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*Welcome Remarks**

Duvvuri Subbarao

Good evening. On behalf of the Reserve Bank of India, I have great pleasure in welcoming Prof. Maurice Obstfeld, who will shortly be delivering the L.K. Jha Memorial Lecture. Warm welcome also to Mrs. Jennifer Obstfeld. I also have pleasure in acknowledging the presence here of members of the family of late Dr. L.K. Jha - Smt. Dipika Maharaj Singh, Smt. Sharika Glover and Master Kiran Glover. Your presence here means a lot to us. Thank you very much. Of course, a warm welcome to all our distinguished invitees who have made time to be here for this lecture.

Dr. L. K. Jha

2. Dr. L. K. Jha was by far one of India's most distinguished civil servants. With a remarkable career as an economic administrator and several impressive accomplishments to his credit, he has been a role model for generations of civil servants. After graduating from the Banaras Hindu University, 'LK', as he was popularly known, went on to study at Trinity College, Cambridge where he was a student of legendary economists such as A.C. Pigou, J.M. Keynes and D.H. Robertson. He joined the Indian Civil Service in 1936. After an early career in Bihar, he was seconded to Government of India in 1942 where he served in several important positions, and ended up in the pivotal job of Secretary to Prime Minister.

3. Dr. Jha was Governor of the Reserve Bank from July 1967 to May 1970, at a time when the economy was going through one of India's most challenging phases. The country was shaken by food security concerns, and initiatives to redress this resulted in the much celebrated 'Green Revolution'. The Reserve Bank, under Governor Jha, was an influential force in shaping these initiatives. The distress suffered by the poor because of the overall scarcity situation resulted in poverty reduction becoming the overarching consideration of all policy. The Reserve Bank, under Dr. Jha's stewardship, contributed to designing and implementing many of these policies.

4. After his tenure in the Reserve Bank, Dr. Jha served as India's Ambassador to the United States and as Governor of Jammu and Kashmir. He was also a member of the widely acclaimed Brandt Commission which made a persuasive case for North-South co-operation. That some of the issues raised in the Brandt Commission are relevant even today is a testimonial to the foresight and wisdom of the Commission's members such as Dr. Jha.

5. This lecture series in his name honours Dr. Jha's outstanding service to the nation and his leadership of the Reserve Bank during a very critical period. So far, there have been 11 lectures. The last one was given by Prof. John Taylor in February 2010, two years ago, on 'Lessons from the Financial Crisis for Monetary Policy in Emerging Markets'. The lecture by Prof. Obstfeld this evening will be the 12th in the series.

The Distinguished Speaker – Prof. Maurice Obstfeld

6. It is perhaps presumptuous to introduce Prof. Maurice Obstfeld, who is a distinguished academic and internationally renowned economist. Regardless, I will indulge in the pleasure of doing so because the occasion demands it.

7. Prof. Obstfeld is currently the Class of 1958 Professor of Economics and Director of the Center for International and Development Economic Research (CIDER) at the University of California (UC) in Berkeley. He got his Doctorate from the Massachusetts Institute of Technology (MIT) in 1979 under the supervision of the legendary Professor Rudiger Dornbusch of the textbook fame. Thereafter, Prof. Obstfeld taught at Columbia, University of Pennsylvania and Harvard before moving to UC, Berkeley in 1989.

8. Publishing papers is part of plying the trade of being an academic. A few of them also write textbooks. But far fewer of them write textbooks that become standard teaching material cutting across university

* Welcome Remarks by Dr. D Subbarao, Governor, Reserve Bank of India, at the Twelfth L.K. Jha Memorial Lecture on December 13, 2011.

and national barriers. Prof. Obstfeld belongs to that select category. Many among the audience here must have learnt economics from his seminal textbook on *International Economics*, co-authored with Prof. Paul Krugman.

9. Economists have been categorised in several ways – classical and neo-classical, macro and micro, Keynesian and monetarist, free market and leftist. It is fashionable these days to categorize economists as salt water or freshwater to classify their academic persuasion which, curiously, seems to be correlated with whether their university is located inland or on the coast. Prof. Obstfeld has largely been in coastal schools, and it will be interesting to find out if his academic persuasion fits in with this saltwater – fresh water dichotomy.

10. Prof. Obstfeld's earliest research was focused on portfolio models of exchange rate and capital flows, and the effects of sterilisation policies, including foreign exchange intervention. Later, he turned to models of monetary and real international adjustment based on dynamic optimisation, an approach that has since become standard in international economics. In the mid-1980s, Prof. Obstfeld began to pursue the insight that speculative attacks on exchange rate regimes could be self-fulfilling. Subsequent developments, notably the Asian crisis of the late 1990s, validated this theory.

11. Prof. Obstfeld will be speaking today on 'Gross Financial Flows, Global Imbalances and Crises', unexceptionably a topic of great relevance in the current context.

Global Imbalances Need to be Redressed for the Sake of Global Stability

12. No crisis as complex as the one we are going through has a simple or a single cause. In popular perception, the collapse of Lehman Brothers in mid-September 2008 will remain marked as the trigger of the crisis. At one level that may well be true. Indeed, I can visualise future textbooks in finance dividing the world into 'before Lehman' and 'after Lehman'. But if we probe deeper, we will learn that at the heart of the crisis were two root causes – the build-up of global imbalances and developments in the financial markets over the last two decades. And received wisdom today is that these two root causes are interconnected, and that financial market developments were in a sense driven by the global imbalances.

13. Global macro imbalances got built up because of the large savings and current account surpluses in China and much of Asia in the wake of the Asian Crisis in the 1990s. These were mirrored by large increases in leveraged consumption and current account deficits in the US. In short, Asia produced and America consumed.

14. And why did these imbalances get built up? The answer lies in globalisation – globalisation of trade, of labour and of finance. The world witnessed a phenomenal expansion in global trade over the last three decades; global trade as a proportion of global GDP increased from 37 per cent in 1980 to 53 per cent in 2008, just before the crisis hit us.[1] Globalisation of finance was even more prolific, especially over the last decade. For the world taken together, the ratio of foreign assets and foreign liabilities to GDP rose from 133 per cent in 1994 to over 300 per cent in 2008.[2]

15. The impact of globalisation of labour was by far more striking. Emerging Asia added nearly three billion to the world's pool of labour as it integrated with the rest of the world over the last two decades, thus, hugely improving its comparative advantage. Together, the three dimensions of globalization – trade, finance and labour – helped emerging Asia multiply by a factor its exports to the advanced economies. The result was large and persistent current account surpluses in the Asian economies and corresponding current account deficits in the importing advanced economies. These global imbalances combined with developments in the financial sector helped to brew the crisis to its explosive dimensions.

16. So, where do we go from here? The G-20 is now actively engaged in the challenging task of redressing structural imbalances in the global economy. At their Pittsburgh Summit in September 2009, the G-20 leaders

[1] Calculations based on IMF Direction of Trade Statistics, June 2010.

[2] Calculations based on IMF Balance of Payments Year Book, 2010.

agreed on a 'Framework for Strong, Sustainable and Balanced Growth' and committed to a 'Mutual Assessment Process' (MAP) which is a peer review of each country's progress towards meeting the shared objectives underlying the framework. Recognising that global imbalances, which had narrowed during the crisis, started widening again in the exit phase, the G-20 resolved that promoting external sustainability should be the focus of the next stage of the MAP and entrusted this task to a Framework Working Group (FWG).

17. India is privileged in co-chairing, together with Canada, the Framework Working Group for managing the task of developing the indicative guidelines for assessing and addressing persistent global imbalances. The success of this initiative is critical for redressing the problem of global imbalances.

18. In moving forward on finding a sustainable solution to global imbalances, we will be guided, individually at the country level and collectively at the G-20 level, by insights from academic research. It is in this context that work of insightful economists like Prof. Obstfeld will be important. Ladies and gentlemen, please join me in welcoming Prof. Maurice Obstfeld to deliver the 12th L.K. Jha Memorial Lecture.

*Gross Financial Flows, Global Imbalances, and Crises**

Maurice Obstfeld

1. Introduction

I am much honored to stand here at the Reserve Bank of India as the twelfth L. K. Jha Memorial Lecturer. Shri Lakshmi Kant Jha was a diplomat, administrator, counselor to government, and central bank governor, among other notable achievements. His writing spanned the most important economic and social issues of the day, as debated both within India and throughout the broader world. My eleven predecessors at this podium form an exceptional group of economic thinkers: leaders in academia, in the policy world, and in most cases, in both. It will be very hard for me to live up to the high standard of insight and relevance that they have set. My task of engaging your interest is made easier, however, by the fascinating yet frightening tableau that the global economy continues to present after four years of lost income, wealth, and jobs. We would all be better off if the supply of interesting current topics were less copious!

Alas, global boom and bust have alternated historically, and failure to draw the right lessons from previous crises seems inevitably to contribute to the next. We have been here before. One such time was in the early 1980s, when L. K. Jha, as a member of the Brandt Commission, contributed to that group's somewhat lesser known second report of 1983, entitled 'Common Crisis' and subtitled 'North-South: Cooperation for World Recovery'. The document is remarkable in identifying numerous economic and financial problems that are still relevant today. For example, the authors wonder if the inter-bank market could transmit liquidity or solvency problems contagiously; they worry about the oversight of bank lending to indebted sovereigns; and, while concerned about moral hazard, they bemoan both the inadequate resources of the International Monetary Fund and the absence of formal lender-of-last resort arrangements covering the foreign operation of national banks. Sound familiar?

In an attempt to distil some useful lessons from our current prolonged crisis, I will focus tonight on one particular topic area: the progress of financial globalisation. International economic integration puts a country's fortunes partly into the hands of others. When integration takes the form of *financial* interdependence, the potential domestic impact of external events is magnified many times over. The global economic crisis of 2007-09 and the European sovereign debt crisis that followed have unleashed market forces that even policymakers in the mature economies were ill prepared to counteract. Despite a quarter century of explosive development in international financial markets, problems that worried the Brandt commissioners remained largely unresolved. The existing informational and institutional infrastructure for global policymaking still remains woefully inadequate to the challenge of financial globalisation.

Even before the global financial crisis, *net* financial flows between countries, in the form of current account deficits and surpluses, were a focus of policy concern and disagreement. While the general scale and persistence of current account imbalances certainly has increased over the past two decades, even more striking – and potentially more threatening to financial and economic stability – is the rapid expansion of *gross* international asset and liability positions. Net international asset positions certainly remain relevant for several purposes, as I will maintain in this lecture, but it is the gross positions that better reflect the impact on national balance sheets of various economic shocks, including counterparty failure. After all, a Portuguese external debtor cannot automatically mobilise the assets of a separate Portuguese external creditor to pay

* Address by Prof. Maurice Obstfeld, University of California, Berkeley, National Bureau of Economic Research, and Centre for Economic Policy Research at the Twelfth L.K. Jha Memorial Lecture on December 13, 2011.

off his or her debts. This fact makes it even more unsettling that Portugal's *net* external liability amounts to well over a year's GDP. The sheer increase in the volume of gross international positions could in theory represent an improving global allocation of income risks, but recent experience shows that these positions also can lead to the transmission of economic shocks between countries, with strong amplification of their effects.

This evening I will document the proliferation of gross international asset and liability positions and discuss some of the consequences for individual countries' external adjustment processes and for global financial stability. In light of the rapid growth of gross global financial flows and the risks associated with them, one might wonder about the continuing relevance of the net financial flow measured by the current account balance. I argue that global current account imbalances remain an essential target for policy scrutiny, for financial as well as macroeconomic reasons. Nonetheless, it is critically important for policymakers to monitor as well the rapidly evolving structure of global gross assets and liabilities. In passing, I will pay special attention to India's external balance sheet and contrast it with those typical of some of the major industrial countries.

2. The Growth of Pure Asset-for-Asset International Trade

In theory, countries exchange assets with different risk profiles to smooth consumption fluctuations across future random states of nature. This *intratemporal* trade, an exchange of consumption across different states of nature that occur on the same date, may be contrasted with *intert-emporal* trade, in which consumption on one date is traded for an asset entitling the buyer to consumption on a future date. Cross-border purchases of assets with other assets are intratemporal trades, purchases of goods or services with assets are intertemporal trades.

A country's inter-temporal budget constraint limits the present value of its (state-contingent) expenditure (on consumption and investment) to the present value of its (state-contingent) output *plus* the market value of its net financial claims on the outside world (the net international investment position or NIIP. Thus, a country's ultimate consumption possibilities depend not only on the NIIP, but on the prices a country faces in world markets and its (stochastic) output and investment levels.

Ideally, if a country has maximally hedged its idiosyncratic risk in world asset markets, its NIIP will respond to shocks (including shocks to current and future world prices) in ways that cushion domestic consumption possibilities. Furthermore, if markets are complete in the sense of Arrow and Debreu, asset trades between individuals will indeed represent Pareto improvements in resource allocation, so that it makes sense to speak of countries as if they consisted of representative individuals. But this type of world – a world without crises – is not the world we inhabit In the real world, financial trades that one agent makes, viewing them as personally advantageous, can work to the detriment of others. The implication is that the sheer volume of financial trade can be positively correlated with financial instability risks.

It is in the realm of intratemporal asset trade that international trading volume has expanded most in recent years. Explosive growth has occurred for several economies, especially smaller economies that are also financial hubs. Chart 1 illustrates this evolution for a sample of countries, showing updates to 2010 of the

Chart 1: Average of Gross Foreign Assets and Liabilities as a Ratio to GDP: Selected Countries

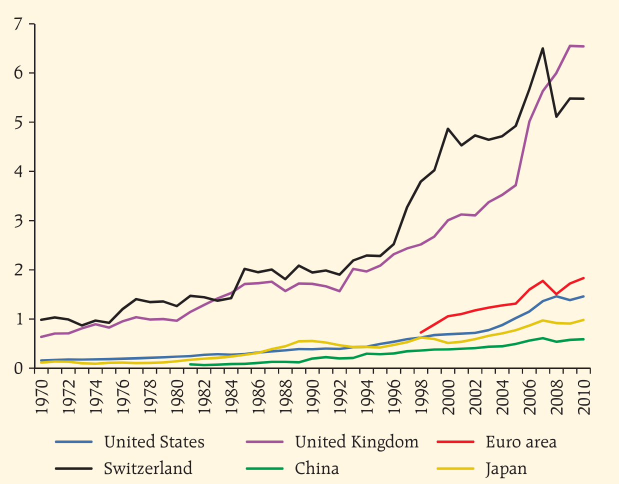
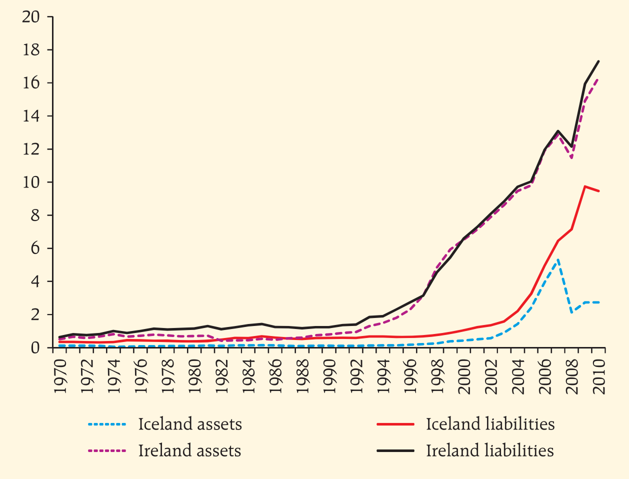


Chart 2: Gross Foreign Assets and Liabilities as a Ratio to GDP: Iceland and Ireland

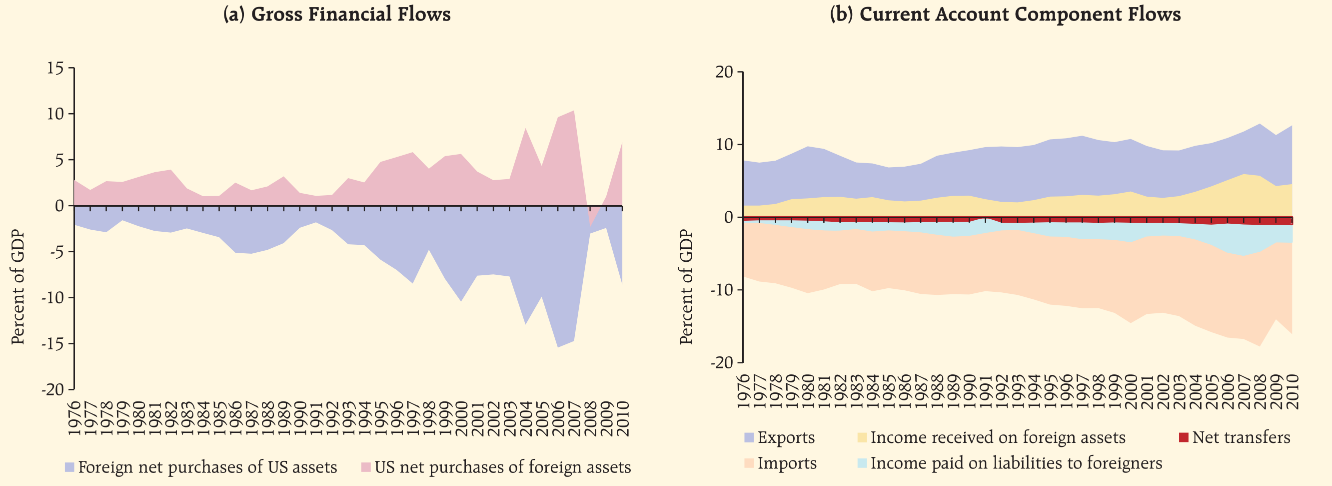


Lane and Milesi-Ferretti data.[1] Despite some retrenchment as a result of the global crisis, gross assets continue to expand. For smaller countries such as Ireland, the numbers can be even more impressive, as Chart 2 (which also tracks Iceland and shows gross assets and liabilities as ratios to GDP separately) indicates.

While the gross asset and liability numbers for the United States are less exorbitant than those for smaller financially open economies, a look at the changing role of gross asset flows in the US balance of payments is suggestive of the growing importance of international asset trade relative to trade in goods and services. The two panels of Chart 3 show the gross flows underlying the US current account balance from alternative transactional perspectives. The upper panel shows net US residents' purchases of foreign assets (with a positive sign, as per the IMF's sixth balance of payments manual). It also shows foreign residents' net purchases of US assets (with a negative sign). The algebraic sum of the two series in panel (a) the net increase in US foreign assets less the net increase in US foreign liabilities, would equal the current account balance absent errors and omissions in balance of payments data. (The US current account deficit peaked at about 6 percent of GDP in 2006.) The lower panel of chart 3 shows US exports and imports, together with investment income flows and net transfers. The algebraic sum of the five series shown equals the current account balance.

In the mid-1970s, gross financial flows were considerably smaller than trade flows, but the former have grown over time and on average now are of comparable magnitude to trade flows. Of course, international flows of investment income have grown

Chart 3: United States Gross Balance of Payments Flows as a Per cent of GDP



Source: U.S. Department of Commerce, Bureau of Economic Analysis

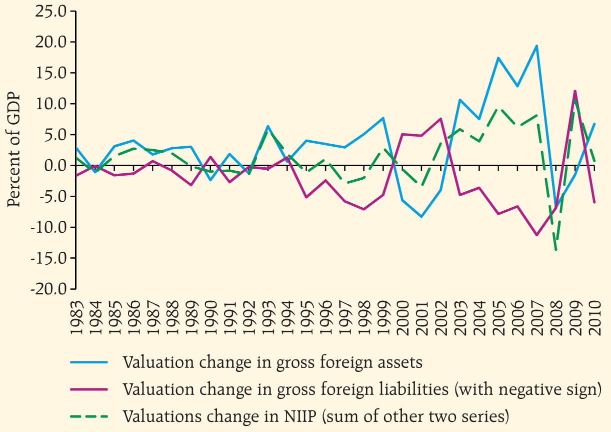
[1] I am grateful to Philip Lane and Gian Maria Milesi-Ferretti for providing these data. The original reference is Philip R. Lane and Gian Maria Milesi-Ferretti (2006), 'The external wealth of nations, mark II: Revised and extended estimates of foreign assets and liabilities, 1970-2004,' *Journal of International Economics* 73, 223-250.

over time as well as gross foreign asset and liability positions have grown.

Neither panel of Chart 3 captures the *total* change in the US NIIP. The total change in the NIIP depends on the flows of net international lending, of course, but also on *net capital gains* on gross foreign assets and liabilities, as emphasized by a number of economists.[2] The overall change in US gross foreign assets over a period equals net purchases by US residents plus any capital gains on the prior stock of gross foreign assets. The overall change in US net foreign liabilities equals net sales of assets to foreign residents plus any capital gains foreigners enjoy on their gross holdings of assets located in the US. The overall change in the NIIP thus incorporates these capital gains, since it equals the overall change in US external assets less liabilities.

Chart 4 shows the non-flow changes on US foreign assets and liabilities, with *increases* in liabilities represented as negative numbers. The amplitude of these changes has grown in tandem with volumes of gross flows, reaching levels that represent very large fractions of US GDP. Chart 3 and 4 together show that in 2008, gross capital flows in and out of the US collapsed – a two-way sudden stop – in concert with a huge valuation loss on the US NIIP. Simultaneously, the

Chart 4: Non-flow Changes of US Foreign Assets, Liabilities, and NIIP, as a percent of GDP



Source: US Department of Commerce, Bureau of Economic Analysis

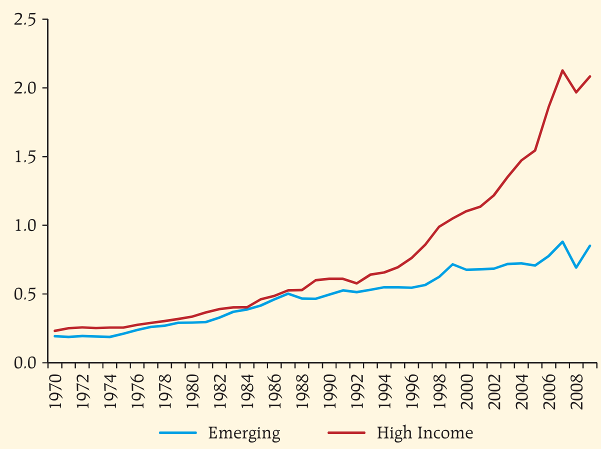
country's external assets fell and its liabilities rose in value. The 2008 NIIP valuation loss equaled 13.7 percent of GDP, mostly reversed in 2009 with a valuation gain of 10.6 percent of GDP.[3]

These changes far overshadow the effect on the NIIP of the US current account deficit, which fell to 4.7 per cent of GDP in 2008 and to 2.7 percent in 2009. For smaller financially open economies, especially those like the United Kingdom with independent currencies, the valuation effects can be far larger.

3. Balance Sheet Vulnerabilities

So far, emerging-market economies have not yet amassed stocks of gross external assets and liabilities comparable to those of the richer countries. Chart 5 provides a head-to-head comparison of these two country groups' average asset external exposures (calculated with relative GDP weights). Today, emerging markets are in quantitative terms roughly where the industrial countries were at the time of the Asian crisis

Chart 5: Average of Gross Foreign Assets and Liabilities as a Ratio to GDP: Emerging and High Income Economies, GDP-weighted Averages



[2] For some references to the literature see my paper 'External Adjustment,' *Review of World Economics*, 140 (2004), 541-568.

[3] In chart 5, foreign direct investment (FDI) is reckoned at market value. While I refer to these non-flow changes as 'valuation' changes one must be cautious, because to a very substantial degree they may also reflect periodic revisions in the gross asset and liability data due to enhanced coverage. See Stephanie E. Curcuru, Tomas Dvorak, and Francis E. Warnock (2008), 'Cross-border returns differentials,' *Quarterly Journal of Economics* 123, 1495-1530; and Philip R. Lane and Gian Maria Milesi-Ferretti (2009), 'Where did all the borrowing go? A forensic analysis of the US external position,' *Journal of the Japanese and International Economies* 23, 177-199.

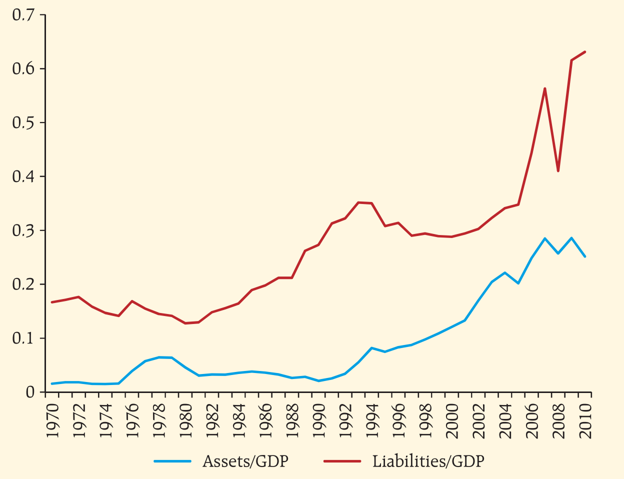
in the late 1990s. Although emerging-market external positions have risen quite a bit since then, the gap between the two groups has also widened markedly.

Once a certain level of financial integration has been reached, gross position buildups such as those evident for the industrial countries in Chart 5 are likely to imply a proliferation of counterparty obligations that may be defaulted and thus carry the risk of contagious financial instability through chains of leverage – just the sort of phenomenon that led to widespread government financial interventions in the rich economies in 2008-09. In contrast, a country's portfolio equity or FDI liabilities can fall quickly through the price mechanism without creating defaults. But there is only so much domestic capital for foreigners to hold, so beyond a point, increasing gross asset positions imply increasing associated default possibilities, with adverse implications for financial stability.

Emerging markets economies such as India remain far from the external leverage levels of the industrial world, and as Prasad (2011) documents, the recent trend has been for equity liabilities (portfolio equity and FDI) to grow as fractions of overall gross external liabilities.[4] This development cushions shocks in two ways: there is no automatic increase in the real value of foreign liabilities when the home currency appreciates, and there is no question of debt non-repayment or counterparty risk, since payments on equity, even though state contingent, are not contractually specified. Thus, when the economy turns down, the value of externally-held equity claims automatically declines.

The prevalence of equity liabilities is quite marked in India, where government policies and financial market reforms after 1991 heavily favored inward equity investments, but discouraged borrowing via bank deposits or bond issuance.[5] Chart 6 shows the overall gross foreign assets and liabilities of India, which grow at a much accelerated rate after the liberalisation measures initiated in 1991, but in 2010 still falls short of the levels that advanced economies display. Chart 7 gives a breakdown of assets and liabilities, again based on the Lane and Milesi-Ferretti data, into equity and nonequity components. External liabilities are heavily weighted toward equity, as noted above, whereas external assets are heavily weighted toward debt-like assets (in no small measure consisting of non-gold official reserves). In the crisis year 2008, the values of externally-held Indian equities collapse, improving the NIIP sharply, but they recover in 2009-2010. These asset-price developments provide some natural insurance against economic shocks rather than provoking an external debt crisis.

Chart 6: Gross Foreign Assets and Liabilities as a Ratio to GDP: India



Even though gross foreign assets and liabilities remain rather moderate relative to India's GDP, the high equity component in liabilities is a good part of the reason that the correlation of the current account with the change in the NIIP is 0.93 over the first half of the 1971-2010 sample but only 0.24 over the second half.

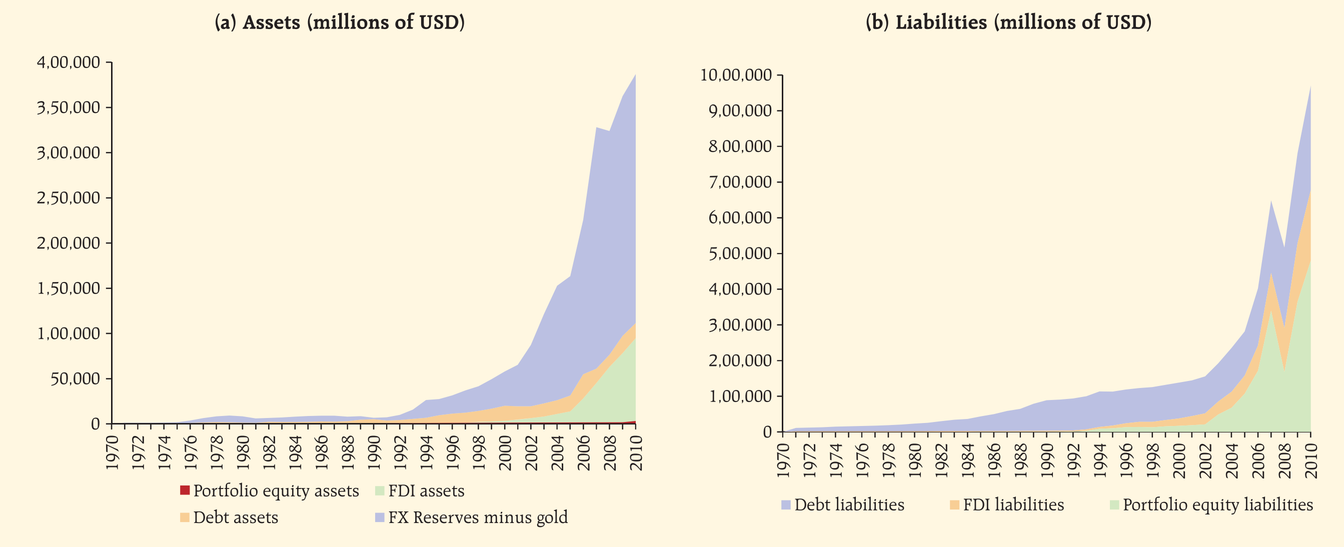
4. Does the Current Account Matter Any More?

One could make two arguments that the current account has become irrelevant in today's world. Paradoxically, however, the two arguments rest on directly opposite visions of the way the world works. I

[4] See Eswar S. Prasad (2011), 'Role reversal in international finance,' paper presented at the *Federal Reserve Bank of Kansas City Jackson Hole Symposium*, August.

[5] For a recent survey see Ajay Shah and Ila Patnaik (2011), 'India's financial globalisation,' *International Monetary Fund Working Paper*, WP/11A7 (January).

Chart 7: Components of India's Gross Foreign Assets and Liabilities



will argue against both of them, although one is much closer to the mark than the other.

The first argument takes the high volume of asset-swapping as proof that countries have extensively diversified their idiosyncratic risks in sophisticated, well-functioning markets for contingent securities. In this world of virtually complete Arrow-Debreu asset markets, countries pool their risks to the maximum feasible extent. In the extreme case of a pure endowment economy, idiosyncratic income movements are offset completely by net insurance payments from abroad, so the current account balance is always nil. With investment, the current account's role is to allow investors to maintain globally diversified portfolios of equity claims through purchases of newly issued shares in the profits of capital. Under complete markets, global imbalances are generally small.[6]

But the sheer volume of asset swapping, particularly among the advanced industrial economies, is far greater than what simple risk-sharing models based on equity trade would imply. Moreover, the complete-markets account of international asset trade is not supported either by statistical or anecdotal evidence, chief among the latter category being the long history of global financial crises. Most of the advanced-country assets shown in Chart 5 are debt-like assets such as bank deposits and government or corporate bonds, all of which potentially carry default or counterparty risk, and thus have potentially strong implications for global financial stability. This leads to the second argument that the current account is irrelevant (or at least nearly so). This argument is based on the view that imperfections in risk sharing can reinforce each other so as to magnify *systematic* risks, which themselves are endogenous to the financial system. The argument maintains that the stability impact of current account balances *per se* is small compared to that of the *gross* asset flows that ultimately finance international financial transactions. Borio and Disyatat (2011) give an insightful summary of this second perspective.[7]

It is certainly correct that gross foreign asset and liability positions offer the best picture of potential stability risks, and that hazardous gross positions can

[6] A related perspective is the infamous Lawson Doctrine, first enunciated in 1988, which holds that if the government is not in deficit, any current account deficit, being the outcome of optimal private-sector decisions, is of no policy concern. Among many other problems, the Lawson Doctrine misses the point that private sector decisions may impact the government's budget in bailout scenarios – the boundary between private and public is fluid – and the expectation of bailouts drives a wedge between private and social optimality.

[7] See Claudio Borio and Piti Disyatat (2011), 'Global imbalances and the financial crisis: Link or no link?' *BIS Working Papers No. 346*, Bank for International Settlements (May).

build up even in the absence of any *net* international capital flows. Acharya and Schnabl (2010) offer a superb detailed example of the negative forces generating large gross positions, based on the proliferation of bank-sponsored asset-backed commercial paper (ABCP) conduits that helped kick off the global crisis in August 2007.[8]

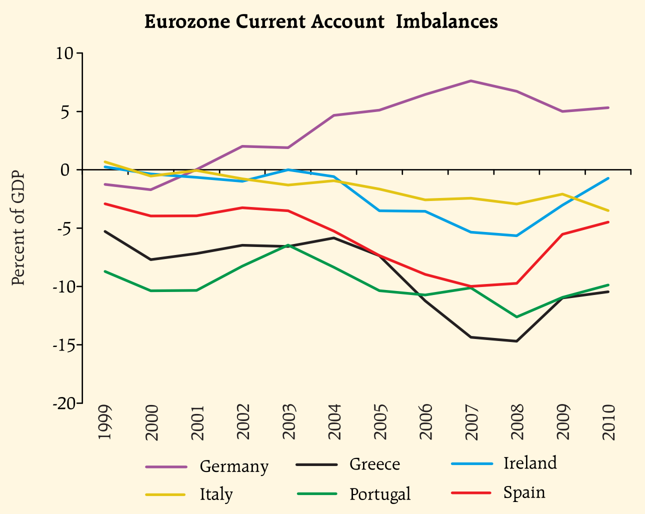
Banks set up these conduits to hold AAA-rated asset-backed securities backed by mortgages, corporate loans, credit card receivables, and other long-term debts. They financed these holdings by selling short-term ABCP, predominantly to US money-market funds. As Acharya and Schnabl document, in many countries these conduits were effectively guaranteed by the sponsoring banks, yet the conditional nature of the guarantee allowed the banks to reduce or avoid altogether the regulatory capital held against the conduit's assets. In some cases – the case of Germany's *Landesbanken* is notorious – implicit or explicit government guarantees reassured the ABCP holders that their holdings were fully safe, despite the conditional nature of the sponsors' guarantees. In contrast to theories viewing international financial flows in the 2000s as being determined by emerging markets' thirst for safe assets, banks outside the US were issuing plenty of 'safe' assets while investing the proceeds in less liquid and less safe assets located primarily in the US but also in the United Kingdom, Spain, and even some current account surplus countries such as the Netherlands. Banks in current account surplus and deficit countries alike sponsored ABCP conduits.

When a Landesbank-sponsored conduit finances a purchase of US assets by issuing ABCP to a US money market fund, US gross foreign assets and liabilities, and German gross foreign assets and liabilities, both rise by the amount of the transaction. No net financial flow takes place. The trade is privately profitable, but the profits come from socially costly sources: higher systemic financial instability due to the avoidance of capital requirements, and the resulting enhanced probability of government bailout. In short, the trade is driven, not by initial economic inefficiency, but by regulatory arbitrage and moral hazard. These social risks were realised in August 2007 when the AAA-rated assets held by the conduits became toxic and the conduits found themselves suddenly unable to roll over their short-term credits.[9]

Such financing patterns undeniably determined the impact and propagation of the global financial crisis. Does it follow, however, that because banks in surplus and deficit countries alike got into trouble, the prior pattern of global imbalances was unrelated to the crisis? That strikes me as similar to arguing that because German banks got into trouble and Germany had no housing boom, house-price bubbles were likewise unrelated in the crisis.

This is not to claim that global imbalances (an endogenous phenomenon) in some sense *caused* the global crisis – no more than that the imbalances within the euro zone (see Chart 8) are the *cause* of the current sovereign debt crisis. Nor can one maintain that the impact and spread of the crisis would have been anywhere near as severe had widespread gaps in financial supervision and regulation not encouraged

Chart 8: Eurozone Current Account Imbalances



Source: IMF, World Economic Outlook database, April 2011

[8] Viral V. Acharya and Philipp Schnabl (2010), 'Do Global Banks Spread Global Imbalances? Asset-backed commercial paper during the financial crisis of 2007-09,' *IMF Economic Review*, 37-73.

[9] Alongside regulatory arbitrage and moral hazard, tax arbitrage is a major motivation for the proliferation of gross external asset positions. For example, money sent abroad may be able to re-enter a country in the form of tax-favoured FDI.

the proliferation of gross positions such as the ones Acharya and Schnabl describe. As Borio and Disyatat argue, intuition based on a two-country or two-region paradigm can be very misleading in assessing the risks posed by the multilateral pattern of gross financial flows in a many-country world; and position data based on residence rather than nationality may mask the ultimate natures and repositories of the risks. The net inflow of capital from emerging to advanced economies is quantitatively far less than the amount of domestic credit those economies generated in the run up to the global crisis.[10]

Nonetheless, I would maintain (as Kenneth Rogoff and I did in our San Francisco Fed paper in 2010) that large and persistent current account imbalances can be an indicator of trouble ahead, as they were in the 2000s, and therefore deserve close monitoring by policymakers.[11] Low interest rates due to global saving and investment patterns, along with accommodative monetary policy responses and other government policies, promoted credit and housing booms that themselves led to a further widening of the global imbalances. Financial competition, innovation, and arbitrage, proliferating within a lax regulatory environment, built a financially fragile superstructure of gross liabilities and claims on the back of those unsustainable booms. The big US external deficit was a symptom of underlying destabilising forces, and indeed enabled those forces to play out over an extended period.

What is the general relationship between current account deficits and credit booms? There is now considerable evidence linking booms in credit availability to a heightened probability of future financial crisis.[12] But as Hume and Sentance point out, several large emerging markets have experienced credit booms without net capital inflows. Japan's epic boom-bust cycle starting in the late 1980s occurred despite a current account surplus (although the surplus declined during the bubble period).

Despite such counterexamples, there is some evidence (stronger for developing countries) that net inflows of private capital may help generate credit booms and, in the presence of potentially fragile financial systems, raise the probability of a crash. For example, Ostry et al. (2011, p. 21) study panel data for an emerging-market sample over 1995-2008, and they conclude, "one-half of credit booms are associated with a capital inflow surge, and of those that ended in a crisis, about 60 percent are associated with an inflow surge."[13]

Studies such as this do not *directly* address the link between credit booms and the current account because the net inflow of private capital and the current account deficit need not coincide: even a country with a current account surplus may experience a net inflow of private capital if it is accumulating a sufficient volume of foreign exchange reserves. Jorda, Schularick, and Taylor (2011, p. 372) examine the question more directly, utilizing fourteen decades of data for a sample of advanced countries, and conclude that "The current account deteriorates in the run-up to normal crises, but the evidence is inconclusive in global crises, possibly because both surplus and deficit countries get embroiled in the crisis." Reinhart and Reinhart (2009) find evidence that current account deficits help predict crises in developing countries.[14] The general question merits further research.

In the meantime, I believe that large and persistent current account deficits, while sometimes benign and sustainable, warrant careful scrutiny with no presumption of innocence. External deficits may not

[10] As noted by Michael Hume and Andrew Sentance (2009), 'The Global Credit Boom: Challenges for Macroeconomics and Policy,' *Journal of International Money and Finance* 28, 1426-1461.

[11] See Maurice Obstfeld and Kenneth Rogoff (2010), 'Global imbalances and the financial crisis: Products of common causes,' in Reuven Glick and Mark M. Spiegel, editors, *Asia and the Global Financial Crisis* (San Francisco: Federal Reserve Bank of San Francisco).

[12] For a partial list of references, see Pierre-Olivier Gourinchas and Maurice Obstfeld (2012), 'Stories of the twentieth century for the twenty-first,' *American Economic Journal: Macroeconomics* 4 (January), forthcoming.

[13] See Jonathan D. Ostry *et al.* (2011), 'Managing Capital Inflows: What Tools to Use?' *IMF Staff Discussion Note* (April).

[14] Oscar Jorda, Moritz Schularick, and Alan M. Taylor, 'Financial Crises, Credit Booms, and External Imbalances: 140 years of lessons,' *IMF Economic Review* 59 (2011), 340-378; and Carmen M. Reinhart and Vincent R. Reinhart (2009), 'Capital flow bonanzas: An Encompassing View of the Past and Present,' in Jeffrey Frankel and Christopher Pissarides, Editors, *International Seminar on Macroeconomics 2008* (Chicago: University of Chicago Press).

be the true source of a problem – nor is the problem necessarily addressed most effectively by seeking directly to reduce the external deficit – but it is nonetheless prudent to be suspicious. Looking at the current predicament of the eurozone, it is easy to argue (unfortunately, with hindsight), that the years after 1999 were symptomatic of unsustainable trends – Greece's government deficit, housing and construction booms in Spain and Ireland, and excessive private borrowing in Portugal, with finance provided in large measure by European banks (including banks in surplus countries) that now find themselves in trouble (again, see Chart 8). Sometimes we must simply ask whether a country is in a position to fully service its net external debts, even when they are reckoned on a consolidated national basis. This is a necessary condition, if not a sufficient one, for crisis-free foreign borrowing. If the answer is negative, a further question arises: Who is likely to be dragged into the eventual crisis as a result of their gross asset and liability positions *vis-a-vis* the country in question (or as a result of their secondary exposures to those who hold the primary exposures, and so on).

In assessing the sustainability of current account deficits, we cannot take too much comfort from the seeming decoupling between cumulated current account imbalances and the NIIP, which was illustrated for the US in Chart 5. For one thing, the current account is the more predictable component of the NIIP change. Only for the US is there any indication that net exports might help predict subsequent NIIP valuation changes.[15] It would be rash in general to count on such windfalls as the *deus ex machina* that will maintain solvency with respect to foreign creditors.

Indeed, it is hard to think of a plausible model in which the direction of the current account does not predict the direction of the NIIP, at least over a medium-term horizon. There should be no expectation of borrowing indefinitely at a negative rate of interest. It is true that the US borrowed abroad consistently during 2002-2007 without a consistent rise in its NIIP, as valuation gains on the NIIP offset the negative effect of growing current account deficits (Chart 4). This pattern, which may have ended with the collapse of 2008, is reminiscent of self-reinforcing dynamics during credit boom episodes. In credit booms, asset values rise, improving balance sheets and facilitating further expansion of credit. As a result, subsequent collapses are all the more traumatic. (The carry trade involves similar dynamics.) A capital inflow episode likewise may strengthen financial sector assets and even the NIIP in the receiving country in a way that pushes domestic borrowing beyond the point of true sustainability. This often sets the stage for a disorderly collapse later on. In diagnosing such situations, it is essential to keep the underlying credit flows in clear view.

A purely macroeconomic perspective also argues for the continuing importance of the current account as a component of aggregate demand. The emergence of a current account surplus in one region may depress aggregate demand globally, affecting global financial markets and eliciting policy responses in trade partners. Large global imbalances may also encourage protectionism.[16]

5. Conclusion

For several reasons, the current account still matters. Recent experience shows, however, that gross international asset and liability positions furnish the key conduit through which financial meltdown is transmitted and amplified. A given current account imbalance can be financed in many different ways, by a multiplicity of different partners in asset trade, including partners whose own current accounts are in balance. But national divergences between saving and investment not only remain key macro variables, they

[15] See Pierre-Olivier Gourinchas and Helene Rey (2007), 'International Financial Adjustment,' *Journal of Political Economy 115* (August), 665-703.

[16] Blanchard and Milesi-Ferretti (2011), offer a broad discussion of possible reasons to reduce or avoid large global imbalances. See Olivier Blanchard and Gian Maria Milesi-Ferretti, '(Why) should current account imbalances be reduced?' IMF Staff Discussion Note (March). One general question in interpreting actual current account data is its reliance on residency versus nationality. Does it matter that some of a nation's exports are produced by foreign-owned but domestically operating firms? Probably not. If the foreign-owned firm were considered to be located abroad, but still employed the home country's labor in production, the home current account, properly calculated to include the export of labor services, would not change. Of course, the preceding accounting change would affect the balance of trade. On residence versus nationality in financial data, see Borio and Disyatat.

may well reflect financial developments with direct systemic implications.

The evolving world of financial globalisation can be a dangerous place. Unfortunately, policymakers still lack an adequate institutional infrastructure for assembling consolidated global information on financial activity, for regulating against macro risks, for providing liquidity support, and for resolving insolvent global financial institutions and governments.

If policymakers are not to remain in over their heads, institutions – at the global level, and not just the eurozone level – will require wide-ranging extension, based on greater co-operation, including fiscal co-operation, on the part of the international community. It bears repeating that a key aim of such institution building must be to improve the informational basis on which co-operative international policy decisions are made.

SPEECHES

*Challenges to the Accounting Profession: Some Reflections**

Duvvuri Subbarao

Thank you for inviting me to speak at this conference of the Western India Regional Council of the Institute of Chartered Accountants of India (ICAI).

2. When I got invited to speak at this conference, at first I was a bit surprised. I wondered why you might be wasting valuable conference time listening to the Reserve Bank when there is not much in common between the Reserve Bank and the accounting profession, except possibly the fact that we both lose sleep when numbers go wrong. I then spoke to my staff and realised how wrong I was. We share considerable professional space and have several mutual concerns. I will address some of those shared concerns.

3. Before doing so though, I must acknowledge another link between the Reserve Bank and the accounting profession through Shri Y. H. Malegam, who has been a Director on the Central Board of the Reserve Bank almost continuously since 1994 except for a brief interlude of a few days. Shri Malegam is, by wide acknowledgement, one of the foremost Chartered Accountants in India who has set very exacting standards of professional competence, and more importantly, of professional conduct. The Reserve Bank has benefited enormously from his vast knowledge of accounting, his understanding of the financial sector and his judgement of the larger public interest. As a profession, you can all be proud of colleagues like Shri Malegam who enhance public respect for the accounting profession.

The Accounting Profession

4. The development of the accounting profession owes its origin to the emergence of the joint stock company and the consequent separation of ownership from management. This arrangement triggered the need for an independent and informed opinion on the accounting of the owners' funds entrusted to the management for their stewardship. The *'raison d'etre'* of the profession is consequently based on the confidence which the profession enjoys with the investing public, and its continued relevance is essentially tied up with retaining this confidence. While initially the profession provided this confidence only to the shareholders of joint stock companies, today it provides this assurance to a wider base of stakeholders including the government, the banking system, regulators and society itself.

5. At the Reserve Bank, we depend on the accounting profession for at least two reasons. You audit the Reserve Bank's balance sheet of course, and you also audit the balance sheets of commercial banks which we regulate and supervise.

Reserve Bank's Balance Sheets

6. Let me make a brief comment here on the Reserve Bank's balance sheet. The balance sheet of the Reserve Bank is different from that of commercial organisations in some important respects. Uniquely, the Reserve Bank is statutorily mandated to have two balance sheets – one for the Issue Department and the other for the Banking Department. The Issue Department handles the task of issue, exchange and withdrawal of currency notes. The Banking Department maintains the deposit accounts of banks and of governments. The rationale for building a firewall around the balance sheet of the Issue Department is to maintain the integrity of the asset backing for the currency that we issue. The firewall ensures that the explicit promise that every currency note carries, which is to pay the bearer the sum mentioned therein, is honoured in the full accounting sense. Our other balance sheet, that of the Banking Department, reflects the transactions we perform in our role as banker to banks and to the Central and state governments.

* Inaugural address by Dr. Duvvuri Subbarao, Governor, Reserve Bank of India at the 26th Regional Conference of the Western India Regional Council of the Institute of Chartered Accounts of India in Mumbai, December 16, 2011.

7. In the Reserve Bank, we are deeply conscious of our responsibility for maintaining the integrity of our balance sheets. The Reserve Bank's balance sheets are analysed by a wide array of stakeholders to study the underlying monetary and macroeconomic trends so as to make informed decisions. We have an obligation, therefore, to maintain the highest standards of clarity, transparency and disclosure, and we try our best to meet this obligation.

RBI and the Accounting Profession

8. While the financial statements of the Reserve Bank are subject to audit by your profession, as the regulator and supervisor of the banking system, the Reserve Bank is a major stakeholder in commercial banks whose financial statements are audited by you. In our view, auditors are the 'eyes and ears' of the Reserve Bank, and we trust them to alert us to early warning signals to assist us in our supervisory process. We also encourage auditors to discuss any regulatory issues with the Reserve Bank before finalising the accounts. Further, during the process of 'Annual Financial Inspection' of banks, the inspection team interacts with the auditors to discuss issues of regulatory concern.

Challenges for the Accounting Profession

9. As several stakeholders depend upon the accounting profession, the profession too has to recognise that it has to continue to inspire the trust and confidence of the stakeholders if it has to remain relevant and value adding. In recent years, several challenges have emerged, both at domestic and global levels which, if not effectively addressed, could erode that confidence. Let me address what, in my view, are some of the key challenges.

Competence

10. First, the challenge of competence. With the growing complexity of the financial sector and the emergence of new and sophisticated financial instruments, the knowledge base of the profession needs to keep pace with these emerging practices and innovations. This requires, not just a continual review of its curriculum, but more importantly, an active, well-diversified and constantly updated programme of continuing professional education for its members. Continuing professional education cannot be a mere 'tick in the box' or determined by participation in number of hours of education or training, but should be evaluated by way of outcomes – upgradation of relevant knowledge and skill sets.

11. Towards improving the skill set of the accounting profession, with particular reference to auditing banks, the Reserve Bank has taken some initiatives. We have established a practice of an annual Statutory Auditors' Conference to apprise the statutory auditors of banks on the critical issues in the area of banking regulation and supervision. The conference also provides a forum for auditors to give us their feedback on current concerns and to suggest any changes to our supervisory and regulatory policies. We have found this to be an effective forum for mutual exchange of views, and I hope you likewise have found it to be value adding. I am open to suggestions on improving this engagement.

12. I am also happy to note in this context that as a result of your Institute's initiative, India is embarking on convergence with international financial reporting standards (IFRS), which would then result in our financial accounting and reporting getting to be world class. As you are no doubt aware, IFRSs are largely broad principles rather than detailed rules. Their application requires judgment and possibly even lateral thinking, especially in the area of determining the fair value of financial assets and liabilities. The auditing profession needs to improve its skill endowment to facilitate a smooth and efficient convergence with IFRS.

Globalisation

13. The second challenge the profession needs to reckon with is globalisation. Globalisation implies that countries can no longer afford to remain isolated in so far as their operating and legal systems are concerned. For the profession, this gets reflected not merely in international accounting and auditing standards but also in a number of other areas like education, ethics, *etc.* I gather the ICAI, with its 180,000 members, is the second largest accounting institution in the world. It is not sufficient that the Institute merely responds to and adopts global standards. It should, in fact, go further and actively participate in the formulation of these standards.

14. I am happy to learn that the President of ICAI has recently been elected as a member of the board of the International Federation of Accountants (IFAC) and that there is an Indian member on the IASB. I also want to commend the Institute for its active participation and involvement in several international committees and projects aimed at improving accounting systems and processes. I would only urge that going forward, ICAI should proactively take the lead in the formulation of accounting standards in areas where we have specific concerns as an emerging market economy (EME).

15. Another task the profession needs to address in regard to managing globalisation is how it will select, from within its membership, persons of the requisite competence to participate in the global forums, and how it will provide them both financial and professional support to make this participation rewarding to them individually and to the profession more broadly. Needless to say, the process of selection of persons for representing the Institute in international forums should be strictly meritocratic and transparent.

Information Technology (IT)

16. Next on my list is the challenge of Information Technology. In the past, one of the main objectives of audit was ensuring the arithmetical accuracy of financial statements. With the advent of IT, this task has now been taken over by machines. This has both nudged and facilitated the profession to move up the value chain. The main task of the profession has now shifted to judgments of value, and to discharge this task, auditors have to demonstrate much higher levels of maturity, integrity, independence and balanced judgment. The development of these qualities will be a major challenge in the future.

17. Let me make a comment with regard to IT in banking. Over the past decade, most commercial banks have successfully implemented core banking solutions. This has created both opportunities and challenges for auditors. Challenges come by way of lack of visible evidence, risk of undetected system errors and bugs and frauds hidden in a labyrinth of data. Retrieving information in the computerised environment and assessing the implementation of computer-related processes will also be critical to the audit process. Opportunities come by way of increasing use of computer assisted audit tools (CAATs) to access databases beneath the accounting software to create queries, write reports and develop audit trails. While the profession has risen to the challenge of auditing banks in an IT environment, we need to explore further on how audit can overcome the challenges and exploit the opportunities of the IT environment to make audit of banks more effective and meaningful.

Opportunities

18. I am told one of the issues agitating all of you is expansion of opportunities for the accounting profession especially in view of the growing membership of the Institute. So far, you have enjoyed a monopoly position in respect of certain areas of work, for example, the audit of financial statements. The easy way out to seek and expand opportunities would be to agitate for continuation of this monopoly position. I believe this will be a mistake. Rather, the profession needs to identify emerging opportunities in the market place and develop the skill needed to exploit them.

19. Let me cite an example. With concepts like core banking and centralised record keeping, the relevance of the audit of branches of public sector banks (PSBs) has significantly declined. These banks have represented to the Reserve Bank that the audit of bank's branches should be reduced. There is merit in this suggestion, since currently the cost of audit of PSBs is significantly higher than the cost of audit of comparable private sector banks. However, the Institute has been resisting this because it would mean a reduction in work for its members.

20. I believe the Institute's efforts in this regard are ill-advised. In fact, it makes much more sense for the profession to sharpen its skills in the area of concurrent audit for which a need exists than to agitate for retention of work which does not add value. Similarly, the profession has shied away from the responsibility for prevention and early detection of fraud. The need for such a service exists and if the profession does not fulfill that need, other agencies which can provide this service will displace auditors and deprive them of a potentially expanding opportunity.

Independence

21. Let me now turn to the challenge of 'independence'. The growth of large international firms of accountants has created an opportunity for the provision of a multiplicity of services. Clients benefit from such umbrella services and attach value to it. However, this also raises the vexed question of the extent to which provision of these multiple services erodes the concept of independence.

22. The case of Enron, which took down along with it the audit firm Arthur Andersen, comes to mind in this context. The sudden collapse of Enron, an energy trading and distributing company, ranked seventh in the Fortune 500, raised a number of questions about the accounting and auditing practices followed by the company. The company used creative accounting to shift losses and debts off the company's balance sheet into special purpose entities (SPEs) thereby concealing the extent of its indebtedness. The company was also reported to have withheld information about SPEs which could have led auditors to insist on their consolidation in the balance sheet. Enron's accounting transgressions misled investors to believe that the company was more profitable and less leveraged than it really was.

23. Andersen audited Enron for all sixteen years since the company's formation. On top of pure audit, it also sold internal-audit and consulting services. Despite this privileged insight, Andersen did not discover that Enron was publishing incorrect financial statements leading to the term 'Enronisation of financial statements'. This raises an important question of conflict of interest. Is it the case that the extensive consultancy work done by Arthur Andersen for Enron compromised its independence leading to its failure to detect erosion of accounting standards? It also subsequently came to light that some members of the Audit Committee faced financial conflicts of interest, generated in part by the company's donations to charities to which they were connected. Could this conflict have been prevented?

24. Accounting and auditing practices were also called into question in the collapse of Parmalat, the largest dairy company in Europe, in one of the biggest accounting frauds in corporate history. Like Enron, Parmalat too undertook elaborate derivative deals, often using complex offshore structures that involved some of its many subsidiaries. Investors and bankers struggled to understand the balance sheet or gauge the true extent of its liabilities. By the time it collapsed, Parmalat had established dozens of arrangements involving offshore companies, which did not form part of the company's consolidated financial statements.

25. Instances such as these reaffirm the need for systemic reforms in two areas. The first is the regulation of auditors. The profession has argued for years that self-regulation and peer review are the right way to maintain standards. But the conduct of Enron, Parmalat *etc.* under the very nose of auditors has raised question about the effectiveness of soft regulation. The profession has to find a way of remedying this if it wants to prevent the imposition of an external regulator.

26. The second reform is the need to eliminate conflict of interest in accounting firms. Should there be a ban on auditors selling consulting services to those they audit? One view is that there is no real conflict of interest and that better audits would be the best way to assure regulators that such a ban is unnecessary. Yet if confidence in auditing is to be regained, perception is equally important. Regulators are likely to demand some meaningful change on the issue of such conflict of interest. Overall, this is a complex issue which needs to be addressed dispassionately.

Inter-disciplinary Approach

27. Inter-disciplinary approach is the next challenge on my list. In a complex world, no single profession can meet all the requirements of market participants. Neither is it possible for individual professions to operate in silos catering to specialised needs. Inter-disciplinary interaction is therefore not only unavoidable, but in fact desirable. But this creates its own problems, particularly in the area of disciplinary jurisdiction as professional standards in different governing bodies – if such a body exists – may be different and members of such bodies may be differently regulated.

28. The recent global financial crisis illustrates the problems that can arise from divergence of views across disciplines – in this case between the accounting profession and prudential banking regulators. There is widespread criticism that the accounting standards, more so fair value accounting insisted on by accountants, failed to reckon with illiquid markets and distressed sales, and thereby contributed to the crisis, or at the very least exacerbated the severity of the crisis.

29. Post-crisis, there is convergence in the views of prudential regulators and accounting standard setters on the desirability of forward looking expected loss approach to loan loss provisioning. The international accounting standards board (IASB), financial accounting standards board (FASB) as well as the basel committee on banking supervision (BCBS) are actively engaged in finding a commonly agreed solution to this complex problem.

30. While discussing the issue of loan loss provisioning, I would like to highlight the Reserve Bank's concern on the issue of divergence in identification of Non Performing Assets (NPAs) and provisioning as certified by statutory auditors *vis-a-vis* the findings of the supervisory inspection conducted by the Reserve Bank. In the Reserve Bank's view, in certain cases, the statutory auditors have underestimated the extent of NPAs and the required provisioning. Since the Reserve Bank, as the supervisor of the banking system, relies and leverages on the work done by auditors, the profession should effectively address this issue. Ultimately, it is the statutory auditors' certification that is taken as the 'true and fair' statement of the accounts of a bank and is disclosed to all stakeholders. It is, therefore, of prime importance that there is no underestimation of provisioning requirements while finalising financial statements of banks.

Value Systems

31. Finally, let me turn to the sensitive and important issue of a value system. Recent months have witnessed an agitation across the country about erosion of values in the public domain. The norms of a society are determined by the dominant sections of that society, and the accounting profession is certainly a dominant section of society. The value system you practise in your professional conduct influences the value system of the society. Sadly, we see several transgressions.

32. Take the case of Worldcom. Worldcom indulged in major accounting misstatements which hid the precarious financial position of the company. Investigations revealed that more than three billion dollars worth of costs were wrongly classified as capital expenses over a five quarter period. This boosted the reported profits, which were in fact fictitious.

33. The case of Satyam Computer Services here in India was similar. The company's chairman confessed to more than a billion dollar fraud on its balance sheet which was hidden from the company's board, its senior managers and of course the auditors for several years. The truth followed a now familiar pattern – overstating profits, understating liabilities, and overstating cash causing a big hole in the balance sheet.

34. With so much accounting misconduct in big corporations, stakeholders wonder why books are not being reviewed on the default assumption that there could be fraud afoot. Accounting experts explain that the kind of forensic auditing that reconstructs fraud is so time-consuming and expensive that it could bring an honest business to its knees. However, I strongly believe that a robust system of audits, a corporate culture in which ethical conduct is encouraged and exemplified and an active and independent Board of Directors can make such frauds harder to perpetrate, easier to detect and help restore public confidence in published results.

35. What has been the Reserve Bank's contribution in this regard? Recognising the importance of the internal audit and inspection function as an effective management tool, in April 1994, the Reserve Bank advised all banks to set up an audit committee of the board (ACB) of Directors. Needless to say, we need to have skilled and qualified persons on the ACBs to make them truly effective. Accordingly, in September 1995, we advised banks to ensure that there is at least one non-executive director who should be a Chartered Accountant on the ACB. ACBs have since been contributing immensely by providing direction and also by overseeing the internal control function in the bank. We have kept the CEO of the bank outside the ACB to keep it independent. However, the second in

command, the Executive Director concerned is a member of the ACB to bring the insider perspective to bear on the Committee's deliberations. However, the presence of an executive director may be seen as compromising the independence of the ACB. I will be interested in your views on this.

36. Returning to the larger issue of a value system, the challenge before the profession is, therefore, to demonstrate by its own conduct, its concern for upholding a value system within itself and consequently within its clientele as also to initiate programmes which create sensitivity to the need for greater ethical conduct. In this context I would only like to reiterate that you have a significant role as the conscience-keeper of the business world.

Conclusion

37. Let me now sum up. I have started with briefly identifying the shared professional domain of the auditing profession and the Reserve Bank. I have alluded to the uniqueness of the Reserve Bank's balance sheet, or, indeed, balance sheets. I then went on to indicate, what in my view, are some of the key challenges that the profession has to address in order to remain effective and to add value to the real sector. Where relevant, I have given contextual references and illustrations from the Reserve Bank, particularly stemming from its role as the regulator and supervisor of the banking system.

38. I wish your deliberations over the next two days all success.

*Microenterprise Development: Path to Creating MNCs of Tomorrow**

K. C. Chakrabarty

Mr. Pramit Jhaveri, CEO, Citi Bank, India, Dr. Isher Judge Ahluwalia, Chairperson, ICRIER, Mr Haresh Shah, Chairman of Confederation for the promotion of Khadi and Village Industries, Mr. Anami Roy, ex-DGP (Maharashtra) and Chairman Vandana Foundation, Ms Radhika Haribhakti, Chairperson, Swadhaar Fin Access, distinguished guests and winners, ladies and gentlemen. I am extremely happy to be here for the annual Citi Micro Entrepreneur Awards Ceremony. First of all, I would like to congratulate all the awardees who have come from various parts of the country. These awards recognise and celebrate the superior performance of the recipients. Coming as it does from an eminent jury, they fully deserve our wholesome applause and accolades. We hope their performance and achievement will serve as a beacon to others to emulate and perhaps even exceed.

2. I would also like to compliment the organisers of Citi Micro Entrepreneur Awards, *i.e.*, Citi Bank especially Mr Pramit Jhaveri and other members of his team for recognizing and honouring exemplary micro entrepreneurs who have overcome all challenges to successfully build self-sustaining micro enterprises, creating employment and contributing meaningfully to the economic growth of the country. The conferring of these awards also entitles micro entrepreneurs an opportunity to receive training in business development in order to develop and grow in to 'state of the art' micro enterprises. It is universally acknowledged that great opportunities open up if one is well trained and skilled. Entrepreneurs need not necessarily be born, but can be developed through well-conceived and well-directed activities. Spearheading entrepreneurship movement throughout the nation is the need of the hour and I compliment Citi Bank for their commendable initiative in providing support to skill and knowledge building of the micro enterprises. Moreover, today's winners will serve as role models who could inspire and mentor future generations of entrepreneurs.

Importance of Micro and Small Enterprises

3. In a developing nation's economy, it's the small and micro enterprises which play a vital role. If India has to have a growth rate of 8-10 percent for the next couple of decades, it needs a strong micro and small sector and micro entrepreneurs need to be nurtured. They not only give employment to a large number of people but also support bigger industries by supplying raw material, basic goods, finished parts and components, *etc.* The felicitation of micro entrepreneurs today, is not to be mistaken as the ultimate goal of the enterprise. It is in fact, only the beginning of its process in achieving greater heights. A small enterprise today will be a big enterprise tomorrow, and might well become a multinational enterprise eventually, if given the support, among others, to build their skills and knowledge levels. In MSME sector, the failure rate may perhaps be relatively higher – the reasons for which range from delayed/inadequate availability of credit to non-availability of backward and forward support system. Despite the risk, financing of first time entrepreneurs is a must for financial inclusion and growth. Thus, the banks and other agencies should take pride while servicing the micro entrepreneurs as they are playing an instrumental role in the formation of MNCs of tomorrow. There is a need for sensitisation of the bank's staff towards the needs of small entrepreneurs. The banks should develop systems such that the field staff is regularly updated and is equipped to appraise the financial requirements of small enterprises. The banks may use the platform provided by the technical institutions and send their staff to such institutions on a regular basis. Training is also required to be imparted to the branch managers and their loan

* Keynote address by Dr. K. C. Chakrabarty, Deputy Governor, RBI at the Citi Micro Entrepreneur Awards on December 5, 2011 at NCPA, Mumbai. Assistance provided by Smt. L. Vadera in preparation of this address is gratefully acknowledged.

officers for change in their mindset away from the perceived risk in financing micro and small enterprises.

Need for Microenterprise Development

4. It is increasingly recognised that microenterprise development forms an essential element in the promotion of broad-based, inclusive growth and improvement in the well-being of the poor by providing significant income – and employment-generating opportunities, and encouraging indigenous investment. Microenterprise development projects can serve four major objectives: (i) poverty reduction; (ii) the empowerment of women; (iii) employment generation; and (iv) enterprise development as an end in itself. Microenterprise development contributes to widening the pool of entrepreneurship available to the society. Thus, there is a need to strengthen the linkages between policy environment and entrepreneurship. The 21st century has been acknowledged worldwide as the 'knowledge century' and 'knowledge society' can play a greater role in taking India forward. In countries where the number of medium and large-scale enterprises is sparse, the importance of microenterprises as an incubator of new enterprises becomes even more important. In fact, development of microenterprises is a fertile source of entrepreneurship for the future, a sort of seedbed for the universe of enterprises.

5. We are a very young nation – just over 60 years since independence – setting out on a path of sustained economic growth, for decades to come. We already have over a billion fellow Indians. As per the National Commission on Population, the age-wise distribution of the population of India is going to change significantly in the coming years. By 2016, approximately 50 per cent of the total population will be in the age group of 15 - 25 years. Thus, there would be a tremendous increase in the number of youth entering the education and job market in the ensuing years, which will result in increase in demand for skill development. On an average, it is estimated that around 15 million persons per annum would enter the employment market during the next 30 years. Each person, in this bold new generation, will be in the prime of his or her life, striving for a better tomorrow – creating, in the process, new growth opportunities, for budding entrepreneurs! This burst of entrepreneurship across the country, spanning rural, semi-urban and urban areas has to be nurtured and financed. It is only through growth of enterprises across all sizes that competition will be fostered. Thus, entrepreneur development should be seen as an investment for economic development and prosperity, since knowledge and information would be the principal driving force for economic growth in the coming years.

6. Much of the vast and growing population of the country forms part of the economy that lies in what is known as the unorganised sector. It is generally agreed that the unorganised sector, whether rural or urban, comprises small scale and microenterprises producing and distributing goods and services. These enterprises are generally independent, largely family owned, employ low levels of skills and technology, and are highly labor intensive. It is imperative that we nurture and develop microenterprises in view of their significant contribution to achieving equity as well as economic growth, and efforts to address gender and poverty reduction issues. With economic reforms in the country, and with the virtual removal of all trade barriers, the world is now our market – and our opportunity! The pursuit of these opportunities requires an indomitable spirit aimed at nurturing entrepreneurship.

7. In India, there is a dearth of skilled people in micro small enterprises, which demands entrepreneurship development programmes throughout the country for the growth of Indian economy. At present, there are various organisations at the national and State levels offering support to entrepreneurs in various ways. The Government of India and various State governments have been implementing a number of schemes and programmes over the years. A continuous effort from the society is also needed, where citizens are encouraged to come up with their entrepreneurial initiatives. Going forward, we must develop an attitude that views innovation positively.

Lessons from Emerging Countries

8. We should learn from the experience of Korea which has now become a leader of many globally important brands. However, barely forty years ago,

Korea had no industry at all. The Japanese, who ruled Korea for decades, did not allow any. They also did not allow any higher education, so there were practically no educated people in Korea. By the end of the Korean War, South Korea had been destroyed. Today Korea is world-class in two dozen industries and the world's largest in ship building and other areas. Not far behind Korea is Taiwan, which like Korea was pre-industrial in 1950. Today, Taiwan is a world leader in a number of high-tech areas, including microchips Entrepreneurship and innovation are the key drivers of success in these two counties and turned them into world class manufacturers and industry leaders. The Koreans have set up small groups of their brightest people to systematically apply the discipline of innovation to identify and develop new businesses. Innovation requires us to systematically identify changes that have already occurred in the business – in demographics, in values, in technology or science – and then look at them as opportunities.

Four Pitfalls to Avoid

9. Many new businesses start out with high promise but suddenly run into trouble after a year or two. There are four typical mistakes entrepreneurs make and all four are foreseeable and avoidable. Here, I draw extensively from what Peter F. Drucker has very rightly pointed in one of his books. He said that there are four typical mistakes entrepreneurs make. Firstly, majority of successful new inventions or products do not succeed in the market for which they were originally designed. To illustrate the point, I would like to tell you of a man by the name of John Wesley Hyatt who invented the roller bearing for the axles of railroad freight cars. The railroads, however, were not ready for radical change; and Mr. Hyatt went bankrupt. Then Alfred Sloan, the man who later built General Motors, asked his father to buy Hyatt's bankrupt business. Unlike Hyatt, Sloan was willing to broaden his vision of the product. It turned out that the roller bearing was ideal for the automobile, which was just coming to the market. In two years Sloan had a flourishing business; for twenty years Henry Ford was his biggest customer. Similarly, very few would know that Novocaine was invented by a German chemist, Alfred Einhorn for use as general anesthetic in major surgery but it was not found suitable and ultimately it was used successfully by dentists. In fact, Peter Drucker had said that majority of successful new inventions or products do not succeed in the market for which they were originally designed.

10. Secondly, entrepreneurs believe that profit is what matters most in a new enterprise. But profit is secondary. It is the cash flow that matters. A business that grows fast devours cash. Constant investments have to be made to just keep even.

11. Thirdly, when a business grows, the person who founded it gets too busy. Rapid growth puts an enormous strain on the business. It outgrows its production facilities and management facilities. The quality falls, customers do not pay and deliveries are missed. The best way avoid a crisis is to create a management team. Young entrepreneurs cannot pay to bring in a management team. So it is necessary to identify the core competencies of the people working with you. One may be good at marketing, the other, say in, customer service. They have to be utilised for their respective competencies to be able to deliver their optimum. This planning should take place well in advance.

12. Lastly, when the business is a success the entrepreneur needs to ask what the business needs at this stage and whether he is concentrating on the right things. While entrepreneurship starts by putting himself before business and questions that are at the forefront is 'What do I want to do?' or 'What is my role?', but when it succeeds the right questions to ask is 'What does the business need?' and 'Do I have these qualities?'. As successful entrepreneurs, having gained experience and wisdom from past mistakes, going forward, it is necessary to ensure that the same mistakes are not repeated. First generation entrepreneurs can also take a lesson from the successful entrepreneurs to avoid committing the same mistakes.

Support from all Stakeholders

13. There are ample opportunities in small businesses in India and such opportunities will transform the country in the coming future. For such transformation

to happen there needs to be support from all stakeholders, government, banks, corporate, regulators, civic society, *etc.* Technology universities may be set up and the government can tie up with the best in the world to help in research. We need to harness entrepreneurship and look at skill building. A scheme for utilising NGOs to provide training services to tiny micro enterprises could be encouraged. Entrepreneurship development is important in view of its visible impact on wealth creation and employment generation. To facilitate and encourage this, skill building has been impressed upon by the Prime Minister's Task Force for MSMEs. Enterprise Development Centres (EDC) should be set up by the Central/State Governments with incubators to provide training not just for setting up of new units but also to provide continuing education on different aspects like product design, packaging, technology upgradation, financial management and marketing. Entrepreneurship development is the key factor to fight against unemployment, poverty and to prepare ourselves for globalisation in order to achieve overall economic progress.

Initiatives by Government of India/ Reserve Bank of India

14. As the level of financial exclusion is very high in the sector, Government and Reserve Bank of India are taking the lead in facilitating access to finance by increasing the outreach of banking facilities to unbanked centers. Financial access is critical for MSMEs growth and development. With an objective of ensuring uniform progress in provision of banking services in all parts of the country, banks have been advised to draw up a roadmap to provide banking services through a banking outlet in every unbanked village having a population of over 2,000 by March 2012. Such banking services need not necessarily be extended through a brick and mortar branch but could be provided through any of the various forms of Information and Communication Technology (ICT)-based models, including Banking Correspondents(BCs). About 74,000 such unbanked villages have been identified and allotted to various banks through State Level Bankers Committees (SLBCs). As at the end of September 2011, as reported by the State Level Bankers' Committees of various states/Union Territories, banking outlets have been opened in 42,079 villages across the various States in the country. This comprises of 1,127 branches, 39,998 BCs and 954 other modes like rural ATM, mobile van *etc.*

15. Further, the Reserve Bank of India has also advised banks to roll out the Financial Inclusion Plans (FIP), encouraging multiple channels of lending and enhancing the scope of the Business Correspondent model, improving credit delivery procedures in micro and small enterprises (MSE) sectors and encouraging adoption of ICT solutions in villages with population less than 2000.

16. Both at the district and State level, Reserve Bank has advised the State Level Banker's Committee meeting and the Lead banks to monitor initiatives for providing 'credit plus' services by banks and State Governments. Given the importance of capacity building, Reserve Bank of India has impressed upon banks on the need for financial education to enable small and marginal borrowers to avail of the entire suite of financial products and services *i.e.*, savings, remittance, insurance and pension from the banking sector, in addition to credit. The banks have been advised to set up Financial Literacy cum Credit Counselling (FLCC) centres in all districts. As on March 2011, 252 FLCCs were set up in various states of the country. The Ministry of Rural Development (Government of India) embarked upon a major initiative to set up one Rural Self Employment Training *Institute* (RSETI) in each district of the country to provide training to the rural Below Poverty Line (BPL) persons and ensure wage employment/self-employment to them. Ministry of Rural Development would provide assistance to establishment of 200 RSETIs. Public Sector Banks have been advised by Reserve Bank of India to associate with the Scheme to ensure credit linkage to the people who are trained by the RSETIs.

17. The banks have also been advised the SLBC convenor banks, in consultation with State Governments, to formulate a scheme for utilising specified NGOs for providing training and other services to tiny micro enterprises, To leverage bank

credit for inclusive growth bank's have been advised to develop linkages with such NGOs/Corporate houses operating in the area to ensure that the NGOs/ Corporates provide the necessary 'credit plus' services. In fact, success stories could be presented in DCC/SLBC meetings to serve as models that could be replicated.

18. Each SLBC has been advised to have a dedicated Financial Literacy Division to propagate the various instructions and use the local media to frequently interact with the Financial Literacy Division and take their help to reach out to the common persons.

19. To ensure enhanced credit flow to the sector, in terms of the recommendations of the Prime Minister's Task Force on Micro, Small and Medium Enterprises (MSMEs) (Chairman: Shri T.K.A.Nair, Principal Secretary, Government of India) constituted by the Government of India, banks were advised to achieve a 20 per cent year-on-year growth in credit to micro and small enterprises; the allocation of 60 per cent of the MSE advances to the micro enterprises is to be achieved in stages, *viz.* 50 per cent in the year 2010-11, 55 per cent in the year 2011-12 and 60 per cent in the year 2012-13 and achieve a 10 per cent annual growth in number of micro enterprise accounts. The Reserve Bank is closely monitoring the achievement of targets by banks on a quarterly basis.

20. Further, based on the recommendations of the Working Group (Chairman: Shri V.K. Sharma, Executive Director, RBI) constituted by the Reserve Bank of India to review the Credit Guarantee Scheme (CGS) of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), the limit for collateral free loans to the MSE has been increased from the present level of `0.5 million to `1 million and it has been made mandatory for banks.

21. On the issue of alternate sources of credit and infrastructure the PM's Task Force has examined the issues and has made several recommendations to address the bottlenecks. The implementation of the recommendations in a time bound manner is being monitored by the GOI. In terms of the recommendations of the Prime Minister's Task Force the proposal for setting up venture capital/risk capital Funds are being examined by the Government of India and a dedicated exchange for MSMEs would be

Conclusion

Let me end by once again congratulating the recipients of this award function and wishing all of you all the very best. I hope that the award ceremony will inspire all to strive for excellence and thus contribute towards achieving greater heights in building a strong and prosperous India. I would also like to congratulate Citi Micro Entrepreneur Awards for saluting exemplary micro enterprises and wish them greater successes in days to come in identifying more and more such entrepreneurs throughout the length and breadth of our country.

*Ten Commandments for a Successful Banking Career**

K. C. Chakrabarty

Ms. Chanda Kochhar, MD and CEO, ICICI Bank, Shri T. V. Mohandas Pai, Chairman, Manipal Global Education Services, Dr. K. Ramnarayan, Vice Chancellor, Manipal University, Shri Rajiv Sabharwal, Executive Director, ICICI Bank, other distinguished guests, ladies and gentlemen, and my young friends.

2. It is indeed a pleasure to be here in your midst today. Young people infuse energy and vigour into any gathering but bright, young bankers like you also make it a learning experience. Convocations are always a very special occasion as they signify both an end and a beginning. An end – to a formal learning process and, hence, a moment of great satisfaction and joy for everyone involved. And a beginning – as it marks the threshold of the next stage for applying practically the knowledge and skills acquired through the formal learning process, thereby, acquiring real world learning and experience. I congratulate all the graduates of the ninth to eleventh batch of the ICICI Manipal Academy and especially thank Ms. Chanda Kochhar for giving me the opportunity to address these young budding bankers. The ICICI Bank Probationary Officer Programme, I am sure, is an effort to 'Catch Them Young' and create the bankers of tomorrow – a set of new generation managers for banking in newer times. Nowadays, when the financial sector the world over is undergoing a period of most rapid acceleration and change, the greatest challenge before all organisations in this sector is to build up an institutional architecture that enables and sustains intellectual capital. This is especially important as in times of 'creative destruction' – to use Joseph Schumpeter's classic phrase in his theory of economic innovation – new ideas, new constructs and new expectations emerge. And this, in turn, makes the role of new generation managers in these institutions more demanding than that of bankers of yesteryears. The term 'generation' refers to a common identity arising from common experience. Thus, the identity of *Gen Y* Managers, that all of you perhaps are, would also arise from the common experience of a changing world around us, a product of the wider historical context.

3. As you know, financial sector reforms since the year 1991 have heralded a dramatic shift in the way banks function and operate in India. The changed environment and the internal compulsions arising from greater competition and the need to improve their market share and profitability have given rise to the quest for greater efficiency and the need to reposition themselves given the realities of the environment and their internal strengths and weaknesses.

4. But at the same time, the compulsions of business must not take away from the basic tenets of good banking. Understanding and inculcating certain qualities will help ensure each one of you becomes a successful banker in the years ahead and this, incidentally, would be the theme of my address today. But, before I delve into that, and knowing fully well that you would have studied about it during your graduation, let me start by explaining banking and its importance to the society.

What is Banking?

5. Banking, conventionally, is defined as the acceptance of deposits of money from the public for the purpose of lending or investment. These deposits are repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise. Deposits are accepted from individuals as well as from firms. In sum, the nature of banking business can be summarised in two words, *i.e.,* 'financial intermediation', which needs to be carried out efficiently (both operational

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and allocational) for stimulating the real sectors of the economy. Another essential characteristic of Banks is that they are highly leveraged and, hence, special and need to be regulated for protecting the interest of depositors.

6. As banks are institutions with legal backing and as there is a banking regulator to oversee their financial solvency and soundness, it enables the banks to earn the trust and confidence of the public. You are also aware that banking in India, as elsewhere, takes diverse forms *viz.*, banks formed under special statutes, companies registered under the Companies Act, 1956 or foreign companies and co-operative societies registered under the Co-operative Societies Act. Banks are classified based on their ownership pattern such as public sector banks, private sector banks and foreign banks. Some specialised institutions such as ICICI have morphed to banks. Yet other institutions such as EXIM bank, SIDBI and NABARD specialise in trade, small industries and agriculture, respectively.

7. Apart from basic banking business, banks also undertake other services such as safe custody of valuables, granting and issuance of letters of credit to facilitate international trade, buying and selling in foreign exchange and collections of bills, among others. Banks also act as agent of the Government and other entities to undertake agency business. Extending loans and advances to the needy sectors of the economy on a priority basis is a very crucial function of the banking sector. Keeping in view needs of the Indian economy, banks are mandated to extend 40 per cent of their Net Bank Credit to the priority sectors of the economy. The priority sectors of the economy include, *inter alia*, agriculture, weaker sections, small scale industries, education and micro finance. These norms ensure adequate flow of funds to the most important and needy sectors of the economy.

8. But as you are also aware, over the years, banking has transformed. It is no longer the '3-6-3' banking. Banking sector has become more liberalised, more competitive, more stable, more customer oriented, more technologically advanced and also more profitable. The prudential norms were implemented, interest rates were deregulated, asset quality improved, entry barriers were liberated, new products were introduced, capital was infused and risk management was improved. There was also a decline in the concentration of the banking business in a few banks. Financial industry is moving towards expanded activities driven by customer needs, financial innovations, technological change, consolidation, convergence, global competition and financial inclusion. Many challenges lie ahead such as stiff competition, stringent regulatory norms, shareholders demanding higher returns, and also challenges of globalisation and financial inclusion. Thus, as prospective successful bankers of future, each one of you should have a fairly good understanding of these opportunities and challenges to accomplish your job in an efficient way.

Importance of Banking

9. In the older days when banking was not prevalent, people were forced to borrow money from money lenders at very high interest rates. Even today, in the rural unbanked areas of the country, people are dependent on money lenders for credit. Moreover, when people had to save, they used to hoard money in their houses despite the risk of robbery. The existence of a bank, with its legal sanctity, was a solution to both these issues. Banks extended loans and advances at affordable interest rates for productive as well as consumption purposes and started accepting deposits from the public. The provision of loans at affordable interest rates helped people smoothen their income and expenditure fluctuations on the one hand and start remunerative economic activity on the other. Apart from the safety provided by banks to the money deposited by the public, the interest offered by banks on deposits of the public acted as an additional incentive for depositing money with the banking sector. This inculcated saving habits among the public. The savings of the people become a productive part of the economy. This is one of the important reasons why the Reserve Bank encourages or nudges banks to expand the banking network to all unbanked villages in the country.

10. While from a social point of view, distribution of credit at affordable interest rates is the most important argument for the existence of banks, from an economic

point of view, it is the channelisation of savings into investments. Higher savings and investments are important in stimulating economic growth. Banks are important conduits for monetary policy transmission and play an important role in the payment and settlement systems.

11. The recent technological advancements in the banking sector through ATMs, debit cards, credit cards and electronic transactions further made the transfer of money across the financial system easy and convenient for the public. The electronic cards and point-of-sale terminals facilitated day to day financial needs of customers without the need for carrying paper money. The internet banking facility offered by banks also help customers to manage their personal financial transactions without visiting their bank branch. Along with the technological advancements, the opening of specialised accounts designed for non-resident Indians further facilitated transfer of money from abroad, *i.e.,* remittances.

12. Thus, in sum, banking affects all of us. Our lives are dependent on the banking sector in one way or another, directly or indirectly. It is the life-blood of the economy, a contamination of the same can affect any sector or region of the economy. Thus, as employees of the banking system, each one of you is taking up a big responsibility, not only towards the institution for which you are working but also towards the entire society.

13. Having set out the context, what are the qualities that each one of you should inculcate to become a successful banker? Let me explain the Ten Commandments for a successful banking career:

1. Thou Shalt Manage the People with Empathy

Banking is essentially an art of managing people, be it customers or staff. In a competitive environment, customers have to be treated as kings. Thus, delivering financial services to the satisfaction of customer, and prompt redressal of complaints of customers, if any, are very important. The complaints of customers should be heard with passion and remedial action should be taken promptly. The bankers should also take pro-active actions to increase customer awareness with regard to charges applicable to the financial services and the available redressal mechanisms.

Managing staff by providing them with a comfortable work environment is also germane to ensure the quality of banking services.

2. Thou Shalt Strive to Become a Knowledge worker

A knowledge worker is one who apart from knowing how to do a work and what he is doing also knows why is he doing what he is doing. We are transiting from an agrarian society, through an industrial society to a knowledge society. In the knowledge society, it is the knowledge institutions and knowledge workers who would thrive. Just because you have completed your studies and got into a job, you should not stop learning. Your career in the banking sector should be a learning experience. Now, while accomplishing your desk work in the bank, definitely you will go through a learning process. But that is not enough. You should develop and maintain reading habit to update your knowledge base. Because knowledge is the power of an employee and once you lose it, you are nowhere. Thus, there has to be a conscious effort from your side to keep your learning curve alive and be better than the rest. And do not restrict your knowledge base to developments in the banking sector only; rather all of you should develop a fairly good understanding of the economy over a period of time. Then only you can become a sensitive banker, *i.e.,* a banker who is sensitive to the needs of a growing economy.

3. Thou shalt be Accountable for all Your Work

This is the most important quality which a banker should have. There should be accountability towards the society because you are working in a public institution and dealing with public money. And whatever you do in the bank as part of accomplishing your responsibilities are subject to scrutiny. Many of the financial frauds have taken place with the help of bank employees in the past. Thus, if the employees of a bank are sincere and committed to their institution and to the society as a whole, chances of financial frauds can be minimised. Further, try to know more about your customers and their occupations. This will also help in reducing financial frauds as well as financing of terrorism using bank funds. Thus, a vigilant and accountable bank employee is an asset to the banking sector. So, try to become an asset rather than a liability.

4. Thou Shalt do Hard Work

All of you should remember always that hard work is the '*mantra*' of success. Nothing can substitute your hard work. And those who do hard work during the initial years of their career, will be the ultimate winners in the system. Thus, try to have a positive attitude towards work and try to have a good understanding about the challenges ahead. Prepare yourself for meeting those challenges and meeting the expectations of your institution. At the end of the day you will be rewarded in one way or another. So, do not hesitate to take more responsibilities in the initial part of your career. Be pro-active and do more work; this will improve your understanding of the subject.

5. Thou Shalt Develop the Right Attitude

At times, the attitude of the bank staff also keeps rural illiterate customers away from the banking system. So, as new entrants to the banking industry, try to build up friendly customer relationships. Do not discriminate customers based on their caste, sex, education and also by financial background. Try to extend fair services to all customers of the bank irrespective of their background. You all should take extra efforts to bring financially illiterate customers to the bank. This is because a good bank should not confine it's operations to metropolitan areas, it should be willing and innovative enough to expand its services to under banked rural and semi-urban areas. Thus, as employees of the banking sector you have an important role to play in furthering financial inclusion, dealing with underprivileged sections of society and ensuring adequate flow of credit to activities associated with such people.

6. Thou Shalt Attempt to Become a Pioneer

Globalisation opens up lot of opportunities for the banking sector from across the globe. However, to take advantage of these opportunities, banks have to prepare themselves. Banks will have to work in a multi-cultural and multi-linguistic environment to compete with the globally active banks. A group of efficient, young and well-educated employees is a *sine qua non* for achieving this competitiveness. So, as employees of the banking sector, try to improve your communication skills, try to learn about the developments in the global banking sector and try to learn about the emerging opportunities. Be innovative in taking advantage of the emerging opportunities. Because, a pioneer has always an advantage over followers. So, try to be pioneers rather than followers in your career.

7. Thou Shalt Develop a Professional Approach

Do your job with your brain, not your heart. You can be passionate about the needs and grievances of customers, but do not compromise on your logic. During the course of your careers, you might, at times, be faced with various pressures which seek to influence your decisions. Develop the ability to objectively evaluate situations, regardless of external pressures, and take the right decision – always. Do not allow your personal problems and relationships to influence your decision making process. Be objective and be efficient. One cannot become a true professional in any area unless he/ she remains committed to the core principles of the profession even under the most adverse circumstances.

8. Though Shalt be Analytical

Banking business, essentially, involves managing risk. This job of managing risk cannot be done efficiently without having sharp analytical capability. As employees of the banking sector you have an important role to play in shaping the financial soundness of the banking sector. While doing the banking business, try to analyse the financial background and economic activity of the customer thoroughly. This will help in limiting the growth of non-performing loans, efficient utilisation of capital and higher profitability. Financial soundness is an important aspect of a good bank, especially because banking business involves public money. Further, failure of one banking institution may also trigger contagion effect across the banking sector as financial institutions are highly inter-linked.

9. Thou Shalt be Information Literate

Technological advancements have transformed class banking into mass banking. With cost effective technologies banks were able to change the face of banking. ATMs, debit cards, credit cards, internet banking and phone banking have enabled customers to do banking without visiting the bank branch. Further, the Business correspondent model and mobile banking also depend on the latest technology to expand the banking network. The electronic transactions through National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS) and Real Time Gross Settlement System (RTGS) have increased the speed of fund transfer considerably. A good banker should continuously innovate and update themselves with the latest technological advancements to make banking further easier and convenient to customers. Thus, try to develop a good understanding of the latest technological developments. A bank can implement latest technology safely only with a strong in-house technical expertise. In this mileu, you must 'be information literate', *i.e.* third generation literate. It is not enough to be a first generation literate, *i.e.* you know how to read and write, or to be second generation literate, *i.e.* to be computer literate, but to achieve information literacy. When transiting to a knowledge society and to be a successful banker, it is critical to be information literate.

10. Thou Shalt Avoid Complacency during Good Times and not Lose Hope During Bad Times

This is a very important commandment of a good banker because complacency hampers progress and may lead to sharp downfall and loss. Complacency can affect anybody but is all the more relevant to the financial sector. We cannot afford to be complacent even for a moment. You are particularly advised to avoid complacency during good times as otherwise downturn may come any time. It is always advisable to conserve your energies during good times to be used during bad times. You should not only be satisfied with your victories but also try to achieve something better than whatever you have already achieved. Lastly, life is not easy; it is difficult, whether of an individual or an institution. Bad times sometimes will come, and sometimes, all bad things may come together. In such times, do not become desperate. Wait and Hope. Do not lose hope, but lie low and pray to God because good times will return soon. This is my last commandment not only for banking but for any career.

Concluding Thoughts

14. All of you are growing up in an age of unprecedented opportunity. But with opportunity comes responsibility. To do things well and be responsible, one needs to cultivate a deep understanding of oneself – not only the strengths and weaknesses but also how one learns, how one works with others, what his or her values are and where he or she can make the greatest contribution. You can achieve excellence only if you understand, work on and operate from your areas of strength. As you pick up the traits of modern trade like leadership skills, the ability to multi-task and manage competing imperatives, please do not let go of the age-old and time-tested qualities of a desire to learn, a strong sense of professional ethics, an enquiring mind, a strategic view, the qualities of humility and empathy, a willingness to embrace practical experience and an eagerness to adapt to evolving experiences.

15. These are exciting times and as you stand on the threshold of a new life and a career in banking, I trust you will continue to cherish the ideals and dreams of youth, after all they are what make life worthwhile.

I wish all of you – tomorrow's titans – every success in all your future endeavours. Let me conclude by wishing each one of you a very bright, promising and challenging career in the banking sector.

*Empowering MSMEs for Financial Inclusion and Growth – Issues and Strategies**

K. C .Chakrabarty

Shri M. V. Tanksale, Chairman and Managing Director, Central Bank of India (CBI), Smt. V. R. Iyer, Executive Director, Central Bank of India, Shri Chadrakant Salunkhe, President, Small and Medium Enterprises (SME) Chamber of India, Shri A. Ramesh Kumar, MD & CEO – Asia Pragati Capfin Pvt. Ltd, SME entrepreneurs, staff members of CBI, distinguished guests, members of the print and electronic media, ladies and gentlemen.

2. It is my pleasure to be here at this Conclave on the eve of the conclusion of Centenary Year Celebrations of Central Bank of India. As you all may be aware, Central Bank of India, which was established way back in 1911, has a glorious past and would be celebrating its Foundation Day on December 21, 2011. I take this opportunity to congratulate Shri Tanksale, CMD, Smt. Iyer, ED, all employees and customers of the bank and all the other stakeholders on completing a remarkable hundred years of exemplary service to the nation. The bank was the realisation of the dream of Shri Sorabji Pochkhanawala, a visionary, a philanthropist and a rare breed of people who richly deserve our tributes. It was the first commercial bank which was wholly owned and managed by Indians. Central Bank of India, over the years, has won the trust and confidence of its clients and it comes as no surprise then that it has become one of the most prominent banks in India. But more importantly, the bank had a rich tradition of promoting small and medium entrepreneurship and played a sterling role in the industrial development of the Bombay Presidency region. However, over a period of time, this zeal of promoting entrepreneurship development appeared to have dimmed a bit and, therefore, I am extremely happy that as their Centenary Year draws to a close, Central Bank of India is bringing the limelight back to SMEs and rededicating themselves to the cause. I congratulate Shri Tanksale for organising this Conclave on 'Empowering SMEs for Inclusive Growth- Strategies and Initiatives' in collaboration with a predominant industry association – the Small and Medium Business Development Chamber of India.

A. Importance of the MSME sector

3. Now, there is no need for me to overemphasise the role and importance of the micro, small and medium enterprises You are all aware that in a developing economy, the Micro, Small and Medium Enterprises (MSMEs) play a vital role and if India were to have a growth rate of 8-10 per cent for the next couple of decades, it needs a strong micro, small and medium sector and for that micro entrepreneurs need to be nurtured. As per available statistics (4th Census of MSME Sector), this sector employs an estimated 59.7 million persons spread over 26.1 million enterprises. It is estimated that in terms of value, MSME sector accounts for about 45 per cent of the manufacturing output and around 40 per cent of the total export of the country. The MSMEs are the best vehicle for inclusive growth, to create local demand and consumption and also to fight with the global meltdown. Public policy has rightly accorded high priority to this sector in order to achieve balanced, sustainable, more equitable and inclusive growth in the country. A micro enterprise of today will be a big enterprise of tomorrow, and might well become a multinational enterprise eventually, if given the support in finance and capacity building. It is also an opportune time for putting more emphasis on MSMEs due to recession in many countries of the globe and rupee depreciation. The recession, while slowing down

* Keynote address by Dr. K. C .Chakrabarty, Deputy Governor, RBI at the Central Bank of India SME Conclave on December 20, 2011 at Mumbai. Assistance provided by Smt. L. Vadera in preparation of this address is gratefully acknowledged.

the global demand for goods and services, should not impact the sector, adversely, as there is a huge demand in the local markets which could be tapped and the depreciation of the rupee has improved the price competitiveness of exporting firms in the sector.

Sizeable Growth in Credit – yet MSMEs feel not Enough is Being Done

4. The MSMEs primarily rely on bank finance for their operations and as such ensuring timely and adequate flow of credit to the sector has been an overriding public policy objective. Advances extended to the micro and small enterprises sector are treated as priority sector advances. Over the years, there has been a significant increase in credit extended to this sector by the banks. As at the end of March 2011, the total outstanding credit provided by all Scheduled Commercial Banks (SCBs) to the MSE sector stood at `4,575 billion as against `3,622 billion in March 2010 registering an increase of 26.3 per cent. Despite the increase in credit outstanding to the sector, the MSME borrowers feel that the lenders are not doing enough for the MSMEs and are catering more to the needs of the large corporate. Let me now focus on the major problems/challenges/issues faced by the MSMEs and, more specifically, the Micro and Small sector.

B. Major Problems/Challenges/Issues faced by the Sector

Access to Credit

5. Notwithstanding the increase in credit outstanding to the sector, access to adequate and timely credit at a reasonable cost is a critical problem faced by this sector. The statistics compiled in the Fourth Census of MSME sector September 2009, revealed that only 5.18 per cent of the units (both registered and unregistered) had availed of finance through institutional sources, 2.05 per cent had finance from non-institutional sources; the majority of units *i.e.*, 92.77 per cent had no finance or depended on self-finance. Thus, the extent of financial exclusion in the sector is very high. But, this is not entirely unexpected because if one looks at the financial exclusion in our country in general, then MSMEs cannot remain unaffected by it. But there is a need to bridge this gap through enabling policies and the Government of India (GoI) needs to play a catalytic role to cater to the needs of this sector.

First-time Entrepreneurs

6. The MSE borrowers, especially new generation entrepreneurs, do not have collaterals to offer to avail of bank finance. It is generally observed that collateral security provides comfort to the lenders as it ensures commitment of the borrower to the project and is also available to them for recovery in the event of failure of the enterprise.

Infrastructure

7. In the present global environment, the MSMEs and more specifically the micro and small enterprises (MSEs) have to be competitive to survive and thrive. To ensure competitiveness of the MSEs, it is essential that the availability of infrastructure, technology and skilled manpower are in tune with the global trends. MSEs are either located in industrial estates set up many decades ago, or have come up in an unorganised manner in rural areas. The state of infrastructure including power, water, roads, *etc.* in such areas is inadequate and unreliable. Further, the MSE sector in India, with some exceptions, is characterised by low technology levels, which acts as a handicap in the emerging global market. Although India has the advantage of a large pool of human resources, the industry continues to face deficit in manpower with the right skill-sets for specific areas like, manufacturing, service, marketing, *etc.* The HR problem is further exacerbated by the low retention rate.

Access to Alternate Sources of Capital

8. The ability of MSMEs (especially those involving innovations and new technologies) to access alternative sources of capital like angel funds/risk capital needs to be enhanced considerably. For this purpose, removing fiscal/regulatory impediments to use such funds by the MSMEs should be considered on priority. Access to equity capital is a genuine problem. At present, there is almost negligible flow of equity capital into this sector. Absence of equity capital may pose a serious challenge to development of knowledge-based industries, particularly those that are sought to be

promoted by the first-generation entrepreneurs with the requisite expertise and knowledge. There is a demand for a dedicated Exchange for MSMEs.

Delayed Realisation of Receivables

9. Considerable delay in settlement of dues/payment of bills by the large-scale buyers to the MSMEs units adversely affected the recycling of funds and business operation of MSME units. Though the Government has enacted the Delayed Payments Act, 1998 many of the MSME units are reluctant to pursue cases against major buyers. After the enactment of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, the existing provisions of the Interest on Delayed Payment Act, 1998 to Small Scale and Ancillary Industrial Undertakings, have been strengthened. The banks have been advised to sanction separate sub-limits within the overall limits sanctioned to the corporate borrowers for meeting payment obligations in respect of purchases from MSME sector. Necessary instructions have been issued by banks to their branches to monitor the position of payment by corporates to MSME and wherever found necessary, persuade the corporate to release the same on priority basis.

Sickness of Units

10 Growing incidence of sickness of the sector is yet another area of concern. When the sickness prolongs, it leads to the closure of units and unemployment. The mortality of the MSE units is high. This has wider implications including locking of funds of the lending institutions, loss of scarce material resources and loss of employment. As on March 2011, the number of units identified as potentially viable as a percentage to total sick MSE units is around 8. The units placed under nursing as a proportion to the total number of sick units stood at 5.22 per cent.The causes of sickness are both internal and external. The major causes are limited financial resources, lack of organisational, financial and management skills and expertise, non-availability of power supply, shortage of raw materials, marketing difficulties, delayed and inadequate credit, obsolete technology, inadequate infrastructure, *etc.*

Exit Policy for MSMEs

11. An exit route for non-viable units is necessary to manage sickness. Worldwide, MSMEs are credited with high level of innovation and creativity, which also leads to higher level of failures. Keeping this in view, most of the countries have put in place mechanisms to handle insolvencies and bankruptcies. The present mechanism available in India for MSMEs is archaic. Business failure in India is viewed as a stigma, which adversely impacts individual creativity and development in the country. The existing legislations may have to be toned up so as to provide for efficient liquidation of non-viable businesses.

C. Initiatives by Government of India/Reserve Bank of India

12. Recognising the important role played by MSMEs in economic development and its sizeable contribution to employment and GDP, and realising that financial access is critical for MSMEs growth and development, Government and Reserve Bank of India are taking the lead in supporting initiatives that improve access to finance. While at the broader level, financial inclusion makes growth broad-based and sustainable by progressively encompassing the hitherto excluded population, and has become a national priority, at the more narrower level, since the level of financial exclusion is very high in this sector, drive to universal financial access, including SME finance, is no longer a policy choice but a compulsion. The Reserve Bank of India has intensified a number of measures and endorsed quantitative access targets over the last year to further financial inclusion. Let me very briefly touch upon a few of them.

13. With an objective of ensuring uniform progress in provision of banking services in all parts of the country, banks were advised to draw up a roadmap to provide banking services through a banking outlet in every unbanked village having a population of over 2,000 by March 2012. The Reserve Bank advised banks that such banking services need not necessarily be extended through a brick-and-mortar branch but could be provided also through any of the various forms of Information and Communication Technology (ICT)-based models, including Business Correspondents (BCs). A total of about 74,000 such unbanked villages have been identified and allotted to various banks

through State Level Bankers Committees (SLBCs). As at the end of September 2011, as reported by the State Level Bankers' Committees of various states/Union Territories, banking outlets have been opened in 42,079 villages across the various States in the country. This comprises of 1,127 branches, 39,998 business correspondents and 954 other modes like rural ATMs, mobile vans, *etc.*

14. To ensure enhanced credit flow to the sector, in terms of the recommendations of the Prime Minister's Task Force on Micro, Small and Medium Enterprises (MSMEs) (Chairman: Shri T.K.A.Nair, Principal Secretary, Government of India) constituted by the Government of India, banks were advised to achieve a 20 per cent year-on-year growth in credit to micro and small enterprises; the allocation of 60 per cent of the MSE advances to the micro enterprises is to be achieved in stages, *viz.* 50 per cent in the year 2010-11, 55 per cent in the year 2011-12 and 60 per cent in the year 2012-13 and achieve a 10 per cent annual growth in number of micro enterprise accounts. The Reserve Bank is closely monitoring the achievement of targets by banks on a quarterly basis. The matter is followed up with the laggard banks to know their constraints and impress upon them the need to devise strategies to gear up the credit mechanism for the sector.

15. Further, based on the recommendations of the Working Group (Chairman: Shri V.K. Sharma, Executive Director, RBI) constituted by the Reserve Bank of India to review the Credit Guarantee Scheme (CGS) of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), the limit for collateral-free loans to the MSE has been increased from the present level of `0.5 million to `1 million and it has been made mandatory for banks.The Working Group has also made recommendations regarding increase in the extent of guarantee cover, absorption of guarantee fees for the collateral-free loans by CGTMSE subject to certain conditions, simplification of procedure for filing claims with CGTMSE and increasing awareness about the scheme. CGTMSE, which is implementing agency for Credit Guarantee Scheme, has been advised to expedite implementation of the recommendations. The implementation of the Recommendations of the Working Group should result in enhanced usage of the Guarantee Scheme and facilitate increase in quality and quantity of credit to the presently included, as well as excluded, MSEs, leading eventually to sustainable inclusive growth

16. All Scheduled Commercial Banks have also been advised on May 4, 2009, to review and put in place MSE Loan policy, Restructuring/rehabilitation policy and Non-discretionary One Time Settlement Scheme for recovery of non-performing loans duly approved by their Board of Directors. Banks were advised in December 2009 to give wide publicity to the Non-discretionary One Time Settlement Scheme for recovery of non-performing loans for the MSE sector by placing it on their bank's web-site and through other possible modes of dissemination.

17. On the issue of alternate sources of credit, dedicated Exchange for MSMEs, marketing, technology up-gradation and infrastructure, the PM's Task Force has examined the issues and has made several recommendations to address the bottlenecks. The implementation of the recommendations in a time bound manner are being monitored by the GOI.

D. Role of Banks and Industry Associations in Empowering MSMEs

Role of Banks

18. There has been a burst of entrepreneurship across the country, spanning rural, semi-urban and urban areas. This has to be nurtured and financed. It is only through growth of enterprises across all sizes that competition will be fostered. As I mentioned in the beginning, a micro entrepreneur of today will become a small entrepreneur and then a big entrepreneur of tomorrow, and might eventually well become a multinational enterprise if given the comfort of financial support and capacity building. There will be failures and successes. Despite the risk, financing of first time entrepreneurs is a must for financial inclusion and growth. Banks will, therefore, have to tone up their risk assessment and risk management capacities and provide for these failures as part of their risk management.

19. Banks have to recognise the vast potential that exists in responsible lending to the MSE segment. The

banks must deliver on their voluntary commitments enshrined in their Code of Commitment to their MSE borrowers. Banks have, no doubt, through the Code of Bank's Commitment to MSEs, voluntarily committed to their MSE customers to provide easy, speedy and transparent access to banking services in their day-to-day operation. In the last Standing Advisory Committee meeting held on July 5, 2011, it was decided that the SCBs should understand the problem of the sector and devise strategies to gear up their credit mechanism structure so as to achieve the prescribed target of lending to the sector by the PM's Task Force. Sensitivity on the issue to be developed at various hierarchical levels, such as, discussion of the issue in the Board meetings and management level meetings once in three months. Branch manager's conference on financing to the micro sector to be held and the local NGOs, khadi and village industrial commission (KVIC) could be involved so as to appreciate the problems of the sector and flag major issues to remove constraints/bottlenecks in financing. The performance of branch managers in dealing with the sector should be made a criterion in their performance appraisal.

20. With increasing competition, introduction of new products and stringent regulatory environment, the role of banks needs to change from mere lenders to partners in business. There is a need for greater participation of banks in the affairs of their constituents by convergence of credit services and non-credit services. The bank's staff should be trained and sensitised through customised training programmes to meet the diverse needs of MSEs such as knowledge of markets, both domestic and global, use of technology, *etc.* Banks should be actively providing advisory and planning services and in fact hand-holding their clients through the setting-up stage and such services should be extended to all regardless of the size of their turnover. The banks should not only provide differentiated products for MSMEs, but also provide counselling & guidance to new and established businesses, marketing support, *etc.* In short, all banks, in fact, may develop innovative mechanism to provide not only finance and banking services to their MSME customers but also non-credit related services to them under one roof at reasonable charges.

21. For creating transparency and wider dissemination of services provided by banks for their MSME clients, it was decided in the 12th Standing Advisory Committee on MSMEs that all SCBs should set up a SME Portal on their website, where they could put in all information/products of their bank for their MSE clients, as well as information on awareness programs *etc.* organised by them. I am sure Central Bank of India and other banks would have taken a step in that direction.

22. In order to expedite sanction and disbursement of loan to MSMEs, a single window concept could be provided by Central Bank of India, if not already done. Loan facility to small units, say Micro-enterprises, should be sanctioned at the level of the branch. A Centralised Credit Processing Cell (CPC) for MSMEs could be introduced. These Cells may be utilised for single point appraisal, sanction, documentation, renewal and enhancement. The arrangement is expected to help in reduction in delay and multiple queries, utilisation of the available talent in an optimal fashion besides building reliable MIS, developing fair practices and easier tracking. Initially, the CPCs may be set up at each Regional Office of the banks and subsequently in the recognised clusters. In case of micro and small enterprises simplified procedure of loan application/sanction should be followed, score based lending be done up to `20 million, working capital limits be given by projected turnover method, and term loans be sanctioned as recommended above to prevent the burden of data collection, project report/projections preparation for MSMEs. The disposal of applications should be done in a time bound manner, which should be within the overall time limit prescribed by the Reserve Bank. All banks should tap the available technology and set up Central Registration of Loan Applications. The same set up can be used by the borrower for tracking of the status of application on the internet on the basis of the receipt issued to him. The borrower may also be provided option of tracking his application over telephone on the toll-free helpline. The same technological setup may also be used for making online applications. Online applications may be popularised and publicised by all branches.

23. Lack of adequate capacity is the key feature, as regards micro, small and medium enterprises are

concerned. In order to equip the MSMEs with the capacity to manage their businesses effectively and efficiently comprehensive guidance and training on setting up new units as well as providing continuous education on different aspects of successful management of existing business enterprises must be provided. While the Rural Self-Employment Training Institutes (RSETIs) are working in this direction there is a need to examine the impact of RSETIs. A scheme for utilising NGOs to provide training services to tiny micro enterprises could be encouraged. Entrepreneurship development is important in view of its visible impact on wealth creation and employment generation. To facilitate and encourage this, skill building has been impressed upon by the Prime Minister's Task Force for MSMEs. Enterprise Development Centres (EDC) should be set up by the Central/State Governments with incubators to provide training not just for setting up of new units but also to provide continuing education on different aspects like product design, packaging, technology upgradation, financial management and marketing.

Role of Associations

24. All SLBC Convenor banks have been to review their institutional arrangements for delivering credit to the MSME sector, especially in 388 clusters identified by United Nations Industrial Development Organisation (UNIDO) spread over 21 states in various parts of the country. The Central Bank of India has presence in 47 clusters identified by UNIDO and these branches have been designated as Specialised MSME Branch. The MSME Associations/Chambers may bring to the notice of SLBC Convenor banks clusters banking facilities are not available so that the same could be addressed. Specific issues concerning the sector banks could play a role should also be brought to the notice of the SLBC Convenor bank and the Empowered Committee on MSMEs by the Industry Associations for appropriate measures to be taken to solve the issues.

25. As any other sickness, the need for timely treatment after identification of sickness cannot be overemphasised in MSMEs. For viable units, timely and effective rehabilitation by way of renegotiations of terms of loans, induction of fresh dose of funds, business restructuring, change of management *etc.* may become necessary. The process should not only be quick, efficient, cheap and fair to all stakeholders but also acceptable to and implementable by all, with necessary monitoring arrangements for implementation of the same. In case the unit is not found viable, recovery of the dues of lenders through a fair, efficient and swift legal mechanism should be the focus. The senior-level representatives of MSME Associations in each State are members of the Empowered Committee set up by the Reserve Bank at each of its Regional Offices, of which the SLBC convenor, representatives of banks having predominant share in SME financing in the State, SIDBI, Director of Industries of the State Government, *etc.* are also members. MSME Associations need to use this Forum not only for removing bottlenecks in the smooth flow of credit to the sector but also for reviewing the accessibility of bank finance to more and more MSMEs but also highlight gaps if any in the attitude and skills at the bank branch level. As it is observed that rehabilitation of sick micro, small and medium enterprises could not be taken up due to non-availability of promoters' contribution in a large number of cases, we have recommended to the Government of India (GOI) to set up a Rehabilitation Fund for rehabilitation of sick MSME enterprises.

26. The Industry Associations have often been representing on the delayed payments from large corporates. While banks have been advised to allocate a sub-limit in respect of large borrower accounts, for making payments to the MSE units against purchases from them but it is not possible for banks to force the large buyers to utilise the limit for making payments. This problem could be institutionally tackled by factoring. In the recent meeting of the Standing Advisory Committee to review credit flow to this sector, it was urged upon the Industry Associations to bring forward exemplary cases where big corporates have defaulted in making payments to MSE suppliers so that appropriate action, under the Act, could be taken by the Government of India.

27. The MSME Associations and Chambers of Commerce have an important role to play in stepping up credit to this segment. Asymmetry of information and lack of transparency and reliability of data has been

a major concern for organisations dealing with MSMEs world over. The Association need to therefore, proactively engage themselves in organising workshops and training programmes for their members to enlighten them about cash flow cycles, various financial products, accounting practices, *etc.* In this regard, I would urge upon the other MSME Associations, Chambers of Commerce *etc.* to collaborate, in the same manner with banks, National Institute of Bank Management (NIBM) or any other training institute in the area of banking and finance, basic accountancy and information technology for MSMEs.

Role of MSMEs

28. MSEs too, on their part, should understand that banks are responsible to their depositors and shareholders and, therefore, they, *i.e.* the MSEs, as customers of bank credit, have certain obligations to fulfill by way of repaying bank loans, maintaining proper books of accounts, submitting information correctly and more importantly sharing information about financial problems when these arise so that they can work together with the bank in resolving these. On the cost of credit, while interest rates have been deregulated by Reserve Bank of India, my message to the MSME sector is that as interest costs are a very small fraction of their operating costs, only approximately 4 per cent, do not ask for low interest rates from the banking sector, and instead ask for credit at competitive rates. Credit has to be self-liquidating on a viable project and has a cost.

29. In fact, what the small entrepreneurs need to focus on are four typical mistakes entrepreneurs make as rightly pointed out by Peter F. Drucker in his book *'Managing in the Next Society'*. Many new businesses start out with high promise but suddenly run into trouble after a year or two. There are typical mistakes entrepreneurs make and all are foreseeable and avoidable. Firstly, majority of successful new inventions or products do not succeed in the market for which they were originally designed. So one has to keep options open and not be dogmatic about pushing a product in a market for which initially designed or targeted. Success may lie elsewhere. Secondly, entrepreneurs believe that profit is what matters most in a new enterprise. But profit is secondary. It is the cash flow that matters. A business that grows fast devours cash. Constant investments have to be made to just keep even. Thirdly, when a business grows, it is necessary to create a management team. Young entrepreneurs often cannot afford to bring in an external management team. So, it is necessary to identify the core competencies of the people working with you. This planning should take place well in advance. Lastly, when the business is a success, the entrepreneur needs to ask what the business needs at this stage and whether he is concentrating on the right things. As successful entrepreneurs, they have gained experience and wisdom from their mistakes and going forward, it is necessary to ensure that the same mistakes are not repeated.

E. Need for Financial Infrastructure

30. Establishing a solid financial infrastructure (credit registries/bureaus, collateral, and insolvency regimes) should be a priority in the financial development agenda, as it can lower the costs and risks to financial institutions of serving MSMEs. Bankruptcy regimes regulate the efficient exiting of the market, and make the resolution of multiple creditors' conflicting claims more orderly, resulting in more extensive opportunities for recovery by both the bankrupt entity and its creditors. Stronger creditor rights improve access to finance. Stronger creditor rights tend to have a higher number of loan accounts per adult population and also higher rates of private credit to GDP.

31. There is a need for adequate and reliable credit information mechanism, such as an MSME credit bureau, that serves the needs of both the MSMEs and the potential lenders. Transparency shall facilitate them in obtaining finances, getting favourable contracts and improving their business prospects. A World Bank report stated that a good credit information infrastructure can contribute significantly towards assisting MSMEs' access to capital. The report further highlighted that small firms with access to credit bureaus have a 40 per cent chance of obtaining a loan, whereas firms without access to credit bureaus have only a 28 per cent chance of receiving a loan. Therefore, significant opportunities exist to increase lending

activities to MSMEs with the establishment of MSME credit bureaus. A sound financial information infrastructure should improve transparency and disclosure for MSMEs in a cost-effective way, and help MSMEs build a credit history, which is critical in helping to address both challenges of information asymmetry and cost to serve. Setting up of Credit Information Companies has already been approved by Reserve Bank of India.

F. Conclusion

32. The recent past has been a challenging time for the banking sector in India. You, along with the entrepreneurs, have coped well with these challenges and have emerged stronger from a difficult phase. While the banking sector has responded well so far, there are several challenges that lie ahead. Our banking system needs to equip itself to deal with emerging challenges and be prepared to cash in on the opportunities unleashed by higher growth. In dealing with the needs of small and medium enterprises, banks have to look for new delivery mechanisms. They must economise on transaction costs and provide better access to the currently under-served. To serve new rural credit needs, innovative channels for credit delivery will have to be found. The proud history of your bank should inspire you to seek greater heights of professional glory. In the end, I once again congratulate Central Bank of India and the SME Chamber in jointly organising this Conclave. I also convey my best wishes to every employee and entrepreneur customer of your bank on the eve of the conclusion of your Centenary Year, to your customers and well-wishers, and wish you a great future of growth and development. You have had a glorious hundred years. You now have a great opportunity. May the next hundred be even better!

*An Assessment of Recent Macroeconomic Developments**

Subir Gokarn

Introduction

Thank you for inviting me to share my thoughts at the Annual CII CFO Summit. In recent weeks, the macroeconomic environment has become particularly turbulent. Global conditions have contributed to a significant rebalancing of portfolios as a result of rapidly changing risk perceptions and appetites. This has led to increased instability and volatility in financial markets, particularly currency markets. On the domestic front, growth is decelerating while inflation remains high, with upside pressures persisting from the sharp depreciation in the rupee. While overall macroeconomic conditions may cause concern, we need to take an integrated and forward-looking view of positive and negative indicators and future risks while thinking about appropriate policy responses. This is what I propose to do during the course of this talk.

The Global Scenario

Let me first speak about the global scenario. Over the past two years, the performance of the major advanced economies has raised significant concerns about the sustainability of the global recovery. By contrast, emerging market economies (EMEs) have generally shown reasonable growth, suggesting that their domestic drivers and increasing linkages with each other have provided some offset to the slower growth in advanced economies. However, periodically, either sovereign debt pressures in Europe or growth volatility in the US, have heightened those concerns. The European debt problem has unquestionably been the dominant global factor over the past few months, which, in turn, has been a source of volatility in asset and currency markets all over the world. As prospects of enduring solutions to the problem have ebbed and flowed, so have asset prices and exchange rates. After several weeks of anticipation, matters appear to be coming to a head. The prospects of a solution critically hinge on the Euro summit scheduled for December 9, where arrangements that will help stabilise global markets are expected to be announced.

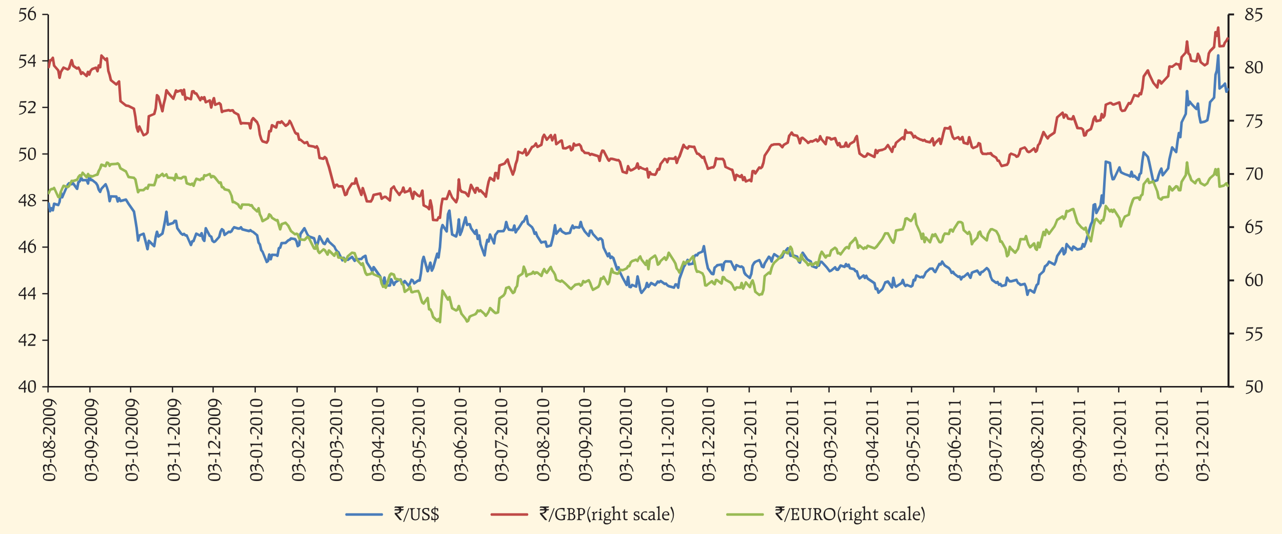
Impact on India and Policy Responses

The impact of this recent global instability on India has been enormous. India is a structurally current account deficit economy. This deficit is, in turn, financed by capital inflows, which over the past several years, had been large and stable enough to more than offset the current account deficit. For a few months during the 2008-09 financial crisis, the position was reversed and, when that happened, the Rupee behaved much like it did over the past several weeks (Chart 1). Between July 2008 and February 2009, the Rupee depreciated by nearly 17 per cent. Essentially, when capital stops coming in, the current account drives the exchange rate and, naturally, the pressure is to depreciate in the face of the deficit. With the kind of volatility we have seen in global capital flows over this period, virtually all EME currencies faced pressure to depreciate. However, the eventual magnitude of change reflected differences between countries in current account conditions as well as policy responses.

For the past few years, the exchange rate regime in India has been what might be best described as a 'bounded float'. There are virtually no restrictions on Foreign Direct Investment (FDI), except for limits on specific sectors, and portfolio investment in equities. However, there are restrictions on debt inflows, driven by considerations of external stability. These limits relate to quantity, tenor and pricing. Short-term debt is the least preferred, because it is seen as most vulnerable to sudden reversals, while long-term debt, despite risk concerns, is seen as contributing to the

* Revised version of the Keynote Address by Dr. Subir Gokarn, Deputy Governor, to the Opening Plenary session of Confederation of Indian Industry's CFO Summit 2011 on December 3, 2011 in Mumbai. Inputs and feedback from colleagues on the Financial Markets Committee are gratefully acknowledged.

Chart 1: Exchange Rate of Indian Rupee



resource flow into infrastructure, so is viewed more favourably. These controls on debt might be viewed as 'structural' or 'strategic' capital controls; they are altered relatively infrequently in response to changing macroeconomic conditions and not with a view to impacting the daily movement of the exchange rate.

While we do not target the level of exchange rate, nor do we have a fixed band for nominal or real exchange rates to guide interventions, the capital account management framework helps in the bounded float. If volatility increases, appropriate tools, including those in the realm of capital account management are used. Within these overall boundaries, the exchange rate is determined by daily variations in demand and supply. In the recent episode of depreciation, as I indicated earlier, a sharp fall in capital inflows led to a drying up of supply, while demand on account of the current account deficit continued unabated, leading to the outcome we saw.

There has been a long-standing debate on the merits and de-merits of this exchange rate policy, which has returned to centre-stage in the wake of recent developments. Time does not permit me to go into it here, but it is important to point out that the different policy responses we saw across EMEs to the volatility in capital inflows were largely the outcome of their exchange rate policy framework. Countries that orient their exchange rate regimes to export competitiveness typically have current account surpluses. This is a characteristic of the Asian EMEs and, in this sense, India is a significant exception to the Asian rule. These surpluses are reflected in a build-up of foreign exchange reserves, which may be further enhanced by large inflows of capital and the further accumulation of reserves to prevent currency appreciation, which undermines competitiveness in the short run. In the current global context, when capital inflows stop, reserves built up from current account surpluses provide the capacity to manage exchange rates in the face of external pressure.

India has large reserves, of course, over $300 billion, but because we have a current account deficit, the reserves are essentially counter-balanced against our external liability position. In an extreme scenario, if there is a large outflow of capital, the adequacy of reserves will be judged by the economy's ability to finance the current account deficit and, over and above that, meet short-term claims without any disruption or loss of confidence. In light of this, the value and use of reserves in the Indian context must be viewed somewhat differently than in the context of a structurally current account surplus economy. Reserves essentially provide comfort to external counterparties that we have the capacity to meet our obligations.

While the recent sharp depreciation has in certain quarters led to an assessment of 'helplessness' in dealing with the kind of global turbulence we are seeing today, our strategic behavior should not be misconstrued as an inability to lean against the wind. Consider the following alternatives. Not using reserves to prevent currency depreciation poses the risk that the exchange rate will spiral out of control, reinforced by self-fulfilling expectations. On the other hand, using them up in large quantities to prevent depreciation may result in a deterioration of confidence in the economy›s ability to meet even its short-term external obligations. Since both outcomes are undesirable, the appropriate policy response is to find a balance that avoids either.

That balance can be found in precisely the structural capital controls that I referred to earlier. Resisting currency depreciation is best done by increasing the supply of foreign currency by expanding market participation. This, in essence, has been our response. We increased the limit on investment in government and corporate debt instruments by foreign investors. We raised the ceilings on interest rates payable on non-resident deposits. The all-in-cost ceiling for External Commercial Borrowings has been enhanced. All these channels will help to expand the inflow of foreign exchange. These capital control measures have been supported by a series of administrative measures, which are aimed at curbing the capacity (or temptation) of market participants to take positions against the Rupee, which may further aggravate the pressures to depreciate. For example, entities that borrow abroad were liberally allowed to retain those funds overseas, which in this environment, would fetch them some windfall gains. They are now required to bring the proportion of those funds to be used for domestic expenditure into the country immediately.

In sum, within the broad parameters of our 'bounded float' approach to exchange rate management, we do have the instruments and the capacity to enhance supplies of foreign exchange into the market and, as has been demonstrated by these recent actions, will use them as appropriate. Within this overall framework, let me address the issue of direct intervention. As we have said, our policy approach does not involve strong intervention in the currency market to achieve a specific rate target. The risks of doing this have already been pointed out. However, in excessively volatile market conditions, 'smoothing' interventions that help to keep markets orderly and prevent large jumps that can induce further spirals, are entirely justified and have been carried out.

To sum up my thoughts on this issue, let me re-emphasize that our broad objective is to ensure that we find a balance between the short-term risk of the Rupee spiralling downwards and the medium-term risk of a loss of confidence in our ability to meet our external obligations. We do have the instruments to do this in the form of strategic capital controls, which can be used to enhance the supply of foreign exchange. These will be used as appropriate, with the goal of ensuring that the availability of foreign exchange does not become a de-stabilising constraint.

However, we must accept the likelihood of global turbulence persisting for some time, with the consequent impact on asset price and currency volatility. This is a risky environment and everybody would be well-advised to mitigate their risks to the extent possible. Over time, the hedging options for various stakeholders, including banks, corporates and small exporters have increased. Accordingly these stakeholders are advised to be vigilant and well-prepared with appropriate risk mitigation strategies, even while central bank acts to smooth excessive volatility.

But, beyond this, if we do see the short-term risk of a downward spiral escalating, we will not hesitate to use all available instruments. Notwithstanding our preference for a strategic approach to manage our external exposures, we would like to reiterate that to safeguard macroeconomic stability, use of intervention to mitigate the impact of sharp and large movements in the exchange rate would remain an instrument in our armoury.

The Domestic Scenario

Liquidity

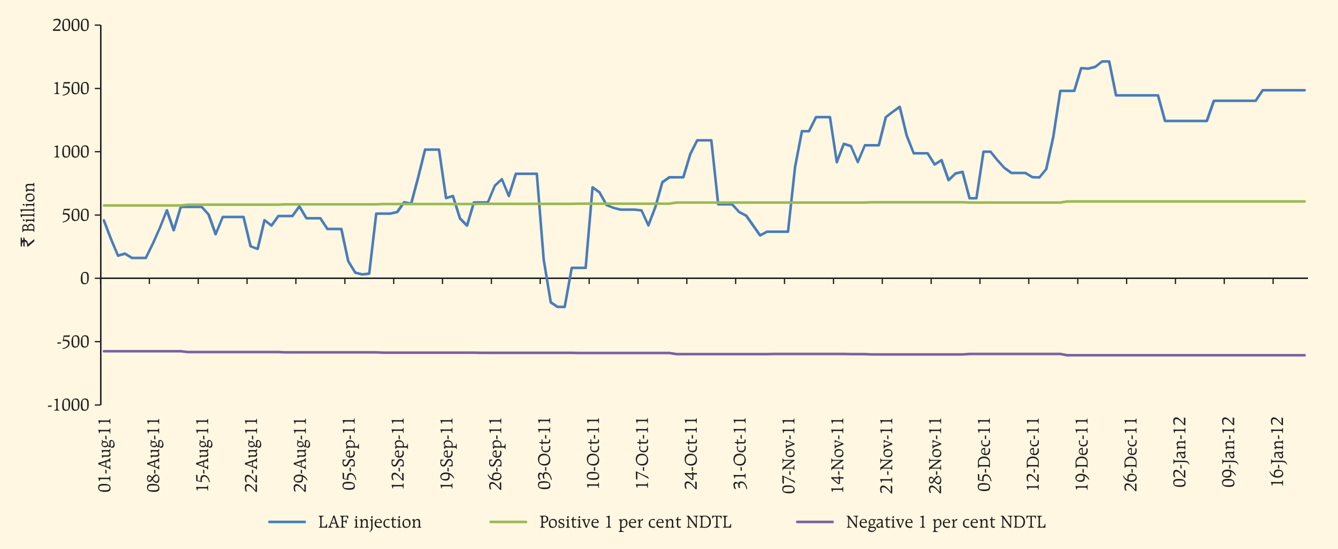
Let me first address the immediate concern about Rupee liquidity, which, in some ways, is related to the external situation. For several weeks now, the tightness of domestic liquidity conditions has been highlighted by the fact that borrowing under the Liquidity Adjustment Facility (LAF) have been significantly above our comfort threshold of one per cent of Net Demand and Time Liabilities (NDTL). Recent developments in our liquidity management approach have involved making a distinction between the monetary stance and the liquidity stance (Chart 2). In December 2010, we exploited this distinction by carrying out Open Market Operations (OMOs) to inject liquidity into the system, despite maintaining an anti-inflationary monetary stance.

We appear to be in a somewhat similar situation now. Some of the tightness is attributable to the smoothing interventions that were carried out in the foreign exchange market. But, that apart, given the overall conditions and the additional pressure, even if transitory, that will be exerted by the advance tax payments in mid-December, domestic liquidity conditions are expected to remain stretched for some time.

Here again, the broad objective is to ensure that these conditions do not hamper the smooth functioning of financial markets and disrupt flows to the real economy. We have been injecting liquidity into the market through LAF and OMOs and will continue to do so as conditions warrant. Of course, we must guard against the risk of excessive accommodation, since this will conflict with our current monetary policy stance. But, having made a distinction between the two, we will try and ensure that liquidity remains adequate without threatening the inflationary situation. In short, the endeavour will be to keep it within the parameters consistent with our comfort levels for a liquidity deficit.

We do have a range of instruments to help us achieve this objective. Currently, the banking system as a whole holds government securities to the tune of 29 per cent of NDTL, which is five per cent above the statutory requirement of 24 per cent. This reflects a relatively large capacity for liquidity infusions, about `2,740 billion, as and when the need arises. It is called the Statutory Liquidity Ratio (SLR) for a good reason. OMOs are our first preference for liquidity injection, since they are tactical in nature and do not require a change in any policy stance, real or perceived. Further, although , OMOs are currently being used to make those infusions, the LAF window is always available to the system to the extent of this surplus capacity. In addition, the recently established Marginal Standing Facility (MSF) allows banks to use a further one per cent of their SLR holdings, which, given the interest rate structure, they will only do in situations of extreme stress. In recent weeks, there has been no recourse to this window, which could mean that the there isn't too much stress in the system. In a sense, this window serves as an early warning indicator and we watch it very closely.

Chart 2: LAF Injection and RBI Comfort Zone



Beyond this set of instruments, there are others, like the SLR itself and, ultimately, the CRR. But, in thinking about these instruments, we must keep in mind that they straddle the divide between liquidity and monetary management, which, at the current juncture, we are intent on maintaining. To summarise the broad objective on this front, it is to ensure that domestic liquidity conditions do not de-stabilise financial markets or flows to the real sector, within the overall confines of the current monetary policy stance. Importantly, we must realise that large fiscal deficits cannot be accommodated fully by OMOs. Fiscal consolidation is a high priority. Inadequate progress on this front will weaken monetary control and impact medium term inflation expectations.

Growth and Inflation Dynamics

Finally, let me say a few words on domestic growth and inflation dynamics, which takes us from the immediate to somewhat further into the future. Here, I am treading on familiar ground, since it is just about a month since our last quarterly policy review. Of course, some things have changed since then, most notably, the extent of depreciation of the Rupee since that announcement. In and of itself, this clearly heightens inflation risks. These risks are perhaps aggravated by the fact that, amidst all the global turbulence, crude oil prices have remained quite firm. While the relative stability of oil prices in dollar terms would have provided a strong favourable base effect for domestic inflation beginning in December, this will be offset somewhat by the depreciation of the Rupee. However, our projections suggest that the impact will not change the anticipated downward trajectory of inflation. If a sustainable solution to the European sovereign debt problem emerges over the next few weeks, global portfolio rebalancing could reverse the movement in the Rupee, which in turn will help moderate the inflation risk. Importantly, apart from oil, prices of some other commodities have shown some signs of softening, which is obviously positive for the inflation outlook.

On the growth front, the recently published estimates for Q2 of 2011-12 substantiate the general expectation of a moderation in growth during the current year. Some of this is attributable to the cumulative impact of interest rate hikes. In this sense, it is an expected outcome of monetary policy actions, which, as is well-known, work to curb inflation by moderating demand. Typically, a growth deceleration precedes an inflation deceleration, so the pattern playing out now is consistent with the expectation that inflation will begin to moderate over the next few months. This has been the basis of our projections and guidance on future policy actions. Of course, there have been other factors that have impacted aggregate demand, especially the investment component. However, just as with the exchange rate and inflation, there are growth risks as well. Persistent global turbulence is always going to adversely impact the investment climate, which may be further aggravated by domestic conditions. Apart from interest rates, investment activity, which is critical to sustaining high growth with low inflation, is also sensitive to a number of other factors. Policy actions, both on the fiscal and regulatory fronts, that can favourably impact the investment climate will be critical to mitigating the risks to growth. These run the gamut from tax reform to land acquisition to skill development. A number of initiatives on each of these fronts are visible, but quick resolution and implementation is the key.

An important risk factor that we have been consistently highlighting is food. Although data from the most recent weeks points to a steady decline in food inflation, the likelihood is that food prices will remain a persistent source of inflationary pressure unless there are significant improvements in productivity, both at the cultivation stage and in the distribution process. Many forces need to be brought into play quickly to achieve this – infrastructure, technology and extension services, reform of market institutions and re-alignment of price incentives and financial services that can support them.

However, to come back to the growth and inflation view over the next year, in a scenario in which global turbulence reduces, we should see inflation moderating, which would then help the growth cycle reverse. Even in this scenario, reforms that improve the investment climate are critical. If global uncertainty persists, making us even more dependent on domestic drivers to sustain growth, these reforms become absolutely essential

Concluding Remarks

Let me conclude by summarising the main points that I wanted to make in this address. First, in dealing with global turbulence and its short-term impact on India, we need to balance between the risk of a rupee spiral and that of a loss of confidence. Our capital account management framework gives us the capacity to do this and we will continue to use that capacity as appropriate. We have to recognise that volatility may be with us for a while and we have to deal with it. However, if the risk of a spiral escalates, reflected in sharp movements in the exchange rate, we will take swift action as and when necessary.

Second, domestic liquidity may be showing signs of stress. Here again, we have the instruments and the willingness to use them, in the context of our distinction between liquidity management and monetary policy.

Third, while there are many challenges to managing the growth-inflation dynamics, both external and domestic, they are manageable. Moderating growth will help ease inflationary pressures, which in turn will help stabilise growth. Of course, accelerating growth over the longer term without provoking inflation requires many structural changes, on which the policy establishment must put the highest priority.

Let me end by thanking the organisers once again for inviting me to speak at this event and for accommodating my scheduling constraints through the use of this video recording. I trust that my remarks have served as a useful input to your discussions. My best wishes for a productive day.

Food Inflation: This Time it's Different*

Subir Gokarn

I would like to thank Prof. Parchure for inviting me to deliver this year's Kale Memorial Lecture. The lecture has been instituted to honour Rao Saheb R. R. Kale, who was instrumental in setting up this great institution, the Gokhale Institute of Economics and Politics. Despite his professional achievements as a lawyer, he was apparently a rather modest and humble person. Given his financial contribution to the establishment of the institution, it would have seemed perfectly appropriate for it to have been named after him. But, he demurred and it was named after Gopalkrishna Gokhale, a somewhat more recognisable name for readers of Indian history. While Rao Saheb Kale's name may not adorn the institution, the attributes that he is given credit for are the foundations for any activity to be sustainable and effective. I feel very honoured and privileged to be delivering this lecture in his memory.

