STATE GOVERNMENT FINANCES - UPDATE JULY 2020

Gross SDL issuance set to soar by 53% to Rs. 3.5 trillion in H1 FY2021

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HIGHLIGHTS

- *The combined State Development Loan (SDL) issuance of all the state governments more than doubled to Rs. 1.7 trillion in Q1 FY2021 from Rs. 0.8 trillion in Q1 FY2020 and was a substantial 31.5% higher on a year-on-year (YoY) basis than the Rs. 1.3 trillion pegged in the indicative calendar of market borrowing for that quarter. This sharp rise in borrowings reflects the shock to the revenues of the state governments given the decline in the consumption of several non-essential goods and services that is expected to have taken place during the lockdown period. ICRA estimates the net SDL issuance in Q1 FY2021 to have expanded by a sharp 135.6% to Rs. 1.4 trillion from Rs. 0.6 trillion in Q1 FY2020; the former is equivalent to 19.2% of the total unconditional net borrowing limit of Rs. 7.4 trillion (as estimated by ICRA) for FY2021.*
- *The spread between the 10-year SDLs and the 10-year Government of India securities (G-sec), which was elevated at 100-160 bps in the first fortnight of April 2020, eased to 70-80 bps from mid-May 2020 to end-June 2020, soothed by the commentary from the Reserve Bank of India (RBI) that it would remain watchful and support the smooth completion of the borrowing programme of the Centre and state governments in the least disruptive manner.*
- *The weighted average cut-off of 30 to 35-year SDLs issued in June 2020 stood at 6.70%, only 12 bps higher than the weighted average cut-off of for 10-year SDLs issued in the same month. Despite the attractive spread, which suggests that appetite for such long-dated papers exists among investors, only two states, namely, Tamil Nadu (TN) and Rajasthan issued 30 to 35-year SDLs in June 2020.*
- *The calendar of market borrowings by the state governments for Q2 FY2021, issued recently by the RBI, indicates a tentative gross SDL issuance of Rs. 1.8 trillion for this quarter. This is equivalent to a YoY increase of ~24% relative to the amount raised in Q2 FY2020, moderate relative to the sharp pace of expansion witnessed in Q1 FY2021. This is partly on account of an estimated halving in the SDL redemption in Q2 FY2021 to Rs. 264 billion from Rs. 464 billion in Q2 FY2020. Accordingly, the net SDL issuance would increase by a sharper ~56% to Rs. 1.5 trillion in Q2 FY2021 from Rs. 1.0 trillion in Q2 FY2020; however, even this trails the 135.6% expansion in net SDL issuance that was recorded in Q1 FY2021.*
- *The indicative calendar pegs the issuance by Karnataka and Uttar Pradesh (UP) to more than double in Q2 FY2021 relative to their actual issuance in Q1 FY2021. However, several of the top ten issuers of SDLs in Q1 FY2021, have indicated a decline in SDL issuance in Q2 FY2021 compared to the amount raised in the previous quarter, including TN, Maharashtra, Rajasthan, Kerala, Telangana, Andhra Pradesh (AP) and Haryana. While the state governments would have taken stock of their likely post-Covid 19 fiscal situation while planning the calendar for Q2 FY2021, the economic and fiscal situation remains fluid. Therefore, we will not be surprised if the actual issuance in Q2 FY2021 overshoots the indicative amount.*
- *If the gross SDL raised in Q2 FY2021 is in line with the indicated amount of Rs. 1.8 trillion, the total gross SDL issuance in H1 FY2021 would expand by a considerable 53.3% to Rs. 3.5 trillion from Rs. 2.3 trillion in H1 FY2020. After adjusting for the estimated redemptions, the net SDL issuance is projected to expand by 86.3% to Rs. 2.9 trillion in H1 FY2021 from Rs. 1.6 trillion in H1 FY2020. The net SDL issuance in H1 FY2021 would be equivalent to a substantial ~40% of the total unconditional net borrowing limit of Rs. 7.4 trillion for FY2021, moderately higher than the trend in FY2020, with ~32% total net SDL issuances having been raised in the first half of that fiscal.*

Open market borrowings/SDLs are the chief source of funding of the gross fiscal deficit of the Indian state governments. This note includes ICRA's comments on the key trends in the SDL auctions in Q1 FY2021, and the highlights of the indicative borrowing calendar[1] for Q2 FY2021 released by the RBI.

