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QUICK ESTIMATES OF NATIONAL INCOME, 1994-95 AND ADVANCE ESTIMATES FOR 1995-96 - A REVIEW*

The Central Statistical Organisation (CSO), in its 'Quick Estimates of National Income, Consumption, Saving and Capital Formation, 1994-95' released recently (February 1, 1996) has presented the 'quick estimates' of the macroeconomic aggregates for the year 1994-95 *vis-a-vis* the revised estimates, *albeit* provisional, for 1993-94 and the base year estimates for 1980-81. Subsequently on February 9, 1996 the CSO published the 'Advance Estimates of National Income, 1995-96'. This note undertakes a review of these estimates.

Quick Estimates for 1994-95

I. Output and Prices

The improved performance of the Indian economy in 1994-95 as against 1993-94 was mainly attributable to agriculture, manufacturing and construction sectors. All national and domestic product aggregates registered higher growth rates in 1994-95 as compared to 1993-94 (Table 1). The Gross Domestic Product (GDP) at factor cost (at 1980-81 prices) estimated at Rs. 2,51,010 crore, registered a higher growth rate of 6.3 per cent in 1994-95 as against 5.0 per cent in 1993-94. The real Gross National Product (GNP) at factor cost, which takes into account the net factor income from abroad, also recorded a higher growth of 6.7 per cent as against that of 4.5 per cent during 1993-94.

* Prepared in the Division of National Income, Savings & Flow of Funds in the Department of Economic Analysis and Policy.

1. As far as the year 1994-95 is concerned, the growth rate of real GDP at factor cost was estimated at 5.3 per cent in the Advance Estimates (February 1995) and was revised to 6.2 per cent in November, 1995. This estimate has been further revised to 6.3 per cent in the Quick Estimates, 1994-95.

In nominal terms, the GNP was placed at Rs.8,39,504 crore, which is 18.5 per cent higher than in the preceding year. The Net National Product (NNP) at factor cost or the national income, grew by 18.8 per cent to Rs.7,44,663 crore in 1994-95 (in nominal terms). The real national income recorded an acceleration in its growth from 4.2 per cent in 1993-94 to 6.7 per cent in 1994-95. In nominal terms, the per capita income at Rs.8,237 in 1994-95, was higher by 16.7 per cent. The real per capita income is also estimated to have expanded by 2.3 per cent in 1993-94 and 4.8 per cent in 1994-95, respectively, measuring Rs.2,292 and Rs.2,401. The private final consumption expenditure (PFCE) registered a growth rate of 15.0 per cent during 1994-95 as against 13.4 per cent, a year before (Table 1). However, the share of PFCE in GDP at current market prices decreased from 61.6 per cent in 1993-94 to 60.0 per cent in 1994-95.

As per the quick estimates, the index of GDP deflator (at factor cost), derived from the ratio of the estimates of GDP at factor cost at current prices to its estimates at constant prices, increased by 11.1 per cent in 1993-94. This is slightly higher than the rate of inflation as measured by the Wholesale Price Index of all commodities showing a rise of 10.8 per cent, with indices of manufactured products and primary articles registering increases of 10.5 per cent and 12.9 per cent, respectively.

II. Saving and Investment

The Gross Domestic Saving (GDS), at current prices, is estimated to increase sharply by 34.7 per cent from Rs. 1,71,184 crore in 1993-94 to Rs. 2,30,648 crore in 1994-95 with the GDS rate climbing from 21.4 per

cent of GDP at current market prices to 24.4 per cent. The improved saving scenario is a result of contribution by all the three institutional sectors. Significantly, the public sector saving more than trebled from Rs.4,372 crore in 1993-94 to Rs. 15,986 crore in 1994-95 as a result of decline in the dissaving of government administrative departments and a steep increase in the saving of the non-departmental undertakings.

The Gross Domestic Capital Formation (GDCF) increased from Rs. 1,73,331 crore in 1993-94 to Rs. 2,38,410 crore in 1994-95, recording a sharp increase of 37.5 per cent in nominal terms over the preceding year. The rate of GDCF is estimated to increase from 21.6 per cent of GDP at current market prices in 1993-94 to 25.2 per cent in 1994-95 (Table 1).

III. Growth and sectoral composition of GDP

The noticeable improvement of 1.3 percentage points in the real GDP growth to 6.3 per cent in 1994-95 was principally due to strong performance of agriculture, manufacturing and construction sectors (Table 2). The value added originating from agriculture rose by 5.1 per cent in 1994-95 as compared to a rise of 3.4 per cent in 1993-94 due to increase in the production of wheat, pulses and sugarcane. Manufacturing output is estimated to have recorded a sharp improvement; its growth rate being significantly higher at 9.0 per cent in 1994-95 as compared to 4.3 per cent in 1993-94. Construction improved its growth from 2.3 per cent to 7.1 per cent during the period. All the other sectors except "trade, hotels and restaurants" and "banking and insurance" registered higher growth rates in 1994-95 as against 1993-94. "Banking and insurance" expanded by 4.6 per cent in 1994-95 on top of a high growth rate of 12.8 per cent in the preceding year. The growth of "trade, hotels

and restaurants" decelerated marginally from 8.3 per cent in 1993-94 to 7.9 per cent in 1994-95. As a result, the services sector (inclusive of construction) experienced a decline in its growth by 0.2 percentage point to a rate of 6.1 per cent in 1994-95. "Agriculture and allied activities" and "industry" registered higher growth rates of 4.9 per cent and 8.5 per cent, respectively, in 1994-95 as against those of 3.3 per cent and 4.6 per cent, a year before.

As far as sectoral composition of real GDP at factor cost is concerned, buoyancy in the manufacturing sector has led to an increase in the share of industry by 0.5 percentage point to 24.9 per cent in 1994-95 at the expense of a deterioration in the shares of both "agriculture and allied activities" and services (including construction) to 29.4 per cent and 45.7 per cent, respectively.

The growth rate of real NDP at factor cost is also estimated to be higher at 6.2 per cent in 1994-95 against that of 4.7 per cent in 1993-94 (Table 3). The sectoral profile of real NDP is, broadly, on similar lines of the sectoral profile of GDP and is presented in Table 3. NDP originating from "mining and quarrying" is estimated to decline by 2.1 per cent in 1994-95 despite experiencing an expansion in terms of gross value added, thereby implying a higher increase in depreciation in the sector.

IV. Sectoral composition of Domestic saving

Gross domestic saving (GDS) is estimated to increase significantly by 34.7 per cent from Rs. 1,71,184 crore in 1993-94 to Rs. 2,30,648 crore in 1994-95. The recovery in the GDS rate to a level of 24.4 per cent of GDP at current market prices in 1994-95 from 21.4 per cent in 1993-94 was due to improvement in the saving rates of all the three institutional sectors (Table 4).

Public sector saving rate which had plunged to 0.5 per cent of GDP in 1993-94 is estimated to improve to 1.7 per cent of GDP in 1994-95. The rise in the public sector saving in 1994-95 was contributed by a decline in the dissaving of government administration from Rs.(-)27,188 crore in 1993-94 to Rs. (-) 26,007 crore in 1994-95 as well as improvement in the saving of departmental undertakings from 7,404 crore to Rs. 8,919 crore and a steep increase in the saving of non-departmental enterprises from Rs. 24,156 crore to Rs. 33,074 crore (Table 4).

The household savings increased from Rs. 1,39,146 crore in 1993-94 to Rs. 1,78,696 crore in 1994-95, with the share in financial savings decreasing from 61.9 per cent to 58.9 per cent and a *per contra* rise in the share of physical saving. Financial saving rate rose from 10.8 per cent to 11.1 per cent, while physical saving rate advanced from 6.6 per cent to 7.8 per cent. Dampened tempo of increase in household financial savings is due to a decline in household investment in shares and debentures, mainly attributable to lower mobilisation of funds by Unit Trust of India (UTI) from households.

Private corporate sector savings are estimated to increase from Rs. 27,666 crore in 1993-94 to Rs. 35,966 crore in 1994-95 (3.5 per cent of GDP to 3.8 per cent).

Significantly, the share of public sector saving in GDS more than doubled from 2.5 per cent in 1993-94 to 6.9 per cent in 1994-95. Household sector, which accounts for bulk of domestic pool of savings, experienced a decline in its share from 81.3 per cent to 77.5 per cent and private corporate sector's share also eroded from 16.2 per cent to 15.6 per cent during the same period.

V. Capital Formation

The rates of gross capital formation (GCF) increased in 1994-95 against 1993-94 in both current prices as well as 1980-81 prices, attributable to enhancement of the rates in all the three institutional sectors (Table 5). The rate of GCF emanating from the public sector increased from 8.6 per cent to 8.8 per cent, and that from private corporate sector rose from 6.1 per cent to 6.6 per cent. The GCF from household sector, on the other hand, is derived to increase significantly from 6.6 per cent to 7.8 per cent. Gross domestic capital formation (GDCF), *i.e.*, adjusted for errors and omissions, increased from Rs. 1,73,331 crore in 1993-94 to Rs. 2,38,410 crore, in nominal terms. The rate of GDCF or aggregate investment rate went up from 21.6 per cent in 1993-94 to 25.2 per cent in 1994-95.

Advance Estimates for 1995-96

The Central Statistical Organisation has recently released the advance estimates of the various national accounts aggregates along with the sectoral break-up of GDP in real terms for 1995-96. The real GDP at factor cost is estimated at Rs. 2,66,537 crore, thereby showing a growth of 6.2 per cent in 1995-96 against 6.3 per cent in 1994-95. The real national income is estimated to show a growth rate of 6.2 per cent in 1995-96 against 6.7 per cent, a year before. The per capita national income is estimated at Rs. 2,506, higher by 4.4 per cent in 1995-96 (Table 6).

The sectoral analysis indicates that the growth rate of value added from industrial sector is estimated to rise to 10.1 per cent in 1995-96 while that from "agriculture and allied activities" decelerates to 3.0 per cent (Table 7). Services maintained the same

growth of 6.1 per cent both in 1994-95 and 1995-96. Within "industry", manufacturing sector registered a high growth of 10.0 per cent in 1995-96 (9.0 per cent in 1994-95). Better growth performance is also noticeable in the following sectors, *viz.*, "mining and quarrying" and "electricity, gas and water

supply". Within services, "financing, insurance, real estate and business services" as well as "trade, hotels and restaurants" expanded at higher rates of 4.8 per cent and 8.3 per cent, respectively, in 1995-96 while "construction" and "community, social and personal services" recorded deceleration (Table 7).

TABLE 1 : IMPORTANT MACRO ECONOMIC AGGREGATES

(Rs.crore)

Item	1993-94 ^②	1994-95 [*]
1	2	3
I. Output		
1. GDP at factor cost (1980-81 prices)	2,36,064	2,51,010
	5.0	6.3
2. GDP at current market prices	8,01,032	9,45,615
	13.6	18.0
3. NDP at factor cost (1980-81 prices)	2,09,469	2,22,448
	4.7	6.2
4. NDP at current market prices	7,19,485	8,50,774
	13.8	18.2
5. NNP at factor cost (1980-81 prices)	2,03,486	2,17,041
	4.2	6.7
6. NNP at factor cost (current prices)	6,26,957	7,44,663
	14.9	18.8
7. NNP at market prices (1980-81 prices)	2,31,293	2,46,533
	3.1	6.6
8. NNP at current market prices	7,04,886	8,36,175
	13.6	18.6
9. GNP at factor cost (1980-81 prices)	2,30,081	2,45,603
	4.5	6.7
10. GNP at factor cost (current prices)	7,08,504	8,39,504
	14.6	18.5
11. Per capita National Income (In Rupees)		
11.1 at current prices	7,060	8,237
	12.9	16.7
11.2 at 1980-81 prices	2,292	2,401
	2.3	4.8
II. Private Final Consumption Expenditure (PFCE)	4,93,602	5,67,540
at Current Prices	13.4	15.0
III. Saving and Investment (at current prices)		
1. Gross Domestic Saving (GDS)	1,71,184	2,30,648
	14.6	34.7
2. Rate of GDS	21.4	24.4
3. Gross Domestic Capital Formation (GDCF)	1,73,331	2,38,410
	6.2	37.5
4. Rate of GDCF	21.6	25.2

^② Provisional Estimates ^{*} Quick Estimates

Note : Figures in decimal indicate percentage change over the previous year. However, the rates of GDS and GDCF are percentages of Gross Domestic Product (GDP) at current market prices.

TABLE 2 : SECTORAL COMPOSITION OF GROSS DOMESTIC PRODUCT
(At 1980-81 Prices)

(Rs. crore)

Item	1993-94 ^②	1994-95 [*]	Growth Rates during 1993-94 (Per cent)	Growth Rates during 1994-95 (Per cent)
1	2	3	4	5
1. Agriculture and Allied Activities	70,231 29.8	73,688 29.4	3.3	4.9
1.1 Agriculture	65,493 27.7	68,851 27.4	3.4	5.1
2. Industry	57,636 24.4	62,538 24.9	4.6	8.5
2.1 Manufacturing	46,933 19.9	51,148 20.4	4.3	9.0
2.2 Mining & Quarrying	4,593 1.9	4,791 1.9	4.1	4.3
2.3 Electricity, Gas & Water Supply	6,110 2.6	6,599 2.6	7.3	8.0
3. Services	1,08,197 45.8	1,14,784 45.7	6.3	6.1
3.1. Trade, Hotels and Restaurants	31,026 13.1	33,481 13.3	8.3	7.9
3.2 Transport, Storage and Communication	13,138 5.6	14,231 5.7	5.7	8.3
3.3. Banking and Insurance	15,186 6.4	15,889 6.3	12.8	4.6
3.4. Public Administration and Defence	12,499 5.3	12,875 5.1	2.7	3.0
3.5. Construction	10,615 4.5	11,364 4.5	2.3	7.1
3.6. Other Services	25,733 10.9	26,944 10.7	4.3	4.7
4. Total Gross Domestic Product (1+2+3)	2,36,064 100.0	2,51,010 100.0	5.0	6.3

^② Provisional Estimates ^{*} Quick Estimates

Note : Figures in decimal indicate percentage share in Total Gross Domestic Product.

TABLE 3 : SECTORAL COMPOSITION OF NET DOMESTIC PRODUCT
(At 1980-81 Prices)

Item	1993-94 ②	1994-95 *	Growth Rates		(Rs. crore)
			during 1993-94 (Per cent)	during 1994-95 (Per cent)	
1	2	3	4	5	
1. Agriculture and Allied Activities	66,102	69,293	3.1	4.8	
	31.6	31.2			
1.1 Agriculture	61,748	64,869	3.3	5.1	
	29.5	29.2			
2. Industry	45,704	49,555	3.8	8.4	
	21.8	22.3			
2.1 Manufacturing	40,042	43,678	3.6	9.1	
	19.1	19.6			
2.2 Mining & Quarrying	2,843	2,784	2.9	-2.1	
	1.4	1.3			
2.3 Electricity, Gas & Water Supply	2,819	3,093	7.6	9.7	
	1.3	1.4			
3. Services	97,663	1,03,600	6.3	6.1	
	46.6	46.6			
3.1. Trade, Hotels and Restaurants	30,062	32,457	8.3	8.0	
	14.4	14.6			
3.2 Transport, Storage and Communication	8,530	9,290	4.4	8.9	
	4.1	4.2			
3.3 Banking and Insurance	14,629	15,234	12.4	4.1	
	7.0	6.8			
3.4. Public Administration and Defence	11,374	11,701	2.6	2.9	
	5.4	5.3			
3.5. Construction	9,892	10,615	2.2	7.3	
	4.7	4.8			
3.6. Other Services	23,176	24,303	4.4	4.9	
	11.1	10.9			
4. Total Net Domestic Product (1+2+3)	2,09,469	2,22,448	4.7	6.2	
	100.0	100.0			

② Provisional Estimates * Quick Estimates

Note : Figures in decimal indicate percentage share in Total Net Domestic Product.

TABLE 4 : DOMESTIC SAVINGS
(At Current Prices)

(Rs.crore)

Item	1993-94 @	1994-95 *
1	2	3
1. Gross Domestic Saving (GDS)	1,71,184	2,30,648
	21.4	24.4
1.1 Household Sector	1,39,146	1,78,696
	17.4	18.9
1.1.1 Financial Saving	86,131	1,05,302
	10.8	11.1
1.1.2 Saving in physical assets	53,015	73,394
	6.6	7.8
1.2 Private Corporate Sector	27,666	35,966
	3.5	3.8
1.2.1 Joint-stock companies	27,027	35,327
	3.4	3.7
1.2.2 Co-operative banks & societies	639	639
	0.1	0.1
1.3 Public Sector	4,372	15,986
	0.5	1.7
1.3.1 Public authorities	-19,784	-17,088
	-2.5	-1.8
1.3.1.1 government administration	-27,188	-26,007
	-3.4	-3.2
1.3.1.2 departmental enterprises	7,404	8,919
	0.9	1.1
1.3.2 Non-departmental enterprises	24,156	33,074
	3.0	3.5
2. Less consumption of fixed capital	81,547	94,841
2.1 Household sector	28,123	31,710
2.2 Private corporate sector	16,998	21,368
2.3 Public sector	36,426	41,763
3. Net Domestic Saving (NDS)	89,637	1,35,807
	12.5	16.0
3.1 Household sector	1,11,023	1,46,986
	15.4	17.3
3.2 Private corporate sector	10,668	14,598
	1.5	1.7
3.3 Public sector	-32,054	-25,777
	-4.5	-3.0

@ Provisional Estimates * Quick Estimates

Notes : 1. Figures in decimal indicate the ratio to GDP/NDP at current market prices.

2. Consumption of fixed capital (item 2) has been estimated from the value of fixed capital stock and expected age of various types of assets and differs from the provision for depreciation as per books of accounts.

Alternative estimates can be derived using the latter.

TABLE 5 : CAPITAL FORMATION BY TYPE OF INSTITUTION

(Rs.crore)

Item	At Current Prices		At 1980-81 Prices	
	1993-94 ◎	1994-95 *	1993-94 ◎	1994-95 *
1	2	3	4	5
1. Gross Capital Formation	1,71,009	2,18,920	53,563	64,158
	21.3	23.2	20.3	22.9
1.1 Public sector	68,749	83,245	21,254	24,118
	8.6	8.8	8.1	8.6
1.2 Private corporate sector	49,245	62,281	18,267	21,173
	6.1	6.6	6.9	7.5
1.3 Household sector	53,015	73,394	14,042	18,867
	6.6	7.8	5.3	6.7
2: Less consumption of fixed capital	81,547	94,841	26,595	28,562
2.1 Public sector	36,426	41,763	11,667	12,414
2.2 Private corporate sector	16,998	21,368	6,453	7,416
2.3 Household sector	28,123	31,710	8,475	8,732
3. Net Capital Formation	89,462	1,24,079	26,968	35,596
	12.4	14.6	11.4	14.1
3.1 Public sector (1.1 - 2.1)	32,323	41,482	9,587	11,704
	4.5	4.9	4.0	4.6
3.2 Private corporate sector (1.2 - 2.2)	32,247	40,913	11,814	13,757
	4.5	4.8	5.0	5.5
3.3 Household Sector (1.3 - 2.3)	24,892	41,684	5,567	10,135
4. Errors & omissions	2,322	19,490	798	5,690
5. Net capital formation adjusted for errors & omissions	91,784	1,43,569	27,766	41,286
	12.8	16.9	11.7	16.4
6. Gross capital formation adjusted for errors & omissions	1,73,331	2,38,410	54,361	69,848
	21.6	25.2	20.6	24.9

◎ Provisional Estimates * Quick Estimates

Notes : 1. Figures in decimal indicate percentage share in GDP/NDP at market prices.

2. Consumption of fixed capital (item 2) has been estimated from the value of fixed capital stock and expected age of various types of assets and differs from the provision for depreciation as per books of accounts. Alternative estimates can be derived using the latter.

TABLE 6: ADVANCED ESTIMATES OF NATIONAL PRODUCT AT 1980-81 PRICES

(Rs.Crore)

Item	1995-96
1	2
1. GDP at factor cost	2,66,537 6.2
2. GNP at factor cost	2,61,130 6.3
3. NDP at factor cost	2,35,975 6.1
4. NNP at factor cost	2,30,568 6.2
5. Per capita National Income (In Rs.)	2,506 4.4
6. Population (In crores)	92.0

Note : Figures in decimal indicate percentage change over the previous year.

TABLE 7 : SECTORAL COMPOSITION OF GROSS DOMESTIC PRODUCT
 (At 1980-81 Prices)

Items	1993-94 *			1994-95 #			(Rs.crore)	
	Amount (Rs.crore)	Weight (Per cent)	Growth Rate (Per cent)	Amount (Rs.crore)	Weight (Per cent)	Growth Rate (Per cent)		
1	2	3	4	5	6	7		
1. Agriculture and Allied Activities	73,688	29.4	4.9	75,929	28.5	3.0		
2. Industry	62,538	24.9	8.5	68,839	25.8	10.1		
2.1 Manufacturing	51,148	20.4	9.0	56,264	21.1	10.0		
2.2 Mining & Quarrying	4,791	1.9	4.3	5,236	2.0	9.3		
2.3 Electricity, Gas & Water Supply	6,599	2.6	8.0	7,339	2.8	11.2		
3. Services	1,14,784	45.7	6.1	1,21,769	45.7	6.1		
3.1. Trade, Hotels ,Transport and Communication	47,712	19.0	8.0	51,665	19.4	8.3		
3.2. Financing, Insurance, Real Estate and Business Services	27,937	11.1	4.3	29,273	11.0	4.8		
3.3. Community , Social and Personal Services	27,771	11.1	4.3	28,886	10.8	4.0		
3.4. Construction	11,364	4.5	7.1	11,945	4.5	5.1		
4. Total Gross Domestic Product (1+2+3)	2,51,010	100.0	6.3	2,66,537	100.0	6.2		

* Quick Estimates

Advance Estimates

SPEECH**BANKING SECTOR REFORMS*****C.Rangarajan**

1. I have great pleasure in being with you this morning and participate in the Diamond Jubilee celebrations of the Bank of Maharashtra. Completing sixty years is no mean achievement. The bank, indeed, has played a significant role in these years, particularly in the State of Maharashtra. The founder-fathers of the bank had set it up with the objective of mobilising small savings and extending credit to small entrepreneurs and self employed persons. I have no hesitation in saying that even today, the bank has not lost sight of these objectives despite some of the operational and functional vicissitudes it has had to face.

2. It is particularly significant that the diamond jubilee of the bank is falling at a time when the financial sector in India is witnessing an intensive process of reform. Commercial banks are in a way being compelled to face a completely new situation. Financial liberalisation has heightened competition, both among banks, as well between banks and non-bank financial intermediaries. Consumer demands are rapidly changing and a large population is emerging which is asking for less and less of traditional banking services. Simultaneously, a greater awareness for traditional banking services is growing in the semi-urban and rural areas. Both sets of consumers are today asking for banking services of the highest quality. Profitability, is getting keenly watched by individual bank management. These trends are also prompting banks to

undertake new and diversified activities, some of which are more prone to changes in the market conditions and financial prices, than traditional banking activities. Overall, however, with the Indian economy growing fast, the Indian financial system too is seen to be rising to the occasion. This transformation is taking place within the context of the economic objectives for development and growth. Reform of the financial system has been largely achieved by adapting old institutions. A careful attempt has been made at crisis avoidance and in creating an external environment which enables greater efficiency in the delivery of financial services. Financial reforms have thus been operating in conjunction with the larger set of goals relating to economic stability, growth and international competitiveness.

A. Strengthening the Safety and Soundness of Banks

3. A fundamental underlying objective of reforms has been to make the banking system more resilient to face competition. A major recommendation of the Narasimham Committee in this regard was that banks and financial institutions should adopt uniform accounting practices for income recognition and provisioning and that they should have sound practices for valuation of investments. The Reserve Bank has vigorously pursued this objective so that balance sheets of banks and financial institutions are transparent and full disclosure is made, in a phased manner, to be in conformity with the recommendations of the International Accounting Standards Committee. The first major step towards this

* Address by Dr. C. Rangarajan, Governor at the Diamond Jubilee function of the Bank of Maharashtra at Pune on February 29, 1996.

were recast in 1991-92 providing for greater disclosure. Later, in April 1992 banks were advised income recognition and asset classification norms, and prudential provisioning requirements. With this, an objective norm of record of recovery was established, which meant in simple terms, that if there are no recoveries in an account for two quarters (it was initially four quarters) an advance becomes non-performing.

4. As for investments, the process is on to mark to market larger portions of securities held by banks. We started with a minimum of 30 per cent of investments to be held as current securities, and have pushed it up to 40 per cent this year. We may have to review this further. A study group in RBI is currently looking into what further disclosures are feasible, without adversely affecting the institutions' prospects, and attracting unjust comparisons with practices prevailing in more advanced financial markets.

Capital Adequacy

5. Capital adequacy regime was introduced by the Reserve Bank in 1992-93. Foreign banks were required to achieve the stipulated capital to risk weighted assets ratio (CRAR) of 8 per cent by March 31, 1993 itself; domestic banks with foreign branches by March 31, 1995 and all other domestic banks by March 31, 1996. With a view to augmenting the capital base of the nationalised banks, the Government of India infused capital. The total capital funds so infused by the Government of India stood at Rs.11,687 crore by the financial year 1994-95. By the end of fiscal 1995, all foreign banks and 19 out of the 34 private sector banks, had reported a CRAR of eight per cent or more. As regards public sector banks, 13 out of 27 had reported CRAR of 8 per cent or more.

6. Aggressive efforts on the part of the public sector banks are afoot to achieve the required capital adequacy. Many of the banks have plans to tap the capital market for raising equity. Some with relatively better financial positions have already been able to access the capital market. Two banks have made public issues of equity while two others have been allowed to come out with rights-cum-bond issues. Five banks have been granted permission to enter with bond issues. As the deadline for achieving the 8 per cent CRAR is drawing nearer, 6 public sector banks have been identified for infusion of further capital during 1995-96. However, there could be some banks which are unable to meet the minimum stipulated 8 per cent CRAR norm by March 31, 1996.

7. Prudential norms, however, must evolve with changes in the financial market. A technical group has therefore been set up by the Reserve Bank to look into banks' capital adequacy requirements. The group has begun its work and is looking into the difficulties and constraints faced by banks in meeting capital adequacy norms. It will also examine the relative merits and disadvantages of the different components of Tier I and Tier II capital. Another aspect which group will go into is to help design medium term strategies for banks towards attaining capital adequacy. Finally, the group will deliberate and determine the manner in which a reduction can take place in Government's stake in public sector banks and setting off of accumulated losses and the return of excess capital. As is well known, the Banking Companies (Acquisition and Transfer of Undertakings Act) 1979-80 was amended in January 1995 allowing for reduction in paid-up capital in a nationalised bank by the Central Government, by cancelling any paid up capital which is lost or is unrepresented

by available assets and paying for any capital by a nationalised bank which is in excess of its needs. After this amendment, four banks have applied to the Reserve Bank seeking approval for setting off their accumulated losses against their paid up capital. The objective is that apart from cleaning up of the balance sheets this operation will also allow the banks to gain better access to the capital markets after reduction of the paid up capital. This request is being actively considered by the Reserve Bank and the Government of India.

Consolidated Supervision

8. In the emerging banking scenario, consequent upon the launching of financial sector reforms, the distinction between commercial and investment banking is getting blurred. Banks have set up subsidiaries for undertaking para-banking and other financial services. Restrictions on ownership of banks by non-banking groups have been relaxed. The process has led to the emergence of banking groups and conglomerates, giving rise to new issues both in terms of industry structure as well as financial supervision. This may necessitate a system of consolidated supervision on a global and also group-wise basis.

9. Reserve Bank's supervision over banks is now based on periodical on-site examinations. A new supervisory reporting system has been introduced from February 1995. An Expert Group set up to review the on-site inspection system has submitted its report on streamlining of the inspection system. It has recommended a new strategy focusing on the critical areas of capital adequacy, asset quality, management, earnings, liquidity and systems, known as the CAMELS model. The off-site surveillance over banks under the new supervisory reporting system would essentially be prudential supervision designed to monitor

regulatory compliance. Besides, the returns prescribed under this system would address the management information needs within the reporting banks to help them in self regulation. The new inspection strategy together with the inputs available under the supervisory reporting system, would enable the Reserve Bank to pick up the early warning signals and take immediate corrective steps.

B. Elements of the New Deregulated Banking Environment

10. A major part of the financial sector has now been freed from interest rate controls. The move towards a market based interest rate structure however will require greater attention on how to determine rates of interest on various products both on the liability and asset side. With fluctuations in interest rates, asset price risk emerges leading to asset-liability maturity mismatches. Thus, in the context of the new competitive pressures there is emerging a far greater need in the Indian banking system towards prudent management of risk.

11. Banks have also been given greater freedom to open, shift and swap branches as also to open extension counters. Ten new domestic banks have set up operations, eight new foreign banks have opened offices in India since the beginning of the reforms process. Pre-emption by way of SLR has been gradually brought down. With SLR on incremental NDTL at 25 per cent, and on base NDTL at 31.5 per cent with exemptions on some categories of deposits, SLR on aggregate NDTL is now 29 per cent. While the ratio will come down with the increase in deposits, it may be pointed out that returns on SLR securities are by and large now at market rates. After freeing banks from the requirement of prior credit authorisation from RBI in 1989, other perceived constraints such as inventory/receivable norms, obligatory consortium lending, curbs in the matter of

project finance have also been substantially relaxed; the threshold for mandatory consortium has been raised to Rs.50 crore. If banks and borrowers so desire they can also make a syndicate instead of a consortium. Banks can now grant project finance upto Rs.500 crore. In fact, in the case of power generation projects, banks, individually or collectively can now finance upto Rs.1000 crore, subject to certain terms and conditions.

12. These and other measures, such as the setting up of the Board for Financial Supervision, Debt Recovery Tribunals, dissemination of information on major defaulters, the scheme of performance obligations and commitments from nationalised banks - are indeed having a salutary effect on the banking system. Most of the recommendations of the Goiporia Committee (1991) for improving customer service have since been implemented by banks. Under the RBI's Banking Ombudsman Scheme, 1995 for redressal of customer grievances, Ombudsmen have already been appointed at eight centres, with jurisdiction over 11 States and a Union Territory. Banks have been opening specialised branches for industrial finance, asset recovery management, etc; 78 specialised branches for lending to SSI units have been opened this year in the 85 districts identified to have concentration of such units. There is a welcome awareness among banks of the credit risks, and they are becoming increasingly sensitive to the incidence of NPAs. With the adoption of modern technology, well spread computerisation and improved customer service, banks could look forward to an atmosphere more congenial to growth and prosperity.

C. Performance Indicators

13. In 1993, the Reserve Bank obtained from each bank specific commitments in the

form of Performance Obligations & Commitments (PO&C). Its execution was a condition for capitalisation of banks by the Government. PO&Cs are primarily aimed at banks' management practices and business strategies so as to ensure a high level of portfolio quality so that the earlier problems leading to heavy loan losses, low profits, erosion of equity, etc., do not recur. Besides, there was also an increasing realisation that for better performance of banks and proper supervision by RBI, quantifiable performance parameters and evaluation of achievement in relation thereto had become inevitable.

14. Nationalised banks have executed documents containing performance obligations and commitments (PO&C) for 1993-94, 1994-95 and for 1995-96. These provide for essential quantifiable performance parameters to be achieved in a time bound manner. The parameters lay emphasis on increased but low-cost deposits, quality lending, generation of more income and profits, compliance with priority sector lending and export credit requirements, improvements in quality of investments, reduction in expenditure, stepping up of staff productivity, computerisation, upgradation of technology, etc. The banks have been asked to rationalise the control tiers, as also to lay down policies with regard to loans, investments, recovery, liability management, human resources development, etc. with the approval of their Boards. Banks were advised that non-fulfilment of any of the parameters of commitments would entail penalty in the form of increase in CRR or SLR, stoppage of refinance facilities from RBI, restriction on access to call money market and stoppage of further capital contribution by the Government. The Reserve Bank also has been reviewing the position at regular intervals and so far, it has had three rounds of discussions in 1993, 1994 and 1995.

Non-performing Assets

15. The most critical area is the reduction in non-performing assets. The non-performing assets (NPAs) of all public sector banks aggregated Rs.39,253 crore during 1992-93 when new norms were implemented for the first time. NPAs constituted 23.2 per cent of their total loan assets. There has been further tightening of the norms since then. The level of NPAs has, however, declined to 19.4 per cent during fiscal 1995. The RBI may consider further tightening of the norm by migrating from the norm of two quarter default in interest payment to one quarter norm at an appropriate time. The banks had committed in their PO&C for 1994-95 that they would bring down their NPAs by 31st March 1995 to substantially lower levels. Overall, the percentage of NPAs to total advances for the 19 nationalised banks came down from 25.8 per cent on 31st March 1994 to 20 per cent on 31st March 1995. While nine banks fulfilled the targets ten banks failed to do so. While the aggregate addition to NPAs of 19 nationalised banks during 1994-95 was Rs.4,796.46 crore, the aggregate reduction was Rs.6,682.02 crore. The break-up is as under:

i) by upgradation	Rs.1572.32 crore
ii) by write off	Rs.1679.72 crore
iii) by actual recovery	Rs.3429.98 crore
Total	Rs. 6682.02 crore

Banks have indicated a much lower level of NPAs by 31st March 1996. The proportion of NPAs to total advances of the 19 nationalised banks is expected to come down to 16 per cent by 31st March 1996.

Earnings and Profitability

16. During 1994-95 one bank incurred operating loss and eight incurred net loss as against six and twelve banks respectively during 1993-94. Collectively, the 19 nationalised banks earned a net profit of Rs.269.33 crore in 1994-95 as against a net loss of Rs.4705.01 crore in 1993-94. Banks by and large expect to show much better results in 1995-96; only three banks are however expected to show a net loss even in 1995-96. It is also very likely that going by the trends of the half-yearly results (ended 30th September 1995) some more banks may also incur a net loss in 1995-96.

17. There has been improvement in yield on investments and yield on advances. Yield on investments has ranged between 10 per cent and 12.1 per cent. Yield on advances has moved between 10 per cent and 13.3 per cent. Cost of raising deposits has ranged between 8.3 per cent and 6.8 per cent. All the banks have attempted to improve staff productivity. It was above Rs.60 lakhs for seven banks, between Rs.50 lakhs and Rs.60 lakhs for five banks and less than Rs.50 lakhs for seven banks.

Bank of Maharashtra

18. Amidst all this, where does Bank of Maharashtra go beyond its sixty years? Most of you are aware that in late October 1994, the Reserve Bank of India had requested a detailed study of the Bank of Maharashtra with a view to recommending sustainable strategies for improving the organisational health and financial conditions of the bank. The Reserve Bank had asked that the study should focus on issues such as: reducing non-performing assets; increasing income and

reducing costs; rationalising branch structure and staffing patterns; exploring the possibility of a limited asset reconstruction fund; strengthening management systems and strategies; product analysis and product delivery; information systems and business projections etc.

19. The Group has furnished its specific recommendations on various aspects of the bank's functioning relating to: financial restructuring; leadership and direction; organisational structure; deposits, credit and other business operations; human resources management; key processes and systems. The Study Group has also affirmed that there are four favourable factors which provide a reasonable measure of confidence that if the bank's recovery is attempted on the lines delineated in its recommendations, then the risks can be contained. These are:

- (i) The bank's main area of operation is in the State of Maharashtra which is economically amongst the foremost in the country and is the leading beneficiary of the liberalisation programme. Agro-exports is a new thrust area in which this state is at the leading edge.
- (ii) There is a considerable pool of talent in the bank's Scale IV and below officers' cadre, and the staff enjoys a good

reputation for honesty and probity.

- (iii) The bank's pioneering role in the pre-nationalisation period has won it very substantial client loyalty which is still evident. This provides a good base for its recovery efforts.
- (iv) The improvement in the bank's financial position in the last two years demonstrates that, given leadership and direction, the Bank's staff performance has been bettered significantly.

Conclusion

20. On this occasion, I would like the staff and the management of the Bank of Maharashtra, as well as its valued clients and customers, to realise the inherent strength of the bank and come together to carry forward the process of the restructuring and rebuilding the bank. Of course, the recommendations of the group have to be critically evaluated in order to ascertain the extent to which they are implementable. This process is being gone into separately. However, it is important that all of you fully recognise the environmental imperatives bearing on your bank and dedicate yourself on this auspicious day to carry the bank forward into the next millennium as an institution for which you are proud to work for.

SPEECH

ON SOUND BANK MANAGEMENT*

C.Rangarajan

1. It is a matter of great pleasure for me to be present here today at the inauguration of the Silver Jubilee of the National Institute of Bank Management (NIBM). This Institute was established in 1969, which, as you all will remember was a landmark year in the history of banking in India. During that period effort was placed at improving the spread and reach of banking services in the country. In a manner of speaking, the banking system was being rebuilt. The needs of the Indian banking system were changing fast and there was an urgent need for banking institutions, and its personnel, to commit themselves to the socio-economic objectives of India's development.

2. It will be fair to say that what was relevant when the NIBM was set up, remains valid even today. Banking in India is not a 'facilitating' industry alone. In fact, it is required to play several roles which are critical to promote India's overall growth. I am reminded of what one of the leading national personalities from Maharashtra, late Shri Y.B.Chavan, said on August 4, 1972 while addressing the Conference of the NIBM:

'.....In the strategy that we have chosen for ourselves we do not regard the banks as a passive infrastructure facility. We should like them to serve as an important prime mover in the development process. Their function is not that of following in the wake of development but preceding it. They are important to us not merely because of the

usefulness of their repository and allocative functions vis-a-vis investible resources, but because of their much more basic role as a 'leading sector' and a catalyst in the social and economic development of our country'.

3. Since the time Shri Y.B.Chavan made this remark, banking and financial institutions in the country have been witnessing phenomenal changes requiring a major transformation of the orientation and the mindset of banking personnel. Banks have had to cope with new developmental efforts and national priorities, changing trends and developments within the industry, competition and new demands from the real sector. In this process, the NIBM has indeed played a significant role in helping banks to break into newer grounds, charter unknown terrain and keep bank managements fully equipped. In a highly able and a competent manner, the NIBM, in the last 25 years, has undertaken extensive research, spanning several dimensions of banking and bank management. It has particularly focused on the training needs of the middle and senior level personnel in the banking industry. Apart from research and training, in the recent period, it has also been undertaking active consultancy, maintaining the highest standards of credibility and professionalism. The Institute has kept pace with international developments and has drawn a long term perspective plan for technology upgradation. It is forging to have a tie up with reputed international institutions such as SWIFT etc., for conducting various need based programmes. Thus, by recognising the fact that information and technology is going to play a vital role in banking, NIBM has equipped itself

* Address by Dr.C.Rangarajan, Governor, on the occasion of the Silver Jubilee of the National Institute of Bank Management at Pune on February 29, 1996.

properly.

4. As the Institute steps beyond its 25 years, particularly into the next millennium, it must take cognisance of the changing environment. The financial system, particularly banking, is in the midst of change. The challenges and opportunities faced by the industry today are indeed unprecedented. Simultaneously, the deepening and widening of other segments of the financial system, which interact and interplay with the banks, viz., the capital and money markets is also occurring. The need for an efficiently operating financial system, which helps in mobilising and agglomerating resources and transferring these from net savers to net users, has never been greater. The allocative efficiency is necessary to ensure higher growth rates and higher levels of income. Economic and financial policies in practice today, are bringing about a permanent shift, away from a highly regulated financial market to one which is characterised by transparency, disclosure, sophisticated surveillance and market discipline. Competition is becoming the key word as the industry is witnessing competition from private and foreign banks, financial services companies and other entities in the corporate sector for mobilising and deploying resources.

5. These trends are bearing on the banks, compelling them to redefine their strategies in dealing with the emerging environment. It has become imperative for banks to fully understand the dynamics of change, many of which are complex and do carry pains of adjustment. As competition and diversification exposes banks to new risks, sound bank management becomes a precondition in the new area of financial liberalisation. Thus, there arises a need for building strong management which is responsive to change. Policy reforms in the financial sector can be introduced on a durable basis only through concerted efforts, to strengthen institutional framework in which

banks operate and develop the necessary knowhow and human capital. Certain studies have shown that countries which have had strong institutional foundations, including strengthened managements, have been more successful in transforming and liberalising their financial markets. Therefore, a key question for us is, as to what is needed to run sound and efficient banking in India, in the new liberalised financial environment?

6. There is no question that banking in India requires substantial strengthening. This can be achieved by a thorough understanding of the fundamentals of good bank management. Towards this goal all of us: the bankers, bank supervisors, regulators, customers, policy makers and members of the bank board, must dedicate ourselves in strengthening the management of banks. Bank employees must also jettison their bureaucratic mindset and assume a commercial character which is responsive and quickly adaptable to the fast changing needs of the economy. Traditionally, banks, by virtue of their direct management by Government have been 'less managed' in comparison with a business enterprise or an industrial firm. With this trend becoming less prevalent now and with greater functional and operational autonomy being provided to banks, as well as their being considered as independent profit centres, new ways of management are becoming vital. In a deregulated environment, crisis can rapidly build up wherever bank management has failed to act effectively and prudently.

7. What are the preconditions for sound bank management and what characterises sound management? Banks do need a considerable degree of autonomy so as to be able to clearly define their operating role and strategy and perform their banking business in a professional manner. Autonomy must also extend to the bank's policies relating to lending, financial management and personnel.

Another set of factors which constitute the preconditions for sound bank management relate to the competence and coverage offered by external auditors, internal control systems and the bank supervisors. Finally, in the ultimate analysis it is the owner and the directors of the bank who become responsible for ensuring good bank management. While good bank management is also characterised by elements such as strategic vision, effective management systems - particularly those relating to decentralisation - planning and a continuous assessment of the size and structure of its business, what must be striven for is 'banking excellence'. A panel of independent observers are stated to have listed 10 critical characteristics in this regard:

- * an open culture and extensive vertical and horizontal communication
- * strong shared values
- * profit performance as a value
- * customer driven business orientation
- * willingness to invest in new products
- * strong and consistent leadership and a strong sense of direction
- * a commitment to recruit the best people
- * investment in training and career development
- * a client or product information system promoting assessment of product and client profitability, and
- * finally, strong credit-risk management.

8. The organisational structure of a bank must be closely linked to its business strategy and its degree of decentralised decision

making. The structure should be so designed that it clearly defines the lines of accountability, authority and responsibility. It must limit duplication of effort. Similarly, control systems which ensure that employees perform their duties in accordance with bank policies and procedures should also be laid down including those dealing with auditing, internal control, asset quality reviews and compliance management.

9. This reorientation would also call for continuous updating of the levels of employee competencies. To this end, training and development of bank personnel on the changing systems and procedures as well as developing the appropriate mindset have become absolute imperatives for Indian banks. Experience of many organisations the world over indicate that volatility of environment increases the criticality of human resource management function.

10. Thus, as I see it, the NIBM in the new environment will have to continue to play a critical role in assisting and enabling banks to meet the changes and challenges effectively. The demands on its faculty, research, and training capabilities will only grow. The scope relating particularly to policy-oriented research, advisory services and bank consultancy will become enormous. In fact, the question which the Institute must ask is the manner in which it can become a centre of international excellence in banking research and training. I say this, because I am convinced that an institute like the NIBM must become a place where people think ahead of the policy makers and lead the system, rather than follow. In fact, in this regard, I have already requested the Director that he should garner all available resources and prepare a blueprint for the future and further reform of the Indian banking system.

11. This is however not to suggest that NIBM must not look into issues such as improvements in organisational efficiency, appropriate recruitment and training practices, etc. NIBM must however also realise that it is facing competition. On the one hand there is a threat of stiff competition from the multitudinous institutions imparting training and undertaking research in similar fields, as also the fact, that banks themselves have created their own in-house training facilities. On the other hand there is the tremendous opportunity provided by the opening of the financial sector. Consequently, the NIBM must identify those areas in which it feels it carries some comparative advantage and develop competitive skills in it. In fact, it should also think of building some of them so that it can continue to maintain its leadership role in the industry. NIBM therefore needs to redefine its focus and lay emphasis on research which will enhance the effectiveness of its training programmes, as also conduct research which will assist in policy making and be a beacon for banks to follow.

12. One of the major issues which is likely to be faced by the Institute as it positions itself for the future relates to its resources. If the Institute has to gain international acceptance and, be competitive, it must undoubtedly also be financially well endowed. All the activities of NIBM must be focused towards attaining financial self reliance where it is able to enhance generation of its own revenues. In fact, in this regard the Institute must prepare a specific programme as to how this objective can be attained through better pricing of its programmes, better marketing,

and of course better designing. Unlike several other institutes in the country, NIBM enjoys a considerable degree of autonomy in terms of its programmes, curriculum, etc. I therefore see no reason why, in the next phase, NIBM cannot become financially self-reliant.

13. Let me conclude by congratulating the staff and employees of the NIBM for having so successfully completed 25 years. The future ability of banks to execute their strategy and achieve their business goals will critically depend on the manner in which they are able to organise and manage their human resources. People in banks have to be organised to work effectively, the staffing levels and skill-mix has to be optimised right skills and work culture built up and individual and unit performance closely monitored in order to help achieve institutional goals. Clearly, an organisation which is devoid of a proper structure will be unable to execute its mission and strategy, meet its financial and developmental goals and survive in a competitive environment. I therefore want the NIBM to continue to remain dedicated in building the right skills and work culture which is fundamental to the success of banking industry in India. Simultaneously, it should become the main voice for policy research in the banking sector so as we can turn to the Institute for guidance and advice in such situations where we have to undertake institutional reform or cope with new situations and problems. I now look forward to the writing of a new chapter in the history of this institution.

Thank you

SPEECH**ROLE OF NON-BANK FINANCIAL COMPANIES IN FINANCIAL SECTOR DEVELOPMENT*****C. Rangarajan**

1. I am pleased to be here this morning to address you in this Seminar organised by Association of Leasing and Financial Services Companies, Mumbai. Last four years have witnessed a spate of structural and economic stabilisation reforms. Structural reforms have been implemented in several sectors including trade, industry, foreign investment, exchange rate, financial sector and monetary and fiscal policy. The approach guiding this process has been to introduce reforms at a gradual pace combined with effective and appropriate regulation and intervention policies. Introduction of greater competition among the various sectors of economy and building of a broad consensus for reform have been pursued aggressively. Today, these are all getting reflected in the renewed confidence in the economy, as represented by the sustained growth in agriculture, revival of industrial output, substantial reduction in the inflation rate and stability in the external sector, characterised by high export performance and increased foreign capital inflows.