2. I am also very pleased to be speaking at the Gokhale Institute itself. Many of my colleagues over the years are alumni of the Institute and I always enjoyed my interactions and collaborations with them and appreciated and valued their understanding and insights. Besides, the Institute has a Reserve Bank of India Chair, which we are very glad to have Prof. Parchure occupying at a time when we are strategically increasing our level of engagement and two-way knowledge transfer with the Chair Professors across the country.

3. Turning to the topic of today's lecture, the title is admittedly borrowed from a recent book, the very influential historical work on financial crisis by Carmen Reinhart and Kenneth Rogoff[1]. Besides being a very catchy title, which is always very tempting to borrow, I felt that there was some similarity between the historical dynamic described in the book and the situation we are facing with food inflation in India today. Crises recur because there are just enough differences between the circumstances that cause them for people to be able to deny their inevitability. However, the underlying drivers of virtually every crisis are essentially similar. In the story of financial crises that the book tells, unsustainable build-ups of exposures, underestimation of risks and an erosion or inadequacy of regulatory capacity are the common elements of all crises.

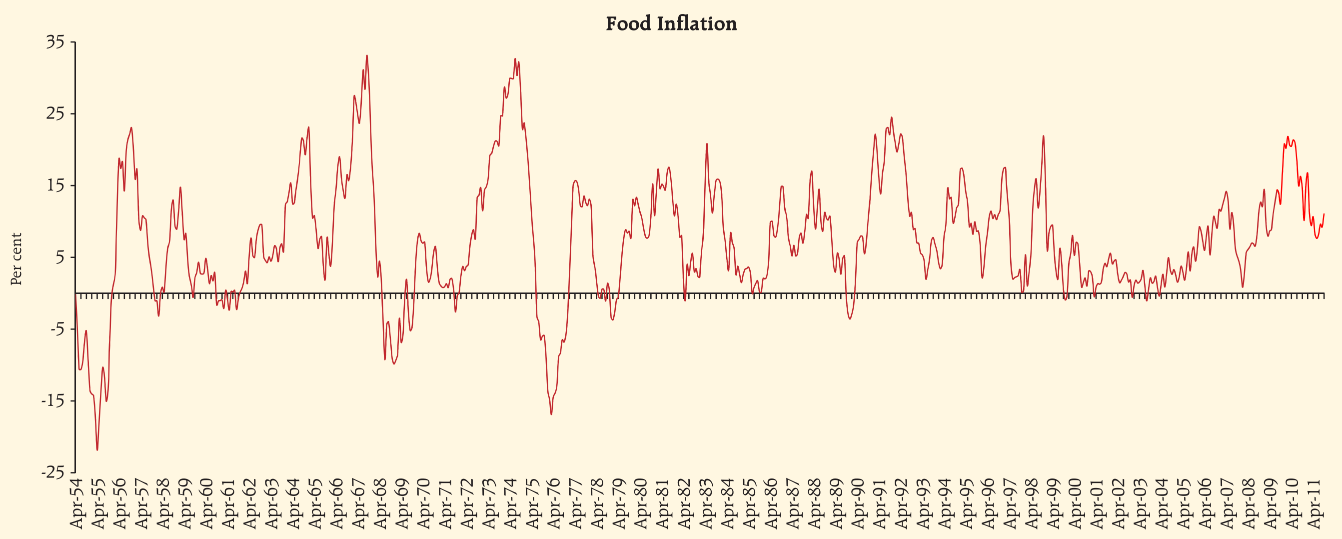
4. When I joined the Reserve Bank, food inflation had been a headline issue for almost two years, beginning late 2007 and consolidating very sharply in the first half of 2008. There was definitely a global dimension to this during that period, but what was striking was that even after global food inflation moderated, Indian food inflation persisted. The weak monsoon of 2009 was, of course, blamed and we all believed that softening was only one good monsoon away. Well, 2010 was a good monsoon but, as it turned out, there was little respite in food inflation. Let's wait for 2011, we thought. 2011 was also a relatively good monsoon year, but in the immediate aftermath of the monsoon, there wasn't much respite. Fortunately for policymakers, data from recent weeks suggests a softening in food inflation, but the level is still rather high.

5. During the two years I have been with the Reserve Bank, persistent food inflation has been one of the critical challenges to monetary policy formulation. There is a view, entirely legitimate, that monetary policy has no role in dealing with food inflation. Policy actions should, instead, be triggered by some measure of core inflation. However, this argument weakens somewhat when we move from a scenario where food inflation episodes are transitory, or short-lived, to one in which they are persistent, as has been the case in recent years.

* Kale Memorial Lecture delivered by Dr. Subir Gokarn, Deputy Governor, Reserve Bank of India at the Gokhale Institute of Politics and Economics, Pune on December 9, 2011. Inputs from Shri Bhupal Singh and Shri G.V. Nadhanael are gratefully acknowledged as well as the inputs on climate change from Indrajit Roy.

[1] Carmen M. Reinhart & Kenneth S. Rogoff, (2008). 'This Time is Different: A Panoramic View of Eight Centuries of Financial Crises,' *NBER Working Paper 13882*, National Bureau of Economic Research.

Chart 1: Food Inflation in India: A Long View



In the face of persistent food inflation, just as with any persistent supply shock, the appropriate response is seen to be to use monetary policy to prevent the spill-over from the shock into more broad-based or generalised inflationary pressures. In other words, in order to keep inflation under check, relative prices across categories of commodities have to change in favour of the ones facing the supply shock.

6. I want to get away from the monetary policy perspective for now and focus on the issue of relative prices. When we bring these into the discussion, we immediately enter the realm of microeconomics, *i.e.*, the basic forces of demand and supply. From this perspective, the simple question 'why are food prices rising so persistently' gets a simple answer 'because demand persistently exceeds supply'. The next simple question 'how do we bring food inflation down?' again gets the simple answer 'by increasing supply as quickly as possible'.

7. In the context of the title of my address, let me emphasise the point that the food inflation *per se* is not a new phenomenon for India. On Chart 1, beginning in the early 1950s, we can see a relatively large number of episodes in which food prices spiked. In some of these episodes, the spikes were significantly sharper than in others and many of them, particularly during the more recent decades, were relatively short-lived. Of course, the most vivid ones were the two that followed closely in the late 1960s and the early 1970s. We have apparently had nothing comparable since then in terms of the peak rates of inflation. In the most recent episode, however, the pattern is somewhat different; there is a clear indication of a prolonged upward trend beginning sometime in 2003 and showing persistence, *albeit* with a brief interruption.

8. This is, of course, very noisy data. We have tried to systematise it to be able to draw some more substantial inferences. In Chart 2, specific episodes during the six decades have been identified on the

Chart 2: Persistence of Food Inflation

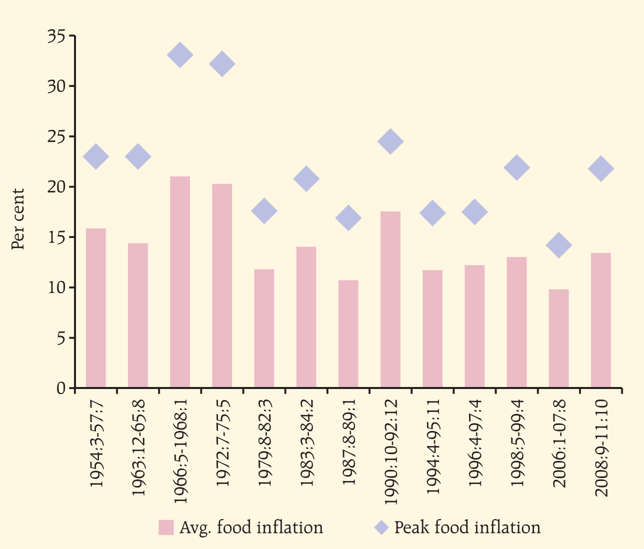
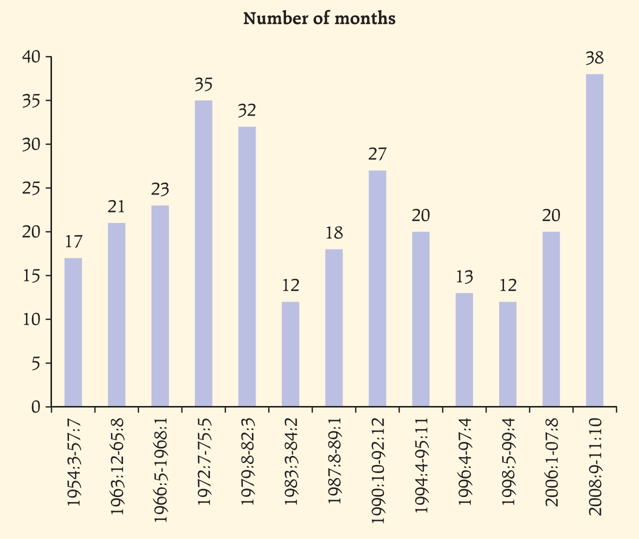


Chart 3: Persistence of Food Inflation



criterion that the average food inflation rate during each episode was 10 per cent or higher. The chart displays the average and peak rates during these episodes. The episodes during the late 1960s and early 1970s clearly stand out, while the more recent episodes are relatively more moderate in terms of both average and peak rates. However, the most recent episode does suggest something of a hardening.

9. But, this is as far as magnitudes go. A more worrying attribute of food inflation is persistence. Chart 3 displays an extremely significant pattern, which is really the foundation for the title of this lecture. We had two episodes of high persistence in the early 1970s and the late1970s-early 1980s, during which food inflation was on the average above the 10 per cent mark for 35 months and 32 months, respectively. Since then, as the graph clearly indicates, episodes were relatively short-lived, with the longest one lasting 27 months in the early 1990s. Even in the severe drought conditions of 1987, the high food inflation episode lasted only 18 months. But, strikingly, the most recent one, which runs from September 2008 until October 2011, was 38 months long and, in a sense, still running. Further, if we are to overlook the brief interruption that was visible in Chart 1, the last two episodes could be counted as one even more prolonged stretch.

10. Is this kind of persistence a return to the conditions that prevailed before the 1980s? Are we now entering a phase in our economic development in which food supply constraints can once again threaten growth and macroeconomic stability? To answer these questions, we need to look at what drove food inflation in the past and whether the same forces are at work now.

11. We try to do this in the next three Charts. All three graphs provide, for different periods, the contribution of different categories of food items to overall food inflation. Chart 4 shows the picture for the 1960s and 1970s, Chart 5 for the 1980s and 1990s and Chart 6 for

Chart 4: Drivers of Food Inflation 1960s & 1970s

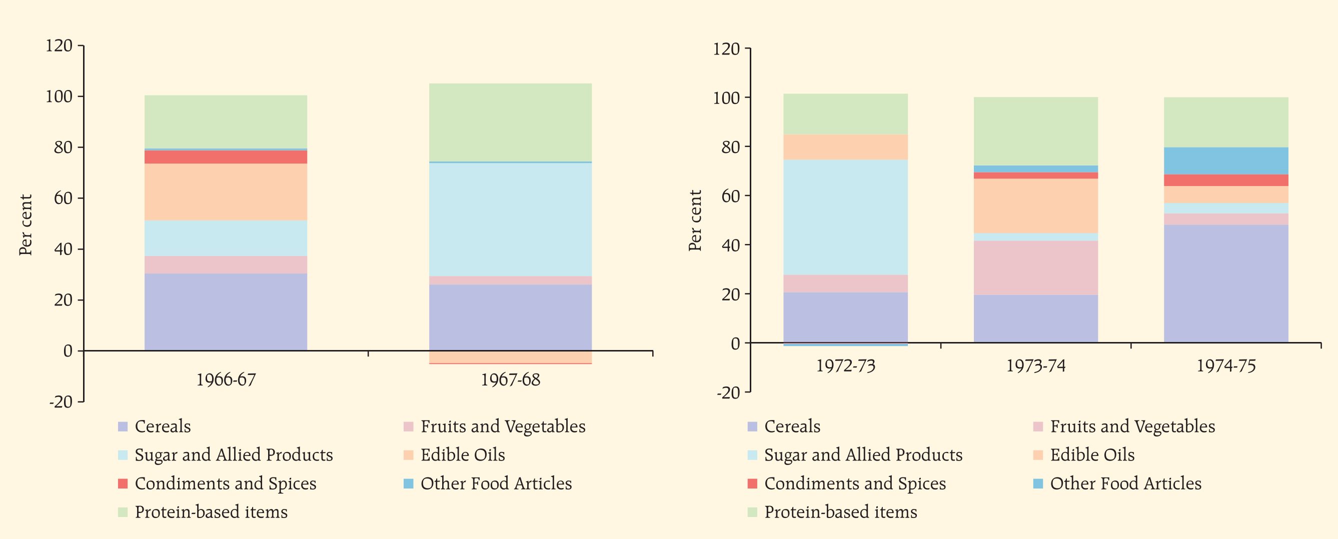
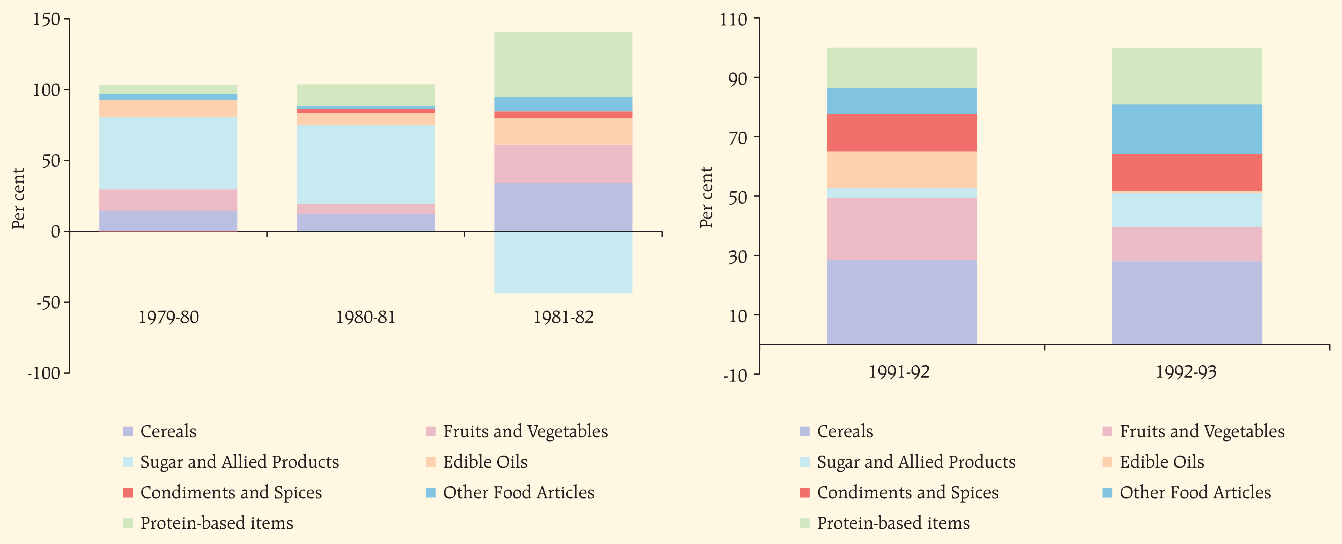


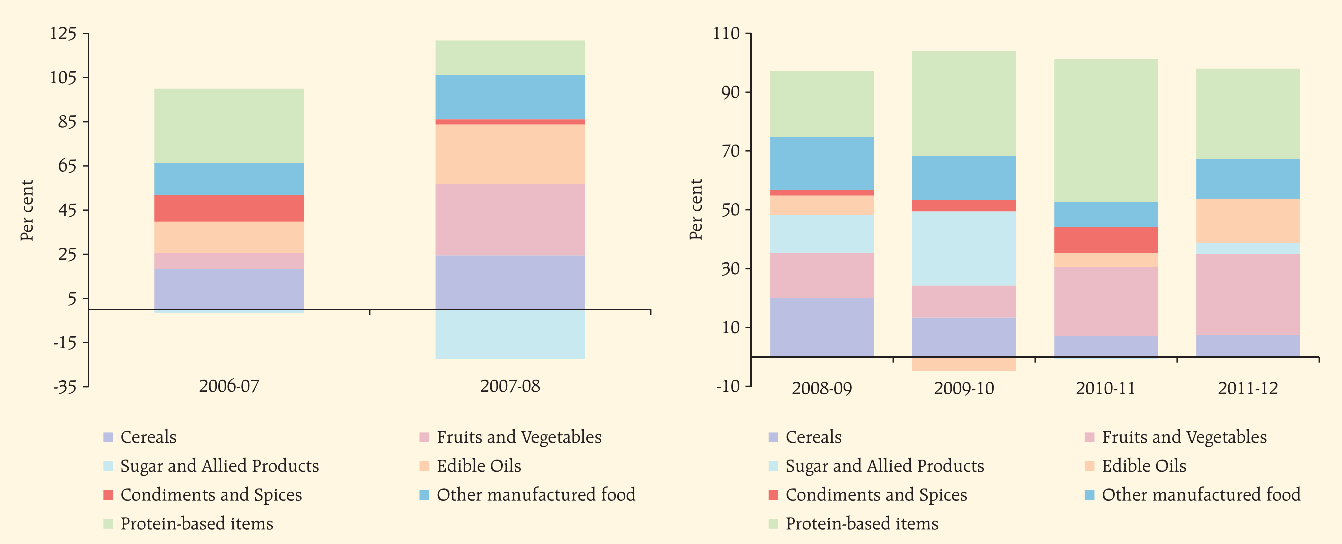
Chart 5: Drivers of Food Inflation 1980s & 1990s



the first decade of the 2000s. A number of important inferences can be drawn from this historical comparison. In the 1960s and 1970s, as seen in Chart 4, the main contributions to food inflation in the years that have been selected for display came from cereals and sugar. In the graph for the three-year period 1972-1975, which was one of the prolonged episodes that were identified in the earlier discussion, what is striking is that these two categories vied with each other to drive food inflation. While sugar was the dominant contributor in the first year, cereals took on that role in the next two years. Between the two, they accounted for a very high proportion of total food inflation.

12. In the next two decades, the picture did not change dramatically, although other categories of food clearly began to contribute more significantly. In the decade of the 1980s, in the years selected for display in Chart 5, sugar was the predominant contributor and cereals played a relatively modest role. In 1981-82, however, proteins (which include pulses, milk and eggs, meat and fish) made an appearance, as did fruits and vegetables. In the 1990s, the contribution of sugar

Chart 6: Drivers of Food Inflation 2000s



subsided, while that of cereals made a comeback, supported to an extent by fruits and vegetables and proteins. Overall, though, if we were to characterise these four decades in terms of the drivers of food inflation, it would be reasonable to argue that it was dominated by cereals and sugar, with a supporting role being played by proteins and fruits and vegetables in the second half of the period.

13. Let us now look at the contributions to food inflation over the past decade. In the years selected for display, cereals and sugar have clearly receded into the background, while proteins and fruits and vegetables have begun to play a more important role. In the earlier part of the decade, proteins and fruits and vegetables swapped roles, much like cereals and sugar did in the previous decades. However, in the last four years, which roughly correspond to the most recent episode of persistent high inflation, the contributions of proteins and fruits and vegetables, in both absolute and relative terms, have clearly been the dominant drivers of food inflation. Cereals and sugar have made some contributions, but they have been of a one-off nature, not sustaining over the entire period.

14. Let me place this significant shift in the drivers of food inflation, which was clearly accentuated in the most recent episode, in the context of the notion of 'this time it's different'. There are obvious similarities between the earlier prolonged episodes – early 1970s and early 1980s – and the most recent one. In both these, two major food categories both saw sharp increases in their prices, presumably because of a combination of steadily increasing demand and a sharp fall in supply, usually because of an inadequate monsoon. In the most recent episode, 2009 was a bad monsoon year and this may have been the trigger for prices of pulses to rise sharply, adding their own burden to the steady pressure from demand. In the following year, fruits and vegetables added their contribution, reinforcing and prolonging the inflation trajectory, despite 2010 being a decent monsoon year. While the contribution from proteins has gone down somewhat in 2011-12, the pressures from fruits and vegetables have sustained.

15. Given the significance of proteins and fruits and vegetables in food inflation in the recent episode, let us look at the contribution of some major items in the protein category. Charts 7 and 8 show the contributions of the major protein items - pulses, milk and eggs, meat and fish – over a five-year period. In Chart 7, we see the sharp increase in the prices of pulses in the first year, but this did not persist for very long. However, milk was a significant contributor throughout the period, as is seen in Chart 8. In the later part of the period, eggs, meat and fish gained in significance, more or less matching the contribution of milk. The contribution from pulses virtually disappeared in these years.

Chart 7: Proteins and Fruits & Vegs

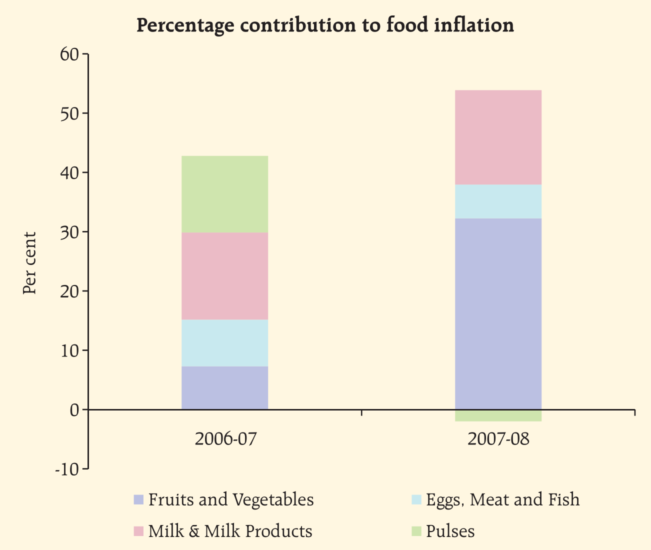
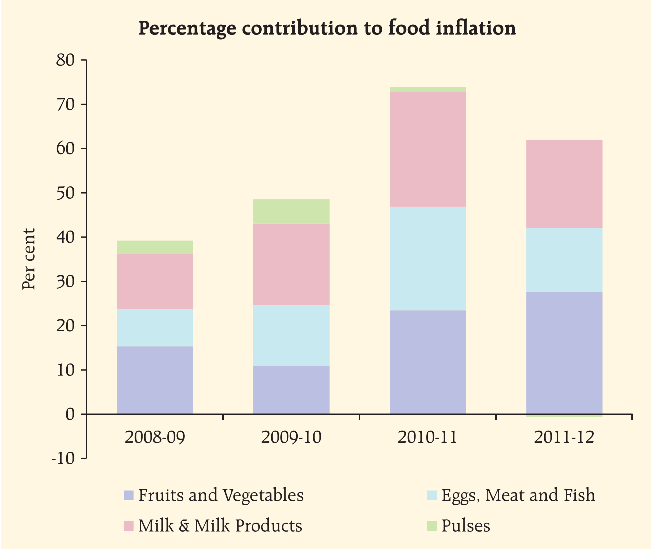


Chart 8: Proteins and Fruits & Vegs



Beyond proteins, fruits and vegetables were a significant, though somewhat volatile contributor.

16. In the context of the title of this lecture, the similarity between this latest episode of high food inflation and earlier ones of comparable duration clearly lies in the fact that it needed two major categories of food to drive these high rates of inflation. The difference lies in what those items were. It is also significant that between the relatively prolonged episodes, there were a series of relatively shorter ones, typically also with lower peak rates of inflation. This pattern has important policy implications, which I will come to in the concluding part of the lecture.

17. Let us now explore the drivers of the recent pattern of food inflation. When prices of individual commodities increase, it is always because of a gap between demand and supply. In the current scenario, I believe that both demand and supply forces are contributing to the persistence and possibly even the widening of that gap.

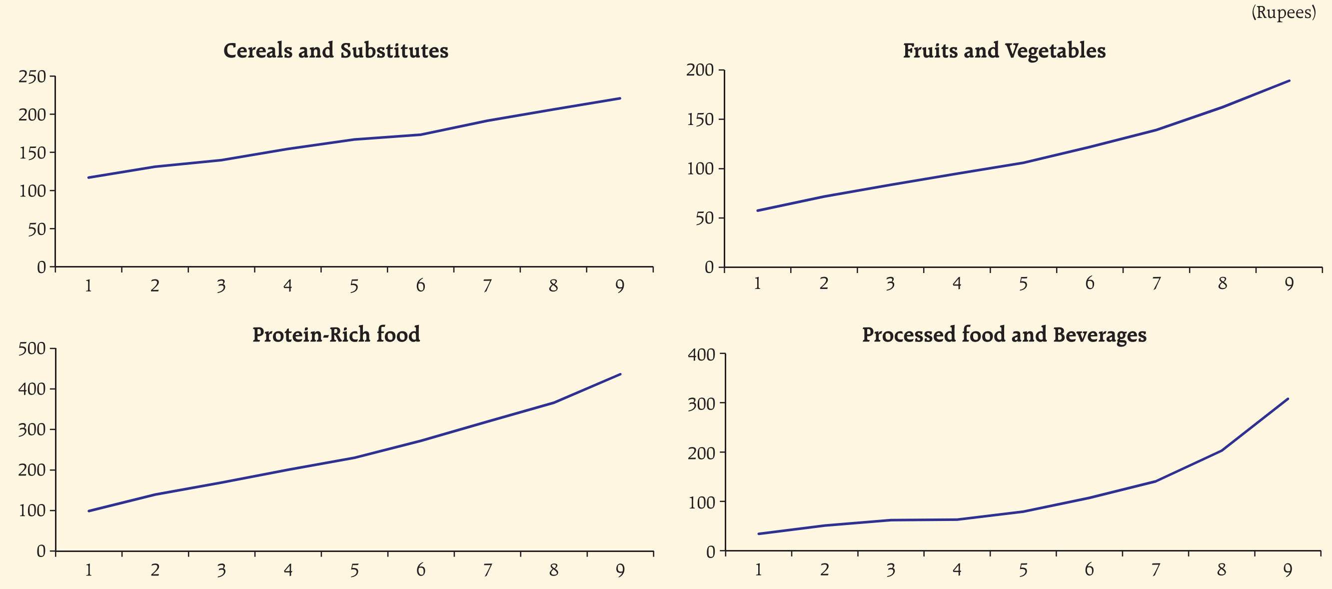
18. To examine the demand side of the equation, let me first provide a backdrop in Chart 9. Generally speaking, as households grow more affluent, the proportion of their income that they spend on food declines. This is a universal pattern and India is no different. Over the decade and a half depicted in the slide, both urban and rural consumers show a decline in their relative Monthly Per Capita Expenditure (MPCE) on food. For now, the main observation is that, while there may be a decline in food expenditures in relative terms, what matters for demand is the absolute levels of consumption.

19. One way to depict this is by an Engel Curve, which shows the relationship between income and expenditure on a particular commodity. Charts 10 and 11 show the Engel Curves for four food categories. Three of them are from the set that I have been talking about throughout the lecture, while the fourth captures expenditure on processed foods and beverages. There are a number of ways to interpret an Engel Curve, but a simple one in which relative changes in demand can be measured is in terms of the income elasticity. This essentially measures how much consumption increases for every unit increase in income (proxied here by total MPCE). The steeper the curve, the higher is the elasticity. Let me illustrate this with a simple comparison.

20. In the graphs displayed in Chart 10, the ratio of expenditure on cereals by the top income decile to that by the bottom decile is about 1.8. For proteins, it is about 4.5. By this simple calculation, as household incomes increase, the incremental expenditure on proteins is more than double that on cereals. The same story goes for fruits and vegetables and, quite obviously,

Chart 9: Changing Consumption Patterns

Chart 10: Urban Engel Curves
Decile-wise Monthly PCE on Select Food Items: All India (Urban)

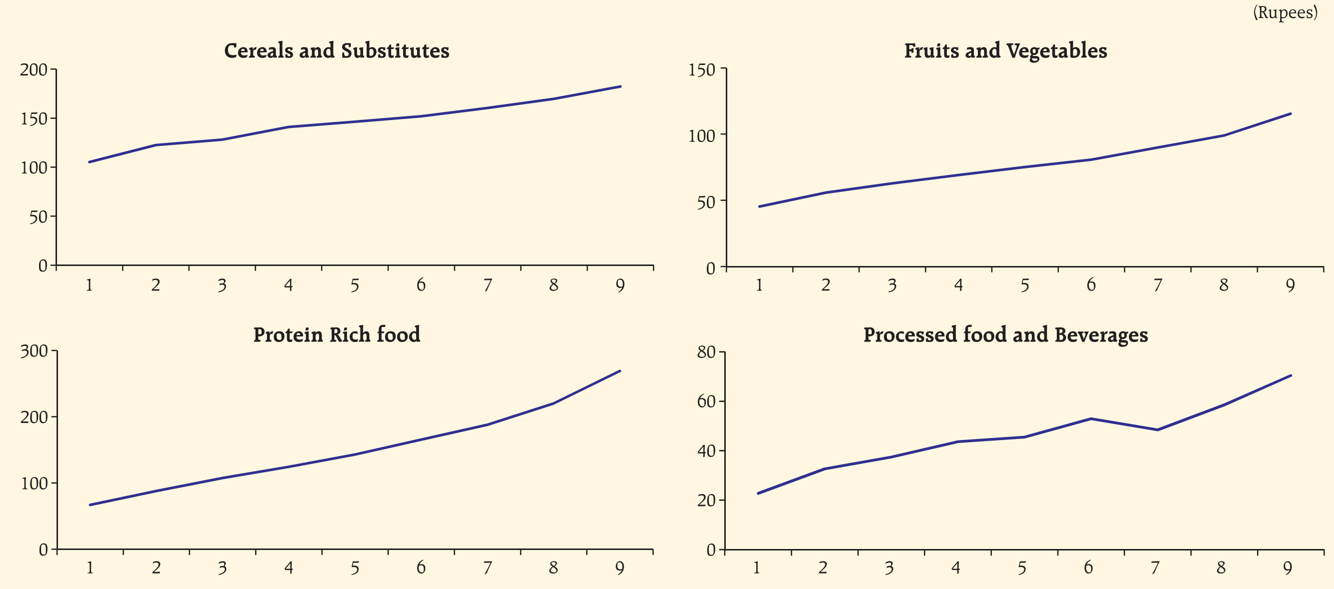


Source: Estimated from NSSO unit level data, 2009-10

for processed foods and beverages. Rural households, for whom the Engel Curves are displayed on Chart 11, reveal a similar slope for cereals but an even steeper slope for proteins as compared with their urban counterparts.

21. Although these curves are drawn from cross-sectional data, which reflect a point in time, they can clearly be used to make inferences about consumer behaviour over time. The simple conclusion from these patterns is that, as households move up the income

Chart 11: Rural Engel Curves
Decile-wise Monthly PCE on Select Food Items: All India (Rural)

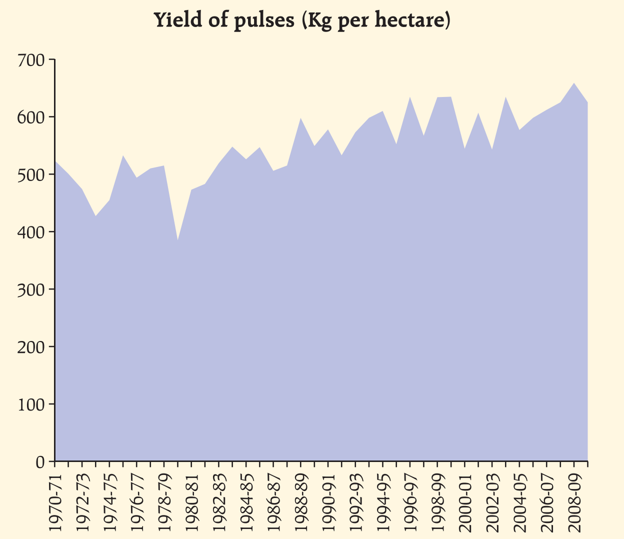


Source: Estimated from NSSO unit level data, 2009-10 ladder, their expenditure on food shifts relatively towards proteins, fruits and vegetables and so on, which exacerbates demand pressures[2].

22. Nobody would dispute this simple assertion. People eat better (as reflected in a more diversified and balanced diet) as they grow richer. But, even if the demand side of the equation is inevitable, that it translates into a persistent pressure on prices is not. One common and consistent feature of economic development is that it has been able to accommodate these changes in diets by increasing the supply of the food items involved. This is where we seem to have a problem.

23. Let us look at the supply side of the picture, using pulses and milk as examples, though I believe that they do illustrate the broader issue. Chart 12 displays the trend in productivity of pulses in India over a long period of time. It increased steadily until about the mid-1990s, when it crossed the 600 kg/hectare. After that, for the last decade and a half, it has oscillated around this mark, but not shown any tendency for sustained increase. From an aggregate supply perspective, this means that the only way to increase production is by increasing the area under cultivation, causing land available for other crops to decline.

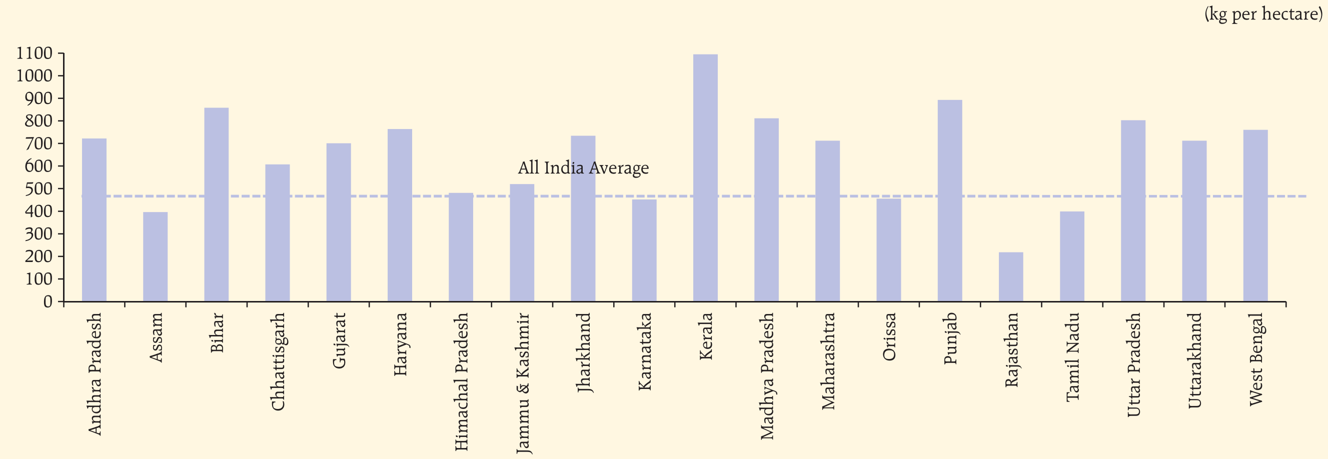
Chart 12: Stagnant Productivity in Pulses



24. Are there any opportunities to increase production by way of higher productivity, which is the best way to do it? Chart 13 displays the variation in productivity in pulses across states. Of course, this depiction does not distinguish between different kinds of pulses, which is an important issue. But, at the aggregate level, the pattern suggests that there are several large states, in which pulses may constitute an important part of the typical diet, whose productivity is significantly below

Chart 13: Productivity Differentials

State-wise yield of total pulses in 2009-10



Source: Ministry of Agriculture, GOI

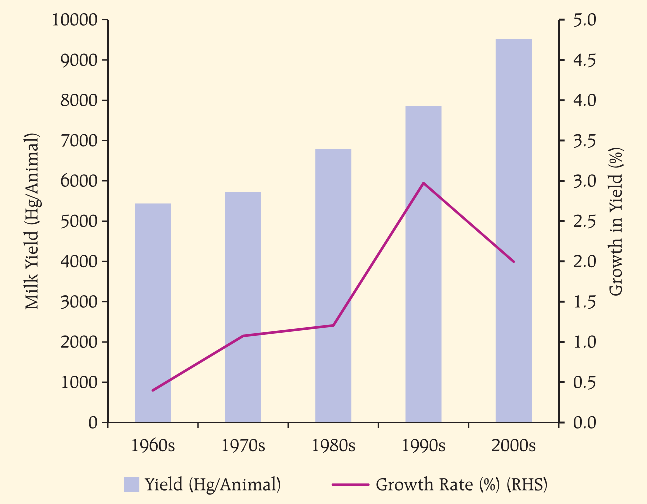
[2] Micro-level price dynamics of the major dietary sources of protein in India, based on demand-supply fundamentals is discussed in Subir Gokarn (2011), 'The price of protein,' Macroeconomics and Finance in Emerging Market Economies, Volume 4, Issue 2.

the national average. If overall productivity is to be improved, a strategy which focuses on the specific bottlenecks in these states is probably the best way to go about it.

25. I have not gone down to the next level of disaggregation, looking at productivity patterns across different kinds of pulses. Some of the inter-state variation is because the crop mix is different across states. The distinction is important because of strong inter-regional variations in preferences. Specifically, consumers in the western and southern regions have a preference for *tur* (or *arhar*) dal, while *chana* and *urad* are more popular in the north. *Masur* comes into the mix in the east. Because of the relative lack of substitutability between these varieties, strategies to increase productivity need to take into account the supply-demand imbalances in each of these items. A large increase in a pulse variety that is not universally consumed will not be of much help in addressing the demand-supply imbalance.

26. Going back briefly to Charts 7 and 8, in which the relative contribution of pulses to inflation was displayed, one reason why it has been muted at the aggregate level is that not all pulses face the same demand-supply imbalance. For example, *chana*, which is a significant *Rabi* crop in the northern region, has been relatively stable in its yields and this in turn has resulted in relatively stable prices. On the other hand,

Chart 14: Slowing Growth in Milk Yields



Source: FAO

tur, which is grown largely in the southern half of the country, has shown much more volatility in productivity and has, as a result, shown much sharper increases in prices over the past few years.

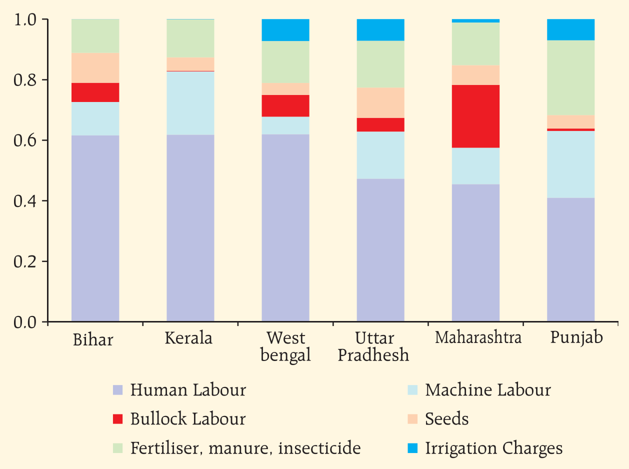
27. Let me come to the situation in milk. As we saw in Charts 7 and 8, in contrast to pulses, milk has been a significant contributor to food inflation throughout the period under consideration. And, of course, unlike pulses, milk is a homogeneous product. With the kind of demographic pattern the country has, as well as the growing demand for processed food products, in which milk has a significant role, demand for milk has been growing and will continue to grow rapidly. However, as Chart 14 shows, the growth rate of milk yields has declined quite significantly during the past decade. Again, this means that the only way in which milk production can be increased is by increasing the size of the cattle herd. The investment and maintenance expenditures involved will come at the expense of other things. There may be lessons to be drawn from the experience of the previous decade, during which productivity increased quite significantly.

28. Productivity gains can be a significant contributor to moderating food inflation. However, for given levels of productivity, it is the cost of major inputs that determines the prices of the products. What is driving costs of production? In discussing this, although I have been talking about proteins and fruits and vegetables all along, I will use paddy as an illustration, for two reasons.

29. The first reason is that paddy is cultivated across a wide range of states and its cost structure therefore reflects national trends. The relative share of different inputs in the cost of paddy cultivation is shown on Chart 15. In terms of cost share, the dominant input clearly is labour. It's contribution varies across states, but it is by far the largest component of costs in all the states displayed. Consequently, the cost of production across the country will depend on how the wages of agricultural labour have been moving.

30. The movement in this critical variable is shown in Chart 16. The longer bars reflect the increase in nominal wages of rural unskilled workers over the past year. The shorter bars reflect the change in the

Chart 15: Cost Structure of Paddy Cultivation



Source: CACP Report, GOI, 2011-12 Kharif

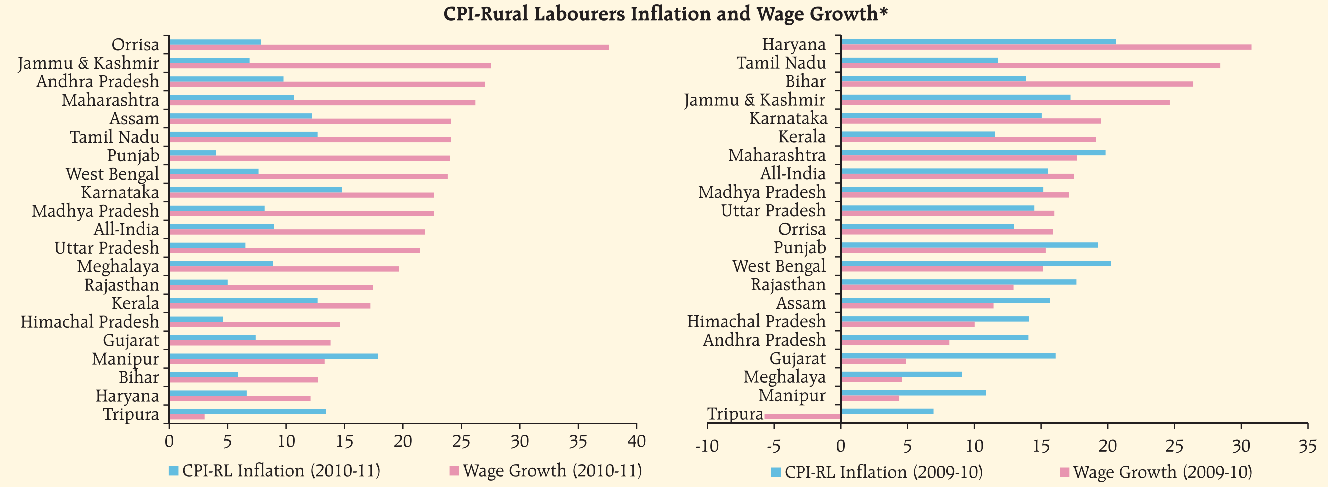
Consumer Price Index for this category of workers. In virtually all the states, the rise in nominal wages far outstrips the increase in consumer prices. Labour costs are clearly rising sharply, which for commodities like food usually mean a high degree of pass-through into the selling price. The broader point here is that, if wages are rising at current rates, for whatever reason, they will exert strong pressure on the prices of all agricultural commodities for which wage costs are a dominant component of the cost structure.

31. I must point out that, from a larger development perspective, rising wage costs are actually a good thing. After all, a primary objective of development is to raise standards of living through higher incomes. However, the sustainability of the process depends entirely on whether wage increases are the consequence of productivity increases. Wages rising faster than productivity can only result in rising prices, if producers cannot substitute other inputs for labour. The cost structure for paddy reflects the criticality of labour. There may be substitution possibilities for other crops, but these depend on many factors, such as the scale of cultivation, the quality of infrastructure services and so on. In many commodities, rising wages combined with stagnant productivity are a recipe for persistent price increases.

32. The second reason why I used paddy as an example here is to highlight an important relationship between price dynamics and stocks. As is well known, the government holds substantial stocks of rice and wheat. While they are meant to be released into the market in situations of shortage, thus ensuring availability at reasonable prices, there is some evidence to suggest that their mere presence acts as a dampener on price volatility. Chart 17 shows the relationship between cereal price movements and their stock levels over the past decade and a half. The relationship is very clear and contemporaneous. As stocks decline, the rate of increase in cereal prices accelerates. Conversely, periods in which stocks have been high show relatively low rates of price increase.

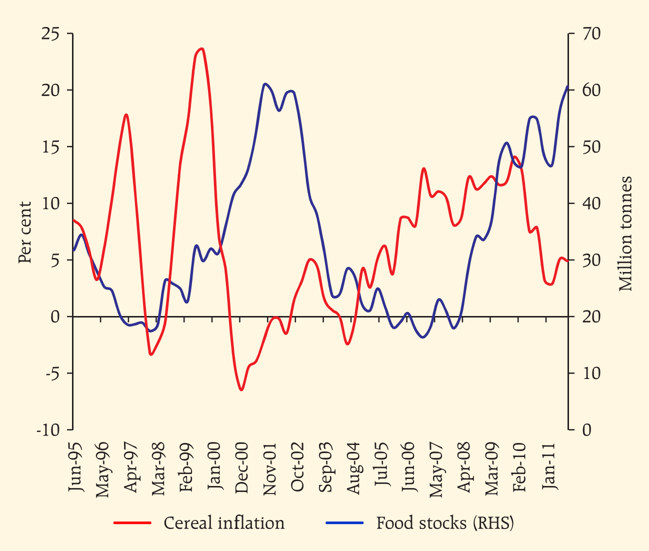
Chart 16: Rising Wages

CPI-Rural Labourers Inflation and Wage Growth*



* Y-o-Y Growth in March: Rural Unskilled Labourer (Male) Wage.
Source: Indian Labour Journal: Labour Bureau, Ministry of Labour.

Chart 17: Cereal Stocks and Prices



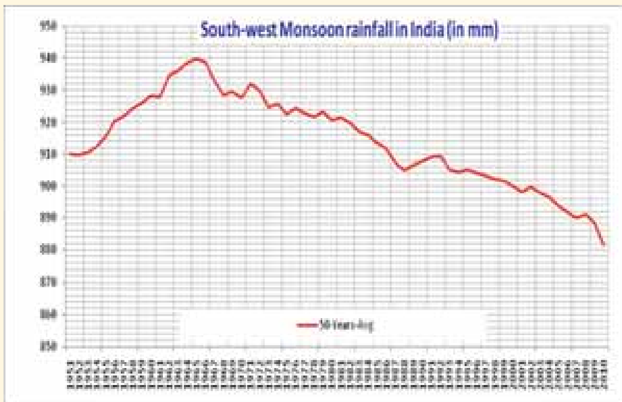
33. There has been much public discussion on the rather inefficient way in which the stocks are being maintained and some concerns expressed about their ability to actually meet food security requirements should the need arise. That is an important debate but I don't want to get into it here. From the perspective of price stabilisation, evidence from cereals supports the case that a credible level of stocks can actually dampen price volatility. Of course, not every commodity is amenable to stocking, particularly over long periods of time. So, this particular strategy might not be applicable to the commodities that we have been focussing on in this discussion. But, perhaps the lesson from the experience with cereals is that, wherever and however possible, the ability to counter supply disruptions with short notice infusions into the market may be a useful tool to have.

34. I want to address one final issue on the supply side before I conclude. This has to do with the performance of the monsoon over a long period of time. We are used to thinking of 'normal' or 'deficient' monsoons in terms of a deviation from a benchmark labelled the 'Long Period Average' (LPA). The LPA for a specific decade is the average of the rainfall over the 50 years before that decade. It is, therefore, updated every ten years, after the completion of a decade, which then gets added into the average. However, if the benchmark itself is changing, the notions of normality and deficiency do not fully capture the absolute amount of rainfall in any given year. A normal monsoon in one year may actually deliver less rainfall than a normal monsoon in another.

35. Chart 18 displays the LPA for the South-west monsoon across the country. It clearly shows a declining trend. This means that normal monsoons are actually delivering less water than in the past. This may not be of great significance for regions that are subject to heavy rainfall, but in parts of the country, particularly in the central regions, this kind of decline may be contributing to water scarcity and, consequently, keeping productivity stagnant. Notably, pulses comprise a significant crop in these regions. In short, to add to all the other hindrances to productivity growth, long-term water availability will also potentially play a role.

36. Let me now wrap up the lecture by highlighting two key points made in the lecture and then drawing out some policy implications. First, we seem to be currently in a situation that resembles the food inflation episodes of the early and late 1970s in terms of magnitude and duration. In all three comparable episodes, including the most recent one, two important categories of food made significant contributions to inflationary pressures and their persistence. However, the key difference between the earlier episodes and the recent one is the pair of commodities involved.

Chart 18: South-west Monsoon Rainfall
50 year moving average



• IMD-LPA is calculated every 10 years as the 50 years average *i.e.*, IMD LPA for 2011-2019 is 89 cm and is the average rainfall over the country as a whole for the period 1951-2000.

Earlier, it was cereals and sugar, now it is proteins and fruits and vegetables.

37. Second, when prices are rising because demand is growing strongly while supply stagnates or fails to keep up, there is no alternative to curbing food inflation than raising supply rapidly. The current pressure on the prices of proteins and fruits and vegetables is clearly the outcome of this combination of circumstances. However, raising productivity quickly is itself a serious challenge, given the pressures emanating from both labour costs and, over longer horizon, what appears to be a structural reduction in the absolute amount of rainfall.

38. I draw three policy implications from this analysis. First, the transition from an environment of persistent food inflation up until the 1970s to a series of more short-lived and less intense episodes in the 1980s and 1990s was the direct result of a set of policy interventions, which we collectively labelled the 'Green Revolution'. These interventions, which combined price incentives, input subsidies, technological inputs and infrastructure investments, particularly in irrigation and, very importantly, buffer stocks, helped to raise and stabilise the productivity of cereal cultivation, as well as some other crops. Over the years, cereals stopped contributing significantly to food inflation and, perhaps, this led to the belief that the food inflation problem had been solved for good.

39. However, as we all, or should all, know, the story of development is a continuously evolving one. Demands, for food as well as other products and services, change as consumers become more prosperous. Sustaining the development momentum involves creating the capacity in the economy to respond to these changing demands. Throughout history, increasing affluence has been associated with changing food habits. The transition from a cereal-dominated diet to a more balanced one with a greater appetite for proteins and fruits and vegetables is something that all countries have seen and we are no exception. It is in full swing today and the absence of a strong supply response means that many aspiring consumers will actually be denied the opportunity to make that transition.

40. Second, while the broad objectives of a supply enhancement policy remain the same, *i.e.*, increasing and stabilising production, predominantly through productivity increases, the elements of the strategy need to fit the requirements of both the commodities themselves and be consistent with the overall economic and institutional environment. A mere replication of the kinds of interventions we saw in the 1960s and 1970s may not turn out to be effective, because the nature of the commodities is so different. Also, in hindsight, these interventions imposed a significant fiscal cost, something which is rather difficult to absorb in today's circumstances. In short, an effective strategy must be compatible with both the nature of the commodities and the state of the economy. I have no doubt that such a strategy can be devised from existing knowledge and the right kinds of resources being brought together. Co-ordination will be the key.

41. Third, coming back to the monetary policy context, the implications of persistent supply pressures on the economy, whether they are from food, energy, labour or any other critical input, are clearly not very good for maintaining the balance between fast growth and low inflation. A permanent supply shock leads to lower growth and higher inflation, which could further fuel inflationary pressures through expectations. In this situation, central banks have to choose between the risk of inflation spiralling through expectations and the burden of slowing growth even further by anti-inflation policy measures. In other words, while transitory episodes of food inflation do not warrant a monetary policy response, there are strong justifications for acting in the face of more persistent ones, if the objective is to keep overall inflation in check.

42. In short, quickly increasing the productivity of proteins and fruits and vegetables is the highest priority, both from the perspective of development and standards of living and from the viewpoint of monetary policy.

43. Let me conclude by thanking the Gokhale Institute and Prof. Parchure once again for inviting me to deliver the Kale Memorial Lecture for 2011. My best wishes for the future to the students graduating today.

Legislative Reforms – Strengthening Banking Sector*

Anand Sinha

Justice (Retd.) Shri B.N. Srikrishna, Chairman, Financial Sector Legislative Reforms Commission (FSLRC), Shri Swarup and Shri Malegam (members of FSLRC), Shri Yogesh Agarwal, Chairman, Pension Fund Regulatory and Development Authority (PFRDA), Shri Mudholkar and Shri Chikermane, and other delegates. It is an honour and privilege for me to address you today, on some of the key issues with regard to 'Reforms in the Banking Sector' and I thank Financial Planning Standards Board of India for this opportunity. This Financial Planning Congress comes at a very opportune time when the far reaching exercise of rewriting financial laws is being undertaken by the FSLRC and I commend the organisers for their efforts in putting together this Congress.

I. Introduction

2. Empirical research shows that better developed financial systems accelerate economic growth and shrink income inequality by disproportionately increasing the earnings of lower income families[1] *i.e.*, enabling growth with equity, which is so vital for our country. A well-developed financial system will require sound legislative framework because, legislation is the foundation on which institutional frameworks stand. To be effective, legislation not only needs to be unambiguous and fair but also should be robust enough to address all the existing concerns while, at the same time, being flexible enough to accommodate the new needs on account of evolving environment.

3. Role of legislation in the context of economic development in general and the financial sector in particular, is an interesting area of study. It has been argued that strong legal systems foster development of sophisticated financial markets and intermediaries[2], which enhances the economy's ability to manage risk and eventually lead to economic growth. Measures such as robust contract enforcement and disclosure discipline go a long way in strengthening the financial systems.

4. Every legislation has a time dimension and its relevance has to be seen *vis-à-vis* this dimension. With the changing environment, practices and processes change, necessitating a review of extant legislations. This holds all the more true for an area like financial system where changes are rapid and frequent. The dynamic nature of legislation was well articulated when Aristotle said *'Even when laws have been written down, they ought not always to remain unaltered'*.

5. India is said to be one the most over-legislated countries. We have numerous Acts and regulations, some of which date back decades. As times have changed quite significantly since they were enacted, there is an emphatic need to update and fine tune them so as to enhance their relevance for the rapidly changing financial landscape. It is a welcome step that FSLRC has been constituted to look into and revise the existing financial legislation. In this context, the role of this Congress is very important in facilitating deliberations.

6. Financial sector policies comprise a set of policies, such as:

- Prudential policies to ensure safety and soundness of the financial system (financial stability)
- Regulatory and Supervisory policies
- Depositor and Consumer protection policies
- Financial Inclusion policies

* Address by Shri Anand Sinha, Deputy Governor, Reserve Bank of India at Financial Planning Congress 2011 organised by Financial Planning Standards Board of India at Mumbai on December 18, 2011. Inputs provided by Shri P. R. Ravi Mohan, Shri G. S. Hegde, Shri Subrat Das and Smt. Sadhana Varma are gratefully acknowledged.

[1] Levine, Ross (1999), 'Law, Finance and Economic Growth'; *Journal of Financial Intermediation 8*.

[2] Levine, Ross (1999), *ibid.*

- Other policies for ensuring adequate supply of credit to economically important sectors, *i.e.,* SMEs, Infrastructure, *etc.* and
- Market structure and Competition

7. Prudential policies comprise macro prudential and micro prudential policies aimed at ensuring the safety and soundness of the financial system. Collectively, both macro and micro prudential policies ensure the stability of the financial system which would facilitate efficient allocation of resources to the real economy. While financial stability is a necessary condition to ensure other objectives of financial sector policies as well as for growth and macroeconomic stability, it is not a sufficient condition to attain these objectives. Other financial sector policies will have to be implemented for balancing numerous considerations such as growth imperatives, flow of credit to disadvantaged and preferred sectors, consumer protection, financial inclusion and equity, *etc.* At times, it becomes extremely challenging to balance these considerations and, if adequate care is not taken in designing and implementing the other financial sector policies, financial stability may be adversely affected. Therefore, it is important that a set of sound financial sector policies (including prudential policies) backed by sound legislation must be adopted to deliver the various objectives – growth with equity in the backdrop of financial stability.

II. Recent Amendments Carried to Various Financial Sector Laws

8. Before I delve into some of the key issues requiring legislative review, I list some of the enactments and amendments that have been made to the various Acts during the last decade to highlight the dynamic nature of legislation.

i. Reserve Bank of India Act, 1934 was amended in 2006 to provide legality to certain over-the-counter (OTC) derivative transactions and also to give explicit regulatory powers to Reserve Bank over derivatives and money market instruments.

ii. The Banking Regulation Act, 1949 was amended in 2007 for removing the lower limit prescribed in maintenance of Statutory Liquidity Ratio (SLR) by banks and conferring wide powers on the Reserve Bank in stipulating the SLR requirements for banks and to control liquidity in the market.

iii. The State Bank of India Act, 1955 was amended in 2007 for enabling transfer of ownership from the Reserve Bank to Government of India and again in 2010 to provide for enhancement of capital, issue of preference shares, raise capital by public issue or preferential allotment or private placement or rights issue; and to issue bonus shares to the existing shareholders, *etc.*

iv. The State Bank of India (Subsidiary Banks) Act, 1959 was amended in 2007 to facilitate enhancement of capital, raise resources from the market and raise capital through rights issue.

v. The Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980 were amended in 2006 to enable nationalised banks to issue preference shares in accordance with the guidelines framed by the Reserve Bank and to raise capital by preferential allotment or private placement or public issue, with the approval of the Reserve Bank.

vi. The Negotiable Instruments Act, 1881 was amended in 2002 to introduce the concepts of 'electronic cheque' and 'cheque truncation' by expanding the definition of 'cheque'.

vii. The Securities Contracts (Regulation) Amendment Act, 2007 was passed with a view to providing a legal framework for enabling listing and trading of securitised debt instruments, including mortgage backed debt.

viii. The Government Securities Act, 2006 was enacted to consolidate and amend the laws relating to Government securities and its management by the Reserve Bank. The Act simplifies the procedure for settlement of claims of legal representatives, provides for admissibility of computerised information as evidence, contains provisions for effectively dealing with misuse of Statutory General Ledger (SGL) accounts and facilitates pledging and hypothecation of Government securities.

ix. The Payment and Settlement Systems Act, 2007 was enacted empowering the Reserve Bank to regulate and supervise payment and settlement systems of the country and provides a legal basis for multilateral netting and settlement finality.

x. The Prevention of Money-Laundering Act, 2002 was enacted as a follow up to UN General Assembly resolution in 1998, calling for adoption of national anti-money laundering legislations and programmes by member states. The Act provides for preventing money laundering and connected activities, enables confiscation of proceeds of crime, setting up of agencies and mechanisms for co-ordinating measures for combating money laundering, *etc.*

xi. The Foreign Contribution (Regulation) Act (FCRA), 2010 was enacted by repealing the erstwhile Foreign Contribution Regulation Act, 1976 mainly to rectify several deficiencies found in the previous Act. The new Act covers the electronic media and organizations, other than political parties, apart from entities in the prohibited list in FCRA, 1976.

xii. The Credit Information Companies (Regulation) Act, 2005 empowers the Reserve Bank to regulate the Credit Information Companies (CIC) and to facilitate efficient distribution of credit and matters concerned or incidental to it.

III. The Road Ahead: Legislative Reforms in the Banking Sector

Multiple Acts – Need for consolidation

9. Banks are regulated and supervised under the Banking Regulation Act, 1949. Public Sector Banks *viz.*, State Bank of India, State Bank of India subsidiary banks and Nationalised Banks which are constituted under different statutes are governed by their respective statutes and by some of the provisions of the Banking Regulation Act. The provisions relating to the ownership and management of banking companies as contained in the Banking Regulation Act are not applicable to the public sector banks. Co-operative Banks are constituted by the respective State Co-operative Societies Acts or by the Multi-State Co-operative Societies Act and the provisions of Banking Regulation Act are made applicable to them with certain modifications.

10. Since the origins of the banks have been historically different, they continue to be governed by the respective statutes as well as other general laws. Each of the statutes was crafted in a contemporaneous setting, reflecting the needs and concerns of the time. Therefore, almost all the statutes were amended from time to time to reflect changes in circumstances and context prevailing at that time.

11. There is a strong case for reviewing these legislations and recasting them for a number of reasons. First, prudential regulations are ownership neutral. However, the fact that different banks are governed by different laws has resulted in an uneven playing field which needs to be addressed. For example, while amendments were carried out to enable SBI, SBI subsidiary banks and nationalised banks to issue preference shares, though at different points of time, banks in private sector cannot issue preference shares as the amendments to the Banking Regulation (BR) Act is still to be carried out. Similarly, while bilateral netting in the event of liquidation is admissible for private sector banks governed by the Companies Act and the normal bankruptcy laws, the position in this regard for public sector banks, SBI and its subsidiaries is not clear in law, as liquidation, if at all, of such banks would be as per the Notification to be issued by the Government in this regard. Second, a single, harmonised and uniform legislation applicable to all banks will provide transparency, comprehensiveness and clarity and provide ease of regulation and supervision to the Reserve Bank. Third, there is also a need to sort out the conflicts and overlaps between the primary laws governing the banking sector and other applicable laws.

For example, the Competition Act, 2002 (as amended by the Competition (Amendment) Act, 2007) is in conflict with the provisions of the Banking Regulation Act, SBI Act and other statutes dealing with the amalgamation of banks. Consolidation of banking sector laws and laying down of common regulatory framework for commercial banks are issues requiring serious consideration.

Management of Banks

12. Management of banking institutions by fit-and-proper persons plays an important role in securing the safety of banks. While the Reserve Bank has power, under certain circumstances, to remove the managerial and other persons from the banks and appoint additional directors, *etc.*, these powers may not be effective in handling a situation where supersession of the Board is warranted. The Reserve Bank currently, does not have the power to supersede the Board of Directors of a banking company. In the Banking Laws Amendment Bill, 2011 amendments are being proposed for conferring such a power on the Reserve Bank, for being used with appropriate safeguards. With respect to public sector banks, by way of amendments, similar powers have been vested in the Central Government, which has the majority shareholding in those banks.

13. The shareholding pattern also plays a vital role with respect to the management of banks and, therefore, it is necessary that shareholders having sizeable holding should also be fit and proper. The Reserve Bank has, by way of regulatory prescriptions, implemented an acknowledgement procedure. In the 2011 Bill, statutory provisions are being proposed for obtaining prior permission of the Reserve Bank for acquiring 5 per cent or more of the equity shares or voting rights in a banking company. At present, a deadlock situation arises if a group of persons acquires sizeable equity or voting rights in a bank without following the acknowledgement procedure. There is no statutory power for directing disgorgement of shares and as such, if any such acquisition takes place, it may result only in contravention in provisions of BR Act. The main object of preventing the management of a bank from being captured by persons who are not fit and proper for holding such sizeable interest will not be achieved. The Reserve Bank should, therefore, have the power to direct, by order, at any time that persons who are not fit and proper to hold such equity or voting power in contravention of these provisions, shall not have voting power. The 2011 Bill proposes to confer such power on the Reserve Bank. This will help prevent unscrupulous persons from exercising control over banks.

Deposit Collection Activity

14. Currently, collection of deposits from members/shareholders is not treated as acceptance of public deposits. This is a matter of serious concern, particularly, with respect to Co-operative Societies. Deposits are accepted by enrolling members on tap and by collecting nominal amounts from them, exposing such depositors to serious risks. Banking Regulation Act does not apply to such co-operative societies and they are outside the regulatory purview of the Reserve Bank. It is necessary to plug this important loophole. Unless deposits are received from members who have voting rights, the deposits have to be treated as public deposits and the exemption from the provisions of Banking Regulation Act should not be made applicable. Every entity that accepts deposits from persons having no voting rights has to be treated as deposit accepting entity and should be regulated as such by Reserve Bank of India. Reserve Bank of India should have the discretion to determine the level and intensity of regulation and supervision depending upon the risk to the system from such entities.

Financial Conglomerates

15. In India, banks are entitled to carry on certain financial activities under the bank subsidiary model. Some banks have formed subsidiaries to carry on securities and insurance business. The performance of the subsidiaries affects the balance sheet of the bank. On account of varied activities carried on by the entities in the group which fall within the regulatory jurisdiction of multiple regulators, the risk to the system as a whole posed by such financial conglomerates is difficult to assess. These raise systemic issues and Reserve Bank of India as the regulator of banks needs to be empowered to obtain information, with respect to each of the entities functioning under the umbrella of a bank. The 2011 Bill proposes to confer such powers on

Reserve Bank of India to get information with respect to such entities. This ought to be pursued in the new legislative framework also.

Non-operative Bank Holding Company

16. The traditional theories of *economies of scale* and *scope* support bigger entities. In India, we need bigger banks to finance our very large infrastructure needs and also large industrial projects. Thus, while there are advantages in growing big and handling multiple activities, nobody knows where exactly the tipping point is, when the bigness of size starts becoming a disadvantage. The crisis has highlighted the downside of having 'Too-Big-to-Fail' entities. Very big and complex entities pose supervisory issues to the regulators and pose serious systemic risks. So we need to ensure that structures are not complex and that there are effective resolution mechanisms to ensure orderly winding up of these systemically important entities, in case of crisis.

17. It has been suggested that a non-operative bank holding company structure may be useful to deal with financial conglomerates as this greatly mitigates the risks spilling over from other entities in the Group. While the functional regulator of each subsidiary of the non-operative holding company may regulate and supervise the business of the subsidiary concerned, the non-operative holding company needs to be regulated on the lines of a bank and needs to be placed under the regulatory and supervisory control of Reserve Bank of India. Appropriate legislative measures are necessary for operationalising this model.

18. Apart from the regulatory issues in the above model, there are other challenges to be addressed. One of them is related to placing public sector banks under such holding companies. Another is the impact of taxation on the transfer of shares of the subsidiaries to the holding company. Unless adequate tax relief is granted, it will be difficult for existing banks to come under the holding company structure.

Stamp Duty Issues

19. In India, there are certain issues with respect to stamp duty on documents. One of the major hurdles facing the development of the securitisation market is the stamp duty structure. It can add up to a substantial cost as there are differentiated duty structures in different states. While some states have recognised the special nature of securitisation transactions and reduced the stamp duties, other states still operate at stamp duties as high as 5 per cent to 12 per cent for transfer of secured receivables.

20. Concerns about stamp duties have also been raised in the context of the proposed subsidiarisation of foreign banks. The broader objective of proposed subsidiarisation of foreign banks is to promote financial stability in India and this requires harmonisation and simplification of stamp duty structure across the country.

Minimum Capital Requirements

21. The minimum capital prescribed in the Banking Regulation Act for banks is too low and the Reserve Bank is prescribing the minimum capital requirement in case of private sector banks from time to time (currently banks should have a minimum networth of `3 billion). Minimum capital requirements prescribed under the 'Ownership and Governance' guidelines and that prescribed/being prescribed for new banks in private sector are way above the current provisions of the Act. It would, therefore, be more appropriate to empower Reserve Bank to stipulate the capital requirements and other quantitative parameters from time to time, instead of prescribing quantitative limits in the respective Acts.

Migration to IFRS

22. As part of the efforts to ensure convergence of the Indian Accounting Standards (IAS) with the International Financial Reporting Standards (IFRS), the formats of financial statements will undergo changes consequent to the introduction of IFRS. Further, whenever banks introduce new types of capital instruments, *etc.* these will have to be appropriately incorporated in the format. Therefore, Reserve Bank should be empowered to prescribe the format of the balance sheet, profit and loss account, etc. given in Third Schedule of the B R Act.

Bilateral Netting Issues

23. Various banks had requested the Reserve Bank to allow bilateral netting of counterparty credit exposure,

in respect of interest rate and foreign exchange derivatives, and gold. The legal position regarding bilateral netting is not unambiguously clear in case of banks established by special statutes [like SBI Act, Banking Companies (Acquisition and Transfer of Undertakings) Act, *etc.*]. Amendments to a large number of enactments particularly in a synchronised manner may be practically difficult. Enacting a single legislation which covers all aspects of banks' functioning, while possibly providing differential legislative framework for corporate governance issues on account of ownership differences may make the legislative framework more efficient.

Bank Resolution

24. The significance of effective resolution mechanism for promoting financial stability as well as consumer protection cannot be underestimated. The legal framework should address the resolution mechanism from a practical point of view and must have at least the following characteristics:

- Early intervention before insolvency
- Speed of intervention/resolution
- Ability to transfer or merge operations
- Effective write-down of shareholders' rights
- Protection of on-going business

25. In addition to banks, the resolution mechanism should address resolution of other Systemically Important Financial Institutions (SIFIs) also. Post-crisis, globally, there have been initiatives to strengthen the resolution framework of Financial Market Infrastructures (FMIs) and other entities in the financial sector. The resolution mechanism should also include a framework for resolution of NBFCs and entities operating payment systems. Swift and simple procedure for quick resolution, particularly, that of systemically important entities – global and domestic, is necessary. Under the evolving international framework it would be required of jurisdictions, to have adequate resolution framework as per international standards. The key attributes of Effective Resolution Regimes were adopted by the Financial Stability Board (FSB) Plenary and endorsed by G-20 leaders at the Cannes Summit and these are an essential component of the package of policies to reduce the risks of moral hazard and the potential for systemic disruption associated with Systemically Important Financial Institutions (SIFIs). This will require legislative changes and administrative actions.

26. The powers of the Reserve Bank for effective resolution of regulated entities from this perspective need enhancement.

Mergers

27. Voluntary mergers and transfers help consolidation in financial sector and pave the way for stronger financial institutions to rescue the weaker ones. Such voluntary measures, while saving the constituents of weaker institutions, provide business opportunity to the stronger ones to spread their presence in different geographies. The BR Act empowers RBI to sanction a scheme for voluntary amalgamation of banking companies. However, such a power is not available with respect to cooperative banks. Considering the challenges faced in quick resolution of failed cooperative banks, certain enabling provisions in the BR Act facilitating the Reserve Bank to sanction a scheme for takeover of banking assets and liabilities of a cooperative bank by commercial banks would be desirable. Partial merger of certain businesses or assets and liabilities of banks also may need to be examined.

28. One of the issues that could complicate the resolution of banks through mergers and transfers due to the sensitivity of the process is the applicability of competition law. An enterprise proposing to enter into a combination via a merger or an amalgamation is required to notify the Competition Commission, and the Commission has been allowed up to 210 days to decide on it before the default clause kicks in. The 2011 Bill tries to address this issue.

Consumer Protection and Globally Compatible Secrecy Laws

29. For speedy redressal of consumer grievances, the Reserve Bank has framed the Banking Ombudsman Scheme by statutory directions under the BR Act. The Scheme is working satisfactorily.

30. Secrecy of customer information is a principle of common law which is practiced in India also by banks, and recognised by courts. Statutory basis for this has to be provided, by clearly setting forth the exceptions relevant to the present requirement of preventing money laundering and cross border financing of undesirable activities. The law should strike a balance between the privacy rights of the customer and the need to share crucial information with law enforcement agencies and other regulators, both domestic and foreign. In matters of crime and proceeds of crime, the larger public interest would outweigh the private interests of individuals. Appropriate amendments may have to be carried out in the BR Act to provide a statutory backing for the banking secrecy laws and the limits on the privacy of customers should be laid down.

31. Protection is required in the law to the regulators with respect to the information collected from the regulated entities including its assessment and analysis made by the regulators or supervisors and the correspondence related to such information.

32. In larger public interest, the law should enable sharing of information with other regulators, both domestic and overseas, for mutual benefit. The recent crisis has demonstrated the need for such co-operation. The absence of specific protection to the information held by the regulators whether collected from the regulated entities or from other regulators impedes sharing of information. Our laws have to be globally compatible and specific exemption from disclosure needs to be provided in this regard. Disclosure of sensitive information could compromise the effectiveness of regulation and supervision. Further, unless the secrecy laws in our jurisdiction are compatible with global standards, it will not be possible to receive from, or share information with, overseas regulators. Appropriate provisions may have to be inserted in the RBI Act and the BR Act in this regard.

IV. Conclusion

33. Financial sector is a very important segment of the economy and has direct bearing on growth and prosperity. Strong financial systems need strong legal systems which provide unambiguous and fair legislation. The financial system in India including banking, insurance, capital, taxation, *etc.* has many regulators, each having a separate mandate. This blend raises pertinent concerns. First, financial system is still characterised by considerable fragmentation of legislation, regulation and enforcement. Second, policy related frictions might arise from the diversity of different legislations and the overlapping of the regulatory jurisdictions. Third, there might be a risk of legal arbitrage among financial jurisdictions.

34. A need has been continuously felt to rewrite and streamline the financial sector laws, rules and regulations and to bring them in harmony with the requirements of India's fast growing financial sector. The current legislations were drafted in the contemporaneous setting and have had to be amended from time to time to incorporate changes in the milieu. Enacting new law or amending old law is a continuous process to remain aligned to changing circumstances. In the emerging scenario, the task of preventing financial risks has become more important and challenging. Amid global economic worries, this is an enormous task which, on completion, would immensely benefit the financial sector in India and economy at large. A sound legal framework may help deter imprudent risk-taking by financial institutions and reduce systemic risks. Revision of banking sector laws should also be motivated by the recognition that the banking sector has been and remains a critical factor not only for accelerating India's growth but also for making it inclusive. Harmonising of financial sector legislations, rules and regulations has, therefore, become imperative. I have tried to give my views from regulatory and financial stability perspective. I hope you all will benefit from today's discussions.

*Financial Reporting in the context of Financial Stability: A Regulator's View on Some Accounting Issues**

Anand Sinha

Dr. Ashraf Nabhan Al Nabhani, Dean, College of Banking and Financial Studies, Mr. Kishore Rabi, Chairman, ICAI Muscat Chapter and other delegates. It gives me great pleasure to address this august gathering organised by the Muscat Chapter of the Institute of Chartered Accountants of India (ICAI). I am given to understand that the Muscat Chapter, the 19th overseas chapter of the ICAI is amongst the most active chapters of the ICAI and has been engaging in capacity building for Omani accountants and imparting professional education in the Sultanate. A key initiative is its tie-up with the College of Banking and Financial Studies (CBFS) in assisting them with their accounting curriculum. This Chapter's engagement with the College of Banking and Financial Studies is just one of the many ways in which the banking community and regulators can benefit from the technical knowledge base of the accounting community.

2. The history of the Indian accounting profession can be traced back to the enactment of the Companies Act in 1857 that introduced for the first time the concept of preparing balance sheet on a voluntary basis by companies. We have come a long way since then and the ICAI, established in 1949 by an act of Parliament, is today the world's second largest professional accounting body after the American Institute of Certified Public Accountants (AICPA), with over 1,80,000 members. Over the six decades of its existence, it has played a vital role in nation-building through its services.

3. In line with its motto of *'Ya Aeshu Suptaeshu Jagruti'* (a person who is awake amongst those that sleep) and its emblem of the Garuda, the *'Vahana'* of Lord Vishnu, the Institute is playing a key role in keeping a watchful eye on financial statements, ensuring that they represent a true and fair view of the state of affairs.

4. As regulators and supervisors of India's banking system, the Reserve Bank of India (RBI) places a significant amount of reliance on inputs provided to us by your profession through the statutory audit and long form audit reports of banks as well as our annual interactions with the statutory auditors of commercial banks. We also have periodic interactions with senior members of the Institute at various fora and take a keen interest in the latest developments in this field.

5. The Reserve Bank has closely worked with the Institute on accounting issues in the banking sector. In October 2001, the Reserve Bank set up a Working Group under the Chairmanship of Shri N. D. Gupta, the then President of the Institute to identify gaps in compliance with accounting standards issued by ICAI and also recommend steps to eliminate such gaps. Based on the recommendations of the Working Group, landmark guidelines on compliance with accounting standards were issued to banks in March 2003 to ensure strict compliance with accounting standards and avoid qualifications in financial statements.

6. The Reserve Bank had formed a committee in 2000 to study the observance of international standards and codes in India in various individual areas of the overall financial system. With respect to Indian accounting and auditing standards, it was found that there were several gaps when compared to the international standards and recommendations were made to reduce this gap. I am happy to note

* Address by Shri Anand Sinha, Deputy Governor, Reserve Bank of India, at the event organised by Muscat Chapter of ICAI at Muscat on December 21, 2011. Inputs provided by Shri P. R. Ravi Mohan and Amarvir Saran Das are gratefully acknowledged.

that the ICAI has since issued many accounting standards, which have substantially reduced this gap.

7. While on the subject of the Reserve Bank's insistence on adherence to international best practices and our ongoing benchmarking against these standards, I would like to draw your attention to the Report on Observance of Standards and Codes (ROSC), a joint initiative between the IMF and World Bank in 2004 which among others, reviewed the strengths and weaknesses of the corporate accounting and auditing practices in India. Some of the major recommendations were to bridge the gaps between International Financial Reporting Standards (IFRSs) and Indian accounting standards, strengthening the monitoring and enforcement mechanism, introducing practices to ensure compliance with code of ethics by auditors of public interest entities and taking steps for improving professional education and training arrangements.

8. India also participated in the Financial Sector – Assessment Programme (FSAP), a joint initiative of the International Monetary Fund and the World Bank that attempts to assess the stability and resilience of financial systems in member countries. Based on India's experience in the FSAP and subsequent self-assessments, the Government of India, in consultation with the Reserve Bank, constituted the Committee on Financial Sector Assessment (CFSA) to undertake a comprehensive self-assessment of India's financial sector, the report of which was submitted in 2009.

9. The CFSA made an assessment of Indian accounting and auditing standards and came up with some key recommendations that proved critical for the Institute. The report, *interalia*, suggested convergence with IFRS at the earliest and creating awareness among auditors and others involved in the process to ensure that systems and procedures are in place to comply with the IFRSs. Another important recommendation is that India should contribute significantly in the agenda-setting of the Internation Accounting Standards Board (IASB) and its technical output. The challenge before the Institute is to take this up in right earnest by identifying persons with requisite competence to participate in global forums, the benefits of which will flow to the profession at large.

Accounting Issues in the Context of the Financial Crisis

10. The global financial crisis and the consequences thereof exposed some weaknesses in the accounting and auditing aspects. During the course of my presentation here I would like to place before you some issues relating to financial reporting in the context of financial stability.

11. There was widespread criticism that certain accounting practices either contributed to or, at the very least, exacerbated the severity of the crisis, in view of its failure to deal with illiquid markets and distressed sales. The G-20 Working Group on 'Enhancing Sound Regulation and Strengthening Transparency', in which I had an occasion to work actively, recommended that accounting standard-setters should strengthen accounting recognition of loan-loss provisions by considering alternative approaches for recognising and measuring loan losses that incorporate a broader range of available credit information. Accounting standards-setters and prudential supervisors were advised to work together to identify solutions that are consistent with the complementary objectives of promoting the stability of the financial sector and of providing transparency of economic results in financial reports.

12. The G-20 report also recommended that the IASB should enhance its efforts to facilitate the global convergence towards a single set of high-quality accounting standards and also opined that accounting standard-setters should accelerate efforts to reduce the complexity of accounting standards for financial instruments and enhance presentation standards. These recommendations together with the recognition within the accounting and audit profession that there were certain drawbacks in the current standards has necessitated large-scale revision of various standards especially those relating to financial instruments and Fair Value Accounting. During the global financial crisis, the IASB and the US Financial Accounting Standards Board (FASB) established a Financial Crisis Advisory Group

comprising senior leaders with broad international experience to address accounting issues emerging from the global crisis. The key issues identified by the FCAG involved:

- the difficulty of applying fair value ('mark to-market') accounting in illiquid markets;
- the delayed recognition of losses associated with loans, structured credit products, and other financial instruments by banks, insurance companies and other financial institutions;
- issues surrounding the broad range of off-balance sheet financing structures, especially in the US; and
- the extraordinary complexity of accounting standards for financial instruments, including multiple approaches to recognising asset impairment. Some of these weaknesses also highlighted areas in which IFRS and US Generally Accepted Accounting Principles (US GAAP) diverged.

13. While these aspects were identified by accounting professionals, regulators expressed concerns on systemic risk arising out of pro-cyclicality in accounting standards. Procyclicality in policymaking refers to financial developments and policies that add momentum to the economic cycle and have an amplifying effect on economic fluctuations. The procyclicality embodied in capital regulation and accounting standards was among the identified causes underlying the global financial crisis. The in-built procyclicality amplified business cycles, affecting both the degree of credit expansion in benign conditions and the degree of credit contraction in the downturn.

14. The requirement of using fair value accounting for assets and liabilities in illiquid markets has serious disadvantages from the point of view of regulators, and of systemic financial risk. A mark-to-market approach, *i.e.*, fair value accounting contributes to excessive leverage during boom periods and leads to excessive write-downs in busts. Under such accounting, irrational exuberance in asset prices can feed through to high published profits and perhaps bonuses, encouraging more irrational exuberance in a self-reinforcing fashion: when markets turn down, it can equally drive irrational despair. If all market participants attempt simultaneously to liquidate positions, markets which were previously reasonably liquid will also become illiquid, and realisable values may, for all banks, be significantly lower than the published accounts suggested.

15. Volatility in financial statements is also a concern for the regulator. Fair value accounting introduces volatility into financial statements through the following channels:

- Volatility on account of changes in underlying economic parameters. For instance, if interest rates increase, the fair value of bonds reduces and vice versa.
- Volatility produced due to measurement errors and/or changing views regarding the economic prospects through the business cycle. Fair value measures generally represent the present value of a stream of expected cash flows. Very often the determination of expected cash flows involves statistical techniques which may have some amount of estimation errors as well as other errors.
- Volatility arising on account of using a mixed measurement model, *i.e.,* one that uses fair value for some categories of assets and liabilities and amortised cost for others, thereby reducing the netting effects that a full fair valuation of assets and liabilities would produce.

16. Another area which has received focus is the delayed recognition of impaired assets. Accounting standards today rely more on an 'incurred loss' model to recognise losses where an event such as non-payment of dues for 90 days triggers the provisioning. Consequently, there is an overstatement of interest income in the early life of loan. When a series of defaults during a downturn trigger provisioning requirements, there is no stock of provisions available to absorb credit losses. These losses directly impact the income statement of the bank and constrain further bank lending, thus exacerbating

the procyclicality. This cycle-neutral approach to provisioning failed to account for the excessive deterioration in loan portfolio associated with excessive credit growth. There is broad international agreement on the need to have provisioning based instead on an 'expected loss' basis where life time losses are recognised early, *i.e.*, provisions are increased in good times for the possibility that the environment may deteriorate in future. However, the implementation of such a model has its own difficulties with regard to the estimation of expected losses and the IASB and the US FASB are still engaged in deliberations on the modalities of implementing such a model.

17. The IASB has issued exposure drafts with an expected loss model which attempts to mitigate these shortcomings by recognising losses and making provisions thereof earlier during the life of the loan. However, presently, IASB and FASB's deliberations revolve around a three-bucket approach to capture the pattern of deterioration in credit quality. Under this model, loans are classified into three categories depending upon the possibility of expected losses. Loans, where there are no events with a direct relation to possible future defaults, are placed in the first bucket. The second and third buckets are used for loans affected by events that have a relationship to possible future defaults such as a drop in housing prices, *i.e.*, a trigger event, to which the default possibility of a loan/portfolio of loans is sensitive to has occurred. In the second bucket, expected credit losses are not identifiable for individual loans whereas in the third bucket expected credit losses are individually identifiable. The provisioning requirements also differ according to the bucket. Whereas entities are expected to provide expected lifetime losses for the second and third buckets, the proposed approach for the first bucket is to make provision for 12 month of expected losses though this is yet to be agreed upon. Since there is no direct relationship to possible future defaults, lifetime expected losses are not required to be recognised for loans placed in the first bucket. Further, the criteria and guidelines for transfer between categories are still at the discussion stage.

18. Let me dwell upon some of the proactive measures initiated by the Reserve Bank to mitigate the effect of procylicality in the Indian context. Recognising the procylicality caused by provisioning norms, the RBI has tried to build buffers through provisioning requirements.

- Firstly, banks are required to maintain provisions on assets that are classified as standard and are not showing signs of impairment. Sector specific provisions requiring banks to provide more for standard assets in certain sensitive sectors have also been prescribed.
- Secondly, banks are required to classify accounts as non-performing assets (NPA) where there are inherent weaknesses observed in the account even if there are few credits recorded before balance sheet date to avoid NPA classification. Banks are also required to put in place appropriate internal systems to eliminate the tendency to delay or postpone the identification of NPAs, especially in respect of high value accounts.
- Thirdly, in 2009, observing the trend in profits being made by banks, the Provisioning Coverage Ratio (PCR) requirement for banks was introduced to address apprehensions about asset quality due to exuberant lending during the boom phase. Banks were required to build up a PCR of 70 per cent of gross NPAs by September 2010. PCR was intended to be an interim measure and it was hoped that it would be replaced by a forward-looking counter-cyclical provisioning methodology being developed by the Basel Committee on Banking Supervision (BCBS) and IASB. Since this is taking time, RBI is working on a methodology similar to Spanish dynamic provisioning framework as an interim measure.

19. As regards PCR, it was decided to freeze the PCR with reference to the gross NPA position in banks as on September 30, 2010 since in the absence of a calibrated methodology it would be difficult to allow banks to use the countercyclical provisions built up under PCR freely and there were certain design issues

too. The buffer (surplus of provisions over specific provisions) will be allowed to be used by banks for making specific provisions for NPAs during periods of system-wide downturn, with the prior approval of the Reserve Bank.

20. The financial crisis also led to heavy criticism of accounting rules that permitted certain structured/ special purpose entities and exposure to remain off-balance sheet. A key concern with such instruments and vehicles is that they have a tendency to veil the risks off-balance sheet and a robust accounting framework that provides for the recognition and disclosure of these risks is a prerequisite to their introduction. The IASB has tried to rectify the situation by introducing IFRS 10 on Consolidated Financial Statements while the FASB has also worked towards toughening off-balance sheet accounting rules.

21. In India, the Reserve Bank of India has always followed a cautious and gradualist approach towards complex exotic financial products and has taken steps to reduce and contain the regulatory arbitrage between the banking and the shadow banking sectors (mainly the Non-Banking Financial Companies, *i.e.*, NBFCs) by considerably upgrading the prudential rules for NBFCs.

22. Overall accounting for financial instruments had become highly complex and rule-based in the period leading up to the crisis and IASB's project to replace IAS 39 with IFRS 9 is a welcome initiative. However, delays in finalising proposals relating to impairment and hedge accounting coupled with recent proposals to reopen classification and measurement of financial assets are a cause of concern. IASB's classification requirements for assets revolve around the business model approach whereas FASB's approach is based more on the characteristics of the instrument. Further, FASB's approach may also entail more items in the balance sheet being carried at fair value.

Implementation of IFRS in India

23. The convergence to IFRS in India is a work-in-progress and I would like to dwell upon the implementation issues and challenges with particular reference to the Indian banking system.

24. As part of the G-20's efforts to evolve a single set of global high quality standards, the Ministry of Corporate Affairs (MCA), Government of India released a roadmap that provided for a gradual convergence to IFRS in a phased manner commencing from April 1, 2011. In terms of the roadmap, commercial banks in India are required to converge with IFRS with effect from accounting periods beginning April 1, 2013. While the MCA placed on its website 35 IFRS-converged Indian Accounting Standards (Ind AS) in 2011, it stated that the standards will be implemented after various issues, including taxation, are resolved.

25. In order to address the implementation issues and facilitate formulation of operational guidelines to facilitate the IFRS convergence for the Indian banking system the Reserve Bank has formed a Working Group. Specific issues relating to (i) classification and measurement of financial assets, (ii) classification and measurement of financial liabilities and hedge accounting, (iii) amortised cost and impairment, (iv)fair value measurement, (v) presentation, disclosure and balance sheet formats and (vi) derecognition, consolidation and residuary issues are being dealt with by the Working Group.

26. With respect to the financial sector in India, there are special issues and challenges in view of the large-scale revision of standards pertaining to financial instruments (IAS 39) which are of central importance to the banking system. IASB had indicated that the period 2009 to 2011 will be kept as a stable platform by them to facilitate convergence by many countries during this period. However, the global financial turmoil and the consequences thereof in the accounting scenario necessitated large-scale revision of various standards especially those relating to financial instruments and fair value accounting.

27. As India attempts to transition to IFRS, the biggest challenge to the banking sector which is of equal concern to us as regulators, is the lack of clarity and uncertainty regarding the finalisation of IFRS 9: Financial Instruments (scheduled to replace IAS 39) and its convergence with US GAAP. One of the intentions behind scheduling banks for a later convergence was to avoid having them first apply IAS

39 and immediately transition thereafter to its replacement, *viz.* IFRS 9. Countries like Canada, which have recently converged to IFRS, found it easier on account of pre-existing standards being fairly well aligned with IAS 39, which is not the case in India. With the delay and uncertainty in finalisation of IFRS 9, the convergence process has become almost equal to chasing a fast-moving target.

28. The finalisation of impairment provisions of IFRS 9 at an early date is a critical issue which needs to be addressed by the IASB and FASB. Our apprehensions are that the current proposals contained in the exposure draft or the three-bucket model for provisioning are difficult to implement and operationalise. Further, in countries like India, there may not be enough data available to apply the highly quantitative and statistical techniques to implement a robust expected loss model to recognise impairment losses. Therefore, the Working Group has suggested through its comment letter to the IASB, the need for a practical expedient that allows for a simpler rule-based model specified by the regulator at least in the initial years. We hope that the IASB will consider this while finalising the requirements on impairment.

29. In a country like India, where financial markets are still developing and are not as deep and liquid as in developed countries, there are specific concerns regarding the implementation of fair value accounting in the absence of quoted prices and illiquid markets for several instruments. Consequently, the implementation of fair value accounting would necessitate a dependence on valuation techniques using unobservable inputs which would also bring in a fair share of estimation errors.

30. There are also some major technical issues arising for Indian banks in the course of convergence. Differences between the IFRS9 and current regulatory guidelines on classification and measurement of financial assets, focus in IFRS on the business model followed by banks and the challenges for management in this area coupled with lack of adequate number of skilled staff and modifications to IT systems and processes which are some of the other challenges that may need to be tackled in due course.

31. Apart from being preparers of financial statements, banks are also significant users of financial statements and base their lending and investment decisions on the financial statements of their customers. This aspect makes skill-building all the more important for Indian banks as IFRS implementation will not only impact their accounts and finance teams but will pervade to their credit and investment analysts and decision-makers. The Reserve Bank has been proactive in facilitating skill-building by conducting seminars and training programmes as well as providing faculty support to some institutions. I am glad to learn that the ICAI too has incorporated IFRS in its curriculum for students and has introduced a certificate course on IFRS for its members. There is also scope for the Reserve Bank, banking system and the ICAI to work together to build skills in this area.

32. Let me conclude by stating that there are several areas of common interest between regulators, bankers and accountants and frequent interaction and interface between these groups would be of mutual benefit to all. I thank you for this opportunity to share a regulator's perspective on some current accounting issues.

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Short-Term Co-operative Credit Structure and Financial Inclusion*

V. K. Sharma

Shri Charan Das Mahant, Hon'ble Minister of State for Agriculture & Food Processing, Government of India, Shri Gouri Shanker Bisen, Hon'ble Minister for Co-operation, Government of Madhya Pradesh, Shri Chandra Sekhar Sahu, Hon'ble Minister for Agriculture, Government of Chhattisgarh, Dr. Chandra Pal Singh Yadav, President, National Co-operative Union of India, distinguished invitees and guests, ladies and gentlemen.

I indeed deem it an honour and a privilege to be addressing today this very august and distinguished audience on issues, concerns and challenges that the rural co-operative credit structure faces at its current stage of evolution.

As you may perhaps be aware, the United Nations has declared the year 2012 as the International Year of Cooperatives and, to my mind, this is precisely what makes today's Central Zone Co-operative Conference, both contextually and topically, very relevant and it will culminate, I am sure, in most desired outcomes going forward ! And it will be no exaggeration to say that India has been among the pioneering nations in the matter of genesis, and democratic evolution, of agricultural and rural co-operatives, truly informed, and inspired, by the tenets and principles of cooperation. Given the extensive and widespread financial exclusion in the country, both the Government of India and the Reserve Bank, decided to put financial inclusion on the top of their policy and strategy agenda. As part of this veritable watershed policy and strategy initiative, the Government and the Reserve Bank enjoined upon Scheduled Commercial Banks and Regional Rural Banks to roll out, in a time-bound manner, Board-approved, Top-Management-owned, business-plan-integrated, mission-mode-driven and Government & RBI-monitored, BC-ICT-CBS (Business Correspondent – Information & Communication Technology – Core Banking Solution) – leveraged Financial Inclusion Plans for door-step delivery of a bouquet of basic financial services in the hitherto financially-excluded rural areas. But I must hasten here to add that the idea is not to compete with, but complement, rural and agricultural cooperatives in their ever critical and central 'niche' role in delivering on financial inclusion!

I hardly need to belabour, before this learned and distinguished audience, the point that, along its sojourn through time, the co-operative movement came to be bedevilled by some unfortunate developments undermining its vibrancy. To my mind, at the margin, this explains the imperative of a complementary role for commercial banks.

But having said that, as regards the national challenge of delivering, credibly and effectively, on financial inclusion agenda, it would be very instructive to put in perspective the relative potential of the rural co-operative credit structure. Specifically, considering that compared to Commercial Banks and Regional Rural Banks (RRBs), which, between them, currently account for 33,000 rural branches, 33 State Co-operative Banks with 953 branches, 371 District Central Co-operative Banks (DCCBs) with 12,858 branches and 109,000 Primary Agricultural Credit Societies (PACS), between them, account for a total of 122,590 service outlets, the penetrative outreach of the command area of the rural co-operative structure is simply formidable! Indeed, it is precisely because of this formidable penetrative outreach of the rural co-operative structure that the Reserve Bank of India has not only allowed PACS to act

* The Keynote Address delivered by Shri V.K. Sharma, Executive Director, Reserve Bank of India, at Central Zone Co-operative Conference at Raipur, Chhattisgarh State, India, organised by National Co-operative Union of India in collaboration with Chhattisgarh State Co-operative Union Ltd. on December 11, 2011 on 'Short-Term Co-operative Credit Structure and Financial Inclusion'. The views expressed are those of the author and not of the Reserve Bank of India.

as Business Correspondents of commercial banks but also allowed treatment of loans by commercial banks to farmers through PACS, Farmers' Service Societies (FSS) and Large-sized Adivasi Multipurpose Societies (LAMPS) as priority sector lending in the indirect finance category. Although under the Financial Inclusion Plan initiatives, Commercial Banks and RRBs will, through both brick and mortar branches and business correspondents, provide banking outlets in around 3,50,000 villages by 2013, it is because of the huge potential and promise that the rural co-operative credit structure represents for financial inclusion that the Government and the Reserve Bank of India thought it fit to revive the financially haemorrhaged Short-Term Co-operative Credit Structure (STCCS) by setting up the Vaidyanathan Committee and accepting its comprehensive recommendations for implementation in a business like manner.

Based on the recommendations of the Vaidyanathan Committee and after reaching consensus with Chief Ministers, Finance Ministers and Cooperation Ministers of States, Government of India decided to provide massive financial assistance (since revised to `19,330 crore (`193 Billion) from the originally estimated `13,596 crore (`136 Billion)) to the financially haemorrhaged Short Term Co-operative Credit Structure but also, only appropriately, made it conditional upon rigorous and stringent compliance with, and progress on, pre-specified critical parameters like facilitating regulatory powers of the Reserve Bank, limiting equity participation of State Governments in co-operative banks to 25 per cent, limiting the powers of State Governments to supersede the boards, removing State Government intervention in all financial and internal administrative matters, special audits of PACS, District Central Co-operative Banks (DCCBs), and State Co-operative Banks (SCBs), conduct of Statutory Audit by Chartered Accountants (CAs), timely election of Board of Directors, appointment/co-option of professionally qualified Directors and appointment of Chief Executive Officers (CEOs) in accordance with the RBI-prescribed fit-and-proper criteria, training and Human Resources Development, computerisation, Common Accounting System (CAS) and Management Information System (MIS), by amendment of State Co-operative Societies Acts and amendment of Rules and adoption of appropriate Bye-Laws.

In this context, it is encouraging to note that 25 States have since signed the MoUs for implementation of the Revival Package. These are Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chattisgarh, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttarakhand, Uttar Pradesh and West Bengal. Between them, they cover more than 96 per cent of the STCCS units in the country. The financial assistance under the Package is released only on the implementation of legal and institutional reforms. NABARD has, as on 31 October, 2011, has already released an amount of `9002.98 crore (`90 Billion) towards Government of India's share for recapitalisation of PACS in seventeen States while State Governments have released `855.53 crore (`8.5 Billion) as their share.

It is also very encouraging to note that 21 States have amended their respective State Co-operative Societies Acts and these are Andhra Pradesh, Arunachal Pradesh, Bihar, Gujarat, Haryana, Karnataka, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Maharashtra, Manipur, Mizoram, Meghalaya, Nagaland, Orissa, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal.

The corner-stone of this realignment exercise was to overhaul and re-engineer governance and management in the rural co-operative credit structure with a view to preventing recurrence of such financial haemorrhaging. And, significantly, to reinforce, and sustain, overhauled and re-engineered governance in such financially rejuvenated and renewed co-operative credit structure, effective and credible supervision and regulation is a *sine qua non.*

As the distinguished audience is aware, while NABARD supervises the co-operative credit institutions, Reserve Bank regulates them. This supervisory and regulatory framework involves the Reserve Bank framing and issuing regulatory instructions and guidelines and NABARD examining their actual compliance during inspection. Currently, these regulatory instructions and guidelines are scattered across individual circulars containing them. The imperative of consolidating all the existing regulatory guidelines and instructions has long been felt both by NABARD and the supervised co-operative credit institutions. Accordingly, the Reserve Bank is in the process of consolidating all such instructions and guidelines in the form of a Master Circular and which, I assure this audience, will be in the public domain very soon. It will serve as a ready recokner for the rural co-operative institutions facilitating their compliance with the regulatory instructions and guidelines in force.

I would also take the present opportunity to share with you the recent decision to waive the signing of MoU as a pre-condition for opening of branches by State Co-operative Banks in the States which do not need the re-capitalisation assistance under the Revival Package, provided they comply with all other conditions.

The committee on Financial Sector Assessment (Chairman: Dr. Rakesh Mohan and Co-Chairman: Shri Ashok Chawla) had recommended that rural co-operative banks, which fail to obtain licence by March 2012, should not be allowed to operate. Accordingly, it was proposed in the Annual Policy Statement of April 2009 to work out a roadmap for licensing of unlicensed state and central co-operative banks. For this purpose, in consultation with National Bank for Agriculture and Rural Development (NABARD), revised guidelines on licensing of these banks were issued. All Regional Offices of the Reserve Bank were advised to issue licences to banks, which meet the prescribed criteria. It is expected that a large number of co-operative banks will be licensed by 2012. The Revival Package based on Vaidyanathan Committee is under implementation which would also help the StCBs/CCBs to improve their financials and be eligible for licensing.

In this context, it is important to note that as on November 30, 2011, out of 31 State Co-operative Banks (SCBs) and 371 District Central Co-operative Banks (DCCBs) in the country, 6 SCBs and 117 DCCBs were unlicensed compared to 17 SCBs, and 296 DCCBs, as on March 31, 2009.

I take the present opportunity to share with this distinguished audience the latest status of licensed and unlicensed StCBs and DCCBs in the four States of Chhattisgarh, Madhya Pradesh, Uttarkhand and Uttar Pradesh which is as under:

Sl. No	Name of the State	Licensing position of State Co-op Bank	Licensing position of District Central Co-operative Banks		
			Total No. of DCCBs	No. of licensed DCCBs	No. of unlicensed DCCBs
1	Chhattisgarh	Licensed	06	06	---
2	Madhya Pradesh	Licensed	38	27	11
3	Uttarakhand	Unlicensed	10	09	01
4	Uttar Pradesh	Licensed	50	20	30

Thus, while in Uttarakhand, the SCB is yet to be licensed, in the states of Chhatisgarh, Madhya Pradesh, Uttarakhand and Uttar Pradesh, out of 104 DCCBs, 42 DCCBs are yet to be licensed.

As announced in the Annual Policy Statement of April, 2010, a study on well-run rural co-operatives including Primary Agricultural Credit Co-operative Societies (PACS), Large Adivasi Multipurpose Co-operative Societies (LAMPS), Farmers Service Societies (FSS) and Thrift and Credit Co-operatives was undertaken by the Reserve Bank in collaboration with NABARD and State Governments as part of its undivided policy focus on the 'niche' role of rural credit co-operatives in financial inclusion. For the study, 208 well-run co-operatives operating in 21 States were selected. Of these, 71 were operating under Parallel Self-Reliant Co-operative Societies Acts with the rest under respective State Co-operative Societies Acts.

The broad objectives of the study as set out by the Reserve Bank were:

a) To study the functioning of well-run thrift and rural credit co-operatives, including PACS, LAMPS, FSS and other new financial co-operatives, set up under the Parallel Self-Reliant Co-operative Societies Acts to assess their potential to contribute to financial inclusion and the local economy;

b) To study the member, borrower and depositor profiles, saving mobilisation and credit extended to tenant farmers, oral lessees and agricultural labourers;

c) To study the quality of actual management and governance and external impediments that come in the way of good governance/ management;

d) To study and analyse the impact of functioning of such co-operatives on the local economy/ populace;

e) To suggest measures necessary to effectively encourage the emergence of many more such institutions across the country, if the study indicated that they have a significant contribution to make to financial inclusion.

The study was completed in November 2011 and after its due examination, the Reserve Bank will take the findings and recommendations forward.

We are at the threshold of the Second Green Revolution which envisages, and will entail, shift in focus and attention to pulses, fruits, vegetable, live-stock, fisheries, poultry and horticulture and raising their production and productivity with a view to ensuring national food security and sustainable high levels of growth. With these words, I conclude my address and wish today's Conference all success that it so very much deserves !

*Economic and Financial Developments in Andaman and Nicobar Islands**

Deepak Mohanty

I thank the Andaman Chamber of Commerce and Industry for inviting me to address this distinguished gathering. This picturesque Union Territory (UT) of Andaman & Nicobar Islands (ANI) in the Bay of Bengal covers 0.25 per cent of the national geographical area but accounts for only a fractional share of 0.03 per cent of national population. This explains why ANI has the lowest population density of 46 per square kilometre as against 382 at the all-India level. The high literacy rate and per capita income make ANI as one of the leading UTs in India in terms of socio-economic developments. Further, the lushness of its landscape with bio-diversity and attractive spots for eco-tourism make it a prime tourist attraction. Notwithstanding these social and geographical advantages, ANI faces several developmental challenges, especially in the aftermath of tsunami that wreaked large-scale damage in December 2004.

Apart from natural and rich human resources, it is important to have a well-functioning financial system for sustainable economic development. In recognition of this, the Reserve Bank has stepped up its efforts in recent years to enhance the penetration of the formal financial sector and promote financial inclusion with a view to improving the well-being of our society. In this regards, the Reserve Bank has been undertaking special initiatives for extending the outreach of banking facilities in states and union territories. Against this backdrop, I propose to briefly outline the economic and financial structure of the UT of ANI as well as highlight various financial inclusion initiatives taken by the Reserve Bank. In conclusion, I shall flag some issues that need policy attention.

* Speech by Shri Deepak Mohanty, Executive Director, Reserve Bank of India, delivered at Andaman Chamber of Commerce and Industry in Port Blair, on December 22, 2011. The assistance provided by Dr. P. K. Nayak and Shri Suraj. S is acknowledged.

Background

Andaman & Nicobar Islands, a Union Territory of India since 1956, is an archipelago of 572 islands (306 islands and 266 rocks) and has a geographic area of 8,249 square kilometre. Of these islands, only 38 have human habitation. The UT is bestowed with abundant green vegetation and marine wealth besides huge potential for culture fisheries. It covers the Indian subcontinent's richest rain-forest and houses indigenous tribes of Negroid and Mongoloid origins. The diversified mangroves have been included in the World Wildlife Fund (WWF) Global 200 list of the world's highest priority biodiversity 'hot spots'. Furthermore, these islands are included in the UNESCO-designated Biosphere Reserve/Zone (Indo-Malayan Bio-geographic Zone).

According to the Forest Survey of India (2005), 87 per cent of the total geographical area of ANI is under forest cover and only about 50,000 hectare is available for cultivation and allied activities distributed among various islands. At present, the major crops being grown are paddy, coconut, arecanut, vegetables and fruits. ANI has an aggregate coastline of 1,912 kilometres, which is about one-fourth of the total coastline of India. The Exclusive Economic Zone (EEZ) around the islands encompasses around 0.6 million square kilometre which is 30 per cent of the EEZ of India. This provides a great opportunity for development of fisheries and other marine resources.

Social Indicators

As per the Census 2011, the total population of ANI registered a decennial growth of 6.7 per cent with a total population of about 0.38 million. ANI consists of three districts, *viz.*, South Andaman district, North and Middle Andaman district and Nicobar district. Over 88 per cent population of the UT lives in the first two districts of which 37 per cent live in urban areas. Nicobar district does not have any urban area. While the sex ratio in North and Middle Andaman and South Andaman districts has increased to 925 and 874, respectively, in 2011 from 884 and 824 in 2001, the sex ratio of Nicobar district has decreased to 778 in 2011 from 857 in 2001. The population density in ANI has increased from 43 per square kilometre in 2001 to 46 per square kilometre in 2011. The literacy rate in the Islands was high at 86.3 per cent in 2011 as compared with 74.0 per cent at the all-India level (Table 1).

Macroeconomic Structure

The UT of ANI has significant potential for growth given its natural resource endowment. However, the comparative isolation of the islands from the mainland, scattered islands, difficult communication system, and heavy reliance on the government for supply of inputs and smaller base of local market are the major constraints in achieving rapid growth.

In line with the national economy, during the last decade, the economy of ANI has undergone significant structural transformation. The dominance of primary sector has declined and the share of the tertiary sector has increased. The reduction in the share of primary sector could partly be attributable to reduction in cutting of forest timber as per the decision of the Supreme Court. Further, there was reduction of agricultural produce due to submerging of land in the wake of the tsunami. The increase in the share of services sector is attributable to enhanced construction activities due to rehabilitation measures and increased government expenditure in the post-tsunami period. The share of industrial sector, however, remained more or less stagnant.

As per the available information from the Central Statistical Office (CSO), in 2009-10 the per capita income (NSDP) of ANI was over 62 per cent higher than all-India per capita income. However, during 2009-10, the growth in NSDP of ANI decelerated to 2.7 per cent mainly due to the sharp decline in the growth of the industrial and agriculture sectors. Notwithstanding this deceleration in growth, the average annual growth rate improved during the second half of the 2000s to almost 10 per cent from 6 per cent in the first half. The average growth of NSDP of ANI generally remained higher than that of the all-India NDP during the period 2005-10 (Chart 1).

The increase in the average growth of NSDP of ANI during 2005-10 was mainly driven by industrial and services sector. The industrial sector made a sharp recovery from a low growth rate of 1.5 per cent during the first half of the 2000s to 12.4 per cent in the second half of the decade. However, it is observed that the growth rate in this sector has remained highly volatile during the entire decade. The agriculture sector witnessed a turnaround from negative growth during

Table 1: Andaman and Nicobar Islands: Select Socio-economic Indicators

Items	Unit	Andaman & Nicobar Islands	All-India
1	2	3	4
Geographical Area	Sq. kms.	8,249	3,287,263
Population	In million	0.38	1,210
Per Capita Income (in 2009-10 at 2004 -05 prices)	Rupees	54,830	33,731
Density of Population	Per sq. km.	46	382
Decennial Growth Rate of Population (2001-2011)	Per cent	6.7	17.6
Sex Ratio	Females per 1000 males	878	940
Literacy Rate	Per cent	86.3	74.0

Source: Census of India, 2011.

Chart 1: NSDP Growth of Andaman & Nicobar (at 2004-05 prices)

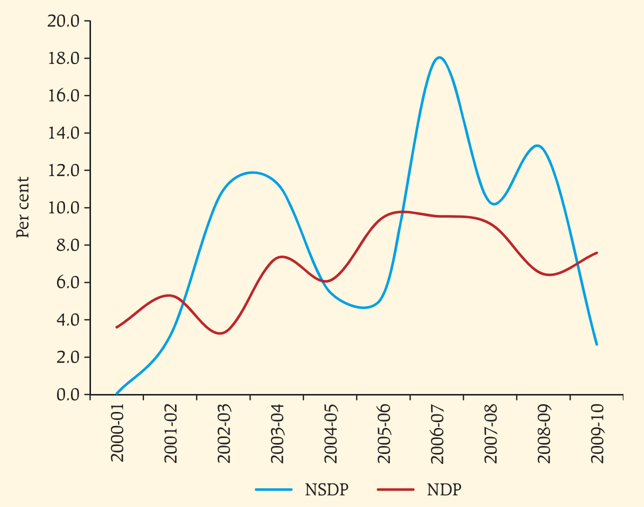


Table 2: Sectoral Net Domestic Product
(At 2004-05 Prices)

(In per cent)

Sectors	Growth Rate			Share to NSDP		
	Average	Average		Average	Average	
	2000-05	2005-10	2009-10	2000-05	2005-10	2009-10
1. Agriculture and Allied Activities	**-3.2**	**3.7**	**-6.3**	**22.6**	**11.8**	**11.0**
of which:						**(15.2)**
Agriculture	2.2	-0.4	-11.6	16.2	8.3	7.2
II. Industry	**1.5**	**12.4**	**-7.4**	**2.5**	**2.7**	**2.6**
of which:						**(16.5)**
(i) Mining & quarrying	-24.9	35.0	-7.7	1.1	0.6	0.5
(ii) Manufacturing	-2.0	12.2	39.3	1.2	0.8	1.0
(iii) Electricity, gas and water supply	30.9	20.4	-29.9	0.8	1.3	1.1
III. Services	**9.4**	**11.1**	**4.3**	**74.8**	**85.5**	**86.4**
of which:						**(68.3)**
(i) Construction	38.5	19.4	40.8	14	31.7	33.2
(ii) Transport, storage & communication	2.7	7.9	-13.0	17.2	14.7	13.7
(iii) Trade, hotels and restaurants	5.0	11.5	33.2	10.0	7.6	8.3
IV. State Domestic Product	**6.2**	**9.9**	**2.7**	**100.0**	**100.0**	**100.0**
Memo Item:						
All India NDP growth (%)			7.6			
State per capita Income (`)			54,830			
All India Per Capita NNI (`)			33,731			

Note: Figure in brackets denote shares of the different sectors in NDP at the all-India level.
Source: Central Statistics Office.

2000-05 to a growth rate of 3.7 per cent during 2005-10 (Table 2).

Drivers of Growth

Keeping with the overall trend in the country, the economic activity in the UT is dominated by the tertiary sector and its share has been continuously rising. The share of the primary sector has been declining and the share of the secondary sector in NSDP is static at around 3 per cent. There is hardly any manufacturing activity in the UT which is mostly concentrated in wood processing, and with the present restrictions on the exploitation of forests has led this activity to stagnate. Within the tertiary sector, construction activities, transport, storage and communication and public administration have been the major drivers of growth.

Agriculture

The average rainfall in the islands is very high and spread over eight months during April-November each year which produces a humid tropical climate. The agro-climatic condition in these islands is suitable for cultivation of plantation crops like coconut, arecanut, fruits like banana, mango, pineapple, guava, jackfruit and spice like clove, nutmeg and pepper. The soil has low water retention capacity. Out of a total reported geographical area of 824,900 hectares in 2009-10, the total cropped area in the Islands stood at 16,535 hectares (Table 3).

Among the major crops, while the production of paddy has increased, the yield has gone down. The production of coconut, which covers maximum area

Table 3: Land Utilisation Pattern during 2009-10

Type of Land	Area in Hectares
Total Geographical Area	824,900
Forest Area	717,069
Total Cropped area	16,535
Net area sown	14,710

Source: Economic Survey of A & N Islands, Directorate of Economics and Statistics.

under production, remained stagnant. Performances of other plantation crops were mixed.

According to Agriculture Census 2005-06, the number of operational holdings as well as area have increased primarily for the holding size-class of less than 1 hectare and to a lesser extent for holding size 1 to 2 hectares. Mainly institutional land falls in the 10 plus holding class. The average size of operational holdings has also decreased from 2 hectare in 2000-01 to 1.88 hectare in 2005-06 which indicate the increasing fragmentation of land holdings in the UT (Table 4).

Industry

The absence of a sizeable local market for manufactured goods and the need to bring much of the raw materials from the mainland are considered the main impediments in the development of industries. Therefore, large and medium scale industrial activity is absent in ANI. The industrial base of ANI consists mainly of small and tiny industries. The industries in the region are mainly timber and agro-based. The recent years have seen a decline in industrial output owing to closure of wood-based industrial units. There are 1,961 registered small-scale industrial (SSI) units in the Union Territory as at end-March 2010 (Table 5).

Table 4: Number, Area and Size of Operational Holdings in ANI

Size Class (Ha.)	Agricultural Census 2000-01			Agricultural Census 2005-06		
	No of holding	Area of Holding	Average Size	No of holding	Area of Holding	Average Size
Marginal (Below 1.0)	3,656 (32.2)	1,431 (6.3)	0.39	4,823 (41.6)	2,140.64 (9.8)	0.44
Small (1.0-2.0)	2,686 (23.7)	3,694 (16.3)	1.38	2,118 (18.3)	3,200.94 (14.7)	1.51
Semi-Medium (2.0-4.0)	3,254 (28.7)	8,224 (36.2)	2.53	2,953 (25.5)	7,793.21 (35.7)	2.64
Medium (4.0-10.0)	1,711 (15.1)	7,374 (32.5)	4.31	1,656 (14.3)	7,199.58 (33.0)	4.35
Large (10.0 & Above)	42 (0.4)	1,965 (8.7)	46.79	40 (0.3)	1,511.4 (6.9)	37.79
Total (All Sizes)	**11,349**	**22,688**	**2.00**	**11,590**	**21,845.77**	**1.88**

Note: Figures in brackets indicate percentage share.

Table 5: Industrial Scenario of Andaman and Nicobar Islands

Type/Item	March 2010
Large /Medium-Scale Industries	–
Small-scale Industries	1,961
Industrial Centres	14
Industrial Estate	8
Employment	9,106
Investment (in ` million)	234.5
Production(in ` million)	1,806.7

Source: Department of Industries, A&N Islands.

Tourism

The Andaman & Nicobar Islands have an unique combination of sprawling beaches, rising hinterland and dense equatorial forests. More than 50 per cent of the forest area is Tribal Reserves, National Parks and Wildlife sanctuaries. Any development activity in the islands including tourism has to be sensitive to ecological fragility. The key challenge facing the growth of tourism in ANI is connectivity and the commensurate infrastructure to ensure better accessibility. In this context, there is considerable scope for public-private partnership in sustainable development of tourism in the region. In recent years, the private sector has increased its role in providing transport services, theatres, restaurants and shops. The number of units as well as employment provided by the private sector has increased over time. This trend needs to be reinforced.

Infrastructure

Given the geographical and topographical peculiarities of these islands, including separation by sea over great distances, there is no single power-grid for all the electrified islands but several diesel generator sets cater independently to the power requirements of an area/island. At present, ANI faces significant power shortage. Due to a steady rise in population the demand for inter-island ferrying of goods and movement of people has become important. Lack of adequate transport facilities is a serious bottleneck in the economic development of the islands. Further opening up of air traffic could give a boost to trade and tourism.

Fiscal Scenario

As Andaman and Nicobar Islands is a Union Territory (UT) without legislature, all allocations for receipts and expenditure are made from the Union Budget. The UT's primary source of revenue emanates from non-tax receipts, which constitutes more than 80 per cent of revenue receipts. Non-tax revenues have been steadily increasing in recent years. On an average, total revenue receipts to GSDP ratio was around 4.7 per cent during 2007-12. The tax to GSDP ratio in ANI was less than 1 per cent which was far below the all-India average of 5 per cent for all states. Revenue expenditure to GSDP ratio increased mainly on account of the Sixth Pay Commission award. However, capital outlay to GSDP ratio has declined (Table 6).

Financial Developments

It is important to have a well-functioning financial system for sustainable economic development. While the Reserve Bank has been actively engaged in the development of the financial sector, it has stepped up its efforts in recent years to enhance the penetration of the formal financial sector and promote financial inclusion with a view to improving the well-being of our society. Let me first broadly outline the financial fabric of ANI.

Table 6: Receipts and Expenditure

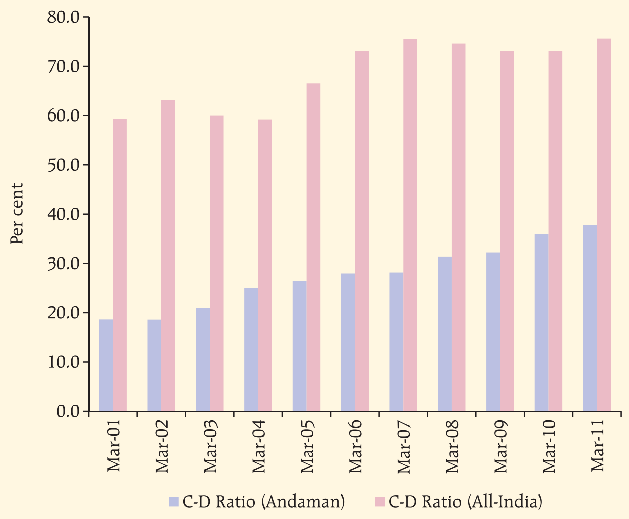
(` million)

Item	2007-08 (RE)	2008-09 (RE)	2009-10 (RE)	2010-11 (RE)	2011-12 (BE)
Tax Revenue	214 (0.7)	260 (0.7)	270 (0.7)	360 (0.8)	380 (0.8)
Non-Tax Revenue	1,186 (4.0)	1,380 (4.0)	1,460 (3.8)	1,790 (4.1)	1,970 (3.9)
Total Revenue	**1,400 (4.7)**	**1,640 (4.7)**	**1,730 (4.5)**	**2,150 (4.9)**	**2,350 (4.7)**
Revenue Expenditure	11,410 **(38.2)**	14,800 **(42.5)**	17,990 **(46.8)**	17,830 **(40.4)**	20,090 **(40.0)**
Capital Expenditure	8,140 **(27.2)**	11,360 **(32.7)**	9,210 **(24.0)**	3,680 **(8.3)**	5,990 **(11.9)**
Total Expenditure	**19,550 (65.4)**	**26,160 (75.2)**	**20,721 (70.8)**	**21,510 (48.8)**	**26,090 (51.9)**

Note : 1. Figures in parentheses are percentages to GSDP.
2. GSDP for 2010-11 and 2011-12 are estimated as per past trends.

Source : 1. Budget Documents of Union Government.
2. CSO for GSDP data upto 2009-10.

Chart 2: Historical Trends in CD Ratio



There was a gradual improvement of banking penetration in ANI in recent years. This is evident from the fact that the average population per bank branch improved to11,000 at end-June 2010 from 13,000 at end-June 2002. The banking network is largely dominated to public sector banks.

The recent trend in the growth rate of deposits in ANI was lower than the corresponding growth rate recorded at all-India level. The credit deposit (C-D) ratio in ANI at 37.6 per cent at end-December 2010 was significantly lower than the ratio of 76.7 per cent at the all-India level (Chart 2 and Table 7).

As at end-March 2010, almost 58.3 per cent of total priority sector advances were absorbed by small enterprises. Agriculture accounted for only 8.3 per cent of total priority sector advances during the same period. The occupational credit structure is dominated by

Table 7: C-D Ratio by Population Group

Population group	Dec-02	Dec-06	Dec-09	Dec-10	Dec-02	Dec-06	Dec-09	Dec-10
	Andaman and Nicobar				India			
Rural	23.1	26.0	40.2	39.7	41.5	58.0	57.3	58.5
Semi-urban	20.0	28.3	33.1	36.9	34.1	52.0	50.5	52.3
Urban	–	–	–	–	42.4	59.8	58.0	60.8
Metropolitan	–	–	–	–	80.0	89.6	83.1	90.7
Total	**20.7**	**27.8**	**34.7**	**37.6**	**58.3**	**75.6**	**71.5**	**76.7**

Chart 3: Occupational Share in Credit

personal loans, followed by advances to trade and industry (Chart 3).

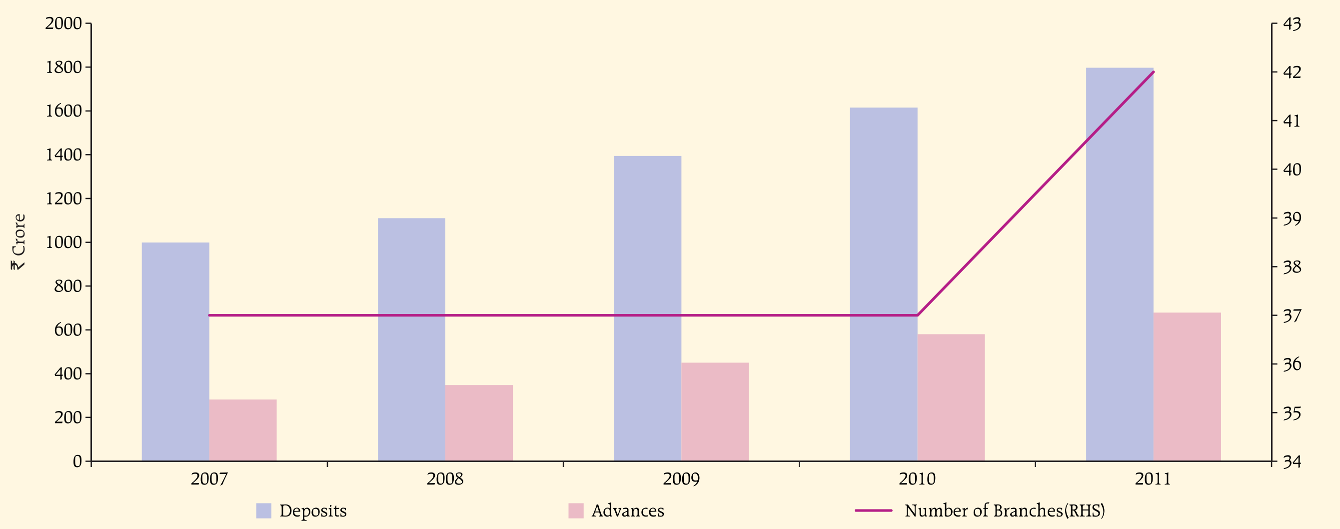
Financial Inclusion

In the context of financial inclusion initiative taken by the Reserve Bank, the banks are being sensitised to pursue the inclusive drive. It may be observed that the progress of banking in terms of the branch expansion was stagnant during the period 2007 to 2010 though there was an improvement in terms of deposits and credit expansion. Due to the recent initiatives taken by the Reserve Bank, the number of branches has increased from 37 in 2010 to 42 in 2011 (Chart 4).

Further, in pursuance of the overall financial inclusion strategy, a total of 47 villages with population over 1,000 were identified in the three districts of ANI. Of these, 17 villages have been identified in South Andaman, 21 in North and Middle Andaman and 9 in Nicobar. A total of 37,370 no-frill accounts have been opened up to end-June 2011 in ANI.

As at end-March 2010, the total number of Kisan Credit Card (KCC) issued in ANI was 7,000 and the

Chart 4: Progress of Banking in Andaman & Nicobar



amount of loan sanctioned under the scheme was `1.58 billion. As at end- June 2011 a total of `95 million was disbursed to 1,260 SHGs.

Financial Inclusion Measures

Financial inclusion is important for bringing the poor and under-privileged sections of the society within the banking fold and thereby generating and sustaining equitable growth. Let me now turn to the various measures initiated by the Reserve Bank for promoting financial inclusion.

First, the Reserve Bank for long has instituted a mechanism called 'priority sector lending' through which credit is channelised to certain preferred sectors, which, *inter alia*, include small-scale industry, small businesses and agriculture. In the post-reform period, the priority sector group has been expanded to include advances to retail trade, educational loans, micro-finance and low-cost housing. This has helped in furthering the cause of financial inclusion.

Second, the Union Finance Minister announced in the Budget 2010-11 that every village in the country with over 2000 population must have access to banking services by March 2012. In order to operationalise this process, commercial banks have prepared financial inclusion plans which have been submitted to the Reserve Bank. As brick-and-mortar branches will not be viable in very small centres, the approach is to meet this challenge through the business correspondent (BC) model and by leveraging communication technology. Under this model, banks appoint agents who provide basic banking services at the door-step of a client on behalf of the bank.

Third, the Reserve Bank has asked banks to open no-frills accounts. These accounts have no or very low minimum balance requirement and have provisions for small loans by way of overdrafts. This is a very convenient account for small depositors, especially in rural areas.

Fourth, a major impediment for a common person to open bank account is the 'Know Your Customer' (KYC) norm. The norm has been relaxed for small accounts, *viz.*, deposits up to `50,000 and credit up to `0.1 million. A simple introduction by an existing account-holder in a bank should be adequate to open an account. In this regard, Aadhar, the Unique Identification Number (UID) Project of the Central Government, which aims at providing a unique ID number for everyone in the country, will help the poor to establish their identity to meet the banks' KYC norms.

Fifth, farmers can get credit from banks conveniently through Kisan Credit Cards (KCCs) and General Purpose Credit Cards (GCCs).

Sixth, financial literacy becomes critically important. While several banking facilities are available, a common person may not be aware of them. Hence, the Reserve Bank has initiated a 'Project Financial Literacy' with the objective of disseminating information regarding the central bank and general banking concepts to various target groups. Our 'Financial Education' website link offers basics of banking, finance and central banking for children of all ages. Our website is also available in 13 languages.

Finally, this is also a learning process for the Reserve Bank. We recognise that being responsible for banking, we must be sensitive to the needs of a common person. Accordingly, our Governor, Dr. Subbarao initiated the outreach programme as a part of our Platinum Jubilee celebrations. Under the outreach programme, the top management of the Reserve Bank visits at least one village in every state and union territory with state government officials and commercial banks to give focused attention on financial inclusion. This has been highly enriching experience for us to understand the ground realities. Accordingly, we have decided to continue these programmes.

Policy Challenges

First, the developmental activities pursued so far have been propelled by direct involvement of government in all areas of economic activities. However, there is a need for broad-based economic strategy with greater involvement of the private sector.

Second, the limited size of the local market is a major constraint to growth. The UT should focus on a outward-looking policy of exports to the mainland in areas in which it has a natural advantage such as marine products, horticulture and floriculture.

Third, the islands have an exclusive economic zone (EEZ) which is about 30 per cent of the country's EEZ and endowed with unique marine habitat and coral diversity. However, this resource is not adequately tapped. There is a need to develop fishery for export to the mainland. This will not only boost the income of the UT but also significantly reduce transport cost as currently ships ferrying goods to the islands return empty to the mainland.

Fourth, there is a need for renewed thrust on agriculture. Horticulture, floriculture, plantation crops, medicinal plants and dye plants offer a lot of opportunities for the potential investors.

Fifth, given the high level of literacy and strategic location there is strong potential for development of information technology.

Sixth, tourism potential of the islands can be promoted through high-value low-volume eco-tourism. This will need greater investment in tourism infrastructure.

Seventh, the Great Nicobar Island is located centrally between Singapore/Colombo and just north of the sea traffic route to South East Asia and beyond. This is an extremely busy route and substantial part of the world's commercial traffic flows through this area. Development of South Eastern tip of Nicobar as a trans-shipment port for container handling, bunkering and refuelling of international/national ships passing through this route has great economic and strategic potential.

Eighth, with the step-up in economic activity, the investment demand can be enhanced. The banks need to be more proactive in supporting private investment and enterprise. This will help in improving the current low level of C-D ratio through greater penetration of banking.

Conclusion

The comparative isolation of the Andaman and Nicobar islands from the mainland, scattered landscape, difficult communication system, heavy reliance on government departments for supply of inputs and smaller base of local market are the main impediments to the rapid growth of the economy. However, the UT of ANI has immense potential for achieving higher growth aided mainly by extensive marine resources, high literacy rate, conducive work environment and strategic location. In achieving this goal, government efforts need to be supplemented by private initiatives where the banking sector has an important role to play. This will help in further improving the well-being of masses in the islands.

ARTICLEs

International Banking Statistics of India:
March and June 2011

Performance of Private Corporate Business Sector
during First Half of 2011-12

*International Banking Statistics of India: March and June 2011**

The article presents analysis of international liabilities and assets of banks in India, classified under Locational Banking Statistics (LBS) and consolidated international/foreign claims under Consolidated Banking Statistics (CBS), collected as per the reporting system of the Bank for International Settlements (BIS), for the quarters ended March and June 2011. The analysis of international liabilities/assets, based on LBS, has been undertaken by instrument, country and sector of customer/ borrower, currency and country of incorporation of reporting bank; and the consolidated international claims, based on CBS, according to country and sector of borrower and residual maturity. Further, a comparison of international/foreign claims of BIS reporting banks vis-à-vis Indian banks has been presented. The article also gives the details of international/foreign claims derived from on-balance sheet items, viz., loans and deposits, holdings of securities as well as off-balance sheet items, viz., derivatives, guarantees and credit commitments on ultimate risk basis.

Highlights

Locational Banking Statistics – International Liabilities

- The international liabilities (in Indian `) of banks in India, at end-June 2011 grew by 11.2 per cent over the position a year ago and by 1.4 per cent over the previous quarter.
- The foreign currency borrowings, investment in equities of the banking sector by non-residents and NRO deposits contributed to the growth in international liabilities over the previous year.
- At end-June 2011, the annual increase in the international liabilities is reflected in the increase in the liabilities towards USA, UK and UAE.
- The share of the international liabilities towards the non-bank sector was lower at 73.1 per cent compared with 74.5 per cent a year ago.

Locational Banking Statistics – International Assets

- At end-June 2011, the international assets (in Indian `) of banks in India registered a growth of 12.6 per cent over the position a year ago and a decrease of 1.1 per cent over the pervious quarter.
- Foreign currency loans to residents, outstanding export bills, NOSTRO balances and loans to non-residents contributed to the increase in the international assets over the previous year.
- The share of the non-bank sector in the international assets declined to 67.1 per cent as at end June-2011 from 70.2 per cent a year ago.
- At end-June 2011, for the international assets denominated in US Dollar a decline (from 75.5 per cent to 72.9 per cent) was observed in the share towards non-bank sector over the position a year ago.

Consolidated Banking Statistics

- The annual growth in consolidated international claims (in Indian `) of banks-based on country of immediate risk, as at end-June 2011, was 8.9 per cent while the international claims had declined by 1.6 per cent as at end-June 2010.
- Major part of consolidated international claims of Indian banks on immediate risk basis, at end-June 2011, continued to be of short-term nature (less than one year) and accounted for 61.9 per cent of total claims compared to 61.1 per cent a year ago.

I. Introduction

International Banking Statistics (IBS) is defined as banks' on-balance sheet liabilities and assets *vis-à-vis* non-residents in any currency or unit of account along with such liabilities and assets *vis-à-vis* residents in

* Prepared in the Banking Statistics Division of the Department of Statistics and Information Management. The previous article on the subject as at end of December 2010 was published in September 2011 issue of the Bulletin.

foreign currencies or units of account. IBS comprises Locational Banking Statistics (LBS) and Consolidated Banking Statistics (CBS). The LBS is designed to provide comprehensive and consistent quarterly data on international banking business conducted inside the Bank for International Settlements (BIS) reporting area. The purpose of CBS is to provide comprehensive and consistent quarterly data on banks' financial claims on other countries on immediate borrower basis for providing a measure of country transfer risk and on an ultimate risk basis for assessing country risk exposures of national banking system. LBS provides the assets and liabilities by type of instrument/components, currency, country of residence and sector of counter-party/transacting unit and nationality of reporting banks, while CBS provides data on international/foreign claims as per residual maturity and sector of borrower along with the exposures by country of immediate borrower and on the reallocation of claims (*i.e.*, risk transfers) to the country of ultimate risk. The BIS reporting system of IBS was revised in March 2005, *inter alia*, covering the claims of domestic reporting banks arising out of derivatives, guarantees and credit commitments, as well.

Other than India, central banks from 43 other countries report aggregate LBS to BIS while central banks from 30 countries report aggregate CBS under the BIS reporting system of IBS. The data are published as a part of the BIS Quarterly Review. This article presents brief analysis of the LBS as well as CBS for India for the quarters ended March and June 2011. It also presents data on comparative position of CBS of India *vis-à-vis* other countries based on data published by BIS[1].

II. Data Coverage and Methodology[2]

The analysis is based on the data as on March 31 and June 30, 2011 reported by 87 banks. These banks are authorised to conduct business in foreign exchange through their branches, designated as authorized dealers. These banks include 56 Indian banks and 31 foreign banks (incorporated in 22 countries). Out of the 56 Indian banks, 26 are public sector banks (including IDBI Ltd.), 19 are private sector banks and 11 are co-operative banks. The banks receive data from their branches, which in turn are consolidated at bank level and submitted to the Reserve Bank. The details such as asset or liability category, actual currency (24 major currencies and domestic currency), country of transacting unit, sector of the transacting unit, country of ultimate risk, sector of ultimate risk, *etc.*, are reported.

III. Comparison of External Debt Statistics and International Liabilities

The international liabilities of banks covered in IBS (as per BIS definition) and external debt accounted for by banking sector in India are not strictly comparable, since certain items of liabilities, like, American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs), equity of banks held by non-residents, included in IBS, are not part of the external debt statistics. It may be construed that broadly international liabilities of banking sector in India (under IBS reporting) are the sum of external debt statistics (for banking sector in India), liabilities of banks in foreign currency towards residents (EEFC, RFC, Intra-bank FC Deposits), equities of banks held by NRIs, non-debt credit flows on account of ADRs/GDRs, capital supplied by head offices of foreign banks in India Rupee and ACU Dollar balance in VOSTRO accounts.

Table 1 presents a classification of the international liabilities as at end of March and June 2011 covered under IBS, in US dollar terms, into items included and not included under external debt statistics.

IV. Results

IV.1 Locational Banking Statistics

The LBS provides component/instrument wise, country-wise (residence of transacting unit and the country of incorporation of reporting bank), sector-wise, major currency-wise classification of liabilities and assets of banks in India. These are based on data

[1] A brief outline of the BIS reporting system of IBS comprising LBS and CBS, purpose of IBS, BIS reporting area for IBS, the distinction/relation between IBS *vis-à-vis* external debt of India has been provided in the article on the subject published in September 2011 issue of RBI Bulletin.

[2] The methodology of compilation of LBS/CBS and explanation to various terms used in IBS has been provided in the Annex to article on the subject published in September 2011 issue of RBI Bulletin.

