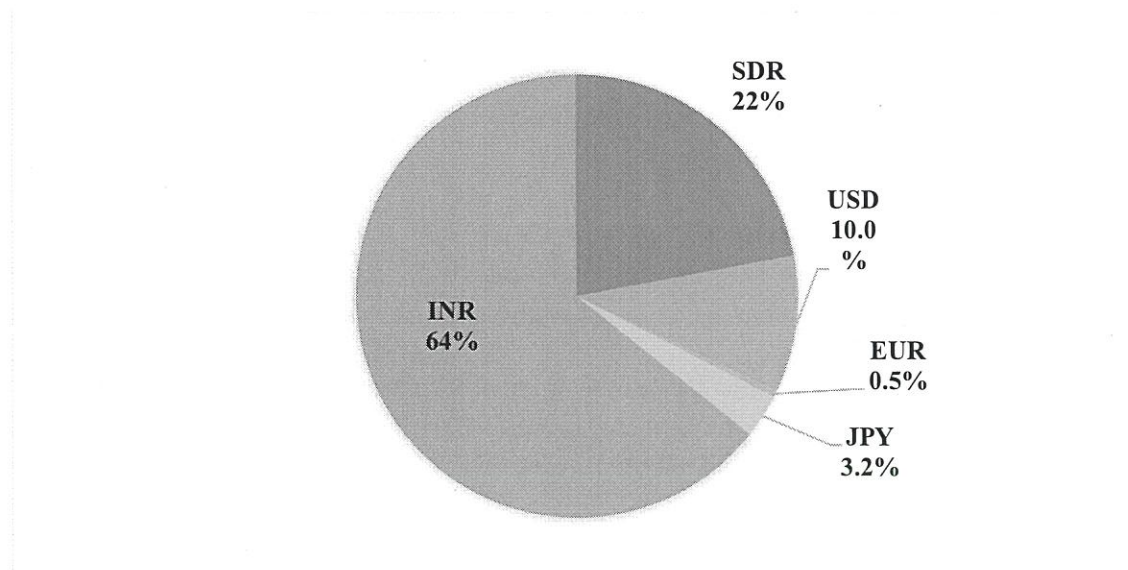


Figure 4: External debt by currency composition

Of the country's external debt, 64% is in the Indian Rupee denomination, 22% in SDR, 10% in USD, 0.5% in EUR, and 3.2% in JPY.

## II.5 External Debt Servicing

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

Category	2021/22 (Actual)	2022/23 (Actual)	2023/24 (Budget Est)
<b>(A) Total Debt Service through Budget</b>	<b>Amounts in Million Nu.</b>		
Principal Repayment	5,447.246	5,650.500	9,152.111
Interest Payment	2,945.695	3,507.261	5,384.659
<b>Total Debt Service through Budget</b>	<b>8,392.941</b>	<b>9,157.761</b>	<b>14,536.770</b>
<i>O/w External Debt Service through Budget</i>	<i>8,155.923</i>	<i>8,525.201</i>	<i>9,486.770</i>
<i>O/w Domestic Debt Service through Budget</i>	<i>237.018</i>	<i>632.560</i>	<i>5,050.000</i>
<b>Total Debt Service to Domestic Revenue</b>	<b>19.5%</b>	<b>19.9%</b>	<b>32.4%</b>
<b>(B) External Debt Service-Off-Budget*</b>			
Principal Repayment	107.709	120.848	186.075
Interest Payment	949.908	576.328	585.928
<b>Total External Debt Service- Off-Budget</b>	<b>1,057.617</b>	<b>697.176</b>	<b>772.003</b>
<b>Total External Debt Service</b>	<b>9,213.540</b>	<b>9,222.377</b>	<b>10,258.773</b>
<b>Total External Debt Service to Exports of Goods &amp; Services</b>	<b>15.1%</b>	<b>15.1%</b>	<b>16.8%</b>
<i>Memorandum Items</i>			
<i>Nominal GDP**</i>	<i>192,818.438</i>	<i>202,431.862</i>	<i>202,431.862</i>
<i>Export of Goods and Services**</i>	<i>61,213.934</i>	<i>60,896.831</i>	<i>60,896.831</i>
<i>Domestic Revenue (includes principal recoveries) **</i>	<i>42,955.500</i>	<i>45,916.948</i>	<i>44,934.501</i>

Table 5: External Debt Servicing

\* 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 2021-22, FY 2022-23 & FY 2023-24, export and domestic revenue for FY 2023-24 are estimates based on the third quarter of FY 2022-23 (March 2023) MFCTC update, which could change with the next quarter update.

