RESERVE BANK OF INDIA
BULLETIN

FEBRUARY 2016

VOLUME LXX NUMBER 2

The Reserve Bank of India Bulletin is issued monthly by the Department of Economic and Policy Research, Reserve Bank of India, under the direction of the Editorial Committee.
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MONETARY POLICY STATEMENT FOR 2015-16

Sixth Bi-monthly Monetary Policy Statement, 2015-16

*Sixth Bi-monthly Monetary Policy Statement, 2015-16 by Dr. Raghuram G. Rajan, Governor**

Monetary and Liquidity Measures

On the basis of an assessment of the current and evolving macroeconomic situation, it has been decided to:

- keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 6.75 per cent;
- keep the cash reserve ratio (CRR) of scheduled banks unchanged at 4.0 per cent of net demand and time liability (NDTL);
- continue to provide liquidity under overnight repos at 0.25 per cent of bank-wise NDTL at the LAF repo rate and liquidity under 14-day term repos as well as longer term repos of up to 0.75 per cent of NDTL of the banking system through auctions; and
- continue with daily variable rate repos and reverse repos to smooth liquidity.

Consequently, the reverse repo rate under the LAF will remain unchanged at 5.75 per cent, and the marginal standing facility (MSF) rate and the Bank Rate at 7.75 per cent.

Assessment

2. Since the fifth bi-monthly statement of December 2015, global growth has slowed, with the ongoing weakening of activity in major emerging market economies (EMEs) outweighing the recovery in some advanced economies (AEs). World trade has remained subdued, held down by anaemic demand, new lows in commodity prices and currency realignments. In the United States, an improving labour market continues to support a consumption-led recovery. Manufacturing activity is sluggish, however, reflecting retrenchment in oil and gas drilling activity and declining exports. In the Euro area, improving labour market and financing conditions are supporting consumer spending and business investment. Although core inflation and wage growth are subdued, deflation risks appear to be receding. In Japan, the combination of exceptional monetary accommodation and fiscal stimulus has failed to spur sustainable domestic demand so far. In China, growth in Q4 of 2015 was the slowest since 2009, pulled down by manufacturing, residential investment and exports. EME commodity exporters confront recessionary conditions, falling currencies, sluggish exports and still high inflation relative to their recent histories.

3. The December calm in global financial markets – suggesting that the normalisation of US monetary policy was fully anticipated – was dispelled in January 2016 by fears of further weakening of the Chinese economy and the depreciation of the Renminbi. Capital outflows from China triggered sell-offs across AEs and EMEs, exacerbating currency declines and heightening volatility. Crude oil prices fell below US $ 30 per barrel – a 12-year low –on expectations of Iran adding to the supply glut. Prices of gold prices and US Treasuries hardened on safe haven demand. Financial markets remain vulnerable to bouts of volatility and capital outflows from EMEs as an asset class. Bearish commodity price dynamics are also likely to impact investor sentiment.

4. On the domestic front, economic activity lost momentum in Q3 of 2015-16, pulled down by slackening agricultural and industrial growth. The north-east monsoon season ended in December with a deficiency of 23 per cent relative to the long period average (LPA). By end-January, *rabi* sowing was mildly deficient relative to a year ago, as well as to the quinquennial average in respect of all crops, except coarse cereals. Rural incomes will continue to be

* Released on February 02, 2016.

supported by allied activities such as dairy and horticulture, which now contribute as much to GDP as food grains.

5. In the first two months of Q3 of 2015-16, industrial activity slowed in relation to the preceding quarter. This mainly reflects weak investment demand with some deceleration of capital goods production. Stalled projects continue to remain high, and there is a decline in new investment intentions, perhaps on the back of low capacity utilization. While revenue growth in manufacturing has been modest, the fall in costs, partly because of a decline in commodity prices, and partly because of improvements in manufacturing efficiency, have resulted in relatively stronger profitability. The Reserve Bank's industrial outlook survey suggests a modest expansion of activity likely in Q4. In January 2016, the manufacturing purchasing managers' index (PMI) expanded to a four-month high on, *inter alia*, resumption of output by firms affected by the December floods as well as on new domestic and export orders.

6. Lead indicators of the services sector are mixed. Construction activity is still tepid, as evidenced by weak growth in cement production, though the pick-up in road construction bodes well for future activity, especially if supported by construction in the major proposed industrial corridors. Railway freight growth is still weak, though it may reflect lower transport needs for inputs like coal, and competition from roadways. However, the services PMI rose to a ten-month high in December on improvement in new business orders and upbeat expectations.

7. Retail inflation measured by the consumer price index (CPI) rose for the fifth month in December across all constituent categories. While the upturn in December essentially reflected unfavourable base effects, the ongoing seasonal decline in prices of fruits and vegetables could temper headline inflation in the near-term. Prices of cereals recorded modest increases despite the adverse monsoon, indicative of effective supply management. On the other hand, pulses inflation continued to remain elevated, reflecting structural mismatches.

8. CPI inflation excluding food and fuel rose for the fourth successive month. Excluding petrol and diesel from this category, inflation remained flat. A breakdown into goods and services categories shows that while goods inflation declined, services inflation has been sticky since September 2015 across housing, transport and communication, medical and other services. Household inflation expectations remain elevated and the rate of increase in corporate staff costs picked up. On the other hand, rural wage growth has been muted.

9. Liquidity conditions tightened in the second half of December with advance tax outflows. Tightness spilled over into January 2016 on the back of a seasonal pick-up in demand for currency, restrained spending by the government and a pick-up in bank credit growth, in relation to deposit mobilisation. In order to mitigate these conditions, the Reserve Bank injected liquidity through variable rate term repos of varying tenors ranging from overnight to 56 days, besides provision through the regular liquidity windows. The average daily liquidity injection (including variable rate overnight and term repos) increased from ₹1,200 billion in December to about ₹1,345 billion in January. In addition, the Reserve Bank also injected ₹200 billion through open market purchase operations on December 7 and January 20. In response, money market rates remained close to the policy rate with a marginal downside bias. Bank credit in the form of personal loans and non-bank flows from both domestic and foreign sources grew strongly.

10. India's exports remained in contraction mode for the thirteenth successive month in December, although there are indications of a sequential bottoming out. In volume terms too, the rate of decline appears to be moderating. While softer petroleum, oil and lubricants (POL) and commodity prices helped to contain the trade deficit, these benign effects were offset by a spike in the quantum of gold and POL imports. As a consequence, the trade deficit widened during December in relation to preceding months, though the overall current

account deficit is likely to remain well contained and easily financed. Net foreign direct investment (FDI) and non-resident deposits have remained robust in relation to last year. The persisting decline in oil prices may, however, impact the flow of remittances from the Gulf region where fiscal positions are deteriorating rapidly. Portfolio investment also recorded some outflows since November. Nevertheless, as on January 22, 2016, foreign exchange reserves stood at US$ 347.6 billion – an accretion of US$ 5.9 billion during the current financial year so far.

Policy Stance and Rationale

11. Inflation has evolved closely along the trajectory set by the monetary policy stance. With unfavourable base effects on the ebb and benign prices of fruits and vegetables and crude oil, the January 2016 target of 6 per cent should be met. Going forward, under the assumption of a normal monsoon and the current level of international crude oil prices and exchange rates, inflation is expected to be inertial and be around 5 per cent by the end of fiscal 2016-17 (Chart 1). However, the implementation of the VII Central Pay Commission award, which has not been factored into these projections, will impart upward momentum to this trajectory for a period of one to two years. The Reserve Bank will adjust the forecast path as and when more clarity emerges on the timing of implementation. Vagaries in the spatial and temporal distribution of the monsoon and the impact of adverse geo-political events on commodity prices and financial markets add additional uncertainty to the baseline.

12. Prospects for the *rabi* harvest are improving slowly. The near-term outlook for industrial activity may be constrained by adverse base effects in Q4 and still weak exports, although the pick-up in corporate profitability on the back of declining input costs may provide an offset. Some categories of services are likely to gain momentum on expectations of higher activity in coming months, though the aggregate state of activity remains muted. On balance, therefore, GVA growth for 2015-16 is kept unchanged at 7.4 per cent with a downside bias.

13. For 2016-17, growth is expected to strengthen gradually, notwithstanding significant headwinds. Expectations of a normal monsoon after two consecutive years of rainfall deficiency, the large positive terms of trade gain, improving real incomes of households and lower input costs of firms should contribute to

Chart 1: Quarterly Projection of CPI Inflation (y-o-y) for 2015-16 and 2016-17

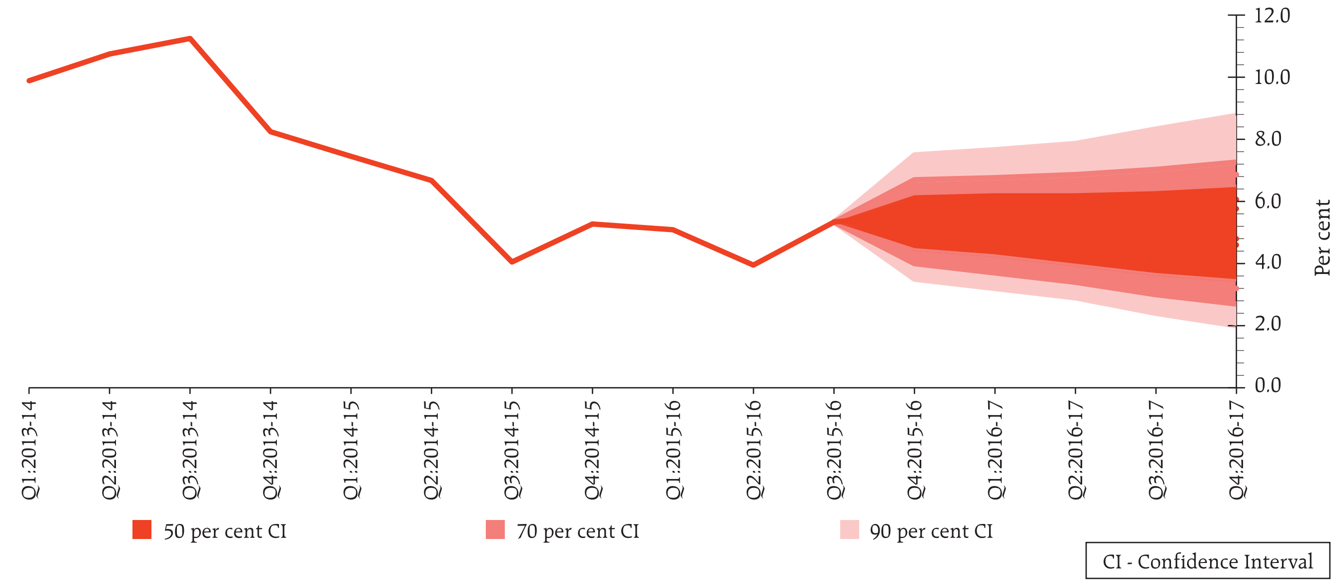
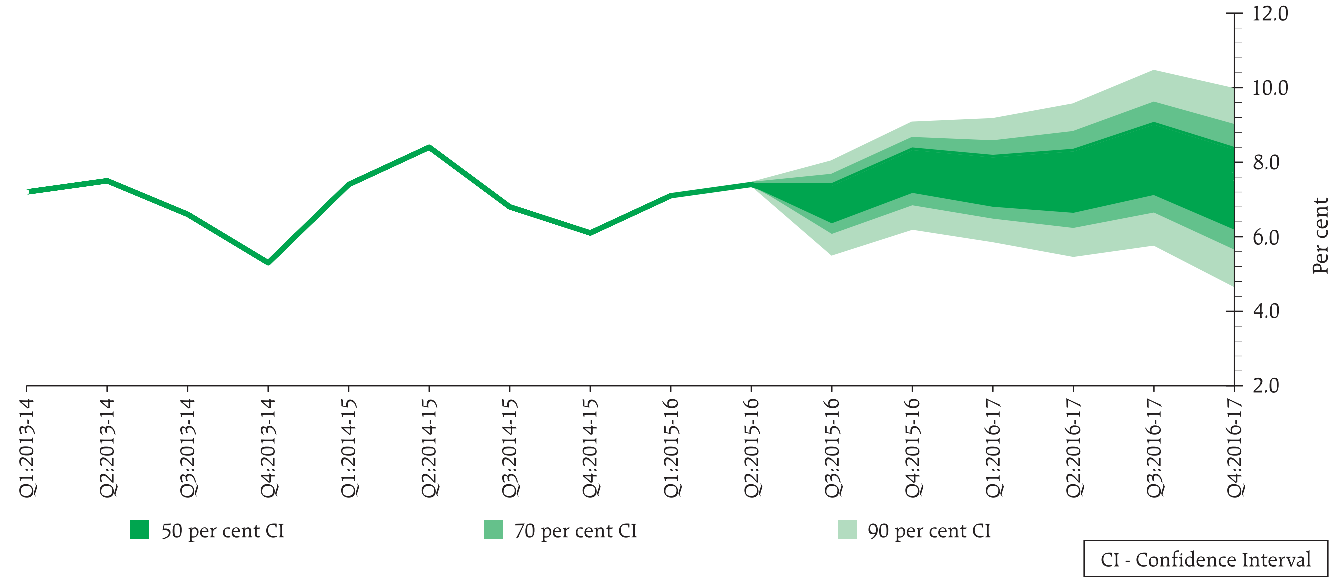


Chart 2: Quarterly Projection of Growth in GVA at basic prices (y-o-y) for Q3:2015-16 to 2016-17



strengthening the growth momentum. Yet, still weak domestic private investment demand in a phase of balance sheet adjustments, re-emergence of concerns relating to stalled projects, excess capacity in industry, sluggish external demand conditions dampening export growth could act as headwinds. Based on an assessment of the balance of risks, GVA growth for 2016-17 is projected at 7.6 per cent (Chart 2).

14. In keeping with the Government's Start-up India initiative, the Reserve Bank will take steps to ease doing business and contribute to an ecosystem that is conducive for growth of start-ups. These measures will create an enabling framework for receiving foreign venture capital, differing contractual structures embedded in investment instruments, deferring receipt of considerations for transfer of ownership, facilities for escrow arrangements and simplification of documentation and reporting procedures. A detailed statement is being issued separately.

15. The current momentum of growth is reasonable, though below what should be expected over the medium term. Underlying growth drivers need to be rekindled to place the economy durably on a higher growth trajectory. The revival of private investment, in particular, has a crucial role, especially as the climate for business improves and fiscal policy continues to consolidate. The Indian economy is currently being viewed as a beacon of stability because of the steady disinflation, a modest current account deficit and commitment to fiscal rectitude. This needs to be maintained so that the foundations of stable and sustainable growth are strengthened. The Reserve Bank continues to be accommodative even as it leaves the policy rate unchanged in this review, while awaiting further data on the development of inflation. Structural reforms in the forthcoming Union Budget that boost growth while controlling spending will create more space for monetary policy to support growth, while also ensuring that inflation remains on the projected path of 5 per cent by the end of 2016-17.

16. The first bi-monthly monetary policy statement for 2016-17 will be announced on Tuesday, April 5, 2016.

SPEECHES

Financial Reforms - Past and Present
Raghuram G. Rajan

Research Imperatives for the Indian Banking Sector
S. S. Mundra

*Financial Reforms – Past and Present**

Raghuram G. Rajan

I thank Shekhar Shah for inviting me to deliver the C. D. Deshmukh lecture at NCAER. Sir Chintaman Dwarakanath Deshmukh, an ICS officer, was truly a giant of modern India. In 1943, he was the first Indian, as well as the youngest in its history to date, to be appointed the Governor of the Reserve Bank of India. He subsequently served as the Finance Minister in the Union Cabinet. It was during this time that he also became a founding member of the Governing Body of NCAER. After resignation from the Union Cabinet over a matter of principle, he served at various times as Chairman of the University Grants Commission, Vice-Chancellor of the University of Delhi, President of the Indian Statistical Institute, and founding member and lifetime President of the India International Center. Among his many contributions were his insightful interventions at Bretton Woods as part of the Indian delegation to that historic meet. He was awarded the Padma Vibhushan in recognition of his services. Sir C. D. Deshmukh died in 1982.

C. D. Deshmukh was an institution builder. I am currently the caretaker of one he led, the Reserve Bank of India. Let me assure him that the Reserve Bank is in fine fettle. In a country where time has weighed heavily on the quality of institutions, the integrity, capability, and motivation of my colleagues allows the Reserve Bank to continue to stand tall.

The world today, however, is much less comforting. Industrial countries are still struggling, with a few exceptions, to grow. Our fellow BRICS all have deep problems, with confidence about China waxing and waning. Indeed, India appears to be an island of relative calm in an ocean of turmoil. What is different here and how can we be assured that it will continue?

A lesson from Brazil?

Perhaps Brazil offers a salutary lesson. Only a few years ago, the world was applauding the country's thriving democracy, its robust economic growth, and the enormous strides it was making in reducing inequality. It grew at 7.6 per cent in 2010, and had discovered huge oil reserves which the then President Lula likened to 'winning a lottery ticket'. Yet the country shrank by 3.8 per cent last year, and its debt got downgraded to junk. Growth will be no better this year. What went wrong?

Paradoxical as it may seem, Brazil tried to grow too fast. The 7.6 per cent growth came on the back of substantial stimulus after the global financial crisis. In an attempt to keep growth high, the New York Times says the central bank was pressed to reduce interest rates, fueling a credit spree that overburdened customers are now struggling to repay[1]. Further, Brazil's government-funded development bank hugely increased subsidised loans to corporations. Certain industries were favored with tax breaks while price controls were imposed on gasoline and electricity, causing huge losses in public sector firms. Petrobras, the national oil company, which was supposed to make enormous investments in oil drilling, instead became embroiled in a corruption scandal. Even as government pensions burned an ever larger hole, budget deficits expanded, and the political consensus to narrow them has become elusive. Inflation touched double digits in the 4th quarter of 2015.

While the Brazilian authorities are working hard to rectify the situation, let us not ignore the lessons their experience suggests. It is possible to grow too fast

* C. D. Deshmukh Lecture by Dr. Raghuram G. Rajan, Governor, Reserve Bank of India at NCAER, New Delhi on January 29, 2016.

1 'As a Boom Fades, Brazilians Wonder How it all Went Wrong', Simon Romero, New York Times, September 11, 2015.

with substantial stimulus, as we did in 2010 and 2011, only to pay the price in higher inflation, higher deficits, and lower growth in 2013 and 2014. Of course, India is not in the same situation today. Given the inhospitable world economy and two successive droughts, either of which would have thrown the economy into a tail spin in the past, it is to the immense credit of the government that we have over 7 per cent growth, low inflation, and a low current account deficit. But it is at such times that we should not be overambitious.

Macroeconomic stability

As Brazil's experience suggests, the enormous costs of becoming an unstable country far outweigh any small growth benefits that can be obtained through aggressive policies. We should be very careful about jeopardising our single most important strength during this period of global turmoil, macroeconomic stability.

There is a public discussion of whether India should postpone, yet again, the fiscal consolidation path it has embarked on. Clearly, the Government will balance various compulsions in taking its decision. But a number of facts are worth pointing out:

The consolidated fiscal deficit of the state and centre in India is by far the largest among countries we like to compare ourselves with; presently only Brazil, a country in difficulty, rivals us on this measure. According to IMF estimates (which is what the global investor sees), our consolidated fiscal deficit went up from 7 per cent in 2014 to 7.2 per cent in 2015. So we actually expanded the aggregate deficit in the last calendar year. With UDAY, the scheme to revive state power distribution companies, coming into operation in the next fiscal, it is unlikely that states will be shrinking their deficits, which puts pressure on the centre to adjust more.

Some say that fiscal expansion is necessary to generate the growth needed to put our debt to GDP ratio back on a sustainable path. This is a novel argument. Ordinarily one would think that a government should borrow less, that is, run lower fiscal deficits, in order to reduce its debt. But there is indeed a theoretical possibility that the growth generated by the fiscal expansion is so great as to outweigh the additional debt that is taken on. Unfortunately, the growth multipliers on government spending at this juncture are likely to be much smaller, so more spending will probably hurt debt dynamics. Put differently, it is worth asking if there really are very high return investments that we are foregoing by staying on the consolidation path?

Of course, the common man does not really care whether we stay on the consolidation path or not. But the bond markets, where we have to finance over ₹10 lakh crore of deficits plus UDAY state bonds, do care. Deviating from the fiscal consolidation path could push up government bond yields, both because of the greater volume of bonds to be financed and because of the potential loss of government credibility on future consolidation. It was James Carville who said 'I used to think if there was reincarnation, I wanted to come back as the President or the Pope or a .400 baseball hitter. But now I want to come back as the bond market. You can intimidate everybody.' The Government understands the importance of bond market confidence, but I wonder if the economists debating in public put adequate weight on it.

The fall in inflation has been a major contributor to lower bond yields, and is the joint work of the Government and the RBI, aided to some extent by the fall in international commodity prices. This is no mean achievement given two successive droughts that would have, in the past, pushed inflation into double digits. Despite this success, we hear voices suggesting weakening the fight against inflation. Let me reiterate that macroeconomic stability relies immensely on policy credibility, which is the public belief that policy will depart from the charted course only under extreme necessity, and not because of convenience. If every time there is any minor difficulty, we change the goal posts, we signal to the markets that we have no staying power. Let me therefore reiterate that we have absolutely no intent of departing from the inflation framework that has been agreed with the Government. We look forward to the Government amending the RBI Act to usher in the monetary policy committee, further strengthening the framework.

Macroeconomic stability will be the platform on which we will build the growth that will sustain our country for many years to come, no matter what the world does. Indeed, I am reminded today of the period 1997-2002 when India labored and reformed with only moderate growth, only to see a decade of high growth after that.

Before I turn to the main body of this talk, a word on interest rates. Industrialists grumble about high rates while retirees complain about the low rates they get today on deposits. Both overstate their case, though as I have said repeatedly, the way to resolve their differences is to bring CPI inflation steadily down.

Let me explain, starting with the retiree. The typical letter I get goes, 'I used to get 10 per cent earlier on a 1 year fixed deposit, now I barely get 8 per cent', please tell banks to pay me more else I won't be able to make ends meet'. The truth is that the retiree is getting more today but he does not realise it, because he is focusing only on the nominal interest he gets and not on the underlying inflation which has come down even more sharply, from about 10 per cent to 5.5 per cent.

To see this, let us indulge in Dosa economics. Say the pensioner wants to buy dosas and at the beginning of the period, they cost ₹50 per dosa. Let us say he has savings of ₹1,00,000. He could buy 2,000 dosas with the money today, but he wants more by investing.

At 10 per cent interest, he gets ₹10,000 after one year plus his principal. With dosas having gone up by 10 per cent to ₹55, he can buy 182 dosas approximately with the ₹10,000 interest.

At 8 per cent interest, he gets ₹8,000. With dosas having gone up by 5.5 per cent, each dosa costs ₹52.75, so he can now buy only 152 dosas approximately. So the pensioner seems vindicated: with lower interest payments, he can now buy less.

But wait a minute. Remember, he gets his principal back also and that too has to be adjusted for inflation. In the high inflation period, it was worth 1,818 dosas, in the low inflation period, it is worth 1,896 dosas. So in the high inflation period, principal plus interest are worth 2,000 dosas together, while in the low inflation period it is worth 2,048 dosas. He is about 2.5 per cent better off in the low inflation period in terms of dosas.

This is a long winded way of saying that inflation is the silent killer because it eats into pensioners' principal, even while they are deluded by high nominal interest rates into thinking they are getting an adequate return. Indeed, with 10 per cent return and 10 per cent inflation, the deposit is not giving you any real return net of inflation, which is why you can buy only 2,000 dosas after a year of investing, the same as you could buy before you invested. In contrast, when inflation is 5.5 per cent but the interest rate you are getting is 8 per cent, you are earning a real rate of 2.5 per cent, which means 2.5 per cent more dosas. So while I sympathise with pensioners, they certainly are better off today than in the past.

Let us turn to the industrialist. At a recent conference, I met a businessman who complained that his business was getting torn to shreds by imports. He was lobbying for safeguard duties. When asked for evidence of unfair competition, he said his revenues had not grown at all, with his volume growth barely offsetting the price decline for his product. While commiserating with him, I said lower input costs must be a boon, because commodity prices have fallen even more sharply than output prices. He grudgingly agreed they had helped. When asked about his profits, he eventually admitted they were at an all-time high. But nevertheless, he said, we need safeguard duties because foreigners are dumping below cost! Put differently, businesspeople complain about low output price inflation, but the inflation that matters to them is the inflation in their profits, which is higher. For instance, analysing 2nd quarter results for non-financial non-government corporations, we find that while revenues have fallen by 8.8 per cent year on year, input costs have fallen by an even higher 12.4 per cent, so that gross value added has gone up by 10.8 per cent.

Clearly, there are industries in trouble. We should, however, be particularly careful about raising tariffs at a time when costs are falling everywhere – aside from the inflationary impact, for every happy domestic businessman whose prices are raised by the imposition of tariffs on imports, we have an unhappy domestic businessman whose costs are raised by the very same tariffs, as well as unhappy consumers.

Cleaning Up the Banks

One very important contributor to macroeconomic stability is healthy banks. Banks in India have a number of stressed loans on their balance sheet. In some cases, the reality is that existing loans will have to be written down significantly because of the changed circumstances since they were sanctioned (which includes extensive project delays, cost overruns, global overcapacity, and overoptimistic demand projections). If loans are written down, the promoter brings in more equity, and other stakeholders like the tariff authorities or the local government chip in, the project may have a strong chance of revival, and the promoter will be incentivised to try his utmost to put it back on track. But to do all this deep surgery, the bank has to classify the asset as a Non Performing Asset (NPA), a label banks are eager to avoid. Alternatively, instead of deep surgery, the banks could apply band aids, they could 'extend and pretend', lending the promoter the money he needs to make loan payments. The project's debt obligations grow, the promoter loses further interest, and the project goes into further losses.

A number of good banks in our system have taken the necessary action to recognise and resolve stressed loans in a timely fashion. But some others need to take more proactive action. Over the last few quarters, the Reserve Bank has expanded the tools banks have to recognise and deal with stressed loans. It is now working with the Government and banks to ensure that the stressed assets are dealt with on a proactive basis, and that bank balance sheets both reflect a true and fair picture, and are adequately provisioned. The Finance Minister has indicated he will support the public sector banks with capital infusions as needed. Our estimate is that the support that has been indicated will suffice, especially when coupled with other capital sources that are usually available to banks. Our various scenarios also show private sector banks will not want for regulatory capital as a result of this exercise. Finally, the RBI is also working on identifying currently non-recognisable capital that is already on bank balance sheets, such as undervalued assets. The RBI could allow some of these to count as capital as per Basel norms, provided a bank meets minimum common equity standards.

In sum, we believe enough capital is available. While the profitability of some banks may be impaired in the short run, the system, once cleaned, will be able to support economic growth in a sustainable and profitable way. To be less proactive, as our past and the history of banking across the world suggests, will only see the problem get bigger and less manageable.

Let me now turn to the structural reforms that we intend to implement in the financial sector, which will build on the platform of macroeconomic stability to generate growth. We will increase efficiency through greater entry and competition. We need more participation in our financial markets to increase their size, depth, and liquidity. Participation is best enhanced not through subventions and subsidies but by creating supporting frameworks that improve transparency, contract enforcement, and protections for market participants against abusive practices. Technology can be very helpful in reducing the costs of the supportive frameworks, and can bring hitherto excluded populations into the financial fold. It is these ideas that guide our medium-term reform strategy. Let me be more specific.

Fostering Competition

In order to get sustained growth, we need more competition, especially from new entrants who are in a better position to reach hitherto excluded parts of our economy. After over a decade of no new entry, we have seen two new private banks enter last year, and a number of payment banks and small finance banks will enter this year. We will put licensing for universal banks on tap soon.

Incumbents have expressed fears about unfair competition. Competition is only unfair if it is not on the same playing field. In fact, new entrants have no privileges that incumbents do not already enjoy. We hope, though, that the new entrants will find innovative ways of giving customers better services at lower prices, thus shaking up and changing the banking sector for the better. Payment bank kiosks, post offices, or business correspondents could be the means by which the remote villager traverses the last mile to the formal financial system. Small finance banks could be the low cost assessment and monitoring mechanism to lower lending costs to small urban and rural firms.

Clearly, public sector banks (PSBs), with their large branch network, will have to adapt because some of these new entrants will go after their customers. This is no bad thing because, hitherto, those customers have had limited choice. Public sector banks will need to automate more so as to reduce transactions costs, cut administrative overheads and improve response times, even while improving their risk assessment and monitoring systems so that they can use the wealth of information they have gathered over the years to make sound lending decisions. Almost surely, this transformation will require more lateral hires at market wages, including skilled loan officers, risk managers, forensic accountants, IT professionals, lawyers, and human resource professionals. While PSBs can undertake contractual hiring at market wages, it remains to be seen whether they can attract professionals without promising them the means for career advancement within the bank.

Public sector banks will also require more professional boards that can chart a differentiated strategy for them. The Bank Board Bureau, which will select board members, will come into operation soon. We have to pay board members of PSBs a market compensation if we are to attract decent talent – otherwise we risk attracting an unwieldy mix of the truly patriotic and the truly unscrupulous, with the latter intending to profit by their board position. When thousands of crores can be diverted by a bad board decision, should we not ensure we have adequate integrity and talent on bank boards?

More decisions need to be decentralised from the Government to the PSB boards, once they have been fully professionalised. For instance, should boards not determine strategy as well as the appointment or renewal of their chief executive? What about their executive directors? Can bank boards have more freedom in choosing these? Can boards be given the freedom to set compensation structures and performance measures for their senior executives, including long term stock options? If we want to address the concern that many public sector banks have identical strategies and are competing for the same pie, we have to allow the boards more freedom to differentiate their banks.

Finally, as bank health recovers, the issue of PSB mergers can be addressed. Almost surely, some banks will have to merge to optimise their use of resources. But talking of bank mergers, which take a lot of management attention, especially when each bank management is preoccupied with dealing with stressed assets, is probably premature. At the same time, some banks could benefit from governance help to deal with their current problems. Is it an opportune time to induct skilled financial firms as strategic investors into public sector bank boards, perhaps with a 10 or 15 per cent stake? Certainly, the experience of countries like China who inducted such investors is worth studying.

Technology and Innovation

Regulators are naturally a conservative lot. It is good we are that way else there would be no speed breakers in the economy to slow its propensity to get into trouble. But we also should not stand in the way of innovation. There is a Chinese saying: 'Cross the river by feeling the stones'. The RBI has tried to follow that path of experimentation and incremental liberalisation. So, for example, as increasingly innovative new services want their customers to have the ability to make payments quickly, we have allowed small value card payments without two-factor authentication. As we and financial institutions gain experience, and as new technologies ensuring security emerge, we can liberalise further. More generally, our philosophy is to allow innovation in institutions, instruments and practices so long as they do not present a clear and present danger. Once we understand them better, and they grow to a material size, we can do a deeper analysis on how they should be regulated.

A number of innovative structures are likely to be implemented soon. NPCI will go live soon with the Unified Payment Interface, which when fully rolled out will allow anyone to make a payment to anyone else with a bank account simply *via* a mobile and a unique email-like address. The Trade Receivables Exchanges will be a boon to small businesses. Essentially, any business that has a receivable against a large firm can sell it as a bill on the exchange, after the large firm acknowledges it has been supplied the goods. Not only will the small firm get paid quickly, buyers will discount the bill at the rate associated with the large firm, and thus pay the small firm more. Importantly, the three Trade Receivables Exchanges that have been licensed will get a fillip if public sector firms and government departments are required to allow their receivables to be traded. This will also discipline these entities to pay on time, a huge boon to the system.

Yet another technological development to watch is the alliance between internet marketplaces and financial firms. The information obtained from monitoring sales and cash flows of the online merchant can be the basis for making him a loan and recovering payment. I am especially excited by the possibilities afforded the carpet seller from Srinagar, who can display her wares across the globe, with the marketplace arranging marketing, logistics, and finance for her.

Financial Inclusion

The Prime Minister's Jan Dhan Yojana has created accounts for much of the excluded population. Government has taken the next step of attaching a variety of financial services such as accident and life insurance to these accounts, and sending Direct Benefits such as scholarships, pensions, and subsidies to these accounts. We also have to ease access to bank accounts through Business Correspondents, payment banks, and point-of-sales machines so that they are used frequently. Easy payments, access to cash-in and cash-out facilities, and widespread availability of safe savings instruments have to be our next objectives in the financial inclusion of households.

When credit leads the process of financial inclusion, we risk lending to people who have little ability to manage money and overburdening them. By drawing them into the formal system through savings and payments first, then insurance, we get them accustomed to managing money before tempting them with credit. This is the successful method we have followed with Self Help groups, and is what we should do more widely. Importantly, we need a variety of firms and NGOs to help small businesses with management advice so that they can flourish.

Technology will also help reduce transaction costs, facilitating inclusion. We now have an internet portal (Vidyalakshmi) where students can apply to a variety of banks for education loans. We are exploring a similar portal for MSMEs, where MSMEs can apply easily to banks and where we can monitor timely responses to the loan applications.