Table 1: International Liabilities of Banks in India

(US $ Million)

Categories /Items	Amount Outstanding as at end				
	March 2010	June 2010	Dec 2010	March 2011	June 2011
I. Items included under External Debt Statistics +	**70,028**	**72,601**	**76,547**	**76,782**	**77,748**
1. Foreign Currency Non-Resident Bank [FCNR(B)] Schemes	16,088	16,200	16,776	17,359	17,802
2. Non-Resident External (NRE) Rupee A/Cs	27,256	27,084	27,605	27,184	27,274
3 Foreign Currency Borrowings (includes Inter-bank borrowings and external commercial borrowings of banks) other than through ADRs, GDRs, Bonds, etc.	16,560	18,803	19,612	19,666	19,512
4 Bonds	1,108	1,098	1,319	921	1,121
5 Floating Rate Notes (FRNs)	-	-	-	-	-
6 Foreign Institutional Investors' (FII) A/Cs	2,047	1,767	2,373	2,336	2,457
7 Other Own issues of Intl Debt Securities	104	102	103	105	103
8 Non-Resident Ordinary(NRO) Rupee Deposits	6,865	7,546	8,759	9,210	9,479
II Items not included under External Debt Statistics	**47**	**49**	**68**	**69**	**74**
1 Embassy A/Cs	45	48	68	68	74
2 ESCROW A/Cs	2	0	0	0	0
III. Non-Debt Liabilities (not included in External Debt due to definitional aspects)	**24,090**	**23,002**	**30,577**	**31,092**	**30,160**
1 American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)	6,769	5,866	7,973	7,781	7,689
2 Equities of banks held by NRIs	11,206	10,985	16,187	16,405	16,076
3 Capital of foreign banks/branches in India and certain other items in transition	6,116	6,151	6,417	6,906	6,396
IV. FC Liabilities to Residents (not included in External Debt due to definitional aspects) +	**5,708**	**5,931**	**5,987**	**6,450**	**6,683**
1 Exchange Earners' Foreign Currency (EEFC) A/Cs	4,292	4,362	4,288	4,799	5,072
2 Resident Foreign Currency (RFC) Deposits	359	308	345	348	359
3 Inter-Bank Foreign Currency Deposits and other Foreign Currency Deposits of Residents	1,057	1,261	1,354	1,303	1,253
V Other Items of International Liabilities (not included in External Debt due to definitional aspects)	**835**	**825**	**857**	**808**	**823**
1 Balances in VOSTRO A/Cs of non-resident banks and exchange houses (including term deposits)	835	825	857	808	823
VI. Total International Liabilities (I+II+III+IV+V)	**1,00,708**	**1,02,406**	**1,14,036**	**1,16,931**	**1,18,340**

+: Data as reported under IBS do not cover all branches and are not comparable with data reported by all bank branches under a different set of data.

Notes: 1. All figures are inclusive of accrued interest.
2. The FEDAI revaluation rate for Rupee-US Dollar exchange as at end-March 2010, June 2010, Dec 2010, March 2011 and June 2011 were `44.9000, `46.4450, `44.7050, `44.5950 and `44.7000 per USDollar, respectively .
3. Data have been revised for previous quarters

reported by branches of banks, which are conducting business in India, *viz.*, the branches of Indian banks and branches of foreign banks in India.

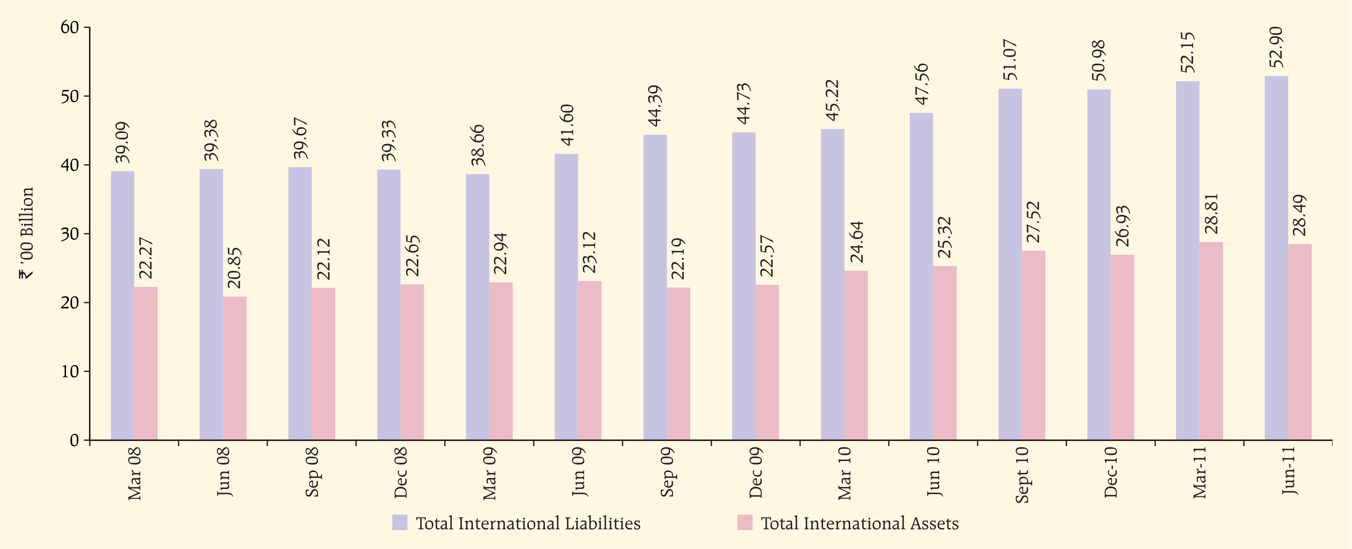
IV.1.A International Liabilities and Assets – Aggregate Level

As at end-June 2011, the international assets increased by `317.81 billion (12.6 per cent) over the previous year but declined by `31.24 billion (1.1 per cent) over the previous quarter (Statement I). As at end-June 2011, the international liabilities recorded an increase of `533.56 billion (11.2 per cent) over the position a year ago and an increase of `75.28 billion (1.4 per cent) over the previous quarter. International liabilities of the commercial banks are higher than their international assets, as a part of the international liabilities of the commercial banks forms sources of accretion to the foreign currency assets of the Reserve Bank of India.

IV.1.B Components and Composition of International Liabilities

The increase in the international liabilities as at end-June 2011, over the previous year, can be ascribed mainly to the foreign currency borrowings and equities of banks held by non-residents while other components, *viz.* ADRs/GDRs, FCNR(B) and NRO deposits also contributed to the rise. The increase over previous quarter was mainly on account of foreign currency borrowings, FCNR(B) and NRO deposits. The components ADRs/GDRs and equities of banks held by non-residents registered a marginal decline during the period.

Chart 1: International Liabilities and Assets of Banks in India



The share of 'Other International Liabilities' in the total international liabilities increased to 25.5 per cent at end-June 2011 from 22.5 per cent a year ago (Chart 2B and 3) on account of the growth in ADRs/ GDRs and equities of banks held by non-residents. A corresponding decline in the share of 'Deposits and Loans' to 73.5 per cent from 76.4 per cent was observed during the period. The share of the NRE deposits, the largest component of the international liabilities, declined steadily from 27.1 per cent in March 2010 to 23.0 per cent in June 2011.

IV. 1. C Components and Composition of International Assets

As at end-June 2011, foreign currency loans to residents, loans to non-residents, outstanding export bills and NOSTRO balances recorded substantial increase over previous year, contributing to the overall increase in international assets during the period.

The composition of the international assets in terms of the three major components (*viz.*, 'Loans and Deposits', 'Holdings of Debt Securities' and 'Other

Chart 2: Major Components of International Liabilities of Banks In India (in Per cent)

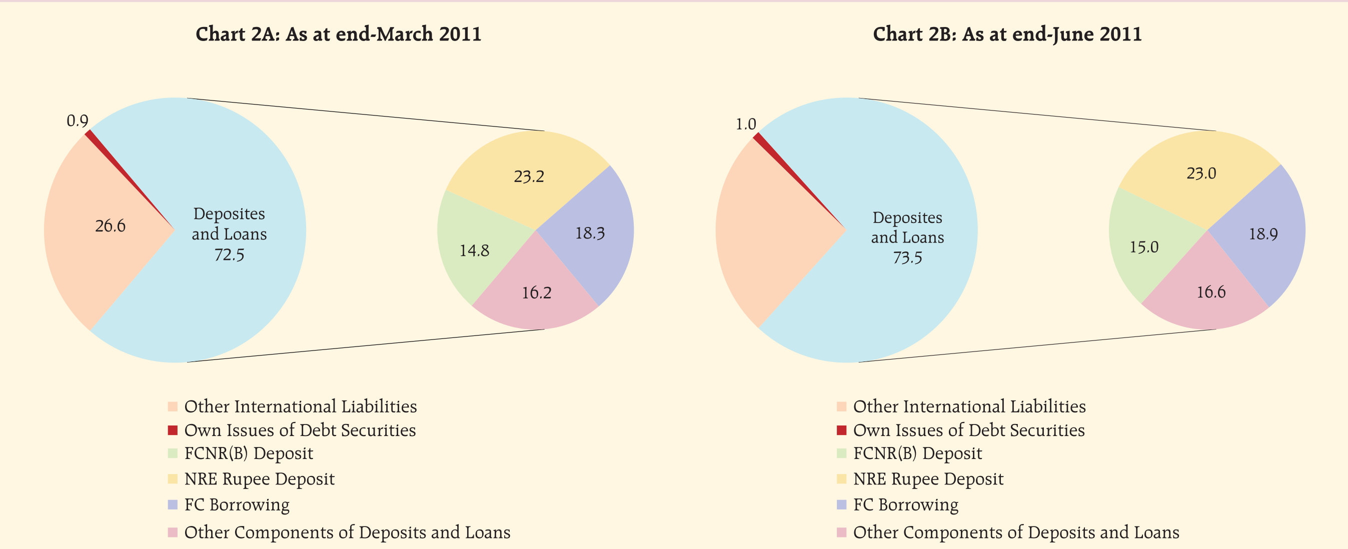
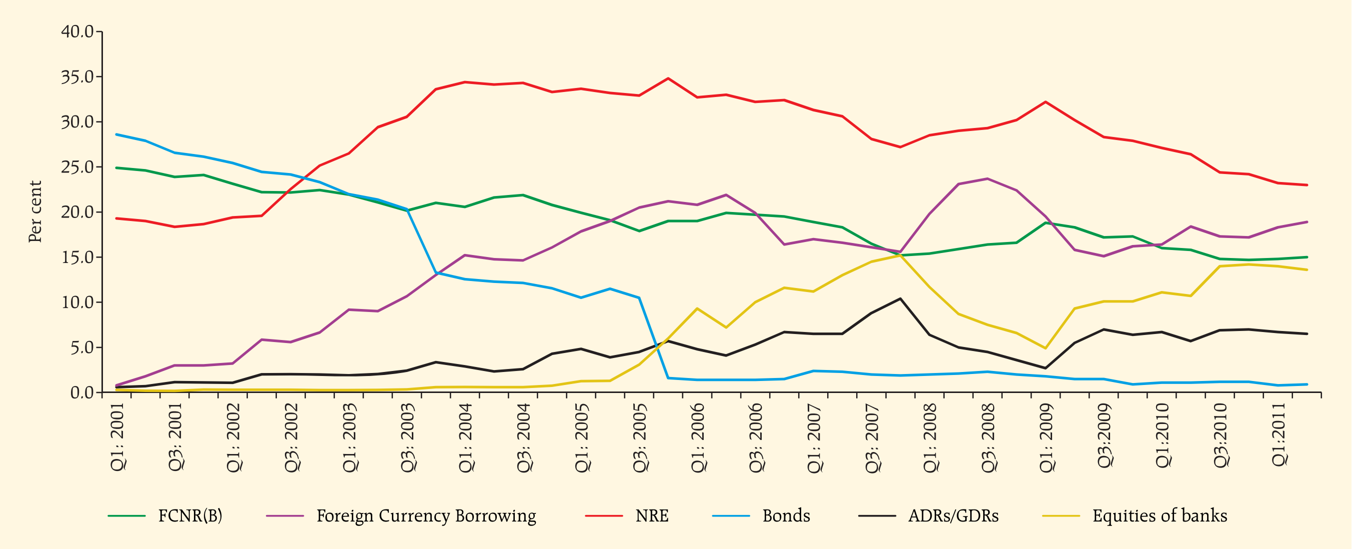


Chart 3: Major Components of International Liabilities



International Assets') has remained almost same since March 2010. Foreign currency loans to residents continued to share almost half of the international assets (Chart 4B and 5) during the period. Outstanding export bills and NOSTRO balances were other important components of international assets.

IV.1.D Composition of International Liabilities and Assets by Sector and Currency

Indian Rupee continued to be the dominant currency of the international liabilities, as at end-June 2011 (Chart 6). Similarly, the non-bank sector continued to contribute major portion of the international liabilities as at end-June 2011 but its share declined to 73.1 per cent from 74.5 per cent a year ago (Statement II).

The share of the international liabilities denominated in Indian Rupee towards non-bank sector was lower than the previous year's level and the corresponding shares for international liabilities denominated in US Dollar and Euro also declined during the same period.

The share of non-bank sector in the international assets, at end-June 2011, declined to 67.1 per cent from

Chart 4: Major Components of International Assets of Banks In India (in Per cent)

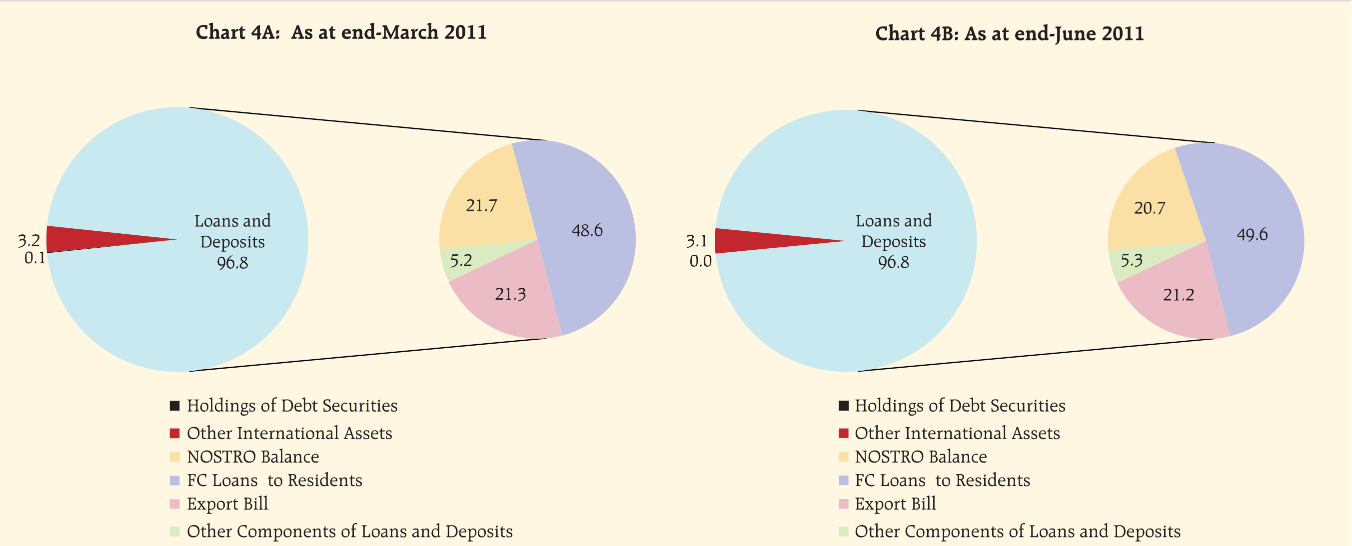
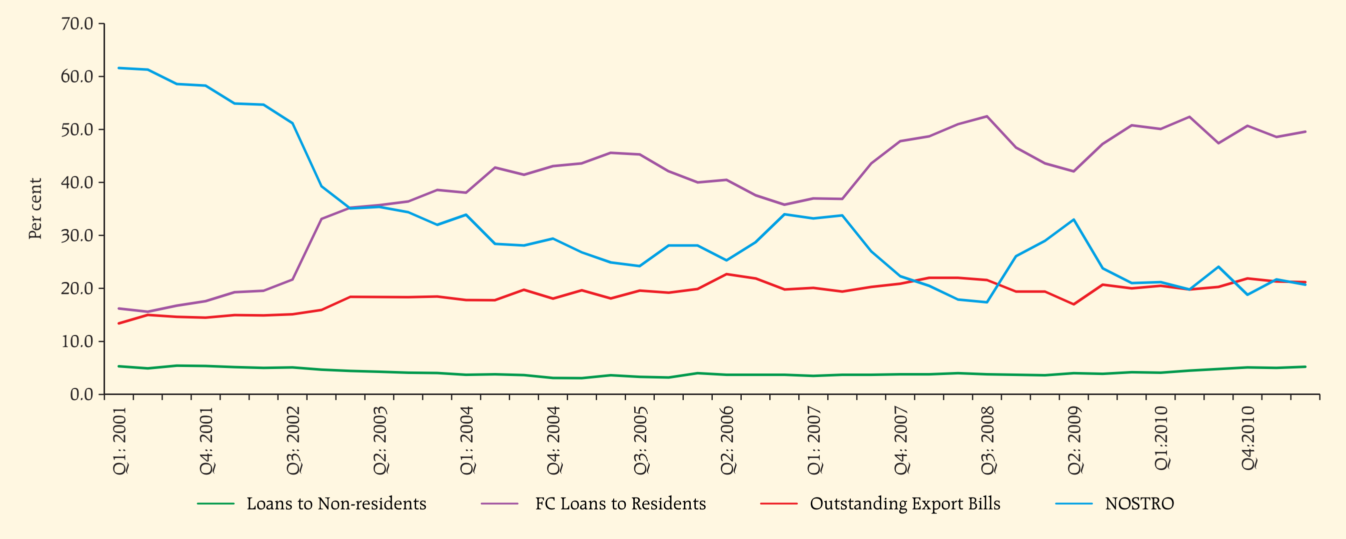


Chart 5: Major Components of International Assets



70.2 per cent a year ago. The corresponding share was at 66.5 per cent at end-March 2011. As at end-June 2011, as high as 79.5 per cent of the total international assets were denominated in US Dollar, with the next lower share at 8.5 per cent being that of Euro (Chart 7). The international assets denominated in Indian Rupee had a share of 3.2 per cent in the total international assets.

A substantial increase was observed in the share towards the non-bank sector for the international assets denominated in Euro over the position a year ago while in case of US Dollar there was a decline during the period.

IV.1.E Composition of International Liabilities and Assets by Country of Residence of Transacting Units

At end-June 2011, the international liabilities towards transacting units (bank and non-bank sectors) from the USA had the highest share of 32.9 per cent (Statement III, Chart 8) followed by the UK (11.1 per cent). The share towards transacting units in India was at 7.6 per cent. As at end-June 2011, the overall increase in the international liabilities over the previous year,

Chart 6: International Liabilities of Banks in India Currency Composition

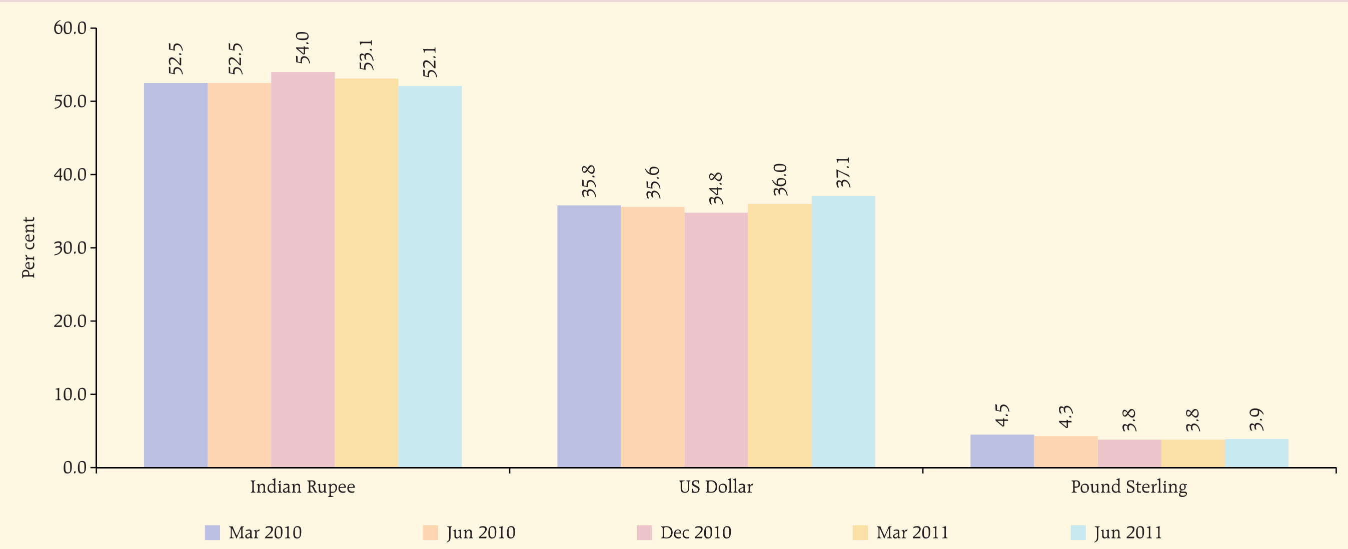
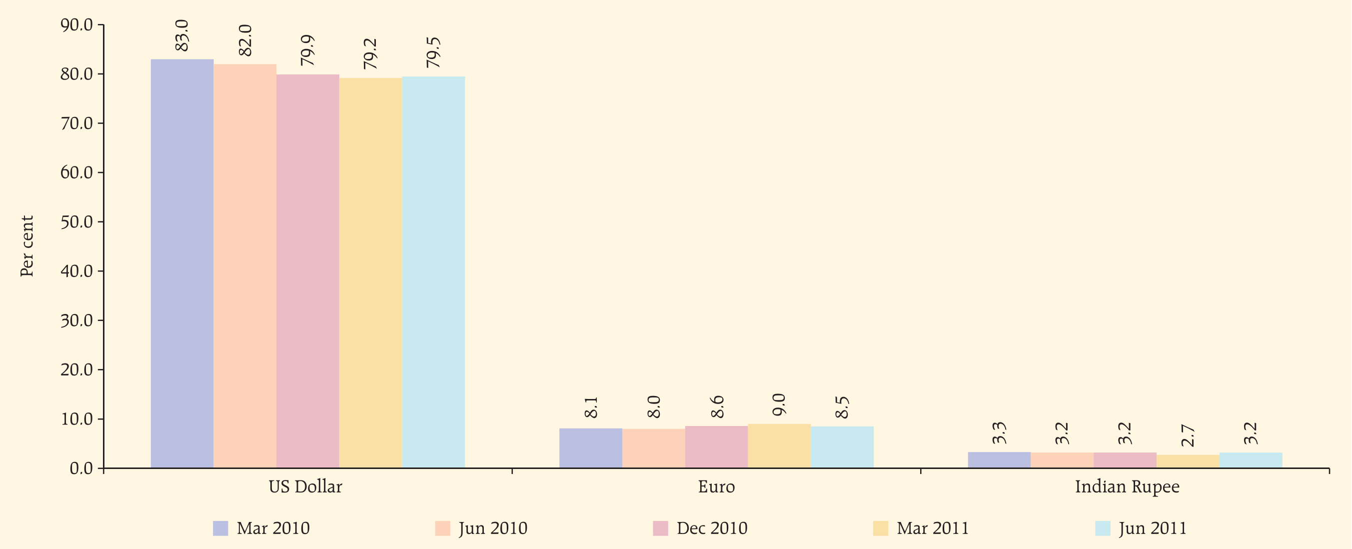


Chart 7: International Assets of Banks in India Currency Composition



is reflected in the increase in the liabilities towards USA, UK and India. The country and component-wise break-up of international liabilities shows that overall increase in foreign currency borrowings are against US,

Table 2: International Liabilities and Assets of Banks in India (branches of Indian and Foreign Banks in India)

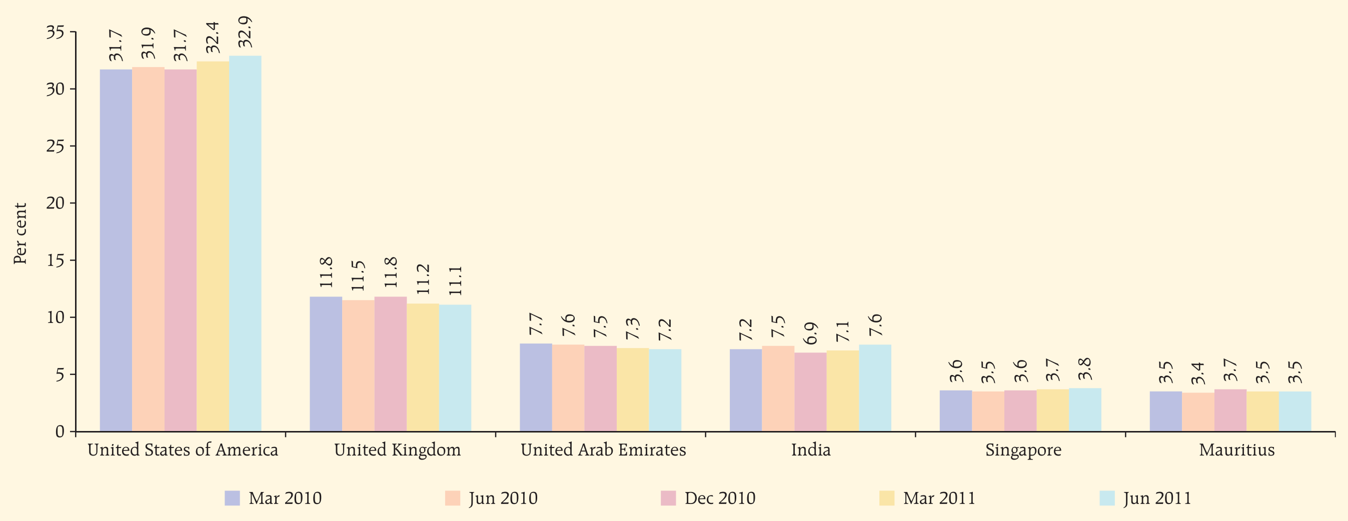
Items	Amount Outstanding # as at end									
	March 2010		June 2010		Dec 2010		March 2011		June 2011	
International Liabilities	` Billion+	US $ Billion	` Billion+	US $ Billion	` Billion+	US $ Billion	` Billion+	US $ Billion	` Billion+	US $ Billion
Liabilities to residents and non-residents denominated in foreign currencies	2,148.74 (47.5)	47.86 (47.5)	2,260.14 (47.5)	48.66 (47.5)	2,342.80 (46.0)	52.41 (46.0)	2,447.45 (46.9)	54.88 (46.9)	2,531.29 (47.9)	56.63 (47.9)
Liabilities to non-residents denominated in Indian Rupees	2,373.05 (52.5)	52.85 (52.5)	2,496.12 (52.5)	53.74 (52.5)	2,755.17 (54.0)	61.63 (54.0)	2,767.09 (53.1)	62.05 (53.1)	2,758.53 (52.1)	61.71 (52.1)
Total International Liabilities	**4,521.79 (100.0)**	**100.71 (100.0)**	**4,756.26 (100.0)**	**102.41 (100.0)**	**5,097.97 (100.0)**	**114.04 (100.0)**	**5,214.54 (100.0)**	**116.93 (100.0)**	**5,289.82 (100.0)**	**118.34 (100.0)**
International Assets										
Foreign Currency(FC) Assets (includes FC loans to residents and non-residents, Outstanding Export Bills, FC lending to banks in India, FC deposits with banks in India, Overseas FC Assets, Remittable profits of foreign branches of Indian banks, etc.)	2,381.75 (96.7)	53.05 (96.7)	2,450.18 (96.8)	52.75 (96.8)	2,607.28 (96.8)	58.32 (96.8)	2,802.94 (97.3)	62.85 (97.3)	2,758.54 (96.8)	61.71 (96.8)
Assets in Indian Rupees with Non-residents (includes Rupee loans to non-residents out of non-resident deposits)	81.84 (3.3)	1.82 (3.3)	81.41 (3.2)	1.75 (3.2)	85.72 (3.2)	1.92 (3.2)	77.70 (2.7)	1.74 (2.7)	90.86 (3.2)	2.03 (3.2)
Total International Assets	**2,463.59 (100.0)**	**54.87 (100.0)**	**2,531.59 (100.0)**	**54.51 (100.0)**	**2,693.00 (100.0)**	**60.24 (100.0)**	**2,880.64 (100.0)**	**64.60 (100.0)**	**2,849.40 (100.0)**	**63.74 (100.0)**

+ The FEDAI revaluation rate for Rupee-US Dollar exchange as at end- March 2010, June 2010, December 2010, March 2011 and June 2011 were `44.9000, `46.4450, `44.7050, `44.5950 and `44.7000 per US Dollar, respectively .

Data pertain to only reporting branches. As such, these data provide broad dimensions of international assets and liabilities,

Notes: 1. All figures are inclusive of accrued interest.
2. Figures in brackets represent percentages to total international assets
3. Sum of the components may not tally with total due to rounding off.
4. Data have been revised for previous quarters.

Chart 8: International Liabilities of Banks in India According to Country of Residence of Transacting Units as at end



UK and Singapore while increase in FCNR(B) deposits is reflected against UAE and Germany (Statement IV).

As at end-June 2011, 49.9 per cent of the total international assets of banking sector has been generated from India (largely the foreign currency loans to residents), followed by a share of 15.7 per cent from USA (Statement III, Chart 9).

At end-June 2011, the international claims against the USA, UK, UAE, Singapore and Germany have shown rise over the previous year's position. The overall increase in the NOSTRO balances is reflected in increase in NOSTRO balances towards USA, Singapore and Germany (Statement IV).

IV.1.F Composition by Country of Incorporation of Reporting Banks

At end-June 2011, the banks incorporated in India accounted for the highest share at 77.2 per cent of international liabilities. The share was lower at 75.5

Chart 9: International Assets of Banks in India According to Country of Residence of Transacting Units as at end

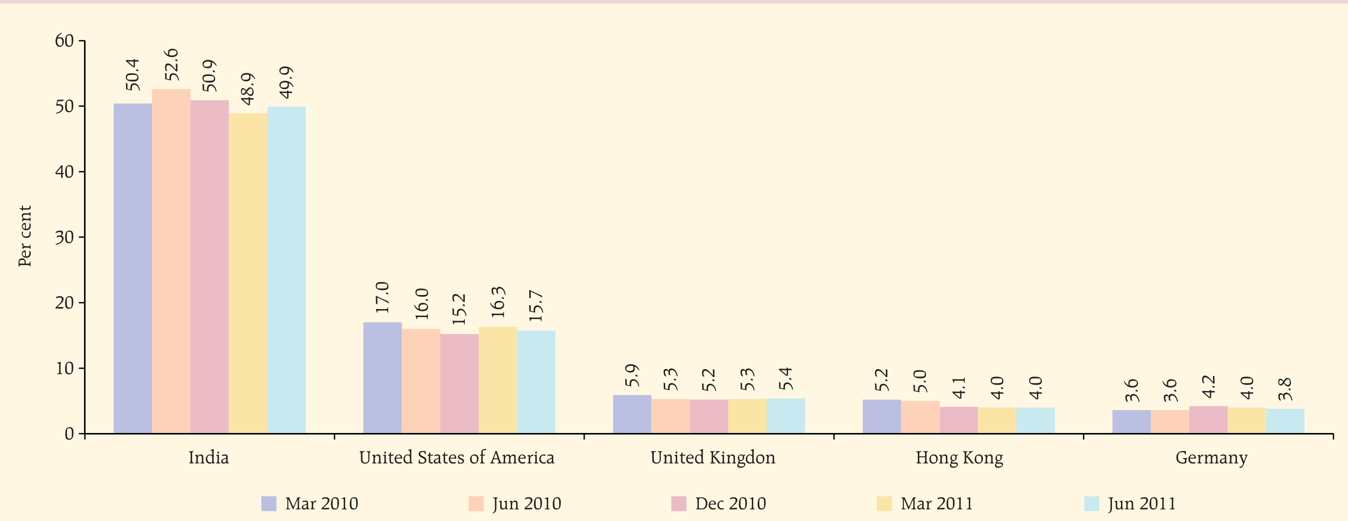


Table 3: Consolidated International Claims of Banks in India on Countries other than India (On Immediate Country Risk Basis)

Country	Amount Outstanding as at end									
	March 2010		June 2010		Dec 2010		March 2011		June 2011	
	₹ Billion+	US $ Billion	₹ Billion+	US $ Billion	₹ Billion+	US $ Billion	₹ Billion+	US $ Billion	₹ Billion+	US $ Billion
Total Consolidated International Claims (excluding claims on India)	**2,330.71**	**51.91**	**2,280.17**	**49.09**	**2,316.82**	**51.82**	**2,464.13**	**55.26**	**2,480.51**	**55.49**
of which:										
United States of America #	533.94 (22.9)	11.89 (22.9)	567.35 (24.9)	12.22 (24.9)	526.17 (22.7)	11.77 (22.7)	548.18 (22.2)	12.29 (22.2)	553.34 (22.3)	12.38 (22.3)
United Kingdom@	361.41 (15.5)	8.05 (15.5)	366.04 (16.1)	7.88 (16.1)	337.19 (14.6)	7.54 (14.6)	343.70 (13.9)	7.71 (13.9)	351.08 (14.2)	7.85 (14.2)
Hong Kong	189.78 (8.1)	4.23 (8.1)	181.82 (8.0)	3.91 (8.0)	175.28 (7.6)	3.92 (7.6)	183.76 (7.5)	4.12 (7.5)	189.58 (7.6)	4.24 (7.6)
Singapore	184.37 (7.9)	4.11 (7.9)	178.07 (7.8)	3.83 (7.8)	170.23 (7.3)	3.81 (7.3)	185.46 (7.5)	4.16 (7.5)	186.44 (7.5)	4.17 (7.5)
United Arab Emirates	135.36 (5.8)	3.01 (5.8)	128.96 (5.7)	2.78 (5.7)	145.51 (6.3)	3.25 (6.3)	154.98 (6.3)	3.48 (6.3)	160.33 (6.5)	3.59 (6.5)
Germany	121.79 (5.2)	2.71 (5.2)	119.40 (5.2)	2.57 (5.2)	141.24 (6.1)	3.16 (6.1)	141.64 (5.7)	3.18 (5.7)	130.37 (5.3)	2.92 (5.3)

\+ The FEDAI revaluation rate for Rupee-US Dollar exchange as at end-Mar 2010, Jun 2010, Dec 2010, Mar 2011 & June 2011 were ₹44.9000, ₹46.4450, ₹44.7050, ₹44.5950 and ₹44.7000 per US Dollar, respectively.

@ excluding Guernsey, Isle of Man and Jersey, # includes Midway Island and Wake Islands.

Note: 1. Figures in brackets represent percentages to the total international claims.
2. Data have been revised for previous quarters.

per cent a year ago. Among the banks incorporated in countries other than India, the USA had the highest share in international liabilities at 6.7 per cent while those from Hong Kong and the UK had shares of 5.4 per cent and 4.2 per cent, respectively. The share of the banks incorporated in India in the international

Chart 10: Consolidated international Claims of Banks on countries other than India on Immediate country Risk Basis

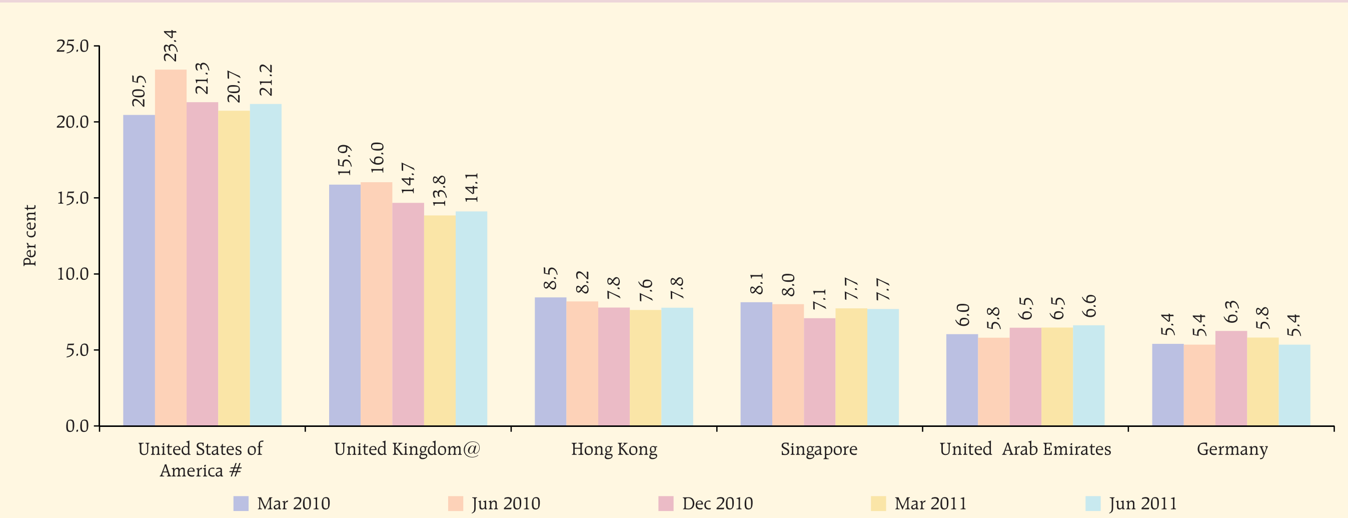


Table 4: Consolidated Foreign Claims and Contingent Claims/Exposures arising from Derivatives, Guarantees and Credit Commitments of Domestic Banks on Ultimate Risk Basis

(` Billion)

Total Foreign Claims

Country of Ultimate Risk	Mar 2010	Jun 2010	Dec 2010	Mar 2011	Jun 2011
Total	**1,984.71**	**1,950.40**	**1,992.50**	**2,186.22**	**2,170.13**
of which:					
United States of America #	421.01 (21.2)	483.93 (24.8)	434.36 (21.8)	456.99 (20.9)	470.48 (21.7)
United Kingdom @	268.44 (13.5)	260.58 (13.4)	251.04 (12.6)	248.40 (11.4)	234.63 (10.8)
Germany	111.96 (5.6)	118.76 (6.1)	142.17 (7.1)	138.09 (6.3)	125.50 (5.8)
Hong Kong	135.12 (6.8)	128.18 (6.6)	125.32 (6.3)	136.66 (6.3)	142.20 (6.6)
United Arab Emirates	103.02 (5.2)	96.90 (5.0)	111.86 (5.6)	130.04 (5.9)	134.35 (6.2)

Contingent Claims/Exposures Arising from Guarantees

Country of Ultimate Risk	Mar 2010	Jun 2010	Dec 2010	Mar 2011	Jun 2011
Total	**471.58**	**500.52**	**566.84**	**612.57**	**650.68**
of which:					
United States of America #	91.92 (19.5)	104.37 (20.9)	103.43 (18.2)	112.96 (18.4)	111.26 (17.1)
Singapore	59.50 (12.6)	62.50 (12.5)	71.37 (12.6)	72.85 (11.9)	85.19 (13.1)
Hong Kong	21.23 (4.5)	24.28 (4.9)	51.61 (9.1)	48.19 (7.9)	39.90 (6.1)
United Kingdom @	31.55 (6.7)	46.48 (9.3)	49.09 (8.7)	56.97 (9.3)	72.80 (11.2)
China	53.97 (11.4)	38.72 (7.7)	46.50 (8.2)	51.01 (8.3)	39.46 (6.1)

Contingent Claims/Exposures Arising from Derivatives

Country of Ultimate Risk	Mar 2010	Jun 2010	Dec 2010	Mar 2011	Jun 2011
Total	**191.38**	**170.73**	**175.74**	**172.90**	**219.33**
of which:					
United Kingdom @	41.88 (21.9)	37.27 (21.8)	45.98 (26.2)	45.70 (26.4)	45.90 (20.9)
United States of America #	37.10 (19.4)	32.99 (19.3)	32.31 (18.4)	26.88 (15.5)	43.91 (20.0)
France	31.36 (16.4)	26.84 (15.7)	25.24 (14.4)	25.81 (14.9)	41.53 (18.9)
Germany	31.51 (16.5)	27.22 (15.9)	11.55 (6.6)	25.79 (14.9)	36.85 (16.8)
United Arab Emirates	0.89 (0.5)	0.42 (0.2)	0.95 (0.5)	0.53 (0.3)	1.47 (0.7)

Contingent Claims/Exposures Arising from Credit Commitments

Country of Ultimate Risk	Mar 2010	Jun 2010	Dec 2010	Mar 2011	Jun 2011
Total	**52.53**	**49.75**	**55.59**	**55.65**	**49.54**
of which:					
Bamgladesh	15.86 (30.2)	1.73 (3.5)	10.11 (18.2)	26.62 (47.8)	29.25 (59.0)
United Arab Emirates	1.51 (2.9)	10.19 (20.5)	5.77 (10.4)	6.27 (11.3)	2.45 (4.9)
Indonesia	1.91 (3.6)	0.14 (0.3)	2.59 (4.7)	3.97 (7.1)	2.45 (4.9)
Hong Kong	2.18 (4.2)	1.72 (3.5)	4.63 (8.3)	3.14 (5.6)	2.67 (5.4)
United States of America #	8.83 (16.8)	19.87 (39.9)	16.71 (30.1)	2.36 (4.2)	1.22 (2.5)

@: excluding Guernsey, Isle of Man and Jersey, #: includes Midway Island and Wake Islands.
Note: Figures in brackets represent percentages to total.

assets, as at end-June 2011 (Statement VI) was lower at 73.7 per cent compared to 74.2 per cent a year ago. Among other countries, the share of the banks incorporated in the UK was the highest at 9.5 per cent followed by the share of the banks incorporated in the USA at 6.2 per cent.

IV. 2 Consolidated Banking Statistics (CBS)

The CBS provides country-wise (immediate country risk exposure), residual-maturity-wise and sector-wise classification of international claims (on-balance-sheet) of banks on countries other than India. It also provides consolidated country risk exposure on an ultimate risk basis and international claims arising out of derivatives, guarantees and credit commitments.

There are four reports comprising the consolidated banking statistics on immediate risk basis. The first report is sum of the consolidated banking statistics for (i) domestic banks, (ii) inside (reporting) area foreign banks and (iii) outside (reporting) area foreign banks and the remaining three reports recount the above three components (i), (ii) and (iii), separately. The data

Table 5: International Claims of BIS Reporting Banks *vis-à-vis* Indian Banks – by Maturity and Sector

(US $ Billion)

Maturity/sector		Claims of BIS Reporting Countries on all Other Countries				Claims of BIS Reporting Countries on India				Claims of Indian Banks on countries other than India #			
		Mar 2010	Mar 2011	Jun 2010	Jun 2011	Mar 2010	Mar 2011	Jun 2010	Jun 2011	Mar 2010	Mar 2011	Jun 2010	Jun 2011
(a) Total Foreign Claims (b+c)		**30,522.8 (100.0)**	**31,936.9 (100.0)**	**29,209.5 (100.0)**	**31,904.3 (100.0)**	**256.0 (100.0)**	**317.7 (100.0)**	**260.5 (100.0)**	**316.1 (100.0)**	**53.1 (100.0)**	**59.1 (100.0)**	**52.8 (100.0)**	**59.5 (100.0)**
(b) Local Claims in Local Currencies		**10,526.2 (34.5)**	**11,299.5 (35.4)**	**10,381.0 (35.5)**	**11,590.9 (36.3)**	**88.7 (34.6)**	**100.4 (31.6)**	**87.5 (33.6)**	**104.2 (33.0)**	**4.8 (9.0)**	**5.4 (9.2)**	**5.0 (9.5)**	**5.5 (9.2)**
(c) Total International Claim		**19,996.6 (65.5)**	**20,637.4 (64.6)**	**18,828.6 (64.5)**	**20,313.3 (63.7)**	**167.4 (65.4)**	**217.3 (68.4)**	**173.0 (66.4)**	**211.9 (67.0)**	**48.3 (91.0)**	**53.7 (90.8)**	**47.8 (90.5)**	**54.1 (90.8)**
of which:													
Maturity	**Short Term ***	10,015.0 (50.1)	10,668.1 (51.7)	9,441.8 (50.1)	10,320.8 (50.8)	96.5 (57.7)	135.6 (62.4)	98.8 (57.1)	128.5 (60.6)	34.4 (71.2)	37.9 (70.6)	33.4 (69.9)	38.4 (71.0)
	Long Term **	6,947.6 (34.7)	6,755.7 (32.7)	6,527.9 (34.7)	6,723.9 (33.1)	46.0 (27.5)	57.3 (26.4)	48.3 (27.9)	62.6 (29.6)	12.4 (25.7)	14.6 (27.2)	13.1 (27.4)	14.2 (26.3)
Sector $	**Bank**	8,433.1 (42.2)	8,421.9 (40.8)	7,865.5 (41.8)	7,878.3 (38.8)	58.5 (34.9)	84.6 (38.9)	60.2 (34.8)	76.5 (36.1)	20.2 (41.8)	23.9 (44.5)	21.1 (44.1)	23.3 (43.1)
	Non-Bank Public	2,711.3 (13.6)	2,802.1 (13.6)	2,557.4 (13.6)	2,845.4 (14.0)	6.2 (3.7)	8.8 (4.1)	7.7 (4.5)	9.8 (4.6)	0.3 (0.7)	0.2 (0.4)	0.2 (0.4)	0.1 (0.3)
	Non-Bank Private	8,613.7 (43.1)	9,109.5 (44.1)	8,178.0 (43.4)	9,305.1 (45.8)	98.1 (58.6)	118.0 (54.3)	100.3 (58.0)	116.8 (55.1)	27.8 (57.6)	29.6 (55.1)	26.5 (55.4)	30.6 (56.6)

Claims of Indian Banks' branches/offices operating in India and abroad, on countries other than India; these data are taken from the data supplied to the BIS. * Claims with a residual maturity of up to and including one year

** Claims with a maturity of over one year (excluding unallocated maturity) $ Excluding unallocated sector

Note: Figures in brackets represent percentages to total international claims.

Source: BIS International Consolidated Banking Statistics (www.bis.org)

presented in this section and Statement VII is based on the first combined report, *i.e.*, based on data reported by all banks functioning in India as well as foreign branches of Indian banks.

Table 6: International Claims of BIS Reporting Banks on all other Countries – by Country of Incorporation

(US $ Billion)

Country of Incorporation	International Claims on all other Countries			
	Mar 2010	Mar 2011	Jun 2010	Jun 2011
Total International Claims	**15,759.5**	**16,223.2**	**14,949.0**	**16,452.8**
Of Which :				
Germany	2,643.5 (16.8)	2,530.9 (15.6)	2,507.4 (16.8)	2,579.8 (15.7)
Japan	2,084.1 (13.2)	2,405.4 (14.8)	2,119.6 (14.2)	2,437.6 (14.8)
United States	1,853.1 (11.8)	2,051.7 (12.6)	1,819.6 (12.2)	2,131.3 (13.0)
United Kingdom	1,774.0 (11.3)	1,963.2 (12.1)	1,779.9 (11.9)	1,986.2 (12.1)
France	1,912.7 (12.1)	1,802.1 (11.1)	1,722.7 (11.5)	1,789.4 (10.9)
Switzerland	951.5 (6.0)	1,045.1 (6.4)	913.3 (6.1)	1,091.6 (6.6)
Netherlands	828.6 (5.3)	673.3 (4.2)	585.6 (3.9)	715.8 (4.4)
India #	**48.3 (0.3)**	**53.7 (0.3)**	**47.8 (0.3)**	**54.1 (0.3)**

Claims of Indian Banks' branches/offices operating in India and abroad, on countries other than India; these data are taken from the data supplied to the BIS.

Note: Figures in brackets represent percentages to total international claims.

Source: BIS International Consolidated Banking Statistics (www.bis.org)

Table7: Consolidated Foreign Claims of BIS Reporting Banks on India & other Countries and Indian Banks' claim on other Countries: Ultimate Risk Basis

(US $ Billion)

Claims		Claims of BIS Reporting Countries' Banks on all Countries including India ##				Claims of BIS Reporting Countries' Banks on India				Claims of Indian Banks on countries other than India #			
		Mar 2010	Mar 2011	Jun 2010	Jun 2011	Mar 2010	Mar 2011	Jun 2010	Jun 2011	Mar 2010	Mar 2011	Jun 2010	Jun 2011
(a) Total Foreign Claims		**25,627.6**	**26,691.9**	**24,662.1**	**27,255.1**	**228.7**	**281.6**	**235.0**	**289.0**	**44.2**	**49.0**	**42.0**	**48.5**
of which :													
Sector	Banks	6,228.3 (24.3)	6,168.1 (23.1)	5,883.5 (23.9)	6,261.5 (23.0)	54.2 (23.7)	75.0 (26.6)	52.4 (22.3)	75.4 (26.1)	21.2 (48.0)	22.5 (45.9)	19.4 (46.2)	20.0 (41.2)
	Non-Bank Public	4,859.7 (19.0)	5,271.8 (19.8)	4,765.8 (19.3)	5,400.7 (19.8)	28.3 (12.4)	28.3 (10.0)	28.4 (12.1)	35.0 (12.1)	1.0 (2.4)	1.1 (2.2)	0.8 (1.9)	0.9 (1.8)
	Non-Bank Private	14,328.7 (55.9)	14,997.6 (56.2)	13,788.9 (55.9)	15,393.6 (56.5)	146.0 (63.8)	178.1 (63.3)	154.1 (65.6)	178.5 (61.7)	22.0 (49.7)	25.4 (51.9)	21.8 (51.9)	27.7 (57.0)
(b) Other Exposures													
Derivatives		4,021.5	3,380.4	4,399.7	3,537.0	13.0	14.9	12.2	13.0	4.3	3.9	3.7	4.9
Guarantees		7,285.4	7,407.6	6,885.8	8,147.1	26.7	36.3	28.0	35.8	10.5	13.7	10.8	14.6
Credit Commitments		3,518.1	3,733.8	3,337.3	3,803.0	24.6	44.6	27.0	46.6	1.2	1.2	1.1	1.1

\# Claims of Indian Banks' branches/offices operating in India and abroad, on countries other than India; these data are taken from the data supplied to the BIS.

\## Out of thirty countries submitting CBS on immediate risk basis, twenty four countries submitted CBS on ultimate risk basis to the BIS

Source: BIS International Consolidated Banking Statistics (www.bis.org)

IV. 2. A Overall Exposure/Claims on Immediate Risk Basis

Consolidated international claims of banks, based on immediate risk basis, on countries other than India at end-June 2011, at ₹2480.51 billion recorded an increase of ₹16.38 billion (0.7 per cent) over the previous quarter and an increase of ₹203.02 billion (8.9 per cent) over the position a year ago (Statement VII).

IV. 2. B Composition by Country of Residence of Transacting Unit – Immediate Risk Basis

Consolidated international claims of banks, classified according to country of immediate risk,

Table 8: International Claims of BIS Reporting Banks on India – by Country of Incorporation

(US $ Billion)

Country of Incorporation	International Claims on India			
	Mar 2010	Mar 2011	Jun 2010	Jun 2011
Total International Claim	**133.2**	**167.7**	**135.8**	**166.2**
Of Which:				
United States	40.0 (30.0)	41.9 (25.0)	33.9 (24.9)	42.7 (25.7)
United Kingdom	23.1 (17.3)	38.8 (23.1)	33.1 (24.4)	38.9 (23.4)
Japan	13.1 (9.8)	19.5 (11.6)	14.0 (10.3)	19.8 (11.9)
France	- -	- -	11.2 (8.2)	13.9 (8.4)
Germany	12.9 (9.7)	16.5 (9.9)	13.1 (9.7)	12.6 (7.6)
Switzerland	5.9 (4.5)	7.4 (4.4)	6.1 (4.5)	6.6 (4.0)

Note: Figures in brackets represent percentages to total international claims.

Source: BIS International Consolidated Banking Statistics (www.bis.org) revealed that at end-June 2011, reporting banks' claims on the USA accounted for the largest share (21.3 per cent), followed by the UK (14.2 per cent), Hong Kong (7.6 per cent) and Singapore (7.5 per cent), respectively (Chart 10 and Table 3).

IV.2.C Composition by Sector – Immediate Risk Basis

As at end-June 2011, the share of the banking sector in the international claims was lower at 42.9 per cent compared to 43.6 per cent a year ago at the same time there is an increase in the share towards the non-bank private sector during the period.

IV.2.D Composition by Residual Maturity – Immediate Risk Basis

As at end-June 2011, the reporting banks continued to prefer short-term lending/investments over the long term portfolio. The maturity composition of the international claims remained almost unchanged since March 2010 with the shares of the long-term and short-term claims to the total international claims at end-June 2011 being at 35.4 per cent and 61.9 per cent, respectively.

IV.2.E Exposure/Claims on Ultimate Risk Basis

Consolidated foreign claims of domestic banks (international claims of Indian banks plus local claims in local currency of foreign offices of Indian banks) on ultimate risk basis, as at end-June 2011, increased to `2,170.13 billion (11.3 per cent) from `1,950.40 billion a year ago (Table 4). Consolidated foreign claims of Indian banks against US and UK declined over the previous year.

The consolidated claims/exposure of Indian banks, on countries other than India, arising out of derivatives increased to `219.33 billion at end-June 2011 from `170.73 billion a year ago (Table 4). The claims, arising out of guarantees registered an increase to `650.68 billion at end-June 2011 from `500.52 billion a year ago. The consolidated claims of India, on countries other than India, arising out of credit commitments remained almost unchanged during the year.

IV.2.F Comparison of CBS of the Countries Reporting Data to BIS vis-à-vis CBS of India

A comparative position of CBS of India and the CBS of BIS reporting countries as at end-March and end-June 2010 and 2011 has been presented in Table 5, 6, 7 and 8 covering three aspects, *viz.*, (i) consolidated international/foreign claims of banks in the BIS reporting countries on all other countries, (ii) consolidated international/foreign claims of banks in the BIS reporting countries on India and (iii) international/foreign claims of Indian Banks on countries other than India. The data published by the BIS relate to the consolidated total international/foreign claims of all BIS reporting countries on other countries. Further, the claims of India denote claims of Indian Banks' branches/offices, operating in India and abroad, on countries other than India.

Statement I: International Liabilities/Assets of Banks Classified According to Type of Instrument (Based on LBS Statements)

(` Billion)

Liability/Asset Category	INTERNATIONAL LIABILITIES					
	Amount Outstanding as at end of					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2 : 2011
1. Deposits and Loans	**3,385.74 (74.9)**	**3,632.25 (76.4)**	**3,686.95 (72.2)**	**3,667.46 (71.9)**	**3,782.21 (72.5)**	**3,886.88 (73.5)**
(a) Foreign Currency Non-resident Bank [FCNR(B)] scheme	722.34 (16.0)	752.42 (15.8)	755.37 (14.8)	749.97 (14.7)	774.13 (14.8)	795.75 (15.0)
(b) Resident Foreign Currency (RFC) A/Cs	16.11 (0.4)	14.30 (0.3)	14.55 (0.3)	15.41 (0.3)	15.54 (0.3)	16.03 (0.3)
(c) Exchange Earners Foreign Currency (EEFC) A/Cs	192.73 (4.3)	202.58 (4.3)	188.61 (3.7)	191.69 (3.8)	214.01 (4.1)	226.72 (4.3)
(d) Other foreign currency deposits (including Inter-bank Foreign Currency deposits)	47.45 (1.0)	58.57 (1.2)	57.14 (1.1)	60.55 (1.2)	58.09 (1.1)	56.00 (1.1)
(e) Foreign Currency Borrowing (Inter-bank borrowing in India and from abroad, external commercial borrowings of banks)	743.54 (16.4)	873.32 (18.4)	883.70 (17.3)	876.75 (17.2)	954.19 (18.3)	999.53 (18.9)
(f) VOSTRO balances and balances in exchange houses and in term deposits	37.49 (0.8)	38.31 (0.8)	38.81 (0.8)	38.29 (0.8)	36.04 (0.7)	36.80 (0.7)
(g) Non-Resident External Rupee(NRE)Accounts	1,223.80 (27.1)	1,257.92 (26.4)	1,243.62 (24.4)	1,234.09 (24.2)	1,212.29 (23.2)	1,219.16 (23.0)
(h) Non-Resident Ordinary (NRO) Rupee Accounts	308.24 (6.8)	350.49 (7.4)	395.19 (7.7)	391.59 (7.7)	410.72 (7.9)	423.70 (8.0)
(i) Embassy accounts	2.02 (0.0)	2.25 (0.0)	3.11 (0.1)	3.02 (0.1)	3.05 (0.1)	3.32 (0.1)
(j) Foreign Institutional Investors' (FII) Accounts	91.93 (2.0)	82.09 (1.7)	106.82 (2.1)	106.09 (2.1)	104.16 (2.0)	109.85 (2.1)
(k) ESCROW A/Cs	0.09 (0.0)	0.01 (0.0)	0.01 (0.0)	0.01 (0.0)	0.01 (0.0)	0.00 (0.0)
2. Own Issues of International Securities	**54.39 (1.2)**	**55.70 (1.2)**	**64.02 (1.3)**	**63.56 (1.2)**	**45.75 (0.9)**	**54.77 (1.0)**
(a) Bonds	49.74 (1.1)	50.98 (1.1)	59.34 (1.2)	58.95 (1.2)	41.08 (0.8)	50.09 (0.9)
(b) Other Own Issues of International Debt Securities	4.66 (0.1)	4.72 (0.1)	4.68 (0.1)	4.61 (0.1)	4.67 (0.1)	4.68 (0.1)
3. Other International Liabilities	**1,081.66 (23.9)**	**1,068.31 (22.5)**	**1,356.06 (26.6)**	**1,366.96 (26.8)**	**1,386.58 (26.6)**	**1,348.18 (25.5)**
(a) ADRs/GDRs	303.91 (6.7)	272.43 (5.7)	352.49 (6.9)	356.45 (7.0)	346.99 (6.7)	343.68 (6.5)
(b) Equities of banks held by non-residents	503.13 (11.1)	510.21 (10.7)	716.86 (14.0)	723.66 (14.2)	731.59 (14.0)	718.58 (13.6)
(c) Capital/remittable profits of foreign banks in India and other unclassified international liabilities	274.62 (6.1)	285.68 (6.0)	286.71 (5.6)	286.85 (5.6)	307.99 (5.9)	285.91 (5.4)
Total International Liabilities +	**4,521.79 (100.0)**	**4,756.26 (100.0)**	**5,107.02 (100.0)**	**5,097.97 (100.0)**	**5,214.54 (100.0)**	**5,289.82 (100.0)**

Statement I: International Liabilities/Assets of Banks Classified According to Type of Instrument (Based on LBS Statements) *(Concld.)*

(` Billion)

Liability/Asset Category	INTERNATIONAL ASSETS					
	Amount Outstanding as at end of					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2 : 2011
1. Loans and Deposits	**2,371.81 (96.3)**	**2,446.90 (96.7)**	**2,662.88 (96.8)**	**2,602.93 (96.7)**	**2,787.41 (96.8)**	**2,759.23 (96.8)**
(a) Loans to Non-residents (includes Rupee loans and Foreign Currency (FC) loans out of non-resident deposits)	101.96 (4.1)	113.25 (4.5)	131.11 (4.8)	136.73 (5.1)	144.14 (5.0)	147.40 (5.2)
(b) FC Loans to Residents (incl. loans out of FCNR(B) deposits, PCFCs, FC lending to & FC Deposits with banks in India, etc.,	1,234.76 (50.1)	1,325.66 (52.4)	1,305.78 (47.4)	1,365.45 (50.7)	1,400.83 (48.6)	1,414.02 (49.6)
(c) Outstanding Export Bills drawn on non-residents by residents	504.96 (20.5)	501.12 (19.8)	558.22 (20.3)	588.67 (21.9)	613.21 (21.3)	604.49 (21.2)
(d) Foreign Currency /TTs, etc., in hand	8.78 (0.4)	5.12 (0.2)	4.36 (0.2)	5.15 (0.2)	4.88 (0.2)	4.69 (0.2)
(e) NOSTRO balances including balances in Term Deposits with non-resident banks (includes FCNR funds held abroad)	521.35 (21.2)	501.77 (19.8)	663.40 (24.1)	506.94 (18.8)	624.34 (21.7)	588.62 (20.7)
2. Holdings of Debt Securities	0.39 (0.0)	1.29 (0.1)	1.57 (0.1)	1.76 (0.1)	1.76 (0.1)	0.50 (0.0)
(a) Investment in Foreign Government Securities (including Treasury Bills)	0.39 (0.0)	0.38 (0.0)	0.38 (0.0)	0.38 (0.0)	0.38 (0.0)	0.00 (0.0)
(b) Investment in Other Debt Securities	0.00 (0.0)	0.91 (0.0)	1.19 (0.0)	1.38 (0.1)	1.38 (0.0)	0.50 (0.0)
3. Other International Assets	**91.39 (3.7)**	**83.39 (3.3)**	**87.82 (3.2)**	**88.31 (3.3)**	**91.47 (3.2)**	**89.68 (3.1)**
(a) Investments in Equities Abroad	13.66 (0.6)	16.62 (0.7)	21.00 (0.8)	22.70 (0.8)	23.10 (0.8)	23.11 (0.8)
(b) Capital supplied to and receivable profits from foreign branches of Indian banks and other unclassified intl. assets	77.73 (3.2)	66.77 (2.6)	66.82 (2.4)	65.60 (2.4)	68.37 (2.4)	66.56 (2.3)
Total International Assets +	**2,463.59 (100.0)**	**2,531.59 (100.0)**	**2,752.27 (100.0)**	**2,693.00 (100.0)**	**2,880.64 (100.0)**	**2,849.40 (100.0)**

\+ In view of the incomplete data coverage from all the branches, the data reported under the LBS are not strictly comparable with those capturing data from all the branches

'-' nil/negligible

Notes: 1. Figures in brackets represent percentages to total international liabilities/assets.
2. Totals may not tally due to rounding off .
3. Data have been revised for previous quarters.
4. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement II: Currency and Sector-wise Breakup of International Liabilities/Assets of Banks (Based on LBS Statements)

(` Billion)

Currency	INTERNATIONAL LIABILITIES											
	All Sector						Non-Bank Sector					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Swiss Franc	3.37 (0.1)	10.28 (0.2)	11.32 (0.2)	12.03 (0.2)	11.71 (0.2)	10.81 (0.2)	0.70 (0.0)	0.87 (0.0)	0.75 (0.0)	0.66 (0.0)	0.75 (0.0)	0.76 (0.0)
EURO	195.55 (4.3)	205.22 (4.3)	204.37 (4.0)	209.16 (4.1)	213.22 (4.1)	214.20 (4.0)	128.68 (3.8)	136.75 (3.9)	141.01 (3.6)	135.96 (3.6)	137.58 (3.6)	140.18 (3.6)
Pound Sterling	204.90 (4.5)	203.28 (4.3)	222.39 (4.4)	194.92 (3.8)	196.90 (3.8)	205.08 (3.9)	172.47 (5.0)	175.07 (4.9)	186.57 (4.8)	163.80 (4.3)	165.00 (4.3)	177.17 (4.6)
Indian Rupee	2,373.05 (52.5)	2,496.11 (52.5)	2,764.51 (54.1)	2,755.17 (54.0)	2,767.09 (53.1)	2,758.53 (52.1)	2,095.99 (61.4)	2,150.84 (60.7)	2,426.22 (62.8)	2,380.21 (62.2)	2,375.62 (61.6)	2,332.37 (60.4)
Japanese Yen	66.92 (1.5)	76.39 (1.6)	70.40 (1.4)	71.54 (1.4)	65.41 (1.3)	54.53 (1.0)	0.80 (0.0)	2.53 (0.1)	0.62 (0.0)	1.82 (0.0)	3.99 (0.1)	5.50 (0.1)
Other Foreign Currencies	61.12 (1.4)	72.36 (1.5)	83.88 (1.6)	81.92 (1.6)	81.27 (1.6)	85.99 (1.6)	24.22 (0.7)	20.64 (0.6)	25.92 (0.7)	25.42 (0.7)	28.93 (0.7)	38.10 (1.0)
US Dollar	1,616.88 (35.8)	1,692.61 (35.6)	1,750.16 (34.3)	1,773.23 (34.8)	1,878.95 (36.0)	1,960.67 (37.1)	993.24 (29.1)	1,056.48 (29.8)	1,083.80 (28.0)	1,118.53 (29.2)	1,146.96 (29.7)	1,170.51 (30.3)
Total	**4,521.79 (100.0)**	**4,756.26 (100.0)**	**5,107.02 (100.0)**	**5,097.97 (100.0)**	**5,214.54 (100.0)**	**5,289.82 (100.0)**	**3,416.10 (100.0)**	**3,543.18 (100.0)**	**3,864.89 (100.0)**	**3,826.39 (100.0)**	**3,858.82 (100.0)**	**3,864.59 (100.0)**

Currecy	INTERNATIONAL ASSETS											
	All Sector						Non-Bank Sector					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Swiss Franc	4.19 (0.2)	12.74 (0.5)	14.53 (0.5)	14.04 (0.5)	14.45 (0.5)	9.96 (0.3)	1.68 (0.1)	1.57 (0.1)	1.94 (0.1)	1.99 (0.1)	2.08 (0.1)	2.05 (0.1)
EURO	198.91 (8.1)	202.74 (8.0)	231.50 (8.4)	232.69 (8.6)	260.49 (9.0)	241.31 (8.5)	61.72 (3.8)	67.85 (3.8)	75.74 (4.1)	76.45 (4.1)	90.30 (4.7)	93.63 (4.9)
Pound Sterling	57.70 (2.3)	61.19 (2.4)	83.51 (3.0)	88.89 (3.3)	103.41 (3.6)	108.63 (3.8)	20.17 (1.2)	22.58 (1.3)	22.00 (1.2)	24.62 (1.3)	27.85 (1.5)	28.05 (1.5)
Indian Rupee	81.84 (3.3)	81.40 (3.2)	83.49 (3.0)	85.72 (3.2)	77.70 (2.7)	90.86 (3.2)	80.84 (5.0)	79.57 (4.5)	81.55 (4.4)	80.60 (4.3)	72.45 (3.8)	88.92 (4.7)
Japanese Yen	17.17 (0.7)	26.17 (1.0)	30.74 (1.1)	34.46 (1.3)	38.18 (1.3)	35.63 (1.3)	7.32 (0.4)	18.80 (1.1)	21.78 (1.2)	21.26 (1.1)	19.51 (1.0)	19.04 (1.0)
Other Foreign Currencies	60.18 (2.4)	70.31 (2.8)	88.70 (3.2)	84.86 (3.2)	103.52 (3.6)	98.05 (3.4)	13.29 (0.8)	19.21 (1.1)	24.16 (1.3)	24.95 (1.3)	30.03 (1.6)	28.61 (1.5)
US Dollar	2,043.59 (83.0)	2,077.03 (82.0)	2,219.81 (80.7)	2,152.35 (79.9)	2,282.90 (79.2)	2,264.97 (79.5)	1,446.38 (88.7)	1,567.59 (88.2)	1,615.47 (87.7)	1,634.40 (87.7)	1,672.00 (87.3)	1,650.87 (86.4)
Total	**2,463.59 (100.0)**	**2,531.59 (100.0)**	**2,752.27 (100.0)**	**2,693.00 (100.0)**	**2,880.64 (100.0)**	**2,849.40 (100.0)**	**1,631.40 (100.0)**	**1,777.17 (100.0)**	**1,842.63 (100.0)**	**1,864.27 (100.0)**	**1,914.22 (100.0)**	**1,911.17 (100.0)**

Note: 1. Figures in brackets represent percentages to total in the respective group (column).
2. Totals may not tally due to rounding off.
3. Data have been revised for previous quarters.
4. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement III: International Liabilities/Assets of Banks Classified According to Country of Residence of Transacting Units (Based on LBS Statements) – Amount outstanding as at end

(₹ Billion)

Country	INTERNATIONAL LIABILITIES											
	All Currencies						Foreign Currencies					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Total	**4,521.79**	**4,756.26**	**5,107.02**	**5,097.97**	**5,214.54**	**5,289.82**	**2,148.74**	**2,260.14**	**2,342.52**	**2,342.80**	**2,447.45**	**2,531.29**
	(100.0)	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**
of which												
Bahrain	89.09	100.99	91.07	94.96	96.97	97.60	66.25	77.49	68.14	72.44	77.00	75.04
	(2.0)	(2.1)	(1.8)	(1.9)	(1.9)	(1.8)	(3.1)	(3.4)	(2.9)	(3.1)	(3.1)	(3.0)
Canada	53.75	61.64	69.35	68.18	67.79	68.13	15.25	24.35	27.89	25.35	25.73	23.13
	(1.2)	(1.3)	(1.4)	(1.3)	(1.3)	(1.3)	(0.7)	(1.1)	(1.2)	(1.1)	(1.1)	(0.9)
France	103.06	116.63	110.83	97.65	105.15	96.88	43.31	55.07	51.39	34.33	42.82	41.01
	(2.3)	(2.5)	(2.2)	(1.9)	(2.0)	(1.8)	(2.0)	(2.4)	(2.2)	(1.5)	(1.7)	(1.6)
Germany	159.19	150.62	153.45	170.10	171.63	167.74	128.28	124.38	126.91	140.73	144.45	143.00
(Includes ECB)	(3.5)	(3.2)	(3.0)	(3.3)	(3.3)	(3.2)	(6.0)	(5.5)	(5.4)	(6.0)	(5.9)	(5.6)
Hong Kong	101.07	139.12	154.68	142.72	134.63	138.71	73.26	66.73	73.85	68.34	60.50	67.15
	(2.2)	(2.9)	(3.0)	(2.8)	(2.6)	(2.6)	(3.4)	(3.0)	(3.2)	(2.9)	(2.5)	(2.7)
India	323.77	356.68	317.60	350.60	372.43	400.18	323.77	356.68	317.60	350.60	372.43	400.18
	(7.2)	(7.5)	(6.2)	(6.9)	(7.1)	(7.6)	(15.1)	(15.8)	(13.6)	(15.0)	(15.2)	(15.8)
Japan	50.53	62.17	59.68	64.35	59.78	53.56	19.04	31.28	27.71	33.87	30.18	26.33
	(1.1)	(1.3)	(1.2)	(1.3)	(1.1)	(1.0)	(0.9)	(1.4)	(1.2)	(1.4)	(1.2)	(1.0)
Kuwait	65.79	64.44	61.89	66.27	63.72	64.78	13.24	11.71	12.30	12.28	11.85	12.86
	(1.5)	(1.4)	(1.2)	(1.3)	(1.2)	(1.2)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Mauritius	156.02	160.32	181.47	188.18	181.77	183.89	3.45	5.24	8.66	9.72	14.79	20.37
	(3.5)	(3.4)	(3.6)	(3.7)	(3.5)	(3.5)	(0.2)	(0.2)	(0.4)	(0.4)	(0.6)	(0.8)
No Specific Country	245.79	251.98	320.39	320.83	338.04	346.46	14.02	17.20	12.60	12.84	9.57	18.52
(Country Unknown)	(5.4)	(5.3)	(6.3)	(6.3)	(6.5)	(6.5)	(0.7)	(0.8)	(0.5)	(0.5)	(0.4)	(0.7)
Saudi Arabia	106.07	105.07	113.58	104.73	116.51	103.40	16.13	16.75	18.39	17.96	18.91	13.27
	(2.3)	(2.2)	(2.2)	(2.1)	(2.2)	(2.0)	(0.8)	(0.7)	(0.8)	(0.8)	(0.8)	(0.5)
Singapore	162.20	166.24	180.60	183.83	193.21	198.86	90.45	98.24	101.89	106.06	112.22	113.48
	(3.6)	(3.5)	(3.5)	(3.6)	(3.7)	(3.8)	(4.2)	(4.3)	(4.3)	(4.5)	(4.6)	(4.5)
Switzerland	22.42	32.04	38.65	43.23	59.55	60.91	7.83	16.14	17.83	19.09	23.09	26.09
(Includes BIS)	(0.5)	(0.7)	(0.8)	(0.8)	(1.1)	(1.2)	(0.4)	(0.7)	(0.8)	(0.8)	(0.9)	(1.0)
United Arab Emirates	349.82	361.40	403.23	381.86	379.64	383.08	77.83	85.33	97.60	116.23	110.25	119.11
	(7.7)	(7.6)	(7.9)	(7.5)	(7.3)	(7.2)	(3.6)	(3.8)	(4.2)	(5.0)	(4.5)	(4.7)
United Kingdom @	532.52	549.03	633.08	600.12	584.30	586.96	333.14	343.59	386.31	371.27	346.46	352.69
	(11.8)	(11.5)	(12.4)	(11.8)	(11.2)	(11.1)	(15.5)	(15.2)	(16.5)	(15.8)	(14.2)	(13.9)
United States #	1,433.16	1,519.51	1,648.31	1,615.83	1,692.04	1,737.82	695.12	701.54	767.06	709.84	783.21	811.90
	(31.7)	(31.9)	(32.3)	(31.7)	(32.4)	(32.9)	(32.4)	(31.0)	(32.7)	(30.3)	(32.0)	(32.1)

Statement III: International Liabilities/Assets of Banks Classified According to Country of Residence of Transacting Units (Based on LBS Statements) – Amount outstanding as at end *(Concld.)*

(` Billion)

Country	INTERNATIONAL ASSETS											
	All Currencies						Foreign Currencies					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Total	**2,463.59**	**2,531.59**	**2,752.27**	**2,693.00**	**2,880.64**	**2,849.40**	**2,381.75**	**2,450.18**	**2,668.78**	**2,607.28**	**2,802.94**	**2,758.54**
of which	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**
Belgium	19.17	20.44	22.81	22.93	22.60	15.85	18.66	20.34	22.44	22.80	22.44	15.68
	(0.8)	(0.8)	(0.8)	(0.9)	(0.8)	(0.6)	(0.8)	(0.8)	(0.8)	(0.9)	(0.8)	(0.6)
Canada	19.96	23.33	22.02	23.04	31.49	31.49	19.28	22.56	21.11	22.18	30.20	30.36
	(0.8)	(0.9)	(0.8)	(0.9)	(1.1)	(1.1)	(0.8)	(0.9)	(0.8)	(0.9)	(1.1)	(1.1)
China	20.23	21.04	21.70	21.75	27.10	25.60	20.05	20.81	21.50	21.56	26.88	25.36
	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.8)	(0.8)	(0.8)	(0.8)	(1.0)	(0.9)
France	36.20	37.16	37.63	37.59	39.22	38.13	36.07	37.00	37.45	37.41	39.00	37.94
	(1.5)	(1.5)	(1.4)	(1.4)	(1.4)	(1.3)	(1.5)	(1.5)	(1.4)	(1.4)	(1.4)	(1.4)
Germany	87.68	89.89	112.73	112.07	115.28	109.02	86.40	88.46	110.98	110.34	113.49	107.35
(Includes ECB)	(3.6)	(3.6)	(4.1)	(4.2)	(4.0)	(3.8)	(3.6)	(3.6)	(4.2)	(4.2)	(4.0)	(3.9)
Hong Kong	128.86	126.36	130.50	110.60	116.15	113.55	126.64	124.96	129.23	109.49	115.23	112.75
	(5.2)	(5.0)	(4.7)	(4.1)	(4.0)	(4.0)	(5.3)	(5.1)	(4.8)	(4.2)	(4.1)	(4.1)
India	1,240.50	1,331.69	1,336.48	1,371.53	1,408.41	1,421.46	1,240.50	1,331.69	1,336.48	1,371.53	1,408.41	1,421.46
	(50.4)	(52.6)	(48.6)	(50.9)	(48.9)	(49.9)	(52.1)	(54.4)	(50.1)	(52.6)	(50.2)	(51.5)
Japan	10.86	10.38	12.74	16.98	26.66	24.97	10.61	10.14	12.51	16.74	26.39	24.71
	(0.4)	(0.4)	(0.5)	(0.6)	(0.9)	(0.9)	(0.4)	(0.4)	(0.5)	(0.6)	(0.9)	(0.9)
Netherlands	16.07	17.34	18.22	18.45	23.13	19.28	15.98	17.20	18.10	18.29	22.89	19.11
	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.7)
No Specific Country	18.23	19.25	20.50	22.53	32.13	33.54	6.16	5.98	5.72	6.88	14.38	18.05
(Country Unknown)	(0.7)	(0.8)	(0.7)	(0.8)	(1.1)	(1.2)	(0.3)	(0.2)	(0.2)	(0.3)	(0.5)	(0.7)
Singapore	58.79	56.50	73.38	83.03	85.02	79.99	55.09	53.59	70.61	80.20	82.52	76.95
	(2.4)	(2.2)	(2.7)	(3.1)	(3.0)	(2.8)	(2.3)	(2.2)	(2.6)	(3.1)	(2.9)	(2.8)
Switzerland	11.38	7.88	14.99	15.45	20.69	21.11	11.13	7.64	14.75	15.24	20.44	20.88
(includes BIS)	(0.5)	(0.3)	(0.5)	(0.6)	(0.7)	(0.7)	(0.5)	(0.3)	(0.6)	(0.6)	(0.7)	(0.8)
United Arab Emirates	62.60	67.07	87.71	98.56	98.57	102.41	51.14	55.48	75.61	86.14	86.88	86.08
	(2.5)	(2.6)	(3.2)	(3.7)	(3.4)	(3.6)	(2.1)	(2.3)	(2.8)	(3.3)	(3.1)	(3.1)
United Kingdom @	144.61	134.93	167.15	140.80	153.21	154.64	138.95	128.78	160.64	133.85	148.21	148.31
	(5.9)	(5.3)	(6.1)	(5.2)	(5.3)	(5.4)	(5.8)	(5.3)	(6.0)	(5.1)	(5.3)	(5.4)
United States #	418.90	405.03	487.50	409.89	470.46	448.68	386.65	373.82	457.27	378.50	448.86	418.00
	(17.0)	(16.0)	(17.7)	(15.2)	(16.3)	(15.7)	(16.2)	(15.3)	(17.1)	(14.5)	(16.0)	(15.2)

@ excluding Guernsey, Isle of Man and Jersey. # includes Midway Island and Wake Islands.
'-' nil/negligible.

Note:
1. Figures in brackets represent percentages to total in the respective group (column).
2. Totals may not tally due to rounding off.
3. "No Specific Country" means the country information has not been provided by the reporting bank branches.
4. Data have been revised for previous quarters.
5. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement IV: Country-wise Breakup of Major Components of International Liabilities of Banks (Based on LBS Statements)

(` Billion)

Country	Major Components	Q1: 2010		Q2: 2010		Q3: 2010		Q4: 2010		Q1: 2011		Q2:2011	
Australia	FCNR(B)	4.36	(0.6)	4.68	(0.6)	5.33	(0.7)	6.34	(0.8)	6.96	(0.9)	6.84	(0.9)
	Borrowings	1.12	(0.2)	3.85	(0.4)	3.65	(0.4)	3.55	(0.4)	6.82	(0.7)	0.93	(0.1)
	NRE Deposits	7.67	(0.6)	7.38	(0.6)	7.63	(0.6)	8.36	(0.7)	7.65	(0.6)	6.82	(0.6)
	Total	30.65	(0.7)	34.07	(0.7)	39.97	(0.8)	42.45	(0.8)	47.72	(0.9)	41.02	(0.8)
Bahrain	FCNR(B)	53.79	(7.4)	57.06	(7.6)	57.10	(7.6)	55.81	(7.4)	56.37	(7.3)	58.49	(7.4)
	Borrowings	11.63	(1.6)	19.91	(2.3)	10.42	(1.2)	15.22	(1.7)	17.06	(1.8)	16.33	(1.6)
	NRE Deposits	18.89	(1.5)	19.33	(1.5)	18.48	(1.5)	18.26	(1.5)	15.27	(1.3)	17.77	(1.5)
	Total	89.09	(2.0)	100.99	(2.1)	91.07	(1.8)	94.96	(1.9)	96.97	(1.9)	97.60	(1.8)
Belgium	FCNR(B)	4.58	(0.6)	3.35	(0.4)	2.57	(0.3)	2.00	(0.3)	0.57	(0.1)	0.68	(0.1)
	Borrowings	3.73	(0.5)	14.42	(1.7)	13.57	(1.5)	14.20	(1.6)	19.85	(2.1)	25.73	(2.6)
	NRE Deposits	2.00	(0.2)	1.91	(0.2)	1.45	(0.1)	1.03	(0.1)	0.95	(0.1)	1.00	(0.1)
	Total	13.44	(0.3)	22.67	(0.5)	21.10	(0.4)	20.41	(0.4)	25.18	(0.5)	31.60	(0.6)
Canada	FCNR(B)	8.79	(1.2)	10.03	(1.3)	14.05	(1.9)	9.40	(1.3)	10.03	(1.3)	8.75	(1.1)
	Borrowings	3.41	(0.5)	12.79	(1.5)	11.04	(1.2)	12.37	(1.4)	11.97	(1.3)	10.24	(1.0)
	NRE Deposits	18.07	(1.5)	15.44	(1.2)	15.87	(1.3)	17.17	(1.4)	15.01	(1.2)	15.32	(1.3)
	Total	53.75	(1.2)	61.64	(1.3)	69.35	(1.4)	68.18	(1.3)	67.79	(1.3)	68.13	(1.3)
China	FCNR(B)	53.29	(7.4)	55.92	(7.4)	54.43	(7.2)	51.71	(6.9)	52.02	(6.7)	51.13	(6.4)
	Borrowings	-	-	-	-	-	-	-	-	-	(0.0)	-	-
	NRE Deposits	1.59	(0.1)	1.68	(0.1)	3.65	(0.3)	1.87	(0.2)	1.82	(0.2)	1.53	(0.1)
	Total	56.30	(1.2)	58.87	(1.2)	59.88	(1.2)	55.16	(1.1)	55.55	(1.1)	54.48	(1.0)
France	FCNR(B)	8.18	(1.1)	2.51	(0.3)	2.76	(0.4)	1.72	(0.2)	1.74	(0.2)	1.77	(0.2)
	Borrowings	28.93	(3.9)	47.01	(5.4)	38.07	(4.3)	26.63	(3.0)	34.47	(3.6)	33.40	(3.3)
	NRE Deposits	5.63	(0.5)	5.50	(0.4)	4.95	(0.4)	5.83	(0.5)	5.51	(0.5)	4.16	(0.3)
	Total	103.06	(2.3)	116.63	(2.5)	110.83	(2.2)	97.65	(1.9)	105.15	(2.0)	96.88	(1.8)
Germany (Includes ECB)	FCNR(B)	61.58	(8.5)	63.87	(8.5)	66.03	(8.7)	64.03	(8.5)	73.98	(9.6)	77.12	(9.7)
	Borrowings	57.06	(7.7)	51.87	(5.9)	41.80	(4.7)	59.53	(6.8)	54.87	(5.8)	55.23	(5.5)
	NRE Deposits	8.37	(0.7)	7.44	(0.6)	7.53	(0.6)	7.63	(0.6)	6.19	(0.5)	6.84	(0.6)
	Total	159.19	(3.5)	150.62	(3.2)	153.45	(3.0)	170.10	(3.3)	171.63	(3.3)	167.74	(3.2)
Hong Kong	FCNR(B)	11.38	(1.6)	12.07	(1.6)	11.91	(1.6)	12.77	(1.7)	13.06	(1.7)	12.54	(1.6)
	Borrowings	51.66	(6.9)	45.71	(5.2)	50.40	(5.7)	44.38	(5.1)	37.03	(3.9)	44.93	(4.5)
	NRE Deposits	15.81	(1.3)	16.59	(1.3)	15.16	(1.2)	15.13	(1.2)	13.83	(1.1)	12.11	(1.0)
	Total	101.07	(2.2)	139.12	(2.9)	154.68	(3.0)	142.72	(2.8)	134.63	(2.6)	138.71	(2.6)
India	FCNR(B)	-	-	-	-	-	-	-	-	-	(0.0)	-	-
	Borrowings	87.81	(11.8)	111.51	(12.8)	89.42	(10.1)	107.75	(12.3)	105.87	(11.1)	121.29	(12.1)
	NRE Deposits	-	-	-	-	-	-	-	-	-	(0.0)	-	-
	Total	323.77	(7.2)	356.68	(7.5)	317.60	(6.2)	350.60	(6.9)	372.43	(7.1)	400.18	(7.6)
Japan	FCNR(B)	3.20	(0.4)	7.01	(0.9)	6.60	(0.9)	5.89	(0.8)	6.85	(0.9)	6.61	(0.8)
	Borrowings	15.03	(2.0)	23.10	(2.6)	19.72	(2.2)	26.88	(3.1)	22.20	(2.3)	17.43	(1.7)
	NRE Deposits	6.59	(0.5)	6.38	(0.5)	5.67	(0.5)	5.06	(0.4)	4.48	(0.4)	4.06	(0.3)
	Total	50.53	(1.1)	62.17	(1.3)	59.68	(1.2)	64.35	(1.3)	59.78	(1.1)	53.56	(1.0)
Kenya	FCNR(B)	7.38	(1.0)	7.71	(1.0)	7.01	(0.9)	9.08	(1.2)	8.79	(1.1)	8.94	(1.1)
	Borrowings	2.33	(0.3)	1.82	(0.2)	1.22	(0.1)	0.54	(0.1)	1.24	(0.1)	1.22	(0.1)
	NRE Deposits	10.34	(0.8)	9.93	(0.8)	7.23	(0.6)	8.76	(0.7)	9.22	(0.8)	8.07	(0.7)
	Total	22.93	(0.5)	22.91	(0.5)	17.71	(0.3)	20.79	(0.4)	21.49	(0.4)	20.20	(0.4)
Kuwait	FCNR(B)	12.75	(1.8)	11.28	(1.5)	11.81	(1.6)	11.78	(1.6)	11.54	(1.5)	12.51	(1.6)
	Borrowings	-	-	-	-	-	-	-	-	0.01	(0.0)	-	(0.0)
	NRE Deposits	41.88	(3.4)	42.94	(3.4)	38.61	(3.1)	42.47	(3.4)	38.64	(3.2)	38.66	(3.2)
	Total	65.79	(1.5)	64.44	(1.4)	61.89	(1.2)	66.27	(1.3)	63.72	(1.2)	64.78	(1.2)
Mauritius	FCNR(B)	0.27	(0.0)	0.66	(0.1)	0.98	(0.1)	0.82	(0.1)	0.83	(0.1)	1.08	(0.1)
	Borrowings	2.12	(0.3)	3.40	(0.4)	5.70	(0.6)	6.13	(0.7)	12.26	(1.3)	12.43	(1.2)
	NRE Deposits	0.80	(0.1)	22.72	(1.8)	0.85	(0.1)	0.73	(0.1)	0.63	(0.1)	12.08	(1.0)
	Total	156.02	(3.5)	160.32	(3.4)	181.47	(3.6)	188.18	(3.7)	181.77	(3.5)	183.89	(3.5)

Statement IV: Country-wise Breakup of Major Components of International Liabilities of Banks (Based on LBS Statements) *(Concld.)*

(` Billion)

Country	Major Components	Q1: 2010		Q2: 2010		Q3: 2010		Q4: 2010		Q1: 2011		Q2:2011	
Netherlands	FCNR(B)	1.78	(0.2)	7.25	(1.0)	1.73	(0.2)	1.67	(0.2)	1.52	(0.2)	1.55	(0.2)
	Borrowings	13.21	(1.8)	15.48	(1.8)	11.19	(1.3)	10.23	(1.2)	20.34	(2.1)	9.18	(0.9)
	NRE Deposits	2.60	(0.2)	2.60	(0.2)	2.51	(0.2)	2.56	(0.2)	2.10	(0.2)	2.61	(0.2)
	Total	47.76	(1.1)	42.37	(0.9)	32.63	(0.6)	28.66	(0.6)	37.28	(0.7)	31.70	(0.6)
No Specific Country (Country Unknown)	FCNR(B)	8.71	(1.2)	7.25	(1.0)	6.97	(0.9)	6.65	(0.9)	8.25	(1.1)	17.15	(2.2)
	Borrowings	0.02	(0.0)	0.06	(0.0)	1.15	(0.1)	0.08	(0.0)	0.39	(0.0)	0.16	(0.0)
	NRE Deposits	80.55	(6.6)	60.48	(4.8)	44.44	(3.6)	78.49	(6.4)	65.14	(5.4)	95.54	(7.8)
	Total	245.79	(5.4)	251.98	(5.3)	320.39	(6.3)	320.83	(6.3)	338.04	(6.5)	346.46	(6.5)
Oman	FCNR(B)	5.26	(0.7)	4.74	(0.6)	5.03	(0.7)	5.25	(0.7)	6.18	(0.8)	6.94	(0.9)
	Borrowings	0.95	(0.1)	2.33	(0.3)	0.67	(0.1)	0.38	(0.0)	1.35	(0.1)	2.75	(0.3)
	NRE Deposits	33.16	(2.7)	34.44	(2.7)	30.13	(2.4)	34.76	(2.8)	26.47	(2.2)	26.95	(2.2)
	Total	48.30	(1.1)	48.82	(1.0)	44.29	(0.9)	49.61	(1.0)	44.34	(0.9)	46.42	(0.9)
Qatar	FCNR(B)	4.12	(0.6)	3.50	(0.5)	3.91	(0.5)	3.74	(0.5)	4.25	(0.5)	5.66	(0.7)
	Borrowings	0.02	(0.0)	0.02	(0.0)	1.14	(0.1)	2.26	(0.3)	2.26	(0.2)	2.28	(0.2)
	NRE Deposits	27.68	(2.3)	28.24	(2.2)	28.14	(2.3)	29.81	(2.4)	26.11	(2.2)	25.52	(2.1)
	Total	37.90	(0.8)	37.52	(0.8)	41.23	(0.8)	42.94	(0.8)	40.59	(0.8)	41.13	(0.8)
Saudi Arabia	FCNR(B)	13.44	(1.9)	14.88	(2.0)	16.09	(2.1)	16.35	(2.2)	17.41	(2.2)	13.17	(1.7)
	Borrowings	1.92	(0.3)	1.75	(0.2)	2.12	(0.2)	1.47	(0.2)	1.45	(0.2)	0.05	(0.0)
	NRE Deposits	77.08	(6.3)	74.42	(5.9)	80.03	(6.4)	71.51	(5.8)	81.20	(6.7)	76.79	(6.3)
	Total	106.07	(2.3)	105.07	(2.2)	113.58	(2.2)	104.73	(2.1)	116.51	(2.2)	103.40	(2.0)
Singapore	FCNR(B)	13.21	(1.8)	16.07	(2.1)	22.06	(2.9)	18.60	(2.5)	18.73	(2.4)	17.32	(2.2)
	Borrowings	59.02	(7.9)	73.86	(8.5)	70.54	(8.0)	77.95	(8.9)	75.64	(7.9)	84.90	(8.5)
	NRE Deposits	26.21	(2.1)	27.41	(2.2)	27.84	(2.2)	28.45	(2.3)	26.91	(2.2)	24.61	(2.0)
	Total	162.20	(3.6)	166.24	(3.5)	180.60	(3.5)	183.83	(3.6)	193.21	(3.7)	198.86	(3.8)
Switzerland (Includes BIS)	FCNR(B)	1.82	(0.3)	1.85	(0.2)	1.85	(0.2)	1.92	(0.3)	1.90	(0.2)	1.92	(0.2)
	Borrowings	2.67	(0.4)	9.42	(1.1)	10.46	(1.2)	11.17	(1.3)	15.57	(1.6)	19.06	(1.9)
	NRE Deposits	3.64	(0.3)	3.59	(0.3)	3.51	(0.3)	3.82	(0.3)	3.42	(0.3)	3.55	(0.3)
	Total	22.42	(0.5)	32.04	(0.7)	38.65	(0.8)	43.23	(0.8)	59.55	(1.1)	60.91	(1.2)
United Arab Emirates	FCNR(B)	67.93	(9.4)	73.84	(9.8)	81.84	(10.8)	97.01	(12.9)	95.14	(12.3)	97.80	(12.3)
	Borrowings	7.31	(1.0)	7.68	(0.9)	9.61	(1.1)	15.71	(1.8)	13.39	(1.4)	18.93	(1.9)
	NRE Deposits	195.98	(16.0)	201.77	(16.0)	209.76	(16.9)	171.93	(13.9)	172.88	(14.3)	162.91	(13.4)
	Total	349.82	(7.7)	361.40	(7.6)	403.23	(7.9)	381.86	(7.5)	379.64	(7.3)	383.08	(7.2)
United Kingdom @	FCNR(B)	161.27	(22.3)	162.70	(21.6)	171.47	(22.7)	160.24	(21.4)	150.20	(19.4)	148.36	(18.6)
	Borrowings	130.39	(17.5)	137.99	(15.8)	145.44	(16.5)	140.28	(16.0)	146.77	(15.4)	147.21	(14.7)
	NRE Deposits	85.87	(7.0)	88.91	(7.1)	124.86	(10.0)	105.75	(8.6)	115.25	(9.5)	114.09	(9.4)
	Total	532.52	(11.8)	549.03	(11.5)	633.08	(12.4)	600.12	(11.8)	584.30	(11.2)	586.96	(11.1)
United States #	FCNR(B)	159.80	(22.1)	169.00	(22.5)	147.54	(19.5)	144.91	(19.3)	165.37	(21.4)	168.01	(21.1)
	Borrowings	235.59	(31.7)	267.68	(30.7)	320.59	(36.3)	263.93	(30.1)	319.98	(33.5)	344.43	(34.5)
	NRE Deposits	446.00	(36.4)	471.61	(37.5)	463.99	(37.3)	470.57	(38.1)	478.08	(39.4)	466.28	(38.2)
	Total	1,433.16	(31.7)	1,519.51	(31.9)	1,648.31	(32.3)	1,615.83	(31.7)	1,692.04	(32.4)	1,737.82	(32.9)
Total	**FCNR(B)**	**722.34**	**(100.0)**	**752.42**	**(100.0)**	**755.37**	**(100.0)**	**749.97**	**(100.0)**	**774.13**	**(100.0)**	**795.75**	**(100.0)**
	Borrowings	**743.54**	**(100.0)**	**873.32**	**(100.0)**	**883.70**	**(100.0)**	**876.75**	**(100.0)**	**954.19**	**(100.0)**	**999.53**	**(100.0)**
	NRE Deposits	**1,223.80**	**(100.0)**	**1,257.92**	**(100.0)**	**1,243.62**	**(100.0)**	**1,234.09**	**(100.0)**	**1,212.29**	**(100.0)**	**1,219.16**	**(100.0)**
	Total	**4,521.79**	**(100.0)**	**4,756.26**	**(100.0)**	**5,107.02**	**(100.0)**	**5,097.97**	**(100.0)**	**5,214.54**	**(100.0)**	**5,289.82**	**(100.0)**

@ excluding Guernsey, Isle of Man and Jersey. # includes Midway Island and Wake Islands.

'-' nil/negligible.

Note : 1. Figures in brackets represent percentages to total in the respective group (column).

2. Totals may not tally due to rounding off.

3. "No Specific Country" means the country information has not been provided by the reporting bank branches.

4. Data have been revised for previous quarters.

5. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement V: Country-wise Breakup of Major Component of International Assets of Banks (Based on LBS Statements)

(` Billion)

Country	Major Components	Q1: 2010		Q2: 2010		Q3: 2010		Q4: 2010		Q1: 20110		Q2:2011	
Bahrain	Export Bill	1.70	(0.3)	2.60	(0.5)	1.65	(0.3)	1.68	(0.3)	2.40	(0.4)	2.21	(0.4)
	NOSTRO	6.14	(1.2)	1.76	(0.4)	2.63	(0.4)	1.52	(0.3)	2.35	(0.4)	2.42	(0.4)
	Total	14.29	(0.6)	9.77	(0.4)	9.69	(0.4)	9.05	(0.3)	10.63	(0.4)	10.36	(0.4)
Belgium	Export Bill	8.88	(1.8)	9.85	(2.0)	11.90	(2.1)	12.31	(2.1)	14.22	(2.3)	14.30	(2.4)
	NOSTRO	8.21	(1.6)	8.64	(1.7)	9.24	(1.4)	9.51	(1.9)	7.26	(1.2)	0.45	(0.1)
	Total	19.17	(0.8)	20.44	(0.8)	22.81	(0.8)	22.93	(0.9)	22.60	(0.8)	15.85	(0.6)
Canada	Export Bill	2.32	(0.5)	3.65	(0.7)	2.58	(0.5)	4.65	(0.8)	4.89	(0.8)	5.58	(0.9)
	NOSTRO	6.32	(1.2)	8.63	(1.7)	5.99	(0.9)	3.09	(0.6)	10.83	(1.7)	11.49	(2.0)
	Total	19.96	(0.8)	23.33	(0.9)	22.02	(0.8)	23.04	(0.9)	31.49	(1.1)	31.49	(1.1)
China	Export Bill	17.30	(3.4)	19.12	(3.8)	16.89	(3.0)	17.04	(2.9)	22.16	(3.6)	20.79	(3.4)
	NOSTRO	-	(0.0)	-	(0.0)	-	(0.0)	-	(0.0)	-	(0.0)	-	(0.0)
	Total	20.23	(0.8)	21.04	(0.8)	21.70	(0.8)	21.75	(0.8)	27.10	(0.9)	25.60	(0.9)
France	Export Bill	9.07	(1.8)	8.64	(1.7)	7.84	(1.4)	7.11	(1.2)	9.38	(1.5)	11.96	(2.0)
	NOSTRO	25.73	(4.9)	26.91	(5.4)	28.48	(4.3)	30.12	(5.9)	26.84	(4.3)	25.80	(4.4)
	Total	36.20	(1.5)	37.16	(1.5)	37.63	(1.4)	37.59	(1.4)	39.22	(1.4)	38.13	(1.3)
Germany (Includes ECB)	Export Bill	12.82	(2.5)	13.46	(2.7)	13.58	(2.4)	13.59	(2.3)	17.35	(2.8)	15.98	(2.6)
	NOSTRO	67.56	(13.0)	70.32	(14.0)	93.06	(14.0)	91.24	(18.0)	87.03	(13.9)	86.16	(14.6)
	Total	87.68	(3.6)	89.89	(3.6)	112.73	(4.1)	112.07	(4.2)	115.28	(4.0)	109.02	(3.8)
Hong Kong	Export Bill	40.28	(8.0)	36.50	(7.3)	38.68	(6.9)	38.75	(6.6)	39.39	(6.4)	39.34	(6.5)
	NOSTRO	63.68	(12.2)	79.33	(15.8)	80.18	(12.1)	62.29	(12.3)	63.77	(10.2)	65.46	(11.1)
	Total	128.86	(5.2)	126.36	(5.0)	130.50	(4.7)	110.60	(4.1)	116.15	(4.0)	113.55	(4.0)
India	Export Bill	-	-	-	-	-	-	-	-	-	-	-	-
	NOSTRO	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1,240.50	(50.4)	1,331.69	(52.6)	1,336.48	(48.6)	1,371.53	(50.9)	1,408.41	(48.9)	1,421.46	(49.9)
Italy	Export Bill	8.94	(1.8)	10.56	(2.1)	10.79	(1.9)	10.53	(1.8)	10.42	(1.7)	10.81	(1.8)
	NOSTRO	0.97	(0.2)	1.02	(0.2)	0.79	(0.1)	0.87	(0.2)	1.15	(0.2)	0.93	(0.2)
	Total	11.45	(0.5)	12.65	(0.5)	12.44	(0.5)	12.11	(0.4)	12.03	(0.4)	12.15	(0.4)
Japan	Export Bill	3.67	(0.7)	3.17	(0.6)	3.88	(0.7)	3.77	(0.6)	4.51	(0.7)	3.90	(0.6)
	NOSTRO	4.43	(0.8)	4.64	(0.9)	6.18	(0.9)	10.55	(2.1)	16.73	(2.7)	13.67	(2.3)
	Total	10.86	(0.4)	10.38	(0.4)	12.74	(0.5)	16.98	(0.6)	26.66	(0.9)	24.97	(0.9)
Netherlands	Export Bill	4.10	(0.8)	5.13	(1.0)	4.87	(0.9)	5.41	(0.9)	7.37	(1.2)	6.05	(1.0)
	NOSTRO	11.41	(2.2)	10.81	(2.2)	12.31	(1.9)	12.80	(2.5)	14.77	(2.4)	11.64	(2.0)
	Total	16.07	(0.7)	17.34	(0.7)	18.22	(0.7)	18.45	(0.7)	23.13	(0.8)	19.28	(0.7)
No Specific Country (Country Unknown)	Export Bill	3.90	(0.8)	3.96	(0.8)	4.42	(0.8)	4.98	(0.8)	10.43	(1.7)	17.98	(3.0)
	NOSTRO	0.04	(0.0)	0.03	(0.0)	0.01	(0.0)	0.21	(0.0)	2.49	(0.4)	2.18	(0.4)
	Total	18.23	(0.7)	19.25	(0.8)	20.50	(0.7)	22.53	(0.8)	32.13	(1.1)	33.54	(1.2)

Statement V: Country-wise Breakup of Major Component of International Assets of Banks (Based on LBS Statements) *(Concld.)*

(` Billion)

Country	Major Components	Q1: 2010		Q2: 2010		Q3: 2010		Q4: 2010		Q1: 20110		Q2:2011	
Singapore	Export Bill	22.14	(4.4)	17.90	(3.6)	17.15	(3.1)	32.11	(5.5)	31.03	(5.1)	29.61	(4.9)
	NOSTRO	20.41	(3.9)	24.40	(4.9)	42.37	(6.4)	34.11	(6.7)	42.27	(6.8)	35.68	(6.1)
	Total	58.79	(2.4)	56.50	(2.2)	73.38	(2.7)	83.03	(3.1)	85.02	(3.0)	79.99	(2.8)
Sri Lanka	Export Bill	2.39	(0.5)	2.16	(0.4)	7.05	(1.3)	6.64	(1.1)	6.27	(1.0)	6.45	(1.1)
	NOSTRO	0.42	(0.1)	0.40	(0.1)	0.40	(0.1)	1.58	(0.3)	1.75	(0.3)	1.72	(0.3)
	Total	9.73	(0.4)	8.84	(0.3)	13.62	(0.5)	14.01	(0.5)	13.57	(0.5)	13.40	(0.5)
Switzerland (Includes BIS)	Export Bill	3.47	(0.7)	3.23	(0.6)	10.21	(1.8)	13.20	(2.2)	15.82	(2.6)	18.25	(3.0)
	NOSTRO	6.66	(1.3)	4.04	(0.8)	2.98	(0.4)	1.64	(0.3)	2.14	(0.3)	2.31	(0.4)
	Total	11.38	(0.5)	7.88	(0.3)	14.99	(0.5)	15.45	(0.6)	20.69	(0.7)	21.11	(0.7)
United Arab Emirates	Export Bill	43.24	(8.6)	45.33	(9.0)	62.88	(11.3)	73.37	(12.5)	70.81	(11.5)	75.89	(12.6)
	NOSTRO	5.24	(1.0)	5.42	(1.1)	8.64	(1.3)	6.04	(1.2)	10.32	(1.7)	7.14	(1.2)
	Total	62.60	(2.5)	67.07	(2.6)	87.71	(3.2)	98.56	(3.7)	98.57	(3.4)	102.41	(3.6)
United Kingdom @	Export Bill	23.80	(4.7)	29.46	(5.9)	36.52	(6.5)	43.15	(7.3)	38.94	(6.4)	28.74	(4.8)
	NOSTRO	103.87	(19.9)	83.06	(16.6)	107.63	(16.2)	59.27	(11.7)	78.94	(12.6)	87.21	(14.8)
	Total	144.61	(5.9)	134.93	(5.3)	167.15	(6.1)	140.80	(5.2)	153.21	(5.3)	154.64	(5.4)
United States #	Export Bill	205.44	(40.7)	195.37	(39.0)	202.62	(36.3)	202.05	(34.3)	193.81	(31.6)	177.34	(29.3)
	NOSTRO	169.34	(32.5)	153.87	(30.7)	229.94	(34.7)	159.01	(31.4)	229.55	(36.8)	215.37	(36.6)
	Total	418.90	(17.0)	405.03	(16.0)	487.50	(17.7)	409.89	(15.2)	470.46	(16.3)	448.68	(15.7)
Total	**Export Bill**	**504.96**	**(100.0)**	**501.12**	**(100.0)**	**558.22**	**(100.0)**	**588.67**	**(100.0)**	**613.21**	**(100.0)**	**604.49**	**(100.0)**
	NOSTRO	**521.35**	**(100.0)**	**501.77**	**(100.0)**	**663.40**	**(100.0)**	**506.94**	**(100.0)**	**624.34**	**(100.0)**	**588.62**	**(100.0)**
	Total	**2,463.59**	**(100.0)**	**2,531.59**	**(100.0)**	**2,752.27**	**(100.0)**	**2,693.00**	**(100.0)**	**2,880.64**	**(100.0)**	**2,849.40**	**(100.0)**

@ excluding Guernsey, Isle of Man and Jersey # includes Midway Island and Wake Islands

'-' nil/negligible

Notes: 1. Figures in brackets represent percentages to total.
2. Totals may not tally due to rounding off .
3. Data have been revised for previous quarters.
4. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement VI: International Liabilities/Assets of Banks Classified According to Country of Incorporation of Banks (Based on LBS Statements) – Amount outstanding as at end

(` Billion)

Country	INTERNATIONAL LIABILITIES											
	Total: All Sectors						Position vis-à-vis Banks					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Bahrain	3.87 (0.1)	3.30 (0.1)	3.56 (0.1)	3.96 (0.1)	4.35 (0.1)	4.28 (0.1)	1.04 (0.1)	1.05 (0.1)	1.06 (0.1)	1.04 (0.1)	1.05 (0.1)	1.03 (0.1)
Bangladesh	0.61 (0.0)	0.87 (0.0)	0.76 (0.0)	0.70 (0.0)	0.89 (0.0)	0.87 (0.0)	0.60 (0.1)	0.87 (0.1)	0.74 (0.1)	0.61 (0.0)	0.80 (0.1)	0.78 (0.1)
Belgium	5.43 (0.1)	6.68 (0.1)	6.31 (0.1)	6.78 (0.1)	7.84 (0.2)	9.23 (0.2)	5.06 (0.5)	6.26 (0.5)	5.86 (0.5)	6.29 (0.5)	7.46 (0.6)	8.76 (0.6)
Canada	39.62 (0.9)	45.26 (1.0)	43.81 (0.9)	50.09 (1.0)	54.64 (1.0)	54.77 (1.0)	38.07 (3.4)	43.84 (3.6)	42.12 (3.4)	47.71 (3.8)	51.96 (3.8)	52.25 (3.7)
France	56.62 (1.3)	57.19 (1.2)	50.11 (1.0)	50.20 (1.0)	58.43 (1.1)	52.53 (1.0)	50.53 (4.6)	51.18 (4.2)	43.78 (3.5)	43.11 (3.4)	50.28 (3.7)	40.45 (2.8)
Germany (Includes ECB)	59.07 (1.3)	62.50 (1.3)	73.23 (1.4)	78.00 (1.5)	89.46 (1.7)	85.88 (1.6)	18.19 (1.6)	15.31 (1.3)	15.67 (1.3)	15.42 (1.2)	15.61 (1.2)	12.89 (0.9)
Hong Kong	288.82 (6.4)	267.93 (5.6)	277.16 (5.4)	277.21 (5.4)	278.23 (5.3)	285.55 (5.4)	93.41 (8.4)	88.88 (7.3)	75.76 (6.1)	79.68 (6.3)	80.31 (5.9)	83.07 (5.8)
India	3,452.73 (76.4)	3,589.95 (75.5)	3,985.84 (78.0)	3,971.23 (77.9)	4,034.64 (77.4)	4,082.49 (77.2)	579.53 (52.4)	666.83 (55.0)	735.29 (59.2)	763.21 (60.0)	816.52 (60.2)	853.07 (59.9)
Japan	13.79 (0.3)	14.49 (0.3)	13.68 (0.3)	15.88 (0.3)	16.17 (0.3)	15.93 (0.3)	13.10 (1.2)	13.76 (1.1)	13.12 (1.1)	15.24 (1.2)	15.52 (1.1)	15.21 (1.1)
Mauritius	1.09 (0.0)	1.09 (0.0)	1.09 (0.0)	1.05 (0.0)	1.13 (0.0)	1.16 (0.0)	0.80 (0.1)	0.79 (0.1)	0.83 (0.1)	0.83 (0.1)	0.81 (0.1)	0.81 (0.1)
Netherlands	31.90 (0.7)	48.67 (1.0)	27.50 (0.5)	24.09 (0.5)	23.89 (0.5)	22.58 (0.4)	14.52 (1.3)	11.21 (0.9)	11.35 (0.9)	5.83 (0.5)	5.80 (0.4)	4.81 (0.3)
Oman	2.23 (0.0)	2.50 (0.1)	2.66 (0.1)	2.86 (0.1)	2.88 (0.1)	2.94 (0.1)	0.64 (0.1)	0.83 (0.1)	1.01 (0.1)	1.21 (0.1)	1.23 (0.1)	1.36 (0.1)
Russia	1.98 (0.0)	1.11 (0.0)	1.12 (0.0)	1.10 (0.0)	2.47 (0.0)	2.43 (0.0)	1.11 (0.1)	1.11 (0.1)	1.12 (0.1)	1.10 (0.1)	1.07 (0.1)	1.06 (0.1)
Singapore	41.60 (0.9)	44.12 (0.9)	42.55 (0.8)	41.87 (0.8)	41.68 (0.8)	41.51 (0.8)	41.45 (3.7)	43.12 (3.6)	42.29 (3.4)	41.37 (3.3)	40.68 (3.0)	40.50 (2.8)
South Africa	1.85 (0.0)	4.65 (0.1)	5.22 (0.1)	5.84 (0.1)	5.26 (0.1)	6.40 (0.1)	1.85 (0.2)	4.65 (0.4)	5.22 (0.4)	5.84 (0.5)	5.23 (0.4)	6.38 (0.4)
South Korea	2.51 (0.1)	1.90 (0.0)	3.74 (0.1)	3.82 (0.1)	4.52 (0.1)	3.78 (0.1)	2.27 (0.2)	1.69 (0.1)	3.54 (0.3)	3.54 (0.3)	4.21 (0.3)	3.54 (0.2)
Sri Lanka	1.37 (0.0)	1.32 (0.0)	1.42 (0.0)	1.35 (0.0)	1.41 (0.0)	1.53 (0.0)	0.96 (0.1)	0.97 (0.1)	1.02 (0.1)	0.98 (0.1)	1.06 (0.1)	1.13 (0.1)
Switzerland (Includes BIS)	8.01 (0.2)	9.03 (0.2)	11.85 (0.2)	15.02 (0.3)	31.60 (0.6)	32.17 (0.6)	7.97 (0.7)	8.95 (0.7)	11.81 (1.0)	14.97 (1.2)	31.44 (2.3)	32.07 (2.3)
Chinese Taipei	1.13 (0.0)	1.14 (0.0)	1.11 (0.0)	1.11 (0.0)	1.13 (0.0)	1.12 (0.0)	1.12 (0.1)	1.13 (0.1)	1.11 (0.1)	1.11 (0.1)	1.11 (0.1)	1.12 (0.1)
Thailand	1.44 (0.0)	1.48 (0.0)	1.46 (0.0)	1.51 (0.0)	1.53 (0.0)	1.57 (0.0)	0.36 (0.0)	0.36 (0.0)	0.36 (0.0)	0.36 (0.0)	0.36 (0.0)	0.36 (0.0)
United Arab Emirates	4.20 (0.1)	4.70 (0.1)	4.78 (0.1)	4.97 (0.1)	4.66 (0.1)	4.97 (0.1)	0.85 (0.1)	1.35 (0.1)	1.26 (0.1)	1.63 (0.1)	1.39 (0.1)	1.35 (0.1)
United Kingdom @	186.49 (4.1)	231.57 (4.9)	222.95 (4.4)	219.52 (4.3)	223.07 (4.3)	224.11 (4.2)	89.78 (8.1)	59.68 (4.9)	60.53 (4.9)	61.44 (4.8)	60.71 (4.5)	84.94 (6.0)
United States #	315.46 (7.0)	354.79 (7.5)	325.10 (6.4)	319.80 (6.3)	324.69 (6.2)	352.00 (6.7)	142.50 (12.9)	189.25 (15.6)	167.27 (13.5)	159.05 (12.5)	161.13 (11.9)	178.27 (12.5)
Total	**4,521.79 (100.0)**	**4,756.26 (100.0)**	**5,107.02 (100.0)**	**5,097.97 (100.0)**	**5,214.54 (100.0)**	**5,289.82 (100.0)**	**1,105.69 (100.0)**	**1,213.07 (100.0)**	**1,242.13 (100.0)**	**1,271.58 (100.0)**	**1,355.72 (100.0)**	**1,425.23 (100.0)**

Statement VI: International Liabilities/Assets of Banks Classified According to Country of Incorporation of Banks (Based on LBS Statements) – Amount outstanding as at end *(Concld.)*

(` Billion)

Country	INTERNATIONAL ASSETS											
	Total: All Sectors						Position vis-à-vis Banks					
	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011	Q1:2010	Q2:2010	Q3:2010	Q4:2010	Q1:2011	Q2:2011
Bahrain	3.49	3.05	3.55	3.83	4.01	4.29	0.16	0.21	0.64	0.66	0.71	0.76
	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
Bangladesh	0.24	0.18	0.24	0.12	0.41	0.40	0.19	0.15	0.20	0.11	0.12	0.09
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Belgium	3.84	4.33	4.99	5.10	6.28	6.87	0.45	1.58	1.78	1.59	2.33	2.73
	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)
Canada	7.06	9.66	14.19	14.26	19.18	20.41	0.12	0.37	0.76	0.32	0.82	0.91
	(0.3)	(0.4)	(0.5)	(0.5)	(0.7)	(0.7)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)
France	20.35	14.92	24.10	16.80	21.26	20.70	5.74	9.69	9.70	2.59	2.91	2.15
	(0.8)	(0.6)	(0.9)	(0.6)	(0.7)	(0.7)	(0.7)	(1.3)	(1.1)	(0.3)	(0.3)	(0.2)
Germany	20.49	17.53	28.07	25.89	27.49	30.18	3.08	5.54	6.67	8.05	8.33	9.05
(Includes ECB)	(0.8)	(0.7)	(1.0)	(1.0)	(1.0)	(1.1)	(0.4)	(0.7)	(0.7)	(1.0)	(0.9)	(1.0)
Hong Kong	67.31	78.05	116.79	97.75	94.92	86.51	8.70	9.04	50.34	13.88	16.25	18.98
	(2.7)	(3.1)	(4.2)	(3.6)	(3.3)	(3.0)	(1.0)	(1.2)	(5.5)	(1.7)	(1.7)	(2.0)
India	1,822.83	1,879.48	1,991.32	1,982.62	2,122.78	2,099.63	589.13	569.98	635.80	612.91	712.69	667.71
	(74.0)	(74.2)	(72.4)	(73.6)	(73.7)	(73.7)	(70.8)	(75.6)	(69.9)	(74.0)	(73.7)	(71.2)
Japan	7.29	15.58	15.40	15.46	16.51	18.15	5.13	9.55	11.77	11.93	12.15	13.27
	(0.3)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(1.3)	(1.3)	(1.4)	(1.3)	(1.4)
Mauritius	0.07	0.05	0.44	0.40	0.40	0.39	0.04	0.02	0.41	0.37	0.37	0.36
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Netherlands	48.58	51.86	32.26	32.95	34.03	33.62	1.91	2.01	1.40	6.25	2.30	3.14
	(2.0)	(2.0)	(1.2)	(1.2)	(1.2)	(1.2)	(0.2)	(0.3)	(0.2)	(0.8)	(0.2)	(0.3)
Oman	0.03	0.02	0.01	0.04	0.04	0.04	0.03	0.01	0.01	0.03	0.03	0.03
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Russia	0.88	0.20	0.10	0.12	0.15	0.14	0.88	0.20	0.10	0.10	0.10	0.10
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Singapore	53.92	66.17	75.10	74.73	76.82	76.38	32.80	33.66	36.67	36.73	37.62	37.31
	(2.2)	(2.6)	(2.7)	(2.8)	(2.7)	(2.7)	(3.9)	(4.5)	(4.0)	(4.4)	(3.9)	(4.0)
South Africa	0.07	0.19	0.53	0.59	0.86	0.84	0.07	-	0.31	0.20	0.26	0.27
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
South Korea	0.46	0.35	0.29	0.39	0.76	0.19	0.27	0.21	0.19	0.27	0.12	0.04
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Sri Lanka	0.55	0.52	0.56	0.15	0.17	0.16	0.03	0.04	0.09	0.02	0.02	0.01
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Switzerland	0.10	0.11	0.12	0.07	0.52	0.98	0.05	0.07	0.07	0.02	0.03	0.19
(Includes BIS)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Chinese Taipei	0.05	0.20	0.17	0.16	0.14	0.16	-	0.02	0.01	0.01	0.01	0.01
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Thailand	0.10	0.12	0.12	0.14	0.18	0.32	0.10	0.12	0.12	0.14	0.18	0.32
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
United Arab Emirates	1.02	1.21	1.89	1.38	1.07	1.29	0.52	0.50	1.28	0.96	0.64	0.77
	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
United Kingdom @	233.07	232.32	226.79	258.63	260.97	270.72	71.71	71.33	71.95	79.14	78.12	76.24
	(9.5)	(9.2)	(8.2)	(9.6)	(9.1)	(9.5)	(8.6)	(9.5)	(7.9)	(9.5)	(8.1)	(8.1)
United States #	171.80	155.49	215.26	161.39	191.70	177.03	111.05	40.10	79.38	52.46	90.31	103.80
	(7.0)	(6.1)	(7.8)	(6.0)	(6.7)	(6.2)	(13.3)	(5.3)	(8.7)	(6.3)	(9.3)	(11.1)
Total	**2,463.59**	**2,531.59**	**2,752.27**	**2,693.00**	**2,880.64**	**2,849.40**	**832.19**	**754.41**	**909.64**	**828.74**	**966.42**	**938.23**
	(100.0)	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**	**(100.0)**

@ excluding Guernsey, Isle of Man and Jersey. # includes Midway Island and Wake Islands. '-' nil/negligible

Notes: 1. Figures in brackets represent percentages to total.
2. Totals may not tally due to rounding off .
3. Data have been revised for previous quarters.
4. Q1, Q2, Q3 and Q4 denote quarters ended March, June, September and December, respectively.

Statement VII: Residual Maturity and Sector-wise Classification of Consolidated International Claims of Banks (Based on CBS Statements) – Amount outstanding as at end of Period on Immediate Country Risk Basis

(` Billion)

Country of Transacting Units	Period	Total International Claims	Residual Maturity			Sector		
			Short Term	Long Term	Unallocated	Bank	Non-Bank Public	Non-Bank Private
Total Intl. Claims	**Mar-2010**	**2,327.71**	**1,443.39**	**819.39**	**64.94**	**978.91**	**14.42**	**1,334.38**
	Jun-2010	**2,277.49**	**1,392.14**	**827.93**	**57.42**	**993.36**	**8.48**	**1,275.65**
	Sep-2010	**2,315.61**	**1,445.60**	**815.76**	**54.24**	**1,078.16**	**6.18**	**1,231.27**
	Dec-2010	**2,316.82**	**1,437.71**	**829.10**	**50.02**	**999.39**	**5.91**	**1,311.53**
	Mar-2011	**2,464.13**	**1,538.93**	**872.47**	**52.73**	**1,091.42**	**8.70**	**1,364.01**
	Jun-2011	**2,480.51**	**1,535.55**	**879.26**	**65.70**	**1,065.15**	**6.19**	**1,409.17**
Australia	Mar-2010	23.08	10.72	12.36	-	13.48	0.04	9.56
	Jun-2010	24.05	11.06	12.99	-	15.26	0.05	8.74
	Sep-2010	24.37	11.36	13.01	-	15.17	0.01	9.19
	Dec-2010	19.56	7.51	12.05	-	10.80	0.06	8.71
	Mar-2011	22.85	7.88	14.97	-	14.02	0.01	8.83
	Jun-2011	26.05	7.14	18.91	-	16.84	0.06	9.15
Bahamas	Mar-2010	10.20	9.07	1.13	-	2.17	-	8.03
	Jun-2010	10.78	10.77	0.01	-	3.63	-	7.15
	Sep-2010	9.16	9.15	0.01	-	2.02	-	7.14
	Dec-2010	11.07	11.06	0.01	-	3.13	-	7.94
	Mar-2011	10.67	10.65	0.02	-	6.72	-	3.95
	Jun-2011	10.35	10.34	0.02	-	6.27	-	4.08
Bahrain	Mar-2010	47.28	18.53	26.12	2.63	42.84	-	4.43
	Jun-2010	32.34	8.15	24.18	-	26.59	-	5.75
	Sep-2010	42.10	9.95	32.15	-	35.86	-	6.24
	Dec-2010	45.58	13.41	32.17	-	38.58	-	7.01
	Mar-2011	45.37	12.85	32.52	-	38.07	-	7.29
	Jun-2011	44.09	11.83	32.26	-	36.86	-	7.23
Bangladesh	Mar-2010	10.57	10.49	0.08	-	1.88	-	8.69
	Jun-2010	7.60	7.58	0.02	-	1.43	-	6.17
	Sep-2010	11.26	11.17	0.09	-	2.72	-	8.54
	Dec-2010	10.25	10.15	0.10	-	1.46	-	8.79
	Mar-2011	17.41	17.17	0.24	-	3.88	-	13.53
	Jun-2011	17.33	16.82	0.51	-	2.03	-	15.31
Belgium	Mar-2010	50.11	43.58	6.53	-	26.73	-	23.38
	Jun-2010	45.27	40.35	4.90	0.01	20.01	-	25.26
	Sep-2010	45.36	40.53	4.82	0.01	18.04	-	27.32
	Dec-2010	50.96	45.25	5.69	0.01	17.95	-	33.01
	Mar-2011	53.71	48.54	5.16	0.01	23.66	-	30.05
	Jun-2011	58.68	54.10	4.56	0.01	20.98	-	37.70
Canada	Mar-2010	66.66	5.24	31.25	30.16	46.89	0.01	19.76
	Jun-2010	67.01	5.58	31.20	30.23	47.72	0.01	19.27
	Sep-2010	68.26	8.26	31.19	28.81	45.52	-	22.74
	Dec-2010	66.44	7.57	31.32	27.55	43.59	0.01	22.85
	Mar-2011	68.22	8.80	31.28	28.14	44.93	-	23.29
	Jun-2011	66.95	8.78	31.93	26.24	45.89	-	21.06
Cayman Islands	Mar-2010	27.48	15.64	11.84	-	1.39	-	26.09
	Jun-2010	32.11	16.76	15.35	-	10.93	-	21.18
	Sep-2010	29.02	15.82	13.20	-	10.76	-	18.25
	Dec-2010	30.77	13.61	17.16	-	9.79	-	20.98
	Mar-2011	33.34	16.62	16.72	-	9.59	-	23.75
	Jun-2011	35.79	19.32	16.47	-	9.81	-	25.98

Statement VII: Residual Maturity and Sector-wise Classification of Consolidated International Claims of Banks (Based on CBS Statements) – Amount outstanding as at end of Period on Immediate Country Risk Basis *(Contd.)*

(` Billion)

Country of Transacting Units	Period	Total International Claims	Residual Maturity			Sector		
			Short Term	Long Term	Unallocated	Bank	Non-Bank Public	Non-Bank Private
China	Mar-2010	17.59	16.31	1.28	-	0.02	-	17.57
	Jun-2010	15.32	15.01	0.31	-	0.04	-	15.29
	Sep-2010	20.47	19.81	0.66	-	-	-	20.47
	Dec-2010	20.80	19.23	1.57	-	0.55	-	20.24
	Mar-2011	22.09	19.93	2.16	-	1.23	-	20.86
	Jun-2011	20.34	18.00	2.34	-	1.60	-	18.74
Cyprus	Mar-2010	19.05	4.87	14.19	-	3.10	-	15.96
	Jun-2010	13.22	1.71	11.51	-	2.14	-	11.08
	Sep-2010	13.66	2.26	11.40	-	3.37	-	10.29
	Dec-2010	13.97	2.15	11.82	-	3.88	-	10.09
	Mar-2011	16.36	3.22	13.14	-	6.92	-	9.43
	Jun-2011	13.24	2.96	10.28	-	2.92	-	10.32
Denmark	Mar-2010	8.56	5.78	2.78	-	7.08	-	1.48
	Jun-2010	8.09	5.75	2.34	-	6.79	-	1.31
	Sep-2010	7.65	5.88	1.77	-	6.59	-	1.06
	Dec-2010	7.57	5.15	2.43	-	6.49	-	1.09
	Mar-2011	9.39	7.17	2.22	-	7.79	-	1.60
	Jun-2011	5.69	5.34	0.34	-	3.91	-	1.79
Egypt	Mar-2010	12.38	4.25	8.13	-	-	-	12.38
	Jun-2010	10.65	2.92	7.74	-	-	-	10.65
	Sep-2010	10.75	3.13	7.62	-	-	-	10.75
	Dec-2010	13.76	4.76	9.00	-	0.47	-	13.29
	Mar-2011	15.52	4.22	11.30	-	0.46	-	15.05
	Jun-2011	14.63	3.68	10.9	-	-	-	14.63
France	Mar-2010	45.61	35.51	10.09	-	31.14	-	14.47
	Jun-2010	43.82	37.12	6.71	-	31.60	-	12.22
	Sep-2010	44.11	37.41	6.70	-	32.19	-	11.93
	Dec-2010	43.68	36.86	6.81	-	31.87	-	11.81
	Mar-2011	44.16	37.23	6.90	0.03	32.40	-	11.76
	Jun-2011	45.66	37.90	7.77	-	29.04	-	16.62
Germany (Includes ECB)	Mar-2010	121.77	105.40	16.37	-	81.98	1.38	38.42
	Jun-2010	119.36	104.37	14.98	-	81.94	0.78	36.64
	Sep-2010	141.23	120.06	21.17	-	104.54	0.46	36.23
	Dec-2010	141.24	118.67	22.57	-	105.71	0.84	34.68
	Mar-2011	141.64	118.98	22.66	-	106.35	0.46	34.83
	Jun-2011	130.37	108.79	21.57	-	95.19	0.63	34.55
Hong Kong	Mar-2010	189.75	176.14	12.70	0.91	129.27	-	60.47
	Jun-2010	181.76	167.65	14.11	-	129.21	-	52.55
	Sep-2010	181.90	167.83	14.07	-	128.13	-	53.78
	Dec-2010	175.28	160.59	14.69	-	114.63	-	60.66
	Mar-2011	183.76	164.95	18.81	-	122.39	-	61.38
	Jun-2011	189.58	164.35	19.47	5.76	127.55	-	62.04
Indonesia	Mar-2010	12.49	9.54	2.96	-	1.04	-	11.45
	Jun-2010	8.31	4.78	3.53	-	1.06	-	7.24
	Sep-2010	8.61	5.22	3.39	-	1.54	-	7.07
	Dec-2010	13.65	6.04	7.62	-	1.52	-	12.14
	Mar-2011	12.83	5.54	7.29	-	2.10	-	10.73
	Jun-2011	10.58	4.62	5.96	-	1.78	-	8.80

Statement VII: Residual Maturity and Sector-wise Classification of Consolidated International Claims of Banks (Based on CBS Statements) – Amount outstanding as at end of Period on Immediate Country Risk Basis *(Contd.)*

(` Billion)

Country of Transacting Units	Period	Total International Claims	Residual Maturity			Sector		
			Short Term	Long Term	Unallocated	Bank	Non-Bank Public	Non-Bank Private
Ireland	Mar-2010	17.36	6.11	11.25	-	11.74	-	5.62
	Jun-2010	16.45	6.13	10.32	-	10.33	-	6.12
	Sep-2010	16.42	6.67	9.75	-	10.36	-	6.06
	Dec-2010	13.37	1.57	11.81	-	5.53	-	7.84
	Mar-2011	15.11	2.38	12.73	-	6.77	-	8.34
	Jun-2011	12.68	2.09	10.59	-	6.95	-	5.73
Israel	Mar-2010	6.43	6.01	0.42	-	-	-	6.43
	Jun-2010	7.59	7.11	0.48	-	-	-	7.59
	Sep-2010	7.79	7.41	0.38	-	-	-	7.79
	Dec-2010	6.87	6.49	0.38	-	-	-	6.87
	Mar-2011	6.87	6.36	0.51	-	-	-	6.87
	Jun-2011	6.77	6.42	0.35	-	-	-	6.77
Italy	Mar-2010	19.93	10.80	9.13	-	8.69	-	11.24
	Jun-2010	15.76	10.15	5.61	-	4.98	-	10.79
	Sep-2010	19.79	10.93	8.85	-	7.83	-	11.96
	Dec-2010	18.56	10.46	8.10	-	7.44	-	11.13
	Mar-2011	16.43	9.99	6.45	-	6.82	-	9.61
	Jun-2011	11.46	9.44	2.02	-	1.08	-	10.37
Jersey	Mar-2010	17.73	6.97	10.76	-	6.11	-	11.62
	Jun-2010	10.92	0.01	10.91	-	-	-	10.92
	Sep-2010	16.57	0.46	16.11	-	0.78	-	15.79
	Dec-2010	21.18	2.17	19.01	-	0.82	-	20.35
	Mar-2011	25.95	5.50	20.46	-	5.47	-	20.48
	Jun-2011	25.12	4.52	20.60	-	5.87	-	19.25
Luxembourg	Mar-2010	23.25	14.54	8.71	-	6.64	-	16.61
	Jun-2010	19.73	11.91	7.82	-	6.35	-	13.38
	Sep-2010	19.00	10.51	8.48	-	5.68	-	13.32
	Dec-2010	12.94	5.31	7.63	-	0.63	-	12.31
	Mar-2011	12.41	4.64	7.76	-	-	-	12.41
	Jun-2011	9.88	2.48	7.40	-	-	-	9.87
Mauritius	Mar-2010	34.44	6.95	27.47	0.02	2.03	-	32.41
	Jun-2010	37.37	9.44	27.90	0.02	1.62	-	35.75
	Sep-2010	41.81	9.20	32.59	0.03	1.40	-	40.41
	Dec-2010	47.50	8.33	39.17	-	1.42	-	46.08
	Mar-2011	52.78	13.36	39.42	-	3.62	-	49.16
	Jun-2011	56.26	13.47	42.79	-	8.54	-	47.73
Netherlands	Mar-2010	62.63	20.05	42.58	-	14.80	-	47.83
	Jun-2010	57.50	20.02	37.48	-	17.11	-	40.39
	Sep-2010	58.27	21.08	37.19	-	17.25	-	41.02
	Dec-2010	67.37	28.47	38.90	-	17.09	-	50.29
	Mar-2011	77.00	31.76	45.24	-	20.82	-	56.18
	Jun-2011	72.81	27.62	45.19	-	15.93	-	56.87
No Specific Country (Country Unknown)	Mar-2010	8.63	4.43	4.20	-	-	-	8.63
	Jun-2010	8.98	4.07	4.91	-	-	-	8.98
	Sep-2010	9.60	5.00	4.60	-	0.50	0.01	9.09
	Dec-2010	9.99	5.57	4.42	-	0.50	0.02	9.47
	Mar-2011	18.48	13.75	4.74	-	2.99	0.02	15.48
	Jun-2011	25.55	20.93	4.62	-	2.68	0.02	22.86

Statement VII: Residual Maturity and Sector-wise Classification of Consolidated International Claims of Banks (Based on CBS Statements) – Amount outstanding as at end of Period on Immediate Country Risk Basis *(Contd.)*

(` Billion)

Country of Transacting Units	Period	Total International Claims	Residual Maturity			Sector		
			Short Term	Long Term	Unallocated	Bank	Non-Bank Public	Non-Bank Private
Norway	Mar-2010	8.71	2.84	5.87	-	1.41	-	7.30
	Jun-2010	8.76	3.11	5.65	-	1.36	-	7.40
	Sep-2010	8.54	3.20	5.34	-	1.19	-	7.35
	Dec-2010	9.12	4.03	5.09	-	1.56	-	7.56
	Mar-2011	8.33	4.34	3.99	-	0.89	-	7.45
	Jun-2011	9.00	4.61	4.38	-	0.92	-	8.07
Qatar	Mar-2010	4.47	1.91	2.56	-	0.03	-	4.43
	Jun-2010	6.31	0.79	5.52	-	0.07	-	6.24
	Sep-2010	7.48	1.43	6.05	-	0.05	-	7.43
	Dec-2010	6.81	1.30	5.51	-	0.04	-	6.77
	Mar-2011	7.30	2.46	4.84	-	0.11	-	7.19
	Jun-2011	7.24	2.23	5.01	-	0.04	-	7.20
Russia	Mar-2010	47.32	25.79	20.42	1.12	23.24	-	24.08
	Jun-2010	51.66	27.89	22.61	1.16	38.17	-	13.49
	Sep-2010	59.95	33.61	22.43	3.91	46.77	-	13.18
	Dec-2010	50.64	27.04	22.49	1.12	37.99	-	12.65
	Mar-2011	52.52	26.78	24.63	1.11	41.62	-	10.91
	Jun-2011	56.50	28.83	25.44	2.23	45.36	-	11.14
Saudi Arabia	Mar-2010	7.12	3.48	3.64	-	1.29	-	5.83
	Jun-2010	7.36	3.52	3.84	-	0.84	-	6.52
	Sep-2010	8.15	4.53	3.62	-	0.87	-	7.28
	Dec-2010	7.49	4.96	2.53	-	0.90	-	6.59
	Mar-2011	12.05	9.43	2.62	-	0.24	-	11.80
	Jun-2011	9.58	6.48	3.10	-	0.09	-	9.49
Singapore	Mar-2010	184.35	97.11	87.24	-	55.01	-	129.35
	Jun-2010	178.04	94.06	83.98	-	53.47	-	124.57
	Sep-2010	170.90	92.51	78.38	-	49.53	-	121.37
	Dec-2010	170.23	94.37	75.86	-	49.40	-	120.83
	Mar-2011	185.46	104.88	80.58	-	58.15	-	127.31
	Jun-2011	186.44	104.82	81.62	-	62.89	-	123.55
South Africa	Mar-2010	5.92	4.26	1.66	-	2.70	-	3.21
	Jun-2010	9.29	6.35	2.94	-	6.28	-	3.01
	Sep-2010	7.43	4.06	3.36	-	2.41	-	5.02
	Dec-2010	8.98	4.35	4.63	-	2.89	-	6.09
	Mar-2011	10.08	4.85	5.22	-	3.28	-	6.80
	Jun-2011	9.20	4.52	4.68	-	3.16	-	6.04
Sri Lanka	Mar-2010	15.39	11.39	2.29	1.72	1.62	5.76	8.00
	Jun-2010	13.57	8.77	3.18	1.63	0.65	4.93	7.99
	Sep-2010	13.90	9.72	2.58	1.60	1.97	3.82	8.11
	Dec-2010	13.95	9.33	3.04	1.57	2.19	3.19	8.57
	Mar-2011	21.12	15.47	4.09	1.56	6.52	6.52	8.08
	Jun-2011	21.55	17.06	3.00	1.48	6.64	4.17	10.74
Switzerland (Includes BIS)	Mar-2010	17.01	10.06	6.95	-	7.81	-	9.20
	Jun-2010	16.07	11.41	4.66	-	5.85	-	10.22
	Sep-2010	16.77	11.80	4.97	-	5.16	0.01	11.60
	Dec-2010	22.59	18.56	4.03	-	2.26	-	20.33
	Mar-2011	27.47	21.28	6.19	-	8.69	-	18.77
	Jun-2011	29.99	23.45	6.55	-	8.97	-	21.02

Statement VII: Residual Maturity and Sector-wise Classification of Consolidated International Claims of Banks (Based on CBS Statements) – Amount outstanding as at end of Period on Immediate Country Risk Basis *(Concld.)*

(` Billion)

Country of Transacting Units	Period	Total International Claims	Residual Maturity			Sector		
			Short Term	Long Term	Unallocated	Bank	Non-Bank Public	Non-Bank Private
United Arab Emirates	Mar-2010	135.36	76.88	58.48	-	19.83	-	115.53
	Jun-2010	128.96	71.63	57.33	-	22.35	-	106.62
	Sep-2010	138.58	85.91	52.50	0.17	21.82	-	116.76
	Dec-2010	145.51	89.59	55.75	0.17	17.94	-	127.57
	Mar-2011	154.98	98.51	56.30	0.17	29.92	-	125.06
	Jun-2011	160.33	103.46	56.86	0.01	34.14	-	126.19
United Kingdom @	Mar-2010	361.36	172.85	161.62	26.88	176.55	0.36	184.45
	Jun-2010	365.95	176.16	165.68	24.12	182.04	0.89	183.02
	Sep-2010	364.37	173.54	171.19	19.64	219.31	0.16	144.90
	Dec-2010	337.19	171.54	146.11	19.54	182.98	0.31	153.90
	Mar-2011	343.70	174.67	148.24	20.79	188.37	0.15	155.18
	Jun-2011	351.08	175.05	147.74	28.29	172.04	0.27	178.77
United States #	Mar-2010	531.38	369.53	160.36	1.49	217.88	6.81	306.69
	Jun-2010	565.39	385.47	179.67	0.24	233.22	1.81	330.36
	Sep-2010	542.10	386.15	155.89	0.06	245.57	1.71	294.82
	Dec-2010	526.17	368.17	157.94	0.06	233.45	1.48	291.25
	Mar-2011	548.18	378.31	169.58	0.29	245.22	1.48	301.47
	Jun-2011	553.34	378.17	175.12	0.05	250.59	0.99	301.76

@ excluding Guernsey, Isle of Man and Jersey. # includes Midway Island and Wake Islands.