The debt service as a percentage of government revenue is estimated at 32.4 percent for FY 2023-24 which is within the threshold prescribed in the Public Debt Management Policy of 2023 (total debt service to domestic revenue is 35%).

The external debt service to exports ratio measures how much of the country's export earnings will be used in servicing the external debt, exposing vulnerabilities to export



shortfall, if any, during the year. The external debt service to exports ratio is estimated at 16.8 percent in FY 2023-24.

### III. Domestic Debt

The total domestic debt stock on 30 September 2023 stood at Nu. 26,100.552 million, accounting for 12.9% of the estimated GDP and 9.6% of total public debt stock. Table 6 is the detail of domestic debt stock.

Particulars	Amount in Million
<b>(A) Domestic Budgetary Debt</b>	<b>25,400.552</b>
RGoB Bonds (3/5/7/9/10/12 years maturity)	18,100.552
Treasury Bills	7,300.000
<i>Percent of GDP</i>	<i>12.5%</i>
<i>Percent of Total Public Debt</i>	<i>9.3%</i>
<b>(B) Domestic: Corporate Debt</b>	<b>700.000</b>
NDCSI Bank (RGoB Bond)	700.000
<i>Percent of GDP</i>	<i>0.3%</i>
<i>Percent of Total Public Debt</i>	<i>0.3%</i>
<b>Total Domestic Debt (A+B)</b>	<b>26,100.552</b>
<i>Percent of GDP</i>	<i>12.9%</i>
<i>Percent of Total Public Debt</i>	<i>9.6%</i>

Table 6: Domestic debt summary

The domestic debt mainly comprised of T-Bill stock of Nu.7,300.000 million and Government bonds of Nu.18,800.552 million. Series of Government bonds were issued: a 10-year Government bond of Nu.700 million in February 2021; a 10-year Government bond of Nu.3,000 million in February 2022; a 7-year Government bond of Nu.1,500 million in April 2022; a 12-year Government bond of Nu.4,000 million in June 2022, a 10-year Government bond of Nu. 1,250 million each in January and February 2023 respectively; a 9-year Government bond of Nu. 3,101.12 million in May 2023, and a 5-year Government bond of Nu. 1,002.50 million in June 2023.

In keeping with the secondary objective of public debt management - to develop the capital market by the government, the MoF has completed partial roll-over, up to Nu. 2,996.932 million, of the bond series RGoB001 in September 2023 under the same terms and conditions.

The domestic debt decreased by Nu. 6,690.069 million (-20.4%) compared to the domestic debt at the end of the previous quarter owing to improvement in domestic revenue inflows and the settlement of WMA & overdraft facility outstanding during the period.

#### IV. Non-Hydro Budgetary Debt

The non-hydro budgetary debt refers to the central government debt where all the liabilities fall directly to the government. Government availed such debt for meeting the financing of budget deficit both through external and domestic financing.

Category	Amount (M Nu.)
<b>(a) External Budgetary Debt</b>	<b>65,199.798</b>
Percent of GDP	32.2%
<b>(b) Domestic Budgetary Debt*</b>	<b>25,400.552</b>
Percent of GDP	12.5%
<b>(c) Total Budgetary Debt</b>	<b>90,600.350</b>
Percent of GDP	44.8%
Percent of Total Public Debt	33.2%

Table 7: Total Non-Hydro Budgetary debt summary

As on 30 September 2023, the non-hydro budgetary debt stood at Nu. 90,600.350 million, constituting 33.2% of total public debt and 44.8% of estimated GDP. *The Public Debt Management Policy 2023 requires the Non-Hydro Budgetary debt stock to be within 55% of GDP annually and is, therefore, within the threshold.*

#### V. Redemption profile

As of 30 September 2023, the principal repayment of the public debt stock is as charted below in chart 5.

