

*Developments in India's
Balance of Payments
during the Fourth Quarter
(January-March) of
2009-10 and for the full
year (April-March)
2009-10**

The data on India's balance of payments (BoP) are compiled and published by the Reserve Bank on a quarterly basis with a lag of one quarter. Accordingly, preliminary data on India's BoP for the fourth quarter (Q4) *i.e.*, January-March 2010 of the financial year 2009-10 along with the partially revised data for the first three quarters *i.e.*, April-June 2009 (Q1), July-September 2009 (Q2) and October-December 2009 (Q3), and the data for the full year 2009-10 (April-March) were released by the Reserve Bank on June 30, 2010.

The developments in India's BoP for 2009-10 are presented here.

1. Major Highlights

January-March (Q4) of 2009-10

- (i) Exports recorded a growth of 36.2 per cent, on a year-on-year basis, during Q4 of 2009-10 as against a decline of 20.0 per cent during Q4 of 2008-09.
- (ii) Imports registered a growth of 43.0 per cent in Q4 of 2009-10 as against a decline of 20.8 per cent during the corresponding quarter of 2008-09.
- (iii) The trade deficit widened, reflecting higher growth in imports relative to exports.
- (iv) After four consecutive quarters of decline, on a year-on-year basis, services receipts recorded a growth of 13.4 per cent led by software and financial services. Private transfer receipts continued to be robust during Q4 of 2009-10.
- (v) Net invisibles, however, declined mainly on account of relatively higher invisibles payments due to larger

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payments on account of business, financial, communication and transportation services.

- (vi) The higher trade deficit combined with lower invisibles surplus widened the current account deficit.
- (vii) The surplus in the capital account increased mainly due to portfolio investment and short-term trade credits.
- (viii) The overall balance was in surplus at US\$ 2.1 billion, which resulted in a net accretion to foreign exchange reserves of equivalent amount.

Financial Year 2009-10 (April-March)

- (i) On a BoP basis, the trade deficit decreased marginally to US\$ 117.3 billion (8.9 per cent of GDP) during 2009-10 from US\$ 118.7 billion (9.8 per cent of GDP) a year ago.
- (ii) The current account deficit was higher at US\$ 38.4 billion (2.9 per cent of GDP)

during 2009-10, as compared with US\$ 28.7 billion (2.4 per cent of GDP) during 2008-09, mainly due to lower net invisibles surplus.

- (iii) The surplus in the capital account increased sharply to US\$ 53.6 billion (4.1 per cent of GDP) during the year from US\$ 7.2 billion (0.6 per cent of GDP) a year ago.
- (iv) As the surplus in the capital account exceeded the current account deficit, there was a net accretion to foreign exchange reserves of US\$ 13.4 billion during 2009-10 (as against a drawdown of reserves of US\$ 20.1 billion during 2008-09).

2. Balance of Payments for January-March (Q4) of 2009-10

The major items of the BoP for the fourth quarter (Q4) of 2009-10 are set out below in Table 1.

Table 1: Major Items of India's Balance of Payments

Item	(US\$ billion)							
	April-June		July-September		October-December		January-March	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Exports	57.5	39.2	53.6	43.5	39.4	47.1	38.5	52.4
2. Imports	82.7	64.8	92.8	72.6	73.5	78.1	58.7	83.9
3. Trade Balance (1-2)	-25.3	-25.6	-39.1	-29.1	-34.0	-31.1	-20.2	-31.5
4. Invisibles, net	22.0	21.2	26.5	20.4	22.4	18.9	19.0	18.5
5. Current Account Balance (3+4)	-3.3	-4.5	-12.6	-8.8	-11.7	-12.2	-1.2	-13.0
6. Capital Account Balance*	5.5	4.6	7.8	18.2	-6.2	14.0	1.5	15.1
7. Change in Reserves# (-Indicates increase; + indicates decrease)	-2.2	-0.1	4.7	-9.4	17.9	-1.8	-0.3	-2.1

*: Including errors and omissions. #: On BoP basis (*i.e.*, excluding valuation).

P: Preliminary. PR: Partially Revised.

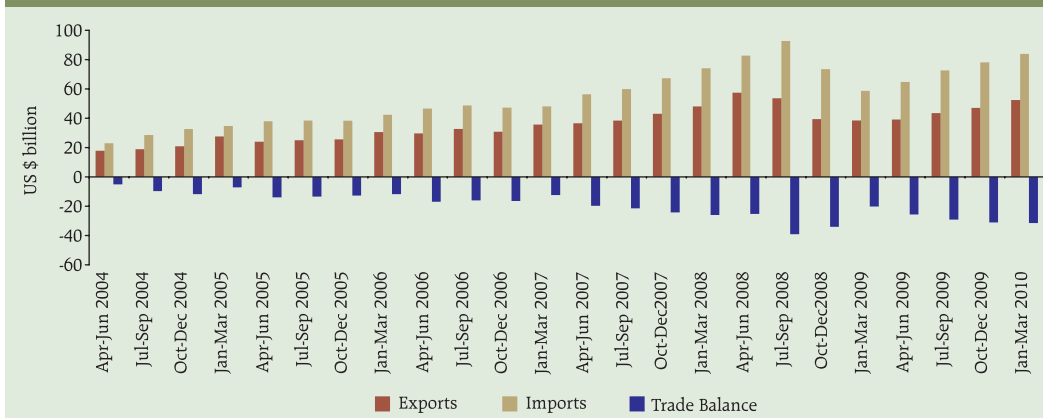
Chart 1: India's POL Imports and International Crude Prices



Merchandise Trade

- (i) On a BoP basis, India's merchandise exports recorded growth of 36.2 per cent in Q4 of 2009-10, on a year-on-year basis, as against a decline of 20.0 per cent in Q4 of 2008-09. According to the data released by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), exports increased by 36.2 per cent during the quarter.
- (ii) On a BoP basis, imports registered a growth of 43.0 per cent as against a decline of 20.8 per cent during Q4 of 2008-09.
- Imports, on DGCI&S basis, witnessed a growth of 62.3 per cent during the quarter under review. The higher growth in imports is attributed to increase in non-oil imports as well as increase in oil-related import payments due to higher international crude oil prices during the quarter (Chart 1).
- (iii) The trade deficit, on a BoP basis, was higher at US\$ 31.5 billion in Q4 of 2009-10 as compared with US\$ 20.2 billion during Q4 of 2008-09, mainly on account of higher growth in imports relative to exports (Chart 2).

Chart 2: Quarterly Movements in Trade Balance



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Invisibles and Current Account Balance

- (i) After witnessing four consecutive quarters of decline, on year-on-year basis, invisibles receipts recorded a growth of 15.4 per cent during Q4 of 2009-10 (as against a decline of 18.3 per cent during Q4 of 2008-09) mainly led by services and private transfers.
- (ii) Services exports registered a growth of 13.4 per cent (as against a decline of 9.7 per cent during Q4 of 2008-09) led by trade related services such as transportation and insurance as well as miscellaneous services such as software and financial services. Software exports recorded a growth of 32.1 per cent (as against a decline of 15.5 per cent during Q4 of 2008-09).
- (iii) Private transfers receipts also increased sharply by 33.3 per cent (as against a decline of 31.1 per cent a year ago).
- (iv) Investment income receipts declined by 23.5 per cent during the quarter mainly due to persistence of lower interest rates abroad.
- (v) Invisibles payments recorded a growth of 34.3 per cent (as against a decline of 20.8 per cent a year ago) mainly due to higher payments on account of transportation, business and financial services as well as steady payments under investment income.
- (vi) As growth in invisibles payments was higher than the growth in receipts, net invisibles (invisibles receipts minus invisibles payments) recorded a decline of 2.6 per cent to US\$ 18.5 billion during

Table 2: Net Invisibles

Item	(US\$ billion)							
	April-June		July-September		October-December		January-March	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
A. Services (1 to 5)	10.7	10.4	14.4	7.6	13.9	8.2	10.7	8.1
1. Travel	0.3	0.3	0.1	0.4	1.0	1.1	0.1	0.8
2. Transportation	-0.7	-0.3	-0.7	0.3	-0.5	-0.4	0.4	-0.5
3. Insurance	0.1	0.1	0.1	0.0	0.1	0.1	0.0	0.1
4. Govt. not included elsewhere	0.0	0.0	0.0	0.0	-0.1	0.0	-0.3	0.0
5. Miscellaneous	10.9	10.3	15.0	6.9	13.5	7.4	10.4	7.7
<i>Of Which:</i>								
Software	11.2	10.6	11.2	10.8	10.7	12.9	10.4	14.0
Non-Software	-0.3	-0.3	3.8	-3.9	2.8	-5.5	0.1	-6.3
B. Transfers	12.1	12.9	12.9	13.7	10.2	13.0	9.6	12.6
Private	12.1	12.9	13.0	13.8	10.0	12.8	9.5	12.6
Official	0.0	-0.1	0.0	-0.1	0.2	0.2	0.1	0.0
C. Income	-0.8	-2.1	-0.8	-0.9	-1.6	-2.3	-1.2	-2.1
Investment Income	-0.7	-1.9	-0.8	-0.8	-1.5	-2.0	-1.1	-1.9
Compensation of Employees	-0.2	-0.1	0.0	-0.1	-0.1	-0.3	-0.1	-0.3
Invisibles (A+B+C)	22.0	21.2	26.5	20.4	22.4	18.9	19.0	18.5

P: Preliminary. PR: Partially Revised.

the quarter (Table 2). The decline was, however, lower as compared to Q4 of 2008-09, when it had declined by 15.8 per cent to US\$ 19.0 billion.

- (vii) The lower size of invisibles surplus coupled with a higher trade deficit resulted in an increase in current account deficit during Q4 of 2009-10 to US\$ 13.0 billion (US\$ 1.2 billion during Q4 of 2008-09).

Capital Account and Reserves

- (i) The continued buoyancy in capital inflows mainly led by large inflows under portfolio investments and short-term trade credits coupled with foreign direct investments resulted in a net capital account surplus of US\$ 16.1 billion during Q4 of 2009-10 as compared with a lower surplus of US\$ 1.4 billion during Q4 of 2008-09 (Table 3).