In all such lending, we need to address the issue of collateral. Credit flows easily only when the lender is persuaded that he will get his money back, so easier access to credit necessitates harsher consequences of default, including the loss of collateral. Aadhaar has given individual borrowers the possibility of using their future access to credit as collateral. I do hope the Supreme Court clears up the cloud over its use quickly. But there are also situations where borrowers have physical collateral they can use to lower their cost of credit and improve access. We really need to re-examine mandates that banks should lend without collateral to certain segments. While the intent is laudable, the consequence may simply be that banks fear taking collateral even when available, and thinking the borrower is too risky, do not lend.

More generally, the best way to facilitate lending to the excluded is to reduce transactions costs, improve borrower information and frameworks for recovery, and create institutions that have lower costs and easier access to the borrower than existing ones. For this, we need to improve the structure and working of credit information bureaus, collateral registries, and debt recovery tribunals. Perhaps the most important source of collateral value is land. We need better digital mapping and clean records of land ownership across the country so that land can be used more effectively as collateral. Andhra Pradesh's pattas for tenant farmers is also an innovation that will help tenants get access to credit.

Consumer Protection and Literacy

Finally, newcomers and outsiders need protection against unfair practices. As one example of what we are doing, the RBI has developed a Charter of Consumer Rights after public consultation. Bank boards have been asked to put in place frameworks that ensure those rights are protected, including creating an internal office of ombudsman. Soon, those frameworks will have been in operation for about a year. After studying practices, RBI will take a view on best practices and even regulation, if any is needed. In the meantime, incognito field visits by RBI, to check mis-selling as well as the proper functioning of bank infrastructure such as branches and ATMs, will be expanded. We are also working with state law enforcement authorities through State Level Coordination Committees to try and nab fly-by-night operators before they do real damage.

As access to finance improves, we need customers to protect themselves. Higher education is not sufficient protection. Many of you must have received an email from me saying that the RBI had concluded a pact with the IMF or the British Government to take over the gold found on pirate ships in the sixteenth century, sell it, and give the proceeds to deserving citizens like you. In return for a small transaction fee of ₹20,000, the email goes on, I would be happy to transfer the sum of 50 lakh rupees into your bank account. Without pausing to think why I need ₹20,000 when I supposedly have ₹50 lakhs of your money with me, some of you send ₹20,000 as requested into an untraceable account. My office then gets repeated phone calls from you asking what happened when the ₹50 lakhs does not show up. The truth is that we are all gullible – no amount of warnings that the Reserve Bank does not ask you for your money helps. The central theorem of financial literacy is 'There is no such thing as a free lunch'. In the context of financial investments, it can be restated as 'There is no return without risk'. We need to imprint these two statements in everyone's head and we intend to roll out campaigns to do so.

Conclusion

I have described some of the ways we will position the financial system towards sustainable growth on a base of macroeconomic stability. Of course, finance can only facilitate growth, the true engine of growth is the real economy, where the government's structural reforms are facilitating the way.

Throughout its 81 year history, the RBI's staff has always risen to the challenges posed by a dynamic, growing economy. We have never hesitated to say no when the stability of the system is at stake. At the same time, we have liberalised when it is needed. Following the traditions set by our past leaders like Shri C. D. Deshmukh, we will help take India forward. Thank you very much again for inviting me to give this talk.

*Research Imperatives for the Indian Banking Sector**

S. S. Mundra

Introduction

Dr. J. Mahender Reddy, Vice Chancellor, ICFAI Foundation for Higher Education (IFHE) University; Shri S. V. Seshaiah, Director, IBS, Hyderabad; members of faculty from Gokhale Institute of Politics and Economics, Pune and IBS, Hyderabad; Delegates of the Research Conference; ladies and gentlemen ! I am grateful to Gokhale Institute of Politics and Economics, Pune and IBS, Hyderabad for inviting me to deliver the inaugural address at the 1st Banking Research Conference this morning. Both are premier educational institutions of the country. IBS Hyderabad has made important contribution in the field of management education and research in a very short period of time. Gokhale Institute of Politics and Economics (GIPE), Pune, is one of the oldest research and training institutes in Economics in the country and continues to be an institute of repute for economic research. I complement their efforts towards education and research.

2. Banks are the bedrock of financial system in all emerging economies and India is no different. The banks in India have been quite effectively performing the vital function of financial intermediation. The health of the banking system and that of the economy share a symbiotic relationship and at this juncture when the global growth is still stuttering, the banking system also faces a multitude of challenges. Each of these challenges has different genesis and probably different solution. But, challenges also throw up opportunities. In order to overcome current and impending challenges and also to exploit emerging opportunities, it is imperative that the sector devotes adequate time and resources in conducting meaningful research. At this stage, when the banking sector is on proverbial 'crossroads', I feel this Banking Research Conference is very timely. I am sure that the deliberations in the conference would provide new insights into the issues facing the banks and also pave the way for further research which would generate fresh ideas for improving the efficiency and effectiveness of the banking sector.

Why research is important?

3. According to Ben Bernanke, himself a researcher and a practitioner, research provides an important long-run perspective on the issues that we face on a day-to-day basis. Theories that evolve out of profound research remain relevant forever. Let me quote from our latest Financial Stability Report. 'When current wisdom does not offer solutions to extant problems, old wisdom can sometimes be helpful. For instance, the global financial crisis compelled us to take a look at the Minsky's financial instability hypothesis which posited the debt accumulation by non-government sector as key to economic crisis. As part of his work, Minsky identified three types of borrowers – the 'hedge borrowers' (those who could meet their debt obligations – both principal and interest through current cash flows from investments), 'speculative borrowers' (those who could service their debts, that is – pay only the interest but had to roll over the principal periodically through cash flows from current investments) and 'Ponzi borrowers'(whose current cash flows were insufficient

* Inaugural address delivered by Shri S. S. Mundra, Deputy Governor, Reserve Bank of India, at the 1st Banking Research Conference organised by Gokhale Institute of Politics and Economics and IBS' in collaboration with IBS Hyderabad at Hyderabad on January 29,2016. Assistance provided by Smt. Rekha Misra, Shri Sanjeev Prakash, Shri Radheshyam Verma and Ms. Anwesha Das is gratefully acknowledged.

to meet debt obligations but borrowed on the faith that an appreciation in the asset values could take care of such obligations). The dominance of the Ponzi borrowers can cause disruptions in the financial system when asset prices stop rising.' As IMF and other financial research houses moan over high indebtedness of corporate houses in emerging markets and its consequent implications for global financial stability today, it reaffirms the relevance of Minsky's 'Financial Instability Hypothesis'.

4. Let me give another example. Many of you here must be aware of the ongoing debate on what is called as 'Re-embracing Keynes.' The standard 'return to Keynes' argument is the need for fiscal stimulus to boost the economy from the depths of recession. The burden of the deficit is not seen as the main drawback of government intervention, but a necessary measure to address a failure in aggregate demand. It is important to emphasise here that the theory was first presented by John Maynard Keynes in his book, The General Theory of Employment, Interest and Money, published in 1936, during the Great Depression. Keynes said 'we cannot, as a community, provide for future consumption by financial expedients but only by current physical output.' Of course, there are many economists who vehemently oppose his views on efficacy of fiscal stimulus. Economists, both in Britain and across the Atlantic in the US have suggested that action by Government on rapid reduction of budget deficit than currently planned would be better to support a sustainable recovery. As some of you may be aware, the debate on increasing government deficit to support the economy also figured prominently in Government's pre-budget consultations with the economist in our country. In sum, the very fact that Keynesian theory stays relevant evoking strong reactions from supporters and baiters alike even after eight decades of being first published, in itself is a great testimony to the quality of research undertaken by him.

5. The need for deep-seated research in the area of banking, which itself is a highly dynamic field, with close linkages to economic fortunes of the country, can be hardly over-emphasised. Given the dynamic nature of the sector, banking research has to continuously evolve. Failure to ignore emerging trends or risks can be catastrophic. As former FDIC Chairman Irving Sprague put it after the onset of the Global Financial Crisis, 'Unburdened with the experience of the past, each generation of bankers believes it knows best, and each new generation produces some who have to learn the hard way.'

6. To keep pace with the changing times and to produce relevant research, researchers today need to raise new questions, explore new possibilities, regard old problems from a new angle, which would require creative imagination and mark real advance in the field. But in my talk today, rather than discussing more distant research topics like 'Effects of Population Aging on Economic Growth' or 'What ails a Demand Constrained Model of Growth', I would like to focus on some 'bread and butter issues' confronting Indian banks, which the sector would do well to study in greater depth.

Some important research undertaken by RBI/ Government in past and outcome

7. As you may be aware, the RBI and the Government of India have a rich history of policy research. Policy oriented research has led to adoption of various pro-active policy measures which helped in making our banking system more inclusive and development oriented. One of the earliest examples of application of research and surveys relating to credit/banking are

two studies commissioned by the Reserve Bank in 1936 and 1937 which highlighted that almost the entire finance required by farmers was supplied by moneylenders and that credit co-operatives and other agencies played a negligible role. This prompted the Reserve Bank to play an active role during 1935-1950 in promoting the co-operative credit movement through a variety of initiatives.

8. Similarly, the Report of the All India Rural Credit Survey (1954) highlighted that agricultural credit not only fell short in terms of quantity, quality but also failed in serving the right purpose and the right people. The outcome of the survey was developing co-operatives as an exclusive agency for providing credit to agriculture together with outlining a role for commercial banks in delivering credit for agriculture in specialised areas, such as marketing, processing and warehousing. Similarly, All India Rural Credit Review Committee set up by the Reserve Bank in July 1966 (Chairman: Shri B. Venkatappiah) emphasised on an increased role for commercial banks in delivery of rural credit based on its research findings.

Issues at hand

9. The above instances highlight the significance of timely and effective research. As I have argued above, the need for upping the policy research in banking at the current juncture is very high. The sluggish economic revival following the GFC has adversely impacted the banking sector. Some of the issues which concern the sector relate to those of asset quality, capital adequacy, profitability, risk management and governance. Reflecting the concerns and risk aversion, banks' business (deposits and credit) continues to show moderation. Slowdown is evident in the growth in the balance sheets of banks which set in since 2011-12 and has continued during 2014-15 as well. The return on assets (RoA) of banks, particularly public sector banks (PSBs), a common indicator of financial viability has remained weak in recent period.

10. It is well recognised that a competitive, sound and inclusive banking system is sine-qua-non for a growing economy like India that aspires to be globally competitive. Going forward, banks will need to achieve the mandated higher capital standards, stricter liquidity and leverage ratios and a more cautious approach to risk. This implies that the banks would need to improve their productivity and efficiency. They would also need to make a quantitative assessment of revenue streams from each product and service and an efficient transfer-pricing mechanism for efficient capital allocation.

11. At the same time, the banks would also need to venture into hitherto untapped segments to identify profitable business opportunities. One key segment that banks are increasingly looking at is the customers at the bottom of the pyramid. Financial Inclusion, as you all know, is the new buzzword. While everyone agrees that the segment has immense potential, it is certainly not a low hanging fruit. If the banks wish to profit from financial inclusion on a sustained basis, they would need to innovate and leverage technology.

12. Regulatory initiatives like opening up government business to more banks, licensing of new banks and subsidiarisation of the foreign bank branches, on the one hand, and the changing profile and simultaneously rising aspirations and expectations of customers on the other, is making the turf more competitive. Under the circumstances, the need for supportive research so as to find out an optimal business delivery model, target set of customers, product profile *etc.*, suitable to the risk profile of each individual bank, can hardly be overemphasised. The banks also need to respond to the changing environment around them. The country

is witnessing some significant changes in demographic patterns, literacy levels and resultantly in consumer behavior. The rural- urban divide is quite remarkable and also influences the choices the consumers make. Banks have to be constantly aware of the dynamic changes in consumer preferences and hence, the need for research gets buttressed.

13. Let me now come to a few 'bread and butter' areas which according to me have remained under-researched. Among others, these include, credit to agriculture, Micro, Small and Medium Enterprises (MSMEs) and private sector leverage. An analysis of the trends in bank finance to these sectors throws up quite a few research questions. I would delve into some of these in detail.

Agriculture

14. A significant transformation has taken place in the character of agricultural credit since the decade of 2000s. The common perception about agricultural credit is that it has rural orientation and given the pre-dominance of small landholdings in the country, small-sized loans would account for a greater proportion of agricultural credit. It is also expected that there would be a fair mix of credit given for crop-loans and investment credit. However, when one analyses the data, which is the first step in any meaningful research, most of these perceptions prove to be wrong. I would present some salient features of agricultural credit in recent times purely in terms of trends which would underscore the need for research in the area.

15. As per the latest available All-India Debt and Investment Survey, the proportion of debt owed by cultivator households to formal sources stood at around 64 per cent as compared to 36 per cent owed to informal sources. Moreover, the proportion of debt owed to formal sources has seen a decline from 66.3 per cent in 1991 to 64 per cent in 2013. These figures provide an insight into the existing unmet demand for credit among cultivator households, which is evidently being met by informal sources. On the other hand, as per the recent RBI Internal Working Group[1] set up to revisit existing priority sector lending guidelines in March 2015, the commercial banks have failed to achieve the targeted level (of 18 per cent) credit to agriculture sector in all but three years between 2001 and 2014. Hence, the sector witnesses two contrasting trends: unmet credit needs of the farmers on the one hand and shortfall in lending targets of the banks on the other despite agriculture being designated as one of the priority sectors for bank lending.

16. Agricultural credit, like overall bank credit in India, has traditionally been concentrated in the southern and northern regions of the country. In 2012, the southern and northern regions together accounted for about 62 per cent, with the southern region alone accounting for 41 per cent of total agricultural credit. Further, there was concentration of agricultural credit in select districts. In 2012, 15 districts accounted for about 21 per cent of total agricultural credit. Some elucidation is needed to explain this concentration.

17. The small and marginal cultivators (operating less than 5 acres of land) continue to be marginalised in terms of their share in agricultural credit. The share of small and marginal farmers has hovered around at levels less than 50 per cent despite the fact they account for more than 80 per cent of total cultivators in India. Likewise, it is also observed that the share of long-term credit in total agricultural credit has experienced a secular decline reaching 32 per cent in 2013-14 from 74 per cent in 1990-91 suggesting a neglect of capital formation in agriculture.

[1] RBI (2015), 'Report of the Internal Working Group to Revisit the Existing Priority Sector Lending Guidelines', March 2.

18. Few other patterns that are noticeable in the farm sector are:

- Decline in average size of operation landholding to around 1.15 hectare from more than 2 hectare about four decades ago. To put it in perspective, this size is 1/10th that in Thailand and about half of that in Indonesia while in the USA the average farm size is 170 hectares
- Families operating less than 1 hectare farm size are dis-savers even after including non-farm income
- 80 per cent of the borrowings of large farmers (>10 hectare land) are from institutional sources while for the landless farmers this figure is only around 15 per cent

19. The core areas of research which emerge from the forgoing discussion are:

- Is there a direct correlation between increased agricultural credit and productivity in agriculture/allied activities?
- Whether focus on agriculture as a priority sector has been effective in encouraging agricultural investment? Have small farmers benefited relative to large farmers?
- Have incomes of the farmers smoothened if not actually enhanced?
- While in villages, non-farm sector provides more income generating activity than farm sector, why do people still continue to stick to farming? Can 18 per cent of GDP produced by agriculture sustain 47 per cent of the workforce?
- What has been the impact of land fragmentation on agricultural productivity? Post-fragmentation, whether the farmers have the capacity to service the loan?
- What needs to be done for making the credit delivery system for farmers more efficient in terms of timeliness?

Micro, Small and Medium Enterprises (MSME)

20. MSMEs play a vital role in the Indian economy. They not only employ a large number of unskilled and semi-skilled people but also support large industries by supplying raw material, basic goods, finished parts and components. There are an estimated 49 million MSMEs in the country, providing employment to 111 million people which is next only to the agricultural sector. The sector accounts for 45 per cent of the manufacturing output and contributes close to 40 per cent of all exports from the country. Further, about 55 per cent of the MSMEs are located in rural areas, thus offering a great potential for rural development and inclusive growth.

21. Despite a large contribution of the MSME sector to the GDP, the sector often complains about lack of financing from institutional sources. Fourth Census of MSME sector (2006-07) revealed that only 5 per cent of the units (both registered and unregistered) had availed of finance through institutional sources. As on March 2015, only 8.4 per cent of the gross non-food credit from scheduled commercial banks (SCBs) was lent to MSMEs against 11.0 per cent in March 2010. This is despite increased distress in banks' books in their lending to large corporates over the same period.

22. There is growing realisation that if the country has to move to a higher growth trajectory, then MSME sector would need to play a central role. In recent years, both Government as well as the RBI have made substantial efforts to ease various constraints faced by the sector. While GoI has established Micro Units Development and Refinance Agency Ltd. (MUDRA) for developing and refinancing all micro-finance institutions

(MFIs) which are in the business of lending to micro and small business entities engaged in manufacturing, trading and service activities, the RBI has prescribed a target of 7.5 per cent of net bank credit for micro enterprises for achievement in a phased manner. Further, medium enterprises[2] have also been brought into the ambit of priority sector credit. In order to improve liquidity for MSMEs, an electronic Trade Receivables Discounting System (TReDS) is being set up by the RBI to enable a speedy realisation of receivables. The RBI has also launched a National Mission for Capacity Building of Bankers for MSME Financing (NAMCABS) for sensitising the bank staff about the financial and other lifecycle needs of MSME borrowers. While the steps taken by the authorities are commendable, a fundamental question remains whether the remedial measures that are being administered are based on proper diagnostics?

23. Against this backdrop, research related MSME sector could focus on:

- Reasons for sickness/quick mortality in MSME sector and to what extent is delay in sanctioning by banks responsible for it?
- What are the lifecycle needs of the MSMEs? What is the appropriate credit delivery model for the MSMEs?
- Is there a case for a differentiated prudential norm for MSME borrowers as against the rule based prescriptions applicable to big corporates?

Corporate Sector Leverage

24. Corporate sector leverage has currently become an issue of great concern for the economy in general and the banking system in particular. In the lead up to the crisis and even beyond, some of the Indian corporate houses raised unsustainable amounts of debt from various sources including bank finance and oversees borrowings. As we notice now, several indiscriminate corporate houses continued market borrowing with a view to increase their market share and to expand capacity without any regard to domestic and global demand situation. In fact, the rate of sales growth of the corporate sector particularly of listed manufacturing companies, declined from an average of 28.8 per cent in Q1 of 2010-11 to 11.4 per cent in Q2 of 2012-13 at a time when inflation (CPI-IW) averaged[3] around 10 per cent. Some of these borrowers necessarily fall into the category that Minsky calls 'Ponzi borrowers', which I had alluded to earlier. While banking system could also be held partly responsible for continuing to lend to these highly leveraged corporate groups, most of the times they were confounded by the labyrinthine maze that these corporate houses had created to access finance through group companies or thorough special purpose vehicles. The obvious fallout of this indiscriminate borrowing is a severe deterioration in their ability to service debt, besides casting an adverse impact on banks' balance sheets. An indirect outcome of higher corporate leverage is also likely in terms of poor transmission of monetary policy impulses as corporates may not be in a position to benefit from falling interest rates due to already high levels of debt.

25. Against this backdrop, there are a multitude of areas that should be looked at in more detail by way of research. The distribution of leverage is very important. In India, about a third of total corporate debt is owned by companies with a debt-equity ratio of more than 3. Given the concentration of debt, there is a need to assess the risk associated with multi-layered structures

[2] Credit limit is ₹50 million per unit for Micro and Small Enterprises and ₹100 million for Medium Enterprises engaged in providing or rendering of services.

[3] Average over April – January 2012-13.

– in the form of holding companies and special purpose vehicles. Further, while the corporate profits wait for a turnaround in the economy, there are also instances of companies trying to meet their debt obligations in different ways, one of which is deleveraging. Many companies are now deleveraging – paying off debt by selling off assets, more so as banks cease to restructure their bad debts. It is important to weigh the effectiveness of such methods against the costs it imposes on the growth of the economy.

26. While one is quick to demonise the borrowers that are unable to repay their debt to the lenders, it would be unfair to say that all of these highly leveraged borrowers are 'Ponzi borrowers'. Ways and means have to be found to segregate the fraudsters from the genuine borrowers. Our experience suggests that a number of these borrowers had borrowed heavily to set up infrastructure projects that have got stalled due to external factors. Several projects have faced time and cost overruns due to delays in receiving various clearances, cancellation of coal or gas linkages, protests from environmentalists *etc.* It is in our collective interest that productive capacity that has been created is not jeopardised and right lessons are drawn for future guidance. It is, therefore, important that some meaningful research could be conducted into 3-4 of these stalled projects, undertaking a threadbare analysis of the development of the project from scratch including the means and structures used for obtaining finance, extent and quality of equity brought in by the promoters, subsequent developments at various project stages, end outcome and so on and develop them as case studies for reference not only at management institutes but also by all stakeholders including Government machinery, regulators *etc.*

Conclusion

27. I have listed in brief a few basic issues that need the attention of researchers. These are indicative in nature and deal with the core areas that the bankers deal with in their everyday functioning. Besides, the issues that I have discussed in details above, some of the researchers present here could also focus their studies on the behavioral impact of credit guarantee schemes and interest rate subsidy on the end users and the intermediaries. Couple of other areas in which I would like to see some quality research done is on whether financial inclusion efforts should be savings led or credit led; and entire gamut of issues surrounding education loans. Another interesting area of research could be the policy of public sector banks with regard to posting of officers to rural branches as I feel this aspect has a significant bearing on progress in agriculture and MSME credit in rural areas.

28. While I have spoken enough about the subjects for research, there are issues related to research methodology per se. The first and foremost of which is, whether adequate and reliable data is available. Very often, even within the RBI also we have to grapple with inconsistent, incoherent and incomplete data sets which severely undermine policy formulation. There are also problems around data design and data architecture like varied definitions, different reporting dates, *etc.* Quality of research would also depend a lot on the survey methods employed, adequacy of sample used *etc.* What could be done to address these issues?

29. Before I close, I would like to thank the organisers once again for inviting me to this first ever banking research conference. The issues that I have raised during my address today are not exhaustive and I am sure there are many more interesting research ideas which would be engaging the attention of our researchers. I hope to see some quality analytical research conducted in banking in the days to come.

I wish the Conference all the success and hope that the deliberations are engaging and insightful.

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ARTICLES

Performance of Private Corporate Business Sector during First Half of 2015-16

Composition and Ownership Pattern of Deposits with Scheduled Commercial Banks: March 2015

*Performance of Private Corporate Business Sector during First Half of 2015-16**

The aggregated sales of the private (non-financial) corporate business sector contracted during H1:2015-16. The contraction was primarily on account of the manufacturing sector which is predominated by the fall in crude oil prices. The Iron & Steel and the Textile industries have also recorded significant contraction in sales. Half yearly statement of asset and liabilities indicated a rising tail risk in corporate leverage. Number of companies that are either highly leveraged or have reported negative net worth increased as on September 2015 and a rise in the indebtedness of such companies was also observed. On the positive side, falling raw-material and power and fuel expenses boosted EBITDA (Earnings before Interest, Tax, Depreciation and Amoritisation) growth (Y-o-Y) and margin. EBITDA margin reached a high level previously observed during 2010-11 indicating a revival of profitability. The machinery industry within the manufacturing sector and the IT sector showed an improvement in sales growth. An analysis of the performance of listed non-financial private corporates over the quarters reveals that the slowdown in the aggregate sales growth (Y-o-Y) observed during Q1:2014-15 and Q2:2014-15 worsened into a contraction during Q1:2015-16 and Q2:2015-16. EBITDA margin remained high at around 15 per cent in both the quarters of the first half, while net profit margin improved.

The article analyses the performance of the private (non-financial) corporate business sector during the first half (April- September) of 2015-16, based on earnings results of 2,846 listed companies. Other important financial statements have also been referred. This article incorporates the NIC 2008 industry classification and provides a brief analysis by sectors and major industry groups. It also captures the trend in sales, expenditure and profit margins of the private corporate sector over a longer horizon. Detailed quarterly data has been made available periodically in the website of the Reserve Bank of India (Q2:2015-16 data has been released on 3rd December 2015).

1. Contracting sales growth but improved profit margins

1.1. Sales of 2,846 listed companies of the private corporate sector contracted during H1: 2015-16. Over a longer horizon, since H1:2012-13, aggregate sales growth recorded a declining trend barring H1: 2014-15 wherein a minor increase was observed (Table 2, Chart 1). Expenditure in the first half of 2015-16 contracted due to contracting cost of raw materials and lower growth in staff costs. Power and fuel expenses also showed a sharp decline as fallout of the global slide in oil prices.

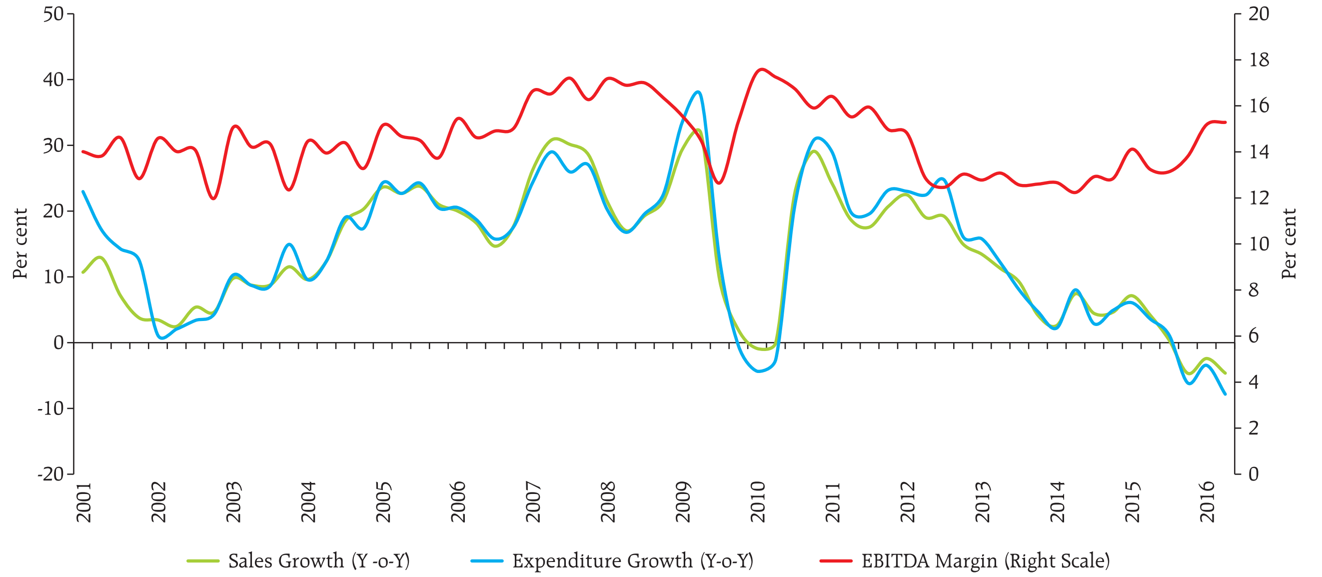
1.2. EBITDA or operating profits and EBIT (Earnings before Interest and Tax) showed substantial positive growth at the aggregate level from the levels recorded in H2:2014-15. Net profits showed a minor contraction in the current half year at -0.7 per cent (Y-o-Y) as against -21.0 per cent observed in H2:2014-15 mainly on account of lower tax provisions offsetting the higher interest growth. Other income recorded a steep decline of -4.9 per cent in relation to an increase of 0.5 per cent posted for H2:2014-15.

1.3. EBITDA and Net Profit margins recorded improvement over previous six successive half years indicating a revival in profitability.

1.4. Excluding the Petroleum product industry group, aggregate sales growth (Y-o-Y) indicated continued

* Prepared in the Corporate Studies Division of the Department of Statistics and Information Management, Reserve Bank of India, Mumbai. The previous study 'Performance of Private Corporate Business Sector, during first half of 2014-15' was published in the February 2015 issue of the RBI Bulletin.

Chart 1: Trends in Corporate Performance Parameters



slowdown since H1:2014-15. Profitability, as measured by EBITDA margins increased from 14.0 per cent in H2:2014-15 to 15.4 per cent in H1:2015-16 and was the maximum since H1:2012-13

2. Increase in tail risk

2.1. Corporate leverage in terms of debt-equity ratio, at the aggregate, remained mostly unchanged as at end September 2015 compared with its position at end September 2014. However, total debt of highly

Chart 2: Excluding Petroleum Product Companies

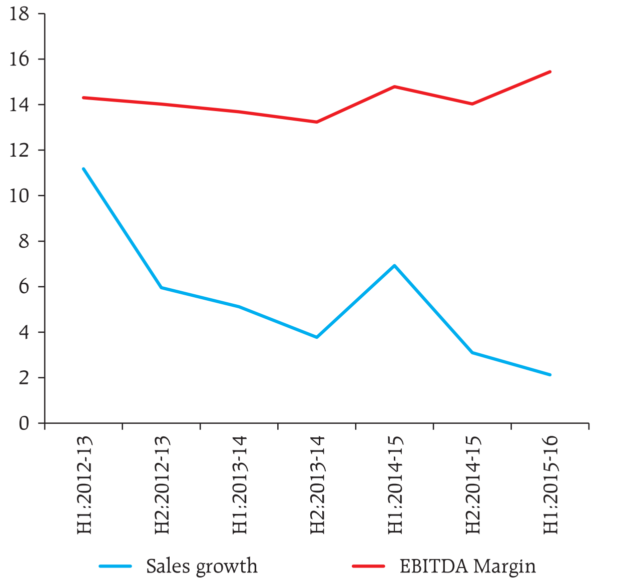


Table 1: Performance of the Listed Non-Government Non-Financial Companies

No. of companies	H1: 2015-16		H2: 2014-15	H1: 2014-15*
Items	Amount (₹ billion)	Y-o-Y Growth @ in Per cent		
	2,846		2,585	2,965
	1	2	3	4
Sales	15301	-3.5	-2.3	5.8
Value of Production	15303	-4.1	-2.2	6.0
Expenditure	12967	-5.8	-2.8	5.0
CRM **	6219	-15.7	-11.1	7.0
Staff Cost	1381	9.8	12.8	8.2
Power & fuel	566	-3.2	0.5	8.7
Operating Profits (EBITDA)	2336	6.8	2.0	12.6
Other Income@@	458	-4.9	0.5	14.0
Depreciation	611	4.1	3.6	6.4
Gross Profits (EBIT)	2182	4.8	1.2	14.8
Interest	679	9.3	6.9	1.4
Earnings before tax (EBT) ^	1527	1.4	-11.1	31.1
Tax provision	433	7.3	21.3	27.2
Net Profits ^	1095	-0.7	-21.0	32.6
Paid-up Capital	1380	4.4	3.3	2.3

* : Published in February 2015 issue of the RBI Bulletin.
@ : Growth rates calculated on the basis of common set of companies during any period.
** : CRM : Consumption of Raw Materials.
@@ : Includes forex gain while forex losses are included in Expenditure.
^ : Adjusted for non-operating surplus/deficit.

Table 2: Important Performance Parameters

Period	No. of Companies	Sales Growth (Y-o-Y)	Expenditure Growth (Y-o-Y)	EBITDA Growth (Y-o-Y)	Net Profit Growth (Y-o-Y)	EBITDA Margin (Per cent)	Net Profit Margin (Per cent)
	1	2	3	4	5	6	7
H1:2012-13	2,832	12.3	13.6	4.9	4.3	13.1	6.4
H2:2012-13	2,912	6.8	5.8	8.0	11.9	13.2	6.5
H1:2013-14	2,731	5.4	5.6	-0.8	-14.9	12.5	5.2
H2:2013-14	2,864	4.7	4.8	1.6	-4.9	12.3	5.1
H1:2014-15	2,965	5.8	5.0	12.6	32.6	13.7	6.8
H2:2014-15	2,585	-2.3	-2.8	2.0	-21.0	13.6	5.1
H2:2015-16	2,846	-3.5	-5.8	6.8	-0.7	15.3	7.2

leveraged companies, either with negative net worth or debt-equity ratio greater than 300, continued to increase from ₹2,410 billion as at end September 2014 to ₹2,896 billion at end September 2015. The percentage of overall debt held by above set of companies in the debt held by the NGNF companies covered increased from end September 2014 (22.1 per cent) to end September 2015 (24.5 per cent) indicating a rise in upside risk in corporate leverage. The total number of companies in the above group (number of companies either with negative net worth or debt-equity ratio greater than 300 per cent) also increased over three previous half years indicating an increase in tail risk in corporate leverage.

3. EBITDA Margins improved across size groups

3.1. Large companies (annualised sales more than ₹10 billion) which showed some resilience in terms of Y-o-Y sales growth till H1:2014-15 started to contract since the second half of 2014-15 (Table 4). This coincided with falling crude oil prices since the second quarter of 2014-15, as all major companies in the Petroleum Products industry belong to the group of large companies. Medium and small sized companies also continued to contract in sales.