SDL issuance in Q1 FY2021 more than doubled from level in Q1 FY2020, and was 31.5% higher than indicated: The indicative calendar of market borrowings by state governments for Q1 FY2021, was released by the RBI on March 31, 2020, in the backdrop of the nationwide 21-day lockdown that had been imposed by the Government of India (GoI) on March 24, 2020, to contain the spread of the Covid-19 pandemic. This calendar had pegged the gross SDL issuance to be raised in Q1 FY2021 at Rs. 1.3 trillion, a substantial 56.0% higher than the actual market borrowing of Rs. 0.8 trillion in Q1 FY2020. The considerable market borrowing that had been indicated by the state governments for Q1 FY2021, had possibly factored in their expectation that revenues receipts would be adversely impacted by the anticipated decline in consumption of several non-essential goods and services during the lockdown period.

At end-March 2020, the GoI had fixed the net market borrowing that the state governments could raise in 9M FY2021 at Rs. 3.2 trillion. This was equivalent to 50% of the full year net market borrowing, implying that the ceiling for the total net borrowing of the state governments for FY2021 was Rs. 6.4 trillion. Subsequently, in May 2020, the GoI permitted an unconditional additional net borrowing of 0.5% of gross state domestic product (GSDP), which we estimate at around Rs. 1.0 trillion. Accordingly, ICRA estimates the total unconditional net borrowing limit for the state governments for FY2021 permitted by the GoI so far at Rs. 7.4 trillion.

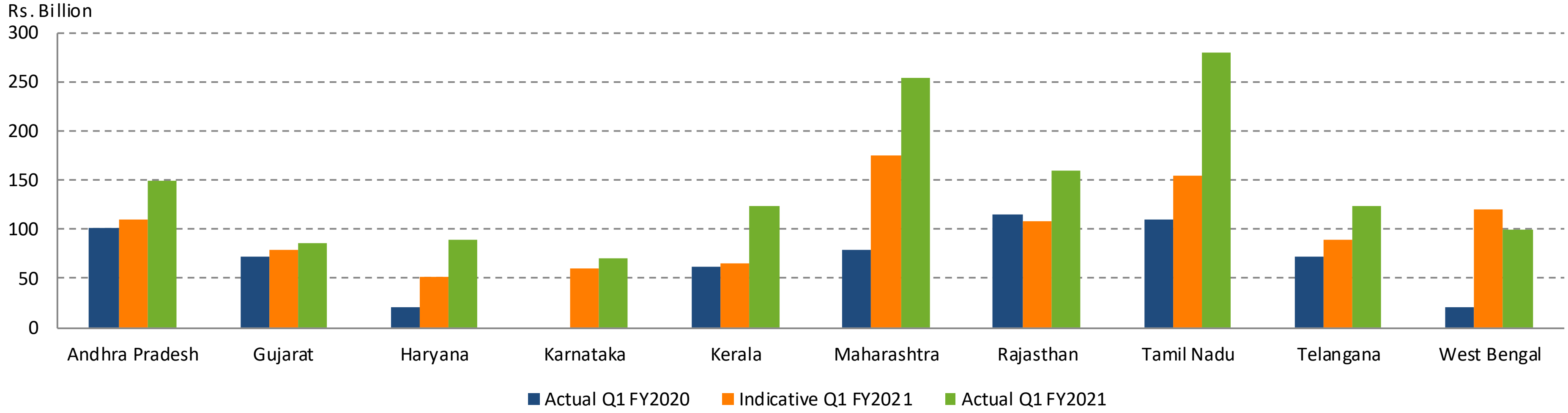
The multiple extensions of the lockdown are likely to have widened the gap between the state governments' tax collections from various sources in Q1 FY2021 and the expenditure that they needed to incur related to Covid-19, as well as other spending (such as interest payments, salaries and pensions etc.). Accordingly, the actual SDL issuance (by 22 states and one union territory or UT) has turned out to be as high as Rs. 1.7 trillion in Q1 FY2021, 31.5% higher than the Rs. 1.3 trillion that was initially indicated by the RBI on March 31, 2020 (led by TN, Maharashtra, Kerala, UP, Rajasthan etc.), and more than double the Rs. 0.8 trillion raised in Q1 FY2020 (led by Maharashtra, TN, West Bengal (WB), Karnataka, Kerala, Haryana, UP etc). With the redemptions in Q1 FY2021 estimated by ICRA at Rs. 246 billion, the net SDL issuance in Q1 FY2021 expanded by a sharp 135.6% to Rs. 1.4 trillion from Rs. 0.6 trillion in Q1 FY2020; the former is equivalent to 19.2% of the total unconditional net borrowing limit of Rs. 7.4 trillion permitted by the GoI so far, for FY2021.