- (iv) Net FDI flows (net inward FDI minus net outward FDI) amounted to US\$ 3.2 billion during the quarter (same as that in Q4 of 2008-09). Net inward FDI stood at US\$ 5.1 billion during the quarter (US\$ 8.0 billion in Q4 of 2008-09). Net outward FDI remained lower at US\$ 1.9 billion (US\$ 4.8 billion in Q4 of 2008-09).
- (v) Net portfolio investments were higher at US\$ 8.8 billion mainly supported by strong net inflows by the foreign institutional investors (FIIs) amounting to US\$ 8.5 billion during Q4 of 2009-10 (as against net outflows of US\$ 2.6 billion by FIIs in Q4 of 2008-09).
- (vi) Net External Commercial Borrowings (ECBs) remained lower at US\$ 0.1 billion during the quarter (US\$ 1.0 billion in Q4 of 2008-09) mainly due to increased repayments of commercial loans to

Table 3: Net Capital Flows

(US\$ billion)								
Item	April-June		July-September		October-December		January-March	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Foreign Direct Investment	9.0	6.1	4.9	6.5	0.4	3.9	3.2	3.2
Inward FDI	11.9	8.7	8.8	10.7	6.3	7.1	8.0	5.1
Outward FDI	2.9	2.6	3.9	4.2	5.9	3.2	4.8	1.9
2. Portfolio Investment	-4.2	8.3	-1.3	9.7	-5.8	5.7	-2.7	8.8
Of which								
FIIs	-5.2	8.2	-1.4	7.0	-5.8	5.3	-2.6	8.5
ADRs/GDRs	1.0	0.0	0.1	2.7	0.0	0.5	0.0	0.1
3. External Assistance	0.4	0.1	0.5	0.5	1.0	0.6	0.8	0.8
4. External Commercial Borrowings	1.5	-0.5	1.7	1.2	3.8	1.7	1.0	0.1
5. NRI Deposits	0.8	1.8	0.3	1.0	1.0	0.6	2.2	-0.6
6. Banking Capital excluding NRI Deposits	1.9	-5.2	2.0	3.4	-6.0	1.3	-5.4	-0.4
7. Short-term Trade Credits	4.5	-1.5	0.4	0.8	-4.2	3.3	-2.6	5.0
8. Rupee Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1
9. Other Capital	-8.9	-5.2	-1.4	-4.3	3.7	-2.4	5.1	-0.9
Total (1 to 9)	4.9	4.0	7.1	18.8	-6.1	14.7	1.4	16.1

P: Preliminary. PR: Partially Revised.

India. Short-term trade credits to India recorded a net inflow of US\$ 5.0 billion in Q4 of 2009-10 as against a net outflow of US\$ 2.6 billion during Q4 of 2008-09.

- (vii) Banking capital recorded net outflows at US\$ 0.9 billion during the quarter (as compared with net outflows of US\$ 3.3 billion in Q4 of 2008-09) mainly due to build up of foreign assets of commercial banks.
- (viii) There was an increase in foreign exchange reserves on BoP basis (*i.e.*, excluding valuation) of US\$ 2.1 billion in Q4 of 2009-10 as compared with an increase of US\$ 0.3 billion in Q4 of 2008-09. In nominal terms (*i.e.*, including valuation changes), foreign exchange reserves declined by US\$ 4.4 billion during the quarter reflecting appreciation of US dollar against major international currencies during the quarter.

3. Balance of Payments for 2009-10 (April-March)

Taking into account the partially revised data for Q1, Q2 and Q3 of 2009-10 and the preliminary data for Q4 of 2009-10, the BoP data for 2009-10 (April-March) have been compiled. Table 4 and Statement I present developments in major items of BoP during 2009-10. Major developments are set out below:

Merchandise Trade

- (i) On a BoP basis, India's merchandise exports posted a decline of 3.6 per cent during 2009-10 (as against a positive growth of 13.7 per cent in the previous year).

Table 4: Major Items of India's Balance of Payments

(US\$ billion)			
Item	April-March		
	2007-08 (R)	2008-09 (PR)	2009-10 (P)
1	2	3	4
1. Exports	166.2	189.0	182.2
2. Imports	257.6	307.7	299.5
3. Trade Balance (1-2)	-91.5	-118.7	-117.3
4. Invisibles, net	75.7	89.9	78.9
5. Current Account Balance (3+4)	-15.7	-28.7	-38.4
6. Capital Account Balance*	107.9	8.6	51.9
7. Change in Reserves# (-Indicates increase; + indicates decrease)	-92.2	20.1	-13.4

* : Including errors and omissions.
: On BoP basis (*i.e.*, excluding valuation)
P: Preliminary. PR: Partially Revised. R: Revised.

- (ii) Import payments, on a BoP basis, also recorded a decline of 2.7 per cent (as compared with a growth of 19.4 per cent in the previous year).
- (iii) According to the DGCIS data, exports declined by 3.6 per cent, while imports declined by 5.5 per cent led by the decline in both oil imports and non-oil imports during 2009-10.
- (iv) Despite higher fall in exports relative to imports on a BoP basis, however, the merchandise trade deficit decreased marginally to US\$ 117.3 billion (8.9 per cent of GDP) during 2009-10 from US\$ 118.7 billion (9.8 per cent of GDP) in 2008-09.

Invisibles and Current Account Balance

- (i) Invisibles receipts recorded a decline of 1.4 per cent (as against an increase of 9.8 per cent in 2008-09), mainly due to lower receipts under miscellaneous

Table 5: Invisibles Gross Receipts and Payments

(US\$ billion)								
Item	Invisibles Receipts				Invisibles Payments			
	April-March		January-March		April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
A. Services (1 to 5)	101.7	93.8	23.7	26.9	52.0	59.6	13.1	18.9
1. Travel	10.9	11.9	2.7	3.4	9.4	9.3	2.6	2.6
2. Transportation	11.3	11.1	2.9	3.1	12.8	11.9	2.5	3.6
3. Insurance	1.4	1.6	0.3	0.4	1.1	1.3	0.3	0.3
4. Govt. not included elsewhere	0.4	0.4	0.1	0.1	0.8	0.5	0.4	0.2
5. Miscellaneous	77.7	68.7	17.7	19.9	27.9	36.5	7.3	12.2
<i>Of which:</i>								
Software	46.3	49.7	10.8	14.3	2.8	1.5	0.5	0.3
Non-Software	31.4	19.0	6.9	5.6	25.1	35.0	6.8	11.9
B. Transfers	47.5	54.4	10.0	13.2	2.7	2.3	0.4	0.6
Private	46.9	53.9	9.8	13.1	2.3	1.8	0.3	0.5
Official	0.6	0.5	0.2	0.1	0.4	0.5	0.1	0.1
C. Income	14.3	13.0	3.4	2.7	18.8	20.4	4.6	4.8
Investment Income	13.5	12.1	3.2	2.5	17.5	18.7	4.3	4.3
Compensation of Employees	0.8	0.9	0.2	0.2	1.3	1.7	0.3	0.5
Invisibles (A+B+C)	163.5	161.2	37.1	42.8	73.6	82.3	18.1	24.4

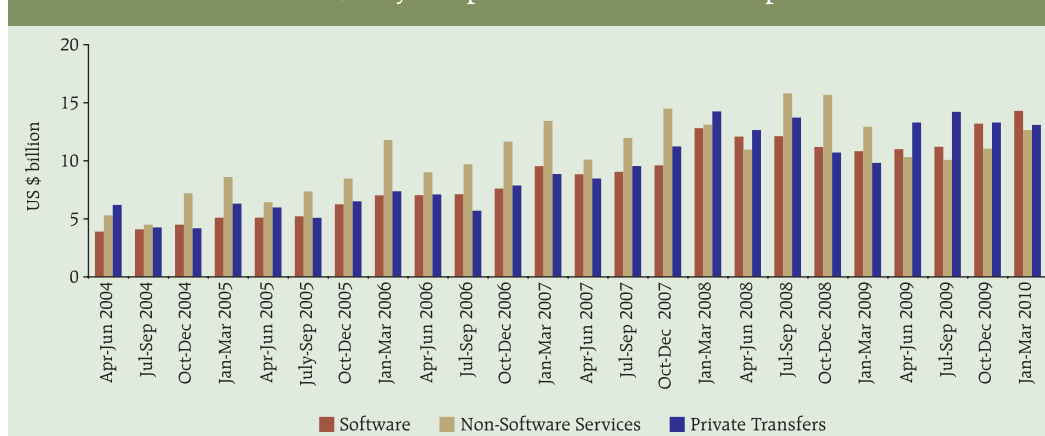
P: Preliminary. PR: Partially Revised.

Note: Details of Non-software services under Miscellaneous (Item 5) are given in Table 8.

services such as business, financial and communication services coupled with lower investment income receipts (Table 5 and Chart 3).

(ii) Private transfer receipts, comprising mainly remittances from Indians working overseas, increased to US\$ 53.9 billion in 2009-10 (4.1 per cent of

Chart 3: Key Components of Invisibles Receipts



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Table 6: Inflows and Outflows from NRI Deposits and Local Withdrawals

(US\$ billion)			
Year	Inflows	Outflows	Local Withdrawals
1	2	3	4
2008-09 (PR)	37.1	32.9	20.6
2009-10 (P)	41.4	38.4	23.6
January-March 2009 (PR)	9.3	7.2	4.4
January-March 2010 (P)	9.7	10.2	5.7

P: Preliminary. PR: Partially Revised.

GDP) from US\$ 46.9 billion (3.9 per cent of GDP) in the previous year. Private transfer receipts constituted 15.7 per cent of current receipts in 2009-10 (13.3 per cent in 2008-09).

- (iii) A major portion of NRI deposits are withdrawn locally that constituted 61.3 per cent of total outflows during 2009-10 as compared with 62.7 per cent during the last year (Table 6).
- (iv) Under Private transfers, the inward remittances for family maintenance accounted for about 52.7 per cent of the total private transfer receipts, while local withdrawals accounted for about 43.7 per cent in 2009-10 (Table 7).

- (v) Software receipts at US\$ 49.7 billion showed an increase of 7.4 per cent in 2009-10 (compared with an increase of 14.9 per cent a year ago). According to NASSCOM estimates (February 2010), the software exports are expected to grow by about 13-15 per cent to about US\$ 56-57 billion during 2010-11.
- (vi) Miscellaneous receipts, excluding software exports, declined sharply by 39.3 per cent to US\$ 19.0 billion in 2009-10 (from US\$ 31.4 billion in 2008-09) mainly due to significant decline in business, financial and communication services (Table 8).
- (vii) The key components of the business services receipts and payments were mainly the trade related services, business and management consultancy services, architectural, engineering and other technical services and services relating to maintenance of offices abroad (Table 9). All the components of business services receipts showed a decline during 2009-10 reflecting lagged impact of the global crisis. However,

Table 7: Details of Private Transfers to India

(US \$ billion)					
Year	Total Private Transfers	Of which:			
		Inward remittances for family maintenance		Local withdrawals/redemptions from NRI Deposits	
		Amount	Percentage Share in Total	Amount	Percentage Share in Total
1	2	3	4	5	6
2008-09 (PR)	46.9	23.9	50.9	20.6	44.0
2009-10 (P)	53.9	28.4	52.7	23.6	43.7
January-March 2009 (PR)	9.8	4.9	49.9	4.4	44.6
January-March 2010 (P)	13.1	6.9	52.8	5.7	43.8

P: Preliminary. PR: Partially Revised.