3.2. Despite contracting sales, EBITDA margin improved across all of the size groups in H1:2015-16

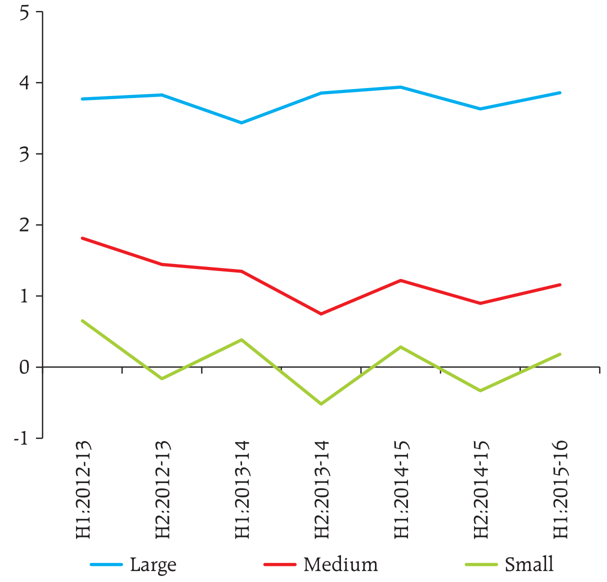
Table 3: NGNF Listed Companies: Tail Risk in Corporate Leverage (per cent)

Leverage	Number of Companies (as percentage of total companies)			Share of Debt to Total Debt		
	Sep'14	Mar'15	Sep'15	Sep'14	Mar'15	Sep'15
Negative Net worth or DER>=2	18.4	19.0	19.4	31.8	33.8	30.5
Negative Net worth or DER>=3	13.6	14.2	15.3	22.9	23.0	24.9

Table 4: Size class - wise important performance parameters

Size Classes	Large					Medium					Small				
	Annualised sales more than ₹10 billion					Annualised sales between ₹1 billion and ₹10 billion					Annualised sales less than ₹1 billion				
Period	Growth Rate (Y-o-Y) (%)			Margins (%)		Growth Rate (Y-o-Y) (%)			Margins (%)		Growth Rate (Y-o-Y) (%)			Margins (%)	
	Sales	EBITDA	Net Profit	EBITDA	Net Profit	Sales	EBITDA	Net Profit	EBITDA	Net Profit	Sales	EBITDA	Net Profit	EBITDA	Net Profit
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
H1:2012-13	14.6	5.9	7.8	13.4	7.0	3.8	0.6	-27.1	11.9	3.5	-21.5	-19.1	$	6.9	-4.0
H2:2012-13	9.2	10.9	22.9	13.9	7.8	-2.7	-10.5	-86.6	10.2	0.5	-24.3	-119.3	$	-0.3	-15.0
H1:2013-14	6.6	1.6	-11.4	13.0	5.9	1.1	-14.1	-40.8	10.2	2.1	-19.3	-56.9	$	4.2	-7.7
H2:2013-14	6.4	7.4	4.1	13.4	6.7	-1.7	-38.5	$	6.3	-2.6	-25.8	$	$	-5.9	-25.0
H1:2014-15	7.5	13.2	31.4	14.4	7.9	-0.8	5.6	52.1	9.5	1.0	-24.3	33.1	$	4.9	-12.2
H2:2014-15	-1.7	2.8	-16.5	14.7	6.6	-5.4	-2.9	$	7.4	-3.3	-15.0	$	$	-2.6	-23.9
H1:2015-16	-3.1	8.1	0.1	16.2	8.5	-3.5	-0.7	$	9.3	-0.5	-23.6	-70.9	$	2.5	-16.0

Chart 3: Interest Coverage - Size Wise



over H2:2014-15. It stood at the highest level since H1:2012-13 for the large companies.

3.3. Net profit margins improved for the large companies, while the extent of losses as a percentage of sales lowered in H1:2015-16 for the medium and small companies.

3.4. Interest coverage ratio (EBIT/Interest Expenses) hovered around 3.8 to 3.9 for large companies during the period of H1:2012-13 to H1:2015-16 (Chart 3). For medium and small companies it slid to very low levels with an average of 1.2 for medium companies and only 0.1 for small companies in H1:2015-16.

3.5. Solvency ratio as measured by [(Net Profit + depreciation)/ Average borrowings*100] improved across size groups during H1:2015-16, while leverage and cost of borrowings remained at similar levels as seen in H1:2014-15. The debt to EBITDA ratio showed a significant improvement for the small companies.

4. Margins maintained across sectors

4.1. The sales of the manufacturing sector was impacted by the petroleum products companies having a share of 15 per cent in the sales of the manufacturing sector. The Y-o-Y contraction in the price of crude oil in turn, was responsible for poor sales of the petroleum product companies. The services (other than IT) sector recorded improvement in sales growth in the second half of 2014-15 and moderated subsequently in H1:2015-16. Despite moderation, the services (other than IT) recorded better sales growth in the last two half years as compared to that in H2:2013-14 and H1:2014-15. The IT sector whose performance widely fluctuated between 2012-13 and 2014-15 has shown signs of improvement in H1:2015-16.

Table 5: Sector- wise important performance parameters

Sector	Manufacturing					Services (other than IT)					IT				
Period	Growth Rate (Y-o-Y) (%)			Margins (%)		Growth Rate (Y-o-Y) (%)			Margins (%)		Growth Rate (Y-o-Y) (%)			Margins (%)	
	Sales	EBITDA	Net Profit	EBITDA	Net Profit	Sales	EBITDA	Net Profit	EBITDA	Net Profit	Sales	EBITDA	Net Profit	EBITDA	Net Profit
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
H1:2012-13	11.8	3.5	3	11.5	5.6	10.4	8.0	38.3	17.1	4.9	20.6	25.8	21.9	25.8	19.8
H2:2012-13	6.5	5.9	1.5	11.4	5.1	10.7	0.6	-45.8	16.8	2.9	7.2	7.1	-3.4	25.4	18.7
H1:2013-14	4.2	-3.6	-15.3	10.6	4.5	8.0	-5.2	-31.3	16.6	3.9	19.1	21.8	14.9	27.6	20.3
H2:2013-14	4.7	1.8	-7.9	10.8	4.5	3.0	-19.3	-86.9	13.0	0.4	21.1	33.1	33.5	28.1	21.2
H1:2014-15	5.6	12.1	32.1	11.4	5.4	4.0	17.3	99.3	18.6	8.2	11.4	11.8	26.7	27.5	22.9
H2:2014-15	-4.7	-1.4	-32.1	11.6	3.8	11.1	49.7	$	18.4	5.8	8.2	3.4	-3.6	26.9	19.7
H1:2015-16	-6.4	7.6	-0.5	13.3	6.0	7.0	19.1	-19.6	19.9	5.7	10.9	6.1	15.1	27.0	24.3

Table 6: Financial Ratios (Assets and Liabilities)-Sector-wise

	Manufacturing	Services (other than IT)	IT	All
Number of Companies	1,596	424	138	2,368
Debt-equity (in per cent)				
H1:2014-15	60.2	57.8	7.7	56.7
H2:2014-15	62.0	56.8	8.2	57.7
H1:2015-16	57.9	66.9	7.8	56.8
Debt to Total Asset (in per cent)				
H1:2014-15	27.2	27.0	5.6	26.4
H2:2014-15	27.7	26.4	5.6	26.6
H1:2015-16	26.6	29.7	5.7	26.6
Debt to EBITDA (in number of times)				
H1:2014-15	4.3	4.9	0.4	4.2
H2:2014-15	5.5	5.0	0.4	5.0
H1:2015-16	4.3	5.7	0.4	4.4
Current Ratio (in per cent)				
H1:2014-15	122.4	113.9	302.3	127.0
H2:2014-15	119.9	114.6	248.0	125.4
H1:2015-16	119.1	108.8	298.2	124.9
Quick Ratio (in per cent)				
H1:2014-15	80.3	88.1	301.2	92.7
H2:2014-15	79.9	90.2	246.4	92.0
H1:2015-16	80.1	84.4	296.2	92.1
Net Profit to Average* Total Assets (in per cent)				
H1:2014-15	2.8	0.6	9.6	2.6
H2:2014-15	1.6	1.3	9.2	1.9
H1:2015-16	2.6	1.3	10.8	2.6
Solvency ratio (in per cent)				
H1:2014-15	15.1	6.1	165.8	13.8
H2:2014-15	10.9	12.2	182.9	12.1
H1:2015-16	14.4	11.5	209.4	14.5
Interest Coverage Ratio (in number of times)				
H1:2014-15	4.0	2.8	47.7	3.7
H2:2014-15	2.9	2.7	43.5	3.1
H1:2015-16	3.9	2.4	55.3	3.6
Cost of borrowings (in per cent)				
H1:2014-15	9.4	11.2	11.2	10.0
H2:2014-15	9.4	9.5	10.1	10.1
H1:2015-16	9.3	10.1	8.9	10.3

*: Average is based on outstanding opening and closing position of the half year.

4.2. EBITDA growth (Y-o-Y) improved remarkably for the manufacturing sector during H1:2015-16 against a contraction observed during the previous half year. Notwithstanding the contraction in sales growth the sector recorded the highest EBITDA margin of 13.3 per cent since H1:2012-13. The non-IT services sector also showed the highest EBITDA margin in last seven half years, despite a moderation in EBITDA growth. The IT sector recorded a comparatively low Y-o-Y growth in EBITDA in the last two half years. EBITDA margin for the IT sector was maintained at a similar level for the last two half years.

4.3. Net profits recorded a good Y-o-Y growth for the IT sector resulting in the highest net profit margin in the entire seven half years under consideration. Leverage ratio (debt to equity or total assets) showed a slight decline in the manufacturing sector (Table 6). Lower contraction in net profits for the manufacturing sector led to an improvement in the solvency ratio in H1:2015-16 as compared to H2:2014-15. Net profits contracted significantly for the services (other than IT) sector, lowering the solvency ratio for H1:2015-16.

5. EBITDA margins increased across industries despite low / declining sales growth

5.1. In the basic goods sector, sales growth of cement industries decelerated to 2.8 per cent in H1:2015-16 (Chart 4) presumably due to slow down in the

Chart 4: Cement

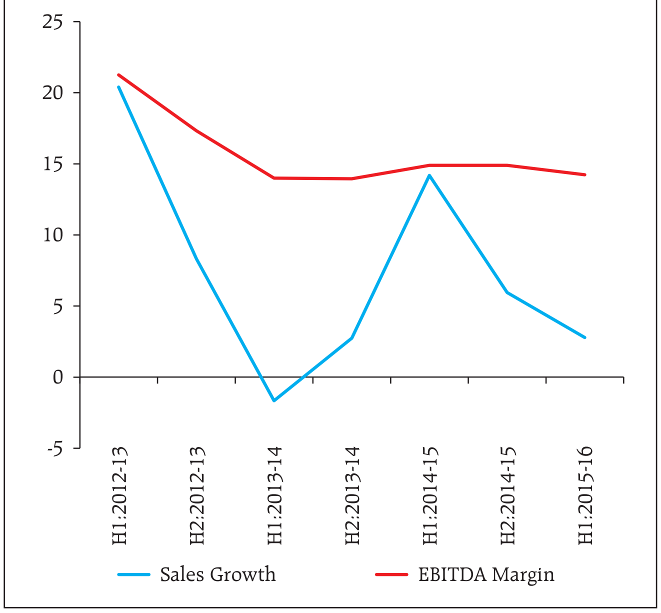


Chart 5: Iron & Steel

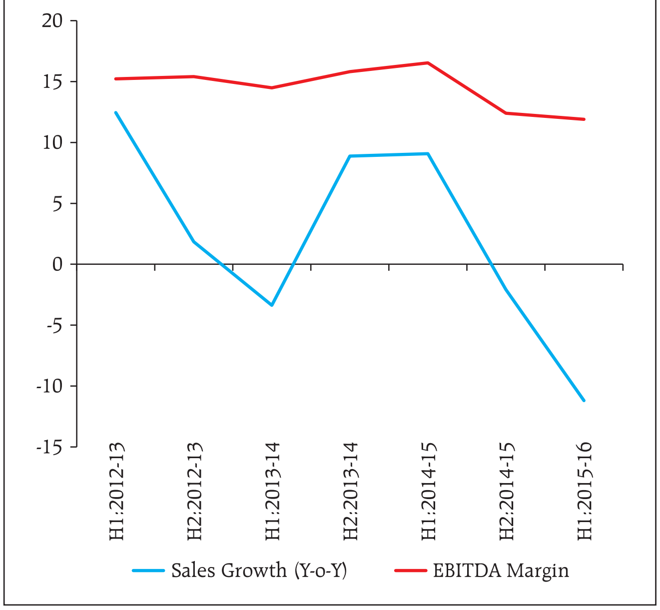
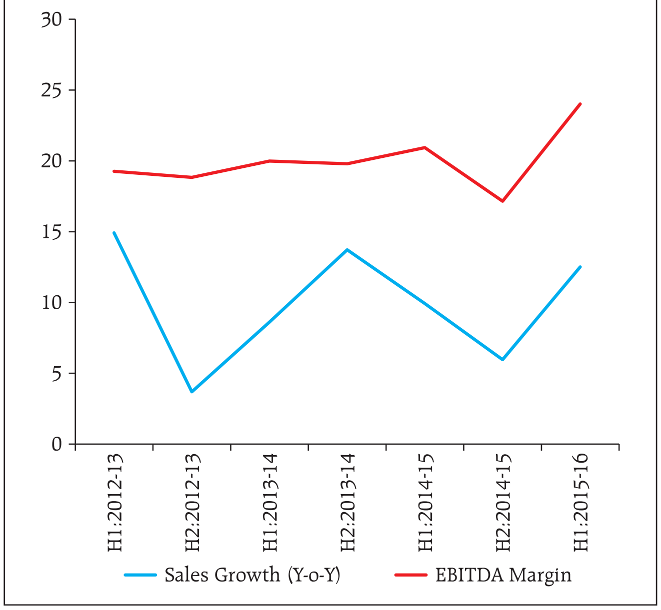


Chart 7: Pharmaceuticals



construction and real estate sector. EBITDA margin also moderated slightly and remained range-bound for the industry. The Iron & Steel industry posted a contraction in sales by 11.2 per cent (Chart 5) in H1: 2015-16 due to fall in international steel prices.

5.2. In the consumer goods sector, motor vehicles industry witnessed a decrease in sales growth. EBITDA margin recorded an improvement in H1:2015-16 compared to H2:2014-15. In the pharmaceuticals and medicine industry, an increase in sales growth (12.5

Chart 6: Motor Vehicles

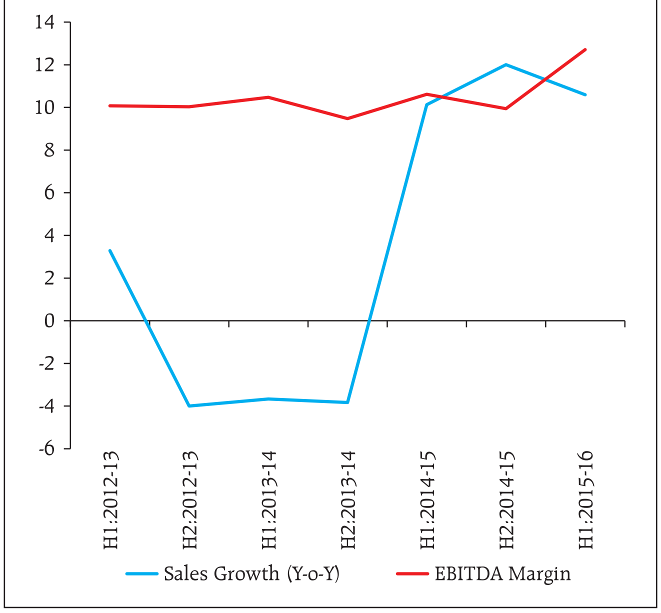
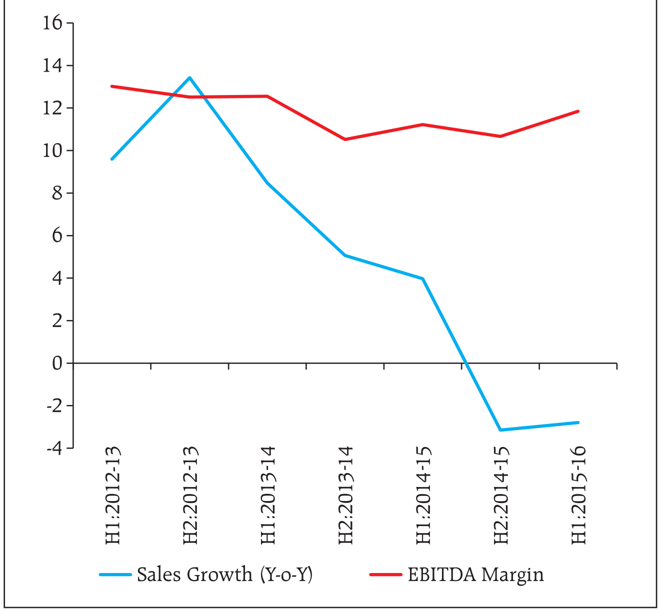
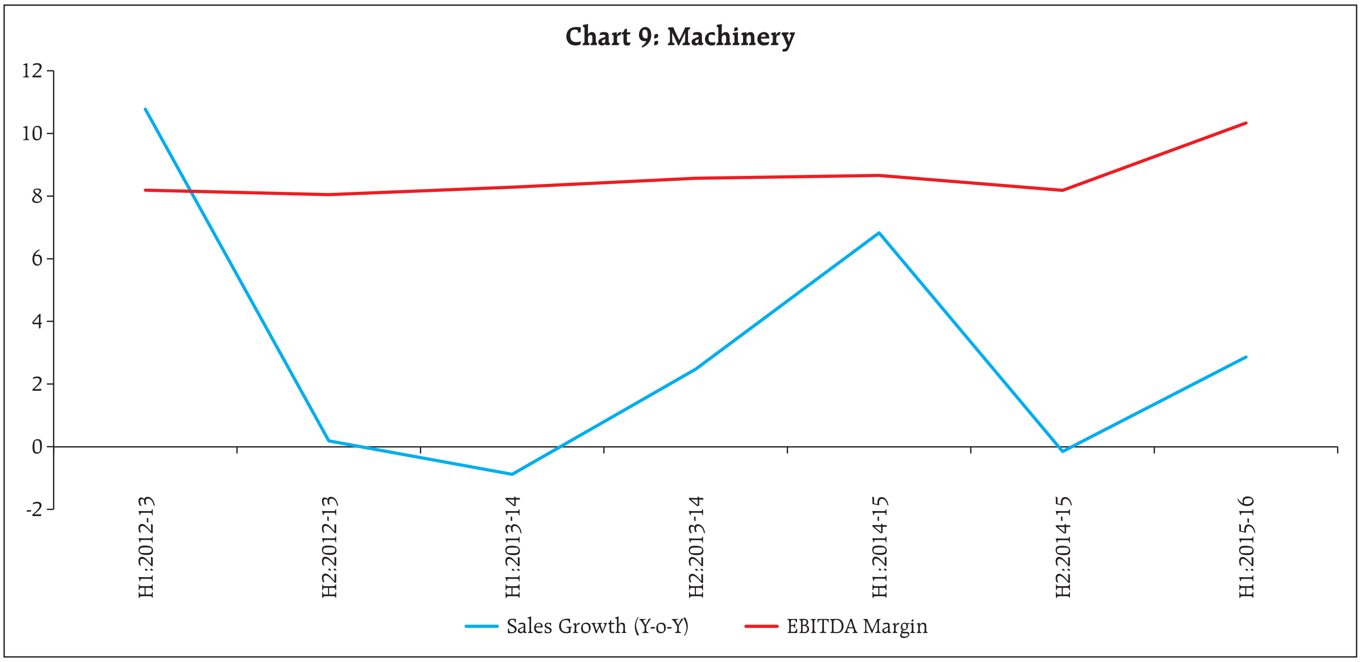


Chart 8: Textiles





per cent) was observed together with an improvement in EBITDA margin (Chart 7). The textile industry showed contraction in sales by 2.8 per cent and since H2:2014-15 remained at the lowest level observed over the previous five half years (Chart 8).

5.3. In the capital goods sector Machinery industry recorded noticeable increase in sales growth in H1:2015-16 after successive moderation in both halves of 2014-15 (Chart 9). EBITDA margin also recorded an increase.

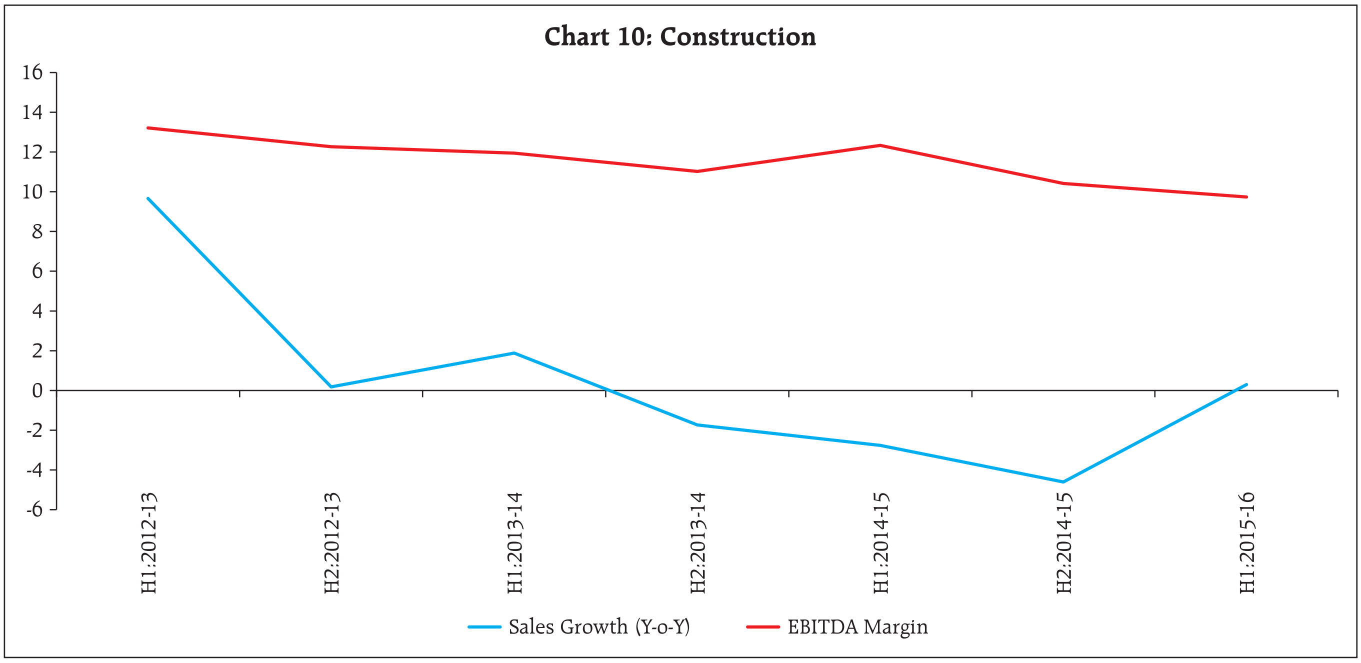


Table 7: Important Performance Parameters of Select Industries

Industry	Period	Large			Medium			Small			All Companies		
		Sales	EBITDA	Net Profit	Sales	EBITDA	Net Profit	Sales	EBITDA	Net Profit	Sales	EBITDA	Net Profit
		Growth (Y-o-Y)	Margin (Per cent)	Margin (Per cent)	Growth (Y-o-Y)	Margin (Per cent)	Margin (Per cent)	Growth (Y-o-Y)	Margin (Per cent)	Margin (Per cent)	Growth (Y-o-Y)	Margin (Per cent)	Margin (Per cent)
		1	2	3	4	5	6	7	8	9	10	11	12
Cement	H1:2014-15	14.2	15.3	7.0	15.0	9.6	8.9	0.5	7.3	-5.6	14.2	14.9	7.1
	H2:2014-15	5.6	15.2	6.3	10.6	10.9	4.9	-3.0	18.0	4.3	5.9	14.9	6.2
	H1:2015-16	2.2	14.5	4.9	10.7	11.5	2.9	-6.8	11.8	-0.3	2.8	14.2	4.7
Iron & Steel	H1:2014-15	10.9	18.1	5.5	0.6	4.9	-4.0	-32.9	-2.6	-26.7	9.1	16.5	4.2
	H2:2014-15	-1.2	13.6	-0.5	-8.5	3.0	-8.3	-9.8	2.1	-9.6	-2.1	12.4	-1.4
	H1:2015-16	-9.7	13.4	0.7	-17.9	2.8	-11.4	-36.7	1.3	-9.9	-11.2	11.9	-0.9
Motor Vehicles	H1:2014-15	10.8	10.8	4.8	7.0	9.5	0.6	-34.6	-3.2	-2.8	10.1	10.6	4.4
	H2:2014-15	14.1	10.6	3.2	-3.5	3.8	-5.3	-52.0	-19.3	-17.0	12.0	9.9	2.5
	H1:2015-16	12.1	13.4	7.0	-1.6	8.7	-0.7	-44.7	-86.2	$	10.6	12.7	5.8
Pharmaceuticals	H1:2014-15	13.6	23.3	22.8	-1.9	12.2	9.0	-5.8	7.5	-18.2	9.9	20.9	19.4
	H2:2014-15	9.5	18.5	8.2	-7.1	11.6	-3.7	-8.6	4.8	-5.3	6.0	17.1	6.0
	H1:2015-16	16.1	25.9	16.7	-2.7	15.2	4.1	-12.2	1.1	-8.1	12.5	24.0	14.6
Textiles	H1:2014-15	8.0	13.9	3.3	-1.3	6.8	-1.7	-12.4	4.4	-10.2	4.0	11.2	1.2
	H2:2014-15	2.3	15.4	3.5	-11.6	2.3	-5.9	-13.1	-1.4	-15.9	-3.2	10.7	-0.1
	H1:2015-16	2.6	14.8	5.5	-4.2	8.2	0.0	-47.8	-3.6	-29.8	-2.8	11.8	2.4
Machinery*	H1:2014-15	7.9	8.8	4.5	2.5	8.1	0.1	-2.9	7.2	-6.4	6.8	8.7	3.6
	H2:2014-15	-0.1	8.1	0.4	1.9	9.2	2.7	-17.8	4.1	-6.8	-0.2	8.2	0.6
	H1:2015-16	3.3	10.6	5.9	3.0	9.5	2.5	-15.3	4.9	-5.0	2.9	10.3	5.2
Construction	H1:2014-15	-1.4	12.3	1.7	-8.5	12.1	-3.1	-19.7	14.3	2.9	-2.8	12.3	1.1
	H2:2014-15	-3.6	10.9	1.9	-10.7	6.7	-12.2	-22.0	2.4	-13.8	-4.6	10.4	0.3
	H1:2015-16	2.5	9.4	-0.4	-14.3	12.7	-3.8	-17.5	10.5	-1.0	0.3	9.7	-0.7

*: Includes Machinery & Machine Tools and Electrical Machinery and Apparatus.

5.4. Construction industry reversed the trend of three successive half yearly contraction in sales. However, the EBITDA margin moderated to 9.7 per cent in H1:2015-16 from 10.4 per cent in H2:2014-15, unlike the general trend of low sales growth with improved profitability observed in other industries.

6. On a quarterly basis, sales growth decelerated, profit margin improved

6.1. An analysis of the performance of listed non-financial private corporates over the quarters reveal that downturn in the aggregate sales growth (Y-O-Y) observed during Q1:2014-15 and Q2:2014-15 continued and contracted further during Q1:2015-16 and Q2:2015-16(Table 8). With a contraction in the cost of raw materials since Q3:2014-15 and power & fuel expenses since Q4:2014-15, overall expenditure contracted sharper than sales for three consecutive quarters. This aided in boosting the growth in EBITDA and revived profitability of the companies. EBITDA growth improved in Q2:2015-16 significantly as compared to that in the previous quarter. EBITDA

Table 8 :Performance of Select Companies over the Quarters

Indicator	2014-15		2015-16	
	Q1	Q2	Q1	Q2
	1	2	3	4
No. of Companies	2,755	2,863	2,723	2,711
	Growth (Y-o-Y) Per cent			
Sales	7.1	4.2	-2.4	-4.6
Expenditure	6.1	3.6	-3.5	-7.8
Operating Profits (EBITDA)	16.5	8.3	3.7	8.9
Other Income	-2.8	26.1	1.8	-5.8
Depreciation	8.0	3.5	3.6	4.0
Gross Profits (EBIT)	14.7	14.1	3.4	6.5
Interest	1.4	-0.6	9.5	8.4
Net Profits	27.3	25.6	-9.5	9.9
	Ratio Per cent			
EBITDA to Sales	14.1	13.2	15.2	15.3
EBIT to Sales	12.9	13.0	14.0	14.6
Net Profit to Sales	6.7	6.6	6.7	7.7
Interest to Sales	3.8	4.0	4.5	4.4
Interest Burden	29.2	31.0	31.9	30.3
Interest Coverage(times)	3.4	3.2	3.1	3.3

margins remained around a five-year high level of 15.2-15.3 per cent during the first two quarters of 2015-16.

6.2. Y-O-Y growth in interest expenses started to escalate since Q3:2014-15 and showed considerable rise in Q1 and Q2 of 2015-16 as compared with the first two quarters of 2014-15. But it remained at a lower level than that earlier observed during 2012-13 and 2013-14. Interest coverage ratio (EBIT/interest expenses) was almost at the similar level, improving marginally in Q2 as compared with Q1:2015-16. Net profit margin stood at a 18 quarter high level of 7.7 per cent in Q2:2015-16.

Annex

Explanatory Notes

1. To compute the growth rates in any period, a common set of companies for the current and previous period is considered.
2. Sector and Industry wise figures may vary slightly from earlier data released, as the industry classification system has been updated broadly following the National Industrial Classification (NIC 2008).
3. The manufacturing sector consists of industries like 'Iron and Steel', 'Cement and Cement Products', ' Machinery and Machine Tools', 'Motor Vehicles', *etc.* This does not include 'Agriculture and Related Activities' and 'Mining & Quarrying' industries. The services (non-IT) sector includes 'Real Estate', 'Wholesale and Retail Trade', 'Hotel and Restaurants', etc. This does not include 'Construction' and 'Electricity and Gas - Supply' industries.
4. FOREX gain and loss are reported on net basis by companies and included in the net profit calculation. While net FOREX loss is considered as a part of the expenditure and thus included in EBITDA, net FOREX gain is considered as a part of other income and included in EBIT.
5. Other income includes various regular incomes like rents, dividends, royalties etc. and does not include extra-ordinary income/expenses.
6. Extra-ordinary income/expenses are included in EBT and net profit. As the name suggests, these income/ expenses can be very large for some of the companies in a particular quarter.
7. Some companies report interest on net basis. However, some companies include the interest expenses on gross basis, where, interest received is reported in other income.
8. '$' (across all tables) indicates that the ratio / growth rate is not calculated as denominator is negative or negligible.

Glossary of Terms

EBITDA	-	Operating Profits / Earnings before Interest, Tax, Depreciation & Amortization	-	Sales + Change in Stock – Expenditure
EBIT	-	Gross Profits/Earnings before Interest & Tax	-	EBITDA+ Other Income – Depreciation & Amortisation
EBT	-	Earnings before Tax	-	EBIT – Interest Payment +Extra-ordinary income/expenses
Net Profit	-		-	EBT – Tax
Interest Burden	-		-	Interest Payment / EBIT*100
Interest Coverage	-		-	EBIT/Interest Payment
Debt	-		-	Short Term Borrowings + Long Term Borrowings
Current Ratio	-		-	Current Assets / Current Liabilities*100
Quick Ratio	-		-	(Current Assets – Inventories) / Current Liabilities*100
Solvency Ratio	-		-	(Net Profit + depreciation)/ Average borrowings*100

Composition and Ownership Pattern of Deposits with Scheduled Commercial Banks: March 2015*

This article presents an analysis of composition and ownership pattern of outstanding deposits with scheduled commercial banks (including regional rural banks) during 2007-2015. The data on ownership pattern of deposits as estimated from annual sample survey for the period from 2007-10 is used along with the annual census survey data as collected from-March 2012 to 2015[1]. The analysis brings out broad trends across type of deposit accounts, institutional sectors, population groups and bank groups over the period.

Introduction

The annual survey on *Composition and Ownership Pattern of Bank Deposits with Scheduled Commercial Banks* (SCBs) including Regional Rural Banks (RRBs) as on March 31, 2015, was conducted by the Reserve Bank. The branch-wise data were collected, according to type of deposits (*viz.*, current, savings and term deposits), and institutional categories of depositors (*i.e.*, households, government, non-financial private corporate, financial, and foreign) under this survey. The aggregated data so collected under the survey were published on the Bank's website under 'data release' (https://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=35943) in January 2015.

2. This article presents a brief review of the trends and pattern as observed from the above data along with the prevailing economic environment. Composition of aggregate deposits according to type of deposit accounts and ownership categories, are discussed first. Subsequently, the pattern in ownership of deposits across various population groups is analysed. Institutional preference for specified bank-groups, if any, has also been looked into. State-wise patterns in bank deposits as on March 31, 2015 are presented in the final section.

