

Government's Total Public Debt increases by 4.1% in Q2 FY2020

According to Quarterly report on Public Debt Management, 2Q FY20, the total Public Debt (including liabilities under the 'Public Account') of the Government, as per provisional data, increased to Rs 82,05,989 crore at end-September 2019 from Rs 78,79,601 crore at end-June 2019, indicating quarter-on-quarter increase of 4.1%. Total liabilities (including liabilities under the 'Public Account') as per provisional data, increased to Rs 91,01,484 crore at end-September 2019 from Rs 88,18,392 crore at end-June 2019. This is represented by a quarter-on-quarter increase of 3.2% (provisional) in Q2 FY20. Public debt accounted for 90.2% of total outstanding liabilities at end-September 2019.

Table: Composition of Public Debt (Amount in Rs. Crore)

| Item | At end-September 2019# | At end-June 2019 | Percentage variation in September 2019 over June 2019 |
|--|------------------------|------------------|---|
| 1 | 2 | 3 | 4 |
| Public Debt (1 + 2) | 8205989 | 7879601 | 4.1 |
| I. Internal Debt | 7665563 | 7349534 | 4.3 |
| (i) Cash Management Bills | 0 | 0 | 0.0 |
| (ii) 91-days Treasury Bills | 175472 | 189530 | -7.4 |
| (iii) 182-days Treasury Bills | 163533 | 144089 | 13.5 |
| (iv) 364-days Treasury Bills | 207824 | 198969 | 4.5 |
| (v) 14-days Treasury Bills | 127243 | 112902 | 12.7 |
| (vi) Market Loans | 5847541 | 5658951 | 3.3 |
| (vii) Marketable securities issued in conversion of special securities | 40688 | 40688 | 0.0 |
| (viii) Special Securities issued to PSBs/ EXIM Bank | 250814 | 190500 | 31.7 |
| (ix) Compensation and other bonds ¹ | 69314 | 68326 | 1.4 |
| (x) Sovereign Gold Bonds | 11168 | 10381 | 7.6 |
| (xi) Securities against small savings | 670199 | 604674 | 10.8 |
| (xii) Securities issued to International Financial Institutions | 101768 | 103994 | -2.1 |
| (xiii) Ways and Means Advances | 0 | 26531 | -100.0 |
| 2. External Debt | 540426 | 530067 | 2.0 |
| 3. Public Account Liabilities | 895495 | 938791 | -4.6 |
| 4. Total Debt/ Liabilities (1+2+3) | 9101484 | 8818392 | 3.2 |

Source: PHD Research Bureau, PHDCCI, compiled from Public Debt Management Quarterly report, CGA< Ministry of Finance. (Note: #Data are Provisional)

During Q2 of FY20, the Central Government issued dated securities worth Rs 2,21,000 crore as against Rs 1,44,000 crore in Q2 of FY19. The weighted average maturity (WAM) of new issuances stood at 15.9 years in Q2 of FY20 (15.9 years in Q1 of FY20). The weighted average yield of primary issuances during Q2 FY20 moderated further to 6.9% from 7.21% in Q1 of FY20. The weighted average maturity of issuances of dated securities was mildly higher at 15.9 years in Q2 of FY20 (15.9 years in Q1 of FY20). The weighted average maturity of outstanding stock of dated securities was also higher at 10.6 years in Q2 of FY20 as compared to 10.5 years in Q1 of FY20.

The Quarterly Report on Public Debt Management for the Second Quarter (July-September 2019) (Q2 FY20) has been enclosed for ready reference.

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Warm Regards,

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