'-' nil/negligible.

Notes: 1. Totals may not tally due to rounding off.

2. Residual Maturity "Unallocated" comprises maturity not applicable (e.g., for equities) and maturity information not available

3. "No Specific Country" means the country information has not been provided by the reporting bank branches.

4 Data have been revised for previous quarters.

*Performance of Private Corporate Business Sector during First Half of 2011-12**

The article reviews the performance of the private corporate business sector during first half of 2011-12 based on the abridged financial results of 2643 non-government non-financial listed companies. The analysis revealed that sales growth moderated slightly during April-September 2011 as compared with the corresponding period of previous year. More importantly, the profit growth decelerated sharply, on account of higher input prices and rise in interest outflow. In terms of the sectoral breakdown, the sales growth was higher for companies in the manufacturing sector vis-à-vis those in the services sector. However, IT sector with significant support from other income, witnessed substantial growth in net profits during the first half of 2011-12.

The article analyses the performance of the private corporate business sector during the first half (April-September) of 2011-12 (H1: 2011-12) based on the abridged financial results of 2643 non-government non-financial (NGNF) listed companies and provides, *inter alia*, a brief analysis by size and industry. A brief review of the performance of private corporate sector over the first two quarters of 2011-12 has also been presented based on a common set of companies. Further, the article touches upon the performance of 201 non-government financial listed companies during the first half of 2011-12.

Performance of Non-Government Non-Financial Companies

Overall Performance in H1:2011-12

Overall performance of 2643 select NGNF companies showed some moderation during April-

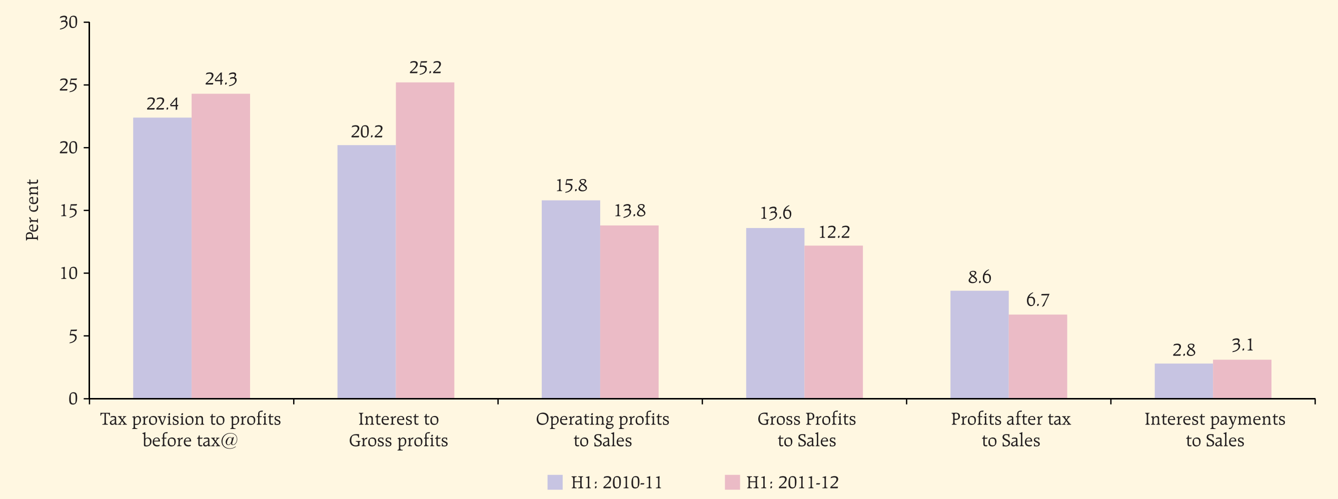
Table 1: Performance of Non-Government Non-Financial Companies: H1:2011-12

Item	All Companies			Common Companies		
	H1:2011-12		H1: 2010-11*	H1:2011-12		H1: 2010-11
No. of companies	2643		2576	2207		
	Amount (` billion)	YoY Growth in Per cent	Y-o-Y Growth in Per cent	Amount (` billion)	Y-o-Y Growth in Per cent	Y-o-Y Growth in Per cent
Sales	12,694	**20.8**	21.5	11,810	**20.9**	21.8
Change in stock	104	**-28.5**	70.0	128	**-23.3**	71.5
Expenditure	11,043	**22.8**	24.2	10,285	**23.0**	24.6
CRM**	6,031	**25.4**	28.5	5,665	**25.5**	29.3
Staff Cost	908	**18.7**	17.0	833	**18.9**	17.1
Power & fuel	427	**26.4**	12.7	388	**25.6**	12.7
Operating Profits (PBDIT)	1,754	**5.7**	11.7	1,652	**5.3**	11.9
Other Income	227	**31.0**	18.3	215	**30.5**	18.2
Depreciation	439	**9.7**	18.7	415	**9.6**	18.8
Gross Profits (PBIT)	1,542	**7.6**	10.7	1,452	**7.1**	10.8
Interest	389	**34.5**	16.2	360	**35.0**	16.0
Profits before tax (PBT)	1,153	**0.8**	9.3	1,092	**0.3**	9.6
Tax provision	305	**11.9**	9.6	289	**11.8**	9.2
Profits after tax (PAT) ^	854	**-4.9**	6.8	821	**-3.8**	7.2
Paid-up capital	990	**6.9**	13.6	850	**6.0**	14.2

^ Adjusted for non-operating surplus/deficit. * Published in the January 2011 issue of RBI Bulletin.
** CRM: Consumption of Raw Materials.

* Prepared in the Corporate Studies Division of the Department of Statistics and Information Management. The previous study 'Performance of Private Corporate Business Sector, during the First Half of 2010-11' was published in the January 2011 issue of the RBI Bulletin.

Chart 1: Profit Allocation, Profitability and Interest-linked Ratios



@: Companies are included where Profits before tax are positive for H1 of 2010-11 and 2011-12.

September 2011 wherein the sales grew by 20.8 per cent *vis-à-vis* 21.5 per cent during April-September 2010 (Table 1). However, growth in profits declined sharply as compared with the corresponding period of previous year largely on account of higher input costs and significant increase in interest payments. Profitability in terms of operating, gross and net margins contracted by 200, 140 and 190 basis points, respectively in the first half of 2011-12 over the corresponding period of the previous year (Chart 1). Interest burden, which is measured as a ratio of interest payments to gross profits (PBIT), increased by 5.0 percentage points due to faster increase in interest outgo in comparison to gross profits. Depreciation provision reported a growth of 9.7 per cent compared to about 19 per cent growth observed in the first half of previous year indicating lower capacity additions.

The rest of the analysis is based on 2207 common companies for which data are available for both the half-years of 2010-11 and 2011-12.

Performance According to Size of Paid-up Capital (PUC)

The performance during first half of 2011-12 of select 2,207 common companies, taking PUC as size variable, indicated that the top size class (comprising of companies having PUC more than ` 250 million each) reported sales growth of 21.9 per cent and operating profits growth of 6.5 per cent (Table 2). Operating profits of companies in the two smallest size classes, *i.e.*, with

Table 2: Performance of the Select Companies According to the Size of Paid-up Capital, H1: 2011-12

PUC size class (` million)	No. of Compa-nies	Per Cent Share in PUC	Per Cent Share in sales	Per cent change (Y-o-Y)								
				Sales	Expen-diture	PBDIT	Other Income	Depre-ciation	PBIT	Interest	Tax provision	PAT
1	2	3	4	5	6	7	8	9	10	11	12	13
Less than 50	433	1.6	1.8	18.1	20.4	-11.1	16.2	-4.9	-9.1	28.0	21.8	-38.1
50 to 100	484	4.0	4.7	17.5	20.4	-2.6	19.2	8.9	-3.7	36.1	-3.0	-10.0
100 to 150	367	5.2	6.0	17.4	17.6	6.0	33.6	12.7	7.0	35.9	21.8	-10.8
150 to 250	331	7.4	8.5	16.4	19.3	-3.9	17.2	10.7	-5.9	31.1	4.0	-19.7
250 and above	592	81.7	79.0	21.9	24.0	6.5	31.7	9.6	8.7	35.4	12.4	-1.6
All companies	**2207**	**100.0**	**100.0**	**20.9**	**23.0**	**5.3**	**30.5**	**9.6**	**7.1**	**35.0**	**11.8**	**-3.8**

Table 3: Profit Allocation, Interest-Linked and Profitability Ratios according to the Size of Paid-up capital, H1:2011-12

(Per cent)

PUC Size class (` million)	Profit Allocation Ratios				Interest Linked Ratios				Profitability Ratios			
	Tax Provision to Profits Before Tax@		Interest to Gross Profits		Interest Coverage (Times)		Interest to Sales		Operating Profits to Sales		Profits after Tax to Sales	
	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12
Less than 50	28.4	38.0	25.8	36.3	3.9	2.8	2.2	2.4	9.9	7.4	7.8	4.1
50 to 100	25.6	26.8	27.6	38.9	3.6	2.6	2.9	3.3	12.2	10.1	6.0	4.6
100 to 150	23.5	24.7	30.1	38.2	3.3	2.6	3.0	3.5	12.0	10.9	5.3	4.0
150 to 250	23.7	28.2	29.0	40.4	3.5	2.5	3.2	3.6	13.2	10.9	6.3	4.4
250 and above	22.2	23.7	18.1	22.6	5.5	4.4	2.7	3.0	17.0	14.9	9.4	7.6
All companies	**22.5**	**24.2**	**19.7**	**24.8**	**5.1**	**4.0**	**2.7**	**3.1**	**16.1**	**14.0**	**8.8**	**7.0**

@ Companies are included where Profits before tax are positive for H1 of 2010-11 and 2011-12.

PUC upto ` 100 million as also companies in the PUC class ` 150 million to ` 250 million witnessed a decline. Further, due to higher interest expenses, the net profits declined for all size classes. Table 3 reveals contraction in the profit margins for all size classes. Interest burden also increased for all size classes.

Performance According to Size of Sales

The performance of select common companies, when value of sales is taken to be size differentiator indicated that the bigger companies recorded higher sales growth and also relatively higher growth in operating profits, whereas companies in the two smallest size classes, *i.e.*, sales size upto `500 million witnessed a decline in sales (Table 4). Interest burden increased considerably for all size classes. Operating and net profit margin also contracted for all sales size classes (Table 5).

Industry-wise Performance during H1: 2011-12

Sales growth was higher for companies engaged in manufacturing activities as compared with those engaged in computer & related activities and services

Table 4: Performance of the Select Companies according to the Size of Sales, H1:2011-12

Sales Size class ^ (` million)	No. of Companies	Per cent Share in Sales	Per cent change (YoY)								
			Sales	Expen-diture	PBDIT	Other Income	Depre-ciation	PBIT	Interest	Tax Provision	PAT
Less than 250	458	0.2	-29.3	-21.9	$	40.5	-1.4	-57.3	-31.0	-19.5	$
250 to 500	209	0.3	-18.3	-14.2	-51.6	-37.2	-22.9	-57.5	-17.9	-58.1	$
500 to 1000	248	0.8	2.4	8.5	-32.6	5.3	6.0	-41.3	22.5	46.3	-15.6
1000 to 5000	658	6.9	8.1	10.6	-11.7	52.0	3.5	-8.0	32.1	-5.6	-47.3
5000 to 10000	252	7.5	16.1	19.9	-5.5	9.5	11.6	-8.7	39.6	20.3	-23.0
10000 and above	382	84.3	23.2	25.1	8.1	31.7	10.3	10.2	37.0	12.4	1.3
All Companies	**2207**	**100.0**	**20.9**	**23.0**	**5.3**	**30.5**	**9.6**	**7.1**	**35.0**	**11.8**	**-3.8**

$ Numerator or denominator or both negative.
^ Annualised sales.

Table 5: Profit Allocation, Interest-Linked and Profitability Ratios according to the Size of Sales: H1:2011-12

(Per cent)

Sales Size class ^ (` million)	Profit Allocation Ratios				Interest Linked Ratios				Profitability Ratios			
	Tax Provision to Profits Before tax@		Interest to Gross Profits		Interest Coverage (Times)		Interest to Sales		Operating Profits to Sales		Profits after Tax to Sales	
	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12
Less than 250	13.2	14.8	126.4	204.3	0.8	0.5	10.1	9.9	6.3	$	$	$
250 to 500	18.2	17.2	59.8	115.5	1.7	0.9	7.5	7.5	12.4	7.3	11.7	$
500 to 1000	22.9	21.9	44.3	92.3	2.3	1.1	3.9	4.7	10.8	7.1	3.2	2.6
1000 to 5000	23.1	25.8	39.6	56.9	2.5	1.8	4.3	5.2	13.2	10.8	6.0	2.9
5000 to 10000	21.0	27.3	29.5	45.1	3.4	2.2	3.6	4.3	14.3	11.6	6.8	4.5
10000 and above	22.6	24.0	16.9	21.0	5.9	4.8	2.4	2.7	16.6	14.6	9.3	7.6
All Companies	**22.5**	**24.2**	**19.7**	**24.8**	**5.1**	**4.0**	**2.7**	**3.1**	**16.1**	**14.0**	**8.8**	**7.0**

@ Companies are included where Profits before tax are positive for H1 of 2010-11 and 2011-12.
$ Numerator or denominator or both negative. ^ Annualised sales.

other than IT (Table 6). However, companies in IT services recorded the highest growth of 19.6 per cent in net profits with considerable support from other income. During H1:2011-12, profitability of

Table 6: Sector-Wise Performance of 2207 Selected Companies: H1:2011-12

Item	Manufacturing		Services			
			Services other than IT		Computer and related activities (IT)	
	Amount (` billion)	Per Cent Change (Y-o-Y)	Amount (` Billion)	Per Cent Change (Y-o-Y)	Amount (` Billion)	Per Cent Change (Y-o-Y)
1	2	3	4	5	6	7
No. of companies	**1650**		**391**		**166**	
Sales	9,002	22.2	2,041	15.7	766	20.7
Expenditure	7,950	24.3	1,737	17.3	597	23.6
CRM**	5,264	26.3	375	17.7	24	-0.1
Staff Cost	406	16.7	146	16.3	280	24.0
Power & fuel	245	26.7	143	23.8	-	-
Operating Profits (PBDIT)	1,154	3.9	326	6.6	172	12.1
Other Income	126	15.0	50	23.8	38	168.4
Depreciation	285	8.0	106	12.5	24	16.0
Gross Profits (PBIT)	995	4.1	270	7.2	186	26.8
Interest	225	32.5	123	37.1	11	68.5
Profits before tax (PBT)	770	-2.1	146	-9.4	175	24.7
Tax provision	202	5.7	45	8.6	41	63.2
Profits after tax (PAT)	581	-3.5	101	-25.1	138	19.6
Paid-up capital	506	7.0	287	4.6	56	4.2
Ratio in per cent	**H1:10-11**	**H1:11-12**	**H1:10-11**	**H1:11-12**	**H1:10-11**	**H1:11-12**
Operating profits to Sales	15.1	12.8	17.3	16.0	24.2	22.5
Gross profits to Sales	13.0	11.1	14.3	13.2	23.2	24.4
Profits after tax to Sales	8.2	6.5	7.7	5.0	18.2	18.1
Interest to Sales	2.3	2.5	5.1	6.0	1.1	1.5
Interest to Gross profits	17.8	22.6	35.7	45.7	4.7	6.3
Interest Coverage (Times)	5.6	4.4	2.8	2.2	21.2	16.0

** CRM: Consumption of raw materials.

Table 7: Consumption of Raw Materials during H1: 2011-12

(Amount in ` Billion)

Item	Q1: 10-11	Q1: 11-12	Per Cent Change (Y-o-Y)	Q2:10-11	Q2: 11-12	Per Cent Change (Y-o-Y)	H1: 10-11	H1: 11-12	Per Cent Change (Y-o-Y)
1	2	3	4	5	6	7	8	9	10
No. of companies*	**1672**			**1674**			**1689**		
Consumption of raw materials	2,199	2,814	28.0	2,310	2,849	23.3	4,510	5,664	25.6
Expenditure	3,430	4,244	23.7	3,607	4,436	23.0	7,044	8,688	23.3
CRM as percentage of expenditure	**64.1**	**66.3**		**64.1**	**64.2**		**64.0**	**65.2**	

* Number of companies reporting consumption of raw materials explicitly.

manufacturing and services sector got impacted on account of higher input prices and interest outflow.

Sales growth in H1 of 2011-12 was quite healthy in most of the industries except in mining & quarrying, sugar, radio, television & communication equipments and real estate industries (Statement 1). However, the profit performance of various industries was mixed. While edible oils, textiles, rubber & plastic products, electrical machinery & apparatus, real estate and transport, storage & communication industries recorded decline in both operating and net profits, basic industrial chemicals, electricity generation & supply, trading and petroleum refinery industries registered significant growth in operating and net profits during H1:2011-12. Profit margins were lower in most of the industries except food products & beverages, basic industrial chemicals, cement, electricity generation and supply and trading industries (Statement 2).

Major Components of Expenditure, H1: 2011-12

This section analyses the trends in major components of expenditure, *viz.*, consumption of raw material, staff cost and change in stock-in-trade.

Consumption of Raw Materials

Expenditure on consumption of raw material for reporting companies increased by 25.6 per cent during April-September 2011, the rise being higher during the first quarter (Table 7). The share of consumption of raw material in total expenditure at 65.2 per cent in the first half of 2011-12 increased by 120 basis points compared to the same period a year ago.

Staff Cost

Staff cost increased by 18.9 per cent in H1 of 2011-12 (Table 8) though as a percentage of expenditure it was lower at 8.1 per cent as compared with 8.4 per cent observed in H1: 2010-11. On a quarterly basis, the rise was higher in the first quarter.

Change in Stock-in-Trade

Accumulation of stock-in-trade during the first half of 2011-12 declined by 24.6 per cent over the corresponding period of previous year. Change in stock-in-trade formed 1.2 per cent of sales in the first half of 2011-12 as against 2.0 per cent in the same period of the previous year. Change in stock-in-trade during the first quarter declined sharply by 33.4 per cent.

Table 8: Staff Cost during H1: 2011-12

(Amount in ` Billion)

Item	Q1:10-11	Q1:11-12	Per cent Change (Y-o-Y)	Q2:10-11	Q2:11-12	Per cent Change (Y-o-Y)	H1:10-11	H1:11-12	Per cent Change (Y-o-Y)
1	2	3	4	5	6	7	8	9	10
No. of companies*	**2127**			**2121**			**2132**		
Staff cost	337	405	20.1	363	427	17.9	700	833	18.9
Expenditure	4,062	5,002	23.2	4,266	5,245	22.9	8,330	10,249	23.0
Staff cost as percentage of Expenditure	**8.3**	**8.1**		**8.5**	**8.2**		**8.4**	**8.1**	

* Number of companies reporting staff cost explicitly.

Table 9: Change in Stock-in-trade during H1: 2011-12

(Amount in ` Billion)

Item	Q1: 10-11	Q1: 11-12	Per Cent Change (Y-o-Y)	Q2: 10-11	Q2: 11-12	Per Cent Change (Y-o-Y)	H1: 10-11	H1: 11-12	Per Cent Change (Y-o-Y)
1	2	3	4	5	6	7	8	9	10
No. of companies*	**1705**			**1705**			**1730**		
Change in Stock-in-trade	117	78	-33.4	48	43	-10.2	166	125	-24.6
Sales	4,021	4,981	23.9	4,287	5,143	20.0	8,315	10,133	21.9
Change in Stock-in-trade as percentage of Sales	**2.9**	**1.6**		**1.1**	**0.9**		**2.0**	**1.2**	

* Number of companies reporting change in stock-in-trade explicitly.

Performance in the First Two Quarters of 2011-12

This section presents the performance of private corporate sector on quarterly basis for H1: 2011-12 based on 2207 common set of companies for which data are available for the first two quarters of 2010-11and 2011-12. Similar data for all companies whose results were available in a particular quarter is given in Statement 5.

Sales of corporates during the first quarter of 2011-12 grew by 22.7 per cent (YoY) which moderated slightly during the second quarter (Table 10). Net profits growth during the first quarter was at 8.1 per cent but it turned negative during the second quarter on account of continuing rise in input prices and higher interest outgo. Higher growth in interest outgo as compared to that of gross profits resulted in increase in interest burden in the first two quarters of 2011-12, more sharply in the second quarter of 2011-12.

Table 10: Performance of the Select Companies over the Quarters of 2011-12

	2010-11		2011-12	
	Q1	Q2	Q1	Q2
No. of companies	**2207**			
Year-on-year Growth Rate in per cent				
Sales	24.7	19.3	22.7	19.3
Expenditure	29.4	20.5	23.1	22.9
Operating Profits (PBDIT)	15.4	8.6	11.9	-1.3
Other Income	-20.7	58.9	38.5	24.7
Depreciation	20.3	17.5	9.6	9.6
Gross Profits (PBIT)	8.9	11.1	15.3	-0.7
Interest	28.6	5.8	21.4	49.0
Profits after tax (PAT)	3.0	11.6	8.1	-14.9
Ratios in Per cent#				
Operating profits to Sales	16.5	15.7	15.0	13.0
Gross profits to Sales	14.0	13.8	13.1	11.5
Profits after tax to Sales	8.7	8.8	7.7	6.3
Interest to Sales	2.9	2.6	2.8	3.3
Interest to Gross profits	20.5	18.8	21.6	28.3
Interest Coverage (Times)	4.9	5.3	4.6	3.5

\# Based on results published during reporting quarter.

Industry wise analysis revealed that petroleum refinery industry having the highest share in sales, led the overall growth by registering higher growth in sales during the first two quarters of 2011-12 (Statement 3). Paper & paper products, rubber & rubber products, iron & steel, fabricated metal products, machinery & machine tools, medical precision & other scientific instruments and jewellery & related articles industries registered significant sales growth in Q1 of 2011-12 which could not be sustained in the second quarter. Electrical machinery & apparatus, electricity generation & supply and wholesale & retail trade registered increased sales growth in the second quarter as compared to the first quarter of 2011-12.

Food products & beverages, cement & cement products and electricity generation & supply industries registered high growth in net profits during the second quarter of 2011-12. On the other hand, industries like tea plantation, chemicals & chemical products, iron & steel, medical precision, hotel & restaurant and petroleum refinery could not sustain the net profits growth in the second quarter. Additionally, for mining, sugar, textiles, paper products, rubber, machinery tools, electrical machinery and most of the industries in the services sector, net profits were lower both in Q1 and Q2 of 2011-12.

Profitability in terms of operating and net margins in most of the industries contracted in both the quarters of 2011-12 as compared to the corresponding quarters of 2010-11 (Statement 4A & 4B).

Performance of Non-Government Financial Companies

The abridged financial results of selected 201 financial companies in H1: 2011-12 indicated a rise of 32.9 per cent in income from operations which was much higher as compared with the growth in corresponding period of previous year. However, unlike the case of non-government non-financial companies, these companies' operating expenditure grew by a lower amount of 19.5 per cent (Table 11). Profits were however, lower on account of higher growth in interest expenses and provisioning towards depreciation.

Quarter-wise, it was observed that growth in income in the first two quarters of 2011-12 was higher as compared with the corresponding period of previous year. Net profits in Q1: 2011-12 was higher at 32.5 per cent *vis-à-vis* 18.4 per cent during Q1: 2010-11; however, during the second quarter, non-government financial companies' registered lower profits on a YoY basis as compared with Q1:2011-12.

Table 11: Performance of Financial Companies: H1:2011-12

Indicator	Q1:2011-12		Q2:2011-12		H1:2011-12	
	Amount (` Billion)	Per Cent Change (Y-o-Y)	Amount (` Billion)	Per Cent Change (Y-o-Y)	Amount (` Billion)	Per Cent Change (Y-o-Y)
1	2	3	4	5	6	7
No. of companies	201					
Income from Operations	124	35.9 (0.4)	135	30.2 (5.2)	259	32.9 (2.9)
Other Income	2	-0.5 (62.8)	1	37.8 (34.9)	3	15.2 (47.6)
Operating Expenditure	35	19.5 (-6.0)	39	19.6 (-9.5)	74	19.5 (-7.8)
Interest Expenses	56	52.7 (-4.7)	63	57.7 (3.4)	119	55.3 (-0.7)
Profits Before Depreciation and Tax (PBDT)	34	28.4 (20.8)	35	7.2 (29.0)	69	16.8 (25.3)
Depreciation	1	38.9 (3.4)	1	57.6 (-5.9)	2	48.4 (-1.6)
Profits Before Tax(PBT)	34	28.1 (21.4)	33	6.1 (30.1)	67	16.1 (26.1)
Tax provision	8	23.5 (35.3)	9	4.9 (37.7)	17	13.2 (36.7)
Profits After Tax (PAT)	25	32.5 (18.4)	25	8.9 (24.1)	50	19.7 (21.5)

Figures in brackets denote percentage change over the corresponding period of previous year.

Statement 1: Industry-wise Growth Rates of Select Performance Indicators: H1: 2011-12

Industry/Industry group	No. of Companies	Sales		Per cent change (Y-o-Y)								
		Amount (` Billion)	Per cent Share	Sales	Expenditure	Operating Profits	Other Income	Depreciation	Gross Profits	Interest	Tax Provision	Profits after Tax
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea Plantation	20	36	0.3	18.2	24.7	0.0	-78.7	5.2	-13.2	15.1	-27.1	22.1
2. Mining and Quarrying	34	62	0.5	-3.6	6.7	-28.3	-21.8	-6.1	-29.5	13.1	22.6	-60.6
3. Food Products and Beverages *Of Which*	136	586	5.0	23.4	22.6	23.2	-2.1	4.7	25.8	28.5	32.1	39.8
I. Sugar	29	103	0.9	-1.8	-21.2	$	-33.9	-3.8	$	27.8	$	$
Ii. Edible Oils	36	230	2.0	48.8	48.9	-14.7	5.0	1.8	-17.9	22.0	6.9	-40.3
Iii. Other Food Products & Beverages	71	251	2.1	17.4	19.1	11.5	20.0	14.5	11.7	30.2	19.5	21.5
4. Textiles	241	585	5.0	19.2	23.8	-18.9	54.2	12.4	-26.5	37.1	-50.6	-98.6
5. Paper and Paper Products	36	67	0.6	16.5	25.9	-1.3	-10.8	20.0	-11.5	48.9	-19.7	-62.6
6. Chemicals and Chemical Products *Of which*	320	1,228	10.4	18.1	20.7	7.8	11.6	10.1	7.8	41.2	14.1	10.6
I. Basic Industrial Chemicals	82	173	1.5	30.4	28.4	41.6	16.3	15.8	47.7	26.9	125.5	86.5
Ii. Chemical Fertilizers and Pesticides	34	264	2.2	18.0	22.6	4.2	14.1	5.8	4.9	12.2	0.8	2.5
Iii. Paints and Varnishes	12	75	0.6	24.4	23.7	7.8	47.4	9.0	12.0	33.3	8.2	10.3
Iv. Pharmaceuticals and Medicines	110	380	3.2	14.1	17.0	5.0	-3.0	12.7	2.6	87.7	7.1	5.8
V. Other Chemical & Chemical Products	82	334	2.8	15.8	19.1	-2.8	39.3	4.5	-0.9	24.9	7.3	-2.3
7. Rubber and Plastic Products	93	270	2.3	24.7	26.9	-12.7	-13.7	5.1	-17.4	45.6	-13.4	-8.0
8. Cement and Cement Products	41	348	2.9	24.7	21.7	36.7	-4.4	13.9	43.4	38.3	27.4	42.6
9. Iron and Steel	112	902	7.6	21.8	23.3	0.4	-23.4	19.3	-5.8	27.9	-4.9	-20.0
10. Fabricated Metal Products Except Machinery and Equipment	29	65	0.6	25.4	24.7	24.5	19.9	11.9	28.5	40.8	-6.8	-5.7
11. Machinery and Machine Tools	132	375	3.2	11.8	14.1	-2.2	6.4	12.6	-4.7	43.9	1.6	-20.4
12. Electrical Machinery and Apparatus	81	302	2.6	14.2	16.3	-9.5	-5.9	17.1	-14.5	49.1	-26.8	-33.6
13. Radio, Television and Communication Equipments	37	67	0.6	-0.7	-2.0	-2.4	-3.6	13.0	-7.8	104.7	-52.8	$
14. Medical Precision and Other Scientific Instruments	13	116	1.0	27.4	35.7	0.3	137.2	35.7	0.3	1.2	6.7	-0.4
15. Motor Vehicles and Other Transport Equipments	84	1,111	9.4	16.4	18.1	2.4	20.2	31.2	-2.1	2.1	-10.8	0.9
16. Jewellery and Related Articles	24	49	0.4	24.6	28.8	30.5	-67.7	4.3	11.7	20.4	87.1	-10.5
17. Real Estate	28	79	0.7	3.7	1.8	-10.1	18.3	13.3	-4.6	25.3	2.6	-26.7
18. Electricity Generation and Supply	14	196	1.7	31.6	31.6	31.5	58.7	6.7	42.3	24.8	69.8	31.0
19. Construction	81	683	5.8	12.1	12.2	9.2	19.8	20.8	8.5	36.1	-18.2	-16.1
20. Wholesale and Retail Trade	87	317	2.7	31.8	30.8	73.3	3.3	8.5	55.7	27.6	-16.8	257.7
21. Hotel and Restaurant	40	25	0.2	11.6	12.0	9.8	30.6	7.7	16.4	16.2	$	$
22. Transport, Storage and Communication	44	602	5.1	9.9	13.8	-2.5	19.6	11.5	-12.0	52.1	42.2	-72.3
23. Computer and Related Activities	166	766	6.5	20.7	23.6	12.1	168.4	16.0	26.8	68.5	63.2	19.6
24. Petroleum Refinery	13	1,914	16.2	36.3	39.1	5.4	51.8	-9.6	18.0	7.1	35.7	17.7
All Companies+	**2,207**	**11,810**	**100.0**	**20.9**	**23.0**	**5.3**	**30.5**	**9.6**	**7.1**	**35.0**	**11.8**	**-3.8**

$ Numerator or denominator or both negative. + All companies under study.

Statement 2: Industry-wise Profit Allocation, Interest-linked and Profitability Ratios: H1: 2011-12

(Per cent)

Industry/Industry group	Profit Allocation Ratios				Interest Linked Ratios				Profitability ratios			
	Tax provision to Profits before Tax		Interest to Gross Profits		Interest Coverage (Times)		Interest to Sales		Operating Profits to Sales		Profits After Tax to Sales	
	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12	H1: 10-11	H1: 11-12
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	9.4	8.2	9.5	12.6	10.5	7.9	2.0	2.0	19.8	16.8	16.4	16.9
2. Mining and quarrying	10.9	28.5	24.2	38.8	4.1	2.6	9.5	11.2	36.9	27.5	25.0	10.2
3. Food products and Beverages *Of which*	28.5	28.1	43.7	44.6	2.3	2.2	2.9	3.1	7.9	7.9	2.6	3.0
i. Sugar	25.2	12.2	$	148.7	$	0.7	4.8	6.3	0.5	6.9	$	$
ii. Edible oils	22.5	24.2	20.9	31.0	4.8	3.2	0.9	0.7	5.2	3.0	2.8	1.1
iii. Other Food Products & Beverages	30.1	29.5	27.5	32.1	3.6	3.1	3.5	3.9	13.6	12.9	6.5	6.8
4. Textiles	23.4	23.2	46.9	87.4	2.1	1.1	5.0	5.8	14.6	9.9	4.4	0.1
5. Paper and Paper Products	23.4	26.3	28.8	48.4	3.5	2.1	3.8	4.8	18.8	16.0	7.2	2.3
6. Chemicals and chemical products *Of which*	21.4	22.8	14.2	18.6	7.0	5.4	2.1	2.5	16.2	14.8	9.9	9.3
i. Basic industrial Chemicals	15.6	24.8	33.6	28.9	3.0	3.5	4.3	4.2	16.0	17.3	6.8	9.7
ii. Chemical Fertilizers and Pesticides	29.6	28.4	17.4	18.6	5.7	5.4	2.2	2.1	13.5	11.9	7.4	6.4
iii. Paints and Varnishes	28.5	27.6	1.5	1.8	65.1	54.7	0.2	0.3	16.1	13.9	11.5	10.2
iv. Pharmaceuticals and Medicines	16.7	17.9	10.1	18.5	9.9	5.4	2.0	3.2	20.1	18.5	13.7	12.7
v. Other Chemical & Chemical Products	23.8	24.7	13.2	16.7	7.6	6.0	1.7	1.8	14.0	11.7	8.7	7.3
7. Rubber and Plastic Products	28.2	36.4	23.6	41.7	4.2	2.4	2.5	2.9	12.4	8.7	5.5	4.1
8. Cement and Cement Products	30.1	27.7	21.2	20.4	4.7	4.9	2.7	3.0	17.9	19.6	7.3	8.3
9. Iron and Steel	27.3	29.3	21.1	28.6	4.7	3.5	3.9	4.1	20.8	17.2	10.5	6.9
10. Fabricated Metal Products except Machinery and Equipment	30.6	23.4	28.6	31.3	3.5	3.2	4.4	5.0	18.8	18.6	7.5	5.6
11. Machinery and Machine Tools	29.2	31.2	20.8	31.3	4.8	3.2	2.4	3.1	13.0	11.3	6.5	4.6
12. Electrical Machinery and Apparatus	30.0	28.2	13.4	23.4	7.4	4.3	1.4	1.8	11.2	8.9	7.4	4.3
13. Radio, Television and Communication Equipments	17.4	15.9	46.5	103.2	2.2	1.0	3.4	6.9	9.5	9.3	4.4	$
14. Medical Precision and Other Scientific Instruments	31.8	33.9	$	$	$	$	$	$	11.3	8.9	7.5	5.9
15. Motor Vehicles and Other Transport Equipments	24.9	22.7	10.1	10.6	9.9	9.5	1.1	1.0	12.3	10.8	7.4	6.4
16. Jewellery and Related Articles	14.0	23.1	33.2	35.8	3.0	2.8	1.8	1.7	4.6	4.9	3.4	2.4
17. Real Estate	21.9	26.5	33.2	43.6	3.0	2.3	14.3	17.3	35.1	30.4	22.5	15.9
18. Electricity Generation and Supply	20.1	22.7	25.7	22.5	3.9	4.4	6.0	5.7	24.7	24.7	13.1	13.0
19. Construction	33.3	29.2	36.3	45.5	2.8	2.2	4.5	5.4	12.9	12.6	5.9	4.4
20. Wholesale and Retail Trade	16.8	16.0	59.5	48.8	1.7	2.0	3.2	3.1	4.1	5.3	1.0	2.7
21. Hotel and Restaurant	29.4	29.8	101.7	101.5	1.0	1.0	10.9	11.4	17.9	17.6	0.6	$
22. Transport, Storage and Communication	11.5	20.5	40.8	70.5	2.5	1.4	5.1	7.1	21.9	19.4	8.5	2.1
23. Computer and Related Activities	17.7	22.3	4.7	6.3	21.2	16.0	1.1	1.5	24.2	22.5	18.2	18.1
24. Petroleum Refinery	17.2	19.5	11.7	10.6	8.5	9.4	1.2	1.0	14.4	11.1	7.3	6.3
All Companies+	**22.5**	**24.2**	**19.7**	**24.8**	**5.1**	**4.0**	**2.7**	**3.1**	**16.1**	**14.0**	**8.8**	**7.0**

$ Numerator or denominator or both negative. + All companies under study.

Statement 3: Industry-wise Growth Rates of Select Performance Indicators in the First Two Quarters of 2011-12

(Per cent change (Y-o-Y))

Industry/Industry Group	Number of Companies	Sales		Expenditure		Operating Profits		Profits After Tax	
		Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1	2	3	4	5	6	7	8	9	10
1. Tea plantation	20	19.5	18.5	21.5	30.1	25.7	-14.8	147.8	-21.0
2. Mining and Quarrying	34	-4.3	-1.5	2.4	12.9	-14.5	-55.9	-67.8	$
3. Food products and beverages *Of which*	136	25.7	20.9	23.8	22.1	29.6	16.8	24.2	75.2
i. Sugar	29	1.3	-4.1	-26.3	-13.7	256.3	$	$	$
ii. Edible Oils	36	57.2	41.6	59.9	40.0	15.0	-48.9	-17.7	-66.3
Iii. Other Food Products & Beverages	71	16.3	18.9	19.8	20.0	12.7	11.9	3.8	39.2
4. Textiles	241	20.5	18.2	26.8	21.3	-10.9	-23.4	-93.1	-83.6
5. Paper and Paper Products	36	16.6	11.3	24.0	23.6	6.1	-18.4	-22.1	$
6. Chemicals and Chemical Products *Of Which*	320	19.4	17.2	16.9	23.6	18.6	-1.9	26.5	-2.5
I. Basic Industrial Chemicals	82	29.3	34.1	23.0	34.0	47.9	34.1	133.9	37.0
Ii. Chemical Fertilizers and Pesticides	34	24.0	14.0	12.5	29.0	12.5	-3.0	11.1	-5.9
Iii. Paints and Varnishes	12	26.7	22.4	26.6	21.2	15.1	0.2	16.7	3.1
Iv. Pharmaceuticals and Medicines	110	15.0	12.2	14.4	19.2	21.6	-12.8	19.3	-11.6
V. Other Chemical & Chemical Products	82	15.4	18.3	18.3	20.3	3.1	1.7	12.8	3.6
7. Rubber and Plastic Products	93	30.8	19.5	30.9	24.0	8.2	-26.5	-15.1	-10.6
8. Cement and Cement Products	41	25.9	23.5	25.7	18.0	28.1	53.8	27.0	102.7
9. Iron and Steel	112	25.7	17.1	23.0	22.4	8.1	-8.1	13.2	-49.6
10. Fabricated Metal Products Except Machinery and Equipment	29	29.0	20.0	27.6	20.0	28.5	19.2	-31.7	17.7
11. Machinery and Machine Tools	132	15.3	10.0	16.4	13.6	2.3	-7.0	-9.1	-29.3
12. Electrical Machinery and Apparatus	81	13.0	15.3	14.9	17.6	-7.2	-11.4	-7.9	-50.3
13. Radio, Television and Communication Equipments	37	7.2	-8.0	4.7	-8.3	12.7	-15.3	-78.7	$
14. Medical Precision and Other Scientific Instruments	13	32.8	17.4	41.7	20.1	23.4	-25.6	24.2	-30.4
15. Motor Vehicles and Other Transport Equipments	84	18.3	14.9	20.7	15.9	12.1	-5.8	15.8	-11.3
16. Jewellery and Related Articles	24	25.6	20.6	23.2	23.3	18.0	27.3	0.5	13.9
17. Real Estate	28	-1.4	3.6	-13.8	23.5	-16.0	-6.5	-29.5	-27.5
18. Electricity Generation and Supply	14	26.9	36.9	26.3	36.2	29.0	38.9	16.2	66.9
19. Construction	81	12.6	11.2	12.6	11.9	12.6	2.4	-18.6	-23.1
20. Wholesale and Retail Trade	87	28.6	58.1	21.8	62.6	149.7	26.7	$	-40.4
21. Hotel and Restaurant	40	13.3	9.8	12.8	11.2	15.6	2.1	70.1	$
22. Transport, Storage and Communication	44	10.6	9.4	13.8	14.0	2.9	-6.9	-54.7	-90.6
23. Computer and Related Activities	166	22.9	18.4	26.2	21.2	15.7	8.0	20.5	23.8
24. Petroleum Refinery	13	39.1	33.5	37.9	40.2	10.5	0.3	27.4	8.5
All Companies+	**2207**	**22.7**	**19.3**	**23.1**	**22.9**	**11.9**	**-1.3**	**8.1**	**-14.9**

$ Numerator or denominator or both negative; + All companies under study.

Statement 4A: Industry-wise Interest-Linked Ratios in the First Two Quarters of 2011-12

(Per cent)

Industry/Industry Group	Interest to Gross Profits				Interest to Sales			
	Q1		Q2		Q1		Q2	
	10-11	11-12	10-11	11-12	10-11	11-12	10-11	11-12
1	2	3	4	5	6	7	8	9
1. Tea Plantation	17.7	17.9	5.9	12.4	2.2	1.8	1.9	2.6
2. Mining and Quarrying	16.4	23.2	39.3	106.8	7.2	9.2	12.9	14.0
3. Food Products and Beverages *Of Which*	40.6	40.6	49.2	50.4	3.0	3.1	3.0	3.0
I. Sugar	$	107.0	$	372.2	4.7	6.2	5.2	6.6
Ii. Edible Oils	17.2	30.7	24.0	35.0	0.7	1.0	1.0	0.4
Iii. Other Food Products & Beverages	27.5	29.7	25.8	32.2	3.6	3.8	3.2	3.8
4. Textiles	54.1	84.0	37.5	75.5	5.3	5.8	4.6	5.5
5. Paper and Paper Products	28.5	41.5	35.7	88.4	3.6	4.6	4.1	5.3
6. Chemicals and Chemical Products *Of Which*	17.5	14.0	10.5	22.1	2.5	2.1	1.6	2.8
I. Basic Industrial Chemicals	33.3	26.9	30.7	29.3	4.3	4.2	4.2	4.1
Ii. Chemical Fertilizers and Pesticides	23.0	15.7	13.4	21.4	2.9	1.8	1.6	2.2
Iii. Paints and Varnishes	1.3	0.5	1.8	3.4	0.2	0.1	0.3	0.5
Iv. Pharmaceuticals and Medicines	15.9	10.2	6.6	29.5	2.9	2.0	1.4	4.5
V. Other Chemical & Chemical Products	13.3	15.5	8.8	10.1	1.6	1.7	1.1	1.1
7. Rubber and Plastic Products	26.2	38.7	20.2	42.1	2.4	2.8	2.5	3.0
8. Cement and Cement Products	14.8	14.6	37.4	31.5	2.7	2.8	2.7	3.2
9. Iron and Steel	21.4	22.6	20.8	37.4	4.1	3.9	3.8	4.3
10. Fabricated Metal Products Except Machinery and Equipment	30.5	28.0	16.8	22.5	4.7	4.5	2.2	3.1
11. Machinery and Machine Tools	21.4	28.2	19.2	33.4	2.4	2.8	2.3	3.2
12. Electrical Machinery and Apparatus	13.3	21.2	13.7	26.0	1.3	1.8	1.4	1.8
13. Radio, Television and Communication Equipments	52.2	77.2	41.2	137.8	3.8	5.9	3.0	8.0
14. Medical Precision and Other Scientific Instruments	$	$	$	$	$	$	$	$
15. Motor Vehicles and Other Transport Equipments	10.8	9.7	10.0	12.2	1.1	1.0	1.1	1.1
16. Jewellery and Related Articles	39.9	36.4	19.5	19.3	1.9	1.6	0.9	0.9
17. Real Estate	32.1	44.0	30.0	40.1	13.6	17.2	12.7	16.0
18. Electricity Generation and Supply	23.6	21.1	28.5	22.8	5.6	5.2	6.3	6.1
19. Construction	35.8	43.4	36.0	49.1	4.4	5.3	4.7	5.7
20. Wholesale and Retail Trade	92.4	43.7	44.5	70.4	3.5	3.1	3.4	3.3
21. Hotel and Restaurant	81.4	71.7	131.9	159.9	10.3	10.4	11.6	12.5
22. Transport, Storage and Communication	45.1	56.4	35.6	83.3	5.8	6.1	4.5	8.0
23. Computer and Related Activities	5.3	5.4	3.9	6.6	1.2	1.2	0.9	1.7
24. Petroleum Refinery	11.9	9.4	11.5	11.9	1.2	0.9	1.2	1.1
All Companies+	**20.5**	**21.6**	**18.9**	**28.3**	**2.9**	**2.8**	**2.6**	**3.3**

$ Numerator or denominator or both negative. + All companies under study.

Statement 4B: Industry-wise Profitability Ratios in the First Two Quarters of 2011-12

(Per cent)

Industry/Industry Group	Operating Profits to Sales				Profits After Tax to Sales			
	Q1		Q2		Q1		Q2	
	10-11	11-12	10-11	11-12	10-11	11-12	10-11	11-12
1	2	3	4	5	6	7	8	9
1. Tea Plantation	12.8	13.5	30.6	22.0	8.4	17.5	27.5	18.3
2. Mining and Quarrying	41.8	37.4	29.6	13.3	30.4	10.2	16.9	$
3. Food Products and Beverages *Of which*	8.7	9.0	7.1	6.9	3.1	3.1	1.9	2.8
I. Sugar	2.6	9.0	$	4.0	$	$	$	$
Ii. Edible Oils	5.2	3.8	5.0	1.8	2.8	1.5	2.5	0.6
Iii. Other Food Products & Beverages	14.2	13.7	13.1	12.3	7.0	6.3	6.4	7.5
4. Textiles	14.0	10.3	15.5	10.0	3.0	0.2	6.2	0.9
5. Paper and Paper Products	18.5	16.8	17.7	13.0	6.7	4.5	6.4	$
6. Chemicals and Chemical Products *Of which*	16.1	16.0	16.5	13.8	9.6	10.2	10.6	8.8
I. Basic Industrial Chemicals	16.2	18.5	16.6	16.6	6.5	11.8	7.9	8.1
Ii. Chemical Fertilizers and Pesticides	14.0	12.7	13.1	11.1	7.9	7.0	7.1	5.8
Iii. Paints and Varnishes	16.4	14.9	15.8	12.9	12.0	11.1	11.0	9.3
Iv. Pharmaceuticals and Medicines	19.4	20.5	21.0	16.3	12.5	12.9	14.9	11.7
V. Other Chemical & Chemical Products	13.8	12.3	13.7	11.8	8.5	8.3	9.1	8.0
7. Rubber and Plastic Products	11.4	9.4	14.0	8.6	4.9	3.2	6.8	5.1
8. Cement and Cement Products	23.3	23.7	12.3	15.3	11.4	11.5	3.0	5.0
9. Iron and Steel	22.7	19.5	19.0	14.9	10.4	9.4	10.6	4.6
10. Fabricated Metal Products Except Machinery and Equipment	18.8	18.7	15.5	15.4	7.1	3.8	7.6	7.4
11. Machinery and Machine Tools	13.2	11.7	13.2	11.2	6.5	5.2	6.6	4.2
12. Electrical Machinery and Apparatus	11.5	9.5	10.8	8.3	6.0	4.9	8.6	3.7
13. Radio, Television and Communication Equipments	9.3	9.8	9.6	8.9	5.4	1.1	3.5	$
14. Medical Precision and Other Scientific Instruments	10.0	9.3	12.8	8.1	6.7	6.3	8.1	4.8
15. Motor Vehicles and Other Transport Equipments	12.2	11.6	12.5	10.2	7.1	6.9	7.8	6.0
16. Jewellery and Related Articles	4.8	4.6	4.4	4.7	2.9	2.3	3.3	3.1
17. Real Estate	35.8	30.5	35.7	32.2	22.7	16.2	22.9	16.0
18. Electricity Generation and Supply	24.3	24.7	25.2	25.6	13.5	12.4	12.0	14.6
19. Construction	13.2	13.2	12.9	11.9	6.6	4.8	5.6	3.9
20. Wholesale and Retail Trade	3.1	6.1	4.9	3.9	$	3.4	2.8	1.1
21. Hotel and Restaurant	20.4	20.8	15.3	14.2	2.1	3.2	$	$
22. Transport, Storage and Communication	22.1	20.5	21.8	18.5	9.7	4.0	7.4	0.6
23. Computer and Related Activities	24.1	22.7	24.3	22.1	18.1	17.7	18.4	19.3
24. Petroleum Refinery	14.2	11.3	14.5	10.9	7.1	6.5	7.5	6.1
All Companies+	**16.4**	**15.0**	**15.7**	**13.0**	**8.7**	**7.7**	**8.8**	**6.3**

$ Numerator or denominator or both negative. + All companies under study.

Statement 5: Performance of the Select Companies in the First Two Quarters of 2011-12

Indicator	2010-11		2011-12	
	Q1	Q2	Q1	Q2
No. of companies	2546	2586	2615	2627
Year-on-year Growth rate in per cent				
Sales	24.2	18.7	22.5	19.0
Expenditure	29.0	19.9	23.0	22.4
Operating Profits (PBDIT)	14.8	7.8	12.1	-1.0
Other Income	-21.2	58.5	39.4	25.8
Depreciation	19.9	16.8	9.5	9.7
Gross Profits (PBIT)	8.2	10.3	15.7	-0.3
Interest	26.9	5.9	21.6	47.1
Profits after tax (PAT)	2.4	10.8	5.7	-14.8
Ratios in Per cent#:				
Operating profits to Sales	16.4	15.5	14.8	12.8
Gross profits to Sales	13.9	13.6	13.0	11.4
Profits after tax to Sales	8.6	8.5	7.4	6.1
Interest to Sales	2.9	2.7	2.8	3.3
Interest to Gross profits	21.1	19.9	22.0	28.8
Interest Coverage (Times)	4.7	5.0	4.6	3.5

Based on results published during reporting quarter.

OTHER ITEMS

Press Releases

Regulatory and Other Measures

Foreign Exchange Developments

*Press Release**

December 2011

Reserve Bank Cancels the Licence of Bharat Urban Co-operative Bank Ltd., Solapur (Maharashtra)

December 1, 2011

In view of the fact that Bharat Urban Co-operative Bank Ltd., Solapur (Maharashtra), had ceased to be solvent, all efforts to revive it in close consultation with the Government of Maharashtra had failed and the depositors were being inconvenienced by continued uncertainty, the Reserve Bank of India (RBI) delivered the order cancelling its licence to the bank as on the close of business on November 25, 2011. The Registrar of Co-operative Societies, Maharashtra has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank. It may be highlighted that on liquidation, every depositor is entitled to repayment of his/her deposits up to a monetary ceiling of `0.1 million/- (Rupees 0.1 million only) from the Deposit Insurance and Credit Guarantee Corporation (DICGC) under usual terms and conditions.

The bank was granted a licence by RBI on February 5, 1998 to commence banking business. The statutory inspection of the bank under Section 35 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) (hereinafter referred to as the 'Act'), with reference to its financial position as on March 31, 2006 revealed deterioration in its financial indicators such as CRAR was at 7.5 per cent as against the regulatory requirement of 9.0 per cent and gross and net NPAs were assessed at 39.9 per cent and 34.3 per cent of the gross and net advances, respectively. The assessed net loss during 2005-06 was `2.18 million. The financial parameters of the bank continued to deteriorate further as revealed during subsequent inspections conducted with reference to its financial position as on March 31, 2007, March 31, 2008, March 31, 2009, March 2010 and a scrutiny based on the financial position as on September 30, 2010.

The bank was issued supervisory instructions vide RBI letter dated April 5, 2007, based on its financial position as on March 31, 2006. The supervisory instructions were amended on various dates. In view of deteriorating financial position of the bank, it was placed under all inclusive directions under Section 35 A of the Act from the close of business as on April 13, 2011 vide directive dated April 6, 2011, for a period of six months. The directions were further extended for period of six months vide order dated October 10, 2011.

The Board of directors of the bank was found to be ineffective and responsible for deterioration in the financial position of the bank & for conducting the affairs of the bank in a manner detrimental to the interest of the depositors. Accordingly, a requisition dated May 23, 2011 was made to Registrar of Co-operative Societies, Maharashtra [RCS] for supersession of the Board of Directors of the bank and RCS vide his order dated May 25, 2011 superseded the Board of the bank and appointed Board of Administrators. Based on the financial position of the bank as on March 31, 2010 and September 30, 2010 the bank was issued Show Cause Notice (SCN) for cancellation of licence vide RBI letter dated May 31, 2011. The reply submitted by the bank to the above SCN vide its letters dated June 28, 2011 and July 27, 2011 were examined and found not to be satisfactory.

The statutory inspection of the bank under Section 35 of the Act, with reference to the financial position of the bank as on March 31, 2011 revealed further deterioration in its financial position and other violations. Its net worth was assessed at (-) `8.33 million and CRAR was assessed at (-)76.5 per cent The erosion in deposits was to the extent of 38.4 per cent. The gross and net NPAs formed 73.5 per cent and 68.2 per cent of the gross and net advances respectively. The assessed net loss of the bank stood at `11.76 million for the year ended March 31, 2011 against the reported net loss of `2.40 million by the bank.

Serious deficiencies as mentioned above revealed that the affairs of the bank were being conducted in a

* Important Press Releases during December 2011.

manner detrimental to the interests of the depositors. The bank did not comply with the provisions of sections 11(1), 22(3)(a), 22(3)(b) and 24 of the Act. Pursuant to the aforesaid serious deficiencies/irregularities and the deteriorating financial position of the bank, it was issued a notice vide letter dated September 7, 2011 to show cause notice (SCN) as to why the licence granted to the bank on February 5, 1998 to conduct banking business should not be cancelled. The bank submitted its reply to the SCN vide its letter dated September 26, 2011. The reply to the SCN was considered and examined but not found satisfactory. Further, no concrete proposal was received from the bank for merger or any viable revival / restructuring plan.

Therefore, RBI took the extreme measure of cancelling licence of the bank in the interest of bank's depositors. With the cancellation of licence and commencement of liquidation proceedings, the process of paying the depositors of the Bharat Urban Co-operative Bank Ltd., Solapur (Maharashtra) the amount insured as per the DICGC Act, will be set in motion subject to the terms and conditions of the Deposit Insurance Scheme.

Consequent to the cancellation of its licence, Bharat Urban Co-operative Bank Ltd., Solapur (Maharashtra) is prohibited from carrying on 'banking business' as defined in Section 5(b) of the Act.

For any clarifications, depositors may approach Smt. K.S. Jyotsna, Deputy General Manager, Urban Banks Department, Mumbai Regional Office, Reserve Bank of India, Mumbai, whose contact details are as below:

Postal Address: Urban Banks Department, Mumbai Regional Office, Reserve Bank of India, 2nd Floor, Garment House, Dr. A.B. Road, Worli, Mumbai – 400 018 Telephone Number: (022) 24920225, Fax Number: (022) 24935495

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The Progressive Mercantile Co-operative Bank Ltd., Ahmedabad – Penalised

December 8, 2011

The Reserve Bank of India has imposed a monetary penalty of `0.1 million (Rupees 0.1 million only) on the The Progressive Mercantile Co-operative Bank Ltd., Ahmedabad, in exercise of powers vested in it under the provisions of Section 47(A)(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies), for violation of Reserve Bank of India's instructions on Know Your Customers (KYC) /Anti Money Laundering (AML) norms.

The Reserve Bank of India had issued a show cause notice to the bank, in response to which the bank submitted a written reply. After considering the facts of the case and the bank's reply in the matter, the Reserve Bank of India came to the conclusion that the violation was substantiated and warranted imposition of the penalty.

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RBI Board meets at Kolkata; State Govt., Banks and RBI to work together for meaningful Financial Inclusion

December 8, 2011

The Central Board of Directors of the Reserve Bank of India met today at Kolkata. Dr. D. Subbarao, Governor, Reserve Bank of India chaired the meeting. Directors Sarva Shri Dr. Anil Kakodkar, Kiran Karnik, M.V.Rajeev Gowda, Y.H.Malegam, Azim Premji, Dipankar Gupta, G. M. Rao, Ms. Ela Bhatt and Dr. Indira Rajaraman attended the meeting. The Government nominee, Shri R.Gopalan, Secretary, Department of Economic Affairs also attended the meeting. Deputy Governors Dr. K.C. Chakrabarty, Dr. Subir Gokarn, Shri Anand Sinha and Shri H.R. Khan were also present.

The Central Board meets at least once every quarter. Apart from holding meetings in Mumbai, Chennai, Kolkata and one in New Delhi after the Union Budget which is addressed by the Finance Minister, the rest of the meetings are held in other state capitals by rotation. The main function of the Central Board of Directors of the Reserve Bank is to provide overall direction to the Reserve Bank's affairs.

Earlier, the Governor met the Chief Minister Miss Mamata Banerjee and discussed issues of mutual interest. The Governor also met local bankers and State Government officials. At this meeting, the following decisions were taken:

- Banks will endeavour to achieve credit deposit (CD) ratio of 65 per cent by the end of March 2012. Current CD ratio in the State was 62 per cent which was significantly lower than the national average of 74 per cent. A higher target for CD ratio to be achieved during 2012-13 would be reviewed after that but would largely be subject to demand for large corporate credit.
- Banks will make efforts to cover at least one hundred thousand Self-Help Groups (SHGs) by March 2012. There are total 0.16 million SHGs to be credit linked in the State, out of which 29,622 SHGs have already been covered by banks.
- To get a clear picture of ground realities with regard to loans to be availed by General Credit Card holders, a team of officials of State government, banks and the Reserve Bank will conduct a survey in four districts of West Bengal – Murshidabad, Howrah, Malda and North 24-Parganas. The survey would be completed by end-December 2011. Based on the findings of the survey, the SLBC will decide on the way forward.
- All the 7,486 villages with population of more than 2,000, will be covered by banking facilities by March 2012 under the Financial Inclusion Plan. Banks had already covered 4348 villages by November 2011.
- State government will give all support to the Reserve Bank in extending electronic benefit transfer (EBT), to begin with, in four districts where pilot project had already been initiated. The objective, however, will be to extend EBT facility to all the districts in West Bengal covering all villages. Banks would need to work out modalities with the active support of State governments in this regard.
- In order to give boost to credit in the State and to ensure district level participation, the Chief Minister has agreed to attend one State Level Bankers' Committee (SLBC) meeting in the next three months.
- To encourage credit enhancement and financial inclusion at the district level, the District Magistrate, Regional Managers of banks and officials of the Reserve Bank will attend the District Consultative Committee meetings.
- The urgency of extending State contribution for recapitalisation of the three Regional Rural Banks (RRBs) in West Bengal necessary for their improved performance was reiterated.

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FSDC Sub Committee meets in Kolkata

December 8, 2011

A meeting of the Sub-Committee of the Financial Stability Development Council (FSDC) was held in Kolkata. Dr. D. Subbarao, Governor, Reserve Bank of India, chaired the meeting. The meeting was attended by Shri R. Gopalan, Secretary, Department of Economic Affairs; Dr. Kaushik Basu, Chief Economic Adviser, Ministry of Finance; Shri U. K. Sinha, Chairman, SEBI; Shri J. Hari Narayan, Chairman, IRDA; Shri Yogesh Agrawal, Chairman, PFRDA; Deputy Governors, RBI: Dr. K.C. Chakrabarty, Dr. Subir Gokarn, Shri Anand Sinha and Shri H.R. Khan; Executive Directors, RBI: Shri V.K. Sharma and Shri V. S. Das; and other officials.

The Sub-Committee reviewed the recent developments in the global macroeconomic and financial sector scenario, focusing on issues relating to potential systemic risks for India.

The Sub-Committee also discussed the stability issues emanating from the macroeconomic outlook, financial markets, financial institutions and financial market infrastructure. It deliberated on the draft Financial Stability Report (FSR) for December 2011, which is scheduled for release later this month.

The functioning of the Technical Group for Financial Inclusion and Literacy and the Inter Regulatory Technical Group was also reviewed by the Sub-Committee.

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RBI delegates Compounding Powers under FEMA to its Regional Offices

December 13, 2011

As a customer service measure and for operational convenience, it has been decided to delegate powers to the Regional Offices of the Reserve Bank of India to compound certain contraventions of FEMA 1999. The contraventions include: (i) delay in reporting of inward remittance, (ii) delay in filing of form FC-GPR after allotment of shares and (iii) delay in issue of shares beyond 180 days. (i.e. paragraphs 9(1)(A), 9(1)(B) and 8, respectively, of Schedule I to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified vide Notification No. FEMA 20/2000-RB dated May 3, 2000 and as amended from time to time).

The powers delegated are:

	Contraventions	Regional Offices	Amount of Contravention
a)	Delay in reporting of inward remittance and delay in filing of form FC-GPR after allotment of shares	Bhopal, Bhubaneshwar, Chandigarh, Guwahati, Jaipur, Jammu, Kanpur, Kochi, Patna and Panaji	Below Rupees Ten million only
b)	Delay in reporting of inward remittance, delay in filing of form FC-GPR after allotment of shares and delay in issue of shares beyond 180 days	Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi	Without any limit

Detailed instructions in this regard are given in A.P. (DIR Series) Circular No. 57 dated December 13, 2011.

Risk Management and Inter-Bank Dealings

December 13, 2015

Keeping in view the developments in the foreign exchange market, it has been decided to implement the following measures with immediate effect until further review.

i. Under contracted exposures, forward contracts, involving the Rupee as one of the currencies, booked by residents to hedge current account transactions, regardless of the tenor, and to hedge capital account transactions, falling due within one year, were allowed to be cancelled and rebooked.

   It has now been decided to withdraw the above facility. Forward contracts booked by residents irrespective of the type and tenor of the underlying exposure, once cancelled, cannot be rebooked.

ii. Under probable exposures based on past performance residents were allowed to hedge currency risk on the basis of a declaration of an exposure and based on past performance up to the average of the previous three financial years' (April to March) actual import/export turnover or the previous year's actual import/export turnover, whichever is higher. Further, contracts booked in excess of 75 per cent of the eligible limit were to be on deliverable basis and could not be cancelled.

   It has now been decided that

   a. For importers availing of the above past performance facility, the facility stands reduced to 25 per cent of the limit as computed above, *i.e.*, 25 per cent of the average of the previous three financial years' (April to March) actual import/export turnover or the previous year's actual import/export turnover, whichever is higher. In case of importers who have already utilised in excess of the revised /reduced limit, no further bookings may be allowed under this facility.

   b. All forward contracts booked under this facility by both exporters and importers hence forth will be on fully deliverable basis. In case of cancellations, exchange gain, if any, should not be passed on to the customer.

iii. All cash/tom/spot transactions by the Authorised Dealers on behalf of clients will be undertaken for actual remittances/delivery only and cannot be cancelled/cash settled.

iv. Foreign Institutional Investors (FIIs) are currently allowed to hedge currency risk on the market value of entire investment in equity and/or debt in India as on a particular date. The contracts once cancelled cannot be rebooked except to the extent of 10 per cent of the market value of the portfolio as at the beginning of the financial year. The forward contracts may, however, be rolled over on or before maturity.

    It has now been decided that henceforth forward contracts booked by the FIIs, once cancelled, cannot be rebooked. The forward contracts may, however, be rolled over on or before maturity.

v. The Board of Directors of Authorised Dealers were allowed to fix suitable limits for various Treasury functions with net overnight open exchange position and aggregate gap limits required to be approved by the Reserve Bank.

    It has now been decided that

    a. Net Overnight Open Position Limit (NOOPL) of Authorised Dealers would be reduced across the board. Revised limits in respect of individual banks are being advised to the Authorised Dealers separately.

    b. Intra-day open position/daylight limit of Authorised Dealers should not exceed the existing NOOPL approved by the Reserve Bank.

    c. The above arrangement would be reviewed on an ongoing basis keeping in view the evolving market conditions.

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Working Group to Enhance Secondary Market Liquidity in G-Sec and Interest Rate Derivatives Markets

December 16, 2011

The Reserve Bank has set up a Working Group (Chairman: Shri R. Gandhi) comprising representatives from market and RBI officials to examine and suggest ways for enhancing secondary market liquidity in G-Sec and Interest Rate Derivatives markets. The Terms of Reference of the Group are:

a. To analyse the evolution of the markets for G-Sec and Interest Rate Derivatives in relation to their depth and breadth;

b. To study the determining and influencing factors on liquidity of G-Sec and Interest Rate Derivatives from the perspective of primary market, secondary market and Interest Rate Derivatives Market;

c. To examine the factors enabling and inhibiting the secondary market liquidity in the G-Sec market, especially across the sovereign yield curve, and suggest ways to strengthen/address them;

d. To examine the factors enabling and inhibiting the growth of the Interest Rate Derivatives market and suggest ways to strengthen/address them;

e. To suggest measures for promoting retail participation in G-Sec market; and

f. To examine all other related issues.

Suggestions/comments in this regard may be mailed by January 17, 2012.

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Janatha Seva Co-operative Bank Ltd., Bangalore – Penalised

December 16, 2011

The Reserve Bank of India has imposed a monetary penalty of `0.5 million (Rupees 0.5 million only) on Janatha Seva Co-operative Bank Ltd., Bangalore, in exercise of powers vested in it under the provisions of Section 47(A)(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies), for violation of Reserve Bank of India's instructions on Know Your Customers (KYC) norms and Anti Money Laundering (AML) guidelines.

The Reserve Bank of India had issued a show cause notice to the bank, in response to which the bank submitted a written reply. After considering the bank's reply in the matter and submission made during the personal hearing, the Reserve Bank of India came to the conclusion that the violation was substantiated and warranted imposition of the penalty.

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RBI Book titled *Regional Economy of India: Growth and Finance* released

December 20, 2011

Dr. Subir Gokarn, Deputy Governor, Reserve Bank of India released a book on *Regional Economy of India: Growth and Finance* last Friday at the Annual Conference of the economists of the Reserve Bank of India. Edited by Shri Deepak Mohanty, Executive Director, Reserve Bank of India, the book is jointly published by the Reserve Bank of India and the Academic Foundation.

The book covers important research findings of economists working in regional offices of the Reserve Bank of India. Given the divergence in growth potential, financial development and inflation across regions in India, studies on regional economies become particularly relevant. The analysis in the book reveals that -

- The share of agriculture has shrunk across the states
- the share of services has risen sharply
- However, industrial growth remains uneven.
- Urban-rural inequality has worsened.
- There is, therefore, a need for concerted action on agricultural growth and infrastructure development besides increasing the penetration of formal financial sector to alleviate the constraints on growth and to control inflation.
- There is also a need to prioritise expenditure towards social sector to develop the quality of the labour force and promote well-being.

The book is available from Academic Foundation, 4772-73/23, Bharat Ram Road (23, Ansari Road), Darya Ganj, New Delhi-110002, India.

Third Quarter Review of Monetary Policy 2011-12 on January 24, 2012

December 22, 2011

Dr. D. Subbarao, Governor, Reserve Bank of India will announce the Third Quarter Review of Monetary Policy 2011-12 in a meeting with the chief executives of major scheduled commercial banks at 11.00 a.m. on Tuesday, January 24, 2012 at the Central Office, Reserve Bank of India, Mumbai.

The Gondal Nagrik Sahakari Bank Ltd., Gondal – Penalised

December 22, 2011

The Reserve Bank of India has imposed a monetary penalty of `0.5 million (Rupees 0.5 million only) on The Gondal Nagrik Sahakari Bank Ltd., Gondal, in exercise of powers vested in it under the provisions of Section 47(A)(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (AACS) for granting loan to Directors, not correctly reporting loans to directors to Reserve Bank of India in the statutory returns on advances to directors and not submitting Cash Transaction Reports (CTRs) to Financial Intelligence Unit-India (FIU-IND), New Delhi.

The Reserve Bank of India had issued a show cause notice to the bank in response to which the bank submitted a written reply. After considering the facts of the case and the bank's reply as also personal submissions in the matter, the Reserve Bank of India came to the conclusion that the violation was substantiated and warranted imposition of the penalty.

Money Masters Leasing & Finance Limited (MMLFL) Prohibited from Accepting Deposits

December 26, 2011

The Reserve Bank of India in exercise of powers vested in it under Section 45MB (1) and 45 MB (2) of the Reserve Bank of India Act, 1934, has prohibited with immediate effect Money Masters Leasing & Finance Limited, having its registered office at 1/18, Rizvi Park, S.V.Road, Santacruz (W), Mumbai–400054 from accepting public deposits from any person in any form whether by way of fresh deposits or renewal of the deposits or otherwise as well as from selling, transferring, creating charge or mortgage or deal in any manner with its property and assets without prior permission of the Bank for a period of six months from the date of this order.

It was observed during inspection of the books of account of Money Masters Leasing & Finance Limited with reference to its financial position as on March 31, 2010, that the company has violated extant Directions on the deposit acceptance. (Notification No. DFC.118/ DG (SPT)-98 dated January 31, 1998 amended vide Master Circular DNBS (PD) CC No.176/03.02.001/2010-11 dated July 1, 2010).

In view of the above, on being satisfied that to protect the interests of depositors and in public interest, it is necessary and expedient so to do, in exercise of the powers vested in RBI under Sections 45 MB(1) 45 MB (2) of RBI Act, 1934, RBI hereby passes the following order:

(i) Money Masters Leasing & Finance Limited is hereby prohibited with immediate effect from accepting any deposit in whatsoever manner either from its existing depositors or new depositors whether by way of renewal or otherwise.

(ii) MMLFL shall repay the deposits as and when they mature.

(iii) MMFL is prohibited from selling, transferring, creating charge or mortgage or deal in any manner with its property and assets without prior written permission of the Bank for a period of 180 days from the date of the order.

(iv) MMLFL subject to (i), (ii), and (iii) above, shall strictly comply with the requirements of all the applicable provisions of the RBI Act, the Directions, guidelines, instructions and circulars issued by RBI there-under from time to time until such time as all the deposits are repaid with interest in full.

(v) MMLFL shall forthwith notify all its agents and employees that it has been prohibited from accepting deposits and shall paste a copy of the operative portion of this Order in a conspicuous place at each of its branches and offices.

(vi) MMLFL shall, without prejudice to the above, be entitled to carry on its other business activities in accordance with law.

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RBI Releases Draft Guidelines on Basel III Capital Regulations

December 30, 2011

The Reserve Bank today released on its website, draft guidelines outlining proposed implementation of Basel III capital regulation in India. These guidelines are in response to the comprehensive reform package entitled 'Basel III: A global regulatory framework for more resilient banks and banking systems' of the Basel Committee on Banking Supervision (BCBS) issued in December 2010.

The major highlights of the draft guidelines are:

Minimum Capital Requirements

- Common Equity Tier 1 (CET1) capital must be at least 5.5 per cent of risk-weighted assets (RWAs);
- Tier 1 capital must be at least 7 per cent of RWAs; and
- Total capital must be at least 9 per cent of RWAs.

Capital Conservation Buffer

- The capital conservation buffer in the form of Common Equity of 2.5% of RWAs.

Transitional Arrangements

- It is proposed that the implementation period of minimum capital requirements and deductions from Common Equity will begin from January 1, 2013 and be fully implemented as on March 31, 2017.
- Capital conservation buffer requirement is proposed to be implemented between March 31, 2014 and March 31, 2017.
- The implementation schedule indicated above will be finalized taking into account the feedback received on these guidelines.
- Instruments which no longer qualify as regulatory capital instruments will be phased-out during the period beginning from January 1, 2013 to March 31, 2022.

Enhancing Risk Coverage

- For OTC derivatives, in addition to the capital charge for counterparty default risk under Current Exposure Method, banks will be required to compute an additional credit value adjustments (CVA) risk capital charge.

Leverage Ratio

- The parallel run for the leverage ratio will be from January 1, 2013 to January 1, 2017, during which banks would be expected to strive to operate at a minimum Tier 1 leverage ratio of 5 per cent. The leverage ratio requirement will be finalised taking into account the final proposal of the Basel Committee.

Comments/Feedback

Comments/feedback on the draft guidelines, including implementation schedule may be sent on or before February 15, 2012 to the Chief General Manager-in-Charge, Department of Banking Operations and Development, Reserve Bank of India, Central Office Building, 12th Floor, S.B. Singh Marg, Mumbai – 400001, through e-mail . The guidelines will be finalised taking into account the suggestions and comments.

Regulatory and Other Measures

December 2011

RBI/2011-12/290DNBS.CC.PD.No.250/03.10.01/2011-12
December 2, 2011

Introduction of New Category of NBFCs - 'Non Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) - Directions

As indicated in the Second Quarter Review of Monetary Policy in November 2010, a Sub-Committee of the Central Board of the Reserve Bank (Chairman: Shri Y. H. Malegam) was constituted to study issues and concerns in the MFI sector. The Committee submitted its report in January 2011. In the Monetary Policy Statement 2011-12, it was announced that the broad framework of regulations recommended by the Committee has been accepted by the Bank.

2. Creation of a Separate Category of NBFC-MFI

It has been decided to create a separate category of NBFCs viz; Non Banking Financial Company-Micro Finance Institution (NBFC-MFI). Consequently there would be following categories of NBFCs:

i. Asset Finance Company (AFC)

ii. Investment Company (IC)

iii. Loan Company (LC)

iv. Infrastructure Finance Company (IFC)

v. Core Investment Company (CIC)

vi. Infrastructure Debt Fund- Non- Banking Financial Company (IDF-NBFC)

vii. Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI).

3. The Sub-Committee had recommended a role for industry associations in monitoring of compliance by NBFC-MFIs with the regulations. Separate guidelines in this regard will follow.

4. The Notification DNBS.PD.No.234 CGM(US)2011 dated December 2, 2011 containing the regulatory framework for NBFC-MFIs, the amending notifications DNBS.PD.No.235/CGM(US) 2011 dated December 02, 2011 amending the Non-Banking Financial (Non-Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) directions, 2007 and DNBS. PD.No.236/CGM(US)2011 dated December 02, 2011 amending the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 are enclosed for meticulous compliance.

DNBS. PD.No.234 / CGM(US)-2011 dated December 2, 2011

The Reserve Bank of India having considered it necessary in the public interest and being satisfied that for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to give the directions set out below, hereby, in exercise of the powers conferred by sections 45JA, 45K, 45L and 45M of the Reserve Bank of India Act, 1934 (2 of 1934), and of all the powers enabling it in this behalf, hereby gives the Directions hereinafter specified.

PART I
PRELIMINARY

1. Short title and commencement of the Directions

i. These Directions shall be known as the Non-Banking Financial Company -Micro Finance Institutions (Reserve Bank) Directions, 2011.

ii. These Directions shall come into force with immediate effect.

2. *Extent of the Directions*

These Directions shall apply to every Non Banking Financial Company-Micro Finance Institution (NBFC-MFI) as defined in these Directions.

3. Definition of NBFC-MFI

An NBFC-MFI is defined as a non-deposit taking NBFC(other than a company licensed under Section 25 of the Indian Companies Act, 1956) that fulfils the following conditions:

i. Minimum Net Owned Funds of `50 million. (For NBFC-MFIs registered in the North Eastern Region of the country, the minimum NOF requirement shall stand at ` 20 million).

ii. Not less than 85 per cent of its net assets are in the nature of "qualifying assets."

For the purpose of ii. above,

"Net assets" are defined as total assets other than cash and bank balances and money market instruments.

"Qualifying asset" shall mean a loan which satisfies the following criteria:-

a. *loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding `60,000 or urban and semi-urban household income not exceeding `1,20,000;*

b. *loan amount does not exceed `35,000 in the first cycle and `50,000 in subsequent cycles;*

c. *total indebtedness of the borrower does not exceed `50,000;*

d. *tenure of the loan not to be less than 24 months for loan amount in excess of `15,000 with prepayment without penalty;*

e. *loan to be extended without collateral;*

f. *aggregate amount of loans, given for income generation, is not less than 75 per cent of the total loans given by the MFIs;*

g. *loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower*

iii. Further the income an NBFC-MFI derives from the remaining 15 percent of assets shall be in accordance with the regulations specified in that behalf.

iv. An NBFC which does not qualify as an NBFC-MFI shall not extend loans to micro finance sector, which in aggregate exceed 10 per cent of its total assets.

4. Regulatory Framework for NBFC-MFIs

A. Entry Point Norm

As stated above, all new NBFC-MFIs except those in the North Eastern Region of the country should have a minimum Net Owned Funds(NoF) of `50 million; those located in the North eastern region should have a minimum NoF of `20 million for purposes of registration. The existing NBFCs to be classified as NBFC-MFIs will be required to comply with this norm w.e.f April 1, 2012.

B. Prudential Norms

a. Capital Requirement

All new NBFC-MFIs shall maintain a capital adequacy ratio consisting of Tier I and Tier II Capital which shall not be less than 15 per cent of its aggregate risk weighted assets. The total of Tier II Capital at any point of time, shall not exceed 100 per cent of Tier I Capital. The risk weights for on-balance sheet assets and the credit conversion factor for off-balance sheet items will be as provided in para 16 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve bank) Directions 2007.

Note:

i. *Among the existing NBFCs to be classified as NBFC-MFIs, those with asset size less than `1billion will be required to comply with this norm w.e.f April 1, 2012. Those with asset size of `1billion and above are already required to maintain minimum CRAR of 15 per cent.*

ii. *The CRAR for NBFC-MFIs which have more than 25 per cent loan portfolio in the state of Andhra Pradesh will be at 12 per cent for the year 2011-2012 only. Thereafter they have to maintain CRAR at 15 per cent.*

b. Asset Classification and Provisioning Norms:

With effect from April 1, 2012 all NBFC-MFIs shall adopt the following norms(till then they shall follow the asset classification and provisioning norms as given in the Non-Banking Financial (Non-Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007).

Asset Classification Norms:

i. Standard asset means the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business;

ii. Nonperforming asset means an asset for which, interest/principal payment has remained overdue for a period of 90 days or more.

Provisioning Norms:

The aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of a) 1per cent of the outstanding loan portfolio or b) 50 per cent of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100 per cent of the aggregate loan instalments which are overdue for 180 days or more.

c. All other provisions of the Non-Banking Financial (Non-Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 will be applicable to NBFC-MFIs except as indicated therein.

C. Other Regulations

a. Pricing of Credit

i. All NBFC-MFIs shall maintain an aggregate margin cap of not more than 12 per cent. The interest cost will be calculated on average fortnightly balances of outstanding borrowings and interest income is to be calculated on average fortnightly balances of outstanding loan portfolio of qualifying assets.

ii. Interest on individual loans will not exceed 26 per cent per annum and calculated on a reducing balance basis.

iii. Processing charges shall not be more than 1 per cent of gross loan amount. Processing charges need not be included in the margin cap or the interest cap.

iv. NBFC-MFIs shall recover only the actual cost of insurance for group, or livestock, life, health for borrower and spouse. Administrative charges where recovered, shall be as per IRDA guidelines.

b. Fair Practices in Lending

I. Transparency in Interest Rates

a. There shall be only three components in the pricing of the loan viz., the interest charge, the processing charge and the insurance premium (which includes the administrative charges in respect there of).

b. There will be no penalty charged on delayed payment.

c. NBFC-MFIs shall not collect any Security Deposit/ Margin from the borrower.

d. There should be a standard form of loan agreement.

e. Every NBFC-MFI should provide to the borrower a loan card reflecting

(i) the effective rate of interest charged

(ii) all other terms and conditions attached to the loan

(iii) information which adequately identifies the borrower and

(iv) acknowledgements by the NBFC-MFI of all repayments including instalments received and the final discharge.

(v) All entries in the Loan Card should be in the vernacular language.

f. The effective rate of interest charged by the NBFC-MFI should be prominently displayed in all its offices and in the literature issued by it and on its website.

II. Multiple-lending, Over-borrowing and Ghost-borrowers

a. NBFC-MFIs can lend to individual borrowers who are not member of Joint Liability Group(JLG)/Self Help Group(SHG) or to borrowers that are members of JLG/SHG.

b. a borrower cannot be a member of more than one SHG/JLG.

c. not more than two NBFC-MFIs should lend to the same borrower.

d. there must be a minimum period of moratorium between the grant of the loan and the due date of the repayment of the first instalment. The moratorium shall not be less than the frequency of repayment. For eg: in the case of weekly repayment, the moratorium shall not be less than one week.

e. recovery of loan given in violation of the regulations should be deferred till all prior existing loans are fully repaid.

f. All sanctioning and disbursement of loans should be done only at a central location and more than one individual should be involved in this function. In addition, there should be close supervision of the disbursement function.

III. Non- Coercive Methods of Recovery

- NBFC-MFIs shall ensure that a Code of Conduct and systems are in place for recruitment, training and supervision of field staff. The Code of Conduct should also incorporate the Guidelines on Fair Practices Code issued for NBFCs vide circular CC No.80 dated September 28, 2006 as amended from time to time.
- Recovery should normally be made only at a central designated place. Field staff shall be allowed to make recovery at the place of residence or work of the borrower only if borrower fails to appear at central designated place on 2 or more successive occasions.
- All other elements of the Fair Practices Code issued for NBFCs vide CC No 80 dated September 28, 2006 as amended from time to time shall be adhered to.

c. Corporate Governance

The Master Circular issued for NBFCs on Corporate Governance vide CC No. 187 dated July 1, 2011 shall be applicable to NBFC-MFIs also.

d. Improvement of Efficiency

NBFC-MFIs shall review their back office operations and make the necessary investments in Information Technology and systems to achieve better control, simplify procedures and reduce costs.

e. Others

All NBFCs may refer to the circular RPCD.CO.Plan BC. 66 /04.09.01/2010-11 dated May 3, 2011 issued by the Rural Planning and Credit Department of RBI titled "Bank loans to Micro Finance Institutions (MFIs) – Priority Sector status" issued to banks with regard to guidelines on priority sector.

5. Existing NBFCs that satisfy the above conditions may approach the Regional Office in the jurisdiction of which their Registered Office is located, along with the original Certificate of Registration (CoR) issued by the Bank for change in their classification as NBFC-MFIs. Their request must be supported by their Statutory Auditor's certificate indicating the asset (loan) pattern as on March 31, 2011. The onus of including only eligible assets for the purpose of classification as NBFC-MFI shall be that of the company concerned. The change in classification would be incorporated in the Certificate of Registration issued by the Bank as NBFC-MFI.

6. In terms of paragraph 15 of the Non-Banking Financial (Non-Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 all NBFCs are required to submit Statutory Auditors Certificate with reference to the position of the company as at end of the financial year ended March 31 every year. For an NBFC-MFI, such Certificate will also indicate that the company fulfils all conditions stipulated to be classified as an NBFC-MFI in this circular.

7. Non-compliance with these Directions shall invite penal provisions under the RBI Act, 1934.

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DNBS.PD.No.235/ CGM(US)-2011 dated December 2, 2011

In exercise of the powers conferred by Sections 45JA of the Reserve Bank of India Act, 1934 and of all the powers enabling it in this behalf, and in partial modification of Notification No. DNBS. 193 dated DG

(VL)-2007 dated February 22, 2007, the Reserve Bank hereby notifies as follows, namely-

1. Amendment of paragraph 1–

i. In sub paragraph (3) clause (vii) may be inserted to read as follows:

'The provisions of paragraph 18 of these Directions shall not apply to an NBFC-MFI as defined in the Non-Banking Financial Company- Micro Finance Institutions (Reserve Bank)Directions 2011'.

'The provisions of paragraphs 8 and 9 will not be applicable to an NBFC-MFI w.e.f April 01, 2012.

2 Amendment of paragraph 2 –

(1) In sub-paragraph (1), after clause (viii), the following clause (viii a) shall be inserted`.

An NBFC-MFI means a non-deposit taking NBFC(other than a company licensed under Section 25 of the Indian Companies Act, 1956) that fulfils the following conditions:

i. Minimum Net Owned Funds of `50 million. (For NBFC-MFIs registered in the North Eastern Region of the country, the minimum NOF requirement shall stand at `20 million).

ii. Not less than 85 per cent of its net assets are in the nature of "qualifying assets."

For the purpose of ii. above,

"Net assets" are defined as total assets other than cash and bank balances and money market instruments.

"Qualifying asset" shall mean a loan which satisfies the following criteria:-

i. loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding `60,000 or urban and semi-urban household income not exceeding `1,20,000;

ii. loan amount does not exceed `35,000 in the first cycle and `50,000 in subsequent cycles;

iii. total indebtedness of the borrower does not exceed `50,000;

iv. tenure of the loan not to be less than 24 months for loan amount in excess of `15,000 with prepayment without penalty;

v. loan to be extended without collateral;

vi. aggregate amount of loans, given for income generation, is not less than 75 per cent of the total loans given by the MFIs;

vii. loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower

(2) In para 15, after the last sentence the following sentence shall be added:

"For an NBFC-MFI, such Certificate will also indicate that the company fulfils all conditions stipulated to be classified as an NBFC-MFI in the notification DNBS.PD.No.234/CGM(US)-2011 dated December 02, 2011".

DNBS.PD.No.236 /CGM(US)-2011 dated December 2, 2011.

The Reserve Bank of India (hereinafter referred to as "the Bank"), having considered it necessary in the public interest and for the purpose of proper assessment of books of accounts of NBFCs, in exercise of the powers conferred by Section 45MA of the Reserve Bank of India Act, 1934 (Act 2 of 1934) and of all the powers enabling it in this behalf, amend the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 as specified below.

1. In paragraph 3A, the following sentence may be added as sub clause No.(IV)

"Based on the criteria set forth by the Bank in the Notification viz; Non-Banking Financial Company-Micro Finance Institutions (Reserve Bank) Directions, 2011 dated December 02, 2011 for classification of NBFCs as NBFC-MFIs, whether the non-banking financial company has been correctly classified as NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the applicable financial year**".**

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RBI/2011-12/291DGBA.CDD. No. H- 3572/15.02.001/2011-12 dated December 5, 2011

Amendment to Public Provident Fund Scheme, 1968 (PPF, 1968)

We forward herewith a copy of Government of India Notifications G.S.R. (E) & S.O.(E) dated November 25, 2011, on the captioned subject, the contents of which are self-explicit.

2. In this regard, we advise that the contents of the Notifications may be brought to the notice of the branches of your bank operating the PPF, 1968 and may also be displayed on the notice boards of your branches for the information of the PPF, 1968 subscribers.

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[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II – SEC. 3 (II)] New Delhi, the 25th November, 2011

MINISTRY OF FINANCE
(Department of Economic Affairs)

NOTIFICATION

G.S.R. (E). – In exercise of the powers conferred by sub-section (4) of section 3 of the Public Provident Fund Act, 1968 (23 of 1968), the Central Government hereby makes the following further amendment to the Public Provident Fund Scheme, 1968, namely : -

1. (1) This Scheme may be called the Public Provident Fund (Amendment) Scheme, 2011.

(2) It shall come into force on the 1st day of December 2011.

2. In the Public Provident Fund Scheme, 1968, -

(i) in paragraph 3, in sub-paragraph (1), for the letters and figures "`70,000/-", the letters and figures "`1,00,000" shall be substituted;

(ii) in paragraph 11, in sub-paragraph (2), for the words "one per cent. per annum", the words "two per cent. per annum", shall be substituted;

(iii) in Form-A, in paragraph (iv), for the letters and figures "`70,000/-", the letters and figures "`1,00,000" shall be substituted.

[F.No. 1/9/2011-NS-II]
M.A. Khan, Under Secretary

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II – SEC. 3 (II)] New Delhi, the 25th November, 2011

MINISTRY OF FINANCE
(Department of Economic Affairs)

NOTIFICATION

S.O. (E). – In pursuance of section 5 of the Public Provident Fund Act, 1968 (23 of 1968), the Central Government hereby notifies that the subscriptions made to the fund on or after the 1st day of December, 2011 and balances at the credit of the subscriber shall bear interest at the rate of 8.6 per cent. per annum.

[F.No. 1/9/2011-NS-II]
M.A. Khan, Under Secretary

Note :- The Principal notification was published in the Gazette of India vide number S.O.48(E) dated 15th January, 2000 and subsequently amended vide S.O.192 (E) dated 1st March 2011, S.O.271 (E) dated 1st March, 2002 and S.O. 250(E) dated 1st March, 2003.

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RBI/2011-12/294 DGBA.CDD.H-3657/13.01.298/2011-12 dated December 9, 2011

Committee on Procedures & Performance Audit on Public Services (CPPAPS) – Report No. 2 – Compensation structure for delay in payment of interest and/or principal

Please refer to our circular CO. DT. No. 13.01.298/H-9786/2004-05 dated May 20, 2005 (RBI/2005/477), on the captioned subject. As per para 3 thereat, an investor in Relief/Savings Bonds has to be compensated by the concerned bank at 'current Savings Bank Rate' on account of financial loss incurred by the investor due to late receipt/delayed credit of interest warrants/maturity value of investments, etc.

2. In this regard, we advise that as the interest rate on savings bank deposits has since been deregulated, the banks shall compensate the investors for the above mentioned financial loss at their own savings bank deposit rate for respective amounts (*i.e.* upto `one

hundred thousand and over `one hundred thousand) without any discrimination.

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RBI/2011-12/297 DBOD. FSD. BC.62/24.01.001/2011-12 dated December 12, 2011

All Scheduled Commercial Banks (excluding RRBs)

Section 19 of the BR Act, 1949- Investments in Subsidiaries and other Companies – Guidelines

Please refer to the instructions contained in paragraphs 2 and 3 of our Master Circular DBOD. No. FSD.BC.15 / 24.01.001/ 2011-12 dated July 1, 2011 on Para-Banking Activities which deal with the guidelines for setting up of subsidiaries by banks as also banks' investments in financial services companies which are not subsidiaries. These require Reserve Bank's prior approval and are permitted within certain prescribed prudential limits.

2. Banks' investments in companies which are not subsidiaries are governed by Section 19(2) of the Banking Regulation Act, 1949 (B.R. Act). There is no requirement, at present, for obtaining prior approval of RBI for such investments except in cases where the investee companies are financial services companies. It is, therefore, possible that banks could, directly or indirectly through their holdings in other entities, exercise control on such companies or have significant influence over such companies and thus, engage in activities directly or indirectly not permitted to banks [Section 6(1) of the Act ibid deals with the activities permitted to banks]. This would be against the spirit of the provisions of the Act and is not considered appropriate from prudential perspective.

3. It has, therefore, been decided to lay down prudential guidelines for banks' investments in companies which are not subsidiaries and are not 'financial services companies' (as defined in Annex 1).

4. In the following paragraphs, first the existing regulations governing banks' setting up of subsidiaries and banks' investments in companies (not being subsidiaries) engaged in financial services are enumerated to provide a perspective and then prudential regulations for governing banks' investments in companies (not being subsidiaries) which are non financial services companies are set out.

5. Investments in subsidiaries

In terms of Sub-section (1) of Section 19 of the B.R. Act, a banking company shall not form any subsidiary company except (i) for undertaking any business specified in clause (a) to (o) of Sub-section(1) of Section 6 of the Act, ibid, i.e. functions which banks can undertake or (ii) for carrying on the business of banking exclusively outside India with the previous permission of the Reserve Bank of India or (iii) for undertaking such other business, which the Reserve Bank may, with the prior approval of the Central Government, consider to be conducive to the spread of banking in India or to be otherwise useful or necessary in the public interest (for example, banks setting up IT subsidiaries catering to banking sectors' IT requirement may fall in this category).

6. Investments other than in subsidiaries

Sub-section (2) of Section 19 of the B.R. Act, provides that no banking company shall hold shares in any company, whether as pledgee, mortgagee or absolute owner, of any amount exceeding 30 per cent of the paid–up share capital of that company or 30 per cent of its own paid-up share capital and reserves, whichever is less. It may be noted that there are no statutory restrictions, unlike in the case of subsidiaries, on the activities of companies in which banks can hold equity within the ceiling laid down under Section 19(2) of the B.R. Act. In other words, these companies could be both financial services companies as well as companies not engaged in financial services.

7. Prudential regulations for investments in subsidiaries and Financial Services Companies

As per extant regulations, banks are required to obtain prior approval of the Reserve Bank of India for setting up subsidiary companies and for any equity investment in financial services companies, subject to certain limits and conditions as under:

Equity investments by a bank in a subsidiary company, or a financial services company including financial institution, stock and other exchanges, depositories, etc., which is not a subsidiary should not exceed 10 per cent of the bank's paid-up share capital and reserves and the total investments made in all subsidiaries and all non-subsidiary financial services companies should not exceed 20 per cent of the bank's paid-up share capital and reserves. However, the cap of 20 per cent does not apply, nor is prior approval of RBI required, if investments in financial services companies are held under 'Held for Trading' category, and are not held beyond 90 days.

8. Prudential regulation for banks' investments in non financial services companies

Since investments in non financial services companies do not require prior approval from RBI, banks could potentially acquire substantial equity holding in these companies within the provisions of Section 19 (2) of the BR Act. Consequently, as stated in paragraph 2 above, banks could through their direct and indirect holdings in other entities exercise control or have significant influence over such companies and thus, engage directly or indirectly in activities not permitted to banks. It is, therefore, necessary to limit such investments. With this objective, the following guidelines are laid down:

i. Equity investment by a bank in companies engaged in non financial services activities would be subject to a limit of 10 per cent of the investee company's paid up share capital or 10 per cent of the bank's paid up share capital and reserves, whichever is less. For the purpose of this limit, equity investments held under 'Held for Trading' category would also be reckoned. Investments within the above mentioned limits, irrespective of whether they are in the 'Held for Trading' category or otherwise, would not require prior approval of the Reserve Bank.

ii. Equity investments in any non-financial services company held by (a) a bank; (b) entities which are bank's subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and (c) mutual funds managed by AMCs controlled by the bank should in the aggregate not exceed 20 per cent of the investee company's paid up share capital.

iii. A bank's request for making investments in excess of 10 per cent of such investee company's paid up share capital, but not exceeding 30 per cent, would be considered by RBI if the investee company is engaged in non financial activities which are permitted to banks in terms of Section 6(1) of the B. R. Act. It is reiterated that banks are permitted to set up subsidiaries for undertaking activities which are conducive to the spread of banking in India or useful or necessary in public interest in accordance with the provisions of Section 19(1)(c) of the B.R. Act.

iv. A bank's equity investments in subsidiaries and other entities that are engaged in financial services activities together with equity investments in entities engaged in non financial services activities should not exceed 20 per cent of the bank's paid-up share capital and reserves. The cap of 20 per cent would not apply for investments classified under 'Held for Trading' category and which are not held beyond 90 days.

v. Equity holding by a bank in excess of 10 per cent of non financial services investee company's paid up capital would be permissible without RBI's prior approval (subject to the statutory limit of 30 per cent in terms of Section 19 (2) of the B.R. Act) if the additional acquisition is through restructuring/CDR, or acquired by the bank to protect its interest on loans/investments made in a company. The equity investment in excess of 10 per cent of investee company's paid up share capital in such cases would be exempted from the 20 per cent limit referred to above. However, banks will have to submit to RBI a time bound action plan for disposal of such shares within a specified period.

For the purposes of the above guidelines, the terms subsidiary, associate or joint venture shall have the meanings assigned to them in Accounting

Standards notified by the Central Government under Section 211(3c) of the Companies Act, 1956 (extract enclosed as Annex 2).

9. Banks should strictly observe these guidelines while investing in companies undertaking non financial services activities. Banks should also carry out a review of their investments in non financial companies as also by entities referred to in para 8 above, within a period of three months. Wherever investments do not conform to the above mentioned policy parameters, banks may ensure that (a) the investments are brought down to the prescribed limits and/or control or the exercise of significant influence is given up as the case may be or (b) seek RBI's approval in terms of para 8 above.

10. The review as referred to at para 9 above together with the proposed course of action to comply with the regulatory requirement, where the existing investments are not as per the above guidelines may be forwarded to the Reserve Bank of India within one month from the date of the review.

Annex 1

Financial Services Companies

For the purpose of prudential guidelines on investments in subsidiaries and other companies, 'financial services companies' are companies engaged in the 'business of financial services'. The 'business of financial services' means –

i. the forms of business enumerated in clauses (a), (c), (d), (e) of sub-section (1) of section 6 of the Banking Regulation Act, 1949 and notified under clause (o) of sub-section (1) of section 6 of the Banking Regulation Act, 1949;

ii. the forms of business enumerated in clause (c) and clause (f) of Section 45 I of the Reserve Bank of India Act, 1934;

iii. business of credit information as provided under the Credit Information Companies (Regulation) Act, 2005;

iv. operation of a payment system as defined under the Payment and Settlement Systems Act, 2007;

v. operation of a stock exchange, commodity exchange, derivatives exchange or other exchange of similar nature;

vi. operation of a depository as provided under the Depositories Act, 1996;

vii. business of a securitization or reconstruction company as provided under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

viii. business of a merchant banker, portfolio manager, stock broker, sub-broker, share transfer agent, trustee of trust deeds, registrar to an issue, merchant banker, underwriter, debenture trustee, investment adviser and such other intermediary as provided in the Securities and Exchange Board of India Act, 1992 and the regulations made thereunder;

ix. business of a credit rating agency as defined in Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999;

x. business of a collective investment scheme as defined under the Securities and Exchange Board of India Act, 1992;

xi. business of managing a pension fund;

xii. business of an authorized person as defined under the Foreign Exchange Management Act, 1999; and

xiii. such other business as may be specified by the Reserve Bank from time to time.

Annex-2

Definition of Subsidiary, Associates, Joint Ventures, 'Control and Significant Influence' in terms of Indian Accounting Standards

Accounting Standards 18, 21, 23 and 27 define the above mentioned terms.

Subsidiary is an enterprise that is controlled by another enterprise (known as the parent).

An Associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a Joint venture of the investor, and

Joint Venture is a contractual arrangement whereby two or more parties undertake an economic activity, which is subject to joint control.

Significant Influence is the power to participate in the financial and/or operating policy decisions of the investee but not control over their policies.

Control –

- The ownership, directly or indirectly, through subsidiary (ies), of more than one-half of the voting power of an enterprise; or
- Control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities.

  Control exists when the parent owns, directly or indirectly through subsidiary (ies), more than one-half of the voting power of an enterprise. Control also exists when an enterprise controls the composition of the board of directors (in the case of a company) or of the corresponding governing body (in case of an enterprise not being a company) so as to obtain economic benefits from its activities.

  An enterprise is considered to control the composition of the board of directors of a company, if it has the power, without the consent or concurrence of any other person, to appoint or remove all or a majority of directors of that company. An enterprise is deemed to have the power to appoint a director, if any, if the following conditions are satisfied.

- A person cannot be appointed as director without the exercise in his favour by that enterprise of such a power as aforesaid; or
- A person's appointment as director follows necessarily from his appointment to a position held by him in that enterprise; or
- The director is nominated by that enterprise; in case that enterprise is a company, the director is nominated by that company/subsidiaries thereof.

For the purpose of AS 23, significant influence does not extend to power to govern the financial and/ or operating policies of an enterprise. Significant influence may be gained by share ownership, statute or agreement. As regards share ownership, if an investor holds, directly or indirectly through subsidiary (ies), 20% or more of the voting power of the investee, it is presumed that the investor has significant influence, **unless it can be clearly demonstrated that this is not the case**. Conversely, if the investor holds, directly or indirectly through subsidiary (ies), less than 20% of the voting power of the investee, it is presumed that the investor does not have significant influence, unless such influence can be clearly demonstrated. A substantial or major ownership by another investor does not necessarily preclude an investor from having significant influence. The existence of significant influence by an investor is usually evidenced in one or more of the following ways:

- representation on the board of directors or corresponding governing body of the investee;
- participation in policy making processes;
- material transactions between the investor and the investee;
- interchange of managerial personnel; and
- provision of essential technical information.

Amendment to Public Provident Fund Scheme, 1968 (PPF, 1968) and Senior Citizens Savings Scheme, 2004 (SCSS, 2004) – Payment of commission to the agents.

We forward herewith a copy of Government of India Notification No. F.1/12/2011-NS-II dated November 25, 2011, on the captioned subject. The contents of the same are self-explicit.

2. In this regard, we advise that the contents of the Notification may be brought to the notice of the branches of your bank operating the PPF, 1968 and SCSS, 2004 Scheme. These should also be displayed on the notice boards of your branches for the information of the PPF, 1968 & SCSS, 2004 subscribers and agents.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART I- SEC.1 New Delhi, the 25th November 2011

MINISTRY OF FINANCE
(Department of Economic Affairs)

NOTIFICATION

No. F. 1/12/2011-NS-II – The Central Government hereby notifies that the authorised Standardised Agency System (SAS) and Mahila Pradhan Kshetriya Bachat Yojana (MPKBY) agents for canvassing/securing investments in the small savings schemes as per the terms of agreement executed by them under the Standardised Agency System (SAS) and Mahila Pradhan Kshetriya Bachat Yojana (MPKBY) will be paid commission at the rate indicated below:

(A) MAHILA PRADHAN KSHETRIYA BACHAT YOJANA (MPKBY)

Rate

(i) Five-Year Recurring Deposit Account - 4%

(B) STANDARDISED AGENCY SYSTEM (SAS)

(i) One-Year Time Deposit - 0.5%

(ii) Two-Year and 3-Year Time Deposit - 0.5%

(iii) Five-Year Time Deposit - 0.5%

(iv) Monthly Income Account Scheme - 0.5%

(v) Five/Six-Year National Savings Certificate (VIII-issue) 0.5%

(vi) Ten-year National Savings Certificate (IX-issue) - 0.5%

2. Payment of commission on Public Provident Fund Scheme (1%) and Senior Citizens Savings Scheme (0.5%) shall be discontinued.

3. Incentive, if any, paid by State/Union Territory Governments shall be reduced from commission paid by the Central Government.

4. These instructions shall take effect from the 1st day of December, 2011.

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RBI/2011-12/301 RPCD.CO.LBS. BC.No. 42/02.08.01/2011-12 dated December 15, 2011

The Chairman/CMD
All Lead Banks

Formation of two new districts – Fazilka & Pathankot in the State of Punjab Assignment of Lead Bank responsibility

The Department of Revenue & Rehabilitation, Government of Punjab vide their Gazette Notification No. 1/1/2011-RE-II(I)/14544 & 14554 dated July 27, 2011 has advised about the constitution of new districts viz. Pathankot and Fazilka respectively with effect from July 27, 2011. The new district with its headquarter at Pathankot has been carved out from the existing Gurdaspur and comprises of two Tehsils viz. Pathankot & Dharkalan and another new district with its headquarter at Fazilka has been carved out from the existing Ferozepur district and comprises of three Tehsils viz. Fazilka, Jalalabad & Abohar.

2. It has been decided to assign the lead bank responsibility of the two new districts viz. Pathankot and Fazilka to Punjab National Bank. The lead bank responsibility of existing Gurdaspur district and Ferozepur district will continue to be with Punjab National Bank and Oriental Bank of Commerce respectively.

3. There is no change in the lead bank responsibilities of other districts in the State.

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RBI/2011-12/302DNBS (PD-MGC) CC. No. 10/03.11.01/2011-12 dated December 16, 2011

Amendment to Mortgage Guarantee Company (Reserve Bank) Guidelines, 2008

The Chairman/CEOs of all Mortgage Guarantee Companies

Please refer to Para 27 of the Mortgage Guarantee Company (Reserve Bank) Guidelines 2008 issued vide Notification DNBS(PD)MGC No.3 /CGM (PK) - 2008 dated February 15, 2008 wherein it has been stated that no mortgage guarantee company shall provide mortgage guarantee for a housing loan with 90 per cent and above LTV ratio. As scheduled commercial banks are expected to seek mortgage guarantee for their housing loans, it has been decided to align the regulatory prescription of LTV ratio for mortgage guarantee companies with that of commercial banks and revise it downwards from 90 per cent to 80 per cent for housing loans exceeding `2 million. However for small value housing loans i.e housing loans up to `2 million (which get categorized as priority sector advances), LTV ratio should not exceed 90 per cent.

2. Copy of amending Notification No. DNBS (PD) MGC No. 6 / CGM (US)-2011 dated December 16, 2011 amending Mortgage Guarantee Company (Reserve Bank) Guidelines 2008 is enclosed for meticulous compliance.

Notification DNBS (PD) MGC No. 6 / CGM (US)-2011 dated December 16, 2011

The Reserve Bank of India, having considered it necessary in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the Mortgage Guarantee Company (Reserve Bank) Guidelines 2008 in exercise of the powers conferred by sections 45JA and 45 (L) of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

2. Amendment of paragraph 27 –

The existing clause "No mortgage guarantee company shall provide mortgage guarantee for a housing loan with 90 per cent and above LTV ratio" shall be substituted with the following " *No mortgage guarantee company shall provide mortgage guarantee for a housing loan above `2 million where the LTV exceeds 80 per cent." For s*mall value housing loans i.e housing loans up to `2 million (which get categorized as priority sector advances), LTV ratio should not exceed 90 per cent.

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RBI/2011-12/303 DBOD.Dir.BC. 64 /13.03.00/2011-12 dated December 16, 2011

Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

All Scheduled Commercial Banks
(excluding RRBs)

Please refer to paragraph 4 of our circular DBOD.Dir.BC.42/13.03.00/ 2011-12 dated October 25, 2011 on Deregulation of Savings Bank Deposit Interest Rate and paragraph 1 of our circular DBOD.Dir.BC.59/13.03.00/ 2011-12 dated November 23, 2011 on Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and FCNR (B) Deposits.

2. With a view to providing greater flexibility to banks in mobilising non-resident deposits and also in view of the prevailing market conditions, it has been decided to deregulate interest rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts (the interest rates on term deposits under Ordinary Non-Resident (NRO) Accounts are already deregulated). Accordingly, banks are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

3. Prior approval of the Board/Asset Liability Management Committee (if powers are delegated by the Board) may be obtained by a bank while fixing interest rates on such deposits. At any point of time, individual banks should offer uniform rates at all their branches.

4. The revised deposit rates will apply only to fresh deposits and on renewal of maturing deposits. Further, banks should closely monitor their external liability arising on account of such deregulation and ensure asset-liability compatibility from systemic risk point of view.

5. An amending directive DBOD.Dir.BC. 63 /13.03.00/2011-12 dated December 16, 2011 is enclosed.

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Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

DBOD.Dir.BC. 63 /13.03.00/2011-12 dated December 16, 2011

In exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949, and in modification of the directive DBOD. Dir. BC. 41/ 13.03.00/ 2011-12 dated October 25, 2011 on Deregulation of Savings Bank Deposit Interest Rate and DBOD.Dir.BC.58/13.03.00/ 2011-12 dated November 23, 2011 on Interest Rates on Non-Resident (External) (NRE) Deposits and FCNR(B) Deposits, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that banks are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

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RBI/2011-12/307 RPCD.CO.RRB.BC.No.45 /03.05.33 (C) /2011-12 dated December 19, 2011

Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

The Chairmen
All Regional Rural Banks (RRBs)

Please refer to paragraph 4 of our circular RPCD.CO. RRB.BC.No. 33/03.05.33/2011-12 dated November 23, 2011 on Deregulation of Savings Bank Deposit Interest Rate and paragraph 1 of our circular RPCD.CO.RRB. BC.No. 36/03.05.33(C)/2011-12 dated November 24, 2011 on Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and FCNR (B) Deposits.

2. With a view to providing greater flexibility to RRBs in mobilising non-resident deposits and also in view of the prevailing market conditions, it has been decided to deregulate interest rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts (the interest rates on term deposits under Ordinary Non-Resident (NRO) Accounts are already deregulated). Accordingly, RRBs are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts **with immediate effect.** However, interest rates offered by RRBs on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

3. Prior approval of the Board/Asset Liability Management Committee (if powers are delegated by the Board) may be obtained by an RRB while fixing interest rates on such deposits. At any point of time, individual banks should offer uniform rates at all their branches.

4. The revised deposit rates will apply only to fresh deposits and on renewal of maturing deposits. Further, RRBs should closely monitor their external liability arising on account of such deregulation and ensure asset-liability compatibility from systemic risk point of view.

5. An amending directive RPCD.CO.RRB.BC.Dir.No. 44 /03.05.33 dated December 19, 2011 is enclosed.

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Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

RPCD.CO.RRB.Dir.No.44 /03.05.33 (C) /2011-12 dated December 19, 2011

In exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949, and in modification of the directive RPCD.CO.RRB.BC. Dir.No. 27 /03.05.33 / 2011-12 dated October 25, 2011 on Deregulation of Savings Bank Deposit Interest Rate and RPCD.CO.RRB. Dir.No.35/03.05.33(C)/2011-12 dated November 24, 2011 on Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and FCNR(B) Deposits, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that Regional Rural Banks (RRBs) are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by RRBs on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

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RBI/2011-12/306 RPCD.CO.Plan.BC.43 /04.09.01/2011-12 dated December 19, 2011

Credit under dairy segment of Agriculture and Allied Activities-Treatment under Indirect Finance to Agriculture

The Chairman / Managing Director /
Chief Executive Officer
[All Scheduled Commercial Banks
(excluding Regional Rural Banks)]

Please refer to para 1.3.2 of our circular on lending to priority sector, RPCD.CO.Plan.BC.No.10/04.09.01/2011-12 dated July 1, 2011, wherein bank loans to entities other than individual farmers engaged in food and agro based processing under Agriculture and Allied activities are treated as indirect finance to agriculture.

2. A doubt has been expressed on the financial activities which promote dairy development in the districts. As credit under the dairy segment (including procurement, storage, processing, collection, transportation, etc.) primarily benefits small/marginal farmers and tiny units, it has been decided that bank credit to all activities which contribute to the development of dairy business would be treated as indirect finance to agriculture under priority sector. However, due care may be exercised by banks to ensure that the ultimate beneficiaries are farmers engaged in dairy farming, who will benefit from such investment.

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RBI/2011-12/308 FMD. No.65 /01.18.001/2011-12 dated December 21, 2011

Marginal Standing Facility - Scheme

All Scheduled Commercial Banks

Please refer to our Circular RBI/2010-11/515 dated May 9, 2011 on the captioned subject.

2. It has been decided to permit banks to avail themselves of funds from RBI on overnight basis, under Marginal Standing Facility (MSF), against their excess SLR holdings. Additionally, they can also avail themselves of funds, on overnight basis below the stipulated SLR, up to one per cent of their respective Net Demand and Time Liabilities outstanding at the end of second preceding fortnight. In the event the banks' SLR holdings fall below the statutory requirement, banks will not have the obligation to seek a specific waiver for default in SLR compliance arising out of use of this facility in terms of notification issued under sub section (2A) of Section 24 of the Banking Regulation Act, 1949.

3. All other terms and conditions of the current MSF Scheme will remain unchanged.

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RBI/2011-12/310Ref.DBOD.Ret..BC No.66/12.06.001/2011-12 dated December 21, 2011

Exclusion from the Second Schedule to the Reserve Bank of India Act, 1934 – State Bank of India Commercial and International Bank Limited

All Scheduled Commercial Banks

We advise that the name of "State Bank of India Commercial and International Bank Limited" has been excluded from the Second Schedule to the Reserve Bank of India Act, 1934 by notification DBOD.No.Ret. BC.35/12.06.059/2011-12 dated September 26, 2011, published in the Gazette of India (Part III – Section-4) dated October 29 – November 04, 2011.

DBOD.No.Ret.BC. 35/12.06.059/2011-2012 dated September 26, 2011

NOTIFICATION

In exercise of the powers conferred under Clause (b) of sub section (6) of Section 42 of the Reserve Bank of India Act, 1934 (2 of 1934), the Reserve Bank of India hereby directs exclusion of the "State Bank of India Commercial and International Bank Limited" from the Second Schedule to the said Act, as the said bank has ceased to carry on banking business with effect from July 29, 2011.

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RBI/2011 -12/312 DPSS.CO.PD.No. 1098 / 02.23.02 / 2011-12 dated December 22, 2011

Mobile Banking Transactions in India - Operative Guidelines for Banks

The Chairman and Managing Director /
Chief Executive Officers
All Scheduled Commercial Banks including RRBs /
Urban Co-operative Banks / State Co-operative Banks /
District Central Co-operative Banks

A reference is invited to the guidelines appended to our circular no. RBI / 2008-09 / 208, DPSS.CO.No.619 / 02.23.02 / 2008-09 dated October 08, 2008, followed by directions issued vide circulars RBI / 2009-10 / 273, DPSS.CO.No.1357 / 02.23.02 / 2009-10 dated December 24, 2009 and RBI/2010-11/511, DPSS.CO.No.2502 / 02.23.02 / 2010-11 dated May 4, 2011 on the captioned subject.

2. Banks are increasingly extending mobile banking facilities (financial) to their customers. Interbank Mobile Payment Service (IMPS) developed and operated by National Payment Corporation of India (NPCI) has also enabled real time transfer of funds through the medium of the mobile phone between accounts in different banks. The volume and value of mobile banking transactions is also showing an uptrend.

3. In terms of Para 2.1 of our circular dated December 24, 2009, a transaction limit of `50,000/- per customer per day had been mandated. On a review it has been decided to remove this cap. However, banks may place per transaction limits based on their own risk perception with the approval of its Board.

4. It is also clarified that the directions under Para 3 "**Remittance of funds for disbursement in cash**" of our circular dated December 24, 2009 stands superseded with the directions contained in our circular RBI / 2011-12 / 213 DPSS. PD. CO. No. 622 / 02.27.019 / 2011-2012 dated October 05, 2011.

5. All other provisions of the extant guidelines on mobile banking remain unchanged.

6. The directive is issued under Section 18 of Payment and Settlement Systems Act, 2007, (Act 51 of 2007) and shall come into force from the date of this circular.

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RBI/2011-12/315 RPCD.CO.RCB.BC.No.47/ 07.38.01/2011-12 dated December 26, 2011

Deregulation of Savings Bank Deposit Interest Rate - Guidelines

All State and Central Co-operative Banks

Please refer to our circular RPCD.CO.RCB.BC. No.65/07.38.01/2010-11 dated May 3, 2011.

2. As indicated in the Second Quarter Review of Monetary Policy announced on October 25, 2011, it has been decided to deregulate the savings bank deposit interest rate and, accordingly, the following Guidelines will be effective from October 25, 2011:

- Banks are free to determine their savings bank deposit interest rate, subject to the following two conditions:
- First, each bank will have to offer a uniform interest rate on savings bank deposits up to `100 thousand, irrespective of the amount in the account within this limit.
- Second, for savings bank deposits over `100 thousand, a bank may provide differential rates of interest, if it so chooses, subject to the condition that banks will not discriminate in the matter of interest paid on such deposits, between one deposit and another of similar amount, accepted on the same date, at any of its offices.

3. The above revised Guidelines would be applicable to savings bank deposits of resident Indians only.

4. An amending directive RPCD.CO.RCB.BC.Dir. No.25/07.38.01/2011-12 dated October 25, 2011 is enclosed.

RPCD.CO.RCB.BC.Dir.No.25/07.38.01/2011-12 dated October 25, 2011

Deregulation of Savings Bank Deposit Interest Rate

In exercise of the powers conferred by Section 35 A of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) and in partial modification of its directive RPCD.CO.RCB.BC.No.64/07.38.01/2010-11 dated May 3, 2011, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that banks are free to determine their savings bank deposit interest rate for resident Indians only with immediate effect subject to two conditions. First, each bank will have to offer a uniform interest rate on savings bank deposits up to `100 thousand, irrespective of the amount in the account within this limit. Second, for savings bank deposits over `100 thousand, a bank may provide differential rates of interest, if it so chooses, subject to the condition that banks will not discriminate in the matter of interest paid on such deposits, between one deposit and another of similar amount, accepted on the same date, at any of its offices.

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RBI/2011-12/316 DNBS.CC.PD.No.252/03.10.01/2011-12 dated December 26, 2011

Revised Capital Adequacy Framework for Off-Balance Sheet Items for NBFCs

All NBFCs (excluding RNBCs)

In the normal course of their business, NBFCs are exposed to credit and market risks in view of the asset-liability transformation. With liberalisation in Indian financial markets over the last few years and growing integration of domestic markets with external markets and greater use of derivatives products, asset liability management for NBFCs have become complex and large, requiring strategic management. Off balance sheet exposures of NBFCs have increased with the increased participation in the designated currency options and futures and interest rate futures as clients for the purpose of hedging their underlying exposures. It is therefore necessary that NBFCs move over to modern techniques of risk measurement to strengthen their capital framework.

3. The Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and The Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 require the NBFCs to maintain a minimum CRAR based on risk weights assigned to both on and off balance sheet items. Explanation (2) to para 16 of the afore-mentioned Regulations, however, recognizes only 6 items as off balance sheet items which have linkages to NBFI activities. There is therefore a need to recognize instruments which would find use in balance sheet management/ hedging, in liquidity management or which provide alternate forms of resources, other than the traditional ones.

4. It is therefore considered necessary to expand the off-balance sheet regulatory framework to introduce greater granularity in the risk weights and credit conversion factors for different types of off balance sheet items. For this purpose, NBFCs will need to calculate the total risk weighted off-balance sheet credit exposure as the sum of the risk-weighted amount of the market related and non-market related off-balance sheet items. The risk-weighted amount of an off-balance sheet item that gives rise to credit exposure will be calculated by means of a two-step process :

a. the notional amount of the transaction is converted into a credit equivalent amount, by multiplying the amount by the specified credit conversion factor or by applying the current exposure method; and

b. the resulting credit equivalent amount is multiplied by the applicable risk weight.

5. For the off-balance sheet items already contracted by NBFCs, the risk weights shall be applicable with effect from the Financial Year beginning April 01, 2012. For all new contracts undertaken including CDS, the new risk weights shall be applicable from the date of the circular.

6. The amending Notifications DNBS.PD.No.237/ CGM (US) 2011 and DNBS.PD.No. 238/CGM (US) 2011 both dated December 26, 2011 amending the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) directions, 2007 and the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 respectively are enclosed for meticulous compliance.

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RBI/2011-12/317 DNBS.CC.PD.No.253/03.10.01/2011-12 dated December 26, 2011

Credit Default Swaps – NBFCs as Users

All NBFCs(excluding primary dealers)

Please refer to the Guidelines on Credit Default Swaps for Corporate Bonds issued vide Circular No. IDMD.PCD.No.5053/14.03.04/2010-11 dated May 23, 2011 in terms of which broad guidelines including the eligible participants and other requirements were outlined. It was also indicated that market participants will have to follow the capital adequacy guidelines for credit default swaps (CDS) issued by their respective regulators.

2. In this connection, it has been decided that NBFCs shall only participate in CDS market as users. As users, they would be permitted to buy credit protection only to hedge their credit risk on corporate bonds they hold. They are not permitted to sell protection and hence not permitted to enter into short positions in the CDS contracts. However, they are permitted to exit their bought CDS positions by unwinding them with the original counterparty or by assigning them in favour of buyer of the underlying bond.

3. Apart from complying with all the provisions above, NBFCs, as users, shall also be required to ensure that the guidelines detailed in the annex-1 including operational requirements for CDS are fulfilled by them.

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RBI/2011-12/321 DBOD.No.BP.BC. 69 /21.06.001/2011-12 dated December 27, 2011

Capital Requirement for banks' investments in financial entities exempted from Capital Market Exposure

The Chairman and Managing Directors/Chief Executive Officers ofAll Scheduled Commercial Banks(Excluding RRBs and LABs)

Please refer to paragraph 5.13.4 of our Master Circular No. DBOD.No.BP.BC.11/ 21.06.001/2010-11 dated July 1, 2011 on Prudential Guidelines on Capital Adequacy and Market Discipline - New Capital Adequacy Framework (NCAF), as per which capital market exposure will attract a 125 percent risk weight or risk weight warranted by external rating (or lack of it) of the counterparty, whichever is higher. However, in terms of paragraph 5.13.7 of the said circular, the investment in paid up equity of financial entities, which are specifically exempted from 'capital market exposure' (CME), shall be assigned a 100 percent risk weight.

2. The matter has been reviewed and it has been decided that the risk weight and capital requirement should be linked to risk characteristics of the investment, irrespective of whether they are exempted from CME or not. Therefore, banks' investments in paid up equity of financial entities, even if they are exempted from CME norms, will henceforth be assigned a 125 percent risk weight or risk weight warranted by external rating (or lack of it) of the counterparty, whichever is higher, as prescribed in paragraph 5.13.4 of the above mentioned circular.

3. Accordingly, banks' capital market investments in banking book, including those exempted from CME norms, will attract risk weight of 125 percent (i.e. 11.25 percent of capital charge on gross equity position) or as per the risk weight warranted by external rating (or lack of it) of the counterparty, whichever is higher. However, if such investments are in trading book, they will attract capital charge of 20.25 percent or higher [i.e. capital charge towards specific risk at 11.25 percent or as per the risk weight warranted by external rating (or lack of it) of the counterparty, whichever is higher and

general market risk at 9 percent of gross equity position].

4. This instruction will be applicable from January 1, 2012.

RBI/2011-12/322 DBOD.Dir.BC. 68 /13.03.00/2011-12 dated December 27, 2011

Banks' Exposure to Capital Market - Issue of Irrevocable Payment Commitments (IPCs)

All Scheduled Commercial Banks
(excluding RRBs)

Please refer to our circulars No.DBOD.Dir. BC.46/13.03.00/2010-11 dated September 30, 2010, DBOD.Dir.BC.52/13.03.00/2010-11dated October 28, 2010 and DBOD.Dir.BC.43/13.03.00/2011-12 dated October 31, 2011 wherein banks issuing Irrevocable Payment Commitments (IPCs) to various Stock Exchanges on behalf of Mutual Funds and FIIs had been advised to adopt the following risk mitigation measures:

i. Only those custodian banks, who have a clause in the Agreement with their clients which gives them an inalienable right over the securities to be received as pay out in any settlement, would be permitted to issue IPCs. However, in cases where transactions are pre-funded i.e. there are clear INR funds in the customer's account and, in case of FX deals, the bank's nostro account has been credited before the issuance of the IPC by custodian banks, the requirement of the clause of inalienable right over the security to be received as pay out in the agreement with the clients will not be insisted upon.

ii. The maximum risk to the custodian banks issuing IPCs would be reckoned at 50 per cent, on the assumption of downward price movement of the equities bought by FIIs/ Mutual Funds on the two successive days from the trade date (T) i.e., on T+1 and T+2, of 20per cent each with an additional margin of 10per cent for further downward movement.

iii. Accordingly the potential risk on T+1 would be reckoned at 50per cent of the settlement amount and this amount would be reckoned as CME at the end of T+1 if margin payment / early pay in does not come in.

iv. In case there is early pay in on T+1, there will be no Capital Market exposure. By T+1, we mean 'end of day' (EOD) as per Indian Time. Thus, funds received after EOD as per Indian Time, **will not be** reckoned as early pay-in on T+1. CME will have to be computed accordingly.

v. In case margin is paid in cash on T+1, the CME would be reckoned at 50 per cent of settlement price minus the margin paid. In case margin is paid on T+1 by way of permitted securities to FIIs / Mutual Funds, the CME would be reckoned at 50 per cent of settlement price minus the margin paid plus haircut prescribed by the Exchange on the securities tendered towards margin payment.

vi. The IPC will be treated as a financial guarantee with a Credit Conversion Factor (CCF) of 100. However, capital will have to be maintained only on exposure which is reckoned as CME and the risk weight would be 125 per cent thereon.

2. It has now been decided that the above mentioned arrangements will continue to be in force until further review.

RBI/2011-12/323 UBD.BPD.(PCB)CIR No. 16/ 13.01.000/2011-12 dated December 28, 2011

Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

The Chief Executive Officers
All Primary (Urban) Co-operative Banks

Please refer to our circular UBD.BPD.(PCB)CIR No.12/13.01.000/2011-12 dated November 24, 2011 on Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and paragraph 4 of our circular UBD.BPD.(PCB) CIR. No.13 /13.01.000/2011-12 dated November 25, 2011 on Deregulation of Savings Bank Deposit Interest Rate.

2. With a view to providing greater flexibility to banks in mobilising non-resident deposits and also in view of the prevailing market conditions, it has been decided to deregulate interest rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Deposit Accounts (the interest rates on term deposits under Ordinary Non-Resident (NRO) Accounts are already deregulated). Accordingly, banks are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

3. Prior approval of the Board/Asset Liability Management Committee (if powers are delegated by the Board) may be obtained by banks while fixing interest rates on such deposits. At any point of time, individual banks should offer uniform rates at all their branches.

4. The revised deposit rates will apply only to fresh deposits and on renewal of maturing deposits. Further, banks should closely monitor their external liability arising on account of such deregulation and ensure asset-liability compatibility from systemic risk point of view.

5. An amending directive UBD.BPD.DIR. No. 5/13.01.000/2011-12 dated December 28, 2011 is enclosed.

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Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

UBD.BPD.DIR. No. 5 /13.01.000/2011-12 dated December 28, 2011

In exercise of the powers conferred by Section 35A read with Section 56 of the Banking Regulation Act, 1949, and in modification of the directive UBD.BPD. DIR.No.2 /13.01.000/2011-12 dated November 23, 2011 on Interest Rates on Non-Resident (External) (NRE) Deposits and in continuation of the directive UBD.BPD. DIR.No.4 /13.01.000/2011-12 dated November 25, 2011 on Deregulation of Savings Bank Deposit Interest Rate, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that banks are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

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RBI/2011-12/325 RPCD.CO.RCB.Dir.BC.No.49 /07.38.01/2011-12 dated December 28, 2011

StCBs/DCCBs - Deregulation of Interest Rates on NRE Deposits and NRO Accounts

All State and Central Co-operative Banks

Please refer to paragraph 1 of our circular RPCD.CO. RCB.BC.No.38/ 07.38.01/2011-12 dated November 24, 2011 on Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and paragraph 2 of our circular RPCD.CO.RCB.BC.No.65/ 07.38.01/2010-11 dated May 3, 2011 on Interest Rates on Deposits.

2. With a view to providing greater flexibility to banks in mobilising non-resident deposits and also in view of the prevailing market conditions, it has been decided to deregulate interest rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts (the interest rates on term deposits under Ordinary Non-Resident (NRO) Accounts are already deregulated). Accordingly, banks are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

3. Prior approval of the Board/Asset Liability Management Committee (if powers are delegated by the Board) may be obtained by a bank while fixing interest rates on such deposits. At any point of time, individual banks should offer uniform rates at all their branches.

4. The revised deposit rates will apply only to fresh deposits and on renewal of maturing deposits. Further, banks should closely monitor their external liability arising on account of such deregulation and ensure asset-liability compatibility from systemic risk point of view.

5. An amending directive RPCD.CO.RCB.Dir.BC.No.48/07.38.01/2011-12 dated December 28, 2011 is enclosed.

Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts

RPCD.CO.RCB.Dir.BC. No.48/07.38.01/2011-12 dated December 28, 2011

In exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) and in modification of the directive RPCD.CO.RCB.BC.Dir.No.37/07.38.01/2011-12 dated November 24, 2011 on Interest Rates on Non-Resident (External) (NRE) Deposits and RPCD.CO.RCB.BC.Dir.No.64/07.38.01/2010-11 dated May 3, 2011 on Interest Rates on Deposits, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that State Co-operative Banks (StCBs) and District Central Co-operative Banks (DCCBs) are free to determine their interest rates on both savings deposits and term deposits of maturity of one year and above under Non-Resident (External) Rupee (NRE) Deposit accounts and savings deposits under Ordinary Non-Resident (NRO) Accounts with immediate effect. However, interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

RBI/2011-12/331 DBOD.No.BP.BC. 71/ 21.06.201 / 2011-12 dated December 30, 2011

Implementation of Basel III Capital Regulations in India – Draft Guidelines

The Chairman and Managing Directors/
Chief Executives Officers of
All Scheduled Commercial Banks
(Excluding Local Area Banks and Regional Rural Banks)

As you are aware, the Basel Committee on Banking Supervision (BCBS) has issued comprehensive reform packages entitled "Basel III: A global regulatory framework for more resilient banks and banking systems" and "Basel III: International framework for liquidity risk measurement, standard and monitoring" in December 2010, with the objective of improving banking sector resilience by strengthening global capital and liquidity regulations, respectively. The reform package addresses the lessons of the financial crisis and aims at enhancing banking sector's ability to absorb shocks arising from financial and economic stress. Further, the BCBS, through the reform package also aims to improve risk management and governance as well as strengthen banks' transparency and disclosure standards relating to regulatory capital. The reforms also have a macroprudential focus, addressing system-wide risks which can build up across the banking sector as well as the procyclical amplification of these risks over time.

2. Reserve Bank of India, being a member of the BCBS, is fully committed to the objectives of Basel III reform package and therefore, intends to implement these proposals for banks operating in India. Accordingly, guidelines have been drafted based on the Basel III reforms on capital regulation, to the extent applicable to banks operating in India. RBI is currently working on operational aspects of implementation of the Countercyclical Capital Buffer. Guidance to banks on this will be issued in due course. Similarly, guidelines on new global liquidity standards introduced as part of Basel III (Basel III: International framework for liquidity risk measurement, standards and monitoring, December 2010) will be issued separately.

3. The Basel III framework will be applicable both at the level of consolidated bank as well as at the level of stand-alone bank. Accordingly, overseas operations of a bank through its branches will be covered in both the scenarios.

4. Draft guidelines are enclosed. Banks are requested to offer their comments / suggestions on the various proposals enumerated therein latest by February 15, 2012 by mail to the Chief General Manager-in-Charge, Reserve Bank of India, Department of Banking Operations and Development, Central Office, 12th floor, Central Office Building, Shahid Bhagat Singh Marg, Mumbai-400001 or through e-mail .

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RBI/2011-12/332 DNBS.CC.PD.No.255/03.10.01/2011-12 dated December 30, 2011

Issuance of Non-Convertible Debentures (NCDs)

All NBFCs (Including RNBCs)

It has come to the notice of the Reserve Bank that some NBFCs have raised funds under private placement by issuing NCDs of maturity less than 90 days. This is in clear violation of Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 dated June 23, 2010 issued by Internal Debt Management Department, Reserve Bank of India.

2. All NBFCs may note that the issue of NCDs of original or initial maturity up to one year are governed under the above mentioned Directions and these Directions may be followed for meticulous compliance.

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RBI/2011-12/333 DNBS.CC.PD.No.254/03.10.01/2011-12 dated December 30, 2011

Revised Capital Adequacy Framework for Off-Balance Sheet Items for NBFCs-Clarification

All NBFCs (excluding RNBCs)

Please refer to the Company Circular No.252 and Notifications No.237 and 238 all dated December 26, 2011 on the captioned subject.

2. In this connection, it is clarified that the Paragraph E in both the above Notifications (No.237 and 238) may be replaced with the following.

E. Credit conversion factors for Credit Default Swaps (CDS):

NBFCs are only permitted to buy credit protection to hedge their credit risk on corporate bonds they hold. The bonds may be held in current category or permanent category. The capital charge for these exposures will be as under:

(i) For corporate bonds held in current category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, the credit protection will be permitted to be recognised to a maximum of 80% of the exposure hedged. Therefore, the NBFC will continue to maintain capital charge for the corporate bond to the extent of 20% of the applicable capital charge. This can be achieved by taking the exposure value at 20% of the market value of the bond and then multiplying that with the risk weight of the issuing entity. In addition to this, the bought CDS position will attract a capital charge for counterparty risk which will be calculated by applying a credit conversion factor of 100 percent and a risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others.

(ii) For corporate bonds held in permanent category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, NBFCs can recognise full credit protection for the underlying asset and no capital will be required to be maintained thereon. The exposure will stand fully substituted by the exposure to the protection seller and attract risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others.

3. The Notifications DNBS.PD.No.239/ CGM (US) 2011 and DNBS.PD.No. 240/CGM (US) 2011 both dated December 30, 2011 amending the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and the Non-Banking Financial (Non-Deposit Accepting or

Holding) Companies Prudential Norms (Reserve Bank) Directions, (as amended vide Notifications.No.237 and No. 238 both dated December 26, 2011) are enclosed for meticulous compliance.

Notification DNBS. PD.No.239 / CGM(US)-2011 dated December 30, 2011

The Reserve Bank of India, having considered it necessary in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007(hereinafter referred to as the said Directions), contained in Notification No. DNBS. 192/DG(VL)-2007 dated February 22, 2007, in exercise of the powers conferred by section 45JA of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

In paragraph 16(2), under Explanations (2), Para E *viz;*

"E Credit conversion factors for Credit Default Swaps (CDS)

A CDS creates a notional short position for specific risk in the reference asset/obligation for the protection buyer. This position will attract a Credit Conversion Factor of 100 and a risk weight of 100. The Add On factor may be fixed as 10 percent (of notional principal of CDS) in relation to potential future exposure".

shall be replaced by the following

"E. Credit conversion factors for Credit Default Swaps (CDS):

NBFCs are only permitted to buy credit protection to hedge their credit risk on corporate bonds they hold. The bonds may be held in current category or permanent category. The capital charge for these exposures will be as under:

(i) For corporate bonds held in current category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, the credit protection will be permitted to be recognised to a maximum of 80% of the exposure hedged. Therefore, the NBFC will continue to maintain capital charge for the corporate bond to the extent of 20% of the applicable capital charge. This can be achieved by taking the exposure value at 20% of the market value of the bond and then multiplying that with the risk weight of the issuing entity. In addition to this, the bought CDS position will attract a capital charge for counterparty risk which will be calculated by applying a credit conversion factor of 100 percent and a risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others.

(ii) For corporate bonds held in permanent category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, NBFCs can recognise full credit protection for the underlying asset and no capital will be required to be maintained thereon. The exposure will stand fully substituted by the exposure to the protection seller and attract risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others."