2. The central objective of reform in the financial sector has been to improve the efficiency, competitiveness and productivity of the system. As the financial sector is a mobiliser of savings, for the reform to be successful, it should improve its allocative efficiency and facilitate accelerated real growth of the economy. In this regard, monetary management has seen a distinctive

shift from the use of direct instruments of control, such as prescription of reserve requirements for banks, administered interest rates and direct controls on credit, to indirect instruments of control, viz. the freeing of interest rates, use of open market operations etc. The reforms also aim at making financial intermediaries, both banks and non-banks to function as autonomous business units, fully responsible for their performance. The compulsion to cut costs, improve productivity and show better profitability is becoming the primary objective of the financial system.

3. In order to strengthen and improve the health of the banking sector and ensure that they function on sound and prudent lines, a series of measures have been initiated. Accordingly, prudential norms covering income recognition, asset classification, provisioning for bad and doubtful debts, capital adequacy etc. have been introduced. Statutory liquidity requirement has been substantially reduced, while interest rate on advances over Rs.2 lakh and that on deposits for over two years has been deregulated. In order to strengthen their capital base, public sector banks are being allowed to access the capital market, apart from the infusion of fresh capital by the Government of India. With a view to making the banking system more competitive, new private banks are being allowed to set up. Lending norms of banks have been liberalised and scope of mandatory consortium arrangement substantially narrowed down. A Board for Financial Supervision has been set up with an Advisory Council to strengthen the supervision system of banks and financial

* Address by Dr. C. Rangarajan, Governor at the Seminar organised by the Association of Leasing and Financial Services Companies, in Mumbai on February 22, 1996.

institutions. These measures and several other measures introduced are expected to make our banking system more competitive, healthy, vibrant and financially sound.

The Non-Banking Financial Companies— An Overview

4. Non-banking financial companies (NBFCs) have emerged as an integral part of the Indian financial system. The scope and activities of the NBFCs have significantly expanded over the years especially so during the last one and half decade. The number of NBFCs which stood at 7,063 in 1981 increased to 25,085 in 1991 and further to 39,454 in 1995. The increase is thus more than five and half times during this period. The distribution, however, is highly skewed in terms of their deposits as well as net owned funds. Within the broad sector of NBFCs, the relative importance of various segments has also been changing over time. Among the major types of NBFCs, leasing companies are of a recent origin and have strengthened their position in a short period of time. From only a handful of companies in the early eighties, the number of established leasing companies has grown significantly, and assumed significance in the context of the growing need for increasing capital investment in the different sectors of the economy.

5. Aggregate deposits of financial companies which were extremely modest as a proportion of bank deposits in the early eighties, have steadily grown over the period. This growth in aggregate deposits however must take into account the definitional changes made in the recent period so as to now include certain types of previously exempted borrowings as part of aggregate deposits. Nevertheless, it must be noted that although the volume of aggregate deposits

mobilised by NBFCs is still small in comparison with total bank deposits, the annual growth rate has been significant in comparison to the corresponding average growth rate of bank deposits.

6. The main task before the NBFCs is to continue to play an expanded role so as to accelerate the pace of growth of the financial market, including the capital markets, offering competition and providing wider choice to investors. Most of NBFCs work on the principle of providing a good return on savings while reducing the risk through diversification. The success of these institutions and its impact on the economy, however ultimately depends entirely upon management capabilities, observance of financial discipline and effective deployment of funds.

The Reform

7. The Narasimham Committee on Reform of the Financial System in its report of November 1991 had recognised that non-bank finance companies would necessarily have to be within the mainstream of the overall financial sector reform and recommended that prudential norms should be laid down to govern the functioning of these companies. The Shah Committee, which made an in-depth study of the role of NBFCs, suggested regulatory and control measures to ensure healthy growth and operations of these companies. It sought to bring about a fundamental strengthening of the financial companies by suggesting correctly a shift in the regulatory approach from the liability to the asset side. These shifts along with comprehensive legislative framework and effective and enforceable set of regulations and supervision should encourage healthy and orderly growth of NBFCs and also ensure the solvency and safety of the financial system.

Measures to Integrate the NBFCs – Enhancing Regulatory Coverage

8. In consonance with the recommendations which were decided to be implemented in phases so as to avoid difficulties in transition, the Reserve Bank in April-May 1993 brought within the definition of 'deposit,' inter-corporate loans, borrowings by private limited NBFCs from shareholders. Furthermore, NBFCs which have a net owned funds of Rs.50 lakh and above are required to get themselves registered with the Reserve Bank.

9. In the second phase of implementation of the recommendations, the Bank issued guidelines to the registered NBFCs in June 1994 on prudential norms for income recognition, accounting standards, provisioning for bad and doubtful debts, capital adequacy and concentration of credit/investments. Registered companies were also asked to get themselves rated by one of rating agencies atleast once a year. They were also required to achieve capital adequacy of 6 per cent of their risk weighted assets and off balance sheet exposures by March 31, 1995 and 8 per cent by March 31, 1996. As a measure of liberalisation, registered loan and investment companies have been allowed to take public deposits equal to net owned funds. Registered companies are required to submit half-yearly returns, starting from March 31, 1995, giving data on the compliance with the prudential norms. With the extension of prudential norms, first to the banking system, then to the financial institutions and finally to NBFCs, these norms now cover the entire financial sector. I must say that the prudential norms relating to NBFCs are in no way more onerous than those relating to banks. Banks still remain the single set of institutions which are subject to cash reserve requirement. The June 1994 circular of RBI has stated that after RBI is satisfied that a company has fulfilled all the norms and obtained a satisfactory credit rating, it will issue a specific advice to

the concerned company on the non applicability of some of the existing directions, such as, limits on deposit acceptance.

10. The Joint Parliamentary Committee, which enquired into the irregularities in securities and banking transactions had in their report noted that it was imperative that the financial companies follow prudent practices for inculcating healthy financial discipline and recommended that either existing legislation should be reinforced or separate legislation should be enacted for NBFCs so as to ensure their proper functioning and also to protect the interests of the depositors. Accordingly, as there are many areas in which legislative framework is inadequate, the Bank has proposed to the Government of India suitable changes in the law which may cover areas relating to prescription of minimum capital, compulsory registration, building up of reserves, enforcement of repayment of deposits, liquidation of a financial company etc. These provisions can bring about a greater measure of financial discipline in the NBFC sector.

Supervision of Non-Banking Financial Companies

11. A strengthened supervisory system is an essential pre-requisite for the success of the reform process. Such supervisory policies should be combined with a regulatory framework which would reward prudent operations and expeditiously penalise imprudent practices. With a view to making the prudent supervision over NBFCs more effective, the newly created Department of Supervision of the Bank under the aegis of the Board for Financial Supervision has since set up an Expert Group under the Chairmanship of Shri P.N.Khanna, member of the Advisory Council to the Board, to design a suitable supervisory framework for NBFCs. The Group is expected to suggest a framework for on-site inspection and off-site surveillance

and to work out the modalities for supervisory rating, etc.

Some Recent Developments

12. At present there are certain limits on the extent of overall borrowing by NBFCs from the banking system. Information available with the Reserve Bank indicates that most of the large sized lease/hire purchase companies had borrowings at a level much below the prescribed overall ceiling and it is our perception that they can carry on their bonafide activity without much difficulties. In the context of the difficulties faced in monitoring the end use of bank finance, bank credit was curtailed on a selective basis and relatively higher borrowing limits were provided for companies which had, as their predominant activity, hire purchase and equipment leasing while others were provided lower borrowing limit. All the same NBFCs are deemed to be an independent and additional mobiliser of funds rather than conduits for the use of bank funds.

13. Another major area of concern of the Bank is that although it has been made obligatory on the part of the registered financial companies to submit half yearly prudential returns to the Bank and obtain minimum credit rating from any one of the three credit rating agencies, it is observed that of the 745 registered companies, only 255 companies have submitted such returns as on September 30, 1995 and only 121 companies have filed credit rating with the Bank. Financial companies which do not comply with the registration and rating requirements may face a situation when their borrowing limits may be curtailed.

14. The role of Self Regulatory Organisations, (SROs) as envisaged by the Shah Working Group is relevant and this idea

should be pursued further. With the hastening of the pace of liberalisation and financial sector reform and further deepening and expansion of the financial market, SROs would have an important role to play to ensure that individual members observe the guidelines of the regulatory authorities and function on prudential basis. Peer pressure will desist companies from acting in an imprudent and unethical manner.

Some Emerging Issues

15. I am, however, aware that finance companies have been demanding the removal of the ceiling on the rate of interest. While the interest rate ceiling on NBFC deposits has been raised from 14 per cent to 15 per cent, the question is often raised as to whether the NBFC deposit rate ceiling should be abolished as the banks' ceiling rate for advances over two years has been freed. There are, however, certain prerequisites before such a measure could be considered. It would be necessary for a substantial number of companies to meet requirements of registration, rating and prudential norms before any interest rate deregulation could be considered. This will have to form part of the agenda for the next stage of the reform.

16. The reform process does generate some uncertainties but it must be recognized that reform is inevitable and irreversible. Sea changes are taking place and as stated earlier, NBFCs are growing both in magnitude and depth. The economy is becoming more and more complex. It is, therefore, imperative that policies have to be evolved on an ongoing basis to respond to the changes. I would therefore conclude by saying that however difficult the reform process may appear to be, the ultimate rewards of effective reform far outweigh the difficulties.

17. Non-Bank financial intermediaries are

helping to bridge the credit gaps in several sectors which the traditional institutions are unable to fulfil. A market exists for such intermediaries and what we are trying to do is to make these entities adhere to normal prudential norms so that they can become effective constituents of the financial sector mainstream.

I wish the seminar deliberations all success.

SPEECH**THE RESPONSIBILITIES OF ACTUARIES IN THE GROWING INSURANCE MARKET*****C.Rangarajan**

1. I am happy to be amidst you this morning. Everyone recognises the vital role played by the actuary not only in life and general insurance business, but also increasingly in investment management. The Actuarial Society of India has been initiating several steps to promote the development of actuarial science in India. It has been conducting examinations on a regular basis in actuarial science so that adequate number of qualified actuaries are available to the insurance industry. It has also been providing an appropriate forum to bring together actuaries in India for a meaningful discussion of the issues faced by the actuarial profession. Everyone knows how intellectually demanding it is to qualify as an actuary. Actuarial science is based on the law of probability and therefore an actuary has to be well grounded in mathematics and statistics. Besides, he needs to have a good understanding of accounting principles and procedures. I compliment the Actuarial Society of India for convening this Conference and I am sure the deliberations will be fruitful.

A. The Business of Insurance

2. Insurance indeed is a mechanism to reduce the element of risk and make it possible, for economic agents to maximise their portfolios. In fact, insurance and reinsurance markets are essential for

sustainable economic growth and development. It complements economic activities, stabilises trade and commerce, and helps mitigate uncertainties affecting economic agents. A common man's view of insurance is that it entails regular premium payment for the policies taken as insurance against premature death, fire, accidents, natural calamities, financial/property losses during riots, or owing to theft or burglary, hospitalisation etc. Insurance premia are taken as the cost to cushion against uncertainties. The horizon of insurance is widening and as the economy grows it brings within its ambit several new activities, sometimes even esoteric.

3. The coverage and spread of the Indian insurance market - particularly the life insurance segment - has been phenomenal. In fact, life insurance dominates the Indian insurance scene. The experience with general insurance in India raises hopes of good performance by the industry. Since 1972 when the Government of India took over the ownership of general insurance companies and reorganised them the industry has witnessed a phenomenal growth. The spread of offices, number of policies issued, variety of insurance cover, and the premium income earned - all indicate towards the positive growth in insurance services. The percentage of premium relative to Gross National Product for the insurance industry as a whole has been consistently moving up. While all these indicate the diversified spread and coverage of the insurance industry in our country, the industry remains much less developed in terms of sophistication of new insurance

* Inaugural address by Dr.C.Rangarajan, Governor, at the All India Conference of Actuaries organised by The Actuarial Society of India in Mumbai on February 23, 1996.

service products than those found elsewhere.

4. The stage is now set against the background of new challenges and opportunities for insurers to grow manifold. For instance, export credit guarantees, and export credit insurance schemes which are already in operation covering both commercial and political risks attached to export credit are an important extension of insurance. The scope of agro-based insurance cover will expand as cash crop and agro-based productive activities pick up. The insurance industry will thus develop considerable depth and width in the coming years. Insurers can play yet another role. Even as they are taking specific risks, they can do much to minimise the occurrence of such risks in general. Introducing and promoting better safety measures and educating people about risk avoidance are some such measures.

B. Statutory Role of Actuaries in India

5. Actuaries have always played a key role in the management of the insurance industry. In particular their role in life insurance and pensions is backed up by statutory requirements in areas such as premium certification, setting up of reserve for liabilities, solvency investigations, distribution of surplus etc. In countries like the USA, Canada, Australia, Finland, Norway and Italy there are in fact statutory requirements for actuarial certification of certain general insurance reserves also.

6. Section 13 of the Insurance Act 1938 provides for investigation by an actuary into the financial condition of the life insurance business of an insurer, including valuation of the liabilities in respect thereof, and submit a report thereon to the Government. The LIC Act, 1956 changed this into biennial investigations (Section 26). Similar actuarial investigations have to be carried out in respect of the postal life insurance business of the

Government of India. According to Section 48 B(I) of the Insurance Act 1938 every insurer has to furnish to the Controller a certificate by an actuary giving the basis of premiums currently used in regard to new business in respect of mortality, rate of interest, expenses and bonus loading. Contributions to gratuity funds approved under Part C of the Fourth Schedule to the Income Tax Act have also to be made on a reasonable basis as may be approved by the income tax authorities. In practice, the reasonable basis has been taken to mean contributions determined on actuarial basis by an actuary.

Product Development

7. The solvency of a life office, in the main, depends on the adequacy of the premium rates charged and hence upon the factors entering into their calculation. However, development of a new life insurance product in today's environment is a marketing cum actuarial function and the actuary's role goes beyond merely certifying that premium rates are sound and workable. It is quite common to have a marketing actuary or a product development actuary in the marketing department to look after the entire product development function.

Investment

8. Another important function where the actuaries are involved is investment management. The training of actuaries which equips them to quantify the present value of money which is payable later and take into account probabilities for evaluating risks makes them particularly suitable for investment work. In fact, many actuaries specialise in the investment area. Apart from this the actuary who is responsible for investigating the financial condition of the life business has to take into account the nature and term of the assets and should allow

for the effect of possible future changes in the value of the assets relative to the liabilities. Asset-liability matching in terms of maturity is one of the oldest concerns of the actuarial profession.

Reinsurance and other areas

9. Reinsurance is another area in which the actuary makes use of his expertise to optimise the business to be reinsured consistent with the level of capitalisation, volume of business etc. It is no exaggeration to say that the actuary is available to make his contribution in all the areas which are critical to the success of a life insurance company.

C. Insurance Regulation

10. The prime objective of insurance regulation is protection of the interests of policy holders. Regulation of insurance business, however, should cover a wider field because of the complexity of insurance products, serious consequences of insurer insolvency and the enormous amounts of funds that get accumulated in the normal course of insurance business providing potential for abuse and opportunities for fraud. The progress of insurance industry has a direct bearing on, and can serve to promote savings on the one hand and effective allocation of resources on the other.

11. Insurance legislation should normally seek to cover all aspects of the business, namely, registration of insurance companies, brokers, agents and surveyors, minimum levels of capitalisation and solvency margins, investments of funds, rules for valuation of assets, reinsurance, premiums and claims reserves, actuarial investigation, premium rates, transfers and amalgamations of insurance business, winding up procedures, etc.

12. In order that the supervision and control

of the insurance industry will be effective, the supervisory office charged with the responsibility of administering the insurance regulation should be equipped with professional insurance and actuarial knowhow. Insurance supervision, particularly life insurance, has always been identified with the actuaries as the standards of measurement of the financial condition of a life insurance company must largely be actuarially determined.

13. In April 1993 the Government appointed a Committee under the Chairmanship of Shri R.N. Malhotra to make recommendations on reforms in the insurance sector. The Committee submitted its report in January 1994. Although the Government has yet to take a decision on the Report, the setting up of Interim Insurance Regulatory Authority is a step in the direction of preparing the ground for reforms in the insurance sector. The Interim Insurance Regulatory Authority will propose comprehensive legislation for dealing with all matters relating to promotion and orderly growth of insurance market keeping in mind future possibilities in the structure of the insurance industry.

14. In India also there was a supervisory authority in the form of the Controller of Insurance which had strong actuarial support. But after nationalisation of life and general insurance business, the office of the Controller of Insurance was merged with the Insurance Division of the Ministry of Finance. Commencing with the setting up of the Interim Insurance Regulatory Authority, the actuarial support will have to be strengthened once again and this will require, among other things, building up of actuarial expertise.

D. Responsibilities of the Actuary

15. By asking for actuarial certification of premium rates, valuation reserves etc. some of the elements of supervision and control of life insurance companies have been delegated to the actuary and through him to the actuarial profession. The actuary can be a consultant or a paid employee of the insurance company. The employee actuary has a special position in that he forms part of the management team responsible to the directors and at the same time he has the responsibilities under the insurance legislation.

16. The statutory responsibility of the actuary is to carry out the investigation into the financial condition of the life business from time to time. However his professional responsibility requires him to take all reasonable steps to ensure that he is at all times satisfied that if he were to carry out an investigation the position would be satisfactory. Thus, the actuary has an ongoing responsibility which requires him to monitor all developments in the company which may have impact on its financial condition and to report to the company in certain circumstances. Mr. Edward Johnston, Government actuary to the UK Government in the late eighties referred to this as the 'double harness' system with the insurance regulatory authorities and the actuarial profession pulling together with significant responsibilities devolved on the actuarial profession.

17. In order that the profession can respond effectively to the responsibilities entrusted to

it, there must be proper system of education and training, qualification standards, professional standards, scope for continued professional development, code of conduct and discipline etc. In all these areas the actuarial profession in India has adequate strengths and this must be ensured in future also. The proposed membership of the International Federation of Actuarial Association will help to ensure that the members of the actuarial profession in India continue to maintain the highest standards which the actuaries are known for internationally. In the liberalised economic scenario the actuarial profession will play a significant role in the management of pension schemes to ensure that they are financially solvent and that the schemes are in a position to pay the promised benefits to the employees as and when they fall due. The actuarial profession has to fully equip itself to play this role in the area of occupational pension schemes and other social security schemes which require actuarial expertise.

18. I trust that this Conference will carefully deliberate on some of these issues so as to make the role and responsibilities of the actuarial profession more relevant and appropriate to the emerging needs of our economy. As the economy grows, so will the insurance industry. And as the insurance industry grows, so will the role of the actuary.

Thank you.

SPEECH**BASIC INGREDIENTS OF A SOUND MACRO ECONOMIC POLICY***

S. S. Tarapore

I am grateful to the Top Management Club for giving me the opportunity of interacting with this distinguished audience. I am sure that members of this Club would be familiar with the recent Economic Survey released by the Government of India which provides a comprehensive review of developments in the economy and hence any attempt to once again set out the highlights of the economy would be redundant. Nonetheless I hope you will bear with me as I very briefly recapitulate some of the major developments in the economy to facilitate our discussion today.

2. The post-July 1991 period constitutes a watershed in India's economic history as it signals the start of significant policy changes as part of the process of economic reforms. At that time the country faced an unprecedented crisis and the current account deficit (CAD) in the balance of payments in 1990-91 was US \$ 9.7 billion (3.2 per cent of GDP), inflation was raging in the upper reaches of the teens and the foreign currency assets had fallen to US \$ 1 billion or equivalent to only two weeks of imports. As import compression became necessary, the growth of the economy fell to 0.8 per cent in 1991-92. The Indian reform process has often been labelled as a gradualist reform but while this is admittedly so, the growth of the economy has been encouraging in that in the four years subsequent to 1991-92 real GDP grew at an average rate of 5.7 per cent and

in the past two years the rate has been well over 6 per cent. It is pertinent to note that there are very few countries which, during a period of adjustment, have registered such a level of growth. Inflation which in 1993-94 and 1994-95 was into double digits is down on a year-on-year basis to 4.5 per cent as on February 17, 1996. The foreign currency assets reached a level of US \$ 20.8 billion in March 1995. With the maintenance of the growth rate at over 6 per cent, the current account deficit in the balance of payments in 1995-96 is estimated at a little less than US \$ 5 billion (1.5 per cent of GDP) and although there has been some drawdown of the foreign currency assets, at the end of March 1996 they are expected to be well over US \$ 16 billion. While India had borrowed from the IMF during the crisis period and liabilities to the IMF had reached a peak of SDR 3.6 billion (US \$ 5.1 billion) in June 1993, these liabilities are expected to be around SDR 1.6 billion (US \$ 2.4 billion) at the end of March 1996; the hump in payments to the IMF was in 1995-96 and thereafter these repayments taper off over the next three years. In 1996-97 there is admittedly, the repayment of the India Development Bond which, inclusive of interest, would amount to around US \$ 2.2 billion. Despite this, the current account deficit in the balance of payments is expected to be sustainable in 1996-97.

3. With this brief background of recent developments I would now like to turn to some of the central issues in macro economic management which will need our attention in the ensuing period.

* Address by Deputy Governor, Shri. S.S. Tarapore, at the 150th Top Management Club Luncheon Meeting of the Institute of Marketing and Management (Maharashtra Chapter) at Mumbai on March 4, 1996.

4. A question that arises is whether the growth of the economy can be higher than the rate of a little over 6 per cent experienced in the past two years. While we should certainly endeavour to achieve a higher growth rate we need to recognise that it is equally important to sustain the growth rate rather than have sharp fluctuations in the growth rate.

5. Given the present capital-output ratio, the investment rate determines the outer limit for the growth of the economy. The investment rate in turn is determined by the savings rate plus the current account deficit (CAD) in the balance of payments. The CAD in the case of India is currently around 1.5 per cent of GDP and given that current external receipts are only around 14 per cent of GDP a high CAD -GDP ratio would render the debt-service ratio unsustainable. It needs to be remembered that India got into difficulties in 1990-91 when the CAD-GDP ratio was 3.2 per cent. The gross domestic savings rate in 1994-95 was 24.4 per cent of GDP and as the CAD was 0.8 per cent, the gross domestic investment rate was 25.2 per cent. In the very nature of the Indian economy, domestic savings have to finance 90-95 per cent of investments. It must be recognised that the Indian economy is not structured to having a very high reliance on foreign savings and, as such, higher investments must largely come out of higher domestic savings. Of course, a greater efficiency of capital use would bring about a lower capital-output ratio and thereby allow for a higher growth.

6. If capital is to be efficiently utilised we cannot afford to price it wrongly and hence interest rates have to be at appropriate levels. In recent years, we have, by and large, reduced interest rate subventions. With the significant reduction in inflation rates, real rates of interest are high. It is readily acknowledged that very high real rates of interest would eventually affect the growth of the economy. If inflation rates continue to

remain low over a reasonable period of time, credibility of policies would be established and nominal interest rates would automatically come down; but, we must recognise that there is no easy way of achieving lower interest rates. In the present situation, the demand for resources is way above their availability and it is difficult to expect any precipitous decline in interest rates. More importantly, we have to avoid the temptation of an artificial reduction in interest rates by excessive creation of money which can only result in a strong and uncontrollable resurgence of inflation which would ultimately result in a slow down in growth. It must be emphasised that inflation does not help growth in the long run and more and more central banks the world over are recognising that inflation does not help the growth of the economy even in the short run. Thus, the objective of monetary policy should be to ensure that while the productive sectors of the economy receive adequate credit to support their activity, this should be without excessive creation of money which would only give an impetus to inflation. It is, in this context, that the hallmark of the monetary policy is one of caution. It must be remembered that inflation hurts the weakest segments of society the most and hence, inflation control has to be the primary objective of monetary policy. A coherent, strong and unequivocal anti-inflationary stance is the best contribution that monetary policy can make towards sustained growth of the economy.

7. The large gross fiscal deficit (GFD) is a cause for concern from the viewpoint of overall macro-economic stability. Prudent management requires that the GFD which is estimated at 5.9 per cent of GDP in 1995-96 is brought down. It is preferable to bring about a gradual and sustained reduction in the GFD rather than a drastic reduction which is not sustained. A drastic reduction in the GFD would put the economy in a tailspin which

subsequently forces a slippage in the GFD. Thus, the art of skilful fiscal management is not merely to achieve the right number for the GFD but to ensure that the quality of the adjustment is such that it does not disrupt the productive sectors of the economy. As the Government is a large buyer of the output of industry, a sudden and sharp reduction in the GFD can result in large unsold stocks with industry which can generate a sharp recession in industry. Thus, there is merit in a gradual but sustained reduction in the GFD. What is perhaps more important is the quality of the fiscal adjustment; but this is easier said than done and the dilemma of fiscal adjustment is that the most productive expenditures are the easiest to cut.

8. As the pattern of industrial production becomes more sophisticated, the inter-links between different segments of industry become stronger and dislocations in one segment impinge on other segments. It is in this context that industry needs to have greater flexibility in retooling and restructuring. In the absence of timely adjustments by different segments of industry, industrial growth will be punctuated by frequent bouts of booms and slumps and the overall growth of this sector will be less than its potential. Thus, early adjustments by different segments of industry to changes in market demand will minimise the sharpness of the adjustment which becomes necessary.

9. With the increased integration of the Indian economy into the global economy, it is essential that the Indian economy responds rapidly to signals emanating from the external sector. While there are many important aspects relating to the external sector, I would like to briefly touch upon one segment namely, exchange rate policy management. While there has been considerable animated debate on the appropriate exchange rate policy, many of the policy suggestions are evolved from the viewpoint of segmented

interests. To support a sound macro economic policy, the exchange rate should be so determined that the trade weighted exchange rate remains stable in real terms, i.e., the exchange rate needs to be adjusted for inflation rate differentials. A pertinent question is what should be done if the exchange rate is out of alignment with the fundamentals. While it is appropriate to talk of intervention, the commonly understood intervention relates essentially to sale of foreign exchange by the central bank. While this is one option, it cannot be a viable long-term solution. More effective intervention can be in the form of interest rate changes, reserve requirements and other tools of monetary policy.

10. Let me sum up briefly even at the cost of some lack of precision. The quintessence of a sound macro-economic policy are:

- (i) Inflation control should be the overriding object of the macro-economic policy.
- (ii) While endeavouring to grow at the fastest possible pace, it is essential that the growth should be sustained.
- (iii) A cautious monetary policy should be pursued to avoid excessive monetary expansion which will only fuel inflation. Interest rates should reflect the underlying supply and demand for resources and a policy of sustained low inflation rates would enable real interest rates to fall to levels which would be consistent with the growth of the economy.
- (iv) The gross fiscal deficit should be reduced gradually and the quality of the adjustment should be given as much attention as the size of the adjustment.
- (v) The current account deficit in the balance of payments should be kept to a moderate level of 1.5 - 2.0 per cent of GDP and the

real effective exchange rate should be kept stable.

- (vi) Industry should prepare itself for a much faster retooling and restructuring than hitherto.

11. I do recognise that this presentation of what constitutes the ingredients of a sound macro-economic policy appears simple and naive but sometimes the most simple precepts are difficult to achieve in practice.

SPEECH**THE LIQUIDITY CRUNCH: FACTS AND FICTION*****S. S. Tarapore**

There has been a debate of unprecedented intensity on the 'liquidity crunch' and the CII should be commended for focussing attention on this important subject. I am aware that members of the CII hold strong views on this issue and I appreciate the opportunity given to me to interact with the members.

2. At the outset, we should appreciate the epistemology of the subject we are discussing. The word 'crunch' means to "crush with teeth". So, when we talk of a liquidity crunch we obviously imply that some larger volume has been crushed. Reverting to the use of the term 'liquidity crunch', we must recall what happened in 1981-82 and 1991-92; in both these years the absolute level of credit from the banking system was crushed to a lower absolute amount of increase than in the relevant preceding year. The increase in non-food credit declined from Rs.4,304 crore in 1980-81 to Rs.4,176 crore in 1981-82. Again, the increase in non-food credit declined from Rs.12,348 crore in 1990-91 to Rs.9,127 crore in 1991-92. Now what has been the experience in the current financial year? In the current financial year, between March 17, 1995 and February 16, 1996, scheduled commercial banks' non-food credit increased by Rs.43,386 crore (22.9 per cent) as against Rs.29,937 crore (19.5 per cent) in the corresponding period of the previous year. Moreover, even during the period March 31, 1995 to February 16, 1996, the increase in non-food credit was Rs.33,640 crore (16.9 per

cent) as against Rs.29,937 crore (19.5 per cent) in the corresponding period of 1994-95. Without any further debate this should lay to rest, once for all, the canard that the authorities have begged the question of the credit crunch by varying base dates.

3. The Reserve Bank has time and again explained that it is not meaningful to review banking trends using closing of bank accounts as a reference date. I firmly believe that on the use of the base date for comparisons, detractors of the Reserve Bank have been grossly unfair. The growth of bank deposits between March 17, 1995 and February 16, 1996 was Rs.45,336 crore as against Rs.48,232 crore in the corresponding period of last year. Thus, the incremental non-food credit-deposit ratio in the current financial year has been at an unsustainable high level of 95.7 per cent. Even adjusting for the first round effect of a reduction in the cash reserve ratio (CRR) by Rs.7,525 crore, the incremental non-food credit-deposit ratio is not sustainable. It is readily conceded that this is not the entire picture as we have to take into account all other non-bank flows of funds. An approximate calculation shows that the total resource flow from bank and non-bank sources was approximately the same in 1995-96 and 1994-95. Despite this, there is an almost unanimous outcry that there is an insufficiency of credit. To some extent this is attributable to the fact that industrial growth was 12 per cent in the first half of 1995-96 and is expected to be 10 per cent in the full year 1995-96 and in this context it is often argued that the economic potential of the economy has been stunted because of a shortage of credit.

* Keynote address by Deputy Governor, Shri. S. S. Tarapore, at the session on 'Liquidity Crunch' organised by the Confederation of Indian Industry (Western Region) in Mumbai on March 8, 1996.

4. Let me explain that the central problem today is not that the credit demands of the productive sectors have not been met but that the iron clad law posits that the investment ratio (25.2 per cent in 1994-95) is a function of the savings ratio (24.4 per cent) and the current account deficit in the balance of payments (0.8 per cent). Merely having investment 'desires' does not eventuate into actual investment and there is no way in which we in India can get away from the tyranny of this law. Thus, turning the accusative finger to the Reserve Bank is just not going to solve the present problem of the economy.

5. Reverting back to the banking system, in the current financial year, the banks have lent everything they possibly could, and more, and it is clear that the banks are now at a critical phase where a further step up in their pace of lending will put the banks' balance sheets into jeopardy. Banks need to remember the sagacious advice given by a former Governor of the Reserve Bank to banks 15 years ago which was to the effect that "please do not lend the money you do not have".

6. A policy question that arises is whether monetary policy is too tight and whether there is a case for relaxation. Before we address this question it is necessary to consider the issue of the overall growth of M_3 and reserve money. While the growth of M_3 in the current financial year from March 17, 1995 to February 16, 1996 has been 13.0 per cent as against 15.8 per cent last year it must be remembered that last year's growth was an unbridled expansion and it would not be prudent to use last year as a good indicator of the desired pace of monetary expansion. The reserve money expansion this year so far has admittedly been very subdued at Rs.14,238 crore (8.4 per cent) as against Rs.26,835 crore (19.5 per cent) last year and some observers have advocated that it would

be quite safe to expand reserve money. It must be noted that the incremental money multiplier is 4.68 this year as compared with 2.55 last year. To be able to obtain a clearer perspective, it is necessary to look at adjusted reserve money, i.e., reserve money adjusted for changes in reserve requirements. In the current year, the cash reserve requirement has been decreased by Rs.7,525 crore while last year the reserve requirement was increased by Rs.5,405 crore. Thus, the adjusted reserve money was Rs.21,763 crore this year as against Rs.21,430 crore last year. The relaxation of the CRR by Rs.7,525 crore will increase M_3 by at least Rs.22,500 crore or about 4.5 percentage points even if the multiplier is only 3.0. More importantly, the adjusted reserve money increase in the current year is against the backdrop of falling net foreign exchange assets while last year there was a rise in net foreign exchange assets. In other words, the adjusted net domestic assets of the Reserve Bank have risen by Rs.17,757 crore this year as against an increase of only Rs.1,014 crore last year. It would, therefore, be necessary to caution that it would be dangerous to take chances with monetary expansion.

7. It is argued that with nominal rates of interest at a high level and inflation down to less than 5 per cent, on a year-on-year basis, real interest rates are very high. This is admittedly so and the advocacy for lower rates of interest naturally gathers momentum in such a milieu. Be that as it may, it would be extremely imprudent to try and artificially reduce interest rates by increasing the flow of created money from the central bank as such a course of action will only cause a sharp resurgence of inflation and thereby merely flare up nominal rates of interest. There is, therefore, no easy way out. If created money could bring about a general reduction in real rates of interest and promote growth, surely all countries would use this panacea. A country following the path of

pump-priming in such a situation would be taking recourse to a reckless policy which would eventually abort growth. Large injection of created money would result in a large monetary expansion and consequently inflation would accelerate and such creation of money can make no contribution to the real growth of the economy. While small adjustments in the form of policy responses can be considered depending on the evolving monetary and credit situation, it would be most imprudent on the part of the Reserve Bank to try and fill the gap between the availability of resources and the 'desired' level of resources by created money.

8. While the banking system admittedly holds a large amount of securities above the stipulated statutory liquidity ratio, there is no difference, as far as the created money impact is concerned, between the RBI buying securities from banks and the reduction in the cash reserve requirement except that a reduction in the cash reserve requirement results in a far greater increase in banks' profitability. It is not often realised that the route of CRR reduction or the purchase of securities by RBI have very similar impact on the money creation process.

9. While it is argued that a liquidity crunch brought about by escalating interest rates will damage industrial growth, it must be recognised that a permissive policy of monetary expansion will also have a detrimental impact on industrial growth as an acceleration in inflation will force nominal interest rates to rise to even higher levels and to finance inventories at higher price levels the demand for credit will rise even faster and merely aggravate the tightness of credit.

10. The growing disintermediation is sometimes referred to as the villain of the piece responsible for the credit shortage. It must be clarified that disintermediation alters the **composition** of deposits (i.e., as between

demand and time deposits) and not the **level** of deposits. Thus, it is otiose to talk about 'where the money has gone'. Money is scarce because the demand has gone up and not because it has disappeared !

11. While there is an integral link between the forex and money markets there has been considerable obfuscation of issues as regards the policy objectives of forex intervention and the liquidity impact of such intervention. It is stultifying to suggest that the objective of the forex sales by the RBI was to generate a liquidity curtailment. If this were the objective there are surely far better ways of curtailing liquidity than a haemorrhage of the forex reserves. What is more bewildering is the argument that spot purchases in the forex market by the RBI are engineered as part of a plan to release liquidity; here, again, there are far easier ways of releasing liquidity if this is the policy objective ! While there are integral links between the forex and money markets, the policy responses have been misunderstood in many quarters. The forex operations of the Reserve Bank do have liquidity effects but it needs to be clarified that forex intervention is not driven by domestic liquidity considerations but by concerns regarding volatility in the forex market.

12. I do recognise that the question which is upper most in the mind of industry is when would the 'credit squeeze' end and what measures would be taken to meet the credit demands of industry. It is essential to realise that the pressure on liquidity is the symptom and not the cause of the ailment. The ailment is as old as man himself, viz., a problem of scarce means with alternative uses. Unless demand for resources are realistic and reflect the available resources, interest rates would remain high and liquidity would continue to be tight. Expanding money supply when the net foreign exchange assets are rising is one thing but expanding money when the net

foreign exchange assets are falling is quite another. The relatively large expansion of net domestic assets of the Reserve Bank in the current financial year clearly points to the need for continuing caution.

13. I do recognise that all this is not satisfactory from the viewpoint of industry which wants a quick fix in terms of monetary

policy relaxations. While a cautious monetary policy is often criticised as being an unrealistic ivory tower approach to practical problems, yielding to these pressures would tantamount to an irresponsible monetary policy. This is the cross that monetary policy has to bear in the best interests of the economy.

CREDIT CONTROL AND OTHER MEASURES DECEMBER 1995

Selected circulars issued by the Reserve Bank during December 1995 are reproduced below.

Ref.IECD.No. 14/08.14.01/95-96 dated December 1, 1995

The Chairmen/Chief Executives of all commercial banks

Interest Rate Surcharge on Import Finance

Please refer to our circular IECD.No. 12/08.14.01/95-96 dated October 30, 1995, containing operative instructions to give effect to the directive contained in the circular No. CPC.BC.146/07.01.279/95-96 dated October 30, 1995, on the above subject. Certain clarifications have also been furnished in our circular IECD.No.13/08.14.01/95-96 dated November 17, 1995.

2. Many banks have since expressed that it is difficult to implement the guidelines contained in paragraph 1(g) of the circular No. 12 dated October 30, 1995, as it is not possible to ascertain precisely whether a particular credit transaction relates to "sales realisation" or not. The matter has been examined and the instructions contained in paragraph 1(g) of the circular IECD. No. 12/08.14.01/95-96 dated October 30, 1995, will stand revised as-

"Repayment of bank credit for imports will not be permitted before expiry of one month from the date of disbursement/drawal of import finance."

3. It is also clarified that interest rate

surchage on import finance is not applicable for the transit period in respect of the import bills.

Ref.DBOD.No.BC.144/12.01.001/95-96 dated December 6, 1995

**All Scheduled Commercial Banks
(Excluding Regional Rural Banks)**

Cash Reserve Ratio on Liabilities under Foreign Currency Non-Resident Accounts (Banks) /FCNR(B)/ Scheme.

Please refer to Governor's circular CPC.BC.150/07.01.279/95-96 dated December 6, 1995 on the captioned subject. In this connection, we advise that at present, Scheduled Commercial Banks are required to maintain an average Cash Reserve Ratio (CRR) of 14.5 per cent on liabilities under Foreign Currency Non-Resident Accounts (Banks) [FCNR(B)] Scheme upto the level outstanding as on November 24, 1995. It has been decided that, with effect from the fortnight beginning December 9, 1995, the average Cash Reserve Ratio on liabilities under FCNR(B) Scheme upto the level outstanding as on November 24, 1995 will be reduced from 14.5 per cent to 7.5 per cent. The increase in liabilities under FCNR(B) Scheme over the level outstanding as on November 24, 1995 will continue to be exempt from maintenance of CRR. A Notification No.DBOD.BC.143/12.01.001/95-96 dated December 6, 1995, in this regard is enclosed.

2. It may be reiterated that in view of the multiple prescriptions on different categories of liabilities, including prescription of a zero reserve requirement on some liabilities, as stipulated under the law, effective CRR and SLR

maintained by scheduled commercial banks on total net demand and time liabilities should not be less than 3 per cent and 25 per cent respectively.

Ref.DBOD.No.BC.143/12.01.001/95-96
dated December 6, 1995

NOTIFICATION

In exercise of the powers conferred by sub-section (7) read with proviso to sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934 (2 of 1934) and in partial modification of its Notification DBOD.No.BC.138/12.01.001/95-96 dated November 29, 1995 the Reserve Bank of India hereby specifies that with effect from the fortnight beginning December 9, 1995, the average Cash Reserve Ratio (CRR) on the liabilities under Foreign Currency Non-Resident Accounts (Banks) /FCNR(B)/ Scheme upto the level outstanding as on November 24, 1995 stand reduced to 7.5 per cent from 14.5 per cent.

2. The exemption stipulated above shall be subject to the effective CRR maintained by a scheduled commercial bank at not less than 3 per cent on its total net demand and time liabilities.

Ref.No.CPC.BC.150/07.01.279/95-96 dated December 6, 1995

All Scheduled Commercial Banks

Cash Reserve Ratio on Liabilities under Foreign Currency Non-Resident Accounts (Banks) [FCNR(B)] Scheme

At present scheduled commercial banks are required to maintain an average cash reserve ratio (CRR) of 14.5 per cent on liabilities under Foreign Currency Non-Resident Accounts (Banks) [FCNR(B)] scheme upto the level outstanding as on November 24, 1995. With a

view to enabling banks to better balance the cost of FCNR(B) deposits and the return on the deployment of their funds, with effect from the fortnight beginning December 9, 1995, the average CRR on liabilities under the FCNR(B) scheme upto the level outstanding as on November 24, 1995 will be reduced from 14.5 per cent to 7.5 per cent. This measure will augment the resources of banks by Rs. 1,050 crore. The increase in liabilities under FCNR(B) scheme over the level outstanding as on November 24, 1995 will continue to be exempt from the maintenance of CRR. A notification is being issued separately.

Ref.DBOD.No.BC.146/12.01.001/95-96
dated December 9, 1995

All Scheduled Commercial Banks (Excluding Regional Rural Banks)

Section 42(1) of the Reserve Bank of India Act, 1934-Reduction in Cash Reserve Ratio (CRR)

Please refer to paragraph 1 of Governor's circular No. CPC.BC.151/07.01.279/95-96 dated December 9, 1995. In this connection, we have to advise as under.

2. Under Section 42 (1) of the Reserve Bank of India Act, 1934 scheduled commercial banks are at present required to maintain with the Reserve Bank of India Cash Reserve Ratio (CRR) of 14.5 per cent of the net demand and time liabilities (NDTL). It has been decided that effective from the fortnight beginning December 9, 1995 on all categories of net demand and time liabilities of scheduled commercial banks (excluding Regional Rural Banks) where the present CRR prescription is 14.5 per cent, the CRR will be reduced to 14.0 per cent. The requirement of CRR on liabilities under Non-Resident (External) Rupee Accounts (NRE Accounts) will be reduced from 14.5 per cent to 14.0 per cent on the level outstanding as on

October 27, 1995. A copy of the relative notification DBOD.No.145/12.01.001/95-96 dated December 9, 1995, is enclosed.

3. It may be reiterated that in view of the multiple prescriptions on different categories of liabilities, including prescription of a zero reserve requirement on some liabilities, as stipulated under the law, effective CRR and SLR maintained by scheduled commercial banks on total not demand and time liabilities should not be less than 3 per cent and 25 per cent, respectively.

Ref.DBOD.No.BC.145/12.01.001/95-96
dated December 9, 1995

NOTIFICATION

In exercise of the powers conferred by the proviso to sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934 (2 of 1934) and in supersession of its Notification DBOD.No.BC.131/12.01.001/95-96 dated November 11, 1995, the Reserve Bank of India hereby specifies that the average Cash Reserve Ratio (CRR) required to be maintained by the scheduled commercial banks (excluding Regional Rural Banks) shall, from the fortnight beginning from December 9, 1995, be at 14.00 per cent.

Ref.DBOD.No.FSC.BC.147/24.01.013/95-96
dated December 11, 1995

All Scheduled Commercial Banks/Financial Institutions

Scheme for Money Market Mutual Funds-Guidelines

Please refer to our circular DBOD.No.BC.131/24.01.013/91-92 dated 29 April 1992 wherein a scheme of Money Market Mutual Funds (MMMFs) was introduced by the

Reserve Bank of India. In this connection we invite your attention to the Governor's circular No.CPC.BC.148/07.01.279/95-96 dated November 23, 1995, wherein, with a view to providing greater liquidity and depth to the money market and in order to make the scheme more flexible and attractive to banks and financial institutions certain modifications to the existing scheme have been introduced. The salient features of the scheme as modified are indicated below:

1. Eligibility to set up MMMFs

MMMFs can now be set up by scheduled commercial banks and public financial institutions as defined under Section 4A of the Companies Act, 1956 or through their existing Mutual Fund/Subsidiaries engaged in Funds Management as well as mutual funds set up in the private sector. Private sector mutual funds can set up MMMFs with the prior approval of Reserve Bank of India, subject to other extant terms and conditions stipulated under the Scheme and should also get Securities & Exchange Board of India (SEBI) clearance to ensure that there is no infringement of SEBI guidelines on money market investments for amount/duration.

2. Structure of MMMFs

(i) MMMFs can be set up departmentally in the form of a division/department of the banks/financial institutions/mutual funds/subsidiaries i.e. "in house" MMMFs wherein the assets and liabilities of such MMMFs would form part of the eligible institutions' balance sheet or as a separate entity i.e., as a "Trust".

(ii) MMMFs can be operated either as Money Market Deposit Accounts (MMDAs) or Money Market Mutual Funds (MMMFs). MMDAs schemes could be operated either by issuing Deposit receipt or through issue of Pass Book without cheque book facility. MMMFs could float both open-ended and close-ended schemes.

(iii) Where MMMFs are set up as a Trust, a Board of Trustees should be appointed by the sponsoring institution to manage it. The day-to-day management of the schemes under the Fund, as may be delegated by the Board of Trustees where the Fund is set up as a Trust, should be looked after by a full time Executive Trustee or a separate Fund Manager if set up as a Division of a bank/financial institution/mutual fund/subsidiary.

(iv) Banks and public financial institutions are free to formulate special schemes as per their requirements subject to the guidelines stipulated by the Reserve Bank of India. MMMFs should forward the details of the scheme together with copies of offer letter, application form etc. to the Reserve Bank of India at least one month before announcing the launching of any scheme.

3. Size of MMMFs

The minimum size of a MMMF of Rs. 50 Crores stipulated in our circular of April 29, 1992 is withdrawn. Likewise, the prescription of a ceiling for raising resources under various schemes by MMMFs set up by banks/financial institutions/mutual funds/subsidiaries is also withdrawn.

4. Who can subscribe

As MMMFs are primarily intended to be a vehicle for individual investors to participate in the money market, the units/shares of MMMFs can be issued only to individuals. Individual Non-Resident Indians (NRIs) may also subscribe to shares/units of MMMFs. The dividend/income on such subscriptions will be allowed to be repatriated. The principal amount of subscription will, however, not be allowed to be repatriated abroad.

5. Minimum size of investment by a single investor

MMMFs would be free to determine the minimum size of investment by a single investor.

6. Investment objectives and policies

The investment objectives and policies of MMMFs should be laid down by the sponsor bank/institution or concerned mutual fund and every scheme to be launched by the MMMFs should be in accord with such broad objectives and policies and the rules and regulations framed in this regard. While inviting the subscription from the public, MMMFs should make a clear statement of investment objectives of the MMMFs and the investment policies besides the terms and conditions of the scheme. MMMFs should not give any guarantee or indication as to the rate of return on investments while announcing any scheme.