Share of term deposits in total deposits continued to rise

3. In the backdrop of decelerating growth in nominal GDP, the growth in total deposits continued to decline during 2014-15 (Table 1). In tandem, growth in term deposits as well as savings deposits also decelerated. However, term deposits continued to maintain its' dominant share constituting around two-third of total deposits followed by savings deposits having around one-fourth share of total deposits. Despite reduction in term deposits' growth rates during 2014-15, the share of term deposits in total deposits continued to show marginal rise (Chart 1). Deceleration in growth in savings deposits during 2014-15 was much sharper, thereby reducing its share in total deposits by 1.2 percentage points. Lower income growth together with higher inflation in the last few years might have led to shift away from savings deposits and may also cause deceleration in overall deposits growth.

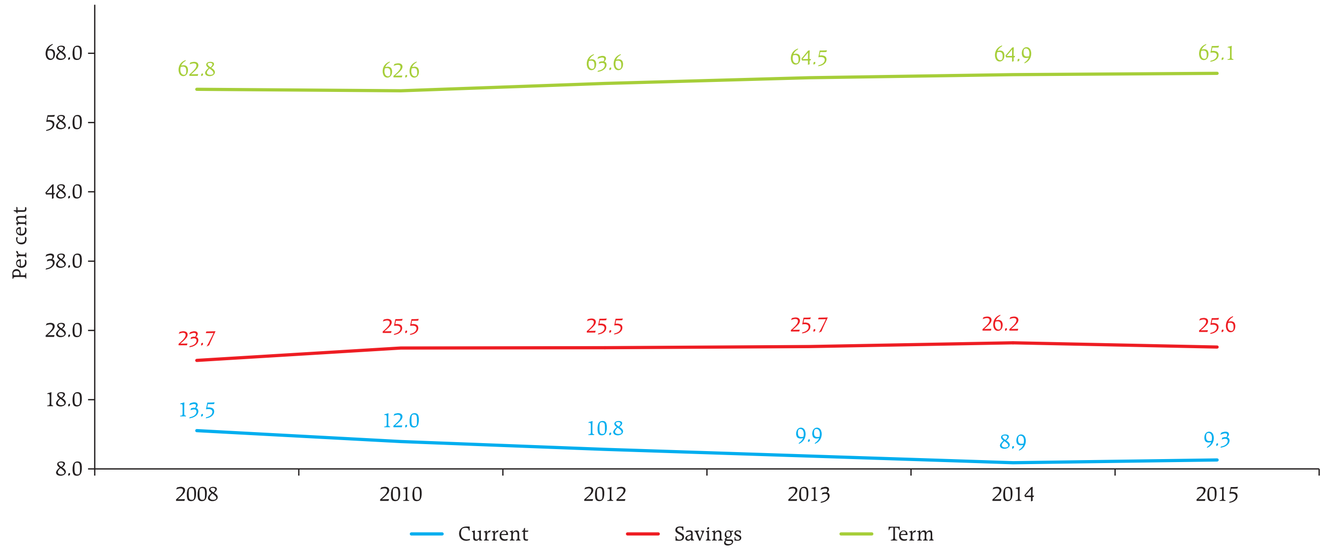
Households' deposits grew at a relatively higher rate than total deposits

4. Except non-financial private corporate sector, growth in deposits of all sectors during 2014-15 was lower than that in the preceding year (Table 2). Non-financial private corporate sector recorded positive

* Prepared in the Bank Branch Statistics Division of the Department of Statistics and Information Management, Reserve Bank of India, Mumbai.

[1] More detailed data for March 2015 is available in the Reserve Bank website 'URL:http://www.rbi.org.in/'. Previous findings from BSR-4 survey on Composition and Ownership Pattern of Deposits with scheduled commercial bank were published in various issues of the Reserve Bank Bulletin; the latest was published in the March 2015 issue.

Chart 1: Trend in Composition of Bank Deposits by Type of Deposits-2008 - 2015
(As on March 31)



growth in bank deposits during 2014-15 after declining in the preceding two years.

5. Households'[2] deposits grew by 11.0 per cent as compared to overall deposits' growth at 10.4 per cent.

Table 1: Trends in Deposits According to Type of Account

(Amount outstanding in ₹ Billion; Growth in per cent)

Account Type/As on March 31	2007	2008	2009	2010	2012	2013	2014	2015
Current deposits	3,357 (17.8)	4,492 (33.8)	4,865 (8.3)	5,788 (19.0)	6,950 (9.6)	7,060 (1.6)	7,231 (2.4)	8,347 (15.4)
Savings deposits	6,709 (17.5)	7,858 (17.1)	9,396 (19.6)	12,312 (31.0)	16,356 (15.3)	18,344 (12.2)	21,323 (16.2)	22,972 (7.7)
Term deposits	16,933 (29.8)	20,836 (23.0)	26,136 (25.4)	30,263 (15.8)	40,803 (16.1)	46,063 (12.9)	52,757 (14.5)	58,408 (10.7)
Total deposits(**)	26,999 (24.9)	33,186 (22.9)	40,397 (21.7)	48,364 (19.7)	64,110 (15.1)	71,466 (11.5)	81,310 (13.8)	89,727 (10.4)
Memo items (in %):								
Term (>1 Yr.) Deposit Rate	7.50-9.00	8.25-9.00	7.75-8.75	6.00-7.50	8.50-9.25	7.50-9.00	8.00-9.25	8.00-8.75
Growth in Nominal GDP	16.3	16.1	12.9	15.1	15.7	13.1	13.6	10.5
Growth in IIP	12.9	15.5	2.5	5.3	2.9	1.1	-0.1	2.8
CPI Inflation (Rural+Urban)						10.2	9.5	5.9
CPI Inflation (Industrial Workers)	5.0	6.2	9.1	12.4	8.4	10.4	9.7	6.3
Growth in BSE 100	42.5	39.2	-26.0	-26.2	-7.5	5.0	8.3	34.2
Growth in Gold Prices	33.9	8.2	29.0	22.2	33.8	17.3	-3.2	-6.1

'**': Deposits include inter-bank deposits.

Note: 1. Figures in brackets represent the annual growth rates.
2. Prices of gold are in INR and are of Mumbai.
3. March 2011 estimates based on stratified sampling method were not released, the growth rates for 2012 for all the items are compounded annual growth rates over 2010.
4. The term deposit rates are as collected from the major banks (Source: Weekly Statistical Supplement, RBI).
5. GDP is as measured at current market prices.

[2] The household sector includes individuals as well as unincorporated bodies.

Table 2: Total Deposits by Major Institutional Sectors

(Amounts in ₹ Billion; Growth in Per cent)

Major Institutional Sectors	Mar-07	Mar-08	Mar-09	Mar-10	Mar-12	Mar-13	Mar-14	Mar-15
I. Government Sector	3,907	4,478	5,652	6,551	9,361	9,912	11,402	12,900
	(25.2)	(14.6)	(26.2)	(15.9)	(19.5)	(5.9)	(15.0)	(13.1)
Of which, Public Sector Corporations	1,238	1,314	1,879	1,879	3,017	2,726	3,735	3,719
	(19.6)	(6.2)	(43.0)	(0.0)	(26.7)	(-9.6)	(37.0)	(-0.4)
II. Private Corporate Sector (Non-Financial)	3,035	4,322	5,867	7,137	9,384	8,875	8,065	9076
	(39.1)	(42.4)	(35.7)	(21.6)	(14.7)	(-5.4)	(-9.1)	(12.5)
III. Financial Sector	2,825	3,429	3,580	4,820	6,019	7150	7,928	7,361
	(34.6)	(21.4)	(4.4)	(34.7)	(11.7)	(18.8)	(10.9)	(-7.2)
Of which, Banks	1,123	1,191	1,578	2,348	2,652	2,939	3,736	3,384
	(44.7)	(6.1)	(32.5)	(48.8)	(6.3)	(10.8)	(27.1)	(-9.4)
Other Financial Institutions	1,181	1,306	1,085	1,346	1,548	1,662	2,136	1,918
	(28.1)	(10.6)	(-16.9)	(24.0)	(7.2)	(7.4)	(28.5)	(-10.2)
Other Financial Companies	521	932	916	1,127	1,819	2,549	2,056	2,060
	(30.2)	(79.0)	(-1.7)	(23.0)	(27.1)	(40.1)	(-19.3)	(0.2)
IV. Household Sector	15,497	19,280	23,552	28,049	37,249	42,568	48,567	53,914
	(22.6)	(24.4)	(22.2)	(19.1)	(15.2)	(14.3)	(14.1)	(11.0)
Of which, Individuals (including Hindu undivided Families)	12,018	14,954	18,732	21,843	28,660	33,314	40,468	44,199
	(18.5)	(24.4)	(25.3)	(16.6)	(14.5)	(16.2)	(21.5)	(9.2)
V. Foreign Sector	1,736	1,677	1,747	1,807	2,097	2,960	5,348	6,475
	(10.8)	(-3.4)	(4.2)	(3.4)	(7.7)	(41.2)	(80.7)	(21.1)
Of which, Non-Residents	1,494	1,395	1,558	1,605	1,951	2,811	5,013	5,807
	(7.6)	(-6.7)	(11.7)	(3.0)	(10.2)	(44.1)	(78.3)	(15.8)
Total Deposits	**26,999**	**33,186**	**40,397**	**48,364**	**64,110**	**71,466**	**81,310**	**89,727**
	(24.9)	**(22.9)**	**(21.7)**	**(19.7)**	**(15.1)**	**(11.5)**	**(13.8)**	**(10.4)**

Note: Figures in brackets represent the annual growth rates. The estimates for March 2011 were not released. Therefore, the growth rates for 2012 are the compounded annual growth rates (CAGR) over 2010.

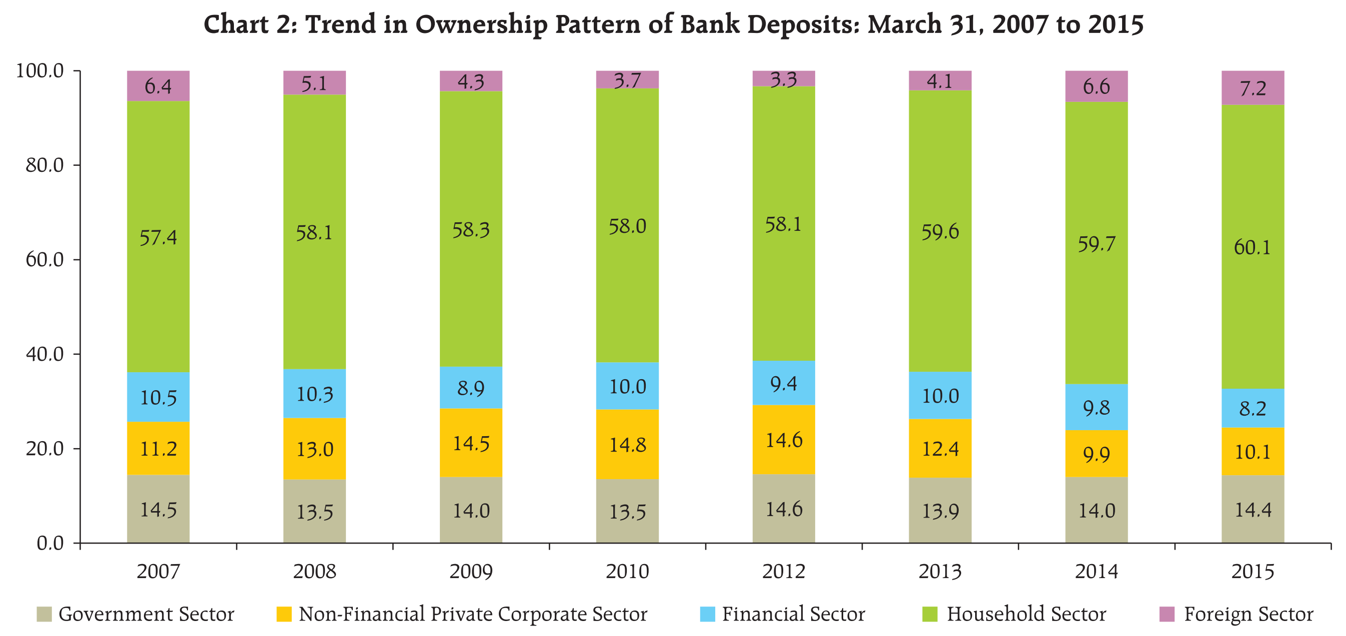
In total increase of ₹8,417 billion in total deposits during 2014-15, ₹3,731 billion (44.3 per cent) were contributed by households. This combined with a net decline in deposits of financial sector, led to households' share in total deposits crossing 60 per cent as on March 31, 2015. Nonetheless, contribution of households in incremental deposits in 2015 remained lower in comparison with the earlier years. During 2014-15, while banks' term deposits rates were quite competitive to provide real positive returns against prevailing inflation and negative returns provided by gold, these were far lower than the return from stock markets (other investment opportunity available to households). Within households' sector, individuals[3] were the single major constituent comprising around 82 per cent. (For detailed data, refer the RBI website (http://www.rbi.org.in/)).

6. After households, government sector was the second largest contributor in total deposits constituting 14.4 per cent of total deposits as on March 31, 2015 followed by non-financial private corporate sector, financial sector, and foreign sector (Chart 2).

Households has the largest shares across all types of deposits; Term deposits constituted major part of total deposits across all institutional sectors

7. The contribution of various institutional sectors in different types of deposits indicated that the households sector, which is the largest contributor in total deposits outstanding, also held the largest shares across all three types of deposits, *viz.*, current,

[3] Individuals include Hindu undivided families (HUF).



savings and term deposits as on March 31, 2015 (Table 3). Over 80 per cent of the savings deposits, more than 50 per cent of the term deposits and over 45 per cent of the current deposits are held by the households. The non-financial private corporate sector was the second largest contributor in the current deposits, whereas the government sector was the second largest contributor in savings and term deposits. Further, term deposits formed maximum portion of total deposits across all institutional sectors with share of 70 - 85 per cent except households (57.5 per cent).

Table 3: Institutional Ownership of Various Types of Deposits

(Per cent)

Sector of the Economy/ Types of Deposits	Current		Savings		Term		Total	
	2014	2015	2014	2015	2014	2015	2014	2015
I. Government Sector	{9.6} (15.2)	{9.6} (14.8)	{19.4} (10.4)	{20.1} (11.3)	{70.9} (15.3)	{70.3} (15.5)	**{100.0} (14.0)**	**{100.0} (14.4)**
II. Non-Financial Private Corporate Sector	{24.7} (27.6)	{23.0} (25.0)	{1.6} (0.6)	{1.8} (0.7)	{73.7} (11.3)	{75.2} (11.7)	**{100.0} (9.9)**	**{100.0} (10.1)**
III. Financial Sector	{10.8} (11.8)	{13.3} (11.8)	{0.9} (0.3)	{1.3} (0.4)	{88.3} (13.3)	{85.4} (10.8)	**{100.0} (9.8)**	**{100.0} (8.2)**
IV. Household Sector	{6.3} (42.1)	{7.1} (46.1)	{36.7} (83.6)	{35.4} (83.1)	{57.0} (52.5)	{57.5} (53.0)	**{100.0} (59.7)**	**{100.0} (60.1)**
V. Foreign Sector	{4.5} (3.3)	{3.0} (2.3)	{20.2} (5.1)	{16.0} (4.5)	{75.4} (7.6)	{81.0} (9.0)	**{100.0} (6.6)**	**{100.0} (7.2)**
Total Deposits	**{8.9} (100.0)**	**{9.3} (100.0)**	**{26.2} (100.0)**	**{25.6} (100.0)**	**{64.9} (100.0)**	**{65.1} (100.0)**	**{100.0} (100.0)**	**{100.0} (100.0)**

Note: Figures in curly brackets represent sector-wise composition of deposits in terms of types, whereas the same in parentheses represent types of deposit-wise composition in terms of sectors.

Current and Savings Accounts constitute more than 40 per cent of households' deposits

8. Composition of various institutional sectors in terms of types of deposits accounts maintained by them, shows that term deposits constituted a major part of total deposits for all institutional sectors over the period 2008-2015 (Table 4). Savings deposits was the second major constituent in all sectors except for non-financial private corporate and financial sectors, wherein current deposits was the second most important part with savings deposits having a negligible share.

9. Households are keeping around 43 per cent of their total deposits in current and savings accounts (CASA) (having lower interest rates), and constitute a quite stable and cheaper source of funds for banks. While government sector keeps around 30 per cent of their total deposits in CASA form, non-financial private corporate sector keeps 25 per cent in CASA.

More than half of the total deposits are held by metropolitan branches

10. The distribution of deposits across the population groups[4] indicated that more than half of the total deposits are held by the metropolitan branches, but their share has been declining since 2010 (Table 5). It may be noted that growth in deposits raised by rural, urban, and metropolitan branches during 2014-15 was lower as compared to the previous year while it is higher for semi-urban branches.

Table 4: Composition of Deposits by Various Institutional Sectors

(Per cent)

Year (As on March 31)	Deposit Type/ Sector	Government Sector	Private Corporate Sector (Non-Financial)	Financial Sector	Household Sector	Foreign Sector	Total
2008	Current	14.8	25.8	21.4	9.5	9.2	13.5
	Savings	14.0	0.8	1.2	34.8	26.5	23.7
	Term	71.2	73.4	77.5	55.7	64.3	62.8
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2010	Current	14.1	26.8	9.6	8.5	6.5	12.0
	Savings	16.1	1.0	1.0	37.4	36.2	25.5
	Term	69.8	72.2	89.4	54.2	57.3	62.6
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2012	Current	12.1	22.0	12.3	7.8	6.1	10.8
	Savings	18.7	3.0	1.4	36.3	33.0	25.5
	Term	69.2	75.0	86.2	55.9	60.8	63.6
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2013	Current	12.1	22.9	11.7	6.8	3.8	9.9
	Savings	18.1	2.2	1.1	36.5	24.5	25.7
	Term	69.8	74.9	87.2	56.7	71.7	64.5
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2014	Current	9.6	24.7	10.8	6.3	4.5	8.9
	Savings	19.4	1.6	0.9	36.7	20.2	26.2
	Term	70.9	73.7	88.3	57.0	75.4	64.9
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2015	Current	9.6	23.0	13.3	7.1	3.0	9.3
	Savings	20.1	1.8	1.3	35.4	16.0	25.6
	Term	70.3	75.2	85.4	57.5	81.0	65.1
	Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

[4] The population group classification of banked centres is based on Census 2001.

Table 5: Distribution of Deposits Across Population Groups

(Amounts in ₹ Billion; Growth Rate and Share in Per cent)

Population Group/Year (as on March 31)		2007	2008	2009	2010	2012	2013	2014	2015
Rural	**Amount**	2,585	3,010	3,151	4,270	5,780	6,757	7,917	8,900
	(Growth Rate)	(10.8)	(16.4)	(4.7)	(35.5)	(16.3)	(16.9)	(17.2)	(12.4)
	{Share}	{9.6}	{9.1}	{7.8}	{8.8}	{9.0}	{9.5}	{9.7}	{9.9}
Semi-urban	**Amount**	3,653	4,328	5,488	6,307	8,664	10,132	11,604	13,367
	(Growth Rate)	(18.8)	(18.5)	(26.8)	(14.9)	(17.2)	(16.9)	(14.5)	(15.2)
	{Share}	{13.5}	{13.0}	{13.6}	{13.0}	{13.5}	{14.2}	{14.3}	{14.9}
Urban	**Amount**	5,526	6,829	8,926	9,833	13,248	15,388	17,640	20,041
	(Growth Rate)	(20.8)	(23.6)	(30.7)	(10.2)	(16.1)	(16.2)	(14.6)	(13.6)
	{Share}	{20.5}	{20.6}	{22.1}	{20.3}	{20.7}	{21.5}	{21.7}	{22.3}
Metropolitan	**Amount**	15,235	19,020	22,832	27,954	36,417	39,189	44,148	47,420
	(Growth Rate)	(31.0)	(24.8)	(20.0)	(22.4)	(14.1)	(7.6)	(12.7)	(7.4)
	{Share}	{56.4}	{57.3}	{56.5}	{57.8}	{56.8}	{54.8}	{54.3}	{52.8}
All India	**Amount**	26,999	33,186	40,397	48,364	64,110	71,466	81,310	89,727
	(Growth Rate)	(24.9)	(22.9)	(21.7)	(19.7)	(15.1)	(11.5)	(13.8)	(10.4)
	{Share}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}

Note: The growth rates for 2012 are the compounded annual growth rates (CAGR) over 2010.

Households' contributed maximum deposits across all population groups

11. Households continued to remain the major owner of bank deposits across all population groups in 2015. The share of households in total deposits held by rural branches was 89.1 per cent followed by 76.2 per cent by semi-urban branches, 66.5 per cent by urban branches and 47.4 per cent by metropolitan branches. In the metropolitan area, other notable contributing sectors were government sector (16.3 per cent), non-financial private corporate sector (15.5 per cent) and financial sector (12.5 per cent) (For detailed data, refer RBI website (http://www.rbi.org.in/)).

Share of savings deposits was the highest in total deposits held by rural branches

12. It is seen that deposit composition is generally shifting towards higher interest bearing term-deposits in all the population groups but more so, in the urban/ metropolitan centres (Chart 3(a)). However, savings deposits' share in total deposits was the largest in rural centres. Similar pattern is observed in composition of households' deposits across population groups (Chart 3(b)).

Public sector banks continued to dominate

13. With wider network of branches, public sector banks (consisting of SBI & its' associates and nationalised banks including *IDBI Bank* and *Bhartiya Mahila Bank*) continued to have the largest share of total deposits, which hovered in the range of 70 - 75 per cent between 2007 and 2015 (Table 6). Domestic private sector banks held 18 - 21 per cent of deposits while the share of foreign banks remained at 4 - 6 per cent in 2007-2015. The RRBs contributed at around 3 per cent of total deposits in the same period.

14. Distribution of deposits according to type was quite similar to earlier years among SBI and its associates, nationalised banks and private sector banks, where the term deposits had the largest share followed by savings deposits (Chart 4). In case of foreign banks, term deposits constituted more than

Table 6: Bank Group wise Distribution of Total Deposits

(Amounts in ₹ Billion; Growth and Share in Per cent)

Bank Group/Year (as on March 31)		2007	2008	2009	2010	2012	2013	2014	2015
State Bank of India and its' Associates	Amount	6,071	7,513	10,020	10,531	13,598	15,562	17,417	19,546
	Growth Rate	(20.3)	(23.8)	(33.4)	(5.1)	(13.6)	(14.4)	(11.9)	(12.2)
	Share	{22.5}	{22.6}	{24.8}	{21.8}	{21.2}	{21.8}	{21.4}	{21.8}
Nationalised Banks	Amount	12,843	15,845	19,116	25,406	34,233	37,540	42,818	46,105
	Growth Rate	(24.0)	(23.4)	(20.6)	(32.9)	(16.1)	(9.7)	(14.1)	(7.7)
	Share	{47.6}	{47.7}	{47.3}	{52.5}	{53.4}	{52.5}	{52.7}	{51.4}
Regional Rural Banks	Amount	817	961	1,186	1,474	1,839	2,064	2,343	2,661
	Growth Rate	(7.0)	(17.6)	(23.5)	(24.2)	(11.7)	(12.2)	(13.5)	(13.6)
	Share	{3.0}	{2.9}	{2.9}	{3.0}	{2.9}	{2.9}	{2.9}	{3.0}
Private Sector Banks	Amount	5,725	6,960	8,167	8,550	11,650	13,465	15,252	17,834
	Growth Rate	(33.6)	(21.6)	(17.3)	(4.7)	(16.7)	(15.6)	(13.3)	(16.9)
	Share	{21.2}	{21.0}	{20.2}	{17.7}	{18.2}	{18.8}	{18.8}	{19.9}
Foreign Banks	Amount	1,543	1,908	1,907	2,403	2,780	2,836	3,480	3,582
	Growth Rate	(32.7)	(23.7)	(0.0)	(26.0)	(7.6)	(2.0)	(22.7)	(2.9)
	Share	{5.7}	{5.7}	{4.7}	{5.0}	{4.3}	{4.0}	{4.3}	{4.0}
All Scheduled Commercial Banks	Amount	26,999	33,186	40,397	48,364	64,110	71,466	81,310	89,727
	Growth Rate	(24.9)	(22.9)	(21.7)	(19.7)	(15.1)	(11.5)	(13.8)	(10.4)
	Share	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}	{100.0}

Note: Private sector banks include old as well as new private sector banks.The growth rates for 2012 are compounded annual growth rates (CAGR) over 2010.

two-third of the total deposits followed by current deposits (around one-fourth). In case of RRBs, savings deposits accounted for nearly half of the total deposits followed by the term deposits (more than two-fifth), which is in consistent with composition of rural deposits (Chart 3(a)).

Chart 3(a): Composition of Deposits by Type of Account - according to Population Groups

(As on March 31)

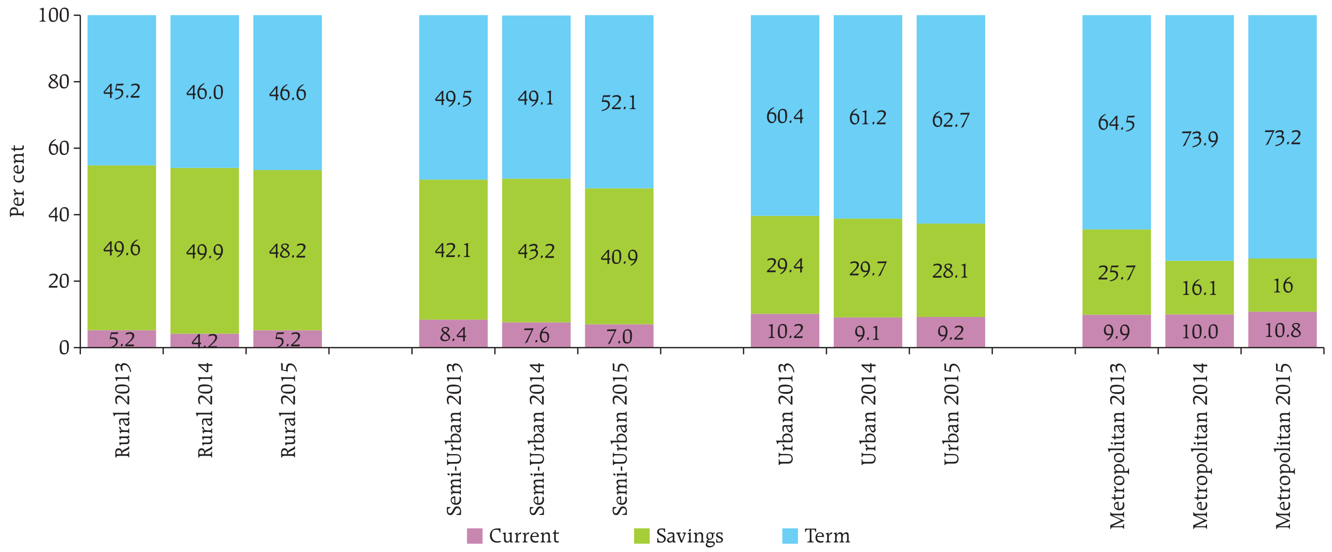
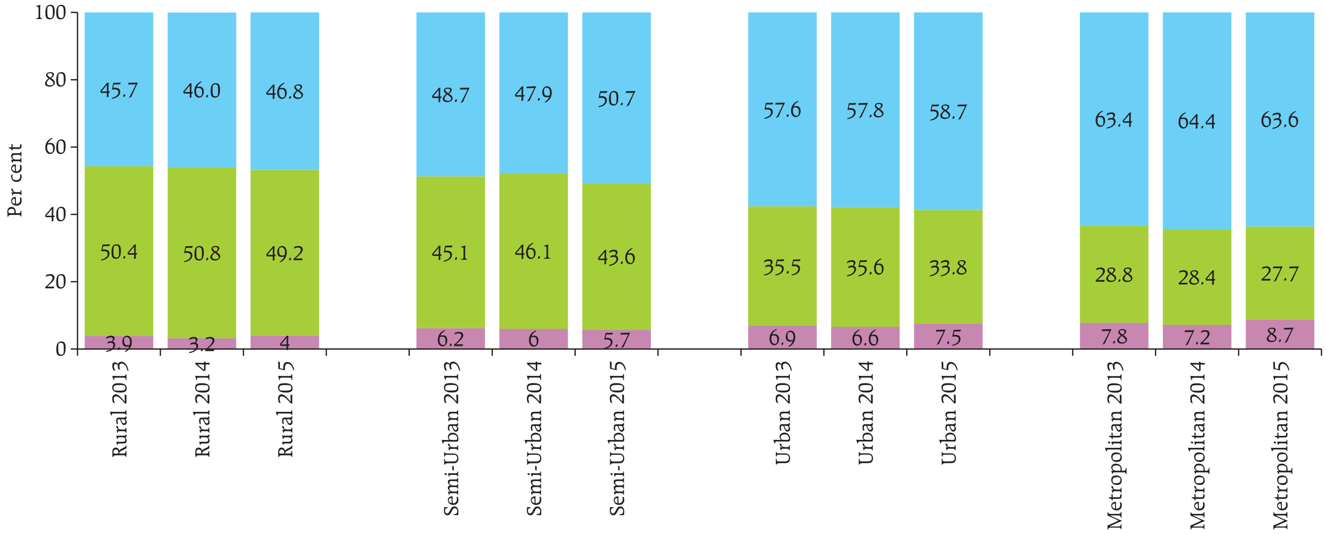


Chart 3(b) : Composition of Households' Deposits by Type of Account - according to Population Groups

(As on March 31)

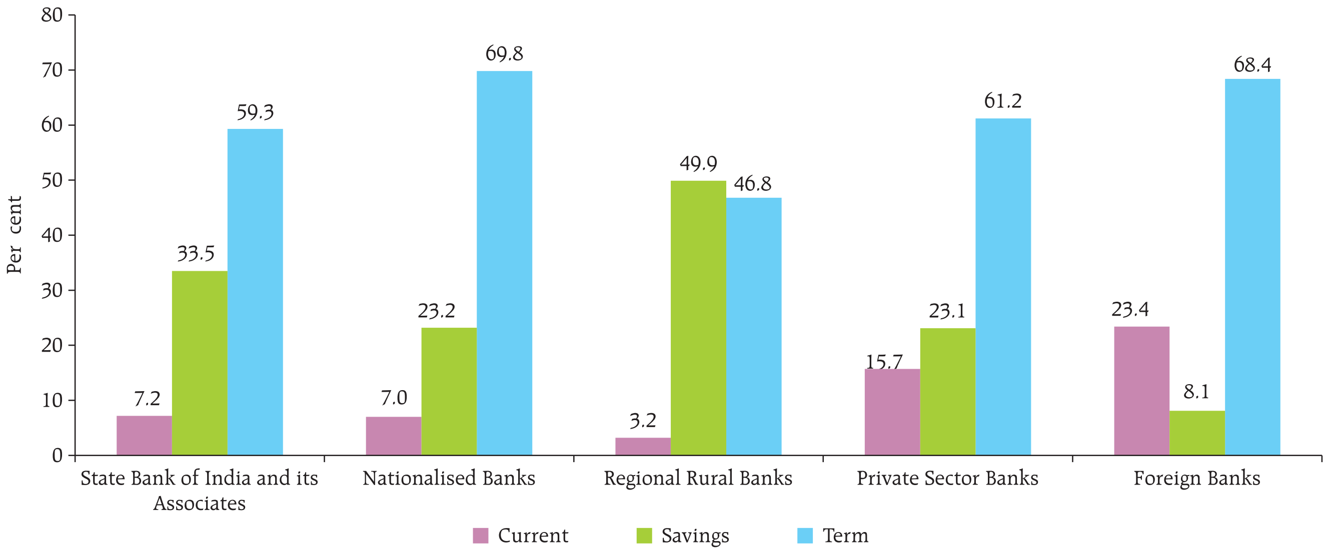


15. As on March 31, 2015, households accounted for the highest share in total deposits in all the bank groups except for the foreign banks' group, where the non-financial private corporate sector held the largest share of deposits (Table 7). In foreign banks, foreign sector was the second largest contributor of total deposits.

16. Choice of bank groups by various institutional categories appeared to be based on their business rules as well as the comfort level they derive from such banks. Around 90 per cent of the Government deposits were with the public sector banks. Around two-third of financial sector deposits were with the nationalised banks followed by around one-fifth being held with

Chart 4: Composition of Deposits According to Type of Deposits and Bank Group

(As on March 31, 2015)



private sector banks. Around 56 per cent deposits of non-financial private corporate sector were held with the public sector banks, while 44 per cent deposits were held with the private sector banks and the foreign banks. More than three-fourth of the household deposits, especially of individuals (largest constituent of household sector) were with the public sector banks, perhaps on account of wider network of these banks across the country (Table 7).

***Large share of deposits contributed by a few states*[5]**

17. The composition of deposits as on March 31, 2015 across different States/Union Territories (UTs) showed higher concentration in seven states viz. *Maharashtra, Delhi, Uttar Pradesh, Karnataka, West Bengal, Tamil Nadu, and Gujarat.* These states accounted for 66.2 per cent of total deposits and 62.1 per cent of total households' deposits. Maharashtra alone contributed nearly one-fourth of the total deposits.

