PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA
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GOVERNMENT'S GROSS MARKET BORROWINGS FOR 2012-13 & 2013-14 TO BE FISCAL DEFICIT AS WELL AS CASH NEUTRAL

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To finance the deficit, the Government's budgeted gross and net market borrowing requirement for the year 2012-13 and 2013-14 are under:

(Rs. crore)

	BE 2012-13	BE 2013-14
Net Market Borrowing	4,79,000	4,84,000
Repayment	90,616	95,009*
Gross Market Borrowing	5,69,616	5,79,009

**excluding buyback/switching of securities of Rs. 50,000 crore.*

- The Gross Borrowing for FY 2013-14 is Rs. 5,79,000 crore only. As per earlier practice, the calendar of borrowing will be issued for this amount only.
- Provision of Rs. 1,45,008.84 crore in BE 2013-14 towards Repayment of Market Loans includes Rs. 50,000 crore for buyback/switching operations during 2013-14. This has been done in BE 2013-14 for active debt management.
- Buyback/Switching operations are proposed for easing of redemption pressure for the FY 2015-16, 16-17, 17-18. This is part of medium term consolidation process.
- Since the transaction will impact this year fiscal only to the extent of premium/ discount, a provision of Rs. 2,000 crores has been made in Interest payments in the budget for 2013-14.
- It is to further inform that the buy-back transaction will be fiscal deficit as well as cash neutral.

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