7. Investments by MMMFs

(i) The resources mobilised by MMMFs should be invested exclusively in the following money market instruments, namely-

(a) Treasury bills and dated government securities having an unexpired maturity upto 1 year,

(b) call/notice money,

(c) commercial paper,

(d) commercial bills arising out of genuine trade/commercial transactions and accepted/co-accepted by banks and

(e) certificates of deposit.

It has been decided that the limits on investments in individual instruments stipulated in our circular of April 29, 1992 should be

withdrawn and MMMFs are now free to determine the extent of their investments in each instrument as indicated below:

Instruments	Limit (per cent of resources of MMMFs)	
	Existing	Revised
a) Treasury Bills and dated Government Securities having an unexpired maturity upto 1 year	Minimum 25 per cent	Minimum limit withdrawn
b) Call/Notice Money	Maximum 30 per cent	Maximum limit withdrawn
c) Commercial Paper	Maximum 15 per cent The exposure to commercial paper issued by an individual company should not be more than 3 per cent of the resources of the MMMF.	Maximum limit withdrawn. The exposure to commercial paper issued by an individual company should, however, not be more than 3 per cent of the resources of the MMMF as a prudential requirement.
d) Commercial Bills arising out of genuine trade/commercial transactions and accepted/co-accepted by banks	Maximum 20 per cent	Maximum limit withdrawn
e) Certificates of Deposit	No limit	No limit

The investments should be made in accordance with the prudential guidelines which may be issued by the Reserve Bank of India from time to time. MMMFs shall not deploy their funds in capital market instruments so that their investments are not exposed to undue risk.

(ii) Switching of assets between schemes should be at market rate and based on conscious investment decision; and

(iii) Borrowing and lending between schemes of the MMMFs as also between the MMMFs and the sponsoring institutions are prohibited.

8. Delivery of instruments

MMMFs should invariably take delivery of money market instruments purchased and give delivery of the instruments sold.

9. Reserve requirements

In the case of MMMFs set up by banks, the resources mobilised by them would not be considered as part of their net demand and time liabilities and as such these resources would be free from any reserve requirements.

10. Minimum lock-in-period and repurchase

The minimum lock-in-period for investments in MMMFs would be 45 days. The MMMFs would be free to offer repurchase facilities to the investors subject to the minimum lock-in-period. The details of the repurchase facility including the procedures should be made clear in the offer document.

11. Insurance cover

The funds invested in MMMFs will not have insurance cover from the Deposit Insurance and Credit Guarantee Corporation of India. This aspect must be clearly brought out in the offer documents by MMMFs.

12. Stamp Duty

The shares/units issued by MMMFs would be subject to stamp duty. Similarly, transfer of units of MMMFs after holding for a lock-in-period of 46 days would also be subject to stamp duty.

13. Format of certificates of MMMFs

The units of MMMFs should be issued in the form of a certificate indicating the number of units purchased by the investor. An illustrative format is enclosed.

14. Application form

MMMFs may devise suitable application form for subscribing to their schemes.

15. Security Aspect

Since units are freely transferable, due care must be exercised by the MMMF in the matter of printing/safe custody of the instrument. They should be signed by two or more authorised signatories.

16. Regulation of MMMFs

The setting up of MMMFs would require prior authorisation of Reserve Bank of India. Furthermore, MMMFs set up by banks, their subsidiaries and public financial institutions would be required to comply with the guidelines and directives that may be issued by the Reserve Bank of India from time to time. The private sector MMMFs would need clearance of SEBI; the approval of Reserve Bank of India would be necessary to enable them to operate in the money market.

The Reserve Bank of India shall have the powers in the interest of banking policy and public interest, to issue directions, call for any information, inspect the books and accounts of the MMMFs; any inspection of private sector MMMFs would be undertaken by SEBI.

17. Accounting

The accounts of MMMFs should be kept distinct and separate from those of the parent institution. In the case of "In-house" MMMFs, it should be ensured that there is no conflict of interest between MMMFs and their parent organisation. The transfer of assets between MMMF and the sponsoring institution should be at market rate and should be subject to the approval of the sponsoring institution's Board.

18. Statement of Accounts and Disclosure

MMMFs should maintain separate account of each scheme launched by it segregating the assets under each scheme. MMMFs should prepare an annual statement of accounts in respect of each of their schemes which should contain, *inter alia*, statements of assets and liabilities and income and expenditure account duly audited by qualified auditors, other than the auditors of the parent organisation. An

abridged version of the annual accounts together with the reports of the auditors should be published for the information of subscribers to the concerned schemes.

19. Management of MMMFs

"In-house" MMMFs should take adequate and effective measures to ensure that management, accounting and custody of their assets should be kept distinct and separate from those relating to the bank/financial institution/ subsidiary/mutual fund.

20. Net Asset Value

MMMFs should calculate Net Asset Value (NAV) of each scheme and disclose the NAVs periodically for the benefit of the investors. To start with, MMMFs may determine and disclose NAV once in a week. Thereafter, NAV may be determined twice in a week or even daily. The method to be followed for calculation of NAV should be disclosed in the offer letter of each scheme.

21. Expenses

The total expenses of the Fund including pre-issue expenses, trusteeship fees/management fees, etc. should be kept at reasonable levels and should be disclosed fully in the Fund's Annual Reports/balance sheets.

22. Furnishing Reports to Reserve Bank of India

The sponsor bank/financial institution/ subsidiary/mutual fund should furnish to

Reserve Bank of India, in duplicate, the following reports on a regular basis.

a) quarterly report indicating the performance of the MMMF as a whole and each scheme thereof.

b) audited annual statement of accounts, together with the reports of the Auditors.

c) scheme-wise details of investment portfolio of the Funds, value of such investments, changes in the portfolio since the annual report and asset-wise exposure.

d) specific information on investments in certain segments of the money market as may be called for by the Reserve Bank of India.

23. Banks/Financial institutions/Mutual funds/subsidiaries desirous of setting up MMMFs may forward their applications to the Chief General Manager, Department of Banking Operations & Development, Reserve Bank of India, Central Office, Centre 1, World Trade Centre, Cuffe Parade, Colaba, Bombay 400 005 together with other supporting particulars/documents such as details of proposed constitution and organisational structure, draft Trust Deed (wherever applicable), details of scheme/s, etc.

24. Detailed operating procedures for private sector mutual funds are being worked out by the Reserve Bank and the Securities & Exchange Board of India.

BANK MMMF

(Set up by _____ Bank)

MMMF CERTIFICATE**MMMF (199) SCHEME I OR II OR**

THIS IS TO CERTIFY that the person(s) named in this CERTIFICATE is/are the holder(s) of the within mentioned MMMF Units bearing the distinctive number(s) herein specified. The said MMMF Units are issued subject to the Scheme, Rules and Regulations of MMMFs (199) SCHEME I or II or

MMMF Units EACH OF Rs._____

Reg.Folio No._____ Certificate No._____

Name(s) of MMMF Unit Holder(s)

Number of
MMMF Units held

(in words)

(in figures)

For _____ BANK MMMF

Authorised Signatories

Consolidated
Stamp Duty paid.

Place :

Date :

P.T.O

MEMORANDUM OF TRANSFER OF _____ MMMF _____

MENTIONED OVERLEAF

DATE	TRANSFER NO.	REG. FOLIO NO.	NAME(S) OF TRANSFeree (S)	AUTHORISED SIGNATORY

Ref.No.DBOD.Dir.BC.148/13.07.05-95 dated December 15, 1995

All Commercial Banks

Unauthorised Issue of duplicate share certificates

Please refer to our circular DBOD.No.FSC.BC.162/24.56.001/93 dated September 6, 1993 in terms of which banks have been cautioned to be vigilant while accepting shares, debentures, bonds etc. as security for advances through proper verification as to the authenticity of the relative scrips.

2. As you are aware, reports have appeared in the press that some institutions have been faced with the problem of switching of the shares at the time of transfer and that certain companies have even resorted to the practice of unauthorised issue of duplicate shares. It is likely that such different/duplicate shares may be offered to the banks as security for advances. The banks are, therefore, once again cautioned to be vigilant while accepting shares, debentures, bonds etc. for advances through proper verification as to the authenticity of the relative scrips.

3. In the meantime, the banks are advised to satisfy themselves that shares already held by them either in their investment account or in their capacity as pledgees for advances granted against shares, are the same as the shares originally lodged for transfer and the shares are not those for which unauthorised duplicate shares have been issued. If any irregularities in this regard come to the notice of banks, the full details thereof must be advised to us expeditiously.

4. The above instructions may be immediately brought to the notice of your branches as also merchant banking subsidiary/mutual fund, if any, sponsored by your bank, for necessary compliance.

Ref.DBOD.No.BC./149/12.01.001/95-96 dated December, 16 1995

All Scheduled Commercial Banks (excluding RRBs)

Section 42 of the Reserve Bank of India Act, 1934—Prescription of Cash Reserve Ratio (CRR) on deposits under Non-Resident (External) Rupee Accounts (NRE Accounts), Non-Resident (Non-repatriable) Rupee Deposit (NRNR) accounts and Deposits under FCNR (B) Scheme.

Please refer to paragraph 2(a) and 2(b) of our circular DBOD.No.BC.129/12.01.001/95-96 dated 30th October 1995 advising that with effect from the fortnight beginning October 28, 1995 any increase in NRE deposits and NRNR deposits over the level outstanding as on October 27, 1995 will be exempt from maintenance of average Cash Reserve Ratio of 15 per cent and 7.5 per cent respectively. The banks will, however, continue to maintain the average CRR of 15 per cent on NRE deposits and 7.5 percent on NRNR deposits upto the level as on 27th October 1995. In terms of para (1) of our circular DBOD.BC.No.139/12.01.001/95-96 dated 29 November 1995 any increase in FCNR (B) deposits over the level outstanding as on November 24, 1995, will be exempt from maintenance of average Cash Reserve Ratio (CRR). Banks will, however, continue to maintain average CRR of 14.5 per cent on FCNR (B) deposits upto the level as on November 24, 1995. Further, in terms of paragraph 1 of our circular DBOD.No.BC.144/12.01.001/95-96 dated December 6, 1995, the rate of CRR on liabilities under FCNR (B) deposits has been reduced from 14.5 per cent to 7.5 per cent with effect from the fortnight beginning December 9, 1995. Again in terms of paragraph 2 of our circular DBOD.No.BC.146/12.01.001/95-96 dated December 9, 1995, with effect from the fortnight beginning December 9, 1995 scheduled commercial banks are required to maintain average CRR 14.0 per cent on all categories of net demand and time liabilities

including Non-resident (External) Rupee Accounts (NRE) on the level outstanding as on October 27, 1995.

2. In order to monitor compliance with the above instructions, it has been decided that from October 28, 1995 any increase in NRE deposits

and NRNR deposits over the level of October 27, 1995 and any increase in FCNR (B) deposits over the level of November 24, 1995, may be shown in the Annexure to Form 'A' below the deposits under zero reserve prescription as follows:

	NRE	NRNR	FCNR(B) Deposits
(i) Deposits as on reporting fortnight			
Less (ii) Deposits as on October 27, 1995			NA*
Less (iii) Deposits as on November 24, 1995	NA*	NA*	
(iv) Balance (exempted from maintenance of CRR)			

* Not Applicable

It may also please be noted that as advised in Paragraph 2 of our circular DBOD.BC.No.133/12.01.001/95-96 dated November 11, 1995 and BC.No.139/12.01.001/95-96 dated November 29, 1995, the requirement of CRR on liabilities under Non-Resident (External) Rupee Accounts (NRE) and FCNR (B) deposits will be 14.50 per cent on the level outstanding as on October 27, 1995 and November 24, 1995 respectively, though CRR has been reduced from the fortnight beginning November 11, 1995. As regards NRNR deposits, the banks will continue to maintain the average CRR of 7.5 per cent on the level outstanding as on October 27, 1995. There is no change in instructions for the first two fortnights of the quarter ending December 1995. The banks may also forward a fortnight-wise statement in respect of deposits under NRE

accounts, NRNR deposits and deposits under FCNR(B) Scheme along with Ad-hoc CRR interest claim as in the proforma shown in paragraph 2 of the circular. In view of our circular DBOD.BC.144/12.01.001/95-96 dated December 6, 1995, with effect from the fortnight beginning December 9, 1995, the amount of FCNR (B) deposits may be deducted from net demand and time liabilities (NDTL) of the bank and CRR on these deposits may be indicated separately under Col.11 of Ad-hoc interest claim statement.

3. A revised proforma of the quarterly statement is enclosed. The banks should note to submit their CRR interest claims for the quarter ending December 1995 in the revised proforma only.

Name of the bank _____ Statement showing the amount of interest payable on cash balance maintained with RBI for the quarter ended _____

(000 omitted)

Statement showing the amount of interest payable on cash balance maintained with RBI for the quarter ended _____

we hereby certify that the information furnished above is correct. Our bank has/has not complied with CRR requirement for all the fortnights of the quarter and has/has not defaulted in the maintenance of CRR during the quarter. In case of default detected subsequently, we undertake to refund the excess amount along with such interest as may be levied by Reserve Bank within week from the date of demand, failing which we authorise Reserve Bank to debit our current account with them for like amount. We also note that Reserve Bank would withdraw the facility adhoc payment of interest in the event of furnishing incorrect information/delayed submission of required returns/submission of incorrect

Signatur:

SIGMARIE.

Name: _____ Designation: _____

In case there is default/shortfall in the maintenance of CRR in any of the fortnights, please indicate reasons where ever. Strike out whichever is not applicable under the signature of authorised signatory.

Ref.IECD.No.EFD.15/04.02.15/95-96 dated December 22, 1995

THE CHIARMEN/CHIEF EXECUTIVES OF ALL COMMERCIAL BANKS

**Exports to Asian Clearing Union Countries
Granting of export credit in foreign currency under Pre-shipment Credit in Foreign Currency (PCFC), Export Bills Rediscounting (EBR) and Post-shipment Credit denominated in Foreign Currency (PSCFC) Schemes**

In terms of paragraph 4(c) of Memorandum of Procedure on operation of PSCFC scheme forwarded with circular IECD.No.40/EFD/819-POL-ECR/91-92 dated 21 December 1991 and paragraph (p) of circular IECD.EFD.No.30/04.02.15/93-94 dated 28 February 1994 the post-shipment credit denominated in US Dollar (PSCFC) and export packing credit in foreign currency are not available for exports to ACU countries in view of the separate method of payment prescribed for such transactions i.e. either in the participants currencies or in Asian Monetary Unit (AMU). It has since been decided to switch over to a dollar denominated trade among the ACU countries with effect from 1 January 1996. The salient features of the dollar denominated trade have been spelt out in our Exchange Control Department's AD (MA Series) Circular No. 31 dated 23 November 1995. Accordingly, banks are permitted to extend pre-shipment and post-shipment credit in foreign currency under captioned schemes for exports to ACU countries with effect from 1 January 1996.

2. In respect of existing contracts action may be taken as per guidelines given below:

(a) the pre-shipment credit granted and outstanding in Rupees as at the close of 31 December 1995 will not be allowed to be converted under PCFC scheme. In such cases PSCFC/EBR facilities could be extended if the

documents are submitted on or after 1 January 1996.

(b) In case of contracts or L/Cs opened before 1 January 1996, PCFC facility could be granted provided the exporter has not availed of any packing credit in Rupees. In such cases, banks may also extend PSCFC/EBR facility.

3. In respect of pipeline transactions where export bills have been purchased/negotiated/ discounted by banks before 1 January 1996 and the due date/s of such bills fall on or after 1 January 1996 the post-shipment credit outstanding in rupees may be continued till the due date or date of crystallisation. In respect of disposal of export proceeds in currencies of ACU countries/AMU in respect of such pipeline transactions, a separate communication will be issued by our Exchange Control Department/ Department of External Investments and Operations (DEIO) in due course. Other terms, conditions, stipulations prescribed for operation of the PCFC/EBR and PSCFC schemes will remain unchanged.

Ref.IECD.No.16/08.12.01/95-96 dated December 22, 1995

The Chairmen/Chief Executives of all commercial banks

Financing of projects involving creation/expansion/modernisation of infrastructural facilities Power Generation

As you are aware, in terms of instructions contained in our circular IECD.No.15/08.12.01/94-95 dated October 6, 1994, read with instructions contained in our circular IECD.No.18/08.12.01/94-95 dated October 18, 1994, banks can provide term finance for technically feasible, financially viable and bankable projects, including projects for creation, expansion and modernisation of infrastructural facilities, subject to compliance

with the guidelines, terms and conditions mentioned in the said circulars.

2. Further, in terms of instructions contained in our circular IECD.No.18/08.12.01/94-95 dated October 18, 1994, banks, individually or collectively, can extend term finance to the extent of Rs. 500 crore for each project and for the purpose of calculation of the said ceiling of Rs. 500 crore, weightage for fund-based facilities is 100 per cent and the weightage for non-fund-based facilities is 50 per cent. At the same time the maximum quantum of term finance that can be sanctioned by a commercial bank to any borrower together with its other exposures in the form of fund-based and non-fund-based credit facilities investments, underwriting, and any other commitment, is restricted to the prudential exposure norm, as prescribed from time to time by the Reserve Bank of India for individual borrowers/group of borrowers.

3. These guidelines have since been reviewed and it has been decided in the case of power generation projects, to enhance the ceiling of Rs. 500 crore to Rs. 1,000 crore, subject to the following guidelines, terms and conditions, in supersession of the existing ones:

(a) The ceiling limit of Rs. 1,000 crore will include all fund-based and non-fund-based credit facilities like term finance, including Rupee loans, foreign currency loans, deferred payment guarantees and acceptance facilities (other than foreign currency loans obtained from foreign banks or branches or Indian banks abroad without the back-up of deferred payment guarantees/letters of comfort by banks in India), from banks put together.

(b) Within the above ceiling of Rs. 1,000 crore, fund-based credit limits will not exceed Rs. 400 crore. Thus illustratively, a bank or the banking system may sanction total non-fund-based credit limits up to Rs. 1,000 crore, when no fund-based credit limits are sanctioned, but

cannot sanction term finance beyond Rs. 400 crore even when no non-fund-based credit limits are sanctioned.

(c) For the purpose of arriving at the above ceiling of Rs. 1,000 crore, weightage for both fund-based and non-fund-based credit facilities will henceforth be 100 per cent.

(d) Sanction of term finance by a bank to any borrower, together with sanction of any other credit facility (both fund-based and non-fund-based), investments, underwriting, and any other commitment, will continue to be restricted to the prudential exposure norm, as prescribed from time to time by the Reserve Bank of India for individual borrowers/group of borrowers.

(e) For sanction of term finance in excess of Rs. 1,000 crore, banks will continue to participate jointly with all-India financial institutions, subject to share of an individual bank not exceeding its prudential exposure norm and that of the banking system not exceeding Rs. 1,000 crore.

(f) For lending to public sector units, banks must ensure that such public sector undertakings are registered under the Companies Act, 1956, or are established as Corporations under relevant Acts. Further, such public sector undertakings must be run on commercial lines and the repayment of term finance should be made out of income to be generated by the project and not out of subsidies, made available to them by the Government.

(g) Banks must ensure that projects for power generation are being implemented without the support of budgetary allocation, i.e., projects funded out of budgetary resources, or where a firm commitment for such budgetary support has been made and is in operation, should not be sanctioned term finance by banks.

(h) Banks must evolve an appropriate debt-equity ratio for each project.

(i) Rates of interest to be charged by banks should be in conformity with the interest rate directives issued from time to time by the Reserve Bank of India and under no circumstances the final lending rate should be less than the prime lending rate of each bank.

(j) Banks are free to decide the maximum period of term finance within the overall norm.

(k) Banks must also ensure that they have the requisite expertise for appraising technical feasibility, financial viability and bankability of

projects, with particular reference to risk analysis and sensitivity analysis. Banks, if they so desire, may take assistance of the consultants approved by the Industrial Development Bank of India for appraisal of a project. Banks may also undertake such appraisal jointly with an all-India financial institution.

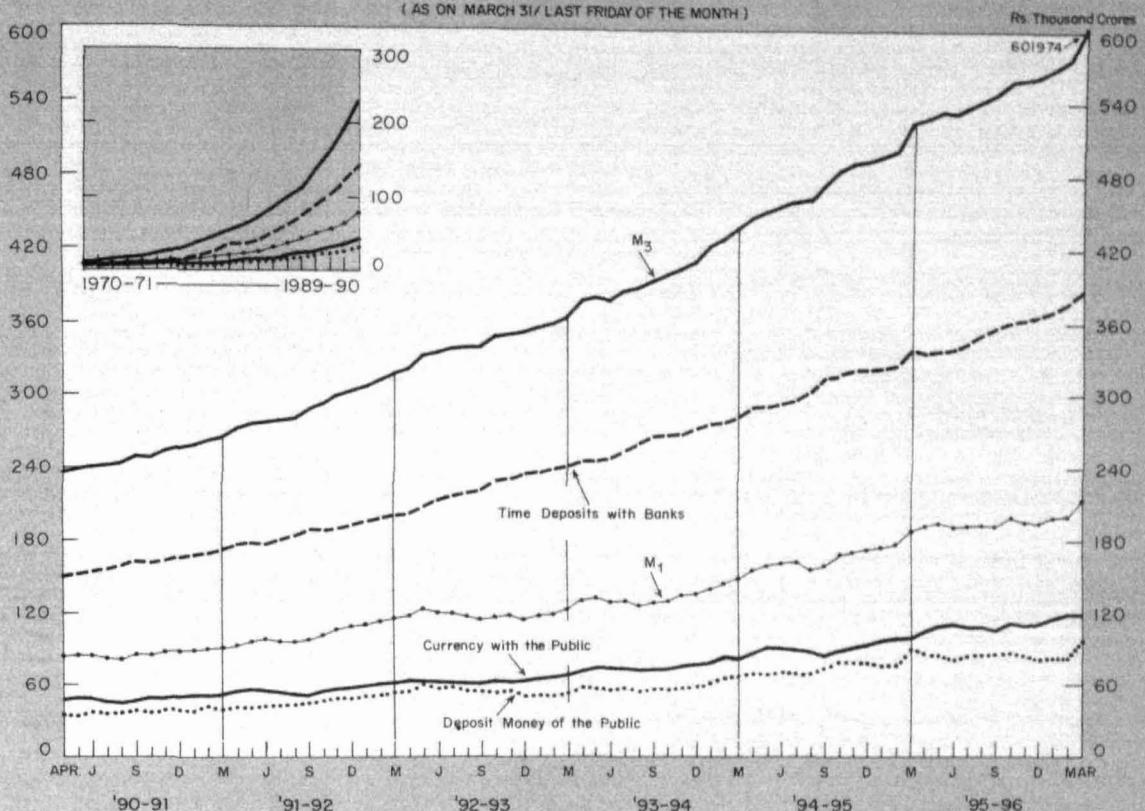
(l) Banks must ensure that sanction of higher quantum of term finance for such projects, which have a comparatively longer gestation period, does not lead to any asset-liability maturity mismatch.

EXCHANGE CONTROL DECEMBER 1995

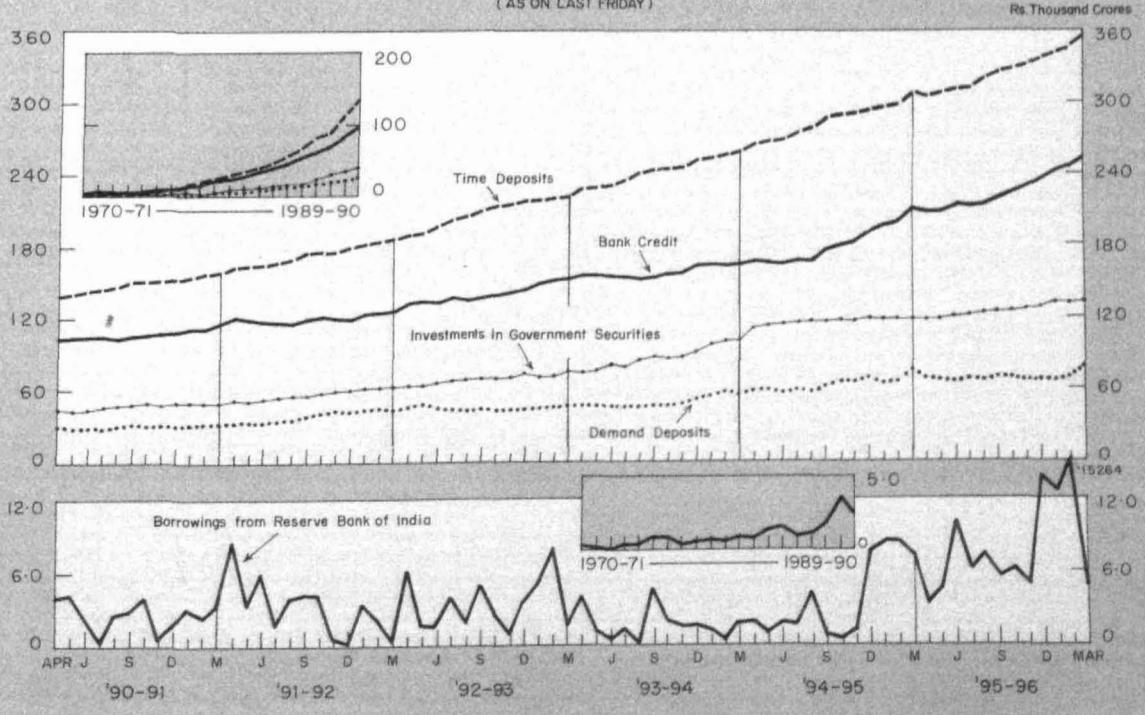
Asian Clearing Union (ACU) transactions

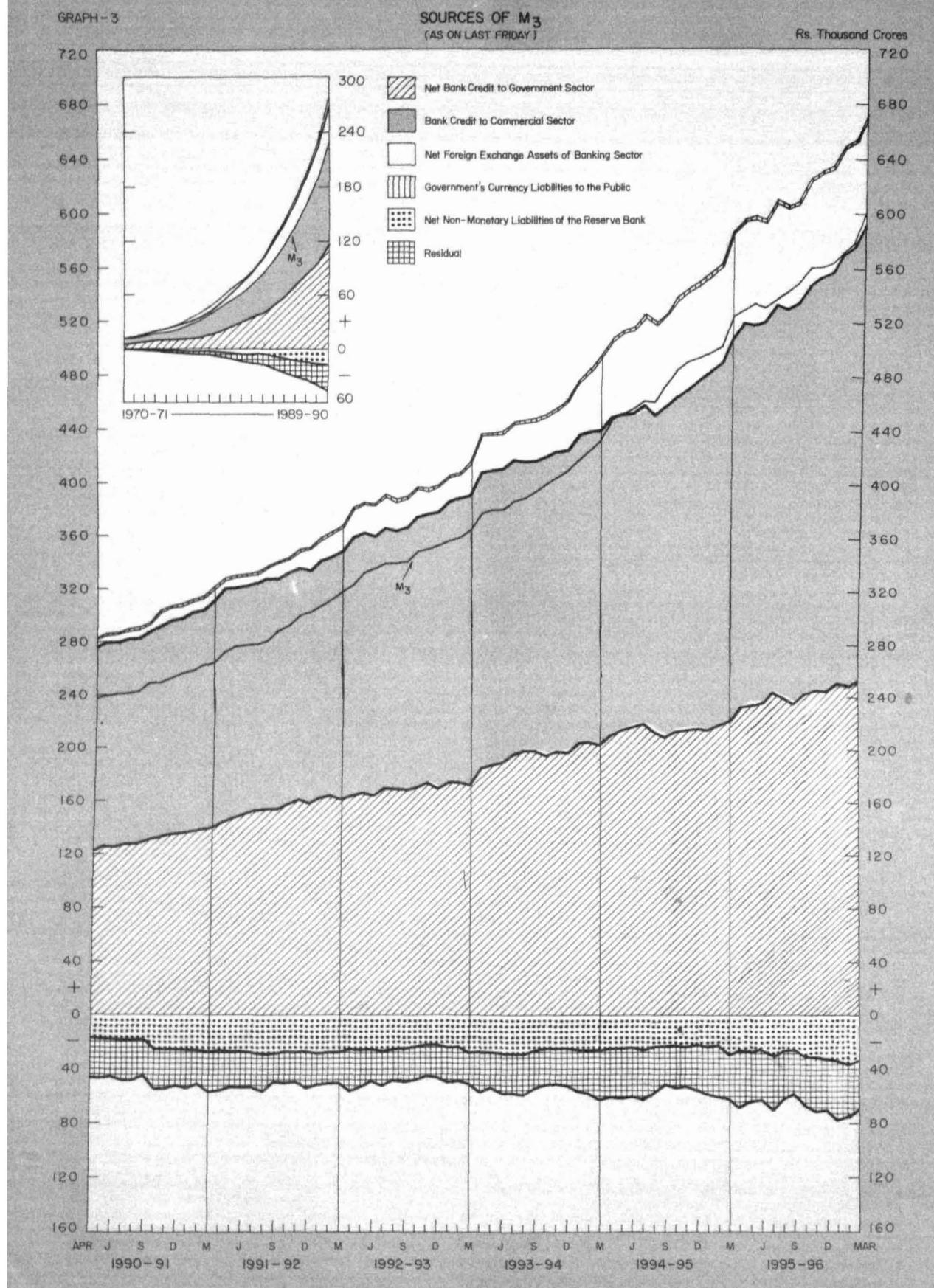
Authorised dealers have been advised to allow remittances outside ACU mechanism, i.e. in permitted currency, in respect of import of sugar, pulses and fertilisers from any ACU country by both Government and private agencies in India upto 31st December 1995.

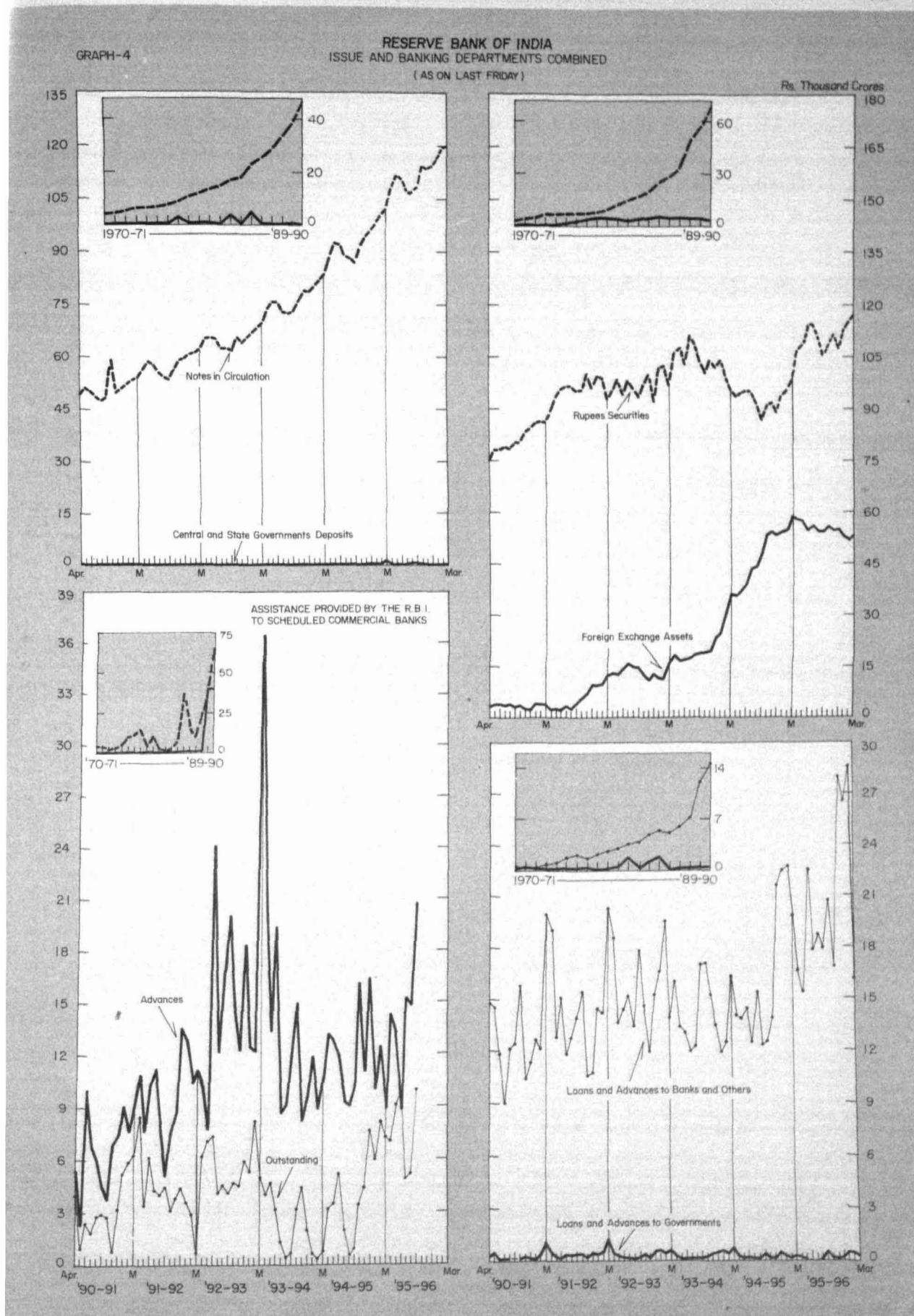
GRAPH-1

MONEY STOCK MEASURES
(AS ON MARCH 31/ LAST FRIDAY OF THE MONTH)

GRAPH-2

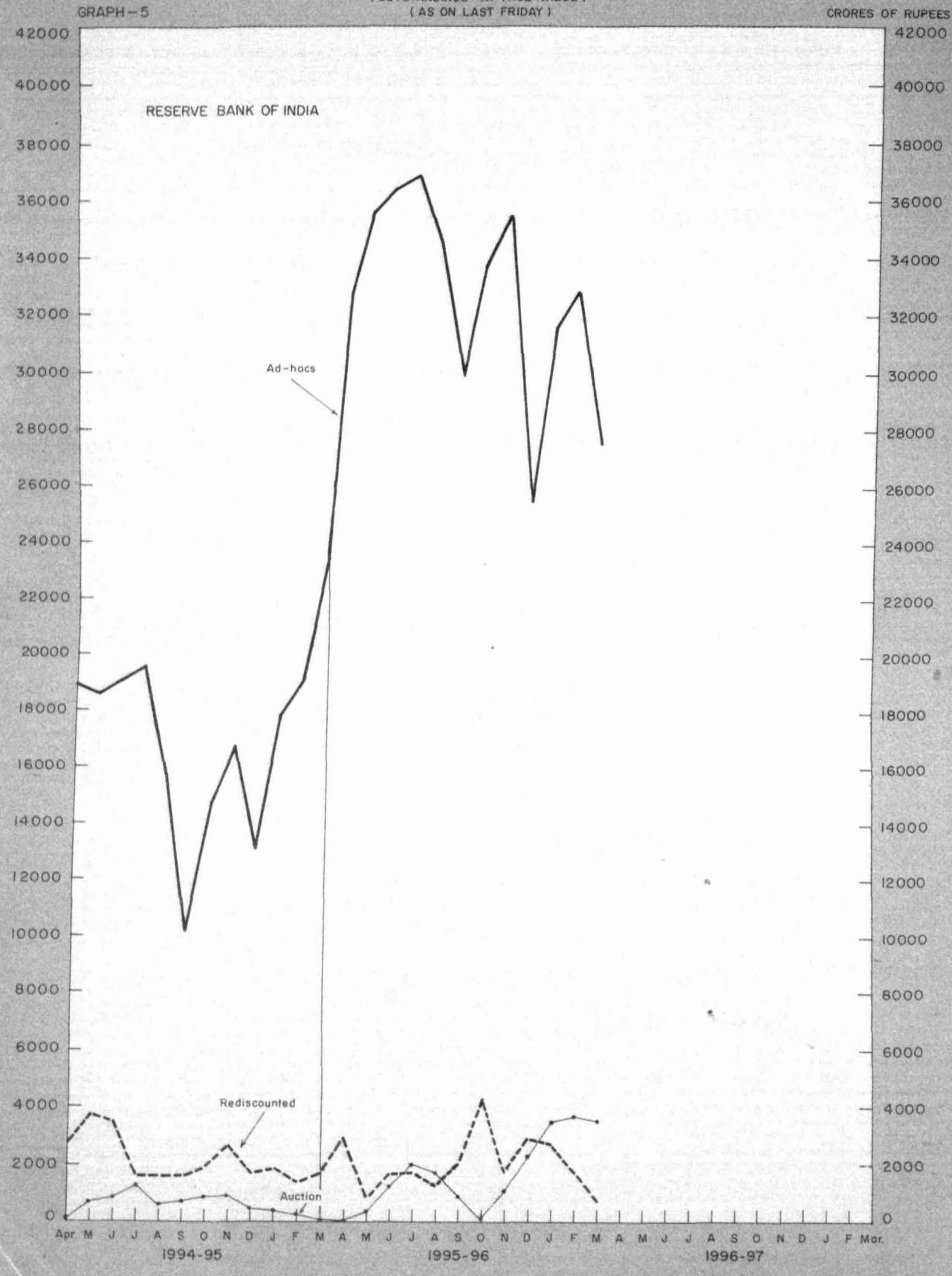
SCHEDULED COMMERCIAL BANKS
BUSINESS IN INDIA
(AS ON LAST FRIDAY)





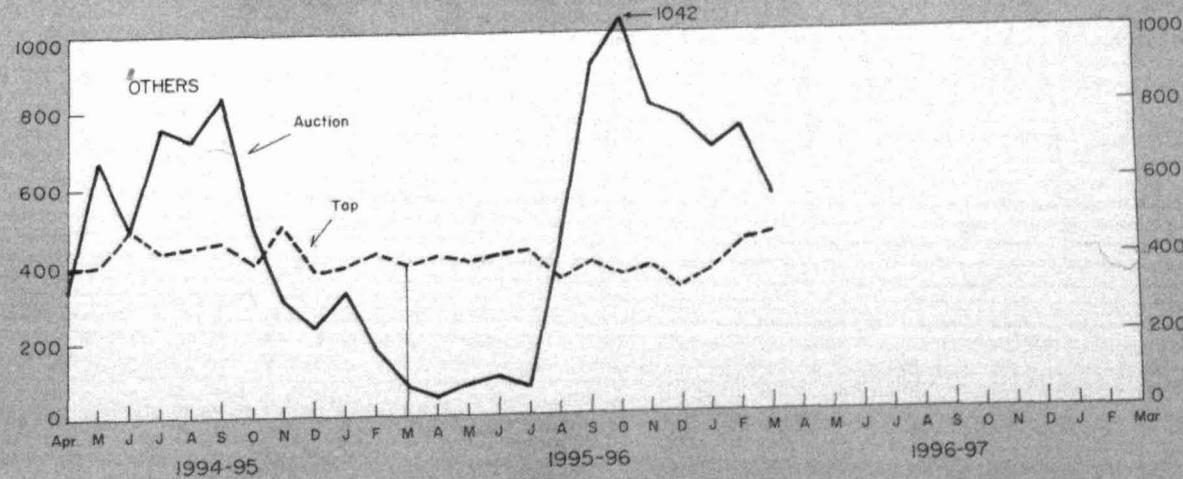
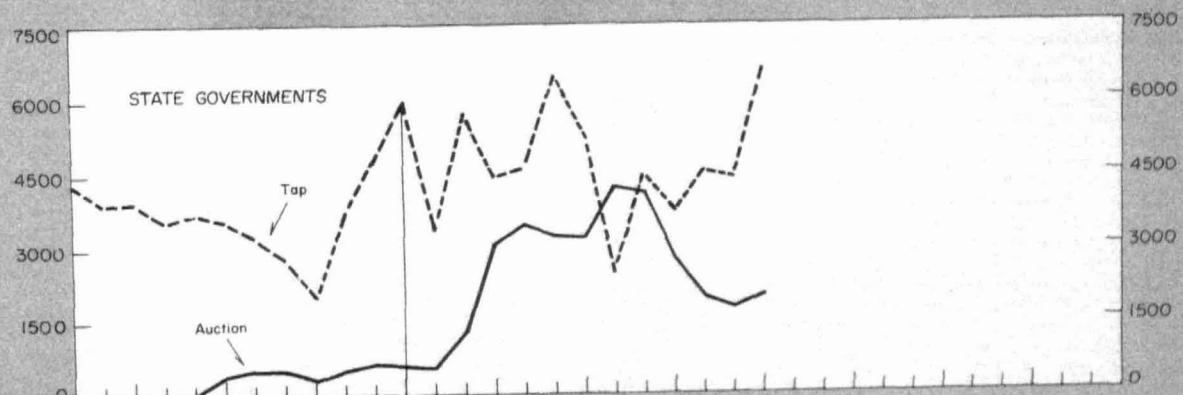
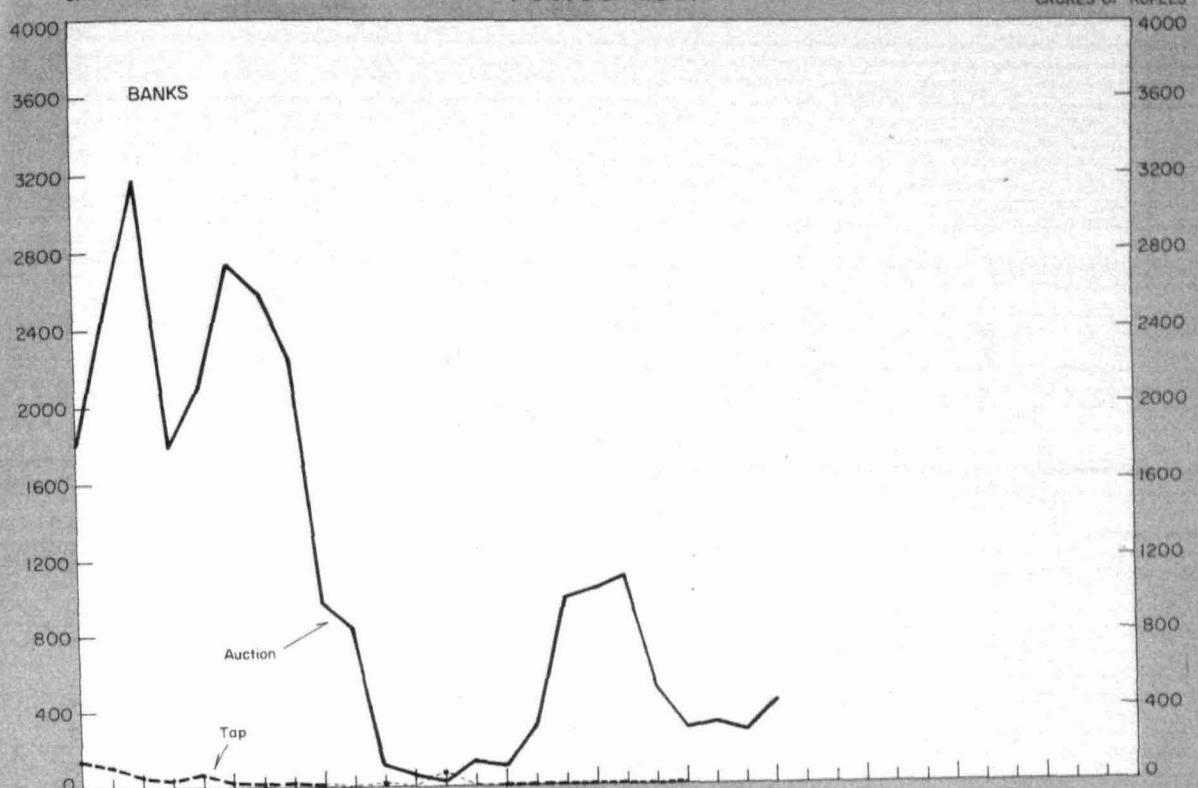
GOVERNMENT OF INDIA 91-DAY TREASURY BILLS
 (OUTSTANDINGS - AT FACE VALUE)
 (AS ON LAST FRIDAY)

GRAPH - 5



GOVERNMENT OF INDIA 91-DAY TREASURY BILLS
(OUTSTANDINGS - AT FACE VALUE)
(AS ON LAST FRIDAY)