18. Households maintained dominant contribution in total bank deposits, but with varying degree, among different regions. The overall households' share in total deposits in the central region was the highest at 71.9 per cent (with the constituent states/union territories having the share in the range between 62 and 77 per cent), followed by the eastern region at 70.7 per cent (with the constituents having the share ranging between 61 to 75 per cent) and north-eastern region at 70.1 per cent (share varying between 64 to 80 per cent). The share of households in total deposits was lower in the northern region (63.9 per cent), the southern region (59.8 per cent) and in western region (47.7 per cent). In these regions, non-financial private corporate sector, government sector and other sectors also have a significant share.

19. Of the total deposits by non-financial private corporates, 58.6 per cent was concentrated in three states, namely, Maharashtra (33.8 per cent), Delhi

Table 7: Bank Group Wise Pattern of Ownership of Deposits – March 31, 2015

(Amounts in ₹ Billion; Share in Per cent)

Bank Group/Sector of the Economy	State Bank of India & its' Associates	Nationalised Banks	Regional Rural Banks	Private Sector Banks	Foreign Banks	All Scheduled Commercial Banks
I. Government Sector	3,439 {17.6} (26.7)	8,123 {17.6} (63.0)	180 {6.8} (1.4)	877 {4.9} (6.8)	280 {7.8} (2.2)	12,900 {14.4} (100)
II. Private Corporate Sector (Non-Financial)	1,704 {8.7} (18.8)	3,342 {7.2} (36.8)	13 {0.5} (0.1)	2,656 {14.9} (29.3)	1,361 {38.0} (15.0)	9,076 {10.1} (100)
III. Financial Sector	296 {1.5} (4.0)	4,913 {10.7} (66.7)	29 {1.1} (0.4)	1,593 {8.9} (21.6)	530 {14.8} (7.2)	7,361 {8.2} (100)
IV. Household Sector	12,628 {64.6} (23.4)	28,364 {61.5} (52.6)	2,433 {91.4} (4.5)	9,957 {55.8} (18.5)	533 {14.9} (1.0)	53,914 {60.1} (100)
V. Foreign Sector	1,478 {7.6} (22.8)	1,363 {3.0} (21.0)	6 {0.2} (0.1)	2,750 {15.4} (42.5)	879 {24.5} (13.6)	6,475 {7.2} (100)
Total Deposits	**19,546 {100} (21.8)**	**46,105 {100} (51.4)**	**2,661 {100} (3.0)**	**17,834 {100} (19.9)**	**3,582 {100} (4.0)**	**89,727 {100} (100)**

Note: 1. Figures in curly brackets represent composition of deposits of a bank group across institutional sectors.
2. Figures in parentheses represent composition of deposits kept by an institutional sector across bank groups.

[5] More detailed data for March 2015 is available in the Reserve Bank website 'URL:http://www.rbi.org.in/'.

(13.6 per cent), and Karnataka (11.3 per cent). Maharashtra constituted around 64 per cent of total deposits by financial sector, mainly due to concentration of financial business in Mumbai. Moreover, Maharashtra and Delhi together contributed 39 per cent of total Government deposits. In the total foreign sector deposits raised by the SCBs, Maharashtra contributed 34.0 per cent followed by Kerala (17.0 per cent), Delhi (9.2 per cent), Gujarat (7.0 per cent), and Karnataka (6.5 per cent).

CURRENT STATISTICS

Select Economic Indicators

Reserve Bank of India

Money and Banking

Prices and Production

Government Accounts and Treasury Bills

Financial Markets

External Sector

Payment and Settlement Systems

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Notes: .. = Not available.
– = Nil/Negligible.
P = Preliminary/Provisional. PR = Partially Revised.

No. 1: Select Economic Indicators

Item	2014-15	2014-15		2015-16	
		Q1	Q2	Q1	Q2
	1	2	3	4	5
1 Real Sector (% Change)					
1.1 GVA at Basic Prices	7.2	7.4	8.4	7.1	7.4
1.1.1 Agriculture	0.2	2.6	2.1	1.9	2.2
1.1.2 Industry	6.6	8.1	7.2	6.4	8.3
1.1.3 Services	9.4	8.4	10.2	8.6	8.0
1.1a Final Consumption Expenditure	6.4	5.3	7.4	6.3	6.5
1.1b Gross Fixed Capital Formation	4.6	8.7	3.8	4.9	6.8

	2014-15	2014		2015	
		Nov.	Dec.	Nov.	Dec.
	1	2	3	4	5
1.2 Index of Industrial Production	4.4	5.2	3.6	-3.2	..
2 Money and Banking (% Change)					
2.1 Scheduled Commercial Banks					
2.1.1 Deposits	10.7	11.0	10.8	10.4	10.9
2.1.2 Credit	9.0	10.8	10.1	9.8	11.1
2.1.2.1 Non-food Credit	9.3	10.9	10.3	9.9	11.2
2.1.3 Investment in Govt. Securities	12.6	9.0	9.9	11.6	11.1
2.2 Money Stock Measures					
2.2.1 Reserve Money (M0)	11.2	8.2	9.4	13.2	14.3
2.2.2 Broad Money (M3)	10.5	10.7	10.7	10.8	11.0
3 Ratios (%)					
3.1 Cash Reserve Ratio	4.00	4.00	4.00	4.00	4.00
3.2 Statutory Liquidity Ratio	21.50	22.00	22.00	21.50	21.50
3.3 Cash-Deposit Ratio	4.8	4.9	4.9	5.0	5.1
3.4 Credit-Deposit Ratio	74.4	75.7	76.3	75.3	76.4
3.5 Incremental Credit-Deposit Ratio	44.1	46.8	56.2	56.1	73.8
3.6 Investment-Deposit Ratio	29.3	29.2	29.3	29.6	29.3
3.7 Incremental Investment-Deposit Ratio	31.1	36.5	36.9	34.9	31.2
4 Interest Rates (%)					
4.1 Policy Repo Rate	6.75	8.00	8.00	6.75	6.75
4.2 Reverse Repo Rate	5.75	7.00	7.00	5.75	5.75
4.3 Marginal Standing Facility (MSF) Rate	7.75	9.00	9.00	7.75	7.75
4.4 Bank Rate	7.75	9.00	9.00	7.75	7.75
4.5 Base Rate	10.00/10.25	10.00/10.25	10.00/10.25	9.30/9.70	9.30/9.70
4.6 Term Deposit Rate >1 Year	7.00/8.75	8.00/9.00	8.00/9.00	7.00/7.90	7.00/7.90
4.7 Savings Deposit Rate	4.00	4.00	4.00	4.00	4.00
4.8 Call Money Rate (Weighted Average)	7.36	7.90	8.10	6.81	6.76
4.9 91-Day Treasury Bill (Primary) Yield	8.27	8.27	8.31	7.14	7.23
4.10 182-Day Treasury Bill (Primary) Yield	8.14	8.40	8.36	7.21	7.25
4.11 364-Day Treasury Bill (Primary) Yield	7.98	8.29	8.22	7.24	7.25
4.12 10-Year Government Securities Yield	7.80	8.10	7.90	7.85	7.83
5 RBI Reference Rate and Forward Premia					
5.1 INR-US$ Spot Rate (₹ Per Foreign Currency)	62.59	61.97	63.33	66.75	66.20
5.2 INR-Euro Spot Rate (₹ Per Foreign Currency)	67.51	77.16	98.58	70.88	72.41
5.3 Forward Premia of US$ 1-month (%)	9.78	7.84	7.92	7.10	6.34
3-month (%)	8.50	7.49	7.23	6.32	6.22
6-month (%)	8.11	7.42	7.13	6.46	6.47
6 Inflation (%)					
6.1 All India Consumer Price Index	5.9	3.3	4.3	5.4	5.6
6.2 Consumer Price Index for Industrial Workers	6.3	4.1	5.9	6.7	6.3
6.3 Wholesale Price Index	2.0	-0.2	-0.5	-2.0	-0.7
6.3.1 Primary Articles	3.0	-1.6	0.3	2.3	5.5
6.3.2 Fuel and Power	-0.9	-4.5	-7.8	-11.1	-9.2
6.3.3 Manufactured Products	2.4	1.9	1.4	-1.4	-1.4
7 Foreign Trade (% Change)					
7.1 Imports	-0.6	26.4	-3.6	-30.4	-3.9
7.2 Exports	-1.2	9.4	-1.0	-27.2	-14.8

Reserve Bank of India

No. 2: RBI - Liabilities and Assets

(₹ Billion)

Item	As on the Last Friday/ Friday						
	2014-15	2015		2016			
		Jan.	Dec. 25	Jan. 8	Jan. 15	Jan. 22	Jan. 29
	1	2	3	4	5	6	7
1 Issue Department							
1.1 Liabilities							
1.1.1 Notes in Circulation	14,264.95	13,862.22	15,485.92	15,564.50	15,692.31	15,656.21	15,626.64
1.1.2 Notes held in Banking Department	0.12	0.10	0.16	0.13	0.14	0.18	0.15
1.1/1.2 Total Liabilities (Total Notes Issued) or Assets	**14,265.06**	**13,862.32**	**15,486.08**	**15,564.63**	**15,692.46**	**15,656.38**	**15,626.79**
1.2 Assets							
1.2.1 Gold Coin and Bullion	642.29	643.07	614.23	599.18	599.18	599.18	599.18
1.2.2 Foreign Securities	13,609.92	13,206.93	14,860.17	14,952.63	15,080.86	15,045.27	15,014.02
1.2.3 Rupee Coin	2.38	1.86	1.21	2.35	1.95	1.46	3.13
1.2.4 Government of India Rupee Securities	10.46	10.46	10.46	10.46	10.46	10.46	10.46
2 Banking Department							
2.1 Liabilities							
2.1.1 Deposits	5,953.69	4,709.62	6,129.57	5,394.66	5,429.96	5,786.64	5,738.35
2.1.1.1 Central Government	1.01	1.00	1.87	1.01	1.01	1.01	1.01
2.1.1.2 Market Stabilisation Scheme	–	–	–	–	–	–	–
2.1.1.3 State Governments	21.40	0.42	1.39	0.42	0.42	0.42	0.42
2.1.1.4 Scheduled Commercial Banks	3,573.56	3,421.32	4,090.38	3,754.12	3,793.79	3,807.88	3,831.87
2.1.1.5 Scheduled State Co-operative Banks	35.10	36.03	34.30	34.06	34.59	33.94	34.68
2.1.1.6 Non-Scheduled State Co-operative Banks	11.24	10.86	12.89	12.87	12.67	13.23	13.58
2.1.1.7 Other Banks	189.63	179.33	202.33	200.09	200.92	200.54	200.38
2.1.1.8 Others	2,121.76	1,060.65	1,786.41	1,392.09	1,386.56	1,729.61	1,656.40
2.1.2 Other Liabilities	8,002.15	7,808.64	9,118.13	9,065.81	9,219.78	9,350.27	9,492.26
2.1/2.2 Total Liabilities or Assets	**13,955.84**	**12,518.26**	**15,247.70**	**14,466.42**	**14,466.42**	**14,466.42**	**14,466.42**
2.2 Assets							
2.2.1 Notes and Coins	0.12	0.10	0.16	0.13	0.14	0.18	0.15
2.2.2 Balances held Abroad	6,408.77	5,733.38	7,145.73	7,010.50	6,998.99	7,155.17	7,333.05
2.2.3 Loans and Advances							
2.2.3.1 Central Government	–	–	–	–	–	–	–
2.2.3.2 State Governments	57.60	7.36	13.19	16.80	4.61	4.86	2.37
2.2.3.3 Scheduled Commercial Banks	1,403.93	770.65	1,932.36	1,224.40	1,403.04	1,619.41	1,535.30
2.2.3.4 Scheduled State Co-op.Banks	–	–	0.35	0.35	0.35	0.35	0.35
2.2.3.5 Industrial Dev. Bank of India	–	–	–	–	–	–	–
2.2.3.6 NABARD	–	–	–	–	–	–	–
2.2.3.7 EXIM Bank	–	–	–	–	–	–	–
2.2.3.8 Others	107.73	46.67	51.57	57.48	57.48	56.63	56.63
2.2.4 Bills Purchased and Discounted							
2.2.4.1 Internal	–	–	–	–	–	–	–
2.2.4.2 Government Treasury Bills	–	–	–	–	–	–	–
2.2.5 Investments	5,260.32	5,267.54	5,390.17	5,445.57	5,467.87	5,581.55	5,582.42
2.2.6 Other Assets	717.38	692.56	714.18	705.23	717.25	718.75	720.33
2.2.6.1 Gold	583.45	584.16	557.96	544.29	544.29	544.29	544.29

No. 3: Liquidity Operations by RBI

(₹ Billion)

Date	Liquidity Adjustment Facility				MSF	Standing Liquidity Facilities	OMO (Outright)		Net Injection (+)/ Absorption (-) (1+3+5+6+8-2-4-7)
	Repo	Reverse Repo	Variable Rate Repo	Variable Rate Reverse Repo			Sale	Purchase	
	1	2	3	4	5	6	7	8	9
Dec. 1, 2015	147.62	33.19	176.92	–	20.70	–	–	–	312.05
Dec. 2, 2015	48.57	63.43	–	113.36	–	–	–	–	–128.22
Dec. 3, 2015	34.22	43.47	–	239.07	2.60	–1.00	–	–	–246.72
Dec. 4, 2015	19.97	39.34	291.50	299.45	0.65	–	–	–	–26.67
Dec. 5, 2015	36.85	32.49	–	–	4.30	–	–	–	8.66
Dec. 7, 2015	102.74	25.11	–	28.12	8.15	–	–	–	57.66
Dec. 8, 2015	108.58	40.73	150.02	52.56	4.00	–	–	100.00	269.31
Dec. 9, 2015	147.73	51.27	–	–	0.10	–	–	–	96.56
Dec. 10, 2015	98.74	34.53	–	56.81	2.20	–	–	–	9.60
Dec. 11, 2015	121.61	84.91	250.04	109.22	2.20	–	–	3.60	183.32
Dec. 14, 2015	152.16	53.68	–	–	1.75	–	–	4.95	105.18
Dec. 15, 2015	208.01	167.54	311.05	–	–	–	–	8.50	360.02
Dec. 16, 2015	223.15	22.31	443.80	–	10.85	–	–	8.00	663.49
Dec. 17, 2015	202.17	33.21	135.70	–	2.25	–	–	8.05	314.96
Dec. 18, 2015	171.43	20.32	165.02	–	2.35	–	–	8.00	326.48
Dec. 19, 2015	–	57.24	–	–	–	–	–	–	–57.24
Dec. 21, 2015	213.47	64.27	100.01	–	10.72	–1.40	–	8.05	266.58
Dec. 22, 2015	199.71	86.75	300.07	–	1.75	–	–	8.00	422.78
Dec. 23, 2015	199.62	134.03	755.03	–	0.80	1.40	–	8.00	830.82
Dec. 28, 2015	139.65	89.07	250.00	–	0.75	–	–	5.80	307.13
Dec. 29, 2015	100.77	107.33	402.03	–	7.80	–	–	8.00	411.27
Dec. 30, 2015	104.20	98.01	–	–	0.35	–	–	6.65	13.19
Dec. 31, 2015	169.58	173.47	124.42	–	28.45	–	–	7.05	156.03

No. 4: Sale/ Purchase of U.S. Dollar by the RBI

i) Operations in OTC segment

Item	2014-15	2014	2015	
		Dec.	Nov.	Dec.
	1	2	3	4
1 Net Purchase/ Sale of Foreign Currency (US $ Million) (1.1–1.2)	54,837.00	6,739.00	15.00	–179.00
1.1 Purchase (+)	124,414.00	17,908.00	3,004.00	2,620.00
1.2 Sale (–)	69,577.00	11,169.00	2,989.00	2,799.00
2 ₹ equivalent at contract rate (₹ Billion)	3,308.59	413.95	–1.26	–13.84
3 Cumulative (over end-March) (US $ Million)	56,882.00	29,200.00	9,073.00	8,894.00
(₹ Billion)	3,430.69	1,701.13	573.89	560.05
4 Outstanding Net Forward Sales (–)/ Purchase (+) at the end of month (US $ Million)	8,322.00	6,853.00	1,487.00	1,987.00

ii) Operations in currency futures segment

Item	2014-15	2014	2015	
		Dec.	Nov.	Dec.
	1	2	3	4
1 Net Purchase/ Sale of Foreign Currency (US $ Million) (1.1–1.2)	0.000	0.000	0.000	0.000
1.1 Purchase (+)	0.000	0.000	2,372.000	1,220.000
1.2 Sale (–)	0.000	0.000	–2,372.000	–1,220.000
2 Outstanding Net Currency Futures Sales (–)/ Purchase (+) at the end of month (US $ Million)	0.000	0.000	0.000	0.000

No. 4 A : Maturity Breakdown (by Residual Maturity) of Outstanding Forwards of RBI (US $ Million)

Item	As on December 31, 2015		
	Long (+)	Short (-)	Net (1-2)
	1	2	3
1. Upto 1 month	3,240	690	2,550
2. More than 1 month and upto 3 months	6,300	80	6,220
3. More than 3 months and upto 1 year	20,102	24,667	-4,565
4. More than 1 year	0	2,218	-2,218
Total (1+2+3+4)	**29,642**	**27,655**	**1,987**

No. 5: RBI's Standing Facilities

(₹ Billion)

Item		As on the Last Reporting Friday						
	2014-15	2014	2015					2016
		Dec. 26	Aug. 21	Sep. 18	Oct. 30	Nov. 27	Dec. 25	Jan. 22
	1	2	3	4	5	6	7	8
1 MSF	41.9	33.3	12.5	81.8	25.2	57.5	0.8	26.2
2 Export Credit Refinance for Scheduled Banks								
2.1 Limit	128.2	129.6	–	–	–	–	–	–
2.2 Outstanding	51.8	68.4	–	–	–	–	–	–
3 Liquidity Facility for PDs								
3.1 Limit	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0
3.2 Outstanding	17.0	17.1	16.5	16.5	20.7	22.2	22.1	22.3
4 Others								
4.1 Limit	–	–	–	–	–	–	–	–
4.2 Outstanding	–	–	–	–	–	–	–	–
5 Total Outstanding (1+2.2+3.2+4.2)	110.7	118.8	29.0	98.3	45.9	79.7	22.9	48.5

Money and Banking

No. 6: Money Stock Measures

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2014-15	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 Currency with the Public (1.1 + 1.2 + 1.3 – 1.4)	13,863.5	13,264.6	14,812.3	15,028.1	14,994.7
1.1 Notes in Circulation	14,288.8	13,710.0	15,335.8	15,513.5	15,485.9
1.2 Circulation of Rupee Coin	186.9	181.4	204.0	204.0	205.6
1.3 Circulation of Small Coins	7.4	7.4	7.4	7.4	7.4
1.4 Cash on Hand with Banks	619.6	634.2	734.9	696.9	704.3
2 Deposit Money of the Public	9,053.4	8,621.1	9,729.3	9,505.8	9,696.0
2.1 Demand Deposits with Banks	8,907.5	8,539.8	9,577.1	9,357.9	9,552.6
2.2 'Other' Deposits with Reserve Bank	145.9	81.4	152.2	147.9	143.4
3 M_1 (1 + 2)	**22,916.8**	**21,885.8**	**24,541.6**	**24,533.8**	**24,690.8**
4 Post Office Saving Bank Deposits	474.3	454.0	538.9	538.9	538.9
5 M_2 (3 + 4)	**23,391.1**	**22,339.8**	**25,080.4**	**25,072.7**	**25,229.6**
6 Time Deposits with Banks	82,538.7	80,222.7	88,062.8	88,890.9	88,692.9
7 M_3 (3 + 6)	**105,455.5**	**102,108.4**	**112,604.4**	**113,424.7**	**113,383.7**
8 Total Post Office Deposits	1,737.3	1,705.5	1,905.4	1,905.4	1,905.4
9 M_4 (7 + 8)	**107,192.8**	**103,813.9**	**114,509.8**	**115,330.1**	**115,289.0**

No. 7: Sources of Money Stock (M_3)

(₹ Billion)

Sources	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2014-15	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 Net Bank Credit to Government	**30,061.6**	**30,760.9**	**33,101.5**	**33,793.9**	**32,512.9**
1.1 RBI's net credit to Government (1.1.1–1.1.2)	3,645.2	5,072.7	4,498.1	4,704.6	3,932.1
1.1.1 Claims on Government	5,293.6	5,301.0	5,255.2	5,331.1	5,401.8
1.1.1.1 Central Government	5,258.3	5,291.6	5,252.6	5,326.2	5,388.6
1.1.1.2 State Governments	35.3	9.4	2.6	4.9	13.2
1.1.2 Government deposits with RBI	1,648.4	228.3	757.1	626.5	1,469.7
1.1.2.1 Central Government	1,647.9	227.8	756.7	626.0	1,468.3
1.1.2.2 State Governments	0.4	0.4	0.4	0.4	1.4
1.2 Other Banks' Credit to Government	26,416.3	25,688.3	28,603.5	29,089.3	28,580.7
2 Bank Credit to Commercial Sector	**70,395.8**	**68,122.1**	**73,837.0**	**74,809.2**	**75,329.2**
2.1 RBI's credit to commercial sector	148.5	57.5	70.9	66.3	64.6
2.2 Other banks' credit to commercial sector	70,247.4	68,064.7	73,766.2	74,743.0	75,264.6
2.2.1 Bank credit by commercial banks	65,364.2	63,185.2	68,679.3	69,661.1	70,170.0
2.2.2 Bank credit by co-operative banks	4,825.1	4,825.2	5,022.8	5,028.6	5,041.5
2.2.3 Investments by commercial and co-operative banks in other securities	58.0	54.2	64.1	53.2	53.1
3 Net Foreign Exchange Assets of Banking Sector (3.1 + 3.2)	**22,506.5**	**20,837.2**	**24,531.4**	**24,628.3**	**24,418.4**
3.1 RBI's net foreign exchange assets (3.1.1–3.1.2)	21,272.8	20,088.8	23,290.8	23,387.6	23,177.8
3.1.1 Gross foreign assets	21,273.0	20,089.1	23,291.1	23,387.9	23,178.1
3.1.2 Foreign liabilities	0.2	0.3	0.3	0.3	0.3
3.2 Other banks' net foreign exchange assets	1,233.7	748.3	1,240.6	1,240.6	1,240.6
4 Government's Currency Liabilities to the Public	**194.3**	**188.8**	**211.4**	**211.4**	**213.1**
5 Banking Sector's Net Non-monetary Liabilities	**17,702.7**	**17,800.7**	**19,077.0**	**20,018.1**	**19,089.9**
5.1 Net non-monetary liabilities of RBI	7,852.7	8,613.3	9,177.4	9,236.3	9,003.9
5.2 Net non-monetary liabilities of other banks (residual)	9,849.9	9,187.3	9,899.6	10,781.7	10,086.0
M_3 (1+2+3+4–5)	**105,455.5**	**102,108.4**	**112,604.4**	**113,424.7**	**113,383.7**

No. 8: Monetary Survey

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2014-15	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
Monetary Aggregates					
NM_1 (1.1 + 1.2.1+1.3)	22,916.8	21,885.8	24,541.6	24,533.8	24,690.8
NM_2 (NM_1+ 1.2.2.1)	58,851.5	56,764.7	62,820.7	63,191.6	63,263.8
NM_3 (NM_2 + 1.2.2.2 + 1.4 = 2.1 + 2.2 + 2.3 – 2.4 – 2.5)	105,030.3	101,408.2	112,143.2	113,423.2	113,432.4
1 Components					
1.1 Currency with the Public	13,863.5	13,264.6	14,812.3	15,028.1	14,994.7
1.2 Aggregate Deposits of Residents	88,762.2	86,048.5	94,641.9	95,263.9	95,270.4
1.2.1 Demand Deposits	8,907.5	8,539.8	9,577.1	9,357.9	9,552.6
1.2.2 Time Deposits of Residents	79,854.7	77,508.7	85,064.8	85,906.0	85,717.8
1.2.2.1 Short-term Time Deposits	35,934.6	34,878.9	38,279.1	38,657.7	38,573.0
1.2.2.1.1 Certificates of Deposit (CDs)	2,974.5	2,682.8	1,753.8	1,846.2	2,000.0
1.2.2.2 Long-term Time Deposits	43,920.1	42,629.8	46,785.6	47,248.3	47,144.8
1.3 'Other' Deposits with RBI	145.9	81.4	152.2	147.9	143.4
1.4 Call/Term Funding from Financial Institutions	2,258.7	2,013.8	2,536.9	2,983.3	3,023.9
2 Sources					
2.1 Domestic Credit	105,143.8	103,230.9	111,999.5	113,906.8	113,132.9
2.1.1 Net Bank Credit to the Government	30,061.6	30,760.9	33,101.5	33,793.9	32,512.9
2.1.1.1 Net RBI credit to the Government	3,645.2	5,072.7	4,498.1	4,704.6	3,932.1
2.1.1.2 Credit to the Government by the Banking System	26,416.3	25,688.3	28,603.5	29,089.3	28,580.7
2.1.2 Bank Credit to the Commercial Sector	75,082.2	72,470.0	78,898.0	80,113.0	80,620.1
2.1.2.1 RBI Credit to the Commercial Sector	148.5	57.5	70.9	66.3	64.6
2.1.2.2 Credit to the Commercial Sector by the Banking System	74,933.8	72,412.5	78,827.1	80,046.7	80,555.5
2.1.2.2.1 Other Investments (Non-SLR Securities)	4,653.3	4,295.6	5,000.4	5,236.9	5,223.8
2.2 Government's Currency Liabilities to the Public	194.3	188.8	211.4	211.4	213.1
2.3 Net Foreign Exchange Assets of the Banking Sector	19,441.0	17,986.5	20,643.7	20,784.5	20,480.0
2.3.1 Net Foreign Exchange Assets of the RBI	21,272.8	20,088.8	23,290.8	23,387.6	23,177.8
2.3.2 Net Foreign Currency Assets of the Banking System	–1,831.8	–2,102.3	–2,647.1	–2,603.1	–2,697.8
2.4 Capital Account	16,773.5	16,503.0	18,001.2	18,230.2	17,990.2
2.5 Other items (net)	2,975.3	3,495.0	2,710.2	3,249.4	2,403.4

No. 9: Liquidity Aggregates

(₹ Billion)

Aggregates	2014-15	2014	2015		
		Dec.	Oct.	Nov.	Dec.
	1	2	3	4	5
1 NM_3	**105,030.3**	**101,408.2**	**111,306.2**	**112,143.2**	**113,432.4**
2 Postal Deposits	1,737.3	1,705.5	1,905.4	1,905.4	1,905.4
3 L_1 (1 + 2)	**106,767.5**	**103,113.7**	**113,211.6**	**114,048.6**	**115,337.8**
4 Liabilities of Financial Institutions	29.3	29.3	29.3	29.3	29.3
4.1 Term Money Borrowings	26.6	26.6	26.6	26.6	26.6
4.2 Certificates of Deposit	0.3	0.3	0.3	0.3	0.3
4.3 Term Deposits	2.5	2.5	2.5	2.5	2.5
5 L_2 (3 + 4)	**106,796.9**	**103,143.0**	**113,240.9**	**114,077.9**	**115,367.1**
6 Public Deposits with Non-Banking Financial Companies	321.2	251.3	..	..	344.2
7 L_3 (5 + 6)	**107,118.1**	**103,394.4**	..	..	**115,711.3**

No. 10: Reserve Bank of India Survey

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2014-15	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 Components					
1.1 Currency in Circulation	14,483.1	13,898.8	15,547.2	15,724.9	15,699.0
1.2 Bankers' Deposits with the RBI	4,655.6	3,679.6	4,115.2	4,006.3	4,339.9
1.2.1 Scheduled Commercial Banks	4,396.7	3,458.5	3,870.5	3,760.3	4,090.4
1.3 'Other' Deposits with the RBI	145.9	81.4	152.2	147.9	143.4
Reserve Money (1.1 + 1.2 + 1.3 = 2.1 + 2.2 + 2.3 – 2.4 – 2.5)	19,284.6	17,659.8	19,814.5	19,879.1	20,182.3
2 Sources					
2.1 RBI's Domestic Credit	5,670.3	5,995.5	5,489.7	5,516.4	5,795.4
2.1.1 Net RBI credit to the Government	3,645.2	5,072.7	4,498.1	4,704.6	3,932.1
2.1.1.1 Net RBI credit to the Central Government (2.1.1.1.1 + 2.1.1.1.2 + 2.1.1.1.3 + 2.1.1.1.4 – 2.1.1.1.5)	3,610.4	5,063.8	4,495.9	4,700.2	3,920.3
2.1.1.1.1 Loans and Advances to the Central Government	–	–	–	–	–
2.1.1.1.2 Investments in Treasury Bills	–	–	–	–	–
2.1.1.1.3 Investments in dated Government Securities	5,256.2	5,289.8	5,249.7	5,324.2	5,387.4
2.1.1.1.3.1 Central Government Securities	5,245.7	5,279.3	5,239.2	5,313.7	5,377.0
2.1.1.1.4 Rupee Coins	2.2	1.8	2.9	2.0	1.2
2.1.1.1.5 Deposits of the Central Government	1,647.9	227.8	756.7	626.0	1,468.3
2.1.1.2 Net RBI credit to State Governments	34.9	8.9	2.1	4.5	11.8
2.1.2 RBI's Claims on Banks	1,876.6	865.3	920.8	745.5	1,798.7
2.1.2.1 Loans and Advances to Scheduled Commercial Banks	1,876.1	865.2	920.8	745.2	1,798.3
2.1.3 RBI's Credit to Commercial Sector	148.5	57.5	70.9	66.3	64.6
2.1.3.1 Loans and Advances to Primary Dealers	24.1	17.1	22.2	22.1	22.1
2.1.3.2 Loans and Advances to NABARD	–	–	–	–	–
2.2 Government's Currency Liabilities to the Public	194.3	188.8	211.4	211.4	213.1
2.3 Net Foreign Exchange Assets of the RBI	21,272.8	20,088.8	23,290.8	23,387.6	23,177.8
2.3.1 Gold	1,191.6	1,176.6	1,219.1	1,172.2	1,172.2
2.3.2 Foreign Currency Assets	20,081.4	18,912.4	22,071.8	22,215.6	22,005.8
2.4 Capital Account	8,166.4	8,087.6	8,587.7	8,682.2	8,441.5
2.5 Other Items (net)	-313.7	525.8	589.8	554.1	562.4

No. 11: Reserve Money - Components and Sources

(₹ Billion)

Item	Outstanding as on March 31/ last Fridays of the month/ Fridays						
	2014-15	2014	2015				
		Dec. 26	Nov. 27	Dec. 4	Dec. 11	Dec. 18	Dec. 25
	1	2	3	4	5	6	7
Reserve Money (1.1 + 1.2 + 1.3 = 2.1 + 2.2 + 2.3 + 2.4 + 2.5 – 2.6)	19,284.6	17,659.8	19,814.5	19,765.7	19,879.1	19,903.0	20,182.3
1 Components							
1.1 Currency in Circulation	14,483.1	13,898.8	15,547.2	15,599.7	15,724.9	15,693.5	15,699.0
1.2 Bankers' Deposits with RBI	4,655.6	3,679.6	4,115.2	4,014.9	4,006.3	4,060.8	4,339.9
1.3 'Other' Deposits with RBI	145.9	81.4	152.2	151.0	147.9	148.7	143.4
2 Sources							
2.1 Net Reserve Bank Credit to Government	3,645.2	5,072.7	4,498.1	4,993.4	4,704.6	3,828.7	3,932.1
2.2 Reserve Bank Credit to Banks	1,876.6	865.3	920.8	357.0	745.5	1,634.5	1,798.7
2.3 Reserve Bank Credit to Commercial Sector	148.5	57.5	70.9	54.6	66.3	64.6	64.6
2.4 Net Foreign Exchange Assets of RBI	21,272.8	20,088.8	23,290.8	23,376.9	23,387.6	23,184.3	23,177.8
2.5 Government's Currency Liabilities to the Public	194.3	188.8	211.4	211.4	211.4	211.4	213.1
2.6 Net Non- Monetary Liabilities of RBI	7,852.7	8,613.3	9,177.4	9,227.6	9,236.3	9,020.6	9,003.9

No. 12: Commercial Bank Survey

(₹ Billion)