Notification DNBS. PD.No.240 / CGM(US)-2011 dated December 30, 2011

The Reserve Bank of India, having considered it necessary in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007(hereinafter referred to as the said Directions), contained in Notification No. DNBS. 193/DG(VL)-2007 dated February 22, 2007, in exercise of the powers conferred by section 45JA of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

In paragraph 16(2), under Explanations (2), Para E *viz;*

"E. Credit conversion factors for Credit Default Swaps (CDS)

A CDS creates a notional short position for specific risk in the reference asset/obligation for the protection buyer. This position will attract a Credit Conversion Factor of 100 and a risk weight of 100. The Add On factor may be fixed as 10 percent (of notional principal of CDS) in relation to potential future exposure".

shall be replaced by the following

"E. Credit conversion factors for Credit Default Swaps (CDS):

NBFCs are only permitted to buy credit protection to hedge their credit risk on corporate bonds they hold. The bonds may be held in current category or permanent category. The capital charge for these exposures will be as under:

(i) For corporate bonds held in current category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, the credit protection will be permitted to be recognised to a maximum of 80 per cent of the exposure hedged. Therefore, the NBFC will continue to maintain capital charge for the corporate bond to the extent of 20 per cent of the applicable capital charge. This can be achieved by taking the exposure value at 20% of the market value of the bond and then multiplying that with the risk weight of the issuing entity. In addition to this, the bought CDS position will attract a capital charge for counterparty risk which will be calculated by applying a credit conversion factor of 100 percent and a risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others.

(ii) For corporate bonds held in permanent category and hedged by CDS where there is no mismatch between the CDS and the hedged bond, NBFCs can recognise full credit protection for the underlying asset and no capital will be required to be maintained thereon. The exposure will stand fully substituted by the exposure to the protection seller and attract risk weight as applicable to the protection seller i.e. 20 per cent for banks and 100 per cent for others."

Foreign Exchange Developments

1. Deferred Payment Protocols dated April 30, 1981 and December 23, 1985 between Government of India and erstwhile USSR

In terms of the A.P. (DIR Series) Circular No. 39 dated November 1, 2011, the Rupee value of the special currency basket was indicated as `69.09329 effective from September 20, 2011. A further revision took place on October 20, 2011 and accordingly, the Rupee value of the special currency basket was fixed at `71.668914 with effect from October 25, 2011.

[A.P. (DIR Series) Circular No. 53
dated December 2, 2011]

2. Deferred Payment Protocols dated April 30, 1981 and December 2, 1985 between Government of India and erstwhile USSR

In terms of the A.P. (DIR Series) Circular No. 53 dated December 2, 2011, the Rupee value of the special currency basket was indicated as `71.668914 effective from October 25, 2011. A further revision took place on November 23, 2011 and accordingly, the Rupee value of the special currency basket was fixed at `73.923372 with effect from November 28, 2011.

[A.P. (DIR Series) Circular No. 54
dated December 08, 2011]

3. Foreign Direct Investment (FDI) in India – Issue of Equity Shares under the FDI Scheme allowed under the Government route

In terms of the A.P. (DIR Series) Circular No. 74 dated June 30, 2011, issue of equity shares/preference shares under the Government route by conversion of import of capital goods,/machineries/equipments (including second-hand machineries) and pre-operative / pre-incorporation expenses (including payments of rent, *etc.*) was allowed subject to terms and conditions stated therein. Certain conditions in the aforesaid A.P. (DIR Series) Circular have been amended. The amended conditions are given in the Annex. The amended conditions are given in the Annex.

[A.P. (DIR Series) Circular No. 55
dated December 09, 2011]

4. Amendment to the Foreign Direct Investment Scheme

In terms of Schedule 1 of the Notification No. FEMA 20/2000-RB dated May 3, 2000, *ibid*, Foreign Direct Investment (FDI) up to 100 per cent is permitted in pharmaceuticals sector under the automatic route of the FDI Scheme. The extant FDI policy for pharmaceuticals sector was since reviewed and it was decided as under:

(i) FDI, up to 100 per cent, under the automatic route, would continue to be permitted for green field investments in the pharmaceuticals sector.

(ii) FDI, up to 100 per cent, would be permitted for brownfield investment (*i.e.*, investments in existing companies), in the pharmaceutical sector, under the Government approval route.

[A.P. (DIR Series) Circular No. 56
dated December 09, 2011]

5. Foreign Exchange Management Act, 1999 (FEMA) Foreign Exchange (Compounding Proceedings) Rules, 2000 (the Rules) – Compounding of Contraventions under FEMA, 1999

As a measure of customer service and in order to facilitate the operational convenience, it was decided to delegate the powers to the Regional Offices of the Reserve Bank of India mentioned below to compound the contraventions of FEMA involving (i) delay in reporting of inward remittance, (ii) delay in filing of form FC-GPR after allotment of shares and (iii) delay in issue of shares beyond 180 days (*viz.*, paragraphs 9(1)(A), 9(1)(B) and 8, respectively, of the Schedule

I to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified vide Notification No. FEMA 20/2000-RB dated May 3, 2000 and as amended from time to time:

a) *Paragraphs 9 (1) (A) and 9 (1) (B) of Schedule I to FEMA 20/2000-RB dated May 3, 2000 -*

   Bhopal, Bhubaneshwar, Chandigarh, Guwahati, Jaipur, Jammu, Kanpur, Kochi, Patna and Panaji for amount of contravention below Rupees Ten Million only (` 1,00,00,000/-).

b) *Paragraphs 9 (1) (A), 9 (1) (B) and 8 of Schedule I to FEMA 20/2000-RB dated May 3, 2000 -*

   Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi for amount of contravention without any limit.

In terms of sub-rule (1) to Rule 8 of Foreign Exchange (Compounding Proceedings) Rules, 2000, the Compounding Authority may call for any information, record or any other documents relevant to the compounding proceedings. It has been observed that there is no uniformity in submitting the required details with supporting documents along with the compounding application. This results in avoidable correspondence between Reserve Bank and the applicant. It has, therefore been decided that along with the application in the prescribed format, the applicant may also furnish the details as per the Annexes enclosed with the circular relating to Foreign Direct Investment, External Commercial Borrowings, Overseas Direct Investment and Branch Office/Liaison Office, as applicable, along with an undertaking that they are not under investigation of any agency such as DOE, CBI, *etc.*, a copy of the Memorandum of Association and latest audited balance sheet while applying for compounding of contraventions under FEMA, 1999.

[A.P. (DIR Series) Circular No. 57 dated December 13, 2011]

6. Risk Management and Inter-Bank Dealings

Keeping in view the developments in the foreign exchange market, it has been decided to implement the following measures **with immediate effect** until further review.

i. Under contracted exposures, forward contracts, involving the Rupee as one of the currencies, booked by residents to hedge current account transactions, regardless of the tenor, and to hedge capital account transactions, falling due within one year, were allowed to be cancelled and rebooked. It has now been decided to withdraw the above facility. Forward contracts booked by residents irrespective of the type and tenor of the underlying exposure, once cancelled, cannot be rebooked.

ii. Under probable exposures based on past performance residents were allowed to hedge currency risk on the basis of a declaration of an exposure and based on past performance up to the average of the previous three financial years' (April to March) actual import/export turnover or the previous year's actual import/export turnover, whichever is higher. Further, contracts booked in excess of 75 per cent of the eligible limit were to be on deliverable basis and could not be cancelled.

   It has now been decided that

   a. For importers availing of the above past performance facility, the facility stands reduced to 25 per cent of the limit as computed above, *i.e.*, 25 per cent of the average of the previous three financial years' (April to March) actual import/export turnover or the previous year's actual import/export turnover, whichever is higher. In case of importers who have already utilised in excess of the revised /reduced limit, no further bookings may be allowed under this facility.

   b. All forward contracts booked under this facility by both exporters and importers hence forth will be on fully deliverable basis. In case of cancellations, exchange gain, if any, should not be passed on to the customer.

iii. All cash/tom/spot transactions by the Authorised Dealers on behalf of clients will be undertaken for actual remittances/delivery only and cannot be cancelled/cash settled.

iv. Foreign Institutional Investors (FIIs) are currently allowed to hedge currency risk on the market value of entire investment in equity and/or debt in India as on a particular date. The contracts once cancelled cannot be rebooked except to the extent of 10 per cent of the market value of the portfolio as at the beginning of the financial year. The forward contracts may, however, be rolled over on or before maturity. It has now been decided that henceforth forward contracts booked by the FIIs, once cancelled, cannot be rebooked. The forward contracts may, however, be rolled over on or before maturity.

v. The Board of Directors of Authorised Dealers were allowed to fix suitable limits for various Treasury functions with net overnight open exchange position and aggregate gap limits required to be approved by the Reserve Bank. It has now been decided that

   a. Net Overnight Open Position Limit (NOOPL) of Authorised Dealers would be reduced across the board. Revised limits in respect of individual banks are being advised to the Authorised Dealers separately.

   b. Intra-day open position/daylight limit of Authorised Dealers should not exceed the existing NOOPL approved by the Reserve Bank.

   c. The above arrangement would be reviewed on an ongoing basis keeping in view the evolving market conditions.

[A.P. (DIR Series) Circular No. 58
dated December 15, 2011]

7. External Commercial Borrowings (ECB) for Micro Finance Institutions (MFIs) and Non-Government Organisations (NGOs)-engaged in Micro Finance Activities under Automatic Route

Considering the specific needs of the micro finance sector, the existing ECB policy has been reviewed in consultation with the Government of India and it has been decided that hence forth MFIs may be permitted to raise ECB up to USD 10 million or equivalent during a financial year for permitted end-uses, under the Automatic Route.

(i) Eligible Borrower:

It has also been decided that Non-Government Organizations (NGOs) engaged in micro finance activities can avail of ECB up to US$ 10 million or equivalent per financial year under the automatic route as against the present limit of US$ 5 million or equivalent per financial year.

All other ECB parameters such as minimum average maturity, all-in-cost ceilings, restrictions on issuance of guarantee, choice of security, parking of ECB proceeds, prepayment, refinancing of ECB, reporting arrangements under the Automatic Route should be complied with by MFIs/NGOs availing ECBs. The designated AD has to certify the status of the borrower as eligible and involved in micro finance and ensure at the time of draw down that the forex exposure of the borrower is fully hedged.

These amendments to ECB policy will come into force with immediate effect and the framework with respect to MFIs will be subject to review after one year.

Necessary amendments to the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 dated May 3, 2000 are being issued separately, wherever necessary.

[A.P. (DIR Series) Circular No. 59
dated December 19, 2011]

8. Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/Combating the Financing of Terrorism (CFT) Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 – Money changing activities

In view of the problems faced by the money changers while obtaining documents towards address proof from foreign tourists, it has been decided to amend certain instructions contained in the aforementioned Part. All the other instructions contained in the A.P. (DIR Series) Circular No. 17 [A.P. (FL/RL Series) Circular No. 04] dated November 27, 2009 shall remain unchanged.

Annex

Customer Identification Procedure
Features to be verified and documents that may be obtained from customers

Extant Guidelines		Revised Guidelines	
Features	**Documents**	**Features**	**Documents**
Transactions With Individuals - Legal name and any other names used - Correct permanent address	(i) Passport (ii) PAN card (iii) Voter's Identity Card (iv) Driving licence (v) Identity card (subject to the AP's satisfaction) (vi) Letter from a recognized public authority or public servant verifying the identity and residence of the customer to the satisfaction of the AP. (i) Telephone bill (ii) Bank account statement (iii) Letter from any recognized public authority (iv) Electricity bill (v) Ration card (vi) Letter from employer (subject to satisfaction of the AP). (any one of the documents, which provides customer information to the satisfaction of the AP will suffice).	**Transactions With Individuals** - Legal name and any other names used - Correct permanent address	i) Passport (ii) PAN card (iii) Voter's Identity Card (iv) Driving licence (v) Identity card (subject to the AP's satisfaction) (vi) Letter from a recognized public authority or public servant verifying the identity and residence of the customer to the satisfaction of the AP. (i) Telephone bill (ii) Bank account statement (iii) Letter from any recognized public authority (iv) Electricity bill (v) Ration card (vi) Letter from employer (subject to satisfaction of the AP). (any one of the documents, which provides customer information to the satisfaction of the AP will suffice).

[A.P. (DIR Series) Circular No. 60 dated December 22, 2011]

9. Exim Bank's Line of Credit of USD 40 million to the Government of the Republic of Maldives

Export-Import Bank of India (Exim Bank) has concluded an Agreement dated August 12, 2011 with the Government of the Republic of Maldives, making available to the latter, a Line of Credit (LOC) of USD 40 million (USD forty million) for financing eligible goods, services, machinery and equipment including consultancy services to be exported from India for the purpose of financing the construction of 500 housing units in Maldives.

The Credit Agreement under the LOC is effective from October 25, 2011 and the date of execution of Agreement is August 12, 2011. Under the LOC, the last date for opening of Letters of Credit and Disbursement will be 48 months from the scheduled completion date(s) of contract(s) in the case of project exports and

72 months (August 11, 2017) from the execution date of the Credit Agreement in the case of supply contracts.

Shipments under the LOC will have to be declared on GR/SDF Forms as per instructions issued by the Reserve Bank from time to time.

No agency commission is payable under the above LOC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer Category- I (AD Category-I) banks may allow such remittance after realization of full payment of contract value subject to compliance with the prevailing instructions for payment of agency commission.

[A.P. (DIR Series) Circular No. 61 dated December 27, 2011]

10. Exim Bank's Line of Credit of USD 168 million to the Government of the Democratic Republic of Congo

Export-Import Bank of India (Exim Bank) has concluded an Agreement dated July 11, 2011 with the Government of the Democratic Republic of Congo, making available to the latter, a Line of Credit (LOC) of US$ 168 million (US$ one hundred sixty eight million) for financing eligible goods, services, machinery and equipment including consultancy services to be exported from India for the purpose of financing Ketende Hydro-electric Project in Congo.

The Credit Agreement under the LOC is effective from October 20, 2011 and the date of execution of Agreement is July 11, 2011. Under the LOC, the last date for opening of Letters of Credit and Disbursement will be 48 months from the scheduled completion date(s) of contract(s) in the case of project exports and 72 months (July 10, 2017) from the execution date of the Credit Agreement in the case of supply contracts.

Shipments under the LOC will have to be declared on GR / SDF Forms as per instructions issued by the Reserve Bank from time to time.

No agency commission is payable under the above LOC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer Category- I (AD Category-I) banks may allow such remittance after realization of full payment of contract value subject to compliance with the prevailing instructions for payment of agency commission.

[A.P. (DIR Series) Circular No. 62 dated December 27, 2011]

11. External Commercial Borrowings (ECB) denominated in Indian Rupees (INR) – Hedging Facilities for Non-Resident Entities

It has been decided to allow non-residents to hedge their currency risk in respect of ECBs denominated in Indian Rupees, with AD Category I banks in India, as per the details given in the Annex.

Annex

ECBs denominated in INR – Hedging Facilities for Non-Resident Entities

Purpose: To hedge the currency risk arising out of ECBs designated in INR with AD Category- I banks in India.

Products: Forward foreign exchange contracts with rupee as one of the currencies, foreign currency-INR options and foreign currency-INR swaps.

Operational Guidelines, Terms and Conditions:

- The foreign equity holder / overseas organisation or individual approaches the AD bank in India with a request for forward cover in respect of underlying transaction for which he needs to furnish appropriate documentation (scanned copies would be acceptable), on a pre-deal basis to enable the AD bank in India to satisfy itself that there is an underlying ECB transaction, and details of his overseas banker, address, etc. The following undertakings also need to be taken from the customer -

  a. That the same underlying exposure has not been hedged with any other AD Category- I bank/s in India.

  b. If the underlying exposure is cancelled, the customer will cancel the hedge contract immediately.

- The amount and tenor of the hedge should not exceed that of the underlying transaction and should be in consonance with the extant regulations regarding tenor of payment /realisation of the proceeds.
- On due date, settlement is to be done through the correspondent bank's Vostro or the AD bank's Nostro accounts. AD banks in India may release funds to the beneficiaries only after sighting funds in Nostro/Vostro accounts.
- The contracts, once cancelled, cannot be rebooked.
- The contracts may, however, be rolled over on or before maturity subject to maturity of the underlying exposure.
- On cancellation of the contracts, gains may be passed on to the customer subject to the customer providing a declaration that he is not going to rebook the contract or that the contract has been cancelled on account of cancellation of the underlying exposure.

[A.P. (DIR Series) Circular No. 63 dated December 29, 2011]

current statistics

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Government Accounts

Government Securities Market

Production

Capital Market

Prices

Trade & Balance of Payments

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Notes: (1) The coverage of data will be expanded from time to time to include new statistical information as and when it becomes available.

(2) Some of the figures included in the tables are provisional and may be revised in later issues. Each issue contains all the revisions made upto the date of publication of the Bulletin.

(3) The following symbols have been used throughout this Section:

.. = Figure is not available.

- = Figure is nil or negligible.

P = Provisional.

(4) Where necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be, in some tables, a slight discrepancy between the sum of the constituent items and the total.

(5) A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different basis and are not strictly comparable. In each case, a suitable footnote is added.

(6) For definitions of important items, sources of data, coverage, scope, method of compilation, etc. a reference may be made to the Explanatory Notes, issued as a supplement to the October 1978 issue of the Bulletin.

(7) 1 Billion = 100 Crore, 10 Million = 1 Crore, 1 Million = 10 Lakh, 1 Lakh = 1,00,000.

General

No. 1: Selected Economic Indicators

Item	Unit / Base	1990-91	2008-09	2009-10	2010-11	2011		
						Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8
Output								
1. Gross Domestic Product at Factor Cost (at 2004-05 prices)	₹ Billion	10,836 **	41,625	44,937 (Q.E.)	48,778 (R.E.)			
2. Index number of Agricultural Production (All crops)	Triennium ended 1993-94 = 100	148.4 +	162.3	160.0	178.8			
a. Foodgrains Production	Million tonnes	176.4	234.5	218.1	241.6 £			
3. General Index of Industrial Production (1)	2004-05=100	212.6 *	145.2	152.9	165.5 (P)	163.2 (P)	158.1 (P)	
Money and Banking								
Reserve Bank of India (2)								
4. Notes in Circulation	₹ Billion	538	6,811	7,902	9,421	9,630	9,988	10,023
5. Rupee Securities (3)	"	860	1,220	1,768	3,218	3,816	3,555	4,019
6. Loans and Discount	"	199	216	38	63	298	409	280
(a) Scheduled Commercial Banks (4)	"	82	117	–	50	40	37	58
(b) Scheduled State Co-operative Banks (4)	"	–	–	–	–	–	–	–
(c) Bills Purchased and Discounted (internal)	"	–	–	–	–	–	–	–
Scheduled Commercial Banks								
7. Aggregate Deposits (5)	₹ Billion	1,925	38,341	44,928	52,080	57,130	56,430	56,583 (P)
8. Bank Credit (5)	"	1,163	27,755	32,448	39421	42,233	41,574	41,955 (P)
9. Investment in Govt. Securities (5)	"	500	11,558	13,784	14971	16,819	17,024	17,052 (P)
10. Cheque Clearances (6)	₹ Billion	17,030	60,195	45,277	42,352 (P)	3,188 (P)	3,247 (P)	3,009 (P)
11. Money Stock Measures (7)								
(a) M_1	₹ Billion	929	12,597	14,893	16,355	15,819	15,994	16,170
(b) M_3	"	2,658	47,948	56,027	64,995	68,592	69,587	70,137
Cash Reserve Ratio and Interest Rates								
12. Cash Reserve Ratio (2), (14)	Per cent	15.00	5.00	5.75	6.00	6.00	6.00	6.00
13. Bank Rate	Per cent Per annum	10.00	6.00	6.00	6.00	6.00	6.00	6.00
14. Inter-bank Call Money Rate (Mumbai) (8)	"	4.00-7.00	2.50-5.75	2.25-5.75	5.70-10.0	6.00-8.25	6.90-8.62	6.90-8.70
15. Deposit Rate (9)								
(a) 30 days and 1 year	"	8.00 (II)	3.25-8.00	1.50-6.50	2.50-8.00	4.00-8.10	4.00-8.10	4.00-8.10
(b) 1 year and above	"	9.00-11.00	8.00-8.50	6.00-7.50	8.25-9.50	9.00-9.25	9.00-9.25	9.00-9.25

Q.E. : Quick Estimate. R.E.: Revised Estimate R: Revised.

** Data for 1990-91 corresponds to 1999-2000 base.

* Base: 1980-81 = 100. + Base Triennium ending 1981-82=100 and from 2002-03 new base (Triennium ending 1993-94=100)

^ Base: 2001 = 100 from January 2006 onwards.

^ ^ CPI (UNME) are Linked All - India Index from the April 2008 onwards. As per the Press Release of Central Statistics Office, all-India linked Consumer Price Index for Urban Non-Manual Employees (UNME) has been discontinued with effect from January 2011. Therefore, these data will not be updated henceforth.

£ Fourth Advance Estimates of Production of Foodgrains for 2010-11.

Also see 'Notes on Tables'.

No. 1: Selected Economic Indicators *(Concld.)*

Item	Unit/Base	1990-91	2008-09	2009-10	2010-11	2011		
						Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8
16. Base Rate (10)	"		11.50-12.50	11.00-12.00	8.25-9.50	10.00-10.75	10.00-10.75	10.00-10.75
17. Yield on 7.40% Loan 2012	"		7.26	6.08				
Government Securities Market (2)								
18. Govt. of India 91-day Treasury Bills (Total outstandings)	₹ Billion		755	715	703	1165	1,052	946.19
Price Indices								
19. Wholesale Prices (11)	2004-05=100							
(a) All Commodities	"	182.7+	125.9	130.4	143.3	156.2	156.8 (P)	156.9 (P)
(b) Primary Articles	"	184.9+	137.5	154.9	182.4	202.2	204.3 (P)	201.1 (P)
(c) Fuel and Power	"	175.8+	135.0	132.1	148.3	168.3	170.0 (P)	171.6 (P)
(d) Manufactured Products	"	182.8+	120.2	122.4	130.1	139.0	139.1 (P)	139.8 (P)
(e) Foodgrains (Cereals + Pulses)	"	179.2+	145.3	166.4	174.4	180.8	183.1 (P)	182.5 (P)
(f) Edible Oils	"	223.3+	121.6	114.4	120.6	136.3	135.6 (P)	135.0 (P)
(g) Sugar, Khandsari & Gur	"	152.3+	106.8	161.9	160.5	166.9	167.5 (P)	170.3 (P)
(h) Raw Cotton	"	145.5+	141.2	138.6	199.3	235.4	222.1 (P)	216.2 (P)
20. Consumer Prices (All-India) (1)								
(a) Industrial Workers ^	2001=100	193	145	163	180	197	198	199
(b) Urban Non-Manual Employees ^ ^	1984-85=100	161	561	634	..	"	"	"
(c) Agricultural Labourers	July 1986-June 1987=100	"	462	530	577	615	619	621
Foreign Trade								
21. Value of Imports	U.S. $ Million	24,073	**303,696**	288,373	369,769 (P)	34,961 (P)	39,514 (P)	
22. Value of Exports	"	18,145	185,295	178,751	251,105 (P)	23,589 (P)	19,870 (P)	
23. Balance of Trade	"	–5,927	–118,401	–109,621	–118,664 (P)	–11,372 (P)	–19,644 (P)	
24. Foreign Exchange Reserves (12)								
(a) Foreign Currency Assets	U.S. $ Million	2,236	241,426	254,685	274,330	275,699	282,087	272,771
(b) Gold	"	3,496	9,577	17,986	22,972	28,667	26,896	28,041
(c) SDRs	"	102	1	5,006	4,569	4,504	4,574	4,476
Employment Exchange Statistics (13)								
25. Number of Registrations	Thousand	6,541	5,315.7	5,693.7	..	..	..	..
26. Number of Applicants								
(a) Placed in Employment	"	265	304.9	261.5	..	..	..	..
(b) On live Register (12)	"	34,632	39,114.9	38,152.2	..	..	..	..

Money and Banking

No. 2: Reserve Bank of India

(₹ Billion)

Last Friday / Friday	1990-91	2009-10	2010-11	2010	2011									
				Dec.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.2	Dec.9	Dec.16	Dec.23	Dec.30
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Issue Department														
Liabilities														
Notes in Circulation	**537.84**	**7902.23**	**9421.07**	**8945.99**	**9631.56**	**9705.85**	**9630.06**	**9988.29**	**10022.67**	**10013.64**	**10148.25**	**10179.79**	**10129.21**	**10067.58**
Notes held in Banking Department	0.23	0.16	0.17	0.16	0.12	0.15	0.20	0.06	0.16	0.13	0.16	0.13	0.16	0.09
Total Liabilities (Total Notes Issued) or Assets	**538.07**	**7902.39**	**9421.24**	**8946.15**	**9631.68**	**9706.00**	**9630.26**	**9988.35**	**10022.83**	**10013.77**	**10148.40**	**10179.91**	**10129.37**	**10067.67**
Assets														
Gold Coin and Bullion	66.54	434.11	524.22	527.60	586.57	586.57	735.00	735.00	688.76	766.56	766.56	766.56	766.56	743.07
Foreign Securities	2.00	7454.91	8884.20	8406.22	9033.01	9106.48	8882.02	9241.43	9323.16	9234.62	9369.50	9401.35	9349.16	9311.27
Rupee Coin (1)	0.29	2.91	2.36	1.87	1.64	2.49	2.78	1.46	0.45	2.13	1.88	1.54	3.19	2.87
Government of India Rupee Securities	469.24	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46
Banking Department														
Liabilities														
Deposits	**385.42**	**3189.34**	**3565.34**	**4381.69**	**3907.64**	**3946.11**	**4353.95**	**3826.39**	**4031.28**	**3813.11**	**3992.04**	**3809.29**	**4407.20**	**3832.40**
Central Government	0.61	39.33	62.93	945.37	1.01	1.01	1.01	1.00	1.00	1.00	1.01	1.00	1.00	1.00
Market Stabilisation Scheme	–	27.37	–	–	–	–	–	–	–	–	–	–	–	–
State Governments	0.33	0.41	0.41	0.41	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Scheduled Commercial Banks	334.84	2813.90	3191.63	3128.68	3598.21	3624.14	4025.20	3508.70	3713.79	3480.35	3676.01	3496.59	4078.66	3506.10
Scheduled State Co-operative Banks	2.44	39.17	34.94	36.75	36.84	36.09	37.87	37.10	38.27	42.22	38.35	39.37	38.07	39.81
Non-Scheduled State Co-operative Banks	0.13	0.77	0.86	0.76	0.71	0.80	0.77	0.60	0.64	0.58	0.54	0.62	0.65	0.62
Other Banks	0.88	131.20	151.98	146.40	161.03	161.11	169.03	170.21	169.74	168.16	170.58	166.00	172.03	167.51
Others	46.19	137.19	122.60	123.30	109.41	122.53	119.65	108.35	107.41	120.37	105.13	105.28	116.37	116.94
Other Liabilities (2)	283.42	3166.42	3613.50	3390.02	4119.61	4492.05	5127.21	5512.91	5747.73	5772.77	6004.81	6077.89	6123.05	6193.90
Total Liabilities or Assets	**668.84**	**6355.77**	**7178.85**	**7771.71**	**8027.25**	**8438.16**	**9481.16**	**9339.29**	**9779.01**	**9585.88**	**9996.85**	**9887.18**	**10530.25**	**10026.31**

See 'Notes on Tables.'

No. 2: Reserve Bank of India *(Concld.)*

(₹ Billion)

Last Friday / Friday	1990-91	2009-10	2010-11	2010	2011									
				Dec.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.2	Dec.9	Dec.16	Dec.23	Dec.30
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Assets														
Notes and Coins	0.23	0.17	0.17	0.16	0.12	0.15	0.20	0.06	0.16	0.13	0.16	0.13	0.16	0.09
Balances held Abroad (3)	40.08	4014.3	3345.5	3603.70	3612.76	4082.10	4624.25	4661.40	4799.80	4733.88	4835.51	4714.88	4673.86	4713.00
Loans and Advances														
Central Government	–	–	–	–	259.83	211.92	243.87	361.53	213.25	361.37	347.17	–	–	109.86
State Governments (4)	9.16	5.58	7.29	–	0.17	4.33	6.05	3.45	0.91	12.31	2.90	3.69	3.80	0.42
Scheduled Commercial Banks	81.69	0.42	50.31	49.76	23.96	17.01	39.53	37.45	58.32	22.73	59.73	38.28	75.19	58.79
Scheduled State Co-op.Banks	0.38	–	0.30	0.60	–	–	–	–	–	–	–	–	–	–
Industrial Dev. Bank of India	37.05	–	–	–	–	–	–	–	–	–	–	–	–	–
NABARD	33.28	–	–	–	–	–	–	–	–	–	–	–	–	–
EXIM Bank	7.45	–	–	–	–	–	–	–	–	–	–	–	–	–
Others	16.15	32.22	5.04	3.68	4.99	5.80	8.67	6.11	7.36	4.37	7.31	6.98	7.29	19.97
Bills Purchased and Discounted														
Internal	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Government Treasury Bills	13.84	–	–	–	–	–	–	–	–	–	–	–	–	–
Investments	402.86	1786.63	3222.42	3588.23	3465.96	3468.95	3821.27	3559.88	4023.81	3703.15	4001.59	4381.73	5028.22	4394.05
Other Assets (5)	26.66	516.46	547.84	525.59	659.45	647.90	737.32	709.41	675.39	747.92	742.48	741.50	741.72	730.14
	(–)	(394.34)	(476.19)	(479.26	(532.83	(532.83	(667.66)	(667.66)	(625.66)	(696.33)	(696.33)	(696.33)	(696.33)	(674.99)

No. 3: All Scheduled Banks – Business in India

(₹ Billion)

Last Reporting Friday (in case of March)/ Last Friday	1990-91	2009-10	2010-11	2010	2011						
				Nov.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
Number of Reporting Banks	299	232	232	232	234	234	234	233	235	235	235
Liabilities to the Banking System (1)	**66.7**	**1,057.3**	**1,134.3**	**941.9**	**1,025.4**	**1,142.4**	**1,083.3**	**1,084.4**	**1,113.6**	**1,103.5**	**1,039.4**
Demand and Time Deposits from Banks (2)	56.0	673.7	765.3	655.4	708.0	749.7	720.6	744.9	787.6	726.1	715.1
Borrowings from Banks (3)	10.0	323.8	297.7	215.9	215.0	292.3	263.9	239.6	225.7	277.8	223.8
Other Demand and Time Liabilities (4)	0.8	59.8	71.3	70.6	102.4	100.4	98.8	99.9	100.3	99.6	100.5
Liabilities to Others (1)	**2,131.3**	**50,763.7**	**58,363.6**	**54,068.3**	**60,132.9**	**60,748.0**	**61,487.1**	**61,975.3**	**64,183.6**	**63,555.6**	**63,569.5**
Aggregate Deposits (5)	**1,996.4**	**46,352.2**	**53,551.6**	**49,389.0**	**54,764.7**	**55,230.9**	**56,385.7**	**56,674.5**	**58,705.3**	**58,009.4**	**58,172.8**
Demand	348.2	6,604.5	6,565.5	6,090.0	5,759.3	5,765.5	5,818.0	5,760.5	6,627.6	5,968.0	5,862.0
Time (5)	1,648.2	39,747.8	46,986.1	43,299.0	49,005.4	49,465.5	50,567.7	50,914.0	52,077.7	52,041.4	52,310.8
Borrowings (6)	6.4	1,061.9	1,332.9	1,386.8	1,522.6	1,750.3	1,540.4	1,640.5	1,848.4	1,945.4	1,805.7
Other Demand and Time Liabilities (4)	128.4	3,349.5	3,479.1	3,292.4	3,845.6	3,766.7	3,560.9	3,660.2	3,629.8	3,600.8	3,591.0
Borrowings from Reserve Bank (7)	**34.8**	**0.4**	**51.1**	**46.5**	**40.5**	**28.2**	**24.0**	**17.4**	**39.9**	**37.8**	**58.7**
Against Usance Bills / Promissory Notes	–	–	–	–	–	–	–	–	–	–	–
Others (8)	34.8	0.4	51.1	46.5	40.5	28.2	24.0	17.4	39.9	37.8	58.7
Cash in Hand and Balances with Reserve Bank	**259.9**	**3,161.2**	**3,589.5**	**3,522.9**	**3,958.6**	**4,007.7**	**4,055.7**	**4,080.5**	**4,504.3**	**4,026.3**	**4,204.2**
Cash in Hand	18.5	263.0	311.1	320.0	347.1	351.6	363.2	364.1	377.9	417.8	389.5
Balances with Reserve Bank (9)	241.5	2,898.2	3,278.4	3,202.9	3,611.5	3,656.0	3,692.5	3,716.4	4,126.4	3,608.5	3,814.6

See "Notes on Tables"

No. 3: All Scheduled Banks – Business in India *(Concld.)*

(₹ Billion)

Last Reporting Friday (in case of March)/ Last Friday	1990-91	2009-10	2010-11	2010	2011						
				Nov.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
Assets with the Banking System	**68.5**	**1,669.5**	**1,758.8**	**1,348.3**	**1,612.0**	**1,786.0**	**1,641.8**	**1,694.9**	**1,963.1**	**1,774.6**	**1,683.7**
Balances with Other Banks	33.5	703.7	628.6	523.5	600.1	610.0	577.9	578.4	699.3	652.9	637.8
In Current Account	19.3	148.5	115.2	100.3	109.6	123.3	114.8	108.1	143.5	109.4	103.4
In Other Accounts	14.2	555.2	513.4	423.2	490.5	486.8	463.2	470.3	555.8	543.6	534.3
Money at Call and Short Notice	22.0	331.4	269.4	218.8	240.5	333.7	279.3	283.0	265.7	305.1	229.6
Advances to Banks (10)	9.0	101.5	129.2	45.1	109.5	103.9	76.8	79.0	124.8	62.4	74.5
Other Assets	4.0	532.9	731.7	560.9	661.9	738.3	707.8	754.6	873.3	754.2	741.8
Investment	**768.3**	**14,377.7**	**15,509.1**	**15,176.8**	**16,426.2**	**16,473.9**	**17,351.2**	**17,539.7**	**17,370.8**	**17,576.0**	**17,613.9**
Government Securities (11)	510.9	14,284.7	15,452.2	15,115.0	16,367.4	16,415.9	17,295.0	17,487.5	17,319.6	17,532.9	17,569.5
Other Approved Securities	257.5	93.0	56.9	61.9	58.8	58.0	56.2	52.2	51.3	43.1	44.4
Bank Credit	**1,255.8**	**33,375.5**	**40,608.4**	**36,747.1**	**40,792.8**	**41,364.0**	**41,356.3**	**41,738.0**	**43,530.2**	**42,884.8**	**43,270.1**
Loans, Cash-credits and Overdrafts	1,149.8	32,127.9	39,107.7	35,440.5	39,300.0	39,870.6	39,877.8	40,283.8	41,983.1	41,361.5	41,725.8
Inland Bills-Purchased	35.3	126.9	139.7	116.2	123.6	117.3	112.9	115.6	146.2	136.9	143.6
Inland Bills-Discounted	24.1	633.2	810.1	691.4	826.9	840.3	847.2	825.6	821.3	817.7	825.2
Foreign Bills-Purchased	27.9	162.1	186.3	174.8	180.1	179.2	176.9	174.5	195.4	186.2	188.7
Foreign Bills-Discounted	18.6	325.5	364.6	324.1	362.2	356.5	341.5	338.6	384.2	382.6	386.8
Cash-Deposit Ratio	***13.0***	***6.8***	***6.7***	***7.1***	***7.2***	***7.3***	***7.2***	***7.2***	***7.7***	***6.9***	***7.2***
Investment-Deposit Ratio	***38.5***	***31.0***	***29.0***	***30.7***	***30.0***	***29.8***	***30.8***	***30.9***	***29.6***	***30.3***	***30.3***
Credit-Deposit Ratio	***62.9***	***72.0***	***75.8***	***74.4***	***74.5***	***74.9***	***73.3***	***73.6***	***74.2***	***73.9***	***74.4***

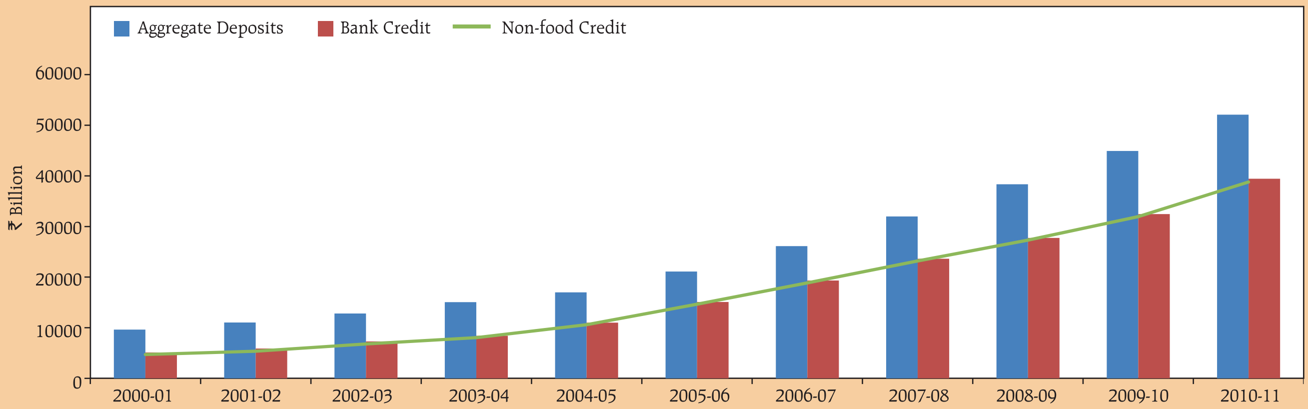
No. 4: All Scheduled Commercial Banks – Business in India

(₹ Billion)

Last Reporting Friday (in case of March)/ Last Friday	1990-91	2009-10	2010-11	2010	2011						
				Nov.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
Number of Reporting Banks	271	163	163	163	165	165	164	164	166	166	166
Liabilities to the Banking System (1)	**64.9**	**1,032.7**	**1,105.9**	**913.1**	**996.5**	**1,112.6**	**1,052.7**	**1,053.8**	**1,078.7**	**1,068.1**	**1,008.4**
Demand and Time Deposits from Banks (2), (12)	54.4	649.3	737.4	627.8	680.7	722.1	692.4	716.6	758.5	697.4	686.3
Borrowings from Banks (3)	9.7	323.6	297.2	214.8	213.5	290.1	261.6	237.3	220.0	271.2	221.7
Other Demand and Time Liabilities (4)	0.8	59.8	71.2	70.5	102.3	100.4	98.8	99.8	100.3	99.5	100.5
Liabilities to Others (1)	**2,056.0**	**49,265.2**	**56,811.1**	**52,541.9**	**58,560.0**	**59,159.5**	**59,880.7**	**60,360.0**	**62,530.3**	**61,902.5**	**61,907.9**
Aggregate Deposits (5)	**1,925.4**	**44,928.3**	**52,079.7**	**47,943.8**	**53,268.3**	**53,723.0**	**54,853.8**	**55,134.7**	**57,130.2**	**56,429.8**	**56,582.9**
Demand	331.9	6,456.1	6,417.1	5,945.0	5,615.3	5,619.7	5,671.0	5,615.3	6,478.7	5,823.0	5,720.0
Time (5)	1,593.5	38,472.2	45,662.6	41,998.7	47,653.1	48,103.3	49,182.7	49,519.3	50,651.5	50,606.8	50,862.9
Borrowings (6)	4.7	1,042.8	1,313.4	1,358.7	1,502.6	1,727.8	1,522.7	1,623.6	1,829.9	1,929.6	1,789.7
Other Demand and Time Liabilities (4), (13)	125.9	3,294.2	3,418.0	3,239.5	3,789.0	3,708.7	3,504.2	3,601.8	3,570.3	3,543.1	3,535.3
Borrowings from Reserve Bank (7)	**34.7**	**0.4**	**50.3**	**45.8**	**40.2**	**27.6**	**24.0**	**17.0**	**39.5**	**37.5**	**58.3**
Against Usance Bills/ Promissory Notes	–	–	–	–	–	–	–	–	–	–	–
Others	34.7	0.4	50.3	45.8	40.2	27.6	24.0	17.0	39.5	37.5	58.3

See 'Notes on Tables'.

Select Banking Aggregates



No. 4: All Scheduled Commercial Banks – Business in India *(Concld.)*

(₹ Billion)

Last Reporting Friday (in case of March)/ Last Friday	1990-91	2009-10	2010-11	2010	2011						
				Nov.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
Cash in Hand and Balances with Reserve Bank	**256.7**	**3,069.7**	**3,495.1**	**3,419.7**	**3,853.2**	**3,902.5**	**3,952.3**	**3,979.4**	**4,395.2**	**3,914.2**	**4,093.7**
Cash in Hand	18.0	255.8	303.5	311.0	338.8	342.6	354.1	355.2	370.0	405.5	379.9
Balances with Reserve Bank (9)	238.6	2,813.9	3,191.6	3,108.8	3,514.5	3,559.9	3,598.2	3,624.1	4,025.2	3,508.7	3,713.8
Assets with the Banking System	**55.8**	**1,344.4**	**1,543.9**	**1,127.6**	**1,396.6**	**1,558.7**	**1,424.9**	**1,464.0**	**1,730.1**	**1,547.0**	**1,447.4**
Balances with Other Banks	28.5	624.2	561.4	448.3	527.2	533.7	499.9	497.3	615.6	577.2	558.5
In Current Account	17.9	132.1	101.0	85.4	94.1	107.5	98.8	92.9	124.4	95.2	87.7
In Other Accounts	10.5	492.1	460.4	362.9	433.0	426.1	401.2	404.4	491.2	482.0	470.7
Money at Call and Short Notice	14.5	176.7	166.1	114.8	124.0	211.5	164.4	164.5	152.1	193.9	119.4
Advances to Banks (10)	9.0	98.9	125.7	41.9	106.2	100.6	73.5	75.5	121.5	58.6	70.8
Other Assets	3.9	444.6	690.7	522.6	639.2	712.9	687.2	726.7	840.8	717.2	698.7
Investment	**750.7**	**13,847.5**	**15,016.2**	**14,666.3**	**15,918.7**	**15,967.5**	**16,832.0**	**17,021.6**	**16,858.1**	**17,063.5**	**17,092.6**
Government Securities (11)	500.0	13,783.9	14,971.5	14,617.9	15,872.0	15,921.6	16,787.9	16,981.3	16,818.7	17,023.9	17,051.7
Other Approved Securities	250.7	63.6	44.7	48.4	46.7	45.9	44.1	40.2	39.4	39.6	41.0
Bank credit (14)	**1,163.0 (45.1)**	**32,447.9 (484.9)**	**39,420.8 (642.8)**	**35,683.8 (591.2)**	**39,573.7 (706.1)**	**40,144.2 (779.5)**	**40,113.7 (704.5)**	**40,476.3 (735.8)**	**42,232.8 (693.0)**	**41,574.5 (726.8)**	**41,955.3 (785.0)**
Loans, Cash-Credits and Overdrafts	1,059.8	31,221.6	37,940.1	34,399.1	38,100.7	38,671.5	38,656.0	39,042.7	40,706.3	40,070.5	40,430.0
Inland Bills - Purchased	33.7	120.1	134.4	108.7	118.7	112.1	107.2	110.8	142.0	132.6	139.4
Inland Bills - Discounted	23.4	622.2	798.7	680.8	817.6	828.1	835.0	812.7	807.7	805.5	813.3
Foreign Bills - Purchased	27.6	161.3	185.8	173.9	179.8	178.8	176.7	174.2	195.1	186.0	188.3
Foreign Bills - Discounted	18.5	322.7	361.8	321.4	356.9	353.7	338.8	336.0	381.7	379.8	384.1
Cash-Deposit Ratio	***13.3***	***6.8***	***6.7***	***7.1***	***7.2***	***7.3***	***7.2***	***7.2***	***7.7***	***6.9***	***7.2***
Investment- Deposit Ratio	***39.0***	***30.8***	***28.8***	***30.6***	***29.9***	***29.7***	***30.7***	***30.9***	***29.5***	***30.2***	***30.2***
Credit-Deposit Ratio	***60.4***	***72.2***	***75.7***	***74.4***	***74.3***	***74.7***	***73.1***	***73.4***	***73.9***	***73.7***	***74.1***

No. 5: Scheduled Commercial Banks' Investments

(₹ Billion)

Outstanding as on	SLR Securities	Commercial Paper	Shares issued by			Bonds/Debentures issued by			Instruments issued by	
			PSUs	Private Corporate Sector	Others	PSUs	Private Corporate Sector	Others	Mutual funds	Financial institutions
	1	2	3	4	5	6	7	8	9	10
March 18, 2005	7,392	39	19	103	0	469	320	70	127	316
March 31, 2006	7,175	48	26	105	0	330	295	152	104	292
March 30, 2007	7,915	90	21	162	1	292	276	178	118	266
March 28, 2008	9,717	133	30	234	3	279	287	292	188	259
March 27, 2009	11,664	200	28	251	4	255	331	311	370	326
March 26, 2010	13,848	252	46	255	1	227	401	309	529	326
March 25, 2011	15,016	123	90	324	5	279	660	456	476	313
November 5, 2010	14,882	393	77	274	4	250	536	320	292	284
November 19, 2010	14,764	407	77	272	4	238	533	295	458	285
December 3, 2010	14,836	357	81	273	4	238	545	315	396	289
December 17, 2010	14,455	327	83	272	4	238	545	314	242	291
December 31, 2010	14,485	359	82	272	4	243	584	339	134	298
January 14, 2011	14,617	298	84	278	4	235	579	311	710	296
January 28, 2011	14,829	301	85	282	4	238	602	298	755	295
February 11, 2011	14,721	324	84	285	4	238	622	297	948	289
February 25, 2011	14,867	303	84	286	4	240	627	334	858	295
March 11, 2011	14,968	130	84	287	4	252	631	394	1,056	287
March 25, 2011	15,016	123	90	324	5	279	660	456	476	313
April 8, 2011	15,708	110	83	297	4	242	663	413	1,158	324
April 22, 2011	15,553	97	83	299	5	255	632	388	1,243	302
May 6, 2011	15,698	103	81	300	5	238	645	395	1,209	280
May 20, 2011	15,824	110	81	302	5	241	642	396	1,063	286
June 3, 2011	16,138	132	82	300	5	269	659	437	916	291
June 17, 2011	16,067	130	84	300	5	249	658	445	840	309
July 1, 2011	16,052	134	83	299	5	239	653	481	539	304
July 15, 2011	16,724	133	83	299	5	235	652	409	748	286
July 29, 2011	16,832	134	82	302	5	241	681	301	714	301
August 12, 2011	16,876	154	82	305	5	241	686	511	757	315
August 26, 2011	17,022	159	82	306	5	248	709	532	700	309
September 9, 2011	17,108	173	83	305	5	283	729	503	740	299
September 23, 2011	17,024	187	83	304	6	278	729	446	663	321
October 7, 2011	17,363	212	83	305	9	352	733	436	617	331
October 21, 2011	17,066	224	82	305	9	347	740	414	639	347
November 4, 2011	17,316	229	83	305	5	350	738	425	668	338
November 18, 2011	17,138	218	81	302	5	358	747	405	656	326

Note : Data on Investments are based on Statutory Section 42(2) Returns.
Final upto October 7, 2011.

No. 6: State Co-operative Banks Maintaining Accounts with the Reserve Bank of India

(₹ Billion)

Last Reporting Friday (in case of March)/Last Friday/ Reporting Friday	1990-91	2009-10	2010-11	2010	2011								
				Aug.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.12	Aug.26
	1	2	3	4	5	6	7	8	9	10	11	12	13
Number of Reporting Banks	28	31	31	31	31	31	31	31	31	31	31	31	31
Demand and Time Liabilities													
Aggregate Deposits (1)	**21.5**	**269.0**	**285.6**	**277.6**	**282.0**	**279.4**	**285.6**	**287.0**	**280.2**	**284.7**	**288.5**	**290.5**	**287.4**
Demand Liabilities	**18.3**	**97.5**	**116.7**	**98.9**	**107.1**	**110.4**	**116.7**	**113.3**	**108.4**	**111.1**	**110.9**	**111.7**	**109.8**
Deposits													
Inter-Bank	7.2	20.2	16.6	14.6	14.0	13.6	16.6	12.6	12.4	14.2	13.8	13.9	14.7
Others	7.9	48.9	62.3	57.4	59.1	58.7	62.3	62.7	62.0	63.9	61.7	62.3	60.9
Borrowings from Banks	1.8	9.0	10.9	8.3	10.1	10.7	10.9	12.3	12.7	11.9	13.1	11.5	10.6
Others	1.4	19.3	26.9	18.6	23.8	27.4	26.9	25.8	21.3	21.1	22.2	24.0	23.6
Time Liabilities	**39.6**	**714.8**	**659.1**	**692.4**	**655.7**	**652.1**	**432.7**	**673.3**	**651.9**	**650.7**	**653.2**	**654.2**	**655.3**
Deposits													
Inter-Bank	25.5	484.9	427.2	466.6	425.5	424.7	427.2	441.4	426.2	422.3	419.3	418.7	421.7
Others	13.6	220.1	223.2	220.2	222.9	220.7	223.2	224.4	218.2	220.8	226.8	228.2	226.5
Borrowings from Banks		2.1	3.2	0.6	1.8	0.7	3.2	2.0	2.0	2.0	2.1	2.0	2.0
Others	0.6	7.8	5.4	5.0	5.4	6.0	5.4	5.5	5.5	5.5	5.0	5.2	5.1
Borrowing from Reserve Bank	**0.2**	–	–	–	–	–	–	–	–	–	–	–	–
Borrowings from the State Bank and/or a Notified bank (2) and State Government	**18.6**	**135.0**	**172.9**	**129.7**	**160.4**	**165.8**	**172.9**	**159.4**	**159.0**	**163.2**	**161.3**	**164.3**	**163.7**
Demand	1.2	36.9	81.1	40.9	78.6	83.6	81.1	68.1	72.3	74.5	66.5	73.4	73.1
Time	17.5	98.2	91.8	88.7	81.8	82.2	91.8	91.3	86.7	88.6	94.8	90.9	90.6
Assets													
Cash in Hand and Balances with Reserve Bank	**3.3**	**41.4**	**37.5**	**41.8**	**36.8**	**37.9**	**37.5**	**41.8**	**41.9**	**39.7**	**39.5**	**39.7**	**38.6**
Cash in Hand	0.2	1.5	1.7	1.6	1.6	1.6	1.7	1.6	1.8	1.8	2.0	1.7	1.8
Balance with Reserve Bank	3.1	39.9	35.8	40.2	35.1	36.3	35.8	40.1	40.2	37.8	37.5	38.1	36.7
Balances with Other Banks in Current Account	0.9	6.8	6.1	5.0	7.3	5.5	6.1	5.6	5.3	4.8	5.1	5.6	4.9
Investments in Government Securities (3)	10.6	249.0	245.1	255.5	248.6	248.3	245.1	254.7	254.8	252.4	252.7	247.9	247.8
Money at Call and Short Notice	5.0	190.1	131.1	146.7	141.4	133.7	131.1	151.5	151.3	153.3	145.8	147.7	151.3
Bank Credit (4)	**25.5**	**194.5**	**243.3**	**221.0**	**220.7**	**234.4**	**243.3**	**238.2**	**252.4**	**248.5**	**245.9**	**246.6**	**245.0**
Advances													
Loans, Cash-Credits and Overdrafts	25.3	194.4	243.2	220.8	220.6	234.3	243.2	238.0	252.2	248.4	245.8	246.4	244.9
Due from Banks (5)	55.6	282.9	401.8	317.7	382.0	387.3	401.8	403.1	399.0	407.6	427.4	432.3	438.7
Bills Purchased and Discounted	0.3	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.2	0.2
Cash - Deposit Ratio	***15.5***	***15.4***	***13.1***	***15.1***	***13.0***	***13.6***	***13.1***	***14.5***	***15.0***	***13.9***	***13.7***	***13.7***	***13.4***
Investment - Deposit Ratio	***49.1***	***92.6***	***85.8***	***92.1***	***88.2***	***88.9***	***85.8***	***88.7***	***90.9***	***88.6***	***87.6***	***85.3***	***86.2***
Credit - Deposit Ratio	***118.6***	***72.3***	***85.2***	***79.6***	***78.3***	***83.9***	***85.2***	***83.0***	***90.1***	***87.3***	***85.2***	***84.9***	***85.3***

See 'Notes on Tables'.

No. 7: Reserve Bank's Standing Facilities to Scheduled Commercial Banks

(₹ Billion)

As on the Last Reporting Friday of	Export Credit Refinance						Others @						Total	
	Normal *		Back Stop **		Total ***		Normal *		Back Stop **		Total		Standing Facility	
	Limit	Out-standing	Limit	Out-standing	Limit	Out-standing	Limit	Out-standing	Limit	Out-standing	Limit	Out-standing	Limit	Out-standing
	1	2	3	4	5 =(1+3)	6 =(2+4)	7	8	9	10	11 =(7+9)	12 =(8+10)	13 =(5+11)	14 =(6+12)
2006-07					81.10	49.85							81.10	49.85
2007-08					91.03	28.25							91.03	28.25
2008-09					349.52	31.07							349.52	31.07
2009-10					90.72	0.42							90.72	0.42
2010-11					101.61	50.76							101.61	50.76
Nov. 2009					93.22	–							93.22	–
Dec. 2009					90.56	–							90.56	–
Jan. 2010					92.21	–							92.21	–
Feb. 2010					88.39	2.40							88.39	2.40
Mar. 2010					90.72	0.42							90.72	0.42
Apr. 2010					99.38	–							99.38	–
May 2010					96.64	–							96.64	–
Jun. 2010					90.81	18.70							90.81	18.70
Jul. 2010					88.76	20.42							88.76	20.42
Aug. 2010					86.75	8.95							86.75	8.95
Sep. 2010					88.03	23.16							88.03	23.16
Oct. 2010					86.37	41.24							86.37	41.24
Nov. 2010					90.08	44.82							90.08	44.82
Dec. 2010					94.98	50.17							94.98	50.17
Jan. 2011					101.27	44.18							101.27	44.18
Feb. 2011					100.42	33.96							100.42	33.96
Mar. 2011					101.61	50.76							101.61	50.76
Apr. 2011					98.46	17.99							98.46	17.99
May 2011					100.27	26.35							100.27	26.35
Jun. 2011					100.57	20.64							100.57	20.64
Jul. 2011					93.31	23.96							93.31	23.96
Aug. 2011					91.98	16.08							91.98	16.08
Sept. 2011					96.08	27.77							96.08	27.77
Oct. 2011					112.17	11.02							112.17	11.02
Nov. 2011					116.58	32.57							116.58	32.57

@ Others include Collateralised Lending Facility (CLF) (withdrawn completely effective from October 5, 2002)/Additional CLF (withdrawn effective from June 5, 2000), etc.

* Normal Limit =1/2 of total limit effective from November 16, 2002 ; 1/3 rd of total limit effective from December 27, 2003.

** Back-Stop Limit = 1/2 of total limit effective from November 16, 2002 ; 2/3 rd of total limit effective from December 27, 2003.

*** Total limits under Normal facility and Back-stop facility merged into single facility effective from March 29, 2004.

Also see 'Notes on Tables'

No. 8: Cheque Clearing Data

(Number in Million and Amount in ₹ Billion)

Month/Year	Total		Total MICR* Centres		Total Non-MICR** Centres		Total of RBI Centres		RBI Centres***					
									Ahmedabad		Bangalore		Bhopal	
	1=(2+3)		2=(4+22)		3		4		5		6		7	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2001-02	901.50	125752.54	537.70	109473.91	363.80	16278.63	537.70	109473.91	41.40	2075.24	44.50	2693.46	–	–
2002-03	1013.90	134243.13	598.00	109787.62	415.90	24455.51	598.00	109787.62	43.40	2250.60	48.50	3075.77	–	–
2003-04	1022.80	115959.60	624.10	91787.51	398.70	24172.09	624.10	91787.51	47.30	2806.49	54.70	3758.85	–	–
2004-05	1166.85	104588.95	941.46	93562.52	225.39	11026.43	738.48	84933.21	52.55	3526.97	60.16	4778.10	5.93	471.88
2005-06	1286.76	113291.34	1031.84	94743.71	254.92	18547.63	794.24	81949.77	60.37	4065.99	65.61	4983.44	7.19	321.81
2006-07	1367.28	120424.26	1144.10	104354.36	223.18	16069.90	830.99	85994.94	59.44	4299.56	70.25	5586.76	7.17	522.25
2007-08	1460.56	133960.66	1222.96	115286.90	237.60	18673.76	877.59	94517.48	64.73	5067.59	73.45	6323.28	7.74	626.52
2008-09	1397.39	124691.35	1163.82	104082.42	233.57	20608.93	834.72	82973.85	57.03	4771.13	68.76	5460.18	7.45	708.38
2009-10	1380.27	104099.42	1149.71	85315.17	230.57	18784.25	812.69	65221.35	58.83	4521.70	66.19	4579.73	7.11	653.26
2010-11	1387.40	101341.28	1155.06	83012.18	232.34	18329.09	814.08	61957.75	61.94	4100.98	66.35	4741.35	7.14	634.61
2010-11 (P)														
April	117.53	8599.83	97.09	7040.89	20.44	1558.94	68.18	5263.61	5.14	335.01	5.69	416.79	0.61	48.75
May	111.05	8217.73	91.98	6727.32	19.07	1490.40	64.85	5003.03	4.72	301.93	5.61	353.61	0.55	47.12
June	110.44	8358.97	91.47	6926.41	18.97	1432.56	65.01	5249.55	4.77	303.20	5.55	371.81	0.57	59.50
July	118.75	8102.69	99.66	6738.01	19.08	1364.68	70.10	5020.33	5.08	310.52	5.70	388.79	0.63	57.64
August	117.54	8116.08	97.31	6638.02	20.23	1478.07	68.36	4970.97	5.21	314.89	5.55	394.35	0.61	46.33
September	108.46	7758.62	90.69	6256.42	17.77	1502.20	63.82	4672.11	4.80	297.92	5.23	374.12	0.56	52.48
October	124.44	9077.60	104.99	7638.99	19.45	1438.60	73.21	5753.48	6.20	413.67	5.64	400.45	0.61	50.82
November	110.41	8095.69	92.18	6539.57	18.22	1556.12	64.83	4780.43	4.77	316.01	5.18	358.81	0.56	51.11
December	119.44	8747.05	100.16	7281.43	19.28	1465.61	70.35	5452.59	5.50	380.79	5.67	405.28	0.59	56.68
January	110.51	8114.13	92.17	6476.35	18.34	1637.78	65.66	4788.05	4.86	334.42	5.25	385.87	0.60	50.66
February	108.09	7978.45	90.11	6429.94	17.98	1548.51	63.73	4763.74	4.82	338.93	5.18	379.81	0.60	44.86
March	130.75	10174.45	107.24	8318.83	23.51	1855.62	75.97	6239.87	6.09	453.68	6.12	511.65	0.65	68.65
Total (upto Mar. 2011)	**1387.40**	**101341.28**	**1155.06**	**83012.18**	**232.34**	**18329.09**	**814.08**	**61957.75**	**61.94**	**4100.98**	**66.35**	**4741.35**	**7.14**	**634.61**
2010-11 (P)														
April (P)	109.75	8666.80	91.53	7063.63	18.22	1603.17	64.27	5364.54	4.90	340.78	5.44	399.84	0.53	52.71
May (P)	112.13	8445.55	94.48	7030.99	17.64	1414.56	66.82	5279.32	4.78	328.53	5.64	390.62	0.53	48.32
June (P)	105.22	7654.94	85.98	6066.19	19.24	1588.75	60.12	4466.13	4.80	324.60	5.54	397.92	0.49	48.62
July (P)	116.24	9029.37	95.83	6839.83	20.41	2189.54	66.95	4848.17	4.93	320.12	5.58	401.86	0.55	48.02
August (P)	111.67	7438.30	93.24	6075.61	18.43	1362.69	65.34	4534.75	4.74	313.78	5.43	395.71	0.54	47.79
September (P)	111.27	7649.98	92.75	6292.21	18.53	1357.77	65.16	4775.36	4.85	307.63	5.25	393.85	0.54	46.49
October (P)	113.39	8530.93	95.55	6849.49	17.85	1681.44	66.46	4824.56	5.30	351.24	5.18	410.90	0.53	46.28
November (P)	108.58	7849.52	90.00	6410.86	18.58	1438.67	62.49	4500.71	4.47	285.55	5.40	403.47	0.53	46.28
Total (upto November 2011)	**888.24**	**65265.38**	**739.36**	**52628.81**	**148.89**	**12636.57**	**517.60**	**38593.55**	**38.78**	**2572.23**	**43.46**	**3194.16**	**4.24**	**384.52**

* MICR - Magnetic Ink Character Recognition - automated CPC (Cheque Processing Centers)

** Non-MICR Clearing done at the clearing houses where MICR Cheque Processing Centres have not been set up. The processing is done either using Magnetic Media Based Clearing System (MMBCS) or is done manually.

*** RBI Centres (MICR) refers to all centres where RBI is the manager of Clearing House.

1. Non-MICR Data pertains to the Clearing Houses managed by 10 banks namely SBI (688), SBBJ (50), SB Indore (27), PNB (3), SBT (81), SBP (52), SBH (51), SBS (28), SBM (46) and United Bank of India (4).
   Figures in bracket indicate Non-MICR Cheque Clearing Houses managed by the bank.
2. The other MICR Centres include 43 centres managed by 13 PSBs namely Andhra Bank, Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, Corporation Bank, Oriental Bank of Commerce, Punjab National Bank, State Bank of India, State Bank of Indore, State Bank of Travancore, State Bank of Hyderabad and Union Bank of India. The list of other MICR centres (apart from RBI) is given in the Notes on Table 8.

No. 8: Cheque Clearing Data *(Contd.)*

(Number in Million and Amount in ₹ Billion)

Month/Year	RBI Centres***													
	Bhubaneswar		Chandigarh		Chennai		Guwahati		Hyderabad		Jammu $$		Jaipur	
	8		9		10		11		12		13		14	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2001-02	2.70	216.25	–	–	52.20	5008.72	3.00	195.92	30.50	1827.64	–	–	12.30	544.32
2002-03	3.30	263.49	–	–	55.70	5529.13	3.40	224.36	33.70	2150.35	–	–	13.00	582.02
2003-04	3.70	371.36	–	–	60.20	6121.58	3.70	278.40	36.90	2755.03	–	–	14.80	701.22
2004-05	4.18	472.53	11.28	1110.92	73.51	7598.83	4.24	327.14	39.02	3016.79	–	–	16.80	890.87
2005-06	4.86	536.50	12.38	1270.38	81.32	6552.78	4.82	396.60	41.68	3633.17	–	–	18.74	1134.53
2006-07	5.62	648.34	14.07	1982.05	80.35	6922.02	5.51	491.01	43.89	3959.11	–	–	19.78	1377.85
2007-08	6.00	809.94	14.14	1612.18	85.41	7788.54	5.95	551.69	45.46	4524.99	–	–	21.93	1620.22
2008-09	5.79	880.62	13.18	1454.51	83.20	8019.64	5.97	620.86	44.78	4347.37	–	–	19.76	1508.90
2009-10	5.86	627.22	13.37	1409.66	79.02	6311.01	6.36	587.73	41.49	3513.92	1.19	79.68	19.99	1311.93
2010-11	5.81	636.25	13.42	1545.50	79.04	5498.87	6.13	557.25	40.81	3328.63	2.94	192.00	21.00	1385.19
2010-11 (P)														
April	0.50	48.59	1.14	139.08	6.57	470.80	0.49	47.50	3.10	271.19	0.25	19.24	1.73	112.53
May	0.45	43.34	1.06	128.49	6.27	414.55	0.52	41.01	3.39	256.60	0.24	17.72	1.67	104.90
June	0.45	48.05	1.07	107.32	6.53	440.02	0.50	45.32	3.36	273.85	0.24	14.38	1.59	109.81
July	0.52	57.38	1.21	211.84	7.06	470.36	0.51	50.58	3.58	303.15	0.24	16.20	1.79	115.08
August	0.50	48.18	1.13	102.50	6.90	466.78	0.53	41.07	3.45	268.80	0.25	13.82	1.70	101.62
September	0.47	55.72	1.07	106.66	6.31	444.35	0.48	44.80	3.16	238.36	0.24	12.98	1.66	107.72
October	0.49	48.18	1.20	135.24	6.88	475.91	0.52	44.83	3.75	299.59	0.27	17.29	2.00	128.16
November	0.47	47.88	1.06	131.18	6.34	434.04	0.49	40.72	3.38	266.15	0.24	14.06	1.70	115.89
December	0.49	58.71	1.15	125.53	6.64	477.30	0.53	49.99	3.58	288.07	0.25	15.81	1.87	127.17
January	0.46	56.80	1.04	110.61	6.10	424.61	0.46	41.97	3.20	269.36	0.23	18.88	1.65	107.27
February	0.46	48.80	1.03	116.76	6.22	458.47	0.49	45.21	3.03	242.90	0.23	13.65	1.64	109.95
March	0.56	74.61	1.26	130.28	7.22	521.68	0.61	64.24	3.82	350.60	0.27	17.96	1.99	145.09
Total (upto Mar. 2011)	**5.81**	**636.25**	**13.42**	**1545.50**	**79.04**	**5498.87**	**6.13**	**557.25**	**40.81**	**3328.63**	**2.94**	**192.00**	**21.00**	**1385.19**
2011-12 (P)														
April (P)	0.46	44.12	1.13	146.04	6.07	485.79	0.45	45.24	3.29	318.37	0.24	18.00	1.68	126.20
May (P)	0.47	46.69	1.16	129.76	6.38	452.95	0.49	41.33	3.18	285.18	0.24	14.95	1.62	107.78
June (P)	0.47	54.97	1.17	114.28	3.27	224.49	0.49	42.90	3.34	286.90	0.23	14.45	1.61	122.72
July (P)	0.63	51.01	1.14	118.11	6.57	472.95	0.50	45.57	3.37	299.29	0.23	18.58	1.69	114.45
August (P)	0.53	44.43	1.06	96.32	6.64	464.69	0.48	40.64	3.31	289.83	0.23	13.51	1.60	106.79
September (P)	0.47	54.97	1.18	142.38	6.25	446.88	0.51	46.26	3.14	269.62	0.29	14.85	1.64	112.92
October (P)	0.47	44.34	1.11	107.25	6.02	446.83	0.46	42.89	3.05	256.44	0.24	16.29	1.65	110.77
November (P)	0.49	40.81	1.08	116.02	4.45	345.30	0.51	46.74	3.47	277.61	0.24	14.81	1.65	112.68
Total (upto November 2011)	**3.98**	**381.35**	**9.03**	**970.16**	**45.66**	**3339.88**	**3.88**	**351.57**	**26.14**	**2283.24**	**1.95**	**125.44**	**13.14**	**914.31**

$$ Settlement of MICR Clearing is being done in the book of Reserve Bank of India effective November, 2009.

No. 8: Cheque Clearing Data

(Number in Million and Amount in ₹ Billion)

Month/Year	RBI Centres***													
	Kanpur		Kolkata		Mumbai		Nagpur		New Delhi $		Patna		Thiruvananthapuram	
	15		16		17		18		19		20		21	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2001-02	6.70	323.69	52.30	3731.31	167.90	82178.16	10.20	411.51	107.90	9903.15	2.70	174.21	3.40	190.32
2002-03	7.30	345.32	53.10	4191.64	201.90	76947.48	10.90	469.24	116.40	13196.25	3.70	195.06	3.70	366.91
2003-04	7.80	413.97	47.00	4653.08	216.20	55112.93	12.00	563.30	110.70	13546.77	5.00	267.39	4.10	437.14
2004-05	8.71	472.26	59.99	5606.60	230.41	37536.70	12.44	634.95	147.93	17736.10	6.50	308.62	4.82	443.96
2005-06	9.27	553.29	64.24	6586.40	239.19	33428.29	13.48	757.72	159.72	16975.83	5.92	368.20	5.46	384.84
2006-07	9.69	643.96	68.42	6823.58	251.83	33190.90	14.56	925.47	169.09	17735.48	5.68	479.69	5.62	406.93
2007-08	10.00	698.85	73.05	7783.04	265.16	36854.07	15.13	1063.52	177.57	18009.76	6.26	610.07	5.60	573.23
2008-09	9.28	726.92	69.23	7530.68	251.27	27997.65	14.62	1062.46	172.69	16647.09	6.20	679.77	5.50	557.70
2009-10	8.96	680.11	67.89	6582.29	248.22	19393.27	14.12	902.52	162.46	12990.00	6.32	644.24	5.30	433.09
2010-11	8.46	564.49	67.48	5393.11	247.20	17069.12	14.39	883.30	160.44	14391.16	6.15	665.82	5.38	370.12
2010-11 (P)														
April	0.73	50.52	5.42	456.98	20.94	1489.94	1.22	83.83	13.66	1166.25	0.54	69.71	0.44	36.89
May	0.69	48.34	5.61	442.35	18.87	1282.78	1.12	68.07	13.13	1370.38	0.50	55.80	0.45	26.03
June	0.67	47.09	5.24	407.98	19.70	1279.46	1.14	75.24	12.73	1575.71	0.47	59.91	0.45	30.90
July	0.78	47.78	5.74	426.42	20.68	1303.81	1.24	78.80	14.35	1099.31	0.51	52.46	0.48	30.21
August	0.73	46.26	5.87	432.93	20.74	1359.18	1.16	67.22	13.12	1198.76	0.51	40.55	0.44	27.72
September	0.67	46.20	5.48	416.13	19.16	1310.97	1.10	65.32	12.50	1017.96	0.51	52.46	0.43	27.96
October	0.74	46.65	5.67	427.24	22.94	1945.40	1.33	74.47	13.96	1164.20	0.55	49.45	0.47	31.92
November	0.65	43.49	5.60	417.33	19.75	1358.20	1.15	65.01	12.59	1042.45	0.46	49.51	0.45	28.60
December	0.71	46.66	5.84	549.63	21.47	1502.81	1.24	71.96	13.80	1200.90	0.56	64.47	0.45	30.83
January	0.65	44.42	5.39	432.97	20.42	1325.68	1.16	72.29	13.24	1035.16	0.49	45.66	0.44	31.42
February	0.66	42.87	5.26	424.39	19.37	1299.71	1.14	68.96	12.72	1054.88	0.50	46.98	0.39	26.60
March	0.77	54.24	6.35	558.75	23.18	1611.19	1.39	92.15	14.63	1465.19	0.57	78.87	0.48	41.02
Total (upto Mar. 2011)	**8.46**	**564.49**	**67.48**	**5393.11**	**247.20**	**17069.12**	**14.39**	**883.30**	**160.44**	**14391.16**	**6.15**	**665.82**	**5.38**	**370.12**
2011-12 (P)														
April	0.66	48.36	4.99	433.16	19.51	1498.65	1.13	80.19	12.93	1232.09	0.48	63.58	0.37	31.42
May	0.65	47.77	5.45	435.61	19.53	1339.17	1.14	74.49	14.63	1465.19	0.48	41.56	0.44	29.42
June	0.63	45.68	3.81	297.08	19.50	1281.99	1.14	73.37	12.70	1064.88	0.51	43.26	0.43	28.02
July	0.66	44.18	5.40	302.03	19.98	1277.06	1.19	70.15	13.52	1186.86	0.59	48.25	0.43	29.68
August	0.65	43.17	5.34	276.02	20.03	1254.97	1.13	63.75	12.60	1015.46	0.63	41.99	0.41	25.93
September	0.69	45.28	5.66	428.74	19.60	1260.40	1.16	62.62	12.89	1052.80	0.67	64.74	0.37	24.93
October	0.69	47.82	4.69	340.40	21.73	1370.27	1.18	68.40	13.17	1089.88	0.54	44.45	0.44	30.12
November	0.69	46.04	5.15	376.61	19.84	1236.71	1.16	66.07	12.89	1050.79	0.49	45.14	0.43	26.29
Total (upto November 2011)	**5.32**	**368.30**	**40.49**	**2889.64**	**159.72**	**10519.22**	**9.22**	**559.02**	**105.33**	**9157.95**	**4.38**	**392.96**	**3.32**	**225.81**

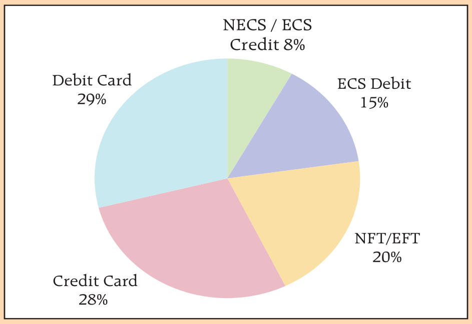
$ Cheque Truncation System (CTS) implemented at NCR since February 2008 and complete Cheque clearing volume has been migrated to CTS from July 2009.

No. 8: Cheque Clearing Data *(Concld.)*

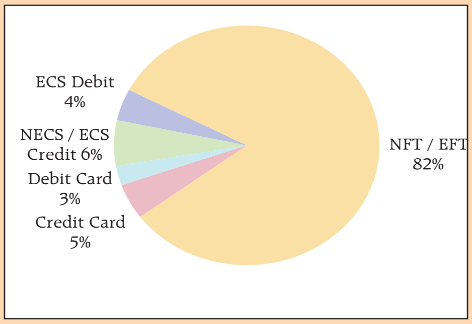
(Number in Million and Amount in ₹ Billion)

Month/Year	"Other MICR Centres"	
	22	
	Number	Amount
2001-02	–	–
2002-03	–	–
2003-04	–	–
2004-05	202.98	8629.31
2005-06	237.59	12793.94
2006-07	313.11	18359.42
2007-08	345.37	20769.42
2008-09	329.10	21108.57
2009-10	337.02	20093.82
2010-11	340.98	21054.44
2010-11 (P)		
April	28.91	1777.29
May	27.13	1724.30
June	26.46	1676.86
July	29.56	1717.68
August	28.95	1667.05
September	26.86	1584.31
October	31.78	1885.51
November	27.35	1759.14
December	29.81	1828.84
January	26.51	1688.30
February	26.38	1666.21
March	31.27	2078.96
Total (upto Mar. 2011)	**340.98**	**21054.44**
2011-12		
April (P)	27.26	1699.09
May (P)	27.67	1751.67
June (P)	25.86	1600.05
July (P)	28.88	1991.66
August (P)	27.91	1540.86
September (P)	27.59	1516.85
October (P)	29.09	2024.93
November (P)	27.52	1910.15
Total (upto November 2011)	**221.76**	**14035.26**

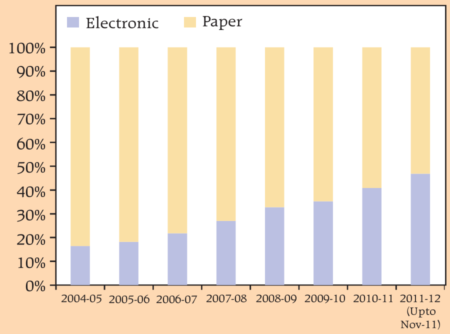
Retail Electronic Transactions-Volume in November, 2011



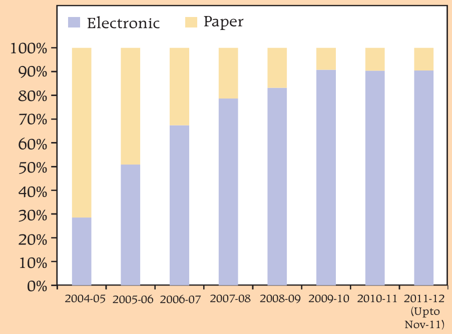
Retail Electronic Transactions-Value in November, 2011



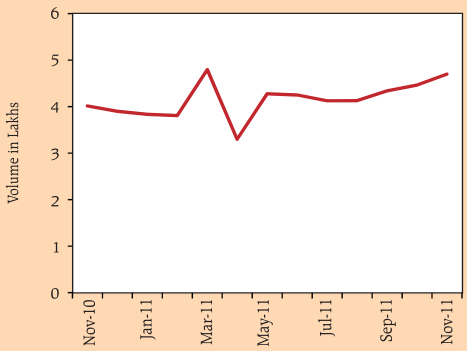
Representation of Electronic Transactions Volume in Total



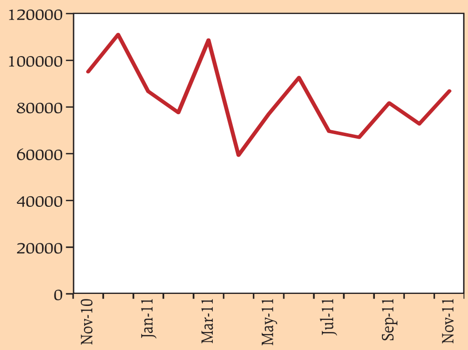
Representation of Electronic Transaction Value in Total



Growth in RTGS Volume



Growth in RTGS Value



No. 9A: Retail Electronic Payment Systems

(Number in Million and Amount in ₹ Billion)

Year/Period	Total Electronic Payments		Electronic Clearing Services (ECS)				National Electronic Funds Transfer NEFT/EFT		Card Payments#					
			NECS/ECS (Credit)		ECS (Debit)				Credit			Debit*		
	1=(2+3+4+5+6)		2		3		4		5			6		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number of Outstanding Cards**	Number	Amount	Number of Outstanding Cards**	Number	Amount
2003-04	166.94	521.43	20.32	102.28	7.87	22.54	0.82	171.25	–	100.18	176.63	–	37.76	48.74
2004-05	228.90	1087.50	40.05	201.80	15.30	29.21	2.55	546.01	–	129.47	256.86	–	41.53	53.61
2005-06	285.01	1463.83	44.22	323.24	35.96	129.86	3.07	612.88	17.33	156.09	338.86	49.76	45.69	58.97
2006-07	378.71	2356.93	69.02	832.73	75.20	254.41	4.78	774.46	23.12	169.54	413.61	74.98	60.18	81.72
2007-08	535.31	10419.92	78.37	7822.22	127.12	489.37	13.32	1403.26	27.55	228.20	579.85	102.44	88.31	125.21
2008-09	667.82	5003.22	88.39	974.87	160.05	669.76	32.16	2519.56	24.70	259.56	653.56	137.43	127.65	185.47
2009-10	718.16	6848.86	98.13	1176.13	149.28	695.24	66.34	4095.07	18.33	234.24	618.24	181.97	170.17	264.18
2010-11	908.59	13086.87	117.30	1816.86	156.74	736.46	132.34	9391.49	18.04	265.14	755.16	227.84	237.06	386.91
2009-10														
April	50.57	553.80	3.82	111.34	12.22	58.07	3.94	317.29	24.37	18.54	49.32	140.55	12.05	17.78
May	52.05	426.36	5.12	66.65	12.13	57.93	3.89	234.74	24.05	18.20	48.16	143.03	12.71	18.88
June	55.02	516.10	6.07	86.69	12.75	57.50	4.50	305.13	22.84	19.10	48.63	146.39	12.59	18.15
July	63.70	637.86	11.55	127.98	12.62	56.72	5.10	382.61	22.26	20.21	49.57	151.26	14.23	20.98
August	63.34	573.44	11.89	150.38	11.76	57.14	5.22	294.01	21.95	19.67	48.58	155.10	14.79	23.33
September	60.79	540.92	11.42	114.20	11.61	60.70	4.95	295.82	21.31	19.13	49.05	159.02	13.69	21.14
October	67.37	679.23	13.43	109.84	13.10	50.51	5.95	436.55	21.12	20.46	56.61	162.81	14.42	25.72
November	58.94	487.98	7.59	73.11	12.22	58.16	5.58	281.52	20.84	19.42	52.63	165.83	14.13	22.57
December	60.71	571.28	5.83	73.86	12.65	60.35	6.31	357.67	20.64	20.48	55.07	170.57	15.44	24.34
January	61.36	599.93	6.51	77.34	12.57	58.96	6.20	384.47	20.44	20.26	54.26	174.13	15.83	24.91
February	58.21	584.41	7.81	90.52	11.19	56.24	6.42	366.31	20.16	18.12	49.23	177.98	14.68	22.11
March	66.10	677.55	7.09	94.22	14.47	62.96	8.28	438.97	18.33	20.64	57.12	181.97	15.62	24.27
Total (upto Mar. 10)	**718.16**	**6848.86**	**98.13**	**1176.13**	**149.28**	**695.24**	**66.34**	**4095.07**	**18.33**	**234.24**	**618.24**	**181.97**	**170.17**	**264.18**
2010-11(P)														
April	63.91	841.87	7.87	128.19	12.74	58.74	7.48	575.12	19.29	19.83	54.74	184.79	16.00	25.08
May	65.79	805.63	6.57	100.61	12.62	57.40	7.74	558.67	19.02	20.95	59.36	188.25	17.90	29.59
June	67.18	796.87	8.92	129.12	12.82	61.91	8.42	524.47	18.94	20.20	55.39	191.91	16.82	25.97
July	75.40	1054.67	12.24	237.92	12.96	59.03	9.46	670.52	18.93	21.90	58.17	195.70	18.84	29.03
August	79.00	919.55	13.39	149.42	12.64	57.91	9.80	616.42	18.85	22.61	62.59	200.09	20.55	33.21
September	73.42	885.70	10.79	127.90	12.67	59.60	9.84	609.87	18.43	21.09	58.48	203.83	19.04	29.85
October	86.01	1224.65	16.70	253.52	13.28	89.35	11.63	777.04	18.22	22.91	67.60	208.14	21.49	37.14
November	77.98	1115.83	9.13	174.88	13.18	60.90	11.75	773.61	18.19	23.04	69.22	211.88	20.88	37.22
December	79.56	1321.00	7.75	217.07	13.46	62.22	13.46	937.20	18.10	23.49	68.46	216.04	21.39	36.06
January	79.32	1197.88	6.73	91.46	13.31	61.06	12.96	938.88	18.14	24.08	69.35	218.21	22.23	37.13
February	79.20	1162.44	10.37	111.67	13.20	49.72	13.43	905.88	18.13	21.65	62.13	222.37	20.55	33.04
March	81.83	1760.78	6.84	95.10	13.86	58.63	16.36	1503.81	18.04	23.40	69.67	227.84	21.37	33.57
Total (upto Mar. 11)	**908.59**	**13086.87**	**117.30**	**1816.86**	**156.74**	**736.46**	**132.34**	**9391.49**	**18.04**	**265.14**	**755.16**	**227.84**	**237.06**	**386.91**
2011-12														
April (P)	81.53	1631.72	7.73	158.27	13.24	62.90	14.87	1302.94	17.78	23.23	70.55	230.26	22.46	37.06
May (P)	85.73	1467.84	6.69	136.55	13.54	65.15	15.77	1145.32	17.66	25.34	78.81	234.98	24.39	42.01
June (P)	87.68	1661.88	10.40	165.70	13.27	66.48	15.95	1319.95	17.66	24.18	71.91	239.52	23.89	37.84
July (P)	93.02	1626.58	11.53	160.70	12.64	65.30	16.63	1283.54	17.65	25.61	74.72	243.34	26.60	42.33
August (P)	101.78	1641.27	15.40	221.53	13.60	67.67	17.33	1225.68	17.58	27.69	80.79	251.48	27.75	45.61
September (P)	95.21	1666.85	12.71	130.10	13.31	53.29	17.56	1365.51	17.63	25.59	76.94	251.97	26.05	41.01
October (P)	109.67	1807.89	17.20	171.21	14.09	70.46	19.25	1420.33	17.62	28.64	89.98	255.56	30.50	55.91
November (P)	93.48	1657.65	7.55	102.43	13.67	70.58	18.78	1362.15	17.64	26.41	79.20	259.83	27.06	43.29
Total (upto November 11)	**748.09**	**13161.68**	**89.20**	**1246.49**	**107.35**	**521.82**	**136.14**	**10425.42**	**176.45**	**206.69**	**622.89**	**2598.30**	**208.71**	**345.05**

Card Payments figures pertain only to Point of Sale (POS) transactions.
* Debit Cards figures for 2003-04 and 2004-05 are estimated based on 2005-06 figures.
** Cards issued by banks (excluding those withdrawn/blocked).

No. 9B: Large Value Clearing and Settlement Systems

(Number in Million and Amount in ₹ Billion)

Year / Period	Real Time Gross Settlement System									
	Total		Customer remittance		Inter-Bank remittance		Inter-bank clearing settlement**		Total Inter-bank	
	1=(2+3+4)		2		3		4		5=(3+4)	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2003-04	0.000	19.65	0.00	0.00	0.000	19.6549	–	–	0.00	19.65
2004-05	0.46	40661.84	0.07	2496.62	0.39	38165.22	–	–	0.39	38165.22
2005-06	1.77	115408.36	0.71	25702.12	1.05	89706.24	–	–	1.05	89706.24
2006-07	3.88	246191.80	2.48	71678.08	1.39	113133.47	0.00	61380.25	1.40	174513.72
2007-08	5.85	482945.59	4.15	161001.73	1.69	112181.57	0.01	209762.29	1.71	321943.86
2008-09	13.38	611399.12	11.23	200041.08	2.13	122757.73	0.02	288600.31	2.15	411358.05
2009-10	33.25	1011699.31	30.44	295167.77	2.80	99365.82	0.01	617165.72	2.81	716531.54
2010-11	49.27	941039.34	45.73	361862.93	3.53	123009.41	0.01	456167.00	3.54	579176.41
2009-10										
April	1.81	74830.10	1.62	18825.70	0.19	9385.19	0.001	46619.21	0.20	56004.39
May	1.98	93675.48	1.77	20051.21	0.21	9269.22	0.002	64355.05	0.21	73624.27
June	2.23	100451.67	2.01	24148.93	0.22	9322.56	0.002	66980.18	0.22	76302.74
July	2.35	99660.69	2.12	23616.96	0.22	8176.80	0.001	67866.93	0.22	76043.73
August	2.32	92481.13	2.11	24516.21	0.21	7443.64	0.001	60521.28	0.21	67964.92
September	2.43	92581.42	2.22	26390.52	0.22	8394.48	0.001	57796.41	0.22	66190.90
October	2.93	84496.96	2.68	26113.20	0.25	7622.82	0.001	50760.94	0.25	58383.76
November	2.94	77805.24	2.70	21225.57	0.24	6727.13	0.001	49852.55	0.24	56579.68
December	3.28	76681.26	3.03	26980.72	0.25	7763.96	0.001	41936.58	0.25	49700.55
January	3.26	73349.01	3.01	23916.46	0.25	7629.07	0.001	41803.48	0.25	49432.54
February	3.36	69009.32	3.11	22094.98	0.25	6751.75	0.001	40162.58	0.25	46914.34
March	4.37	76677.03	4.06	37287.31	0.31	10879.20	0.001	28510.52	0.31	39389.72
Total (upto Mar, 10)	**33.25**	**1011699.31**	**30.44**	**295167.77**	**2.80**	**99365.82**	**0.01**	**617165.72**	**2.81**	**716531.54**
2010-11										
April	3.73	70719.82	3.47	28025.42	0.27	8390.52	0.001	34303.87	0.27	42694.39
May	3.93	56778.74	3.65	24807.07	0.28	7948.52	0.001	24023.15	0.28	31971.67
June	4.09	68405.64	3.80	28722.84	0.29	8610.90	0.001	31071.90	0.29	39682.80
July	4.15	67160.66	3.86	26646.82	0.29	9725.18	0.001	30788.66	0.29	40513.83
August	4.20	50390.22	3.90	25566.79	0.29	9020.25	0.001	15803.17	0.29	24823.43
September	4.10	65608.43	3.83	30700.13	0.28	10436.80	0.001	24471.50	0.28	34908.30
October	4.71	82842.52	4.41	31029.82	0.30	11575.13	0.001	40237.57	0.30	51812.69
November	4.01	95111.57	3.72	30063.50	0.29	11341.53	0.001	53706.55	0.29	65048.08
December	3.90	111051.32	3.60	34500.12	0.30	11525.62	0.001	65025.57	0.30	76551.20
January	3.83	86676.68	3.53	28608.61	0.30	9629.93	0.001	48438.14	0.30	58068.07
February	3.81	77635.01	3.52	28322.25	0.29	9758.63	0.001	39554.12	0.29	49312.76
March	4.80	108658.72	4.43	44869.53	0.36	15046.40	0.001	48742.79	0.36	63789.19
Total (upto Mar, 11)	**49.27**	**941039.34**	**45.73**	**361862.93**	**3.53**	**123009.41**	**0.01**	**456167.00**	**3.54**	**579176.41**
2011-12										
April	3.30	59382.87	3.04	28746.34	0.25	9438.38	0.001	21198.16	0.25	30636.54
May	4.28	76972.65	3.94	30709.45	0.33	11191.40	0.001	35071.80	0.33	46263.21
June	4.25	92653.63	3.92	34547.81	0.33	13142.24	0.001	44963.58	0.33	58105.82
July	4.13	69653.42	3.81	29267.83	0.32	11296.06	0.001	29089.52	0.32	40385.58
August	4.13	67016.01	3.82	28687.28	0.31	9759.18	0.001	28569.56	0.31	38328.73
September	4.34	81722.96	4.02	34319.00	0.32	12520.00	0.001	34883.96	0.32	47403.96
October	4.46	72766.33	4.14	28487.39	0.32	10397.50	0.001	33881.45	0.32	44278.94
November	4.70	86881.37	4.37	29205.79	0.33	9504.18	0.001	48171.41	0.33	57675.58
Total (upto November, 2011)	**33.58**	**607049.25**	**31.05**	**243970.88**	**2.52**	**87248.93**	**0.006**	**275829.43**	**2.53**	**363078.36**

* Inter-bank Clearing Settlement pertains to the MNSB batches. MNSB settlement in RTGS started from August 12, 2006.

** The MNSB Settlement relates to the settlement of NECS, ECS, EFT, NEFT, REPO, Outright, FOREX, CBLO and Cheque Clearing at Mumbai.

No.9B: Large Value Clearing and Settlement Systems

(Number in Million and Amount in ₹ Billion)

Year / Period	CCIL Operated Systems							
	Government Securities Settlement				Forex Settlement		CBLO Settlement	
	Outright		Repo					
	6		7		8		9	
	Number of Trades	Amount	Number of Trades	Amount	Number of Trades	Amount	Number of Trades	Amount
2003-04	0.24	15751.33	0.021	9431.89	0.33	23185.31	0.00	768.51
2004-05	0.16	11342.22	0.024	15579.07	0.47	40424.35	0.03	9767.57
2005-06	0.13	8647.51	0.025	16945.09	0.49	52396.74	0.07	29531.34
2006-07	0.14	10215.36	0.030	25565.02	0.61	80230.78	0.09	47322.71
2007-08	0.19	16538.51	0.027	39487.51	0.76	127268.32	0.11	81108.29
2008-09	0.25	21602.33	0.024	40942.86	0.84	169374.89	0.12	88247.84
2009-10	0.32	29138.90	0.029	60728.28	0.88	142114.86	0.14	155413.78
2010-11	0.33	28709.53	0.027	40992.83	1.15	191601.53	0.15	122597.44
2009-10								
April	0.03	2845.12	0.002	4108.99	0.06	12269.79	0.01	8791.58
May	0.03	2592.05	0.003	5387.88	0.07	13154.09	0.01	11641.23
June	0.03	2497.16	0.003	5640.49	0.07	12617.91	0.01	13923.84
July	0.03	3047.03	0.003	5265.97	0.08	11985.62	0.01	12090.15
August	0.02	1704.89	0.002	5592.89	0.07	10211.45	0.01	13703.84
September	0.03	2820.82	0.003	6435.26	0.07	10772.27	0.01	14349.30
October	0.03	2360.08	0.002	5392.20	0.08	10588.22	0.01	13412.06
November	0.03	3002.52	0.002	5181.62	0.08	10355.51	0.01	12621.23
December	0.03	2455.06	0.002	5124.90	0.08	11421.52	0.01	13834.47
January	0.03	2342.73	0.002	3641.33	0.08	12041.18	0.01	12642.83
February	0.02	1813.84	0.002	4360.71	0.08	12759.48	0.01	14001.91
March	0.02	1657.61	0.002	4596.04	0.08	13937.82	0.01	14401.35
Total (upto Mar, 10)	**0.32**	**29138.90**	**0.029**	**60728.28**	**0.88**	**142114.86**	**0.14**	**155413.78**
2010-11								
April	0.03	2693.31	0.002	4673.32	0.09	14026.92	0.01	11704.97
May	0.05	4180.93	0.002	4226.37	0.09	14515.19	0.01	10145.79
June	0.04	3481.32	0.002	2464.96	0.11	16328.82	0.01	8089.28
July	0.02	2319.17	0.002	3122.97	0.09	14442.47	0.01	7566.53
August	0.03	2822.95	0.002	3887.68	0.09	16166.75	0.01	11295.15
September	0.03	2504.98	0.002	3648.77	0.09	15107.07	0.01	12241.26
October	0.03	2293.63	0.003	3615.13	0.11	19019.76	0.01	10957.68
November	0.02	1676.19	0.002	2391.18	0.10	19370.62	0.01	7910.67
December	0.02	1658.97	0.003	3248.15	0.10	15597.56	0.01	10945.91
January	0.02	1499.41	0.002	2885.28	0.10	15068.88	0.01	11203.87
February	0.02	1546.23	0.002	2894.18	0.09	14329.15	0.01	9304.17
March	0.03	2032.44	0.002	3934.84	0.10	17628.34	0.01	11232.16
Total (upto Mar. 11)	**0.33**	**28709.53**	**0.027**	**40992.83**	**1.15**	**191601.53**	**0.15**	**122597.44**
2011-12								
April	0.01	1312.16	0.002	2889.57	0.08	15133.92	0.01	11232.03
May	0.02	1683.86	0.003	3974.30	0.10	17144.50	0.01	10231.17
June	0.04	3012.42	0.003	4328.93	0.10	18531.00	0.01	10741.34
July	0.03	2717.02	0.002	2937.02	0.10	15209.93	0.01	10661.56
August	0.04	3374.03	0.003	3549.85	0.11	18757.67	0.01	9391.34
September	0.03	2705.00	0.002	3334.86	0.13	19356.61	0.01	10828.50
October	0.02	2040.16	0.002	3035.43	0.11	17502.65	0.01	9579.34
November	0.03	2376.19	0.002	3181.73	0.04	20659.01	0.01	7897.36
Total (upto November 2011)	**0.23**	**19220.84**	**0.019**	**27231.69**	**0.77**	**142295.29**	**0.10**	**80562.64**

No. 10: Money Stock Measures

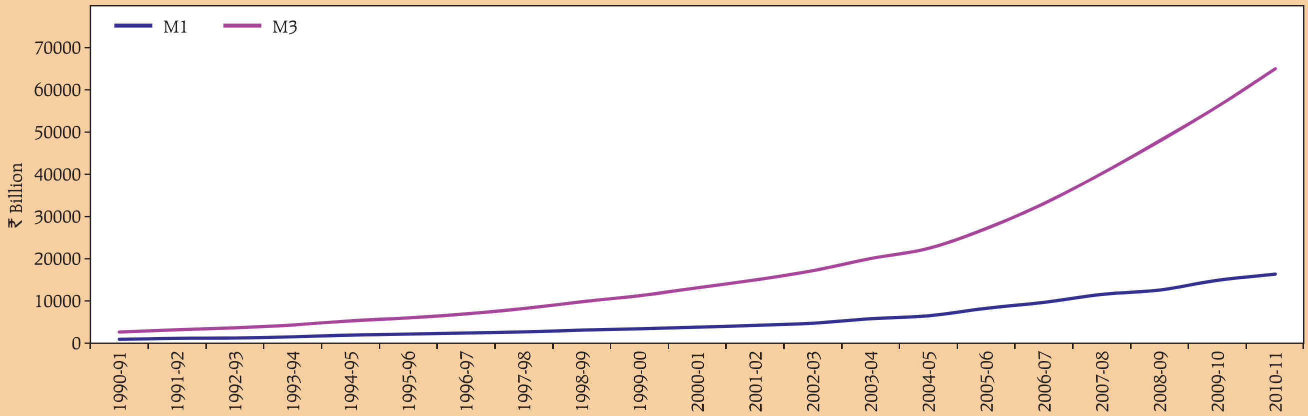
(₹ Billion)

March 31/ reporting Fridays of the month/last reporting Friday of the month	Currency with the Public					Deposit Money of the Public			M_1 (5+8)	Post Office Saving Bank Deposits	M_2 (9+10)	Time Deposits with Banks	M_3 (9+12)	Total Post Office Deposits	M_4 (13+14)
	Notes in Circulation(1)	Circulation of Rupee Coins (2)	Circulation of Small Coins (2)	Cash on Hand with Banks	Total (1+2+3-4)	Demand Deposits with Banks	'Other' Deposits with Reserve Bank (3)	Total (6+7)							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2008-2009	6,811.0	84.9	15.7	257.0	6,654.5	5,886.9	55.7	5,942.6	**12,597.1**	50.4	**12,647.5**	35,351.0	**47,948.1**	259.7	**48,207.8**
2009-2010	7,882.8	97.0	15.7	320.6	7,674.9	7,179.7	38.4	7,218.1	**14,893.0**	50.4	**14,943.4**	41,134.3	**56,027.3**	259.7	**56,287.0**
2010-2011	9,369.4	111.6	15.7	354.6	9,142.0	7,176.6	36.5	7,213.1	**16,355.1**	50.4	**16,405.5**	48,639.8	**64,994.9**	259.7	**65,254.5**
November 5, 2010	8,863.3	105.8	15.7	335.5	8,649.4	6,625.9	42.8	6,668.7	**15,318.1**	50.4	**15,368.5**	45,086.7	**60,404.8**	259.7	**60,664.4**
November 19, 2010	8,969.8	106.9	15.7	374.6	8,717.7	7,107.4	35.6	7,143.0	**15,860.7**	50.4	**15,911.1**	45,045.3	**60,906.0**	259.7	**61,165.7**
July 2011	9,631.6	116.3	15.7	408.3	9,355.2	6,463.2	14.4	6,477.6	**15,832.8**	50.4	**15,883.2**	52,221.8	**68,054.6**	259.7	**68,314.3**
August 2011	9,705.8	117.4	15.7	407.1	9,431.8	6,378.6	28.3	6,406.9	**15,838.8**	50.4	**15,889.2**	52,545.1	**68,383.9**	259.7	**68,643.5**
September 2011	9,696.6	117.4	15.7	413.6	9,416.1	6,379.2	23.4	6,402.6	**15,818.7**	50.4	**15,869.2**	52,773.1	**68,591.8**	259.7	**68,851.5**
October 2011	9,840.4	117.4	15.7	451.6	9,521.9	6,460.1	11.6	6,471.7	**15,993.6**	50.4	**16,044.0**	53,593.1	**69,586.6**	259.7	**69,846.3**
November 4, 2011	9,989.5	117.4	15.7	442.1	9,680.5	6,440.6	13.1	6,453.7	**16,134.2**	50.4	**16,184.6**	53,971.4	**70,105.6**	259.7	**70,365.3**
November 18, 2011	10,081.3	117.4	15.7	440.6	9,773.8	6,384.7	11.2	6,396.0	**16,169.8**	50.4	**16,220.2**	53,966.9	**70,136.7**	259.7	**70,396.4**

Note: Monetary aggregates as at end-March incorporate data on i) scheduled commercial banks as on last reporting Friday and ii) the Reserve Bank of India pertaining to the last working day of the fiscal year.

Also see Notes on Tables.

Money Stock Measures



No. 11: Sources of Money Stock (M_3)

(₹ Billion)

Sources	Outstandings as on March 31/reporting Fridays of the month/last reporting Friday of the month				
	2008-09	2009-10	2010-11	November 5, 2010	November 19, 2010
	1	2	3	4	5
1. Net Bank Credit to Government (A+B)	**12,773.3**	**16,691.9**	**19,827.7**	**18,361.2**	**18,208.6**
A. RBI's net credit to Government (i-ii)	615.8	2,115.9	3,965.5	2,632.4	2,595.1
(i) Claims on Government (a+b)	1,591.7	2,227.2	3,970.5	2,760.5	2,961.0
(a) Central Government	1,574.9	2,226.7	3,941.4	2,743.6	2,946.5
(b) State Governments	16.8	0.5	29.2	16.9	14.6
(ii) Government deposits with RBI (a+b)	975.9	111.3	5.0	128.1	365.9
(a) Central Government	957.3	110.9	1.0	127.7	365.5
(b) State Governments	18.6	0.4	4.0	0.4	0.4
B. Other Banks' Credit to Government	12,157.5	14,576.0	15,862.2	15,728.8	15,613.5
2. Bank Credit to Commercial Sector (A+B)	**30,148.9**	**34,914.1**	**42,354.1**	**38,043.8**	**38,379.8**
A. RBI's credit to commercial sector	138.2	13.3	21.6	15.7	15.7
B. Other banks' credit to commercial sector (i+ii+iii)	30,010.7	34,900.8	42,332.4	38,028.1	38,364.1
(i) Bank credit by commercial banks	27,755.5	32,447.9	39,420.8	35,304.0	35,599.0
(ii) Bank credit by co-operative banks	2,108.9	2,346.3	2,837.2	2,635.3	2,670.7
(iii) Investments by commercial and co-operative banks in other securities	146.3	106.6	74.4	88.8	94.3
3. Net Foreign Exchange Assets of Banking Sector (A+B)	**13,521.8**	**12,814.7**	**13,933.4**	**13,633.5**	**13,793.2**
A. RBI's net foreign exchange assets (i-ii)	12,801.2	12,319.5	13,285.7	12,999.4	13,159.1
(i) Gross foreign assets	12,801.3	12,319.7	0.0	12,999.6	13,159.3
(ii) Foreign liabilities	0.2	0.2	0.2	0.2	0.2
B. Other banks' net foreign exchange assets	720.7	495.2	647.7	634.1	634.1
4. Government's Currency Liabilities to the Public	**100.5**	**112.7**	**127.2**	**121.5**	**122.5**
5. Banking Sector's net Non-monetary Liabilities Other than Time Deposits (A+B)	**8,596.5**	**8,506.0**	**11,247.6**	**9,755.3**	**9,598.1**
A. Net non-monetary liabilities of RBI	3,879.3	3,016.1	3,683.5	3,480.5	3,618.6
B. Net non-monetary liabilities of other banks (residual)	4,717.2	5,489.9	7,564.1	6,274.8	5,979.5
M_3 (1+2+3+4-5)	**47,948.1**	**56,027.3**	**64,994.9**	**60,404.8**	**60,906.0**

No. 11: Sources of Money Stock (M_3) *(Concld.)*

(₹ Billion)

Sources	Outstandings as on March 31/reporting Fridays of the month/last reporting Friday of the month					
	July 2011	August 2011	September 2011	October 2011	November 4, 2011	November 18, 2011
	6	7	8	9	10	11
1. Net Bank Credit to Government (A+B)	**21,354.2**	**21,488.9**	**21,378.3**	**21,819.1**	**21,928.4**	**22,129.1**
A. RBI's net credit to Government (i-ii)	3,721.3	3,681.3	3,566.6	3,947.4	3,801.8	4,169.0
(i) Claims on Government (a+b)	3,722.8	3,682.8	3,568.0	3,948.8	3,803.2	4,170.5
(a) Central Government	3,722.6	3,678.4	3,563.5	3,944.5	3,802.7	4,157.2
(b) State Governments	0.2	4.3	4.5	4.3	0.5	13.2
(ii) Government deposits with RBI (a+b)	1.4	1.4	1.4	1.4	1.4	1.4
(a) Central Government	1.0	1.0	1.0	1.0	1.0	1.0
(b) State Governments	0.4	0.4	0.4	0.4	0.4	0.4
B. Other Banks' Credit to Government	17,632.9	17,807.6	17,811.7	17,871.7	18,126.7	17,960.1
2. Bank Credit to Commercial Sector (A+B)	**43,069.3**	**43,401.8**	**43,896.6**	**44,471.3**	**44,767.0**	**44,861.4**
A. RBI's credit to commercial sector	18.0	18.4	17.8	18.8	13.2	19.1
B. Other banks' credit to commercial sector (i+ii+iii)	43,051.3	43,383.4	43,878.8	44,452.5	44,753.7	44,842.3
(i) Bank credit by commercial banks	40,113.7	40,448.6	40,931.5	41,505.2	41,804.7	41,890.4
(ii) Bank credit by co-operative banks	2,864.6	2,863.9	2,876.8	2,886.8	2,887.1	2,890.8
(iii) Investments by commercial and co-operative banks in other securities	73.0	70.9	70.4	60.5	61.9	61.0
3. Net Foreign Exchange Assets of Banking Sector (A+B)	**14,181.3**	**14,724.2**	**15,491.4**	**15,981.2**	**15,517.8**	**15,847.4**
A. RBI's net foreign exchange assets (i-ii)	13,767.1	14,310.0	15,077.2	15,567.0	15,103.6	15,433.2
(i) Gross foreign assets	13,767.3	14,310.2	15,077.4	15,567.2	15,103.8	15,433.4
(ii) Foreign liabilities	0.2	0.2	0.2	0.2	0.2	0.2
B. Other banks' net foreign exchange assets	414.2	414.2	414.2	414.2	414.2	414.2
4. Government's Currency Liabilities to the Public	**132.0**	**133.1**	**133.1**	**133.1**	**133.1**	**133.1**
5. Banking Sector's net Non-monetary Liabilities Other than Time Deposits (A+B)	**10,682.1**	**11,364.1**	**12,307.6**	**12,818.0**	**12,240.7**	**12,834.3**
A. Net non-monetary liabilities of RBI	4,087.6	4,470.9	5,266.5	5,785.4	5,307.8	5,774.8
B. Net non-monetary liabilities of other banks (residual)	6,594.5	6,893.3	7,041.1	7,032.6	6,932.9	7,059.6
M_3 (1+2+3+4-5)	**68,054.6**	**68,383.9**	**68,591.8**	**69,586.6**	**70,105.6**	**70,136.7**

Notes: 1. Monetary aggregates as at end-March incorporate data on i) scheduled commercial banks as on last reporting Friday and ii) the Reserve Bank of India pertaining to the last working day of the fiscal year.
2. Net Foreign Exchange Assets of the RBI includes investment in foreign currency denominated bonds issued by IIFC(UK) since March 20,2009.
3. Data are provisional.

Also see Notes on Tables.

No. 11A: Commercial Bank Survey

(₹ Billion)

Item		Outstanding as on						
		Mar. 27, 2009	Mar. 26, 2010	Nov. 5, 2010	Nov. 19, 2010	Mar. 25, 2011	Nov. 4, 2011	Nov. 18, 2011
		1	2	3	4	5	6	7
C.I	**Aggregate Deposits of Residents** (C.I.1+C.I.2)	**37,668.4**	**44,278.2**	**47,439.9**	**47,830.8**	**51,378.9**	**55,745.1**	**55,660.4**
C.I.1	Demand Deposits	5,230.8	6,456.1	5,905.5	6,379.6	6,417.1	5,647.3	5,593.8
C.I.2	Time Deposits of Residents (C.I.2.1+C.I.2.2)	32,437.6	37,822.1	41,534.4	41,451.2	44,961.9	50,097.8	50,066.6
C.I.2.1	Short-term Time Deposits	14,596.9	17,020.0	18,690.5	18,653.0	20,232.8	22,544.0	22,530.0
C.I.2.1.1	Certificates of Deposits (CDs)	1,989.3	3,431.0	3,381.9	3,395.5	4,320.4	3,894.7	6,521.4
C.I.2.2	Long-term Time Deposit	17,840.7	20,802.2	22,843.9	22,798.1	24,729.0	27,553.8	27,536.6
C.II	**Call/Term Funding from Financial Institutions**	**1,139.4**	**1,042.8**	**1,073.5**	**1,133.3**	**1,313.4**	**1,698.6**	**1,675.4**
Sources								
S.I	**Domestic Credit (S.I.1+S.I.2)**	**41,511.5**	**48,665.9**	**52,651.3**	**52,961.0**	**57,170.9**	**62,223.5**	**62,092.1**
S.I.1	Credit to the Government	11,557.9	13,783.9	14,833.0	14,715.3	14,971.5	17,274.7	17,099.1
S.I.2	Credit to the Commercial Sector (S.I.2.1+S.I.2.2+S.I.2.3+S.I.2.4)	29,953.6	34,882.0	37,818.3	38,245.7	42,199.4	44,948.8	44,993.0
S.I.2.1	Bank Credit	27,755.5	32,447.9	35,304.0	35,599.0	39,420.8	41,804.7	41,890.4
S.I.2.1.1	Non-food Credit	27,293.4	31,963.0	34,766.5	35,018.9	38,778.0	41,030.1	41,103.3
S.I.2.2	Net Credit to Primary Dealers	16.7	25.1	33.8	28.7	8.2	16.3	22.7
S.I.2.3	Investments in Other Approved Securities	106.2	63.6	49.3	48.8	44.7	41.7	40.8
S.I.2.4	Other Investments (in non-SLR Securities)	2,075.2	2,345.4	2,431.2	2,569.2	2,725.7	3,086.1	3,039.1
S.II	**Net Foreign Currency Assets of Commercial Banks (S.II.1-S.II.2-S.II.3)**	**-533.6**	**-560.7**	**-546.4**	**-438.3**	**-611.2**	**-1,277.4**	**-1,173.6**
S.II.1	Foreign Currency Assets	553.1	441.7	541.4	671.8	623.9	367.2	464.6
S.II.2	Non-resident Foreign Currency Repatriable Fixed Deposits	672.7	650.0	687.9	696.4	700.8	795.9	812.3
S.II.3	Overseas Foreign Currency Borrowings	414.0	352.4	399.8	413.7	534.4	848.6	825.9
S.III	**Net Bank Reserves (S.III.1+S.III.2-S.III.3)**	**2,467.5**	**3,069.3**	**3,362.0**	**3,285.1**	**3,444.8**	**3,791.4**	**3,936.5**
S.III.1	Balances with the RBI	2,381.9	2,813.9	3,114.6	3,006.3	3,191.6	3,415.3	3,583.9
S.III.2	Cash in Hand	202.8	255.8	286.1	323.3	303.5	384.9	384.8
S.III.3	Loans and Advances from the RBI	117.3	0.4	38.7	44.5	50.3	8.7	32.2
S.IV	**Capital Account**	**3,324.4**	**3,903.7**	**4,506.5**	**4,506.9**	**4,813.3**	**5,472.6**	**5,172.8**
S.V.	**Other items (net) (S.I+S.II+S.III-S.IV-C.I-C.II)**	**1,313.1**	**1,949.7**	**2,447.0**	**2,336.8**	**2,498.8**	**1,821.2**	**2,346.5**
S.V.1	Other Demand & Time Liabilities (net of S.II.3)	2,661.2	2,941.8	2,966.9	2,914.4	2,883.7	2,701.7	2,655.4
S.V.2	Net Inter-Bank Liabilities (other than to PDs)	-207.8	-286.7	-207.3	-210.2	-429.8	-461.0	-421.5

Note: Data are provisional.

No. 11B: Monetary Survey

(₹ Billion)

Item		Outstanding as on						
		Mar. 31, 2009	Mar. 31, 2010	Nov. 5, 2010	Nov. 19, 2010	Mar. 31, 2011	Nov. 4, 2011	Nov. 18, 2011
		1	2	3	4	5	6	7
Monetary Aggregates								
M_1 (C.I+C.II.1+C.III)		12,576.0	14,809.6	15,235.6	15,774.2	16,264.4	16,044.9	16,081.5
NM_2 (M_1+C.II.2.1)		28,004.9	32,740.5	34,864.6	35,366.4	37,456.7	39,550.7	39,573.9
NM_3 (NM_2+C.II.2.2+C.IV = S.I+S.II+S.III-S.IV-S.V)		**48,001.8**	**55,698.7**	**59,929.3**	**60,445.6**	**64,671.8**	**69,978.6**	**69,962.3**
Components								
C.I	**Currency with the Public**	**6,655.5**	**7,679.0**	**8,656.4**	**8,726.1**	**9,147.6**	**9,692.2**	**9,783.9**
C.II	**Aggregate Deposits of Residents** (C.II.1+C.II.2)	**40,151.3**	**46,938.6**	**50,156.5**	**50,550.7**	**54,174.3**	**58,574.8**	**58,491.8**
C.II.1	Demand Deposits							
C.II.2	Time Deposits of Residents (C.II.2.1+C.II.2.2)	5,864.8	7,092.3	6,536.3	7,012.6	7,080.3	6,339.7	6,286.4
C.II.2.1	Short-term Time Deposits	34,286.5	39,846.3	43,620.2	43,538.1	47,094.0	52,235.1	52,205.5
C.II.2.1.1	Certificates of Deposit (CDs)	15,428.9	17,930.8	19,629.1	19,592.1	21,192.3	23,505.8	23,492.5
C.II.2.2	Long-term Time Deposits	1,989.3	3,431.0	3,381.9	3,395.5	4,320.4	3,894.7	6,521.4
C.III	**'Other' Deposits with RBI**	18,857.6	21,915.5	23,991.1	23,946.0	25,901.7	28,729.3	28,713.0
C.IV	**Call/Term Funding from Financial Institutions**	**55.7**	**38.4**	**42.8**	**35.6**	**36.5**	**13.1**	**11.2**
Sources		**1,139.4**	**1,042.8**	**1,073.5**	**1,133.3**	**1,313.4**	**1,698.6**	**1,675.4**
S.I	**Domestic Credit (S.I.1+S.I.2)**	**44,710.1**	**53,419.7**	**58,132.6**	**58,415.5**	**64,055.6**	**68,943.8**	**69,181.2**
S.I.1	Net Bank Credit to the Government (S.I.1.1+S.I.1.2)	12,685.5	16,491.6	18,079.7	17,927.8	19,534.7	21,671.2	21,861.9
S.I.1.1	Net RBI credit to the Government	615.8	2,115.9	2,632.4	2,595.1	3,965.5	3,801.8	4,169.0
S.I.1.2	Credit to the Government by the Banking System	12,069.7	14,375.8	15,447.3	15,332.6	15,569.2	17,869.4	17,692.9
S.I.2	Bank Credit to the Commercial Sector (S.I.2.1+S.I.2.2)	32,024.6	36,928.0	40,052.9	40,487.7	44,520.9	47,272.6	47,319.3
S.I.2.1	RBI Credit to the Commercial Sector	138.2	13.3	15.7	15.7	21.6	13.2	19.1
S.I.2.2	Credit to the Commercial Sector by the Banking System	31,886.4	36,914.7	40,037.1	40,472.0	44,499.2	47,259.4	47,300.2
S.I.2.2.1	Other Investments (Non-SLR Securities)	2,164.8	2,435.1	2,520.8	2,658.9	2,815.3	3,175.7	3,128.7
S.II	**Government's Currency Liabilities to the Public**	**100.5**	**112.7**	**121.5**	**122.5**	**127.2**	**133.1**	**133.1**
S.III	**Net Foreign Exchange Assets of the Banking Sector (S.III.1+S.III.2)**	**12,267.6**	**11,758.8**	**12,453.1**	**12,720.8**	**12,674.5**	**13,826.2**	**14,259.6**
S.III.1	Net Foreign Exchange Assets of the RBI	12,801.2	12,319.5	12,999.4	13,159.1	13,285.7	15,103.6	15,433.2
S.III.2	Net Foreign Currency Assets of the Banking System	-533.6	-560.7	-546.4	-438.3	-611.2	-1,277.4	-1,173.6
S.IV	**Capital Account**	**7,166.9**	**7,022.0**	**7,969.0**	**8,079.8**	**8,450.0**	**10,679.9**	**10,848.4**
S.V	**Other items (net)**	**1,909.4**	**2,570.4**	**2,808.9**	**2,733.4**	**3,735.5**	**2,244.7**	**2,763.2**

Note: 1. Data are provisional.
2. Monetary Aggregates as at end-March incorporate data on i) scheduled commercial banks as on Last Reporting Friday and ii) the Reserve Bank of India pertaining to the last working day of the fiscal year.

No.11C: Reserve Bank of India Survey

(₹ Billion)

Item		Outstanding as on						
		Mar. 31, 2009	Mar. 31, 2010	Nov. 5, 2010	Nov. 19, 2010	Mar. 31, 2011	Nov. 4, 2011	Nov. 18, 2011
		1	2	3	4	5	6	7
Components								
C.I	Currency in Circulation	6,911.5	7,995.5	8,984.8	9,092.3	9496.6	10122.6	10,214.4
C.II	Bankers' Deposits with the RBI	2,912.7	3,523.0	3,300.3	3,191.1	4235.1	3617.0	3,786.6
C.II.1	Scheduled Commercial Banks	2,774.6	3,339.4	3,114.6	3,006.3	4026.6	3415.3	3,583.9
C.III	'Other' Deposits with the RBI	55.7	38.4	42.8	35.6	36.5	13.1	11.2
C.IV	**Reserve Money (C.I+C.II+C.III = S.I + S.II + S.III – S.IV – S.V)**	**9,880.0**	**11,556.9**	**12,327.9**	**12,319.0**	**13768.8**	**13752.6**	**14,012.3**
Sources								
S.I	**RBI's Domestic Credit (S.I.1+S.I.2+S.I.3)**	**857.6**	**2,140.8**	**2,687.5**	**2,656.0**	**4,038.8**	**3,823.7**	**4,220.7**
S.I.1	Net RBI credit to the Government (S.I.1.1+S.I.1.2)	615.8	2,115.9	2,632.4	2,595.1	3,965.5	3,801.8	4,169.0
S.I.1.1	Net RBI credit to the Central Government (S.I.1.1.1+S.I.1.1.2+S.I.1.1.3+S.I.1.1.4-S.I.1.1.5)	617.6	2,115.8	2,615.9	2,580.9	3,940.3	3,801.7	4,156.2
S.I.1.1.1	Loans and Advances to the Central Government	–	–	–	–	–	520.6	158.5
S.I.1.1.2	Investments in Treasury Bills	–	–	–	–	–	–	–
S.I.1.1.3	Investments in dated Government Securities	1,573.9	2,224.0	2,741.8	2,945.1	3,939.0	3,280.8	3,998.0
S.I.1.1.3.1	Central Government Securities	1,563.4	2,213.6	2,731.4	2,934.7	3,928.5	3,270.3	3,987.5
S.I.1.1.4	Rupee Coins	1.0	2.7	1.8	1.3	2.3	1.2	0.7
S.I.1.1.5	Deposits of the Central Government	957.3	110.9	127.7	365.5	1.0	1.0	1.0
S.I.1.2	Net RBI credit to State Governments	-1.8	–	16.5	14.2	25.2	0.1	12.8
S.I.2	RBI's Claims on Banks	103.6	11.7	39.4	45.1	51.6	8.7	32.6
S.I.2.1	Loans and Advances to Scheduled Commercial Banks	101.6	11.7	38.7	44.5	51.2	8.7	32.2
S.I.3	RBI's Credit to Commercial Sector	138.2	13.3	15.7	15.7	21.6	13.2	19.1
S.I.3.1	Loans and Advances to Primary Dealers	7.5	–	2.5	2.5	0.1	5.9	5.9
S.I.3.2	Loans and Advances to NABARD	–	–	–	–	–	–	–
S.II	**Government's Currency Liabilities to the Public**	**100.5**	**112.7**	**121.5**	**122.5**	**127.2**	**133.1**	**133.1**
S.III	**Net Foreign Exchange Assets of the RBI**	**12,801.2**	**12,319.5**	**12,999.4**	**13,159.1**	**13,285.7**	**15,103.6**	**15,433.2**
S.III.1	Gold	487.9	811.9	965.1	965.1	1,025.7	1,314.4	1,314.4
S.III.2	Foreign Currency Assets	12,313.4	11,507.8	12,034.5	12,194.2	12,260.0	13,789.4	14,119.0
S.IV	**Capital Account**	**3,600.8**	**2,876.6**	**3,220.7**	**3,331.2**	**3,395.0**	**4,965.6**	**5,433.9**
S.V	**Other Items (net)**	**278.5**	**139.6**	**259.8**	**287.5**	**288.5**	**342.3**	**340.8**

Note: 1. Data are provisional.

No. 11D: Liquidity Aggregates (Outstanding Amounts)

(₹ Billion)

Month/Year	NM_3	Postal Deposits	L_1	Liabilities of Financial Institutions: Term Money Borrowings	CDs	Term Deposits	Total	L_2	Public Deposits with NBFCs	L_3
	1	2	3=(1+2)	4	5	6	7=(4+5+6)	8=(3+7)	9	10=(8+9)
2009-10										
April	48924.2	1138.9	**50063.1**	26.6	0.3	2.5	29.3	**50092.4**		
May	49447.5	1141.4	**50588.9**	26.6	0.3	2.5	29.3	**50618.2**		
June	49375.5	1144.3	**50519.8**	26.6	0.3	2.5	29.3	**50549.1**	246.5	**50795.6**
July	50289.5	1143.1	**51432.6**	26.6	0.3	2.5	29.3	**51461.9**		
August	50594.6	1142.0	**51736.6**	26.6	0.3	2.5	29.3	**51765.9**		
September	50889.6	1145.4	**52035.1**	26.6	0.3	2.5	29.3	**52064.4**	246.5	**52310.8**
October	51546.4	1144.3	**52690.8**	26.6	0.3	2.5	29.3	**52720.1**		
November	51982.3	1145.6	**53127.8**	26.6	0.3	2.5	29.3	**53157.1**		
December	52266.3	1154.3	**53420.7**	26.6	0.3	2.5	29.3	**53450.0**	246.5	**53696.4**
January	53375.7	1149.7	**54525.4**	26.6	0.3	2.5	29.3	**54554.7**		
February	54241.8	1150.8	**55392.5**	26.6	0.3	2.5	29.3	**55421.9**		
March	55698.7	1168.9	**56867.6**	26.6	0.3	2.5	29.3	**56897.0**	246.5	**57143.4**
2010-11										
April	56309.2	1175.1	**57484.3**	26.6	0.3	2.5	29.3	**57513.6**		
May	56770.7	1181.1	**57951.8**	26.6	0.3	2.5	29.3	**57981.1**		
June	56881.2	1188.1	**58069.3**	26.6	0.3	2.5	29.3	**58098.7**	246.5	**58345.1**
July	58227.6	1194.8	**59422.4**	26.6	0.3	2.5	29.3	**59451.8**		
August	58301.5	1201.8	**59503.2**	26.6	0.3	2.5	29.3	**59532.6**		
September	58636.4	1204.1	**59840.5**	26.6	0.3	2.5	29.3	**59869.8**	246.5	**60116.3**
October	60403.5	1205.8	**61609.3**	26.6	0.3	2.5	29.3	**61638.6**		
November	60445.6	1209.2	**61654.8**	26.6	0.3	2.5	29.3	**61684.2**		
December	61812.3	1210.1	**63022.4**	26.6	0.3	2.5	29.3	**63051.7**	246.5	**63298.2**
January	62168.9	1199.1	**63367.9**	26.6	0.3	2.5	29.3	**63397.2**		
February	63272.3	1188.8	**64461.1**	26.6	0.3	2.5	29.3	**64490.4**		
March	64671.8	1198.3	**65870.1**	26.6	0.3	2.5	29.3	**65899.5**	246.5	**66145.9**
2011-12										
April	66181.5	1195.2	**67376.8**	26.6	0.3	2.5	29.3	**67406.1**		
May	66358.9	1195.4	**67554.3**	26.6	0.3	2.5	29.3	**67583.6**		
June	66658.4	1204.0	**67862.4**	26.6	0.3	2.5	29.3	**67891.7**	246.5	**68138.2**
July	67847.6	1199.3	**69046.9**	26.6	0.3	2.5	29.3	**69076.2**		
August	68259.3	1197.5	**69456.8**	26.6	0.3	2.5	29.3	**69486.1**		
September	68513.9	1196.2	**69710.1**	26.6	0.3	2.5	29.3	**69739.4**	246.5	**69985.9**
October	69494.4	1196.2	**70690.6**	26.6	0.3	2.5	29.3	**70720.0**		
November	69962.3	1196.2	**71158.5**	26.6	0.3	2.5	29.3	**71187.8**		

CDs: Certificates of Deposit. L_1, L_2 and L_3: Liquidity Aggregates. NBFCs: Non-Banking Financial Compaines.

Notes :
1. Postal Deposits comprise post office savings bank deposits, post office time deposits, post office recurring deposits, other deposits and post office cumulative time deposits.
2. Financial Institutions (FIs), here, comprise IFCI, EXIM Bank, IIBI, SIDBI, NABARD, NHB, TFCI and IDFC. Since October 2004, data on FI's do not include that of IDBI reflecting its conversion into a banking entity.
3. Since July 2001, the term money borrowings of the FIs comprise borrowings from corporate and others.
4. Since August 2002,Term Deposits include CP and Others.
5. Estimates of public deposits are generated on the basis of returns received from all NBFCs with public deposits of ₹0.20 billion and more as had been recommended by the Working Group.
6. While L_1 and L_2 are compiled on a monthly basis, L_3 is compiled on a quarterly basis.
7. Data are provisional. Wherever data are not available, the estimates for the last available month have been repeated.

No. 12: Reserve Money and its Components

(₹ Billion)

Outstandings as on March 31/ each Friday/ last reporting Friday of the month	Currency in Circulation		'Other' Deposits with RBI	Bankers' Deposits with RBI	Reserve Money (1+3+4)
	Total	o/w cash with banks			
	1	2	3	4	5
2008-2009	6911.5	257.0	55.7	2912.8	9880.0
2009-2010	7995.5	320.6	38.4	3523.0	11556.9
2010-2011	9496.6	354.6	36.5	4235.1	13768.2
November 5, 2010	8984.8	335.5	42.8	3300.3	12327.9
November 12, 2010	9090.7	–	38.1	3514.8	12643.6
November 19, 2010	9092.3	374.6	35.6	3191.1	12319.0
November 26, 2010	9015.4	–	51.0	3299.7	12366.1
July 2011	9763.5	408.3	14.4	3796.8	13574.7
August 2011	9839.0	407.1	28.3	3822.1	13689.4
September 2011	9829.7	413.6	23.4	3702.1	13555.3
October 2011	9973.5	451.6	11.6	3906.8	13891.9
November 4, 2011	10122.6	442.1	13.1	3617.0	13752.6
November 11, 2011	10221.8	–	11.7	4079.0	14312.4
November 18, 2011	10214.4	440.6	11.2	3786.6	14012.3
November 25, 2011	10155.8	–	13.2	3922.4	14091.4

See 'Notes on Table'.

Note: Data are provisional.

No. 13: Sources of Reserve Money

(₹ Billion)

Outstanding as on March 31/each Friday/ last reporting Friday of the month	Reserve Bank's claims on				Net foreign exchange assets of RBI (3)	Government's currency liabilities to the public	Net non-monetary liabilities of RBI (3)	**Reserve Money (1+2+3+4+5+6-7)**
	Government (net)(1)	Commercial & co-operative banks	National Bank for Agriculture and Rural Development	Commercial sector (2)				
	1	2	3	4	5	6	7	8
2008-2009	615.8	103.6	–	138.2	12801.2	100.5	3879.3	9880.0
2009-2010	2115.9	11.7	–	13.3	12319.5	112.7	3016.2	11556.9
2010-2011	3965.5	51.6	–	21.6	13285.7	127.2	3683.5	13768.2
November 5, 2010	2632.4	39.4	–	15.7	12999.4	121.5	3480.5	12327.9
November 12, 2010	2915.6	58.1	–	15.7	13006.3	121.5	3473.6	12643.6
November 19, 2010	2595.1	45.1	–	15.7	13159.1	122.5	3618.6	12319.0
November 26, 2010	2644.9	46.5	–	16.3	13109.1	122.5	3573.2	12366.1
July 2011	3721.3	24.0	–	18.0	13767.1	132.0	4087.6	13574.7
August 2011	3681.3	17.4	–	18.4	14310.0	133.1	4470.9	13689.4
September 2011	3566.6	27.0	–	17.8	15077.2	133.1	5266.5	13555.3
October 2011	3947.4	11.0	–	18.8	15567.0	133.1	5785.4	13891.9
November 4, 2011	3801.8	8.7	–	13.2	15103.6	133.1	5307.8	13752.6
November 11, 2011	4371.2	43.9	–	19.1	15426.3	133.1	5681.1	14312.4
November 18, 2011	4169.0	32.6	–	19.1	15433.2	133.1	5774.8	14012.3
November 25, 2011	4231.8	58.7	–	20.0	15439.6	133.1	5791.9	14091.4

See ' Notes on Tables'.

Note: 1. Net Foreign Exchange Assets of the RBI includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.
2. Data are provisional.

No. 14: Daily Call Money Rates

(In per cent per annum)

As on	Range of Rates		Weighted Average Rates	
	Borrowings	Lendings	Borrowings	Lendings
	1	2	3	4
November 1, 2011	7.00 – 8.60	7.00 – 8.60	8.51	8.51
November 2, 2011	5.00 – 8.65	5.00 – 8.65	8.50	8.50
November 3, 2011	5.00 – 8.55	5.00 – 8.55	8.43	8.43
November 4, 2011	6.90 – 8.70	6.90 – 8.70	8.37	8.37
November 5, 2011	7.00 – 8.80	7.00 – 8.80	8.54	8.54
November 7, 2011	7.00 – 8.80	7.00 – 8.80	8.54	8.54
November 8, 2011	6.90 – 8.85	6.90 – 8.85	8.57	8.57
November 9, 2011	7.00 – 9.00	7.00 – 9.00	8.61	8.61
November 10, 2011	7.00 – 9.00	7.00 – 9.00	8.61	8.61
November 11, 2011	7.00 – 8.75	7.00 – 8.75	8.64	8.64
November 12, 2011	7.25 – 8.60	7.25 – 8.60	8.39	8.39
November 14, 2011	7.00 – 8.75	7.00 – 8.75	8.59	8.59
November 15, 2011	7.00 – 8.70	7.00 – 8.70	8.57	8.57
November 16, 2011	7.00 – 8.73	7.00 – 8.73	8.57	8.57
November 17, 2011	7.00 – 8.65	7.00 – 8.65	8.54	8.54
November 18, 2011	7.00 – 9.15	7.00 – 9.15	8.61	8.61
November 19, 2011	7.00 – 8.70	7.00 – 8.70	8.60	8.60
November 21, 2011	7.00 – 8.80	7.00 – 8.80	8.69	8.69
November 22, 2011	7.00 – 8.75	7.00 – 8.75	8.67	8.67
November 23, 2011	7.00 – 8.75	7.00 – 8.75	8.67	8.67
November 24, 2011	6.90 – 8.75	6.90 – 8.75	8.68	8.68
November 25, 2011	7.00 – 8.75	7.00 – 8.75	8.63	8.63
November 26, 2011	7.00 – 8.42	7.00 – 8.42	8.21	8.21
November 28, 2011	7.00 – 8.75	7.00 – 8.75	8.60	8.60
November 29, 2011	7.00 – 8.70	7.00 – 8.70	8.58	8.58
November 30, 2011	6.90 – 8.70	6.90 – 8.70	8.56	8.56
December 1, 2011	7.00 – 8.75	7.00 – 8.75	8.54	8.54
December 2, 2011	6.85 – 8.75	6.85 – 8.75	8.49	8.49
December 3, 2011	6.90 – 8.65	6.90 – 8.65	8.40	8.40
December 5, 2011	6.90 – 8.75	6.90 – 8.75	8.60	8.60
December 6, 2011	6.90 – 8.75	6.90 – 8.75	8.60	8.60
December 7, 2011	4.50 – 8.70	4.50 – 8.70	8.58	8.58
December 8, 2011	7.00 – 8.70	7.00 – 8.70	8.58	8.58
December 9, 2011	5.00 – 8.65	5.00 – 8.65	8.56	8.56
December 10, 2011	6.75 – 8.60	6.75 – 8.60	8.42	8.42
December 12, 2011	7.00 – 8.65	7.00 – 8.65	8.56	8.56
December 13, 2011	6.85 – 8.65	6.85 – 8.65	8.55	8.55
December 14, 2011	7.00 – 8.70	7.00 – 8.70	8.57	8.57
December 15, 2011	7.00 – 8.90	7.00 – 8.90	8.65	8.65

No. 15: Average Daily Turnover in Call Money Market

(₹ Billion)

Fortnight ended			Average Daily Call Money Turnover				Total
			Banks		Primary Dealers		
			Borrowings	Lendings	Borrowings	Lendings	
			1	2	3	4	5
July	2,	2010	76	81	5	–	**163**
July	16,	2010	87	93	6	–	**186**
July	30,	2010	95	101	7	–	**203**
August	13,	2010	61	73	12	–	**146**
August	27,	2010	75	87	11	–	**174**
September	10,	2010	67	78	11	–	**156**
September	24,	2010	79	91	12	–	**182**
October	8,	2010	81	94	13	–	**188**
October	22,	2010	70	80	10	–	**160**
November	5,	2010	77	88	11	–	**177**
November	19,	2010	91	99	8	–	**198**
December	3,	2010	70	77	7	–	**154**
December	17,	2010	72	83	12	–	**167**
December	31,	2010	99	109	9	–	**217**
January	14,	2011	73	83	9	–	**165**
January	28,	2011	72	78	7	–	**157**
February	11,	2011	79	84	5	–	**167**
February	25,	2011	113	118	5	–	**236**
March	11,	2011	101	104	3	–	**208**
March	25,	2011	112	114	2	–	**229**
April	8,	2011	112	116	4	–	**231**
April	22,	2011	153	162	9	–	**325**
May	6,	2011	103	110	6	–	**220**
May	20,	2011	107	115	7	–	**229**
June	3,	2011	92	100	8	–	**201**
June	17,	2011	98	107	9	–	**214**
July	1,	2011	116	122	6	–	**245**
July	15,	2011	115	126	11	–	**252**
July	29,	2011	109	119	10	–	**238**
August	12,	2011	80	93	13	–	**186**
August	26,	2011	86	95	9	–	**190**
September	9,	2011	97	108	11	–	**216**
September	23,	2011	120	130	10	–	**259**
October	7,	2011	99	106	7	–	**212**
October	21,	2011	109	116	6	–	**231**
November	4,	2011	113	117	4	–	**235**
November	18,	2011	86	93	7	–	**186**
December	2,	2011	82	92	10	–	**185**
December	16,	2011	91	101	11	–	**203**

Notes: 1. Data are provisional.
2. Since August 6, 2005 eligible participants are Banks and Primary Dealers.