Table 8: Break-up of Non-Software Receipts and Payments under Miscellaneous Services

(US\$ billion)

Item	Receipts				Payments			
	April-March		January-March		April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Communication	2.2	1.2	0.4	0.2	1.1	1.4	0.3	0.4
2. Construction	0.9	0.6	0.4	0.1	0.9	1.1	0.4	0.3
3. Financial	3.9	3.7	0.8	1.1	3.0	4.7	0.6	1.5
4. News Agency	0.8	0.4	0.2	0.1	0.4	0.6	0.1	0.1
5. Royalties, Copyrights & License Fees	0.1	0.2	0.0	0.0	1.7	2.0	0.5	0.6
6. Business Services	16.4	11.6	3.9	3.8	15.4	18.6	4.6	5.6
7. Personal, Cultural, and Recreational	0.7	0.5	0.1	0.2	0.3	0.3	0.1	0.1
8. Others	6.3	0.9	1.1	0.1	2.3	6.3	0.3	3.2
Total (1 to 8)	31.4	19.0	6.9	5.6	25.1	35.0	6.8	11.9

P: Preliminary; PR: Partially Revised.

Note: Details of Business Services (item 6) are given in Table 9.

- payments under almost all components of business services increased during the same period.
- (viii) Receipts under investment income declined to US\$ 12.1 billion in 2009-10 from US\$ 13.5 billion in the previous year on account of significant decline in interest rates abroad (Table 10).
- (ix) Invisibles payments witnessed a higher growth of 11.8 per cent (0.6 per cent in 2008-09) mainly due to higher business, financial and communication services, and increase in payments under investment income account.
- (x) Net invisibles (invisibles receipts minus invisibles payments) stood at

Table 9: Details of Business Services

(US\$ billion)

Item	Receipts				Payments			
	April-March		January-March		April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Trade Related	2.0	1.8	0.4	0.7	1.7	1.9	0.4	0.5
2. Business & Management Consultancy	5.0	3.9	1.1	1.2	3.5	5.4	1.5	1.7
3. Architectural, Engineering, and other Technical Services	1.8	1.4	0.4	0.4	3.1	4.5	0.8	1.5
4. Maintenance of offices abroad	3.0	1.6	0.9	0.5	3.4	3.8	1.0	1.0
5. Others	4.7	3.0	1.0	1.0	3.7	3.1	1.0	0.8
Total (1 to 5)	16.4	11.6	3.9	3.8	15.4	18.6	4.6	5.6

P: Preliminary. PR: Partially Revised.

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Table 10: Details of Receipts and Payments of Investment Income

(US\$ billion)				
Item	April-March		January-March	
	2008-09 (PR)	2009-10(P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
A. Receipts	13.5	12.1	3.2	2.5
<i>Of which:</i>				
1. Reinvested Earnings on Indian Investment Abroad	1.1	1.1	0.3	0.3
2. Interest/discount Earnings on Foreign exchange reserves	10.5	5.9	2.3	1.1
B. Payments	17.5	18.7	4.3	4.3
<i>Of which:</i>				
1. Interest Payment on NRI deposits	1.5	1.6	0.4	0.4
2. Interest Payment on ECBs	2.7	2.4	0.6	0.5
3. Interest Payments on External Assistance	1.0	0.8	0.3	0.2
4. Dividends and Profits	3.2	3.8	0.4	0.7
5. Reinvested Earnings of FDI Companies in India	6.4	8.1	1.7	2.0
C. Net Investment Income (A-B)	-4.0	-6.6	-1.1	-1.9

P: Preliminary.

PR: Partially Revised.

US\$ 78.9 billion during 2009-10 as compared with US\$ 89.9 billion during 2008-09. At this level, the invisibles surplus financed 67.3 per cent of the trade deficit (as against 75.8 per cent during 2008-09).

- (xi) Despite a lower trade deficit, decline in invisibles surplus led to higher current account deficit at US\$ 38.4

billion (US\$ 28.7 billion in 2008-09) (Chart 4).

Capital Account and Reserves

- (i) The gross capital inflows to India during 2009-10 were higher at US\$ 344.0 billion (US\$ 312.4 billion in 2008-09), while gross capital outflows were lower at US\$ 290.4 billion (US\$ 305.2 billion in 2008-09) (Table 11).

Chart 4 : Movement in Current Account Balance

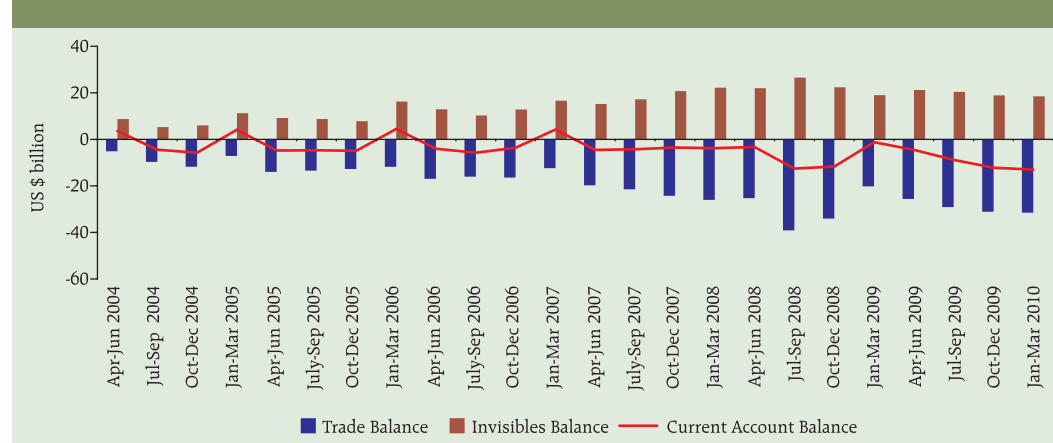


Table 11: Gross Capital Inflows and Outflows

(US\$ billion)								
Item	Gross Inflows				Gross Outflows			
	April-March		January-March		April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Foreign Direct Investment	36.3	37.9	8.4	7.9	18.8	18.2	5.2	4.7
2. Portfolio Investment	128.7	160.2	18.7	41.4	142.7	127.8	21.4	32.6
<i>Of which:</i>								
FIIs	127.3	156.6	18.6	41.0	142.4	127.5	21.2	32.5
ADR/GDRs	1.2	3.3	0.0	0.1	0.0	0.0	0.0	0.0
3. External Assistance	5.0	5.0	1.4	1.6	2.4	2.9	0.6	0.7
4. External Commercial Borrowings	15.2	14.7	3.5	5.0	7.3	12.2	2.5	4.9
5. NRI Deposits	37.1	41.4	9.3	9.7	32.9	38.4	7.2	10.2
6. Banking Capital excluding NRI Deposits	28.1	20.1	2.7	4.5	35.6	21.0	8.1	5.0
7. Short-term Trade Credit	41.8	53.6	9.2	17.8	43.8	45.9	11.8	12.8
8. Rupee Debt Service	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
9. Other Capital	20.2	11.2	6.2	2.3	21.7	23.9	1.1	3.1
Total (1 to 9)	312.4	344.0	59.4	90.2	305.2	290.4	58.0	74.1

P: Preliminary

PR: Partially Revised.

(ii) As a result, net capital flows at US\$ 53.6 billion was much higher during 2009-10 (as compared with US\$ 7.2 billion a

year ago), mainly due to larger inflows under FDI, portfolio investments and short-term trade credits (Table 12).

Table 12: Net Capital Flows

(US \$ billion)				
Item	April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Foreign Direct Investment	17.5	19.7	3.2	3.2
Inward FDI	35.0	31.7	8.0	5.1
Outward FDI	17.5	12.0	4.8	1.9
2. Portfolio Investment	-14.0	32.4	-2.7	8.8
<i>of which:</i>				
FIIs	-15.0	29.0	-2.6	8.5
ADR/GDRs	1.2	3.3	0.0	0.1
3. External Assistance	2.6	2.0	0.8	0.8
4. External Commercial Borrowings	7.9	2.5	1.0	0.1
5. NRI Deposits	4.3	2.9	2.2	-0.6
6. Banking Capital excluding NRI Deposits	-7.5	-0.8	-5.4	-0.4
7. Short-term Trade Credit	-1.9	7.7	-2.6	5.0
8. Rupee Debt Service	-0.1	-0.1	-0.1	-0.1
9. Other Capital	-1.5	-12.7	5.1	-0.9
Total (1 to 9)	7.2	53.6	1.4	16.1

P: Preliminary.

PR: Partially Revised.

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- (iii) Due to lower outward FDI, the net FDI (inward FDI minus outward FDI) was higher at US\$ 19.7 billion in 2009-10 as compared with US\$ 17.5 billion in 2008-09. The higher FDI to India also reflected the impact of continuing liberalisation measures and better growth performance of the Indian economy. During 2009-10, FDI was channeled mainly into manufacturing (22.9 per cent) followed by construction sector (15.7 per cent), financial services (9.8 per cent) and real estate sector (9.8 per cent).
- (iv) Portfolio investment witnessed large net inflows of US\$ 32.4 billion in 2009-10 (as against a net outflow of US\$ 14.0 billion in 2008-09) due to large net FII inflows of US\$ 29.0 billion on account of attractive domestic market conditions.
- (v) Net external commercial borrowings (ECBs) slowed down to US\$ 2.5 billion (US\$ 7.9 billion in 2008-09) mainly due to increased repayments.
- (vi) Net short-term trade credits to India increased significantly to US\$ 7.7 billion from net outflows of US\$ 1.9 billion a year ago, reflecting the international confidence in domestic importers.
- (vii) The increase in foreign exchange reserves on a BoP basis (*i.e.*, excluding valuation) was US\$ 13.4 billion in 2009-10 (as against a sharp decline in reserves of US\$ 20.1 billion in 2008-09) (Table 13). Taking into account the valuation gains, foreign exchange reserves recorded an increase of US \$ 27.1 billion in 2009-10 (as against a decline in reserves of US \$ 57.7 billion in 2008-09 (Annex A).
- (viii) At the end of March 2010, outstanding foreign exchange reserves stood at US\$ 279.1 billion.