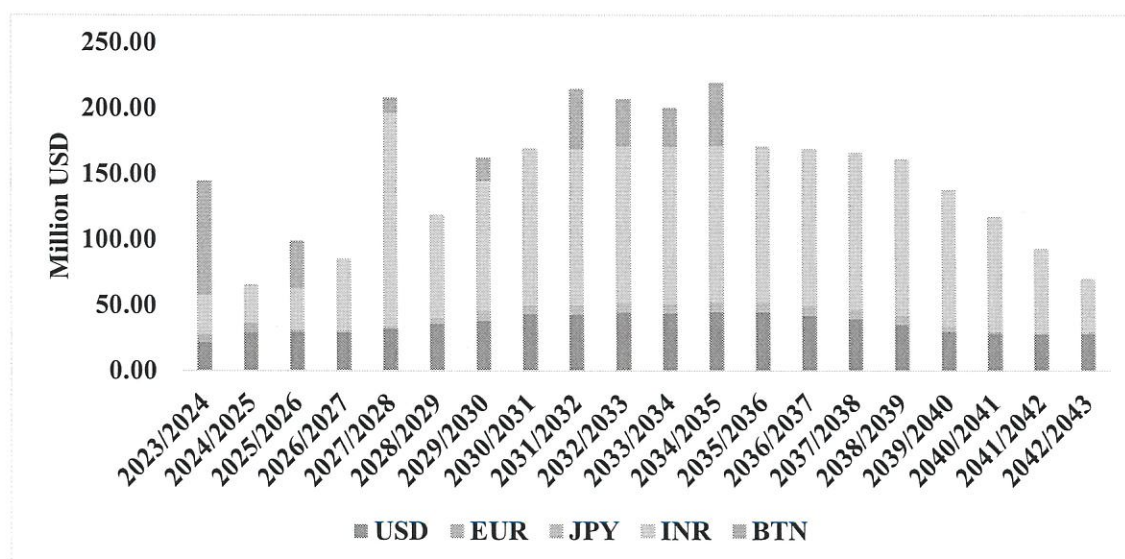


Figure 5: Principal repayment profile

Note: This repayment profile is on the current loan outstanding and excludes future disbursements.



The high repayment of Ngultrum-denominated debt in FY 2023/24 is due to the redemption of Nu.7,300.000 million against the T-Bills outstanding.

The significant spike in external repayment in FY 2027/28 is for the settlement of the Standby Credit Facility with GoI. The repayment dateline is extended for the credit facility to FY2027/28 at a revised rate of 2.5% per annum from 1<sup>st</sup> July 2022. With the commencement of repayments for all the mega hydropower projects, the external repayment will likely remain elevated until FY2037/38. However, with the liquidation of MHP loans in FY 2038/39, the repayment is projected to drop significantly and stabilize thereafter.

## VI. Government Guarantee

Table 7 presents the details of the guarantees issued by the Government as of 30 September 2023.

Sl#	Beneficiary	Date of Issue	Issued To	Purpose	Original Amount	Balance (Million Nu.)
1	National Housing Development Corporation Ltd.	11-Sep-17	NPPF	Financing for Affordable Housing Project in Phuntsholing.	Nu. 890m	651.225
2	Bhutan Agro Industries Ltd.	05-Jun-17	BOBL	Financing for setting up of an integrated agro-based industry in Lingmethang, Mongar.	Nu. 166m	134.033
3	Drukair Corporation Ltd.	11-Feb-19	NPPF	Financing the purchase of new Aircraft A320 Neo.	US\$ 36.6 m	2,692.590
4	Drukair Corporation Ltd.	13-Aug-19	SDF	Purchase of New ATR 42-600	US\$ 13m	723.230
5	Multiple Beneficiaries	Multiple Dates	FIs	Gov't guarantee under NCGS		465.895
<b>Total</b>						<b>4,666.973</b>
<b>Government Guarantee to GDP (%)</b>						<b>2.3%</b>

Table 8: Status of Government Guarantees

As of 30 September 2023, the government-guaranteed outstanding loans stood at Nu. 4,666.973 million, accounting for 2.3% of the estimated GDP, including the sovereign guarantee of Nu. 465.895 million provided for credits sanctioned under the National Credit Guarantee Scheme (NCGS).