No. 16: Issue of Certificates of Deposit by Scheduled Commercial Banks

(Amount in ₹ Billion)

Fortnight ended	Total Amount Outstanding	Range of Discount Rate (per cent) @	Fortnight ended	Total Amount Outstanding	Range of Discount Rate (per cent) @	Fortnight ended	Total Amount Outstanding	Range of Discount Rate (per cent) @
	1	2		1	2		1	2
2009-10			**2010-11**			**2011-12**		
April 10	1,985	5.90 – 11.50	April 9	3,418	4.35 – 8.95	April 8	4,445	8.00 – 11.70
24	2,110	3.90 – 11.50	23	3,368	4.15 – 6.90	22	4,474	7.30 – 9.93
May 8	2,114	3.75 – 6.20	May 7	3,408	4.22 – 7.01	May 6	4,314	7.85 – 10.05
22	2,184	3.65 – 7.60	21	3,403	4.24 – 6.30	20	4,333	8.10 – 10.05
June 5	2,181	3.90 – 6.60	June 4	3,370	4.73 – 7.50	June 3	4,321	8.65 – 10.25
19	2,215	3.60 – 8.00	18	3,216	5.75 – 7.50	17	4,238	9.02 – 10.50
July 3	2,286	3.34 – 8.25	July 2	3,424	5.92 – 7.05	July 1	4,211	8.19 – 10.21
17	2,357	3.34 – 8.00	16	3,277	6.05 – 7.19	15	4,060	8.20 – 10.10
31	2,404	3.55 – 8.00	30	3,248	6.25 – 7.50	29	4,122	8.10 – 10.01
August 14	2,302	3.75 – 8.00	August 13	3,276	6.25 – 7.90	August 12	4,047	8.70 – 9.92
28	2,325	3.60 – 8.00	27	3,416	6.41 – 8.00	26	4,057	8.79 – 9.82
September 11	2,268	3.70 – 6.21	September 10	3,482	6.41 – 8.06	September 9	3,865	8.70 – 10.25
25	2,167	3.75 – 6.51	24	3,373	6.41 – 8.25	23	3,835	8.75 – 10.05
October 9	2,258	3.70 – 6.05	October 8	3,442	6.36 – 8.26	October 7	3,873	8.80 – 9.85
23	2,272	3.74 – 6.41	22	3,434	6.41 – 8.30	21	3,859	9.00 – 9.90
November 6	2,359	3.55 – 7.00	November 5	3,321	6.41 – 8.80	November 4	3,822	9.20 – 9.99
20	2,451	3.15 – 7.00	19	3,330	6.41 – 8.75	18	3,784	9.30 – 9.81
December 4	2,436	3.50 – 6.50	December 3	3,331	7.80 – 9.08			
18	2,484	3.60 – 6.75	17	3,286	8.25 – 9.75			
			31	3,614	8.57 – 9.80			
January 1	2,642	3.75 – 6.75						
15	2,647	3.38 – 6.61	January 14	3,719	7.18 – 9.82			
29	2,823	3.09 – 6.51	28	3,776	7.35 – 9.90			
February 12	2,784	3.35 – 6.76	February 11	4,079	8.15 – 10.15			
26	3,094	3.24 – 8.25	25	4,185	9.72 – 10.60			
March 12	3,393	4.00 – 7.36	March 11	4,310	7.65 – 10.72			
26	3,411	4.52 – 7.12	25	4,247	9.00 – 10.60			

@ Effective discount rate range per annum.

No. 17: Issue of Commercial Paper* By Companies

(Amount in ₹ Billion)

Fortnight ended		Total Amount Outstanding	Rate of Interest (per cent) @	Fortnight ended		Total Amount Outstanding	Rate of Interest (per cent) @	Fortnight ended		Total Amount Outstanding	Rate of Interest (per cent) @
		1	2			1	2			1	2
2009-10				**2010-11**				**2011-12**			
April	15	465.51	6.00 – 12.50	April	15	831.65	3.85 – 8.40	April	15	1,055.18	7.15 – 12.30
	30	528.81	3.30 – 10.25		30	987.69	3.97 – 9.40		30	1,249.91	6.39 – 12.50
May	15	578.45	2.83 – 9.90	May	15	1,003.64	3.85 – 8.45	May	15	1,268.35	7.01 – 13.50
	31	607.40	3.32 – 9.00		31	1,090.39	4.50 – 9.45		31	1,212.21	7.60 – 12.75
June	15	672.39	3.50 – 9.15	June	15	1,065.80	4.75 – 8.65	June	15	1,234.00	8.25 – 13.00
	30	687.21	3.20 – 12.00		30	997.92	6.00 – 8.50		30	1,046.89	8.35 – 13.50
July	15	775.60	3.04 – 8.85	July	15	1,077.55	6.02 – 8.75	July	15	1,283.47	8.10 – 13.25
	31	795.82	3.25 – 8.90		31	1,127.04	6.10 – 9.00		31	1,336.91	7.06 – 14.50
August	15	773.52	3.43 – 9.20	August	15	1,272.71	4.65 – 9.10	August	15	1,424.52	8.50 – 13.85
	31	830.26	3.05 – 9.35		31	1,265.49	4.40 – 9.60		31	1,488.12	7.67 – 14.50
September	15	881.61	3.20 – 9.05	September	15	1,232.25	5.40 – 9.25	September	15	1,597.01	8.47 – 14.00
	30	792.28	3.90 – 8.35		30	1,120.03	6.65 – 9.90		30	1,446.21	7.83 – 14.50
October	15	919.30	2.98 – 9.00	October	15	1,320.93	6.50 – 10.00	October	15	1,664.62	8.75 – 13.50
	31	988.35	3.07 – 7.90		31	1,496.20	7.00 – 18.00		30	1,687.69	7.75 – 14.50
November	15	1,033.15	3.00 – 8.85	November	15	1,231.08	6.30 – 13.00				
	30	1,039.15	2.85 – 8.40		30	1,177.93	6.32 – 18.00				
December	15	1,066.77	3.00 – 9.25	December	15	1,021.56	8.00 – 16.00				
	31	903.05	3.72 – 10.00		31	825.42	8.00 – 12.10				
January	15	923.63	3.15 – 7.55	January	15	989.13	6.60 – 11.95				
	31	915.64	3.35 – 7.50		31	1,017.52	6.94 – 12.50				
February	15	961.52	3.30 – 8.00	February	15	1,037.26	6.30 – 12.30				
	28	970.00	3.20 – 8.50		28	1,012.91	6.32 – 13.05				
March	15	910.25	4.00 – 8.90	March	15	964.87	7.20 – 13.50				
	31	755.06	5.30 – 9.00		31	803.05	7.93 – 15.00				

* Issued at face value by companies.
@ Typical effective discount rate range per annum on issues during the fortnight.

Government Accounts

No. 18: Union Government Accounts at a Glance

(Amount in ₹ Billion)

Item		Financial Year	April- November			
		2011-12 (Budget Estimates)	2010-11 (Actuals)	2011-12 (Actuals)	Percentage to Budget Estimates	
					2010-11	2011-12
		1	2	3	4	5
1.	**Revenue Receipts**	**7,899**	**4,767**	**3,928**	**69.9**	**49.7**
2.	Tax Revenue (Net)	6,645	2,966	3,205	55.5	48.2
3.	Non-Tax Revenue	1,254	1,801	723	121.6	57.7
4.	**Capital Receipts**	**4,678**	**2,140**	**3,679**	**50.2**	**78.6**
5.	Recovery of Loans	150	63	118	122.2	78.4
6.	Other Receipts	400	212	27	53.0	6.8
7.	Borrowings and Other Liabilities	4,128	1,865	3,534	48.9	85.6
8.	**Total Receipts (1+4)**	**12,577**	**6,907**	**7,607**	**62.3**	**60.5**
9.	**Non-Plan Expenditure**	**8,162**	**4,798**	**5,394**	**65.2**	**66.1**
10.	On Revenue Account	7,336	4,380	4,854	68.1	66.2
	of which :					
	(i) Interest Payments	2,680	1,345	1,659	54.1	61.9
11.	On Capital Account	826	418	540	45.4	65.3
12.	**Plan Expenditure**	**4,415**	**2,109**	**2,213**	**56.5**	**50.1**
13.	On Revenue Account	3,636	1,789	1,878	56.8	51.7
14.	On Capital Account	779	321	335	55.3	42.9
15.	**Total Expenditure (9+12)**	**12,577**	**6,907**	**7,607**	**62.3**	**60.5**
16.	Revenue Expenditure (10+13)	10,972	6,169	6,733	64.3	61.4
17.	Capital Expenditure (11+14)	1,606	738	874	49.2	54.4
18.	**Revenue Deficit (16-1)**	**3,073**	**1,402**	**2,805**	**50.7**	**91.3**
19.	**Fiscal Deficit {15-(1+5+6)}**	**4,128**	**1,865**	**3,534**	**48.9**	**85.6**
20.	**Gross Primary Deficit [19-10(i)]**	**1,448**	**520**	**1,875**	**39.2**	**129.4**

Notes: 1. Financial year runs from April to March.
2. Actuals are unaudited figures.

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

Government Securities Market

No. 19: Government of India: 91-Day Treasury Bills (Outstanding at Face Value)

(₹ Billion)

March 31/Last Friday / Friday	Reserve Bank of India			Banks		State Governments		Others		Foreign Central Banks	
	Tap*		Auction	Tap*	Auction	Tap*	Auction	Tap*	Auction	Tap*	Auction
	Re-discounted	Ad hocs									
	1	2	3	4	5	6	7	8	9	10	11
Mar. 31, 2000	—	—	2.9	—	5.6	—	—	—	4.6	—	2.2
Mar. 31, 2001	—	—	0.7	—	8.7	—	—	—	1.5	—	6.3
Mar. 31, 2002	—	—	1.5	—	22.9	—	4.5	—	3.6	—	13.0
Mar. 31, 2003	—	—	—	—	64.3	—	8.0	—	7.8	—	7.0
Mar. 31, 2004	—	—	—	—	39.5	—	6.0	—	14.5	—	0.4
Mar. 31, 2005	—	—	—	—	211.8	—	17.6	—	48.3	—	0.3
Mar. 31, 2006	—	—	—	—	59.4	—	97.6	—	5.8	—	0.4
Mar. 31, 2007	—	—	—	—	126.8	—	242.5	—	67.4	—	0.1
Mar. 31, 2008	—	—	—	—	60.6	—	238.3	—	100.8	—	—
Mar. 31, 2009	—	—	—	—	499.1	—	5.4	—	250.9	—	—
Mar. 31, 2010	—	—	—	—	308.8	—	—	—	406.3	—	—
Mar. 31, 2011	—	—	—	—	235.6	—	115.9	—	344.5	—	—
Jan. 2009	—	—	—	—	407.4	—	104.5	—	252.6	—	—
Feb. 2009	—	—	—	—	439.1	—	70.2	—	250.9	—	—
Mar. 2009	—	—	—	—	499.1	—	5.4	—	250.9	—	—
Apr. 2009	—	—	—	—	441.9	—	55.4	—	308.1	—	—
May 2009	—	—	—	—	396.5	—	50.0	—	353.5	—	—
Jun. 2009	—	—	—	—	389.8	—	50.0	—	360.2	—	—
Jul. 2009	—	—	—	—	258.4	—	—	—	503.1	—	3.5
Aug. 2009	—	—	—	—	268.4	—	—	—	491.9	—	4.8
Sep. 2009	—	—	—	—	371.3	—	—	—	388.9	—	4.8
Oct. 2009	—	—	—	—	252.5	—	—	—	469.3	—	3.3
Nov. 2009	—	—	—	—	216.4	—	—	—	498.3	—	0.4
Dec. 2009	—	—	—	—	271.5	—	—	—	443.1	—	0.4
Jan. 2010	—	—	—	—	254.3	—	—	—	460.7	—	—
Feb. 2010	—	—	—	—	252.9	—	—	—	462.1	—	—
Mar. 2010	—	—	—	—	308.8	—	—	—	406.3	—	—
Apr. 2010	—	—	—	—	250.9	—	—	—	464.1	—	—
May 2010	—	—	—	—	312.2	—	—	—	462.3	—	0.5
Jun. 2010	—	—	—	—	285.6	—	10.0	—	373.9	—	0.5
Jul. 2010	—	—	—	—	209.2	—	38.5	—	250.8	—	—
Aug. 2010	—	—	—	—	153.5	—	92.8	—	306.5	—	—
Sep. 2010	—	—	—	—	176.3	—	102.8	—	283.7	—	—
Oct. 2010	—	—	—	—	221.2	—	113.3	—	318.8	—	—
Nov. 2010	—	—	—	—	174.4	—	123.6	—	245.6	—	—
Dec. 2010	—	—	—	—	156.3	—	168.6	—	303.7	—	—
Jan. 2011	—	—	—	—	153.3	—	178.1	—	306.8	—	—
Feb. 2011	—	—	—	—	172.1	—	145.9	—	327.9	—	—
Mar. 2011	—	—	—	—	235.6	—	115.9	—	344.5	—	—
Apr. 2011				—	269.3	—	87.6	—	380.7	—	—
May 2011	—	—	—	—	316.2	—	180.1	—	453.9	—	—
Jun. 2011	—	—	—	—	385.5	—	246.1	—	504.5	—	—
Jul. 2011	—	—	—	—	417.5	—	300.7	—	562.5	—	—
Aug. 2011	—	—	—	—	404.5	—	248.7	—	535.5	—	—
Sep. 2011	—	—	—	—	824.5	—	5.6	—	334.6	—	—
Oct., 2011	—	—	—	—	366.2	—	262.3	—	423.8	—	—
Week Ended											
Nov. 4, 2011	—	—	—	—	341.0	—	265.0	—	419.0	—	—
Nov. 11, 2011	—	—	—	—	345.0	—	252.0	—	385.0	—	—
Nov. 18, 2011	—	—	—	—	313.0	—	251.0	—	387.0	—	—
Nov. 25, 2011	—	—	—	—	292.0	—	276.0	—	378.0	—	—

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

No. 20: Auctions of 91-day Government of India Treasury Bills

(Amount in ₹ Billion)

Date of Auction	Date of Issue	Notified Amount	Bids Received			Bids Accepted			Devol-vement on PDs/SDs*	Total Issue (7+8+9)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)	Amount Out-standing as on the Date of Issue (Face Value)
			Number	Total Face Value		Number	Total Face Value						
				Compe-titive	Non-Compe-titive		Compe-titive	Non-Compe-titive					
	1	2	3	4	5	6	7	8	9	10	11	12	13
2011 - 12													
Apr. 6	Apr. 8	40.00	78	141.05	–	35	40.00	–	–	40.00	98.25	7.1443	698.45
Apr. 13	Apr. 15	40.00	70	106.05	10.00	36	40.00	10.00	–	50.00	98.24	7.1858	703.45
Apr. 20	Apr. 21	50.00	84	107.26	3.00	53	50.00	3.00	–	53.00	98.18	7.4353	711.43
Apr. 27	Apr. 29	70.00	75	147.71	14.85	52	70.00	14.85	–	84.85	98.16	7.5186	737.67
May 4	May 6	80.00	105	148.51	28.75	58	80.00	28.75	–	108.75	98.07	7.8936	775.17
May 11	May 13	80.00	105	213.67	11.00	58	80.00	11.00	–	91.00	98.03	8.0604	810.17
May 18	May 20	80.00	94	215.73	12.50	47	80.00	12.50	–	92.50	98.02	8.1022	847.67
May 25	May 27	80.00	97	158.49	72.50	58	80.00	72.50	–	152.50	98.01	8.1439	950.13
Jun. 1	Jun. 3	80.00	97	177.50	15.00	50	80.00	15.00	–	95.00	98.00	8.1857	985.13
Jun. 8	Jun. 10	80.00	84	165.69	20.00	62	80.00	20.00	–	100.00	97.99	8.2275	1,030.13
Jun. 15	Jun. 17	80.00	108	233.95	32.00	70	80.00	32.00	–	112.00	97.98	8.2692	1,087.12
Jun. 22	Jun. 24	80.00	105	225.86	19.00	41	80.00	19.00	–	99.00	98.00	8.1857	1,136.12
Jun. 29	Jun. 30	60.00	90	253.35	47.50	43	60.00	47.50	–	107.50	98.00	8.1857	1,186.10
Jul. 6	Jul. 8	70.00	94	276.21	2.50	29	70.00	2.50	–	72.50	98.00	8.1857	1,218.60
Jul. 13	Jul. 15	70.00	118	294.15	15.00	81	70.00	15.00	–	85.00	98.01	8.1439	1,253.60
Jul. 20	Jul. 22	70.00	85	243.63	5.00	33	70.00	5.00	–	75.00	98.02	8.1022	1,275.60
Jul. 27	Jul. 29	70.00	99	169.17	19.94	60	70.00	19.94	–	89.94	97.95	8.3946	1,280.69
Aug. 3	Aug. 5	70.00	76	211.35	25.75	45	70.00	25.75	–	95.75	97.95	8.3946	1,267.69
Aug. 10	Aug. 12	70.00	83	165.48	31.00	56	70.00	31.00	–	101.00	97.97	8.3110	1,277.69
Aug. 17	Aug. 18	70.00	77	191.48	1.00	52	70.00	1.00	–	71.00	97.96	8.3528	1,256.19
Aug. 24	Aug. 26	70.00	72	170.91	15.00	53	70.00	15.00	–	85.00	97.96	8.3528	1,188.69
Aug. 30	Sep. 2	70.00	79	159.92	65.00	61	70.00	65.00	–	135.00	97.95	8.3946	1,228.69
Sep. 7	Sep. 9	70.00	90	189.47	27.50	62	70.00	27.50	–	97.50	97.95	8.3946	1,226.19
Sep. 14	Sep. 16	70.00	87	199.68	7.00	49	70.00	7.00	–	77.00	97.95	8.3946	1,191.19
Sep. 21	Sep. 23	70.00	94	174.78	25.00	56	70.00	25.00	–	95.00	97.94	8.4364	1,187.19
Sep. 28	Sep. 29	70.00	85	190.99	15.00	53	70.00	15.00	–	85.00	97.94	8.4364	1,164.69
Oct. 5	Oct. 7	40.00	69	147.55	15.00	41	40.00	15.00	–	55.00	97.94	8.4364	1,147.19
Oct. 12	Oct. 14	40.00	69	114.07	17.00	40	40.00	17.00	–	57.00	97.93	8.4782	1,119.19
Oct. 19	Oct. 21	40.00	81	115.30	13.01	40	40.00	13.01	–	53.01	97.89	8.6456	1,097.20
Oct. 25	Oct. 28	40.00	71	133.37	5.04	25	40.00	5.04	–	45.04	97.89	8.6456	1,052.30
Nov. 2	Nov. 4	40.00	70	138.54	28.64	34	40.00	28.64	–	68.64	97.89	8.6456	1,025.19
Nov. 9	Nov. 11	40.00	54	72.05	18.00	36	40.00	18.00	–	58.00	97.84	8.8550	982.19
Nov. 16	Nov. 18	40.00	72	98.95	0.01	51	40.00	0.01	–	40.01	97.83	8.8969	951.19
Nov. 23	Nov. 25	40.00	74	129.25	40.00	28	40.00	40.00	–	80.00	97.84	8.8550	946.19

* Effective from auction dated May 14, 1999, devolvement amount would be on RBI only.
Note: Outstanding amount is net of redemption during the week.

No. 20A: Auctions of Government of India Cash Management Bills

(Amount in ₹ Billion)

Date of Auction		Date of Issue		Date of Maturity		Notified Amount	Bids Received			Bids Accepted			Total Issue (8+9)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)	Amount Outstanding as on the Date of Issue (Face Value)
							Number	Total Face Value		Number	Total Face Value					
								Competitive	Non-Competitive		Competitive	Non-Competitive				
			1		2	3	4	5	6	7	8	9	10	11	12	13
2011-12																
Apr.	29	May	2	Jul.	18	60.00	74	109.45	–	50	60.00	–	60.00	98.41	7.6588	260.00
May	5	May	6	Jul.	22	60.00	92	152.26	–	31	60.00	–	60.00	98.34	8.0017	320.00
Jun.	28	Jun.	29	Aug.	3	60.00	65	176.06	–	34	60.00	–	60.00	99.23	8.0923	180.00
Jul.	4	Jul.	5	Aug.	16	80.00	64	272.16	–	42	80.00	–	80.00	99.07	8.1580	260.00
Jul.	18	Jul.	19	Sep.	13	80.00	77	294.71	–	34	80.00	–	80.00	98.78	8.0500	280.00
Jul.	21	Jul.	22	Sep.	16	40.00	52	174.00	–	30	40.00	–	40.00	98.78	8.0500	260.00
Aug.	2	Aug.	3	Sep.	21	80.00	70	235.20	–	45	80.00	–	80.00	98.89	8.3612	280.00
Aug.	8	Aug.	9	Sep.	27	60.00	50	103.80	–	35	60.00	–	60.00	98.90	8.2850	340.00
Oct.	17	Oct.	18	Dec.	5	100.00	71	219.15	–	53	100.00	–	100.00	98.87	8.6909	100.00
Nov.	8	Nov.	9	Dec.	21	60.00	57	180.14	–	28	60.00	–	60.00	99.01	8.6896	160.00
Nov.	9	Nov.	9	Dec.	21	90.00	76	232.25	–	28	50.00	–	50.00	98.99	8.8669	210.00

No. 21: Auctions of 182-day Government of India Treasury Bills

(₹ Billion)

Date of Auction		Date of Issue		Notified Amount	Bids Received			Bids Accepted			Devolvement on PDs	Total Issue (7+8+9)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)	Amount Outstanding as on the Date of Issue (Face Value)
					Number	Total Face Value		Number	Total Face Value						
						Competitive	Non-Competitive		Competitive	Non-Competitive					
			1	2	3	4	5	6	7	8	9	10	11	12	13
2011-12															
Apr.	13	Apr.	15	20.00	74	77.44	15.00	25	20.00	15.00	–	35.00	96.42	7.4462	245.01
Apr.	27	Apr.	29	30.00	65	69.85	12.50	41	30.00	12.50	–	42.50	96.28	7.7487	267.51
May	11	May	13	30.00	73	81.76	–	35	30.00	–	–	30.00	96.07	8.2040	272.51
May	25	May	27	30.00	73	73.23	5.00	34	30.00	5.00	–	35.00	96.04	8.2692	287.51
Jun.	8	Jun.	10	30.00	66	113.55	–	8	30.00	–	–	30.00	96.06	8.2257	307.51
Jun.	22	Jun.	24	30.00	67	105.17	–	3	30.00	–	–	30.00	96.09	8.1606	327.51
Jul.	6	Jul.	8	30.00	75	71.78	–	44	30.00	–	–	30.00	96.04	8.2692	342.51
Jul.	20	Jul.	22	30.00	79	122.50	–	44	30.00	–	–	30.00	96.08	8.1823	357.50
Aug.	3	Aug.	5	30.00	58	59.35	–	34	29.50	–	–	29.50	95.95	8.4651	372.00
Aug.	17	Aug.	18	30.00	67	78.25	–	48	30.00	–	–	30.00	95.98	8.3998	382.00
Aug.	30	Sep.	2	30.00	59	64.30	–	28	30.00	–	–	30.00	95.98	8.3998	392.00
Sep.	14	Sep.	16	30.00	68	88.08	4.00	35	30.00	4.0	–	34.00	95.98	8.3998	406.00
Sep.	28	Sep.	29	30.00	59	73.19	–	32	30.00	–	–	30.00	95.95	8.4651	416.00
Oct.	12	Oct.	14	40.00	56	72.93	–	41	40.00	–	–	40.00	95.88	8.6177	421.00
Oct.	25	Oct.	28	40.00	57	93.25	–	32	40.00	–	–	40.00	95.84	8.7050	418.50
Nov.	9	Nov.	11	40.00	58	67.65	–	47	40.00	–	–	40.00	95.73	8.9454	428.50
Nov.	23	Nov.	25	40.00	86	123.67	0.01	26	40.00	0.01	–	40.01	95.78	8.8361	433.51

Notes : 1. Outstanding amount is net of redemption during the week.

2. The presentation of implicit yield at cut-off price has been changed from actual /364-day count convention to actual / 365-day count convention from auction dated April 6, 2005.

3. The auctions of 182-day Treasury Bills (TBs) which were discontinued effective May 14, 2001 have been reintroduced from April 6, 2005 onwards.

No. 22: Auctions of 364-day Government of India Treasury Bills

(Amount in ₹ Billion)

Date of Auction	Date of Issue	Notified Amount	Bids Received			Bids Accepted			Devolvement on PDs/ SDs*	Total Issue (7+8+9)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)	Amount Outstanding as on the Date of Issue (Face Value)
			Number	Total Face Value		Number	Total Face Value						
				Competitive	Non-Competitive		Competitive	Non-Competitive					
	1	2	3	4	5	6	7	8	9	10	11	12	13
2011 - 12													
Apr. 6	Apr. 8	20.00	80	83.50	–	31	20.00	–	–	20.00	93.00	7.5476	424.56
Apr. 20	Apr. 21	30.00	72	78.81	–	38	30.00	–	–	30.00	92.82	7.7567	434.56
May 4	May 6	30.00	74	67.51	–	42	30.00	–	–	30.00	92.44	8.2007	444.56
May 18	May 20	30.00	89	97.10	–	27	30.00	–	–	30.00	92.36	8.2947	454.56
Jun. 1	Jun. 3	30.00	101	91.15	–	43	30.00	–	–	30.00	92.34	8.3182	474.56
Jun. 15	Jun. 17	30.00	91	75.79	2.03	56	30.00	2.03	–	32.03	92.32	8.3417	495.02
Jun. 29	Jun. 30	30.00	83	79.46	–	45	30.00	–	–	30.00	92.36	8.2947	513.08
Jul. 13	Jul. 15	30.00	107	131.41	–	20	30.00	–	–	30.00	92.41	8.2360	533.08
Jul. 27	Jul. 29	30.00	108	91.33	–	40	30.00	–	–	30.00	92.19	8.4949	553.08
Aug. 10	Aug. 12	30.00	109	184.25	–	9	30.00	–	–	30.00	92.47	8.1656	572.91
Aug. 24	Aug. 26	30.00	130	140.00	–	27	30.00	–	–	30.00	92.35	8.3065	592.45
Sep. 7	Sep. 9	30.00	105	121.22	2.16	26	27.42	2.16	–	29.58	92.32	8.3417	612.03
Sep. 21	Sep. 23	30.00	73	79.15	–	29	30.00	–	–	30.00	92.22	8.4595	632.03
Oct. 5	Oct. 7	40.00	93	106.45	–	43	40.00	–	–	40.00	92.17	8.5185	651.61
Oct. 19	Oct. 21	40.00	85	106.95	0.05	31	40.00	0.05	–	40.05	92.03	8.6840	671.66
Nov. 2	Nov. 4	40.00	85	119.00	–	47	40.00	–	–	40.00	91.98	8.7432	691.66
Nov. 16	Nov. 18	40.00	134	195.47	2.03	24	40.00	2.03	–	42.03	91.89	8.8500	713.69

* Effective from auction dated May 19, 1999 devolvement amount would be on RBI only.

Notes : 1. Outstanding amount is net of redemption during the week.

2. The presentation of implicit yield at cut-off price has been changed from actual/364-day count convention to actual/365-day count convention from auction dated October 27, 2004.

3. Effective from auction dated June 2, 1999 the non-competitive bidders were allowed to participate.

No. 23: Turnover in Government Securities Market (Face Value) at Mumbai @

(₹ Billions)

Week / Month+	Govt. of India Dated Securities	State Govt. Securities	Treasury Bills				RBI*
			Cash Management Bills	91 Day	182 Day	364 Day	
	1	2	3	4	5	6	7
2010-2011							
April	4,681.57	188.38	–	938.88	134.52	172.18	29.09
July	5,112.25	74.63	–	339.21	152.38	123.33	38.71
October	5,259.74	56.46	–	284.58	33.87	88.79	12.37
November	2,787.49	56.77	–	190.58	54.01	65.13	87.28
December	3,370.43	48.32	–	175.27	49.90	70.47	421.29
January	2,630.23	75.79	–	321.06	44.69	59.01	190.92
February	2,847.67	72.83	–	259.35	34.86	43.76	85.56
March	3,068.23	85.67	–	250.63	68.41	98.34	6.74
2011-2012							
April	2,772.27	82.19	107.15	351.69	62.39	86.94	8.88
May	2,560.25	50.07	144.09	257.13	45.69	92.54	5.17
June	5,087.65	62.25	55.41	377.48	61.33	83.63	6.88
July	5,009.21	88.75	232.14	719.20	91.05	139.93	41.44
August	5,823.89	53.63	136.20	220.78	51.28	68.87	7.92
September	5,399.64	56.55	25.08	445.05	67.68	101.23	12.37
October	3,516.14	65.61	59.75	199.19	67.17	94.55	14.26
WEEK ENDED							
November 4, 2011	1,107.97	6.03	11.72	63.64	18.15	29.98	0.99
November 11, 2011	533.64	17.40	25.62	14.63	10.60	9.71	0.60
November 18, 2011	1,315.44	16.31	7.02	30.51	29.40	47.48	1.33
November 25, 2011	855.26	21.63	14.24	13.81	26.56	9.04	110.73

@ Based on SGL outright transactions in government securities in secondary market at Mumbai. It excludes repo transactions.

\+ Turnover upto the last Friday of the month over the last Friday of preceding month.

* RBI's sales and purchases include tranasctions in other offices and transactions on behalf of the State Governments and others. It excludes transactions relating to the Government of India and the Welfare Commissioner, Bhopal.

No. 24: Repo/Reverse Repo Auctions under Liquidity Adjustment Facility

(Amount in ₹ Billion)

Date	Repo/ Reverse Repo Period (Day(s))	REPO (INJECTION)					REVERSE REPO (ABSORPTION)					Net Injection (+)/ Absorption(-) of liquidity [(5) – (10)]	MSF	Outstanding Amount
		Bids Received		Bids Accepted		Cut-off Rate(%)	Bids Received		Bids Accepted		Cut-off Rate(%)			
		Number	Amount	Number	Amount		Number	Amount	Number	Amount				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Nov. 1, 2011	1	18	512.65	18	512.65	8.50	2	17.70	2	17.70	7.50	494.95	–	–494.95
Nov. 2, 2011	1	14	417.05	14	417.05	8.50	–	–	–	–	–	417.05	–	–417.05
Nov. 3, 2011	1	9	345.55	9	345.55	8.50	6	6.55	6	6.55	7.50	339.00	–	–339.00
Nov. 4, 2011	4	23	495.25	23	495.25	8.50	19	127.15	19	127.15	7.50	368.10	–	–368.10
Nov. 8, 2011	1	29	879.55	29	879.55	8.50	–	–	–	–	–	879.55	–	–879.55
Nov. 9, 2011	2	45	1,161.60	45	1,161.60	8.50	–	–	–	–	–	1,161.60	–	–1,161.60
Nov. 11, 2011	3	52	1,273.35	52	1,273.35	8.50	–	–	–	–	–	1,273.35	–	–1,273.35
Nov. 14, 2011	1	38	916.35	38	916.35	8.50	–	–	–	–	–	916.35	–	–916.35
Nov. 15, 2011	1	36	1,061.90	36	1,061.90	8.50	2	0.15	2	0.15	7.50	1,061.75	–	–1,061.75
Nov. 16, 2011	1	36	1,044.70	36	1,044.70	8.50	–	–	–	–	–	1,044.70	–	–1,044.70
Nov. 17, 2011	1	31	918.55	31	918.55	8.50	1	0.05	1	0.05	7.50	918.50	–	–918.50
Nov. 18, 2011	3	47	1,065.35	47	1,065.35	8.50	7	14.20	7	14.20	7.50	1,051.15	–	–1051.15
Nov. 21, 2011	1	49	1,273.35	49	1,273.35	8.50	1	0.10	1	0.10	7.50	1,273.25	–	–1,273.25
Nov. 22, 2011	1	50	1,315.40	50	1,315.40	8.50	–	–	–	–	–	1,315.40	–	–1,315.40
Nov. 23, 2011	1	54	1,354.40	54	1,354.40	8.50	1	0.10	1	0.10	7.50	1,354.30	–	–1,354.30
Nov. 24, 2011	1	43	1,131.65	43	1,131.65	8.50	2	2.60	2	2.60	7.50	1,129.05	–	–1,129.05
Nov. 25, 2011	3	44	987.75	44	987.75	8.50	1	0.15	1	0.15	7.50	987.60	–	–987.60
Nov. 28, 2011	1	36	899.95	36	899.95	8.50	2	0.25	2	0.25	7.50	899.70	–	–899.70
Nov. 29, 2011	1	40	933.95	40	933.95	8.50	2	0.20	2	0.20	7.50	933.75	–	–933.75
Nov. 30, 2011	1	35	778.50	35	778.50	8.50	2	3.05	2	3.05	7.50	775.45	–	–775.45

MSF: Marginal Standing Facility.
'–' No bid was received in the auction.

No. 25: Open Market Operations of Reserve Bank of India*

(₹ Billion)

Year/Month	Government of India Dated Securities – Face Value					Treasury bills				
	Purchase		Sale		Net purchase (+)/net sale (-)	Purchase		Sale		Net purchase (+)/net sale (-)
	Market	State Government and others	Market	State Government and others		Market	State Government and others	Market	State Government and others	
	1	2	3	4	5	6	7	8	9	10
2008-09										
April	7.46	–	–	8.61	-1.16	–	–	–	–	–
May	1.28	–	–	2.17	-0.89	–	–	–	–	–
June	152.39	–	–	3.10	149.29	–	–	–	–	–
July	52.19	–	–	7.01	45.17	–	–	–	–	–
August	43.38	–	–	44.47	-1.09	–	–	–	–	–
September	9.22	–	–	9.31	-0.09	–	–	–	–	–
October	6.28	–	–	5.30	0.97	–	–	–	–	–
November	7.57	–	–	1.28	6.30	–	–	–	–	–
December	119.01	–	–	2.96	116.06	–	–	–	–	–
January	25.68	–	–	5.04	20.64	–	–	–	–	–
February	60.28	–	–	2.37	57.91	–	–	–	–	–
March	560.08	–	–	7.71	552.37	–	–	–	–	–
2009-10										
April	211.30	–	–	7.47	203.83	–	–	–	–	–
May	153.74	–	–	2.08	151.66	–	–	–	–	–
June	67.66	–	–	3.15	64.50	–	–	–	–	–
July	77.24	–	–	24.80	52.45	–	–	–	–	–
August	134.62	–	–	9.83	124.79	–	–	–	–	–
September	141.12	–	–	2.44	138.68	–	–	–	–	–
October	24.98	–	–	14.16	10.82	–	–	–	–	–
November	7.78	–	–	6.02	1.76	–	–	–	–	–
December	9.20	–	–	2.85	6.35	–	–	–	–	–
January	11.94	–	–	12.01	-0.07	–	–	–	–	–
February	3.06	–	–	3.11	-0.04	–	–	–	–	–
March	11.36	–	–	11.41	-0.06	–	–	–	–	–
2010-11										
April	6.15	–	–	6.05	0.10	–	–	–	–	–
May	10.22	–	–	10.11	0.11	–	–	–	–	–
June	2.53	–	–	2.66	-0.13	–	–	–	–	–
July	17.77	–	–	17.94	-0.16	–	–	–	–	–
August	6.98	–	–	7.06	-0.08	–	–	–	–	–
September	4.83	–	–	4.78	0.06	–	–	–	–	–
October	4.72	–	–	4.81	-0.10	–	–	–	–	–
November	85.41	–	–	1.86	83.55	–	–	–	–	–
December	417.56	–	–	3.64	413.92	–	–	–	–	–
January	183.01	–	–	7.91	175.10	–	–	–	–	–
February	43.54	–	–	43.49	0.05	–	–	–	–	–
March	5.26	–	–	5.42	-0.16	–	–	–	–	–
2011-12										
April	4.52	–	–	4.45	0.07	–	–	–	–	–
May	2.93	–	–	2.87	0.06	–	–	–	–	–
June	14.53	–	–	4.68	9.85	–	–	–	–	–
July	9.26	–	–	19.14	-9.88	–	–	–	–	–
August	4.73	–	–	4.76	-0.03	–	–	–	–	–
September	5.41	–	–	5.39	0.02	–	–	–	–	–
October	7.21	–	–	7.18	0.02	–	–	–	–	–
November	104.00 +	–	–	10.02	93.98	–	–	–	–	–

* RBI's sales-purchases include transactions in other offices and transactions on behalf of the State Governments and Others.
* Excluding transactions of RBI with the Government of India and the Welfare Commissioner Bhopal.
\+ Includes purchase of Oil Marketing Companies Government of India Special Bonds (Oil Bonds) of ` NIL (face value) under Special Market Operations (SMOs).

No. 26 A: Secondary Market Outright Transactions in Government Dated Securities (Face Value)

(Amount in ₹ billion, YTM in per cent per annum)

Week ended	Government of India Dated Securities - Maturing in the year											State Govt. Securities
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Beyond 2021	
	1	2	3	4	5	6	7	8	9	10	11	12
I. November 4, 2011												
a. Amount	0.45	5.25	0.25	0.75	0.75	4.32	16.97	63.40	–	0.30	461.54	3.01
b. YTM *												
Min.	8.9111	8.6167	8.5518	8.5900	8.4915	8.7639	8.8044	8.7427	–	8.9065	8.8131	8.8682
Max.	9.0040	8.7013	8.5880	8.5900	8.6340	8.8975	8.9195	8.9064	–	9.3916	9.0271	9.0581
II. November 11, 2011												
a. Amount	–	0.20	–	0.05	0.20	0.30	4.60	36.30	–	–	225.17	8.70
b. YTM *												
Min.	–	8.7307	–	8.5840	8.5864	8.8390	8.8412	8.8118	–	–	8.7300	8.9616
Max.	–	8.7501	–	8.5840	8.6653	8.8963	9.0416	9.0125	–	–	9.1427	9.2313
III. November 18, 2011												
a. Amount	–	4.51	0.10	–	0.21	5.88	3.27	56.33	0.25	6.75	580.42	8.16
b. YTM *												
Min.	–	8.7273	8.6060	–	8.6833	8.7391	8.7301	8.7994	9.0500	9.0000	8.7694	9.0600
Max.	–	8.8608	8.6060	–	8.7015	9.0136	9.1022	9.0611	9.0500	9.6814	9.3028	9.2340
IV. November 25, 2011												
a. Amount	–	5.60	–	1.40	2.27	0.63	0.41	72.41	–	2.05	342.88	10.82
b. YTM *												
Min.	–	8.7784	–	8.6000	8.6429	8.7539	8.7769	8.7842	–	8.9103	8.7705	9.0993
Max.	–	8.8759	–	8.7221	8.7500	8.8029	8.7999	8.9287	–	9.1318	9.1723	9.2406

* Minimum and Maximum YTMs (% PA) indicative have been given excluding transactions of non-standard lot size (les than ₹ 0.05 billion).

No. 26 B: Secondary Market Outright Transactions in Treasury Bills

(Amount in ₹ billion, YTM in per cent per annum)

Week ended	Treasury Bills Residual Maturity in Days			
	Upto 14 Days	15 - 91 Days	92 - 182 Days	183 - 364 Days
	1	2	3	4
I November 4, 2011				
a. Amount	1.12	38.21	7.92	14.49
b. YTM *				
Min.	8.48	8.40	8.55	8.65
Max.	8.65	8.65	8.68	8.73
II November 11, 2011				
a. Amount	0.60	19.53	5.30	4.85
b. YTM *				
Min.	8.50	8.40	8.65	8.64
Max.	8.60	8.87	8.88	8.85
III November 18, 2011				
a. Amount	8.19	23.65	13.39	11.99
b. YTM *				
Min.	8.50	8.62	8.75	8.72
Max.	8.89	8.86	8.86	8.85
IV November 25, 2011				
a. Amount	3.34	13.18	10.79	4.50
b. YTM *				
Min.	8.74	8.68	8.70	8.50
Max.	8.87	8.87	8.84	8.70

* Minimum and Maximum YTMs (% PA) indicative have been given excluding transactions of non-standard lot size (less than ₹ 0.05 billion).
# Includes transactions of Cash Management Bills.

No. 26 C: Month-end Yield to Maturity of SGL Transactions in Central Government Dated Securities for Various Residual Maturities

(Per cent)

Term to Maturity (in years)	2010	2011										
	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8	9	10	11	12
1	7.3877	7.5435	7.4488	7.4927	6.3112	8.3124	8.1875	8.3619	8.2283	8.2081	8.7114	8.7397
2	7.5645	7.8908	7.6298	7.5488	6.9231	8.3554	8.2298	8.3799	8.2650	8.2437	8.7469	8.7059
3	7.7414	8.0996	7.8139	7.6787	7.5350	8.3985	8.2722	8.3979	8.2696	8.2793	8.7823	8.6722
4	7.8852	8.1104	7.9980	7.8747	8.1469	8.4415	8.3146	8.4148	8.2873	8.3129	8.8178	8.6781
5	7.8519	8.1212	8.0602	7.9287	8.2318	8.4771	8.3496	8.4342	8.3329	8.3622	8.8603	8.7123
6	7.8502	8.1320	8.0694	7.9465	8.2385	8.4780	8.3580	8.4678	8.3445	8.4109	8.8810	8.7341
7	7.8644	8.1679	8.0929	7.9574	8.1690	8.4780	8.3625	8.5251	8.4124	8.3962	8.8635	8.7439
8	7.8852	8.1670	8.1187	7.9681	8.1525	8.4513	8.3532	8.6566	8.5700	8.4073	8.8650	8.7485
9	7.9060	8.1496	8.1095	7.9787	8.1359	8.4246	8.3440	8.5576	8.4262	8.3942	8.8666	8.7531
10	7.9534	8.1505	8.0983	8.0223	8.1267	8.4123	8.3518	8.4792	8.3543	8.3975	8.8849	8.7594
11	8.0147	8.1577	8.1338	8.0692	8.2552	8.4895	8.4205	8.5397	8.4259	8.4295	8.9145	8.7929
12	8.0744	8.1756	8.1897	8.1168	8.3151	8.5213	8.4566	8.5672	8.4559	8.4716	8.9260	8.8298
13	8.1318	8.2127	8.2613	8.1649	8.3510	8.5439	8.4897	8.5891	8.4839	8.5138	8.9375	8.8677
14	8.1892	8.2498	8.3329	8.2130	8.3870	8.5665	8.5227	8.6109	8.5118	8.5559	8.9490	8.9279
15	8.2466	8.2869	8.4045	8.2610	8.4230	8.5890	8.5557	8.6328	8.5398	8.5980	8.9605	8.9882
16	8.3040	8.3240	8.4761	8.3091	8.4590	8.6116	8.5887	8.6547	8.5708	8.6389	8.9708	9.0386
17	8.3424	8.3612	8.5095	8.3266	8.4950	8.6182	8.5943	8.6625	8.6379	8.6252	8.9707	9.0478
18	8.3537	8.3983	8.5134	8.3285	–	8.6215	8.5972	8.6678	–	8.6114	8.9707	9.0570
19	8.3651	8.4354	8.5173	8.3305	–	8.6248	8.6002	8.6731	–	8.5976	8.9707	9.0663
20	8.3764	8.4725	8.5212	8.3324	–	8.6282	8.6031	8.6784	–	8.5838	8.9707	9.0755
21	8.3877	8.5096	8.5251	8.3343	–	8.6315	8.6060	8.6837	–	8.5726	8.9707	9.0847
22	8.3981	8.5164	8.5284	8.3363	–	8.6348	–	8.6890	–	8.5749	8.9706	9.0939
23	8.4066	8.5220	8.5318	8.3382	–	8.6382	–	8.6944	–	8.5771	8.9706	9.1031
24	8.4152	8.5276	8.5351	8.3402	–	8.6415	–	8.6997	–	8.5794	8.9706	9.1123
25	8.4237	8.5333	8.5384	8.3421	–	8.6448	–	8.7050	–	8.5816	8.9706	9.1216
26	8.4322	8.5389	8.5418	8.3456	–	8.6481	–	8.7103	–	8.5839	8.9706	9.1308
27	8.4408	8.5445	8.5451	8.3493	–	8.6515	–	8.7156	–	8.5861	8.9705	9.1400
28	8.4493	8.5501	8.5485	8.3531	–	8.6548	–	8.7209	–	8.5884	8.9705	9.1492
29	8.4579	8.5557	8.5518	8.3568	–	8.6581	–	8.7262	–	8.5907	8.9705	9.1584
30	8.4664	8.5613	8.5551	8.3606	–	8.6614	–	–	–	–	–	–

No. 26 D: Secondary Market Repo Transactions # (Other than with RBI)

(Amount in ₹ Billion)

Week Ended	Govt. of India Dated Securities	State Govt. Securities	Cash Management Bills	91-day Treasury Bills	182-day Treasury Bills	364-day Treasury Bills
	1	2	3	4	5	6
I. November 4, 2011						
Amount	560.87	0.64	52.57	127.48	63.70	129.20
Repo Rate Min.	7.00	8.00	8.00	7.50	7.50	8.00
Repo Rate Max.	10.25	9.25	8.5	8.5	8.5	8.5
Repo Period Min.	1	1	1	1	1	1
Repo Period Max.	15	15	4	4	4	4
II. November 11, 2011						
Amount	165.82	2.79	38.92	43.87	43.69	52.28
Repo Rate Min.	7.50	8.40	8.35	8.40	8.45	8.45
Repo Rate Max.	10.25	8.60	8.65	8.66	8.65	8.65
Repo Period Min.	1	1	1	1	1	1
Repo Period Max.	15	3	3	3	4	3
III. November 18, 2011						
Amount	388.82	0.38	87.93	126.98	102.00	90.14
Repo Rate Min.	7.00	8.50	8.00	8.30	8.45	8.40
Repo Rate Max.	10.00	10.25	8.60	8.75	8.90	8.70
Repo Period Min.	1	1	1	1	1	1
Repo Period Max.	92	15	3	3	3	3
IV. November 25, 2011						
Amount	303.66	1.64	61.34	87.30	57.83	76.48
Repo Rate Min.	7.50	8.60	8.55	8.45	8.45	8.45
Repo Rate Max.	9.25	8.75	8.90	8.75	8.72	8.75
Repo Period Min.	1	1	1	1	1	1
Repo Period Max.	15	3	3	3	3	3

Represent the First Leg of Transactions.

Note: Repo rate in per cent per annum and repo period in days.

No. 27: Month-end Secondary Market Yield on Government of India Securities

(Per cent)

Coupon	Date of Maturity			Yield (Semi-annual) as on					
				Mar. 31, 2010 (Year-end)	Mar. 31, 2011 (Year-end)	Aug. 31, 2011	Sep. 30, 2011	Oct. 31, 2011	Nov. 30, 2011
			1	2	3	4	5	6	7
6.72 *	Jul.	18,	2012	4.36	7.31	8.27	8.09	8.72	8.70
12.00	Oct.	21,	2011	5.47	7.47	8.21	8.20		
11.50	Nov.	24,	2011	5.68	7.50	8.23	8.18	8.47	–
6.85	Apr.	5,	2012	6.19	7.50	8.30	8.14	8.67	8.70
7.40	May	3,	2012	6.17	7.44	8.26	8.10	8.72	8.71
10.25	Jun.	1,	2012	6.34	7.49	8.28	8.10	8.71	8.72
11.03	Jul.	18,	2012	6.30	7.51	8.27	8.09	8.72	8.70
9.40	Sep.	11,	2012	6.49	7.53	8.27	8.09	8.73	8.67
FRB	Nov.	10,	2012	4.79	7.26	8.53	8.48	8.65	8.92
9.00	May	24,	2013	6.51	7.54	8.24	8.23	8.72	8.56
9.81	May	30,	2013	6.71	7.54	8.24	8.24	8.72	8.56
12.40	Aug.	20,	2013	6.79	7.56	8.24	8.29	8.70	8.54
7.27	Sep.	3,	2013	6.74	7.57	8.23	8.30	8.69	8.53
FRB	Sep.	10,	2013	4.54	6.74	8.63	8.57	8.74	8.91
5.32	Feb.	16,	2014	7.04	7.74	8.24	8.36	8.65	8.57
6.72	Feb.	24,	2014	7.23	7.74	8.24	8.36	8.64	8.58
7.37	Apr.	16,	2014	7.14	7.77	8.24	8.37	8.63	8.58
6.07	May	15,	2014	7.22	7.79	8.24	8.37	8.63	8.59
FRB	May	20,	2014	4.01	5.12	8.62	8.52	8.81	8.96
10.00	May	30,	2014	7.33	7.79	8.24	8.37	8.63	8.59
7.32	Oct.	20,	2014	7.25	7.87	8.25	8.37	8.61	8.62
10.50	Oct.	29,	2014	7.39	7.87	8.25	8.37	8.61	8.62
7.56	Nov.	3,	2014	7.17	7.88	8.25	8.37	8.61	8.62
11.83	Nov.	12,	2014	7.50	7.87	8.25	8.36	8.61	8.62
10.47	Feb.	12,	2015	7.82	7.84	8.25	8.36	8.62	8.59
10.79	May	19,	2015	7.67	7.89	8.27	8.36	8.65	8.61
11.50	May	21,	2015	7.67	7.88	8.27	8.36	8.65	8.61
6.49	Jun.	8,	2015	7.51	7.91	8.27	8.37	8.66	8.62
7.17	Jun.	14,	2015	–	7.90	8.27	8.36	8.65	8.62
FRB	Jul.	2,	2015	4.08	5.71	8.63	8.59	8.78	8.97
11.43	Aug.	7,	2015	7.60	7.91	8.28	8.37	8.69	8.63
FRB	Aug.	10,	2015	3.98	6.26	8.68	8.67	8.81	8.97
7.38	Sep.	3,	2015	7.49	7.94	8.29	8.38	8.70	8.64
9.85	Oct.	16,	2015	7.65	7.94	8.29	8.38	8.73	8.64
7.59	Apr.	12,	2016	7.43	7.99	8.33	8.41	8.83	8.68
10.71	Apr.	19,	2016	7.63	7.98	8.33	8.40	8.83	8.68
FRB	May	7,	2016	3.97	5.15	8.64	8.54	8.86	9.09
5.59	Jun.	4,	2016	7.72	8.01	8.35	8.41	8.86	8.70
12.30	Jul.	2,	2016	7.73	7.98	8.34	8.40	8.85	8.69
7.02	Aug.	17,	2016	7.60	8.00	8.35	8.41	8.88	8.71
8.07	Jan.	15,	2017	7.57	7.97	8.35	8.40	8.90	8.71
7.49	Apr.	16,	2017	7.43	7.96	8.35	8.41	8.90	8.73
FRB	Jul.	2,	2017	4.65	7.42	8.66	8.60	8.78	8.90
7.99	Jul.	9,	2017	7.72	7.95	8.35	8.42	8.91	8.70
7.46	Aug.	28,	2017	7.49	7.97	8.35	8.42	8.90	8.73
6.25	Jan.	2,	2018	7.82	7.95	8.35	8.44	8.89	8.72

No. 27: Month-end Secondary Market Yield on Government of India Securities *(Concld.)*

(Per cent)

Coupon	Date of Maturity			Yield (Semi-annual) as on					
				Mar. 31, 2010 (Year-end)	Mar. 31, 2011 (Year-end)	Aug. 31, 2011	Sep. 30, 2011	Oct. 31, 2011	Nov. 30, 2011
			1	2	3	4	5	6	7
7.83	Apr.	11,	2018	–	–	8.35	8.44	8.87	8.71
8.24	Apr.	22,	2018	7.60	7.94	8.35	8.45	8.87	8.71
10.45	Apr.	30,	2018	7.75	7.94	8.34	8.44	8.87	8.71
5.69	Sep.	25,	2018	7.83	7.95	8.34	8.46	8.87	8.71
12.60	Nov.	23,	2018	7.78	7.93	8.33	8.45	8.86	8.71
5.64	Jan.	2,	2019	7.88	8.02	8.33	8.46	8.86	8.71
6.05	Feb.	2,	2019	7.29	8.02	8.33	8.46	8.86	8.71
6.05	Jun.	12,	2019	7.90	8.02	8.32	8.45	8.86	8.71
6.90	Jul.	13,	2019	7.82	8.02	8.32	8.45	8.86	8.71
10.03	Aug.	9,	2019	7.90	8.02	8.31	8.44	8.85	8.71
6.35	Jan.	2,	2020	7.85	7.99	8.30	8.44	8.86	8.76
10.70	Apr.	22,	2020	7.92	7.98	8.30	8.43	8.85	8.76
7.80	May	3,	2020	–	7.98	8.30	8.43	8.86	8.76
FRB	Dec.	21,	2020	4.62	8.04	9.02	9.00	9.09	10.02
11.60	Dec.	27,	2020	7.94	8.01	8.31	8.42	8.86	8.77
7.80	Apr.	11,	2021	–	–	8.32	8.44	8.88	8.72
7.94	May	24,	2021	7.94	8.06	8.33	8.43	8.89	8.78
10.25	May	30,	2021	8.17	8.05	8.33	8.43	8.89	8.78
8.79	Nov.	8,	2021	–	–	–	–	–	8.74
8.20	Feb.	15,	2022	8.10	8.10	8.38	8.46	8.90	8.77
8.35	May	14,	2022	8.18	8.09	8.40	8.47	8.91	8.77
8.08	Aug.	2,	2022	8.19	8.08	8.42	8.47	8.92	8.75
5.87	Aug.	28,	2022	8.14	8.12	8.43	8.49	8.93	8.79
8.13	Sep.	21,	2022	8.05	8.09	8.42	8.48	8.92	8.78
6.30	Apr.	9,	2023	8.16	8.16	8.47	8.52	8.94	8.82
6.17	Jun.	12,	2023	8.17	8.17	8.49	8.53	8.95	8.83
7.35	Jun.	22,	2024	8.03	8.21	8.53	8.58	8.96	8.87
9.15	Nov.	14,	2024	–	–	–	–	–	8.84
5.97	Sep.	25,	2025	8.34	8.29	8.58	8.64	8.97	8.95
10.18	Sep.	11,	2026	8.37	8.28	8.56	8.63	8.96	8.95
8.24	Feb.	15,	2027	8.25	8.33	8.58	8.66	8.98	8.98
8.26	Aug.	2,	2027	8.27	8.33	8.58	8.66	8.98	8.99
8.28	Sep.	21,	2027	8.40	8.35	8.60	8.68	8.97	9.00
6.01	Mar.	25,	2028	8.47	8.40	8.62	8.69	8.99	9.03
6.13	Jun.	4,	2028	8.46	8.40	8.62	8.69	8.99	9.03
8.28	Feb.	15,	2032	8.30	8.39	8.64	8.63	8.95	8.99
8.32	Aug.	2,	2032	8.41	8.40	8.64	8.64	8.96	9.01
7.95	Aug.	28,	2032	8.32	8.41	8.64	8.64	8.96	9.02
8.33	Sep.	21,	2032	8.41	8.40	8.64	8.64	8.96	9.02
7.50	Aug.	10,	2034	8.27	8.41	8.65	8.62	8.97	9.04
7.40	Sep.	9,	2035	8.24	8.41	8.65	8.62	8.97	9.06
8.33	Jun.	7,	2036	8.30	8.39	8.65	8.61	8.97	9.06
6.83	Jan.	19,	2039	8.28	8.38	8.65	8.60	8.99	9.11
8.30	Jul.	2,	2040	–	8.36	8.64	8.59	9.00	9.12

FRB: Floting Rate Bond.
* 6.72% GS 2012 with call/ put option on coupon dates.
Source: Fixed Income Money Market and Derivatives Association of India (FIMMDA).

Production

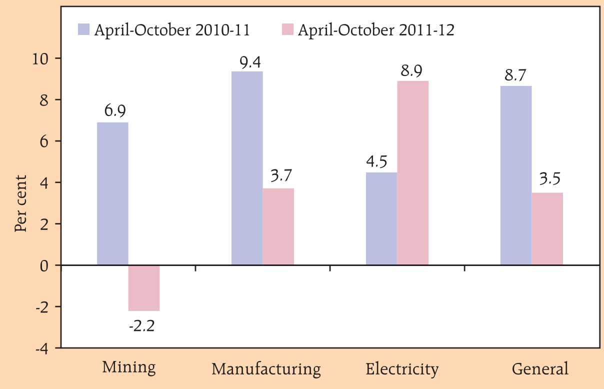
No. 28: Group-Wise Index Number of Industrial Production

(Base: 2004-05=100)

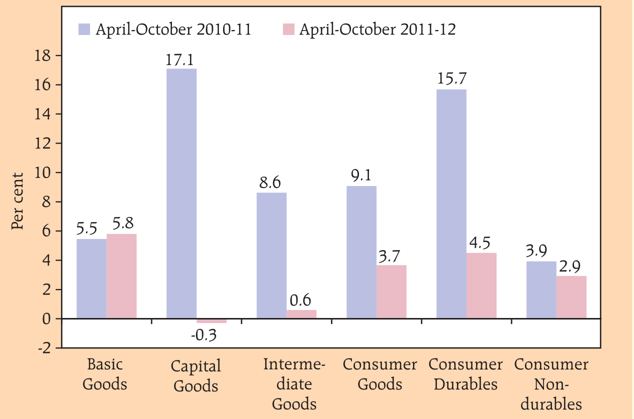
Sr. No.	Industry	Weight	Annual			Cumulative		Monthly	
			2008-09	2009-10	2010-11 P	April-October		October	
						2010-11	2011-12 P	2010	2011 P
		1	2	3	4	5	6	7	8
	General Index	**100.00**	**145.2**	**152.9**	**165.5**	**159.3**	**164.9**	**166.6**	**158.1**
I.	**Sectoral Classification**								
1.	Mining and Quarrying	**14.16**	115.4	124.5	131.0	124.7	122.0	130.3	120.9
2.	Manufacturing	**75.53**	153.8	161.3	175.7	168.9	175.1	176.4	165.9
3.	Electricity	**10.32**	123.3	130.8	138.0	136.7	148.8	144.1	152.1
II.	**Use-Based Classification**								
1.	Basic Goods	**45.68**	128.1	134.1	142.2	137.3	145.3	145.5	145.4
2.	Capital Goods	**8.83**	240.6	243.0	278.9	267.1	266.3	306.6	228.4
3.	Intermediate Goods	**15.69**	127.6	135.3	145.3	143.2	144.0	146.0	139.1
4.	Consumer Goods	**29.81**	152.6	164.3	178.3	169.6	175.9	168.3	166.9
4(a).	Consumer Durables	**8.46**	215.4	252.0	287.7	278.2	290.7	289.2	288.4
4(b).	Consumer Non-Durables	**21.35**	127.7	129.5	135.0	126.6	130.3	120.4	118.8

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

Sectoral Growth of Industrial Production



Growth in IIP: Use-based Classification



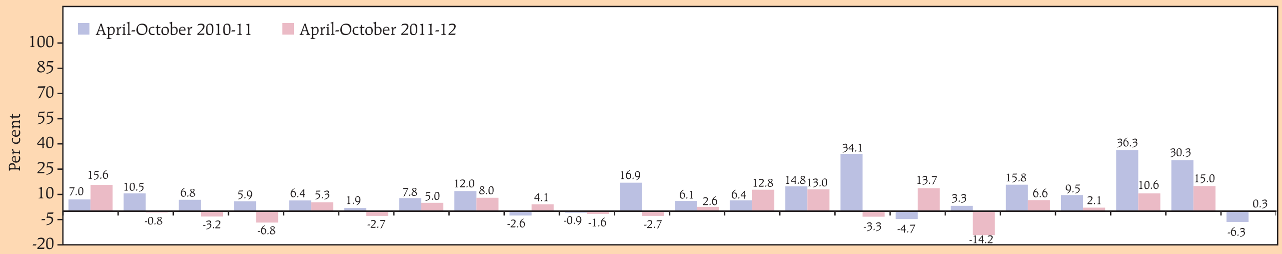
No. 29: IIP - 22 Major Industry Groups of Manufacturing Sector

(Base: 2004-05=100)

Industry Group	Industry	Weight	Annual			Cumulative		Monthly	
			2008-09	2009-10	2010-11 P	April - October		October	
						2010-11	2011-12 P	2010	2011 P
		1	2	3	4	5	6	7	8
	Manufacturing Index	**75.53**	**153.8**	**161.3**	**175.7**	**168.9**	**175.1**	**176.4**	**165.9**
15	Food products and beverages	7.28	135.4	133.5	142.9	117.2	135.5	100.6	115.4
16	Tobacco products	1.57	102.7	102.0	104.1	109.5	108.6	111.9	112.8
17	Textiles	6.16	120.1	127.4	135.9	136.2	131.9	143.9	128.0
18	Wearing apparel; dressing and dyeing of fur	2.78	134.6	137.1	142.2	136.7	127.4	121.7	114.8
19	Luggage, handbags, saddlery, harness & footwear; tanning and dressing of leather products	0.58	104.4	105.8	114.3	112.2	118.2	114.5	112.1
20	Wood and wood products of wood & cork except furniture; articles of straw & plating materials	1.05	155.3	160.1	156.5	154.7	150.5	141.0	143.7
21	Paper and paper products	1.00	118.0	121.1	131.4	129.5	136.0	133.5	136.3
22	Publishing, printing & reproduction of recorded media	1.08	142.4	133.8	148.8	146.9	158.7	162.2	166.5
23	Coke, refined petroleum products & nuclear fuel	6.71	123.4	121.8	121.5	118.0	122.8	120.7	116.5
24	Chemicals and chemical products	10.06	115.0	120.7	123.1	122.6	120.6	121.7	113.5
25	Rubber and plastic products	2.02	142.6	167.4	185.2	184.8	179.8	186.5	165.3
26	Other non-metallic mineral products	4.31	134.9	145.4	151.4	148.6	152.5	154.6	158.7
27	Basic metals	11.33	159.0	162.4	176.7	169.0	190.6	184.7	190.0
28	Fabricated metal products, except machinery and equipment	3.08	144.0	158.6	182.8	163.5	184.7	171.9	182.6
29	Machinery and equipment n.e.c	3.76	171.0	198.0	256.3	236.9	229.1	236.2	207.7
30	Office, accounting & computing machinery	0.30	148.8	154.4	146.3	131.2	149.2	132.3	156.7
31	Electrical machinery & apparatus n.e.c	1.98	530.8	459.2	472.1	491.5	421.6	649.3	267.2
32	Radio, TV and communication equipment & apparatus	0.99	726.7	809.1	911.5	895.2	954.6	941.1	1085.4
33	Medical, precision & optical instruments, watches and clocks	0.57	119.8	100.9	107.8	103.0	105.2	96.5	126.2
34	Motor vehicles, trailers & semi-trailers	4.06	138.0	179.1	233.3	217.7	240.8	224.6	208.6
35	Other transport equipment	1.82	134.0	171.1	210.7	200.6	230.6	229.5	233.8
36	Furniture, manufacturing n.e.c	2.99	142.5	152.7	141.2	144.7	145.1	145.0	145.5

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

Performance of Manufacturing Industries



A Food products and beverages
B Tobacco products
C Textiles
D Wearing apparel; dressing and dyeing of fur
E Luggage, handbags, saddlery, harness & footwear; tanning and dressing of leather products
F Wood and wood products of wood & cork except furniture; articles of straw & plating materials
G Paper and paper products
H Publishing, printing & reproduction of recorded media
I Coke, refined petroleum products & nuclear fuel
J Chemicals and chemical products
K Rubber and plastic products
L Other non-metallic mineral products
M Basic metals
N Fabricated metal products, except machinery and equipment
O Machinery and equipment n.e.c
P Office, accounting & computing machinery
Q Electrical machinery & apparatus n.e.c
R Radio, TV and communication equipment & apparatus
S Medical, precision & optical instruments, watches and clocks
T Motor vehicles, trailers & semi-trailers
U Other transport equipment
V Furniture, manufacturing n.e.c

Capital Market

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

(₹ Billion)

Security & Type of Issue	2009-10 (April-March)		2010-11 (April-March)		2010-11 (April-September)		2011-12 (April-September)	
	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount
	1	2	3	4	5	6	7	8
1) Equity Shares (a+b)	67	253.0	70	248.3	40	134.7	39	70.7
	(64)	(207.6)	(67)	(202.2)	(39)	(94.3)	(38)	(55.6)
a) Prospectus	39	171.6	51	196.8	31	105.7	29	49.8
	(38)	(132.0)	(50)	(154.4)	(30)	(66.8)	(29)	(36.6)
b) Rights	28	81.4	19	51.5	9	29.0	10	20.9
	(26)	(75.6)	(17)	(47.8)	(9)	(27.5)	(9)	(19.0)
2) Preference Shares (a+b)	–	–	–	–	–	–	–	–
a) Prospectus	–	–	–	–	–	–	–	–
b) Rights	–	–	–	–	–	–	–	–
3) Debentures (a+b)	1	1.8	–	–	–	–	–	–
a) Prospectus	–	–	–	–	–	–	–	–
b) Rights	1	1.8	–	–	–	–	–	–
of which:								
I) Convertible (a+b)	1	1.8	–	–	–	–	–	–
a) Prospectus	–	–	–	–	–	–	–	–
b) Rights	1	1.8	–	–	–	–	–	–
II) Non-Convertible (a+b)	–	–	–	–	–	–	–	–
a) Prospectus	–	–	–	–	–	–	–	–
b) Rights	–	–	–	–	–	–	–	–
4) Bonds (a+b)	–	–	–	–	–	–	–	–
a) Prospectus	–	–	–	–	–	–	–	–
b) Rights	–	–	–	–	–	–	–	–
5) TOTAL (1+2+3+4)	68	254.8	70	248.3	40	134.7	39	70.7
a) Prospectus	39	171.6	51	196.8	31	105.7	29	49.8
b) Rights	29	83.2	19	51.5	9	29.0	10	20.9

Note: Figures in brackets indicate data in respect of premium on capital issues which are included in respective totals.

Source: Data are compiled from prospectus/circulars/advertisements issued by companies, replies given by the companies to the Reserve Bank's questionnaire, information received from SEBI, stock exchanges, press reports, *etc.*

Also see 'Notes on Tables'.

No. 31: Index Numbers of Ordinary Share Prices

Year/Month	BSE Sensitive Index (Base: 1978-79=100)			BSE - 100 (Base: 1983-84=100)			S&P CNX Nifty (Base: Nov 3,1995=1000)		
	Average	High	Low	Average	High	Low	Average	High	Low
	1	2	3	4	5	6	7	8	9
2005-06	8280.08	11307.04	6134.86	4393.54	5904.17	3310.14	2513.44	3418.95	1902.50
2006-07	12277.33	14652.09	8929.44	6242.73	7413.22	4535.00	3572.44	4224.25	2632.80
2007-08	16568.89	20873.33	12455.37	8691.47	11509.96	6287.69	4896.60	6287.85	3633.60
2008-09	12365.55	17600.12	8160.40	6433.13	9348.64	4160.43	3731.03	5228.20	2524.20
2009-10	15585.21	17711.35	9901.99	8187.25	9419.46	5028.39	4657.77	5302.85	3060.35
2010-11	18605.18	21004.96	16022.48	9840.17	11141.18	8539.58	5583.54	6312.45	4806.75
November 2010	20126.35	21004.96	19136.61	10672.24	11141.18	10054.36	6055.33	6312.45	5751.95
December 2010	19927.59	20509.09	19242.36	10418.43	10675.02	10060.67	5971.32	6134.50	5766.50
January 2011	19288.54	20561.05	18327.76	10061.75	10715.23	9569.01	5782.71	6157.60	5505.90
February 2011	18036.62	18506.82	17463.04	9382.24	9633.57	9068.47	5400.92	5546.45	5225.80
March 2011	18456.85	19445.22	17839.05	9606.17	10095.74	9326.74	5538.42	5833.75	5364.75
April 2011	19450.14	19701.73	19091.17	10147.50	10261.50	9979.23	5839.09	5911.50	5729.10
May 2011	18325.45	18998.02	17847.24	9576.10	9915.60	9342.14	5492.20	5701.30	5348.95
June 2011	18228.94	18845.87	17506.63	9554.25	9803.89	9196.70	5472.64	5647.40	5257.90
July 2011	18616.41	19078.30	18197.20	9754.82	9973.73	9537.41	5596.59	5728.95	5482.00
August 2011	16887.53	18314.33	15848.83	8870.03	9583.98	8310.93	5076.74	5516.80	4747.80
September 2011	16694.77	17165.54	16051.10	8758.90	8995.37	8458.21	5015.58	5153.25	4835.40
October 2011	16822.84	17804.80	15792.41	8771.78	9234.93	8282.99	5060.02	5360.70	4751.30
November 2011	16664.48	17569.53	15695.43	8648.21	9156.91	8124.21	5004.28	5289.35	4706.45

Sources: 1. Bombay Stock Exchange Ltd.
2. National Stock Exchange of India Ltd.

No. 32: Volume in Corporate Debt Traded at NSE*

(₹ Billion)

Week/Month/Year (April-March)			Volume
			(1)
2005 - 06			**106.19**
2006 - 07			**66.40**
2007 - 08			**85.76**
2008 - 09			**119.34**
2009 - 10			**544.77**
2010 - 11			**450.59**
2010 - 2011			
April		2010	63.35
May		2010	60.16
June		2010	40.65
July		2010	22.65
August		2010	43.14
September		2010	32.63
October		2010	41.19
November		2010	23.81
December		2010	23.82
January		2011	25.79
February		2011	25.14
March		2011	48.26
2011 - 2012			
April		2011	41.99
May		2011	28.91
June		2011	52.97
July		2011	59.26
August		2011	37.86
September		2011	25.39
October		2011	27.37
November		2011	32.25
Week ended			
October,	7,	2011	4.67
October,	14,	2011	4.53
October,	21,	2011	13.27
October,	28,	2011	2.95
November,	4,	2011	10.29
November,	11,	2011	1.38
November,	18,	2011	5.99
November,	25,	2011	12.24

* Relates to the WDM segment (Excluding trade in commercial papers)
Source: National Stock Exchange of India Ltd.

No. 33: Assistance Sanctioned and Disbursed by All - India Financial Institutions

(₹ Billion)

	April-September		April-March	
	2003-04	2004-05	2002-03	2003-04
	1	2	3	4
Sanctions				
All-India Development Banks	**98.3**	**128.6**	**223.2**	**234.4**
1. IDBI	28.6	63.1	59.0	56.3
2. IFCI	1.3	–	20.1	14.5
3. SIDBI	26.1	29.9	109.0	82.2
4. IIBI	13.9	0.0	12.1	24.1
5. IDFC	28.4	35.5	23.0	57.3
Investment Institutions	**130.3**	**78.1**	**56.7**	**294.8**
6. LIC	122.9	71.4	43.4	277.5
7. GIC	3.2	0.9	3.7	6.7
8. National Ins. Co. Ltd.	1.2	0.9	2.0	3.7
9. New India Ass. Co Ltd.	0.8	1.8	1.4	2.0
10. Oriental Ins. Co. Ltd.	0.9	0.3	1.2	1.3
11. United India Ins. Co. Ltd.	1.2	2.8	4.9	3.5
Total	**228.6**	**206.7**	**279.8**	**529.2**
Disbursements				
All India Development Banks	57.5	50.3	172.3	140.6
1. IDBI	6.4	20.9	66.1	44.1
2. IFCI	1.8	0.4	17.8	2.8
3. SIDBI	17.4	13.6	67.9	44.1
4. IIBI	12.2	0.1	10.9	22.5
5. IDFC	9.8	15.3	9.5	27.0
Investment Institutions	46.2	54.2	74.9	174.0
6. LIC	38.3	48.7	62.1	157.8
7. GIC	3.3	1.1	3.3	6.6
8. National Ins. Co. Ltd.	1.2	0.2	1.8	2.2
9. New India Ass. Co Ltd.	0.9	1.2	0.8	2.0
10. Oriental Ins. Co. Ltd.	1.4	0.3	2.4	1.9
11. United India Ins. Co. Ltd.	1.2	2.8	4.6	3.5
Total	**103.7**	**104.5**	**247.1**	**314.6**

Note: Data are provisional. Monthly data are not adjusted for inter-institutional flows.
Source: Industrial Development Bank of India.

Prices

No. 34: Monthly Average Price of Gold and Silver in Mumbai

Month / Year		Standard Gold (₹ per 10 grams)	Silver (₹ per kilogram)
		1	2
2000-01		4,474	7,868
2001-02		4,579	7,447
2002-03		5,332	7,991
2003-04		5,719	8,722
2004-05		6,145	10,681
2005-06		6,901	11,829
2006-07		9,240	19,057
2007-08		9,996	19,427
2008-09		12,905	21,272
2009-10		15,755	25,417
2010-11		19,238	37,315
December	2009	17,138	28,345
January	2010	16,684	28,165
February	2010	16,535	25,677
March	2010	16,603	27,048
April	2010	16,679	28,027
May	2010	17,997	29,330
June	2010	18,741	29,821
July	2010	18,300	29,387
August	2010	18,490	29,677
September	2010	19,087	32,592
October	2010	19,493	36,020
November	2010	20,174	41,293
December	2010	20,496	45,346
January	2011	20,212	44,852
February	2011	20,345	47,110
March	2011	20,842	54,330
April	2011	21,374	62,741
May	2011	22,123	57,111
June	2011	22,344	54,484
July	2011	22,662	55,305
August	2011	26,117	61,763
September	2011	27,520	61,623
October	2011	26,680	53,951
November	2011	28,545	56,658
December	2011	28,069	54,014

Source: Bombay Bullion Association Ltd.

No. 35: Consumer Price Index Numbers for Industrial Workers – All-India and Selected Centres

(Base : 2001 = 100)

Centre	New Linking Factor(1)	1990-91 @	2009-10	2010-11	2011						
					May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8	9	10	11
All India (2)	**4.63**	**193**	**163**	**180**	**187**	**189**	**193**	**194**	**197**	**198**	**199**
Ahmedabad	4.62	196	157	175	180	181	188	191	193	195	192
Alwaye (Ernakulam)	4.52	176	156	171	183	184	187	187	191	189	189
Asansol	4.37	189	178	199	206	210	212	216	216	220	218
Bangalore	4.51	183	171	185	192	192	194	194	197	198	200
Bhavnagar	4.76	198	154	178	184	188	191	192	195	196	196
Bhopal	4.83	196	168	190	197	201	208	209	211	214	213
Chandigarh	5.26	189	161	180	190	195	200	202	204	206	205
Chennai	4.95	189	153	163	166	167	168	172	175	178	180
Coimbatore	4.49	178	156	168	172	171	174	174	175	179	183
Delhi	5.60	201	152	166	172	172	178	178	182	184	182
Faridabad	4.79	187	167	186	191	190	195	197	199	202	198
Guwahati	4.80	195	147	158	162	167	173	174	175	173	172
Howrah	5.42	212	159	173	179	182	184	188	190	190	187
Hyderabad	4.79	182	156	167	170	171	173	175	176	182	183
Jaipur	4.25	190	165	183	187	188	191	194	196	199	198
Jamshedpur	4.23	187	165	189	207	208	220	219	221	224	222
Kolkata	5.12	203	161	176	181	183	186	192	193	191	189
Ludhiana	4.12	193	165	177	188	185	190	191	193	198	197
Madurai	4.51	192	152	165	169	171	175	176	178	179	184
Monghyr-Jamalpur	4.30	189	169	185	195	194	202	205	204	207	208
Mumbai	5.18	201	163	178	186	189	194	195	199	201	201
Mundakayam	4.37	184	162	179	191	193	192	191	193	192	194
Nagpur	4.68	201	183	207	215	217	224	224	225	227	228
Puducherry	4.88	204	167	174	177	182	185	185	186	188	193
Rourkela	4.03	179	172	192	199	200	203	204	209	213	215
Kanpur	4.50	195	166	187	196	197	202	204	205	206	204
Solapur	4.73	197	166	182	198	198	201	201	204	207	207
Srinagar	5.62	184	149	162	168	168	172	174	174	178	179

@ Base 1982=100.

Note: New series of Consumer Price Index for Industrial Workers with base 2001 = 100 was released in January 2006 by Labour Bureau, Shimla. Linking Factors between old and new series as published by the Labour Bureau are reproduced in column 1.

For (1) and (2) See 'Notes on Tables'.

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

No. 36: Consumer Price Index Numbers for Urban Non-manual Employees – All-India and Selected Centres

(Base: 1984 – 85 = 100)

Centre	1990-91	2006-07	2007-08	2007				2008			
				Mar.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
	1	2	3	4	5	6	7	8	9	10	11
All India (1)	**161**	**486**	**515**	**498**	**516**	**520**	**519**	**518**	**520**	**523**	**528**
Mumbai	154	478	504	490	502	506	508	510	509	510	513
Delhi	156	499	521	508	522	528	523	523	525	529	532
Kolkata	164	439	476	449	481	486	480	479	479	482	484
Chennai	168	569	605	585	606	607	609	607	610	611	618
Hyderabad	164	526	560	541	558	561	565	564	564	568	574
Bangalore	161	513	546	527	545	544	547	551	559	563	566
Lucknow	158	465	484	471	488	487	482	480	480	486	492
Ahmedabad	153	426	449	435	450	454	453	454	452	453	459
Jaipur	165	477	515	491	517	519	521	519	527	532	545
Patna	167	451	484	466	490	494	495	492	496	496	501
Srinagar	150	475	513	496	511	517	515	513	524	528	538
Thiruvananthapuram	152	507	535	512	528	530	535	542	548	552	555
Cuttack	154	479	507	492	507	511	512	510	510	509	510
Bhopal	166	458	482	461	481	488	490	488	490	493	502
Chandigarh	176	637	665	649	672	672	669	666	668	671	678
Shillong	179	499	565	528	566	571	572	571	580	582	584
Shimla	163	490	511	506	517	519	511	508	507	508	513
Jammu	161	480	511	492	512	514	512	507	515	523	533
Amritsar	152	402	423	412	431	433	425	422	423	427	431
Kozhikode (Calicut)	150	447	465	452	462	464	469	469	473	475	483
Kanpur	165	450	481	462	490	489	483	479	478	483	489
Indore	170	485	507	490	513	515	510	507	510	516	526
Pune	162	509	547	517	546	549	555	555	554	560	563
Jabalpur	164	437	467	452	473	476	473	471	467	471	478
Jodhpur	168	465	487	476	490	492	489	490	489	492	501

Linked All-India Consumer Price Index Number for Urban Non-Manual Employees (UNME)

(Base: 1984 – 85 = 100)

	2009	2010			
	Dec.	Sep.	Oct.	Nov.	Dec.
	1	2	3	4	5
General Index	657	701	705	710	719

Note: 1. The Centre-wise CPI (UNME) for base 1984-85 = 100 has been discontinued due to outdated base year with effect from April 2008 onwards. Linked all-India CPI (UNME) number are available for meeting the requirement of users.

2. As per the Press Release of Central Statistics Office, all-India linked Consumer Price Index for Urban Non-Manual Employees (UNME) has been discontinued with effect from January 2011. Therefore, this Table will not be updated henceforth.

See 'Notes on Tables'.

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

No. 37: Consumer Price Index Numbers for Agricultural / Rural Labourers

A: Consumer Price Index Numbers for Agricultural Labourers

(Base: July 1986 - June 1987 = 100)

State	1990-91(1)	Linking Factor (2)	2009-10	2010-11	2010	2011					
					Nov.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8	9	10	11
All India	**830**	**5.89**	**530**	**577**	**570**	**598**	**604**	**610**	**615**	**619**	**621**
Andhra Pradesh	657	4.84	552	603	589	638	650	655	661	662	667
Assam	854	(3)	520	580	583	600	602	610	614	618	615
Bihar	858	6.22	500	532	534	540	548	549	548	549	546
Gujarat	742	5.34	538	583	574	593	599	609	619	624	625
Haryana		(5)	588	642	638	654	669	676	685	690	684
Himachal Pradesh		(5)	455	484	486	482	492	497	503	514	515
Jammu & Kashmir	843	5.98	524	568	561	581	587	591	594	601	608
Karnataka	807	5.81	535	595	579	629	631	637	648	658	665
Kerala	939	6.56	496	562	550	586	591	596	593	602	603
Madhya Pradesh	862	6.04	525	569	565	583	594	604	608	615	612
Maharashtra	801	5.85	562	619	604	660	666	673	680	687	692
Manipur		(5)	455	527	522	554	561	572	579	587	592
Meghalaya		(5)	540	576	573	599	610	618	625	626	627
Orissa	830	6.05	495	538	547	543	549	554	558	563	566
Punjab	930	(4)	586	624	622	646	660	666	673	677	678
Rajasthan	885	6.15	573	608	593	637	642	647	657	663	665
Tamil Nadu	784	5.67	514	565	546	589	575	577	584	592	599
Tripura		(5)	466	514	514	533	536	539	547	553	550
Uttar Pradesh	960	6.60	535	566	563	577	586	589	592	593	591
West Bengal	842	5.73	504	561	562	569	582	594	595	600	595

See 'Notes on Tables'.

No. 37: Consumer Price Index Numbers for Agricultural / Rural Labourers

B: Consumer Price Index Numbers for Rural Labourers

(Base: July 1986 - June 1987 = 100)

State	1995-96 (7)	2009-10	2010-11	2010	2011						
				Nov.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
	1	2	3	4	5	6	7	8	9	10	11
All India	**240**	**529**	**577**	**569**	**592**	**597**	**604**	**610**	**614**	**620**	**621**
Andhra Pradesh	244	550	599	586	620	633	646	652	658	659	664
Assam	243	524	583	587	597	602	604	612	616	622	619
Bihar	223	500	532	534	538	541	549	551	550	552	549
Gujarat	241	538	583	573	587	593	598	607	617	623	624
Haryana	237	583	638	634	645	648	663	670	679	683	679
Himachal Pradesh	221	474	503	504	500	504	515	520	526	535	536
Jammu & Kashmir	225	521	564	558	580	576	583	587	590	597	603
Karnataka	250	534	594	577	622	628	630	637	648	658	664
Kerala	260	502	566	554	583	588	593	598	595	604	605
Madhya Pradesh	239	532	576	572	588	590	601	610	614	621	620
Maharashtra	247	557	613	599	641	652	658	665	672	678	683
Manipur	245	456	529	523	551	557	564	575	582	590	596
Meghalaya	250	535	572	569	592	595	605	613	620	621	623
Orissa	236	496	538	546	541	543	550	555	559	564	567
Punjab	247	585	622	620	633	642	656	662	668	673	674
Rajasthan	239	567	600	586	620	628	633	638	650	655	659
Tamil Nadu	244	509	559	540	577	583	572	574	581	590	597
Tripura	219	462	512	512	524	529	534	538	546	552	550
Uttar Pradesh	231	532	571	560	573	576	586	589	592	595	594
West Bengal	232	506	564	565	573	573	586	598	599	604	600

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

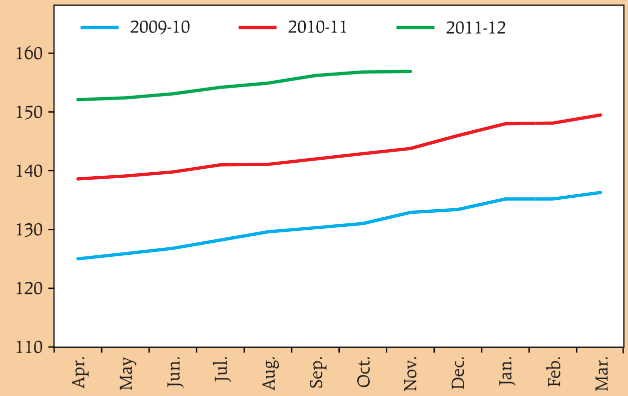
No. 38: Index Numbers of Wholesale Prices in India - by Groups and Sub-Groups

(Base: 2004-05=100)

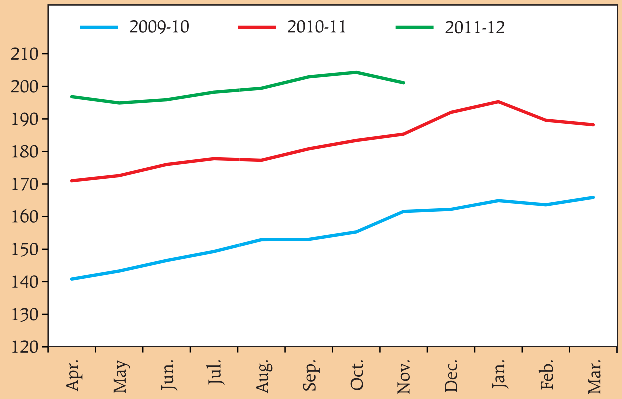
Commodities / Major Groups / Groups / Sub-Groups	Weight	2005-06	2009-10	2010-11	2010	2011					
		April-March			Nov.	Jun.	Jul.	Aug.	Sep.	Oct. (P)	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
ALL COMMODITIES	**100.000**	**104.5**	**130.8**	**143.3**	**143.8**	**153.1**	**154.2**	**154.9**	**156.2**	**156.8**	**156.9**
I. PRIMARY ARTICLES	**20.118**	**104.3**	**154.9**	**182.4**	**185.3**	**195.9**	**198.2**	**199.4**	**202.9**	**204.3**	**201.1**
(A) Food articles	**14.337**	**105.4**	**155.4**	**179.6**	**181.4**	**188.8**	**192.8**	**193.7**	**197.2**	**200.9**	**196.9**
Food Grains											
a. (Cereals+Pulses)	4.090	107.3	166.4	174.4	174.4	177.0	178.6	180.2	180.8	183.1	182.5
a1. Cereals	3.373	106.0	161.2	169.7	171.7	174.7	176.1	177.4	176.3	176.7	175.9
a2. Pulses	0.717	113.3	190.8	196.9	187.2	187.5	190.4	193.1	202.2	212.8	213.2
b. Fruits & Vegetables	3.843	108.0	147.8	172.1	174.2	180.9	191.2	191.4	194.8	204.7	190.9
b1. Vegetables	1.736	113.7	161.8	182.8	189.2	163.8	185.4	199.4	216.8	236.1	211.9
b2. Fruits	2.107	103.3	136.2	163.2	161.8	194.9	196.0	184.9	176.6	178.8	173.6
c. Milk	3.238	101.0	146.4	175.9	177.9	191.7	193.4	193.1	195.3	196.9	197.3
d. Eggs, Meat & Fish	2.414	106.3	151.5	190.1	192.9	202.5	206.2	209.9	219.4	216.4	215.8
e. Condiments & Spices	0.569	94.5	182.7	244.0	250.3	243.1	236.4	235.7	241.6	255.5	252.4
f. Other Food Articles	0.183	107.8	196.2	181.9	187.9	221.4	220.7	213.9	217.8	214.8	222.6
(B) Non-Food Articles	**4.258**	**96.7**	**136.2**	**166.6**	**170.8**	**181.1**	**176.2**	**181.8**	**184.0**	**178.9**	**176.3**
a. Fibres	0.877	96.4	140.0	198.4	205.4	227.9	203.7	215.5	227.6	215.2	208.7
b. Oil Seeds	1.781	90.4	135.0	141.3	138.6	155.4	156.2	161.3	160.3	154.5	154.2
c. Other Non-Food Articles	1.386	103.9	128.7	176.7	179.6	189.7	190.6	191.5	192.5	194.1	189.8
d. Flowers	0.213	103.8	179.2	181.9	240.2	147.6	136.7	152.6	146.5	135.2	139.5
(C) Minerals	**1.524**	**115.2**	**202.9**	**253.3**	**263.2**	**303.6**	**309.7**	**301.9**	**309.3**	**307.0**	**310.5**
a. Metallic Minerals	0.489	127.9	258.3	373.8	394.4	388.4	404.1	391.7	385.3	390.3	385.8
b. Other Minerals	0.135	104.8	146.0	153.4	162.8	155.5	164.0	165.5	165.7	165.5	165.7
c. Crude Petroleum	0.900	109.8	181.4	202.8	207.1	279.7	280.2	273.6	289.5	282.8	291.2
II. FUEL & POWER	**14.910**	**113.6**	**132.1**	**148.3**	**148.6**	**161.6**	**165.6**	**167.1**	**168.3**	**170.0**	**171.6**
a. Coal	2.094	117.6	156.5	165.3	163.0	184.6	184.6	184.6	184.6	184.6	184.6
b. Mineral Oils	9.364	116.7	135.8	157.5	158.1	174.6	181.0	183.2	184.1	186.2	188.9
c. Electricity	3.452	102.6	107.4	113.2	114.0	112.5	112.5	112.5	115.9	117.0	117.0

See 'Notes on Tables'.

Monthly Movement of the Index of WPI-All Commodities



Monthly Movement in the Index of WPI-Primary Articles

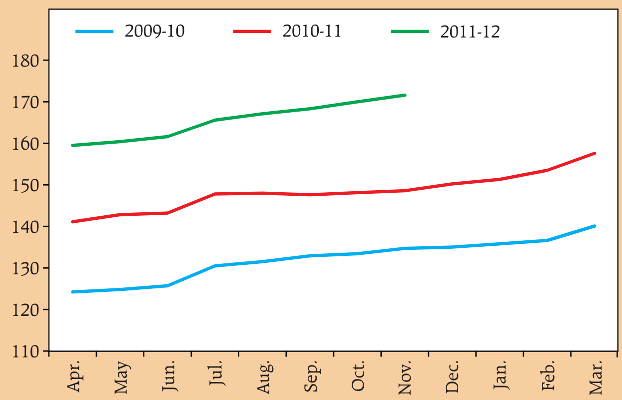


No. 38: Index Numbers of Wholesale Prices in India - by Groups and Sub-Groups *(Contd.)*

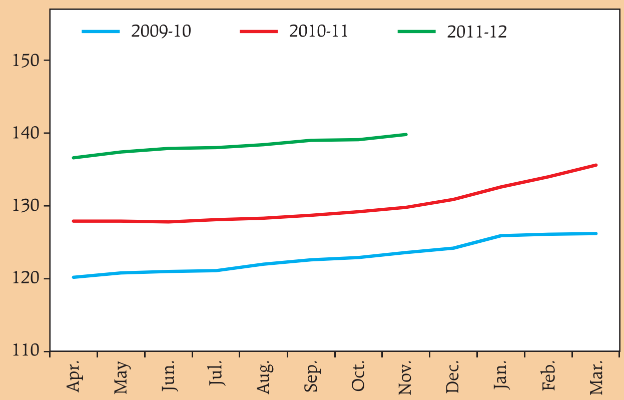
(Base: 2004-05=100)

Commodities / Major Groups / Groups / Sub-Groups	Weight	2005-06	2009-10	2010-11	2010	2011					
		April-March			Nov.	Jun.	Jul.	Aug.	Sep.	Oct. (P)	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
III. MANUFACTURED PRODUCTS	**64.972**	**102.4**	**123.1**	**130.1**	**129.8**	**137.9**	**138.0**	**138.4**	**139.0**	**139.1**	**139.8**
(A) Food Products	**9.974**	**101.2**	**136.1**	**141.2**	**142.2**	**148.8**	**150.3**	**150.9**	**151.7**	**152.0**	**151.8**
a. Dairy Products	0.568	99.5	138.8	152.1	150.0	165.1	165.7	168.6	174.1	175.7	177.0
b. Canning, Preserving & Processing of Food	0.358	101.7	121.1	127.2	128.4	132.8	139.0	140.2	138.3	138.1	139.4
c. Grain Mill Products	1.340	104.8	138.0	145.8	146.4	146.1	146.1	146.0	146.1	146.4	145.8
d. Bakery Products	0.444	101.3	116.3	126.3	126.3	125.8	125.9	126.3	128.2	128.2	128.1
e. Sugar, Khandsari & Gur	2.089	108.8	161.9	160.5	161.9	162.2	165.6	166.1	166.9	167.5	170.3
f. Edible Oils	3.043	94.1	114.4	120.6	121.0	133.4	133.7	135.6	136.3	135.6	135.0
g. Oil Cakes	0.494	97.7	167.3	168.6	173.2	168.5	171.5	176.2	179.4	180.7	179.7
h. Tea & Coffee Proccessing	0.711	99.4	144.8	149.8	158.8	169.1	168.4	158.0	154.6	158.0	151.5
i. Manufacture Of Salt	0.048	104.4	170.2	174.8	172.3	172.3	172.3	172.3	172.3	172.3	172.3
j. Other Food Products	0.879	106.5	134.8	141.2	139.1	153.8	156.5	159.0	161.6	160.8	159.3
(B) Beverages, Tobacco & Tobacco Products	**1.762**	**104.7**	**136.2**	**146.2**	**144.5**	**161.9**	**161.8**	**163.8**	**164.0**	**162.6**	**163.6**
a. Wine Industries	0.385	105.8	116.3	118.3	117.8	121.6	121.5	121.8	123.1	123.1	123.1
b. Malt Liquor	0.153	108.8	150.5	164.3	167.1	169.8	169.6	170.0	170.0	170.0	170.4
c. Soft Drinks & Carbonated Water	0.241	111.5	135.1	144.1	143.2	145.8	146.2	146.8	147.3	147.9	147.9
d. Manufacture of Bidi, Cigarettes, Tobacco & Zarda	0.983	101.9	142.0	154.8	151.7	180.3	180.2	183.5	183.2	180.6	182.3
(C) Textiles	**7.326**	**98.9**	**106.7**	**119.6**	**118.7**	**132.2**	**128.9**	**126.6**	**126.1**	**126.0**	**126.5**
a. Cotton Textiles	2.605	97.1	108.8	129.2	127.2	152.3	144.2	139.6	138.0	137.5	138.9
a1. Cotton Yarn	1.377	95.2	110.6	141.8	139.8	168.4	154.8	146.9	144.3	144.7	147.6
a2. Cotton Fabric	1.228	99.2	106.8	115.1	113.1	134.2	132.4	131.3	130.8	129.5	129.3
b. Man-Made Textiles	2.206	98.4	102.9	113.6	113.0	120.7	119.8	118.5	119.1	119.5	119.7
b1. Man-Made Fibre	1.672	97.7	101.9	114.4	113.8	120.9	119.8	118.1	118.7	119.2	119.4
b2. Man-Made Fabric	0.533	100.5	105.8	111.0	110.7	120.0	119.8	119.7	120.5	120.4	120.6
c. Woollen Textiles	0.294	102.2	109.4	118.3	119.6	130.5	132.6	135.4	132.7	133.2	133.8
d. Jute, Hemp & Mesta Textiles	0.261	111.6	145.8	164.9	162.2	183.6	182.5	177.3	174.8	175.3	172.8
e. Other Misc. Textiles	1.960	99.9	102.6	107.8	107.9	111.8	111.1	110.5	110.6	110.3	110.3

Monthly Movement of the Index of WPI-Fuel & Power



Monthly Movement in the Index of WPI-Manufactured Products



No. 38: Index Numbers of Wholesale Prices in India - by Groups and Sub-Groups *(Contd.)*

(Base: 2004-05=100)

Commodities/Major Groups/Groups/Sub-Groups	Weight	2005-06	2009-10	2010-11	2010	2011					
		April-March			Nov.	Jun.	Jul.	Aug.	Sep.	Oct. (P)	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
(D) Wood & Wood Products	**0.587**	**105.7**	**143.3**	**149.0**	**148.8**	**160.7**	**161.9**	**160.9**	**161.6**	**161.3**	**161.2**
a. Timber/Wooden Planks	0.181	103.0	127.2	132.0	134.1	135.8	134.5	134.6	135.8	134.5	136.4
b. Processed Wood	0.128	105.3	141.0	153.1	152.1	170.3	169.6	170.8	170.8	171.1	171.1
c. Plywood & Fibre Board	0.241	108.4	160.2	164.2	162.7	179.3	183.4	180.2	180.8	181.2	179.6
d. Others	0.038	103.2	120.2	119.1	119.5	129.4	129.9	130.8	132.8	130.6	129.8
(E) Paper & Paper Products	**2.034**	**103.6**	**118.9**	**125.2**	**125.8**	**131.5**	**131.3**	**131.7**	**132.3**	**132.4**	**132.6**
a. Paper & Pulp	1.019	103.2	117.2	125.1	125.3	132.4	132.2	133.4	133.5	133.7	134.0
b. Manufacture of boards	0.550	101.6	117.7	122.7	123.0	127.6	126.1	125.2	123.0	123.0	123.3
c. Printing & Publishing	0.465	107.0	123.8	128.2	130.1	134.0	135.3	135.8	140.5	140.5	140.5
(F) Leather & Leather Products	**0.835**	**104.3**	**128.4**	**127.1**	**127.8**	**129.3**	**130.0**	**129.6**	**129.6**	**129.8**	**129.9**
a. Leathers	0.223	99.8	123.0	120.0	123.1	112.8	111.6	108.8	109.0	108.8	110.2
b. Leather Footwear	0.409	107.8	134.7	135.5	135.2	142.3	143.9	144.3	143.9	144.5	144.1
c. Other Leather Products	0.203	102.1	121.4	118.0	118.2	121.3	122.1	122.6	123.1	123.4	123.2
(G) Rubber & Plastic Products	**2.987**	**101.9**	**118.2**	**126.1**	**126.7**	**132.9**	**133.3**	**133.6**	**133.3**	**133.5**	**133.2**
a. Tyres & Tubes	0.541	103.2	130.1	146.5	148.7	160.6	160.6	161.3	161.7	161.7	161.5
a1. Tyres	0.488	103.1	129.2	146.0	148.3	160.4	160.2	161.0	161.5	161.5	161.4
a2. Tubes	0.053	104.3	138.2	151.6	152.9	162.4	164.1	163.8	163.1	163.1	162.9
b. Plastic Products	1.861	101.1	113.4	119.1	119.8	121.9	122.6	122.6	121.8	121.9	121.5
c. Rubber Products	0.584	103.2	122.4	129.5	128.3	142.0	142.1	142.5	143.6	144.4	144.3
(H) Chemicals & Chemical Products	**12.018**	**103.8**	**117.8**	**124.0**	**123.3**	**132.2**	**132.7**	**133.0**	**133.8**	**134.4**	**135.0**
a. Basic Inorganic Chemicals	1.187	106.4	125.0	126.3	125.5	137.2	138.6	137.9	137.2	137.4	138.5
b. Basic Organic Chemicals	1.952	103.6	115.7	124.4	123.2	135.0	134.9	134.8	135.3	134.4	131.6
c. Fertilisers & Pesticides	3.145	102.2	108.5	116.3	116.2	123.9	125.0	125.8	127.9	129.4	132.3
c1. Fertilisers	2.661	102.2	108.2	116.8	116.6	125.7	127.0	127.9	130.4	132.0	135.6
c2. Pesticides	0.483	102.2	110.6	113.6	114.0	113.8	114.5	114.6	114.8	115.1	114.5
d. Paints, Varnishes & Lacquers	0.529	104.3	117.5	122.6	123.2	123.6	124.9	125.6	126.6	127.3	127.8
e. Dyestuffs & Indigo	0.563	102.3	111.9	116.3	116.4	120.3	121.5	124.0	121.6	120.9	122.9
f. Drugs & Medicines	0.456	101.3	112.7	115.4	114.8	118.1	118.2	118.8	119.3	119.6	120.9
g. Perfumes, Cosmetics, Toiletries etc.	1.130	104.5	134.8	138.5	137.9	143.8	144.9	144.9	145.4	146.0	145.5
h. Turpentine, Plastic Chemicals	0.586	109.6	117.4	123.4	123.9	134.0	133.3	134.9	134.9	137.6	137.9
i. Polymers Including Synthetic Rubber	0.970	103.0	116.3	123.4	121.8	129.8	128.9	129.1	129.6	130.9	130.7
j. Petrochemical Intermediates	0.869	105.1	127.7	137.4	133.7	153.8	153.4	153.1	154.2	155.7	155.9
k. Matches, Explosives & other Chemicals	0.629	102.7	123.8	128.7	128.7	133.8	135.2	135.0	135.7	135.0	136.1

No. 38: Index Numbers of Wholesale Prices in India - by Groups and Sub-Groups *(Concld.)*

(Base: 2004-05=100)

Commodities/Major Groups/Groups/Sub-Groups	Weight	2005-06	2009-10	2010-11	2010	2011					
		April-March			Nov.	Jun.	Jul.	Aug.	Sep.	Oct. (P)	Nov. (P)
	1	2	3	4	5	6	7	8	9	10	11
(I) Non-Metallic Mineral Products	**2.556**	**103.4**	**140.9**	**144.6**	**143.8**	**149.8**	**150.2**	**149.6**	**150.5**	**151.2**	**152.6**
a. Structural Clay Products	0.658	105.0	136.7	142.2	141.2	151.4	153.5	153.9	155.9	155.1	157.7
b. Glass, Earthenware, Chinaware & their Products	0.256	104.2	118.1	120.8	120.2	126.2	126.4	126.8	127.3	127.4	127.4
c. Cement & Lime	1.386	102.3	149.0	150.8	148.4	153.6	153.0	151.9	152.5	154.2	155.3
d. Cement, Slate & Graphite Products	0.256	104.3	129.9	141.0	148.8	149.1	149.5	149.2	149.5	148.2	149.8
(J) Basic Metals, Alloys & Metal Products	**10.748**	**102.2**	**129.5**	**140.7**	**139.9**	**151.5**	**151.8**	**154.1**	**155.6**	**155.7**	**158.1**
a. Ferrous Metals	8.064	100.1	123.1	133.8	131.7	143.7	144.3	145.1	146.3	147.1	149.3
a1. Iron & Semis	1.563	97.9	119.0	127.9	125.0	146.6	147.1	150.3	151.7	152.7	154.1
a2. Steel: Long	1.630	100.9	128.4	139.5	135.3	154.7	155.1	155.9	156.1	156.8	159.6
a3. Steel: Flat	2.611	99.0	118.3	135.1	133.4	142.1	142.5	142.3	144.6	145.3	149.2
a4. Steel: Pipes & Tubes	0.314	97.8	115.0	118.3	116.4	124.8	125.3	126.1	125.3	127.9	125.3
a5. Stainless Steel & alloys	0.938	106.2	137.9	142.8	143.7	143.8	142.4	143.8	143.3	145.0	145.1
a6. Castings & Forgings	0.871	103.8	121.7	123.4	121.9	128.5	132.8	132.5	134.2	133.7	135.6
a7. Ferro alloys	0.137	79.9	126.8	148.1	146.6	146.5	145.8	144.9	144.7	144.2	144.2
b. Non-Ferrous Metals	1.004	111.9	145.8	153.5	152.8	156.7	157.3	157.4	157.2	156.8	156.4
b1. Aluminium	0.489	108.3	121.4	126.3	126.8	128.4	127.2	127.0	127.4	127.0	127.0
b2. Other Non-Ferrous Metals	0.515	115.2	169.0	179.3	177.6	183.5	185.9	186.2	185.6	185.2	184.3
c. Metal Products	1.680	106.6	150.5	166.5	171.8	185.8	185.0	195.1	199.6	196.7	201.6
(K) Machinery & Machine Tools	**8.931**	**103.6**	**118.0**	**121.3**	**121.2**	**124.0**	**124.2**	**124.6**	**125.2**	**125.2**	**125.4**
a. Agricultural Machinery & Implements	0.139	106.4	123.2	133.7	133.7	133.2	133.4	133.3	133.7	134.2	134.5
b. Industrial Machinery	1.838	108.2	130.9	139.0	138.8	141.9	141.4	142.0	142.1	142.1	142.1
c. Construction Machinery	0.045	106.4	130.5	131.7	131.8	131.7	131.8	131.8	131.8	131.8	131.8
d. Machine Tools	0.367	105.8	120.4	135.9	138.8	142.8	143.0	142.9	144.2	143.1	145.4
e. Air Conditioner & Refrigerators	0.429	96.8	111.2	110.9	111.4	109.8	110.0	110.8	110.2	109.8	109.4
f. Non-Electrical Machinery	1.026	104.6	115.1	118.4	118.2	120.6	120.6	120.7	121.0	121.2	120.9
g. Electrical Machinery, Equipment & Batteries	2.343	103.1	122.1	123.9	123.3	128.0	128.7	129.2	130.9	131.0	130.7
h. Electrical Accessories, Wires, Cables etc.	1.063	108.4	132.6	133.5	132.5	136.8	137.3	137.6	137.3	137.3	138.4
i. Electrical Apparatus & Appliances	0.337	103.0	108.1	111.2	111.3	116.1	116.2	116.3	115.1	116.5	117.4
j. Electronics Items	0.961	94.9	86.2	84.5	84.8	84.2	84.1	84.2	85.2	85.2	85.2
k. IT Hardware	0.267	93.7	86.6	87.0	87.0	87.1	87.8	89.1	89.1	89.1	89.1
l. Communication Equipments	0.118	96.3	95.7	92.0	91.9	94.2	94.2	94.2	94.2	94.2	94.2
(L) Transport, Equipment & Parts	**5.213**	**102.7**	**116.8**	**120.3**	**119.7**	**123.8**	**124.2**	**124.6**	**124.8**	**124.8**	**125.2**
a. Automotives	4.231	102.2	115.9	120.0	119.4	123.0	123.5	123.9	124.1	124.1	124.5
b. Auto Parts	0.804	103.8	118.6	120.1	119.1	124.6	124.3	124.8	125.1	125.2	125.5
c. Other Transport Equipments	0.178	109.1	130.4	129.5	128.4	138.5	139.3	140.0	140.4	140.9	140.7

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

Trade and Balance of Payments

No. 39(A): Foreign Trade (Annual and Monthly)

(₹ Billion)

Year/Month	Exports			Imports			Trade Balance		
	Aggregate	Oil	Non-oil	Aggregate	Oil	Non-oil	Aggregate	Oil	Non-oil
	1	2	3	4	5	6	7	8	9
2003-04	293.4	16.4	277.0	359.1	94.5	264.6	–65.7	–78.1	12.4
2004-05	375.3	31.4	343.9	501.1	134.1	367.0	–125.7	–102.7	–23.0
2005-06	456.4	51.5	404.9	660.4	194.6	465.8	–204.0	–143.1	–60.9
2006-07	571.8	84.5	487.3	840.5	258.6	581.9	–268.7	–174.1	–94.7
2007-08	655.9	114.2	541.7	1,012.3	320.7	691.7	–356.4	–206.5	–150.0
2008-09	840.8	123.4	717.4	1,374.4	420.0	954.5	–533.7	–296.6	–237.1
2009-10	845.5	132.9	712.6	1,363.7	411.6	952.1	–518.2	–278.8	–239.5
2010-11*	1,142.6	188.4	954.2	1,683.5	482.3	1,201.2	–540.8	–293.8	–247.0
2009-10									
April	62.5	7.6	54.9	96.8	23.7	73.1	–34.4	–16.1	–18.2
May	59.8	7.3	52.5	97.2	25.8	71.5	–37.5	–18.5	–19.0
June	65.0	6.8	58.2	110.1	31.5	78.6	–45.1	–24.8	–20.4
July	69.5	8.8	60.8	105.3	35.6	69.7	–35.8	–26.8	–9.0
August	65.7	10.2	55.5	108.5	33.5	75.0	–42.8	–23.3	–19.5
September	70.8	11.7	59.2	104.3	31.7	72.6	–33.4	–20.1	–13.4
October	69.2	12.8	56.4	121.2	39.2	82.0	–52.0	–26.4	–25.6
November	69.5	13.7	55.8	116.4	35.2	81.2	–46.9	–21.5	–25.4
December	76.9	14.4	62.5	131.7	38.5	93.3	–54.8	–24.1	–30.7
January	71.5	11.4	60.1	116.1	39.1	77.0	–44.6	–27.7	–16.9
February	73.0	11.4	61.6	121.2	38.2	83.0	–48.2	–26.8	–21.4
March	92.1	17.0	75.2	134.8	39.7	95.1	–42.6	–22.7	–19.9
2010-11 R *									
April	78.5	12.2	66.2	141.0	42.1	98.9	–62.5	–29.8	–32.6
May	76.3	11.8	64.5	136.3	39.3	97.0	–60.0	–27.4	–32.5
June	92.4	15.6	76.8	133.4	36.5	96.9	–41.0	–20.9	–20.1
July	75.4	13.7	61.7	139.0	39.1	99.8	–63.6	–25.4	–38.1
August	78.3	14.1	64.2	126.2	33.5	92.7	–48.0	–19.4	–28.6
September	83.8	13.9	69.9	135.9	38.8	97.1	–52.1	–24.9	–27.2
October	79.6	15.5	64.2	144.2	35.8	108.4	–64.5	–20.3	–44.2
November	96.8	14.5	82.3	118.6	33.6	84.9	–21.7	–19.1	–2.6
December	119.2	17.9	101.3	130.9	38.2	92.8	–11.8	–20.3	8.5
January	111.3	21.9	89.4	141.9	44.0	97.9	–30.6	–22.1	–8.5
February	116.6	17.8	98.9	140.4	41.1	99.2	–23.7	–23.4	–0.4
March	136.9	22.0	114.9	154.2	53.8	100.4	–17.3	–31.8	14.5
2011-12 P *									
April	97.9	22.3	75.6	154.6	57.7	96.9	–56.7	–35.4	–21.3
May	116.0	24.2	91.8	202.4	59.0	143.4	–86.5	–34.8	–51.7
June	112.0	21.6	90.4	174.6	59.6	115.0	–62.6	–38.0	–24.6
July	118.4	24.3	94.1	181.7	57.5	124.2	–63.3	–33.2	–30.0
August	112.5	21.5	91.0	178.3	56.6	121.8	–65.9	–35.0	–30.8
September	112.4	24.1	88.3	166.5	42.3	124.2	–54.2	–18.2	–36.0
October	97.9	..	..	194.6	49.6	145.0	–96.8	..	..

P: Provisional. R: Revised. .. : Not Available. **Source:** DGCI & S and Ministry of Commerce & Industry.

Notes: 1. Data conversion has been done using period average exchange rates.

2. Monthly data may not add up to the annual data on account of revision in monthly figures. Also see 'Notes on Tables'.

* : The data are yet to be revised.

No. 39(B): Foreign Trade (Annual and Monthly)

(US $ Million)

Year/Month	Exports			Imports			Trade Balance		
	Aggregate	Oil	Non-oil	Aggregate	Oil	Non-oil	Aggregate	Oil	Non-oil
	1	2	3	4	5	6	7	8	9
2003-04	63,843	3,568	60,274	78,149	20,569	57,580	–14,307	–17,001	2,694
2004-05	83,536	6,989	76,547	1,11,517	29,844	81,673	–27,981	–22,855	–5,127
2005-06	1,03,091	11,640	91,451	1,49,166	43,963	1,05,203	–46,075	–32,323	–13,752
2006-07	1,26,414	18,635	1,07,779	1,85,735	56,945	1,28,790	–59,321	–38,311	–21,011
2007-08	1,62,904	28,363	1,34,541	2,51,439	79,645	1,71,795	–88,535	–51,281	–37,254
2008-09	1,85,295	27,547	1,57,748	3,03,696	93,672	2,10,025	–1,18,401	–66,125	–52,277
2009-10	1,78,751	28,192	1,50,559	2,88,373	87,136	2,01,237	–1,09,621	–58,944	–50,678
2010-11*	2,51,105	41,404	2,09,702	3,69,769	1,03,952	2,65,817	–1,18,664	–62,548	–56,116
2009-10									
April	12,476	1,517	10,959	19,341	4,740	14,601	–6,865	–3,223	–3,642
May	12,316	1,500	10,816	20,036	5,307	14,729	–7,720	–3,807	–3,913
June	13,606	1,418	12,189	23,055	6,602	16,453	–9,449	–5,184	–4,264
July	14,341	1,809	12,533	21,723	7,344	14,379	–7,382	–5,536	–1,847
August	13,586	2,110	11,476	22,449	6,936	15,513	–8,862	–4,826	–4,037
September	14,624	2,406	12,218	21,527	6,546	14,981	–6,903	–4,140	–2,763
October	14,806	2,739	12,067	25,936	8,389	17,547	–11,130	–5,650	–5,480
November	14,933	2,944	11,989	24,996	7,550	17,446	–10,064	–4,606	–5,458
December	16,493	3,082	13,411	28,251	8,247	20,005	–11,758	–5,164	–6,594
January	15,557	2,483	13,075	25,267	8,513	16,754	–9,710	–6,031	–3,679
February	15,758	2,454	13,304	26,164	8,240	17,924	–10,406	–5,786	–4,620
March	20,254	3,730	16,524	29,627	8,722	20,905	–9,373	–4,991	–4,382
2010-11 R *									
April	17,635	2,748	14,888	31,675	9,454	22,221	–14,040	–6,707	–7,333
May	16,657	2,584	14,074	29,747	8,571	21,176	–13,090	–5,988	–7,102
June	19,837	3,343	16,494	28,649	7,830	20,818	–8,812	–4,487	–4,324
July	16,100	2,927	13,174	29,670	8,357	21,313	–13,570	–5,430	–8,140
August	16,807	3,031	13,776	27,108	7,192	19,916	–10,300	–4,161	–6,139
September	18,204	3,021	15,183	29,512	8,425	21,087	–11,308	–5,404	–5,904
October	17,930	3,482	14,448	32,462	8,346	24,115	–14,532	–4,864	–9,668
November	21,513	3,228	18,285	26,340	7,472	18,868	–4,827	–4,243	–584
December	26,387	3,959	22,428	28,997	8,450	20,547	–2,610	–4,491	1,881
January	24,524	4,824	19,700	31,270	9,695	21,575	–6,746	–4,871	–1,875
February	25,671	3,910	21,762	32,401	9,055	23,346	–6,730	–5,145	–1,584
March	30,419	4,881	25,538	34,267	11,953	22,314	–3,848	–7,072	3,224
2011-12 P *									
April	22,065	5,016	17,049	34,848	13,004	21,844	–12,783	–7,988	–4,795
May	25,823	5,391	20,433	45,079	13,144	31,936	–19,256	–7,753	–11,503
June	24,971	4,816	20,155	38,918	13,277	25,642	–13,948	–8,461	–5,487
July	26,659	5,465	21,194	40,901	12,942	27,958	–14,241	–7,477	–6,764
August	24,842	4,755	20,087	39,387	12,490	26,897	–14,546	–7,735	–6,810
September	23,589	5,061	18,528	34,961	8,877	26,084	–11,372	–3,816	–7,556
October	19,870	..	..	39,514	10,076	29,437	–19,644	..	..

P: Provisional. R: Revised. .. : Not Available. * : The data are yet to be revised.

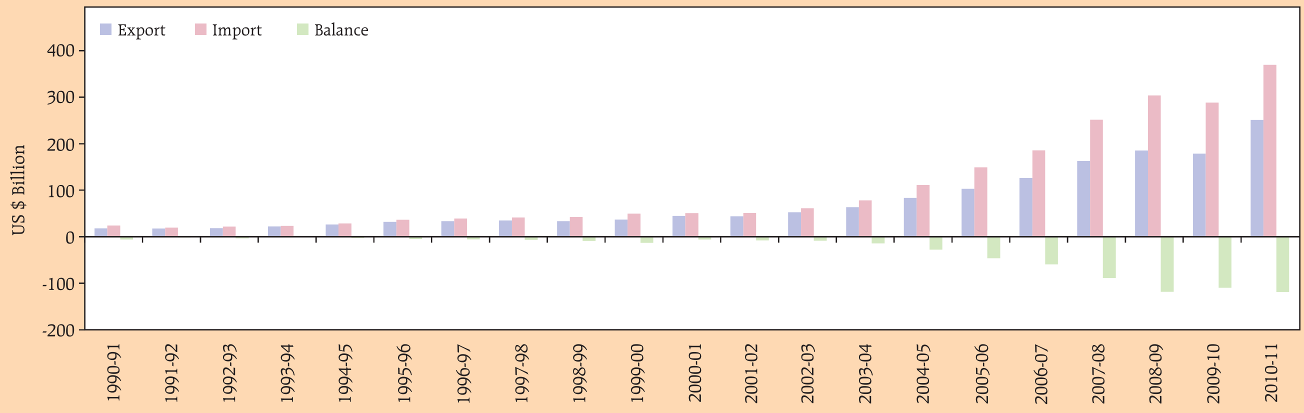
Source: DGCI & S and Ministry of Commerce & Industry.

Notes: 1. Data conversion has been done using period average exchange rates.

2. Monthly data may not add up to the annual data on account of revision in monthly figures.

Also see 'Notes on Tables'.

Foreign Trade



No. 40: India's Overall Balance of Payments

(₹ Billion)

Item	2007-08 (R)			2008-09 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
A. CURRENT ACCOUNT						
I. MERCHANDISE	**6,680**	**10,357**	**-3,677**	**8,580**	**14,054**	**-5,474**
II. INVISIBLES (a+b+c)	**5,981**	**2,939**	**3,042**	**7,704**	**3,506**	**4,198**
a) Services	3,630	2,068	1,562	4,880	2,396	2,484
i) Travel	455	372	83	502	433	69
ii) Transportation	402	463	-61	521	585	-65
iii) Insurance	66	42	24	65	52	13
iv) G.n.i.e.	13	15	-2	18	38	-20
v) Miscellaneous	2,694	1,176	1,518	3,774	1,287	2,487
of which						
Software Services	1,620	135	1,485	2,122	116	2,006
Business Services	674	665	10	855	709	146
Financial Services	129	126	4	204	136	69
Communication Services	97	35	62	105	50	55
b) Transfers	1,777	93	1,685	2,169	126	2,043
i) Official	30	21	10	30	19	11
ii) Private	1,747	72	1,675	2,139	107	2,032
c) Income	573	778	-205	655	984	-329
i) Investment Income	555	734	-180	617	924	-307
ii) Compensation of Employees	18	44	-26	38	60	-22
Total Current Account (I+II)	**12,661**	**13,296**	**-635**	**16,284**	**17,560**	**-1,276**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**10,865**	**9,121**	**1,744**	**7,755**	**7,405**	**351**
a) Foreign Direct Investment (i+ii)	1,499	861	638	1,965	964	1,001
i) In India	1,399	5	1,394	1,914	8	1,906
Equity	1,077	4	1,073	1,462	8	1,454
Reinvested Earnings	309	–	309	415	–	415
Other Capital	12	–	12	37	–	37
ii) Abroad	100	857	-756	51	956	-905
Equity	100	680	-579	51	620	-569
Reinvested Earnings	–	44	-44	–	50	-50
Other Capital	–	133	-133	–	287	-287
b) Portfolio Investment	9,366	8,260	1,106	5,790	6,441	-650
i) In India	9,357	8,257	1,100	5,783	6,425	-642
of which						
FIIs	9,079	8,257	822	5,735	6,425	-691
ADR/GDRs	266	–	266	49	–	49
ii) Abroad	9	3	7	7	15	-8
2. Loans (a+b+c)	**3,303**	**1,668**	**1,635**	**2,854**	**2,506**	**348**
a) External Assistance	170	86	85	244	129	115
i) By India	1	1	–	3	19	-16
ii) To India	169	84	85	241	110	131
b) Commercial Borrowings	1,219	309	911	708	343	365
i) By India	64	65	-1	92	36	56
ii) To India	1,155	243	912	616	307	309
c) Short Term to India	1,914	1,274	639	1,901	2,034	-133
i) Suppliers' Credit > 180 days & Buyers' Credit	1,712	1,274	438	1,778	1,777	2
ii) Suppliers' Credit up to 180 days	202	–	202	123	257	-135
3. Banking Capital (a+b)	**2,240**	**1,768**	**472**	**2,954**	**3,146**	**-192**
a) Commercial Banks	2,237	1,751	486	2,948	3,119	-170
i) Assets	784	507	276	1,148	1,306	-158
ii) Liabilities	1,453	1,244	209	1,801	1,813	-12
of which: Non-Resident Deposits	1,181	1,174	7	1,710	1,506	204
b) Others	3	17	-14	6	27	-22
4. Rupee Debt Service	**–**	**5**	**-5**	**–**	**5**	**-5**
5. Other Capital	**1,171**	**737**	**434**	**761**	**973**	**-212**
Total Capital Account (1 to 5)	**17,579**	**13,300**	**4,279**	**14,324**	**14,034**	**290**
C. Errors & Omissions	**52**	**–**	**52**	**15**	**–**	**15**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**30,293**	**26,596**	**3,697**	**30,673**	**31,644**	**-971**
E. Monetary Movements (i+ii)	**–**	**3,697**	**-3,697**	**971**	**–**	**971**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	3,697	-3,697	971	–	971
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	2009-10 (R)			2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
A. CURRENT ACCOUNT						
I. MERCHANDISE	**8,633**	**14,232**	**-5,600**	**11,395**	**17,351**	**-5,956**
II. INVISIBLES (a+b+c)	**7,746**	**3,944**	**3,803**	**9,025**	**5,170**	**3,855**
a) Services	4,546	2,834	1,712	6,047	3,825	2,223
i) Travel	560	442	118	695	506	189
ii) Transportation	529	564	-35	650	632	18
iii) Insurance	76	61	15	89	64	25
iv) G.n.i.e.	21	25	-4	24	37	-13
v) Miscellaneous	3,347	1,742	1,605	4,590	2,586	2,004
of which						
Software Services	2,352	70	2,282	2,524	100	2,424
Business Services	538	853	-316	1,095	1,264	-169
Financial Services	177	219	-42	297	341	-44
Communication Services	59	64	-6	71	52	19
b) Transfers	2,593	110	2,483	2,563	142	2,421
i) Official	34	22	12	29	29	1
ii) Private	2,546	87	2,459	2,533	113	2,420
c) Income	620	1,000	-380	415	1,203	-789
i) Investment Income	577	920	-343	364	1,111	-747
ii) Compensation of Employees	43	81	-37	51	92	-41
Total Current Account (I+II)	**16,379**	**18,176**	**-1,797**	**20,420**	**22,521**	**-2,101**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**9,434**	**7,034**	**2,400**	**13,159**	**11,336**	**1,823**
a) Foreign Direct Investment (i+ii)	1,831	971	860	1,616	1,187	429
i) In India	1,796	218	1,578	1,500	319	1,181
Equity	1,293	**200**	1,093	926	**296**	630
Reinvested Earnings	411	–	411	544	–	544
Other Capital	92	18	74	30	23	7
ii) Abroad	35	753	-718	116	868	-752
Equity	35	503	-469	116	480	-363
Reinvested Earnings	–	51	-51	–	49	-49
Other Capital	–	198	-198	–	339	-339
b) Portfolio Investment	7,603	6,063	1,540	11,543	10,149	1,394
i) In India	7,590	6,051	1,539	11,508	10,061	1,447
of which						
FIIs	7430	6051	1379	11414	10061	1353
ADR/GDRs	160	–	160	94	–	94
ii) Abroad	13	12	1	35	88	-53
2. Loans (a+b+c)	**3,499**	**2,920**	**580**	**4,907**	**3,611**	**1,296**
a) External Assistance	279	143	136	359	134	225
i) By India	2	20	-18	**3**	**5**	**-1**
ii) To India	276	123	154	355	129	226
b) Commercial Borrowings	706	611	95	1,098	528	570
i) By India	46	71	-25	84	69	14
ii) To India	660	540	120	1,014	459	555
c) Short Term to India	2,515	2,166	349	3,450	2,949	502
i) Suppliers' Credit > 180 days & Buyers' Credit	2,296	2,079	217	3,284	2,949	335
ii) Suppliers' Credit up to 180 days	219	87	132	167	–	167
3. Banking Capital (a+b)	**2,921**	**2,823**	**98**	**4,193**	**3,973**	**220**
a) Commercial Banks	2,893	2,801	92	4,116	3,919	197
i) Assets	815	726	89	1,599	1,755	-156
ii) Liabilities	2,078	2,075	3	2,516	2,164	353
of which: Non-Resident Deposits	1,964	1,822	142	2,243	2,095	148
b) Others	28	22	7	77	54	23
4. Rupee Debt Service	**–**	**5**	**-5**	–	3	-3
5. Other Capital	**546**	**1,178**	**-632**	**447**	**950**	**-503**
Total Capital Account (1 to 5)	**16,400**	**13,960**	**2,440**	**22,706**	**19,873**	**2,833**
C. Errors & Omissions	**–**	**1**	**-1**	**–**	**137**	**-137**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**32,779**	**32,137**	**642**	**43,126**	**42,531**	**595**
E. Monetary Movements (i+ii)	**–**	**642**	**-642**	**–**	**595**	**-595**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	642	-642	–	595	-595
of which: SDR allocation	–	250	-250	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Apr-Jun 2008 (R)			Jul-Sep 2008 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
A. CURRENT ACCOUNT						
I. MERCHANDISE	**2,393**	**3,443**	**-1,050**	**2,348**	**4,061**	**-1,713**
II. INVISIBLES (a+b+c)	**1,666**	**758**	**908**	**2,054**	**878**	**1,176**
a) Services	984	514	470	1,270	592	678
i) Travel	104	90	14	122	119	3
ii) Transportation	109	139	-30	133	164	-31
iii) Insurance	15	9	5	17	13	3
iv) G.n.i.e.	5	5	1	4	4	-1
v) Miscellaneous	750	271	479	994	292	703
of which						
Software Services	503	35	468	531	30	501
Business Services	170	134	36	237	171	65
Financial Services	26	26	–	73	42	31
Communication Services	21	9	12	32	13	19
b) Transfers	533	27	506	603	36	567
i) Official	6	4	2	2	4	-2
ii) Private	527	23	504	601	32	569
c) Income	149	216	-67	181	250	-68
i) Investment Income	142	202	-60	169	235	-67
ii) Compensation of Employees	6	14	-7	13	14	-2
Total Current Account (I+II)	**4,059**	**4,201**	**-142**	**4,402**	**4,939**	**-537**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,236**	**2,038**	**197**	**2,301**	**2,088**	**212**
a) Foreign Direct Investment (i+ii)	538	165	373	434	165	270
i) In India	528	1	527	420	2	418
Equity	427	1	426	320	2	318
Reinvested Earnings	94	–	94	99	–	99
Other Capital	7	–	7	2	–	2
ii) Abroad	10	164	-154	14	162	-149
Equity	10	105	-95	14	122	-108
Reinvested Earnings	–	11	-11	–	12	-12
Other Capital	–	48	-48	–	29	-29
b) Portfolio Investment	1,698	1,873	-175	1,866	1,924	-57
i) In India	1,697	1,871	-174	1,866	1,923	-57
of which						
FIIs	1,656	1,871	-216	1,860	1,923	-63
ADR/GDRs	42	–	42	6	–	6
ii) Abroad	1	2	-1	1	1	–
2. Loans (a+b+c)	**662**	**404**	**258**	**714**	**601**	**112**
a) External Assistance	39	27	12	49	29	20
i) By India	1	4	-4	1	5	-4
ii) To India	38	23	15	48	25	23
b) Commercial Borrowings	115	53	62	156	81	75
i) By India	17	8	9	23	6	17
ii) To India	98	45	53	133	75	58
c) Short Term to India	508	324	184	508	491	18
i) Suppliers' Credit > 180 days & Buyers' Credit	386	324	62	508	428	81
ii) Suppliers' Credit up to 180 days	123	–	123	–	63	-63
3. Banking Capital (a+b)	**916**	**804**	**112**	**716**	**617**	**100**
a) Commercial Banks	916	797	119	716	617	100
i) Assets	477	439	39	289	226	63
ii) Liabilities	439	359	80	427	391	37
of which: Non-Resident Deposits	379	345	34	402	390	11
b) Others	–	6	-6	–	–	–
4. Rupee Debt Service	**–**	**1**	**-1**	**–**	**–**	**–**
5. Other Capital	**193**	**542**	**-349**	**209**	**336**	**-127**
Total Capital Account (1 to 5)	**4,008**	**3,790**	**218**	**3,940**	**3,643**	**297**
C. Errors & Omissions	**17**	**–**	**17**	**33**	**–**	**33**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**8,083**	**7,990**	**93**	**8,375**	**8,582**	**-207**
E. Monetary Movements (i+ii)	**–**	**93**	**-93**	**207**	**–**	**207**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	93	-93	207	–	207
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2008 (R)			Jan-Mar 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
A. CURRENT ACCOUNT						
I. MERCHANDISE	**1,923**	**3,629**	**-1,706**	**1,915**	**2,921**	**-1,006**
II. INVISIBLES (a+b+c)	**2,068**	**941**	**1,128**	**1,916**	**929**	**987**
a) Services	1,376	639	738	1,250	651	599
i) Travel	143	95	48	133	130	4
ii) Transportation	134	158	-25	145	124	21
iii) Insurance	17	13	4	17	16	1
iv) G.n.i.e.	5	11	-7	4	18	-14
v) Miscellaneous	1,079	361	717	950	363	588
of which						
Software Services	550	28	521	539	23	516
Business Services	237	174	63	212	230	-18
Financial Services	54	36	18	51	31	20
Communication Services	27	13	14	25	15	10
b) Transfers	536	41	495	497	21	476
i) Official	14	5	9	8	6	2
ii) Private	522	36	486	489	15	473
c) Income	156	261	-105	169	258	-88
i) Investment Income	146	244	-98	160	242	-82
ii) Compensation of Employees	9	16	-7	9	16	-6
Total Current Account (I+II)	**3,991**	**4,570**	**-579**	**3,832**	**3,850**	**-19**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**1,842**	**1,982**	**-140**	**1,377**	**1,295**	**81**
a) Foreign Direct Investment (i+ii)	545	402	143	448	233	215
i) In India	535	1	533	431	3	428
Equity	399	1	398	316	3	313
Reinvested Earnings	110	–	110	112	–	112
Other Capital	26	–	26	3	–	3
ii) Abroad	10	400	-390	17	230	-213
Equity	10	206	-195	17	188	-171
Reinvested Earnings	–	13	-13	–	13	-13
Other Capital	–	181	-181	–	28	-28
b) Portfolio Investment	1,297	1,581	-284	929	1,063	-134
i) In India	1,296	1,578	-282	925	1,054	-129
of which						
FIIs	1,295	1,578	-283	924	1,054	-130
ADR/GDRs	–	–	–	1	–	1
ii) Abroad	1	3	-2	4	9	-5
2. Loans (a+b+c)	**771**	**752**	**19**	**707**	**749**	**-41**
a) External Assistance	82	37	45	73	35	38
i) By India	1	5	-4	1	5	-4
ii) To India	82	32	50	73	30	43
b) Commercial Borrowings	263	84	179	174	125	49
i) By India	32	7	25	20	15	5
ii) To India	231	77	154	154	110	45
c) Short Term to India	425	631	-206	460	589	-129
i) Suppliers' Credit > 180 days & Buyers' Credit	425	505	-80	460	520	-61
ii) Suppliers' Credit up to 180 days	–	126	-126	–	69	-69
3. Banking Capital (a+b)	**723**	**965**	**-242**	**599**	**761**	**-162**
a) Commercial Banks	723	944	-221	593	761	-168
i) Assets	253	368	-115	128	274	-145
ii) Liabilities	470	576	-106	465	487	-22
of which: Non-Resident Deposits	465	415	51	464	356	108
b) Others	–	21	-21	6	–	6
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**3**	**-3**
5. Other Capital	**154**	**34**	**120**	**205**	**60**	**144**
Total Capital Account (1 to 5)	**3,489**	**3,733**	**-244**	**2,888**	**2,869**	**19**
C. Errors & Omissions	**–**	**50**	**-50**	**15**	**–**	**15**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**7,481**	**8,353**	**-872**	**6,734**	**6,719**	**15**
E. Monetary Movements (i+ii)	**872**	**–**	**872**	**–**	**15**	**-15**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	872	–	872	–	15	-15
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Apr-June 2009 (R) Credit	Apr-June 2009 (R) Debit	Apr-June 2009 (R) Net	July-Sept 2009 (R) Credit	July-Sept 2009 (R) Debit	July-Sept 2009 (R) Net
	25	26	27	28	29	30
A. CURRENT ACCOUNT						
I. MERCHANDISE	**1911**	**3193**	**-1282**	**2101**	**3534**	**-1433**
II. INVISIBLES (a+b+c)	**1889**	**809**	**1080**	**1960**	**973**	**988**
a) Services	1094	534	559	1034	664	370
i) Travel	112	99	13	132	114	18
ii) Transportation	122	135	-13	124	108	17
iii) Insurance	19	15	4	19	16	2
iv) G.n.i.e.	5	5	–	5	6	-1
v) Miscellaneous	836	279	556	754	419	335
of which						
Software Services	537	19	518	543	21	521
Business Services	126	161	-35	121	223	-102
Financial Services	54	41	14	35	55	-19
Communication Services	20	14	7	15	15	–
b) Transfers	651	23	628	697	28	669
i) Official	2	5	-3	8	5	3
ii) Private	649	18	631	688	22	666
c) Income	144	252	-108	230	282	-52
i) Investment Income	133	235	-102	220	265	-45
ii) Compensation of Employees	11	17	-6	10	17	-7
Total Current Account (I+II)	**3799**	**4002**	**-203**	**4062**	**4507**	**-445**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,370**	**1,724**	**646**	**2,707**	**1,879**	**828**
a) Foreign Direct Investment (i+ii)	485	243	242	559	200	359
i) In India	479	45	434	555	31	524
Equity	356	44	312	414	29	385
Reinvested Earnings	106	–	106	105	–	105
Other Capital	18	1	17	36	2	34
ii) Abroad	6	198	-192	5	169	-165
Equity	6	138	-132	5	103	-99
Reinvested Earnings	–	13	-13	–	13	-13
Other Capital	–	46	-46	–	53	-53
b) Portfolio Investment	1,884	1,481	403	2,148	1,679	469
i) In India	1,883	1,480	403	2,148	1,678	470
of which						
FIIs	1,881	1,480	401	2,019	1,678	341
ADR/GDRs	2	–	2	129	–	129
ii) Abroad	1	**1**	–	–	**1**	-1
2. Loans (a+b+c)	**640**	**709**	**-69**	**808**	**655**	**153**
a) External Assistance	49	36	14	72	36	36
i) By India	1	5	-5	1	5	-4
ii) To India	49	30	18	71	31	40
b) Commercial Borrowings	96	118	-22	159	100	59
i) By India	12	16	-4	10	10	–
ii) To India	84	102	-17	149	90	59
c) Short Term to India	494	555	-61	578	519	58
i) Suppliers' Credit > 180 days & Buyers' Credit	494	468	26	532	519	13
ii) Suppliers' Credit up to 180 days	–	87	-87	45	–	45
3. Banking Capital (a+b)	**760**	**924**	**-164**	**801**	**587**	**214**
a) Commercial Banks	760	913	-153	801	580	221
i) Assets	213	339	-126	297	84	213
ii) Liabilities	547	574	-27	504	497	7
of which: Non-Resident Deposits	545	456	89	501	450	51
b) Others	–	12	-12	–	7	-7
4. Rupee Debt Service	**–**	**1**	**-1**	**–**	**–**	**–**
5. Other Capital	**27**	**252**	**-226**	**334**	**596**	**-262**
Total Capital Account (1 to 5)	**3,796**	**3,610**	**186**	**4,650**	**3,718**	**932**
C. Errors & Omissions	**22**	**–**	**22**	**–**	**31**	**-31**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**7,618**	**7,612**	**6**	**8,712**	**8,256**	**456**
E. Monetary Movements (i+ii)	–	6	-6	–	456	-456
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	6	-6	–	456	-456
of which: SDR allocation	–	–	–	–	250	-250

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2009 (R)			Jan-Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
A. CURRENT ACCOUNT						
I. MERCHANDISE	**2200**	**3642**	**-1443**	**2421**	**3863**	**-1442**
II. INVISIBLES (a+b+c)	**1889**	**1014**	**874**	**2009**	**1148**	**861**
a) Services	1140	746	394	1278	890	388
i) Travel	160	108	53	156	121	35
ii) Transportation	140	157	-17	143	164	-21
iii) Insurance	19	14	5	19	15	4
iv) G.n.i.e.	6	6	–	5	7	-2
v) Miscellaneous	803	461	342	954	583	372
of which						
Software Services	616	16	600	657	14	643
Business Services	115	213	-98	175	256	-81
Financial Services	37	54	-17	51	70	-19
Communication Services	12	18	-6	11	18	-6
b) Transfers	638	30	608	607	29	578
i) Official	18	5	13	6	7	-1
ii) Private	608	24	583	601	23	578
c) Income	123	239	-116	123	228	-105
i) Investment Income	111	214	-103	113	205	-93
ii) Compensation of Employees	12	24	-13	11	23	-12
Total Current Account (I+II)	**4089**	**4657**	**-568**	**4429**	**5010**	**-581**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,085**	**1,690**	**395**	**2,272**	**1,742**	**530**
a) Foreign Direct Investment (i+ii)	416	286	130	370	243	128
i) In India	407	68	339	355	74	281
Equity	278	57	220	246	69	176
Reinvested Earnings	101	–	101	100	–	100
Other Capital	28	11	17	10	5	5
ii) Abroad	9	217	-208	15	169	-154
Equity	9	170	-161	15	92	-77
Reinvested Earnings	–	13	-13	–	12	-12
Other Capital	–	35	-35	–	64	-64
b) Portfolio Investment	1,669	1,404	265	1,902	1,499	403
i) In India	1,668	1,401	267	1,891	1,492	398
of which						
FIIs	1,646	1,401	245	1,884	1,492	392
ADR/GDRs	22	–	22	7	–	7
ii) Abroad	1	3	-2	11	7	4
2. Loans (a+b+c)	**936**	**670**	**265**	**1,116**	**886**	**230**
a) External Assistance	77	37	39	81	34	47
i) By India	1	5	-4	1	5	-4
ii) To India	76	33	44	80	29	51
b) Commercial Borrowings	210	131	79	241	262	-21
i) By India	11	27	-16	14	18	-4
ii) To India	200	105	95	227	244	-17
c) Short Term to India	649	502	147	795	590	205
i) Suppliers' Credit > 180 days & Buyers' Credit	562	502	61	707	590	117
ii) Suppliers' Credit up to 180 days	86	–	86	88	–	88
3. Banking Capital (a+b)	**708**	**617**	**90**	**652**	**694**	**-41**
a) Commercial Banks	680	614	66	652	694	-42
i) Assets	143	87	56	162	216	-54
ii) Liabilities	537	527	10	490	478	12
of which: Non-Resident Deposits	475	446	28	444	469	-25
b) Others	28	3	25	1	–	1
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**3**	**-3**
5. Other Capital	**75**	**156**	**-81**	**110**	**174**	**-64**
Total Capital Account (1 to 5)	**3,803**	**3,133**	**670**	**4,151**	**3,499**	**652**
C. Errors & Omissions	**–**	**20**	**-20**	**27**	**–**	**27**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**7,891**	**7,809**	**82**	**8,607**	**8,509**	**98**
E. Monetary Movements (i+ii)	**–**	**82**	**-82**	**–**	**98**	**-98**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	82	-82	–	98	-98
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Apr-June 2010 (PR)			July-Sept 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	37	38	39	40	41	42
A. CURRENT ACCOUNT						
I. MERCHANDISE	**2,523**	**3,979**	**-1,456**	**2,419**	**4,138**	**-1,719**
II. INVISIBLES (a+b+c)	**1,974**	**1,097**	**876**	**2,187**	**1,254**	**933**
a) Services	1,216	776	440	1,461	909	552
i) Travel	135	105	29	157	128	29
ii) Transportation	143	143	–	152	164	-12
iii) Insurance	19	14	5	21	18	3
iv) G.n.i.e.	4	7	-2	6	10	-4
v) Miscellaneous	915	507	408	1,125	590	536
of which						
Software Services	562	26	536	579	27	552
Business Services	220	269	-49	276	324	-48
Financial Services	56	64	-8	85	89	-4
Communication Services	15	11	4	19	12	7
b) Transfers	628	33	594	635	31	603
i) Official	3	6	-4	7	6	–
ii) Private	625	27	598	628	25	603
c) Income	130	288	-158	92	314	-222
i) Investment Income	120	266	-146	80	294	-214
ii) Compensation of Employees	10	22	-12	11	20	-9
Total Current Account (I+II)	**4,497**	**5,076**	**-579**	**4,606**	**5,392**	**-786**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,437**	**2,068**	**369**	**3,181**	**2,123**	**1,058**
a) Foreign Direct Investment (i+ii)	426	268	159	426	260	166
i) In India	413	105	308	399	51	348
Equity	273	104	169	253	48	205
Reinvested Earnings	136	–	136	139	–	139
Other Capital	3	1	2	7	3	4
ii) Abroad	13	163	-149	27	209	-182
Equity	13	98	-84	27	119	-92
Reinvested Earnings	–	12	-12	–	13	-13
Other Capital	–	53	-53	–	78	-78
b) Portfolio Investment	2,011	1,800	210	2,755	1,863	892
i) In India	2,006	1,794	212	2,748	1,853	895
of which						
FIIs	1,955	1,794	161	2,725	1,853	872
ADR/GDRs	51	–	51	23	–	23
ii) Abroad	4	6	-2	7	10	-3
2. Loans (a+b+c)	**1,071**	**660**	**411**	**1,239**	**930**	**309**
a) External Assistance	146	35	112	59	32	27
i) By India	1	1	–	1	1	–
ii) To India	146	33	112	58	31	27
b) Commercial Borrowings	202	100	102	277	117	160
i) By India	8	11	-3	14	26	-12
ii) To India	194	89	104	263	91	172
c) Short Term to India	722	525	197	903	781	122
i) Suppliers' Credit > 180 days & Buyers' Credit	670	525	145	849	781	67
ii) Suppliers' Credit up to 180 days	52	–	52	54	–	54
3. Banking Capital (a+b)	**764**	**581**	**183**	**790**	**937**	**-147**
a) Commercial Banks	764	580	184	790	909	-119
i) Assets	149	117	32	195	373	-178
ii) Liabilities	615	464	151	595	536	59
of which: Non-Resident Deposits	513	462	51	543	494	49
b) Others	–	1	-1	–	28	-28
4. Rupee Debt Service	**–**	**1**	**-1**	**–**	**–**	**–**
5. Other Capital	**67**	**237**	**-170**	**16**	**231**	**-216**
Total Capital Account (1 to 5)	**4,339**	**3,547**	**791**	**5,225**	**4,221**	**1,004**
C. Errors & Omissions	**–**	**41**	**-41**	**–**	**66**	**-66**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**8,836**	**8,665**	**171**	**9,831**	**9,678**	**153**
E. Monetary Movements (i+ii)	**–**	**171**	**-171**	**–**	**153**	**-153**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	171	-171	–	153	-153
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	43	44	45	46	47	48
A. CURRENT ACCOUNT						
I. MERCHANDISE	**2,956**	**4,370**	**-1,414**	**3497**	**4864**	**-1367**
II. INVISIBLES (a+b+c)	**2,498**	**1,531**	**967**	**2366**	**1288**	**1078**
a) Services	1,757	1,193	564	1614	947	667
i) Travel	199	128	71	205	145	60
ii) Transportation	167	179	-12	188	147	41
iii) Insurance	23	18	5	27	14	13
iv) G.n.i.e.	7	9	-2	7	13	-5
v) Miscellaneous	1,362	859	503	1187	629	558
of which						
Software Services	661	32	630	721	15	707
Business Services	318	358	-40	281	313	-32
Financial Services	76	88	-12	80	100	-20
Communication Services	19	14	5	18	15	2
b) Transfers	647	38	609	654	40	614
i) Official	15	9	6	5	7	-2
ii) Private	632	29	603	649	33	616
c) Income	94	300	-206	99	301	-202
i) Investment Income	81	275	-194	82	276	-194
ii) Compensation of Employees	13	25	-13	16	25	-9
Total Current Account (I+II)	**5,454**	**5,902**	**-448**	**5863**	**6151**	**-288**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**4,989**	**4,653**	**336**	**2,552**	**2,492**	**60**
a) Foreign Direct Investment (i+ii)	423	369	54	341	290	51
i) In India	374	99	275	314	64	249
Equity	236	83	152	163	61	103
Reinvested Earnings	134	–	134	135	–	135
Other Capital	5	15	-11	15	4	12
ii) Abroad	49	271	-222	27	226	-198
Equity	49	150	-101	27	114	-86
Reinvested Earnings	–	12	-12	–	12	-12
Other Capital	–	109	-109	–	100	-100
b) Portfolio Investment	4,567	4,284	283	2,211	2,202	9
i) In India	4,560	4,229	332	2,193	2,185	8
of which						
FIIs	4,550	4,229	321	2,184	2,185	-2
ADR/GDRs	10	–	10	10	–	10
ii) Abroad	6	55	-49	18	17	1
2. Loans (a+b+c)	**1,194**	**908**	**286**	**1,403**	**1,113**	**290**
a) External Assistance	87	35	52	66	32	34
i) By India	1	1	–	1	1	–
ii) To India	86	34	52	65	31	34
b) Commercial Borrowings	285	111	174	334	200	134
i) By India	26	10	16	36	22	13
ii) To India	259	101	158	299	178	120
c) Short Term to India	823	762	60	1,003	880	123
i) Suppliers' Credit > 180 days & Buyers' Credit	809	762	47	956	880	76
ii) Suppliers' Credit up to 180 days	14	–	14	47	–	47
3. Banking Capital (a+b)	**1,485**	**1,265**	**220**	**1,154**	**1,189**	**-35**
a) Commercial Banks	1,481	1,265	216	1,081	1,164	-84
i) Assets	897	684	213	359	581	-223
ii) Liabilities	584	582	3	722	583	139
of which: Non-Resident Deposits	564	555	8	623	583	40
b) Others	4	–	4	73	25	48
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**2**	**-2**
5. Other Capital	**154**	**374**	**-221**	**210**	**107**	**103**
Total Capital Account (1 to 5)	**7,822**	**7,201**	**621**	**5,320**	**4,904**	**416**
C. Errors & Omissions	**5**	**–**	**5**	**–**	**36**	**-36**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**13,282**	**13,103**	**179**	**11,182**	**11,090**	**92**
E. Monetary Movements (i+ii)	**–**	**179**	**-179**	**–**	**92**	**-92**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	179	-179	–	92	-92
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Contd.)*

(₹ Billion)

Item	April-June 2011 (PR) Credit	Debit	Net	July-September 2011 (P) Credit	Debit	Net
	49	50	51	52	53	54
A. CURRENT ACCOUNT						
I. MERCHANDISE	**3,323**	**5,193**	**-1,870**	**3506**	**5517**	**-2011**
II. INVISIBLES (a+b+c)	**2,310**	**1,152**	**1,158**	**2485**	**1248**	**1237**
a) Services	1,505	811	695	1571	860	710
i) Travel	184	156	29	213	164	49
ii) Transportation	194	179	15	201	166	35
iii) Insurance	25	13	12	28	19	9
iv) G.n.i.e.	6	9	-3	7	8	-1
v) Miscellaneous	1,096	454	642	1122	503	619
of which						
Software Services	696	14	682	696	14	682
Business Services	239	279	-39	249	293	-44
Financial Services	57	79	-22	72	103	-30
Communication Services	16	19	-2	18	14	4
b) Transfers	695	37	658	776	35	741
i) Official	2	7	-4	6	7	-1
ii) Private	693	31	662	770	28	741
c) Income	110	305	-195	139	352	-214
i) Investment Income	84	286	-203	106	330	-224
ii) Compensation of Employees	26	18	8	33	22	10
Total Current Account (I+II)	**5,633**	**6,345**	**-712**	**5991**	**6765**	**-774**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,995**	**2,527**	**468**	**2427**	**2281**	**146**
a) Foreign Direct Investment (i+ii)	818	464	355	448	247	201
i) In India	800	204	596	431	98	333
Equity	612	189	423	272	92	180
Reinvested Earnings	122	–	122	125	–	125
Other Capital	66	15	51	34	6	28
ii) Abroad	18	260	-242	17	149	-133
Equity	18	63	-45	17	72	-56
Reinvested Earnings	–	12	-12	–	12	-12
Other Capital	–	185	-185	–	65	-65
b) Portfolio Investment	2,177	2,064	114	1979	2034	-55
i) In India	2,173	2,050	123	1958	2021	-63
of which						
FIIs	2,161	2,050	111	1948	2021	-73
ADR/GDRs	12	–	12	9	–	9
ii) Abroad	4	14	-9	21	12	9
2. Loans (a+b+c)	**1,448**	**1,133**	**315**	**1801**	**1334**	**467**
a) External Assistance	55	38	17	49	35	15
i) By India	1	1	–	1	1	–
ii) To India	55	37	17	49	34	15
b) Commercial Borrowings	312	152	160	543	222	321
i) By India	15	14	1	51	21	30
ii) To India	297	138	159	492	201	291
c) Short Term to India	1,080	943	137	1209	1077	131
i) Suppliers' Credit > 180 days & Buyers' Credit	1,014	943	71	1150	1077	73
ii) Suppliers' Credit up to 180 days	66	–	66	58	–	58
3. Banking Capital (a+b)	**1,286**	**720**	**566**	**922**	**616**	**306**
a) Commercial Banks	1,285	719	566	922	615	307
i) Assets	485	205	280	102	46	56
ii) Liabilities	799	513	286	820	569	251
of which: Non-Resident Deposits	558	507	51	691	563	128
b) Others	1	1	–	–	1	-1
4. Rupee Debt Service	–	1	-1	–	–	–
5. Other Capital	**10**	**346**	**-336**	**152**	**227**	**-75**
Total Capital Account (1 to 5)	**5,740**	**4,728**	**1,012**	**5302**	**4458**	**844**
C. Errors & Omissions	**–**	**56**	**-56**	**–**	**57**	**-57**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**11,373**	**11,129**	**243**	**11294**	**11281**	**13**
E. Monetary Movements (i+ii)	**–**	**243**	**-243**	**–**	**13**	**-13**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	243	-243	–	13	-13
of which: SDR allocation	–	–	–	–	–	–

No. 40: India's Overall Balance of Payments *(Concld.)*

(₹ Billion)

Item	Apr-Sept 2011 (P) Credit	Apr-Sept 2011 (P) Debit	Apr-Sept 2011 (P) Net	Apr-Sept 2010 (PR) Credit	Apr-Sept 2010 (PR) Debit	Apr-Sept 2010 (PR) Net
	55	56	57	58	59	60
A. CURRENT ACCOUNT						
I. MERCHANDISE	**6,829**	**10,710**	**-3,881**	**4942**	**8117**	**-3175**
II. INVISIBLES (a+b+c)	**4,795**	**2,400**	**2,395**	**4161**	**2351**	**1810**
a) Services	3,076	1,671	1,405	2677	1685	992
i) Travel	397	319	78	292	233	59
ii) Transportation	395	345	50	295	307	-11
iii) Insurance	53	33	21	39	32	7
iv) G.n.i.e.	13	17	-4	10	16	-6
v) Miscellaneous	2,217	957	1,261	2040	1097	944
of which						
Software Services	1,392	28	1,364	1141	53	1088
Business Services	488	572	-84	496	593	-97
Financial Services	129	181	-53	141	153	-12
Communication Services	34	33	1	34	23	11
b) Transfers	1,471	73	1,398	1262	65	1198
i) Official	8	13	-5	9	13	-4
ii) Private	1,463	59	1,403	1253	52	1201
c) Income	249	657	-409	222	602	-380
i) Investment Income	190	616	-427	200	560	-360
ii) Compensation of Employees	59	41	18	22	42	-20
Total Current Account (I+II)	**11,624**	**13,111**	**-1,486**	**9103**	**10468**	**-1365**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**5,422**	**4,808**	**614**	**5,618**	**4,191**	**1,427**
a) Foreign Direct Investment (i+ii)	1,266	711	555	852	528	324
i) In India	1,231	302	929	812	156	656
Equity	885	281	603	527	152	375
Reinvested Earnings	247	–	247	275	–	275
Other Capital	99	20	79	10	4	6
ii) Abroad	35	409	-374	40	372	-332
Equity	35	135	-100	40	216	-176
Reinvested Earnings	–	25	-25	–	25	-25
Other Capital	–	249	-249	–	131	-131
b) Portfolio Investment	4,156	4,097	59	4,765	3,663	1,102
i) In India	4,131	4,071	60	4,754	3,647	1,107
of which						
FIIs	4,109	4,071	38	4,680	3,647	1,034
ADR/GDRs	22	–	22	74	–	74
ii) Abroad	25	26	-1	11	16	-5
2. Loans (a+b+c)	**3,249**	**2,467**	**782**	**2,309**	**1,590**	**720**
a) External Assistance	105	73	32	206	67	139
i) By India	2	2	-1	2	2	-1
ii) To India	103	71	32	204	64	140
b) Commercial Borrowings	855	374	481	479	217	262
i) By India	66	36	31	22	37	-15
ii) To India	789	338	450	457	180	277
c) Short Term to India	2,289	2,020	269	1,625	1,306	319
i) Suppliers' Credit > 180 days & Buyers' Credit	2,164	2,020	144	1,518	1,306	212
ii) Suppliers' Credit up to 180 days	125	–	125	106	–	106
3. Banking Capital (a+b)	**2,208**	**1,336**	**872**	**1,554**	**1,518**	**36**
a) Commercial Banks	2,207	1,334	873	1,554	1,489	65
i) Assets	587	251	336	344	490	-146
ii) Liabilities	1,620	1,082	537	1,210	999	211
of which: Non-Resident Deposits	1,249	1,070	179	1,056	956	100
b) Others	1	2	-1	–	29	-29
4. Rupee Debt Service	**–**	**1**	**-1**	**–**	**1**	**-1**
5. Other Capital	**163**	**573**	**-411**	**83**	**468**	**-385**
Total Capital Account (1 to 5)	**11,042**	**9,187**	**1,855**	**9,564**	**7,768**	**1,796**
C. Errors & Omissions	**–**	**113**	**-113**	**–**	**107**	**-107**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**22,666**	**22,410**	**256**	**18,667**	**18,343**	**324**
E. Monetary Movements (i+ii)	**–**	**256**	**-256**	**–**	**324**	**-324**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	256	-256	–	324	-324
of which: SDR allocation	–	–	–	–	–	–

Note: The comparable figures in new and old formats may not entirely agree due to rounding off. Total of subcomponents may not tally with aggregate due to rounding off.
P: Preliminary. PR: Partially Revised. R: Revised.