To sum up, the key features of India's BoP that emerged during 2009-10 were: (i) lower trade deficit (US\$ 117.3 billion) led by lower imports, (ii) lower invisibles

Table 13: Sources of Variation to Reserves (BoP Basis) in 2009-10

(US \$ billion)				
Item	April-March		January-March	
	2008-09 (PR)	2009-10 (P)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
A. Current Account Balance	-28.7	-38.4	-1.2	-13.0
B. Capital Account*	8.6	51.9	1.5	15.1
<i>Of which</i>				
Foreign Direct Investment	17.5	19.7	3.2	3.2
Portfolio Investment	-14.0	32.4	-2.7	8.8
External Commercial Borrowings	7.9	2.5	1.0	0.1
Banking Capital	-3.2	2.1	-3.3	-0.9
Short Term Trade Credit	-1.9	7.7	-2.6	5.0
C. Change in Reserves: (-) indicates increase; (+) indicates decrease)#	20.1	-13.4	-0.3	-2.1

* : Including errors and omissions. # : On BoP basis (*i.e.*, excluding valuation).
P : Preliminary. PR : Partially Revised.

surplus (US\$ 78.9 billion) mainly due to significant increase in invisibles payments, (iii) higher current account deficit (US\$ 38.4 billion) mainly due to lower net invisibles, (iv) large net capital inflows mainly led by higher inflows under FDI,

portfolio investments and short-term trade credits, and (v) increase in reserves (excluding valuation) of US\$ 13.4 billion (as against a decline in reserves of US\$ 20.1 billion in 2008-09). The details of key indicators are set out in Table 14.

Table 14: Key Indicators of India's Balance of Payments

Item	2007-08 (R)	2008-09 (PR)	2009-10 (P)
1	2	3	4
1. Exports (US\$ on BoP basis) Growth Rate (%)	28.9	13.7	-3.6
2. Imports (US\$ on BoP basis) Growth Rate (%)	35.1	19.4	-2.7
3. Crude Oil Prices US\$ Per Barrel (Indian Basket)	79.2	82.7	69.6
4. Trade Balance (US\$ billion)	-91.5	-118.7	-117.3
5. Exports/ GDP (%)	13.5	15.6	13.9
6. Imports/ GDP (%)	21.0	25.4	22.8
7. Trade Balance/ GDP (%)	-7.4	-9.8	-8.9
Invisibles			
8. Net Invisibles (US\$ billion)	75.7	89.9	78.9
9. Net Invisible Surplus / Trade Deficit (%)	82.8	75.8	67.3
10. Invisibles Receipts/ Current Receipts (%)	47.3	46.4	47.0
11. Services Receipts/ Current Receipts (%)	28.7	28.8	27.3
12. Private Transfers Receipts/ Current Receipts (%)	13.8	13.3	15.7
13. Net Invisibles/ GDP (%)	6.2	7.4	6.0
14. Private Transfers Receipts /GDP (%)	3.5	3.9	4.1
15. Software exports/ GDP (%)	3.3	3.8	3.8
16. Services (net) / GDP (%)	3.2	4.1	2.6
Current Account			
17. Current Account Balance (US\$ billion)	-15.7	-28.7	-38.4
18. Current Account Balance / GDP (%)	-1.3	-2.4	-2.9
Capital Account			
19. Gross Capital Inflows (US\$ billion)	438.4	312.4	344.0
20. Gross Capital Outflows (US\$ billion)	331.8	305.2	290.4
21. Net Capital Flows (US \$ billion)	106.6	7.2	53.6
22. Net Capital Inflows / GDP (%)	8.7	0.6	4.1
23. Net FDI / Net Capital Flows (%)	14.9	241.5	36.8
Openess Indicators			
24. Exports plus Imports of Goods / GDP (%)	34.5	41.0	36.7
25. Exports plus Imports of Services / GDP (%)	11.5	12.7	11.7
26. Current Receipts plus Current Payments / GDP (%)	52.5	60.5	55.2
27. Gross Capital Inflows plus Outflows / GDP (%)	62.7	51.0	48.3
28. Current Receipts plus Current Payments & Gross Capital Inflows & Outflows /GDP (%)	115.2	111.5	103.5
Reserves			
29. Import Cover of Reserves (in months)	14.4	9.8	11.2
30. Outstanding Reserves as at end period (US\$ billion)	309.7	252.0	279.1

R: Revised. PR: Partially Revised. P: Preliminary.

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4. Comparison of RBI and DGCI&S Imports Data

- (i) During 2009-10, based on the records of the DGCI&S imports data and the BoP merchandise imports, the difference between the two data sets works out to about US\$ 12.6 billion (Table 15).

Table 15: DGCI&S and the BoP Import Data

(US\$ billion)			
Item	April-March		
	2007-08 (R)	2008-09 (PR)	2009-10 (P)
1	2	3	4
1. BoP Imports	257.6	307.7	299.5
2. DGCI&S Imports	251.4	303.7	286.9
3. Difference (1-2)	6.2	4.0	12.6

R : Revised. PR : Partially Revised. P : Preliminary.

Annex A:
Sources of Variation in Foreign Exchange Reserves in India during 2009-10

During 2009-10, there was an accretion to the foreign exchange reserves. Inflows under foreign investments and short term trade credits contributed significantly to the increase in foreign exchange reserves besides valuation gains. The sources of variation in the foreign exchange reserves are set out in Table 1.

Table 1: Sources of Variation in Foreign Exchange Reserves

(US \$ billion)		
Items	2008-09	2009-10
I. Current Account Balance	-28.7	-38.4
II. Capital Account (net) (a to f)	8.6	51.9
a. Foreign Investment (i+ii)	3.5	52.1
(i) Foreign Direct Investment	17.5	19.7
(ii) Portfolio Investment	-14.0	32.4
Of which:		
FII's	-15.0	29.0
ADRs/GDRs	1.2	3.3
b. External Commercial Borrowings	7.9	2.5
c. Banking Capital	-3.2	2.1
of which: NRI Deposits	4.3	2.9
d. Short-Term Trade Credit	-1.9	7.7
e. External Assistance	2.6	2.0
f. Other items in capital account*	-0.2	-14.6
III. Valuation Change	-37.7	13.6
Total (I+II+III)	-57.7	27.1

Note: * (i) 'Other items in capital account' apart from 'Errors and Omissions' also include SDR allocations, leads and lags in exports, funds held abroad, advances received pending issue of shares under FDI and transactions of capital receipts not included elsewhere.

(ii) Increase in reserves (+) / Decrease in reserves (-).

The foreign exchange reserves (including the valuation effects) increased by US\$ 27.1 billion during 2009-10 as against a decline of US\$ 57.7 billion during 2008-09 (Table 2).

Table 2: Comparative Position

(US\$ billion)		
	2008-09	2009-10
1. Change in Foreign Exchange Reserves (Including Valuation Effects)	(-) 57.7	27.1
2. Valuation Effects [Gain (+)/Loss (-)]	(-) 37.7	13.6
3. Change in Foreign Exchange Reserves on BoP basis (i.e., Excluding Valuation Effects)	(-) 20.1	13.4
4. Percentage of increase/decline in Reserves explained by Valuation Gain/Loss	65.2	50.4

Note: Increase in reserves (+)/Decrease in reserves (-).

On a balance of payments basis (*i.e.*, excluding valuation effects), the foreign exchange reserves increased by US\$ 13.4 billion during 2009-10 as against a decline of US\$ 20.1 billion during 2008-09. The valuation gains, reflecting the depreciation of the US dollar against major currencies, accounted for US\$ 13.6 billion during 2009-10 as against a valuation loss of US\$ 37.7 billion during 2008-09. Accordingly, valuation gains during 2009-10 accounted for 50.4 per cent of the total increase in foreign exchange reserves.

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Statement I : India's Overall Balance of Payments						
(US\$ million)						
Item	2006-07			2007-08		
	Credit	Debit	Net	Credit	Debit	Net
1	2	3	4	5	6	7
A. Current Account						
I. Merchandise	128,888	190,670	-61,782	166,162	257,629	-91,467
II. Invisibles (a+b+c)	114,558	62,341	52,217	148,875	73,144	75,731
a) Services	73,780	44,311	29,469	90,342	51,490	38,853
i) Travel	9,123	6,684	2,439	11,349	9,258	2,091
ii) Transportation	7,974	8,068	-94	10,014	11,514	-1,500
iii) Insurance	1,195	642	553	1,639	1,044	595
iv) G.n.i.e.	253	403	-150	331	376	-45
v) Miscellaneous	55,235	28,514	26,721	67,010	29,298	37,712
<i>of which</i>						
<i>Software Services</i>	31,300	2,267	29,033	40,300	3,358	36,942
<i>Business Services</i>	14,544	15,866	-1,322	16,772	16,553	219
<i>Financial Services</i>	3,106	2,991	115	3,217	3,133	84
<i>Communication Services</i>	2,262	796	1,466	2,408	860	1,548
b) Transfers	31,470	1,391	30,079	44,261	2,316	41,945
i) Official	635	381	254	753	514	239
ii) Private	30,835	1,010	29,825	43,508	1,802	41,706
c) Income	9,308	16,639	-7,331	14,272	19,339	-5,068
i) Investment Income	8,926	15,688	-6,762	13,811	18,244	-4,433
ii) Compensation of employees	382	951	-569	461	1,095	-635
Total Current Account (I+II)	243,446	253,011	-9,565	315,037	330,774	-15,737
B. Capital Account						
1. Foreign Investment (a+b)	133,210	118,457	14,753	271,122	227,796	43,326
a) Foreign Direct Investment (i+ii)	23,590	15,897	7,693	37,321	21,429	15,893
i) In India	22,826	87	22,739	34,844	116	34,728
<i>Equity</i>	16,481	87	16,394	26,865	108	26,757
<i>Reinvested Earnings</i>	5,828	—	5,828	7,679	—	7,679
<i>Other Capital</i>	517	—	517	300	8	292
ii) Abroad	764	15,810	-15,046	2,477	21,312	-18,835
<i>Equity</i>	764	13,368	-12,604	2,477	16,899	-14,422
<i>Reinvested Earnings</i>	—	1,076	-1,076	—	1,084	-1,084
<i>Other Capital</i>	—	1,366	-1,366	—	3,330	-3,330
b) Portfolio Investment	109,620	102,560	7,060	233,800	206,367	27,433
i) In India	109,534	102,530	7,004	233,564	206,294	27,270
<i>of which</i>						
<i>FIIs</i>	105,756	102,530	3,226	226,621	206,294	20,327
<i>GDRs/ADRs</i>	3,776	—	3,776	6,645	—	6,645
ii) Abroad	86	30	56	236	73	163
2. Loans (a+b+c)	54,642	30,152	24,490	82,192	41,539	40,653
a) External Assistance	3,767	1,992	1,775	4,241	2,126	2,114
i) By India	20	32	-12	23	28	-4
ii) To India	3,747	1,960	1,787	4,217	2,098	2,119
b) Commercial Borrowings	20,883	4,780	16,103	30,293	7,684	22,609
i) By India	626	966	-340	1,593	1,624	-31
ii) To India	20,257	3,814	16,443	28,700	6,060	22,640
c) Short Term to India	29,992	23,380	6,612	47,658	31,729	15,930
i) Suppliers' Credit > 180 days & Buyers' Credit	25,482	22,175	3,307	42,641	31,729	10,913
ii) Suppliers' Credit up to 180 days	4,510	1,205	3,305	5,017	—	5,017
3. Banking Capital (a+b)	37,209	35,296	1,913	55,814	44,055	11,759
a) Commercial Banks	36,799	35,218	1,581	55,735	43,623	12,112
i) Assets	14,466	17,960	-3,494	19,562	12,668	6,894
ii) Liabilities	22,333	17,258	5,075	36,173	30,955	5,217
<i>of which :Non-Resident Deposits</i>	19,914	15,593	4,321	29,400	29,222	179
b) Others	410	78	332	79	432	-353
4. Rupee Debt Service	—	162	-162	—	122	-122
5. Other Capital	8,230	4,021	4,209	29,229	18,261	10,969
Total Capital Account (1 to 5)	233,291	188,088	45,203	438,357	331,772	106,585
C. Errors & Omissions	968	—	968	1,316	—	1,316
D. Overall Balance	477,705	441,099	36,606	754,710	662,546	92,164
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	—	36,606	-36,606	—	92,164	-92,164
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	—	36,606	-36,606	—	92,164	-92,164