Overall, the gross SDL issuance stood at Rs. 593 billion in April 2020, eased to Rs. 480 billion in May 2020 and then rose to Rs. 601 billion in June 2020. ***While the GoI had permitted the phased resumption of economic activity in the country from June 8, 2020, and some available indicators point to a gradual recovery, certain states have reinitiated limited lockdowns given a spike in new infections. The associated expected revenue loss could have led some state governments to upfront a portion of the additional borrowing permitted by the GoI for FY2021, to June 2020.***

[1] *Before the beginning of each quarter, the RBI releases an indicative calendar of market borrowings of the state governments for the upcoming quarter. The indicative calendar is released after consulting with the state governments and includes the names of the states that have confirmed participation and the tentative amount of borrowing by the participating states.*

TN (Rs. 280 billion), Maharashtra (Rs. 255 billion), Rajasthan (Rs. 160 billion), AP (Rs. 150 billion), Telangana (Rs. 125 billion), Kerala (Rs. 124 billion), WB (Rs. 100 billion), Haryana (Rs. 90 billion), Gujarat (Rs. 86 billion) and Karnataka (Rs. 70 billion) accounted for 86.1% of SDL issuance in Q1 FY2021 (refer Exhibit 1).

Exhibit 1: Actual gross SDL issuances in Q1 FY2020 and Q1 FY2021 and indicative borrowing in Q1 FY2021



Source: RBI, ICRA research

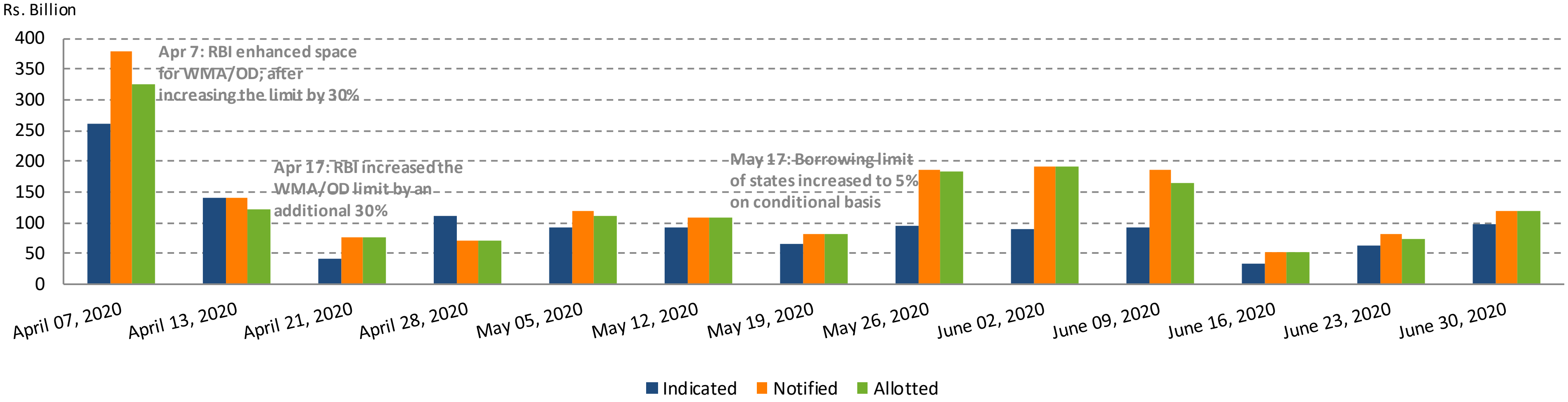
Sharp variation between the indicated and the actual SDL issuance in some of the auctions held in Q1 FY2021: There has been a substantial variation between the indicated, the notified[2] and the actual amount accepted by the state governments in some of the 13 weekly SDL auctions held in the just-concluded quarter (refer Exhibit 2). The notified amount in April 2020, May 2020 and June 2020 was 20.8%, 43.6% and 67.4% higher than the indicated amount, respectively. The actual amount accepted was 11.2% and 3.0% and 4.4% lower, respectively, than the notified level in April 2020, May 2020 and June 2020.

