



PHD Research Bureau
PHD Chamber of Commerce and Industry



Ministry of Finance releases Quarterly Report on Public Debt Management, April-June 2022

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 Q1 of the fiscal year 2022-23, viz., April-June 2022.

As per the estimates of Gross Domestic Product (GDP) for the first quarter (April-June) of 2022-23, released by the National Statistical Office (NSO) on 31st August, 2022, the real GDP at constant prices showed a growth of 13.5% during the Q1 2022-23 as compared to growth of 20.1 % in Q1 2021-22. GDP at current prices in the Q1 2022-23 is estimated at ₹ 64.95 lakh crore, as against ₹ 51.27 lakh crore in Q1 2021-22, showing a growth of 26.7 % as compared to growth of 32.4 percent in Q1 2021-22. GVA at basic price (at current prices) in Q1 2022-23, is estimated at ₹ 58.51 lakh crore, as against ₹ 46.23 lakh crore in Q1 2021-22, showing a growth of 26.5 %.

Retail inflation, as per the Headline Consumer Price Index (CPI), decreased from 7.79 per cent in April 2022 to 7.01% in June 2022 and 6.71 % in July 2022. The decrease in retail inflation from April to June 2022 was mainly on account of decrease in prices of food and beverages and miscellaneous sub-groups, whereas price of clothing and footwear and fuel and light subgroups have increased. The Consumer Food Price Index (CFPI) showed a similar downward movement, from 8.31 % in April 2022 to 7.75 % in June 2022. The Wholesale Price Index (WPI)-based inflation decreased during the quarter from 15.38 % in April 2022 to 15.18 % in June 2022. The marginal decline in WPI inflation was due to the decline in prices of manufactured product's group.

The gross fiscal deficit (FD) of the Central Government for FY 2022-23 was budgeted at ₹1661196 crore or 6.4 % of GDP as compared to the revised estimate of ₹15,91,089 crore (6.71 % of GDP) for FY 2021-22.

Fiscal Outcome during April-June 2022-23

Table 2.1: Fiscal Outcome during April-June 2022-23

(Amount in ₹ crore)

Items	Budget Estimates 2022-23	Actual upto June 2022	Percentage of Actual to Budget Estimates	
			2022-23	2021-22 (CoppY)**
Revenue Receipts	2204422	568058	25.8	30.2
Tax Revenue (Net)	1934771	505898	26.1	26.7
Non-Tax Revenue	269651	62160	23.1	52.4
Non-Debt Capital Receipts	79291	27982	35.3	3.9
Total Expenditure	3944909	947911	24.0	23.6
Revenue Expenditure	3195257	772847	24.2	24.2
Capital Expenditure	749652	175064	23.4	20.1
Revenue Deficit	990835	204789	20.7	14.9
Primary Deficit	720545	123276	17.1	12.9
Fiscal Deficit	1661196	351871	21.2	18.2
Financing of GFD				
Market Borrowings including T-Bills	1158718.76	477006.56	41	36
External Assistance	19251.15	10444.51	54	-117
Securities against Small Savings	425449.00	-35321.47	-8	36
State Provident Funds	20000	-3974.29	-20	12
National Small Saving Fund	0.00	133806.61	-	-
Special Deposits	0.00	-115.10		
Others	37025.30	70306.46	190	-14
Cash Balance: Decrease(+)/Increase(-)	751.74	4989.08	664	7
Investment (-) / Disinvestment (+) of Surplus Cash	0	-305271.00		
Total	1661195.95	351871.36	21	18

Source: CGA, Ministry of Finance

**COPPY: Corresponding Period of the Previous Year

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

Gross and net market borrowings have been budgeted at ₹14, 95,000 crore and ₹11, 18,612 crore, respectively for FY 2022-23. Actual gross and net market borrowing during FY 2021-22 and Q1 FY 22 & Q1 FY 23 are tabled below

Table 2.2: Issuance of Dated Securities

(Amount in ₹ crore)