## VII. Cost and Risk Indicator

Table 8 below constitutes a cost and risk indicators summary of the debt portfolio as of 30 September 2023.

Cost & Risk Indicators		External Debt	Domestic Debt	Total Public Debt
<b>Nominal Debt (Million Nu.)</b>		246,867.149	26,100.552	272,967.701
<b>Nominal Debt as percent of GDP</b>		122.0%	12.9%	134.8%
<b>Weighted Average Interest Rate</b>		6.7%	3.1%	6.5%
<b>Refinancing Risks</b>	Average Time to Maturity (Years)	12.4	6.3	11.6
	Debt Maturing in 1 Year (% of Total)	1.9%	28.0%	4.4%
	Debt Maturing in 2-5 Years (% of Total)	12.5%	1.5%	14.0%
	Debt Maturing in 5-10 Years (% of Total)	23.6%	3.0%	26.6%
<b>Interest Rate Risks</b>	Average Time to Re-fixing (Years)	11.9	6.3	11.1
	Debt Re-fixing in 1 Year (% of Total)	7.0%	28.0%	9.0%
	Fixed Rate Debt (% of Total)	94.8%	100.0%	95.3%
<b>Forex Risk</b>	CC Debt (% of Total Public Debt)			32.3%
<b>Debt Stress</b>	Hydro Debt to GDP (%)			82.5%
	Non-Hydro Debt to GDP (%)			39.4%

Table 9: Cost and Risk Indicators for existing debt as of 30 September 2023.

Despite elevated levels of total public debt at 134.8% and external debt at 122.0% of GDP, the overall risk is deemed manageable, and external debt distress is considered moderate for the following reasons;

- A significant portion of external debt is on account of hydropower projects and deemed commercially viable, with a secured export market in India. In addition, 90.8% of the hydro debt is INR denominated, which does not pose any exchange rate risks due to currency pegged.
- The fixed interest rate debt constituted 95.3% of the total public debt. In addition, the average time to re-fixing (ATR) is around 11.1 years. Thus, the interest rate risk is deemed low due to the long ATR and the low portion of the variable-interest-rate debt.
- The Average Time to Maturity (ATM) is around 11.6 years, and about 4.4% of the debt (1.9% of external debt and 28.0% of the domestic debt) will be maturing in 1 year. The

long ATM and the low level of debt maturing in 1 year indicate the low refinancing/rollover risk.

- iv. Since 28.0% of domestic debt (mostly T-Bills) would be maturing within one year, the refinancing risk is on the higher side owing to the current liquidity constraints with the financial institutions – the primary investors of short-term instruments.
- v. Hydropower debt constitutes 67.7% of total external debt. Hydropower debt is considered low risk as debt servicing for hydropower loans from India starts only a year after the commissioning of the projects, ensuring revenue inflow before debt servicing starts. Further, the export tariff for electricity is calculated based on the projects' overall cost, including the projected debt servicing cost, ensuring that the revenue from the sale of electricity would provide adequate cushion for debt servicing.
- vi. Similarly, all hydropower projects are insured and reinsured against natural risks. So, the only remaining uninsured risk is hydrological (that is, if there is no enough water to produce electricity).

The balance 32.3% 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 of 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.