The notified amount for three out of the four weekly auctions held in April 2020, was revised upward relative to the amount initially indicated in the calendar. For the first SDL auction scheduled for April 7, 2020, 19 states had indicated that they would raise Rs. 261 billion; on April 1, 2020, out of these 19 states, 16 states notified the sale of SDLs of a sharply higher Rs. 365 billion. Moreover, on April 3, 2020, the notified amount was revised; a total of 19 states notified that they would raise an even higher Rs. 380 billion in the auction on April 7, 2020. The notified amount was a substantial 45.6% higher than the initially indicated Rs. 261 billion, despite the increase in the limit of the state governments Ways and Means Advances (WMA) by 30% from the limit that was prevailing on March 31, 2020 (for a

[2] *In this note, the notified amount includes green shoe, unless specified otherwise*

period of six months) on April 1, 2020 by the RBI. Eventually, 19 states accepted Rs. 326 billion in the auction dated April 7, 2020, as six states rejected either the full or partial bids received in that auction, presumably because of sharply high yields being demanded by investors.

Exhibit 2: Weekly indicated, notified and allotted SDL in Q1 FY2021



Source: RBI; ICRA research

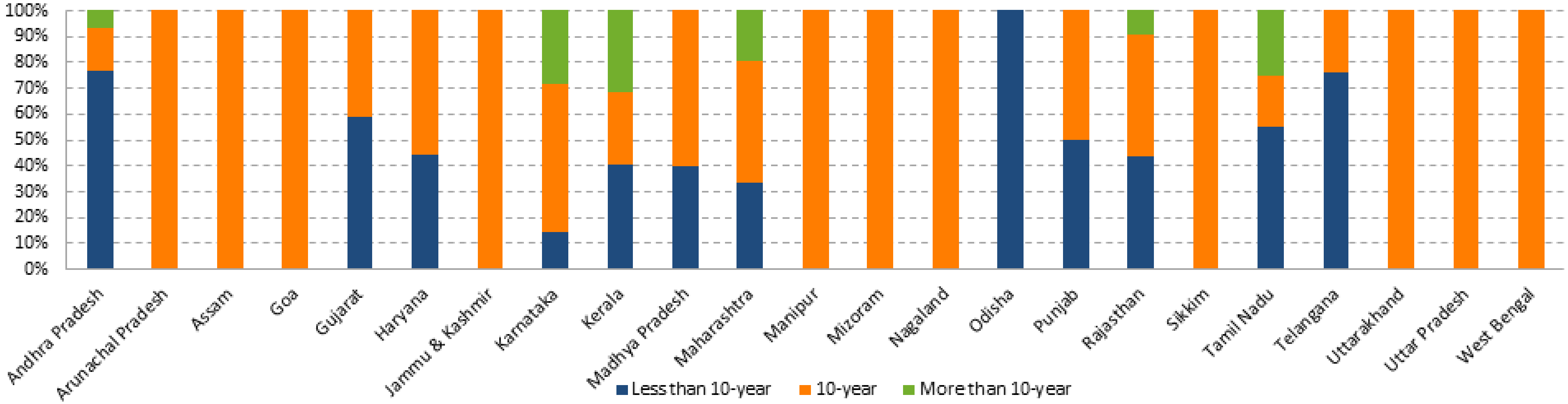
On April 7, 2020, the RBI increased the number of days for which the state governments can continuously be in overdraft (OD), to 21 from 14. Partly reflecting the measures announced by the RBI in the first week of April 2020 to help states tide over the mismatch in cashflows related to the Covid-19 crisis, the states notified for sale a mildly higher Rs. 141 billion in the SDL auction dated April 13, 2020 and accepted a lower Rs. 121 billion, compared to the indicated Rs. 139 billion.

Additionally, as the Covid-19 cases continued to rise in India, the GoI extended the lockdown by a further 14-days beginning April 15, 2020. To provide additional relief to the state governments, on April 17, 2020, the RBI increased the WMA limit by 60% from the level prevailing on March 31, 2020. However, this measure had a mixed impact in the subsequent two SDL auctions held in April 2020, with states offering to sell 83.4% higher SDLs in the auction dated April 21, 2020 relative to the indicated amount (Rs. 76 billion vs. Rs. 41 billion) and a 36.9% lower in the last weekly auction held on April 28, 2020 (Rs. 70 billion vs. Rs. 111 billion). The amount accepted in both these auctions was equal to the notified amount.

In the first three weekly auctions held in May 2020, the notified amount was a modest 15-30% higher than the amount initially indicated, while the accepted amount displayed a mixed trend. With the further extension in the lockdown in May 2020, albeit with graded relaxations, the expected loss in the revenues of the state governments was set to increase amid higher spending requirement on providing food and/or income support to a section of the population. These developments led to the GoI permitting the state governments to unconditionally borrow an additional 0.5% of GSDP in FY2021 (estimated by ICRA at Rs. 1.0 trillion) above the earlier limit of 3.0% of GSDP, on May 17, 2020. Subsequently, the amount notified by the states for the SDL auctions to be held on May 26, 2020, June 2, 2020 and June 9, 2020 was a sharp 100-116% higher than the initially indicated amount. There was a limited gap between the amount accepted in these three auctions and the notified amount. The notified amount was higher by 23-53% than the initially indicated amount in the last three weekly SDL auctions held in June 2020. States accepted 91-100% of the notified amount.

