

PRESS COMMUNIQUE

Government's Borrowing plan for Second Half of FY 2023-24

The Government of India, in consultation with the Reserve Bank of India, has finalized its borrowing programme for the second half (H2) of FY 2023-24.

2. Out of Gross Market borrowing of ₹15.43 lakh crore projected for FY 2023-24, the Government of India has decided to borrow the balance amount of ₹6.55 lakh crore (42.45% of ₹15.43 lakh crore) in the second half of the fiscal year 2023-24 (H2: FY 2023-24) through dated securities, including ₹20,000 crore through issuance of Sovereign Green Bonds (SGrBs). Responding to market demand for longer duration securities, 50-year security will be issued for the first time.

3. The gross market borrowing of ₹6.55 lakh crore shall be completed through 20 weekly auctions. The market borrowing will be spread over 3, 5, 7, 10, 14, 30, 40 and 50 years securities. The share of borrowing (including SGrBs) under different maturities will be: 3 year (6.11%), 5 year (11.45%), 7 year (9.16%), 10 year (22.90%), 14 year (15.27%), 30 year (12.21%), 40 year (18.32%) and 50 year (4.58%).

4. The Government will continue to carry out switching of securities to smoothen the redemption profile. Out of the ₹1,00,000 crore of budgeted (BE) Switch amount, ₹51,597 crore of switch auctions have already been conducted and the balance amount of switch auctions will be conducted in H2.

5. Government will continue to exercise greenshoe option to retain an additional subscription of up to ₹2,000 crore against each of the securities indicated in the auction notification.

6. Weekly borrowing through issuance of Treasury Bills in Third Quarter (Q3) of FY 2023-24 is expected to be ₹24,000 crore with net borrowing of ₹(-)52,000 crore during the quarter. There will be issuance of ₹7,000 crore under 91 DTBs, ₹8,000 crore under 182 DTBs and ₹9,000 crore under 364 DTBs in each auction to be conducted during the quarter.

7. To take care of temporary mismatches in Government accounts, the Reserve Bank of India has fixed the Ways and Mean Advances (WMA) limit for H2 of FY 2023-24 at ₹50,000 crore.

8. More details may be seen in the detailed Press Release available on the Websites of Finance Ministry and the Reserve Bank of India.

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