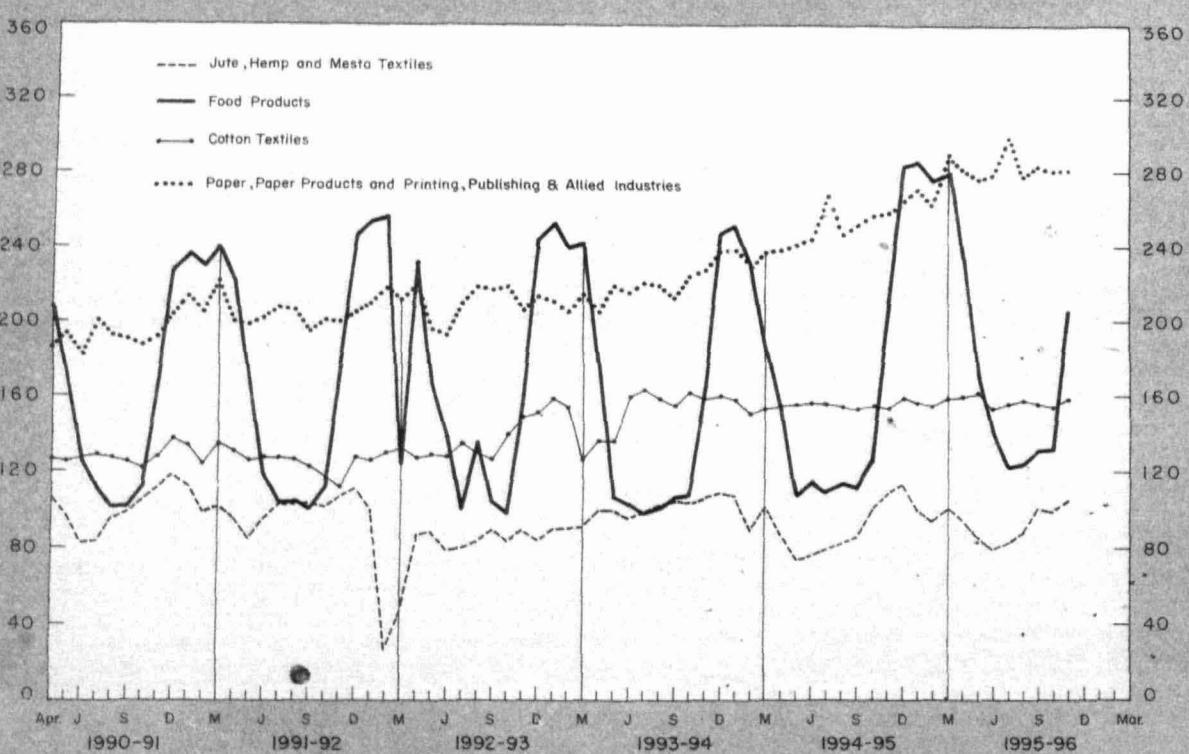
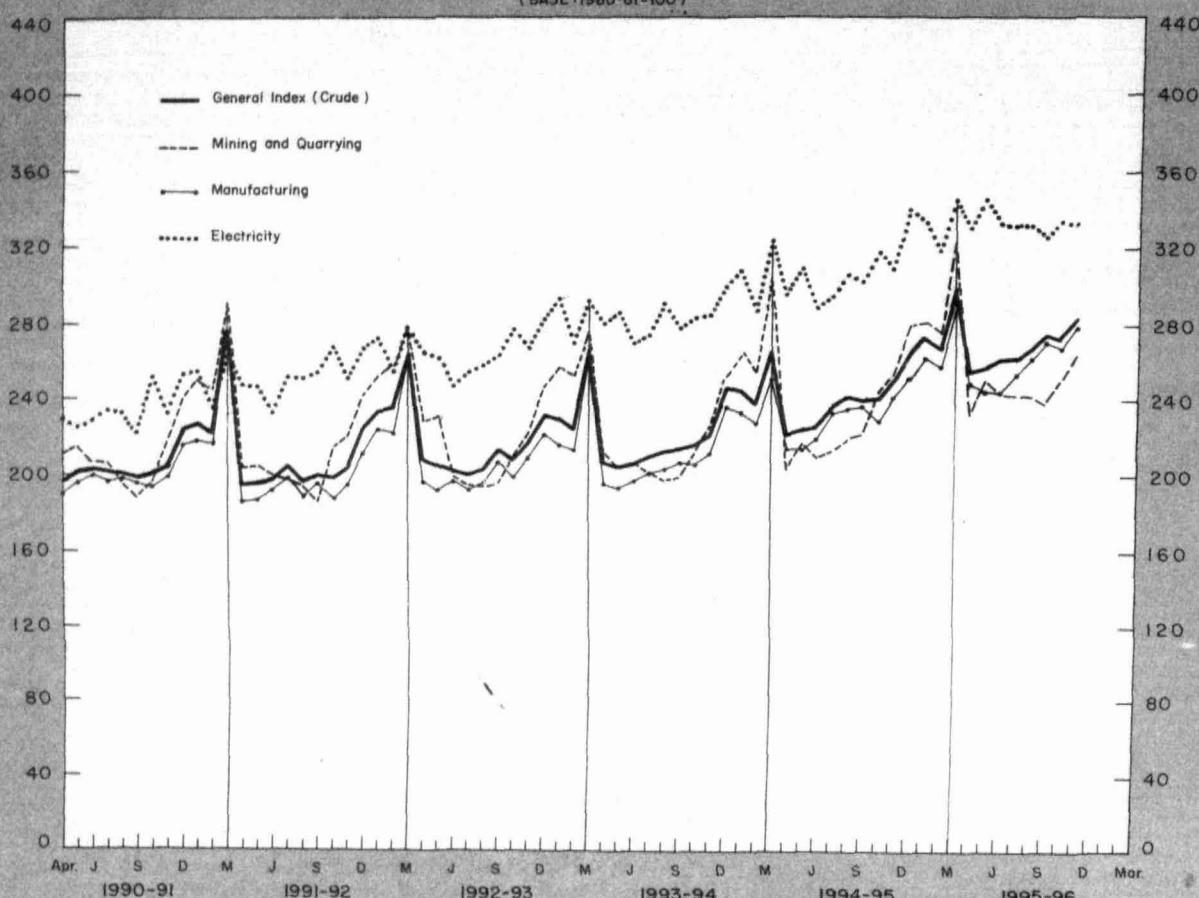
GRAPH-6



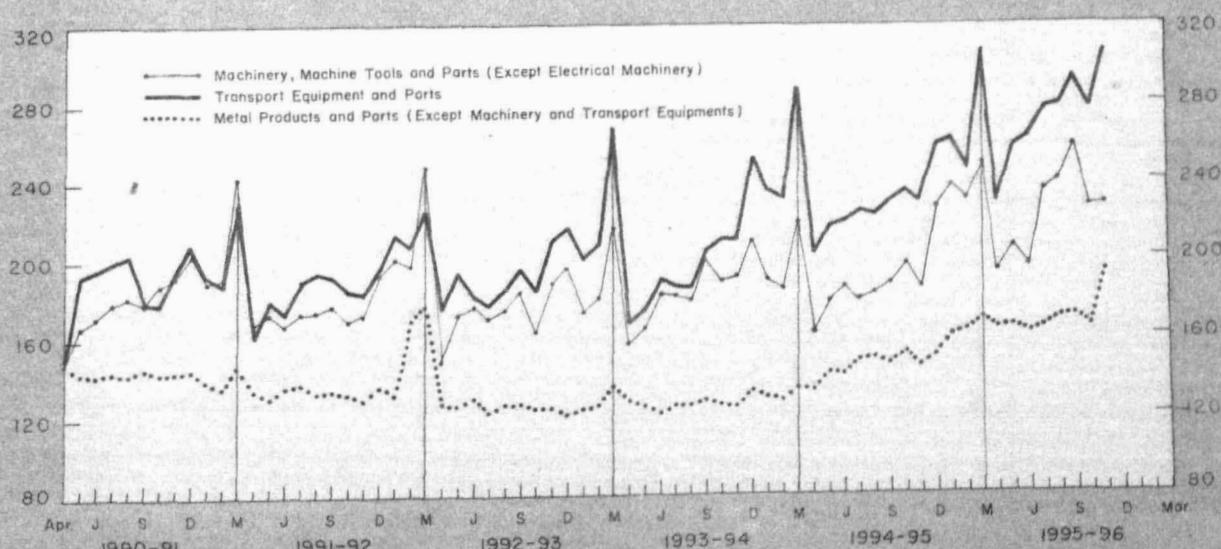
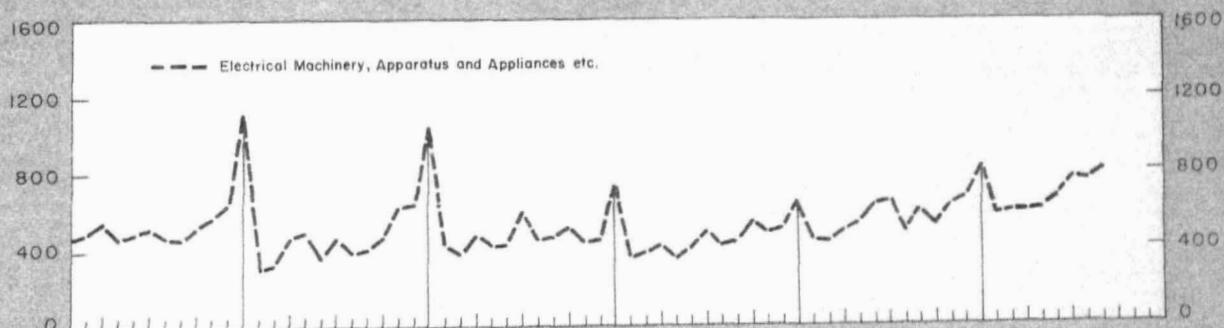
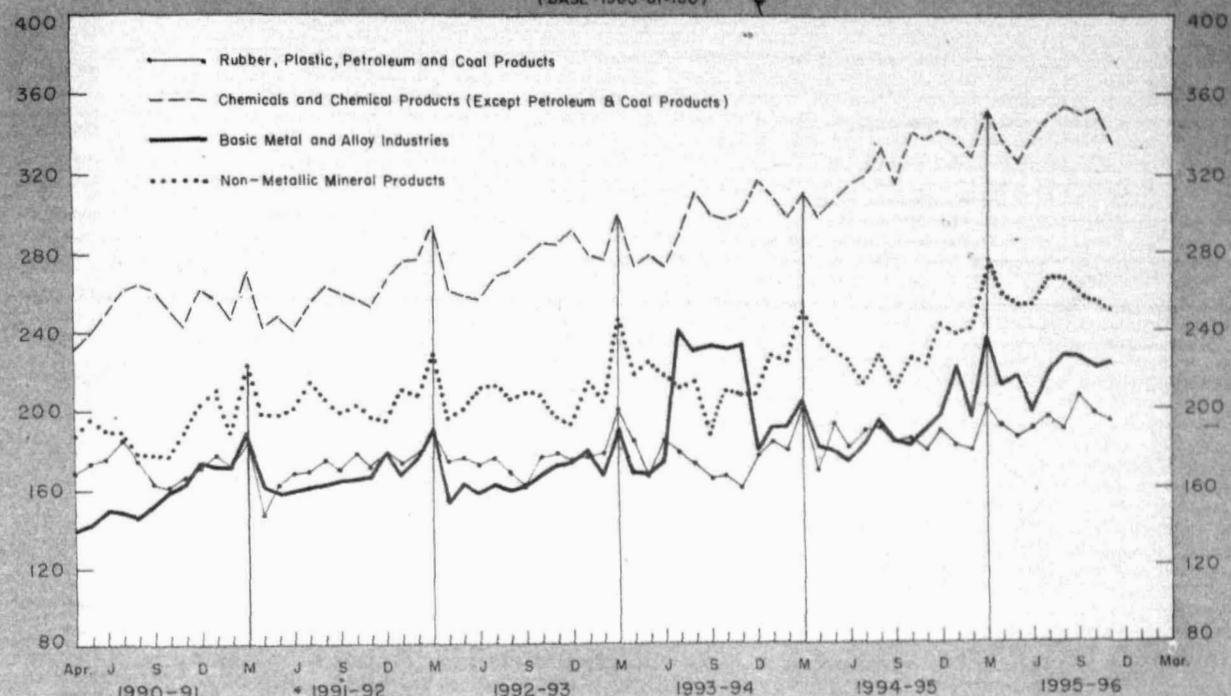
GRAPH-7A

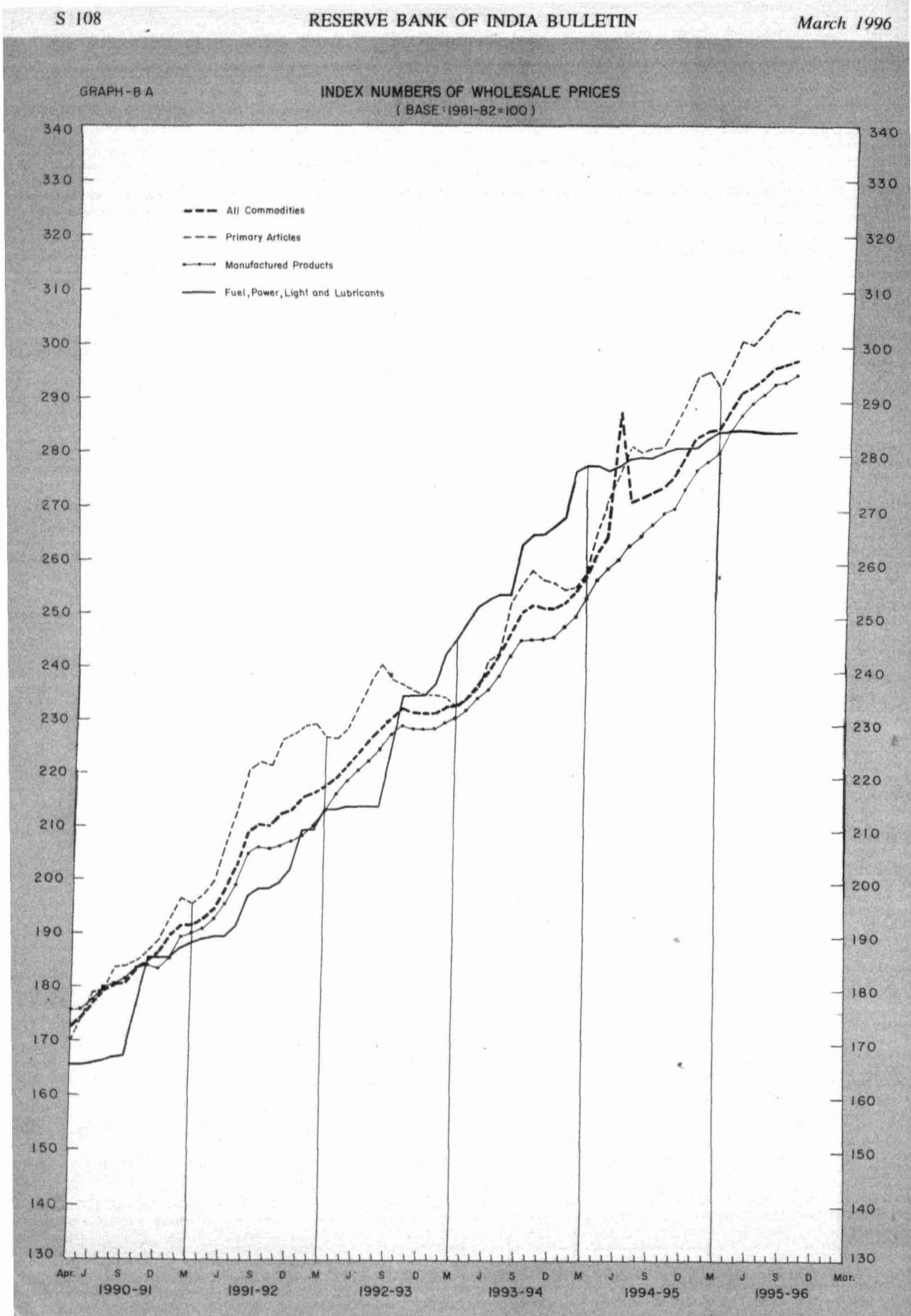
GROUP-WISE INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(BASE: 1980-81=100)



GRAPH - 7 B

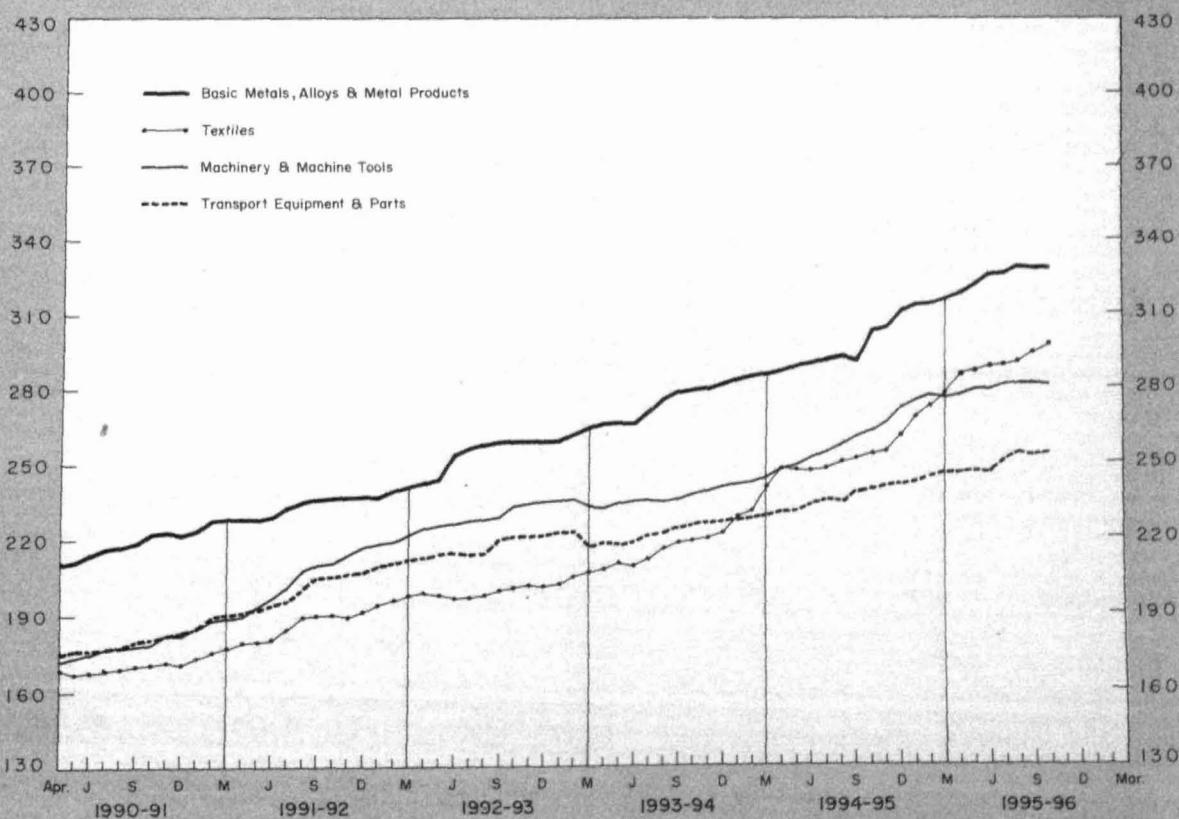
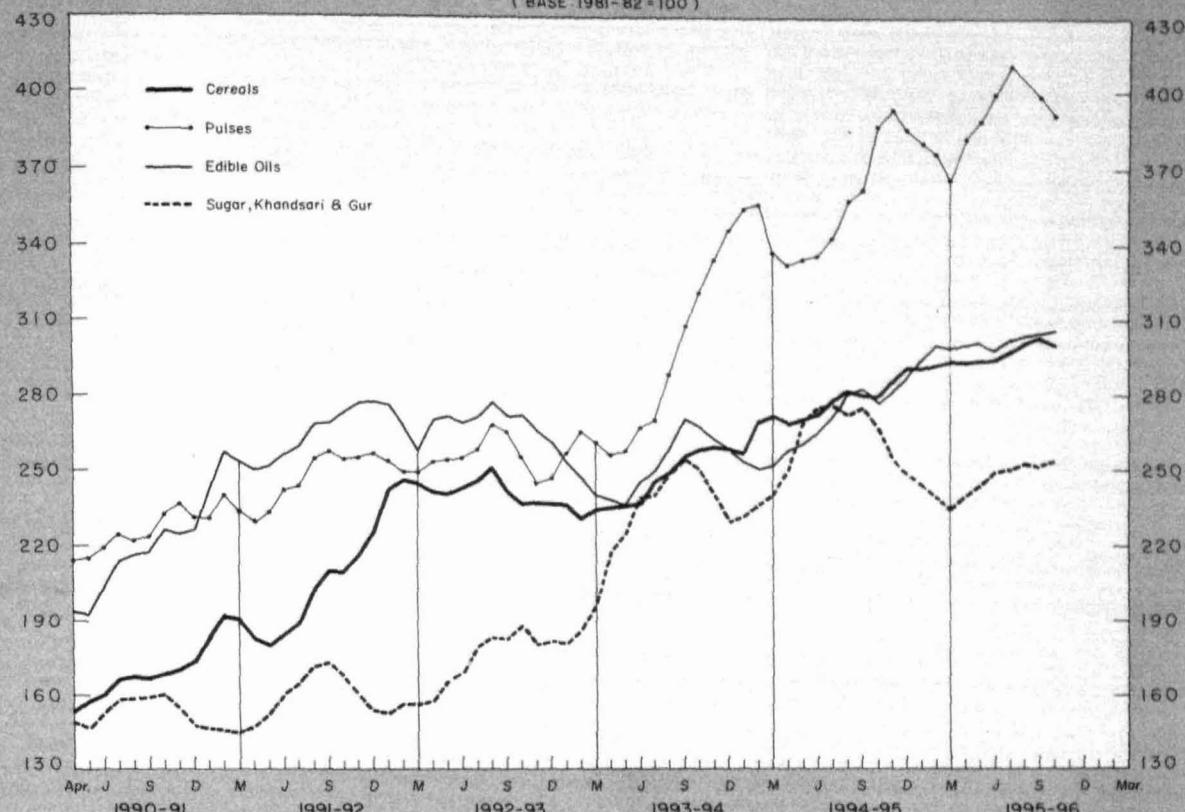
GROUP-WISE INDEX NUMBERS OF INDUSTRIAL PRODUCTION
(BASE: 1980-81=100)

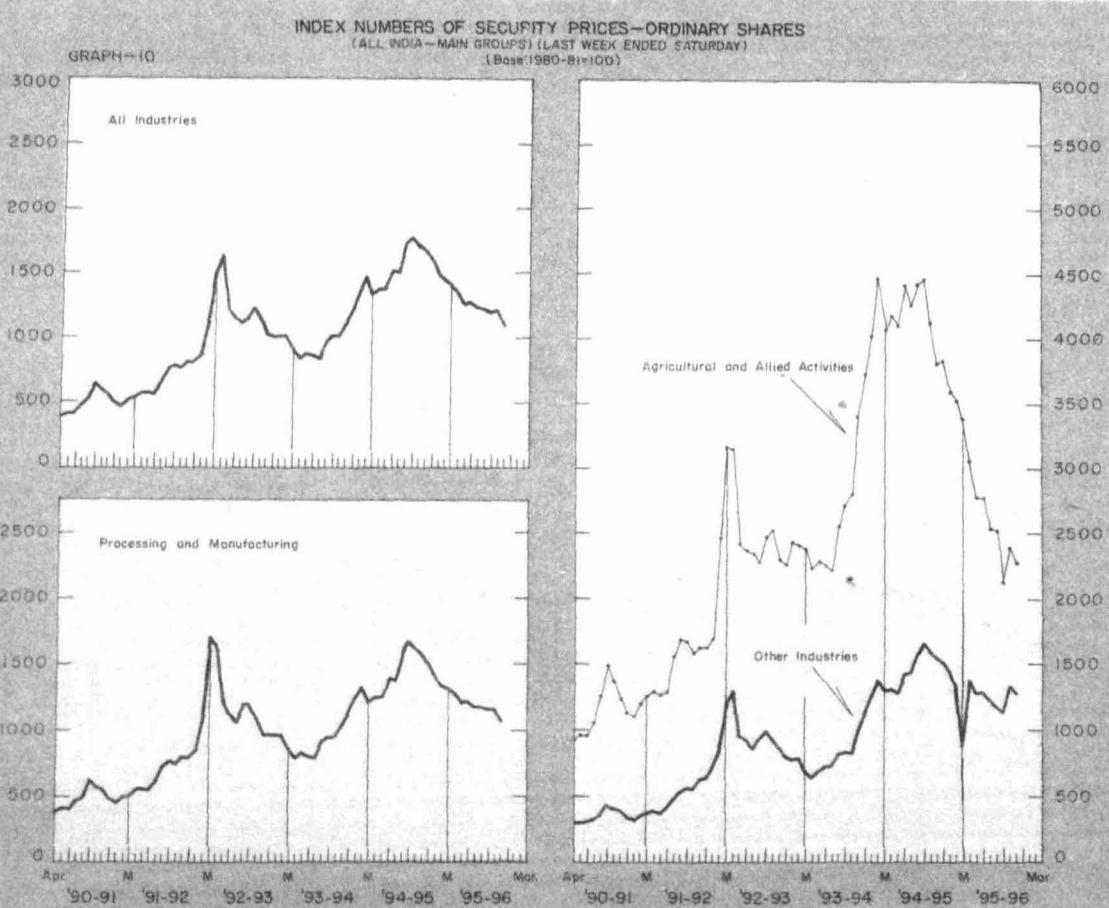
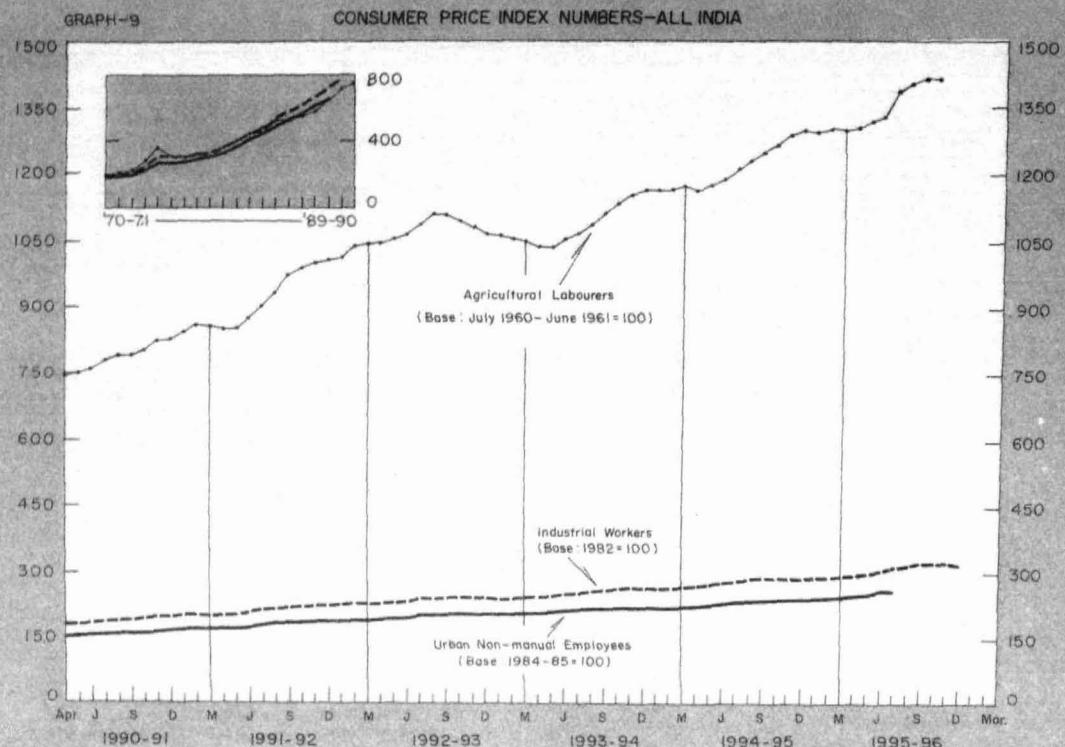


GRAPH-8B

INDEX NUMBERS OF WHOLESALE PRICES

(BASE 1981-82 = 100)

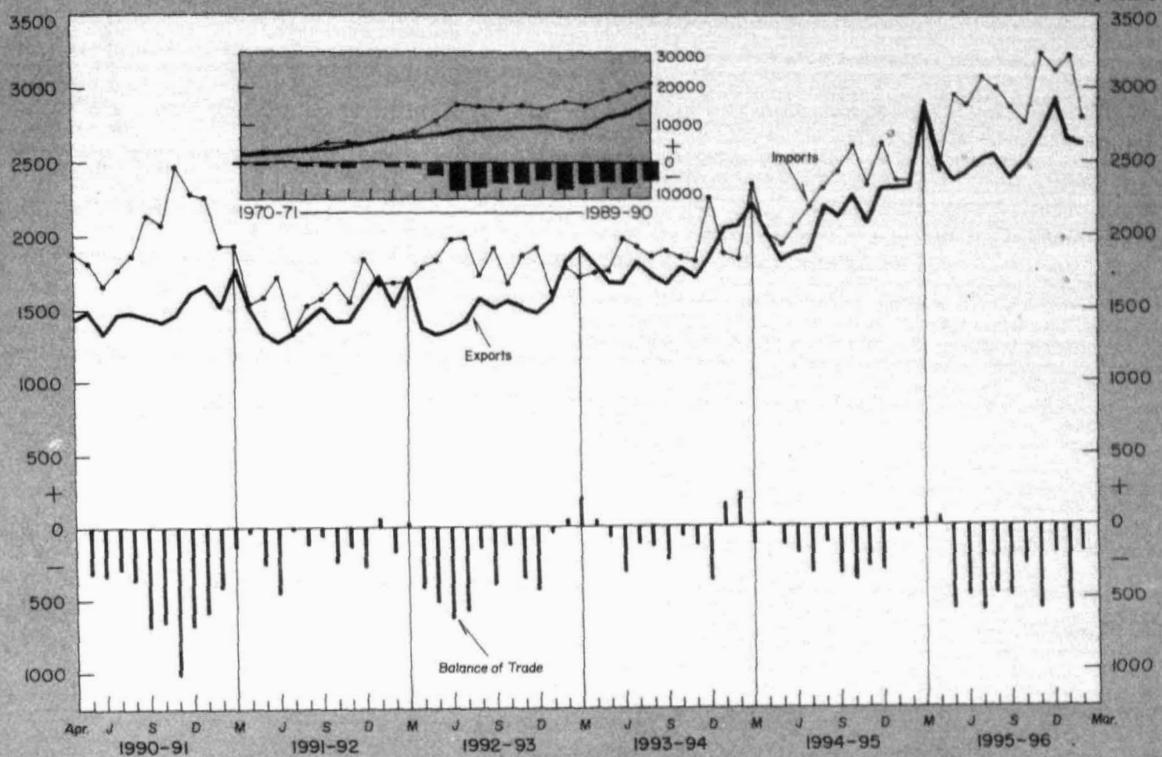




GRAPH - 11

INDIA'S FOREIGN TRADE

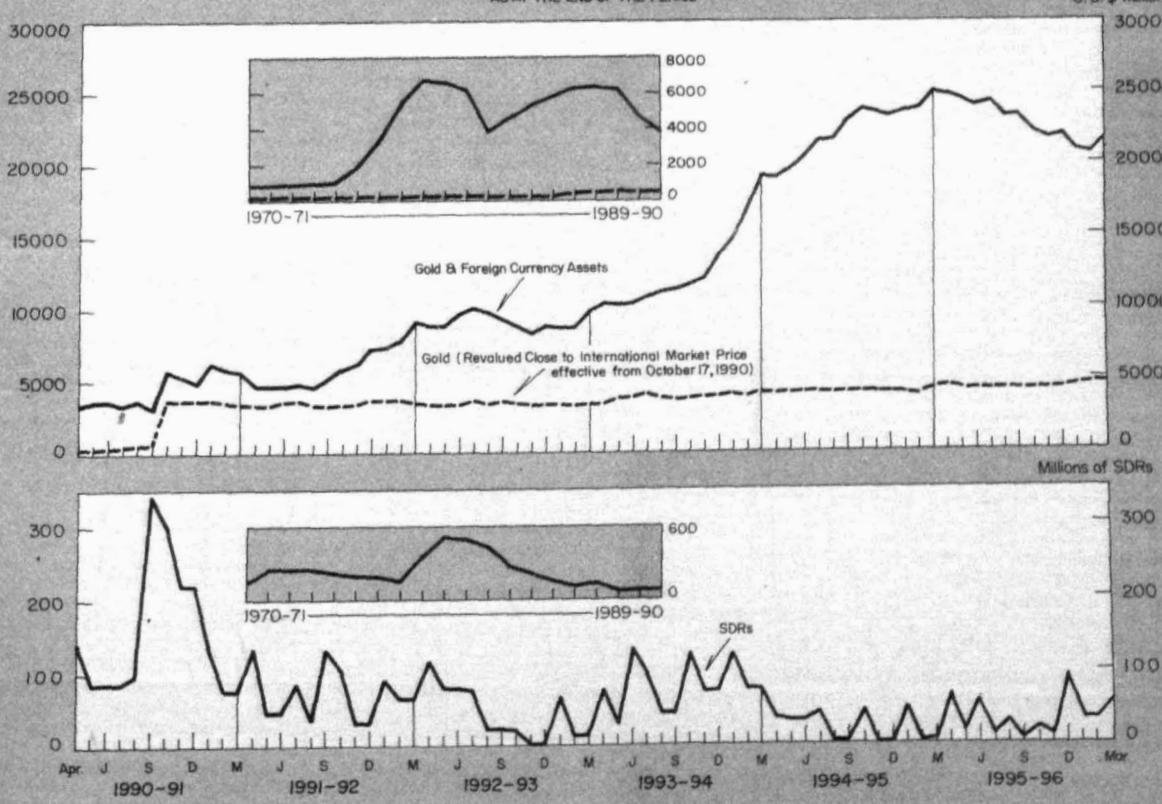
U.S. \$ Millions

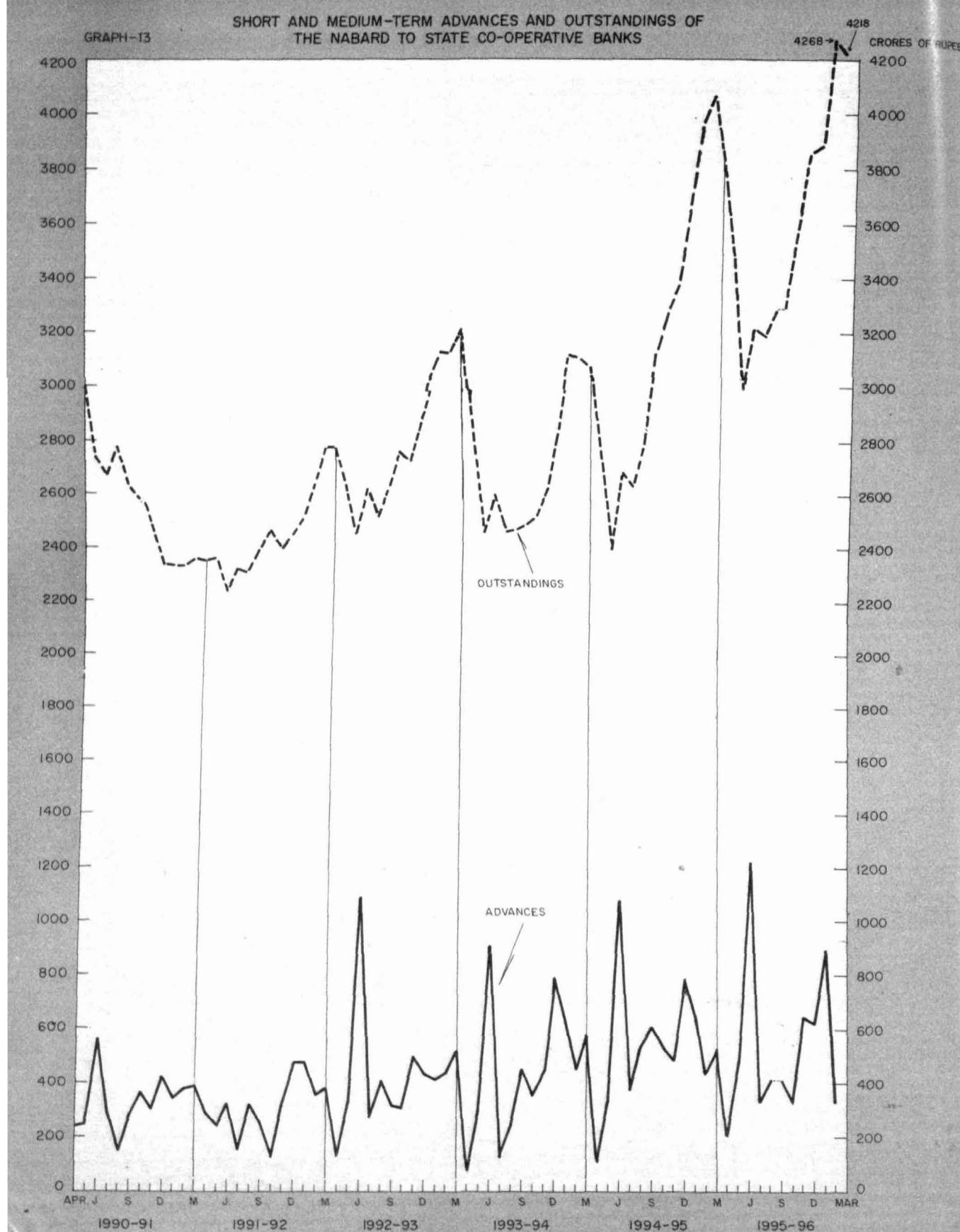


GRAPH-12

**FOREIGN EXCHANGE RESERVES
AS AT THE END OF THE PERIOD**

U.S. \$ Millions





CURRENT STATISTICS

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Notes :

- (1) Scope of the Bulletin will be expanded from time to time to include new statistical information as it becomes available. Many of the series appearing in the Bulletin are given in greater detail in other official publications.
- (2) Some of the figures included in the tables are regarded as provisional only and may be revised in later issues. Each issue contains all the revisions made in the figures upto the date of publication of the Bulletin.
- (3) The following symbols have been used throughout the Bulletin :
 - .. = Figure is not available
 - = Figure is nil or negligible
- (4) Where Necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be, in some tables a slight discrepancy between the sum of the constituent items and the total.
- (5) A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different basis and are not strictly comparable. In each case, a footnote is added indicating the nature of the difference.
- (6) For definitions of important items, sources of data, coverage, scope, method of compilation, etc. a reference may be made to the Explanatory Notes, issued as a supplement to the October 1978 issue of the Bulletin.
- (7) Consequent on the establishment of NABARD, data on loans and advances to (i) banks and others and (ii) Government presented in Graph No. 4, from July 16, 1982 are not comparable with those for the earlier periods.
- (8) 1 Lakh = 1,00,000 1 Million = 10 lakhs 1 Crore = 10 Millions

NO.1 : SELECTED ECONOMIC INDICATORS

Item	Unit/Base	Two	A	1995			1996		
		years	year	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
		back*	back*	5	6	7	8	9	10
1	2	3	4	5	6	7	8	9	10
Currency and Banking									
Reserve Bank of India									
1. Notes in circulation	Rs. in crores	83,825	1,02,302	1,14,564	1,13,404	1,14,355	1,16,722	1,19,487	1,20,073
2. Rupee Securities @	"	95,136	98,091	1,08,642	1,11,574	1,07,104	1,12,780	1,15,430	1,17,169
3. Loans and discount	"	17,151	20,170	21,043	16,945	28,161	27,025	28,983	16,496
(a) Scheduled commercial banks #	"	4,070	7,415	6,245	5,052	13,837	12,641	15,264	4,847
(b) State co-operative banks #	"	5	5	11	4	25	32	38	1
(c) Bills purchased and discounted (internal)	"	—	—	—	—	—	—	—	—
4. Foreign exchange reserves									
(a) Foreign currency assets	In millions of u.s.\$	15,068	20,809	17,753	17,335	17,467	16,310	15,943	17,044
(b) Gold	"	4,078	4,370	4,408	4,429	4,457	4,587	4,659	4,561
(c) SDRs	"	108	7	39	18	139	48	50	82
Scheduled Commercial Banks									
5. Aggregate deposits	Rs. in crores	3,15,132	3,86,859	3,97,947	3,99,650	4,05,241	4,08,266	4,14,984	4,32,345
6. Bank credit	"	1,64,418	2,11,560	2,25,615	2,29,014	2,34,125	2,40,859	2,45,123	2,52,100
7. Investments in Govt. securities	"	1,01,201	1,17,685	1,25,964	1,27,478	1,29,113	1,31,218	1,31,065	1,31,876
8. Cheque clearances \$	"	1,75,742	3,16,794	2,63,506	3,07,177	96,176 ⁽¹⁾
9. Moneystock measures									
(a) M ₁	"	1,50,300	1,92,257	1,99,274	1,97,589	1,97,131	1,99,906	2,01,184	2,14,659
(b) M ₃	"	4,33,566	5,31,426	5,59,360	5,61,249	5,64,778	5,71,481	5,78,348	6,01,974
Interest Rates									
10. Inter-bank call money rate	per cent								
(Mumbai)	per annum	5.20	13.27	20.70	34.83	16.77	11.65	17.05	28.75
11. Yield on Zero Coupon Bond 1999	"	..	13.53	14.06	14.36	14.32	14.50	14.55	14.74
12. Yield on 11.50% Loan 2008	"	..	12.41	12.92	12.93	12.93	12.94	12.94	13.08
Public Finance									
13. Govt. of India 91-Day treasury bills (Total outstandings)	Rs. in crores	26,747	32,331	47,379	46,465	38,475	45,746	45,937	41,941
(a) of Which, ad-hoc (outstandings)	"	21,730	23,480	33,720	35,470	25,470	31,545	32,855	27,595
Industrial Production									
14. General index	1980-81=100	266.2	252.0	272.0	282.8	..	..	..	..
Price Indices									
15. Wholesale prices	1981-82=100								
(a) All commodities	"	252.2	274.7	297.4	.. *	..	..	..	..
(b) Primary articles	"	258.9	281.5	306.3	..	..	..	..	..
(c) Fuel, power, light and lubricants	"	265.8	280.8	284.3	..	..	..	..	..
(d) Manufactured products	"	245.8	269.7	294.8	..	..	..	..	..
(e) Foodgrains	"	267.5	294.6	313.2	..	..	..	..	..

NO.1 : SELECTED ECONOMIC INDICATORS

Item	Unit/Base	Two years back*		A year back*		1995			1996		
		Oct.	Nov.	Dec.	Jan.	Feb.	March				
		1	2	3	4	5	6	7	8	9	10
(f) Edible oils	1981-82=100	268.1	277.9	306.1	..	..	..	..	..	..	..
(g) Sugar, khandsari & gur	"	250.2	265.9	253.5	..	..	..	..	..	..	..
(h) Cotton raw	"	217.6	355.1	381.0	..	..	..	..	..	..	..
16. Consumer prices (All-India)											
(a) Industrial Works	1982=100	264	289	319	321	317	..	..	..	..	..
(b) Urban Non-Manual Employees	1984-85=100	..	..	..	..	..	..	..	..	..	..
(c) Agricultural Labourers	July 1960 —										
	June 1961=100	1,134	1,265	1,411	..	..	..	..	..	..	..
17. Security prices (ordinary shares)	1980-81=100	1,048.2	1,653.9	1,224.5	1,145.9	..	..	..	..	..	..
Trade											
18. Value of imports	In millions of US\$	1,847	2,581	2,803	3,244	3,121	3,235	2,799	..	..	..
19. Value of exports	"	2,079	2,355	2,508	2,669	2,931	2,643	2,622	..	..	..
20. Balance of trade	"	+232	-226	-295	-575	-190	-592	-177	..	..	..
21. Number of wagons loaded											
(a) Broad gauge	(000's)	1,335	1,399	1,324	1,383	1,476	..	..	..	..	..
(b) Meter gauge	"	110	106	78	84	87	..	..	..	..	..
Employment Exchange Statistics											
22. Number of registrations	(000's)	..	..	..	..	..	..	..	..	..	..
23. Number of applicants											
(a) Placed in employment	"	..	..	..	..	..	..	..	..	..	..
(b) On live register	"	..	..	..	..	..	..	..	..	..	..

Note : Figures for all the items relate to the month except those of items 4 and 23 (b) which relate to end of period and those of items 1 to 3, 5 to 7 and 13 which relate to last Friday and those of item 9 relate to the last reporting Friday of the month unless otherwise indicated.

* Figures in this column relate to that month in the previous year/s corresponding to the latest months for which data are presented.

@ Include rupee securities held in Issue and Banking Departments.

Relate to loans and advances only.

\$ Total for Mumbai, Calcutta, Madras and New Delhi only.

(1) Excluding Mumbai.

NO. 2 : RESERVE BANK *

Last Friday/ Friday	1995							
	1990-91	1993-94	1994-95	1995-96	January	February	March	
1	2	3	4	5	6	7	8	
Issue Department								
Liabilities								
Notes in circulation	53,784	83,825	1,02,302	1,02,302	97,950	1,00,370	1,02,302	
Notes held in Banking Department	23	7	40	40	28	17	40	
Total liabilities (total notes issued) or assets	53,807	83,832	1,02,342	1,02,342	97,978	1,00,386	1,02,342	
Assets								
Gold coin and bullion	6,654	10,108	11,477	11,477	10,405	10,371	11,477	
Foreign securities	200	200	10,200	10,200	10,200	10,200	10,200	
Rupee coin ¹	29	27	116	116	60	40	116	
Government of India rupee securities	46,924	73,496	80,550	80,550	77,313	79,775	80,550	
Banking Department								
Liabilities								
Deposits	38,542	65,495	72,263	72,263	72,443	71,612	72,263	
Central Government	61	55	1,209	1,209	54	53	1,209	
State Governments	33	12	216	216	15	16	216	
Scheduled Commercial Banks	33,484	53,175	60,029	60,029	62,819	62,205	60,029	
Scheduled State Co-operative Banks	244	247	576	576	351	326	576	
Non-Scheduled State Co-operative Banks	13	14	12	12	15	10	12	
Other banks	88	413	600	600	432	465	600	
NABARD								
(I) National Rural Credit (Long- Term Operations) Fund	—	—	—	—	—	—	—	
(II) National Rural Credit (Stabilisation) Fund	—	—	—	—	—	—	—	
Others	4,619	11,579	9,621	9,621	8,757	8,537	9,621	
Other liabilities ² @	28,342	31,560	30,856	30,856	26,322	26,751	30,856	
Total liabilities or assets	66,884	97,054	1,03,118	1,03,118	98,766	98,362	1,03,118	

OF INDIA

(Rs. in crores)

1996						
January	February	March 1	March 8	March 15	March 22	March 29
9	10	11	12	13	14	15
1,16,722	1,19,487	1,19,189	1,22,578	1,22,361	1,21,139	1,20,073
17	22	18	14	17	17	35
1,16,739	1,19,509	1,19,208	1,22,592	1,22,378	1,21,157	1,20,107
13,077	13,790	13,751	13,751	13,751	13,751	13,751
10,200	10,200	10,200	10,200	10,200	10,200	10,200
71	45	38	132	126	120	115
93,391	95,475	95,219	98,509	98,301	97,085	96,041
65,759	65,669	61,591	65,686	61,853	68,898	58,307
53	54	51	51	54	66	54
13	14	14	9	12	15	18
61,279	61,407	53,579	61,147	53,222	64,055	50,667
353	344	598	350	1,172	365	705
12	5	12	6	19	8	25
504	468	630	462	697	476	600
—	—	—	—	—	—	—
—	—	—	—	—	—	—
3,545	3,377	6,707	3,661	6,677	3,913	6,238
37,841	40,593	38,581	38,642	38,798	38,895	39,176
1,03,600	1,06,263	1,00,170	1,04,327	1,00,651	1,07,794	97,481

No. 2 : RESERVE BANK

Last Friday/ Friday	1990-91	1993-94	1994-95	1995-96	1995		
					January	February	March
1	2	3	4	5	6	7	8
Assets							
Notes and coins	23	7	41	41	28	17	41
Balances held abroad ³	4,008	35,817	49,345	49,345	43,845	44,569	49,345
Loans and Advances							
Central Government	—	—	—	—	—	—	—
State Government ⁴ @	916	766	275	275	306	164	275
Scheduled Commercial Banks	8,169	4,070	7,415	7,415	8,688	8,609	7,415
State Co-operative Banks @	38	5	5	5	—	3	5
Industrial Development Bank of India	3,705	3,244	3,033	3,033	3,033	3,033	3,033
ARDC / NABARD ⁵	3,328	3,783	4,787	4,787	4,671	4,871	4,787
EXIM BANK	745	877	877	877	877	877	877
Others	1,615	1,799	2,099	2,099	3,427	3,950	2,099
Bills Purchased and Discounted							
Internal	—	—	—	—	—	—	—
Government Treasury Bills	1,384	2,607	1,679	1,679	1,814	1,386	1,679
Investments @	40,286	34,245	26,014	26,014	25,424	23,856	26,014
Other Assets ⁶	2,666	9,834	7,549	7,549	6,652	7,027	7,549
		(2,268)	(2,275)	(2,275)	(2,261)	(2,253)	(2,275)

Note : The gold reserves of Issue Department are valued at Rs. 84.39 per 10 grams upto October 16, 1990, and from October 17, 1990 they are revalued close to international market prices.