Rise in issuance of shorter tenor SDLs: The amount of SDL issuance in the lower than 10-year (shorter tenor) bucket rose sharply to Rs. 741 billion (44.3% of total) in Q1 FY2021 (refer Exhibit 3) from Rs. 1,673 billion (26.4% of total) in FY2020. Odisha (100.0%), AP (76.7%), Telangana (75.9%), Gujarat (59.2%) and TN (55.4%) raised a bulk of their total SDLs issued in Q1 FY2021, in the shorter tenor maturity bucket.

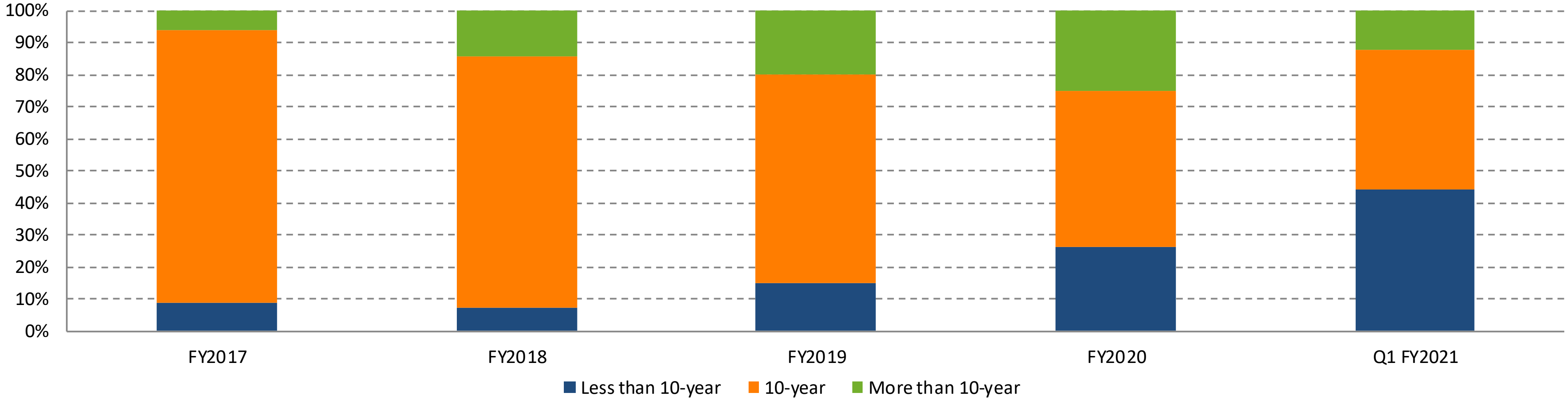
Exhibit 3: Proportion of SDLs issued by state governments in less-than-10-year, 10-year and greater-than 10-year in Q1 FY2021



Source: RBI; ICRA research

In Q1 FY2021, Rs. 727 billion of SDL issuance was in the 10-year tenor, equivalent to 43.5% of the total SDLs issued in that quarter, compared to 48.7% in FY2020. Out of the 23 states/UT that issued SDLs in Q1 FY2021, 11 states/UT issued SDLs only with a 10-year tenor, similar to the trend seen in FY2020 (12 states). These states are, Arunachal Pradesh, Assam, Goa, Jammu and Kashmir (J&K), Manipur, Mizoram, Nagaland, Sikkim, UP, Uttarakhand and WB. ***The decline in preference for issuing SDLs in the 10-year tenor (refer Exhibit 4) is expected to continue in the near term, in ICRA's assessment. Issuance of SDLs across diverse maturities would help state governments in smoothing their repayment profile.***

Exhibit 4: Share of less than 10-year, 10-year and more than 10-year issuances in total issuances during FY2017-FY2020 and in Q1 FY2021