P: Preliminary. PR: Partially Revised.

Statement I : India's Overall Balance of Payments (Contd.)						
(US\$ million)						
Item	2008-09 PR			2009-10 P		
	Credit	Debit	Net	Credit	Debit	Net
1	8	9	10	11	12	13
A. Current Account						
I. Merchandise	189,001	307,651	-118,650	182,163	299,491	-117,328
II. Invisibles (a+b+c)	163,534	73,612	89,923	161,246	82,329	78,917
a) Services	101,678	52,047	49,631	93,792	59,586	34,208
i) Travel	10,894	9,425	1,469	11,859	9,343	2,516
ii) Transportation	11,286	12,820	-1,534	11,147	11,933	-786
iii) Insurance	1,419	1,130	289	1,600	1,286	314
iv) G.n.i.e.	389	793	-404	441	525	-84
v) Miscellaneous	77,691	27,879	49,812	68,744	36,499	32,246
<i>of which</i>						
<i>Software Services</i>	46,300	2,814	43,486	49,705	1,468	48,237
<i>Business Services</i>	16,445	15,435	1,010	11,645	18,626	-6,981
<i>Financial Services</i>	3,948	2,958	990	3,737	4,735	-998
<i>Communication Services</i>	2,172	1,087	1,084	1,229	1,389	-161
b) Transfers	47,547	2,749	44,798	54,432	2,318	52,114
i) Official	645	413	232	531	473	58
ii) Private	46,903	2,336	44,567	53,901	1,845	52,056
c) Income	14,309	18,816	-4,507	13,024	20,427	-7,403
i) Investment Income	13,483	17,506	-4,023	12,108	18,721	-6,613
ii) Compensation of employees	825	1,309	-484	915	1,705	-791
Total Current Account (I+II)	352,535	381,263	-28,728	343,409	381,820	-38,411
B. Capital Account						
1. Foreign Investment (a+b)	164,915	161,448	3,467	198,088	145,963	52,125
a) Foreign Direct Investment (i+ii)	36,261	18,763	17,498	37,919	18,190	19,729
i. In India	35,158	166	34,992	37,181	5,499	31,682
<i>Equity</i>	27,973	166	27,807	27,149	4,241	22,908
<i>Reinvested Earnings</i>	6,428	—	6,428	8,079	—	8,079
<i>Other Capital</i>	757	—	757	1,953	1,258	695
ii. Abroad	1,103	18,597	-17,495	738	12,691	-11,953
<i>Equity</i>	1,103	14,669	-13,566	738	8,057	-7,319
<i>Reinvested Earnings</i>	—	1,084	-1,084	—	1,084	-1,084
<i>Other Capital</i>	—	2,844	-2,844	—	3,550	-3,550
b) Portfolio Investment	128,654	142,685	-14,030	160,169	127,773	32,396
i) In India	128,512	142,365	-13,853	159,897	127,521	32,376
<i>of which</i>						
<i>FIIs</i>	127,349	142,366	-15,017	156,569	127,521	29,048
<i>GDRs/ADRs</i>	1,162	—	1,162	3,328	—	3,328
ii) Abroad	142	319	-177	272	252	20
2. Loans (a+b+c)	62,126	53,458	8,669	73,201	60,984	12,217
a) External Assistance	5,041	2,405	2,637	4,963	2,919	2,044
i) By India	23	33	-10	51	422	-371
ii) To India	5,018	2,371	2,647	4,912	2,497	2,415
b) Commercial Borrowings	15,244	7,303	7,941	14,673	12,152	2,521
i) By India	1,997	783	1,214	973	1,505	-532
ii) To India	13,248	6,521	6,727	13,700	10,647	3,053
c) Short Term to India	41,841	43,750	-1,909	53,565	45,913	7,652
i) Suppliers' Credit > 180 days & Buyers' Credit	38,815	38,352	463	48,571	43,914	4,657
ii) Suppliers' Credit up to 180 days	3,026	5,398	-2,372	4,994	1,999	2,995
3. Banking Capital (a+b)	65,207	68,453	-3,245	61,499	59,415	2,084
a) Commercial Banks	65,094	67,868	-2,774	60,893	58,966	1,927
i) Assets	25,823	28,725	-2,902	17,097	15,259	1,838
ii) Liabilities	39,270	39,142	128	43,796	43,707	88
<i>of which : Non-Resident Deposits</i>	37,147	32,858	4,290	41,355	38,433	2,922
b) Others	114	585	-471	606	449	157
4. Rupee Debt Service	—	100	-100	—	97	-97
5. Other Capital	20,179	21,723	-1,545	11,209	23,941	-12,732
Total Capital Account (1 to 5)	312,427	305,181	7,246	343,997	290,400	53,597
C. Errors & Omissions	1,402	—	1,402	—	1,745	-1,745
D. Overall Balance	666,364	686,444	-20,080	687,406	673,965	13,441
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	20,080	—	20,080	—	13,441	-13,441
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	20,080	—	20,080	—	13,441	-13,441
of which : SDR Allocation	—	—	—	—	5,160	-5,160

ARTICLE

Developments in India's
Balance of Payments
during the Fourth Quarter
(January-March) of
2009-10 and for the full
year (April-March)
2009-10

Statement I : India's Overall Balance of Payments (Contd.)

(US\$ million)

Item	Apr-Jun 2006			Jul-Sep 2006		
	Credit	Debit	Net	Credit	Debit	Net
1	14	15	16	17	18	19
A. Current Account						
I. Merchandise	29,663	46,613	-16,950	32,701	48,717	-16,016
II. Invisibles (a+b+c)	24,934	12,421	12,513	24,866	14,597	10,269
a) Services	16,042	8,475	7,567	16,416	9,966	6,450
i) Travel	1,708	1,488	220	1,796	1,811	-15
ii) Transportation	1,715	1,997	-282	1,973	1,978	-5
iii) Insurance	238	129	109	315	154	161
iv) G.n.i.e.	40	79	-39	61	122	-61
v) Miscellaneous	12,341	4,782	7,559	12,271	5,901	6,370
<i>of which</i>						
Software Services	7,039	415	6,624	7,121	405	6,716
Business Services	3,386	2,646	740	3,436	3,300	136
Financial Services	509	318	191	716	703	13
Communication Services	475	108	367	569	180	389
b) Transfers	7,170	289	6,881	6,218	361	5,857
i) Official	69	82	-13	119	100	19
ii) Private	7,101	207	6,894	6,099	261	5,838
c) Income	1,722	3,657	-1,935	2,232	4,270	-2,038
i) Investment Income	1,659	3,461	-1,802	2,160	4,042	-1,882
ii) Compensation of Employees	63	196	-133	72	228	-156
Total Current Account (I+II)	54,597	59,034	-4,437	57,567	63,314	-5,747
B. Capital Account						
1. Foreign Investment (a+b)	34,299	33,067	1,232	22,485	18,219	4,266
a) Foreign Direct Investment (i+ii)	3,477	1,739	1,738	4,545	2,429	2,116
i) In India	3,413	8	3,405	4,400	2	4,398
Equity	1,946	8	1,938	2,886	2	2,884
Reinvested Earnings	1,457	-	1,457	1,457	-	1,457
Other Capital	10	-	10	57	-	57
ii) Abroad	64	1,731	-1,667	145	2,427	-2,282
Equity	64	1,189	-1,125	145	1,868	-1,723
Reinvested Earnings	-	269	-269	-	269	-269
Other Capital	-	273	-273	-	290	-290
b) Portfolio Investment	30,822	31,328	-506	17,940	15,790	2,150
i) In India	30,801	31,327	-526	17,929	15,789	2,140
<i>of which</i>						
FIIs	29,540	31,327	-1,787	17,469	15,789	1,680
GDRs/ADRs	1,261	-	1,261	460	-	460
ii) Abroad	21	1	20	11	1	10
2. Loans (a+b+c)	11,499	6,288	5,211	11,228	6,446	4,782
a) External Assistance	577	526	51	788	449	339
i) By India	5	8	-3	5	8	-3
ii) To India	572	518	54	783	441	342
b) Commercial Borrowings	5,051	1,073	3,978	2,680	920	1,760
i) By India	87	223	-136	114	170	-56
ii) To India	4,964	850	4,114	2,566	750	1,816
c) Short Term To India	5,871	4,689	1,182	7,760	5,077	2,683
i) Suppliers' Credit >180 days & Buyers' Credit	5,082	4,689	393	6,579	5,077	1,502
ii) Suppliers' Credit up to 180 days	789	-	789	1,181	-	1,181
3. Banking Capital (a+b)	9,909	4,848	5,061	5,754	7,472	-1,718
a) Commercial Banks	9,837	4,848	4,989	5,754	7,428	-1,674
i) Assets	5,257	1,877	3,380	1,568	3,553	-1,985
ii) Liabilities	4,580	2,971	1,609	4,186	3,875	311
<i>of which: Non-Resident Deposits</i>	4,246	2,944	1,302	4,185	3,277	908
b) Others	72	-	72	-	44	-44
4. Rupee Debt Service	-	67	-67	-	-	-
5. Other Capital	342	1,054	-712	1,084	554	530
Total Capital Account (1 to 5)	56,049	45,324	10,725	40,551	32,691	7,860
C. Errors & Omissions	91	-	91	157	-	157
D. Overall Balance	110,737	104,358	6,379	98,275	96,005	2,270
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	-	6,379	-6,379	-	2,270	-2,270
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	6,379	-6,379	-	2,270	-2,270

Statement I : India's Overall Balance of Payments (Contd.)

