

Govt to raise Rs 12.61b in treasury bills

The government has decided to make internal borrowing of another Rs 12.61 billion.

The Nepal Rastra Bank (NRB), the central monetary authority, published a notice of Treasury Bill Auction worth Rs 12.61 billion on Sunday. The auction will put the government's total internal borrowing so far to Rs 133.61 billion.

The government plans to raise Rs 145 billion from the domestic market in FY2017/18.

The government, which started facing shortage of spendable cash since the first month of the current fiscal year, has announced to make the targeted borrowing.

The maturity of the treasury bills in four separate lots varies from a month to 12 month, according to the notice.

The government has witnessed fund crunch in the current fiscal year particularly due to lump sum allocation in tune of Rs 225 billion to the local units in three installments. The last installment was disbursed to local units three weeks ago.

Cost of election and also distribution of relief to flood victims in eastern and central region were the other major factors behind depletion of state treasury.

Source : My Republica, 2nd April 2018