② With establishment of NABARD, data from the week ended July 16, 1982 are not comparable with those of the earlier periods.

1. Including Government of India one rupee notes issued from July 1940.

2. Including (i) Paid-up Capital of Rs. 5 crores, (ii) Reserve Fund of Rs. 6,500 crores, (iii) National Industrial Credit (Long-Term Operations) Fund Rs. 5,678 crores (iv) National Housing Credit (Long Term operations) Fund Rs. 178 crores from the week ended June 30, 1995. For details about earlier periods, reference may be made to the foot-note given on page S 434 of May 1995 issue of this Bulletin.

OF INDIA

							(Rs. in crores)
1996							
January	February	March 1	March 8	March 15	March 22	March 29	
9	10	11	12	13	14	15	
18	22	19	14	17	18	35	
42,516	41,769	39,521	40,335	42,747	42,948	43,623	
—	—	—	—	—	—	—	
502	435	332	1,273	987	640	305	
12,641	15,264	12,034	15,887	9,909	16,364	4,847	
32	38	27	44	15	35	1	
2,809	2,809	2,809	2,809	2,809	2,809	2,809	
5,099	5,220	4,356	5,016	4,361	5,025	4,629	
877	877	877	877	877	877	877	
2,293	2,621	2,228	2,633	2,275	2,635	2,256	
—	—	—	—	—	—	—	
2,772	1,719	486	1,529	854	854	772	
27,286	28,047	29,942	26,271	27,972	27,643	29,173	
6,756 (2,580)	7,441 (2,720)	7,540 (2,713)	7,639 (2,713)	7,828 (2,713)	7,945 (2,713)	8,153 (2,713)	

3. Includes cash, short-term securities and fixed deposits.
4. Including temporary overdrafts to State Governments.
5. Data upto July 9, 1982 relate to ARDC.
6. The figures in bracket indicate the value of Gold held under Other Assets.

No. 3 – ALL SCHEDULED BANKS –

Last Friday	1990-91++	1994-95 £	1995-96 \$	1995			
				2	3	4	5
Number of reporting banks	299	309	310				309
Liabilities to the Banking System¹	6,673	15,388	17,651				15,388
Demand and time deposits from banks ²	5,598	11,848	13,419				11,848
Borrowings from banks ³	998	1,401	3,807				1,401
Other demand and time liabilities ⁴	77	2,139	425				2,139
Liabilities to Others¹	2,13,125	4,29,281	4,79,131				4,29,281
Aggregate deposits	1,99,643	4,02,553	4,49,151				4,02,553
Demand	34,823	79,449	82,154				79,449
Time	1,64,820	3,23,103	3,66,997				3,23,103
Borrowings ⁵	645	287	685				287
Other demand and time liabilities ⁴	12,838	26,442	29,296				26,442
Borrowings from Reserve Bank⁶	3,483	7,460	4,892				7,460
Against usance bills and/or promissory notes	—	—	—				—
Others ⁷	3,483	7,460	4,892				7,460
Cash in hand and Balances with Reserve Bank	25,995	64,123	54,846				64,123
Cash in hand	1,847	3,065	3,029				3,065
Balances with Reserve Bank ⁸	24,147	61,058	51,817				61,058
Assets with the Banking System	6,848	16,551	17,842				16,551
Balances with other banks							
In current account	1,926	3,737	2,988				3,737
In other accounts	1,421	4,576	5,388				4,576
Money at call and short notice	2,201	4,563	6,261				4,563
Advances to banks ⁹	902	1,801	1,464				1,801
Other assets	398	1,875	1,740				1,875

BUSINESS IN INDIA

							(Rs. in crores)
1995							1996
September+	October+	November+	December+	January+	February+	March+	
6	7	8	9	10	11	12	
310	310	310	310	310	310	310	310
15,024	14,676	14,504	18,298	18,729	21,848	17,651	
12,856	12,387	12,367	12,468	14,116	15,283	13,419	
1,907	2,035	1,886	5,388	4,359	6,297	3,807	
261	254	252	441	253	268	425	
4,38,962	4,38,810	4,42,976	4,51,392	4,55,921	4,63,629	4,79,131	
4,10,546	4,14,015	4,15,683	4,21,354	4,24,686	4,31,370	4,49,151	
72,531	72,485	70,711	71,120	69,680	72,436	82,154	
3,38,015	3,41,530	3,44,972	3,50,234	3,55,006	3,58,934	3,66,997	
622	551	514	3,194	4,450	5,252	685	
27,794	24,244	26,778	26,844	26,785	27,007	29,296	
5,582	6,268	5,056	13,914	12,729	15,363	4,892	
—	—	—	—	—	—	—	
5,582	6,268	5,056	13,914	12,729	15,363	4,892	
61,687	58,396	55,168	65,518	64,859	65,080	54,846	
2,856	3,006	2,913	2,864	2,847	2,809	3,029	
58,831	55,390	52,255	62,654	62,011	62,217	51,817	
16,158	15,876	15,418	18,437	17,900	19,761	17,842	
,							
2,738	2,665	2,692	2,607	2,430	2,461	2,988	
4,622	4,858	5,796	5,662	4,961	5,197	5,388	
5,856	4,847	3,642	6,861	7,386	8,384	6,261	
1,174	1,516	1,376	1,585	1,559	1,955	1,464	
1,767	1,990	1,912	1,723	1,565	1,765	1,740	

No.3 - ALL SCHEDULED BANKS -

Last Friday	1990-91 ++	1994-95 £	1995-96 \$	1995	
				March	5
1	2	3	4		
Investments	76,831	1,53,093	1,68,465	1,53,093	
Government securities ¹⁰	51,086	1,20,321	1,34,937	1,20,321	
Other approved securities	25,746	32,772	33,528	32,772	
Bank credit #	1,25,575	2,28,229	2,70,507	2,28,229	
Loans, cash-credits and overdrafts	1,14,982	2,03,084	2,40,880	2,03,084	
Inland bills-purchased	3,532	5,406	4,543	5,406	
discounted	2,409	6,216	9,358	6,216	
Foreign bills-purchased	2,788	8,217	9,091	8,217	
discounted	1,864	5,305	6,635	5,305	
Cash -Deposit Ratio	13.0	15.9	12.2	15.9	
Investment - Deposit Ratio	38.5	38.3	37.5	38.0	
Credit - Deposit Ratio	62.9	56.7	60.2	56.7	

Note : The expression "Banking System" or "Banks" means (a) The State Bank of India and its subsidiaries, (b) Nationalised Banks, (c) Banking companies as defined in the Banking Regulation Act, 1949, (d) Co-operative banks (as far as Scheduled Commercial Banks are concerned) and (e) any other financial institution notified by the Central Government in this behalf.

1. Excluding borrowings of any Scheduled State Co-operative bank from the State Government and any Reserve fund deposit required to be maintained with such bank by any co-operative society within the area of operation of such bank.
2. Deposits of Co-operative banks with Scheduled State Co-operative banks are excluded from this item but are included under 'Aggregate deposits' with effect from January 30, 1976.
3. Excluding borrowing from the State Bank of India and its subsidiaries up to January 23, 1976 and with effect from March 29, 1985, borrowing of regional rural banks from their sponsor banks.
4. Wherever it has not been possible to provide the data against the item "Other demand and time liabilities" under "Liabilities to the Banking System" separately, the same have been included in the item "Other demand and time liabilities" under "Liabilities of others".
5. Other than from the Reserve Bank of India, Industrial Development Bank of India, ARDC/NABARD and with effect from March 29, 1985, Export-Import bank of India and National Co-operative Development Corporation in the case of Scheduled State Co-operative Banks only.
6. As Available in the Reserve Bank records in the case of Scheduled Commercial banks and as reported by the banks in the case of Scheduled State Co-operative banks. With the establishment of NABARD on July 12, 1982, short term loans and advances granted to RRBs and State co-operative banks under Section 17 [except those under section 17(4) (a)] have been transferred to NABARD. As such, the data since then are not comparable with those for earlier periods.

BUSINESS IN INDIA

September+	October+	November +	December +	1995			1996			(Rs. in crores)
				1995			1996			
				6	7	8	9	10	11	12
1,60,016	1,61,879	1,63,479	1,65,328	1,67,551	1,67,486	1,68,465				
1,27,105	1,28,795	1,30,378	1,32,051	1,34,203	1,34,072	1,34,937				
32,911	33,083	33,101	33,277	33,348	33,414	33,528				
2,35,497	2,42,438	2,45,979	2,51,294	2,58,270	2,62,842	2,70,507				
2,09,581	2,16,116	2,19,353	2,24,269	2,29,522	2,34,461	2,40,880				
4,312	4,630	4,524	4,095	4,158	4,365	4,543				
7,414	7,167	7,564	7,992	8,916	8,439	9,358				
8,265	7,990	8,396	8,639	9,148	9,109	9,091				
5,925	6,535	6,142	6,298	6,526	6,469	6,635				
15.0	14.1	13.3	15.5	15.3	15.1	12.2				
39.0	39.1	39.3	39.2	39.5	38.8	37.5				
57.4	58.6	59.2	59.6	60.8	60.9	60.2				

7. Includes borrowings by Scheduled State Co-operative banks under Section 17(4AA) of the Reserve Bank of India Act from October 22, 1971; prior to that date, these were included under 'Against usance bills / promissory notes.'

8. As per the statement of affairs of the Reserve Bank of India with effect from July 6, 1973.

9. Advances granted by Scheduled State Co-operative banks to Co-operative banks are excluded from this item but are included under Loans, Cash-credits and overdrafts with from January 30, 1976.

10. At book value; it includes treasury bills and treasury deposit receipts, treasury savings deposit certificates and postal obligations.

+ Provisional.

Effective July 27, 1979, the data are inclusive of all participation certificates (PCs) issued by Scheduled commercial banks, i.e. to other banks and financial institutions. Prior to this date, the data were inclusive of PCs issued to banks only and not to financial institutions.

++ Relates to March 22, 1991

£ Relates to March 31, 1995.

\$ Relates to March 29, 1996.

No. 4 - ALL SCHEDULED COMMERCIAL BANKS -

Last Friday	1990-91 ++	1994-95£	1995-96\$	1995	
				March	5
1	2	3	4		
Number of reporting banks	271	280	282		280
Liabilities to the Banking System¹	6,486	15,327	17,300		15,327
Demand and time deposits from banks ²	5,443+ (-)	11,819+ (-)	13,404+ (-)		11,819+ (-)
Borrowings from banks ³	967	1,369	3,471		1,369
Other demand and time liabilities ⁴	76	2,139	425		2,139
Liabilities to Others¹	2,05,600	4,12,927	4,61,713		4,12,927
Aggregate deposits	1,92,542	3,86,859	4,32,345		3,86,859
Demand	33,192	76,903	79,249		76,903
Time	1,59,349	3,09,956	3,53,096		3,09,956
Borrowings ⁵	470	201	586		201
Other demand and time liabilities ⁴	12,589+ (-)	25,867+ (-)	28,782+ (-)		25,867+ (-)
Borrowings from Reserve Bank⁶	3,468	7,415	4,847		7,415
Against usance bills promissory notes	—	—	—		—
Others	3,468	7,415	4,847		7,415
Cash in hand and Balances with Reserve Bank	25,665	63,001	53,595		63,001
Cash in hand	1,804	2,972	2,928		2,972
Balances with Reserve Bank ⁸	23,861	60,029	50,667		60,029

BUSINESS IN INDIA

1995				1996			(Rs. in crores)
September #	October #	November #	December #	January #	February #	March #	
6	7	8	9	10	11	12	
282	282	282	282	282	282	282	282
14,923	14,508	14,327	18,067	18,526	21,562	17,300	
12,835 + (-)	12,336 + (-)	12,345 + (-)	12,452 + (-)	14,102 (-)	15,269 + (-)	13,404 (-)	
1,828	1,888	1,731	5,174	4,172	6,026	3,471	
261	254	252	441	253	268	425	
4,22,550	4,22,166	4,26,365	4,34,691	4,38,943	4,46,614	4,61,713	
3,94,707	3,97,947	3,99,650	4,05,241	4,08,266	4,14,984	4,32,345	
70,243	69,860	68,274	68,622	67,029	69,813	79,249	
3,24,464	3,28,087	3,31,376	3,36,620	3,41,237	3,45,171	3,53,096	
524	458	416	3,101	4,364	5,129	586	
27,319 + (-)	23,760 + (-)	26,300 + (-)	26,349 + (-)	26,314 + (-)	26,501 + (-)	28,782 (-)	
5,575	6,245	5,052	13,837	12,641	15,264	4,847	
—	—	—	—	—	—	—	
5,575	6,245	5,052	13,837	12,641	15,264	4,847	
60,764	57,423	53,893	64,691	64,024	64,099	53,595	
2,754	2,871	2,809	2,750	2,745	2,692	2,928	
58,010	54,552	51,084	61,941	61,279	61,407	50,667	

No. 4 – ALL SCHEDULED COMMERCIAL BANKS –

	1990-91++	1994-95 £	1995-96 \$	1995			
				2	3	4	5
Assets with the Banking System	5,582	14,277	15,821			14,277	
Balances with other banks							
In current account	1,793	3,225	2,607			3,225	
In other accounts	1,053	4,150	4,903			4,150	
Money at call and short notice	1,445	3,327	5,216			3,327	
Advances to Banks ⁹	902	1,801	1,464			1,801	
Other assets	388	1,774	1,632			1,774	
Investment	75,065	1,49,254	1,64,141			1,49,254	
Government securities ¹⁰	49,998	1,17,685	1,31,876			1,17,685	
Other approved securities	25,067	31,568	32,266			31,568	
Bank credit ##	1,16,301 (4,506)	2,11,560 (12,275)	2,52,100 (9,791)			2,11,560 (12,275)	
Loans, cash-credits and overdrafts	1,05,982	1,86,940	2,23,136			1,86,940	
Inland bills-purchased	3,375	5,207	4,288			5,207	
Inland bills-discounted	2,336	6,007	9,146			6,007	
Foreign bills-purchased	2,758	8,179	9,051			8,179	
Foreign bills-discounted	1,851	5,227	6,479			5,227	
Cash -Deposit Ratio	13.3	16.3	12.4			16.3	
Investment- Deposit Ratio	39.0	38.6	38.0			38.6	
Credit -Deposit Ratio	60.4	54.7	58.3			54.7	

Note : For details regarding footnotes, reference may be made to Table No.3.

Effective July 27, 1979, the data are inclusive of all participation certificates (PCs) issued by scheduled commercial banks, i.e., to other banks and financial institutions. Prior to this date, the data were inclusive of PCs issued to banks only and not to financial institutions. Figures in brackets relate to advances of Indian Scheduled Commercial Banks for financing food procurement operations.

With effect from week ending June 17, 1977 such advances by Foreign Scheduled Commercial Banks are also included.

BUSINESS IN INDIA

1995				1996			(Rs. in crores)
September #	October #	November #	December #	January #	February #	March #	
6	7	8	9	10	11	12	
13,854	13,699	13,274	15,957	15,010	17,040	15,821	
2,337	2,303	2,251	2,315	2,121	2,121	2,607	
4,179	4,400	5,355	5,212	4,506	4,715	4,903	
4,525	3,614	2,487	5,233	5,441	6,595	5,216	
1,174	1,516	1,376	1,585	1,483	1,955	1,464	
1,639	1,867	1,805	1,612	1,458	1,653	1,632	
1,56,190	1,57,806	1,59,329	1,61,141	1,63,369	1,63,219	1,64,141	
1,24,414	1,25,964	1,27,478	1,29,113	1,31,218	1,31,065	1,31,876	
31,776	31,841	31,851	32,028	32,151	32,154	32,266	
2,19,095 (12,606)	2,25,615 (13,129)	2,29,014 (12,649)	2,34,125 (11,497)	2,40,859 (11,272)	2,45,123 (10,779)	2,52,100 (9,791)	
1,93,671	1,99,735	2,02,897	2,07,603	2,12,700	2,17,346	2,23,136	
4,098	4,456	4,312	3,905	3,940	4,138	4,288	
7,255	7,011	7,403	7,830	8,710	8,231	9,146	
8,227	7,959	8,363	8,602	9,110	9,064	9,051	
5,844	6,454	6,040	6,185	6,399	6,344	6,479	
15.4	14.4	13.5	16.0	15.7	15.4	12.4	
39.6	39.7	39.9	39.8	40.0	39.3	38.0	
55.5	56.7	57.3	57.8	59.0	59.1	58.3	

+ Inclusive of the figures given within brackets, which represent the liabilities on account of Participation certificates issued.

Provisional.

++ Relates to March 22, 1991.

£ Relates to March 31, 1995.

\$ Relates to March 29, 1996.

No. 5 – STATE CO-OPERATIVE BANKS –

Last Friday/Friday	1990-91 +	1993-94 \$	1994-95 ★	1994	
				February	March
1	2	3	4	5	6
Number of reporting banks	28	28	28	28	28
Demand And Time Liabilities					
Aggregate Deposits¹	2,152	3,427	3,850	3,415	3,300
Demand Liabilities	1,831	2,116	2,216	2,034	2,191
Deposits					
Inter-bank	718	722	772	688	764
Others	794	984	1,045	956	961
Borrowings from banks	181	237	93	218	275
Others	139	174	306	171	191
Time Liabilities	3,963	8,932	9,395	8,817	8,899
Deposits					
Inter-bank	2,545	6,405	6,508	6,272	6,472
Others	1,359	2,443	2,806	2,459	2,339
Borrowings from banks	—	9	10	9	9
Others	59	76	71	76	79
Borrowings from Reserve Bank	15	2	2	1	3
Borrowings from State Bank and/or a notified Bank# and State Government	1,861	2,199	2,867	2,176	2,210
Demand	116	306	485	324	296
Time	1,745	1,893	2,382	1,852	1,914

MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

1994		1995							(Rs. in crores)	
December		January	February 3	February 17	February 24	March 2	March 17	March 31		
7		8	9	10	11	12	13	14		
28		28	28	28	28	28	28	28		28
4,020		3,956	3,874	3,789	3,750	3,685	3,690	3,680		
1,949		1,885	1,924	1,843	1,903	1,909	1,923	2,216		
653		616	633	589	628	625	652	772		
907		945	942	914	952	957	958	1,045		
152		125	143	133	130	128	105	93		
237		200	206	207	194	199	208	306		
10,051		9,680	9,689	9,562	9,292	9,422	9,324	9,395		
6,857		6,587	6,677	6,606	6,412	6,613	6,512	6,508		
3,113		3,011	2,932	2,875	2,798	2,728	2,732	2,806		
1		10	9	9	9	9	9	10		
79		72	72	72	72	72	70	71		
—		—	10	3	3	5	2	2		
2,809		2,951	2,766	2,898	3,048	2,922	2,546	2,887		
652		688	519	546	686	443	503	485		
2,157		2,263	2,247	2,352	2,362	2,479	2,043	2,382		

No. 5 – STATE CO-OPERATIVE BANKS –

Last Friday/Friday	1994				
	1990-91 +	1993-94 \$	1994-95 ★	February	March
	1	2	3	4	5
Assets					
Cash in hand and balances with Reserve Bank	334	766	651	294	309
Cash in hand	24	39	55	40	38
Balances with Reserve Bank	310	727	596	254	271
Balances with other banks in current account	93	174	251	171	188
Investments in Government securities ²	1,058	2,662	2,110	2,564	2,813
Money at call and short notice	498	1,198	1,294	1,919	1,446
Bank Credit ³	2,553	3,861	5,310	3,900	4,218
Advances					
Loans, cash-credits and overdrafts	2,528	3,829	5,277	3,889	4,204
Due from banks ⁴	5,560	6,350	8,067	6,534	6,555
Bills purchased and discounted	25	32	33	10	14
Cash-Deposit Ratio	15.5	22.4	16.9	8.6	9.4
Investment-Deposit Ratio	49.1	77.7	54.8	75.1	85.2
Credit-Deposit Ratio	118.6	112.7	137.9	114.2	127.8

Includes borrowings from the Industrial Development Bank of India and Agricultural Refinance and Development Corporation/ National Bank for Agriculture and Rural Development.

+ Relates to March 22, 1991

\$ Relates to March 18, 1994.

★ Relates to March 31, 1995.

1 : Total of demand and time deposits from 'Others'.

2 : At book value; include treasury bills and treasury deposit receipts, treasury savings deposit certificates and postal obligations.

MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

1994	1995								(Rs. in crores)	
	1995									
	December	January	February 3	February 17	February 24	March 2	March 17	March 31		
	7	8	9	10	11	12	13	14		
327	489	302	476	384	448	509	651			
43	44	41	44	42	40	63	55			
284	446	261	432	342	408	446	596			
168	195	163	160	211	160	175	251			
2,458	2,543	2,578	2,323	2,323	2,330	2,214	2,110			
2,423	1,866	1,884	1,747	1,553	1,538	1,231	1,294			
4,486	4,692	4,738	4,794	4,851	4,858	5,075	5,310			
4,470	4,673	4,718	4,771	4,830	4,838	5,056	5,277			
7,855	8,048	8,007	8,107	8,309	8,154	8,084	8,087			
16	19	20	22	22	20	20	33			
8.1	12.4	7.8	12.6	10.2	12.2	13.8	16.9			
61.1	64.3	66.6	61.3	61.9	63.2	60.0	54.8			
111.6	118.6	122.3	126.5	129.4	131.9	137.6	137.9			

3 : Total of loans, cash credits and overdrafts and Bills purchased and discounted.

4 : Includes advances of Scheduled State Co-operative banks to Central Co-operative banks and Primary Co-operative banks.

No. 6 – SAVINGS DEPOSITS WITH COMMERCIAL AND STATE CO-OPERATIVE BANKS

Last Friday	Scheduled Commercial Banks				Non Scheduled Commercial Banks	State co- operative Banks	(Rs. in crores)
	All	Indian	Foreign				
	1	2	3	4	5	6	
1990-91	50,501 +	49,542	959		31	..	
1992-93	58,573 \$	57,256	1,317		30	674	
1993-94	71,151 @	69,434	1,718		19	..	
1994-95	91,324 £	89,019	2,305		20	..	
September 1994	82,241	80,141	2,100		19	851	
October 1994	82,274	80,136	2,138		19	860	
November 1994	84,322	82,080	2,242		19	885	
December 1994	86,434	84,047	2,387		19	1,738	
January 1995	87,786	85,357	2,409		19	904	
February 1995	90,148	87,855	2,293		20	946	
March 1995	91,324	89,019	2,305		20	938	
April 1995	90,319	88,005	2,313		..	553	
May 1995	90,901	88,555	2,346		..	941	
June 1995	93,180	90,807	2,353		..	978	
July 1995	93,914	91,528	2,386		..	966	
August 1995	94,619	92,194	2,425		..	..
September 1995	96,502	94,061	2,441		..	..

+ Relates to March 22, 1991

\$ Relate to March 19, 1993.

@ Relate to March 18, 1994.

£ Relate to March 31, 1995.

**No. 7 : ASSISTANCE PROVIDED BY THE RESERVE BANK OF INDIA TO
SCHEDULED COMMERCIAL BANKS**

(Rs. in crores)

Year /Month	Total		Bills Re-discounted				Advances					
			Section 17 (2) (a)		Section 17 (3A)		Section 17 (3B)		Section 17 (4) (a)		Section 17 (4) (c)	
	Assist- ance	Out- stand- ings	Am- ount- granted	Out- stand- ings	Adv- ances	Out- stand- ings	Adv- ances	Out- stand- ings	Adv- ances	Out- stand- ings	Adv- ances	Out- stand- ings
1	2	3	4	5	6	7	8	9	10	11	12	13
1990-91	78,793	6,274	—	—	53,128	4,222	24,489	2,049	1,106	3	18	—
1992-93	1,97,276	5,018	—	—	1,97,269	4,963	—	43	7	12	—	—
1993-94	1,46,441	895	—	—	1,46,441	875	—	20	—	—	—	—
1994-95	1,40,827	7,240	—	—	1,33,698	7,196	—	10	7,121	33	—	—
June 1994	11,874	5,148	—	—	11,874	5,132	—	16	—	—	—	—
July 1994	9,183	1,932	—	—	9,183	1,917	—	16	—	—	—	—
August 1994	8,966	588	—	—	8,958	574	—	14	—	—	—	—
September 1994	10,044	952	—	—	8,937	944	—	—	1,107	8	—	—
October 1994	16,125	3,436	—	—	16,066	3,422	—	14	59	—	—	—
November 1994	10,959	4,383	—	—	10,583	4,369	—	14	376	—	—	—
December 1994	16,420	7,597	—	—	15,641	6,808	—	10	779	779	—	—
January 1995	9,944	5,970	—	—	8,534	5,932	—	10	1,410	29	—	—
February 1995	12,522	8,175	—	—	10,669	8,124	—	10	1,853	41	—	—
March 1995	8,863	7,240	—	—	7,326	7,196	—	10	1,537	33	—	—
April 1995	14,329	6,938	—	—	13,568	6,924	—	10	760	5	—	—
May 1995	13,164	9,037	—	—	11,434	8,850	—	10	1,730	177	—	—
June 1995	8,806	9,854	—	—	7,048	9,067	—	5	1,758	781	—	—
July 1995	15,297	4,945	—	—	15,250	4,906	—	5	29	33	—	—
August 1995	14,836	5,252	—	—	14,807	5,246	—	5	29	—	—	—
September 1995	20,709	9,925	—	—	19,176	9,128	—	5	1,532	791	—	—

Note : Advances under section 17(4) (b) are nil.
Outstandings relate to end of the period.

No. 8 – SHORT AND MEDIUM - TERM ADVANCES OF THE RBI / NABARD TO THE STATE CO-OPERATIVE BANKS

(Rs. in crores)

Working Year/Month	Short Term														capital requirements of co-operative sugar factories					
	Agricultural Operations		Marketing of crops including cotton and kapas		Purchase and distribution of chemical fertilisers		Financing of cottage and small Scale Industries													
							Weavers co-operative societies													
							Trading in yarn by apex/regional weavers societies		Production and marketing activities of weavers societies		Production and marketing activities of other groups of industries including financing of individual rural artisans through PACS									
	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15						
1990-91	2,565	1,602	—	—	120	32	97	10	1,025	324	15	15	—	—						
1993-94	4,317	2,621	—	—	5	—	21	6	888	278	19	19	—	—						
1994-95	4,958	3,089	—	—	19	—	74	15	1,214	494	28	18	81	75						
February 1995	314	3,417	—	—	—	—	18	13	66	412	—	12	40	70						
March 1995	269	3,089	—	—	—	—	10	15	176	494	18	18	6	75						
April 1995	150	2,801	—	—	—	—	—	9	24	489	—	17	30	34						
May 1995	387	2,287	—	—	16	13	1	7	21	490	—	17	50	53						
June 1995	1,012	2,411	—	—	—	—	2	2	25	492	—	16	178	175						
July 1995	299	2,438	—	—	—	—	—	—	28	469	—	16	—	160						
August 1995	356	2,551	—	—	—	—	6	—	52	512	—	16	—	120						
September 1995	..	..	..	..	..	..	..	..	..	..	..	..	..	..
October 1995	317	2,962	—	—	—	—	3	1	15	495	—	16	—	75						
November 1995	586	3,217	—	—	23	11	—	1	26	481	—	16	—	50						
December 1995	533	3,312	—	—	—	—	—	1	88	496	—	16	—	—						
January 1996	659	3,551	—	—	—	—	—	—	36	468	—	6	200	200						
February 1996	265	3,558	—	—	—	—	4	5	83	509	—	4	—	100						

Note : In terms of Government of India's notification No. 10(45)/82-AC(5) dated July 6, 1982, the loans and advances which the RBI granted to state co-operative banks and regional rural banks under Section 17 (except sub-clause (a) of clause (4) of Reserve Bank of India Act, 1934) and outstanding as on July 11, 1982 would be deemed to be loans and advances granted by NABARD under section 21 of NABARD Act, 1981. With effect from the date of establishment of NABARD, i.e. July 12, 1982, Reserve Bank of India does not grant loans and advances to State co-operative banks except (i) for the purposes of general banking business against the pledge of Government and other approved securities under Section 17 (4) (a) of the Reserve Bank of India Act, 1934 and (ii) on behalf of urban co-operative bank under Section 172 (bb) of the Reserve Bank of India Act, 1934.

No. 8 : SHORT AND MEDIUM - TERM ADVANCES OF THE RBI /NABARD TO THE STATE CO-OPERATIVE BANKS

(Rs. in crores)

Advances against Government and other trustee securities representing the Agricultural Credit Stabilization Funds of state co-operative banks	Short Term (Concl.)		Medium Term							
			From NRC (LTO) Fund £		Approved agricultural purposes		Purchase of shares in co-operative processing societies by agriculturist members of PACS		Total	
	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	Out- stand- ings	Am- ount drawn	out- stand- ings	Am- ount drawn	Out- stand- ings
16	17	18	19	20	21	22	23	24	25	26
1990-91	—	6	155	342	4	17	—	2	3,983	2,352 ★
1993-94	—	—	54	98	—	55	—	1	5,355	3,079
1994-95	—	—	91	108	3	33	2	2	6,470	3,834
February 1995	—	—	—	106	—	33	—	1	437	4,064
March 1995	—	—	41	108	—	33	2	2	522	3,834
April 1995	—	—	—	102	—	33	—	2	475	2,994
May 1995	—	—	—	92	—	33	—	2	1,220 @	3,217 @
June 1995	—	—	—	84	—	32	—	2	327	3,190
July 1995	—	—	—	73	—	32	—	2	414	3,290
August 1995	—	—	—	57	—	32	—	2	335	3,621
September 1995
October 1995	—	—	—	39	—	31	—	2	643	3,856
November 1995	—	—	8	47	—	31	—	2	621	3,880
December 1995	—	—	—	46	—	7	—	2	896	4,268
January 1996	—	—	—	33	1	8	—	2	352	4,218
February 1996	—	—	—	32	—	8	—	2	—	—

Advances are made under various sub-sections of Sections 21, 22 and 24 of the NABARD Act, 1981. Outstandings are as at the period. Loans and advances granted by the Reserve Bank of India to the State co-operative banks for the purposes of general banking business against the pledge of Government and other approved securities under Section 17(4)(a) of the Reserve Bank of India Act, 1934 are not covered in this table.

★ Includes an amount of Rs. 10 lakhs advanced for marketing of Minor Forest Produce.

§ Including Rs. 57 lakhs on Rephancement Account.

£ NRC (stabilisation) Fund and NRC (LTO) Fund were earlier designated as NAC (Stabilisation) Fund and NAC (LTO) Fund, respectively and were maintained by the Reserve Bank of India.

@ Includes Produce Marketing loan.

NO. 9 : CHEQUE CLEARANCES — CENTRES MANAGED BY RESERVE BANK OF INDIA
(Revised Series)

Year/Month	Centres Managed by Reserve Bank of India						
	Total	Mumbai @	Calcutta @	New Delhi @	Madras @	Bangalore @	Hyderabad
1	2	3	4	5	6	7	8
(Number in Lakhs)							
1990-91	35,18	12,46	3,39	5,52	3,54	2,24	2,03
1991-92	41,32	14,61	3,96	6,55	3,99	2,31	1,97
1992-93	46,18	15,35	4,55	7,52	4,48	2,56	2,32
1993-94	47,37	16,72	4,53	7,48	4,64	2,75	2,17
1994-95 #	48,54	17,83	5,03	8,56	4,13	2,60	1,13
January 1995 #	3,97	1,53	45	74	44	..	..
February 1995 #	3,53	1,39	40	66	43	..	..
March 1995 #	4,15	1,57	43	75	49	28	..
April 1995 #	3,71	1,33	..	63	39	..	20
May 1995 #	4,79	1,33	39	66	43	27	20
June 1995 #	4,49	1,26	36	50	42	25	22
July 1995 #	3,73	1,41	45	65	44	26	26
August 1995 #	3,34	1,46	37	60	41	..	26
September 1995 #	3,56	1,41	42	65	45	29	22
October 1995 #	3,71	1,50	38	66	47	26	21
November 1995 #	4,27	1,51	43	72	46	27	31
December 1995 #	2,64	..	38	68	51	26	25
January 1996 #	2,19	..	38	71	..	26	28
February 1996 #	1,36	..	..	65	..	..	19
March 1996 #	77	..	..	68	..	..	..

NO. 9 : CHEQUE CLEARANCES – CENTRES MANAGED BY RESERVE BANK OF INDIA
(Revised Series) (Contd.)

Year/Month	Centres Managed by Reserve Bank of India								(Number in lakhs)
	Ahmedabad@ ²	Kanpur	Nagpur	Patna	Bhubaneshwar ¹	Thiruvananthapuram ³	Jaipur ⁴	Guwahati ⁵	
9	10	11	12	13	14	15	16	17	
1990-91	3.65	50	53	19	7	20	72	15	
1991-92	4.96	59	60	28	10	23	97	20	
1992-93	5.88	69	68	37	12	23	1.17	26	
1993-94	5.82	62	61	34	12	28	1.06	22	
1994-95 #	5.69	71	68	31	15	29	1.16	27	
January 1995 #	51	7	6	..	2	3	10	2	
February 1995 #	35	6	5	4	1	2	9	2	
March 1995 #	31	6	6	3	1	3	9	2	
April 1995 #	23	5	5	..	1	2	7	2	
May 1995 #	24	5	5	3	1	2	8	2	
June 1995 #	32	5	5	3	1	2	6	2	
July 1995 #	..	6	5	3	1	..	7	2	
August 1995 #	..	5	5	3	1	2	6	2	
September 1995 #	..	..	..	..	1	2	7	2	
October 1995 #	..	5	6	2	1	..	7	2	
November 1995 #	34	5	6	3	1	..	8	..	
December 1995 #	30	5	6	3	1	2	7	2	
January 1996 #	31	6	6	3	1	..	7	2	
February 1996 #	29	5	6	..	..	3	7	2	
March 1996 #	..	..	6	3	..	..	..	..

Note : The data presented in this Table have been revised. The figures include inter-bank and High value Clearing for Mumbai, Calcutta, New Delhi and Madras and inter-bank Clearing figures for Bangalore, Hyderabad and Ahmedabad Centres. Therefore, the series published from January 1994 issue onwards are not comparable with those published earlier.

NO. 9 : CHEQUE CLEARANCES – CENTRES MANAGED BY RESERVE BANK OF INDIA
(Revised Series) (Contd.)

Year/Month	Total	Centres Managed by Reserve Bank of India					
		Mumbai @	Calcutta @	New Delhi @	Madras @	Bangalore @	Hyderabad @
1	2	3	4	5	6	7	8
(Amount in crores of rupees)							
1990-91	735,236	206,482	107,068	239,979	44,989	29,267	25,183
1991-92	2922,990	2022.122	128,250	395,748	196,638	36,452	36,852
1992-93	3237,476	2350.535	138,723	328,238	209,346	47,513	45,608
1993-94	3198,789	2146,405	157,629	410,704	224,718	62,085	54,591
1994-95 #	3514,402	2255,693	200,710	561,044	219,313	75,614	27,311
January 1995 #	290,869	190,214	17,806	46,480	21,279	..	..
February 1995 #	292,022	191,825	16,752	45,839	22,811	..	..
March 1995 #	366,565	220,837	22,106	60,850	32,663	10,430	..
April 1995 #	275,182	182,011	..	52,370	19,903	..	7,052
May 1995 #	330,588	206,488	17,793	56,220	21,338	8,238	5,757
June 1995 #	314,451	202,673	16,580	48,601	22,679	8,160	7,590
July 1995 #	313,787	205,264	17,401	44,812	24,046	9,658	6,385
August 1995 #	256,343	163,015	15,517	43,771	21,702	..	6,118
September 1995 #	348,453	195,825	19,537	88,677	25,361	8,005	7,292
October 1995 #	293,236	176,364	16,245	47,163	23,734	7,951	6,670
November 1995 #	340,712	195,764	20,565	59,519	31,329	10,041	7,133
December 1995 #	130,459	..	19,879	48,066	28,231	8,635	7,385
January 1996 #	105,950	..	19,189	52,058	..	8,779	7,520
February 1996 #	80,186	..	..	55,933	..	..	7,311
March 1996 #	58,922	..	..	56,336	..	..	..

@ Data are inclusive of inter-bank and High Value Clearing since 1990-91 for Mumbai, Calcutta and New Delhi and since 1989-90 for Madras. Inter -bank clearing data for Hyderabad are included since 1991-92. Inter- bank clearing data from Bangalore and Ahmedabad are not available up to 1992-93.

NO. 9 : CHEQUE CLEARANCES – CENTRES MANAGED BY RESERVE BANK OF INDIA
(Revised Series) (Concl.)

Year/Month	Centres Managed by Reserve Bank of India								
	Ahmedabad@ ²	Kanpur	Nagpur	Patna	Bhubaneshwar ¹	Thiruvananthapuram ³	Jaipur ⁴	Guwahati ⁵	
9	10	11	12	13	14	15	16	17	
(Amount in crores of rupees)									
1990-91	42,089	9,614	7,712	4,559	2,408	2,908	8,738	4,242	
1991-92	57,000	10,974	8,713	5,232	3,580	3,698	12,304	5,427	
1992-93	60,746	11,912	9,635	5,911	4,961	3,942	14,352	6,051	
1993-94	78,314	14,251	10,746	6,188	4,529	5,415	16,374	6,840	
1994-95#	97,943	15,924	13,220	6,042	5,456	6,889	20,870	8,373	
January	1995 #	8,691	1,418	1,213	..	545	553	1,874	795
February	1995 #	8,313	1,406	1,132	649	467	527	1,600	701
March	1995 #	11,189	1,577	1,453	867	634	829	2,125	1,005
April	1995 #	8,822	1,453	1,341	..	550	554	1,908	903
May	1995 #	10,947	1,568	1,247	689	444	625	1,751	703
June	1995 #	9,991	1,204	1,222	666	461	654	1,713	690
July	1995 #	..	1,468	1,230	607	543	..	1,702	672
August	1995 #	..	1,221	1,117	689	445	590	1,499	658
September	1995#	..	..	..	..	635	590	1,811	720
October	1995#	8,965	1,355	1,266	640	376	..	1,759	748
November	1995 #	10,807	1,620	1,438	727	..	..	1,769	..
December	1995 #	10,886	1,451	1,448	733	532	635	1,775	803
January	1996 #	11,214	1,567	1,549	785	626	..	1,864	799
February	1996 #	9,932	1,552	1,509	724	..	641	1,726	858
March	1996 #	..	..	1,661	925	..	..	..	..

Data are provisional.

1. Taken over by the Reserve Bank of India with effect from May 2, 1977.
2. Taken over by the Reserve Bank of India with effect from April 3, 1978.
3. Taken over by the Reserve Bank of India with effect from January 5, 1983.
4. Taken over by the Reserve Bank of India with effect from November 19, 1984.
5. Taken over by the Reserve Bank of India with effect from January 6, 1986.

Provisional.

**NO. 10 : CHEQUE CLEARANCES – CENTRES MANAGED BY AGENCIES
OTHER THAN RESERVE BANK OF INDIA**

Year/ (Apr.-Mar.) Month	Total*	Amri- tsar	Baro- da	Coc- hin	Coim- batore	Delhi	Luck- now	Ludh- iana	Mad- urai	Man- galore	Pune	Surat	Other Centres
1	2	3	4	5	6	7	8	9	10	11	12	13	14
(Number in lakhs)													
1990-91#	41,21	30	1.14	9	53	1,73	38	1,17	40	21	67	18,61	16.00
1991-92#	45,51	57	1.48	9	55	1,83	42	1.07	54	24	38	21,91	16.42
1992-93#	30,61	40	1.46	9	58	1,98	52	1.15	1,08	27	82	5,03	17.21
1993-94#	28,72	41	1.57	9	62	1.98	59	1.29	80	27	34	3,59	17,15
April 1994 #	1,96	3	11	1	5	..	5	11	3	2	3	30	1.21
May 1994 #	2,00	4	14	1	6	..	5	11	4	2	3	30	1.20
June 1994 #	1,87	3	15	1	5	..	5	11	4	2	3	29	1.09
July 1994 #	2,10	4	16	1	6	..	6	11	4	3	6	32	1.21
Aug. 1994#	1,99	2	13	1	6	..	5	11	3	2	7	33	1.16
Sept. 1994#	2,02	..	19	1	6	22	6	..	3	..	8	29	1.08
Oct. 1994#	2,06	3	15	1	7	..	6	11	3	..	8	34	1.18
Nov. 1994#	1,86	3	14	1	7	..	5	11	4	3	..	29	1.09
Dec. 1994#	1,48	3	..	1	7	..	6	10	5	3	..	..	1.13
Jan. 1995#	2,71	4	15	1	6	22	5	11	3	3	8	35	1.58
Feb. 1995#	2,51	4	14	1	6	21	5	10	4	2	8	37	1.39
Mar. 1995#	2,64	4	16	1	6	22	..	10	4	3	8	43	1.47
Apr. 1995#	9,79	3	15	..	..	..	5	11	..	..	8	37	9.00
May 1995#	7,76	4	15	..	..	..	..	10	..	2	8	42	6.95
June 1995#	3,06	4	15	1	6	17	4	11	5	2	8	40	1.93
July 1995#	2,63	3	18	..	..	24	4	10	..	2	8	50	1.44
Aug. 1995#	2,97	4	19	..	6	21	5	11	4	2	8	69	1.48

**NO. 10 : CHEQUE CLEARANCES — CENTRES MANAGED BY AGENCIES
OTHER THAN RESERVE BANK OF INDIA**

Year/ (Apr.-Mar.) Month	Total*	Amri- tsar	Baro- da	Coc- hin	Coim- batore	Delhi	Luck- now	Ludh- iana	Mad- urai	Man- galore	Pune	Surat	Other Centres
1	2	3	4	5	6	7	8	9	10	11	12	13	14
(Amount in crores of rupees)													
1990-91#	4,47,895	4,136	10,904	2,551	7,534	57,288	9,053	11,642	3,793	2,252	14,449	18,065	3,06,226
1991-92#	4,81,265	4,350	13,052	2,826	9,511	56,915	9,286	10,994	1,464	3,186	14,667	22,255	3,32,758
1992-93#	4,64,535	4,702	14,728	2,861	10,849	49,031	10,821	12,401	1,135	3,640	18,884	21,961	3,13,522
1993-94#	6,70,076	5,574	17,374	3,324	13,350	1,06,298	14,177	13,551	4,318	4,355	27,485	29,989	4,30,329
April 1994 #	47,964	983	1,705	268	1,348	..	1,178	1,058	571	531	2,257	3,103	34,964
May 1994 #	47,347	497	1,471	284	1,368	..	1,601	1,088	543	426	2,603	3,100	34,366
June 1994 #	28,772	493	1,564	282	1,394	..	1,320	1,039	552	401	2,853	2,631	16,243
July 1994 #	43,131	487	1,654	244	1,606	..	1,142	1,069	639	447	2,395	2,708	30,740
Aug. 1994#	44,326	462	1,466	249	1,592	..	1,402	1,125	492	455	2,819	2,733	31,531
Sept. 1994#	41,005	..	1,664	323	1,545	7,210	1,193	..	477	..	2,891	2,033	23,669
Oct. 1994#	44,628	428	1,833	349	1,789	..	1,380	1,080	553	..	3,256	3,022	30,938
Nov. 1994#	38,136	421	1,610	359	1,744	..	1,200	1,037	605	440	..	2,786	27,934
Dec. 1994#	28,501	456	..	367	1,933	..	1,572	1,047	672	475	..	..	21,979
Jan. 1995#	61,230	488	1,700	479	1,826	7,995	140	1,054	520	543	3,153	3,130	40,202
Feb. 1995#	59,910	478	1,727	475	1,756	13,382	173	988	522	446	3,283	3,279	33,401
Mar. 1995#	67,861	485	1,946	498	2,266	10,463	..	995	531	593	4,227	4,177	41,680
Apr. 1995#	64,417	479	1,863	..	..	..	177	1,048	..	..	3,477	3,381	53,992
May 1995#	97,368	487	1,848	..	..	..	..	1,029	..	508	3,682	3,879	85,935
June 1995#	1,11,236	493	1,897	496	1,973	8,845	139	1,039	734	509	3,619	3,191	88,797
July 1995#	57,398	447	2,195	..	..	8,979	139	997	..	492	3,689	2,983	37,477
Aug. 1995#	66,058	469	2,485	492	1,638	8,609	150	1,023	812	458	3,545	5,453	40,924

Including data for Ahmedabad and Jaipur till April 2, 1978 and November 18, 1984 respectively.
Provisional.