Item	Outstanding as on last reporting Fridays of the month/ reporting Fridays of the month				
	2014-15	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 Components					
1.1 Aggregate Deposits of Residents	82,648.9	80,119.5	88,249.6	88,864.7	88,871.5
1.1.1 Demand Deposits	7,940.3	7,617.9	8,595.6	8,376.9	8,576.5
1.1.2 Time Deposits of Residents	74,708.6	72,501.6	79,653.9	80,487.8	80,295.0
1.1.2.1 Short-term Time Deposits	33,618.9	32,625.7	35,844.3	36,219.5	36,132.8
1.1.2.1.1 Certificates of Deposits (CDs)	2,974.5	2,682.8	1,753.8	1,846.2	2,000.0
1.1.2.2 Long-term Time Deposits	41,089.7	39,875.9	43,809.7	44,268.3	44,162.3
1.2 Call/Term Funding from Financial Institutions	2,258.7	2,013.8	2,536.9	2,983.3	3,023.9
2 Sources					
2.1 Domestic Credit	94,881.9	91,703.6	100,633.4	102,343.6	102,325.6
2.1.1 Credit to the Government	24,897.5	24,240.0	26,959.1	27,444.9	26,931.1
2.1.2 Credit to the Commercial Sector	69,984.3	67,463.6	73,674.3	74,898.7	75,394.5
2.1.2.1 Bank Credit	65,364.2	63,185.2	68,679.3	69,661.1	70,170.0
2.1.2.1.1 Non-food Credit	64,420.0	62,102.0	67,590.0	68,567.2	69,059.9
2.1.2.2 Net Credit to Primary Dealers	35.7	54.9	63.2	69.5	69.8
2.1.2.3 Investments in Other Approved Securities	20.7	17.5	21.0	20.9	20.6
2.1.2.4 Other Investments (in non-SLR Securities)	4,563.7	4,205.9	4,910.8	5,147.2	5,134.1
2.2 Net Foreign Currency Assets of Commercial Banks (2.2.1–2.2.2–2.2.3)	–1,831.8	–2,102.3	–2,647.1	–2,603.1	–2,697.8
2.2.1 Foreign Currency Assets	1,647.0	1,281.3	1,365.4	1,410.7	1,370.4
2.2.2 Non-resident Foreign Currency Repatriable Fixed Deposits	2,684.0	2,713.9	2,998.1	2,984.8	2,975.1
2.2.3 Overseas Foreign Currency Borrowings	794.8	669.7	1,014.5	1,029.0	1,093.1
2.3 Net Bank Reserves (2.3.1+2.3.2–2.3.3)	2,741.5	3,150.5	3,607.2	3,636.3	2,922.4
2.3.1 Balances with the RBI	3,730.7	3,458.5	3,870.5	3,760.3	4,090.4
2.3.2 Cash in Hand	533.5	557.2	657.5	621.2	630.4
2.3.3 Loans and Advances from the RBI	1,522.8	865.2	920.8	745.2	1,798.3
2.4 Capital Account	8,365.4	8,173.7	9,171.8	9,306.2	9,307.0
2.5 Other items (net) (2.1+2.2+2.3–2.4–1.1–1.2)	2,518.6	2,444.9	1,635.2	2,222.5	1,347.9
2.5.1 Other Demand and Time Liabilities (net of 2.2.3)	3,777.2	3,676.0	3,516.6	3,552.2	3,523.8
2.5.2 Net Inter-Bank Liabilities (other than to PDs)	–620.4	–277.5	–469.7	–478.5	–447.7

No. 13: Scheduled Commercial Banks' Investments

(₹ Billion)

Item	As on March 20, 2015	2014	2015		
		Dec. 26	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 SLR Securities	24,918.3	24,257.5	26,850.8	27,465.8	26,951.7
2 Commercial Paper	467.9	393.4	854.4	929.9	959.2
3 Shares issued by					
3.1 PSUs	81.8	69.9	82.0	81.6	81.4
3.2 Private Corporate Sector	365.8	351.5	415.0	420.9	424.9
3.3 Others	32.7	32.6	32.2	36.9	39.5
4 Bonds/Debentures issued by					
4.1 PSUs	809.5	798.0	767.0	727.8	725.0
4.2 Private Corporate Sector	1,159.2	1,143.5	1,130.5	1,160.5	1,171.8
4.3 Others	505.1	466.1	495.6	532.1	531.4
5 Instruments issued by					
5.1 Mutual funds	585.6	391.5	611.5	649.4	598.7
5.2 Financial institutions	627.6	631.5	600.8	608.2	602.2

No. 14: Business in India - All Scheduled Banks and All Scheduled Commercial Banks

(₹ Billion)

Item	As on the Last Reporting Friday (in case of March)/ Last Friday							
	All Scheduled Banks				All Scheduled Commercial Banks			
	2014-15	2014	2015		2014-15	2014	2015	
		Dec.	Nov.	Dec.		Dec.	Nov.	Dec.
	1	2	3	4	5	6	7	8
Number of Reporting Banks	214	213	213	213	147	146	146	146
1 Liabilities to the Banking System	**1,619.2**	**1,558.7**	**2,153.7**	**2,307.6**	**1,561.5**	**1,507.9**	**2,093.7**	**2,248.3**
1.1 Demand and Time Deposits from Banks	1,153.7	1,117.3	1,554.4	1,547.9	1,102.0	1,068.6	1,496.0	1,490.3
1.2 Borrowings from Banks	404.1	381.1	535.5	552.1	398.2	379.2	533.9	550.5
1.3 Other Demand and Time Liabilities	61.5	60.2	63.8	207.6	61.4	60.2	63.8	207.5
2 Liabilities to Others	**94,577.6**	**91,577.0**	**100,302.2**	**102,052.4**	**92,163.6**	**89,192.8**	**97,772.1**	**99,487.3**
2.1 Aggregate Deposits	87,651.2	85,122.4	93,157.2	94,304.2	85,332.9	82,833.4	90,727.2	91,846.5
2.1.1 Demand	8,125.7	7,802.6	8,494.6	8,767.2	7,940.3	7,617.9	8,300.1	8,576.5
2.1.2 Time	79,525.6	77,319.8	84,662.6	85,537.0	77,392.6	75,215.5	82,427.1	83,270.2
2.2 Borrowings	2,279.0	2,031.5	2,555.3	3,048.0	2,258.7	2,013.8	2,537.0	3,023.9
2.3 Other Demand and Time Liabilities	4,647.3	4,423.2	4,589.7	4,700.2	4,572.0	4,345.6	4,507.9	4,616.9
3 Borrowings from Reserve Bank	**1,582.5**	**920.8**	**1,043.2**	**1,932.7**	**1,582.0**	**920.7**	**1,043.2**	**1,932.4**
3.1 Against Usance Bills /Promissory Notes	–	–	–	–	–	–	–	–
3.2 Others	1,582.5	920.8	1,043.2	1,932.7	1,582.0	920.7	1,043.2	1,932.4
4 Cash in Hand and Balances with Reserve Bank	4,379.4	4,129.1	4,644.0	4,842.4	4,264.3	4,015.7	4,524.4	4,720.7
4.1 Cash in Hand	544.9	570.1	667.1	641.8	533.5	557.2	654.0	630.4
4.2 Balances with Reserve Bank	3,834.6	3,559.0	3,976.9	4,200.6	3,730.7	3,458.5	3,870.5	4,090.4
5 Assets with the Banking System	**2,581.2**	**2,233.7**	**2,825.5**	**3,134.3**	**2,217.7**	**1,840.3**	**2,449.6**	**2,765.8**
5.1 Balances with Other Banks	1,540.2	1,346.5	1,814.1	1,971.0	1,374.1	1,194.3	1,667.1	1,822.4
5.1.1 In Current Account	109.3	108.5	111.8	110.0	91.3	90.6	96.2	95.3
5.1.2 In Other Accounts	1,430.9	1,238.0	1,702.3	1,860.9	1,282.7	1,103.7	1,570.9	1,727.1
5.2 Money at Call and Short Notice	374.3	369.5	347.3	378.8	225.9	204.5	192.1	227.0
5.3 Advances to Banks	192.5	163.7	264.2	258.2	189.2	160.3	257.0	256.9
5.4 Other Assets	474.2	354.0	400.0	526.4	428.5	281.3	333.5	459.5
6 Investment	**25,610.7**	**24,961.3**	**27,601.1**	**27,713.4**	**24,918.3**	**24,257.5**	**26,850.8**	**26,951.7**
6.1 Government Securities	25,586.6	24,940.7	27,579.3	27,689.7	24,897.5	24,240.0	26,831.9	26,931.1
6.2 Other Approved Securities	24.0	20.6	21.8	23.7	20.7	17.5	18.9	20.6
7 Bank Credit	**67,426.9**	**65,163.0**	**70,482.5**	**72,300.2**	**65,364.2**	**63,185.2**	**68,391.5**	**70,170.0**
7a Food Credit	1,078.0	1,193.6	1,224.1	1,244.9	944.2	1,083.2	1,089.3	1,110.1
7.1 Loans, Cash-credits and Overdrafts	65,154.2	62,962.3	68,304.4	70,117.9	63,123.9	61,012.1	66,246.0	68,021.9
7.2 Inland Bills-Purchased	348.6	329.4	290.9	280.7	344.1	325.9	284.5	274.4
7.3 Inland Bills-Discounted	1,221.1	1,175.8	1,268.2	1,290.2	1,199.9	1,157.4	1,247.6	1,268.7
7.4 Foreign Bills-Purchased	242.6	236.9	206.1	207.2	241.2	235.6	205.1	205.5
7.5 Foreign Bills-Discounted	460.3	458.7	412.9	404.2	455.2	454.2	408.3	399.6

No. 15: Deployment of Gross Bank Credit by Major Sectors

(₹ Billion)

Item	Outstanding as on				Growth (%)	
	Mar. 20, 2015	2014	2015		Financial year so far	Y-o-Y
		Dec. 26	Nov. 27	Dec. 25	2015-16	2015
	1	2	3	4	5	6
1 Gross Bank Credit	**61,023**	**58,935**	**63,466**	**64,335**	**5.4**	**9.2**
1.1 Food Credit	**994**	**1,065**	**1,069**	**1,084**	**9.1**	**1.7**
1.2 Non-food Credit	**60,030**	**57,870**	**62,397**	**63,251**	**5.4**	**9.3**
1.2.1 Agriculture & Allied Activities	**7,659**	**7,473**	**8,260**	**8,424**	**10.0**	**12.7**
1.2.2 Industry	**26,576**	**25,588**	**26,687**	**26,952**	**1.4**	**5.3**
1.2.2.1 Micro & Small	3,800	3,650	3,722	3,741	–1.6	2.5
1.2.2.2 Medium	1,265	1,246	1,148	1,151	–9.1	–7.6
1.2.2.3 Large	21,511	20,692	21,817	22,060	2.6	6.6
1.2.3 Services	**14,131**	**13,355**	**14,403**	**14,582**	**3.2**	**9.2**
1.2.3.1 Transport Operators	916	866	963	962	5.0	11.0
1.2.3.2 Computer Software	172	170	197	190	10.5	11.9
1.2.3.3 Tourism, Hotels & Restaurants	370	359	378	383	3.5	6.9
1.2.3.4 Shipping	101	96	105	103	2.3	8.1
1.2.3.5 Professional Services	844	715	945	973	15.2	36.1
1.2.3.6 Trade	3,657	3,270	3,605	3,629	–0.8	11.0
1.2.3.6.1 Wholesale Trade	1,801	1,607	1,641	1,641	–8.9	2.1
1.2.3.6.2 Retail Trade	1,856	1,663	1,964	1,988	7.1	19.5
1.2.3.7 Commercial Real Estate	1,665	1,627	1,708	1,723	3.5	5.9
1.2.3.8 Non-Banking Financial Companies (NBFCs)	3,117	2,985	3,124	3,149	1.0	5.5
1.2.3.9 Other Services	3,289	3,268	3,377	3,471	5.5	6.2
1.2.4 Personal Loans	**11,663**	**11,454**	**13,046**	**13,293**	**14.0**	**16.1**
1.2.4.1 Consumer Durables	153	147	165	167	9.2	13.4
1.2.4.2 Housing	6,285	5,987	7,052	7,140	13.6	19.3
1.2.4.3 Advances against Fixed Deposits	625	597	605	635	1.5	6.4
1.2.4.4 Advances to Individuals against share & bonds	54	41	69	60	9.9	46.5
1.2.4.5 Credit Card Outstanding	305	303	376	373	22.5	23.3
1.2.4.6 Education	633	630	677	680	7.4	8.1
1.2.4.7 Vehicle Loans	1,246	1,453	1,379	1,408	13.0	–3.1
1.2.4.8 Other Personal Loans	2,362	2,297	2,723	2,830	19.8	23.2
1.2A Priority Sector	**20,103**	**19,434**	**21,183**	**21,564**	**7.3**	**11.0**
1.2A.1 Agriculture & Allied Activities	7,659	7,473	8,260	8,424	10.0	12.7
1.2A.2 Micro & Small Enterprises	8,003	7,593	8,105	8,283	3.5	9.1
1.2A.2.1 Manufacturing	3,800	3,650	3,722	3,741	–1.6	2.5
1.2A.2.2 Services	4,203	3,944	4,383	4,542	8.1	15.2
1.2A.3 Housing	3,224	3,187	3,352	3,387	5.1	6.3
1.2A.4 Micro-Credit	177	171	192	178	0.3	3.9
1.2A.5 Education Loans	592	591	607	609	2.8	3.0
1.2A.6 State-Sponsored Orgs. for SC/ST	3	3	5	5	50.8	50.9
1.2A.7 Weaker Sections	4,049	3,954	4,533	4,606	13.7	16.5
1.2A.8 Export Credit	426	406	314	322	–24.5	–20.8

No. 16: Industry-wise Deployment of Gross Bank Credit

(₹ Billion)

Industry	Outstanding as on				Growth (%)	
	Mar. 20, 2015	2014	2015		Financial year so far	Y-o-Y
		Dec. 26	Nov. 27	Dec. 25	2015-16	2015
	1	2	3	4	5	6
1 Industry	**26,576**	**25,588**	**26,687**	**26,952**	**1.4**	**5.3**
1.1 Mining & Quarrying (incl. Coal)	**360**	**366**	**354**	**365**	**1.5**	**–0.3**
1.2 Food Processing	**1,715**	**1,518**	**1,461**	**1,489**	**–13.2**	**–1.9**
1.2.1 Sugar	414	337	353	350	–15.5	3.7
1.2.2 Edible Oils & Vanaspati	211	205	187	193	–8.4	–5.7
1.2.3 Tea	32	32	36	36	13.2	12.9
1.2.4 Others	1,058	944	885	910	–14.0	–3.6
1.3 Beverage & Tobacco	**186**	**186**	**177**	**180**	**–3.4**	**–3.4**
1.4 Textiles	**2,019**	**1,983**	**1,969**	**2,023**	**0.2**	**2.1**
1.4.1 Cotton Textiles	1,000	979	973	1,011	1.0	3.3
1.4.2 Jute Textiles	22	24	22	22	–3.8	–10.5
1.4.3 Man-Made Textiles	204	199	207	209	2.8	5.2
1.4.4 Other Textiles	793	781	767	782	–1.4	0.1
1.5 Leather & Leather Products	**102**	**104**	**102**	**103**	**0.3**	**–0.7**
1.6 Wood & Wood Products	**98**	**95**	**100**	**100**	**1.3**	**4.7**
1.7 Paper & Paper Products	**341**	**339**	**349**	**357**	**4.7**	**5.2**
1.8 Petroleum, Coal Products & Nuclear Fuels	**561**	**532**	**441**	**477**	**–15.1**	**–10.4**
1.9 Chemicals & Chemical Products	**1,545**	**1,497**	**1,534**	**1,540**	**–0.3**	**2.9**
1.9.1 Fertiliser	254	242	226	222	–12.5	–8.1
1.9.2 Drugs & Pharmaceuticals	493	482	501	515	4.4	6.9
1.9.3 Petro Chemicals	331	344	342	342	3.5	–0.5
1.9.4 Others	467	430	464	461	–1.3	7.2
1.10 Rubber, Plastic & their Products	**378**	**371**	**363**	**374**	**–1.0**	**0.7**
1.11 Glass & Glassware	**88**	**88**	**87**	**88**	**–0.8**	**0.0**
1.12 Cement & Cement Products	**560**	**554**	**552**	**548**	**–2.2**	**–1.1**
1.13 Basic Metal & Metal Product	**3,854**	**3,683**	**3,973**	**4,008**	**4.0**	**8.8**
1.13.1 Iron & Steel	2,834	2,729	2,967	2,985	5.3	9.4
1.13.2 Other Metal & Metal Product	1,020	954	1,006	1,023	0.3	7.2
1.14 All Engineering	**1,540**	**1,470**	**1,545**	**1,562**	**1.4**	**6.3**
1.14.1 Electronics	368	377	381	381	3.7	1.2
1.14.2 Others	1,172	1,093	1,163	1,180	0.7	8.0
1.15 Vehicles, Vehicle Parts & Transport Equipment	**682**	**679**	**673**	**669**	**–1.9**	**–1.5**
1.16 Gems & Jewellery	**718**	**705**	**694**	**706**	**–1.7**	**0.2**
1.17 Construction	**743**	**719**	**756**	**742**	**–0.2**	**3.2**
1.18 Infrastructure	**9,245**	**8,952**	**9,655**	**9,706**	**5.0**	**8.4**
1.18.1 Power	5,576	5,380	5,865	5,915	6.1	10.0
1.18.2 Telecommunications	919	864	907	918	–0.1	6.2
1.18.3 Roads	1,687	1,661	1,778	1,793	6.3	7.9
1.18.4 Other Infrastructure	1,064	1,048	1,105	1,080	1.5	3.1
1.19 Other Industries	**1,839**	**1,746**	**1,901**	**1,917**	**4.2**	**9.8**

No. 17: State Co-operative Banks Maintaining Accounts with the Reserve Bank of India

(₹ Billion)

Item	Last Reporting Friday (in case of March)/Last Friday/ Reporting Friday					
	2014-15	2014	2015			
		Sep. 26	Aug. 28	Sep. 4	Sep. 18	Sep. 25
	1	2	3	4	5	6
Number of Reporting Banks	31	31	31	31	31	31
1 Aggregate Deposits (2.1.1.2+2.2.1.2)	**422.3**	**421.3**	**420.7**	**434.8**	**431.3**	**436.9**
2 Demand and Time Liabilities						
2.1 Demand Liabilities	**148.1**	**147.2**	**150.1**	**150.6**	**148.3**	**147.4**
2.1.1 Deposits						
2.1.1.1 Inter-Bank	33.7	25.7	30.8	30.8	29.5	33.0
2.1.1.2 Others	77.7	75.3	76.0	76.3	76.5	72.2
2.1.2 Borrowings from Banks	9.3	14.6	10.1	10.3	10.7	10.1
2.1.3 Other Demand Liabilities	27.4	31.6	33.3	33.2	31.6	32.2
2.2 Time Liabilities	**854.6**	**851.1**	**825.3**	**839.4**	**848.6**	**846.5**
2.2.1 Deposits						
2.2.1.1 Inter-Bank	499.2	494.6	470.6	465.1	482.0	471.0
2.2.1.2 Others	344.6	346.0	344.8	358.5	354.8	364.7
2.2.2 Borrowings from Banks	0.1	–	–	5.6	–	–
2.2.3 Other Time Liabilities	10.8	10.4	10.0	10.2	11.8	10.8
3 Borrowing from Reserve Bank	–	0.4	0.4	0.4	0.4	–
4 Borrowings from a notified bank / State Government	450.9	411.7	421.6	427.4	429.1	434.3
4.1 Demand	174.9	164.1	160.7	166.0	166.5	170.4
4.2 Time	276.0	247.6	260.9	261.4	262.6	263.9
5 Cash in Hand and Balances with Reserve Bank	**40.5**	**37.6**	**39.2**	**37.3**	**35.8**	**33.0**
5.1 Cash in Hand	2.4	2.2	2.2	3.5	2.0	2.1
5.2 Balance with Reserve Bank	38.1	35.4	37.0	33.8	33.7	30.9
6 Balances with Other Banks in Current Account	10.0	8.5	6.2	7.2	6.6	6.6
7 Investments in Government Securities	282.4	293.1	264.6	266.4	246.5	265.1
8 Money at Call and Short Notice	198.8	190.4	176.2	182.8	178.2	176.3
9 Bank Credit (10.1+11)	**426.4**	**380.4**	**418.2**	**415.1**	**422.3**	**426.9**
10 Advances						
10.1 Loans, Cash-Credits and Overdrafts	**426.4**	**380.4**	**418.2**	**324.1**	**331.2**	**334.3**
10.2 Due from Banks	709.2	680.9	677.2	706.7	708.1	709.3
11 Bills Purchased and Discounted	0.1	–	–	91.0	91.1	92.6

Prices and Production

No. 18: Consumer Price Index (Base: 2012=100)

Group/Sub group	2014-15			Rural			Urban			Combined		
	Rural	Urban	Combined	Dec. 14	Nov. 15	Dec. 15	Dec. 14	Nov. 15	Dec. 15	Dec. 14	Nov. 15	Dec. 15
	1	2	3	4	5	6	7	8	9	10	11	12
1 Food and beverages	**122.6**	**124.1**	**123.1**	**123.3**	**132.4**	**131.4**	**124.0**	**133.3**	**131.5**	**123.6**	**132.7**	**131.4**
1.1 Cereals and products	122.0	123.9	122.6	122.4	126.1	126.1	124.0	124.0	124.3	122.9	125.4	125.5
1.2 Meat and fish	122.3	125.5	123.5	122.4	130.6	131.1	124.7	129.8	131.7	123.2	130.3	131.3
1.3 Egg	119.0	118.4	118.7	121.8	121.7	123.2	126.3	121.5	127.1	123.5	121.6	124.7
1.4 Milk and products	122.3	122.7	122.5	124.2	129.5	129.9	124.9	128.6	128.6	124.5	129.2	129.4
1.5 Oils and fats	110.6	103.7	108.1	110.2	117.8	118.2	103.0	110.0	110.0	107.6	114.9	115.2
1.6 Fruits	128.6	126.1	127.4	128.6	132.1	131.4	122.3	123.7	120.8	125.7	128.2	126.5
1.7 Vegetables	140.0	146.7	142.3	140.3	155.2	145.9	141.0	164.6	149.0	140.5	158.4	147.0
1.8 Pulses and products	115.1	117.8	116.0	116.3	160.8	162.2	120.1	191.6	190.1	117.6	171.2	171.6
1.9 Sugar and confectionery	102.8	99.5	101.7	102.0	94.5	95.3	97.8	90.8	92.7	100.6	93.3	94.4
1.10 Spices	115.0	122.6	117.5	116.0	128.3	128.7	125.4	137.1	138.6	119.1	131.2	132.0
1.11 Non-alcoholic beverages	116.4	114.9	115.8	117.3	123.1	123.3	116.1	119.8	120.2	116.8	121.7	122.0
1.12 Prepared meals, snacks, sweets	123.0	125.4	124.1	124.8	134.2	135.2	127.6	133.7	134.2	126.1	134.0	134.7
2 Pan, tobacco and intoxicants	**120.0**	**123.7**	**120.9**	**121.7**	**132.2**	**133.0**	**126.4**	**137.6**	**138.2**	**123.0**	**133.6**	**134.4**
3 Clothing and footwear	**121.7**	**118.5**	**120.5**	**123.3**	**131.5**	**132.0**	**120.0**	**124.2**	**124.5**	**122.0**	**128.6**	**129.0**
3.1 Clothing	122.1	119.2	121.0	123.8	132.1	132.6	120.7	125.0	125.4	122.6	129.3	129.8
3.2 Footwear	119.6	114.7	117.6	120.6	128.2	128.5	115.8	119.3	119.5	118.6	124.5	124.8
4 Housing	**--**	**116.1**	**116.1**	**--**	**--**	**--**	**116.5**	**122.9**	**122.4**	**116.5**	**122.9**	**122.4**
5 Fuel and light	**116.5**	**112.3**	**114.9**	**117.4**	**125.6**	**125.6**	**113.0**	**115.1**	**116.0**	**115.7**	**121.6**	**122.0**
6 Miscellaneous	**113.6**	**113.1**	**113.4**	**114.2**	**119.6**	**119.8**	**113.4**	**116.6**	**116.7**	**113.8**	**118.1**	**118.3**
6.1 Household goods and services	116.9	115.8	116.4	118.2	125.6	126.0	116.8	121.0	121.0	117.5	123.4	123.6
6.2 Health	114.9	112.5	114.0	116.2	122.6	123.1	113.2	118.1	118.6	115.1	120.9	121.4
6.3 Transport and communication	112.0	110.3	111.1	111.5	114.0	113.9	108.8	109.3	109.3	110.1	111.5	111.5
6.4 Recreation and amusement	112.8	113.3	113.1	113.3	120.9	121.5	114.3	117.9	118.1	113.9	119.2	119.6
6.5 Education	116.4	118.4	117.6	117.7	125.8	125.6	120.7	126.6	126.6	119.5	126.3	126.2
6.6 Personal care and effects	109.4	110.2	109.7	109.4	114.2	114.1	110.4	113.3	113.1	109.8	113.8	113.7
General Index (All Groups)	**119.5**	**118.1**	**118.9**	**120.3**	**128.3**	**127.9**	**118.4**	**124.6**	**124.0**	**119.4**	**126.6**	**126.1**

Source: Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India.

No. 19: Other Consumer Price Indices

Item	Base Year	Linking Factor	2014-15	2014	2015	
				Dec.	Nov.	Dec.
	1	2	3	4	5	6
1 Consumer Price Index for Industrial Workers	2001	4.63	251	253	270	269
2 Consumer Price Index for Agricultural Labourers	1986-87	5.89	800	807	853	853
3 Consumer Price Index for Rural Labourers	1986-87	–	802	810	857	857

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

No. 20: Monthly Average Price of Gold and Silver in Mumbai

Item	2014-15	2014	2015	
		Dec.	Nov.	Dec.
	1	2	3	4
1 Standard Gold (₹ per 10 grams)	27,415	26,678	25,648	25,207
2 Silver (₹ per kilogram)	40,558	37,455	35,340	34,245

Source: Business Standard/Business Line/The Economic Times, Mumbai for Gold and Silver prices in Mumbai.

No. 21: Wholesale Price Index

(Base: 2004-05 = 100)

Commodities	Weight	2014-15	2014	2015		
			Dec.	Oct.	Nov. (P)	Dec. (P)
	1	2	3	4	5	6
1 ALL COMMODITIES	**100.000**	**181.2**	**178.7**	**176.9**	**177.6**	**177.4**
1.1 PRIMARY ARTICLES	**20.118**	**248.8**	**244.4**	**253.4**	**256.5**	**257.8**
1.1.1 Food articles	**14.337**	**253.4**	**252.1**	**267.2**	**271.0**	**272.7**
1.1.1.1 Food Grains	4.090	235.0	235.0	257.8	261.4	261.8
1.1.1.1.1 Cereals	3.373	233.6	233.3	235.1	236.1	237.1
1.1.1.1.2 Pulses	0.717	241.4	243.0	364.6	380.4	378.2
1.1.1.2 Fruits & Vegetables	3.843	257.3	248.3	270.8	280.5	273.8
1.1.1.2.1 Vegetables	1.736	276.6	264.1	305.8	333.1	318.4
1.1.1.2.2 Fruits	2.107	241.5	235.3	242.0	237.2	237.1
1.1.1.3 Milk	3.238	242.6	246.5	250.7	250.8	250.9
1.1.1.4 Eggs, Meat & Fish	2.414	282.3	282.4	282.4	279.3	296.6
1.1.1.5 Condiments & Spices	0.569	298.8	306.0	346.8	363.3	372.3
1.1.1.6 Other Food Articles	0.183	249.4	245.9	244.9	248.0	251.4
1.1.2 Non-Food Articles	**4.258**	**212.1**	**207.9**	**220.7**	**221.7**	**223.9**
1.1.2.1 Fibres	0.877	215.3	203.2	200.5	202.9	208.0
1.1.2.2 Oil Seeds	1.781	208.9	201.7	219.3	217.8	217.9
1.1.2.3 Other Non-Food Articles	1.386	215.6	216.2	234.4	234.3	233.2
1.1.2.4 Flowers	0.213	202.6	225.6	226.0	248.8	278.3
1.1.3 Minerals	**1.524**	**308.5**	**274.0**	**215.2**	**217.6**	**212.3**
1.1.3.1 Metallic Minerals	0.489	388.6	410.9	278.8	289.8	273.7
1.1.3.2 Other Minerals	0.135	211.8	215.7	205.3	205.3	205.3
1.1.3.3 Crude Petroleum	0.900	279.6	208.4	182.2	180.4	180.1
1.2 FUEL & POWER	**14.910**	**203.5**	**194.6**	**176.4**	**177.9**	**176.8**
1.2.1 Coal	2.094	189.8	189.8	189.9	189.9	189.9
1.2.2 Mineral Oils	9.364	219.6	205.6	173.1	175.6	173.8
1.2.3 Electricity	3.452	168.0	167.6	177.2	177.2	177.2
1.3 MANUFACTURED PRODUCTS	**64.972**	**155.1**	**154.7**	**153.3**	**153.0**	**152.6**
1.3.1 Food Products	**9.974**	**172.9**	**172.0**	**174.7**	**174.9**	**175.4**
1.3.1.1 Dairy Products	0.568	199.5	208.4	207.4	207.9	205.0
1.3.1.2 Canning, Preserving & Processing of Food	0.358	167.2	167.2	163.8	164.1	165.7
1.3.1.3 Grain Mill Products	1.340	175.1	174.6	181.6	181.2	182.4
1.3.1.4 Bakery Products	0.444	149.2	146.8	149.2	149.4	150.1
1.3.1.5 Sugar, Khandsari & Gur	2.089	182.7	179.9	164.4	164.6	165.6
1.3.1.6 Edible Oils	3.043	145.0	143.2	150.3	150.3	151.5
1.3.1.7 Oil Cakes	0.494	227.0	218.0	260.8	258.5	253.1
1.3.1.8 Tea & Coffee Proccessing	0.711	189.7	192.3	192.2	194.8	194.2
1.3.1.9 Manufacture of Salt	0.048	197.3	196.8	199.8	199.8	199.8
1.3.1.10 Other Food Products	0.879	194.1	196.6	205.6	207.0	208.2
1.3.2 Beverages, Tobacco & Tobacco Products	**1.762**	**200.8**	**202.0**	**205.9**	**206.0**	**205.2**
1.3.2.1 Wine Industries	0.385	137.0	137.3	137.2	137.2	137.2
1.3.2.2 Malt Liquor	0.153	177.5	179.7	180.7	180.7	180.7
1.3.2.3 Soft Drinks & Carbonated Water	0.241	162.6	164.0	166.9	166.9	166.9
1.3.2.4 Manufacture of Bidi, Cigarettes, Tobacco & Zarda	0.983	238.7	240.1	246.4	246.4	245.0
1.3.3 Textiles	**7.326**	**142.6**	**141.2**	**139.7**	**139.8**	**139.7**
1.3.3.1 Cotton Textiles	2.605	162.6	159.1	155.8	155.6	155.5
1.3.3.1.1 Cotton Yarn	1.377	179.2	172.1	165.3	164.7	163.6
1.3.3.1.2 Cotton Fabric	1.228	144.0	144.6	145.1	145.4	146.5
1.3.3.2 Man-Made Textiles	2.206	135.3	134.8	130.6	130.8	130.2
1.3.3.2.1 Man-Made Fibre	1.672	134.5	133.6	128.7	128.9	128.5
1.3.3.2.2 Man-Made Fabric	0.533	138.0	138.5	136.5	137.1	135.4
1.3.3.3 Woollen Textiles	0.294	159.5	158.1	150.8	150.6	150.9
1.3.3.4 Jute, Hemp & Mesta Textiles	0.261	192.9	192.7	222.1	223.1	227.3
1.3.3.5 Other Misc. Textiles	1.960	115.0	115.1	116.0	116.1	116.2
1.3.4 Wood & Wood Products	**0.587**	**187.8**	**189.1**	**196.1**	**197.7**	**196.4**
1.3.4.1 Timber/Wooden Planks	0.181	156.9	157.3	165.9	165.5	165.5
1.3.4.2 Processed Wood	0.128	191.1	191.4	195.8	196.3	195.3
1.3.4.3 Plywood & Fibre Board	0.241	214.9	217.5	226.4	228.4	227.5
1.3.4.4 Others	0.038	152.6	153.5	148.9	161.9	150.7

No. 21: Wholesale Price Index (Concld.)