Source: RBI, Clearing Corporation of India Limited, ICRA research

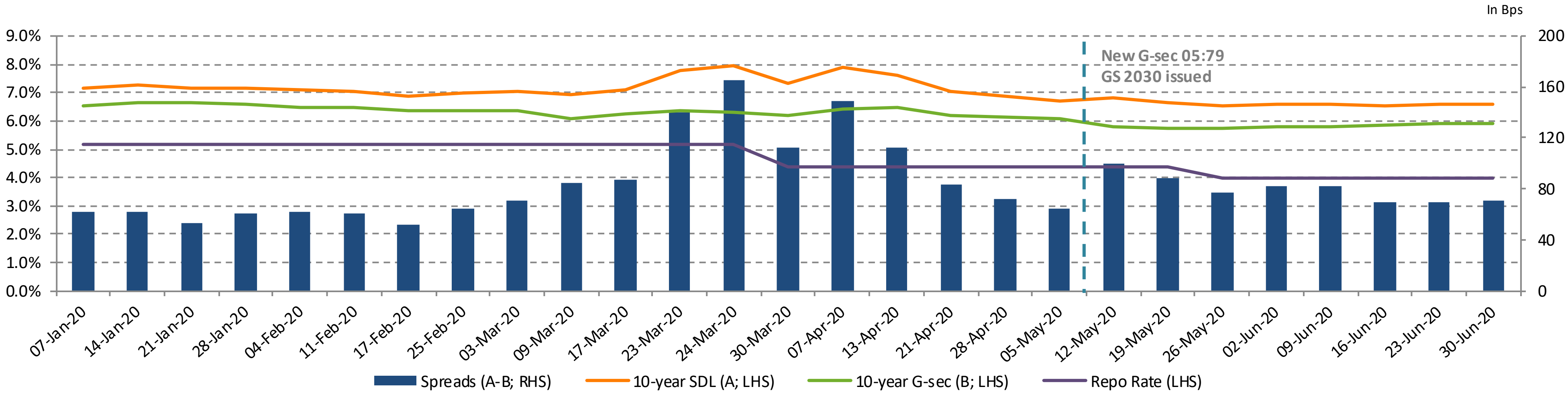
Surprisingly, only Rs. 204 billion SDLs or a modest 12.2% of the total issuance, was in the longer tenor in Q1 FY2021 (24.9% in FY2020), arresting the sustained rise in the proportion of longer tenor issuance seen in the recent years. Kerala (31.6%), Karnataka (28.6%), TN (25.0%), Maharashtra (19.6%), Rajasthan (9.4%) and AP (6.7%) were the only six states that issued longer tenor SDLs in Q1 FY2021. The 35-year SDLs issued by TN, were the longest tenor SDLs issued in that quarter. ***The issuance of a larger proportion of debt in longer dated SDLs would elongate the maturity profile of the stock of SDLs and reduce rollover risks.***

Decline in spreads in June 2020: After remaining between 40-80 bps for most of FY2020 (refer Exhibit 5), the spread between the 10-year SDL cut offs and the closing 10-year G-sec yield had widened to 112-165 bps in the auctions that took place between March 23-30, 2020. This reflected the higher than indicated SDL issuance in March 2020, as well as concerns over the fiscal position of the state governments following the imposition of the lockdown during that month. ***Subsequently, the weighted average 10-year spread remained relatively volatile, ranging from 62 bps to 149 bps in Q1 FY2021, with some stability in June 2020.***

In the SDL auction held on April 7, 2020, the bids received for the SDLs of several state governments were not very large relative to the notified amount (refer Box 1). In this auction, the 10-year SDL cut-off ranged between 7.75% for TN and 8.15% for J&K, one of the widest inter-state spreads recorded in the last few years. With the 10-year G-sec closing at a yield of 6.4%, the spread between the 10-year SDL and 10-year G-sec remained elevated at 133-173 bps in this auction, before easing only modestly to 110-115 bps in the subsequent weekly auction. The weak investor demand and the unusually high spreads suggest that market participants were concerned about the potential negative impact of the demand shock related to the lockdown, on the state governments' fiscal position.

Various liquidity boosting measures announced by the RBI in April 2020 (Targeted Long-Term Operations 2.0, refinancing facilities for financial institutions, fixed rate reverse repos, increase in WMA limit for states etc.) led to an easing in the 10-year G-sec yield to 6.21% and the 10-year SDL cut-off to 7.0-7.15% on April 21, 2020, cooling the spreads between the two to 79-93 bps. Subsequently, in the last weekly auction of April 2020, the spread eased further to around 72 bps, reflecting the closing 10-year G-sec yield of 6.14% and corresponding maturity SDL cut-off at 6.86%.