Item	(US\$ million)					
	Oct-Dec 2006			Jan-Mar 2007		
	Credit	Debit	Net	Credit	Debit	Net
1	20	21	22	23	24	25
A. Current Account						
I. Merchandise	30,824	47,257	-16,433	35,700	48,083	-12,383
II. Invisibles (a+b+c)	29,704	16,875	12,829	35,054	18,448	16,606
a) Services	18,451	12,371	6,080	22,871	13,499	9,372
i) Travel	2,621	1,638	983	2,998	1,747	1,251
ii) Transportation	2,092	2,102	-10	2,194	1,991	203
iii) Insurance	288	201	87	354	158	196
iv) G.n.i.e.	87	97	-10	65	105	-40
v) Miscellaneous	13,363	8,333	5,030	17,260	9,498	7,762
<i>of which</i>						
Software Services	7,602	684	6,918	9,538	763	8,775
Business Services	3,690	4,267	-577	4,032	5,653	-1,621
Financial Services	828	647	181	1,053	1,323	-270
Communication Services	597	239	358	621	269	352
b) Transfers	8,961	333	8,628	9,121	408	8,713
i) Official	287	89	198	160	110	50
ii) Private	8,674	244	8,430	8,961	298	8,663
c) Income	2,292	4,171	-1,879	3,062	4,541	-1,479
i) Investment Income	2,193	3,936	-1,743	2,914	4,249	-1,335
ii) Compensation of Employees	99	235	-136	148	292	-144
Total Current Account (I+II)	60,528	64,132	-3,604	70,754	66,531	4,223
B. Capital Account						
1. Foreign Investment (a+b)	38,646	32,179	6,467	37,780	34,992	2,788
a) Foreign Direct Investment (i+ii)	10,008	7,110	2,898	5,560	4,619	941
i) In India	9,855	7	9,848	5,158	70	5,088
Equity	8,203	7	8,196	3,446	70	3,376
Reinvested Earnings	1,457	-	1,457	1,457	-	1,457
Other Capital	195	-	195	255	-	255
ii) Abroad	153	7,103	-6,950	402	4,549	-4,147
Equity	153	6,454	-6,301	402	3,857	-3,455
Reinvested Earnings	-	269	-269	-	269	-269
Other Capital	-	380	-380	-	423	-423
b) Portfolio Investment	28,638	25,069	3,569	32,220	30,373	1,847
i) In India	28,625	25,063	3,562	32,179	30,351	1,828
<i>of which</i>						
FIIs	28,418	25,063	3,355	30,329	30,351	-22
GDRs/ADRs	207	-	207	1,848	-	1,848
ii) Abroad	13	6	7	41	22	19
2. Loans (a+b+c)	14,731	8,250	6,481	17,184	9,168	8,016
a) External Assistance	1,113	494	619	1,289	523	766
i) By India	5	8	-3	5	8	-3
ii) To India	1,108	486	622	1,284	515	769
b) Commercial Borrowings	5,418	1,369	4,049	7,734	1,418	6,316
i) By India	425	345	80	-	228	-228
ii) To India	4,993	1,024	3,969	7,734	1,190	6,544
c) Short Term To India	8,200	6,387	1,813	8,161	7,227	934
i) Suppliers' Credit >180 days & Buyers' Credit	5,660	6,387	-727	8,161	6,022	2,139
ii) Suppliers' Credit up to 180 days	2,540	-	2,540	-	1,205	-1,205
3. Banking Capital (a+b)	7,160	10,273	-3,113	14,386	12,703	1,683
a) Commercial Banks	6,944	10,239	-3,295	14,264	12,703	1,561
i) Assets	556	4,530	-3,974	7,085	8,000	-915
ii) Liabilities	6,388	5,709	679	7,179	4,703	2,476
<i>of which: Non-Resident Deposits</i>	6,325	4,862	1,463	5,158	4,510	648
b) Others	216	34	182	122	-	122
4. Rupee Debt Service	-	2	-2	-	93	-93
5. Other Capital	1,976	994	982	4,828	1,419	3,409
Total Capital Account (1 to 5)	62,513	51,698	10,815	74,178	58,375	15,803
C. Errors & Omissions	294	-	294	426	-	426
D. Overall Balance	123,335	115,830	7,505	145,358	124,906	20,452
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	-	7,505	-7,505	-	20,452	-20,452
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	7,505	-7,505	-	20,452	-20,452

ARTICLE

Developments in India's Balance of Payments during the Fourth Quarter (January-March) of 2009-10 and for the full year (April-March) 2009-10

Statement I : India's Overall Balance of Payments (Contd.)

(US\$ million)

Item	Apr-Jun 2007			Jul-Sep 2007		
	Credit	Debit	Net	Credit	Debit	Net
1	26	27	28	29	30	31
A. Current Account						
I. Merchandise	36,601	56,348	-19,747	38,429	59,904	-21,475
II. Invisibles (a+b+c)	29,921	14,706	15,215	34,442	17,224	17,218
a) Services	18,931	9,926	9,006	21,016	11,598	9,418
i) Travel	2,088	1,906	182	2,248	2,047	201
ii) Transportation	1,953	2,526	-573	2,091	2,559	-468
iii) Insurance	373	185	188	341	284	57
iv) G.n.i.e.	94	110	-16	68	128	-60
v) Miscellaneous	14,424	5,199	9,225	16,267	6,580	9,687
<i>of which</i>						
Software Services	8,836	679	8,157	9,050	801	8,248
Business Services	3,758	3,222	536	3,894	3,537	357
Financial Services	528	449	79	916	702	215
Communication Services	513	231	282	613	180	433
b) Transfers	8,628	432	8,196	9,708	408	9,300
i) Official	153	165	-11	158	112	46
ii) Private	8,475	267	8,208	9,550	296	9,254
c) Income	2,362	4,349	-1,987	3,718	5,218	-1,500
i) Investment Income	2,279	4,151	-1,871	3,608	4,920	-1,312
ii) Compensation of Employees	83	198	-116	110	298	-188
Total Current Account (I+II)	66,523	71,054	-4,532	72,871	77,128	-4,257
B. Capital Account						
1. Foreign Investment (a+b)	43,173	32,757	10,416	54,343	41,177	13,166
a) Foreign Direct Investment (i+ii)	8,409	5,535	2,874	5,640	3,374	2,266
i) In India	7,616	20	7,595	4,865	19	4,847
Equity	5,574	20	5,553	2,822	19	2,803
Reinvested Earnings	1,920	—	1,920	1,920	—	1,920
Other Capital	122	—	122	124	—	124
ii) Abroad	793	5,514	-4,721	774	3,355	-2,581
Equity	793	4,758	-3,965	774	2,515	-1,741
Reinvested Earnings	—	271	-271	—	271	-271
Other Capital	—	485	-485	—	569	-569
b) Portfolio Investment	34,764	27,222	7,542	48,704	37,803	10,900
i) In India	34,706	27,216	7,490	48,698	37,781	10,918
<i>of which</i>						
FII's	34,305	27,216	7,089	46,199	37,781	8,418
GDRs/ADRs	316	—	316	2,477	—	2,477
ii) Abroad	58	6	52	5	23	-17
2. Loans (a+b+c)	16,740	7,593	9,147	20,008	10,428	9,580
a) External Assistance	731	491	241	983	515	468
i) By India	6	7	-1	6	7	-1
ii) To India	726	484	242	977	508	469
b) Commercial Borrowings	8,282	1,338	6,944	6,288	2,071	4,217
i) By India	359	345	14	443	503	-60
ii) To India	7,923	993	6,930	5,845	1,568	4,277
c) Short Term To India	7,726	5,764	1,962	12,737	7,842	4,895
i) Suppliers' Credit >180 days & Buyers' Credit	6,883	5,764	1,119	11,012	7,842	3,170
ii) Suppliers' Credit up to 180 days	843	—	843	1,725	—	1,725
3. Banking Capital (a+b)	8,561	9,479	-918	13,714	7,070	6,643
a) Commercial Banks	8,561	9,473	-913	13,690	7,000	6,690
i) Assets	2,543	2,861	-318	4,404	358	4,046
ii) Liabilities	6,017	6,612	-595	9,286	6,642	2,645
<i>of which: Non-Resident Deposits</i>	5,252	5,699	-447	6,975	6,606	369
b) Others	—	6	-6	24	71	-47
4. Rupee Debt Service	—	43	-43	—	2	-2
5. Other Capital	2,822	5,726	-2,904	9,025	5,188	3,837
Total Capital Account (1 to 5)	71,296	55,598	15,698	97,090	63,866	33,224
C. Errors & Omissions	34	—	34	269	—	269
D. Overall Balance	137,852	126,652	11,200	170,230	140,994	29,236
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	—	11,200	-11,200	—	29,236	-29,236
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	—	11,200	-11,200	—	29,236	-29,236

Statement I : India's Overall Balance of Payments (Contd.)