Item	2022-23 BE	Q1 FY 23	2021-22 Actual	Q1 FY22	Q1 As % of	
					FY 23 (BE)	FY 22 (Actual)
Gross Amount*	1495000	390000	1127381.53	318493.21	26.09	28.25
Repayments	376388	134989.71	264278.56	105186.31	35.86	39.80
Switches:						
Borrowing	100000	23,393.75	196,894.089	18044.30	23.39	9.16
Repayment	100000	23,200.60	197,184.689	17103.00	23.20	8.67
Net	0	193.16	-290.600	941.30		-323.92
Buyback	0	0	0	0		
Net Issuance #	1118612	255203.45	1143115	213306.90	22.81	18.66

* Including Borrowing for providing back to back loans to States & UTs for GST compensation cess shortfall.

Excluding switches and buyback

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

Total gross liabilities (including liabilities under the Public Account) of the Government, as per provisional data, increased to ₹1, 45, 72,956 crore at end-June 2022 from ₹1, 39,58,774 crore at end-March 2022 (Table 4.1). This represented a quarter-on-quarter increase of 4.40 per cent in Q1 FY23. Public debt accounted for 88.3 per cent of total gross Liabilities at end-June 2022 slightly up from 88.1 per cent at end-March 2022.

Total Liabilities of Central Government

(Amount in Rs crore)

Components	2022-23 (June)	2021-22 (March)	Variation June 2022 over March 2022 (%)
A. Public Debt (A1+A2)	12872723	12294091	4.71
A1. Internal Debt (a+b)	12020918	11462343	4.87
a. Marketable Securities (i+ii)	9337341	8817283	5.90
(i) Dated Securities	8315288	8060085	3.17
(ii) Treasury Bills	1022053	757198	34.98
(iii) Cash Management Bills	0	0	0.00
b. Non-marketable Securities (i to vi)	2683577	2645059	1.46
(i) 14 Day Intermediate T-Bills	173715	216766	-19.86
(ii) Compensation & Other Bonds	135716	131202	3.44
(iii) Securities issued to Intl. Fin. Institutions	100786	101329	-0.54
(iv) Securities against small savings	1961518	1883921	4.12
(v) Special Sec. against POLIF	20894	20894	0.00
(vi) Special Securities issued to PSB/ EXIM Bank/ IDBI Bank/ IIFCL	290948	290948	0.00
A2. External Debt	851806	831748	2.41
B. Public Account - Other Liabilities (a to d)	1700233	1664682	2.14
(a) National Small Savings Fund	530847	536304	-1.02
(b) State Provident Fund	253254	257260	-1.56
(c) Other Accounts	451354	451354	0.00
(i) Spl Securities in lieu of subsidies (OMCs/Fert.Cos, FCI)	124105	124105	0.00
(ii) Other items	327249	327249	0.00
(d) Reserve Funds and Deposit (i+ii)	464777	419765	10.72
(i) Bearing Interest	254488	248846	2.27
(ii) Not bearing interest	210289	170919	23.03
C. Total Gross Liabilities (A+B)	14572956	13958774	4.40
D. Pakistan Pre-partition debt	300	300	0.00
E. Investment in special securities of States under NSSF	384106	390930	-1.75
F. NSSF Investment in public Agencies	85000	85000	0.00
G. Extra-Budgetary Resources (EBRs)	139287	139287	0.00

H. Cash Balance (Year end/ Quarter end)	340634	40352	744.16
Net Adjusted Liabilities (C-D-E-F+G-H)	13902203	13581479	2.36

Data are provisional and the table format has been updated in line with Annual Status Paper on Government Debt/Budget Document.

Source: Ministry of Finance and RBI

Note: (i) External Debt is shown at current exchange rate, Including net cumulative SDR allocation from March 2004 onwards (₹173414.54 crore for 31st March 2022 and ₹173450.95 crore for 30th June 2022). (SDR allocation are not part of the Govt. borrowings for its fiscal operations)

(ii) EBR - Liabilities on account of Govt. Fully Serviced Bonds

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

Please find the link to access Quarterly Report on Public Debt Management, January-March 2022, for your kind reference.

<https://dea.gov.in/public-debt-management>

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Warm Regards,

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