(Base: 2004-05 = 100)

Commodities	Weight	2014-15	2014	2015		
			Dec.	Oct.	Nov. (P)	Dec. (P)
	1	2	3	4	5	6
1.3.5 Paper & Paper Products	**2.034**	**150.7**	**151.1**	**154.7**	**154.6**	**154.9**
1.3.5.1 Paper & Pulp	1.019	149.8	150.7	151.2	151.2	151.2
1.3.5.2 Manufacture of boards	0.550	133.8	133.2	135.9	135.6	135.4
1.3.5.3 Printing & Publishing	0.465	172.4	173.1	184.7	184.8	186.2
1.3.6 Leather & Leather Products	**0.835**	**145.0**	**144.3**	**144.2**	**143.8**	**144.4**
1.3.6.1 Leathers	0.223	116.0	114.1	113.4	113.5	113.5
1.3.6.2 Leather Footwear	0.409	161.9	161.0	160.7	159.7	160.3
1.3.6.3 Other Leather Products	0.203	143.1	143.7	145.0	145.0	146.2
1.3.7 Rubber & Plastic Products	**2.987**	**149.9**	**149.4**	**146.8**	**146.3**	**145.8**
1.3.7.1 Tyres & Tubes	0.541	177.3	177.9	177.0	177.0	177.2
1.3.7.1.1 Tyres	0.488	177.5	178.0	177.8	177.8	178.0
1.3.7.1.2 Tubes	0.053	175.7	177.3	169.9	169.9	169.9
1.3.7.2 Plastic Products	1.861	140.2	139.6	135.3	135.0	133.9
1.3.7.3 Rubber Products	0.584	155.3	154.4	155.2	153.6	154.2
1.3.8 Chemicals & Chemical Products	**12.018**	**152.8**	**152.4**	**150.6**	**150.6**	**149.9**
1.3.8.1 Basic Inorganic Chemicals	1.187	156.1	155.7	154.9	154.7	154.9
1.3.8.2 Basic Organic Chemicals	1.952	150.9	147.9	139.0	138.7	138.3
1.3.8.3 Fertilisers & Pesticides	3.145	152.0	152.5	155.8	156.1	155.3
1.3.8.3.1 Fertilisers	2.661	154.9	155.3	158.9	159.0	158.4
1.3.8.3.2 Pesticides	0.483	135.7	137.0	138.7	140.4	138.5
1.3.8.4 Paints, Varnishes & Lacquers	0.529	149.9	150.4	152.1	152.2	152.2
1.3.8.5 Dyestuffs & Indigo	0.563	144.8	144.3	141.7	142.2	142.1
1.3.8.6 Drugs & Medicines	0.456	129.3	129.7	130.3	130.4	129.0
1.3.8.7 Perfumes, Cosmetics, Toiletries etc.	1.130	160.7	160.7	163.0	163.7	163.1
1.3.8.8 Turpentine, Plastic Chemicals	0.586	156.4	157.8	154.1	154.3	153.5
1.3.8.9 Polymers including Synthetic Rubber	0.970	152.3	152.5	145.5	145.1	145.0
1.3.8.10 Petrochemical Intermediates	0.869	162.0	159.8	151.4	150.9	147.8
1.3.8.11 Matches, Explosives & other Chemicals	0.629	153.5	154.4	154.4	153.7	153.1
1.3.9 Non-Metallic Mineral Products	**2.556**	**172.9**	**173.6**	**177.0**	**176.9**	**177.5**
1.3.9.1 Structural Clay Products	0.658	192.4	195.3	198.8	197.9	198.5
1.3.9.2 Glass, Earthenware, Chinaware & their Products	0.256	135.5	137.3	140.4	140.6	141.2
1.3.9.3 Cement & Lime	1.386	169.6	169.2	173.1	173.7	173.6
1.3.9.4 Cement, Slate & Graphite Products	0.256	177.7	177.7	178.0	176.7	181.1
1.3.10 Basic Metals, Alloys & Metal Products	**10.748**	**165.6**	**164.7**	**154.1**	**152.2**	**150.3**
1.3.10.1 Ferrous Metals	8.064	155.6	154.5	141.2	139.4	136.8
1.3.10.1.1 Iron & Semis	1.563	156.7	153.3	138.3	135.5	131.8
1.3.10.1.2 Steel: Long	1.630	164.7	163.3	148.1	144.1	141.9
1.3.10.1.3 Steel: Flat	2.611	150.8	150.1	132.1	130.9	126.7
1.3.10.1.4 Steel: Pipes & Tubes	0.314	133.4	134.4	127.7	127.6	125.7
1.3.10.1.5 Stainless Steel & alloys	0.938	167.3	167.4	160.2	159.8	160.1
1.3.10.1.6 Castings & Forgings	0.871	145.6	145.5	144.4	144.2	143.5
1.3.10.1.7 Ferro alloys	0.137	158.9	159.8	148.8	148.0	148.8
1.3.10.2 Non-Ferrous Metals	1.004	168.6	169.9	163.4	163.0	163.4
1.3.10.2.1 Aluminium	0.489	144.9	148.0	136.3	135.5	135.9
1.3.10.2.2 Other Non-Ferrous Metals	0.515	191.1	190.8	189.2	189.1	189.6
1.3.10.3 Metal Products	1.680	211.6	210.4	210.3	207.1	207.4
1.3.11 Machinery & Machine Tools	**8.931**	**134.6**	**134.6**	**134.9**	**134.9**	**134.9**
1.3.11.1 Agricultural Machinery & Implements	0.139	148.7	149.8	149.0	149.0	149.0
1.3.11.2 Industrial Machinery	1.838	152.3	151.0	153.4	153.4	153.6
1.3.11.3 Construction Machinery	0.045	141.1	141.4	141.5	141.5	141.5
1.3.11.4 Machine Tools	0.367	165.0	165.1	165.8	165.8	165.7
1.3.11.5 Air Conditioner & Refrigerators	0.429	120.6	121.0	120.7	120.8	120.8
1.3.11.6 Non-Electrical Machinery	1.026	126.9	127.3	127.5	127.5	127.6
1.3.11.7 Electrical Machinery, Equipment & Batteries	2.343	138.6	138.6	138.3	138.3	138.4
1.3.11.8 Electrical Accessories, Wires, Cables etc.	1.063	156.0	157.2	156.1	156.1	155.8
1.3.11.9 Electrical Apparatus & Appliances	0.337	119.8	120.9	121.7	121.7	121.7
1.3.11.10 Electronics Items	0.961	89.6	89.2	89.1	89.2	89.3
1.3.11.11 IT Hardware	0.267	91.5	91.7	91.7	91.7	91.9
1.3.11.12 Communication Equipments	0.118	98.7	98.6	98.7	99.6	99.6
1.3.12 Transport, Equipment & Parts	**5.213**	**136.2**	**136.0**	**137.8**	**137.9**	**138.0**
1.3.12.1 Automotives	4.231	135.3	134.9	136.8	136.9	137.0
1.3.12.2 Auto Parts	0.804	138.1	138.9	140.5	140.4	140.3
1.3.12.3 Other Transport Equipments	0.178	150.1	149.8	150.7	150.7	150.6

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

No. 22: Index of Industrial Production (Base:2004-05=100)

Industry	Weight	2013-14	2014-15	April-November		November	
				2014-15	2015-16	2014	2015
	1	2	3	4	5	6	7
General Index	**100.00**	**172.0**	**176.9**	**171.0**	**177.6**	**172.1**	**166.6**
1 Sectoral Classification							
1.1 Mining and Quarrying	14.16	124.7	126.5	121.2	123.8	128.6	131.5
1.2 Manufacturing	75.53	181.9	186.1	179.1	186.0	179.9	171.9
1.3 Electricity	10.32	164.7	178.6	180.8	189.2	174.3	175.6
2 Use-Based Classification							
2.1 Basic Goods	45.68	156.9	167.8	164.7	171.0	168.2	167.0
2.2 Capital Goods	8.83	242.6	258.0	246.2	257.8	252.1	190.7
2.3 Intermediate Goods	15.69	151.3	153.8	151.5	154.8	151.4	150.3
2.4 Consumer Goods	29.81	185.3	178.9	168.8	175.8	165.1	167.2
2.4.1 Consumer Durables	8.46	264.2	231.0	225.6	252.4	201.6	226.9
2.4.2 Consumer Non-Durables	21.35	154.0	158.3	146.2	145.4	150.6	143.5

Source : Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India.

Government Accounts and Treasury Bills

No. 23: Union Government Accounts at a Glance

(Amount in ₹ Billion)

Item	Financial Year	April–December			
	2015-16 (Budget Estimates)	2014-15 (Actuals)	2015-16 (Actuals)	Percentage to Budget Estimates	
				2014-15	2015-16
	1	2	3	4	5
1 Revenue Receipts	11,415.8	6,937.7	8,038.1	58.3	70.4
1.1 Tax Revenue (Net)	9,198.4	5,457.1	6,222.5	55.8	67.6
1.2 Non-Tax Revenue	2,217.3	1,480.6	1,815.6	69.7	81.9
2 Capital Receipts	6,359.0	5,426.2	5,101.9	89.7	80.2
2.1 Recovery of Loans	107.5	82.8	91.4	78.7	85.0
2.2 Other Receipts	695.0	19.5	128.7	3.1	18.5
2.3 Borrowings and Other Liabilities	5,556.5	5,323.8	4,881.9	100.2	87.9
3 Total Receipts (1+2)	**17,774.8**	**12,363.9**	**13,140.0**	**68.9**	**73.9**
4 Non-Plan Expenditure	13,122.0	8,837.6	9,680.2	72.4	73.8
4.1 On Revenue Account	12,060.3	8,132.7	8,953.9	73.0	74.2
4.1.1 Interest Payments	4,561.5	2,752.2	3,023.0	64.5	66.3
4.2 On Capital Account	1,061.7	704.9	726.3	67.0	68.4
5 Plan Expenditure	4,652.8	3,526.3	3,459.8	61.3	74.4
5.1 On Revenue Account	3,300.2	2,822.8	2,306.6	62.2	69.9
5.2 On Capital Account	1,352.6	703.5	1,153.2	57.9	85.3
6 Total Expenditure (4+5)	**17,774.8**	**12,363.9**	**13,140.0**	**68.9**	**73.9**
7 Revenue Expenditure (4.1+5.1)	15,360.5	10,955.5	11,260.4	69.9	73.3
8 Capital Expenditure (4.2+5.2)	2,414.3	1,408.4	1,879.6	62.1	77.9
9 Revenue Deficit (7-1)	**3,944.7**	**4,017.8**	**3,222.3**	**106.2**	**81.7**
10 Fiscal Deficit {6-(1+2.1+2.2)}	**5,556.5**	**5,323.8**	**4,881.9**	**100.2**	**87.9**
11 Gross Primary Deficit [10-4.1.1]	**995.0**	**2,571.6**	**1,858.9**	**246.9**	**186.8**

Source: Controller General of Accounts, Ministry of Finance, Government of India.

No. 24: Treasury Bills – Ownership Pattern

(₹ Billion)

Item	2014-15	2014	2015					
		Dec. 26	Nov. 20	Nov. 27	Dec. 4	Dec. 11	Dec. 18	Dec. 25
	1	2	3	4	5	6	7	8
1 14-day								
1.1 Banks	–	–	–	–	–	–	–	–
1.2 Primary Dealers	–	–	–	–	–	–	–	–
1.3 State Governments	838.1	688.0	731.2	650.6	679.5	757.9	616.5	771.7
1.4 Others	14.7	7.2	6.8	4.2	6.2	11.5	14.5	17.6
2 91-day								
2.1 Banks	446.9	330.8	377.5	331.6	331.6	301.8	316.6	328.6
2.2 Primary Dealers	284.1	330.9	306.3	313.5	310.9	342.3	367.3	361.3
2.3 State Governments	368.3	670.1	403.3	557.3	596.3	516.3	626.3	576.3
2.4 Others	264.9	511.0	518.5	549.1	541.7	530.0	476.4	373.9
3 182-day								
3.1 Banks	231.5	289.2	252.5	244.6	248.5	202.2	249.4	238.2
3.2 Primary Dealers	408.9	237.4	382.3	386.2	388.6	407.6	406.2	409.7
3.3 State Governments	13.9	12.6	91.0	91.0	91.0	91.0	91.0	91.0
3.4 Others	113.9	157.4	117.8	121.8	115.9	143.1	97.4	104.9
4 364-day								
4.1 Banks	330.8	395.4	432.2	436.8	433.0	431.5	436.8	423.3
4.2 Primary Dealers	657.3	622.8	696.9	686.2	704.8	703.6	706.2	658.4
4.3 State Governments	12.0	12.0	19.6	19.6	19.6	19.6	19.6	19.6
4.4 Others	483.4	384.5	321.5	327.6	312.7	325.4	317.6	328.9
5 Total	4,468.7	4,649.3	4,657.3	4,720.0	4,780.0	4,783.8	4,741.6	4,703.3

No. 25: Auctions of Treasury Bills

(Amount in ₹ Billion)

Date of Auction	Notified Amount	Bids Received			Bids Accepted			Total Issue (6+7)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)
		Number	Total Face Value		Number	Total Face Value				
			Competitive	Non-Competitive		Competitive	Non-Competitive			
	1	2	3	4	5	6	7	8	9	10
91-day Treasury Bills										
2015-16										
Dec. 2	80	56	500.09	64.00	27	80.00	64.00	144.00	98.25	7.1443
Dec. 9	80	61	248.08	30.05	49	80.00	30.05	110.05	98.24	7.1858
Dec. 16	80	68	334.48	161.12	56	80.00	161.12	241.12	98.23	7.2274
Dec. 23	80	65	340.25	120.03	49	80.00	120.03	200.03	98.23	7.2274
Dec. 30	80	62	495.50	52.00	51	80.00	52.00	132.00	98.23	7.2274
182-day Treasury Bills										
2015-16										
Dec. 2	60	54	130.91	0.02	30	60.00	0.02	60.02	96.52	7.2308
Dec. 16	60	64	186.01	0.10	32	60.00	0.10	60.10	96.51	7.2523
Dec. 30	60	48	194.14	–	23	60.00	–	60.00	96.51	7.2523
364-day Treasury Bills										
2015-16										
Nov. 10	60	57	143.00	–	29	60.00	–	60.00	93.27	7.2354
Nov. 24	60	57	184.98	0.03	26	60.00	0.03	60.03	93.27	7.2354
Dec. 9	60	67	183.35	0.15	32	60.00	0.15	60.15	93.26	7.2470
Dec. 23	60	71	248.91	0.06	20	60.00	0.06	60.06	93.26	7.2470

Financial Markets

No. 26: Daily Call Money Rates

(Per cent per annum)

As on		Range of Rates	Weighted Average Rates
		Borrowings/ Lendings	Borrowings/ Lendings
		1	2
December	1, 2015	5.40-7.35	6.69
December	2, 2015	5.00-6.95	6.64
December	3, 2015	5.40-6.80	6.62
December	4, 2015	5.00-6.75	6.54
December	5, 2015	5.00-6.50	6.20
December	7, 2015	5.40-6.90	6.72
December	8, 2015	5.40-7.00	6.65
December	9, 2015	5.40-6.90	6.51
December	10, 2015	5.40-7.05	6.66
December	11, 2015	5.40-6.85	6.72
December	14, 2015	5.40-7.00	6.71
December	15, 2015	5.70-7.10	6.69
December	16, 2015	5.70-7.45	6.79
December	17, 2015	5.70-7.25	6.74
December	18, 2015	5.60-7.40	6.79
December	19, 2015	5.05-6.35	5.83
December	21, 2015	5.70-7.40	6.93
December	22, 2015	5.25-7.20	6.71
December	23, 2015	5.20-7.10	6.74
December	28, 2015	5.70-7.20	6.80
December	29, 2015	5.70-7.05	6.66
December	30, 2015	5.70-7.15	6.68
December	31, 2015	5.60-7.40	6.97
January	1, 2016	5.60-7.10	6.72
January	2, 2016	4.90-6.30	5.68
January	4, 2016	5.70-6.90	6.65
January	5, 2016	5.60-6.90	6.69
January	6, 2016	5.70-7.65	6.84
January	7, 2016	5.70-7.35	6.78
January	8, 2016	5.70-7.20	6.95
January	11, 2016	5.00-7.10	6.88
January	12, 2016	5.00-7.05	6.79
January	13, 2016	5.00-7.05	6.76
January	14, 2016	5.00-7.10	6.76
January	15, 2016	5.00-7.10	6.90

Note: Includes Notice Money.

No. 27: Certificates of Deposit

Item	2014	2015			
	Dec. 26	Nov. 13	Nov. 27	Dec. 11	Dec. 25
	1	2	3	4	5
1 Amount Outstanding (₹ Billion)	2,618.8	1,814.2	1,691.2	1,892.6	2,065.6
1.1 Issued during the fortnight (₹ Billion)	323.8	143.1	223.8	296.6	299.2
2 Rate of Interest (per cent)	8.24-8.74	7.07-7.66	7.04-7.75	7.24-7.75	7.25-7.78

No. 28: Commercial Paper

Item	2014	2015			
	Dec. 31	Nov. 15	Nov. 30	Dec. 15	Dec. 31
	1	2	3	4	5
1 Amount Outstanding (₹ Billion)	2,082.5	3,443.6	3,273.8	3,802.8	3,085.1
1.1 Reported during the fortnight (₹ Billion)	436.4	701.5	624.7	1,151.3	665.9
2 Rate of Interest (per cent)	7.98-12.61	6.52-11.18	7.07-11.66	7.08-12.13	7.23-11.79

No. 29: Average Daily Turnover in Select Financial Markets

(₹ Billion)

Item	2014-15	2014	2015					
		Dec. 26	Nov. 20	Nov. 27	Dec. 4	Dec. 11	Dec. 18	Dec. 25
	1	2	3	4	5	6	7	8
1 Call Money	190.3	210.7	156.8	252.9	243.9	298.4	240.7	293.4
2 Notice Money	65.4	92.1	57.5	11.8	47.6	5.6	67.2	8.1
3 Term Money	4.1	5.3	5.9	6.6	4.4	4.3	5.5	5.1
4 CBLO	1,168.3	1,125.2	1,442.3	1,103.9	1,567.4	1,276.3	1,354.8	1,100.6
5 Market Repo	1,097.6	949.4	1,165.2	1,267.0	1,446.0	1,438.2	1,240.2	1,101.1
6 Repo in Corporate Bond	0.3	–	0.9	1.4	4.7	2.3	0.4	1.9
7 Forex (US $ million)	56,541	44,464	40,806	55,788	51,139	47,269	46,233	48,724
8 Govt. of India Dated Securities	772.4	738.1	330.5	382.9	705.0	582.3	715.6	741.5
9 State Govt. Securities	15.8	24.0	18.3	34.2	15.3	30.0	31.4	44.9
10 Treasury Bills								
10.1 91-Day	35	31.0	27.1	54.1	54.6	43.4	39.6	52.1
10.2 182-Day	12.1	7.7	6.6	2.4	17.3	10.7	12.2	17.9
10.3 364-Day	21.4	9.5	8.1	22.3	16.0	10.9	9.4	4.2
10.4 Cash Management Bills	0.7	–	–	–	–	–	–	–
11 Total Govt. Securities (8+9+10)	857.4	810.2	390.6	495.8	808.3	677.3	808.1	860.6
11.1 RBI	–	3.3	1.2	2.0	1.4	22.7	7.6	8.0

No. 30: New Capital Issues By Non-Government Public Limited Companies

(Amount in ₹ Billion)

Security & Type of Issue	2014-15		2014-15 (Apr.-Dec.)		2015-16 (Apr.-Dec.) *		Dec. 2014		Dec. 2015 *	
	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount
	1	2	3	4	5	6	7	8	9	10
1 Equity Shares	**63**	**93.1**	**44**	**42.3**	**59**	**208.9**	**3**	**3.6**	**6**	**26.3**
1A Premium	53	76.8	37	28.2	54	195.7	1	3.4	6	25.9
1.1 Prospectus	46	30.4	32	14.2	49	117.5	2	3.5	6	26.3
1.1.1 Premium	40	28.0	29	12.5	45	110.0	1	3.4	6	25.9
1.2 Rights	17	62.8	12	28.1	10	91.4	1	0.1	–	–
1.2.1 Premium	13	48.8	8	15.6	9	85.7	–	–	–	–
2 Preference Shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2.1 Prospectus	–	–	–	–	–	–	–	–	–	–
2.2 Rights	–	–	–	–	–	–	–	–	–	–
3 Debentures	**23**	**77.4**	**18**	**61.0**	**8**	**25.3**	**–**	**–**	**2**	**7.0**
3.1 Convertible	–	–	–	–	–	–	–	–	–	–
3.1.1 Prospectus	–	–	–	–	–	–	–	–	–	–
3.1.2 Rights	–	–	–	–	–	–	–	–	–	–
3.2 Non-Convertible	23	77.4	18	61.0	8	25.3	–	–	2	7.0
3.2.1 Prospectus	23	77.4	18	61.0	8	25.3	–	–	2	7.0
3.2.2 Rights	–	–	–	–	–	–	–	–	–	–
4 Bonds	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
4.1 Prospectus	–	–	–	–	–	–	–	–	–	–
4.2 Rights	–	–	–	–	–	–	–	–	–	–
5 Total (1+2+3+4)	**86**	**170.6**	**62**	**103.4**	**67**	**234.2**	**3**	**3.6**	**8**	**33.3**
5.1 Prospectus	69	107.8	50	75.2	57	142.8	2	3.5	8	33.3
5.2 Rights	17	62.8	12	28.1	10	91.4	1	0.1	–	–

* : Data is Provisional

Source: Based on prospectus/advertisements issued by companies, replies to Reserve Bank's questionnaire and information received from SEBI, stock exchanges, press reports, etc.

External Sector

No. 31: Foreign Trade

Item	Unit	2014-15	2014	2015				
			Dec.	Aug.	Sep.	Oct.	Nov.	Dec.
		1	2	3	4	5	6	7
1 Exports	₹ Billion	18,963.5	1,641.3	1,451.3	1,425.3	1,389.0	1,274.4	1,484.9
	US $ Million	310,338.5	26,154.5	22,303.6	21,524.4	21,350.1	19,274.3	22,297.5
1.1 Oil	₹ Billion	3,460.8	283.8	182.7	161.8	163.4	146.5	157.5
	US $ Million	56,794.2	4,522.6	2,807.2	2,442.8	2,511.7	2,216.1	2,365.6
1.2 Non-oil	₹ Billion	15,502.7	1,357.5	1,268.7	1,263.5	1,225.6	1,127.8	1,327.4
	US $ Million	253,544.4	21,631.9	19,496.4	19,081.6	18,838.4	17,058.2	19,931.9
2 Imports	₹ Billion	27,370.9	2,217.3	2,194.2	2,133.0	2,013.1	1,966.8	2,261.7
	US $ Million	448,033.4	35,333.3	33,719.6	32,211.5	30,942.9	29,747.5	33,961.5
2.1 Oil	₹ Billion	8,428.7	625.2	479.1	440.4	445.5	425.6	443.3
	US $ Million	138,325.5	9,963.4	7,363.1	6,650.6	6,848.0	6,436.4	6,656.7
2.2 Non-oil	₹ Billion	18,942.1	1,592.0	1,715.1	1,692.6	1,567.6	1,541.3	1,818.4
	US $ Million	309,707.9	25,369.8	26,356.5	25,561.0	24,094.9	23,311.2	27,304.7
3 Trade Balance	₹ Billion	–8,407.4	–576.0	–742.9	–707.7	–624.1	–692.5	–776.8
	US $ Million	–137,694.9	–9,178.8	–11,416.1	–10,687.1	–9,592.8	–10,473.3	–11,664.0
3.1 Oil	₹ Billion	–4,967.9	–341.4	–296.5	–278.6	–282.1	–279.0	–285.8
	US $ Million	–81,531.4	–5,440.9	–4,556.0	–4,207.8	–4,336.4	–4,220.3	–4,291.2
3.2 Non-oil	₹ Billion	–3,439.5	–234.6	–446.4	–429.0	–342.0	–413.4	–491.0
	US $ Million	–56,163.5	–3,737.9	–6,860.1	–6,479.4	–5,256.5	–6,253.0	–7,372.8

Source: DGCI&S and Ministry of Commerce & Industry.

No. 32: Foreign Exchange Reserves

Item	Unit	2015			2016			
		Jan. 23	Dec. 18	Dec. 25	Jan. 1	Jan. 8	Jan. 15	Jan. 22
		1	2	3	4	5	6	7
1 Total Reseves	**₹ Billion**	**19,862**	**23,222**	**23,216**	**23,089**	**23,144**	**23,261**	**23,381**
	US $ Million	**322,038**	**351,107**	**352,050**	**350,369**	**348,934**	**347,208**	**347,563**
1.1 Foreign Currency Assets	₹ Billion	18,318	21,698	21,692	21,595	21,648	21,761	21,880
	US $ Million	297,511	328,270	329,192	327,828	326,398	324,675	325,047
1.2 Gold	₹ Billion	1,227	1,172	1,172	1,144	1,144	1,144	1,144
	US $ Million	19,378	17,544	17,544	17,240	17,240	17,240	17,240
1.3 SDRs	SDRs Million	2,889	2,889	2,889	2,889	2,889	2,889	2,889
	₹ Billion	249	266	266	265	267	270	270
	US $ Million	4,048	3,997	4,013	4,003	3,999	3,997	3,985
1.4 Reserve Tranche Position in IMF	₹ Billion	68	86	86	86	86	87	88
	US $ Million	1,101	1,296	1,301	1,298	1,297	1,296	1,292

No. 33: NRI Deposits

(US$ Million)

Scheme	Outstanding				Flows	
	2014-15	2014	2015		2014-15	2015-16
		Dec.	Nov.	Dec.	Apr.-Dec.	Apr.-Dec.
	1	2	3	4	5	6
1 NRI Deposits	**115,163**	**110,070**	**121,221**	**122,571**	**10,056**	**11,599**
1.1 FCNR(B)	42,824	42,422	44,650	44,696	599	1,872
1.2 NR(E)RA	62,746	58,367	66,980	68,099	8,762	9,009
1.3 NRO	9,593	9,281	9,592	9,775	695	717

No. 34: Foreign Investment Inflows

(US$ Million)

Item	2014-15	2014-15	2015-16	2014	2015	
		Apr.-Dec.	Apr.-Dec.	Dec.	Nov.	Dec.
	1	2	3	4	5	6
1.1 Net Foreign Direct Investment (1.1.1–1.1.2)	**31,252**	**21,981**	**27,749**	**2,290**	**2,460**	**3,743**
1.1.1 Direct Investment to India (1.1.1.1–1. 1.1.2)	**35,284**	**24,796**	**33,453**	**2,602**	**3,030**	**5,145**
1.1.1.1 Gross Inflows/Gross Investments	**45,148**	**31,014**	**40,823**	**3,319**	**3,959**	**6,074**
1.1.1.1.1 Equity	31,911	21,758	30,153	2,245	3,018	4,719
1.1.1.1.1.1 Government (SIA/FIPB)	2,219	1,703	2,875	239	61	106
1.1.1.1.1.2 RBI	22,530	13,953	24,128	1,626	2,679	4,225
1.1.1.1.1.3 Acquisition of shares	6,185	5,391	2,439	296	194	304
1.1.1.1.1.4 Equity capital of unincorporated bodies	978	710	710	84	84	84
1.1.1.1.2 Reinvested earnings	9,988	7,253	7,253	856	856	856
1.1.1.1.3 Other capital	3,249	2,003	3,417	217	84	499
1.1.1.2 Repatriation/Disinvestment	**9,864**	**6,218**	**7,369**	**717**	**929**	**929**
1.1.1.2.1 Equity	9,612	6,038	7,295	695	926	926
1.1.1.2.2 Other capital	252	180	74	23	3	3
1.1.2 Foreign Direct Investment by India (1.1.2.1+1.1.2.2+1.1.2.3–1.1.2.4)	**4,031**	**2,815**	**5,705**	**312**	**570**	**1,402**
1.1.2.1 Equity capital	3,867	2,672	4,011	365	245	1,225
1.1.2.2 Reinvested Earnings	3,337	2,503	2,503	278	278	278
1.1.2.3 Other Capital	3,476	2,572	2,306	269	357	209
1.1.2.4 Repatriation/Disinvestment	6,649	4,932	3,115	600	310	310
1.2 Net Portfolio Investment (1.2.1+1.2.2+1.2.3–1.2.4)	**42,205**	**28,482**	**–10,635**	**–361**	**–3,795**	**–2,583**
1.2.1 GDRs/ADRs	1,271	–	373	–	–	–
1.2.2 FIIs	40,923	28,487	–11,269	–404	–3,784	–2,572
1.2.3 Offshore funds and others	–	–	–	–	–	–
1.2.4 Portfolio investment by India	–11	5	–261	–43	11	11
1 Foreign Investment Inflows	**73,457**	**50,463**	**17,114**	**1,929**	**–1,335**	**1,160**

No. 35: Outward Remittances under the Liberalised Remittance Scheme (LRS) for Resident Individuals

(US$ Million)

Item	2014-15	2014	2015		
		Dec.	Oct.	Nov.	Dec.
	1	2	3	4	5
1 Outward Remittances under the LRS	**1,325.8**	**95.1**	**412.4**	**333.4**	**447.2**
1.1 Deposit	51.4	3.4	8.8	6.4	7.1
1.2 Purchase of immovable property	45.5	3.2	6.2	5.0	6.6
1.3 Investment in equity/debt	195.5	15.8	20.0	19.7	19.9
1.4 Gift	403.5	30.1	42.2	37.2	48.2
1.5 Donations	3.2	0.2	0.3	0.4	0.3
1.6 Travel	11.0	0.8	68.7	36.2	32.7
1.7 Maintenance of close relatives	174.4	11.1	122.1	103.1	154.7
1.8 Medical Treatment	7.2	0.8	1.9	1.4	1.6
1.9 Studies Abroad	277.1	20.2	101.1	92.1	127.5
1.10 Others	157.1	9.4	41.1	31.9	48.6

No. 36: Indices of Real Effective Exchange Rate (REER) and Nominal Effective Exchange Rate (NEER) of the Indian Rupee

Item	2013-14	2014-15	2015		2016
			January	December	January
	1	2	3	4	5
36-Currency Export and Trade Based Weights (Base: 2004-05=100)					
1 Trade-Based Weights					
1.1 NEER	72.32	74.07	74.53	74.59	74.62
1.2 REER	103.27	108.96	110.07	113.64	113.69
2 Export-Based Weights					
2.1 NEER	73.56	75.22	75.64	76.18	76.16
2.2 REER	105.48	111.25	112.40	115.81	115.78
6-Currency Trade Based Weights					
1 Base: 2004-05 (April-March) =100					
1.1 NEER	67.76	68.60	69.68	67.37	67.03
1.2 REER	112.79	119.92	122.96	124.51	123.87
2 Base: 2014-15 (April-March) =100					
2.1 NEER	98.78	100.00	101.57	98.22	97.72
2.2 REER	94.06	100.00	102.54	103.83	103.30

No. 37: External Commercial Borrowings (ECBs)

(Amount in US$ Million)

Item	2014-15	2014	2015	
		Dec.	Nov.	Dec.
	1	2	3	4
1 Automatic Route				
1.1 Number	733	59	53	56
1.2 Amount	19,215	491	1,052	1,906
2 Approval Route				
2.1 Number	88	4	4	5
2.2 Amount	9,170	146	2,112	1,128
3 Total (1+2)				
3.1 Number	821	63	57	61
3.2 Amount	28,385	637	3,164	3,034
4 Weighted Average Maturity (in years)	6.49	5.06	4.90	9.20
5 Interest Rate (per cent)				
5.1 Weighted Average Margin over 6-month LIBOR or reference rate for Floating Rate Loans	2.12	2.82	1.02	1.42
5.2 Interest rate range for Fixed Rate Loans	0.00-13.50	0.00-10.50	0.00-8.00	0.00-8.00

No. 38: India's Overall Balance of Payments

(US $ Million)