No. 11 : MONEY STOCK MEASURES

(Rs. in crores)

March 31/Reporting Fridays of the month/Last reporting Friday of the month	Notes in circulation (a)	Currency with the public				Deposit money of the public				M ₁ (6+9)
		Circulation of rupee coins (b)	small coins(b)	Cash on hand with banks	Total (2+3 +4-5)	Demand deposits with banks	'Other' deposits with Reserve Bank (c)	Total (7+8)		
1	2	3	4	5	6	7	8	9	10	
1990-91	53,661	936	685	2,234	53,048	39,170	674	39,844	92,892	
1991-92	62,034	975	729	2,640	61,098	52,423	885	53,308	1,14,406	
1992-93	69,502	1,044	780	3,053	68,273	54,480	1,313	55,793	1,24,066	
1993-94	83,405	1,161	829	3,094	82,301	65,952	2,525	68,477	1,50,778	
1994-95	1,02,302	1,498	881	4,000	1,00,681	88,193	3,383	91,576	1,92,257	
March 3, 1995	1,01,720	1,314	876	3,128	1,00,782	75,149	2,377	77,526	1,78,308	
March 17, 1995	1,04,088	1,314	876	3,377	1,02,901	75,816	3,072	78,888	1,81,789	
March 31, 1995	1,02,302	1,498	881	4,000	1,00,681	88,193	3,383	91,576	1,92,257	
October 1995	1,14,564	1,360	915	3,765	1,13,074	80,425	5,952	86,377	1,99,451	
November 1995	1,13,404	1,360	920	3,666	1,12,018	78,872	6,945	85,817	1,97,835	
December 1995	1,14,875	1,360	925	3,542	1,13,618	77,834	6,114	83,948	1,97,566	
January 1996	1,17,785	1,360	930	3,567	1,16,508	77,079	6,377	83,456	1,99,964	
February 1996	1,20,265	1,360	930	3,518	1,19,037	78,433	3,773	82,206	2,01,243	
March 1, 1996	1,19,189	1,360	930	3,575	1,17,904	80,785	5,373	86,158	2,04,062	
March 15, 1996	1,22,361	1,360	930	3,590	1,21,061	82,015	5,343	87,358	2,08,419	
March 29, 1996	1,20,073	1,360	930	4,103	1,18,260	91,495	4,904	96,399	2,14,659	

Notes : 1. For details of concepts of the revised series on Money Supply, reference may be made to pages 70-134 of January 1977 issue of this Bulletin.

2. Banks include commercial and co-operative banks.

3. Financial year data relate to March 31, except scheduled commercial banks' data for which they relate to the last reporting Friday of March. For details, see the note on page S 963 of October 1991 issue. However, in 1995, scheduled commercial banks' data relate to March 31, as the last reporting Friday of March happened to be March 31.

4. The data for 1994-95 are not strictly comparable with those of the previous years, as M₃ data for 1994-95 include scheduled commercial banks' data for 27 fortnights while for previous years, they include 26 fortnights.

5. Data are provisional from April 1995 onwards.

6. Figures may not add up to the total due to rounding off.

No. 11 : MONEY STOCK MEASURES (Concl.)

March 31/ Reporting Friday of the month / Last reporting Friday of the Month	Post Office savings bank deposits	M_2 (10+12)	Time deposits with banks	M_3 (10+14)	Total post office deposits	(Rs. in crores)	
						M_4 (15+16)	11
11	12	13	14	15	16	17	
1990-91	4,205	97,097	1,72,936	2,65,828	14,681	2,80,509	
1991-92	4,620	1,19,026	2,02,643	3,17,049	20,141	3,37,180	
1992-93	4,824	1,28,890	2,42,759	3,66,825	21,589	3,88,414	
1993-94	5,116	1,55,894	2,83,629	4,34,407	24,029	4,58,436	
1994-95	5,041	1,97,298	3,39,169	5,31,426	25,969	5,57,395	
March 3, 1995	5,041	1,83,349	3,26,646	5,04,954	25,969	5,30,923	
March 17, 1995	5,041	1,86,830	3,28,864	5,10,653	25,969	5,36,622	
March 31, 1995	5,041	1,97,298	3,39,169	5,31,426	25,969	5,57,395	
October 1995	5,041	2,04,492	3,60,866	5,80,317	25,969	5,86,286	
November 1995	5,041	2,02,876	3,64,032	5,61,867	25,969	5,87,836	
December 1995	5,041	2,02,607	3,68,506	5,66,072	25,969	5,92,041	
January 1996	5,041	2,05,005	3,71,617	5,71,581	25,969	5,97,550	
February 1996	5,041	2,06,284	3,77,206	5,78,449	25,969	6,04,418	
March 1, 1996	5,041	2,09,103	3,78,196	5,82,258	25,969	6,08,227	
March 15, 1996	5,041	2,13,460	3,79,577	5,87,996	25,969	6,13,965	
March 29, 1996	5,041	2,19,700	3,87,315	6,01,974	25,969	6,27,943	

- (a) Net of return of about Rs. 43 crore of Indian notes from Pakistan up to April 1985.
- (b) Estimated : ten-rupee commemorative coins issued since October 1969, two-rupee coins issued since November 1982 and five-rupee coins issued since November 1985 are included under rupee coins.
- (c) exclude balances held in IMF account No. 1, Reserve Bank of India Employees' Provident Fund, Pension Fund, Gratuity and Superannuation Fund and Co-operative Guarantee Fund, the amount collected under the Additional Emoluments (Compulsory Deposit) Act, 1974 and the Compulsory Deposit Scheme (Income-Tax Payers) Act.
- (d) Figures may not add up to the total due to rounding off.

No. 12 : SOURCES OF MONEY STOCK (M₃)

(Rs. in crores)

Sources	Outstandings as on March 31 / Reporting Fridays of the month / Last reporting Friday of the month							
	1990- 91	1991- 92	1992- 93	1993- 94	1994- 95	Mar. 3, 1995	Mar. 17, 1995	Mar. 31, 1995
1	2	3	4	5	6	7	8	9
1. Net Bank Credit to Government (A+B)	1,40,193	1,58,263	1,76,238	2,03,918	2,22,419	2,18,406	2,20,700	2,22,419
A. RBI's net credit to Government (i-ii)	88,848	94,016	98,449	99,300	1,01,478	98,592	1,00,957	1,01,478
(i) Claims on Government (a+b)	90,534	96,098	99,547	1,01,486	1,02,451	98,771	1,01,043	1,02,451
(a) Central Government @	88,444	94,348	97,621	98,969	99,886	98,291	1,00,549	99,886
(b) State Governments	2,090	1,750	1,926	2,517	2,565	480	494	2,565
(ii) Government deposits with RBI (a+b)	1,686	2,082	1,098	2,186	973	179	86	973
(a) Central Government	1,686	2,082	1,098	2,186	973	54	51	973
(b) State Governments	—	—	—	—	—	125	35	—
B. Other banks' credit to Government	51,345	64,247	77,789	1,04,618	1,20,941	1,19,814	1,19,743	1,20,941
2. Bank Credit to Commercial Sector (A+B)	1,71,769	1,87,993	2,20,135	2,37,774	2,92,723	2,77,601	2,81,710	2,92,723
A. RBI's credit to commercial sector @@	6,342	7,260	6,220	6,445	6,593	6,514	6,505	6,593
B. Other banks' credit to commercial sector (i + ii + iii)	1,65,427	1,80,733	2,13,915	2,31,329	2,86,130	2,71,087	2,75,205	2,86,130
(i) Bank credit by commercial banks	1,16,350	1,25,649	1,52,044	1,64,465	2,11,607	2,00,171	2,02,739	2,11,607
(ii) Bank credit by co-operative banks	22,927	26,424	30,809	33,813	41,045	37,627	39,093	41,045
(iii) Investments by commercial and co-operative banks in other securities	26,150	28,660	31,062	33,051	33,478	33,289	33,373	33,478

No. 12 : SOURCES OF MONEY STOCK (M₃) (Contd.)

(Rs. in crores)

Outstandings as on March 31 / Reporting Fridays of the month / Last reporting Friday of the month								
October 1995	November 1995	December 1995	January 1996	February 1996	March 1. 1996	March 15, 1996	March 29, 1996	
11	12	13	14	15	16	17	18	
2,42,654	2,44,395	2,43,876	2,49,939	2,48,404	2,51,796	2,54,190	2,53,997	
1,13,200 £	1,13,382 £	1,10,754 £	1,16,439 £	1,16,524 £	1,17,853 £	1,20,197 £	1,18,290 £	
1,13,267	1,13,451	1,10,822	1,16,507	1,16,719	1,17,917	1,20,264	1,18,361	
1,12,978	1,13,338	1,10,479	1,16,058	1,16,307	1,17,585	1,19,277	1,18,056	
289	113	343	450	412	332	987	305	
67	69	68	68	194	64	66	71	
52	53	54	54	130	50	54	54	
15	16	14	14	64	14	12	17	
1,29,454	1,31,013	1,33,122	1,33,500	1,31,880	1,33,943	1,33,993	1,35,707	
3,07,157	3,10,747	3,14,334	3,21,780	3,27,259	3,29,379	3,31,636	3,38,308	
6,391	6,524	6,493	6,500	6,560	6,484	6,486	6,524	
3,00,766	3,04,223	3,07,841	3,15,280	3,20,699	3,22,895	3,25,150	3,31,784	
2,25,664	2,29,062	2,32,160	2,40,209	2,43,846	2,45,190	2,47,493	2,52,149	
41,173	41,102	41,451	40,758	42,399	43,203	43,145	45,154	
33,929	34,059	34,230	34,313	34,454	34,502	34,512	34,481	

No. 12 : SOURCES OF MONEY STOCK (M_3) (Contd.)

(Rs. in crores)

Sources	Outstandings as on March 31 / Reporting Fridays of the month / Last reporting Friday of the month							
	1990- 91	1991- 92	1992- 93	1993- 94	1994- 95	Mar. 3, 1995	Mar. 17, 1995	Mar. 31, 1995
1	2	3	4	5	6	7	8	9
3. Net Foreign Exchange Assets of Banking Sector (A+B)	10,581	21,226	24,443	52,740	76,038	71,310	71,874	76,038
A.RBI's net foreign exchange assets (i-ii)	7,983 **	18,838 **	22,647 **	51,422 **	74,720 **	69,992 **	70,556 **	74,720 **
(i) Gross foreign assets	11,217	23,617	30,689	60,081	79,758	75,064	75,628	79,758
(ii) Foreign liabilities	3,234	4,779	8,042	8,659	5,037	5,072	5,072	5,037
B.Other banks' net foreign exchange assets	2,598	2,388	1,796	1,318	1,318	1,318	1,318	1,318
4. Government's Currency Liabilities to the Public	1,621	1,704	1,824	1,990	2,379	2,190	2,190	2,379
5. Banking Sector's net Non-monetary Liabilities other than Time Deposits (A+B)	58,336	52,137	55,815	62,015	62,133	64,553	65,821	62,133
A.Net non-monetary liabilities of RBI	27,022 **	27,415 **	28,246 **	26,037 **	29,358 **	24,947 **	24,189 **	29,358 **
B.Net non-monetary liabilities of other banks (residual)	31,314	24,722	27,569	35,978	32,775	39,606	41,632	32,775
M_3 (1 + 2 + 3 + 4 - 5)	2,65,828	3,17,049	3,66,825	4,34,407	5,31,426	5,04,954	5,10,653	5,31,426

No. 12 : SOURCES OF MONEY STOCK (M₃) (Concl.)

(Rs. in crores)

Outstandings as on March 31 / Reporting Fridays of the month/ Last reporting Friday of the month							
October 1995	November 1995	December 1995	January 1996	February 1996	March 1, 1996	March 15, 1996	March 29, 1996
11	12	13	14	15	16	17	18
76,574	75,940	75,940	75,581	75,880	73,543	76,845	77,541
75,256 **	74,622 **	74,622 **	74,262 **	74,582 **	72,225 **	75,327 **	76,223 **
76,826	76,140	75,851	75,091	74,574	72,236	75,339	76,235
1,570	1,518	1,228	829	12	12	12	12
1,318	1,318	1,318	1,318	1,318	1,318	1,318	1,318
2,275	2,280	2,286	2,290	2,290	2,290	2,290	2,290
68,343	71,495	70,363	78,008	75,385	74,750	76,765	70,162
30,643 **	32,201 **	32,159 **	34,741 **	36,937 **	34,825 **	34,755 **	34,808 **
37,700	39,294	38,204	43,267	38,448	39,925	42,010	35,354
5,60,317	5,61,867	5,66,072	5,71,581	5,78,449	5,82,258	5,87,996	6,01,974

** Inclusive of appreciation in the value of gold following its revaluation close to international market price effective October 17, 1990. Such appreciation has a corresponding effect on Reserve Bank's net non-monetary liabilities.

@ Includes Rs. 751.64 crore (equivalent of SDRs 211.95 million) incurred on account of Reserve Assets Subscription made to the IMF towards the Quota increase effective December 11, 1992.

£ Includes special securities.

@@ Excludes, since the establishment of NABARD, its refinance to banks.

Notes : 1. On the establishment of National Bank for Agriculture and Rural Development (NABARD) on July 12, 1982, certain assets and liabilities of the Reserve Bank were transferred to NABARD, necessitating some reclassification of aggregates in the sources of money stock from that date.

2. Financial year data relate to March 31, except scheduled commercial bank's data for which they relate to the last reporting Friday of March. For details, see the note on page S 983 of October 1991 issue. However, in 1995, scheduled commercial bank's data relate to March 31, as the last reporting Friday of March happened to be March 31.

3. Data are provisional from April 1995 onwards.

4. Figures may not add up to the total due to rounding off.

No. 13 : RESERVE MONEY AND ITS COMPONENTS

(Rs. in crores)

Outstandings as on March 31/ each Friday / last reporting Friday of the month	Currency in circulation				Reserve Money (2+4+5)
	Total	o / w cash with banks	'Other' deposits with RBI	Bankers' deposits with RBI	
1	2	3	4	5	6
1990-91	55,282	2,234	674	31,823	87,779
1991-92	63,738	2,640	885	34,882	99,505
1992-93	71,326	3,053	1,313	38,140	1,10,779
1993-94	85,395	3,094	2,525	50,751	1,38,671
1994-95	1,04,681	4,000	3,383	61,218	1,69,282
March 3, 1995	1,03,910	3,128	2,377	58,772	1,65,059
March 10, 1995	1,06,274	—	2,361	65,224	1,73,859
March 17, 1995	1,06,278	3,377	3,072	59,205	1,68,555
March 24, 1995	1,05,287	—	2,772	63,512	1,71,571
March 31, 1995	1,04,681	4,000	3,383	61,218	1,69,282
October 1995	1,16,839	3,765	5,952	55,607	1,78,398
November 1995	1,15,684	3,666	6,945	52,492	1,75,121
December 1995	1,17,160	3,542	6,114	50,507	1,73,781
January 1996	1,20,075	3,567	6,377	49,498	1,75,950
February 1996	1,22,555	3,518	3,773	56,497	1,82,825
March 1, 1996	1,21,479	3,575	5,373	54,819	1,81,671
March 8, 1996	1,24,869	—	2,327	61,965	1,89,161
March 15, 1996	1,24,651	3,590	5,343	55,110	1,85,104
March 22, 1996	1,23,429	—	2,580	64,905	1,90,914
March 29, 1996	1,22,363	4,103	4,904	51,996	1,79,263

Note : Financial year data relate to March 31, except scheduled commercial bank's data for which they relate to the last reporting Friday of March. In 1995, scheduled commercial bank's data relate to March 31, as the last reporting Friday of March happened to be March 31. Figures may not add up to the total due to rounding off.

No. 14 : SOURCES OF RESERVE MONEY

(Rs. in crores)

Outstanding as on March 31/ each Friday/ last reporting Friday of the month	Reserve Bank's claims on					Net foreign exchange assets of RBI	Govern- ment's currency liabili- ties to the public	Net non- monetary liabilities of RBI	Reserve Money (2+3+4+5 +6+7-8)
	Govern- ment (net)	Commer- cial & co- operative banks	National Bank for Agricul- ture and Rural Development	Commer- cial sector*	6				
1	2	3	4	5	6	7	8	9	
1990-91	88,848 £	6,895	3,112	6,342	7,983**	1,621	27,022**	87,779	
1991-92	94,016 £	1,265	3,837	7,260	18,838**	1,704	27,415**	99,505	
1992-93	98,449 £	5,555	4,330	6,220	22,647**	1,824	28,246**	1,10,779	
1993-94	99,300 £	1,878	3,673	6,445	51,422**	1,990	26,037**	1,38,671	
1994-95	1,01,478 £	8,683	4,787	6,593	74,720**	2,379	29,358**	1,69,282	
March 3, 1995	98,592 £	7,883	4,835	6,514	69,992**	2,190	24,947**	1,65,059	
March 10, 1995	1,00,866 £	10,758	4,794	8,921	70,613**	2,190	24,283**	1,73,859	
March 17, 1995	1,00,956 £	7,821	4,715	6,505	70,556**	2,190	24,188**	1,68,555	
March 24, 1995	99,247 £	11,167	4,655	8,060	70,578**	2,190	24,326**	1,71,571	
March 31, 1995	1,01,478 £	8,683	4,787	6,593	74,720**	2,379	29,358**	1,69,282	
October 1995	1,13,200 £	7,491	4,427	6,392	75,256**	2,275	30,643**	1,78,398	
November 1995	1,13,382 £	6,279	4,235	6,524	74,622**	2,280	32,201**	1,75,121	
December 1995	1,10,754 £	7,232	4,553	6,493	74,622**	2,286	32,159**	1,73,781	
January 1996	1,16,439 £	6,341	4,859	6,500	74,262**	2,290	34,741**	1,75,950	
February 1996	1,16,524 £	14,635	5,191	6,560	74,562**	2,290	36,937**	1,82,825	
March 1, 1996	1,17,853 £	13,289	4,355	6,484	72,225**	2,290	34,825**	1,81,671	
March 8, 1996	1,19,588 £	17,218	5,016	6,830	73,007**	2,290	34,788**	1,89,161	
March 15, 1996	1,20,197 £	11,197	4,361	6,486	75,327**	2,290	34,754**	1,85,104	
March 22, 1996	1,18,377 £	17,687	5,026	6,831	75,437**	2,290	34,734**	1,90,914	
March 29, 1996	1,18,289 £	6,115	4,629	6,524	76,223**	2,290	34,807**	1,79,263	

* Represents investments in bonds/shares of financial institutions, loans to them and holdings of internal bills purchased and discounted.
Excludes, since the establishment of NABARD, its refinance to banks.

£ Includes Rs. 4 crore of commercial bill rediscounted with RBI.

£ Includes special securities.

** Inclusive of appreciation in the value of gold following its revaluation close to international market price, effective October 17, 1990. Such appreciation has a corresponding effect on Reserve Bank's net non-monetary liabilities.

Notes : 1. On the establishment of NABARD on July 12, 1982, certain assets and liabilities of the Reserve Bank were transferred to NABARD, necessitating some reclassification of aggregates in the sources of reserve money from that date.
2. Data are provisional from April 1995 onwards.
3. Figures may not add up to the total due to rounding off.

No. 15 : DAILY FOREIGN EXCHANGE SPOT RATES

(Rupees per Unit of Foreign Currency)

(FEDAI Indicative Rates)

Date	RBI Re-US\$ Reference Rate	U.S. Dollar		Pound Sterling		Deutsche Mark		One Hundred Japanese Yen	
		Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
1	2	3	4	5	6	7	8	9	10
March 1, 1996	34.4400	34.4200	34.4700	52.6800	52.7850	23.3625	23.4050	32.6600	32.7225
March 4, 1996	34.4300	34.4100	34.4600	52.6125	52.7250	23.3750	23.4175	32.6925	32.7525
March 5, 1996 +	34.4300								
March 6, 1996	34.1700	34.1500	34.2000	52.2500	52.3500	23.1400	23.1825	32.4475	32.5250
March 7, 1996	34.1200	34.1000	34.1300	51.9775	52.0425	22.9575	22.9825	32.2850	32.3250
March 8, 1996	34.0500	34.0300	34.0600	52.0525	52.1225	23.0300	23.0575	32.2700	32.3100
March 11, 1996	34.0800	34.0700	34.1000	51.8875	51.9675	22.9850	23.0150	32.3025	32.3475
March 12, 1996	34.0900	34.0700	34.1000	51.8750	51.9375	22.9700	23.0000	32.2475	32.2925
March 13, 1996	34.0700	34.0600	34.0800	51.8575	51.9200	23.0925	23.1150	32.3375	32.3700
March 14, 1996	34.1200	34.0900	34.1200	51.9525	52.0325	23.1425	23.1800	32.3525	32.4125
March 15, 1996	34.4200	34.4000	34.5000	52.4775	52.6650	23.3600	23.4450	32.5150	32.6250
March 18, 1996	34.5600	34.5500	34.5800	52.8025	52.8650	23.4600	23.4850	32.6725	32.7150
March 19, 1996	35.7100	35.6500	35.7500	54.5550	54.7450	24.1100	24.1875	33.6000	33.7075
March 20, 1996 +	35.7100								
March 21, 1996	35.1600	35.1200	35.1800	53.9575	54.0850	23.7800	23.8375	32.9825	33.0450
March 22, 1996	34.5500	34.5200	34.5700	53.0100	53.1025	23.3225	23.3650	32.2325	32.3075
March 25, 1996	34.5400	34.5200	34.5700	52.9200	53.0200	23.4125	23.4500	32.4275	32.4900
March 26, 1996	34.1300	34.1000	34.1300	51.9250	51.9925	23.0750	23.1000	32.1000	32.1400
March 27, 1996	34.1200	34.0900	34.1200	51.8850	51.9475	23.0375	23.0625	32.0000	32.0500
March 28, 1996 +	34.1200								
March 29, 1996	34.3300	34.3200	34.3800	52.3750	52.4850	23.2800	23.3275	32.2575	32.3375

FEDAI : Foreign Exchange Dealers' Association of India.

Source : FEDAI for FEDAI Rates.

The Unified Exchange Rate System came into force on March 1, 1993.

+ Market (i.e. Mumbai) closed.

No. 16 : MONEY RATES *

(Per cent per annum)												
Reserve Bank			State Bank of India				Major Commercial Banks					
Bank Rate (£)	Dis- count Rate (a)	Advance Rate (b)	Demand Loan		Sche- duled Com- merical Banks (c)	Co-op. Banks (d)	Mumbai	Cal- cutta	Madras	I.D.B.I. Basic Lending Rate (e)	Sche- duled Com. Banks (f)	ARDC/- NABARD Com. Reti- nance Rate (g)
			7	8								
1	2	3	4	5	6					10	11	12
1990-91		10.0	15.5	16.5	16.5		21.18	..	..	14.00	16.17	6.5
1992-93		12	16-18	17-19	19.5-21.5		14.42	..	..	15.5	17.19	10.5
1993-94		12	14-16	15-17	17.5-19.5		6.99	..	..	15	15.17	10.5
1994-95		12	14	15	16.5-17.5		9.40	..	..	13.5-15.0	15.17	10.5
1995-96		12	14-14.5	15-15.5	17.5-18		17.38	..	..	15-16		10.5
February	1995	12	13-14	14-15	16.5-17.5		13.27	..	..	13.5-15		10.5
March	1995	12	14	15	17.5		13.74	..	..	15.0		10.5
April	1995	12	14-14.5	15-15.5	17.5-18.0		10.91	..	..	15.0-15.5		10.5
May	1995	12	14.5	15.5	18.0		13.39	..	..	15.5		10.5
June	1995	12	14.5	15.5	18.0		14.43	..	..	15.5		10.5
July	1995	12	14.5	15.5	18.0		11.28	..	..	15.5		10.5
August	1995	12	14.5	15.5	18.0		10.11	..	..	15.5		10.5
September	1995	12	14.5	15.5	18.0		12.09	..	..	15.5		10.5
October	1995	12	14.5	15.5	18.0		20.70	..	..	15.5		10.5
November	1995	12	14.5	15.5	18.0		34.83	..	..	15.5-16.0		10.5
December	1995	12	14.5	15.5	18.0		16.77	..	..	16.0		10.5
January	1996	12	14.5	15.5	18.0		11.65	..	..	16.0		10.5
February	1996	12	14.5	15.5	18.0		17.05	..	..	16.0		10.5
March	1996	12	14.5	15.5	18.0		28.75	..	..	16.0		10.5

* Relate to the rates at which the banks are prepared to discount or rediscount bills of exchange, to give loans and advances or to accept deposits. The rates given in the columns 7 to 9 are the weighted averages of the quotations, the weight being proportional to the amounts accepted during the period. Transactions reported by selected banks from Calcutta and Madras centres are few and far between. For details regarding the changes in the rates prior to 1975-76, reference may be made to the March 1977 issue of this Bulletin.

- (a) With effect from April 1, 1987, the rate is fixed at 15.5 per cent for those categories of borrowers who are subject to the maximum interest rate of 16.5 per cent per annum and for other borrowers cash credit/overdraft rate is applicable and is revised to 17.5 per cent effective July 4, 1991, to 19 per cent effective October 9, 1991, to 18 per cent effective March 2, 1992 and to a percentage point below the State Bank advance rate effective October 9, 1992.
- (b) Relates to the Bank's prime lending rate, which regulates all interest rates for the various categories and classes of advances granted by the Bank changed from 13.5 to 16.5 per cent from September 13, 1979, to 18.5 per cent effective July 4, 1991, to 20 per cent effective October 9, 1991, to 19 per cent effective March 2, 1992, to 18 per cent effective October 9, 1992, to 17 per cent effective March 1, 1993, to 16 per cent effective June 24, 1993, to 15 per cent effective September 2, 1993, to 14 per cent effective October 18, 1994, to 15 per cent effective February 15, 1995 and to 15.5 percent effective April 24, 1995.
- (c) Changed from 15-18 per cent to 16.15-19.40 per cent in July 1980 to 18.50 per cent in March 1981, to 18 per cent in April 1983, to 17.50 per cent from April 1, 1985, to 16.50 per cent from April 1, 1987, to 18.5 per cent effective April 13, 1991, to 21 per cent effective July 4, 1991, to 22.5 per cent effective October 9, 1991, 21.5 per cent effective March 2, 1992 and at 2.5 percentage points above the State Bank advance rate effective October 9, 1992.

No. 16 : MONEY RATES *

(Per cent per annum)

Reserve Bank	State Bank of India					Major Commercial Banks					I.D.B.I. Basic Lending Rate (e)	Sche- duled Com. Banks (f)	ARDC/- NABARD Refi- nance Rate (g)			
	Demand Loan					Call Money From Banks										
	Bank Rate (£)	Dis- count Rate (a)	Advance Rate (b)	Sche- duled Com- mercial Banks (c)	Co-op. Banks (d)	Mumbai	Cal- cutta	Madras								
1	2	3	4	5	6	7	8	9	10	11	12					
Week Ended																
February 2, 1996	12	14.5	15.5	18.0		10.93	..	..	16.0				10.5	
February 9, 1996	12	14.5	15.5	18.0		13.97	..	..	16.0				10.5	
February 16, 1996	12	14.5	15.5	18.0		15.58	..	..	16.0				10.5	
February 23, 1996	12	14.5	15.5	18.0		28.56	..	..	16.0				10.5	
March 1, 1996	12	14.5	15.5	18.0		41.62	..	..	16.0				10.5	
March 8, 1996	12	14.5	15.5	18.0		35.72	..	..	16.0				10.5	
March 15, 1996	12	14.5	15.5	18.0		32.34	..	..	16.0				10.5	
March 22, 1996	12	14.5	15.5	18.0		20.72	..	..	16.0				10.5	
March 29, 1996	12	14.5	15.5	18.0		12.93	..	..	16.0				10.5	

(d) From January 1, 1966, the rates relate to call loans of Rs. 1 lakh and above ; loans below Rs. 1 lakh are charged half a per cent less; changed from 14 1/2 to 13 1/2 per cent from March 1, 1978. With effect from July 1, 1980, the rates charged on demand loans to co-operative banks are same as those applicable to general categories of borrowers for similar advances.

(e) Basic Lending Rate for direct loan to industrial concerns (Other than for exports), raised from 10 1/4 per cent to 11 per cent from December 1, 1975, to 11.85 per cent (inclusive of interest tax levy) from July 1, 1980 and to 14.00 per cent effective March 2, 1981 and Minimum Lending Rate effective August 16, 1991 with flexibility to charge a higher interest rate according to credit worthiness of borrowers the rate was revised to 14.5 percent effective March 1, 1994 to 13.5 per cent effective October 19, 1994 to 15 per cent (exclusive of interest tax) effective February 20, 1995, to 15.5 per cent (exclusive of interest tax) effective April 20, 1995 and to 16.0 per cent (exclusive of interest tax) effective from November 20, 1995.

(f) Minimum Lending Rate of Scheduled Commercial Banks at 17.50 per cent applicable to all stocks with sugar mills and 19.50 per cent for all other Selective Credit Control Commodities from March 2, 1981 was further revised to 16.50 per cent and 18.00 per cent, respectively, effective April 1, 1983 and to 16.50 per cent and 17.50 per cent respectively, effective April 1, 1985. From April 1, 1987, it was revised to a single rate of 16.50 per cent (fixed) for all selective credit control commodities including all stocks with sugar mills and a minimum of 16.00 per cent, effective October 10, 1988, further to a minimum of 17.00 per cent effective April 13, 1991, 18.5 per cent effective July 1991, 20.00 per cent effective October 8, 1991, 19.00 percent effective March 2, 1992, 18.00 per cent effective October 9, 1992, 17.00 per cent effective March 1, 1993, 16 per cent effective June 24, 1993 and 15 per cent effective September 2, 1993. The prescription of a minimum lending rate was abolished, in respect of credit limits of over Rs. 2 lakh, effective October 18, 1994 and the Banks were given the freedom to fix the lending rates for such credit limits.

(g) Rate of refinance to eligible institutions for minor irrigation and land development schemes, changed from 7 1/2 per cent to 6 1/2 per cent from March 15, 1979.

(h) Bank Rate raised from 10.00 per cent to 11.00 per cent effective close of banking business of July 3, 1991 and from 11.00 per cent to 12.00 per cent effective closed of banking business on October 8, 1991.

Source : Selected major scheduled commercial banks, D.F.H.I., S.B.I., I.D.B.I. & NABARD.

No. 17 : FOREIGN EXCHANGE RESERVES

End of	SDRs			Gold	
	In millions of SDRs	Rupees crore	In millions of U.S.\$	Rupees crore	In millions of U.S.\$
	1	2	3	4	5
1970-71	149	111.70	148	182.53	243
1971-72	248	194.02	269	182.53	264
1972-73	247	225.67	297	182.53	293
1973-74	245	229.47	296	182.53	293
1974-75	235	228.90	293	182.53	304
1975-76	203	211.16	234	182.53	281
1976-77	187	191.96	217	187.80	290
1977-78	162	169.56	200	193.09	319
1978-79	365	381.31	470	219.50	377
1979-80	529	545.35	662	224.71	375
1980-81	491	496.74	603	225.58	370
1981-82	425	443.51	473	225.58	335
1982-83	270	290.67	291	225.58	324
1983-84	216	248.24	230	225.58	320
1984-85	147	180.50	145	245.78	325
1985-86	115	161.40	131	274.28	417
1986-87	139	231.76	179	274.28	471
1987-88	70	125.25	97	274.28	508
1988-89	80	160.74	103	274.28	473
1989-90	82	183.55	107	280.67	487
1990-91	76	199.99	102	6,828.31	3496
1991-92	66	233.29	90	9,038.84	3499
1992-93	13	55.44	18	10,548.81	3380
1993-94	76	338.95	108	12,794.14	4078
1994-95	5	22.81	7	13,751.79	4370
1995-96*	56	280.16	82	15,658.45	4561

No. 17 : FOREIGN EXCHANGE RESERVES (Contd.)

End of	Foreign Currency Assets		Total	
	Rupees crore	In millions of U.S.\$	Rupees crore (2+4+6)	In millions of U.S.\$ (3+5+7)
	6	7	8	9
1970-71	438.12	584	732.35	975
1971-72	480.38	661	856.93	1194
1972-73	478.90	629	887.10	1219
1973-74	580.78	736	992.78	1325
1974-75	610.50	782	1,021.93	1379
1975-76	1,491.70	1657	1,885.39	2172
1976-77	2,862.99	3240	3,242.75	3747
1977-78	4,499.75	5305	4,862.40	5824
1978-79	5,219.86	6421	5,820.67	7268
1979-80	5,163.66	6324	5,933.72	7361
1980-81	4,822.12	5850	5,544.44	6823
1981-82	3,354.47	3582	4,023.56	4390
1982-83	4,265.26	4281	4,781.51	4896
1983-84	5,497.85	5099	5,971.67	5649
1984-85	6,816.78	5482	7,243.06	5952
1985-86	7,384.35	5972	7,820.03	6520
1986-87	7,645.17	5924	8,151.21	6574
1987-88	7,287.14	5618	7,686.67	6223
1988-89	6,604.63	4226	7,039.65	4802
1989-90	5,787.17	3368	6,251.39	3962
1990-91	4,388.10	2236	11,416.40	5834
1991-92	14,577.99	5631	23,850.12	9220
1992-93	20,140.48	6434	30,744.73	9832
1993-94	47,287.26	15068	60,420.35	19254
1994-95	66,005.59	20809	79,780.19	25186
1995-96*	58,445.87	17044	74,384.48	21687

Note : 1. Gold was valued at Rs. 84.39 per 10 grams till October 16, 1990. It has been revalued close to international market price with effect from October 17, 1990. The increase in gold holdings by Rs. 5.27 crore in 1976-77, Rs. 5.29 crore in 1977-78 and Rs. 5.21 crore in 1979-80 were due to restitution of gold by IMF to India. Of the increase in gold holdings by Rs. 26.41 crore in 1978-79, Rs. 5.28 crore was due to restitution of gold by IMF and the remaining amount of Rs. 21.13 crore was on account of purchase of gold under India's entitlement in respect of profits from sales of the Fund's gold for the benefit of developing countries. The rise of Rs. 0.87 crore in 1980-81 was on account of gold received by the Reserve Bank under the procedure for repayment of National Defence Gold Bonds. 1980 and the increase in gold holdings by Rs. 20.20 crore in 1984-85, by Rs. 82.57 crore during 1992-93, by Rs. 441.85 crore during 1993-94, by Rs. 991.07 crore during 1994-95 and by Rs. 56.23 crore during 1995-96 were on account of acquisition of gold by the Reserve Bank from the Central Government. Gold holdings during 1993-94 and 1994-95 also include an increase of Rs. 4.49 crore and Rs. 0.87 crore, respectively, on account of income from gold deposits.

No. 17 : FOREIGN EXCHANGE RESERVES (Contd.)

End of		SDRs			Gold	
		In millions of SDRs	Rupees crore	In millions of U.S.\$	Rupees crore	In millions of U.S.\$
		1	2	3	4	5
April	1995	65	321.64	102	14,064.45	4481
May	1995	16	81.65	26	13,865.12	4414
June	1995	60	297.52	95	13,986.52	4457
July	1995	13	62.97	20	13,956.43	4445
August	1995	31	147.17	46	14,099.00	4413
September	1995	5	27.66	8	14,980.45	4405
October	1995	26	134.63	39	15,360.87	4408
November	1995	12	62.00	18	15,455.56	4429
December	1995	93	488.07	139	15,656.82	4457
January	1996*	33	175.23	48	16,509.97	4587
February	1996*	34	173.43	50	16,463.82	4659
March	1996*	56	280.16	82	15,658.45	4561
March 1,	1996*	34	169.76	49	16,463.82	4659
March 8,	1996*	14	72.00	21	16,463.82	4659
March 15,	1996*	6	29.47	9	16,463.82	4659
March 22,	1996*	6	29.49	9	16,463.82	4659
March 29,	1996*	56	280.16	82	16,463.82	4659

No. 17 : FOREIGN EXCHANGE RESERVES (Concl.)

End of		Foreign Currency Assets		Total	
		Rupees crore	In millions of U.S.\$	Rupees crore	In millions of U.S.\$ (3+5+7)
		(2+4+6)	(2+4+6)	8	9
		6	7	8	9
April	1995	64,063.89	20454	78,449.98	25037
May	1995	63,044.48	20267	76,991.25	24707
June	1995	61,612.97	19601	75,897.01	24153
July	1995	62,357.41	19882	76,376.81	24347
August	1995	60,565.84	18990	74,812.01	23449
September	1995	64,660.03	19064	79,668.14	23477
October	1995	61,473.71	17753	76,969.21	22200
November	1995	60,434.44	17,335	75,952.00	21782
December	1995	61,373.51	17,467	77,518.40	22063
January	1996*	59,539.74	16,310	76,224.94	20945
February	1996*	55,772.39	15,943	72,409.64	20652
March	1996*	58,445.87	17044	74,384.48	21687
March 1.	1996*	55,772.39	15912	72,405.97	20620
March 8.	1996*	56,554.43	16134	73,090.25	20814
March 15.	1996*	58,875.18	16802	75,368.47	21470
March 22.	1996*	58,985.24	16803	75,478.55	21471
March 29.	1996*	59,771.16	17046	76,515.14	21787

2. All foreign exchange holdings are valued at par/central rates upto June 1972, except for the holdings of Canadian dollars from June 1970 to June 1972 which are valued on the basis of the monthly averages of spot buying and selling rates in New York and the holdings of Deutsche Mark from May to November 1971 and of Yen and Sterling from September to November 1971 which are valued on the basis of the monthly averages of spot buying and selling rates in London. From July 1972 holdings in sterling are valued at the average of the Bank's spot buying and selling rates, all other foreign exchange holdings are valued on the basis of monthly averages of the spot buying and selling rates in London from July 1972 to April 1974 and on the basis of the averages of spot buying and selling rates in London from May 1974.

3. For compiling figures in US dollars, gold is valued at SDR 35 per troy ounce as in International Financial Statistics of the IMF upto October 16, 1990. Thereafter gold has been revalued close to International market price.

4. Conversion of the foreign currency assets and SDRs in US dollars is done at exchange rates supplied by the IMF.

5. Gold holdings include an increase of Rs. 54.14 crore (US \$ 17.24 million) during 1995-96.

* Provisional

No. 18 : GOVERNMENT OF INDIA 91 - DAY TREASURY BILLS
 (Outstandings – At face value)

(Rs. in crores)

March 31 / Last Friday / Friday	Reserve Bank of India			Banks		State Governments		Others	
	Rediscounted	Tap * Ad hocs	Auction	Tap *	Auction	Tap *	Auction	Tap *	Auction
1	2	3	4	5	6	7	8	9	10
March 31, 1993	1,287	15,430	1,147	306	155	2,083	—	160	22
March 31, 1994	2,108	21,730	605	72	3,428	2,296	—	541	935
March 31, 1995	1,687	23,480	68	—	38	5,969	618	394	77
March 29, 1996	777	27,595	3,503	—	435	6,603	1,997	465	566
March 1995	1,687	23,480	68	—	38	5,969	618	394	77
April 1995	2,853	32,730	—	75	29	3,388	572	420	50
May 1995	804	35,640	305	—	136	5,707	1,274	403	85
June 1995	1,660	36,445	1,242	1	118	4,416	3,089	420	101
July 1995	1,769	36,895	2,003	1	321	4,628	3,452	429	74
August 1995	1,218	34,470	1,771	1	997	6,463	3,272	356	459
September 1995	2,017	29,920	834	1	1,041	5,228	3,207	398	918
October 1995	4,308	33,720	105	—	1,126	2,483	4,227	368	1,042
November 1995	1,649	35,470	1,023	—	505	4,463	4,165	383	807
December 1995	2,887	25,470	2,210	—	302	3,791	2,714	327	774
January 1996	2,783	31,545	3,506	—	333	4,545	1,970	373	691
February 1996	1,726	32,855	3,692	—	282	4,414	1,780	442	746
<u>Week Ended</u>									
March 1, 1996	490	32,665	3,883	—	264	3,957	1,605	470	748
March 8, 1996	1,541	32,155	3,885	—	272	2,896	1,565	472	779
March 15, 1996	859	33,710	4,109	—	316	4,628	1,325	433	750
March 22, 1996	861	32,375	3,762	—	287	5,452	1,709	421	742
March 29, 1996	777	27,595	3,503	—	435	6,603	1,997	465	566

* The rate of discount is 4.60 per cent per annum.

No. 19 : SMALL SAVINGS

(Rs. in Crores)

Year/month	Current Series Deposits													
	Post Office Savings Bank Deposits++				Cumulative Time Deposits				National Savings Scheme ★★		Post Office Recurring Deposits\$		Post Office Time Deposits £ 1-Year	
	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings
1	2	3	4	5	6	7	8	9	10	11	12	13		
1990-91#	4,253	4,205	67	272	69	274	2,085	4,592	1,428	2,638	366	414		
1991-92#	5,143	4,619	50	204	51	206	2,213	6,755	1,725	3,094	479	518		
March 1991#	728	4,205	9	272	9	274	999	4,592	159	2,638	116	414		
April 1991#	353	4,113	5	256	5	257	82	4,661	111	2,656	19	392		
May 1991#	303	4,046	4	247	4	248	25	4,682	126	2,698	17	390		
June 1991#	322	4,010	4	241	4	242	31	4,709	131	2,754	16	386		
July 1991#	357	4,027	4	236	4	237	32	4,737	140	2,802	17	375		
August 1991#	378	4,069	4	233	4	234	52	4,785	142	2,835	15	373		
September 1991#	353	4,110	4	234	4	235	73	4,854	131	2,864	14	362		
October 1991#	337	4,087	4	228	4	230	73	4,923	146	2,891	23	364		
November 1991#	339	4,104	4	226	4	227	92	5,013	141	2,929	19	362		
December 1991#	513	4,245	4	222	4	223	131	5,142	153	2,977	64	390		
January 1992#	418	4,172	4	214	4	216	165	5,303	160	3,005	61	409		
February 1992#	478	4,194	4	211	4	212	322	5,623	155	3,006	49	430		
March 1992#	990	4,620	6	204	6	206	1,135	6,755	188	3,094	166	518		

++ Receipts and Outstanding include interest credited to depositor's account from time to time. Outstanding include the balances under Dead Savings Bank Accounts.

+ Opening of new accounts discontinued from April 1, 1986.

\$ Introduced from April 1, 1970.

Provisional.

@ Includes cumulative time deposits with duration of 5 years and 15 years.

★★ Introduced from April 1, 1987.

No. 19 : SMALL SAVINGS (Contd.)

(Rs. in crores)

Year/Month	Current Series - Deposits (Contd.)										Current Series-Certificates		
	Post Office Time Deposits £						Total Deposits				National Savings Annuity Certificates ³		
	2 Year +		3 Year		5 Year		Total		Receipts		Out-standings		
	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	
	14	15	16	17	18	19	20	21	22	23	24	25	26
1990-91#		51	95	22	54	307	2,410	746	2,973	8,580	14,681	—	—
1991-92#		48	96	48	77	367	2,170	942	2,861	10,074	17,535	—	—
March 1991#	4	95	3	54	22	2,410	146	2,973	2,041	14,681	—	—	—
April 1991#	4	95	2	53	27	2,340	51	2,879	601	14,567	—	—	—
May 1991#	4	94	1	52	18	2,287	40	2,823	498	14,496	—	—	—
June 1991#	4	94	2	51	41	2,284	63	2,815	551	14,531	—	—	—
July 1991#	4	94	2	51	17	2,265	40	2,785	573	14,588	—	—	—
August 1991#	3	93	2	51	33	2,265	53	2,782	629	14,706	—	—	—
September 1991#	3	93	1	51	11	2,300	29	2,806	590	14,869	—	—	—
October 1991#	5	95	7	55	35	2,154	69	2,667	628	14,797	—	—	—
November 1991#	4	95	6	59	26	2,155	54	2,671	630	14,944	—	—	—
December 1991#	5	96	8	65	31	2,155	108	2,705	910	15,293	—	—	—
January 1992#	5	96	7	69	33	2,165	105	2,739	852	15,436	—	—	—
February 1992#	4	96	5	73	44	2,153	102	2,752	1,062	15,788	—	—	—
March 1992#	5	96	6	77	53	2,170	229	2,861	2,550	17,535	—	—	—

£ introduced from March 16, 1970.

+ introduced from August 1, 1973.

No. 19 : SMALL SAVINGS (Contd.)

(Rs. in crores)

Year/Month	Current Series - Certificates (Contd.)														
	7-Year National Savings Certificates							6-Year National Savings Certificates ²				Social Security Certificates ⁴			
	II-Issue		III-Issue		IV-Issue		V-Issue ¹		VI-Issue		VII-Issue				
	Re- ceipts	Out- stand- ings	Re- ceipts	Out- stand- ings	Re- ceipts	Out- stand- ings	Re- ceipts	Out- stand- ings	Re- ceipts	Out- stand- ings	Re- ceipts	Out- stand- ing	Re- ceipts	Out- stand- ing	
	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41
1990-91#		1	119	—	5	—	6	1	—	29	11,137	1	737	1	25
1991-92#		—	95	—	5	—	4	—	—	64	8,541	6	469	1	24
March 1991#	1	119	—	5	—	6	—	—	—	18	11,137	1	737	—	25
April 1991#	—	116	—	5	—	6	—	—	—	—	10,902	—	710	—	25
May 1991#	—	114	—	5	—	6	—	—	—	—	10,730	—	691	—	25
June 1991#	—	113	—	5	—	6	—	—	—	—	10,554	—	672	—	25
July 1991#	—	111	—	5	—	6	—	—	—	—	10,360	—	650	—	25
August 1991#	—	110	—	5	—	6	—	—	—	—	10,177	—	629	—	24
September 1991#	—	109	—	5	—	6	—	—	—	—	10,025	—	610	—	24
October 1991#	—	107	—	5	—	6	—	—	—	—	9,844	—	589	—	24
November 1991#	—	105	—	5	—	6	—	—	—	—	9,647	—	568	—	24
December 1991#	—	102	—	5	—	5	—	—	—	63	9,498	6	547	1	25
January 1992#	—	99	—	5	—	5	—	—	—	—	9,263	—	524	—	25
February 1992#	—	98	—	5	—	4	—	—	—	—	9,007	—	502	—	24
March 1992#	—	95	—	5	—	4	—	—	—	—	8,541	—	469	—	24

Note : Outstanding relate to end of period and include Indian Union's share of the pre-partition liabilities and repayments include those from the pre-partition holdings of Indian investors.

1. Issued from April 1, 1974.
2. Introduced from May 1, 1981.
3. Introduced from April 1, 1976.
4. Introduced from June 1982.
5. Introduced from August 31, 1977.
6. Introduced from November 1986.
7. Introduced from April 1, 1988.

No. 19 : SMALL SAVINGS (Concl.)

