



Ministry of Finance releases Quarterly Report on Public Debt Management, October-December 2021

Since Apr-June (Q1) 2010-11, the Public Debt Management Cell (PDMC) (earlier Middle Office), Budget Division, Department of Economic Affairs, Ministry of Finance has been bringing out a quarterly report on public debt management on a regular basis. This report pertains to the Q3 of the fiscal year 2021-22, viz., October - December 2021.

As per the estimates of Gross Domestic Product (GDP) for the third quarter, (October-December) of 2021-22, released by the National Statistical Office (NSO) on 28th February, 2022, the growth rate in GDP at constant prices was estimated at 5.4 per cent during the third quarter of 2021-22 as compared to growth of 0.7 percent in Q3 2020-21. GDP at current prices in the year Q3 2021-22 is estimated at ₹ 63.03 lakh crore, as against ₹ 54.49 lakh crore in Q3 2020-21, showing a growth of 15.7 percent as compared to growth of 6.2 percent in Q3 2020-21. GVA at basic Price at current prices in Q3 2021- 22, is estimated at ₹ 56.87 lakh crore, as against ₹ 49.17 lakh crore in Q3 2020-21, showing a growth of 15.6 percent.

Retail inflation, as per the Headline Consumer Price Index (CPI), increased from 4.48 per cent in October 2021 to 5.66 per cent in December 2021, which further increased to 6.01 per cent in January 2022. The increase in retail inflation was mainly on account of increase in fuel and light inflation. The Consumer Food Price Index (CFPI) showed a similar downward movement, from 0.85 per cent in October 2021 to 4.05 percent in December 2021. However, in January 2022, CFPI increased to 5.43 percent. The Wholesale Price Index (WPI)-based inflation declined during the quarter from 13.83 percent in October 2021 to 13.56 percent in December 2021. The lower WPI inflation was largely due to fall in fuel and power inflation. The WPI inflation decreased to 12.96 percent in January 2022.

The gross fiscal deficit (FD) of the Central Government for FY 2021-22 was budgeted at ₹15,06,812 crore or 6.8 per cent of GDP as compared to the revised estimate of ₹15,91,089 crore (6.9 per cent of GDP) for FY 2021-22.

Fiscal Outcome during April December– FY2021-22

(Amount in Rs crore)

Items	Budget Estimates 2021-22	Actuals up to December 2021	Percentage of Actuals to Budget Estimates	
			2021-22	2020-21 (Copp)
Revenue Receipts	1788424	1733223	96.9	53.9
Tax Revenue (Net)	1545396	1473809	95.4	58.8
Non-Tax Revenue	243028	259414	106.7	32.8
Non-Debt Capital Receipts	188000	28469	15.1	14.7
Total Expenditure	3483236	2521058	72.4	74.9
Revenue Expenditure	2929128	2129414	72.7	74.9
Capital Expenditure	554108	391644	70.7	75.0
Revenue Deficit	1140704	396191	34.7	144.9
Primary Deficit	697111	194952	28.0	778.7
Fiscal Deficit	1506812	759366	50.4	145.5
Financing of GFD				
Market Borrowings including T-Bills	967708	556199	57	230
External Assistance	1514	9800	647	909
Securities against Small Savings	391927	299551	76	45
State Provident Funds	20000	-766	-4	53
National Small Saving Fund	0	-15408		
Special Deposits	0	-10528		
Others	54279	15321	28	-268
Cash Balance: Decrease(+)/Increase(-)	71383	4900	7	-9
Investment (-) / Disinvestment (+) of Surplus Cash		-99703		
Total	1506812	759366	50	145

Source: PHD Research Bureau, PHD Chamber, compiled from Ministry of Finance

Gross and net market borrowings have been budgeted at ₹12,05,500.00 crore and ₹9,17,707.72 crore, respectively for FY 2021-22. Gross and net market borrowing during FY 2020-21 and Q3 FY 21 & Q3 FY 22.

Issuance of Dated Securities

(Amount in Rs crore)

Item	2021-22 BE	Q3 FY 22	2020-21 Actual	Q3 FY21	Q3 As % of	
					FY 22 (BE)	FY 21 (Actual)
Gross Amount*	1205500.00	288000.00	1370323.73	283975.00	23.89	20.72
Repayments	270728.72	75300.46	227208.31	67493.15	27.81	29.71
Switches:						
Borrowing	180000.00	40252.64	157042.44	32964.22	22.36	20.99
Repayment	180000.00	39602.77	153417.57	31751.97	22.00	20.70
Net	0.00	649.87	3624.87	1212.25	0.00	33.44
Buyback	0.00	0.00	0.00	0.00	0.00	0.00
Net Issuance #	934771.28	212699.55	1143115.42	216481.85	22.75	18.94
* Including Borrowing for providing back to back loans to States & UTs for GST compensation shortfall						
# Excluding switches and buyback						

Source: PHD Research Bureau, PHD Chamber, compiled from Ministry of Finance

Total liabilities (including liabilities under the 'Public Account') of the Government, as per provisional data, increased to ₹1,28,41,996.46 crore at end-December 2021 from ₹1,25,71,747.71 crore at end-September 2021 (Table 4.1). This represented a quarter-on-quarter increase of 2.15 per cent in Q3 FY22. Public debt accounted for 91.60 per cent of total outstanding liabilities at end-December 2021 from 91.15 per cent at end-September 2021.

Total Liabilities of Central Government

(Amount in Rs crore)

Item	At end-Dec. 2021	At end-Sep. 2021	Variation in end -Dec 2021 over end-Sep 2021 (%)
1	2	2	4
Public Debt (1+2)	11763351	11501025	2.28
1. Internal Debt	10946522	10695473	2.35
(i) Cash Management Bills	0	0	0.00
(ii) 91-days Treasury Bills	249067	203566	22.35
(iii) 182-days Treasury Bills	97428	255013	-61.79
(iv) 364-days Treasury Bills	346373	305003	13.56
(v) 14-days Treasury Bills	140801	121436	15.95
(vi) Market Loans*	7913201	7699852	2.77
(vii) Marketable securities issued in conversion of special securities	33411	33411	0.00
(viii) Special Securities issued to PSBs/EXIM Bank	286348	286348	0.00
(ix) Compensation and other bonds	103966	101142	2.79
(x) Sovereign Gold Bonds**	42507	39795	6.82
(xi) Securities against small savings	1632203	1547380	5.48
(xii) Securities issued to International Financial Institutions	101217	102528	-1.28
(xiii) Ways and Means Advances	0	0	0.00
2. External Debt	816829	805552	1.40
3. Public Account Liabilities	1078645	1070722	0.74
4. Total Debt/Liabilities(1+2+3)	12841996	12571747	2.15

Data are provisional

*Market loans include amount in suspense, if any

**Includes Gold Monetisation Scheme

Source: CGA, Ministry of Finance

Source: PHD Research Bureau, PHD Chamber, compiled from Ministry of Finance

Please find enclosed Quarterly Report on Public Debt Management, October-December 2021, for your kind reference.

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Warm Regards,

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