Item	Jul-Sep 2014 (PR)			Jul-Sep 2015 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
Overall Balance of Payments(1+2+3)	**276,336**	**269,439**	**6,897**	**254,938**	**255,794**	**–856**
1 CURRENT ACCOUNT (1.1+ 1.2)	**142,467**	**153,413**	**–10,945**	**127,315**	**135,549**	**–8,234**
1.1 MERCHANDISE	**83,093**	**122,745**	**–39,652**	**67,573**	**104,998**	**–37,425**
1.2 INVISIBLES (1.2.1+1.2.2+1.2.3)	**59,374**	**30,668**	**28,706**	**59,743**	**30,551**	**29,191**
1.2.1 Services	38,358	19,429	18,929	38,752	20,792	17,960
1.2.1.1 Travel	4,992	4,123	869	5,037	4,021	1,016
1.2.1.2 Transportation	4,469	4,109	360	3,535	3,837	–301
1.2.1.3 Insurance	592	261	331	552	286	266
1.2.1.4 G.n.i.e.	138	252	–115	168	247	–79
1.2.1.5 Miscellaneous	28,167	10,683	17,483	29,460	12,402	17,058
1.2.1.5.1 Software Services	17,645	728	16,917	18,873	648	18,225
1.2.1.5.2 Business Services	7,077	6,780	297	7,244	7,511	–267
1.2.1.5.3 Financial Services	1,363	852	512	1,717	875	842
1.2.1.5.4 Communication Services	492	355	138	592	280	312
1.2.2 Transfers	17,505	1,118	16,387	17,084	821	16,263
1.2.2.1 Official	98	224	–126	88	246	–157
1.2.2.2 Private	17,407	894	16,513	16,996	575	16,421
1.2.3 Income	3,511	10,121	–6,610	3,907	8,938	–5,032
1.2.3.1 Investment Income	2,642	9,383	–6,741	2,909	8,341	–5,432
1.2.3.2 Compensation of Employees	869	738	131	998	597	400
2 CAPITAL ACCOUNT (2.1+2.2+2.3+2.4+2.5)	**133,615**	**116,026**	**17,589**	**127,488**	**120,245**	**7,243**
2.1 Foreign Investment (2.1.1+2.1.2)	**75,916**	**58,679**	**17,237**	**65,848**	**65,723**	**125**
2.1.1 Foreign Direct Investment	12,507	5,032	7,475	11,366	4,799	6,567
2.1.1.1 In India	10,937	2,110	8,827	10,397	2,205	8,191
2.1.1.1.1 Equity	7,690	2,050	5,640	7,355	2,201	5,154
2.1.1.1.2 Reinvested Earnings	2,369	–	2,369	2,369	–	2,369
2.1.1.1.3 Other Capital	878	60	818	673	5	668
2.1.1.2 Abroad	1,570	2,923	–1,353	970	2,594	–1,624
2.1.1.2.1 Equity	1,570	940	630	970	1,012	–42
2.1.1.2.2 Reinvested Earnings	–	834	–834	–	834	–834
2.1.1.2.3 Other Capital	–	1,148	–1,148	–	747	–747
2.1.2 Portfolio Investment	63,409	53,647	9,762	54,482	60,924	–6,442
2.1.2.1 In India	63,293	53,421	9,872	54,293	60,841	–6,548
2.1.2.1.1 FIIs	63,293	53,421	9,872	54,193	60,841	–6,648
2.1.2.1.1.1 Equity	44,534	43,163	1,371	47,351	53,483	–6,132
2.1.2.1.1.2 Debt	18,760	10,258	8,502	6,842	7,358	–516
2.1.2.1.2 ADR/GDRs	–	–	–	100	–	100
2.1.2.2 Abroad	116	226	–110	189	83	106
2.2 Loans (2.2.1+2.2.2+2.2.3)	**30,508**	**31,775**	**–1,268**	**30,252**	**31,228**	**–975**
2.2.1 External Assistance	1,375	686	689	976	1,089	–113
2.2.1.1 By India	15	97	–82	14	131	–117
2.2.1.2 To India	1,360	589	771	963	958	4
2.2.2 Commercial Borrowings	6,693	7,065	–372	5,953	7,123	–1,170
2.2.2.1 By India	366	20	346	253	44	209
2.2.2.2 To India	6,327	7,045	–718	5,700	7,079	–1,379
2.2.3 Short Term to India	22,439	24,024	–1,585	23,323	23,016	307
2.2.3.1 Suppliers' Credit > 180 days & Buyers' Credit	21,773	24,024	–2,251	22,425	23,016	–591
2.2.3.2 Suppliers' Credit up to 180 days	666	–	666	898	–	898
2.3 Banking Capital (2.3.1+2.3.2)	**19,478**	**19,906**	**–428**	**24,970**	**17,671**	**7,300**
2.3.1 Commercial Banks	19,344	19,906	–562	24,970	17,668	7,302
2.3.1.1 Assets	2,080	3,114	–1,034	6,119	3,392	2,727
2.3.1.2 Liabilities	17,263	16,791	472	18,852	14,277	4,575
2.3.1.2.1 Non-Resident Deposits	16,883	12,819	4,064	16,184	11,957	4,227
2.3.2 Others	134	–	134	–	3	–3
2.4 Rupee Debt Service	–	2	–2	–	17	–17
2.5 Other Capital	7,713	5,664	2,050	6,417	5,607	811
3 Errors & Omissions	**254**	**–**	**254**	**135**	**–**	**135**
4 Monetary Movements (4.1+ 4.2)	**–**	**6,897**	**–6,897**	**856**	**–**	**856**
4.1 I.M.F.	–	–	–	–	–	–
4.2 Foreign Exchange Reserves (Increase - / Decrease +)	–	6,897	–6,897	856	–	856

No. 39: India's Overall Balance of Payments

(₹ Billion)

Item	Jul-Sep 2014 (PR)			Jul-Sep 2015 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
Overall Balance of Payments(1+2+3)	**16,748**	**16,330**	**418**	**16,565**	**16,620**	**–56**
1 CURRENT ACCOUNT (1.1+ 1.2)	**8,634**	**9,298**	**–663**	**8,272**	**8,807**	**–535**
1.1 MERCHANDISE	**5,036**	**7,439**	**–2,403**	**4,391**	**6,822**	**–2,432**
1.2 INVISIBLES (1.2.1+1.2.2+1.2.3)	**3,598**	**1,859**	**1,740**	**3,882**	**1,985**	**1,897**
1.2.1 Services	2,325	1,178	1,147	2,518	1,351	1,167
1.2.1.1 Travel	303	250	53	327	261	66
1.2.1.2 Transportation	271	249	22	230	249	–20
1.2.1.3 Insurance	36	16	20	36	19	17
1.2.1.4 G.n.i.e.	8	15	–7	11	16	–5
1.2.1.5 Miscellaneous	1,707	647	1,060	1,914	806	1,108
1.2.1.5.1 Software Services	1,069	44	1,025	1,226	42	1,184
1.2.1.5.2 Business Services	429	411	18	471	488	–17
1.2.1.5.3 Financial Services	83	52	31	112	57	55
1.2.1.5.4 Communication Services	30	21	8	38	18	20
1.2.2 Transfers	1,061	68	993	1,110	53	1,057
1.2.2.1 Official	6	14	–8	6	16	–10
1.2.2.2 Private	1,055	54	1,001	1,104	37	1,067
1.2.3 Income	213	613	–401	254	581	–327
1.2.3.1 Investment Income	160	569	–409	189	542	–353
1.2.3.2 Compensation of Employees	53	45	8	65	39	26
2 CAPITAL ACCOUNT (2.1+2.2+2.3+2.4+2.5)	**8,098**	**7,032**	**1,066**	**8,284**	**7,813**	**471**
2.1 Foreign Investment (2.1.1+2.1.2)	4,601	3,556	1,045	4,279	4,270	8
2.1.1 Foreign Direct Investment	758	305	453	739	312	427
2.1.1.1 In India	663	128	535	676	143	532
2.1.1.1.1 Equity	466	124	342	478	143	335
2.1.1.1.2 Reinvested Earnings	144	–	144	154	–	154
2.1.1.1.3 Other Capital	53	4	50	44	–	43
2.1.1.2 Abroad	95	177	–82	63	169	–106
2.1.1.2.1 Equity	95	57	38	63	66	–3
2.1.1.2.2 Reinvested Earnings	–	51	–51	–	54	–54
2.1.1.2.3 Other Capital	–	70	–70	–	49	–49
2.1.2 Portfolio Investment	3,843	3,251	592	3,540	3,959	–419
2.1.2.1 In India	3,836	3,238	598	3,528	3,953	–425
2.1.2.1.1 FIIs	3,836	3,238	598	3,521	3,953	–432
2.1.2.1.1.1 Equity	2,699	2,616	83	3,077	3,475	–398
2.1.2.1.1.2 Debt	1,137	622	515	445	478	–34
2.1.2.1.2 ADR/GDRs	–	–	–	6	–	6
2.1.2.2 Abroad	7	14	–7	12	5	7
2.2 Loans (2.2.1+2.2.2+2.2.3)	**1,849**	**1,926**	**–77**	**1,966**	**2,029**	**–63**
2.2.1 External Assistance	83	42	42	63	71	–7
2.2.1.1 By India	1	6	–5	1	8	–8
2.2.1.2 To India	82	36	47	63	62	–
2.2.2 Commercial Borrowings	406	428	–23	387	463	–76
2.2.2.1 By India	22	1	21	16	3	14
2.2.2.2 To India	383	427	–44	370	460	–90
2.2.3 Short Term to India	1,360	1,456	–96	1,515	1,495	20
2.2.3.1 Suppliers' Credit > 180 days & Buyers' Credit	1,320	1,456	–136	1,457	1,495	–38
2.2.3.2 Suppliers' Credit up to 180 days	40	–	40	58	–	58
2.3 Banking Capital (2.3.1+2.3.2)	**1,180**	**1,206**	**–26**	**1,622**	**1,148**	**474**
2.3.1 Commercial Banks	1,172	1,206	–34	1,622	1,148	474
2.3.1.1 Assets	126	189	–63	398	220	177
2.3.1.2 Liabilities	1,046	1,018	29	1,225	928	297
2.3.1.2.1 Non-Resident Deposits	1,023	777	246	1,052	777	275
2.3.2 Others	8	–	8	–	–	–
2.4 Rupee Debt Service	–	–	–	–	1	–1
2.5 Other Capital	467	343	124	417	364	53
3 Errors & Omissions	**15**	**–**	**15**	**9**	**–**	**9**
4 Monetary Movements (4.1+ 4.2)	**–**	**418**	**–418**	**56**	**–**	**56**
4.1 I.M.F.	–	–	–	–	–	–
4.2 Foreign Exchange Reserves (Increase - / Decrease +)	–	418	–418	56	–	56

No. 40: Standard Presentation of BoP in India as per BPM6

(US $ Million)

Item	Jul-Sep 2014 (PR)			Jul-Sep 2015 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**142,463**	**153,391**	**–10,928**	**127,310**	**135,525**	**–8,214**
1.A Goods and Services (1.A.a+1.A.b)	**121,451**	**142,174**	**–20,723**	**106,324**	**125,790**	**–19,465**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**83,093**	**122,745**	**–39,652**	**67,573**	**104,998**	**–37,425**
1.A.a.1 General merchandise on a BOP basis	83,093	115,069	–31,976	67,573	95,015	–27,443
1.A.a.2 Net exports of goods under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	7,676	–7,676	–	9,982	–9,982
1.A.b Services (1.A.b.1 to 1.A.b.13)	**38,358**	**19,429**	**18,929**	**38,752**	**20,792**	**17,960**
1.A.b.1 Manufacturing services on physical inputs owned by others	24	7	17	94	5	89
1.A.b.2 Maintenance and repair services n.i.e.	40	46	–6	41	65	–24
1.A.b.3 Transport	4,469	4,109	360	3,535	3,837	–301
1.A.b.4 Travel	4,992	4,123	869	5,037	4,021	1,016
1.A.b.5 Construction	338	276	62	366	229	137
1.A.b.6 Insurance and pension services	592	261	331	552	286	266
1.A.b.7 Financial services	1,363	852	512	1,717	875	842
1.A.b.8 Charges for the use of intellectual property n.i.e.	76	922	–845	100	1,073	–973
1.A.b.9 Telecommunications, computer, and information services	18,184	1,145	17,039	19,522	1,002	18,520
1.A.b.10 Other business services	7,077	6,780	297	7,244	7,511	–267
1.A.b.11 Personal, cultural, and recreational services	322	421	–99	302	421	–119
1.A.b.12 Government goods and services n.i.e.	138	252	–115	168	247	–79
1.A.b.13 Others n.i.e.	741	235	506	75	1,221	–1,147
1.B Primary Income (1.B.1 to 1.B.3)	**3,511**	**10,121**	**–6,610**	**3,907**	**8,938**	**–5,032**
1.B.1 Compensation of employees	869	738	131	998	597	400
1.B.2 Investment income	2,348	9,312	–6,963	2,495	8,169	–5,674
1.B.2.1 Direct investment	1,186	3,419	–2,232	1,315	3,086	–1,771
1.B.2.2 Portfolio investment	49	2,476	–2,427	31	1,961	–1,930
1.B.2.3 Other investment	108	3,415	–3,307	157	3,121	–2,965
1.B.2.4 Reserve assets	1,005	1	1,003	992	1	991
1.B.3 Other primary income	294	71	222	414	172	242
1.C Secondary Income (1.C.1+1.C.2)	**17,500**	**1,096**	**16,405**	**17,080**	**797**	**16,283**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	17,407	894	16,513	16,996	575	16,421
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	16,753	813	15,940	16,455	515	15,941
1.C.1.2 Other current transfers	654	81	573	541	60	480
1.C.2 General government	93	202	–109	84	222	–138
2 Capital Account (2.1+2.2)	**42**	**95**	**–53**	**83**	**79**	**4**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	9	19	–10	10	14	–3
2.2 Capital transfers	32	76	–44	73	65	8
3 Financial Account (3.1 to 3.5)	**133,578**	**122,850**	**10,728**	**128,266**	**120,191**	**8,076**
3.1 Direct Investment (3.1A+3.1B)	**12,507**	**5,032**	**7,475**	**11,366**	**4,799**	**6,567**
3.1.A Direct Investment in India	10,937	2,110	8,827	10,397	2,205	8,191
3.1.A.1 Equity and investment fund shares	10,059	2,050	8,009	9,724	2,201	7,523
3.1.A.1.1 Equity other than reinvestment of earnings	7,690	2,050	5,640	7,355	2,201	5,154
3.1.A.1.2 Reinvestment of earnings	2,369	–	2,369	2,369	–	2,369
3.1.A.2 Debt instruments	878	60	818	673	5	668
3.1.A.2.1 Direct investor in direct investment enterprises	878	60	818	673	5	668
3.1.B Direct Investment by India	1,570	2,923	–1,353	970	2,594	–1,624
3.1.B.1 Equity and investment fund shares	1,570	1,774	–204	970	1,846	–877
3.1.B.1.1 Equity other than reinvestment of earnings	1,570	940	630	970	1,012	–42
3.1.B.1.2 Reinvestment of earnings	–	834	–834	–	834	–834
3.1.B.2 Debt instruments	–	1,148	–1,148	–	747	–747
3.1.B.2.1 Direct investor in direct investment enterprises	–	1,148	–1,148	–	747	–747
3.2 Portfolio Investment	**63,409**	**53,647**	**9,762**	**54,382**	**60,924**	**–6,542**
3.2.A Portfolio Investment in India	63,293	53,421	9,872	54,193	60,841	–6,648
3.2.1 Equity and investment fund shares	44,534	43,163	1,371	47,351	53,483	–6,132
3.2.2 Debt securities	18,760	10,258	8,502	6,842	7,358	–516
3.2.B Portfolio Investment by India	116	226	–110	189	83	106
3.3 Financial derivatives (other than reserves) and employee stock options	**3,198**	**3,900**	**–702**	**2,573**	**4,178**	**–1,606**
3.4 Other investment	**54,464**	**53,374**	**1,090**	**59,089**	**50,289**	**8,800**
3.4.1 Other equity (ADRs/GDRs)	–	–	–	100	–	100
3.4.2 Currency and deposits	17,017	12,819	4,198	16,184	11,960	4,225
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	134	–	134	–	3	–3
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	16,883	12,819	4,064	16,184	11,957	4,227
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	10,529	14,837	–4,308	15,716	13,923	1,793
3.4.3.A Loans to India	10,148	14,721	–4,573	15,449	13,748	1,700
3.4.3.B Loans by India	381	117	265	267	175	92
3.4.4 Insurance, pension, and standardized guarantee schemes	71	67	3	34	10	23
3.4.5 Trade credit and advances	22,439	24,024	–1,585	23,323	23,016	307
3.4.6 Other accounts receivable/payable - other	4,408	1,626	2,782	3,733	1,380	2,352
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**6,897**	**–6,897**	**856**	–	**856**
3.5.1 Monetary gold	–	–	–	–	–	–
3.5.2 Special drawing rights n.a.	–	–	–	–	–	–
3.5.3 Reserve position in the IMF n.a.	–	–	–	–	–	–
3.5.4 Other reserve assets (Foreign Currency Assets)	–	6,897	–6,897	856	–	856
4 Total assets/liabilities	**133,578**	**122,850**	**10,728**	**128,266**	**120,191**	**8,076**
4.1 Equity and investment fund shares	59,547	51,181	8,367	60,840	61,802	–962
4.2 Debt instruments	69,623	63,147	6,476	62,738	57,009	5,729
4.3 Other financial assets and liabilities	4,408	8,523	–4,115	4,689	1,380	3,308
5 Net errors and omissions	**254**	–	**254**	**135**	–	**135**

No. 41: Standard Presentation of BoP in India as per BPM6

(₹ Billion)

Item	Jul-Sep 2014 (PR)			Jul-Sep 2015 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**8,634**	**9,296**	**-662**	**8,272**	**8,806**	**-534**
1.A Goods and Services (1.A.a+1.A.b)	**7,361**	**8,617**	**-1,256**	**6,908**	**8,173**	**-1,265**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**5,036**	**7,439**	**-2,403**	**4,391**	**6,822**	**-2,432**
1.A.a.1 General merchandise on a BOP basis	5,036	6,974	-1,938	4,391	6,174	-1,783
1.A.a.2 Net exports of goods under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	465	-465	–	649	-649
1.A.b Services (1.A.b.1 to 1.A.b.13)	**2,325**	**1,178**	**1,147**	**2,518**	**1,351**	**1,167**
1.A.b.1 Manufacturing services on physical inputs owned by others	1	–	1	6	–	6
1.A.b.2 Maintenance and repair services n.i.e.	2	3	–	3	4	-2
1.A.b.3 Transport	271	249	22	230	249	-20
1.A.b.4 Travel	303	250	53	327	261	66
1.A.b.5 Construction	20	17	4	24	15	9
1.A.b.6 Insurance and pension services	36	16	20	36	19	17
1.A.b.7 Financial services	83	52	31	112	57	55
1.A.b.8 Charges for the use of intellectual property n.i.e.	5	56	-51	6	70	-63
1.A.b.9 Telecommunications, computer, and information services	1,102	69	1,033	1,268	65	1,203
1.A.b.10 Other business services	429	411	18	471	488	-17
1.A.b.11 Personal, cultural, and recreational services	20	26	-6	20	27	-8
1.A.b.12 Government goods and services n.i.e.	8	15	-7	11	16	-5
1.A.b.13 Others n.i.e.	45	14	31	5	79	-74
1.B Primary Income (1.B.1 to 1.B.3)	**213**	**613**	**-401**	**254**	**581**	**-327**
1.B.1 Compensation of employees	53	45	8	65	39	26
1.B.2 Investment income	142	564	-422	162	531	-369
1.B.2.1 Direct investment	72	207	-135	85	201	-115
1.B.2.2 Portfolio investment	3	150	-147	2	127	-125
1.B.2.3 Other investment	7	207	-200	10	203	-193
1.B.2.4 Reserve assets	61	–	61	64	–	64
1.B.3 Other primary income	18	4	13	27	11	16
1.C Secondary Income (1.C.1+1.C.2)	**1,061**	**66**	**994**	**1,110**	**52**	**1,058**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	1,055	54	1,001	1,104	37	1,067
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	1,015	49	966	1,069	33	1,036
1.C.1.2 Other current transfers	40	5	35	35	4	31
1.C.2 General government	6	12	-7	5	14	-9
2 Capital Account (2.1+2.2)	**3**	**6**	**-3**	**5**	**5**	–
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	1	1	-1	1	1	–
2.2 Capital transfers	2	5	-3	5	4	–
3 Financial Account (3.1 to 3.5)	**8,096**	**7,445**	**650**	**8,334**	**7,809**	**525**
3.1 Direct Investment (3.1A+3.1B)	**758**	**305**	**453**	**739**	**312**	**427**
3.1.A Direct Investment in India	663	128	535	676	143	532
3.1.A.1 Equity and investment fund shares	610	124	485	632	143	489
3.1.A.1.1 Equity other than reinvestment of earnings	466	124	342	478	143	335
3.1.A.1.2 Reinvestment of earnings	144	–	144	154	–	154
3.1.A.2 Debt instruments	53	4	50	44	–	43
3.1.A.2.1 Direct investor in direct investment enterprises	53	4	50	44	–	43
3.1.B Direct Investment by India	95	177	-82	63	169	-106
3.1.B.1 Equity and investment fund shares	95	108	-12	63	120	-57
3.1.B.1.1 Equity other than reinvestment of earnings	95	57	38	63	66	-3
3.1.B.1.2 Reinvestment of earnings	–	51	-51	–	54	-54
3.1.B.2 Debt instruments	–	70	-70	–	49	-49
3.1.B.2.1 Direct investor in direct investment enterprises	–	70	-70	–	49	-49
3.2 Portfolio Investment	**3,843**	**3,251**	**592**	**3,533**	**3,959**	**-425**
3.2.A Portfolio Investment in India	3,836	3,238	598	3,521	3,953	-432
3.2.1 Equity and investment fund shares	2,699	2,616	83	3,077	3,475	-398
3.2.2 Debt securities	1,137	622	515	445	478	-34
3.2.B Portfolio Investment by India	7	14	-7	12	5	7
3.3 Financial derivatives (other than reserves) and employee stock options	**194**	**236**	**-43**	**167**	**271**	**-104**
3.4 Other investment	**3,301**	**3,235**	**66**	**3,839**	**3,268**	**572**
3.4.1 Other equity (ADRs/GDRs)	–	–	–	6	–	6
3.4.2 Currency and deposits	1,031	777	254	1,052	777	275
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	8	–	8	–	–	–
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	1,023	777	246	1,052	777	275
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	638	899	-261	1,021	905	116
3.4.3.A Loans to India	615	892	-277	1,004	893	110
3.4.3.B Loans by India	23	7	16	17	11	6
3.4.4 Insurance, pension, and standardized guarantee schemes	4	4	–	2	1	2
3.4.5 Trade credit and advances	1,360	1,456	-96	1,515	1,495	20
3.4.6 Other accounts receivable/payable - other	267	99	169	243	90	153
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**418**	**-418**	**56**	–	**56**
3.5.1 Monetary gold	–	–	–	–	–	–
3.5.2 Special drawing rights n.a.	–	–	–	–	–	–
3.5.3 Reserve position in the IMF n.a.	–	–	–	–	–	–
3.5.4 Other reserve assets (Foreign Currency Assets)	–	418	-418	56	–	56
4 Total assets/liabilities	**8,096**	**7,445**	**650**	**8,334**	**7,809**	**525**
4.1 Equity and investment fund shares	3,609	3,102	507	3,953	4,016	-62
4.2 Debt instruments	4,220	3,827	393	4,076	3,704	372
4.3 Other financial assets and liabilities	267	517	-249	305	90	215
5 Net errors and omissions	**15**	–	**15**	**9**	–	**9**

No. 42: International Investment Position

(US$ Million)

Item	As on Financial Year /Quarter End							
	2014-15		2014		2015			
			Sep.		Jun.		Sep.	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	1	2	3	4	5	6	7	8
1 Direct Investment Abroad/in India	132,741	265,527	130,763	252,705	134,144	271,100	135,768	271,041
1.1 Equity Capital and Reinvested Earnings	91,457	254,055	91,086	241,550	92,098	258,806	92,975	258,420
1.2 Other Capital	41,283	11,472	39,678	11,155	42,046	12,293	42,794	12,622
2 Portfolio Investment	1,429	233,391	1,282	216,355	1,595	236,062	1,701	222,545
2.1 Equity	1,050	153,641	947	148,845	1,480	151,105	1,586	140,577
2.2 Debt	378	79,750	335	67,510	115	84,956	116	81,968
3 Other Investment	46,590	388,221	42,362	380,263	42,387	390,388	40,541	392,529
3.1 Trade Credit	5,495	83,692	6,996	82,508	4,485	82,180	3,522	82,589
3.2 Loan	5,664	177,018	5,142	176,122	4,432	174,890	4,273	173,220
3.3 Currency and Deposits	19,432	115,313	14,972	108,870	17,116	120,059	16,667	122,008
3.4 Other Assets/Liabilities	15,998	12,199	15,252	12,763	16,354	13,259	16,080	14,712
4 Reserves	341,639	–	313,841	–	356,001	–	350,288	–
5 Total Assets/ Liabilities	522,398	887,139	488,249	849,322	534,127	897,550	528,299	886,115
6 IIP (Assets - Liabilities)		–364,742		–361,073		–363,422		–357,816

Payment and Settlement Systems

No. 43: Payment System Indicators

System	Volume (Million)				Value (₹ Billion)			
	2014-15	2015			2014-15	2015		
		Oct.	Nov.	Dec.		Oct.	Nov.	Dec.
	1	2	3	4	5	6	7	8
1 RTGS	**92.78**	**8.34**	**7.60**	**8.03**	**929,332.89**	**80,764.99**	**68,045.93**	**89,031.27**
1.1 Customer Transactions	88.39	7.97	7.26	7.67	631,050.74	53,520.48	45,281.08	58,712.64
1.2 Interbank Transactions	4.38	0.37	0.34	0.36	122,981.62	9,845.09	8,614.95	10,211.40
1.3 Interbank Clearing	0.012	0.001	0.001	0.001	175,300.73	17,399.42	14,149.90	20,107.23
2 CCIL Operated Systems	**3.03**	**0.27**	**0.20**	**0.25**	**752,000.42**	**67,779.96**	**54,346.61**	**69,114.62**
2.1 CBLO	0.21	0.02	0.02	0.02	167,645.96	13,932.05	12,635.52	15,567.72
2.2 Govt. Securities Clearing	1.09	0.09	0.06	0.08	258,916.76	24,943.03	17,621.84	23,147.93
2.2.1 Outright	0.98	0.08	0.05	0.07	101,561.62	9,325.71	5,068.58	7,946.88
2.2.2 Repo	0.109	0.010	0.010	0.012	157,355.15	15,617.32	12,553.26	15,201.05
2.3 Forex Clearing	1.73	0.16	0.13	0.15	325,437.69	28,904.88	24,089.25	30,398.97
3 Paper Clearing	**1,196.51**	**94.78**	**81.37**	**93.75**	**85,434.14**	**7,034.90**	**6,178.45**	**6,935.57**
3.1 Cheque Truncation System (CTS)	964.86	82.97	70.81	82.07	66,769.93	5,806.75	4,988.06	6,026.51
3.2 MICR Clearing	22.43	-	-	-	1,850.40	–	–	–
3.2.1 RBI Centres	7.50	-	-	-	614.51	–	–	–
3.2.2 Other Centres	14.93	-	-	-	1,235.89	–	–	–
3.3 Non-MICR Clearing	209.82	11.81	10.56	11.67	16,939.34	1,228.15	1,190.39	909.06
4 Retail Electronic Clearing	**1,687.44**	**268.99**	**257.62**	**290.89**	**65,365.51**	**7,704.95**	**7,021.76**	**8,174.17**
4.1 ECS DR	226.01	20.27	20.05	31.57	1,739.78	160.21	157.77	153.06
4.2 ECS CR (includes NECS)	115.35	4.00	2.09	2.09	2,019.14	95.94	56.31	89.69
4.3 EFT/NEFT	927.55	114.60	99.82	111.55	59,803.83	6,906.88	6,325.87	7,518.12
4.4 Immediate Payment Service (IMPS)	78.37	19.42	19.08	20.52	581.87	137.04	137.67	142.00
4.5 National Automated Clearing House (NACH)	340.17	110.70	116.59	125.15	1,220.88	404.88	344.14	271.30
5 Cards	**8,423.99**	**872.69**	**840.98**	**885.85**	**25,415.27**	**2,563.44**	**2,509.56**	**2,564.71**
5.1 Credit Cards	619.41	69.44	66.53	69.90	1,922.63	219.08	210.27	214.69
5.1.1 Usage at ATMs	4.29	0.52	0.49	0.53	23.47	2.70	2.58	2.75
5.1.2 Usage at POS	615.12	68.92	66.04	69.37	1,899.16	216.38	207.69	211.94
5.2 Debit Cards	7,804.57	803.25	774.45	815.95	23,492.65	2,344.36	2,299.29	2,350.02
5.2.1 Usage at ATMs	6,996.48	702.82	674.88	707.87	22,279.16	2,205.24	2,151.14	2,204.23
5.2.2 Usage at POS	808.09	100.43	99.57	108.08	1,213.49	139.12	148.15	145.79
6 Prepaid Payment Instruments (PPIs)	**314.46**	**61.82**	**62.66**	**68.67**	**213.42**	**38.07**	**43.40**	**44.34**
6.1 m-Wallet	255.00	49.58	49.83	53.70	81.84	15.45	19.31	20.63
6.2 PPI Cards	58.91	12.20	12.78	14.93	105.35	20.50	21.80	21.28
6.3 Paper Vouchers	0.55	0.04	0.04	0.05	26.24	2.12	2.29	2.42
7 Mobile Banking	**171.92**	**32.48**	**40.45**	**39.49**	**1,035.30**	**305.68**	**334.71**	**490.29**
8 Cards Outstanding	**574.56**	**633.66**	**647.11**	**659.61**	–	–	–	–
8.1 Credit Card	21.11	22.88	22.48	22.75	–	–	–	–
8.2 Debit Card	553.45	610.78	624.63	636.86	–	–	–	–
9 Number of ATMs (in actuals)	**181398**	**190827**	**192208**	**193580**	–	–	–	–
10 Number of POS (in actuals)	**1126735**	**1236933**	**1270208**	**1245447**	–	–	–	–
11 Grand Total (1.1+1.2+2+3+4+5+6)	**11,718.19**	**1,306.89**	**1,250.44**	**1,347.42**	**1,682,461.11**	**148,486.89**	**123,995.81**	**155,757.44**

Explanatory Notes to the Current Statistics

Table No. 1
1.2 & 6: Annual data are averages of months.
3.5 & 3.7: Relate to ratios of increments over financial year so far.
4.1 to 4.4, 4.8, 4.12 & 5: Relate to the last day of the month/financial year.
4.5, 4.6 & 4.7: Relate to five major banks on the last Friday of the month/financial year.
4.9 to 4.11: Relate to the last auction day of the month/financial year.

Table No. 2
2.1.2: Include paid-up capital, reserve fund and Long-Term Operations Funds.
2.2.2: Include cash, fixed deposits and short-term securities/bonds, *e.g.*, issued by IIFC (UK).

Table No. 4
Maturity-wise position of outstanding forward contracts is available at http://nsdp.rbi.org.in under ''Reserves Template''.

Table No. 5
Special refinance facility to Others, i.e. to the EXIM Bank, is closed since March 31, 2013.

Table No. 6
For scheduled banks, March-end data pertain to the last reporting Friday.
2.2: Exclude balances held in IMF Account No.1, RBI employees' provident fund, pension fund, gratuity and superannuation fund.

Table Nos. 7 & 11
3.1 in Table 7 and 2.4 in Table 11: Include foreign currency denominated bonds issued by IIFC (UK).

Table No. 8
NM_2 and NM_3 do not include FCNR (B) deposits.
2.4: Consist of paid-up capital and reserves.
2.5: includes other demand and time liabilities of the banking system.

Table No. 9
Financial institutions comprise EXIM Bank, SIDBI, NABARD and NHB.
L_1 and L_2 are compiled monthly and L_3 quarterly.
Wherever data are not available, the last available data have been repeated.

Table No. 15 & 16
Data are provisional and relate to select banks which cover 95 per cent of total non-food credit extended by all scheduled commercial banks (excludes ING Vysya which has been merged with Kotak Mahindra since April 2015).
Export credit under priority sector relates to foreign banks only.
Micro & small under item 2.1 includes credit to micro & small industries in manufacturing sector.
Micro & small enterprises under item 5.2 includes credit to micro & small enterprises in manufacturing as well as services sector.
Priority Sector is as per old definition and does not conform to FIDD Circular FIDD.CO.Plan.BC.54/04.09.01/2014-15 dated April 23, 2015.

Table No. 17
2.1.1: Exclude reserve fund maintained by co-operative societies with State Co-operative Banks
2.1.2: Exclude borrowings from RBI, SBI, IDBI, NABARD, notified banks and State Governments.
4: Include borrowings from IDBI and NABARD.

Table No. 24
Primary Dealers (PDs) include banks undertaking PD business.

Table No. 30
Exclude private placement and offer for sale.
1: Exclude bonus shares.
2: Include cumulative convertible preference shares and equi-preference shares.

Table No. 32
Exclude investment in foreign currency denominated bonds issued by IIFC (UK), SDRs transferred by Government of India to RBI and foreign currency received under SAARC SWAP arrangement. Foreign currency assets in US dollar take into account appreciation/depreciation of non-US currencies (such as Euro, Sterling, Yen and Australian Dollar) held in reserves. Foreign exchange holdings are converted into rupees at rupee-US dollar RBI holding rates.

Table No. 34
1.1.1.1.2 & 1.1.1.1.1.4: Estimates.
1.1.1.2: Estimates for latest months.
'Other capital' pertains to debt transactions between parent and subsidiaries/branches of FDI enterprises.
Data may not tally with the BoP data due to lag in reporting.

Table No. 35
1.10: Include items such as subscription to journals, maintenance of investment abroad, student loan repayments and credit card payments.

Table No. 36
Increase in indices indicates appreciation of rupee and vice versa. For 6-Currency index, base year 2012-13 is a moving one, which gets updated every year. REER figures are based on Consumer Price Index (combined). Methodological details are available in December 2005 and April 2014 issues of the Bulletin.

Table No. 37
Based on applications for ECB/Foreign Currency Convertible Bonds (FCCBs) which have been allotted loan registration number during the period.

Table Nos. 38, 39, 40 & 41
Explanatory notes on these tables are available in December issue of RBI Bulletin, 2012.

Table No. 43
1.3: Pertain to multilateral net settlement batches.
3.1: Pertain to two centres - New Delhi and Chennai.
3.3: Pertain to clearing houses managed by 21 banks.
6: Available from December 2010.
7: Include IMPS transactions.

Detailed explanatory notes are available in the relevant press releases issued by RBI and other publications/releases of the Bank such as **Handbook of Statistics on the Indian Economy**.

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	India	Abroad
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18. Banking Glossary (2012)	₹80 per copy (over the counter) ₹120 per copy (inclusive of postal charges)	
19. Anuvad Ke Vividh Aayam (Hindi)	₹165 per copy (over the counter) ₹205 per copy (inclusive of postal charges)	

Notes

1. Many of the above publications are available at the RBI website (www.rbi.org.in).
2. Time Series data are available at the Database on Indian Economy (http://dbie.rbi.org.in).
3. The Reserve Bank of India History 1935-1997 (4 Volumes), Challenges to Central Banking in the Context of Financial Crisis and the Regional Economy of India: Growth and Finance are available at leading book stores in India.

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