(Rs. in crores)

Year/Month	Current Series - Certificates (Concl.)						Public Provi- dent Fund Current Scheme 1968@ and 5-year National Development Bonds ⁵	Total Current Series	Total Un- Current Series ⁶	Total Current and Un- current series			
	Kisan Vikas Patras ⁷	Indira Vikas Patras ⁸	Total Certificates	Receipts	Out- stand- ings	Receipts							
	42	43	44	45	46	47	48	49	50	51	52	53	54
1990-91#		4,136	9,514	2,469	8,709	8,247★	33,387★	347	2,595	17,174	50,664#	102#	50,765#
1991-92#		3,439	12,591	1,592	9,410	6,687★	35,847★	—	2,596#	16,761	55,978#	102#	56,080#
March 1991#	427	9,514	348	8,709	1,310★	33,387★	—	2,595#	3,350	50,664#	102#	50,765#	
April 1991#	317	9,827	121	8,831	525★	33,643★	—	—	1,126	50,806#	102#	50,907#	
May 1991#	290	10,111	103	8,934	445★	33,888★	—	—	943	50,980#	102#	51,082#	
June 1991#	342	10,447	101	9,035	500★	34,185★	—	2,595#	1,051	51,312#	102#	51,413#	
July 1991#	339	10,777	114	9,149	517★	34,476★	—	—	1,091	51,659#	102#	51,781#	
August 1991#	252	11,020	92	9,241	418★	34,678★	—	—	1,047	51,979#	102#	52,081#	
September 1991#	214	11,224	72	9,313	342★	34,836★	—	2,595#	933	52,301#	102#	52,402#	
October 1991#	208	11,420	72	9,385	355★	34,974★	—	—	983	52,367#	102#	52,469#	
November 1991#	210	11,617	96	9,426	390★	35,074★	—	—	1,020	52,614#	102#	52,715#	
December 1991#	321	11,713	233	9,473	762★	35,181★	—	2,595#	1,672	53,070#	102#	53,172#	
January 1992#	333	12,014	207	9,461	715★	35,385★	—	—	1,567	53,417#	102#	53,519#	
February 1992#	288	12,281	175	9,430	706★	35,583★	—	—	1,768	53,967#	102#	54,069#	
March 1992#	325	12,591	206	9,410	1,011★	35,847★	—	2,595#	3,561	55,978#	102#	56,080#	

+ , Exclude data on '5 year Fixed Deposits - Bank's from September 1971 and '10 - Year National Plan Certificates' from April 1971 for which data are not available.

@@ Relate to the State Bank of India transactions only. Data are available on quarterly basis and are presented against the end months. Receipts are included in the total receipts against the same month whereas outstandings are included in the total outstandings against the same and subsequent months.

★ Includes data on National Savings Certificates, VIII issue.

Provisional

Revised.

Sources : 1. Accountant General, Posts and Telegraphs.
2. State Bank of India.

No. 20 : GROUPWISE INDEX NUMBERS
(1980-81 = 100)

Industry Group 1	Industry 2	Weight 3	1981- 82 4	1992- 93 5	1993- 94 6	1994- 95* 7
20-21	Food products	5.33	113.5	175.3	160.0	181.7
22	Beverages, tobacco and tobacco products	1.57	104.3	113.7	137.8	133.6
23	Cotton textiles	12.31	99.7	150.1	160.5	155.8
25	Jute, hemp and mesta textiles	2.00	95.7	87.0	103.2	91.5
26	Other textiles (including wearing apparel other than footwear)	0.82	96.7	75.8	73.4	78.4
27	Wood & wood products, furniture & fixtures	0.45	153.2	190.5	199.3	203.0
28	Paper and paper products & printing, publishing and allied industries	3.23	108.2	210.9	224.8	257.5
29	Leather, leather & fur products (except repair)	0.49	128.1	187.7	204.3	211.1
30	Rubber, plastic, petroleum and coal products	4.00	119.2	174.6	176.4	181.9
31	Chemicals & chemical products except products of petroleum and coal	12.51	116.9	276.9	297.9	327.5
32	Non - metallic mineral products	3.00	106.7	209.0	218.5	233.8
33	Basic metal and alloy industries	9.80	100.0	168.5	224.2	205.0
34	Metal products and parts except machinery and transport equipment	2.29	94.6	124.6	126.5	148.9
35	Machinery, machine tools and parts except electrical machinery	6.24	111.1	181.1	189.2	207.4
36	Electrical machinery apparatus & appliances, etc.	5.78	103.9	483.6	460.1	609.6
37	Transport equipment & parts	6.39	108.1	200.6	211.2	239.1
38	Other manufacturing industries	0.90	149.2	281.3	267.0	267.8
Division 1	Mining and quarrying	11.46	117.7	223.7	231.5	247.7
Division2-3	Manufacturing	77.11	107.9	210.7	223.5	244.2
Division4	Electricity	11.43	110.2	269.9	290.0	314.6
	General Index (Crude)	100.00	109.3	218.9	232.0	252.7

★ Provisional.

**OF INDUSTRIAL PRODUCTION@
(100)**

1994					1995				
July	Aug.	September	October	Nov.	July	Aug.	Sept.	Oct.	Nov.
8	9	10	11	12	13	14	15	16	17
110.2	114.0	118.1	129.4	207.7	121.2	125.3	131.2	132.6	207.1
130.5	126.2	105.9	95.5	111.5	157.3	135.5	144.8	140.3	156.7
155.7	154.5	153.3	155.0	153.5	156.5	158.6	156.0	155.7	159.2
79.4	82.0	86.6	91.0	110.3	83.2	88.5	101.4	99.2	106.1
77.9	79.8	80.6	75.8	70.8	85.2	86.4	90.4	94.3	91.8
201.6	189.9	191.1	185.7	193.9	244.5	240.6	214.8	213.7	228.8
266.6	244.6	250.2	256.0	257.0	299.0	277.4	282.7	280.8	281.0
216.2	227.2	170.1	167.3	185.9	225.4	230.4	234.4	229.5	230.8
190.9	191.0	184.1	185.2	181.6	199.5	191.0	206.4	197.0	193.9
317.2	333.4	316.3	338.6	337.6	348.6	353.6	349.9	352.5	344.7
213.0	228.8	212.3	227.6	223.0	267.3	266.5	259.6	255.2	250.5
198.9	207.0	206.7	219.8	190.0	219.3	227.2	226.3	220.9	223.1
147.5	150.8	141.6	143.6	144.9	165.8	169.9	170.5	164.0	192.0
181.7	182.9	189.0	213.7	201.7	233.9	239.9	257.7	225.7	226.9
663.5	621.4	663.1	603.3	606.4	596.2	672.6	756.3	749.3	801.6
223.8	221.7	230.7	234.9	229.7	276.6	278.7	293.2	276.4	306.3
239.4	257.0	265.4	267.9	265.9	280.3	276.2	293.1	297.8	309.9
213.8	220.6	246.0	244.3	253.5	242.7	241.9	238.0	250.0	263.0
236.8	237.3	237.4	242.4	243.1	254.9	262.2	271.8	268.1	278.5
295.8	305.9	303.6	318.3	310.5	332.3	332.5	326.0	334.2	332.0
240.9	243.2	246.0	251.3	252.0	262.3	267.9	274.1	272.0	282.8

@ : Please see footnote to table 21.

Source : Central Statistical Organisation.

No. 21 : INDEX NUMBERS OF INDUSTRIAL PRODUCTION
(1980 – 81 = 100)

Sector	Mining & Quarrying	Manufacturing	Electricity	General (Crude)
Weight	11.46	77.11	11.43	100.00
1	2	3	4	5
Year				
1981-82	117.7	107.9	110.2	109.3
1982-83	132.3	109.4	116.5	112.8
1983-84	147.8	115.6	125.4	120.4
1984-85	160.9	124.8	140.4	130.7
1985-86	167.5	136.9	152.4	142.1
1986-87	177.9	149.7	168.1	155.1
1987-88	184.6	161.5	181.0	166.4
1988-89	199.1	175.6	198.2	180.9
1989-90	211.6	190.7	219.7	196.4
1990-91	221.2	207.8	236.8	212.6
1991-92	222.5	206.2	257.0	213.9
1992-93	223.7	210.7	269.9	218.9
1993-94 @	231.5	223.5	290.0	232.0
1994-95 @	247.7	244.2	314.6	252.7
November 1994	253.5	243.1	310.5	252.0
March 1995	324.3	293.5	346.8	303.1
April 1995	232.1	250.4	330.8	257.5
May 1995	251.0	248.1	347.3	259.8
June 1995	243.0	254.6	332.9	262.2
July 1995	242.7	254.9	332.3	262.3
August 1995	241.9	262.2	332.5	267.9
September 1995	238.0	271.8	326.0	274.1
October 1995	250.0	266.1	334.2	272.0
November 1995★	263.0	278.5	332.0	282.8

★ : Quick estimates.

@ : Provisional.

Note : The data published by us until the January 1989 issue of R.B.I. Bulletin mainly showed use-based and input-based classification of industrial production with the base year 1970=100. The tables also showed the General Index of Production alongwith data on three main sectors, namely, Mining and Quarrying, Manufacturing and Electricity. C.S.O. has introduced new series with 1980-81=100 as base. These revised data with 1980-81=100 as base, have been published since February 1989 issue of the R.B.I. Bulletin. Table 20 indicates new series monthwise data on Manufacturing sector at two digit level of 17 groups alongwith General Index and sectoral indicators, viz., Mining and Quarrying, Manufacturing and Electricity. Table 21 shows yearly data on General Index and its three main sectors as also the latest available monthly data.

Source : Central Statistical Organisation.

No. 22 : BULLION PRICES (SPOT)* - MUMBAI

As on the last Friday / Friday					(Rs.)
	Standard Gold (per 10 grams)		Silver (per Kilogram)		
	Opening	Closing	Opening	Closing	
1	2	3	4	5	
1990-91	3,470.00	3,440.00	6,668.00	6,663.00	
1991-92	4,379.00	4,443.00	8,083.00	8,050.00	
1992-93	4,090.00	4,082.00	5,500.00	5,492.00	
1993-94	4,623.00	4,629.00	7,346.00	7,339.00	
1994-95	4,675.00	4,680.00	6,375.00	6,335.00	
1995-96	5,192.00	5,171.00	7,329.00	7,311.00	
March 1995	4,675.00	4,680.00	6,375.00	6,335.00	
April 1995	4,840.00	4,860.00	7,163.00	7,288.00	
May 1995	4,740.00	4,740.00	6,950.00	6,931.00	
June 1995	4,740.00	4,740.00	6,892.00	6,893.00	
July 1995	4,700.00	4,695.00	6,855.00	6,833.00	
August 1995	4,700.00	4,710.00	6,990.00	6,980.00	
September 1995	4,881.00	4,895.00	7,405.00	7,427.00	
October 1995	5,040.00	5,028.00	7,800.00	7,583.00	
November 1995	5,035.00	5,030.00	7,300.00	7,279.00	
December 1995	5,104.00	5,115.00	7,225.00	7,225.00	
January 1996	5,493.00	5,466.00	7,825.00	7,786.00	
February 1996	5,370.00	5,351.00	7,825.00	7,800.00	
<u>Week Ended</u>					
March 1, 1996	5,281.00	5,266.00	7,650.00	7,825.00	
March 8, 1996	5,122.00	5,133.00	7,350.00	7,325.00	
March 15, 1996	5,230.00	5,254.00	7,496.00	7,525.00	
March 22, 1996	5,270.00	5,240.00	7,625.00	7,500.00	
March 29, 1996	5,192.00	5,171.00	7,329.00	7,311.00	

Note : In case Friday is a holiday, prices relate to the preceding working day.

* The ban on forward trading of gold and silver, effective from November 14, 1962 and January 10, 1963 respectively still continues to operate.

Source : Bombay Bullion Association Ltd.

**No. 23 : INDEX NUMBERS OF
(1980-81 =**

Average of weeks ended Saturday/week ended Saturday	1981-82	1992-93	1993-94	1994-95	1994		
					Oct.	Nov.	Dec.
1	2	3	4	5	6	7	8
Government and							
Semi-Government Securities	98.6	89.0	88.9	88.9	88.9	88.9	88.9
Government of India	98.2	86.7	86.7	86.7	86.7	86.7	86.7
State Governments	100.0	98.0	97.7	97.7	97.7	97.7	97.7
Semi-Government Institutions	99.9	98.9	98.9	98.9	98.9	98.9	98.9
Industrial Securities							
Ordinary Shares							
All Industries	118.9	1142.1	1051.3	1537.3	1711.7	1653.9	1592.4
Agriculture and Allied Activities★	92.9	2454.9	2979.0	4017.9	4136.6	3823.7	3842.5
Tea Plantations	92.9	2807.2	3422.5	4612.8	4752.7	4361.8	4407.5
Processing and Manufacturing							
Foodstuffs and Textiles	120.6	1106.4	980.8	1436.8	1616.6	1569.8	1501.1
Foodstuffs★	111.6	1217.8	1140.4	1546.0	1697.6	1656.0	1590.4
Sugar	109.6	2783.7	2793.1	3684.0	4005.2	3892.4	3734.7
Tobacco	131.0	638.2	693.0	1234.1	1480.8	1424.3	1244.2
Textiles★	101.3	6501.2	6710.4	8581.6	9259.2	8946.6	8585.0
Cotton Textiles	112.1	796.6	706.6	984.8	1091.9	1069.0	1027.6
Jute Textiles	80.8	166.8	121.0	226.3	246.2	244.6	305.1
Silk, Woollen and Rayon Textiles	110.6	1006.2	1012.3	1386.4	1525.3	1475.1	1409.1
Metals, Chemicals and Products thereof	126.3	1078.6	973.9	1458.5	1648.5	1593.8	1514.9
Metals and Products thereof★	141.2	1045.0	875.0	1340.0	1539.6	1486.1	1418.0
Aluminium	115.5	3207.0	3312.3	4817.1	5604.8	5366.0	5119.6
Automobiles & Auto ancillaries	167.1	938.8	1001.6	1749.4	2001.5	1929.5	1852.0
Electrical / Electronic Machinery	117.9	503.9	452.0	728.2	832.8	824.0	768.3
Other Machinery	123.2	627.3	493.0	721.5	792.1	805.3	806.7
Foundries and Engineering Workshops	146.8	516.1	368.4	435.6	489.2	481.3	460.1
Chemicals and Products thereof★	108.5	1118.9	1092.4	1581.3	1778.9	1723.0	1630.9
Chemical Fertilizers	108.5	1158.9	873.2	1025.5	1131.1	1077.6	1008.6
Dyes & Dye-stuffs	85.3	358.4	409.6	682.5	738.9	708.8	687.2
Man-made fibres	125.9	317.9	242.2	310.5	333.3	330.9	318.7
Other Basic Industrial Chemicals	105.3	960.0	858.7	1172.7	1331.1	1314.9	1320.6
Medicines & Pharmaceuticals	77.4	581.3	766.3	1799.8	2465.3	2298.9	2126.2
Other Processing and Manufacturing★	108.5	1039.6	708.9	1126.9	1303.7	1286.9	1264.3
Cement	127.0	1726.9	1112.4	1809.2	2181.0	2009.3	1962.2
Rubber and Rubber Products	108.1	1097.7	833.1	1219.0	1385.8	1333.8	1279.6
Paper and Paper Products	112.2	791.9	539.2	880.5	1044.4	1036.5	972.8
Other Industries★	112.5	915.6	919.8	1449.9	1593.1	1547.2	1513.2
Electricity Generation and Supply	114.7	1819.1	2056.7	2425.6	2391.9	2232.1	2179.7
Trading	117.7	1710.8	1490.3	2284.7	2381.6	2313.9	2234.9
Shipping	129.6	724.8	564.5	913.7	1129.9	1115.2	1028.2
Hotels	86.9	1023.2	1567.0	2863.0	3034.5	2945.6	3069.5
Finance & Investment	88.3	309.6	293.2	403.8	449.1	443.0	449.7

SECURITY PRICES — ALL INDIA

100)

1995														
June	July	Aug.	Sept.	Oct.	Oct. 7	Oct. 14	Oct. 21	Oct. 28	Nov.	Nov. 4	Nov. 11	Nov. 18	Nov. 25	
9	10	11	12	13	14	15	16	17	18	19	20	21	22	
88.9	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.8	
86.7	86.7	86.6	86.7	86.7	86.7	86.7	86.7	86.7	86.7	86.7	86.7	86.7	86.7	
97.7	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	
98.9	98.1	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	
1254.7	1215.1	1220.2	1192.9	1222.1	1221.9	1236.2	1227.7	1202.6	1145.9	1197.6	1172.1	1125.0	1089.0	
2752.6	2541.9	2506.5	2411.4	2460.4	2471.7	2498.2	2470.9	2400.6	2381.3	2455.8	2434.0	2359.6	2275.8	
3148.0	2902.6	2864.1	2750.3	2800.5	2817.5	2845.2	2810.7	2728.5	2705.8	2793.3	2767.3	2680.3	2582.5	
1219.9	1183.3	1188.8	1160.0	1186.0	1185.8	1199.9	1191.6	1166.5	1109.4	1160.3	1135.1	1088.7	1053.3	
1186.0	1162.9	1195.9	1174.2	1220.2	1206.5	1233.9	1233.9	1206.4	1145.3	1196.7	1172.7	1126.7	1085.3	
2659.2	2576.9	2672.1	2668.8	2856.5	2772.5	2896.1	2929.5	2828.1	2645.6	2780.0	2720.2	2609.3	2472.9	
854.8	737.3	786.4	722.2	708.7	702.2	718.5	707.8	706.4	662.7	694.6	679.0	658.5	618.6	
5624.3	5508.3	5758.4	5759.2	6363.8	6087.7	6454.0	6800.1	6313.3	5815.5	6165.5	6033.2	5717.3	5348.2	
799.4	791.8	808.3	781.9	790.7	795.5	797.6	788.9	780.8	751.6	781.2	766.5	737.5	721.1	
419.0	400.4	430.9	414.7	411.4	416.0	419.8	410.7	398.8	382.3	402.1	386.3	373.3	367.5	
289.5	282.9	344.8	314.6	299.7	301.5	294.4	299.2	303.5	288.8	296.1	295.6	288.9	274.4	
1091.1	1094.7	1110.5	1049.8	1095.2	1103.1	1103.2	1090.0	1084.4	1038.9	1083.6	1072.2	1017.5	982.4	
1279.8	1240.6	1233.8	1205.6	1230.5	1232.6	1243.8	1235.8	1209.7	1149.7	1204.2	1175.8	1127.1	1091.8	
1223.9	1197.5	1246.2	1245.1	1280.6	1284.3	1295.1	1286.8	1256.1	1190.1	1254.7	1219.8	1161.2	1124.5	
4131.0	4040.9	4184.9	4355.3	4385.3	4398.7	4448.0	4387.7	4306.9	4091.7	4278.1	4155.3	3993.0	3940.4	
1794.6	1737.8	1786.3	1808.7	1897.7	1920.2	1913.2	1899.2	1858.0	1755.4	1864.9	1812.6	1705.0	1639.1	
556.3	547.3	583.6	543.5	536.7	536.8	544.7	537.8	527.4	499.1	526.4	505.0	492.2	472.8	
682.3	669.7	727.3	710.2	725.1	717.7	735.7	729.8	717.2	675.9	712.4	695.0	663.5	632.9	
496.8	480.7	491.6	442.2	420.7	423.6	422.5	422.7	414.0	399.0	415.0	420.5	392.4	367.9	
1346.8	1292.2	1219.1	1158.1	1170.4	1170.6	1182.2	1174.6	1154.0	1101.4	1143.8	1122.9	1086.3	1052.5	
824.5	824.2	851.3	822.3	816.0	820.3	826.2	827.9	789.7	764.5	783.4	775.3	759.4	739.9	
559.1	515.1	490.9	491.1	491.6	496.0	494.6	486.1	489.6	451.5	472.2	457.9	437.0	438.9	
253.0	238.7	241.2	220.6	218.5	220.0	219.0	212.5	222.4	206.1	207.7	217.2	201.6	197.8	
929.4	904.2	915.3	870.3	863.1	861.0	869.8	866.3	855.4	793.6	834.6	805.6	774.0	760.1	
1547.8	1417.4	1481.7	1383.1	1430.7	1439.3	1459.3	1427.7	1396.6	1286.0	1369.3	1346.9	1258.0	1189.7	
978.7	934.0	946.7	902.4	896.2	909.8	914.0	888.2	872.7	837.3	869.3	858.8	822.7	798.5	
1619.4	1552.3	1559.2	1498.0	1477.9	1502.4	1508.7	1469.2	1431.3	1390.3	1437.5	1417.7	1367.3	1338.9	
849.2	823.2	832.9	788.8	783.3	790.9	790.8	781.0	770.5	743.8	768.5	758.0	728.8	719.9	
813.2	757.9	803.0	755.1	738.2	748.9	745.0	733.4	725.7	681.6	718.1	709.1	667.6	631.8	
1294.9	1229.1	1255.0	1281.0	1355.6	1366.9	1367.8	1339.2	1348.3	1315.6	1353.3	1337.0	1294.5	1277.6	
1889.3	1781.7	1803.6	2183.4	2572.2	2659.8	2662.1	2514.5	2452.4	2453.9	2607.7	2544.9	2402.3	2260.8	
1865.6	1769.2	1732.0	1642.6	1672.9	1675.2	1700.6	1668.1	1647.8	1579.5	1613.5	1575.6	1565.2	1563.8	
620.0	588.0	587.6	543.4	540.4	550.4	552.5	533.8	525.1	464.8	482.6	474.9	456.7	445.1	
3398.2	3297.7	3414.5	3567.5	3817.2	3818.8	3757.4	3736.8	3955.8	3956.7	4007.2	4015.6	3883.6	3920.5	
341.8	342.2	367.1	367.4	375.6	377.0	381.7	384.3	359.5	347.4	362.9	354.0	342.5	329.9	

★ Includes the sub-group others/miscellaneous.

Note : The indices for the year 1981-82 have been compiled on the basis of last week's data for each month during the period.

* Provisional figures

NO. 24 : INDEX NUMBERS OF SECURITY PRICES-REGIONAL
(1980-81 = 100)

Average of weeks ended Saturday/ week ended Saturday	Mumbai		Calcutta		Madras		Ahmedabad		Delhi
	Govt. & Semi-Govt. Securities	Ordinary Shares	Govt. & Semi-Govt. Securities	Ordinary Shares	Govt. & Semi-Govt. Securities	Ordinary Shares	Ordinary Shares	Ordinary Shares	Ordinary Shares
1	2	3	4	5	6	7	8	9	
1981-82		98.7	125.4	98.3	117.1	98.4	121.3	128.0	114.3
1992-93		88.0	1332.0	85.4	1200.2	91.7	2195.5	1004.1	1024.0
1993-94		87.8	1232.5	85.4	1090.9	91.6	2113.6	729.4	997.2
1994-95		87.8	1773.5	85.4	1589.1	91.7	3189.5	991.4	1353.4
October 1994		87.8	1959.4	85.4	1783.8	91.6	3542.8	1093.5	1486.3
November 1994		87.8	1895.0	85.4	1699.5	91.6	3446.0	1037.8	1459.2
December 1994		87.8	1826.0	85.4	1638.4	91.6	3228.7	1027.4	1396.2
January 1995		87.8	1697.6	85.4	1544.3	91.6	3065.5	946.2	1351.1
February 1995		87.8	1640.0	85.4	1494.2	91.6	2864.9	966.2	1291.3
March 1995		87.8	1625.2	85.4	1425.8	91.6	2772.3	965.2	1219.6
April 1995		87.8	1535.6	85.4	1321.2	91.6	2918.7	948.0	1231.3
May 1995		87.8	1422.4	85.7	1239.2	92.0	2697.9	904.3	1127.1
June 1995		87.8	1425.8	85.4	1245.4	91.7	2743.0	943.8	1155.5
July 1995		87.7	1377.2	85.4	1205.5	91.6	2639.8	937.5	1151.5
August 1995		87.8	1358.6	85.3	1184.8	91.5	2633.6	962.2	1211.4
September 1995		87.8	1328.2	85.4	1169.6	91.5	2534.7	966.7	1198.1
October 1995		87.8	1372.0	85.4	1194.4	91.5	2595.8	984.2	1252.9
Oct. 7, 1995		87.8	1379.0	85.4	1189.5	91.5	2566.0	988.2	1235.4
Oct. 14, 1995		87.8	1393.2	85.4	1205.9	91.5	2623.1	994.2	1256.0
Oct. 21, 1995		87.8	1374.9	85.4	1203.1	91.5	2631.8	994.4	1265.2
Oct. 28, 1995		87.8	1340.8	85.4	1178.9	91.5	2562.3	959.9	1255.0
November 1995		87.8	1250.3	85.4	1127.8	91.5	2466.6	938.0	1212.1
Nov. 04, 1995		87.8	1333.4	85.4	1173.9	91.5	2561.7	957.3	1241.1
Nov. 11, 1995		87.8	1288.8	85.4	1150.5	91.5	2524.3	948.4	1232.1
Nov. 18, 1995		87.8	1213.6	85.4	1106.8	91.5	2441.0	928.1	1204.4
Nov. 25, 1995		87.8	1165.5	85.4	1079.8	91.5	2339.6	918.0	1170.8

Note : The indices for the year 1981-82 have been compiled on the basis of last week's data of each month during the period.

No.25 : GROSS YIELDS ON GOVERNMENT AND INDUSTRIAL SECURITIES - ALL INDIA

(Per cent per annum)

Average of Months/Month	1984-85 1992-93 1993-94 1994-95					1994		1995				
						Aug.	March	April	May	June	July	Aug.
	1	2	3	4	5	6	7	8	9	10	11	12
Government of India Securities												
Redemption Yield	8.50	13.23	13.53	15.39	15.03	16.45	16.20	14.50	14.66	14.83	15.02	
Running Yield	7.67	9.03	9.10	9.27	9.26	9.30	9.30	9.69	9.69	9.69	9.69	9.69
State Government Securities												
Redemption Yield	6.50	11.58	11.42	9.64	9.59	9.88	9.86	9.89	9.92	9.92	9.96	
Running Yield	6.40	7.88	8.39	9.04	9.02	9.16	9.11	9.11	9.11	9.08	9.08	9.08
Industrial Securities												
Ordinary Shares												
All Industries	4.56	1.69	2.19	1.79	1.72	2.11	2.18	2.41	2.44	2.76	3.02	
Agriculture and Allied Activities★												
Tea Plantations	6.95	2.69	2.64	2.45	2.30	2.79	2.90	2.49	3.21	3.30	3.49	
Processing and Manufacturing	6.91	2.38	2.46	2.28	2.21	2.58	2.70	2.19	3.00	3.09	3.10	
Foodstuffs and Textiles	4.44	1.61	2.14	1.72	1.67	2.01	2.07	2.29	2.33	2.67	2.97	
Foodstuffs★	4.60	1.49	1.73	1.68	1.74	1.91	2.03	2.50	2.31	2.59	3.69	
Sugar	5.97	2.19	2.36	2.40	2.18	2.98	3.06	4.73	2.32	3.72	2.84	
Tobacco	7.04	4.57	3.15	4.01	3.75	5.76	5.95	6.55	6.53	7.62	3.96	
Textiles★	7.87	1.12	1.50	1.73	1.35	2.44	2.64	7.51	2.67	2.79	2.64	
Cotton Textiles	4.24	1.31	1.56	1.49	1.62	1.62	1.76	1.91	2.04	2.29	3.92	
Jute Textiles	5.71	1.84	2.17	1.98	2.33	2.14	2.36	2.48	2.63	2.74	5.79	
Silk, Woollen & Rayon	1.51	1.29	1.75	1.41	1.69	0.94	1.00	1.10	1.10	1.14	1.29	
Textiles	2.05	0.73	0.87	1.02	0.97	1.30	1.36	1.60	1.74	2.53	2.43	
Metals, Chemicals and Products thereof												
Metals and Products thereof	4.47	1.70	2.34	1.82	1.74	2.18	2.23	2.39	2.51	2.92	2.96	
Aluminium	4.08	1.50	1.60	1.38	1.40	1.70	1.73	1.74	1.63	1.85	2.04	
Automobiles and Auto ancillaries	3.77	0.85	0.91	0.71	0.60	0.78	0.80	0.88	0.90	0.89	0.85	
Electrical/Electronic Machinery	4.57	1.35	1.41	1.11	1.24	1.21	1.20	1.18	1.22	1.35	1.86	
Other Machinery	5.14	1.70	1.81	1.32	1.11	2.16	2.20	2.30	2.15	2.70	2.17	
Foundries and Engineering Workshops	3.63	1.38	1.67	1.73	1.86	1.94	1.99	2.06	1.77	1.91	2.78	
Workshops	1.40	2.17	2.06	2.11	2.53	2.48	2.36	1.53	1.55	1.58	1.46	

No. 25 : GROSS YIELDS ON GOVERNMENT AND INDUSTRIAL SECURITIES - ALL INDIA (Concl.)

(Per cent per annum)

Average of Months/Month	1984-85 1992-93 1993-94 1994-95				1994		1995					
	1	2	3	4	5	6	7	8	9	10	11	12
Ordinary Shares (Contd.)												
Chemicals and Products thereof★	4.94	2.03	3.23	2.34	2.16	2.76	2.83	3.16	3.57	4.20	4.10	
Chemical fertilisers	4.11	1.62	1.69	1.23	1.06	1.44	1.53	2.15	2.32	2.51	2.52	
Dyes and Dyestuffs	4.86	2.17	1.77	1.78	1.67	2.25	2.26	2.06	2.10	2.38	2.54	
Man-made Fibres	4.62	1.78	2.08	2.13	1.96	2.26	2.08	2.46	2.68	4.53	2.85	
Other Basic Industrial												
Chemicals	5.42	2.15	2.48	1.93	1.40	4.26	4.39	4.96	5.78	5.18	5.44	
Medicines and												
Pharmaceuticals	5.56	1.80	1.65	0.97	0.67	0.76	0.76	0.84	0.90	1.08	1.38	
Other Processing and Manufacturing★	3.99	1.38	1.86	1.30	1.14	1.30	1.31	1.42	1.46	1.58	1.58	
Cement	5.61	1.01	1.62	1.19	1.00	1.32	1.31	1.32	1.52	1.60	1.55	
Rubber and Rubber Products	3.87	2.29	2.67	1.74	1.57	1.93	2.03	2.32	2.17	2.24	2.24	
Paper and Paper Products	3.60	1.23	1.96	1.22	1.12	1.16	1.14	1.23	1.40	1.55	1.46	
Other Industries	4.76	2.08	2.55	2.28	1.98	2.87	3.08	3.63	3.20	3.38	3.36	
Electricity Generation and Supply	13.74	1.84	1.90	2.05	2.03	2.79	2.92	3.06	2.87	3.09	3.02	
Trading	4.70	1.09	2.05	1.51	1.36	1.95	2.09	2.28	2.10	2.09	2.16	
Shipping	—	2.05	2.70	2.65	1.87	4.02	4.40	4.82	3.01	2.99	2.84	
Hotels	5.73	0.79	0.85	0.66	0.71	0.72	0.70	0.71	0.73	0.96	0.96	
Financial and Investment	5.11	4.12	3.78	3.57	3.10	5.06	5.47	7.36	7.57	8.27	7.76	

★ Includes the sub-group Others/Miscellaneous.

Note : Yield data are presented with 1980-81 as the base year.

**No. 26 : GROSS YIELDS ON INDUSTRIAL SECURITIES AND THEIR INDEX NUMBERS -
ALL INDIA AND REGIONAL**

Average of Months/Month	Industrial Securities - Ordinary Shares											
	Yields*						Index Numbers of Yields (1980-81 = 100)					
	All India	Mum- bai	Cal- cutta	Mad- ras	Ahme- dabad	Delhi	All India	Mum- bai	Cal- cutta	Mad- ras	Ahme- dabad	Delhi
1	2	3	4	5	6	7	8	9	10	11	12	13
1984-85	4.56	4.51	4.26	4.49	5.77	4.27	80.0	76.5	78.5	76.0	109.2	82.4
1992-93	1.69	1.41	1.61	1.76	2.49	1.59	29.6	23.8	29.8	29.8	47.1	30.6
1993-94	2.19	1.65	1.88	1.97	5.96	1.85	38.4	27.9	34.6	33.3	112.8	35.6
1994-95	1.79	1.40	1.62	1.55	3.88	1.77	31.4	23.8	29.8	26.2	73.4	34.2
August 1994	1.72	1.25	1.67	1.27	4.03	1.74	30.1	21.3	30.8	21.6	76.2	33.6
March 1995	2.11	1.94	1.72	1.85	3.79	1.89	37.0	33.0	31.6	31.3	71.7	36.5
April 1995	2.18	2.01	1.78	1.88	3.99	1.95	38.3	34.0	32.9	31.9	75.6	37.5
May 1995	2.41	2.61	1.90	2.45	3.89	1.84	42.3	44.3	35.0	41.5	73.6	35.6
June 1995	2.44	2.37	1.88	2.56	4.52	1.98	42.7	40.1	34.7	43.4	85.5	38.2
July 1995	2.76	2.73	2.02	3.09	5.37	2.13	48.3	46.4	37.2	52.3	101.6	41.0
August 1995	3.02	2.48	2.22	2.74	8.63	2.38	53.0	42.1	41.0	46.4	163.4	45.8

* Per cent per annum.

Note : Yield data are presented with 1980-81 as the base year.

**NO. 27 : CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS –
ALL INDIA AND SELECTED CENTRES**

Centre	Linking Factor £	(1982=100)											
		1994			1995								
		1990-91	1993-94	1994-95	Dec.	July	Aug.	Sept.	Oct.	Nov.	Dec.		
1	2	3	4	5	6	7	8	9	10	11	12		
All India*	4.93	193	258	284	289	313	315	317	319	321	317		
Ahmedabad	4.78	196	257	285	286	310	312	311	315	317	313		
Alwaye	5.19	176	249	283	291	319	316	322	320	322	321		
Asansol	4.77	189	243	266	273	290	289	293	301	304	299		
Bangalore	5.66	183	253	280	290	313	312	312	312	314	313		
Bhavnagar	4.99	198	268	300	298	326	335	331	334	334	331		
Bhopal	5.46	196	273	296	300	315	318	325	325	325	322		
Mumbai	5.12	201	279	314	314	346	350	351	348	352	346		
Calcutta	4.74	203	263	286	291	315	317	323	333	344	334		
Chandigarh	..	189	255	277	283	295	301	305	304	309	307		
Coimbatore	5.35	178	251	280	290	311	313	311	310	314	313		
Delhi	4.97	201	278	306	307	333	336	340	343	340	332		
Digboi \$	..	..	..	..	..	..	..	..	..	..	..
Faridabad	..	187	250	275	275	298	306	311	314	312	304		
Gwalior \$	..	..	..	..	..	..	..	..	..	..	..
Guwahati	..	195	258	287	292	315	315	320	327	332	329		

**No. 27 : CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS –
ALL INDIA AND SELECTED CENTRES (Concl.)**

Centre	Linking Factor £	(1982=100)											
					1994		1995						
		1990-91	1993-94	1994-95	Dec.	July	Aug.	Sept.	Oct.	Nov.	Dec.		
1	2	3	4	5	6	7	8	9	10	11	12		
Howrah	4.12	212	276	299	306	324	327	334	343	352	341		
Hyderabad	5.23	182	241	264	266	288	286	291	294	296	298		
Jaipur	5.17	190	251	274	277	291	301	303	299	302	302		
Jamshedpur	4.68	187	244	264	268	284	288	289	294	297	294		
Ludhiana	..	193	244	267	268	288	291	297	300	299	291		
Madras	5.05	189	264	297	308	343	342	341	340	342	338		
Madurai	5.27	192	262	288	302	331	327	331	325	328	331		
Monghyr	5.29	189	249	271	276	289	293	297	304	308	304		
Mundakayam	4.67	184	253	287	299	326	316	317	321	327	332		
Nagpur	4.99	201	273	296	298	320	325	326	327	326	320		
Pondicherry	..	204	287	320	345	359	361	361	362	365	364		
Rourkela	3.59	179	236	258	259	283	281	289	291	295	292		
Saharanpur	5.06	195	251	276	281	292	299	298	300	296	291		
Solapur	5.03	197	269	296	300	341	338	342	341	341	338		
Srinagar	5.47	184	254	281	284	302	310	318	312	311	309		

Notes : Due to change in the base period and introduction of the new series, the index numbers from October 1988 are not comparable with the earlier period.

For details regarding the scope and coverage of the new series, please refer to page no. 435 of May 1989 issue of the Bulletin.

£ The new series of index numbers with base year 1982 is introduced from October 1988 and with that the compilation of the index numbers with the base year 1960 has been discontinued. The Linking factor in Col. 2 can be used to work out the index numbers with the base year 1960 for October 1988 and subsequent months.

* Based on indices of 50 centres upto September 1988 and indices of 70 centres from October 1988 onwards.

\$ Base for this centre continues to be 1960=100.

Source : Labour Bureau, Ministry of Labour, Government of India.

**No. 28 : CONSUMER PRICE INDEX NUMBERS FOR URBAN NON-MANUAL EMPLOYEES—
ALL INDIA AND SELECTED CENTRES**

Centre	(1984-85=100)										
				1994		1995					
	1990-91	1993-94	1994-95	July	Feb.	Mar.	April	May	June	July	
1	2	3	4	5	6	7	8	9	10	11	
All India*	161	216	237	234	243	244	247	249	254	258	
Mumbai	154	219	239	235	245	247	251	253	257	259	
Delhi-New Delhi	156	211	229	230	233	234	236	238	241	246	
Calcutta	164	212	229	227	234	235	238	242	247	251	
Madras	168	232	259	257	269	269	271	276	280	287	
Hyderabad-Secunderabad	164	221	242	236	254	254	256	260	266	272	
Bangalore	161	216	236	233	243	243	243	246	251	253	
Lucknow	158	206	225	224	228	231	235	238	248	248	
Ahmedabad	153	197	219	215	225	226	229	231	234	240	
Jaipur	165	221	243	241	251	250	250	251	255	260	
Patna	167	228	240	237	244	245	249	248	250	258	
Srinagar	150	150	150	150	150	150	150	150	150	150	
Trivandrum	152	206	226	221	237	236	240	241	243	246	
Cuttack-Bhubaneshwar	154	209	226	226	227	228	232	237	242	246	
Bhopal	166	229	240	241	239	239	242	243	249	254	
Chandigarh	176	236	261	261	268	269	269	271	274	278	
Shillong	179	234	250	247	255	256	257	259	262	270	
Shimla	163	219	241	238	245	245	248	249	250	256	
Jammu	161	217	242	241	247	247	252	252	253	260	
Amritsar	152	197	213	209	218	221	223	224	226	228	
Kozhikode	150	216	237	232	248	245	246	249	256	264	
Kanpur	165	215	230	228	234	237	242	243	248	255	
Indore	170	228	248	250	251	254	257	254	259	269	
Pune	162	213	229	224	238	238	240	243	246	250	
Jabalpur	164	214	231	230	235	233	238	241	242	246	
Jodhpur	168	215	235	235	242	240	243	246	246	250	

Note : Due to change in the base period, the data from November 1987 are not comparable with the earlier period.

* Upto October 1987, based on indices of 45 cities and towns and from November 1987 onwards based on indices of 59 centres.

Source : Central Statistical Organisation.

No. 29 : CONSUMER PRICE INDEX NUMBERS FOR AGRICULTURAL LABOURERS
 (July 1960 - June 1981 = 100)

State	1990-91	1993-94	1994-95	1994		1995				
	Oct.	May	June	July	Aug.	Sept.	Oct.			
1	2	3	4	5	6	7	8	9	10	11
All India	830	1147	1283	1265	1316	1337	1387	1405	1413	1411
Andhra Pradesh	657	951	1062	1043	1096	1107	1172	1185	1186	1176
Assam #	854	1205	1330	1300	1404	1407	1432	1449	1465	1475
Bihar	858	1213	1274	1294	1263	1286	1300	1316	1329	1342
Gujarat	742	1046	1184	1152	1239	1250	1290	1316	1324	1332
Jammu & Kashmir	843	1175	1268	1274	1273	1309	1312	1353	1376	1385
Karnataka	807	1105	1281	1199	1356	1378	1447	1482	1505	1483
Kerala	939	1316	1464	1404	1519	1516	1567	1569	1592	1574
Madhya Pradesh	862	1174	1346	1322	1364	1373	1423	1437	1423	1414
Maharashtra	801	1067	1330	1242	1456	1483	1568	1573	1601	1581
Orissa	830	1149	1298	1308	1329	1387	1460	1465	1466	1475
Punjab ##	930	1305	1422	1467	1402	1430	1450	1471	1486	1475
Rajasthan	885	1235	1415	1444	1346	1324	1356	1381	1383	1365
Tamil Nadu	784	1064	1234	1184	1286	1306	1360	1386	1389	1394
Uttar Pradesh	960	1311	1447	1460	1453	1488	1545	1558	1543	1536
West Bengal	842	1107	1189	1195	1214	1233	1284	1326	1345	1360

Note : Annual data relate to the year July-June.

Including Manipur, Meghalaya and Tripura.

Including Delhi, Haryana and Himachal Pradesh.

Source : Labour Bureau, Ministry of Labour, Government of India.