Item	(US\$ million)					
	Oct-Dec 2007			Jan-Mar 2008		
	Credit	Debit	Net	Credit	Debit	Net
1	32	33	34	35	36	37
A. Current Account						
I. Merchandise	43,054	67,294	-24,241	48,079	74,084	-26,005
II. Invisibles (a+b+c)	39,044	18,314	20,730	45,468	22,901	22,567
a) Services	24,109	12,763	11,346	26,286	17,203	9,083
i) Travel	3,395	2,519	876	3,618	2,786	832
ii) Transportation	2,799	3,043	-245	3,171	3,386	-215
iii) Insurance	438	261	177	487	314	173
iv) G.n.i.e.	90	75	16	78	63	15
v) Miscellaneous	17,387	6,865	10,522	18,932	10,654	8,278
<i>of which</i>						
Software Services	9,608	852	8,757	12,806	1,026	11,780
Business Services	4,588	4,245	343	4,532	5,549	-1,016
Financial Services	882	763	119	891	1,219	-328
Communication Services	601	183	418	681	265	416
b) Transfers	11,427	493	10,934	14,498	982	13,515
i) Official	195	121	73	247	116	131
ii) Private	11,233	372	10,861	14,251	866	13,384
c) Income	3,508	5,058	-1,550	4,684	4,715	-31
i) Investment Income	3,401	4,791	-1,390	4,523	4,383	140
ii) Compensation of Employees	106	267	-160	161	333	-171
Total Current Account (I+II)	82,097	85,607	-3,511	93,546	96,984	-3,438
B. Capital Account						
1. Foreign Investment (a+b)	84,486	69,639	14,847	89,119	84,222	4,897
a) Foreign Direct Investment (i+ii)	8,396	6,275	2,120	14,877	6,245	8,633
i) In India	7,996	43	7,953	14,367	34	14,334
Equity	6,022	43	5,978	12,448	26	12,422
Reinvested Earnings	1,920	-	1,920	1,920	-	1,920
Other Capital	54	-	54	-	8	-8
ii) Abroad	400	6,232	-5,832	510	6,211	-5,701
Equity	400	5,206	-4,806	510	4,419	-3,909
Reinvested Earnings	-	271	-271	-	271	-271
Other Capital	-	755	-755	-	1,521	-1,521
b) Portfolio Investment	76,090	63,364	12,727	74,242	77,978	-3,736
i) In India	75,972	63,345	12,627	74,188	77,952	-3,764
<i>of which</i>						
FII's	72,309	63,345	8,964	73,808	77,952	-4,144
GDRs/ADRs	3,473	-	3,473	379	-	379
ii) Abroad	119	19	100	54	26	28
2. Loans (a+b+c)	20,657	10,587	10,070	24,787	12,931	11,856
a) External Assistance	1,109	544	565	1,417	577	840
i) By India	6	7	-1	6	7	-1
ii) To India	1,103	537	566	1,411	570	841
b) Commercial Borrowings	8,427	2,187	6,240	7,296	2,088	5,209
i) By India	363	384	-21	427	392	35
ii) To India	8,064	1,803	6,261	6,869	1,696	5,173
c) Short Term To India	11,121	7,855	3,266	16,074	10,267	5,807
i) Suppliers' Credit >180 days & Buyers' Credit	10,231	7,855	2,376	14,515	10,267	4,248
ii) Suppliers' Credit up to 180 days	890	-	890	1,559	-	1,559
3. Banking Capital (a+b)	12,588	12,381	207	20,951	15,124	5,827
a) Commercial Banks	12,586	12,029	557	20,899	15,121	5,777
i) Assets	5,636	3,939	1,698	6,979	5,510	1,469
ii) Liabilities	6,949	8,090	-1,141	13,920	9,612	4,308
<i>of which: Non-Resident Deposits</i>	6,456	7,309	-853	10,718	9,608	1,110
b) Others	3	352	-350	52	3	49
4. Rupee Debt Service	-	-	-	-	76	-76
5. Other Capital	9,407	4,892	4,515	7,976	2,455	5,521
Total Capital Account (1 to 5)	127,138	97,499	29,639	142,833	114,809	28,024
C. Errors & Omissions	609	-	609	405	-	405
D. Overall Balance	209,844	183,106	26,738	236,783	211,794	24,990
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	-	26,738	-26,738	-	24,990	-24,990
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	26,738	-26,738	-	24,990	-24,990

ARTICLE

Developments in India's
Balance of Payments
during the Fourth Quarter
(January-March) of
2009-10 and for the full
year (April-March)
2009-10

Statement I : India's Overall Balance of Payments (Contd.)

(US\$ million)

Item	Apr-Jun 2008 PR			Jul-Sep 2008 PR		
	Credit	Debit	Net	Credit	Debit	Net
1	38	39	40	41	42	43
A. Current Account						
I. Merchandise	57,454	82,731	-25,277	53,630	92,752	-39,121
II. Invisibles (a+b+c)	39,424	17,421	22,003	45,843	19,297	26,546
a) Services	23,054	12,344	10,710	27,925	13,525	14,400
i) Travel	2,504	2,164	341	2,786	2,711	75
ii) Transportation	2,615	3,328	-713	3,041	3,751	-710
iii) Insurance	350	227	123	377	306	71
iv) G.n.i.e.	130	110	19	81	95	-14
v) Miscellaneous	17,455	6,515	10,940	21,640	6,662	14,978
<i>of which</i>						
Software Services	12,081	844	11,237	12,120	935	11,185
Business Services	3,564	3,217	346	4,846	4,034	812
Financial Services	615	620	-5	1,673	966	707
Communication Services	510	227	284	740	296	444
b) Transfers	12,797	654	12,143	13,773	831	12,942
i) Official	148	107	40	51	97	-46
ii) Private	12,649	547	12,102	13,722	734	12,988
c) Income	3,573	4,422	-849	4,145	4,941	-796
i) Investment Income	3,418	4,094	-676	3,855	4,610	-755
ii) Compensation of employees	155	328	-174	290	331	-41
Total Current Account (I+II)	96,878	100,152	-3,274	99,474	112,049	-12,575
B. Capital Account						
1. Foreign Investment (a+b)	52,901	48,144	4,757	51,777	48,185	3,591
a) Foreign Direct Investment (i+ii)	12,134	3,170	8,964	9,146	4,244	4,903
i) In India	11,898	21	11,876	8,831	52	8,778
Equity	10,240	21	10,218	7,304	52	7,251
Reinvested Earnings	1,492	-	1,492	1,492	-	1,492
Other Capital	166	-	166	35	-	35
ii) Abroad	236	3,148	-2,912	316	4,191	-3,876
Equity	236	2,346	-2,111	316	3,426	-3,111
Reinvested Earnings	-	271	-271	-	271	-271
Other Capital	-	531	-531	-	494	-494
b) Portfolio Investment	40,768	44,975	-4,207	42,630	43,942	-1,311
i) In India	40,745	44,923	-4,177	42,618	43,919	-1,302
<i>of which</i>						
FIIs	39,746	44,923	-5,177	42,482	43,919	-1,437
GDRs/ADRs	999	-	999	136	-	136
ii) Abroad	22	52	-29	13	22	-10
2. Loans (a+b+c)	15,952	9,618	6,333	16,276	13,669	2,607
a) External Assistance	909	559	351	1,095	577	518
i) By India	6	8	-2	6	8	-2
ii) To India	903	550	353	1,089	569	521
b) Commercial Borrowings	2,760	1,281	1,479	3,572	1,885	1,687
i) By India	403	190	213	532	138	393
ii) To India	2,357	1,090	1,267	3,040	1,747	1,294
c) Short Term to India	12,282	7,779	4,503	11,609	11,207	402
i) Suppliers' Credit > 180 days & Buyers' Credit	9,256	7,779	1,477	11,609	9,766	1,843
ii) Suppliers' Credit up to 180 days	3,026	-	3,026	-	1,441	-1,441
3. Banking Capital (a+b)	21,987	19,291	2,696	16,360	14,086	2,275
a) Commercial Banks	21,987	19,140	2,847	16,360	14,083	2,277
i) Assets	11,457	10,533	924	6,596	5,154	1,442
ii) Liabilities	10,530	8,607	1,923	9,764	8,929	835
<i>of which :Non-Resident Deposits</i>	9,098	8,284	814	9,176	8,917	259
b) Others	-	151	-151	-	3	-3
4. Rupee Debt Service	-	30	-30	-	3	-3
5. Other Capital	3,559	12,463	-8,904	5,595	6,967	-1,372
Total Capital Account (1 to 5)	94,399	89,546	4,853	90,008	82,909	7,099
C. Errors & Omissions	656	-	656	742	-	742
D. Overall Balance	191,933	189,698	2,235	190,224	194,958	-4,734
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	-	2,235	-2,235	4,734	-	4,734
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	2,235	-2,235	4,734	-	4,734

Statement I : India's Overall Balance of Payments (Contd.)

Item	(US\$ million)					
	Oct-Dec 2008 PR			Jan-Mar 2009 PR		
	Credit	Debit	Net	Credit	Debit	Net
1	44	45	46	47	48	49
A. Current Account						
I. Merchandise	39,436	73,484	-34,049	38,481	58,685	-20,204
II. Invisibles (a+b+c)	41,139	18,757	22,381	37,128	18,137	18,992
a) Services	26,950	13,099	13,851	23,749	13,078	10,670
i) Travel	2,924	1,946	979	2,680	2,606	74
ii) Transportation	2,713	3,241	-528	2,916	2,499	416
iii) Insurance	344	268	77	348	329	18
iv) G.n.i.e.	97	233	-136	81	355	-273
v) Miscellaneous	20,872	7,412	13,460	17,724	7,289	10,435
<i>of which</i>						
Software Services	11,274	580	10,694	10,825	455	10,370
Business Services	4,185	3,568	618	3,850	4,616	-766
Financial Services	889	740	150	771	633	138
Communication Services	493	257	236	429	308	121
b) Transfers	10,997	845	10,151	9,980	419	9,562
i) Official	285	98	187	161	111	50
ii) Private	10,712	748	9,964	9,820	308	9,512
c) Income	3,192	4,813	-1,621	3,399	4,640	-1,240
i) Investment Income	3,000	4,475	-1,475	3,210	4,328	-1,118
ii) Compensation of Employees	192	338	-146	189	312	-123
Total Current Account (I+II)	80,574	92,241	-11,668	75,609	76,821	-1,212
B. Capital Account						
1. Foreign Investment (a+b)	33,164	38,539	-5,374	27,073	26,580	493
a) Foreign Direct Investment (i+ii)	6,567	6,121	446	8,414	5,229	3,185
i) In India	6,356	29	6,327	8,073	63	8,010
Equity	4,109	29	4,080	6,322	63	6,259
Reinvested Earnings	1,721	-	1,721	1,721	-	1,721
Other Capital	526	-	526	31	-	31
ii) Abroad	210	6,092	-5,881	341	5,166	-4,825
Equity	210	4,489	-4,279	341	4,407	-4,066
Reinvested Earnings	-	271	-271	-	271	-271
Other Capital	-	1,331	-1,331	-	488	-488
b) Portfolio Investment	26,598	32,418	-5,820	18,658	21,350	-2,692
i) In India	26,568	32,355	-5,786	18,580	21,169	-2,588
<i>of which</i>						
FIIs	26,561	32,355	-5,794	18,560	21,169	-2,609
GDRs/ADRs	7	-	7	20	-	20
ii) Abroad	29	63	-34	78	182	-104
2. Loans (a+b+c)	15,795	15,247	548	14,104	14,924	-820
a) External Assistance	1,654	663	992	1,383	606	777
i) By India	6	8	-2	6	8	-2
ii) To India	1,649	655	994	1,377	598	779
b) Commercial Borrowings	5,426	1,648	3,778	3,487	2,490	997
i) By India	662	148	514	399	306	93
ii) To India	4,763	1,500	3,263	3,087	2,184	904
c) Short Term To India	8,715	12,936	-4,221	9,234	11,828	-2,594
i) Suppliers' Credit >180 days & Buyers' Credit	8,715	10,357	-1,642	9,234	10,450	-1,216
ii) Suppliers' Credit up to 180 days	-	2,579	-2,579	-	1,378	-1,378
3. Banking Capital (a+b)	14,830	19,786	-4,956	12,030	15,290	-3,260
a) Commercial Banks	14,827	19,355	-4,528	11,919	15,290	-3,371
i) Assets	5,192	7,541	-2,349	2,578	5,498	-2,920
ii) Liabilities	9,636	11,814	-2,178	9,341	9,792	-451
<i>of which: Non-Resident Deposits</i>	9,543	8,501	1,042	9,331	7,155	2,176
b) Others	2	431	-429	111	-	111
4. Rupee Debt Service	-	-	-	-	68	-68
5. Other Capital	4,861	1,193	3,668	6,164	1,101	5,063
Total Capital Account (1 to 5)	68,650	74,764	-6,114	59,370	57,962	1,408
C. Errors & Omissions	-	100	-100	104	-	104
D. Overall Balance	149,224	167,105	-17,881	135,083	134,783	300
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	17,881	-	17,881	-	300	-300
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	17,881	-	17,881	-	300	-300