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

(₹ Billion)

Item	Apr-Mar 2009-10 (R)			Apr-Mar 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**16322**	**18130**	**-1809**	**20342**	**22443**	**-2102**
1.A Goods and Services (1.A.a+1.A.b)	**13155**	**17043**	**-3888**	**17394**	**21127**	**-3733**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**8624**	**14232**	**-5608**	**11402**	**17351**	**-5948**
1.A.a.1 General merchandise on a BOP basis	8633	12873	-4241	11395	15805	-4410
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-9	–	-9	7	–	7
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	1359	-1359	–	1546	-1546
1.A.b Services (1.A.b.1 to 1.A.b.13)	**4531**	**2811**	**1720**	**5991**	**3776**	**2216**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***529***	***569***	***-39***	***652***	***635***	***17***
1.A.b.3.1 Sea transport	276	343	-67	281	370	-89
1.A.b.3.2 Air transport	86	177	-91	112	218	-105
1.A.b.3.3 Other modes of transport	167	44	123	256	45	212
1.A.b.3.4 Postal and courier services	–	5	-4	2	3	-1
1.A.b.4 Travel	***560***	***442***	***118***	***695***	***506***	***189***
1.A.b.4.1 Business	–	164	-164	–	226	-226
1.A.b.4.2 Personal	–	278	-278	–	279	-279
1.A.b.4.2.1 Health-related	–	1	-1	–	3	-3
1.A.b.4.2.2 Education-related	–	101	-101	–	86	-86
1.A.b.4.2.3 Other	–	173	-173	–	190	-190
1.A.b.5 Construction	***27***	***47***	***-21***	***31***	***53***	***-22***
1.A.b.5.1 Construction abroad	27	25	1	31	29	2
1.A.b.5.2 Construction in the reporting economy	–	22	-22	–	24	-24
1.A.b.6 Insurance and pension services	***75***	***61***	***14***	***89***	***64***	***25***
1.A.b.6.1 Direct insurance	61	22	39	81	27	55
1.A.b.6.2 Reinsurance	13	32	-19	6	34	-28
1.A.b.6.3 Auxiliary insurance services	1	7	-6	1	3	-2
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***175***	***219***	***-44***	***297***	***341***	***-44***
1.A.b.7.1 Explicitly charged and other financial services	175	219	-44	297	341	-44
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***10***	***95***	***-86***	***9***	***110***	***-102***
1.A.b.9 Telecommunications, computer, and information services	***2455***	***154***	***2301***	***2621***	***171***	***2450***
1.A.b.9.1 Telecommunications services	87	54	33	69	49	20
1.A.b.9.2 Computer services	2352	70	2282	2524	100	2424
1.A.b.9.3 Information services	17	30	-13	27	21	6
1.A.b.10 Other business services	***534***	***847***	***-313***	***1039***	***1215***	***-177***
1.A.b.10.1 Research and development services	27	15	12	40	11	29
1.A.b.10.2 Professional and management consulting services	284	472	-188	484	546	-62
1.A.b.10.3 Technical, trade-related, and other business services	224	360	-137	515	658	-143
1.A.b.11 Personal, cultural, and recreational services	***25***	***14***	***11***	***10***	***25***	***-14***
1.A.b.11.1 Audiovisual and related services	21	8	12	5	7	-1
1.A.b.11.2 Other personal, cultural, and recreational services	4	6	-2	5	18	-13
1.A.b.12 Government goods and services n.i.e.	***21***	***25***	***-4***	***24***	***37***	***-13***
1.A.b.13 Others n.i.e.	***120***	***336***	***-217***	***526***	***619***	***-93***
1.B Primary Income (1.B.1 to 1.B.3)	**620**	**1000**	**-380**	**415**	**1203**	**-789**
1.B.1 Compensation of employees	43	81	-37	51	92	-41
1.B.2 Investment income	577	920	-343	364	1111	-747
1.B.2.1 Direct investment	294	907	-612	174	1094	-920
1.B.2.1.1 Income on equity and investment fund shares	94	603	-509	93	768	-674
1.B.2.1.2 Interest	201	304	-103	81	327	-246
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	12	-12	–	16	-16
1.B.2.4 Reserve assets	283	–	282	190	1	189
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**2546**	**87**	**2459**	**2533**	**113**	**2420**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	2546	90	2456	2533	113	2420
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	2454	72	2382	2440	95	2345
Of which:						
1.C.1.1.1 Workers' remittances	1349	89	1260	1248	95	1153
1.C.1.2 Other current transfers	92	18	74	94	19	75
2 Capital Account (2.1+2.2)	**37**	**24**	**13**	**31**	**29**	**2**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	2	1	1	2	1	1
2.2 Capital transfers	34	22	12	29	29	1
2.2.1 General government	34	22	12	29	29	1
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	34	22	12	29	29	1
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

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

(₹ Billion)

Item	Apr-Mar 2009-10 (R)			Apr-Mar 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
3 Financial Account (3.1 to 3.5)	**16398**	**14601**	**1797**	**22704**	**20467**	**2237**
3.1 Direct Investment (3.1A+3.1B)	**1831**	**971**	**860**	**1616**	**1187**	**429**
3.1.A Direct Investment in India	***1796***	***218***	***1578***	***1500***	***319***	***1181***
3.1.1 Equity and investment fund shares	*1704*	*200*	*1505*	*1470*	*296*	*1174*
3.1.1.1 Equity other than reinvestment of earnings	1293	200	1093	926	296	630
3.1.1.1.1 Direct investor in direct investment enterprises	1293	200	1093	926	296	630
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	411	–	411	544	–	544
3.1.2 Debt instruments	*92*	*18*	*74*	*30*	*23*	*7*
3.1.2.1 Direct investor in direct investment enterprises	92	18	74	30	23	7
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***35***	***753***	***-718***	***116***	***868***	***-752***
3.1.1 Equity and investment fund shares	35	555	-520	116	529	-413
3.1.1.1 Equity other than reinvestment of earnings	35	503	-469	116	480	-363
3.1.1.1.1 Direct investor in direct investment enterprises	35	503	-469	116	480	-363
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	51	-51	–	49	-49
3.1.2 Debt instruments	–	*198*	*-198*	–	*339*	*-339*
3.1.2.1 Direct investor in direct investment enterprises	–	198	-198	–	339	-339
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**7443**	**6063**	**1380**	**11449**	**10149**	**1300**
3.2A Portfolio Investment in India	***7430***	***6051***	***1379***	***11414***	***10061***	***1353***
3.2.1 Equity and investment fund shares	*6200*	*4450*	*1750*	*8525*	*7659*	*865*
3.2.2 Debt securities	*1230*	*1601*	*-371*	*2889*	*2401*	*488*
3.2.B Portfolio Investment by India	***13***	***12***	***1***	***35***	***88***	***-53***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**7124**	**6924**	**200**	**9639**	**8536**	**1103**
3.4.1 Other equity (ADRs/GDRs)	**160**	–	**160**	**94**	–	**94**
3.4.2 Currency and deposits	**1993**	**1844**	**149**	**2320**	**2148**	**171**
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	28	22	7	77	54	23
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	1964	1822	142	2243	2095	148
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	**1913**	**1733**	**180**	**3329**	**2486**	**843**
3.4.3A Loans to India	*1865*	*1642*	*223*	*3243*	*2413*	*830*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	929	979	-51	1873	1824	49
3.4.3.3 General government (External Assistance)	276	123	154	355	129	226
3.4.3.4 Other sectors (External Commercial Borrowings)	660	540	120	1014	459	555
3.4.3B Loans by India	*48*	*91*	*-43*	*87*	*74*	*13*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	2	20	-18	3	5	-1
3.4.3.4 Other sectors	46	71	-25	84	69	14
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***2515***	***2166***	***349***	***3450***	***2949***	***502***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*2515*	*2166*	*349*	*3450*	*2949*	*502*
3.4.6 Other accounts receivable/payable – other	***543***	***1181***	***-638***	***446***	***952***	***-507***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**642**	**-642**	–	**595**	**-595**
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)	–	642	-642	–	595	-595
3.5.4.1 Currency,deposits and securities	–	642	-642	–	595	-595
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**16398**	**14601**	**1797**	**22704**	**20467**	**2237**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	7952	5216	2735	10146	8573	1573
3.0.2 Debt instruments	7743	7561	182	12019	10347	1672
3.0.3 Other financial assets and liabilities	703	1824	-1120	539	1547	-1008
4 Net errors and omissions		**1**	**-1**		**138**	**-138**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2009 (R)			July-September 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
1 Current Account (1.A+1.B+1.C)	**3791**	**3991**	**-200**	**4048**	**4496**	**-448**
1.A Goods and Services (1.A.a+1.A.b)	**2998**	**3721**	**-723**	**3129**	**4192**	**-1063**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**1906**	**3193**	**-1287**	**2099**	**3534**	**-1436**
1.A.a.1 General merchandise on a BOP basis	1911	2908	-998	2101	3272	-1170
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-5	–	-5	-3	–	-3
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	285	-285	–	263	-263
1.A.b Services (1.A.b.1 to 1.A.b.13)	**1092**	**528**	**564**	**1031**	**658**	**373**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***122***	***137***	***-15***	***125***	***109***	***16***
1.A.b.3.1 Sea transport	70	78	-8	71	62	9
1.A.b.3.2 Air transport	21	44	-23	16	37	-21
1.A.b.3.3 Other modes of transport	31	13	17	38	9	29
1.A.b.3.4 Postal and courier services	–	2	-2	–	1	-1
1.A.b.4 Travel	***112***	***99***	***13***	***132***	***114***	***18***
1.A.b.4.1 Business	–	40	-40	–	40	-40
1.A.b.4.2 Personal	–	59	-59	–	74	-74
1.A.b.4.2.1 Health-related	–	–	–	–	–	–
1.A.b.4.2.2 Education-related	–	18	-18	–	36	-36
1.A.b.4.2.3 Other	–	41	-41	–	36	-36
1.A.b.5 Construction	***7***	***13***	***-6***	***7***	***13***	***-5***
1.A.b.5.1 Construction abroad	7	9	-1	7	6	1
1.A.b.5.2 Construction in the reporting economy	–	5	-5	–	7	-7
1.A.b.6 Insurance and pension services	***19***	***15***	***4***	***19***	***16***	***2***
1.A.b.6.1 Direct insurance	15	3	12	12	10	2
1.A.b.6.2 Reinsurance	4	7	-4	6	6	–
1.A.b.6.3 Auxiliary insurance services	–	5	-5	–	1	–
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***54***	***41***	***14***	***35***	***55***	***-19***
1.A.b.7.1 Explicitly charged and other financial services	54	41	14	35	55	-19
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***3***	***20***	***-17***	***2***	***20***	***-18***
1.A.b.9 Telecommunications, computer, and information services	***562***	***35***	***526***	***576***	***38***	***538***
1.A.b.9.1 Telecommunications services	20	12	8	30	14	16
1.A.b.9.2 Computer services	537	19	518	543	21	521
1.A.b.9.3 Information services	4	4	–	4	3	1
1.A.b.10 Other business services	***125***	***155***	***-30***	***121***	***223***	***-102***
1.A.b.10.1 Research and development services	5	2	3	7	3	4
1.A.b.10.2 Professional and management consulting services	72	75	-2	65	128	-63
1.A.b.10.3 Technical, trade-related, and other business services	47	78	-30	49	93	-44
1.A.b.11 Personal, cultural, and recreational services	***5***	***5***	***–***	***7***	***4***	***2***
1.A.b.11.1 Audiovisual and related services	4	2	2	5	4	2
1.A.b.11.2 Other personal, cultural, and recreational services	1	3	-2	1	1	1
1.A.b.12 Government goods and services n.i.e.	***5***	***5***	***–***	***5***	***6***	***-1***
1.A.b.13 Others n.i.e.	***78***	***3***	***75***	***2***	***59***	***-57***
1.B Primary Income (1.B.1 to 1.B.3)	**144**	**252**	**-108**	**230**	**282**	**-52**
1.B.1 Compensation of employees	11	17	-6	10	17	-7
1.B.2 Investment income	133	235	-102	220	265	-45
1.B.2.1 Direct investment	39	233	-193	123	262	-140
1.B.2.1.1 Income on equity and investment fund shares	20	151	-131	20	175	-155
1.B.2.1.2 Interest	20	82	-62	103	87	15
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	2	-2	–	3	-3
1.B.2.4 Reserve assets	93	–	93	97	–	97
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**649**	**18**	**631**	**688**	**22**	**666**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	649	18	631	688	23	666
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	622	14	608	665	18	647
Of which:	–	–	–	–	–	–
1.C.1.1.1 Workers' remittances	351	14	336	363	21	341
1.C.1.2 Other current transfers	27	3	23	23	5	18
2 Capital Account (2.1+2.2)	**3**	**6**	**-3**	**9**	**5**	**3**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	1	–	–	–	–	–
2.2 Capital transfers	2	5	-3	8	5	3
2.2.1 General government	2	5	-3	8	5	3
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	2	5	-3	8	5	3
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2009 (R)			July-September 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
3 Financial Account (3.1 to 3.5)	**3795**	**3616**	**180**	**4650**	**4174**	**476**
3.1 Direct Investment (3.1A+3.1B)	**485**	**243**	**242**	**559**	**200**	**359**
3.1.A Direct Investment in India	***479***	***45***	***434***	***555***	***31***	***524***
3.1.1 Equity and investment fund shares	*461*	*44*	*418*	*519*	*29*	*490*
3.1.1.1 Equity other than reinvestment of earnings	356	44	312	414	29	385
3.1.1.1.1 Direct investor in direct investment enterprises	356	44	312	414	29	385
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	106	–	106	105	–	105
3.1.2 Debt instruments	*18*	*1*	*17*	*36*	*2*	*34*
3.1.2.1 Direct investor in direct investment enterprises	18	1	17	36	2	34
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***6***	***198***	***-192***	***5***	***169***	***-165***
3.1.1 Equity and investment fund shares	*6*	*152*	*-146*	*5*	*116*	*-112*
3.1.1.1 Equity other than reinvestment of earnings	6	138	-132	5	103	-99
3.1.1.1.1 Direct investor in direct investment enterprises	6	138	-132	5	103	-99
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	13	-13	–	13	-13
3.1.2 Debt instruments	–	*46*	*-46*	–	*53*	*-53*
3.1.2.1 Direct investor in direct investment enterprises	–	46	-46	–	53	-53
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**1882**	**1481**	**401**	**2019**	**1679**	**340**
3.2A Portfolio Investment in India	***1881***	***1480***	***401***	***2019***	***1678***	***341***
3.2.1 Equity and investment fund shares	***1652***	***1274***	***378***	***1748***	***1191***	***557***
3.2.2 Debt securities	***229***	***206***	***24***	***270***	***487***	***-216***
3.2.B Portfolio Investment by India	***1***	***1***	–	–	***1***	***-1***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**1428**	**1886**	**-458**	**2071**	**1839**	**233**
3.4.1 Other equity (ADRs/GDRs)	***2***	–	***2***	***129***	–	***129***
3.4.2 Currency and deposits	***545***	***468***	***77***	***501***	***457***	***44***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	–	12	-12	–	7	-7
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	545	456	89	501	450	51
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***361***	***610***	***-249***	***531***	***266***	***264***
3.4.3A Loans to India	*348*	*588*	*-240*	*520*	*251*	*269*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	215	456	-241	300	130	170
3.4.3.3 General government (External Assistance)	49	30	18	71	31	40
3.4.3.4 Other sectors (External Commercial Borrowings)	84	102	-17	149	90	59
3.4.3B Loans by India	*13*	*21*	*-9*	*11*	*16*	*-5*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	1	5	-5	1	5	-4
3.4.3.4 Other sectors	12	16	-4	10	10	–
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***494***	***555***	***-61***	***578***	***519***	***58***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	494	555	-61	578	519	58
3.4.6 Other accounts receivable/payable – other	***26***	***253***	***-227***	***334***	***596***	***-263***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**6**	**-6**	–	**456**	**-456**
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	-6	–	456	-456
3.5.4.1 Currency,deposits and securities	–	6	-6	–	456	-456
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**3795**	**3616**	**180**	**4650**	**4174**	**476**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	2121	1471	650	2272	1338	934
3.0.2 Debt instruments	1647	1886	-239	1915	1784	132
3.0.3 Other financial assets and liabilities	28	259	-231	463	1052	-590
4 Net errors and omissions	**22**		**22**		**31**	**-31**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2009 (R)			Jan-Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
1 Current Account (1.A+1.B+1.C)	**4066**	**4647**	**-581**	**4416**	**4997**	**-580**
1.A Goods and Services (1.A.a+1.A.b)	**3336**	**4384**	**-1048**	**3692**	**4746**	**-1054**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**2199**	**3642**	**-1443**	**2420**	**3863**	**-1443**
1.A.a.1 General merchandise on a BOP basis	2200	3289	-1089	2421	3404	-984
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-1	–	-1	-1	–	-1
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	353	-353	–	459	-459
1.A.b Services (1.A.b.1 to 1.A.b.13)	**1136**	**742**	**395**	**1272**	**883**	**389**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***140***	***158***	***-18***	***143***	***165***	***-22***
1.A.b.3.1 Sea transport	66	101	-35	70	103	-33
1.A.b.3.2 Air transport	24	44	-21	25	52	-27
1.A.b.3.3 Other modes of transport	50	12	38	49	10	39
1.A.b.3.4 Postal and courier services	–	1	-1	–	1	-1
1.A.b.4 Travel	***160***	***108***	***53***	***156***	***121***	***35***
1.A.b.4.1 Business	–	42	-42	–	41	-41
1.A.b.4.2 Personal	–	66	-66	–	80	-80
1.A.b.4.2.1 Health-related	–	–	–	–	–	–
1.A.b.4.2.2 Education-related	–	26	-26	–	23	-23
1.A.b.4.2.3 Other	–	40	-40	–	57	-57
1.A.b.5 Construction	***7***	***8***	***-1***	***5***	***13***	***-9***
1.A.b.5.1 Construction abroad	7	6	2	5	5	-1
1.A.b.5.2 Construction in the reporting economy	–	3	-3	–	8	-8
1.A.b.6 Insurance and pension services	***18***	***14***	***4***	***19***	***15***	***4***
1.A.b.6.1 Direct insurance	16	2	15	17	7	10
1.A.b.6.2 Reinsurance	2	12	-10	1	7	-6
1.A.b.6.3 Auxiliary insurance services	–	1	–	–	1	–
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***35***	***54***	***-19***	***51***	***70***	***-19***
1.A.b.7.1 Explicitly charged and other financial services	35	54	-19	51	70	-19
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***2***	***27***	***-25***	***2***	***28***	***-26***
1.A.b.9 Telecommunications, computer, and information services	***640***	***47***	***593***	***678***	***34***	***644***
1.A.b.9.1 Telecommunications services	20	14	6	17	15	2
1.A.b.9.2 Computer services	616	16	600	657	14	643
1.A.b.9.3 Information services	5	18	-13	4	5	-1
1.A.b.10 Other business services	***113***	***213***	***-101***	***175***	***256***	***-81***
1.A.b.10.1 Research and development services	4	4	–	10	6	4
1.A.b.10.2 Professional and management consulting services	59	120	-60	86	150	-63
1.A.b.10.3 Technical, trade-related, and other business services	49	89	-40	79	101	-22
1.A.b.11 Personal, cultural, and recreational services	***5***	***2***	***3***	***8***	***3***	***5***
1.A.b.11.1 Audiovisual and related services	4	1	3	7	2	5
1.A.b.11.2 Other personal, cultural, and recreational services	1	1	–	1	1	–
1.A.b.12 Government goods and services n.i.e.	***6***	***6***	***–***	***5***	***7***	***-2***
1.A.b.13 Others n.i.e.	***10***	***104***	***-94***	***29***	***171***	***-141***
1.B Primary Income (1.B.1 to 1.B.3)	**123**	**239**	**-116**	**123**	**228**	**-105**
1.B.1 Compensation of employees	12	24	-13	11	23	-12
1.B.2 Investment income	111	214	-103	113	205	-93
1.B.2.1 Direct investment	69	210	-141	63	202	-139
1.B.2.1.1 Income on equity and investment fund shares	21	142	-121	33	135	-102
1.B.2.1.2 Interest	48	67	-19	30	67	-37
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	5	-5	–	3	-3
1.B.2.4 Reserve assets	42	–	42	49	–	49
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**608**	**24**	**583**	**601**	**23**	**578**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	608	25	582	601	24	577
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	586	21	565	581	19	562
Of which:	–	–	–	–	–	–
1.C.1.1.1 Workers' remittances	318	25	293	318	28	290
1.C.1.2 Other current transfers	22	5	17	20	5	15
2 Capital Account (2.1+2.2)	**18**	**5**	**13**	**6**	**7**	**-1**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	1	–	–	1	1	–
2.2 Capital transfers	18	5	13	6	7	-1
2.2.1 General government	18	5	13	6	7	-1
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	18	5	13	6	7	-1
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2009 (R)			Jan-Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
3 Financial Account (3.1 to 3.5)	**3802**	**3215**	**587**	**4150**	**3597**	**554**
3.1 Direct Investment (3.1A+3.1B)	**416**	**286**	**130**	**370**	**243**	**128**
3.1.A Direct Investment in India	***407***	***68***	***339***	***355***	***74***	***281***
3.1.1 Equity and investment fund shares	*379*	*57*	*321*	*345*	*69*	*276*
3.1.1.1 Equity other than reinvestment of earnings	278	57	220	246	69	176
3.1.1.1.1 Direct investor in direct investment enterprises	278	57	220	246	69	176
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	101	–	101	100	–	100
3.1.2 Debt instruments	*28*	*11*	*17*	*10*	*5*	*5*
3.1.2.1 Direct investor in direct investment enterprises	28	11	17	10	5	5
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***9***	***217***	***-208***	***15***	***169***	***-154***
3.1.1 Equity and investment fund shares	*9*	*182*	*-173*	*15*	*104*	*-89*
3.1.1.1 Equity other than reinvestment of earnings	9	170	-161	15	92	-77
3.1.1.1.1 Direct investor in direct investment enterprises	9	170	-161	15	92	-77
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	13	-13	–	12	-12
3.1.2 Debt instruments	–	*35*	*-35*	–	*64*	*-64*
3.1.2.1 Direct investor in direct investment enterprises	–	35	-35	–	64	-64
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**1647**	**1404**	**243**	**1895**	**1499**	**396**
3.2A Portfolio Investment in India	***1646***	***1401***	***245***	***1884***	***1492***	***392***
3.2.1 Equity and investment fund shares	*1374*	*999*	*375*	*1426*	*985*	*441*
3.2.2 Debt securities	*272*	*402*	*-129*	*458*	*507*	*-49*
3.2.B Portfolio Investment by India	***1***	***3***	***-2***	***11***	***7***	***4***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**1740**	**1443**	**297**	**1885**	**1757**	**129**
3.4.1 Other equity (ADRs/GDRs)	***22***	–	***22***	***7***	–	***7***
3.4.2 Currency and deposits	***502***	***449***	***53***	***444***	***469***	***-25***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	28	3	25	1	–	1
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	475	446	28	444	469	-25
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***492***	***336***	***156***	***530***	***521***	***9***
3.4.3A Loans to India	*481*	*305*	*176*	*515*	*498*	*17*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	205	168	38	208	225	-17
3.4.3.3 General government (External Assistance)	76	33	44	80	29	51
3.4.3.4 Other sectors (External Commercial Borrowings)	200	105	95	227	244	-17
3.4.3B Loans by India	*11*	*32*	*-20*	*14*	*23*	*-8*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	1	5	-4	1	5	-4
3.4.3.4 Other sectors	11	27	-16	14	18	-4
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***649***	***502***	***147***	***795***	***590***	***205***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*649*	*502*	*147*	*795*	*590*	*205*
3.4.6 Other accounts receivable/payable – other	***74***	***156***	***-81***	***110***	***177***	***-67***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**82**	**-82**	–	**98**	**-98**
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)	–	82	-82	–	98	-98
3.5.4.1 Currency,deposits and securities	–	82	-82	–	98	-98
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**3802**	**3215**	**587**	**4150**	**3597**	**554**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	1762	1242	521	1797	1166	631
3.0.2 Debt instruments	1944	1735	209	2237	2156	81
3.0.3 Other financial assets and liabilities	96	238	-142	117	275	-159
4 Net errors and omissions		**20**	**-20**	**27**		**27**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2010 (PR)			July-September 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
1 Current Account (1.A+1.B+1.C)	**4481**	**5057**	**-576**	**4584**	**5370**	**-786**
1.A Goods and Services (1.A.a+1.A.b)	**3726**	**4742**	**-1016**	**3864**	**5030**	**-1167**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**2519**	**3979**	**-1460**	**2419**	**4138**	**-1718**
1.A.a.1 General merchandise on a BOP basis	2523	3687	-1164	2419	3768	-1350
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-5	–	-5	1	–	1
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	292	-292	–	369	-369
1.A.b Services (1.A.b.1 to 1.A.b.13)	**1208**	**763**	**444**	**1444**	**893**	**552**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	**143**	**144**	**–**	**153**	**165**	**-12**
1.A.b.3.1 Sea transport	63	82	-19	76	96	-19
1.A.b.3.2 Air transport	27	52	-25	25	54	-29
1.A.b.3.3 Other modes of transport	54	9	44	51	14	37
1.A.b.3.4 Postal and courier services	–	1	–	1	1	–
1.A.b.4 Travel	**135**	**105**	**29**	**157**	**128**	**29**
1.A.b.4.1 Business	–	39	-39	–	47	-47
1.A.b.4.2 Personal	–	66	-66	–	81	-81
1.A.b.4.2.1 Health-related	–	2	-2	–	–	–
1.A.b.4.2.2 Education-related	–	15	-15	–	31	-31
1.A.b.4.2.3 Other	–	50	-50	–	50	-50
1.A.b.5 Construction	*6*	*16*	*-10*	*8*	*6*	*2*
1.A.b.5.1 Construction abroad	6	9	-4	8	4	4
1.A.b.5.2 Construction in the reporting economy	–	7	-7	–	3	-3
1.A.b.6 Insurance and pension services	*19*	*14*	*5*	*21*	*18*	*3*
1.A.b.6.1 Direct insurance	17	7	11	19	8	11
1.A.b.6.2 Reinsurance	1	7	-5	1	9	-8
1.A.b.6.3 Auxiliary insurance services	–	1	-1	–	1	–
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	*56*	*64*	*-8*	*85*	*89*	*-4*
1.A.b.7.1 Explicitly charged and other financial services	56	64	-8	85	89	-4
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	*2*	*26*	*-24*	*1*	*26*	*-25*
1.A.b.9 Telecommunications, computer, and information services	*581*	*40*	*541*	*602*	*41*	*561*
1.A.b.9.1 Telecommunications services	15	10	4	18	11	7
1.A.b.9.2 Computer services	562	26	536	579	27	552
1.A.b.9.3 Information services	4	3	–	5	3	2
1.A.b.10 Other business services	*212*	*256*	*-44*	*260*	*308*	*-48*
1.A.b.10.1 Research and development services	8	3	5	13	2	11
1.A.b.10.2 Professional and management consulting services	87	109	-22	121	139	-19
1.A.b.10.3 Technical, trade-related, and other business services	116	144	-27	126	166	-41
1.A.b.11 Personal, cultural, and recreational services	*2*	*3*	*-1*	*3*	*5*	*-2*
1.A.b.11.1 Audiovisual and related services	1	2	-1	1	2	-1
1.A.b.11.2 Other personal, cultural, and recreational services	1	2	–	1	3	-1
1.A.b.12 Government goods and services n.i.e.	*4*	*7*	*-2*	*6*	*10*	*-4*
1.A.b.13 Others n.i.e.	*49*	*89*	*-40*	*149*	*97*	*52*
1.B Primary Income (1.B.1 to 1.B.3)	**130**	**288**	**-158**	**92**	**314**	**-222**
1.B.1 Compensation of employees	10	22	-12	11	20	-9
1.B.2 Investment income	120	266	-146	80	294	-214
1.B.2.1 Direct investment	77	262	-185	24	288	-264
1.B.2.1.1 Income on equity and investment fund shares	16	185	-169	18	210	-191
1.B.2.1.2 Interest	61	77	-16	6	78	-72
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	4	-4	–	6	-6
1.B.2.4 Reserve assets	43	–	43	56	–	56
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**625**	**27**	**598**	**628**	**25**	**603**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	625	27	598	628	25	603
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	603	22	581	607	21	586
Of which:	–	–	–	–	–	–
1.C.1.1.1 Workers' remittances	315	22	293	279	21	258
1.C.1.2 Other current transfers	22	5	17	21	4	17
2 Capital Account (2.1+2.2)	**3**	**7**	**-3**	**7**	**6**	**–**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	–	–	–	–	–	–
2.2 Capital transfers	3	6	-4	7	6	–
2.2.1 General government	3	6	-4	7	6	–
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	3	6	-4	7	6	–
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2010 (PR)			July-September 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
3 Financial Account (3.1 to 3.5)	**4338**	**3718**	**620**	**5225**	**4373**	**851**
3.1 Direct Investment (3.1A+3.1B)	**426**	**268**	**159**	**426**	**260**	**166**
3.1.A Direct Investment in India	***413***	***105***	***308***	***399***	***51***	***348***
3.1.1 Equity and investment fund shares	*410*	*104*	*306*	*392*	*48*	*344*
3.1.1.1 Equity other than reinvestment of earnings	273	104	169	253	48	205
3.1.1.1.1 Direct investor in direct investment enterprises	273	104	169	253	48	205
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	136	–	136	139	–	139
3.1.2 Debt instruments	*3*	*1*	*2*	*7*	*3*	*4*
3.1.2.1 Direct investor in direct investment enterprises	3	1	2	7	3	4
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***13***	***163***	***-149***	***27***	***209***	***-182***
3.1.1 Equity and investment fund shares	*13*	*110*	*-96*	*27*	*131*	*-104*
3.1.1.1 Equity other than reinvestment of earnings	13	98	-84	27	119	-92
3.1.1.1.1 Direct investor in direct investment enterprises	13	98	-84	27	119	-92
3.1.1.1.2 Direct investment enterprises in direct investor(reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	12	-12	–	13	-13
3.1.2 Debt instruments	–	*53*	*-53*	–	*78*	*-78*
3.1.2.1 Direct investor in direct investment enterprises	–	53	-53	–	78	-78
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**1960**	**1800**	**159**	**2732**	**1863**	**869**
3.2A Portfolio Investment in India	***1955***	***1794***	***161***	***2725***	***1853***	***872***
3.2.1 Equity and investment fund shares	*1476*	*1374*	*102*	*1690*	*1251*	*438*
3.2.2 Debt securities	*479*	*420*	*59*	*1035*	*601*	*434*
3.2.B Portfolio Investment by India	***4***	***6***	***-2***	***7***	***10***	***-3***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**1952**	**1479**	**473**	**2067**	**2098**	**-31**
3.4.1 Other equity (ADRs/GDRs)	*51*	–	*51*	*23*	–	*23*
3.4.2 Currency and deposits	*514*	*463*	*50*	*543*	*522*	*20*
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	–	1	-1	–	28	-28
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	513	462	51	543	494	49
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***599***	***253***	***346***	***583***	***563***	***20***
3.4.3A Loans to India	*590*	*241*	*349*	*568*	*536*	*32*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	251	118	133	247	415	-167
3.4.3.3 General government (External Assistance)	146	33	112	58	31	27
3.4.3.4 Other sectors (External Commercial Borrowings)	194	89	104	263	91	172
3.4.3B Loans by India	*9*	*12*	*-3*	*15*	*27*	*-12*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	1	1	–	1	1	–
3.4.3.4 Other sectors	8	11	-3	14	26	-12
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***722***	***525***	***197***	***903***	***781***	***122***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	722	525	197	903	781	122
3.4.6 Other accounts receivable/payable—other	***67***	***238***	***-171***	***16***	***231***	***-216***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**171**	**-171**	–	**153**	**-153**
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)	–	171	-171	–	153	-153
3.5.4.1 Currency,deposits and securities	–	171	-171	–	153	-153
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**4338**	**3718**	**620**	**5225**	**4373**	**851**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	1903	1594	309	2116	1440	675
3.0.2 Debt instruments	2317	1716	602	3071	2549	522
3.0.3 Other financial assets and liabilities	118	408	-291	38	384	-346
4 Net errors and omissions		**41**	**-41**		**66**	**-66**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30
1 Current Account (1.A+1.B+1.C)	**5428**	**5882**	**-454**	**5849**	**6135**	**-286**
1.A Goods and Services (1.A.a+1.A.b)	**4702**	**5553**	**-850**	**5102**	**5801**	**-700**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**2960**	**4370**	**-1410**	**3504**	**4864**	**-1360**
1.A.a.1 General merchandise on a BOP basis	2956	4016	-1060	3497	4334	-837
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	4	–	4	7	–	7
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	354	-354	–	530	-530
1.A.b Services (1.A.b.1 to 1.A.b.13)	**1742**	**1182**	**560**	**1598**	**938**	**660**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***167***	***179***	***-12***	***189***	***147***	***41***
1.A.b.3.1 Sea transport	72	102	-30	70	90	-20
1.A.b.3.2 Air transport	26	64	-38	34	48	-13
1.A.b.3.3 Other modes of transport	68	13	56	83	9	75
1.A.b.3.4 Postal and courier services	–	–	–	1	1	–
1.A.b.4 Travel	***199***	***128***	***71***	***205***	***145***	***60***
1.A.b.4.1 Business	–	56	-56	–	84	-84
1.A.b.4.2 Personal	–	72	-72	–	60	-60
1.A.b.4.2.1 Health-related	–	–	–	–	–	–
1.A.b.4.2.2 Education-related	–	20	-20	–	21	-21
1.A.b.4.2.3 Other	–	52	-52	–	39	-39
1.A.b.5 Construction	***6***	***10***	***-4***	***11***	***21***	***-9***
1.A.b.5.1 Construction abroad	6	5	–	11	11	1
1.A.b.5.2 Construction in the reporting economy	–	5	-5	–	10	-10
1.A.b.6 Insurance and pension services	***23***	***18***	***5***	***27***	***14***	***13***
1.A.b.6.1 Direct insurance	21	6	15	25	6	19
1.A.b.6.2 Reinsurance	2	11	-10	1	7	-6
1.A.b.6.3 Auxiliary insurance services	–	1	–	–	1	–
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***76***	***88***	***-12***	***80***	***100***	***-20***
1.A.b.7.1 Explicitly charged and other financial services	76	88	-12	80	100	-20
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***1***	***31***	***-30***	***5***	***27***	***-22***
1.A.b.9 Telecommunications, computer, and information services	***695***	***50***	***645***	***743***	***39***	***704***
1.A.b.9.1 Telecommunications services	19	13	6	17	15	2
1.A.b.9.2 Computer services	661	32	630	721	15	707
1.A.b.9.3 Information services	14	5	9	4	10	-5
1.A.b.10 Other business services	***303***	***347***	***-44***	***265***	***304***	***-40***
1.A.b.10.1 Research and development services	10	4	7	9	2	7
1.A.b.10.2 Professional and management consulting services	140	153	-12	135	145	-10
1.A.b.10.3 Technical, trade-related, and other business services	152	191	-38	121	157	-36
1.A.b.11 Personal, cultural, and recreational services	***2***	***10***	***-8***	***3***	***6***	***-3***
1.A.b.11.1 Audiovisual and related services	1	2	–	2	1	1
1.A.b.11.2 Other personal, cultural, and recreational services	1	9	-8	1	5	-4
1.A.b.12 Government goods and services n.i.e.	***7***	***9***	***-2***	***7***	***13***	***-5***
1.A.b.13 Others n.i.e.	***265***	***311***	***-47***	***63***	***122***	***-59***
1.B Primary Income (1.B.1 to 1.B.3)	**94**	**300**	**-206**	**99**	**301**	**-202**
1.B.1 Compensation of employees	13	25	-13	16	25	-9
1.B.2 Investment income	81	275	-194	82	276	-194
1.B.2.1 Direct investment	40	272	-232	33	272	-239
1.B.2.1.1 Income on equity and investment fund shares	32	195	-163	26	177	-151
1.B.2.1.2 Interest	8	77	-69	7	95	-88
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	3	-3	–	3	-3
1.B.2.4 Reserve assets	41	–	41	49	–	49
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**632**	**29**	**603**	**649**	**33**	**616**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	632	29	603	649	33	616
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	609	24	585	621	28	593
Of which:	–	–	–	–	–	–
1.C.1.1.1 Workers' remittances	324	24	300	330	28	302
1.C.1.2 Other current transfers	23	5	18	28	5	23
2 Capital Account (2.1+2.2)	**15**	**9**	**6**	**6**	**7**	**-1**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	–	–	–	1	–	1
2.2 Capital transfers	15	9	6	5	7	-2
2.2.1 General government	15	9	6	5	7	-2
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	15	9	6	5	7	-2
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30
3 Financial Account (3.1 to 3.5)	**7822**	**7380**	**443**	**5319**	**4995**	**323**
3.1 Direct Investment (3.1A+3.1B)	**423**	**369**	**54**	**341**	**290**	**51**
3.1.A Direct Investment in India	***374***	***99***	***275***	***314***	***64***	***249***
3.1.1 Equity and investment fund shares	*370*	*83*	*286*	*299*	*61*	*238*
3.1.1.1 Equity other than reinvestment of earnings	236	83	152	163	61	103
3.1.1.1.1 Direct investor in direct investment enterprises	236	83	152	163	61	103
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	134	–	134	135	–	135
3.1.2 Debt instruments	*5*	*15*	*-11*	*15*	*4*	*12*
3.1.2.1 Direct investor in direct investment enterprises	5	15	-11	15	4	12
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***49***	***271***	***-222***	***27***	***226***	***-198***
3.1.1 Equity and investment fund shares	*49*	*162*	*-113*	*27*	*126*	*-99*
3.1.1.1 Equity other than reinvestment of earnings	49	150	-101	27	114	-86
3.1.1.1.1 Direct investor in direct investment enterprises	49	150	-101	27	114	-86
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	12	-12	–	12	-12
3.1.2 Debt instruments	–	*109*	*-109*	–	*100*	*-100*
3.1.2.1 Direct investor in direct investment enterprises	–	109	-109	–	100	-100
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**4556**	**4284**	**272**	**2201**	**2202**	**-1**
3.2A Portfolio Investment in India	***4550***	***4229***	***321***	***2184***	***2185***	***-2***
3.2.1 Equity and investment fund shares	*3797*	*3386*	*412*	*1562*	*1648*	*-87*
3.2.2 Debt securities	*753*	*843*	*-91*	*622*	*537*	*85*
3.2.B Portfolio Investment by India	***6***	***55***	***-49***	***18***	***17***	***1***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**2843**	**2547**	**296**	**2776**	**2411**	**365**
3.4.1 Other equity (ADRs/GDRs)	***10***	–	***10***	***10***	–	***10***
3.4.2 Currency and deposits	***568***	***555***	***12***	***696***	***607***	***89***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	4	–	4	73	25	48
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	564	555	8	623	583	40
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***1289***	***856***	***433***	***858***	***814***	***44***
3.4.3A Loans to India	*1263*	*845*	*418*	*822*	*791*	*31*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	917	710	208	458	582	-124
3.4.3.3 General government (External Assistance)	86	34	52	65	31	34
3.4.3.4 Other sectors (External Commercial Borrowings)	259	101	158	299	178	120
3.4.3B Loans by India	*26*	*11*	*15*	*37*	*23*	*13*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	1	1	–	1	1	–
3.4.3.4 Other sectors	26	10	16	36	22	13
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***823***	***762***	***60***	***1003***	***880***	***123***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	823	762	60	1003	880	123
3.4.6 Other accounts receivable/payable – other	***154***	***374***	***-221***	***209***	***109***	***100***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**179**	**-179**	–	**92**	**-92**
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)	–	179	-179	–	92	-92
3.5.4.1 Currency,deposits and securities	–	179	-179	–	92	-92
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**7822**	**7380**	**443**	**5319**	**4995**	**323**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	4222	3686	536	1905	1852	53
3.0.2 Debt instruments	3436	3140	296	3194	2942	252
3.0.3 Other financial assets and liabilities	164	553	-389	219	201	18
4 Net errors and omissions	**5**		**5**		**36**	**-36**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2011 (PR)			July-September 2011 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
1 Current Account (1.A+1.B+1.C)	**5621**	**6329**	**-708**	**5970**	**6743**	**-773**
1.A Goods and Services (1.A.a+1.A.b)	**4819**	**5994**	**-1175**	**5061**	**6362**	**-1301**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**3328**	**5193**	**-1865**	**3507**	**5517**	**-2011**
1.A.a.1 General merchandise on a BOP basis	3323	4473	-1150	3506	4943	-1437
1.A.a.1.1 Re-exports						–
1.A.a.2 Net exports of goods under merchanting	5	–	5	1	–	1
1.A.a.2.1 Goods acquired under merchanting (negative credits)						–
1.A.a.2.2 Goods sold under merchanting						–
1.A.a.3 Nonmonetary gold	–	720	-720	–	574	-574
1.A.b Services (1.A.b.1 to 1.A.b.13)	**1491**	**801**	**689**	**1555**	**845**	**710**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy						
1.A.b.1.2 Goods for processing abroad						
1.A.b.2 Maintenance and repair services n.i.e.						
1.A.b.3 Transport	***194***	***180***	***14***	***201***	***167***	***34***
1.A.b.3.1 Sea transport	83	115	-32	74	104	-30
1.A.b.3.2 Air transport	31	53	-23	40	47	-7
1.A.b.3.3 Other modes of transport	80	11	69	87	15	73
1.A.b.3.4 Postal and courier services	–	1	-1	–	1	-1
1.A.b.4 Travel	***184***	***156***	***29***	***213***	***164***	***49***
1.A.b.4.1 Business		84	-84		78	-78
1.A.b.4.2 Personal		72	-72		86	-86
1.A.b.4.2.1 Health-related		–	–		1	-1
1.A.b.4.2.2 Education-related		15	-15		29	-29
1.A.b.4.2.3 Other		57	-57		57	-57
1.A.b.5 Construction	***11***	***9***	***2***	***6***	***14***	***-9***
1.A.b.5.1 Construction abroad	11	5	6	6	8	-2
1.A.b.5.2 Construction in the reporting economy	–	4	-4	–	7	-7
1.A.b.6 Insurance and pension services	***25***	***13***	***12***	***28***	***19***	***9***
1.A.b.6.1 Direct insurance	24	4	20	26	7	19
1.A.b.6.2 Reinsurance	1	9	-7	1	10	-9
1.A.b.6.3 Auxiliary insurance services	–	1	–	1	2	-1
1.A.b.6.4 Pension and standardized guarantee services						
1.A.b.7 Financial services	***57***	***79***	***-22***	***72***	***103***	***-30***
1.A.b.7.1 Explicitly charged and other financial services	57	79	-22	72	103	-30
1.A.b.7.2 Financial intermediation services indirectly measured						
1.A.b.8 Charges for the use of intellectual property n.i.e.	***2***	***27***	***-25***	***4***	***32***	***-28***
1.A.b.9 Telecommunications, computer, and information services	***713***	***40***	***673***	***718***	***31***	***687***
1.A.b.9.1 Telecommunications services	16	18	-2	21	13	8
1.A.b.9.2 Computer services	696	14	682	696	14	682
1.A.b.9.3 Information services	1	9	-7	1	4	-3
1.A.b.10 Other business services	***225***	***269***	***-45***	***233***	***278***	***-45***
1.A.b.10.1 Research and development services	7	2	5	9	1	7
1.A.b.10.2 Professional and management consulting services	108	115	-7	106	94	12
1.A.b.10.3 Technical, trade-related, and other business services	109	152	-43	119	183	-64
1.A.b.11 Personal, cultural, and recreational services	***4***	***4***	***–***	***5***	***4***	***1***
1.A.b.11.1 Audiovisual and related services	1	1	–	1	1	–
1.A.b.11.2 Other personal, cultural, and recreational services	2	2	–	4	3	1
1.A.b.12 Government goods and services n.i.e.	***6***	***9***	***-3***	***7***	***8***	***-1***
1.A.b.13 Others n.i.e.	***70***	***15***	***54***	***68***	***25***	***43***
1.B Primary Income (1.B.1 to 1.B.3)	**110**	**305**	**-195**	**139**	**352**	**-214**
1.B.1 Compensation of employees	26	18	8	33	22	10
1.B.2 Investment income	84	286	-203	106	330	-224
1.B.2.1 Direct investment	47	284	-236	46	327	-282
1.B.2.1.1 Income on equity and investment fund shares	31	178	-147	32	223	-191
1.B.2.1.2 Interest	16	105	-89	14	104	-90
1.B.2.2 Portfolio investment						
1.B.2.3 Other investment	–	2	-2	–	2	-2
1.B.2.4 Reserve assets	36	–	36	60	–	60
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**693**	**31**	**662**	**770**	**28**	**741**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	693	32	661	770	28	741
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	665	26	639	743	24	719
Of which:						
1.C.1.1.1 Workers' remittances	330	26	303	369	24	345
1.C.1.2 Other current transfers	28	6	22	27	4	23
2 Capital Account (2.1+2.2)	**2**	**14**	**-12**	**19**	**7**	**11**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	–	8	-8	12	1	12
2.2 Capital transfers	2	7	-4	6	7	-1
2.2.1 General government	2	7	-4	6	7	-1
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	2	7	-4	6	7	-1
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(₹ Billion)

Item	April-June 2011 (PR)			July-September 2011 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
3 Financial Account (3.1 to 3.5)	***5740***	***4964***	***776***	**5290**	**4471**	**819**
3.1 Direct Investment (3.1A+3.1B)	***818***	***464***	***355***	**448**	**247**	**201**
3.1.A Direct Investment in India	***800***	***204***	***596***	***431***	***98***	***333***
3.1.1 Equity and investment fund shares	*734*	*189*	*545*	*397*	*92*	*305*
3.1.1.1 Equity other than reinvestment of earnings	612	189	423	272	92	180
3.1.1.1.1 Direct investor in direct investment enterprises	612	189	423	272	92	180
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.1.1.3 Between fellow enterprises						
3.1.1.2 Reinvestment of earnings	122	–	122	125	–	125
3.1.2 Debt instruments	*66*	*15*	*51*	*34*	*6*	*28*
3.1.2.1 Direct investor in direct investment enterprises	66	15	51	34	6	28
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.2.3 Between fellow enterprises						
3.1.B Direct Investment by India	***18***	***260***	***-242***	***17***	***149***	***-133***
3.1.1 Equity and investment fund shares	*18*	*75*	*-57*	*17*	*85*	*-68*
3.1.1.1 Equity other than reinvestment of earnings	18	63	-45	17	72	-56
3.1.1.1.1 Direct investor in direct investment enterprises	18	63	-45	17	72	-56
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.1.1.3 Between fellow enterprises						
3.1.1.2 Reinvestment of earnings	–	12	-12	–	12	-12
3.1.2 Debt instruments	–	*185*	*-185*	–	*65*	*-65*
3.1.2.1 Direct investor in direct investment enterprises	–	185	-185	–	65	-65
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.2.3 Between fellow enterprises						
3.2 Portfolio Investment	**2165**	**2064**	**101**	**1969**	**2034**	**-64**
3.2A Portfolio Investment in India	***2161***	***2050***	***111***	***1948***	***2021***	***-73***
3.2.1 Equity and investment fund shares	*1490*	*1415*	*75*	*1386*	*1465*	*-79*
3.2.2 Debt securities	*671*	*635*	*36*	*562*	*556*	*6*
3.2.B Portfolio Investment by India	***4***	***14***	***-9***	***21***	***12***	***9***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**2757**	**2193**	**564**	**2873**	**2177**	**695**
3.4.1 Other equity (ADRs/GDRs)	***12***	–	***12***	***9***	–	***9***
3.4.2 Currency and deposits	***560***	***508***	***52***	***691***	***564***	***126***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	1	1	–	–	1	-1
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	558	507	51	691	563	128
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***1094***	***402***	***692***	***824***	***309***	***515***
3.4.3A Loans to India	*1078*	*387*	*691*	*772*	*286*	*486*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	726	212	515	231	52	179
3.4.3.3 General government (External Assistance)	55	37	17	49	34	15
3.4.3.4 Other sectors (External Commercial Borrowings)	297	138	159	492	201	291
3.4.3B Loans by India	*16*	*15*	*1*	*52*	*23*	*29*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	1	1	–	1	1	–
3.4.3.4 Other sectors	15	14	1	51	21	30
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***1080***	***943***	***137***	***1209***	***1077***	***131***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*1080*	*943*	*137*	*1209*	*1077*	*131*
3.4.6 Other accounts receivable/payable – other	***10***	***340***	***-330***	***140***	***227***	***-87***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**243**	**-243**	–	**13**	**-13**
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)	–	243	-243	–	13	-13
3.5.4.1 Currency,deposits and securities	–	243	-243	–	13	-13
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**5740**	**4964**	**776**	**5290**	**4471**	**819**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	2246	1692	554	1821	1655	167
3.0.2 Debt instruments	3471	2688	783	3319	2577	742
3.0.3 Other financial assets and liabilities	23	583	-560	149	239	-90
4 Net errors and omissions		**56**	**-56**		**57**	**-57**

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Concld.)*

(₹ Billion)

Item	April-September 2011 (P)			Apr-Sept 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	37	38	39	40	41	42
1 Current Account (1.A+1.B+1.C)	**11591**	**13072**	**-1481**	**10012**	**11251**	**-1240**
1.A Goods and Services (1.A.a+1.A.b)	**9880**	**12356**	**-2476**	**8566**	**10583**	**-2017**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**6835**	**10710**	**-3875**	**5380**	**8508**	**-3128**
1.A.a.1 General merchandise on a BOP basis	6829	9416	-2588	5375	7784	-2409
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	6	–	6	5	–	5
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	1294	-1294	–	724	-724
1.A.b Services (1.A.b.1 to 1.A.b.13)	**3045**	**1646**	**1399**	**3186**	**2075**	**1112**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy						
1.A.b.1.2 Goods for processing abroad						
1.A.b.2 Maintenance and repair services n.i.e.						
1.A.b.3 Transport	***395***	***347***	***48***	***320***	***344***	***-24***
1.A.b.3.1 Sea transport	157	219	-62	148	197	-49
1.A.b.3.2 Air transport	70	101	-30	51	118	-67
1.A.b.3.3 Other modes of transport	167	25	142	119	27	92
1.A.b.3.4 Postal and courier services	–	2	-2	1	2	–
1.A.b.4 Travel	***397***	***319***	***78***	***356***	***256***	***100***
1.A.b.4.1 Business		161	-161		103	-103
1.A.b.4.2 Personal		158	-158		153	-153
1.A.b.4.2.1 Health-related		1	-1		1	-1
1.A.b.4.2.2 Education-related		44	-44		50	-50
1.A.b.4.2.3 Other		114	-114		102	-102
1.A.b.5 Construction	***17***	***24***	***-7***	***14***	***16***	***-2***
1.A.b.5.1 Construction abroad	17	13	4	14	9	5
1.A.b.5.2 Construction in the reporting economy	–	10	-10	–	7	-7
1.A.b.6 Insurance and pension services	***53***	***33***	***21***	***43***	***36***	***7***
1.A.b.6.1 Direct insurance	50	11	38	40	14	25
1.A.b.6.2 Reinsurance	3	19	-16	3	20	-17
1.A.b.6.3 Auxiliary insurance services	1	2	-1	1	1	-1
1.A.b.6.4 Pension and standardized guarantee services						
1.A.b.7 Financial services	***129***	***181***	***-53***	***160***	***177***	***-16***
1.A.b.7.1 Explicitly charged and other financial services	129	181	-53	160	177	-16
1.A.b.7.2 Financial intermediation services indirectly measured						
1.A.b.8 Charges for the use of intellectual property n.i.e.	***5***	***59***	***-53***	***2***	***57***	***-55***
1.A.b.9 Telecommunications, computer, and information services	***1431***	***71***	***1360***	***1297***	***91***	***1205***
1.A.b.9.1 Telecommunications services	37	31	6	37	24	13
1.A.b.9.2 Computer services	1392	28	1364	1240	59	1181
1.A.b.9.3 Information services	2	13	-10	19	8	11
1.A.b.10 Other business services	***458***	***548***	***-90***	***563***	***655***	***-93***
1.A.b.10.1 Research and development services	16	3	12	23	6	17
1.A.b.10.2 Professional and management consulting services	214	209	5	261	292	-31
1.A.b.10.3 Technical, trade-related, and other business services	228	335	-107	278	357	-79
1.A.b.11 Personal, cultural, and recreational services	***9***	***7***	***2***	***5***	***15***	***-10***
1.A.b.11.1 Audiovisual and related services	3	2	–	3	4	-1
1.A.b.11.2 Other personal, cultural, and recreational services	6	5	1	2	11	-9
1.A.b.12 Government goods and services n.i.e.	***13***	***17***	***-4***	***13***	***18***	***-6***
1.A.b.13 Others n.i.e.	***138***	***40***	***98***	***414***	***408***	***6***
1.B Primary Income (1.B.1 to 1.B.3)	**249**	**657**	**-409**	**186**	**615**	**-429**
1.B.1 Compensation of employees	59	41	18	24	46	-21
1.B.2 Investment income	190	616	-427	161	569	-408
1.B.2.1 Direct investment	93	611	-518	64	559	-495
1.B.2.1.1 Income on equity and investment fund shares	63	402	-339	51	405	-354
1.B.2.1.2 Interest	30	209	-179	13	155	-141
1.B.2.2 Portfolio investment						
1.B.2.3 Other investment	–	5	-5	–	9	-9
1.B.2.4 Reserve assets	97	1	96	97	–	97
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**1463**	**59**	**1403**	**1260**	**54**	**1206**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	1463	60	1402	1260	54	1206
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	1408	51	1357	1216	45	1171
Of which:						
1.C.1.1.1 Workers' remittances	699	51	648	603	45	558
1.C.1.2 Other current transfers	55	10	45	44	9	35
2 Capital Account (2.1+2.2)	**21**	**22**	**-1**	**22**	**16**	**6**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	13	8	4	–	–	–
2.2 Capital transfers	8	13	-5	22	15	7
2.2.1 General government	8	13	-5	22	15	7
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	8	13	-5	22	15	7
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 40A: Standard Presentation of BoP in India as per BPM6 *(Concld.)*

(₹ Billion)

Item	April-September 2011 (P)			Apr-Sept 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	37	38	39	40	41	42
3 Financial Account (3.1 to 3.5)	**11030**	**9434**	**1595**	**13047**	**11753**	**1294**
3.1 Direct Investment (3.1A+3.1B)	**1266**	**711**	**555**	**849**	**629**	**219**
3.1.A Direct Investment in India	***1231***	***302***	***929***	***773***	***150***	***624***
3.1.1 Equity and investment fund shares	*1132*	*281*	*850*	*762*	*132*	*630*
3.1.1.1 Equity other than reinvestment of earnings	885	281	603	489	132	358
3.1.1.1.1 Direct investor in direct investment enterprises	885	281	603	489	132	358
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.1.1.3 Between fellow enterprises						
3.1.1.2 Reinvestment of earnings	247	–	247	273	–	273
3.1.2 Debt instruments	*99*	*20*	*79*	*11*	*18*	*-7*
3.1.2.1 Direct investor in direct investment enterprises	99	20	79	11	18	-7
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.2.3 Between fellow enterprises						
3.1.B Direct Investment by India	***35***	***409***	***-374***	***75***	***480***	***-404***
3.1.1 Equity and investment fund shares	*35*	*160*	*-125*	*75*	*293*	*-217*
3.1.1.1 Equity other than reinvestment of earnings	35	135	-100	75	268	-193
3.1.1.1.1 Direct investor in direct investment enterprises	35	135	-100	75	268	-193
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.1.1.3 Between fellow enterprises						
3.1.1.2 Reinvestment of earnings	–	25	-25	–	25	-25
3.1.2 Debt instruments	–	*249*	*-249*	–	*187*	*-187*
3.1.2.1 Direct investor in direct investment enterprises	–	249	-249	–	187	-187
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)						
3.1.2.3 Between fellow enterprises						
3.2 Portfolio Investment	**4134**	**4097**	**37**	**7288**	**6147**	**1141**
3.2A Portfolio Investment in India	***4109***	***4071***	***38***	***7275***	***6082***	***1193***
3.2.1 Equity and investment fund shares	*2876*	*2880*	*-4*	*5487*	*4637*	*850*
3.2.2 Debt securities	*1233*	*1191*	*42*	*1788*	*1445*	*343*
3.2.B Portfolio Investment by India	***25***	***26***	***-1***	***13***	***65***	***-52***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**5629**	**4370**	**1259**	**4910**	**4645**	**265**
3.4.1 Other equity (ADRs/GDRs)	***22***	–	***22***	***33***	–	***33***
3.4.2 Currency and deposits	***1250***	***1072***	***178***	***1110***	***1078***	***33***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	1	2	-1	4	28	-24
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	1249	1070	179	1106	1049	57
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***1918***	***711***	***1207***	***1872***	***1419***	***453***
3.4.3A Loans to India	*1850*	*673*	*1177*	*1831*	*1381*	*450*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	958	264	694	1165	1125	40
3.4.3.3 General government (External Assistance)	103	71	32	144	65	80
3.4.3.4 Other sectors (External Commercial Borrowings)	789	338	450	522	192	331
3.4.3B Loans by India	*68*	*38*	*30*	*41*	*38*	*3*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	2	2	-1	2	2	-1
3.4.3.4 Other sectors	66	36	31	39	36	4
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***2289***	***2020***	***269***	***1725***	***1543***	***182***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*2289*	*2020*	*269*	1725	1543	182
3.4.6 Other accounts receivable/payable – other	***150***	***566***	***-416***	***169***	***605***	***-436***
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	–	**256**	**-256**	–	**332**	**-332**
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)	–	256	-256	–	332	-332
3.5.4.1 Currency,deposits and securities	–	256	-256	–	332	-332
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**11030**	**9434**	**1595**	**13047**	**11753**	**1294**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	4068	3347	721	6338	5127	1211
3.0.2 Debt instruments	6790	5265	1525	6507	5689	818
3.0.3 Other financial assets and liabilities	172	822	-650	203	937	-735
4 Net errors and omissions		**113**	**-113**		**60**	**-60**

Note: The comparable figures in new and old formats may not entirely agree due to rounding off. Total of subcomponents may not tally with aggregate due to rounding off.

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

No. 41: India's Overall Balance of Payments

(US$ million)

Item	2007-08 (R)			2008-09 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
A. CURRENT ACCOUNT						
I. MERCHANDISE	**1,66,162**	**2,57,629**	**-91,467**	**1,89,001**	**3,08,520**	**-1,19,519**
II. INVISIBLES (a+b+c)	**1,48,875**	**73,144**	**75,731**	**1,67,819**	**76,214**	**91,604**
a) Services	90,342	51,490	38,853	1,05,963	52,047	53,916
i) Travel	11,349	9,258	2,091	10,894	9,425	1,469
ii) Transportation	10,014	11,514	-1,500	11,310	12,820	-1,509
iii) Insurance	1,639	1,044	595	1,422	1,130	292
iv) G.n.i.e.	331	376	-45	389	793	-404
v) Miscellaneous	67,010	29,298	37,712	81,947	27,879	54,069
of which						
Software Services	40,300	3,358	36,942	46,300	2,564	43,736
Business Services	16,772	16,553	219	18,602	15,318	3,285
Financial Services	3,217	3,133	84	4,428	2,958	1,469
Communication Services	2,408	860	1,548	2,298	1,087	1,211
b) Transfers	44,261	2,316	41,945	47,547	2,749	44,798
i) Official	753	514	239	645	413	232
ii) Private	43,508	1,802	41,706	46,903	2,336	44,567
c) Income	14,272	19,339	-5,068	14,309	21,419	-7,110
i) Investment Income	13,811	18,244	-4,433	13,483	20,109	-6,626
ii) Compensation of Employees	461	1,095	-635	825	1,309	-484
Total Current Account (I+II)	**3,15,037**	**3,30,774**	**-15,737**	**3,56,820**	**3,84,735**	**-27,914**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**2,71,122**	**2,27,796**	**43,326**	**1,71,660**	**1,63,318**	**8,342**
a) Foreign Direct Investment (i+ii)	37,321	21,429	15,893	43,006	20,634	22,372
i) In India	34,844	116	34,728	41,903	166	41,738
Equity	26,865	108	26,757	32,096	166	31,930
Reinvested Earnings	7,679	–	7,679	9,030	–	9,030
Other Capital	300	8	292	777	–	777
ii) Abroad	2,477	21,312	-18,835	1,103	20,468	-19,365
Equity	2,477	16,899	-14,422	1,103	13,283	-12,181
Reinvested Earnings	–	1,084	-1,084	–	1,084	-1,084
Other Capital	–	3,330	-3,330	–	6,100	-6,100
b) Portfolio Investment	2,33,800	2,06,367	27,433	1,28,654	1,42,685	-14,030
i) In India	2,33,564	2,06,294	27,270	1,28,512	1,42,365	-13,853
of which						
FIIs	2,26,621	2,06,294	20,327	1,27,349	1,49,366	-15,017
ADR/GDRs	6,645	–	6,645	1,162	–	1,162
ii) Abroad	236	73	163	142	319	-177
2. Loans (a+b+c)	**82,192**	**41,539**	**40,653**	**62,217**	**53,902**	**8,314**
a) External Assistance	4,241	2,126	2,114	5,230	2,792	2,439
i) By India	23	28	-4	71	417	-347
ii) To India	4,217	2,098	2,119	5,159	2,374	2,785
b) Commercial Borrowings	30,293	7,684	22,609	15,222	7,361	7,861
i) By India	1,593	1,624	-31	1,997	783	1,214
ii) To India	28,700	6,060	22,640	13,225	6,578	6,647
c) Short Term to India	47,658	31,729	15,930	41,765	43,750	-1,985
i) Suppliers' Credit > 180 days & Buyers' Credit	42,641	31,729	10,913	38,815	38,352	463
ii) Suppliers' Credit up to 180 days	5,017	–	5,017	2,950	5,398	-2,448
3. Banking Capital (a+b)	**55,814**	**44,055**	**11,759**	**65,207**	**68,453**	**-3,245**
a) Commercial Banks	55,735	43,623	12,112	65,094	67,868	-2,774
i) Assets	19,562	12,668	6,894	25,823	28,725	-2,902
ii) Liabilities	36,173	30,955	5,217	39,270	39,142	128
of which: Non-Resident Deposits	29,400	29,222	179	37,147	32,858	4,290
b) Others	79	432	-353	114	585	-471
4. Rupee Debt Service	**–**	**122**	**-122**	**–**	**100**	**-100**
5. Other Capital	**29,229**	**18,261**	**10,969**	**16,685**	**22,602**	**-5,916**
Total Capital Account (1 to 5)	**4,38,357**	**3,31,772**	**1,06,585**	**3,15,770**	**3,08,375**	**7,395**
C. Errors & Omissions	**1,316**	**–**	**1,316**	**440**	**–**	**440**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**7,54,710**	**6,62,546**	**92,164**	**6,73,030**	**6,93,109**	**-20,080**
E. Monetary Movements (i+ii)	**–**	**92,164**	**-92,164**	**20,080**	**–**	**20,080**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	92,164	-92,164	20,080	–	20,080
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	2009-10 (R)			2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
A. CURRENT ACCOUNT						
I. MERCHANDISE	**1,82,442**	**3,00,644**	**-1,18,203**	**2,50,468**	**3,81,061**	**-1,30,593**
II. INVISIBLES (a+b+c)	**1,63,430**	**83,408**	**80,022**	**1,98,248**	**1,13,600**	**84,647**
a) Services	96,045	60,029	36,016	1,32,880	84,064	48,816
i) Travel	11,859	9,343	2,517	15,275	11,108	4,167
ii) Transportation	11,178	11,933	-756	14,271	13,880	391
iii) Insurance	1,591	1,285	306	1,948	1,400	549
iv) G.n.i.e.	441	525	-84	535	820	-285
v) Miscellaneous	70,977	36,944	34,033	1,00,851	56,856	43,995
of which						
Software Services	49,705	1,468	48,237	55,460	2,194	53,265
Business Services	11,321	18,049	-6,728	24,050	27,765	-3,715
Financial Services	3,693	4,642	-950	6,508	7,483	-975
Communication Services	1,228	1,355	-127	1,562	1,152	410
b) Transfers	54,363	2,318	52,045	56,265	3,125	53,140
i) Official	727	473	254	647	631	16
ii) Private	53,636	1,845	51,791	55,618	2,494	53,125
c) Income	13,022	21,061	-8,038	9,102	26,412	-17,309
i) Investment Income	12,108	19,355	-7,248	7,986	24,384	-16,398
ii) Compensation of Employees	915	1,705	-791	1,116	2,028	-912
Total Current Account (I+II)	**3,45,872**	**3,84,052**	**-38,181**	**4,48,716**	**4,94,661**	**-45,945**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**1,98,653**	**1,48,291**	**50,362**	**2,89,416**	**2,49,763**	**39,652**
a) Foreign Direct Investment (i+ii)	38,484	20,518	17,966	35,464	26,104	9,360
i) In India	37,746	4,637	33,109	32,902	7,018	25,884
Equity	27,146	4,241	22,905	20,304	6,514	13,791
Reinvested Earnings	8,669	–	8,669	11,939	–	11,939
Other Capital	1,931	396	1,535	658	504	154
ii) Abroad	738	15,881	-15,143	2,562	19,086	-16,524
Equity	738	10,609	-9,871	2,562	10,537	-7,975
Reinvested Earnings	–	1,084	-1,084	–	1,084	-1,084
Other Capital	–	4,188	-4,188	–	7,465	-7,465
b) Portfolio Investment	1,60,169	1,27,773	32,396	2,53,952	2,23,660	30,293
i) In India	1,59,897	1,27,521	32,376	2,53,175	2,21,704	31,471
of which						
FIIs	1,56,570	1,27,521	29,049	2,51,125	2,21,704	29,422
ADR/GDRs	3,328	–	3,328	2,049	–	2,049
ii) Abroad	272	252	20	777	1,956	-1,179
2. Loans (a+b+c)	**74,163**	**61,716**	**12,447**	**1,07,726**	**79,289**	**28,437**
a) External Assistance	5,897	3,007	2,890	7,882	2,941	4,941
i) By India	51	422	-371	76	102	-26
ii) To India	5,846	2,585	3,261	7,806	2,840	4,967
b) Commercial Borrowings	15,003	13,003	2,000	24,113	11,606	12,506
i) By India	973	1,505	-531	1,840	1,513	328
ii) To India	14,029	11,498	2,531	22,272	10,094	12,179
c) Short Term to India	53,264	45,706	7,558	75,732	64,742	10,990
i) Suppliers' Credit > 180 days & Buyers' Credit	48,571	43,914	4,657	72,086	64,742	7,344
ii) Suppliers' Credit up to 180 days	4,693	1,792	2,901	3,646	–	3,646
3. Banking Capital (a+b)	**61,499**	**59,416**	**2,083**	**92,323**	**87,361**	**4,962**
a) Commercial Banks	60,893	58,966	1,927	90,621	86,189	4,433
i) Assets	17,097	15,259	1,838	35,369	38,666	-3,297
ii) Liabilities	43,796	43,707	88	55,252	47,523	7,730
of which: Non-Resident Deposits	41,355	38,433	2,922	49,252	46,014	3,238
b) Others	606	449	157	1,702	1,172	529
4. Rupee Debt Service	**–**	**97**	**-97**	**–**	**68**	**-68**
5. Other Capital	**11,451**	**24,613**	**-13,162**	**9,890**	**20,885**	**-10,994**
Total Capital Account (1 to 5)	**3,45,766**	**2,94,132**	**51,634**	**4,99,355**	**4,37,366**	**61,989**
C. Errors & Omissions	**–**	**12**	**-12**	**–**	**2,993**	**-2,993**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**6,91,638**	**6,78,197**	**13,441**	**9,48,071**	**9,35,021**	**13,050**
E. Monetary Movements (i+ii)	**–**	**13,441**	**-13,441**	**–**	**13,050**	**-13,050**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	13,441	-13,441	–	13,050	-13,050
of which: SDR allocation	–	5,160	-5,160	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Apr-Jun 2008 (R)			Jul-Sep 2008 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
A. CURRENT ACCOUNT						
I. MERCHANDISE	**57,454**	**82,655**	**-25,200**	**53,630**	**92,752**	**-39,121**
II. INVISIBLES (a+b+c)	**39,985**	**18,186**	**21,799**	**46,919**	**20,062**	**26,857**
a) Services	23,616	12,344	11,271	29,001	13,525	15,476
i) Travel	2,504	2,164	341	2,786	2,711	75
ii) Transportation	2,615	3,328	-713	3,041	3,751	-710
iii) Insurance	350	227	123	377	306	71
iv) G.n.i.e.	130	110	19	81	95	-14
v) Miscellaneous	18,017	6,515	11,501	22,716	6,662	16,054
of which						
Software Services	12,081	844	11,237	12,120	685	11,435
Business Services	4,087	3,217	869	5,410	3,916	1,494
Financial Services	615	620	-5	1,673	966	707
Communication Services	510	227	284	740	296	444
b) Transfers	12,797	654	12,143	13,773	831	12,942
i) Official	148	107	40	51	97	-46
ii) Private	12,649	547	12,102	13,722	734	12,988
c) Income	3,573	5,187	-1,615	4,145	5,706	-1,561
i) Investment Income	3,418	4,859	-1,441	3,855	5,375	-1,520
ii) Compensation of Employees	155	328	-174	290	331	-41
Total Current Account (I+II)	**97,440**	**1,00,841**	**-3,401**	**1,00,549**	**1,12,814**	**-12,264**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**53,674**	**48,936**	**4,737**	**52,550**	**47,702**	**4,848**
a) Foreign Direct Investment (i+ii)	12,906	3,962	8,944	9,920	3,761	6,159
i) In India	12,670	21	12,649	9,604	52	9,552
Equity	10,248	21	10,227	7,312	52	7,260
Reinvested Earnings	2,258	–	2,258	2,258	–	2,258
Other Capital	164	–	164	34	–	34
ii) Abroad	236	3,940	-3,705	316	3,709	-3,393
Equity	236	2,519	-2,283	316	2,775	-2,460
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	1,151	-1,151	–	662	-662
b) Portfolio Investment	40,768	44,975	-4,207	42,630	43,942	-1,311
i) In India	40,745	44,923	-4,177	42,618	43,919	-1,302
of which						
FIIs	39,746	44,923	-5,177	42,482	43,919	-1,437
ADR/GDRs	999	–	999	136	–	136
ii) Abroad	22	52	-29	13	22	-10
2. Loans (a+b+c)	**15,900**	**9,705**	**6,195**	**16,305**	**13,739**	**2,566**
a) External Assistance	940	656	284	1,122	673	449
i) By India	18	104	-87	18	104	-87
ii) To India	923	551	371	1,104	569	535
b) Commercial Borrowings	2,754	1,271	1,483	3,574	1,859	1,715
i) By India	403	190	213	532	138	393
ii) To India	2,351	1,080	1,270	3,042	1,721	1,321
c) Short Term to India	12,206	7,779	4,427	11,609	11,207	402
i) Suppliers' Credit > 180 days & Buyers' Credit	9,256	7,779	1,477	11,609	9,766	1,843
ii) Suppliers' Credit up to 180 days	2,950	–	2,950	–	1,441	-1,441
3. Banking Capital (a+b)	**21,987**	**19,291**	**2,696**	**16,360**	**14,086**	**2,275**
a) Commercial Banks	21,987	19,140	2,847	16,360	14,083	2,277
i) Assets	11,457	10,533	924	6,596	5,154	1,442
ii) Liabilities	10,530	8,607	1,923	9,764	8,929	835
of which: Non-Resident Deposits	9,098	8,284	814	9,176	8,917	259
b) Others	–	151	-151	–	3	-3
4. Rupee Debt Service	**–**	**30**	**-30**	**–**	**3**	**-3**
5. Other Capital	**4,644**	**13,015**	**-8,371**	**4,776**	**7,682**	**-2,906**
Total Capital Account (1 to 5)	**96,206**	**90,978**	**5,228**	**89,992**	**83,212**	**6,780**
C. Errors & Omissions	**408**	**–**	**408**	**750**	**–**	**750**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**1,94,053**	**1,91,818**	**2,235**	**1,91,291**	**196025**	**-4,734**
E. Monetary Movements (i+ii)	**–**	**2235**	**-2235**	**4734**	**–**	**4734**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	2235	-2235	4734	–	4734
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Oct-Dec 2008 (R)			Jan-Mar 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
A. CURRENT ACCOUNT						
I. MERCHANDISE	**39,436**	**74,428**	**-34,994**	**38,481**	**58,686**	**-20,205**
II. INVISIBLES (a+b+c)	**42,416**	**19,294**	**23,123**	**38,498**	**18,673**	**19,826**
a) Services	28,228	13,099	15,129	25,119	13,078	12,040
i) Travel	2,924	1,946	979	2,680	2,606	74
ii) Transportation	2,738	3,241	-503	2,916	2,499	417
iii) Insurance	347	268	80	348	329	18
iv) G.n.i.e.	97	233	-136	81	355	-273
v) Miscellaneous	22,121	7,412	14,709	19,094	7,289	11,804
of which						
Software Services	11,274	580	10,694	10,825	455	10,370
Business Services	4,851	3,568	1,283	4,255	4,616	-362
Financial Services	1,112	740	372	1,028	633	395
Communication Services	547	257	291	501	308	193
b) Transfers	10,997	845	10,151	9,980	419	9,562
i) Official	285	98	187	161	111	50
ii) Private	10,712	748	9,964	9,820	308	9,512
c) Income	3,192	5,349	-2,157	3,399	5,176	-1,777
i) Investment Income	3,000	5,011	-2,011	3,210	4,864	-1,654
ii) Compensation of Employees	192	338	-146	189	312	-123
Total Current Account (I+II)	**81,852**	**93,722**	**-11,871**	**76,979**	**77,359**	**-380**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**37,774**	**40,654**	**-2,879**	**27,662**	**26,026**	**1,636**
a) Foreign Direct Investment (i+ii)	11,177	8,236	2,941	9,003	4,675	4,328
i) In India	10,966	29	10,937	8,662	63	8,599
Equity	8,182	29	8,153	6,352	63	6,289
Reinvested Earnings	2,258	–	2,258	2,258	–	2,258
Other Capital	526	–	526	52	–	52
ii) Abroad	210	8,207	-7,996	341	4,612	-4,271
Equity	210	4,217	-4,007	341	3,772	-3,432
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	3,719	-3,719	–	569	-569
b) Portfolio Investment	26,598	32,418	-5,820	18,658	21,350	-2,692
i) In India	26,568	32,355	-5,786	18,580	21,169	-2,588
of which						
FIIs	26,561	32,355	-5,794	18,560	21,169	-2,609
ADR/GDRs	7	–	7	20	–	20
ii) Abroad	29	63	-34	78	182	-104
2. Loans (a+b+c)	**15,802**	**15,419**	**383**	**14,210**	**15,039**	**-829**
a) External Assistance	1,692	759	933	1,477	704	773
i) By India	18	104	-87	18	104	-87
ii) To India	1,674	655	1,019	1,459	600	859
b) Commercial Borrowings	5,395	1,724	3,671	3,499	2,508	991
i) By India	662	148	514	399	306	93
ii) To India	4,733	1,576	3,157	3,100	2,201	898
c) Short Term to India	8,715	12,936	-4,221	9,234	11,828	-2,594
i) Suppliers' Credit > 180 days & Buyers' Credit	8,715	10,357	-1,642	9,234	10,450	-1,216
ii) Suppliers' Credit up to 180 days	–	2,579	-2,579	–	1,378	-1,378
3. Banking Capital (a+b)	**14,830**	**19,786**	**-4,956**	**12,030**	**15,290**	**-3,260**
a) Commercial Banks	14,827	19,355	-4,528	11,919	15,290	-3,371
i) Assets	5,192	7,541	-2,349	2,578	5,498	-2,920
ii) Liabilities	9,636	11,814	-2,178	9,341	9,792	-451
of which: Non-Resident Deposits	9,543	8,501	1,042	9,331	7,155	2,176
b) Others	2	431	-429	111	–	111
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**68**	**-68**
5. Other Capital	**3,150**	**693**	**2,458**	**4,114**	**1,212**	**2,903**
Total Capital Account (1 to 5)	**71,557**	**76,551**	**-4,995**	**58,016**	**57,634**	**382**
C. Errors & Omissions	**–**	**1,016**	**-1,016**	**298**	**–**	**298**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**1,53,408**	**1,71,289**	**-17,881**	**1,35,293**	**1,34,993**	**300**
E. Monetary Movements (i+ii)	**17881**	**–**	**17881**	**–**	**300**	**-300**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	17881	–	17881	–	300	-300
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Apr-June 2009 (R)			July-Sept 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30
A. CURRENT ACCOUNT						
I. MERCHANDISE	**39,166**	**65,447**	**-26,280**	**43,403**	**72,994**	**-29,592**
II. INVISIBLES (a+b+c)	**38,710**	**16,582**	**22,128**	**40,488**	**20,092**	**20,396**
a) Services	22,414	10,954	11,460	21,352	13,704	7,648
i) Travel	2,297	2,035	262	2,719	2,357	362
ii) Transportation	2,501	2,777	-276	2,570	2,221	350
iii) Insurance	388	314	74	384	341	44
iv) G.n.i.e.	100	103	-3	100	130	-29
v) Miscellaneous	17,127	5,725	11,403	15,578	8,656	6,922
of which						
Software Services	11,004	391	10,613	11,207	438	10,769
Business Services	2,586	3,295	-709	2,504	4,612	-2,109
Financial Services	1,116	835	282	732	1,135	-403
Communication Services	418	278	140	307	313	-6
b) Transfers	13,345	469	12,876	14,386	569	13,817
i) Official	47	110	-63	169	108	60
ii) Private	13,298	360	12,939	14,217	460	13,757
c) Income	2,951	5,159	-2,208	4,750	5,819	-1,069
i) Investment Income	2,723	4,808	-2,085	4,544	5,477	-933
ii) Compensation of Employees	227	351	-124	205	342	-137
Total Current Account (I+II)	**77,876**	**82,028**	**-4,152**	**83,890**	**93,086**	**-9,196**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**48,575**	**35,337**	**13,239**	**55,911**	**38,808**	**17,103**
a) Foreign Direct Investment (i+ii)	9,950	4,980	4,970	11,551	4,126	7,425
i) In India	9,825	926	8,900	11,455	632	10,824
Equity	7,290	900	6,390	8,547	597	7,950
Reinvested Earnings	2,167	–	2,167	2,167	–	2,167
Other Capital	368	26	342	741	35	707
ii) Abroad	125	4,054	-3,929	95	3,494	-3,399
Equity	125	2,837	-2,713	95	2,131	-2,035
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	946	-946	–	1,092	-1,092
b) Portfolio Investment	38,625	30,357	8,268	44,360	34,683	9,678
i) In India	38,602	30,332	8,270	44,356	34,655	9,701
of which						
FIIs	38,559	30,332	8,227	41,693	34,655	7,038
ADR/GDRs	43	–	43	2,664	–	2,664
ii) Abroad	23	25	-2	4	28	-24
2. Loans (a+b+c)	**13,111**	**14,528**	**-1,417**	**16,688**	**13,530**	**3,158**
a) External Assistance	1,014	729	285	1,477	741	736
i) By India	13	105	-93	13	105	-93
ii) To India	1,001	623	378	1,464	635	829
b) Commercial Borrowings	1,972	2,418	-446	3,283	2,068	1,215
i) By India	244	333	-89	206	215	-9
ii) To India	1,728	2,085	-357	3,077	1,853	1,224
c) Short Term to India	10,126	11,382	-1,256	11,928	10,721	1,206
i) Suppliers' Credit > 180 days & Buyers' Credit	10,126	9,590	536	10,994	10,721	272
ii) Suppliers' Credit up to 180 days	–	1,792	-1,792	934	–	934
3. Banking Capital (a+b)	**15,577**	**18,942**	**-3,365**	**16,544**	**12,132**	**4,411**
a) Commercial Banks	15,577	18,704	-3,127	16,544	11,989	4,555
i) Assets	4,368	6,946	-2,578	6,131	1,730	4,402
ii) Liabilities	11,209	11,758	-549	10,412	10,259	153
of which: Non-Resident Deposits	11,172	9,354	1,817	10,342	9,295	1,047
b) Others	–	238	-238	–	143	-143
4. Rupee Debt Service	**–**	**23**	**-23**	**–**	**1**	**-1**
5. Other Capital	**545**	**5,169**	**-4,625**	**6,899**	**12,315**	**-5,416**
Total Capital Account (1 to 5)	**77,808**	**73,999**	**3,809**	**96,041**	**76,786**	**19,255**
C. Errors & Omissions	**458**	**–**	**458**	**–**	**641**	**-641**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**1,56,143**	**1,56,028**	**115**	**1,79,931**	**1,70,513**	**9,418**
E. Monetary Movements (i+ii)	**–**	**115**	**-115**	**–**	**9,418**	**-9,418**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	115	-115	–	9,418	-9,418
of which: SDR allocation	–	–	–	–	5160	-5160

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Oct-Dec 2009 (R)			Jan- Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
A. CURRENT ACCOUNT						
I. MERCHANDISE	**47,170**	**78,100**	**-30,929**	**52,702**	**84,104**	**-31,401**
II. INVISIBLES (a+b+c)	**40,495**	**21,749**	**18,745**	**43,738**	**24,985**	**18,753**
a) Services	24,443	15,994	8,450	27,835	19,378	8,457
i) Travel	3,440	2,312	1,127	3,403	2,638	766
ii) Transportation	2,992	3,366	-375	3,115	3,570	-455
iii) Insurance	395	305	90	423	326	97
iv) G.n.i.e.	124	134	-9	116	159	-42
v) Miscellaneous	17,493	9,876	7,617	20,778	12,686	8,092
of which						
Software Services	13,197	333	12,865	14,297	307	13,990
Business Services	2,413	4,571	-2,158	3,818	5,571	-1,753
Financial Services	741	1,156	-415	1,103	1,517	-414
Communication Services	259	381	-122	245	383	-139
b) Transfers	13,416	638	12,777	13,217	642	12,575
i) Official	385	113	271	127	142	-15
ii) Private	13,031	525	12,506	13,090	500	12,590
c) Income	2,636	5,118	-2,482	2,686	4,965	-2,279
i) Investment Income	2,385	4,597	-2,212	2,455	4,473	-2,018
ii) Compensation of Employees	251	520	-269	231	492	-261
Total Current Account (I+II)	**87,665**	**99,849**	**-12,184**	**96,441**	**1,09,089**	**-12,648**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**44,703**	**36,226**	**8,476**	**49,464**	**37,919**	**11,545**
a) Foreign Direct Investment (i+ii)	8,922	6,131	2,791	8,061	5,281	2,780
i) In India	8,728	1,469	7,260	7,737	1,611	6,126
Equity	5,956	1,233	4,724	5,353	1,512	3,841
Reinvested Earnings	2,167	–	2,167	2,167	–	2,167
Other Capital	605	236	369	217	99	118
ii) Abroad	194	4,663	-4,469	324	3,671	-3,346
Equity	194	3,640	-3,446	324	2,001	-1,677
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	752	-752	–	1,398	-1,398
b) Portfolio Investment	35,781	30,095	5,685	41,403	32,638	8,765
i) In India	35,770	30,041	5,729	41,169	32,493	8,675
of which						
FIIs	35,295	30,041	5,254	41,023	32,493	8,529
ADR/GDRs	475	–	475	146	–	146
ii) Abroad	11	55	-44	234	144	89
2. Loans (a+b+c)	**20,061**	**14,369**	**5,692**	**24,303**	**19,289**	**5,014**
a) External Assistance	1,646	803	843	1,760	735	1,025
i) By India	13	105	-93	13	105	-93
ii) To India	1,633	697	936	1,748	630	1,118
b) Commercial Borrowings	4,508	2,812	1,696	5,240	5,705	-465
i) By India	227	570	-343	297	387	-90
ii) To India	4,281	2,242	2,039	4,943	5,318	-375
c) Short Term to India	13,907	10,754	3,153	17,303	12,849	4,454
i) Suppliers' Credit > 180 days & Buyers' Credit	12,055	10,754	1,301	15,396	12,849	2,547
ii) Suppliers' Credit up to 180 days	1,852	–	1,852	1,907	–	1,907
3. Banking Capital (a+b)	**15,172**	**13,232**	**1,939**	**14,207**	**15,109**	**-902**
a) Commercial Banks	14,578	13,165	1,413	14,195	15,109	-914
i) Assets	3,067	1,874	1,193	3,531	4,709	-1,179
ii) Liabilities	11,511	11,291	220	10,664	10,399	265
of which: Non-Resident Deposits	10,177	9,568	608	9,665	10,215	-551
b) Others	594	67	526	12	–	12
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**73**	**-73**
5. Other Capital	**1,602**	**3,338**	**-1,736**	**2,405**	**3,791**	**-1,385**
Total Capital Account (1 to 5)	**81,538**	**67,166**	**14,372**	**90,379**	**76,181**	**14,198**
C. Errors & Omissions	**–**	**421**	**-421**	**591**	**–**	**591**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**1,69,203**	**1,67,435**	**1,767**	**1,87,411**	**1,85,270**	**2,141**
E. Monetary Movements (i+ii)	**–**	**1,767**	**-1,767**	**–**	**2,141**	**-2,141**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	1,767	-1,767	–	2,141	-2,141
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Apr-June 2010 (PR) Credit	Apr-June 2010 (PR) Debit	Apr-June 2010 (PR) Net	July-Sept 2010 (PR) Credit	July-Sept 2010 (PR) Debit	July-Sept 2010 (PR) Net
	37	38	39	40	41	42
A. CURRENT ACCOUNT						
I. MERCHANDISE	**55,301**	**87,209**	**-31,907**	**52,029**	**89,005**	**-36,975**
II. INVISIBLES (a+b+c)	**43,260**	**24,051**	**19,209**	**47,051**	**26,977**	**20,074**
a) Services	26,650	17,014	9,636	31,425	19,543	11,881
i) Travel	2,949	2,307	642	3,379	2,747	632
ii) Transportation	3,143	3,134	9	3,270	3,524	-254
iii) Insurance	410	310	100	441	386	55
iv) G.n.i.e.	94	143	-49	125	205	-80
v) Miscellaneous	20,054	11,120	8,934	24,210	12,682	11,528
of which						
Software Services	12,327	575	11,752	12,455	585	11,869
Business Services	4,819	5,892	-1,073	5,942	6,966	-1,024
Financial Services	1,228	1,404	-176	1,819	1,905	-87
Communication Services	325	241	83	417	266	152
b) Transfers	13,754	727	13,027	13,653	677	12,976
i) Official	59	141	-83	141	137	4
ii) Private	13,695	585	13,110	13,513	540	12,973
c) Income	2,855	6,310	-3,455	1,973	6,756	-4,783
i) Investment Income	2,628	5,828	-3,199	1,726	6,322	-4,596
ii) Compensation of Employees	227	482	-255	247	434	-188
Total Current Account (I+II)	**98,561**	**1,11,260**	**-12,698**	**99,080**	**1,15,981**	**-16,901**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**53,410**	**45,331**	**8,079**	**68,418**	**45,662**	**22,756**
a) Foreign Direct Investment (i+ii)	9,344	5,870	3,474	9,162	5,596	3,565
i) In India	9,050	2,302	6,748	8,584	1,097	7,487
Equity	5,991	2,278	3,713	5,452	1,034	4,418
Reinvested Earnings	2,985	–	2,985	2,985	–	2,985
Other Capital	75	24	50	148	63	85
ii) Abroad	294	3,568	-3,274	578	4,499	-3,922
Equity	294	2,138	-1,844	578	2,549	-1,971
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	1,159	-1,159	–	1,679	-1,679
b) Portfolio Investment	44,066	39,461	4,605	59,256	40,065	19,191
i) In India	43,972	39,320	4,652	59,106	39,854	19,251
of which						
FIIs	42,858	39,320	3,538	58,614	39,854	18,759
ADR/GDRs	1,114	–	1,114	492	–	492
ii) Abroad	94	141	-47	151	211	-60
2. Loans (a+b+c)	**23,465**	**14,464**	**9,000**	**26,644**	**19,997**	**6,647**
a) External Assistance	3,210	758	2,452	1,272	688	584
i) By India	19	25	-6	19	25	-6
ii) To India	3,191	733	2,458	1,253	662	590
b) Commercial Borrowings	4,429	2,200	2,229	5,953	2,508	3,445
i) By India	185	243	-58	297	556	-259
ii) To India	4,244	1,957	2,287	5,656	1,952	3,703
c) Short Term to India	15,825	11,506	4,319	19,420	16,801	2,618
i) Suppliers' Credit > 180 days & Buyers' Credit	14,681	11,506	3,175	18,252	16,801	1,450
ii) Suppliers' Credit up to 180 days	1,144	–	1,144	1,168	–	1,168
3. Banking Capital (a+b)	**16,745**	**12,743**	**4,002**	**16,992**	**20,154**	**-3,163**
a) Commercial Banks	16,743	12,719	4,024	16,992	19,551	-2,559
i) Assets	3,263	2,558	705	4,195	8,025	-3,831
ii) Liabilities	13,480	10,160	3,320	12,797	11,526	1,271
of which: Non-Resident Deposits	11,252	10,133	1,119	11,672	10,628	1,044
b) Others	2	24	-22	–	604	-604
4. Rupee Debt Service	**–**	**16**	**-16**	**–**	**1**	**-1**
5. Other Capital	**1,478**	**5,197**	**-3,719**	**337**	**4,974**	**-4,637**
Total Capital Account (1 to 5)	**95,098**	**77,751**	**17,347**	**1,12,391**	**90,788**	**21,603**
C. Errors & Omissions	**–**	**908**	**-908**	**–**	**1,413**	**-1,413**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**1,93,659**	**1,89,918**	**3,741**	**2,11,471**	**2,08,182**	**3,289**
E. Monetary Movements (i+ii)	**–**	**3,741**	**-3,741**	**–**	**3,289**	**-3,289**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	3,741	-3,741	–	3,289	-3,289
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	43	44	45	46	47	48
A. CURRENT ACCOUNT						
I. MERCHANDISE	**65,898**	**97,421**	**-31,522**	**77,240**	**1,07,427**	**-30,188**
II. INVISIBLES (a+b+c)	**55,678**	**34,133**	**21,545**	**52,259**	**28,440**	**23,819**
a) Services	39,160	26,591	12,569	35,645	20,915	14,730
i) Travel	4,429	2,857	1,572	4,518	3,198	1,321
ii) Transportation	3,713	3,984	-271	4,144	3,238	907
iii) Insurance	507	403	104	590	301	289
iv) G.n.i.e.	150	195	-45	165	277	-111
v) Miscellaneous	30,360	19,152	11,208	26,227	13,902	12,325
of which						
Software Services	14,743	709	14,034	15,936	326	15,610
Business Services	7,085	7,986	-900	6,203	6,921	-717
Financial Services	1,684	1,961	-276	1,777	2,213	-436
Communication Services	424	304	121	396	341	55
b) Transfers	14,422	844	13,578	14,436	877	13,559
i) Official	341	199	141	107	154	-47
ii) Private	14,081	645	13,436	14,329	723	13,606
c) Income	2,096	6,698	-4,601	2,177	6,647	-4,470
i) Investment Income	1,811	6,133	-4,323	1,820	6,100	-4,280
ii) Compensation of Employees	286	564	-279	357	547	-190
Total Current Account (I+II)	**1,21,576**	**1,31,553**	**-9,977**	**1,29,498**	**1,35,867**	**-6,369**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**1,11,219**	**1,03,727**	**7,492**	**56,369**	**55,044**	**1,325**
a) Foreign Direct Investment (i+ii)	9,424	8,231	1,193	7,534	6,407	1,127
i) In India	8,340	2,200	6,141	6,928	1,419	5,508
Equity	5,253	1,861	3,392	3,610	1,341	2,269
Reinvested Earnings	2,985	–	2,985	2,985	–	2,985
Other Capital	103	339	-236	333	78	255
ii) Abroad	1,084	6,031	-4,948	606	4,987	-4,381
Equity	1,084	3,337	-2,253	606	2,513	-1,907
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	2,423	-2,423	–	2,203	-2,203
b) Portfolio Investment	1,01,795	95,496	6,299	48,835	48,637	198
i) In India	1,01,656	94,265	7,391	48,441	48,265	176
of which						
FIIs	1,01,423	94,265	7,158	48,231	48,265	-34
ADR/GDRs	233	–	233	210	–	210
ii) Abroad	139	1,232	-1,092	393	372	21
2. Loans (a+b+c)	**26,619**	**20,243**	**6,376**	**30,998**	**24,584**	**6,414**
a) External Assistance	1,935	781	1,154	1,465	714	751
i) By India	19	25	-6	19	25	-6
ii) To India	1,916	755	1,160	1,446	689	757
b) Commercial Borrowings	6,347	2,470	3,877	7,383	4,428	2,955
i) By India	570	222	347	788	491	297
ii) To India	5,778	2,248	3,530	6,595	3,937	2,659
c) Short Term to India	18,337	16,992	1,345	22,150	19,442	2,708
i) Suppliers' Credit > 180 days & Buyers' Credit	18,031	16,992	1,039	21,122	19,442	1,680
ii) Suppliers' Credit up to 180 days	306	–	306	1,028	–	1,028
3. Banking Capital (a+b)	**33,103**	**28,202**	**4,901**	**25,483**	**26,262**	**-778**
a) Commercial Banks	33,016	28,202	4,814	23,871	25,717	-1,846
i) Assets	19,992	15,240	4,752	7,920	12,843	-4,923
ii) Liabilities	13,024	12,962	62	15,951	12,874	3,077
of which: Non-Resident Deposits	12,566	12,380	185	13,763	12,873	890
b) Others	87	–	87	1,613	545	1,068
4. Rupee Debt Service	**–**	**–**	**–**	**–**	**52**	**-52**
5. Other Capital	**3,427**	**8,347**	**-4,920**	**4,649**	**2,367**	**2,282**
Total Capital Account (1 to 5)	**1,74,368**	**1,60,519**	**13,849**	**1,17,499**	**1,08,308**	**9,191**
C. Errors & Omissions	**118**	**–**	**118**	**–**	**791**	**-791**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**2,96,061**	**2,92,072**	**3,989**	**2,46,997**	**2,44,966**	**2,031**
E. Monetary Movements (i+ii)	**–**	**3,989**	**-3,989**	**–**	**2,031**	**-2,031**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	3,989	-3,989	–	2,031	-2,031
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Contd.)*

(US$ million)

Item	April-June 2011 (PR)			July-September 2011 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	49	50	51	52	53	54
A. CURRENT ACCOUNT						
I. MERCHANDISE	**74,317**	**1,16,144**	**-41,827**	**76,592**	**1,20,529**	**-43,938**
II. INVISIBLES (a+b+c)	**51,670**	**25,776**	**25,894**	**54,290**	**27,261**	**27,029**
a) Services	33,671	18,130	15,540	34,308	18,788	15,520
i) Travel	4,125	3,482	643	4,650	3,578	1,072
ii) Transportation	4,329	4,002	327	4,396	3,624	772
iii) Insurance	566	298	268	615	423	192
iv) G.n.i.e.	139	201	-63	147	179	-32
v) Miscellaneous	24,513	10,147	14,366	24,501	10,985	13,516
of which						
Software Services	15,558	302	15,256	15,202	307	14,895
Business Services	5,356	6,234	-879	5,439	6,411	-972
Financial Services	1,267	1,764	-497	1,577	2,242	-665
Communication Services	360	415	-55	390	309	80
b) Transfers	15,537	830	14,707	16,955	775	16,180
i) Official	46	146	-99	136	152	-16
ii) Private	15,491	685	14,807	16,819	622	16,196
c) Income	2,462	6,816	-4,354	3,027	7,698	-4,671
i) Investment Income	1,873	6,407	-4,534	2,316	7,209	-4,893
ii) Compensation of Employees	589	409	180	711	489	222
Total Current Account (I+II)	**1,25,987**	**1,41,921**	**-15,934**	**1,30,882**	**1,47,790**	**-16,909**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**66,999**	**56,527**	**10,472**	**53,008**	**49,823**	**3,185**
a) Foreign Direct Investment (i+ii)	18,298	10,367	7,931	9,781	5,401	4,381
i) In India	17,894	4,559	13,335	9,415	2,137	7,278
Equity	13,696	4,226	9,470	5,949	2,015	3,933
Reinvested Earnings	2,730	–	2,730	2,730	–	2,730
Other Capital	1,468	333	1,135	736	122	615
ii) Abroad	404	5,808	-5,404	366	3,264	-2,898
Equity	404	1,404	-1,000	366	1,583	-1,217
Reinvested Earnings	–	271	-271	–	271	-271
Other Capital	–	4,133	-4,133	–	1,409	-1,409
b) Portfolio Investment	48,701	46,159	2,541	43,227	44,422	-1,196
i) In India	48,607	45,857	2,750	42,769	44,152	-1,384
of which						
FIIs	48,329	45,857	2,472	42,564	44,152	-1,589
ADR/GDRs	278	–	278	205	–	205
ii) Abroad	94	303	-208	458	270	188
2. Loans (a+b+c)	**32,385**	**25,350**	**7,035**	**39,345**	**29,144**	**10,202**
a) External Assistance	1,237	855	382	1,081	758	324
i) By India	18	24	-6	18	24	-6
ii) To India	1,219	831	388	1,063	734	330
b) Commercial Borrowings	6,984	3,399	3,585	11,860	4,852	7,007
i) By India	339	319	21	1,118	469	649
ii) To India	6,644	3,080	3,564	10,742	4,383	6,358
c) Short Term to India	24,165	21,096	3,069	26,405	23,534	2,871
i) Suppliers' Credit > 180 days & Buyers' Credit	22,682	21,096	1,586	25,130	23,534	1,596
ii) Suppliers' Credit up to 180 days	1,483	–	1,483	1,275	–	1,275
3. Banking Capital (a+b)	**28,767**	**16,103**	**12,664**	**20,144**	**13,465**	**6,679**
a) Commercial Banks	28,736	16,077	12,659	20,144	13,439	6,705
i) Assets	10,858	4,595	6,263	2,223	1,006	1,217
ii) Liabilities	17,878	11,482	6,396	17,921	12,433	5,488
of which: Non-Resident Deposits	12,488	11,337	1,151	15,088	12,302	2,786
b) Others	31	27	5	–	26	-26
4. Rupee Debt Service	**–**	**31**	**-31**	**–**	**1**	**-1**
5. Other Capital	**230**	**7,742**	**-7,512**	**3,330**	**4,963**	**-1,633**
Total Capital Account (1 to 5)	**1,28,382**	**1,05,753**	**22,629**	**1,15,827**	**97,395**	**18,432**
C. Errors & Omissions	**–**	**1,252**	**-1,252**	**–**	**1,247**	**-1,247**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**2,54,369**	**2,48,926**	**5,442**	**2,46,709**	**2,46,433**	**276**
E. Monetary Movements (i+ii)	**–**	**5,442**	**-5,442**	**–**	**276**	**-276**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	5,442	-5,442	–	276	-276
of which: SDR allocation	–	–	–	–	–	–

No. 41: India's Overall Balance of Payments *(Concld.)*

(US$ million)

Item	April-September 2011-12 (P)			April-September 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	55	56	57	58	59	60
A. CURRENT ACCOUNT						
I. MERCHANDISE	**1,50,909**	**2,36,674**	**-85,765**	**1,07,331**	**1,76,213**	**-68,883**
II. INVISIBLES (a+b+c)	**1,05,960**	**53,037**	**52,923**	**90,311**	**51,028**	**39,283**
a) Services	67,979	36,919	31,060	58,075	36,558	21,517
i) Travel	8,775	7,060	1,715	6,328	5,054	1,274
ii) Transportation	8,725	7,626	1,099	6,413	6,658	-245
iii) Insurance	1,181	721	460	851	696	155
iv) G.n.i.e.	285	380	-95	219	348	-129
v) Miscellaneous	49,013	21,132	27,881	44,264	23,802	20,462
of which						
Software Services	30,761	610	30,151	24,782	1,160	23,621
Business Services	10,795	12,646	-1,851	10,761	12,858	-2,097
Financial Services	2,844	4,006	-1,162	3,047	3,310	-263
Communication Services	749	724	25	742	507	235
b) Transfers	32,492	1,605	30,887	27,407	1,404	26,004
i) Official	183	298	-115	199	278	-79
ii) Private	32,310	1,307	31,003	27,208	1,125	26,083
c) Income	5,488	14,514	-9,025	4,829	13,067	-8,238
i) Investment Income	4,189	13,616	-9,427	4,355	12,150	-7,795
ii) Compensation of Employees	1,299	898	402	474	917	-443
Total Current Account (I+II)	**2,56,869**	**2,89,711**	**-32,842**	**1,97,642**	**2,27,241**	**-29,599**
B. CAPITAL ACCOUNT						
1. Foreign Investment (a+b)	**1,20,007**	**1,06,350**	**13,657**	**1,21,828**	**90,993**	**30,836**
a) Foreign Direct Investment (i+ii)	28,079	15,768	12,311	18,506	11,467	7,040
i) In India	27,309	6,696	20,613	17,634	3,399	14,235
Equity	19,645	6,241	13,403	11,442	3,312	8,130
Reinvested Earnings	5,460	–	5,460	5,970	–	5,970
Other Capital	2,204	455	1,749	222	87	135
ii) Abroad	770	9,072	-8,301	872	8,067	-7,195
Equity	770	2,987	-2,217	872	4,687	-3,815
Reinvested Earnings	–	542	-542	–	542	-542
Other Capital	–	5,543	-5,543	–	2,838	-2,838
b) Portfolio Investment	91,927	90,582	1,346	1,03,322	79,526	23,796
i) In India	91,375	90,009	1,366	1,03,078	79,174	23,904
of which						
FIIs	90,892	90,009	883	1,01,472	79,174	22,298
ADR/GDRs	483	–	483	1,606	–	1,606
ii) Abroad	552	573	-21	245	352	-107
2. Loans (a+b+c)	**71,731**	**54,493**	**17,237**	**50,109**	**34,461**	**15,647**
a) External Assistance	2,318	1,612	705	4,482	1,446	3,036
i) By India	35	48	-13	38	51	-13
ii) To India	2,282	1,564	718	4,444	1,395	3,049
b) Commercial Borrowings	18,843	8,251	10,592	10,382	4,708	5,674
i) By India	1,457	788	670	483	799	-316
ii) To India	17,386	7,464	9,922	9,899	3,909	5,990
c) Short Term to India	50,569	44,630	5,940	35,245	28,307	6,937
i) Suppliers' Credit > 180 days & Buyers' Credit	47,811	44,630	3,182	32,933	28,307	4,625
ii) Suppliers' Credit up to 180 days	2,758	–	2,758	2,312	–	2,312
3. Banking Capital (a+b)	**48,912**	**29,568**	**19,344**	**33,737**	**32,898**	**839**
a) Commercial Banks	48,880	29,515	19,365	33,735	32,270	1,465
i) Assets	13,081	5,601	7,480	7,458	10,584	-3,126
ii) Liabilities	35,799	23,915	11,884	26,277	21,686	4,591
of which: Non-Resident Deposits	27,577	23,640	3,937	22,924	20,761	2,163
b) Others	32	53	-21	2	628	-626
4. Rupee Debt Service	**–**	**32**	**-32**	**–**	**16**	**-16**
5. Other Capital	**3,560**	**12,705**	**-9,145**	**1,814**	**10,171**	**-8,356**
Total Capital Account (1 to 5)	**2,44,209**	**2,03,148**	**41,061**	**2,07,489**	**1,68,539**	**38,950**
C. Errors & Omissions	**–**	**2,500**	**-2,500**	**–**	**2,320**	**-2,320**
D. Overall Balance (Total Current Account, Capital Account and Errors & Omissions (A+B+C))	**5,01,078**	**4,95,359**	**5,719**	**4,05,130**	**3,98,100**	**7,030**
E. Monetary Movements (i+ii)	**–**	**5,719**	**-5,719**	**–**	**7,030**	**-7,030**
i) I.M.F.	–	–	–	–	–	–
ii) Foreign Exchange Reserves (Increase - / Decrease +)	–	5,719	-5,719	–	7,030	-7,030
of which: SDR allocation	–	–	–	–	–	–

Note: The comparable figures in new and old formats may not entirely agree due to rounding off. Total of subcomponents may not tally with aggregate due to rounding off.
P: Preliminary. PR: Partially Revised. R: Revised.