Exhibit 5: Spreads between 10-year G-sec and weighted average cut-offs of SDLs



Source: RBI; ICRA research

Out of the three states that offered 10-year SDLs in the auction dated May 5, 2020, the spread cooled further to 62-64 bps for UP and Rajasthan but remained at a higher 72 bps for J&K. The 10-year SDL-cut offs rose to 6.73-6.85%, in the auction dated May 12, 2020, which was 4-6 bps higher than the previous week's auction. Moreover, the GoI had issued a new benchmark 10-year G-sec at a cut-off of 5.79% on May 8, 2020. Accordingly, the spread between the 10-year SDL and the closing yield of new 10-year G-sec (5.8%) widened to 92-105 bps in the auction dated May 12, 2020. In the next two weekly auctions, the 10-year cut-offs eased to 6.5-6.6% while the new 10-year G-sec yield settled around 5.75%, implying a spread of 73-88 bps.

Notably, on May 22, 2020, the RBI had indicated in its Statement on Developmental and Regulatory Policies, that it would remain watchful and support the smooth completion of the borrowing programme of the Centre and State governments in the least disruptive manner. In our view, this has helped to contain yields in the subsequent auctions.

In the SDL auctions held in June 2020, the cut-off for the 10-year SDLs remained in a range of 6.5-6.7% for most of the state governments and around 5-10 bps higher for WB and Punjab. During this month, the new 10-year G-sec yield remained between 5.8-5.9%, and accordingly the spread with the 10-year SDLs broadly remained between 70-80 bps in June 2020.

Box 1: Instances of low bids for, partial acceptance of and full rejection of the SDLs offered for sale in certain auctions held in Q1 FY2021

SDL auctions in April 2020: In the SDL auction dated April 7, 2020, Rajasthan received bids for 0.67x and 0.58x the notified amounts of Rs. 10 billion 7-year SDL and Rs. 10 billion 6-year SDL, respectively, indicating muted interest of the market participants. The state government accepted these bids in full, at a cut-off of 8.31% and 7.90%, respectively. In the same auction, Kerala received bids equivalent to 0.97x of the notified amount of Rs. 20 billion 15-year SDL, and accepted the entire Rs. 19.3 billion at a high cut-off of 8.96%.

AP (Rs. 10 billion 13-year SDL and Rs. 10 billion 14-year SDL) and Punjab (Rs. 10 billion 10-year SDL) received bids equivalent to 1-1.5x the notified amounts, while Himachal Pradesh (Rs. 4 billion 8-year SDL and Rs. 3 billion 10-year SDL) received 2.1-2.3x of the notified amount, in the auction dated April 7, 2020. However, these three states rejected the entire bids received in the specific tenors. Moreover, Gujarat received bids equivalent to a healthy 4.2x of the notified amount of Rs. 25 billion (with a green shoe option of Rs. 5 billion), but it accepted only Rs. 21 billion for the 9-year SDL, at a cut-off of 7.73%, in the auction dated April 7, 2020.

Subsequently on April 13, 2020, AP rejected the entire bids, which were equivalent to 5.2-5.8x the notified amount for both Rs. 10 billion 6-year SDL and Rs. 10 billion 7-year SDL.

SDL auctions in May 2020: Despite healthy market appetite for its SDL (bids received were 8.4x the notified amount), Gujarat did not accept any bid for the Rs. 10 billion 9-year SDL that it had offered for sale on May 5, 2020.

SDL auctions in June 2020: Subsequently, Gujarat received 6.0x the bids for Rs. 10 billion 10-year SDL (with a green shoe option of Rs. 5 billion) that it had offered to sell on June 9, 2020. However, it did not accept any bids in this auction. Telangana received 1.0x the bids for Rs. 25 billion 8-year SDL (with a green shoe option of Rs. 5 billion) in the auction dated June 9, 2020. However, it accepted only Rs. 24.6 billion in that auction.

The prevailing uncertainty around the intensity and duration of the Covid-19 pandemic and the associated loss in tax collections, led to an elevated spread of 100-160 bps between the 10-year SDLs and the 10-year G-sec in the first fortnight of April 2020. Measures taken by the RBI and the GoI led to a gradual softening of the SDL yields from the second fortnight of April 2020 onward. Moreover, with the new 10-year G-sec broadly remaining stable between 5.8-5.9% from mid-May 2020 to end June 2020, the spread between the two hovered around 70-80 bps in this period.

The weighted average cut-off of shorter tenor SDLs (1-9 years; 44.3% of total issuance) issued in Q1 FY2021 is estimated at 6.0%, 103 bps lower than the weighted average cut-off of 7.03% for the 10-year SDLs (43.5% of total issuance). Around 64% of the shorter tenor SDLs were issued in the 1-5-year maturity bucket in Q1 FY2021 at a weighted average SDL cut-off of 5.47%, around 156 bps lower than the weighted average cut-off of the 10-year SDLs.