\*\*\*\*\*END\*\*\*\*\*



## 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.			
A. External Debt			782.899	65,199.798		2,097.351	174,657.350		84.054	7,000.000		2,964.303	246,867.149
A.1 Convertible Currency(CC Debt)			782.899	65,199.798		275.825	22,970.727		0.000	0.000		1,058.724	88,170.526
ADB	SDR	86.487	113.322	9,437.453	60.543	79.328	6,636.428				147.030	192.650	16,043.881
ADB	USD	151.320	151.320	12,601.944	131.263	131.263	10,991.564				282.583	282.583	23,533.508
IDA	SDR	327.578	429.219	35,745.341	0.000	0.000	0.000				327.578	429.219	35,745.341
GOA	EUR	0.000	0.000	0.000	13.864	14.612	1,216.879				13.864	14.612	1,216.879
JICA	JPY	9,850.000	66.004	5,496.793	4,240.096	28.412	2,356.186				14,090.096	94.416	7,862.978
IFAD	SDR	13.598	17.817	1,483.780	10.336	13.544	1,127.910				23.934	31.360	2,611.690
IFAD	USD	5.217	5.217	434.488	0.000	0.000	0.000				5.217	5.217	434.488
SDF	USD	0.000	0.000	0.000	8.667	8.667	721.760				8.667	8.667	721.760
A.2 INR Debt			0.000	0.00	151,696.623	1,821.525	151,696.623	7,000.00	84.054	7,000.000	158,696.623	1,905.579	158,696.623
Hydropower projects	INR				151,696.623	1,821.525	151,696.623				151,696.623	1,821.525	151,696.623
BoP Support(RMA)	INR							7,000.00	84.054	7,000.000		84.054	7,000.000
B. Domestic Debt	BTN	26,100.552	313.407	26,100.552							26,100.552	313.407	26,100.552
Total Public Debt(A+B)			1,096.306	91,300.350		2,097.351	174,657.350		84.054	7,000.00	0.000	3,277.71	272,967.701
CHECK				OK			OK			OK			OK



## Annexure II – Details of INR debt details

Sl. No.	Project	Capacity	Total Project Cost	Loan Component	Loan Disbursed	Principal Repayment (cumulative)	Interest Paid (cumulative)	Disbursed Outstanding Debt(DoD)
1	Punatshangchu Hydropower Project Authority(PHPA)-I	1200 MW	93,755.75	51,018.783	51,018.783	-	-	51,018.783
2	Punatshangchu Hydropower Project Authority(PHPA)-II	1020 MW	89,770.74	58,510.630	58,510.630	-	-	58,510.630
3	Mangdechhu Hydropower Project Authority(MHPA)*	720 MW	50,448.90	47,345.079	47,345.079	8,355.014	6,040.636	38,990.065
4	Tangsibji Hydro Energy Limited	118 MW	10,658.50	3,387.180	3,387.180	210.035	1,493.080	3,177.145
	<b>Sub-total (Hydro-power Rupee loans)</b>	<b>3058 MW</b>	<b>244,633.89</b>	<b>160,261.67</b>	<b>160,261.67</b>	<b>8,565.05</b>	<b>7,533.72</b>	<b>151,696.623</b>
5	Standby Credit Facility II		3,000.00	3,000.00	3,000.00	-	1,597.60	3,000.000
6	Standby Credit Facility III		4,000.00	4,000.00	4,000.00	-	1,952.74	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>3,550.35</b>	<b>7,000.000</b>
	<b>Grand Total (Rupee loans)</b>		<b>251,633.89</b>	<b>167,261.67</b>	<b>167,261.67</b>	<b>8,565.05</b>	<b>11,084.06</b>	<b>158,696.623</b>

\*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
<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	SAARC Development Fund (SDF)					

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(i)	Economic Window Loan	USD	9 years	1 year	6 months LIBOR + 2%	Commitment fee 0.5%; Upfront fee 1%; Upfront appraisal & documentation fee 0.25% each.
2	<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% (Tangsibji)	0.15%
3	<b>World Bank</b>					
(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%
4	<b>International Fund for Agricultural Development (IFAD)</b>					
(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**

<b>Currency</b>	<b>Forex Rate (Currency/BTN) as on 30-September-2023</b>
<b>USD</b>	83.28
<b>SDR</b>	109.12
<b>EURO</b>	87.77
<b>JPY</b>	0.558
<b>INR</b>	1.000