ARTICLE

Developments in India's Balance of Payments during the Fourth Quarter (January-March) of 2009-10 and for the full year (April-March) 2009-10

Statement I : India's Overall Balance of Payments (Concl'd.)

(US\$ million)

Item	Apr-June 2009 PR			July-Sept 2009 PR		
	Credit	Debit	Net	Credit	Debit	Net
1	59	60	61	62	63	64
A. Current Account						
I. Merchandise	39,164	64,799	-25,635	43,518	72,646	-29,128
II. Invisibles (a+b+c)	37,616	16,435	21,181	40,303	19,948	20,355
a) Services	21,322	10,949	10,373	21,286	13,706	7,580
i) Travel	2,297	2,035	262	2,719	2,357	362
ii) Transportation	2,490	2,777	-287	2,566	2,221	345
iii) Insurance	387	314	73	384	341	43
iv) G.n.i.e.	100	103	-3	100	130	-30
v) Miscellaneous	16,048	5,720	10,328	15,517	8,657	6,860
<i>of which</i>						
<i>Software Services</i>	11,004	391	10,613	11,207	438	10,769
<i>Business Services</i>	2,586	3,872	-1,286	2,504	4,612	-2,108
<i>Financial Services</i>	1,116	928	188	732	1,135	-403
<i>Communication Services</i>	418	312	106	307	313	-6
b) Transfers	13,344	470	12,874	14,268	568	13,700
i) Official	46	110	-64	51	108	-57
ii) Private	13,298	360	12,938	14,217	460	13,757
c) Income	2,950	5,016	-2,066	4,749	5,674	-925
i) Investment Income	2,723	4,665	-1,942	4,544	5,332	-788
ii) Compensation of employees	227	351	-124	205	342	-137
Total Current Account (I+II)	76,780	81,234	-4,454	83,821	92,594	-8,773
B. Capital Account						
1. Foreign Investment (a+b)	48,422	34,033	14,389	55,791	39,619	16,172
a) Foreign Direct Investment (i+ii)	9,797	3,676	6,121	11,431	4,936	6,495
i) In India	9,672	926	8,746	11,336	632	10,704
<i>Equity</i>	7,290	900	6,390	8,547	597	7,950
<i>Reinvested Earnings</i>	2,020	-	2,020	2,020	-	2,020
<i>Other Capital</i>	362	26	336	769	35	734
ii) Abroad	125	2,750	-2,625	95	4,304	-4,209
<i>Equity</i>	125	2,053	-1,928	95	2,614	-2,519
<i>Reinvested Earnings</i>	-	271	-271	-	271	-271
<i>Other Capital</i>	-	426	-426	-	1,419	-1,419
b) Portfolio Investment	38,625	30,357	8,268	44,360	34,683	9,677
i) In India	38,602	30,332	8,270	44,356	34,655	9,701
<i>of which</i>						
<i>FII's</i>	38,559	30,332	8,227	41,693	34,655	7,038
<i>GDRs/ADRs</i>	43	-	43	2,664	-	2,664
ii) Abroad	23	25	-2	4	28	-24
2. Loans (a+b+c)	12,920	14,746	-1,826	16,024	13,491	2,533
a) External Assistance	821	725	96	1,237	738	499
i) By India	13	105	-92	13	105	-92
ii) To India	808	620	188	1,224	633	591
b) Commercial Borrowings	1,973	2,432	-459	3,220	2,032	1,188
i) By India	244	333	-89	206	215	-9
ii) To India	1,729	2,099	-370	3,014	1,817	1,197
c) Short Term to India	10,126	11,589	-1,463	11,567	10,721	846
i) Suppliers' Credit > 180 days & Buyers' Credit	10,126	9,590	536	10,994	10,721	273
ii) Suppliers' Credit up to 180 days	-	1,999	-1,999	573	-	573
3. Banking Capital (a+b)	15,577	18,943	-3,366	16,543	12,132	4,411
a) Commercial Banks	15,577	18,704	-3,127	16,543	11,989	4,554
i) Assets	4,368	6,946	-2,578	6,131	1,730	4,401
ii) Liabilities	11,209	11,758	-549	10,412	10,259	153
<i>of which :Non-Resident Deposits</i>	11,172	9,354	1,818	10,342	9,295	1,047
b) Others	-	239	-239	-	143	-143
4. Rupee Debt Service	-	23	-23	-	1	-1
5. Other Capital	177	5,332	-5,155	7,054	11,371	-4,317
Total Capital Account (1 to 5)	77,096	73,077	4,019	95,412	76,614	18,798
C. Errors & Omissions	550	-	550	-	607	-607
D. Overall Balance	154,426	154,311	115	179,233	169,815	9,418
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	-	115	-115	-	9,418	-9,418
i) I.M.F.	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	115	-115	-	9,418	-9,418
<i>of which: SDR Allocation</i>	-	-	-	-	5160	-5160

Statement I : India's Overall Balance of Payments (Concl'd.)						
(US\$ million)						
Item	Oct-Dec 2009 PR			Jan- Mar 2010 P		
	Credit	Debit	Net	Credit	Debit	Net
1	59	60	61	62	63	64
A. Current Account						
I. Merchandise	47,062	78,135	-31,073	52,419	83,911	-31,492
II. Invisibles (a+b+c)	40,481	21,595	18,886	42,845	24,351	18,494
a) Services	24,241	16,040	8,201	26,942	18,890	8,052
i) Travel	3,440	2,312	1,128	3,403	2,638	766
ii) Transportation	2,991	3,366	-375	3,100	3,570	-470
iii) Insurance	408	305	103	421	326	96
iv) G.n.i.e.	124	134	-10	116	159	-42
v) Miscellaneous	17,278	9,923	7,355	19,901	12,199	7,703
of which						
Software Services	13,197	333	12,864	14,297	307	13,990
Business Services	2,737	4,571	-1,834	3,818	5,571	-1,753
Financial Services	785	1,156	-371	1,103	1,517	-414
Communication Services	259	381	-122	245	383	-139
b) Transfers	13,604	638	12,966	13,216	642	12,574
i) Official	309	113	196	126	142	-16
ii) Private	13,295	525	12,770	13,090	500	12,590
c) Income	2,636	4,917	-2,281	2,686	4,818	-2,132
i) Investment Income	2,385	4,397	-2,012	2,455	4,326	-1,871
ii) Compensation of employees	251	520	-269	231	492	-261
Total Current Account (I+II)	87,543	99,730	-12,187	95,264	108,262	-12,998
B. Capital Account						
1. Foreign Investment (a+b)	44,561	34,955	9,606	49,315	37,357	11,958
a) Foreign Direct Investment (i+ii)	8,780	4,859	3,921	7,912	4,719	3,193
i) In India	8,586	1,469	7,117	7,588	2,473	5,115
Equity	5,959	1,233	4,726	5,353	1,512	3,841
Reinvested Earnings	2,020	—	2,020	2,020	—	2,020
Other Capital	607	236	371	215	961	-746
ii) Abroad	194	3,390	-3,196	324	2,246	-1,922
Equity	194	2,480	-2,286	324	910	-585
Reinvested Earnings	—	271	-271	—	271	-271
Other Capital	—	639	-639	—	1,066	-1,066
b) Portfolio Investment	35,781	30,096	5,685	41,403	32,638	8,765
i) In India	35,770	30,041	5,729	41,169	32,493	8,675
of which						
FlIs	35,295	30,041	5,254	41,023	32,493	8,529
GDRs/ADRs	475	—	475	146	—	146
ii) Abroad	11	55	-44	234	144	89
2. Loans (a+b+c)	19,820	14,268	5,552	24,439	18,477	5,962
a) External Assistance	1,329	712	617	1,577	742	835
i) By India	13	105	-92	13	105	-93
ii) To India	1,316	607	709	1,565	637	928
b) Commercial Borrowings	4,455	2,802	1,653	5,026	4,886	140
i) By India	227	570	-343	297	387	-90
ii) To India	4,228	2,232	1,996	4,729	4,499	230
c) Short Term to India	14,036	10,754	3,282	17,836	12,849	4,987
i) Suppliers' Credit > 180 days & Buyers' Credit	12,055	10,754	1,301	15,396	12,849	2,547
ii) Suppliers' Credit up to 180 days	1,981	—	1,981	2,440	—	2,440
3. Banking Capital (a+b)	15,172	13,232	1,940	14,207	15,109	-902
a) Commercial Banks	14,578	13,165	1,413	14,195	15,109	-914
i) Assets	3,067	1,874	1,193	3,531	4,709	-1,179
ii) Liabilities	11,511	11,291	220	10,664	10,399	265
of which :Non-Resident Deposits	10,177	9,568	609	9,665	10,215	-551
b) Others	594	67	527	12	—	12
4. Rupee Debt Service	—	—	—	—	73	-73
5. Other Capital	1,715	4,119	-2,404	2,263	3,119	-856
Total Capital Account (1 to 5)	81,268	66,574	14,694	90,224	74,136	16,088
C. Errors & Omissions	—	740	-740	—	949	-949
D. Overall Balance	168,811	167,044	1,767	185,487	183,346	2,141
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	—	1767	-1767	—	2,141	-2,141
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	—	1767	-1767	—	2,141	-2,141
of which: SDR Allocation	—	—	—	—	—	—