Exhibit 6: Cut-off of 30-35-year SDLs and 10-year weighted average yield in Q1 FY2021

Source: RBI, ICRA research

A modest Rs. 85 billion of SDLs have been issued in the 30 to 35-year maturity bucket in Q1 FY2021. Of this, Rs. 20 billion 30-year SDL was issued by TN in the last auction held in April 2020, at a cut-off of 7.15%, around 30 bps higher than the weighted average cut-off of 6.86% for the 10-year SDLs in that auction (refer Exhibit 6). Subsequently, Rs. 65 billion of 30-35-year SDLs were issued in June 2020, with a weighted average cut-off of 6.70%, an attractive spread of only 12 bps above the 10-year SDLs issued in the same month (6.58%). Despite this, only two states, namely, TN (Rs. 50 billion) and Rajasthan (Rs. 15 billion) issued 30 to 35-year SDLs in June 2020.

Indicative borrowing in Q2 FY2021: On June 30, 2020, the RBI released the indicative calendar of market borrowings by the state governments for Q2 FY2021. This pegs the total market borrowing of state governments and UTs at Rs. 1.8 trillion in that quarter, ~24% higher than the actual combined borrowing of Rs. 1.4 trillion in Q2 FY2020. The indicated pace of growth is moderate relative to the expansion of 105.2% that was witnessed in Q1 FY2021. This is partly on account of an estimated halving in the SDL redemption in Q2 FY2021 to Rs. 264 billion from Rs. 464 billion in Q2 FY2020. Accordingly, the net SDL issuance would increase by a sharper ~56% to Rs. 1.5 trillion in Q2 FY2021 from Rs. 1.0 trillion in Q2 FY2020; however, even this trails the 135.6% expansion in net SDL issuance that was recorded in Q1 FY2021.

Karnataka (to Rs. 170 billion from Rs. 70 billion) and UP (to Rs. 110 billion from Rs. 55 billion) have indicated a sharp rise in their SDL issuance in Q2 FY2021 relative to the actual issuance in Q1 FY2021.

However, several of the top ten issuers of SDLs in Q1 FY2021 have indicated a decline in SDL issuance in Q2 FY2021 compared to the amount raised in the previous quarter. These states include, TN (to Rs. 220 billion in Q2 FY2021 from Rs. 280 billion in Q1 FY2021), Maharashtra (to Rs. 210 billion from Rs. 255 billion), Rajasthan (to Rs. 110 billion from Rs. 160 billion), Kerala (to Rs. 50 billion from Rs. 124 billion), Telangana (to Rs. 100 billion from Rs. 125 billion), AP (to Rs. 140 billion from Rs. 150 billion) and Haryana (to Rs. 70 billion from Rs. 90 billion). ***While the state governments would have taken stock of their likely post-Covid 19 fiscal situation while planning the calendar for Q2 FY2021, the economic and fiscal situation remains fluid. Therefore, we will not be surprised if the actual issuance in Q2 FY2021 overshoots the indicative amount.***

Expected gross and net borrowing in H1 FY2021: If the gross SDLs raised in Q2 FY2021 are in line with the indicated amount of Rs. 1.8 trillion, the total gross SDL issuance in H1 FY2021 would expand by a considerable 53.3% to Rs. 3.5 trillion from Rs. 2.3 trillion in H1 FY2020 (refer Exhibit 7). After adjusting for the estimated redemptions of Rs. 511 billion in H1 FY2021, the net SDL issuance is projected at Rs. 2.9 trillion in H1 FY2021, indicating a growth of 86.3% from Rs. 1.6 trillion in H1 FY2020. The net SDL issuance in H1 FY2021 would be equivalent to a substantial ~40% of the total unconditional net borrowing of Rs. 7.4 trillion for FY2021, moderately higher than the trend in FY2020, with ~32% of total net SDL issuances having been raised in the first half of that fiscal.

Exhibit 7: Gross and net market borrowing of state governments in H1 FY2021

Rs. Trillion	H1 FY2020 (A)	Q1 FY2021 (B)	Q2 FY2021 (Indicated: C)	H1 FY2021 (D=B+C)	YoY growth in H1 FY2021 (D vs. A)
Gross Borrowing	2.3	1.7	1.8	3.5	53.3%
Redemption	0.7	0.2	0.3	0.5	-24.3%
Net Borrowing	1.6	1.4	1.5	2.9	86.3%

Source: RBI; ICRA Research

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