**No. 30 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA-BY GROUPS AND
SUB-GROUPS (AVERAGES) (Contd.)
(1981-82=100)**

Average of months/ Average of weeks ended Saturday	Weight	1990-91 1993-94 1994-95				1994				1995			
		(April-March)				Oct.	May	June	July	Aug.	Sept.*	Oct.*	
		1	2	3	4	5	6	7	8	9	10	11	12
II. Fuel, Power, Light & Lubricants	10.663	175.8	262.4	280.4	280.8	284.5	284.3	284.3	284.3	284.3	284.3	284.3	284.3
a. Coal mining	1.256	232.6	346.4	364.0	367.8	367.8	367.8	367.8	367.8	367.8	367.8	367.8	367.8
b. Mineral oils	6.666	154.7	223.6	235.0	235.2	235.0	234.6	234.6	234.6	234.6	234.6	234.6	234.6
c. Electricity	2.741	200.9	318.3	352.6	352.0	366.8	366.8	366.8	366.8	366.8	366.8	366.8	366.8
III. Manufactured Products	57.042	182.8	243.2	268.8	269.7	287.6	289.8	291.2	293.1	293.4	294.8		
(A) Food Products	10.143	181.7	246.7	270.5	271.9	274.4	276.8	279.2	282.6	282.2	284.6		
a. Dairy products	0.642	191.5	253.6	290.6	304.2	321.7	320.4	320.7	324.8	324.0	328.2		
b. Canning & preserving of fruits & vegetables	0.068	169.3	254.8	261.9	263.9	278.6	280.4	280.4	280.4	283.3	283.3		
c. Canning & preserving & processing of fish	0.126	171.4	256.4	244.5	244.5	244.5	244.5	244.5	244.5	244.5	244.5		
d. Grain mill products	1.530	184.5	251.2	266.5	262.2	264.4	269.9	268.5	279.3	276.6	283.8		
e. Bakery products	0.242	165.0	240.1	253.2	250.9	253.9	273.5	281.3	281.3	279.9	279.0		
f. Sugar, khandsari & gur	4.059	152.3	237.3	259.0	265.9	244.8	248.4	250.4	252.9	252.1	253.5		
g. Manufacture of common salt	0.035	166.0	236.7	245.1	245.2	336.7	344.2	353.7	356.5	353.0	353.0		
h. Cocoa, chocolate & sugar confectionery	0.088	155.9	186.2	212.6	220.1	225.1	228.8	228.8	235.9	232.4	237.5		
i. Edible oils	2.445	223.3	254.3	279.9	277.9	300.8	299.1	302.7	303.8	304.8	306.1		
j. Oil cakes	0.432	188.2	258.1	298.4	302.3	300.6	301.1	306.1	310.3	312.1	315.1		
k. Tea & coffee processing	0.236	249.0	307.9	371.5	315.9	457.9	456.0	477.6	477.6	482.5	482.5		
l. Other food products n.e.c.	0.240	169.2	224.4	249.3	250.9	261.1	262.9	265.3	265.7	265.8	265.7		
(B) Beverages, Tobacco & Tobacco Products	2.149	242.1	306.6	342.1	346.9	373.2	373.2	372.3	371.1	370.5	374.2		
a. Wine Industries	0.099	161.7	190.0	328.9	367.6	367.2	367.2	368.0	348.5	327.1	329.1		
b. Malt liquor	0.059	184.9	220.1	239.7	233.8	276.0	276.0	276.0	276.0	282.4	292.0		
c. Soft drinks & carbonated water	0.066	220.1	356.5	390.3	396.8	380.1	380.1	380.1	380.1	385.3	388.7		
d. Manufacture of bidi, cigarettes, tobacco & zarda	1.925	248.8	313.5	344.2	347.6	376.2	376.2	375.2	374.9	374.9	378.5		

**No.30 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA-BY GROUPS AND
SUB-GROUPS (AVERAGES) (Contd.)
(1981-82=100)**

Average of months/ Average of weeks ended Saturday	Weight	1990-91 1993-94 1994-95			1994		1995					
		(April-March)	Oct.	May	June	July	Aug.	Sept.*	Oct.*			
1	2	3	4	5	6	7	8	9	10	11	12	
(C) Textiles	11.545	171.2	219.9	256.8	253.6	286.8	288.6	289.5	291.8	294.3	297.6	
a. Cotton textiles	6.093	172.8	234.6	281.9	276.9	322.8	321.9	321.7	323.7	322.1	323.6	
a 1. Cotton yarn	1.232	189.9	273.0	369.3	346.3	406.3	401.3	400.2	393.1	390.1	388.6	
a 2. Cotton cloth (Mills)	3.159	158.8	218.1	260.4	259.0	291.8	291.9	292.0	298.8	298.0	301.6	
a 3. Cotton cloth (Powerloom)	0.906	176.7	245.1	255.3	255.1	255.1	255.1	255.1	255.1	250.7	250.7	
a 4. Cotton cloth (Handloom)	0.740	201.3	231.8	255.2	255.2	390.2	390.2	390.2	390.2	390.2	390.2	
a 5. Khadi cloth	0.056	148.4	193.4	351.3	393.9	439.1	439.1	439.1	439.1	439.1	439.1	
b. Man made textiles	2.921	133.6	161.6	168.6	168.9	183.2	183.5	183.9	184.2	184.4	185.2	
c. Woollen textiles	0.339	156.9	195.0	222.0	232.3	229.1	243.4	248.1	255.8	268.0	270.6	
d. Jute, hemp & mesta textiles	0.689	282.7	319.2	350.2	341.5	372.1	399.1	407.6	419.5	473.5	505.0	
e. Manufacturing of textiles n.e.c.	1.503	190.0	233.8	291.0	288.6	316.5	317.1	319.5	321.4	319.5	322.0	
(D) Wood & Wood Products	1.198	159.1	380.9	421.0	429.3	432.6	442.1	444.4	444.4	444.4	444.4	
(E) Paper & Paper Products	1.988	222.4	328.2	330.2	331.6	370.4	371.2	373.6	375.0	377.6	379.0	
a. Paper & pulp	0.808	215.2	267.2	280.7	275.8	373.2	374.6	377.3	379.0	380.4	383.1	
b. Manufacture of board	0.440	165.5	183.8	204.0	204.1	220.9	221.8	227.5	231.2	229.7	231.4	
c. Printing & publishing of newspapers etc.	0.740	264.1	480.5	459.4	468.4	456.3	456.3	456.3	456.3	462.4	462.4	
(F) Leather & Leather Products	1.018	224.3	245.2	261.8	259.5	274.1	273.7	274.3	276.7	276.0	276.0	

**No.30 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA-BY GROUPS AND
SUB-GROUPS (AVERAGES) (Contd.)
(1981-82=100)**

Average of months/ Average of weeks ended Saturday	Weight	1990-91 1993-94 1994-95			1994		1995					
		(April-March)	Oct.	May	June	July	Aug.	Sept.*	Oct.*			
1	2	3	4	5	6	7	8	9	10	11	12	
(G) Rubber & Plastic Products	1.592	164.9	189.9	200.6	198.8	225.8	228.4	232.0	235.6	236.4	236.4	
a. Tyres & tubes	0.766	153.3	183.6	189.8	186.9	221.2	225.7	228.5	231.0	231.0	231.0	
a 1. Tyres	0.697	151.3	180.3	185.4	182.3	216.5	221.6	224.8	227.4	227.4	227.4	
a 2. Tubes	0.069	173.3	217.2	234.0	233.4	268.2	266.7	266.5	267.7	267.7	267.7	
b. Plastic products	0.442	187.2	194.2	194.6	194.2	200.8	200.8	200.8	209.2	212.0	212.0	
c. Other rubber & plastic products	0.384	162.4	197.6	228.9	227.9	263.9	265.8	275.0	275.4	275.2	275.4	
(H) Chemicals & Chemical Products	7.355	147.9	207.8	232.6	236.5	246.7	247.5	248.3	248.6	248.2	248.5	
a. Basic heavy inorganic chemicals	0.764	185.1	268.3	314.3	313.6	337.0	336.3	338.3	338.3	339.4	339.5	
b. Basic heavy organic chemicals	0.452	111.8	128.5	150.2	169.9	160.7	160.3	155.1	151.8	147.8	146.7	
c. Fertilizers & pesticides	1.950	105.2	185.3	209.0	211.7	222.7	222.3	223.0	223.2	223.2	222.6	
c 1. Fertilizers	1.748	99.1	181.8	195.6	198.6	210.0	209.6	210.3	210.5	210.5	209.9	
c 2. Pesticides	0.202	158.2	216.0	324.7	325.2	332.7	332.7	332.7	332.7	332.7	332.7	
d. Paints, varnishes & lacquer	0.240	204.9	306.5	308.5	307.6	311.8	314.2	314.2	313.2	317.5	318.6	
e. Dyestuff & indigo	0.336	161.1	222.0	230.8	240.1	255.8	256.9	256.5	257.4	257.4	257.4	
f. Drugs & medicines	1.065	149.6	186.6	220.6	222.4	230.1	230.0	230.6	232.4	232.1	265.6	
g. Perfumes, cosmetics, toiletries etc.	1.215	161.6	216.1	239.8	245.4	257.3	258.6	258.3	259.2	258.2	257.7	
g 1. Soaps & detergents	0.880	160.5	202.5	227.8	234.6	245.4	248.7	248.4	249.3	248.9	248.7	
g 2. Others	0.335	164.5	251.6	271.4	273.8	288.3	284.6	284.4	285.3	282.6	281.5	
h. Turpentine, synthetic resins and plastic materials	0.477	168.7	216.6	241.0	250.4	267.5	273.5	274.6	268.4	267.3	264.3	
i. Matches, explosives, inedible oils etc.	0.856	176.3	223.9	236.9	234.8	238.2	240.7	246.3	249.4	248.8	251.0	

**No.30 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA-BY GROUPS AND
SUB-GROUPS (AVERAGES) (Contd.)
(1981-82=100)**

Average of months/ Average of weeks ended Saturday	Weight	1990-91 1993-94 1994-95			1994		1995					
		(April-March)	Oct.	May	June	July	Aug.	Sept.*	Oct.*			
1	2	3	4	5	6	7	8	9	10	11	12	
(I) Non-Metallic Mineral Products	2.477	185.6	255.1	275.7	276.8	309.8	314.2	317.0	317.6	316.2	316.0	
a. Structural clay products	0.695	213.4	335.0	346.1	346.3	394.5	394.8	395.2	395.6	395.5	395.6	
b. Glass, earthenware, chinaware & their products	0.296	156.0	186.0	191.7	193.9	227.2	228.0	228.0	228.0	228.0	228.0	
c. Cement, lime & plaster	0.916	180.9	217.1	244.5	247.1	268.7	275.8	282.9	284.4	280.6	280.0	
c 1. Cement	0.860	173.1	208.2	235.6	238.4	261.4	268.9	271.0	272.6	268.6	267.9	
c 2. Lime	0.056	301.9	354.2	380.7	380.7	380.7	380.7	465.3	465.3	465.3	465.3	
d. Mica products	0.041	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	
e. Cement, slate & graphite products	0.529	180.9	267.3	298.3	297.6	332.6	340.3	340.3	340.3	340.3	340.3	
(J) Basic Metals, Alloys & Metal Products	7.632	219.9	276.6	300.5	303.6	321.6	326.0	326.4	329.8	328.6	329.4	
a. Basic metals & alloys	4.784	207.4	261.4	286.7	286.2	305.8	308.4	308.3	308.8	306.7	308.1	
a 1. Iron & steel	2.441	201.5	252.7	270.5	266.1	288.3	287.2	288.4	289.5	288.4	290.2	
a 2. Foundries for casting & forging & structurals	1.333	216.0	280.7	312.1	311.4	339.4	344.8	349.9	350.0	345.9	345.9	
a 3. Pipes, wire drawings & others	0.814	208.9	256.9	286.0	286.3	289.4	298.6	285.9	282.4	282.6	282.6	
a 4. Ferro alloys	0.196	216.0	258.3	317.2	365.0	362.9	364.9	365.4	376.9	367.2	380.1	
b. Non-ferrous metals	1.025	255.8	308.2	341.7	355.0	390.1	396.9	399.7	399.8	400.7	400.7	
b 1. Aluminium	0.454	220.9	274.8	305.9	301.7	369.9	387.2	393.0	393.0	395.1	395.1	
b 2. Other non-ferrous metals	0.571	283.6	334.8	370.2	397.5	406.2	404.7	405.0	405.2	405.1	405.1	
c. Metal products	1.823	232.6	298.4	313.8	320.2	324.6	332.1	332.8	345.5	345.7	345.1	

**No.30 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA-BY GROUPS AND
SUB-GROUPS (AVERAGES) (Concl.)
(1981-82=100)**

Average of months/ Average of weeks ended Saturday	Weight	1990-91 1993-94 1994-95				1994		1995				
		(April-March)				Oct.	May	June	July	Aug.	Sept.*	Oct.*
1	2	3	4	5	6	7	8	9	10	11	12	
(K) Machinery & Machine Tools	6.268	180.2	237.9	262.8	263.1	278.9	280.3	281.2	281.8	281.9	281.8	
a. Non-electrical machinery & parts	3.277	190.0	246.8	265.7	269.4	278.9	281.0	282.0	283.4	283.4	283.3	
a 1. Heavy machinery & parts	1.393	189.9	256.2	288.6	298.0	307.5	308.4	310.3	311.5	311.9	311.9	
a 2. Industrial machinery for food & textiles	0.713	159.2	204.6	211.9	212.5	216.7	216.9	216.9	216.9	216.9	216.9	
a 3. Fridge, office equipment & non-electr. machinery	1.171	208.8	261.4	271.3	270.1	282.6	287.2	288.0	290.4	290.0	289.8	
b. Electrical machinery	2.991	169.4	228.2	259.7	256.3	279.0	279.6	280.2	280.1	280.3	280.0	
b 1. Electrical industrial machinery	1.147	170.4	242.4	291.1	294.8	306.3	307.7	308.3	307.9	306.6	305.9	
b 2. Industrial wires & cables	0.728	195.7	268.2	308.6	287.8	360.4	359.0	360.5	360.9	362.9	362.9	
b 3. Dry & wet batteries/ cells	0.231	177.0	220.5	228.6	232.4	234.2	235.8	236.8	236.8	238.5	238.5	
b 4. Electrical apparatus, appliances & parts	0.424	144.4	186.0	193.1	193.0	194.4	195.9	195.9	195.9	195.8	195.8	
b 5. Radio & T.V. sets	0.461	144.4	172.2	181.2	181.1	183.0	183.0	183.0	183.0	182.9	182.9	
(L) Transport Equipment & Parts	2.705	181.3	223.8	238.5	238.9	246.7	247.7	251.1	254.6	253.5	254.6	
a. Locomotives, railway wagons & parts	0.274	216.5	293.5	300.9	303.4	303.6	305.4	310.9	310.9	310.9	310.9	
b. Motor vehicles, scooters bicycles & parts	2.431	177.4	216.0	231.4	231.6	240.3	241.2	244.4	248.3	247.1	248.3	
(M) Other Misc. Manufacturing Industries	0.972	119.0	148.2	165.9	166.8	170.4	172.2	169.4	169.4	172.2	169.9	

Note : For details regarding the scope and coverage of the new series, please see the article on the new series published in the November 1989 and October 1990 issues.

Provisional

Source : Office of the Economic Adviser, Ministry of Industry, Government of India.

**No. 31 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA – BY GROUPS AND SUB-GROUPS (Month-end/year-end data)
(1981-82=100)**

**No. 31 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA – BY GROUPS AND
SUB-GROUPS (Month-end/year-end data) (Contd.)
(1981-82=100)**

Last week of the Month/ Year ended Saturday	Weight	1990-91 1993-94 1994-95				1995			1996			
		(April- March)				Mar.	Oct.	Nov.	Dec.	Jan.	Feb.*	Mar.*
		1	2	3	4	5	6	7	8	9	10	12
III. Manufactured Products	57.042	190.3	254.2	281.4	281.4	295.4	296.1	296.1	296.9	296.2	296.4	
(A) Food Products	10.143	190.8	252.1	272.5	272.5	284.9	281.9	280.6	278.1	278.8	272.5	
a. Dairy products	0.642	200.6	258.1	311.3	311.3	329.2	327.6	324.0	323.5	325.4	324.8	
b. Canning & preserving of fruits & vegetables	0.068	188.3	258.3	263.9	263.9	280.4	280.4	280.4	280.4	283.3	283.3	
c. Canning & preserving & processing of fish	0.126	171.4	244.5	244.5	244.5	244.5	244.5	244.5	244.5	244.5	244.5	
d. Grain mill products	1.530	197.9	267.5	281.7	281.7	281.9	279.9	286.6	288.2	292.0	291.2	
e. Bakery products	0.242	176.3	247.7	255.7	255.7	279.3	279.3	279.3	281.1	275.8	279.7	
f. Sugar, khandsari & gur	4.059	147.3	241.4	236.0	236.0	252.3	246.3	242.4	237.6	231.0	225.2	
g. Manufacture of common salt	0.035	176.1	236.5	259.3	259.3	498.1	500.6	514.5	528.0	542.8	544.7	
h. Cocoa, chocolate & sugar confectionery	0.088	159.7	192.0	222.5	222.5	237.7	237.7	237.7	237.7	237.5	242.0	
i. Edible oils	2.445	251.8	253.6	300.0	300.0	307.3	305.0	303.0	299.4	299.0	295.9	
j. Oil cakes	0.432	187.9	274.7	300.6	300.6	318.2	325.8	322.7	323.5	317.7	312.2	
k. Tea & coffee processing	0.236	291.3	316.2	466.6	466.6	482.5	482.5	482.5	482.5	482.5	482.5	
l. Other food products n.e.c.	0.240	177.6	232.6	259.9	259.9	269.4	270.1	271.2	271.7	271.6	274.9	
(B) Beverages, Tobacco & Tobacco Products	2.149	246.6	317.3	356.9	356.9	375.3	376.4	376.4	376.3	376.4	376.4	
a. Wine Industries	0.099	162.8	198.9	367.2	367.2	329.7	329.7	329.7	329.0	329.8	329.8	
b. Malt liquor	0.059	192.0	230.1	274.0	274.0	292.0	292.0	292.0	292.0	292.0	292.0	
c. Soft drinks & carbonated water	0.066	256.4	386.4	380.1	380.1	388.7	403.9	403.9	403.9	403.9	403.9	
d. Manufacture of bidi, cigarettes, tobacco & zarda	1.925	252.2	323.7	358.1	358.1	379.7	380.4	380.4	380.4	380.4	380.4	

**No. 31 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA – BY GROUPS AND
SUB-GROUPS (Month-end/year-end data) (Contd.)
(1981-82=100)**

Last week of the Month/ Year ended Saturday	Weight	1990-91 1993-94 1994-95			1995				1996			
		(April- March)			Mar.	Oct.	Nov.	Dec.	Jan.	Feb.*	Mar.*	
		1	2	3	4	5	6	7	8	9	10	11	12
(c) Textiles	11.545	177.7	243.5	278.1	278.1	297.0	300.0	299.5	300.5	301.1	300.7	
a. Cotton textiles	6.093	181.5	268.0	306.9	306.9	322.6	324.9	323.7	325.1	325.4	323.7	
a 1. Cotton yarn	1.232	196.8	353.6	413.3	413.3	386.7	398.1	396.1	399.5	398.1	380.3	
a 2. Cotton cloth(Mills)	3.159	167.9	241.3	291.6	291.6	299.9	299.9	298.2	299.6	302.0	305.8	
a 3. Cotton cloth (Powerloom)	0.906	193.5	251.2	255.1	255.1	255.1	255.1	255.1	255.1	250.7	250.7	
a 4. Cotton cloth (Handloom)	0.740	201.6	255.2	255.2	255.2	386.9	386.9	386.9	386.9	386.9	386.9	
a 5. Khadi cloth	0.056	148.4	326.9	349.7	349.7	439.1	439.1	439.1	439.1	439.1	439.1	
b. Man made textiles	2.921	134.9	163.4	179.7	179.7	185.3	185.5	190.0	194.3	193.1	193.9	
c. Woollen textiles	0.339	157.6	198.6	230.2	230.2	269.1	270.5	261.0	253.5	247.2	241.5	
d. Jute, hemp & mesta textiles	0.689	299.6	344.6	383.1	383.1	502.3	529.6	514.7	503.5	518.9	528.0	
e. Manufacturing of textiles n.e.c.	1.503	194.0	263.3	315.2	315.2	322.7	322.7	324.5	324.5	324.5	324.5	
(D) Wood & Wood Products	1.198	159.3	404.2	429.5	429.5	444.4	444.4	444.4	444.4	444.4	445.8	
(E) Paper & Paper Products	1.988	235.3	333.9	343.5	343.5	377.5	379.8	374.9	381.5	381.6	381.6	
a. Paper & pulp	0.808	217.9	268.6	320.5	320.5	383.1	387.2	388.0	391.4	391.4	391.4	
b. Manufacture of board	0.440	171.1	187.9	209.4	209.4	231.2	234.2	234.2	234.2	234.4	234.4	
c. Printing & publishing of newspapers etc.	0.740	292.6	492.0	448.3	448.3	458.3	458.3	444.2	458.3	458.3	458.3	

**No. 31 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA – BY GROUPS AND
SUB-GROUPS (Month-end/year-end data) (Contd.)
(1981-82=100)**

Last week of the Month/ Year ended Saturday	Weight	1990-91 1993-94 1994-95				1995				1996			
		(April- March)				Mar.	Oct.	Nov.	Dec.	Jan.	Feb.*	Mar.*	
		1	2	3	4	5	6	7	8	9	10	11	12
(F) Leather & Leather Products	1.018	230.3	251.8	271.8	271.8	276.7	278.4	278.5	278.5	279.2	279.2	278.2	
(G) Rubber & Plastic Products	1.592	165.6	190.9	222.7	222.7	240.1	240.1	240.1	240.1	240.1	240.1	240.1	
a. Tyres & tubes	0.766	153.7	185.9	215.9	215.9	238.5	238.5	238.5	238.6	238.6	238.6	238.6	
a 1. Tyres	0.697	151.3	182.6	213.2	213.2	235.6	235.6	235.6	235.6	235.6	235.6	235.6	
a 2. Tubes	0.069	177.5	219.6	243.7	243.7	267.7	267.7	267.7	269.0	269.0	269.0	269.0	
b. Plastic products	0.442	188.3	194.2	196.1	196.1	212.0	212.0	212.0	212.0	212.0	212.0	212.0	
c. Other rubber & plastic products	0.384	163.3	197.0	267.0	267.0	275.7	275.8	275.8	275.5	275.5	275.5	275.5	
(H) Chemicals & Chemical Products	7.355	154.0	215.8	243.7	243.7	249.4	250.4	251.5	253.8	251.8	251.8	256.3	
a. Basic heavy inorganic chemicals	0.764	203.0	287.5	353.6	353.6	345.3	348.5	351.9	369.8	355.6	390.8		
b. Basic heavy organic chemicals	0.452	114.7	128.3	167.2	167.2	146.7	146.7	151.8	150.7	152.3	152.2		
c. Fertilizers & pesticides	1.950	107.5	193.2	215.7	215.7	217.2	218.6	218.5	218.7	218.5	219.7		
c 1. Fertilizers	1.748	99.1	179.8	202.2	202.2	210.7	212.3	212.2	212.4	212.2	212.5		
c 2. Pesticides	0.202	180.5	309.4	332.7	332.7	273.2	273.2	273.2	273.2	273.2	281.6		
d. Paints, varnishes & lacquer	0.240	215.3	305.5	306.2	306.2	323.0	323.0	323.0	323.0	327.0	326.9		
e. Dyestuff & indigo	0.336	165.5	217.2	244.4	244.4	257.1	257.1	257.1	256.8	257.1	259.6		
f. Drugs & medicines	1.065	153.1	194.8	226.0	226.0	239.0	238.9	238.9	240.6	238.7	241.8		
g. Perfumes, cosmetics, toiletries etc.	1.215	166.8	225.3	248.0	248.0	263.8	264.0	266.2	266.8	266.0	284.5		
g 1. Soaps & detergents	0.880	165.0	211.4	238.4	238.4	253.8	254.6	257.3	258.1	257.5	255.4		
g 2. Others	0.335	171.6	261.7	273.2	273.2	290.0	288.6	289.5	289.5	288.4	288.4		
h. Turpentine, synthetic resins and plastic materials	0.477	180.4	221.0	253.5	253.5	265.4	264.3	264.7	266.7	263.9	265.4		
i. Matches, explosives, inedible oils etc.	0.856	183.7	233.6	242.1	242.1	251.2	254.7	255.2	254.9	253.5	254.5		

**No. 31 : INDEX NUMBERS OF WHOLESALE PRICES IN INDIA – BY GROUPS AND SUB-GROUPS (Month-end/year-end data) (Concl.)
(1981-82=100)**

Last week of the Month/ Year ended Saturday	Weight	1990-91 1993-94 1994-95				1995				1996			
		(April- March)				Mar.	Oct.	Nov.	Dec.	Jan.	Feb.*	Mar.*	
		1	2	3	4	5	6	7	8	9	10	11	12
(K) Machinery & Machine													
Tools	6.268	188.8	244.3	275.6	275.6	283.7	284.6	285.2	286.6	286.4	287.0		
a. Non-electrical machinery & parts	3.277	199.8	252.3	272.7	272.7	284.4	285.6	285.6	286.6	285.6	286.5		
a 1. Heavy machinery & parts	1.393	200.8	258.7	300.8	300.8	312.9	314.5	314.6	315.3	314.8	315.1		
a 2. Industrial machinery for food & textiles	0.713	171.2	211.9	210.8	210.8	216.9	219.3	219.3	219.3	219.3	219.3		
a 3. Fridge, office equipment & non-electr. machinery	1.171	215.9	269.4	277.0	277.0	291.5	291.5	291.5	293.4	291.3	293.4		
b. Electrical machinery	2.991	176.7	235.5	278.8	278.8	282.9	283.4	284.7	286.6	287.3	287.5		
b 1. Electrical industrial machinery	1.147	174.5	259.1	305.3	305.3	306.9	307.4	308.1	312.9	312.9	312.9		
b 2. Industrial wires & cables	0.728	204.9	264.6	360.4	360.4	371.8	372.4	372.4	372.4	374.6	374.6		
b 3. Dry & wet batteries/ cells	0.231	195.3	222.0	236.2	236.2	239.3	241.5	252.0	252.0	255.0	255.0		
b 4. Electrical apparatus, appliances & parts	0.424	151.4	190.7	194.7	194.7	197.6	197.8	199.0	199.0	199.0	200.0		
b 5. Radio & T.V. sets	0.461	151.7	179.1	183.0	183.0	182.9	182.9	182.9	183.3	183.2	183.2		
(L) Transport Equipment & Parts	2.705	190.8	229.1	245.4	245.4	255.3	258.6	259.9	259.9	259.9	259.9		
a. Locomotives, railway wagons & parts	0.274	239.8	295.7	303.6	303.6	310.9	310.9	310.9	310.9	310.9	310.9		
b. Motor vehicles, scooters, bicycles & parts	2.431	185.3	221.6	238.8	238.8	249.0	252.7	254.1	254.2	254.2	254.2		
(M) Other Misc. Manufacturing Industries	0.972	123.0	185.6	189.8	189.8	189.5	189.5	189.7	189.7	170.1	170.1		

Note : For details regarding the scope and coverage of the new series, please see the article on the new series published in the November 1989 and October 1990 issues.

Source : Office of the Economic Adviser, Ministry of Industry, Government of India.

No. 32 – FOREIGN TRADE
A : ANNUAL

Year	In Rs. Crore			In US \$ million			
	Exports	Imports	Trade Balance	Exports	Imports	Trade	Balance
1	2	3	4	5	6		7
1970-71	1,535	1,634	-99	2,047	2,179		-132
1971-72	1,608	1,825	-217	2,161	2,453		-292
1972-73	1,971	1,867	104	2,566	2,431		135
1973-74	2,523	2,955	-432	3,239	3,793		-554
1974-75	3,329	4,519	-1,190	4,193	5,691		-1,498
1975-76	4,042	5,265	-1,223	4,657	6,066		-1,409
1976-77	5,142	5,074	68	5,726	5,650		76
1977-78	5,408	6,020	-612	6,296	7,008		-712
1978-79	5,726	6,811	-1,085	6,958	8,275		-1,317
1979-80	6,418	9,143	-2,725	7,924	11,287		-3,363
1980-81	6,711	12,549	-5,838	8,486	15,868		-7,382
1981-82	7,806	13,608	-5,802	8,704	15,173		-6,469
1982-83	8,803	14,293	-5,490	9,108	14,788		-5,680
1983-84	9,771	15,831	-6,060	9,449	15,311		-5,862
1984-85	11,744	17,134	-5,390	9,878	14,412		-4,534
1985-86	10,895	19,658	-8,763	8,905	16,067		-7,162
1986-87	12,452	20,096	-7,644	9,745	15,727		-5,982
1987-88	15,674	22,244	-6,570	12,088	17,156		-5,068
1988-89	20,231	28,235	-8,004	13,970	19,497		-5,527
1989-90	27,658	35,328	-7,670	16,612	21,219		-4,607
1990-91	32,558	43,193	-10,635	18,145	24,073		-5,928
1991-92	44,042	47,851	-3,809	17,866	19,411		-1,545
1992-93	53,688	63,375	-9,687	18,537	21,882		-3,345
1993-94	69,751	73,101	-3,350	22,238	23,306		-1,068
1994-95	82,674	89,971	-7,297	26,331	28,654		-2,323

Notes :

1. The foreign trade data relate to total sea, air and land trade, on private and Government accounts. Direct transit trade, transhipment trade, ships' stores and passengers' baggage are excluded. Data include silver (other than current coins), notes and coins withdrawn from circulation or not yet issued, indirect transit trade and trade by parcel post. Exports include re-exports. Imports include dutiable articles by letter post and exclude certain consignments of foodgrains and stores on Government account awaiting adjustment, diplomatic goods and from October 1979 defence stores. Imports and exports are based on general system of recording. Imports are on c.i.f. basis and exports on f.o.b. basis inclusive of export duty. The export figures for the period November 1970 to March 1973 are based on original copy of the shipping bills whereas the figures for the rest of the period are based on the finally passed shipping bills.
2. In the case of rupee data, monthly figures may not add up to the annual total due to rounding off. In the case of data in dollar terms, monthly data may not add up to the annual total also due to exchange rate factor.

No. 32—FOREIGN TRADE
B : MONTHLY

Month	1994-95						1995-96 (P)					
	In Rs. Crore			In US \$ million			In Rs. Crore			In US \$ million		
	Exports	Imports	Trade Balance	Exports	Imports	Trade Balance	Exports	Imports	Trade Balance	Exports	Imports	Trade Balance
1	2	3	4	5	6	7	8	9	10	11	12	13
April	6,368	6,352	16	2,030	2,025	5	7,894	7,734	160	2,513	2,462	51
May	5,760	6,104	-344	1,836	1,946	-110	7,474	9,309	-1,835	2,379	2,963	-584
June	5,798	6,409	-611	1,848	2,043	-195	7,593	9,084	-1,491	2,418	2,893	-475
July	5,970	6,900	-930	1,903	2,199	-296	7,881	9,681	-1,800	2,512	3,085	-573
August	6,810	7,287	-477	2,171	2,323	-152	8,125	9,476	-1,351	2,573	3,000	-427
September	6,645	7,653	-1,008	2,118	2,440	-322	7,946	9,530	-1,584	2,395	2,873	-478
October	7,113	8,227	-1,114	2,267	2,622	-355	8,662	9,680	-1,018	2,508	2,803	-295
November	6,517	7,547	-1,030	2,076	2,404	-328	9,272	11,269	-1,997	2,669	3,244	-575
December	7,384	8,415	-1,031	2,352	2,681	-329	10,246	10,911	-665	2,931	3,121	-190
January	7,363	7,442	-79	2,347	2,372	-25	9,444	11,561	-2,117	2,643	3,235	-592
February	7,388	8,098	-710	2,355	2,581	-226	9,604	10,252	-648	2,622	2,799	-177
March	9,559	9,535	24	3,020	3,012	8						

(P) : Provisional.

Source : Directorate General of Commercial Intelligence & Statistics, Calcutta.

No. 33 : INDIA'S OVERALL BALANCE OF PAYMENTS

(Rs. in crores)

Items	1981-82 F			1990-91 PR			1991-92			1992-93		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6	7	8	9	10	11	12
A. Current Account												
I. Merchandise	7,765.5	14,259.6	-6,494.1	33,152.6	50,086.2	-16,933.6	44,922.5	51,417.5	-6,495.0	54,762.0	68,862.9	-14,100.9
(i) Private	7,765.2	5,379.6	2,385.6	33,152.6	24,523.8	8,628.8	44,922.5	28,845.9	16,076.6	54,762.0	33,041.2	21,720.8
(ii) Government	0.3	8,880.0	-8,879.7	—	25,562.4	-25,562.4	—	22,571.6	-22,571.6	—	35,821.7	-35,821.7
II. Invisibles	5,863.5	2,008.3	3,655.2	13,393.6	13,828.5	-434.9	23,449.0	19,191.3	4,257.7	23,901.0	22,563.6	1,337.4
1. Travel	1,063.9	144.1	919.8	2,612.5	702.5	1,910.0	4,891.9	1,111.5	3,780.4	6,060.3	1,178.9	4,883.4
2. Transportation	397.7	482.5	-84.8	1,764.6	1,961.0	-196.4	2,308.2	3,189.8	-881.6	2,850.4	4,547.0	-1,696.6
3. Insurance	54.7	40.1	14.6	198.4	158.4	40.0	264.7	306.8	-42.1	459.4	448.9	10.5
4. Investment income	665.5	474.9	190.6	660.5	7,392.9	-6,732.4	541.8	9,938.5	-9,396.7	1,003.9	11,506.7	-10,502.8
5. Government, not included elsewhere	130.6	59.2	71.4	27.3	311.2	-283.9	42.0	292.5	-250.5	219.6	305.2	-85.6
6. Miscellaneous	817.6	788.4	29.2	3,564.3	3,275.0	289.3	4,840.0	4,313.2	526.8	4,128.4	4,541.6	-413.2
7. Transfer payments	—	—	—	—	—	—	—	—	—	—	—	—
(i) Official	450.7	2.6	448.1	829.3	1.8	827.5	1,141.5	1.5	1,140.0	1,055.0	2.3	1,052.7
(ii) Private	2,082.8	16.5	2,066.3	3,736.7	25.7	3,711.0	9,418.9	37.5	9,381.4	8,124.0	35.0	8,089.0
Total Current Account (I + II)	13,429.0	16,267.9	-2,838.9	46,546.2	63,914.7	-17,368.5	68,371.5	70,608.8	-2,237.3	78,663.0	91,426.5	-12,763.5
B. Capital Account												
1. Private	—	—	—	—	—	—	—	—	—	—	—	—
(i) Long-term	414.1	173.6	240.5	15,419.1	12,104.9	3,314.2	29,181.5	19,610.4	9,571.1	31,604.7	21,643.3	9,961.4
(ii) Short-term	3.5	20.7	-17.2	80.2	31.1	49.1	2,874.4	300.1	2,574.3	1,509.6	4,531.5	-3,021.9
2. Banking	357.8	370.4	-12.6	1,098.7	2,232.9	-1,134.2	3,479.9	3,885.0	-405.1	4,492.0	1,633.3	2,858.7
3. Official	—	—	—	—	—	—	—	—	—	—	—	—
(i) Loans	1,524.5	7.7	1,516.8	12,223.8	10.5	12,213.3	12,137.5	19.8	12,117.7	11,906.8	10.5	11,896.3
(ii) Amortisation	0.2	773.9	-773.7	16.7	4,298.8	-4,282.1	16.7	5,944.0	-5,927.3	8.3	7,524.5	-7,516.2
(iii) Rupee Debt Service	NA	NA	—	—	2,139.8	-2,139.8	—	2,785.1	-2,785.1	—	2,334.6	-2,334.6
(IV) Miscellaneous	696.8	975.0	-278.2	12,012.4	7,372.1	4,640.3	10,104.0	14,943.2	-4,839.2	16,604.7	16,239.5	365.2
Total Capital Account (1+2+3)	2,996.9	2,321.3	675.6	40,850.9	28,190.1	12,660.8	57,794.0	47,487.6	10,306.4	66,126.1	53,917.2	12,208.9
C. I.M.F.	670.8	36.1	634.7	3,333.7	1,155.9	2,177.8	3,204.6	1,127.3	2,077.3	4,231.0	867.6	3,363.4
D. SDR Allocation	—	—	—	—	—	—	—	—	—	—	—	—
E. Total Capital Account, IMF and SDR Allocation (B+C+D)	3,667.7	2,357.4	1,310.3	44,184.6	29,346.0	14,838.6	60,998.6	48,614.9	12,383.7	70,357.1	54,784.8	15,572.3
F. Total Capital Account, IMF, SDR Allocation and current account (A+E)	17,096.7	18,625.3	-1,528.6	90,730.8	93,260.7	-2,529.9	1,29,370.1	1,19,223.7	10,146.4	1,49,020.1	1,46,211.3	2,808.8
G. Errors & Omissions	—	—	-89.7	—	—	236.8	—	—	-301.2	—	-245.6	—
H. Reserves and monetary gold	—	—	1,618.3	—	—	2,293.1	—	—	-9,845.2	—	-2,563.2	—

No. 33 : INDIA'S OVERALL BALANCE OF PAYMENTS (Contd.)

(Rs. in crores)

Items	April-June 1992			July-Sept. 1992			Oct.-Dec. 1992			Jan-March 1993		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30	31	32	33	34	35	36
A. Current Account												
I. Merchandise	11,918.4	16,402.2	-4,483.8	13,151.4	16,726.5	-3,575.1	13,293.4	16,950.5	-3,657.1	16,398.8	18,783.7	-2,384.9
(i) Private	11,918.4	7,922.4	3,996.0	13,151.4	7,825.6	5,325.8	13,293.4	7,908.8	5,384.5	16,398.8	9,384.3	7,014.5
(ii) Government	—	8,479.8	-8,479.8	—	8,900.9	-8,900.9	—	9,041.6	-9,041.6	—	9,399.4	-9,399.4
II. Invisibles	4,698.5	5,269.5	-571.0	5,323.4	6,147.6	-824.2	6,239.2	5,413.1	826.1	7,639.9	5,733.4	1,906.5
1. Travel	1,346.4	363.3	983.1	1,436.6	315.9	1,120.7	1,979.8	251.1	1,728.7	1,297.5	246.6	1,050.9
2. Transportation	515.0	1,173.5	-658.5	845.5	1,280.4	-434.9	632.4	1,032.6	-400.2	857.5	1,060.5	-203.0
3. Insurance	99.6	133.6	-34.0	105.7	96.1	9.6	106.1	110.5	-4.4	148.0	108.7	39.3
4. Investment income	245.9	2,436.0	-2,190.1	301.8	3,202.8	-2,901.0	217.2	2,602.8	-2,385.6	239.0	3,265.1	-3,026.1
5. Government, not included elsewhere	2.5	86.1	-83.6	8.3	101.7	-93.4	86.1	46.5	39.6	122.7	70.9	51.8
6. Miscellaneous	288.1	1,068.9	-780.8	809.5	1,141.3	-331.8	1,497.2	1,357.5	139.7	1,533.6	973.9	559.7
7. Transfer payments												
(i) Official	294.9	0.1	294.8	171.7	—	171.7	302.7	2.2	300.5	285.7	—	285.7
(ii) Private	1,906.1	8.0	1,898.1	1,644.3	9.4	1,634.9	1,417.7	9.9	1,407.8	3,155.9	7.7	3,148.2
Total Current Account (I + II)	16,616.9	21,671.7	-5,054.8	18,474.8	22,874.1	-4,399.3	19,532.6	22,363.6	-2,831.0	24,038.7	24,517.1	-478.4

No. 33 : INDIA'S OVERALL BALANCE OF PAYMENTS (Concl.)

(Rs. in crores)

Items	April-June 1992			July-Sept. 1992			Oct.-Dec. 1992			Jan-March 1993		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30	31	32	33	34	35	36
B. Capital Account												
1. Private												
(i) Long-term	9,461.4	4,727.9	4,733.5	7,802.8	4,778.3	3,024.5	7,464.8	6,771.4	693.4	6,875.7	5,365.7	1,510.0
(ii) Short-term	382.9	664.7	-281.8	464.1	1,682.2	-1,218.1	246.4	1,363.5	-1,117.1	416.2	821.1	-404.9
2. Banking	1,642.6	535.7	1,106.9	1,118.5	482.5	636.0	582.0	434.3	147.7	1,148.9	180.8	968.1
3. Official												
(i) Loans	1,838.5	2.9	1,835.6	2,001.0	1.1	1,999.9	2,543.4	1.5	2,541.9	5,523.9	5.0	5,518.9
(ii) Amortisation	-	1,569.1	-1,569.1	2.2	2,029.1	-2,026.9	4.4	1,787.4	-1,783.0	1.7	2,138.9	-2,137.2
(iii) Rupee Debt Service	-	175.0	-175.0	-	1,315.9	-1,315.9	-	26.8	-26.8	-	816.9	-816.9
(IV) Miscellaneous	3,316.0	2,774.4	541.6	4,443.9	6,248.6	-1,804.7	4,412.7	5,846.8	-1,434.1	4,432.1	1,369.7	3,062.4
Total Capital Account (1+2+3)	16,641.4	10,449.7	6,191.7	15,832.5	16,537.7	-705.2	15,253.7	16,231.7	-978.0	18,398.5	10,698.1	7,700.4
C. I.M.F.	-	192.7	-192.7	1,717.1	312.7	1,404.4	1,685.3	150.7	1,534.6	828.6	211.5	617.1
D. SDR Allocation	-	-	-	-	-	-	-	-	-	-	-	-
E. Total Capital Account, IMF and SDR Allocation (B+C+D)	16,641.4	10,642.4	5,999.0	17,549.6	16,850.4	699.2	16,939.0	16,382.4	556.6	19,227.1	10,909.6	8,317.5
F. Total Capital Account, IMF, SDR Allocation and current account (A+E)	33,258.3	32,314.1	944.2	36,024.4	39,724.5	-3,700.1	36,471.6	38,746.0	-2,274.4	43,265.8	35,426.7	7,839.1
G. Errors & Omissions			-18.8			2,109.8			2,290.1			-4,626.7
H. Reserves and monetary gold (Decrease +)			-925.4			1,590.3			-15.7			-3,212.4

Data are preliminary.

PR : Partially Revised

F : Final

Note : i) Interest accrued during the year and credited to NRI deposits has been treated as notional outflow under invisible payments and added as reinvestment in NRI deposits under private long term capital.

ii) Item 'Non-Monetary Gold Movement' has been deleted from May 1993 onwards in conformity with the recommendations of the IMF manual on BP (4th edition); these entries have been included under merchandise or official miscellaneous capital depending upon the nature of transaction.

iii) Balance of payments data from the year 1990-91 are presented in a format in which in the year of imports, the value of defence - related imports are recorded under imports with credits financing such imports shown under 'Official Loans' in the capital account. Interest payments on defence debt owed to the General Currency Area (GCA) (as and when they are made) are recorded under investment income payments in the invisibles accounts and principal repayments under official amortisation in the capital account. In the case of the Rupee Payment Area (RPA), interest payment on and principal repayment of debt is clubbed together and shown separately under the item 'Rupee Debt Service' in the capital account. This is in line with the recommendation of the High Level Committee on Balance of Payments (Chairman : Dr. C. Rangarajan).

Exchange rates : Foreign currency transactions have been converted into rupees at the par/central rates upto June 1972 and on the basis of average of the Bank's spot buying and selling rates for sterling and the monthly averages of cross rates of non-sterling currencies based on London market thereafter. Effective March 1993, conversion is made by crossing average spot buying and selling rate for US Dollar in the Forex market and the monthly averages of cross rates of non-dollar currencies based on London market.

No. 34 : INDICES OF REAL EFFECTIVE EXCHANGE RATE (REER) AND NOMINAL EFFECTIVE EXCHANGE RATE (NEER) OF THE INDIAN RUPEE
(36 - country bilateral weights)
(Based on Official Exchange Rate of Rupee)
(Base : 1985 = 100)

Year-Month	Export-based Weights					Trade-based Weights				
	REER	% Variation	NEER	% Variation	5	REER	% Variation	NEER	% Variation	9
1	2	3	4	5	6	7	8	9		
1985	100.00	-1.6	100.00	-2.7	100.00	-1.9	100.00	-2.2		
1986	92.01	-8.0	88.53	-11.5	92.15	-7.8	88.68	-11.3		
1987	85.46	-7.1	81.83	-7.6	85.43	-7.3	81.73	-7.8		
1988	82.09	-3.8	76.85	-6.1	82.15	-3.8	77.05	-5.7		
1989	77.66	-5.4	72.06	-6.2	78.37	-4.6	72.52	-5.9		
1990	74.54	-4.0	68.32	-5.2	76.59	-2.3	69.26	-4.5		
1991	64.55	-13.4	55.08	-19.4	67.13	-12.4	56.29	-18.7		
1992	60.53	-6.2	47.20	-14.3	64.47	-4.0	49.23	-12.5		
1992@	54.38	-15.8	42.72	-22.4	57.37	-14.5	44.07	-21.7		
1993\$	57.86	6.4	43.30	1.4	60.23	5.0	44.47	0.9		
1994\$*	61.82	6.8	42.88	-1.0	64.51	7.1	44.08	-0.9		
1995\$*	60.79	-1.7	39.78	-7.2	63.45	-1.6	40.83	-7.4		
1992	January	57.10	1.8	46.32	0.9	60.39	1.8	48.07	0.9	
	February	58.08	1.7	46.66	0.7	61.83	2.4	48.66	1.2	
	March	60.59	4.3	47.96	2.8	64.24	3.9	48.89	2.5	
	April	60.68	0.2	48.18	0.5	64.46	0.3	50.09	0.4	
	May	60.59	-0.2	47.83	-0.7	64.43	—	49.77	-0.6	
	June	59.72	-1.4	46.87	-2.0	63.67	-1.2	48.87	-1.8	
	July	59.97	0.4	46.09	-1.7	63.82	0.2	48.04	-1.7	
	August	59.90	-0.1	45.92	-0.4	63.80	—	47.86	-0.4	
	September	60.48	1.0	46.12	-0.4	64.46	1.2	48.50	0.6	
	October	62.10	2.7	47.18	2.3	66.30	2.9	49.52	2.4	
	November	63.80	2.7	48.82	3.5	68.28	3.0	51.17	3.8	
	December	63.42	-0.6	48.44	-0.8	67.96	-0.5	50.83	-0.7	
1993	January	63.82	0.6	49.05	1.3	68.47	0.8	51.52	1.4	
	February	64.69	1.4	49.54	1.0	69.61	1.5	52.13	1.2	

Note : The Indices presented here are in continuation of the series published in the July 1993 issue of the Bulletin (pp 967-977).

(+) Appreciation /(-) Depreciation.

@ Based on FEDAI Indicative Rates for the period March to December.

\$ Based on FEDAI Indicative Rates for the period January to December.

* Provisional.

No. 35 : INDICES OF REAL EFFECTIVE EXCHANGE RATE (REER) AND NOMINAL EFFECTIVE EXCHANGE RATE (NEER) OF THE INDIAN RUPEE
(36 - country bilateral weights)
(Based on FEDAI Indicative Rates)
(Base : 1985 = 100)

Year-Month		Export-based Weights					Trade-based Weights				
		REER	% Variation	NEER	% Variation	REER	% Variation	NEER	% Variation		
1	2	3	4	5	6	7	8	9			
1992	March	53.30	—	43.16	—	56.53	—	43.87	—		
	April	50.86	-4.6	40.34	-4.3	54.05	-4.4	41.95	-4.4		
	May	51.76	1.8	40.82	1.2	55.06	1.9	42.48	1.3		
	June	51.19	-1.1	40.14	-1.7	54.60	-0.8	41.68	-1.5		
	July	52.50	2.6	41.80	2.2	55.74	2.1	42.43	1.4		
	August	53.30	1.5	41.18	1.9	56.00	0.5	42.51	0.2		
	September	54.00	1.3	43.05	0.6	56.72	1.3	42.80	0.7		
	October	55.60	3.0	43.07	2.4	58.37	2.9	43.90	2.6		
	November	57.80	3.9	44.52	3.4	60.04	2.9	45.50	3.6		
	December	57.15	-1.1	43.75	-1.7	59.10	-1.6	44.75	-1.6		
1993	January	57.16	0.1	44.12	-0.8	59.25	0.3	45.18	0.9		
	February	54.76	-4.2	42.16	-4.4	56.89	-4.0	43.25	-4.3		
	March	56.98	4.0	43.85	4.0	59.15	4.0	44.94	3.9		
	April	55.81	-2.1	42.86	-2.3	57.95	-2.0	43.93	-2.3		
	May	55.92	0.2	42.78	-0.2	58.14	0.3	43.89	-0.1		
	June	56.60	1.2	42.88	0.2	58.99	1.5	44.09	0.5		
	July	57.87	2.2	43.52	1.5	60.34	2.3	44.77	1.5		
	August	58.42	1.0	43.42	-0.5	61.02	1.1	44.63	-0.3		
	September	58.79	0.6	42.94	-0.9	61.33	0.5	44.18	-1.0		
	October	60.25	2.5	43.30	0.9	62.84	2.5	44.54	0.8		
	November	60.76	0.9	43.82	1.2	63.37	0.9	45.06	1.2		
	December	61.02	0.4	44.05	0.5	63.53	0.3	45.20	0.3		
1994	January	61.49	0.8	44.45	0.9	64.05	0.8	45.67	1.0		
	February	61.31	-0.3	44.08	-0.8	63.98	-0.1	45.36	-0.7		
	March	60.89	-0.7	43.74	-0.8	63.55	-0.7	44.99	-0.8		
	April	62.18	2.1	43.68	-0.1	64.99	2.3	44.98	0.0		
	May	62.55	0.6	43.33	-0.8	65.28	0.4	44.57	-0.9		
	June	62.36	-0.3	42.99	-0.8	65.07	-0.3	44.20	-0.8		
	July	61.95	-0.7	42.26	-1.7	64.64	-0.7	43.45	-1.7		
	August	62.01	0.1	42.33	0.2	64.66	0.0	43.48	0.1		
	September	61.47	-0.9	42.05	-0.7	64.13	-0.8	43.19	-0.7		
	October	61.13	-0.6	41.64	-1.0	63.77	-0.6	42.77	-1.0		
	November	61.56	0.7	41.79	0.3	64.24	0.7	42.92	0.3		
	December	62.97	2.3	42.27	1.2	65.73	2.3	43.41	1.1		
1995	January*	63.05	0.1	42.01	-0.6	65.79	0.1	43.16	-0.6		
	February*	62.73	-0.5	41.78	-0.6	65.45	-0.5	42.91	-0.6		
	March*	60.53	-3.5	40.31	-3.5	63.20	-3.4	41.43	-3.4		
	April*	60.30	-0.4	39.84	-1.2	63.02	-0.3	40.98	-1.1		
	May*	61.36	1.8	40.16	0.8	64.15	1.8	41.30	0.8		
	June*	61.29	-0.1	40.07	-0.2	64.09	-0.1	41.20	-0.2		
	July*	61.80	0.8	40.21	0.3	64.54	0.7	41.28	0.2		
	August*	63.06	2.0	40.87	1.7	65.78	1.9	41.92	1.5		
	September*	60.98	-3.3	39.46	-3.4	63.58	-3.4	40.44	-3.5		
	October*	58.22	-4.5	37.61	-4.7	60.66	-4.6	38.50	-4.8		
	November*	58.29	0.1	37.53	-0.2	60.76	0.2	38.42	-0.2		
	December*	57.91	-0.7	37.52	0.0	60.40	-0.6	38.44	0.1		
1996	January*	57.19	-1.2	37.08	-1.2	59.62	-1.3	37.97	-1.2		

Note : The Indices presented here are in continuation of the series published in the July 1993 issue of the Bulletin (pp 967-977).

* Appreciation / (-) Depreciation.

• Provisional.

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