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

(US$ million)

Item	Apr-Mar 2009-10 (R)			Apr-Mar 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**344651**	**383087**	**-38435**	**447000**	**492958**	**-45958**
1.A Goods and Services (1.A.a+1.A.b)	**277991**	**360181**	**-82190**	**382280**	**464054**	**-81775**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**182262**	**300644**	**-118382**	**250627**	**381061**	**-130434**
1.A.a.1 General merchandise on a BOP basis	182442	271829	-89387	250468	347106	-96638
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-180	–	-180	159	–	159
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	28816	-28816	–	33955	-33955
1.A.b Services (1.A.b.1 to 1.A.b.13)	**95729**	**59537**	**36192**	**131653**	**82993**	**48659**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***11185***	***12035***	***-850***	***14323***	***13947***	***375***
1.A.b.3.1 Sea transport	5825	7264	-1439	6167	8116	-1949
1.A.b.3.2 Air transport	1816	3738	-1923	2464	4780	-2316
1.A.b.3.3 Other modes of transport	3537	931	2606	5641	984	4656
1.A.b.3.4 Postal and courier services	8	101	-94	52	67	-15
1.A.b.4 Travel	***11859***	***9343***	***2517***	***15275***	***11108***	***4167***
1.A.b.4.1 Business	–	3463	-3463	–	4979	-4979
1.A.b.4.2 Personal	–	5880	-5880	–	6129	-6129
1.A.b.4.2.1 Health-related	–	28	-28	–	59	-59
1.A.b.4.2.2 Education-related	–	2137	-2137	–	1893	-1893
1.A.b.4.2.3 Other	–	3661	-3661	–	4178	-4178
1.A.b.5 Construction	***560***	***998***	***-438***	***677***	***1157***	***-481***
1.A.b.5.1 Construction abroad	560	535	25	677	633	44
1.A.b.5.2 Construction in the reporting economy	–	463	-463	–	524	-524
1.A.b.6 Insurance and pension services	***1591***	***1285***	***306***	***1948***	***1400***	***549***
1.A.b.6.1 Direct insurance	1290	456	834	1790	584	1205
1.A.b.6.2 Reinsurance	270	684	-414	127	750	-623
1.A.b.6.3 Auxiliary insurance services	31	145	-114	32	65	-33
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***3692***	***4642***	***-950***	***6508***	***7483***	***-975***
1.A.b.7.1 Explicitly charged and other financial services	3692	4642	-950	6508	7483	-975
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***203***	***2017***	***-1814***	***193***	***2424***	***-2231***
1.A.b.9 Telecommunications, computer, and information services	***51879***	***3251***	***48629***	***57577***	***3748***	***53829***
1.A.b.9.1 Telecommunications services	1823	1144	679	1512	1085	427
1.A.b.9.2 Computer services	49705	1468	48237	55460	2194	53265
1.A.b.9.3 Information services	351	639	-288	605	468	137
1.A.b.10 Other business services	***11292***	***17926***	***-6634***	***22823***	***26696***	***-3874***
1.A.b.10.1 Research and development services	565	318	247	878	249	629
1.A.b.10.2 Professional and management consulting services	5989	9998	-4009	10626	11991	-1365
1.A.b.10.3 Technical, trade-related, and other business services	4738	7610	-2872	11319	14457	-3138
1.A.b.11 Personal, cultural, and recreational services	***527***	***300***	***227***	***227***	***543***	***-316***
1.A.b.11.1 Audiovisual and related services	438	172	266	117	147	-30
1.A.b.11.2 Other personal, cultural, and recreational services	89	128	-39	110	396	-287
1.A.b.12 Government goods and services n.i.e.	***441***	***525***	***-84***	***531***	***820***	***-288***
1.A.b.13 Others n.i.e.	***2499***	***7216***	***-4717***	***11571***	***13667***	***-2096***
1.B Primary Income (1.B.1 to 1.B.3)	**13024**	**21061**	**-8036**	**9102**	**26411**	**-17308**
1.B.1 Compensation of employees	915	1705	-791	1116	2028	-912
1.B.2 Investment income	12110	19355	-7246	7986	24383	-16397
1.B.2.1 Direct investment	6199	19084	-12885	3824	24011	-20188
1.B.2.1.1 Income on equity and investment fund shares	1989	12698	-10709	2049	16840	-14791
1.B.2.1.2 Interest	4210	6386	-2176	1775	7171	-5397
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	262	-262	–	353	-353
1.B.2.4 Reserve assets	5910	9	5901	4162	18	4144
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**53636**	**1845**	**51791**	**55618**	**2494**	**53125**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	53636	1902	51735	55618	2494	53125
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	51695	1515	50180	53559	2078	51481
Of which:	–	–	–	–	–	–
1.C.1.1.1 Workers' remittances	28407	1881	26526	27408	2078	25331
1.C.1.2 Other current transfers	1942	387	1555	2060	416	1644
2 Capital Account (2.1+2.2)	**777**	**501**	**276**	**685**	**645**	**40**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	50	28	22	38	14	25
2.2 Capital transfers	727	473	254	647	631	16
2.2.1 General government	727	473	254	647	631	16
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	727	473	254	647	631	16
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs						

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

(US$ million)

Item	Apr-Mar 2009-10 (R)			Apr-Mar 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
3 Financial Account (3.1 to 3.5)	**345717**	**307546**	**38171**	**499317**	**450403**	**48914**
3.1 Direct Investment (3.1A+3.1B)	**38484**	**20518**	**17966**	**35464**	**26104**	**9360**
3.1.A Direct Investment in India	***37746***	***4637***	***33109***	***32902***	***7018***	***25884***
3.1.1 Equity and investment fund shares	*35815*	*4241*	*31574*	*32244*	*6514*	*25730*
3.1.1.1 Equity other than reinvestment of earnings	27146	4241	22905	20304	6514	13791
3.1.1.1.1 Direct investor in direct investment enterprises	27146	4241	22905	20304	6514	13791
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	8669	–	8669	11939	–	11939
3.1.2 Debt instruments	*1931*	*396*	*1535*	*658*	*504*	*154*
3.1.2.1 Direct investor in direct investment enterprises	1931	396	1535	658	504	154
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***738***	***15881***	***-15143***	***2562***	***19086***	***-16524***
3.1.1 Equity and investment fund shares	*738*	*11693*	*-10955*	*2562*	*11621*	*-9059*
3.1.1.1 Equity other than reinvestment of earnings	738	10609	-9871	2562	10537	-7975
3.1.1.1.1 Direct investor in direct investment enterprises	738	10609	-7528	2562	10537	-7975
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	1084	-1084	–	1084	-1084
3.1.2 Debt instruments	–	*4188*	*-4188*	–	*7465*	*-7465*
3.1.2.1 Direct investor in direct investment enterprises	–	4188	-4188	–	7465	-7465
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**156842**	**127773**	**29069**	**251903**	**223660**	**28243**
3.2A Portfolio Investment in India	***156570***	***127521***	***29049***	***251125***	***221704***	***29422***
3.2.1 Equity and investment fund shares	*130471*	*93599*	*36873*	*187837*	*168910*	*18927*
3.2.2 Debt securities	*26099*	*33922*	*-7824*	*63289*	*52794*	*10495*
3.2.B Portfolio Investment by India	***272***	***252***	***20***	***777***	***1956***	***-1179***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**150391**	**145814**	**4577**	**211950**	**187589**	**24361**
3.4.1 Other equity (ADRs/GDRs)	***3328***	–	***3328***	***2049***	–	***2049***
3.4.2 Currency and deposits	***41961***	***38882***	***3078***	***50954***	***47186***	***3768***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	606	449	157	1702	1172	529
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	41355	38433	2922	49252	46014	3238
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***40438***	***36543***	***3894***	***73363***	***54722***	***18641***
3.4.3A Loans to India	*39414*	*34617*	*4797*	*71447*	*53108*	*18339*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	19538	20533	-995	41369	40175	1194
3.4.3.3 General government (External Assistance)	5846	2585	3261	7806	2840	4967
3.4.3.4 Other sectors (External Commercial Borrowings)	14029	11498	2531	22272	10094	12179
3.4.3B Loans by India	*1024*	*1927*	*-903*	*1916*	*1614*	*302*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	51	422	-371	76	102	-26
3.4.3.4 Other sectors	973	1505	-531	1840	1513	328
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***53264***	***45706***	***7558***	***75732***	***64742***	***10990***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*53264*	*45706*	*7558*	*75732*	*64742*	*10990*
3.4.6 Other accounts receivable/payable—other	***11401***	***24682***	***-13281***	***9852***	***20939***	***-11088***
3.4.7 Special drawing rights						
3.5 Reserve assets	–	**13441**	**-13441**	–	**13050**	**-13050**
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)	–	13441	-13441	–	13050	-13050
3.5.4.1 Currency,deposits and securities	–	13441	-13441	–	13050	-13050
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**345717**	**307546**	**38171**	**499317**	**450403**	**48914**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	167297	109785	57512	223420	189001	34419
3.0.2 Debt instruments	163692	159638	4054	263996	227413	36583
3.0.3 Other financial assets and liabilities	14729	38124	-23395	11901	33990	-22089
4 Net errors and omissions		**12**	**-12**		**2996**	**-2996**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2009 (R)			July-September 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
1 Current Account (1.A+1.B+1.C)	**77706**	**81795**	**-4089**	**83600**	**92857**	**-9257**
1.A Goods and Services (1.A.a+1.A.b)	**61457**	**76277**	**-14820**	**64632**	**86578**	**-21946**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**39072**	**65447**	**-26374**	**43346**	**72994**	**-29649**
1.A.a.1 General merchandise on a BOP basis	39166	59612	-20445	43403	67571	-24169
1.A.a.1.1 Re-exports						
1.A.a.2 Net exports of goods under merchanting	-94		-94	-57		-57
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	5835	-5835	–	5423	-5423
1.A.b Services (1.A.b.1 to 1.A.b.13)	**22385**	**10830**	**11554**	**21287**	**13583**	**7703**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***2503***	***2811***	***-308***	***2571***	***2242***	***329***
1.A.b.3.1 Sea transport	1434	1599	-164	1456	1271	185
1.A.b.3.2 Air transport	437	905	-467	333	760	-426
1.A.b.3.3 Other modes of transport	630	274	356	781	190	591
1.A.b.3.4 Postal and courier services	2	34	-32	1	22	-20
1.A.b.4 Travel	***2,297***	***2,035***	***262***	***2,719***	***2,357***	***362***
1.A.b.4.1 Business	–	826	-826	–	833	-833
1.A.b.4.2 Personal	–	1209	-1209	–	1524	-1524
1.A.b.4.2.1 Health-related	–	7	-7	–	7	-7
1.A.b.4.2.2 Education-related	–	360	-360	–	735	-735
1.A.b.4.2.3 Other	–	831	-831	–	739	-739
1.A.b.5 Construction	***149***	***267***	***-118***	***150***	***259***	***-109***
1.A.b.5.1 Construction abroad	149	174	-25	150	121	29
1.A.b.5.2 Construction in the reporting economy	–	93	-93	–	138	-138
1.A.b.6 Insurance and pension services	***388***	***314***	***74***	***384***	***341***	***44***
1.A.b.6.1 Direct insurance	308	64	244	250	201	49
1.A.b.6.2 Reinsurance	73	146	-73	128	128	–
1.A.b.6.3 Auxiliary insurance services	7	104	-97	6	11	-5
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***1116***	***835***	***282***	***732***	***1135***	***-403***
1.A.b.7.1 Explicitly charged and other financial services	1116	835	282	732	1135	-403
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***69***	***414***	***-345***	***47***	***409***	***-362***
1.A.b.9 Telecommunications, computer, and information services	***11509***	***726***	***10784***	***11900***	***788***	***11112***
1.A.b.9.1 Telecommunications services	416	243	173	611	280	331
1.A.b.9.2 Computer services	11004	391	10613	11207	438	10769
1.A.b.9.3 Information services	89	91	-2	83	71	12
1.A.b.10 Other business services	***2557***	***3172***	***-615***	***2504***	***4612***	***-2109***
1.A.b.10.1 Research and development services	106	51	55	145	56	90
1.A.b.10.2 Professional and management consulting services	1485	1531	-46	1348	2639	-1291
1.A.b.10.3 Technical, trade-related, and other business services	966	1590	-624	1010	1918	-907
1.A.b.11 Personal, cultural, and recreational services	***95***	***98***	***-3***	***139***	***89***	***50***
1.A.b.11.1 Audiovisual and related services	79	40	39	112	74	38
1.A.b.11.2 Other personal, cultural, and recreational services	16	58	-43	27	15	12
1.A.b.12 Government goods and services n.i.e.	***100***	***103***	***-3***	***100***	***130***	***-29***
1.A.b.13 Others n.i.e.	**1600**	**56**	**1544**	**39**	**1221**	**-1182**
1.B Primary Income (1.B.1 to 1.B.3)	2,951	5,159	-2208	4,751	5,819	-1068
1.B.1 Compensation of employees	227	351	-124	205	342	-137
1.B.2 Investment income	2723	4808	-2085	4546	5477	-931
1.B.2.1 Direct investment	808	4768	-3960	2534	5420	-2886
1.B.2.1.1 Income on equity and investment fund shares	408	3,093	-2685	411	3,614	-3203
1.B.2.1.2 Interest	400	1675	-1275	2123	1806	318
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	38	-38	–	56	-56
1.B.2.4 Reserve assets	1915	1	1914	2012	1	2011
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**13,298**	**360**	**12939**	**14,217**	**460**	**13757**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	13,298	360	12,939	14,217	470	13,747
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	12,753	289	12,464	13,742	373	13,369
Of which:						
1.C.1.1.1 Workers' remittances	7,184	289	6,895	7,493	443	7,049
1.C.1.2 Other current transfers	546	70	475	474	97	378
2 Capital Account (2.1+2.2)	**63**	**117**	**-54**	**179**	**114**	**65**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	17	8	9	10	5	5
2.2 Capital transfers	47	110	-63	169	108	60
2.2.1 General government	47	110	-63	169	108	60
2.2.1.1 Debt forgiveness			–			–
2.2.1.2 Other capital transfers	47	110	-63	169	108	60
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs						

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2009 (R)			July-September 2009 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	7	8	9	10	11	12
3 Financial Account (3.1 to 3.5)	**77791**	**74106**	**3685**	**96032**	**86199**	**9832**
3.1 Direct Investment (3.1A+3.1B)	**9950**	**4980**	**4970**	**11551**	**4126**	**7425**
3.1.A Direct Investment in India	*9825*	*926*	*8900*	*11455*	*632*	*10824*
3.1.1 Equity and investment fund shares	*9457*	*900*	*8558*	*10714*	*597*	*10117*
3.1.1.1 Equity other than reinvestment of earnings	7290	900	6390	8547	597	7950
3.1.1.1.1 Direct investor in direct investment enterprises	7290	900	6390	8547	597	7950
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	2167	–	2167	2167	–	2167
3.1.2 Debt instruments	*368*	*26*	*342*	*741*	*35*	*707*
3.1.2.1 Direct investor in direct investment enterprises	368	26	342	741	35	707
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***125***	***4054***	***-3929***	***95***	***3494***	***-3399***
3.1.1 Equity and investment fund shares	*125*	*3108*	*-2984*	*95*	*2402*	*-2306*
3.1.1.1 Equity other than reinvestment of earnings	125	2837	-2713	95	2131	-2035
3.1.1.1.1 Direct investor in direct investment enterprises	125	2837	-1765	95	2131	-1905
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	271	-271	–	271	-271
3.1.2 Debt instruments	–	*946*	*-946*	–	*1092*	*-1092*
3.1.2.1 Direct investor in direct investment enterprises	–	946	-946	–	1092	-1092
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**38582**	**30357**	**8225**	**41697**	**34683**	**7014**
3.2A Portfolio Investment in India	***38,559***	***30,332***	***8227***	***41,693***	***34,655***	***7038***
3.2.1 Equity and investment fund shares	*33863*	*26120*	*7743*	*36107*	*24604*	*11503*
3.2.2 Debt securities	*4696*	*4212*	*484*	*5586*	*10051*	*-4465*
3.2.B Portfolio Investment by India	***23***	***25***	***-2***	***4***	***28***	***-24***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**29259**	**38655**	**-9396**	**42784**	**37973**	**4811**
3.4.1 Other equity (ADRs/GDRs)	***43***	–	***43***	***2664***	–	***2664***
3.4.2 Currency and deposits	***11172***	***9593***	***1579***	***10342***	***9438***	***904***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	–	239	-238	–	143	-143
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	11172	9354	1817	10342	9295	1047
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***7391***	***12496***	***-5105***	***10962***	***5503***	***5459***
3.4.3A Loans to India	*7134*	*12058*	*-4923*	*10744*	*5182*	*5561*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	4405	9349	-4944	6202	2694	3508
3.4.3.3 General government (External Assistance)	1001	623	378	1464	635	829
3.4.3.4 Other sectors (External Commercial Borrowings)	1728	2085	-357	3077	1853	1224
3.4.3B Loans by India	*257*	*438*	*-182*	*218*	*320*	*-102*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	13	105	-93	13	105	-93
3.4.3.4 Other sectors	244	333	-89	206	215	-9
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***10126***	***11382***	***-1256***	***11928***	***10721***	***1206***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	10126	11382	-1256	11928	10721	1206
3.4.6 Other accounts receivable/payable—other	***528***	***5184***	***-4656***	***6889***	***12311***	***-5422***
3.4.7 Special drawing rights			–			–
3.5 Reserve assets	–	**115**	**-115**	–	**9418**	**-9418**
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)	–	115	-115	–	9418	-9418
3.5.4.1 Currency,deposits and securities	–	115	-115	–	9418	-9418
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**77791**	**74106**	**3685**	**96032**	**86199**	**9832**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	43468	30152	13315	46921	27631	19290
3.0.2 Debt instruments	33753	38655	-4902	39558	36840	2719
3.0.3 Other financial assets and liabilities	571	5299	-4728	9553	21729	-12176
4 Net errors and omissions	**459**		**459**		**641**	**-641**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	Oct-Dec 2009 (R)			Jan-Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
1 Current Account (1.A+1.B+1.C)	**87188**	**99643**	**-12455**	**96157**	**108791**	**-12634**
1.A Goods and Services (1.A.a+1.A.b)	**71521**	**94001**	**-22480**	**80381**	**103326**	**-22945**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**47160**	**78100**	**-30940**	**52685**	**84104**	**-31419**
1.A.a.1 General merchandise on a BOP basis	47170	70528	-23357	52702	74118	-21416
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-11		-11	-18		-18
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	7572	-7572	–	9986	-9986
1.A.b Services (1.A.b.1 to 1.A.b.13)	**24361**	**15901**	**8460**	**27696**	**19222**	**8474**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***2992***	***3383***	***-391***	***3119***	***3599***	***-480***
1.A.b.3.1 Sea transport	1414	2161	-747	1521	2233	-713
1.A.b.3.2 Air transport	510	950	-441	536	1124	-588
1.A.b.3.3 Other modes of transport	1068	255	813	1058	213	846
1.A.b.3.4 Postal and courier services	–	16	-16	4	29	-25
1.A.b.4 Travel	***3,440***	***2,312***	***1127***	***3,403***	***2,638***	***766***
1.A.b.4.1 Business	–	903	-903	–	901	-901
1.A.b.4.2 Personal	–	1410	-1410	–	1736	-1736
1.A.b.4.2.1 Health-related	–	8	-8	–	6	-6
1.A.b.4.2.2 Education-related	–	551	-551	–	491	-491
1.A.b.4.2.3 Other	–	851	-851	–	1240	-1240
1.A.b.5 Construction	***160***	***182***	***-22***	***102***	***290***	***-189***
1.A.b.5.1 Construction abroad	160	123	37	102	117	-15
1.A.b.5.2 Construction in the reporting economy	–	59	-59	–	174	-174
1.A.b.6 Insurance and pension services	***395***	***305***	***90***	***423***	***326***	***97***
1.A.b.6.1 Direct insurance	351	33	318	381	157	224
1.A.b.6.2 Reinsurance	37	255	-218	31	155	-124
1.A.b.6.3 Auxiliary insurance services	7	16	-10	11	13	-3
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***741***	***1156***	***-415***	***1103***	***1517***	***-414***
1.A.b.7.1 Explicitly charged and other financial services	741	1156	-415	1103	1517	-414
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***45***	***578***	***-532***	***41***	***616***	***-574***
1.A.b.9 Telecommunications, computer, and information services	***13717***	***1006***	***12711***	***14752***	***731***	***14022***
1.A.b.9.1 Telecommunications services	421	296	125	376	325	51
1.A.b.9.2 Computer services	13197	333	12865	14297	307	13990
1.A.b.9.3 Information services	99	378	-279	80	99	-19
1.A.b.10 Other business services	***2413***	***4571***	***-2157***	***3818***	***5571***	***-1753***
1.A.b.10.1 Research and development services	94	89	5	220	123	97
1.A.b.10.2 Professional and management consulting services	1273	2570	-1296	1883	3258	-1376
1.A.b.10.3 Technical, trade-related, and other business services	1046	1912	-866	1715	2190	-475
1.A.b.11 Personal, cultural, and recreational services	***115***	***50***	***66***	***178***	***63***	***115***
1.A.b.11.1 Audiovisual and related services	94	23	71	153	35	118
1.A.b.11.2 Other personal, cultural, and recreational services	21	26	-5	25	28	-3
1.A.b.12 Government goods and services n.i.e.	***124***	***134***	***-9***	***116***	***159***	***-42***
1.A.b.13 Others n.i.e.	***219***	***2225***	***-2006***	***641***	***3714***	***-3073***
1.B Primary Income (1.B.1 to 1.B.3)	**2,636**	**5,118**	**-2482**	**2,686**	**4,965**	**-2279**
1.B.1 Compensation of employees	251	520	-269	231	492	-261
1.B.2 Investment income	2385	4597	-2212	2455	4473	-2018
1.B.2.1 Direct investment	1479	4495	-3016	1378	4401	-3024
1.B.2.1.1 Income on equity and investment fund shares	449	3,052	-2604	722	2,938	-2216
1.B.2.1.2 Interest	1030	1442	-412	656	1463	-807
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	100	-100	–	68	-68
1.B.2.4 Reserve assets	906	3	903	1077	4	1073
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**13,031**	**525**	**12506**	**13,090**	**500**	**12590**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	13,031	546	12,485	13,090	526	12,564
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	12,554	441	12,113	12,646	412	12,234
Of which:						
1.C.1.1.1 Workers' remittances	6,813	540	6,273	6,916	609	6,308
1.C.1.2 Other current transfers	477	105	372	444	115	330
2 Capital Account (2.1+2.2)	**395**	**115**	**280**	**139**	**154**	**-15**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	11	2	9	12	12	–
2.2 Capital transfers	385	113	271	127	142	-15
2.2.1 General government	385	113	271	127	142	-15
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	385	113	271	127	142	-15
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs						

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	Oct-Dec 2009 (R)			Jan-Mar 2010 (R)		
	Credit	Debit	Net	Credit	Debit	Net
	13	14	15	16	17	18
3 Financial Account (3.1 to 3.5)	**81527**	**68931**	**12596**	**90367**	**78309**	**12058**
3.1 Direct Investment (3.1A+3.1B)	**8922**	**6131**	**2791**	**8061**	**5281**	**2780**
3.1.A Direct Investment in India	8728	1469	7260	7737	1611	6126
3.1.1 Equity and investment fund shares	8124	1233	6891	7520	1512	6008
3.1.1.1 Equity other than reinvestment of earnings	5956	1233	4724	5353	1512	3841
3.1.1.1.1 Direct investor in direct investment enterprises	5956	1233	4724	5353	1512	3841
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	2167	–	2167	2167	–	2167
3.1.2 Debt instruments	605	236	369	217	99	118
3.1.2.1 Direct investor in direct investment enterprises	605	236	369	217	99	118
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	194	4663	-4469	324	3671	-3346
3.1.1 Equity and investment fund shares	194	3911	-3717	324	2272	-1948
3.1.1.1 Equity other than reinvestment of earnings	194	3640	-3446	324	2001	-1677
3.1.1.1.1 Direct investor in direct investment enterprises	194	3640	-2181	324	2001	-1677
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	271	-271	–	271	-271
3.1.2 Debt instruments	–	*752*	*-752*	–	*1398*	*-1398*
3.1.2.1 Direct investor in direct investment enterprises	–	752	-752	–	1398	-1398
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**35306**	**30096**	**5210**	**41257**	**32637**	**8619**
3.2A Portfolio Investment in India	***35,295***	***30,041***	***5254***	***41,023***	***32,493***	***8530***
3.2.1 Equity and investment fund shares	*29453*	*21422*	*8031*	*31048*	*21452*	*9596*
3.2.2 Debt securities	*5842*	*8619*	*-2777*	*9975*	*11041*	*-1066*
3.2.B Portfolio Investment by India	***11***	***55***	***-44***	***234***	***144***	***89***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**37299**	**30937**	**6362**	**41049**	**38250**	**2799**
3.4.1 Other equity (ADRs/GDRs)	***475***	–	***475***	***146***	–	***146***
3.4.2 Currency and deposits	***10770***	***9636***	***1134***	***9677***	***10215***	***-539***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	594	67	526	12	–	12
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	10177	9568	608	9665	10215	-551
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***10555***	***7211***	***3344***	***11530***	***11333***	***196***
3.4.3A Loans to India	*10315*	*6536*	*3780*	*11220*	*10841*	*379*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	4401	3597	805	4530	4893	-363
3.4.3.3 General government (External Assistance)	1633	697	936	1748	630	1118
3.4.3.4 Other sectors (External Commercial Borrowings)	4281	2242	2039	4943	5318	-375
3.4.3B Loans by India	*240*	*676*	*-436*	*309*	*492*	*-183*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	13	105	-93	13	105	-93
3.4.3.4 Other sectors	227	570	-343	297	387	-90
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***13907***	***10754***	***3153***	***17303***	***12849***	***4454***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	13907	10754	3153	17303	12849	4454
3.4.6 Other accounts receivable/payable—other	***1591***	***3336***	***-1744***	***2393***	***3852***	***-1459***
3.4.7 Special drawing rights			–			–
3.5 Reserve assets	–	**1767**	**-1767**	–	**2141**	**-2141**
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)	–	1767	-1767	–	2141	-2141
3.5.4.1 Currency,deposits and securities	–	1767	-1767	–	2141	-2141
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**81527**	**68931**	**12596**	**90367**	**78309**	**12058**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	37781	26621	11161	39127	25381	13746
3.0.2 Debt instruments	41679	37207	4472	48701	46936	1766
3.0.3 Other financial assets and liabilities	2066	5103	-3037	2539	5993	-3454
4 Net errors and omissions		**421**	**-421**	**591**		**591**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2010 (PR)			July-September 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
1 Current Account (1.A+1.B+1.C)	**98221**	**110834**	**-12614**	**98598**	**115501**	**-16903**
1.A Goods and Services (1.A.a+1.A.b)	**81670**	**103939**	**-22269**	**83112**	**108205**	**-25093**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**55200**	**87209**	**-32008**	**52044**	**89005**	**-36960**
1.A.a.1 General merchandise on a BOP basis	55301	80806	-25504	52029	81061	-29031
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	-101		-101	15		15
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold		6403	-6403		7944	-7944
1.A.b Services (1.A.b.1 to 1.A.b.13)	**26469**	**16730**	**9739**	**31067**	**19200**	**11867**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***3144***	***3146***	***-2***	***3296***	***3555***	***-259***
1.A.b.3.1 Sea transport	1378	1797	-419	1636	2055	-419
1.A.b.3.2 Air transport	589	1133	-544	540	1164	-625
1.A.b.3.3 Other modes of transport	1176	204	972	1094	304	790
1.A.b.3.4 Postal and courier services	1	12	-11	26	31	-5
1.A.b.4 Travel	***2,949***	***2,307***	***642***	***3,379***	***2,747***	***632***
1.A.b.4.1 Business	–	856	-856	–	1006	-1006
1.A.b.4.2 Personal	–	1451	-1451	–	1740	-1740
1.A.b.4.2.1 Health-related	–	41	-41	–	6	-6
1.A.b.4.2.2 Education-related	–	325	-325	–	664	-664
1.A.b.4.2.3 Other	–	1086	-1086	–	1070	-1070
1.A.b.5 Construction	***122***	***345***	***-223***	***173***	***136***	***37***
1.A.b.5.1 Construction abroad	122	200	-78	173	77	97
1.A.b.5.2 Construction in the reporting economy	–	146	-146	–	59	-59
1.A.b.6 Insurance and pension services	***410***	***310***	***100***	***441***	***386***	***55***
1.A.b.6.1 Direct insurance	374	143	231	404	178	227
1.A.b.6.2 Reinsurance	29	147	-118	29	192	-164
1.A.b.6.3 Auxiliary insurance services	7	20	-13	8	16	-8
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***1228***	***1404***	***-176***	***1819***	***1905***	***-87***
1.A.b.7.1 Explicitly charged and other financial services	1228	1404	-176	1819	1905	-87
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***35***	***566***	***-531***	***27***	***560***	***-533***
1.A.b.9 Telecommunications, computer, and information services	***12733***	***880***	***11854***	***12954***	***888***	***12066***
1.A.b.9.1 Telecommunications services	324	230	94	392	235	157
1.A.b.9.2 Computer services	12327	575	11752	12455	585	11869
1.A.b.9.3 Information services	83	75	7	108	68	39
1.A.b.10 Other business services	***4636***	***5609***	***-972***	***5584***	***6623***	***-1039***
1.A.b.10.1 Research and development services	170	66	104	286	51	235
1.A.b.10.2 Professional and management consulting services	1914	2389	-475	2596	2995	-399
1.A.b.10.3 Technical, trade-related, and other business services	2553	3154	-601	2702	3577	-875
1.A.b.11 Personal, cultural, and recreational services	***49***	***71***	***-21***	***56***	***105***	***-49***
1.A.b.11.1 Audiovisual and related services	22	36	-15	27	47	-20
1.A.b.11.2 Other personal, cultural, and recreational services	28	35	-7	29	58	-29
1.A.b.12 Government goods and services n.i.e.	***94***	***143***	***-49***	***125***	***205***	***-80***
1.A.b.13 Others n.i.e.	***1068***	***1950***	***-882***	***3214***	***2089***	***1125***
1.B Primary Income (1.B.1 to 1.B.3)	**2,855**	**6,310**	**-3455**	**1,973**	**6,756**	**-4783**
1.B.1 Compensation of employees	227	482	-255	247	434	-188
1.B.2 Investment income	2628	5828	-3199	1726	6322	-4596
1.B.2.1 Direct investment	1685	5747	-4062	511	6186	-5674
1.B.2.1.1 Income on equity and investment fund shares	351	4,064	-3713	393	4,508	-4115
1.B.2.1.2 Interest	1335	1683	-349	119	1678	-1559
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	77	-77	–	133	-133
1.B.2.4 Reserve assets	943	4	939	1215	4	1211
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**13,695**	**585**	**13110**	**13,513**	**540**	**12973**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	13,695	585	13,110	13,513	540	12,973
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	13,219	486	12,733	13,051	443	12,608
Of which:						
1.C.1.1.1 Workers' remittances	6,900	486	6,414	5,999	443	5,556
1.C.1.2 Other current transfers	476	100	377	462	97	365
2 Capital Account (2.1+2.2)	**69**	**144**	**-75**	**142**	**139**	**3**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	11	3	8	1	2	-1
2.2 Capital transfers	59	141	-83	141	137	4
2.2.1 General government	59	141	-83	141	137	4
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	59	141	-83	141	137	4
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2010 (PR)			July-September 2010 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	19	20	21	22	23	24
3 Financial Account (3.1 to 3.5)	**95087**	**81489**	**13598**	**112390**	**94075**	**18314**
3.1 Direct Investment (3.1A+3.1B)	**9344**	**5870**	**3474**	**9162**	**5596**	**3565**
3.1.A Direct Investment in India	***9050***	***2302***	***6748***	***8584***	***1097***	***7487***
3.1.1 Equity and investment fund shares	*8975*	*2278*	*6698*	*8436*	*1034*	*7402*
3.1.1.1 Equity other than reinvestment of earnings	5991	2278	3713	5452	1034	4418
3.1.1.1.1 Direct investor in direct investment enterprises	5991	2278	3713	5452	1034	4418
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	2985	–	2985	2985	–	2985
3.1.2 Debt instruments	*75*	*24*	*50*	*148*	*63*	*85*
3.1.2.1 Direct investor in direct investment enterprises	75	24	50	148	63	85
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***294***	***3568***	***-3274***	***578***	***4499***	***-3922***
3.1.1 Equity and investment fund shares	*294*	*2409*	*-2115*	*578*	*2820*	*-2242*
3.1.1.1 Equity other than reinvestment of earnings	294	2138	-1844	578	2549	-1971
3.1.1.1.1 Direct investor in direct investment enterprises	294	2138	-1844	578	2549	-1971
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	271	-271	–	271	-271
3.1.2 Debt instruments	–	*1159*	*-1159*	–	*1679*	*-1679*
3.1.2.1 Direct investor in direct investment enterprises	–	1159	-1159	–	1679	-1679
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**42952**	**39461**	**3491**	**58764**	**40065**	**18699**
3.2A Portfolio Investment in India	***42,858***	***39,320***	***3538***	***58,614***	***39,854***	***18759***
3.2.1 Equity and investment fund shares	*32352*	*30110*	*2242*	*36346*	*26919*	*9427*
3.2.2 Debt securities	*10506*	*9209*	*1296*	*22268*	*12935*	*9333*
3.2.B Portfolio Investment by India	***94***	***141***	***-47***	***151***	***211***	***-60***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	**42791**	**32417**	**10374**	**44463**	**45124**	**-661**
3.4.1 Other equity (ADRs/GDRs)	***1114***		***1114***	***492***		***492***
3.4.2 Currency and deposits	***11255***	***10157***	***1097***	***11672***	***11232***	***440***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	2	24	-22	–	604	-604
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	11252	10133	1119	11672	10628	1044
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***13130***	***5544***	***7587***	***12544***	***12119***	***426***
3.4.3A Loans to India	*12926*	*5275*	*7651*	*12228*	*11537*	*691*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	5491	2586	2905	5320	8923	-3603
3.4.3.3 General government (External Assistance)	3191	733	2458	1253	662	590
3.4.3.4 Other sectors (External Commercial Borrowings)	4244	1957	2287	5656	1952	3703
3.4.3B Loans by India	*204*	*268*	*-64*	*316*	*581*	*-265*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	19	25	-6	19	25	-6
3.4.3.4 Other sectors	185	243	-58	297	556	-259
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***15825***	***11506***	***4319***	***19420***	***16801***	***2618***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*15825*	*11506*	*4319*	*19420*	*16801*	*2618*
3.4.6 Other accounts receivable/payable—other	***1467***	***5210***	***-3743***	***335***	***4972***	***-4637***
3.4.7 Special drawing rights			–			–
3.5 Reserve assets	–	**3741**	**-3741**	–	**3289**	**-3289**
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)	–	3741	-3741	–	3289	-3289
3.5.4.1 Currency,deposits and securities	–	3741	-3741	–	3289	-3289
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**95087**	**81489**	**13598**	**112390**	**94075**	**18314**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	41716	34938	6777	45511	30984	14526
3.0.2 Debt instruments	50790	37600	13190	66051	54829	11222
3.0.3 Other financial assets and liabilities	2581	8951	-6370	827	8262	-7434
4 Net errors and omissions		**909**	**-909**		**1414**	**-1414**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30
1 Current Account (1.A+1.B+1.C)	**120994**	**131112**	**-10119**	**129188**	**135511**	**-6322**
1.A Goods and Services (1.A.a+1.A.b)	**104816**	**123770**	**-18954**	**112682**	**128141**	**-15459**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**65987**	**97421**	**-31434**	**77395**	**107427**	**-30032**
1.A.a.1 General merchandise on a BOP basis	65898	89520	-23621	77240	95720	-18481
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	89		89	156		156
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold		7901	-7901		11707	-11707
1.A.b Services (1.A.b.1 to 1.A.b.13)	**38829**	**26349**	**12480**	**35287**	**20714**	**14573**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***3717***	***3992***	***-275***	***4166***	***3254***	***912***
1.A.b.3.1 Sea transport	1607	2268	-661	1545	1995	-450
1.A.b.3.2 Air transport	579	1431	-852	755	1051	-296
1.A.b.3.3 Other modes of transport	1527	285	1242	1844	192	1652
1.A.b.3.4 Postal and courier services	4	8	-4	21	16	5
1.A.b.4 Travel	***4,429***	***2,857***	***1572***	***4,518***	***3,198***	***1321***
1.A.b.4.1 Business	–	1251	-1251	–	1866	-1866
1.A.b.4.2 Personal	–	1606	-1606	–	1331	-1331
1.A.b.4.2.1 Health-related	–	7	-7	–	5	-5
1.A.b.4.2.2 Education-related	–	435	-435	–	468	-468
1.A.b.4.2.3 Other	–	1164	-1164	–	858	-858
1.A.b.5 Construction	***128***	***220***	***-91***	***253***	***456***	***-203***
1.A.b.5.1 Construction abroad	128	117	11	253	239	14
1.A.b.5.2 Construction in the reporting economy	–	102	-102	–	216	-216
1.A.b.6 Insurance and pension services	***507***	***403***	***104***	***590***	***301***	***289***
1.A.b.6.1 Direct insurance	463	131	332	548	133	415
1.A.b.6.2 Reinsurance	37	255	-218	31	155	-124
1.A.b.6.3 Auxiliary insurance services	7	16	-10	11	13	-3
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***1684***	***1961***	***-276***	***1777***	***2213***	***-436***
1.A.b.7.1 Explicitly charged and other financial services	1684	1961	-276	1777	2213	-436
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***25***	***696***	***-671***	***106***	***602***	***-495***
1.A.b.9 Telecommunications, computer, and information services	***15485***	***1118***	***14368***	***16404***	***862***	***15542***
1.A.b.9.1 Telecommunications services	421	296	125	376	325	51
1.A.b.9.2 Computer services	14743	709	14034	15936	326	15610
1.A.b.9.3 Information services	322	113	209	93	211	-118
1.A.b.10 Other business services	***6754***	***7743***	***-989***	***5848***	***6721***	***-873***
1.A.b.10.1 Research and development services	224	79	145	198	53	145
1.A.b.10.2 Professional and management consulting services	3131	3408	-277	2985	3199	-214
1.A.b.10.3 Technical, trade-related, and other business services	3399	4257	-857	2665	3469	-804
1.A.b.11 Personal, cultural, and recreational services	***52***	***228***	***-176***	***70***	***139***	***-69***
1.A.b.11.1 Audiovisual and related services	30	39	-9	38	25	14
1.A.b.11.2 Other personal, cultural, and recreational services	22	190	-168	31	114	-83
1.A.b.12 Government goods and services n.i.e.	***150***	***195***	***-45***	***162***	***277***	***-115***
1.A.b.13 Others n.i.e.	***5897***	***6936***	***-1039***	***1392***	***2692***	***-1300***
1.B Primary Income (1.B.1 to 1.B.3)	**2,096**	**6,698**	**-4601**	**2,177**	**6,646**	**-4469**
1.B.1 Compensation of employees	286	564	-279	357	547	-190
1.B.2 Investment income	1811	6133	-4323	1820	6099	-4279
1.B.2.1 Direct investment	898	6060	-5162	729	6019	-5289
1.B.2.1.1 Income on equity and investment fund shares	723	4,351	-3627	583	3,918	-3336
1.B.2.1.2 Interest	174	1709	-1535	147	2101	-1954
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	68	-68	–	75	-75
1.B.2.4 Reserve assets	913	5	908	1091	6	1085
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**14,081**	**645**	**13436**	**14,329**	**723**	**13606**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	14,081	645	13,436	14,329	723	13,606
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	13,573	540	13,033	13,716	609	13,107
Of which:						
1.C.1.1.1 Workers' remittances	7,227	540	6,687	7,282	609	6,673
1.C.1.2 Other current transfers	508	105	403	613	115	499
2 Capital Account (2.1+2.2)	**343**	**206**	**137**	**131**	**155**	**-24**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	3	7	-5	24	2	22
2.2 Capital transfers	341	199	141	107	154	-47
2.2.1 General government	341	199	141	107	154	-47
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	341	199	141	107	154	-47
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	Oct-Dec 2010 (PR)			Jan-Mar 2011 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	25	26	27	28	29	30
3 Financial Account (3.1 to 3.5)	**174365**	**164501**	**9864**	**117475**	**110338**	**7137**
3.1 Direct Investment (3.1A+3.1B)	**9424**	**8231**	**1193**	**7534**	**6407**	**1127**
3.1.A Direct Investment in India	***8340***	***2200***	***6141***	***6928***	***1419***	***5508***
3.1.1 Equity and investment fund shares	***8237***	***1861***	***6377***	***6594***	***1341***	***5253***
3.1.1.1 Equity other than reinvestment of earnings	5253	1861	3392	3610	1341	2269
3.1.1.1.1 Direct investor in direct investment enterprises	5253	1861	3392	3610	1341	2269
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	2985	–	2985	2985	–	2985
3.1.2 Debt instruments	*103*	*339*	*-236*	*333*	*78*	*255*
3.1.2.1 Direct investor in direct investment enterprises	103	339	-236	333	78	255
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***1084***	***6031***	***-4948***	***606***	***4987***	***-4381***
3.1.1 Equity and investment fund shares	*1084*	*3608*	*-2524*	*606*	*2784*	*-2178*
3.1.1.1 Equity other than reinvestment of earnings	1084	3337	-2253	606	2513	-1907
3.1.1.1.1 Direct investor in direct investment enterprises	1084	3337	-2253	606	2513	-1907
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	271	-271	–	271	-271
3.1.2 Debt instruments	***–***	***2423***	***-2423***	***–***	***2203***	***-2203***
3.1.2.1 Direct investor in direct investment enterprises	–	2423	-2423	–	2203	-2203
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**101562**	**95496**	**6066**	**48624**	**48637**	**-13**
3.2A Portfolio Investment in India	***1,01,423***	***94,265***	***7158***	***48,231***	***48,265***	***-34***
3.2.1 Equity and investment fund shares	*84647*	*75469*	*9177*	*34492*	*36411*	*-1919*
3.2.2 Debt securities	*16776*	*18795*	*-2019*	*13739*	*11854*	*1885*
3.2.B Portfolio Investment by India	***139***	***1232***	***-1092***	***393***	***372***	***21***
3.3 Financial derivatives (other than reserves) and employee stock options	**–**	**–**	**–**	**–**	**–**	**–**
3.4 Other investment	**63379**	**56785**	**6594**	**61317**	**53263**	**8054**
3.4.1 Other equity (ADRs/GDRs)	***233***		***233***	***210***		***210***
3.4.2 Currency and deposits	***12652***	***12380***	***272***	***15375***	***13417***	***1958***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	87	–	87	1613	545	1068
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	12566	12380	185	13763	12873	890
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***28733***	***19073***	***9659***	***18956***	***17987***	***970***
3.4.3A Loans to India	*28144*	*18825*	*9319*	*18149*	*17470*	*679*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	20451	15822	4629	10108	12844	-2737
3.4.3.3 General government (External Assistance)	1916	755	1160	1446	689	757
3.4.3.4 Other sectors (External Commercial Borrowings)	5778	2248	3530	6595	3937	2659
3.4.3B Loans by India	*589*	*248*	*341*	*807*	*517*	*290*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	19	25	-6	19	25	-6
3.4.3.4 Other sectors	570	222	347	788	491	297
3.4.4 Insurance, pension, and standardized guarantee schemes	***–***	***–***	***–***	***–***	***–***	***–***
3.4.5 Trade credit and advances	***18337***	***16992***	***1345***	***22150***	***19442***	***2708***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	*18337*	*16992*	*1345*	*22150*	*19442*	*2708*
3.4.6 Other accounts receivable/payable—other	***3424***	***8340***	***-4915***	***4625***	***2417***	***2208***
3.4.7 Special drawing rights			***–***			***–***
3.5 Reserve assets	**–**	**3989**	**-3989**	**–**	**2031**	**-2031**
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)	–	3989	-3989	–	2031	-2031
3.5.4.1 Currency,deposits and securities	–	3989	-3989	–	2031	-2031
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**174365**	**164501**	**9864**	**117475**	**110338**	**7137**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	94107	82169	11938	42086	40908	1178
3.0.2 Debt instruments	76601	70003	6598	70554	64981	5573
3.0.3 Other financial assets and liabilities	3657	12329	-8671	4835	4448	387
4 Net errors and omissions	**118**		**118**		**791**	**-791**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2011 (PR)			July-September 2011 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
1 Current Account (1.A+1.B+1.C)	**125730**	**141563**	**-15833**	**130414**	**147306**	**-16892**
1.A Goods and Services (1.A.a+1.A.b)	**107778**	**134063**	**-26286**	**110569**	**138986**	**-28418**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**74439**	**116144**	**-41705**	**76609**	**120529**	**-43921**
1.A.a.1 General merchandise on a BOP basis	74317	100043	-25726	76592	107991	-31399
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	122		122	17		17
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold		16102	-16102		12538	-12538
1.A.b Services (1.A.b.1 to 1.A.b.13)	**33339**	**17919**	**15420**	**33960**	**18457**	**15503**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***4332***	***4019***	***314***	***4400***	***3651***	***749***
1.A.b.3.1 Sea transport	1862	2570	-708	1619	2277	-658
1.A.b.3.2 Air transport	685	1194	-509	868	1029	-162
1.A.b.3.3 Other modes of transport	1782	238	1544	1910	318	1592
1.A.b.3.4 Postal and courier services	4	16	-13	4	27	-24
1.A.b.4 Travel	***4,125***	***3,482***	***643***	***4,650***	***3,578***	***1072***
1.A.b.4.1 Business	–	1869	-1869	–	1693	-1693
1.A.b.4.2 Personal	–	1613	-1613	–	1885	-1885
1.A.b.4.2.1 Health-related	–	10	-10	–	11	-11
1.A.b.4.2.2 Education-related	–	330	-330	–	631	-631
1.A.b.4.2.3 Other	–	1273	-1273	–	1242	-1242
1.A.b.5 Construction	***253***	***207***	***46***	***128***	***315***	***-187***
1.A.b.5.1 Construction abroad	253	120	133	128	173	-45
1.A.b.5.2 Construction in the reporting economy	–	87	-87	–	142	-142
1.A.b.6 Insurance and pension services	***566***	***298***	***268***	***615***	***423***	***192***
1.A.b.6.1 Direct insurance	530	84	446	567	162	405
1.A.b.6.2 Reinsurance	28	196	-168	30	226	-196
1.A.b.6.3 Auxiliary insurance services	7	18	-11	18	34	-17
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***1267***	***1764***	***-497***	***1577***	***2242***	***-665***
1.A.b.7.1 Explicitly charged and other financial services	1267	1764	-497	1577	2242	-665
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***40***	***606***	***-566***	***78***	***693***	***-615***
1.A.b.9 Telecommunications, computer, and information services	***15945***	***895***	***15050***	***15679***	***676***	***15003***
1.A.b.9.1 Telecommunications services	356	399	-42	455	282	173
1.A.b.9.2 Computer services	15558	302	15256	15202	307	14895
1.A.b.9.3 Information services	30	194	-164	21	87	-65
1.A.b.10 Other business services	***5023***	***6024***	***-1000***	***5092***	***6080***	***-989***
1.A.b.10.1 Research and development services	159	48	111	187	26	161
1.A.b.10.2 Professional and management consulting services	2424	2572	-148	2316	2060	255
1.A.b.10.3 Technical, trade-related, and other business services	2440	3403	-964	2589	3994	-1405
1.A.b.11 Personal, cultural, and recreational services	***88***	***80***	***8***	***105***	***79***	***26***
1.A.b.11.1 Audiovisual and related services	33	27	7	25	22	2
1.A.b.11.2 Other personal, cultural, and recreational services	54	53	2	80	56	23
1.A.b.12 Government goods and services n.i.e.	***139***	***201***	***-63***	***147***	***179***	***-32***
1.A.b.13 Others n.i.e.	***1561***	***344***	***1217***	***1490***	***540***	***950***
1.B Primary Income (1.B.1 to 1.B.3)	**2,462**	**6,816**	**-4354**	**3,027**	**7,698**	**-4671**
1.B.1 Compensation of employees	589	409	180	711	489	222
1.B.2 Investment income	1873	6407	-4534	2316	7209	-4893
1.B.2.1 Direct investment	1058	6344	-5285	1001	7152	-6151
1.B.2.1.1 Income on equity and investment fund shares	695	3,990	-3295	699	4,882	-4183
1.B.2.1.2 Interest	364	2354	-1990	302	2270	-1968
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	56	-56	–	53	-53
1.B.2.4 Reserve assets	815	7	807	1315	4	1311
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**15,491**	**685**	**14807**	**16,819**	**622**	**16196**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	15,491	712	14,779	16,819	622	16,196
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	14,875	588	14,287	16,227	530	15,697
Of which:						
1.C.1.1.1 Workers' remittances	7,372	588	6,784	8,064	530	7,534
1.C.1.2 Other current transfers	616	124	492	592	93	499
2 Capital Account (2.1+2.2)	**49**	**320**	**-271**	**407**	**163**	**244**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	2	174	-172	271	11	260
2.2 Capital transfers	46	146	-99	136	152	-16
2.2.1 General government	46	146	-99	136	152	-16
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	46	146	-99	136	152	-16
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Contd.)*

(US$ million)

Item	April-June 2011 (PR)			July-September 2011 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	31	32	33	34	35	36
3 Financial Account (3.1 to 3.5)	**128380**	**111022**	**17358**	**115556**	**97660**	**17896**
3.1 Direct Investment (3.1A+3.1B)	**18298**	**10367**	**7931**	**9781**	**5401**	**4381**
3.1.A Direct Investment in India	***17894***	***4559***	***13335***	***9415***	***2137***	***7278***
3.1.1 Equity and investment fund shares	*16426*	*4226*	*12200*	*8679*	*2015*	*6664*
3.1.1.1 Equity other than reinvestment of earnings	13696	4226	9470	5949	2015	3933
3.1.1.1.1 Direct investor in direct investment enterprises	13696	4226	9470	5949	2015	3933
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	2730	–	2730	2730	–	2730
3.1.2 Debt instruments	*1468*	*333*	*1135*	*736*	*122*	*615*
3.1.2.1 Direct investor in direct investment enterprises	1468	333	1135	736	122	615
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***404***	***5808***	***-5404***	***366***	***3264***	***-2898***
3.1.1 Equity and investment fund shares	*404*	*1675*	*-1271*	*366*	*1854*	*-1488*
3.1.1.1 Equity other than reinvestment of earnings	404	1404	-1000	366	1583	-1217
3.1.1.1.1 Direct investor in direct investment enterprises	404	1404	-1000	366	1583	-1217
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	271	-271	–	271	-271
3.1.2 Debt instruments	–	*4133*	*-4133*	–	*1409*	*-1409*
3.1.2.1 Direct investor in direct investment enterprises	–	4133	-4133	–	1409	-1409
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**48423**	**46160**	**2264**	**43022**	**44422**	**-1401**
3.2A Portfolio Investment in India	***48,329***	***45,857***	***2472***	***42,564***	***44,152***	***-1589***
3.2.1 Equity and investment fund shares	*33320*	*31652*	*1668*	*30286*	*32005*	*-1719*
3.2.2 Debt securities	*15009*	*14205*	*804*	*12277*	*12147*	*130*
3.2.B Portfolio Investment by India	***94***	***303***	***-208***	***458***	***270***	***188***
3.3 Financial derivatives (other than reserves) and employee stock options	–	–	–	–	–	–
3.4 Other investment	61659	49052	12607	**62753**	**47561**	**15192**
3.4.1 Other equity (ADRs/GDRs)	***278***	–	***278***	***205***		***205***
3.4.2 Currency and deposits	***12520***	***11364***	***1155***	***15089***	***12328***	***2760***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	31	27	5	–	26	-26
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	12488	11337	1151	15088	12302	2786
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***24468***	***8993***	***15476***	***17997***	***6747***	***11250***
3.4.3A Loans to India	*24111*	*8650*	*15461*	*16861*	*6254*	*10607*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	16248	4739	11509	5056	1137	3919
3.4.3.3 General government (External Assistance)	1219	831	388	1063	734	330
3.4.3.4 Other sectors (External Commercial Borrowings)	6644	3080	3564	10742	4383	6358
3.4.3B Loans by India	*357*	*343*	*14*	1136	493	643
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	18	24	-6	18	24	-6
3.4.3.4 Other sectors	339	319	21	1118	469	649
3.4.4 Insurance, pension, and standardized guarantee schemes	–	–	–	–	–	–
3.4.5 Trade credit and advances	***24165***	***21096***	***3069***	***26405***	***23534***	***2871***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	24165	21096	3069	26405	23534	2871
3.4.6 Other accounts receivable/payable—other	***228***	***7599***	***-7371***	***3058***	***4952***	***-1894***
3.4.7 Special drawing rights						
3.5 Reserve assets	–	**5442**	**-5442**	–	**276**	**-276**
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)	–	5442	-5442	–	276	-276
3.5.4.1 Currency,deposits and securities	–	5442	-5442	–	276	-276
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**128380**	**111022**	**17358**	**115556**	**97660**	**17896**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	50244	37855	12389	39789	36145	3644
3.0.2 Debt instruments	77630	60125	17505	72503	56287	16217
3.0.3 Other financial assets and liabilities	506	13042	-12535	3263	5229	-1965
4 Net errors and omissions		**1254**	**-1254**		**1248**	**-1248**

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Concld.)*

(US$ million)

Item	April-September 2011 (P)			April-September 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	37	38	39	40	41	42
1 Current Account (1.A+1.B+1.C)	**256144**	**288870**	**-32725**	**196818**	**226335**	**-29517**
1.A Goods and Services (1.A.a+1.A.b)	**218346**	**273049**	**-54703**	**164782**	**212144**	**-47362**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**151048**	**236674**	**-85626**	**107245**	**176213**	**-68968**
1.A.a.1 General merchandise on a BOP basis	150909	208034	-57125	107331	161866	-54536
1.A.a.1.1 Re-exports	–	–	–	–	–	–
1.A.a.2 Net exports of goods under merchanting	139	–	139	-86	–	-86
1.A.a.2.1 Goods acquired under merchanting (negative credits)	–	–	–	–	–	–
1.A.a.2.2 Goods sold under merchanting	–	–	–	–	–	–
1.A.a.3 Nonmonetary gold	–	28640	-28640	–	14347	-14347
1.A.b Services (1.A.b.1 to 1.A.b.13)	**67299**	**36375**	**30923**	**57537**	**35930**	**21606**
1.A.b.1 Manufacturing services on physical inputs owned by others	–	–	–	–	–	–
1.A.b.1.1 Goods for processing in reporting economy	–	–	–	–	–	–
1.A.b.1.2 Goods for processing abroad	–	–	–	–	–	–
1.A.b.2 Maintenance and repair services n.i.e.	–	–	–	–	–	–
1.A.b.3 Transport	***8732***	***7670***	***1062***	6440	6701	-261
1.A.b.3.1 Sea transport	3480	4847	-1366	*3014*	*3853*	*-838*
1.A.b.3.2 Air transport	1552	2224	-671	1129	2297	-1168
1.A.b.3.3 Other modes of transport	3692	556	3136	2270	508	1762
1.A.b.3.4 Postal and courier services	7	44	-37	27	43	-16
1.A.b.4 Travel	***8775***	***7060***	***1715***	***6328***	***5054***	***1274***
1.A.b.4.1 Business	–	3562	-3562	–	1862	-1862
1.A.b.4.2 Personal	–	3498	-3498	–	3192	-3192
1.A.b.4.2.1 Health-related	–	22	-22	–	46	-46
1.A.b.4.2.2 Education-related	–	961	-961	–	989	-989
1.A.b.4.2.3 Other	–	2515	-2515	–	2156	-2156
1.A.b.5 Construction	***381***	***522***	***-141***	***295***	***482***	***-186***
1.A.b.5.1 Construction abroad	381	294	88	295	276	19
1.A.b.5.2 Construction in the reporting economy	–	229	-229	–	205	-205
1.A.b.6 Insurance and pension services	***1181***	***721***	***460***	***851***	***696***	***155***
1.A.b.6.1 Direct insurance	1097	246	851	778	320	458
1.A.b.6.2 Reinsurance	59	423	-364	58	340	-282
1.A.b.6.3 Auxiliary insurance services	25	52	-27	14	36	-21
1.A.b.6.4 Pension and standardized guarantee services	–	–	–	–	–	–
1.A.b.7 Financial services	***2844***	***4006***	***-1162***	***3047***	***3310***	***-263***
1.A.b.7.1 Explicitly charged and other financial services	2844	4006	-1162	3047	3310	-263
1.A.b.7.2 Financial intermediation services indirectly measured	–	–	–	–	–	–
1.A.b.8 Charges for the use of intellectual property n.i.e.	***118***	***1299***	***-1181***	***61***	***1126***	***-1064***
1.A.b.9 Telecommunications, computer, and information services	***31623***	***1571***	***30053***	***25687***	***1768***	***23919***
1.A.b.9.1 Telecommunications services	811	681	130	715	464	251
1.A.b.9.2 Computer services	30761	610	30151	24782	1160	23621
1.A.b.9.3 Information services	52	281	-229	190	144	47
1.A.b.10 Other business services	***10115***	***12104***	***-1989***	***10221***	***12232***	***-2011***
1.A.b.10.1 Research and development services	346	74	272	456	117	339
1.A.b.10.2 Professional and management consulting services	4740	4633	107	4510	5384	-874
1.A.b.10.3 Technical, trade-related, and other business services	5029	7398	-2369	5255	6731	-1476
1.A.b.11 Personal, cultural, and recreational services	***192***	***159***	***34***	***106***	***176***	***-70***
1.A.b.11.1 Audiovisual and related services	58	49	9	49	84	-35
1.A.b.11.2 Other personal, cultural, and recreational services	134	109	25	57	92	-36
1.A.b.12 Government goods and services n.i.e.	***285***	***380***	***-95***	***219***	***348***	***-129***
1.A.b.13 Others n.i.e.	***3051***	***884***	***2167***	***4282***	***4039***	***243***
1.B Primary Income (1.B.1 to 1.B.3)	**5488**	**14514**	**-9025**	**4829**	**13067**	**-8238**
1.B.1 Compensation of employees	1299	898	402	474	917	-443
1.B.2 Investment income	4189	13616	-9427	4355	12150	-7795
1.B.2.1 Direct investment	2059	13496	-11436	2197	11933	-9736
1.B.2.1.1 Income on equity and investment fund shares	1394	8872	-7478	743	8572	-7828
1.B.2.1.2 Interest	665	4624	-3958	1453	3361	-1908
1.B.2.2 Portfolio investment	–	–	–	–	–	–
1.B.2.3 Other investment	–	109	-109	–	209	-209
1.B.2.4 Reserve assets	2130	11	2118	2158	8	2150
1.B.3 Other primary income	–	–	–	–	–	–
1.C Secondary Income (1.C.1+1.C.2)	**32310**	**1307**	**31003**	**27208**	**1125**	**26083**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	32310	1334	30976	27208	1125	26083
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	31102	1118	29984	26270	929	25341
Of which:						
1.C.1.1.1 Workers' remittances	15435	1118	14317	12899	929	11970
1.C.1.2 Other current transfers	1208	216	991	938	196	742
2 Capital Account (2.1+2.2)	**456**	**483**	**-27**	**211**	**283**	**-72**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	274	185	88	12	5	7
2.2 Capital transfers	183	298	-115	199	278	-79
2.2.1 General government	183	298	-115	199	278	-79
2.2.1.1 Debt forgiveness	–	–	–	–	–	–
2.2.1.2 Other capital transfers	183	298	-115	199	278	-79
2.2.2 Financial corporations, nonfinancial corporations, households, and NPISHs	–	–	–	–	–	–

No. 41A: Standard Presentation of BoP in India as per BPM6 *(Concld.)*

(US$ million)

Item	April-September 2011 (P)			April-September 2010-11 (PR)		
	Credit	Debit	Net	Credit	Debit	Net
	37	38	39	40	41	42
3 Financial Account (3.1 to 3.5)	**243936**	**208682**	**35254**	**207477**	**175565**	**31912**
3.1 Direct Investment (3.1A+3.1B)	**28079**	**15768**	**12311**	**18506**	**11467**	**7040**
3.1.A Direct Investment in India	***27309***	***6696***	***20613***	***17634***	***3399***	***14235***
3.1.1 Equity and investment fund shares	*25105*	*6241*	*18863*	*17412*	*3312*	*14100*
3.1.1.1 Equity other than reinvestment of earnings	19645	6241	13403	11442	3312	8130
3.1.1.1.1 Direct investor in direct investment enterprises	19645	6241	13403	11442	3312	8130
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	5460	–	5460	5970	–	5970
3.1.2 Debt instruments	*2204*	*455*	*1749*	*222*	*87*	*135*
3.1.2.1 Direct investor in direct investment enterprises	2204	455	1749	222	87	135
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.1.B Direct Investment by India	***770***	***9072***	***-8301***	***872***	***8067***	***-7195***
3.1.1 Equity and investment fund shares	*770*	*3529*	*-2759*	*872*	*5229*	*-4357*
3.1.1.1 Equity other than reinvestment of earnings	770	2987	-2217	872	4687	-3815
3.1.1.1.1 Direct investor in direct investment enterprises	770	2987	-2217	872	4687	-3815
3.1.1.1.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.1.1.3 Between fellow enterprises	–	–	–	–	–	–
3.1.1.2 Reinvestment of earnings	–	542	-542	–	542	-542
3.1.2 Debt instruments	–	*5543*	*-5543*	–	*2838*	*-2838*
3.1.2.1 Direct investor in direct investment enterprises	–	5543	-5543	–	2838	-2838
3.1.2.2 Direct investment enterprises in direct investor (reverse investment)	–	–	–	–	–	–
3.1.2.3 Between fellow enterprises	–	–	–	–	–	–
3.2 Portfolio Investment	**91445**	**90582**	**863**	**101716**	**79526**	**22190**
3.2A Portfolio Investment in India	***90893***	***90009***	***883***	***101472***	***79174***	***22298***
3.2.1 Equity and investment fund shares	*63606*	*63657*	*-51*	*68698*	*57029*	*11669*
3.2.2 Debt securities	*27287*	*26352*	*934*	*32773*	*22145*	*10629*
3.2.B Portfolio Investment by India	***552***	***573***	***-21***	***245***	***352***	***-107***
3.3 Financial derivatives (other than reserves) and employee stock options	**–**	**–**	**–**	**–**	**–**	**–**
3.4 Other investment	**124412**	**96613**	**27799**	**87254**	**77541**	**9713**
3.4.1 Other equity (ADRs/GDRs)	***483***	**–**	***483***	***1606***	**–**	***1606***
3.4.2 Currency and deposits	***27608***	***23693***	***3916***	***22926***	***21389***	***1537***
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	32	53	-21	2	628	-626
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	27577	23640	3937	22924	20761	2163
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	***42465***	***15739***	***26725***	***25675***	***17662***	***8012***
3.4.3A Loans to India	*40972*	*14904*	*26068*	*25154*	*16813*	*8341*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	21303	5876	15428	10811	11508	-698
3.4.3.3 General government (External Assistance)	2282	1564	718	4444	1395	3049
3.4.3.4 Other sectors (External Commercial Borrowings)	17386	7464	9922	9899	3909	5990
3.4.3B Loans by India	1493	836	657	*521*	*850*	*-329*
3.4.3.1 Central bank	–	–	–	–	–	–
3.4.3.2 Deposit-taking corporations, except the central bank	–	–	–	–	–	–
3.4.3.3 General government	35	48	-13	38	51	-13
3.4.3.4 Other sectors	1457	788	670	483	799	-316
3.4.4 Insurance, pension, and standardized guarantee schemes	**–**	**–**	**–**	**–**	**–**	**–**
3.4.5 Trade credit and advances	***50569***	***44630***	***5940***	***35245***	***28307***	***6937***
3.4.5.1 Central bank	–	–	–	–	–	–
3.4.5.2 General government	–	–	–	–	–	–
3.4.5.3 Deposit-taking corporations	–	–	–	–	–	–
3.4.5.4 Other sectors	50569	44630	5940	35245	28307	6937
3.4.6 Other accounts receivable/payable—other	***3287***	***12552***	***-9265***	***1802***	***10182***	***-8380***
3.4.7 Special drawing rights				**–**	**–**	**–**
3.5 Reserve assets	**–**	**5719**	**-5719**	**–**	**7030**	**-7030**
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)	–	5719	-5719	–	7030	-7030
3.5.4.1 Currency,deposits and securities	–	5719	-5719	–	7030	-7030
3.5.4.2 Financial derivatives	–	–	–	–	–	–
3.5.4.3 Other claims	–	–	–	–	–	–
3 Total assets/liabilities	**243936**	**208682**	**35254**	**207477**	**175565**	**31912**
Of which: (by instrument):						
3.0.1 Equity and investment fund shares	90033	74000	16033	87227	65923	21304
3.0.2 Debt instruments	150133	116411	33722	116842	92429	24413
3.0.3 Other financial assets and liabilities	3770	18270	-14501	3408	17213	-13804
4 Net errors and omissions		**2501**	**-2501**		**2323**	**-2323**

Note: The comparable figures in new and old formats may not entirely agree due to rounding off. Total of subcomponents may not tally with aggregate due to rounding off.

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

No. 42: Foreign Exchange Reserves

End of	Foreign Currency Assets*		Gold #		SDRs ##			Reserve Tranche Position in IMF		Total	
	₹ billion	In millions of US $	₹ billion	In millions of US $	In millions of SDRs	₹ billion	In millions of US $	₹ billion	In millions of US $	**₹ billion**	**In millions of US $**
	1	2	3	4	5	6	7	8	9	10=(1+3+6+8)	11=(2+4+7+9)
2006-07	8,366	191,924	296	6,784	1	–	2	20	469	8,682	199,179
2007-08	11,960	299,230	401	10,039	11	1	18	17	436	12,380	309,723
2008-09	12,301	241,426	488	9,577	1	–	1	50	981	12,839	251,985
2009-10	11,497	254,685	812	17,986	3,297	226	5,006	62	1,380	12,597	279,057
2010-11	12,249	274,330	1,026	22,972	2,882	204	4,569	132	2,947	13,610	304,818
2009-10											
April	12,127	241,487	464	9,231	1	–	1	49	983	12,640	251,702
May	11,891	251,456	454	9,604	–	–	1	59	1,245	12,404	262,306
June	12,163	254,093	469	9,800	–	–	1	60	1,248	12,692	265,142
July	12,552	260,631	466	9,671	–	–	1	64	1,338	13,082	271,641
August	12,770	261,247	480	9,828	3,083	236	4,828	66	1,349	13,552	277,252
September	12,700	264,373	496	10,316	3,297	251	5,224	66	1,365	13,513	281,278
October	12,527	266,768	507	10,800	3,297	246	5,242	74	1,581	13,355	284,391
November	12,233	263,191	845	18,182	3,297	247	5,309	68	1,464	13,393	288,146
December	12,071	258,583	854	18,292	3,297	241	5,169	67	1,426	13,232	283,470
January	11,888	256,362	837	18,056	3,297	238	5,124	66	1,413	13,028	280,955
February	11,742	253,991	828	17,920	3,297	234	5,053	64	1,393	12,868	278,357
March	11,497	254,685	812	17,986	3,297	226	5,006	62	1,380	12,597	279,057
2010-11											
April	11,322	254,773	824	18,537	3,297	221	4,982	60	1,341	12,427	279,633
May	11,517	247,951	902	19,423	3,297	226	4,861	61	1,309	12,706	273,544
June	11,633	249,628	927	19,894	3,297	227	4,875	61	1,313	12,848	275,710
July	12,012	258,551	896	19,278	3,297	233	5,006	63	1,348	13,203	284,183
August	12,063	256,227	942	20,008	3,297	234	4,974	91	1,932	13,330	283,142
September	11,914	265,231	922	20,516	3,297	230	5,130	90	1,993	13,156	292,870
October	11,985	269,093	965	21,668	3,297	231	5,182	90	2,013	13,271	297,956
November	12,121	263,281	1,019	22,124	3,297	232	5,031	90	1,954	13,462	292,389
December	12,001	267,814	1,007	22,470	3,297	228	5,078	88	1,972	13,324	297,334
January	12,402	269,893	1,007	21,924	3,297	237	5,150	104	2,259	13,749	299,224
February	12,288	271,988	1,000	22,143	3,298	234	5,187	103	2,275	13,626	301,592
March	12,249	274,330	1,026	22,972	2,882	204	4,569	132	2,947	13,610	304,818
2011-12											
April	12,517	282,037	1,056	23,790	2,882	207	4,671	134	3,013	13,914	313,511
May	12,588	279,537	1,098	24,391	2,882	208	4,613	134	2,975	14,028	311,516
June	12,676	283,458	1,103	24,668	2,883	206	4,614	133	2,975	14,119	315,715
July	12,637	286,160	1,119	25,349	2,883	204	4,609	131	2,972	14,091	319,090
August	13,163	286,034	1,303	28,319	2,884	213	4,638	138	2,991	14,818	321,982
September	13,490	275,699	1,403	28,667	2,884	220	4,504	128	2,612	15,241	311,482
October	13,786	282,087	1,314	26,896	2,884	224	4,574	130	2,653	15,453	316,210
November	14,230	272,771	1,463	28,041	2,885	234	4,476	135	2,596	16,062	307,884
November 4, 2011	13,771	280,577	1,314	26,896	2,884	223	4,552	130	2,640	15,438	314,665
November 11, 2011	14,093	280,289	1,314	26,896	2,885	228	4,528	132	2,626	15,767	314,339
November 18, 2011	14,099	274,576	1,314	26,896	2,885	232	4,527	135	2,625	15,781	308,624
November 25, 2011	14,106	270,377	1,314	26,896	2,885	234	4,489	136	2,603	15,790	304,365
December 2, 2011	13,951	271,692	1,463	28,041	2,885	231	4,501	134	2,610	15,779	306,844
December 9, 2011	14,188	271,636	1,463	28,041	2,885	235	4,493	136	2,605	16,021	306,775

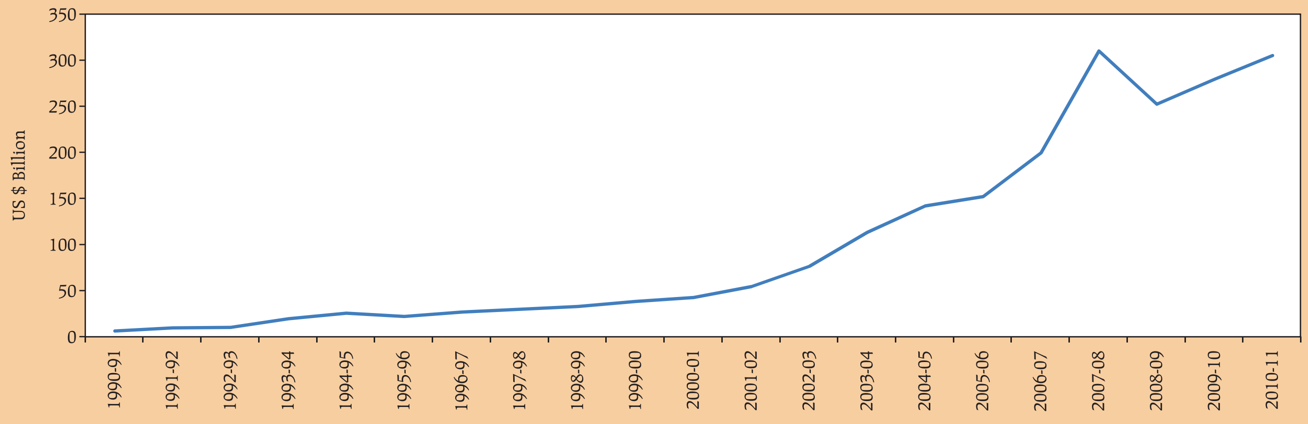
– Negligible. See 'Notes on Tables'

* FCA excludes US $ 250.00 millon (as also its equivalent value in Indian Rupee) invested in foreign currency denominated bonds issued by IIFC (UK) since March 20, 2009 and excludes US $ 380.00 million since September 16, 2011.

\# Includes ₹ 314.63 billion (US$ 6,699 million) reflecting the purchase of 200 metric tonnes of gold from IMF on November 3, 2009.

\## Includes SDRs 3,082.5 million allocated under general allocation and SDRs 214.6 million allocated under special allocation by the IMF done on August 28, 2009 and September 9, 2009, respectively.

Foreign Exchange Reserves



No. 43: NRI Deposits – Outstanding and Inflows (+) /Outflows (-) @

(US$ Million)

SCHEME	(As at end - March)																
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1. FCNR(A) *	7,051	4,255	2,306	1	–	–	–	–	–	–	–	–	–	–	–	–	–
2. FCNR(B) **	3,063	5,720	7,496	8,467	7,835	8,172	9,076	9,673	10,199	10,961	11,452	13,064	15,129	14,168	13,211	14,258	15,597
3. NR(E)RA	4,556	3,916	4,983	5,637	6,045	6,758	7,147	8,449	14,923	20,559	21,291	22,070	24,495	26,716	23,570	26,251	26,378
4. NR(NR)RD +	2,486	3,542	5,604	6,262	6,618	6,754	6,849	7,052	3,407	1,746	232	–	–	–	–	–	–
5. NRO	–	–	–	–	–	–	–	–	–	–	–	1,148	1,616	2,788	4,773	7,381	9,707
Total	**17,156**	**17,433**	**20,389**	**20,367**	**20,498**	**21,684**	**23,072**	**25,174**	**28,529**	**33,266**	**32,975**	**36,282**	**41,240**	**43,672**	**41,554**	**47,890**	**51,682**

(US$ Million)

SCHEME	2010-11 End - Month											
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar
	1	2	3	4	5	6	7	8	9	10	11	12
1. FCNR(B) **	14,466	14,159	14,369	14,697	14,665	15,012	15,327	15,072	15,100	15,256	15,395	15,597
2. NR(E)RA	26,686	26,031	26,067	26,595	26,124	26,579	26,803	26,132	26,562	25,912	25,970	26,378
3. NRO	7,724	7,643	7,672	7,829	7,895	8,316	8,827	8,632	9,010	9,046	9,312	9,707
Total	**48,876**	**47,833**	**48,108**	**49,121**	**48,684**	**49,907**	**50,957**	**49,836**	**50,672**	**50,214**	**50,677**	**51,682**

(US$ Million)

SCHEME	2011-12(P) End - Month							
	Apr.	May	Jun.	Jul.	Aug.	Sep	Oct	Nov
	1	2	3	4	5	6	7	8
1. FCNR(B) **	15,931	15,843	16,142	16,450	16,250	15,824	15,741	15,574
2. NR(E)RA	26,267	25,927	26,190	26,029	25,797	25,344	25,144	25,574
3. NRO	10,118	10,133	10,565	10,860	10,949	11,136	11,173	11,768
Total	**52,316**	**51,903**	**52,897**	**53,339**	**52,996**	**52,304**	**52,058**	**52,916**

Inflow (+) /Outflow (-) During the Month (US$ Million)

SCHEME	2010-11												
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	Jan	Feb	Mar	Apr.- Mar.
	1	2	3	4	5	6	7	8	9	10	11	12	13
1. FCNR(B)	207	-307	210	329	-33	347	316	-256	29	156	139	202	1,339
	(173)	(633)	-(3)	(142)	-(103)	(135)	(437)	(73)	-(33)	-(131)	-(176)	-(100)	(1047)
2. NR(E)RA	-85	558	39	468	-234	-300	-381	41	-120	-105	-162	1	-280
	(67)	(128)	(187)	(234)	-(68)	(38)	-(270)	-(31)	(44)	-(286)	-(11)	-(103)	-(71)
3. NRO	197	272	29	139	138	189	322	41	194	223	188	248	2,180
	(229)	(257)	(146)	(316)	(120)	(233)	(166)	(207)	(16)	(104)	(68)	(84)	(1946)
Total	**319**	**523**	**278**	**936**	**-129**	**236**	**257**	**-174**	**103**	**274**	**165**	**451**	**3,239**
	(469)	**(1018)**	**(330)**	**(692)**	**-(51)**	**(406)**	**(333)**	**(249)**	**(27)**	**-(313)**	**-(119)**	**-(119)**	**(2922)**

Inflow (+) /Outflow (-) During the Month (US$ Million)

SCHEME	2011-12(P)								
	Apr.	May	Jun.	Jul.	Aug.	Sep	Oct	Nov	Apr.-Nov.
	1	2	3	4	5	6	7	8	9
1. FCNR(B)	334	-89	300	308	-200	-426	-83	-167	-23
	(207)	-(307)	(210)	(329)	-(33)	(347)	(316)	-(256)	(813)
2. NR(E)RA	-277	144	-100	-408	742	1,187	406	1,067	2,761
	-(85)	(558)	(39)	(468)	-(234)	-(300)	-(381)	(41)	(106)
3. NRO	350	202	289	193	498	893	306	882	3613
	(197)	(272)	(29)	(139)	(138)	(189)	(322)	(41)	(1327)
Total	**407**	**257**	**489**	**93**	**1040**	**1654**	**629**	**1782**	**6351**
	(319)	**(523)**	**(278)**	**(936)**	**-(129)**	**(236)**	**(257)**	**-(174)**	**(2246)**

Notes:
1. FCNR(A) : Foreign Currency Non-Resident (Accounts).
2. FCNR(B) : Foreign Currency Non-Resident (Banks).
3. NR(E) RA : Non-Resident (External) Rupee Accounts.
4. NR(NR)RD : Non-Resident (Non-Repatriable) Rupee Deposits
5. NRO Non-Resident Ordinary Rupee Account
6. Figures in the brackets represent inflows(+) outflows (-) during the corresponding month/period of the previous year.
7. Flows derived from the month-end balances may not be consistent with the data provided under monthly total 'outflows/inflows' as exchange rates used in two sets of data are different.

P: Provisional. –: Not Available.
@ All figures are inclusive of accrued interest.
* Withdrawn effective August 1994.
** Introduced in May 1993.
\+ Introduced in June 1992 and discontinued w.e.f. April 2002.

No. 44: Foreign Investment Inflows

(US$ Million)

Item	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 (P)	2010-11 (P)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
A. Direct Investment (I+II+III)	**2,144**	**2,821**	**3,557**	**2,462**	**2,155**	**4,029**	**6,130**	**5,035**	**4,322**	**6,051**	**8,961**	**22,826**	**34,835**	**41,874**	**37,745**	**32,901**
I. Equity (a+b+c+d+e)	2,144	2,821	3,557	2,462	2,155	2,400	4,095	2,764	2,229	3,778	5,975	16,481	26,864	32,066	27,146	20,304
a. Government (SIA/FIPB)	1,249	1,922	2,754	1,821	1,410	1,456	2,221	919	928	1,062	1,126	2,156	2,298	5,400	3,471	1,945
b. RBI	169	135	202	179	171	454	767	739	534	1,258	2,233	7,151	17,127	21,332	18,987	12,994
c. NRI	715	639	241	62	84	67	35	–	–	–	–	–	–	–	–	–
d. Acquisition of shares *	11	125	360	400	490	362	881	916	735	930	2,181	6,278	5,148	4,632	3,148	4,491
e. Equity capital of unincorporated bodies #	..	..	..	..	..	61	191	190	32	528	435	896	2,291	702	1,540	874
II. Reinvested earnings +	..	..	..	..	..	1,350	1,645	1,833	1,460	1,904	2,760	5,828	7,679	9,032	8,668	11,939
III. Other capital ++	..	..	..	..	..	279	390	438	633	369	226	517	292	776	1,931	658
B. Portfolio Investment (a+b+c)	**2,748**	**3,312**	**1,828**	**-61**	**3,026**	**2,760**	**2,021**	**979**	**11,377**	**9,315**	**12,492**	**7,003**	**27,271**	**-13,855**	**32,376**	**31,471**
a. GDRs/ADRs # #	683	1,366	645	270	768	831	477	600	459	613	2,552	3,776	6,645	1,162	3,328	2,049
b. FIIs **	2,009	1,926	979	-390	2,135	1,847	1,505	377	10,918	8,686	9,926	3,225	20,328	-15,017	29,048	29,422
c. Offshore funds and others	56	20	204	59	123	82	39	2	–	16	14	2	298	–	–	–
Total (A+B)	**4,892**	**6,133**	**5,385**	**2,401**	**5,181**	**6,789**	**8,151**	**6,014**	**15,699**	**15,366**	**21,453**	**29,829**	**62,106**	**28,019**	**70,121**	**64,372**

(US$ Million)

Item	2010-11 (P)												
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec.	Jan.	Feb	Mar	Apr.- Mar.
	1	2	3	4	5	6	7	8	9	10	11	12	13
A. Direct Investment (I+II+III)	**2,179**	**2,213**	**1,380**	**1,785**	**1,330**	**2,118**	**1,392**	**1,628**	**2,014**	**1,042**	**1,274**	**1,075**	**32,901**
I. Equity (a+b+c+d)	2,179	2,213	1,380	1,785	1,330	2,118	1,392	1,628	2,014	1,042	1,274	1,075	**20,304**
a. Government (SIA/FIPB)	440	555	159	49	151	61	146	43	118	32	79	112	1,945
b. RBI	1,361	1,274	914	1,387	998	565	1,204	1,247	1,732	788	876	648	12,994
c. Acquisition of shares *	378	384	307	349	181	1,492	42	338	164	222	319	315	4,491
d. Equity capital of unincorporated bodies #	..	..	..	..	..	..	..	..	..	..	..	..	874
II. Reinvested earnings +	..	..	..	..	..	..	..	..	..	..	..	..	11,939
III. Other capital ++	..	..	..	..	..	..	..	..	..	..	..	..	658
B. Portfolio Investment (a+b+c)	**3,315**	**88**	**1,250**	**9,114**	**-440**	**10,577**	**28,704**	**-19,811**	**-1,502**	**1,691**	**-1,600**	**85**	**31,471**
a. GDRs/ADRs # #	156	579	379	364	–	128	74	110	49	116	–	94	2,049
b. FIIs **	3,159	-491	871	8,750	-440	10,449	28,630	-19,921	-1,551	1,575	-1,600	-9	29,422
c. Offshore funds and others	–	–	–	–	–	–	–	–	–	–	–	–	–
Total (A+B)	**5,494**	**2,301**	**2,630**	**10,899**	**890**	**12,695**	**30,096**	**-18,183**	**512**	**2,733**	**-326**	**1,160**	**64,372**

(US$ Million)

Item	2011-12 (P)								
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Apr.-Nov.
	1	2	3	4	5	6	7	8	9
A. Direct Investment (I+II+III)	**3,121**	**4,664**	**5,656**	**1,099**	**2,830**	**1,766**	**1,161**	**2,538**	**32,999**
I. Equity (a+b+c+d)	3,121	4,664	5,656	1,099	2,830	1,766	1,161	2,538	23,515
a. Government (SIA/FIPB)	655	103	993	212	105	109	130	282	2,589
b. RBI	2,263	4,359	2,443	841	2,384	1,429	854	1,028	15,601
c. Acquisition of shares *	203	202	2,220	46	341	228	177	1,228	4,645
d. Equity capital of unincorporated bodies #	..	..	..	..	..	..	..	..	680
II. Reinvested earnings +	..	..	..	..	..	..	..	..	7,280
III. Other capital ++	..	..	..	..	..	..	..	..	2,204
B. Portfolio Investment (a+b+c)	**3,545**	**-1,584**	**789**	**1,560**	**-1,797**	**-1,147**	**-432**	**76**	**1,010**
a. GDRs/ADRs # #	105	**125**	48	20	24	161	84	–	567
b. FIIs **	3,440	**-1,709**	741	1,540	-1,821	-1,308	-516	76	443
c. Offshore funds and others	–	–	–	–	–				–
Total (A+B)	**6,666**	**3,080**	**6,445**	**2,659**	**1,033**	**619**	**729**	**2,614**	**34,009**

* Relates to acquisition of shares of Indian companies by non-residents under Section 6 of FEMA, 1999. Data on such acquisitions have been included as part of FDI since January 1996.

** Represents inflow of funds (net) by Foreign Institutional Investors (FIIs).

Figures for equity capital of unincorporated bodies for 2011-12 are estimated based on the average of previous two years.

Represents the amount raised by Indian Corporates through Global Depository Receipts (GDRs) and American Depository Receipts (ADRs).

\+ Data for 2011-12 are estimated as average of previous two years.

++ Data pertain to inter-company debt transactions of FDI entities for the period of April-September only.

Notes:
1. Data for equity capital of unincorporated bodies, reinvested earnings and other capital in the column of the monthly tables, pertain to April-November 2011 which are included in the last column (cumulative FDI). As a result, the monthly total FDI may not match with the cumulative FDI given in the last column.
2. Data on FDI have been revised since 2000-01 with expanded coverage to approach international best practices.
3. These data, therefore, are not comparable with FDI data for previous years. Also see 'Notes on Tables' of Table No 40 & 41.

Table 44 A: Outward Remittances under the Liberalised Remittance Scheme for Resident Individuals

(US$ Million)

Purpose	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	1	2	3	4	5	6	7
1. Deposit	9.1	23.2	19.7	24.0	30.4	37.4	29.6
2. Purchase of immovable property	0.5	1.9	8.5	39.5	55.9	47.6	66.3
3. Investment in equity/debt	–	–	20.7	144.7	151.4	206.5	265.9
4. Gift	–	–	7.4	70.3	133.0	159.9	242.5
5. Donations	–	–	0.1	1.6	1.4	5.3	3.6
6 Travel	–	–	–	–	–	17.4	16.2
7. Maintenance of close relatives	–	–	–	–	–	170.9	255.2
8. Medical Treatment	–	–	–	–	–	18.3	5.7
9. Studies Abroad	–	–	–	–	–	217.8	150.1
10. Others**	–	–	16.4	160.4	436.0	101.8	128.6
Total (1 to 10)	**9.6**	**25.0**	**72.8**	**440.5**	**808.1**	**983.0**	**1163.5**

(US$ Million)

Purpose	2010-11											
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
	1	2	3	4	5	6	7	9	10	11	12	13
1. Deposit	3.6	2.5	2.3	1.5	1.3	0.8	2.9	1.7	1.6	1.1	2.5	7.8
2. Purchase of immovable property	7.5	5.8	5.9	4.4	4.6	4.6	6.8	5.0	4.0	4.4	4.5	8.8
3. Investment in equity/debt	22.2	21.6	18.2	17.6	17.5	15.6	24.8	15.3	16.9	19.4	26.5	50.3
4. Gift	24.5	16.6	16.5	15.1	19.2	15.8	23.1	23.1	29.3	15.1	15.0	29.2
5. Donations	0.5	0.1	0.2	0.1	0.4	0	0.3	0.3	0.1	0.2	0.3	1.1
6. Travel	1.6	1.5	1.2	2.2	2.6	1.3	1.3	1.2	1.1	0.7	0.8	0.7
7. Maintenance of close relatives	61.1	19.7	15.1	14.7	20.7	14.5	18.9	12.1	40.4	9.6	9.1	19.3
8. Medical Treatment	0.8	0.6	0.7	0.7	0.5	0.4	0.3	0.6	0.6	0.04	0.3	0.2
9. Studies Abroad	7.7	9.6	6.9	13.0	18.6	23.9	12.6	10.4	11.7	13.1	10.4	12.2
10. Others **	11.7	12.2	10.1	7.6	9.5	7.3	8.3	12.0	14.0	10.1	7.9	17.9
Total (1 to 10)	**141.2**	**90.2**	**77.1**	**76.9**	**94.7**	**84.2**	**99.3**	**81.7**	**119.7**	**73.7**	**77.3**	**147.5**

(US$ Million)

Purpose	2011-12						
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.
	1	2	3	4	5	6	7
1. Deposit	3.3	2.6	2.3	0.9	1.1	1.4	0.6
2. Purchase of immovable property	6.8	6.0	6.2	7.2	5.2	3.8	4.2
3. Investment in equity/debt	26.2	21.4	16.3	19.0	20.1	18.2	13.8
4. Gift	38.3	23.4	22.9	21.4	17.3	17.1	13.2
5. Donations	–	0.2	0.9	0.3	0.1	0.3	0.4
6. Travel	2.2	2.0	1.8	2.5	1.7	3.9	3.4
7. Maintenance of close relatives	12.9	11.2	10.5	11.1	9.3	13.0	12.3
8. Medical Treatment	0.2	0.4	0.2	0.02	0.3	0.6	0.3
9. Studies Abroad	6.5	7.9	6.8	9.1	15.5	12.5	7.5
10. Others **	7.0	8.5	6.3	6.7	8.3	8.4	9.4
Total (1 to 10)	**103.4**	**83.7**	**74.2**	**78.2**	**78.9**	**79.2**	**64.9**

– Not available

** Include items such as subscription to journals, maintenance of investment abroad, student loan repayments, credit card payments etc. (till 2008-09 also includes education, travel, maintenance of close relatives and medical treatment).

Notes: (i) The data from 2004 to 2007 are on calendar basis.

(ii) Under Liberalised Remittance Scheme (LRS), currently, the residents are permitted to remit up to an amount of US $ 2,00,000 per financial year (April-March) for any permitted current or capital account transactions or a combination of both with effect from September 26, 2007. The LRS Scheme was introduced in February 2004 to facilitate resident individuals to freely remit up to US $ 25,000 per calendar year, which was enhanced to US $ 50,000 per financial year in December 2006; to US $ 1, 00,000 per financial year in May 2007; and to US $ 2, 00,000 per financial year in September 2007.

No. 45: Daily Foreign Exchange Spot Rates

(₹ per Unit of Foreign Currency)

Date	RBI's Reference Rate ₹ Per Foreign Currency		FEDAI Indicative Rates							
	US Dollar	Euro	US Dollar		Pound Sterling		Euro		One Hundred Japanese Yen	
			Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
	1	2	3	4	5	6	7	8	9	10
November 1, 2011	49.0775	67.7597	49.0700	49.0800	78.7625	78.8025	67.7600	67.7850	62.8125	62.8425
November 2, 2011	49.2508	67.6445	49.2100	49.2200	78.6975	78.7225	67.6200	67.6575	62.9925	63.0225
November 3, 2011	49.3748	67.5920	49.3800	49.3900	78.4850	78.5150	67.5825	67.6150	63.2350	63.2875
November 4, 2011	49.0840	67.7910	49.0800	49.0900	78.6350	78.6675	67.8050	67.8325	62.8350	62.8725
November 7, 2011 +										
November 8, 2011	49.3800	67.8411	49.3650	49.3750	79.1625	79.1925	67.8425	67.8750	63.2550	63.2850
November 9, 2011	49.7810	68.8817	49.7800	49.7900	80.0750	80.1175	68.7850	68.8200	64.1400	64.2025
November 10, 2011 +										
November 11, 2011	50.2795	68.4460	50.2500	50.2600	80.0075	80.0400	68.3950	68.4250	64.7800	64.8350
November 14, 2011	50.0845	68.8325	50.0850	50.0950	80.3575	80.3875	68.8225	68.8550	64.8950	64.9575
November 15, 2011	50.5645	68.7875	50.6200	50.6300	80.3700	80.4000	68.7375	68.7700	65.6625	65.7100
November 16, 2011	50.9010	68.4750	50.9000	50.9100	80.2500	80.2800	68.4500	68.4900	66.1050	66.1350
November 17, 2011	50.7220	68.4619	50.7100	50.7200	79.8725	79.9050	68.4725	68.5125	65.8325	65.8875
November 18, 2011	51.3530	69.2589	51.3350	51.3450	80.9700	81.0025	69.2775	69.3000	66.7825	66.8125
November 21, 2011	51.7165	69.8883	51.7100	51.7200	81.3975	81.4275	69.8700	69.9000	67.2950	67.3250
November 22, 2011	52.7015	71.0788	52.6700	52.6800	82.3800	82.4125	71.0250	71.0450	68.3150	68.3525
November 23, 2011	52.1005	70.0732	52.1450	52.1550	81.4200	81.4550	70.1550	70.1850	67.6850	67.7150
November 24, 2011	52.2500	69.8261	52.2500	52.2600	81.2225	81.2550	69.8175	69.8350	67.7250	67.7550
November 25, 2011	52.1665	69.4263	52.1650	52.6625	80.6325	80.6625	69.4100	69.4450	67.3625	67.3925
November 28, 2011	51.9830	69.1243	51.9750	51.9850	80.6300	80.6700	69.1625	69.1975	66.8925	66.9725
November 29, 2011	51.9308	69.3658	51.9100	51.9200	80.6225	80.6525	69.3825	69.4125	66.5950	66.6150
November 30, 2011	52.1650	69.4735	52.1750	52.1850	81.2675	81.3050	69.4400	69.4625	66.9250	66.9650

\+ Market closed.

FEDAI: Foreign Exchange Dealers' Association of India.

Note : Euro Reference rate was announced by RBI with effect from January 1, 2002.

Source : FEDAI for FEDAI rates.

No. 46: Sale/Purchase of U.S. Dollar by the Reserve Bank of India

Month		Foreign Currency (US $ million)			₹ equivalent at contract rate (₹ billion)	Cumulative (over end-March 2010)		Outstanding Net Forward Sales (–)/ Purchase (+) at the end of month (US $ million)
		Purchase (+)	Sale (–)	Net (+/–)		(US $ million)	(₹ billion)	
		1	2	3	4	5	6	7
2010-11								
April	2010	–	–	–	–	–	–	370.00
May	2010	–	–	–	–	–	–	370.00
June	2010	370.00	260.00	110.00	4.92	110.00	4.92	260.00
July	2010	–	–	–	–	110.00	4.92	260.00
August	2010	–	–	–	–	110.00	4.92	260.00
September	2010	260.00	–	260.00	12.16	370.00	17.07	0.00
October	2010	450.00	–	450.00	20.02	820.00	37.09	450.00
November	2010	1,370.00	500.00	870.00	38.49	1,690.00	75.58	0.00
December	2010	–	–	–	–	1,690.00	75.58	0.00
January	2011	–	–	–	–	1,690.00	75.58	0.00
February	2011	–	–	–	–	1,690.00	75.58	0.00
March	2011	–	–	–	–	1,690.00	75.58	0.00

Month		Foreign Currency (US $ million)			₹ equivalent at contract rate (₹ billion)	Cumulative (over end-March 2011)		Outstanding Net Forward Sales (–)/ Purchase (+) at the end of month (US $ million)
		Purchase (+)	Sale (–)	Net (+/–)		(US $ million)	(₹ billion)	
		1	2	3	4	5	6	7
2011-12								
April	2011	–	–	–	–	–	–	0.00
May	2011	–	–	–	–	–	–	0.00
June	2011	–	–	–	–	–	–	0.00
July	2011	–	–	–	–	–	–	0.00
August	2011	–	–	–	–	–	–	0.00
September	2011	–	845.00	–845.00	–41.40	–845.00	–41.40	0.00
October	2011	–	943.00	–943.00	–47.14	–1,788.00	–88.54	0.00
November	2011	–	2,918.00	–2,918.00	–148.35	–4,706.00	–236.89	–1,620.00

(+) Implies Purchase including purchase leg under swaps and outright forwards.

(–) Implies Sales including sale leg under swaps and outright forwards.

Note: This table is based on value dates.

No. 47: Turnover in Foreign Exchange Market

(US$ Million)

Position Date	Merchant						Inter-bank					
	FCY / INR			FCY / FCY			FCY/INR			FCY/FCY		
	Spot	Forward	Forward Cancellation	Spot	Forward	Forward Cancellation	Spot	Swap	Forward	Spot	Swap	Forward
	1	2	3	4	5	6	7	8	9	10	11	12
Purchases												
Nov. 1, 2011	2,140	1,129	825	217	278	354	6,630	6,375	513	3,171	2,195	134
Nov. 2, 2011	2,119	1,226	639	161	396	271	6,631	7,433	719	3,153	1,869	134
Nov. 3, 2011	2,451	1,460	769	118	310	305	7,382	8,354	832	3,413	2,006	89
Nov. 4, 2011	2,257	1,428	622	107	391	295	6,004	6,971	745	2,522	2,436	160
Nov. 7, 2011+												
Nov. 8, 2011	2,771	1,550	595	336	471	330	6,643	7,425	760	2,736	1,697	93
Nov. 9, 2011	2,765	2,060	798	219	532	556	8,554	7,659	1,211	3,523	1,536	245
Nov. 10, 2011+												
Nov. 11, 2011	2,162	1,415	456	451	266	230	7,317	4,863	650	2,982	1,887	379
Nov. 14, 2011	2,537	1,236	737	472	268	324	8,398	6,101	386	3,426	1,523	94
Nov. 15, 2011	2,519	1,500	637	234	356	371	8,358	8,107	673	3,590	1,215	92
Nov. 16, 2011	2,727	1,620	860	182	478	465	7,891	7,946	642	3,898	1,567	119
Nov. 17, 2011	1,849	1,283	482	263	286	197	7,296	6,837	710	3,353	1,194	229
Nov. 18, 2011	2,397	1,721	883	185	244	209	8,838	8,541	891	3,016	1,539	89
Nov. 21, 2011	2,356	1,904	800	411	334	243	8,781	6,872	1,287	3,533	1,588	131
Nov. 22, 2011	2,500	2,197	783	259	162	113	6,915	6,744	1,106	2,626	2,281	294
Nov. 23, 2011	2,209	2,193	1,260	211	158	178	7,875	6,619	506	3,065	1,581	118
Nov. 24, 2011	1,315	1,265	942	232	195	143	6,289	4,456	639	2,311	1,473	49
Nov. 25, 2011	2,724	2,227	1,836	257	428	511	8,521	6,003	511	2,792	2,278	290
Nov. 28, 2011	3,496	1,717	2,217	312	338	371	9,074	7,431	518	3,078	2,575	210
Nov. 29, 2011	2,998	1,557	1,563	359	476	812	7,835	6,693	469	3,117	2,488	97
Nov. 30, 2011	2,996	2,010	2,121	369	206	267	9,189	6,575	483	3,212	1,693	128
Sales												
Nov. 1, 2011	1,927	1,236	607	216	304	285	6,496	7,751	669	3,201	2,255	160
Nov. 2, 2011	2,382	1,119	474	168	361	277	6,593	8,174	723	3,100	1,811	126
Nov. 3, 2011	1,745	1,787	982	116	309	307	7,000	9,489	1,290	3,437	1,924	74
Nov. 4, 2011	2,775	1,593	395	95	337	331	5,349	7,543	977	2,526	2,292	170
Nov. 7, 2011+												
Nov. 8, 2011	2,889	1,654	1,072	338	452	328	6,378	6,900	990	2,756	1,615	92
Nov. 9, 2011	2,627	1,879	1,214	218	522	572	7,937	7,979	1,591	3,521	1,452	242
Nov. 10, 2011+												
Nov. 11, 2011	1,756	1,925	975	454	241	266	6,466	3,854	1,022	3,038	1,900	364
Nov. 14, 2011	3,063	1,375	614	447	274	282	7,618	7,524	574	3,398	1,642	65
Nov. 15, 2011	2,406	1,871	660	225	349	401	7,537	8,899	1,098	3,584	1,311	70
Nov. 16, 2011	2,167	2,048	823	180	411	510	7,285	8,217	974	3,897	1,592	97
Nov. 17, 2011	2,163	1,377	597	280	360	209	6,667	6,066	1,012	3,348	1,112	214
Nov. 18, 2011	2,724	2,430	777	175	362	160	8,325	9,333	1,042	3,022	1,481	84
Nov. 21, 2011	2,397	2,635	657	416	225	284	8,185	7,338	1,035	3,501	1,309	122
Nov. 22, 2011	2,275	2,946	604	274	221	128	6,547	7,720	1,450	2,637	2,226	305
Nov. 23, 2011	2,322	2,475	781	213	159	183	7,347	6,634	949	2,905	1,577	113
Nov. 24, 2011	1,149	2,076	698	232	270	142	6,058	4,547	817	2,238	1,426	67
Nov. 25, 2011	3,588	2,245	1,026	294	446	497	7,668	6,305	519	2,774	2,233	271
Nov. 28, 2011	3,279	2,483	1,925	342	372	357	8,470	7,812	1,068	3,037	2,521	220
Nov. 29, 2011	2,549	1,955	1,204	334	447	830	7,802	6,736	555	3,128	2,654	114
Nov. 30, 2011	2,842	2,297	2,150	325	220	271	8,305	7,896	782	3,144	1,870	148

+ : Market Closed. INR: Indian Rupees. FCY: Foreign Currency.

Note: Data relate to sales and purchases of foreign exchange on account of merchant and inter-bank transactions. Data are provisional.

No. 48: Indices of Real Effective Exchange Rate (REER) and Nominal Effective Exchange Rate (NEER) of the Indian Rupee

(36-Currency Export and Trade Based Weights)

(Base: 2004-05=100)

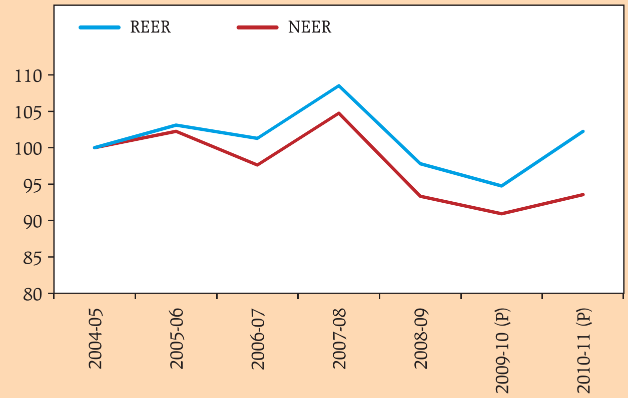
Year	Trade-Based Weights		Export-Based Weights	
	REER	NEER	REER	NEER
	1	2	3	4
2004-05	100.00	100.00	100.00	100.00
2005-06	103.10	102.24	102.74	102.20
2006-07	101.29	97.63	101.05	98.00
2007-08	108.52	104.75	108.57	105.61
2008-09	97.80	93.34	97.77	93.99
2009-10 (P)	94.73	90.93	95.26	91.41
2010-11 (P)	102.34	93.66	103.52	94.74

Year		Trade-Based Weights		Export-Based Weights	
		REER	NEER	REER	NEER
		1	2	3	4
2009-10 (P)	April	90.60	89.64	90.92	89.89
	May	91.87	90.58	92.34	90.95
	June	92.69	91.04	93.09	91.36
	July	92.01	89.58	92.37	89.85
	August	92.48	89.32	92.84	89.59
	September	91.70	88.35	92.14	88.72
	October	94.32	90.66	94.85	91.19
	November	95.65	90.67	96.15	91.19
	December	96.18	91.10	96.77	91.65
	January	99.10	92.63	99.80	93.29
	February	99.09	93.08	99.88	93.80
	March	101.06	94.56	102.01	95.46
2010-11 (P)	April	103.85	96.42	104.75	97.29
	May	103.03	95.63	103.86	96.41
	June	102.40	94.75	103.23	95.52
	July	100.07	92.12	101.61	93.48
	August	99.69	92.13	100.64	92.98
	September	100.86	92.98	101.91	93.97
	October	102.76	94.61	103.84	95.69
	November	101.77	93.43	102.85	94.52
	December	103.62	93.91	104.91	95.19
	January	103.87	92.81	105.28	94.11
	February	102.81	92.41	104.34	93.70
	March	103.37	92.67	105.05	94.04
2011-12 (P)	April	104.44	93.06	105.68	94.31
	May	102.97	92.00	104.25	93.29
	June	103.26	92.00	104.72	93.39
	July	104.39	92.62	106.15	94.22
	August	102.37	90.64	104.34	92.41
	September	99.40	87.89	101.04	89.40
	October	96.79	85.50	98.37	86.94
	November	94.06	82.99	95.52	84.41
	December	91.82	81.10	93.33	82.53

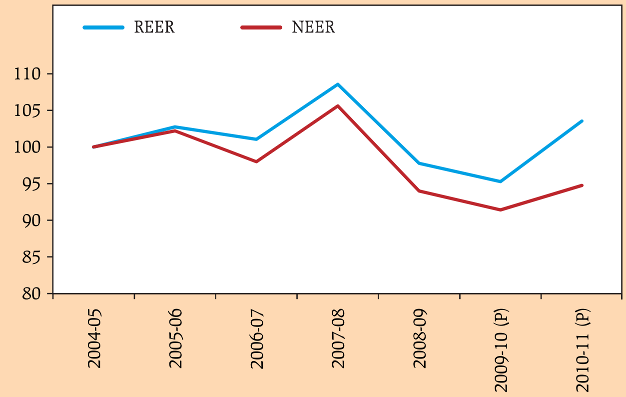
P : Provisional

Note: 1) For 'Note on Methodology' please see December 2005 issue of this Bulletin.
2) The Base year is changed from 1993-94 to 2004-05.

Indices of REER and NEER of the Indian Rupee (Trade-Based Weights)



Indices of REER and NEER of the Indian Rupee (Export-Based Weights)



No. 49: Indices of Real Effective Exchange Rate (REER) and Nominal Effective Exchange Rate (NEER) of the Indian Rupee

(6-Currency Trade Based Weights)

Year/Month/Day	Base: 2004-05 (April-March) =100		Base: 2009-10 (April-March) =100	
	NEER	REER	NEER	REER
	1	2	3	4
2004-05	100.00	100.00	114.88	98.10
2005-06	103.04	105.17	118.34	103.13
2006-07	98.09	104.30	112.66	102.28
2007-08	104.62	112.76	120.16	110.58
2008-09	90.42	102.32	103.85	100.34
2009-10	87.07	101.97	100.00	100.00
2010-11	92.02	115.28	105.69	113.05
2008-09 April	99.35	110.58	114.10	108.44
May	94.86	105.92	108.94	103.87
June	93.26	105.77	107.11	103.72
July	92.49	105.29	106.22	103.25
August	94.33	108.24	108.33	106.14
September	90.35	103.67	103.76	101.66
October	86.86	99.98	99.76	98.04
November	88.08	100.80	101.16	98.85
December	86.83	98.30	99.72	96.39
January	87.00	97.86	99.92	95.96
February	87.66	97.58	100.68	95.69
March	84.00	93.90	96.47	92.08
2009-10 April	85.28	96.12	97.94	94.26
May	86.48	98.51	99.32	96.60
June	86.71	98.71	99.59	96.80
July	85.22	97.84	97.87	95.95
August	85.04	98.90	97.66	96.99
September	84.18	98.48	96.68	96.58
October	86.67	101.53	99.54	99.57
November	86.56	102.86	99.41	100.87
December	87.21	103.99	100.16	101.98
January	89.30	107.33	102.56	105.25
February	90.03	107.98	103.40	105.88
March	92.19	111.43	105.88	109.28
2010-11 April	94.70	116.00	108.76	113.75
May	94.23	116.20	108.22	113.95
June	93.50	115.21	107.38	112.98
July	90.96	112.63	104.46	110.45
August	90.92	112.72	104.42	110.53
September	91.38	113.96	104.95	111.75
October	92.32	115.19	106.03	112.96
November	91.52	115.08	105.11	112.86
December	92.47	117.94	106.20	115.66
January	91.45	117.46	105.02	115.19
February	90.37	115.70	103.79	113.46
March	90.44	116.44	103.86	114.19
2011-12 April	90.60	117.96	104.06	115.67
May	89.48	116.92	102.77	114.66
June (P)	89.48	116.67	102.76	114.41
July (P)	90.49	118.31	103.92	116.02
August (P)	88.25	116.17	101.35	113.92
September (P)	85.21	112.79	97.86	110.61
October (P)	82.48	108.65	94.73	106.54
November (P)	80.14	105.79	92.04	103.75
As on				
December 2 (P)	79.62	105.51	91.44	103.47
December 9 (P)	78.53	104.07	90.19	102.05
December 16 (P)	78.30	103.76	89.93	101.75
December 23 (P)	78.27	103.90	89.89	101.89
December 30 (P)	77.69	103.13	89.23	101.13

P: Provisional.

Notes: 1. Rise in indices indicate appreciation of rupee and vice versa.
2. For "Note on Methodology" on the indices presented here, please see December 2005 issue of this Bulletin.
3. Base year 2009-10 is a moving one, which gets updated every year.

Notes on Tables

Table No. 1

(1) Annual data are averages of the months.

(2) Figures relate to last Friday of the month/year.

(3) Total of Rupee Securities held in Issue and Banking Departments.

(4) Relates to loans and advances only.

(5) Figures relate to the last Friday/last reporting Friday (in case of March).

(6) Total for Mumbai, Chennai, Kolkata and New Delhi only.

(7) Figures relate to last reporting Friday/March 31.

(8) Rates presented as low/high for the period indicated. The source of data prior to April 2000 issue of the Bulletin has been DFHI. The data from April 2000 issue of the Bulletin are not strictly comparable with that pertaining to earlier periods due to wider coverage of Call Market business.

(9) Relating to major banks.

(10) Base Rate relates to five major banks since July 1, 2010. Earlier figures relate to Benchmark Prime Lending Rate (BPLR).

(11) Annual data are averages of the months.

(12) Figures relate to the end of the month/year.

(13) Data relate to January – December.

(14) Cash Reserve Ratio of Scheduled Commercial Banks (excluding Regional Rural Banks).

Table No. 2

The gold reserves of Issue Department were valued at `84.39 per 10 grams up to October 16, 1990 and from October 17, 1990 they are valued close to international market prices.

(1) Includes Government of India one rupee notes issued from July 1940.

(2) Includes (i) Paid-up Capital of `0.05 billion (ii) Reserve Fund of `65 billion (iii) National Industrial Credit (Long-Term Operations): Fund of `0.16 billion and (iv) National Housing Credit (Long-Term Operations) Fund of `1.90 billion from the week ended November 30, 2007.

(3) Includes cash, short-term securities and fixed deposits. This also includes investment in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.

(4) Includes temporary overdrafts to State Governments.

(5) Figures in bracket indicate the value of gold held under other assets.

Table Nos. 3 & 4

The expression 'Banking System' or 'Banks' means (a) State Bank of India and its associates (b) Nationalised Banks (c) Banking companies as defined in clause 'C' of Section 5 of the Banking Regulation Act, 1949 (d) Co-operative banks (as far as scheduled co-operative banks are concerned) (e) Regional Rural Banks and (f) any other financial institution notified by the Central Government in this regard.

(1) Excludes borrowings of any scheduled state co-operative bank from the State Government and any Reserve Fund deposit required to be maintained with such bank by any co-operative society within the area of operation of such bank.

(2) Deposits of co-operative banks with scheduled state co-operative banks are excluded from this item but are included under 'Aggregate deposits'.

(3) Excludes borrowings of regional rural banks from their sponsor banks.

(4) Wherever it has not been possible to provide the data against the item 'Other demand and time liabilities'

under 'Liabilities to the Banking System' separately, the same has been included in the item 'Other demand and time liabilities' under 'Liabilities to others'.

(5) Data reflect redemption of India Millennium Deposits (IMDs) on December 29, 2005.

(6) Other than from the Reserve Bank of India, NABARD and Export-Import Bank of India.

(7) Figures relating to scheduled banks' borrowings in India are those shown in the statement of affairs of the Reserve Bank of India. Borrowings against usance bills and/or promissory notes are under section 17(4) of the Reserve Bank of India Act, 1934.

(8) Includes borrowings by scheduled state co-operative banks under Section 17(4AA) of the Reserve Bank of India Act, 1934.

(9) As per the Statement of Affairs of the Reserve Bank of India.

(10) Advances granted by scheduled state co-operative banks to co-operative banks are excluded from this item but included under 'Loans, cash-credits and overdrafts'.

(11) At book value; it includes treasury bills and treasury receipts, treasury savings certificates and postal obligations.

(12) Includes participation certificates (PCs) issued by scheduled commercial banks to other banks and financial institutions.

(13) Includes participation certificates (PCs) issued by scheduled commercial banks to others.

(14) Figures in brackets relate to advances of scheduled commercial banks for financing food procurement operations.

Table No. 6

(1) Total of demand and time deposits from 'Others'.

(2) Includes borrowings from the Industrial Development Bank of India and National Bank for Agriculture and Rural Development.

(3) At book value; includes treasury bills and treasury receipts, treasury savings certificates and postal obligations.

(4) Total of 'Loans, cash credits and overdrafts' and 'Bills purchased and discounted'.

(5) Includes advances of scheduled state co-operative banks to central co-operative banks and primary co-operative banks.

Table No. 7

With a view to enable the banks to meet any unanticipated additional demand for liquidity in the context of the century date change, a 'Special Liquidity Support' (SLS) facility was made available to all scheduled commercial banks (excluding RRBs) for a temporary period from December 1, 1999 to January 31, 2000.

(1) With effect from April 13,1996, banks are provided export credit refinance against their rupee export credit and post-shipment export credit denominated in U.S. Dollars taken together.

(2) General Refinance Facility was replaced by Collateralised Lending Facility (CLF)/Additional Collateralised Facility (ACLF) effective April 21, 1999. ACLF was withdrawn with the introduction of Liquidity Adjustment Facility (LAF), effective June 5, 2000. CLF was withdrawn completely effective October 5, 2002.

(3) Special Liquidity Support Facility which was introduced effective September 17, 1998 was available upto March 31, 1999.

(4) Post-shipment credit denominated in US dollars (PSCFC) scheme was withdrawn effective February 8, 1996 and the refinance facility thereagainst was withdrawn effective April 13, 1996. The scheme of government securities refinance was terminated effective July 6, 1996.

Table No. 8

(a) The data includes cheque clearing for both i.e. clearing houses managed by Reserve Bank of India and clearing houses managed by other banks. Paper based inter-bank clearing has been discontinued at all the centres since June, 2005.

The other MICR Centres are Agra, Allahabad, Amritsar, Aurangabad, Baroda, Belgaum, Bhavnagar, Bhilwara, Calicut, Coimbatore, Cuttak, Dehradun, Ernakulum, Erode, Gorakhpur, Gwalior, Hubli, Indore ,Jabalpur, Jalandhar, Jamshedpur, Jamnagar, Jodhpur, Kolhapur, Kozhikode, Kota, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Nasik, Panaji, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Salem, Sholapur, Surat, Thiruchirapalli, Tirupur, Thrissur, Tirunelveli, Udaipur, Varanasi, Vijayawada and Vishakhapatnam.

(b) Graphs: The graphs 3 and 4 on Paper and Electronic payments - the Electronic Payment System data include Retail Electronic Payment Systems, RTGS (customer and inter-bank) and CCIL operated systems.

(c) Non MICR Data pertains to the Clearing Houses managed by 10 banks namely SBI, SBBJ, SB Indore, PNB, SBT, SBP, SBH, SBM, Jammu and Kashmir Bank and United Bank of India.

(d) The other MICR Centres includes 50 centres managed by 12 PSBs namely Andhra Bank, Bank of Baroda, Bank of India, Canara Bank, Corporation Bank, Oriental Bank of Commerce, Punjab National Bank, State Bank of India, State Bank of Indore, State Bank of Travancore, State Bank of Hyderabad and Union Bank of India.

Table No. 9A

The data pertains to retail electronic payments.

Table No. 9B

The data pertains to Large Value Payment Systems. The figures for CCIL, insofar as the operations pertain to selected services, are taken from the CCIL published data.

Table No. 10

(a) For details of money stock measures according to the revised series, reference may be made to January 1977 issue of this Bulletin (pages 70-134).

(b) Banks include commercial and co-operative banks.

(c) Financial year data relate to March 31, except scheduled commercial banks' data which relate to the last reporting Friday of March. For details, see the note on page S 963 of October 1991 issue of this Bulletin.

(d) Data are provisional.

(1) Net of return of about `0.43 billion of Indian notes from Pakistan upto April 1985.

(2) Exclude balances held in IMF Account No.1, Reserve Bank of India Employees' Provident Fund, Pension Fund, Gratuity and Superannuation Fund and Co-operative Guarantee Fund, the amount collected under the Additional Emoluments (Compulsory Deposit) Act, 1974 and the Compulsory Deposit Scheme (Income-Tax Payers') Act.

(e) Revised in line with the new accounting standards and consistent with the Methodology of Compilation (June 1998). The revision is in respect of pension and provident funds with commercial banks which are classified as other demand and time liabilities and includes those banks which have reported such changes so far.

Table Nos. 11 & 13

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

(b) Please see item (c) of notes to Table 10.

(c) Data are provisional.

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

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

Table No. 11A

The conceptual basis of the compilation of the Commercial Bank Survey are available in the report of the Working Group on Money Supply: Analytics and Methodology of Compilation (Chairman: Dr. Y.V. Reddy), RBI Bulletin, July 1998, which recommended changes in the reporting system of commercial banks and the article entitled "New Monetary Aggregates: An Introduction", RBI Bulletin, October 1999.

(1) Time Deposits of Residents : These do not reckon non-residents' foreign currency repatriable fixed deposits (such as FCNR(B) deposits, Resurgent India Bonds (RIBs) and India Millennium Deposits (IMDs)) based on the residency criterion and exclude banks' pension and provident funds because they are in the nature of other liabilities and are included under 'other demand and time liabilities'.

(2) Short-term Time Deposits : Refers to contractual maturity of time deposits of up to and including one year. This is presently estimated at 45.0 per cent of total domestic time deposits.

(3) Domestic Credit : It includes investments of banks in non-SLR securities, comprising commercial paper, shares and bonds issued by the public sector undertakings, private sector and public financial institutions and net lending to primary dealers in the call/term money market, apart from investment in government and other approved securities and conventional bank credit (by way of loans, cash credit, overdrafts and bills purchased and discounted).

(4) Net Foreign Currency Assets of Commercial Banks : Represent their gross foreign currency assets netted for foreign currency liabilities to non-residents.

(5) Capital Account : It consists of paid-up capital and reserves.

(6) Other Items (net) : It is the residual balancing the components and sources of the Commercial Banking Survey and includes scheduled commercial banks' other demand and time liabilities, net branch adjustments, net inter-bank liabilities etc.

Table No. 11B

The conceptual basis of the compilation of new monetary aggregates are available in the report of the Working Group on Money Supply: Analytics and Methodology of Compilation (Chairman: Dr. Y.V. Reddy), RBI Bulletin, July 1998. A link series between the old and present monetary series has been published in the article entitled "New Monetary Aggregates: An Introduction", RBI Bulletin, October 1999.

(1) NM_2 and NM_3: Based on the residency concept and hence does not directly reckon non-resident foreign currency repatriable fixed deposits in the form of FCNR(B) deposits.

(2) NM_2 This includes M_1 and residents' short-term time deposits (including and up to the contractual maturity of one year) with commercial banks.

(3) Domestic Credit : Consistent with the new definition of bank credit which includes investments of banks in non-SLR securities, comprising of commercial paper, shares and bonds issued by the public sector undertakings, private sector and public financial institutions and net lending to primary dealers in the call/term money market. The RBI's loans and advances to NABARD would be included in the RBI credit to commercial sector. Other components such as credit to Government, investments in other approved securities and conventional bank credit remain unchanged.

(4) Net Foreign Assets of The Banking Sector : It comprises the RBI's net foreign assets and scheduled commercial banks' net foreign currency assets (refer to note 4 of Table 11A).

(5) Capital Account : It consists of paid-up capital and reserves.

(6) Other Items (net) of the Banking System : It is the residual balancing the components and sources of money stock, representing other demand and time liabilities etc. of the banking system.

Table No. 11C

The conceptual basis of the compilation of the Reserve Bank Survey is given in the report of the Working Group on Money Supply: Analytics and Methodology of Compilation (Chairman: Dr. Y.V. Reddy), RBI Bulletin, July 1998 and the article "New Monetary Aggregates: An Introduction", RBI Bulletin, October 1999. The components of reserve money (to be referred as M_0) remain unchanged. On the sources side, the RBI's refinance to the National Bank for Agriculture and Rural Development (NABARD), which was hitherto part of RBI's claims on banks has been classified as part of RBI credit to commercial sector. The Reserve Bank's net non-monetary liabilities are classified into capital account (comprising capital and reserves) and other items (net).

Table No. 12

Please see item (c) of notes to Table 10.

Table No. 26C

(a) Month-end yields for different integer valued residual maturities are estimated using interpolation technique on weighted average yields of select indicative securities derived from SGL transactions data on government securities observed during a select month-end day. Yield corresponding to each transaction in a security is calculated from the following Yield to Maturity (YTM) and price relationship.

$$P + bpi = \sum_{i=1}^{n} \frac{c/v}{(1+y/v)^{vt_i}} + \frac{F}{(1+y/v)^{vt_n}}$$

Where,

P = price of the bond
bpi = broken period interest
c = annual coupon payment
y = yield to maturity
v = number of coupon payments in a year
n = number of coupon payments till maturity
F = Redemption payment of the bond
t_i = time period in year till i^{th} coupon payment

(b) The weighted average yield corresponding to each traded security on that particular day is calculated from the yields of all transactions on that security using amount (Face Value) traded as the weights.

(c) Broken period (number of days) is based on day count convention of 30 days a month and 360 days a year.

Table Nos. 28 & 29

Table 28 presents Index Numbers of Industrial Production (Sectoral and Use-based Classification). Due to revision of the indices of the mining sector and also the deletion of four items, viz., radio receivers, photosensitised paper, chassis (assembly) for HCVs (bus, truck) and engines from the item–basket of the manufacturing sector, the IIP data have been revised from 1994-95 onwards. This has also resulted in the change in redistribution of weights in use-based classification of IIP. Table 29 contains data on manufacturing sector at two digit level of 17 groups along with general index and sectoral indices, viz., Mining and Quarrying, Manufacturing and Electricity.

Table No. 30

(a) Figures exclude data on private placement and offer for sale but include amounts raised by private financial institutions.

(b) Equity shares exclude bonus shares.

(c) Preference shares include cumulative convertible preference shares and equi-preference shares.

(d) Debentures include bonds.

(e) Convertible debentures include partly convertible debentures.

(f) Non-convertible debentures include secured premium notes and secured deep discount bonds.

(g) Figures in brackets indicate data in respect of premium on capital issues which are included in respective totals.

Table No. 34

The ban on forward trading in gold and silver, effective November 14, 1962 and January 10, 1963, has been lifted with effect from April 1, 2003.

(1) In case Friday is a holiday, prices relate to the preceding working day.

Table No. 35

Annual data relate to average of the months April to March.

(1) The new series of index numbers with base 2001=100 was introduced from January 2006 and with that the compilation of the index numbers with the base year 1982 was discontinued. The linking factor can be used to work out the index numbers with the base year 2001 for data from January 2006 onwards.

(2) Based on indices relating to 78 centres.

Table No. 36

Annual data relate to average of the months April to March. The new series of index numbers with base 1984-85=100 was introduced from November 1987.

(1) Based on indices relating to 59 centres.

As per the Press Release of Central Statistics Office, all-India linked Consumer Price Index for Urban Non-Manual Employees (UNME) has been discontinued with effect from January 2011. Therefore, this Table will not be updated henceforth.

Table No. 37

Annual data relate to the average of the months July to June.

(1) With respect to base: July 1960-June 1961=100.

(2) The new series of index numbers with base : July 1986 to June 1987 = 100 was introduced from November 1995 and with that the compilation of index numbers with base : July 1960 to June 1961

was discontinued. The linking factor given in this column can be used to work out the index numbers with old base (i.e., 1960-61 = 100) for November 1995 and subsequent months.

(3) In the case of Assam, the old series (i.e., with base 1960-61 = 100) was being compiled for the composite region viz. Assam, Manipur, Meghalaya and Tripura while the index of the new series (i.e., with base 1986-87 = 100) has been compiled for each of the constituent States separately. The index for Assam region on old base can be estimated from the corresponding indices of the new series as under :

$I^{A}_{O} = 5.89 \, [\, (0.8126 \text{ X } I^{A}_{N}) + (0.0491 \text{ X } I^{Ma}_{N}) + (0.0645 \text{ X } I^{Me}_{N}) + (0.0738 \text{ X } I^{T}_{N})]$

where I_O and I_N represent the index numbers for old and new series, respectively, and superscripts A, Ma, Me and T indicate Assam, Manipur, Meghalaya and Tripura, respectively.

(4) Similarly, in the case of Punjab, where the old series (i.e., with base 1960-61 = 100) was being compiled for the composite region, viz., Punjab, Haryana and Himachal Pradesh, the index for the Punjab region on old base can be estimated as under :

$I^{P}_{O} = 6.36 \, [(0.6123 \text{ X } I^{P}_{N}) + (0.3677 \text{ X } I^{Ha}_{N}) + (0.0200 \text{ X } I^{Hi}_{N})]$

where I_O and I_N represent the index numbers for old and new series, respectively, and superscripts P, Ha and Hi indicate Punjab, Haryana and Himachal Pradesh, respectively.

(5) Indices for the State compiled for the first time from November, 1995.

(6) Consumer Price Index for Rural Labourers (including agricultural labourers) are compiled from November 1995 only.

(7) Average of 8 months (November 1995 - June 1996).

Table Nos. 38

The new series of index numbers with base 2004-05=100 was introduced in September 2010 and was first published in the October 2010 issue of the Bulletin. An article giving the details regarding the scope and coverage of new series is published in October 2010 issue of the Bulletin. As per the press release dated October 19, 2009 of the Cabinet Committee of Economic Affairs (CCEA), Government of India, the weekly release of WPI will cover only the 'Primary Articles' and the 'Fuel, Power, Light & Lubricants' groups. Now on, the WPI for 'All commodities' and 'Manufactured Products' will be released only on a monthly basis.

Table No. 39

(a) The foreign trade data relate to total sea, air and land trade, on private and government accounts. Exports are on f.o.b. basis and imports are on c.i.f. basis. Exports include re-exports of foreign merchandise previously imported to India and imports relate to foreign merchandise whether intended for home consumption, bonding or re-exportation. Direct transit trade, transshipment trade, passengers baggage, ship's stores, defence goods and transactions in treasure i.e. gold and current coins and notes, diplomatic goods, "proscribed substances" under Atomic Energy Act, 1962, are excluded from the trade data, while indirect transit trade, transactions in silver (other than current coins) and in notes and coins not yet in circulation or withdrawn from circulation are included.

Table Nos. 40 & 41

(1) Data up to 1980-81 are final, subsequent data are preliminary actuals.

(2) Interest accrued during the year and credited to NRI deposits has been treated as notional outflow under invisible payments and added as reinvestment in NRI deposits under Banking Capital – NRD.

(3) The item "Non-monetary Gold Movement" has been deleted from Invisibles in conformity with the IMF Manual on BOP (5 th edition) from May 1993 onwards; these entries have been included under merchandise.

(4) Since 1990-91 the value of defence related imports are recorded under imports (merchandise debit) with credits financing such imports shown under "Loans (External commercial Borrowings to India)" in the capital account. Interest payments on defence debt owed to the General Currency Area (GCA) are recorded under Investment Income debit and principal repayments under debit to "Loans (External commercial Borrowings to India)". In the case of the Rupee Payment Area (RPA), interest payment on and principal repayment of debt is clubbed together and shown separately under the item "Rupee Debt Service" in the capital account. This is in line with the recommendations of the High Level Committee on Balance of Payments (Chairman : Dr. C. Rangarajan).

(5) In accordance with the provisions of IMF's Balance of Payments Manual (5th Edition), gold purchased from the Government of India by the RBI has been excluded from the BOP statistics. Data from the earlier years have, therefore, been amended by making suitable adjustments in "Other Capital Receipts" and "Foreign Exchange Reserves". Similarly, item "SDR Allocation" has been deleted from the table.

(6) In accordance with the recommendations of the Report of the Technical Group on Reconciling of Balance of Payments and DGCI & S Data on Merchandise Trade, data on gold and silver brought in by the Indians returning from abroad have been included under import payments with contra entry under Private Transfer Receipts since 1992-93.

(7) In accordance with the IMF's Balance of Payments Manual (5th edition), 'compensation of employees' has been shown under head, "income" with effect from 1997-98; earlier, 'compensation of employees' was recorded under the head "Services – miscellaneous".

(8) Since April 1998, the sales and purchases of foreign currency by the Full Fledged Money Changers (FFMC) are included under "travel" in services.

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

Explanatory Notes

Balance of payments is a statistical statement that systematically summarises, for a specific time period, the economic transactions of an economy with the rest of the world.

Merchandise credit relate to export of goods while ***merchandise debit*** represent import of goods.

Travel covers expenditure incurred by non-resident travellers during their stay in the country and expenditure incurred by resident travellers abroad.

Transportation covers receipts and payments on account of international transportation services. **Insurance** comprises receipts and payments relating to all types of insurance services as well as reinsurance.

Government not included elsewhere (G.n.i.e.) relates to receipts and payments on government account not included elsewhere as well as receipts and payments on account of maintenance of embassies and diplomatic missions and offices of international institutions.

Miscellaneous covers receipts and payments in respect of all other services such as communication services, construction services, software services, technical know-how, royalties etc.

Transfers (official, private) represent receipts and payments without a quid pro quo.

Investment Income transactions are in the form of interest, dividend, profit and others for servicing of capital transactions. Investment income receipts comprise interest received on loans to non-residents, dividend/profit received by Indians on foreign investment, reinvested earnings of Indian FDI companies abroad, interest received on debentures, floating rate notes (FRNs), Commercial Papers (CPs), fixed deposits and funds held abroad by ADs out of foreign currency loans/export proceeds, payment of taxes by nonresidents/ refunds of taxes by foreign governments, interest/discount earnings on RBI investment etc. Investment income payments comprise payment of interest on non-resident deposits, payment of interest on loans from non-residents, payment of dividend/profit to non-resident share holders, reinvested earnings of the FDI companies, payment of interest on debentures, FRNs, CPs, fixed deposits, Government securities, charges on Special Drawing Rights (SDRs) etc.

Foreign investment has two components, namely, foreign direct investment and portfolio investment.

Foreign direct investment (FDI) to and by India up to 1999-2000 comprise mainly equity capital. In line with international best practices, the coverage of FDI has been expanded since 2000-01 to include, besides equity capital reinvested earnings (retained earnings of FDI companies) and 'other direct capital' (intercorporate debt transactions between related entities). Data on equity capital include equity of unincorporated entities (mainly foreign bank branches in India and Indian bank branches operating abroad) besides equity of incorporated bodies. Data on reinvested earnings for the latest year are estimated as average of the previous two years as these data are available with a time lag of one year. In view of the above revision, FDI data are not comparable with similar data for the previous years. In terms of standard practice of BoP compilation, the above revision of FDI data would not affect India's overall BoP position as the accretion to the foreign exchange reserves would not undergo any change. The composition of BoP, however, would undergo changes. These changes relate to investment income, external commercial borrowings and errors and omissions. In case of reinvested earnings, there would be a contra entry (debit) of equal magnitude under investment income in the current account. 'Other Capital' reported as part of FDI inflow has been carved out from the figure reported under external commercial borrowings by the same amount. 'Other Capital' by Indian companies abroad and equity capital of unincorporated entities have been adjusted against the errors and omissions for 2000-01 and 2001-02.

Portfolio investment mainly includes FIIs' investment, funds raised through ADRs/GDRs by Indian companies and through offshore funds. Data on investment abroad, hitherto reported, have been split into equity capital and portfolio investment since 2000-01.

External assistance by India denotes aid extended by India to other foreign Governments under various agreements and repayment of such loans. External Assistance to India denotes multilateral and bilateral loans received under the agreements between Government of India and other Governments/International institutions and repayments of such loans by India, except loan repayment to erstwhile "Rupee area" countries that are covered under the Rupee Debt Service.

Commercial borrowings covers all medium/long term loans. Commercial Borrowings by India denote loans extended by the Export Import Bank of India (EXIM bank) to various countries and repayment of such loans. Commercial Borrowings to India denote drawals/repayment of loans including buyers' credit, suppliers' credit, floating rate notes (FRNs), commercial paper (CP), bonds, foreign currency convertible bonds (FCCBs) issued abroad by the Indian corporate etc. It also includes India Development Bonds (IDBs), Resurgent India Bonds (RIBs), India Millennium Deposits (IMDs).

Short term loans denotes drawals in respect of loans, utilized and repayments with a maturity of less than one year.

Banking capital comprises of three components : a) foreign assets of commercial banks (ADs), b) foreign liabilities of commercial banks (ADs), and c) others. 'Foreign assets' of commercial banks consist of (i) foreign currency holdings, and (ii) rupee overdrafts to non-resident banks. 'Foreign liabilities' of commercial banks consists of (i) Non-resident deposits, which comprises receipt and redemption of various nonresident deposit schemes, and (ii) liabilities other than non-resident deposits which comprises rupee and foreign currency liabilities to non-resident banks and official and semi-official institutions. 'Others' under banking capital include movement in balances of foreign central banks and international institutions like IBRD, IDA, ADB, IFC, IFAD etc. maintained with RBI as well as movement in balances held abroad by the embassies of India in London and Tokyo.

Rupee debt service includes principal repayments on account of civilian and non-civilian debt in respect of Rupee Payment Area (RPA) and interest payment thereof.

Other capital comprises mainly the leads and lags in export receipts (difference between the custom data and the banking channel data). Besides this, other items included are funds held abroad, India's subscription to international institutions, quota payments to IMF, remittances towards recouping the losses of branches/subsidiaries and residual item of other capital transactions not included elsewhere.

Movement in reserves comprises changes in the foreign currency assets held by the RBI and SDR balances held by the Government of India. These are recorded after excluding changes on account of valuation. Valuation changes arise because foreign currency assets are expressed in US dollar terms and they include the effect of appreciation/depreciation of non-US currencies (such as Euro, Sterling, Yen) held in reserves.

As recommended by the Working Group on balance of Payments Manual for India (Chairman: Shri Deepak Mohanty), BoP data for India is being compiled in the new format of standard presentation of BoP as suggested by the IMF's balance of payments Manual (Sixth Edition), i.e., BPM6 since April-June 2009. A correspondence between earlier format and new format of Balance of payments is published in the RBI Monthly bulletin August 2011 page 1311.

Table No. 42

1. Gold is valued at average London market price during the month.
2. Conversion of SDRs into US dollars is done at exchange rates released by the International Monetary Fund (IMF).
3. Conversion of foreign currency assets into US dollars is done at week-end (for week-end figures) and month-end (for month-end figures) New York closing exchange rates.
4. Foreign exchange holdings are converted into rupees at rupee-US dollar RBI Holding rates.
5. Reserve Tranche Position (RTP) in IMF has been included in foreign exchange reserves from April 2, 2004 to match the international best practices. Foreign exchange reserves figures have accordingly been revised for 2002-03 and 2003-04 to include RTP position in the IMF.

Table No. 49

The 5-country indices of REER/NEER were replaced with new 6-currency indices in December 2005. The RBI Bulletin December 2005 carried a detailed article on the rationale and methodology for the replacement. A revision has now been undertaken in the construction of the 6-currency REER indices. This revision was necessitated by a sudden spurt in Chinese inflation indices during April-May, 2006. It may be mentioned that Chinese inflation indices are not readily available in the public domain. The National Bureau of Statistics provides only point-to-point inflation rates on a monthly basis in the public domain. In view of this, inflation indices were constructed taking into account the inflation rates with 1993-94 as the base year. It may be further mentioned that the period from January 1993 to December 1995 was marked by continuous double digit inflation rates in China. This lent an upward bias to the Chinese inflation indices (base: 1993-94=100) leading to a sharp fall in the value of 6-currency REER in April 2006. In order to remove the distortion in REER on account of sudden spurt in Chinese inflation numbers, a new series of Chinese inflation indices has been constructed taking 1990 as the base year (a year with much less volatility in inflation rates). Subsequently, the base year of the new series of Chinese inflation indices has been changed from 1990 to 1993-94 through splicing to facilitate the construction of the 6-currency REER (base 1993-94=100).

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13. Circulars on Monetary and credit policy No. 13 (from April 2009 to March 2010)	CD - Rom ₹ 360 per CD (over the counter) ₹ 380 per CD (inclusive of postage) ₹ 270per CD (concessional at counter) ₹ 290 per CD (concessional inclusive of postage)	US $ 10 per CD Rom (inclusive air-mail book-post and US $ 23 inclusive of airmail courier charges)
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Name of Publication	Price	
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19. Mint Road Milestones RBI at 75	₹ 1,650 per copy (over the counter)	US $ 50 per copy
20. Surveys in Central Banks Proceedings of Statistics Day Conference July 2, 2009	₹ 200 (at the counter) ₹ 230 (by registered book-post)	US $ 20 per copy (including registered air-mail)
21. Statistical Tables Relating to Banks in India 2009-10	₹ 200 per copy ₹ 250 by registered book-post CD ROM ₹ 250 (Normal) ₹ 275 (Inclusive of postage)	US $ 80 per copy (by courier) US $ 20 per copy (by registered air-mail) US $ 16 (inclusive registered airmail) US $ 46 (inclusive courier charges)
22. Report on Currency and Finance 2008-09	195 (over the counter) 230 (inclusive of postage) 145 (concessional) 180 (concessional with postage)	US $ 27 per copy (including airmail courier charges)
23. Reports on Currency and Finance 2003-08 Vol. I to V (Special Issue)	₹ 1,100 Normal ₹ 1,170 (inclusive of postage) ₹ 830 (concessional) ₹ 900 (concessional inclusive of postage)	US $ 55 per set (including airmail courier charges)
24. Handbook of Instructions Basic Statistical Returns 1 and 2 Seventh Edition March 2008	₹ 40 per copy inclusive of postage	–
25. Directory of Commercial Bank Offices in India Vol. 3 March 31, 2006. on CD ROM	₹ 150 per CD (normal) ₹ 200 per CD (including postal charges)	US $ 15 per CD (include of postage)
26. 50 Years of Central Banking Governors Speak	₹ 400 per copy (normal)	–
27. C.D. Deshmukh Memorial Lecture Series Centenary Commemorative Volume	₹ 100 per copy (normal)	US $ 25 per copy (by air-mail book-post)
28. L. K. Jha Memorial Lecture Series	₹ 190 per copy (normal) ₹ 200 per copy (inclusive of postal charges) ₹ 150 per copy (Concessional)	US $ 23 per copy (inclusive of air-mail courier charges)
29. Statistical Tables Relating to Banks in India 1979 - 2007 on CD-ROM	₹ 190 (over the counter) ₹ 240 (inclusive of postage)	US $ 20 inclusive of registered air-mail & US $ 55 inclusive of Courier Charges
30. Selected Banking Indicators 1981 to 2002	₹ 320 per copy (normal) (₹ 460 by registered book post). ₹ 250 for CD-ROM ₹ 300 (including postal charges)	US $ 75 per copy (by air-mail book-post)
31. Selected Financial Statistics Public Limited companies 1974-75 to 1999-2000 (Selected Industries)	₹ 700 for all Vol. I. II. and III ₹ 350 for CD-ROM (including postal charge)	US $ 140 for all Vol. I. II. and III US $ 70 for CD-ROM (including registered air-mail)

Important Recent Publications of the Reserve Bank of India

Name of Publication	Price	
	India	Abroad
32. Report of the Committee on Fuller Capital Account Convertibility (Tarapore Committee Report II)	₹ 140 per copy (normal) ₹ 170 (per copy by post)	US $ 25 per copy (including air-mail charges)
33. Statistical Tables relating to Banks in India 1979-2009 on CD ROM (Historical Data For 30 Years)	₹ 300 (normal) ₹ 350 (inclusive of Postage)	US $ 25 (inclusive of registered airmail) US $ 60 (inclusive of courier charges)
34. CD Compendium of Articles on State on STATE FINANCES (1950-51 to 2010-11)	₹ 280 (normal) ₹ 305 (inclusive of postal charges) ₹ 210 (concessional) ₹ 235 (concessional including postal charges)	US $ 8 (air mail book post charges)

Notes : 1) Some of the above publications are also available at **M/s. Jain Book Agency**, C-9, Connaught Place, New Delhi-110001, Ph:011 2341 6390 upto 94, Fax: 011 4151 3850, website: www.jba.in, e-mail: sales@jba.in and at their dealer network.

2) The Reserve Bank of India History 1935-1981 (3 Volumes) is available at leading book stores in India.

3) All other publications are available from the Sales Section, Division of Reports and Knowledge Dissemination, Department of Economic and Policy Research, Reserve Bank of India, Amar Building (First Floor), P.M. Road, Fort, Mumbai-400001. The Contact number of Sales Section is 022-2260 3000 Extn.: 4002.

4) Concessional price is available **only at RBI counters** for research students, full time teachers in economics, statistics, commerce and business management, academic/education institutions and public libraries in india provided the request is forwarded through the head of the institution every year.

Cheques/drafts should be drawn in favour of Reserve Bank of India payable at Mumbai, and sent to The Director, Division of Reports and Knowledge Dissemination, Department of Economic and Policy Research, Reserve Bank of India, Amar Building, Sixth Floor, P.M. Road, Fort, Mumbai - 400 001. The yearly subscription will be for 12 issues subject to the processing/realisation of the cheques/drafts. The details and confirmation of the subscription will be sent accordingly. The back issues of monthly Bulletin are not available. The same can be accessed through internet at the address given at website page. The complaints about non-receipt of the Bulletin issue should be intimated within three months of release of the issue. For details on subscription, please contact on the above address. Publications are available on sale at Sales Section, Division of Reports and Knowledge Dissemination, Department of Economic and Policy Research, Reserve Bank of India, Amar Building, Ground Floor, P.M. Road, Fort, Mumbai - 400 001. The Contact number of Sales Section is 022-2260 3000 Extn.: 4002.

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	Title of the Publication	Department	Year of publication	Price (₹)	Price US $	Weight in gms. & RBP Charges of Single copy in ₹
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A.	**Annual Publications**					
1.	Report on Trend and Progress of Banking in India #	DEPR	–			
	i) 1987-88		1988	32 *£	13	
	ii) 1988-89		1989	45 *£	15	
	iii) 1990-91		1991	60 *£	35	
	iv) 1992-93		1993	60 *£	35	
	v) 1993-94		1995	60 *	35	
	vi) 1994-95		1995	75 *£	35	
	vii) 1995-96		1996	85 *£	35	
	viii) 1996-97		1997	85 * £	35	
	ix) 1997-98		1998	120 *	45	
	x) 1998-99		1999	220 *	50	
	xi) 1999-00		2000	350 *£	70	
	xii) 2000-01		2001	350 *£	70	
	xiii) 2001-02		2002	400	80	
				542 *		
	xiv) 2002-03		2003	250 £	30 □	
				400 *	20 *	
	xv) 2003-04		2004	275 £	30 □	
				300 *	20 *	
				250 **		
	xvi) 2004-05		2005	325	30 □	
				350 *	20 *	
				275 **		
				250 ***		
	xvii) 2005-06		2006	400 £	40 □	
				450 *	25 *	
				350 **		
				300 ***		
	xviii) 2006-07		2007	500 £	45 □	
				550 *	38 *	
				375 ***		
				425 **		
	xix) 2007-08		2008	425	38 □	
				475 *	37 *	
				320 ***		
				370 **		
	xx) 2008-09		2009	350 £	36 □	
				425 *		
				260 ***		
				335 **		
2.	Report on Currency and Finance #	DEPR				
	i) 1988-89 - Vol.I		1989	100 *£	35	
				80 **		
	- Vol.II		1989	60 * £	20	
				45 **		
	ii) 1989-90 - Vol.I		1990	100 *£	40	
				80 **		
	- Vol.II		1990	60 *£	25	
				45 **		
	iii) 1990-91 - Vol.I		1991	100 *£	40	
				80 **		
	- Vol.II		1991	60 * £	25	
				45 **		
	iv) 1991-92 - Vol.I	DEPR	1992	100 *	40	
				80 **		
	- Vol.II		1992	60 *£		
				45 **		

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1	2	3	4	5	6
v) 1992-93 - Vol.I		1993	100 * £ 80 **	40	
- Vol.II		1993	60 * £ 45 **	25	
vi) 1993-94 - Vol.I		1994	110 * £ 85 **	40	
- Vol.II		1994	75 * £	25	
vii) 1994-95 - Vol.I		1996	110 * 85 **	40	
- Vol.II		1996	105 * 85 **	40	
viii) 1995-96 - Vol.I		1996	110 * 85 **	40	
- Vo.II		1996	105 * 85 **	40	
ix) 1996-97 - Vol.I		1997	125 * 100 **	40	
- Vo.II		1997	125 * 100 **	40	
x) 1997-98 - Vol.I		1998	175 * £ 125 **	50	
- Vol.II		1998	175 * 125 **	50	
Hindi Edition		1999	175 *	50	
xi) 1998-99		1999	200 * £ 150 **	60	
xii) 1999-00		2001	200 * 150 **	60	
xiii) 2000-01		2001	200 *£ 150 **	60	
xiv) 2001-02		2003	200 £ 150 **	60	
xv) 2002-03		2004	300 £ 325 * 150 **	25 □ 20 *	
xvi) 2003-04		2005	200 £ 225 * 150 **	25 *	
xvii) 2004-05		2006	200 £ 225 * 150 **	25 *	
xviii) 2005-06		2007	280 300 * 210 *** 235 **	35 □	
xix) 2006-08 Vol. I & II		2008	400 425 * 300 *** 325 **	40 □	
3. Handbook of Statistics on Indian Economy	DEPR				
i) 1998 Print version		1998	125 * £ 100 **	20	
ii) 1999 (a) Print version		1999	200 * £ 150 **	60	
(b) CD-ROM		1999	200 *		
iii) 2000 (a) Print version		2000	250 * 200 **	70	
(b) CD-ROM		2000	200 *		

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iv) 2001	(a) Print version		2001	250 * 200 **	70	
	(b) CD-ROM		2001	300 * 200 **	60	
v) 2002-03	(a) Print version		2003	300 * £ 250 **	80	
	(b) CD-ROM		2003	300 * 200 **	60	
	(c) Print version along with CD-ROM		2003	500 * £ 400 **	130	
vi) 2003-04	(a) Print version		2004	180 200 * 150 **	25 □	
	(b) CD-ROM		2004	200 220 * 150 **	15 □	
	(c) Print version along with CD-ROM		2004	380 400 * 300 **	30 □	
vii) 2004-05	(a) Print Version		2005	200 225 * 170 **	25 *	
	(b) CD-ROM			120 140 ** 100 **	15 *	
	(c) Print Version alongwith CD-ROM			300 350 * 270 **	30 *	
viii) 2005-06	(a) Print Version (£)		2006	200 225 * 170 **	25 *	
	(b) CD-ROM			110 130 * 100 **	15 *	
	(c) Print Version alongwith CD-ROM			300 350 * 270 **	30 *	
ix) 2006-07	(a) Print Version		2007	270 300 * 200 *** 230 **	40	
	(b) CD-ROM			100 120 * 75 *** 95 **	15	
	(c) Print Version alongwith CD-ROM			330 380 * 240 *** 300 **	50	
x) 2007-08	(a) Print Version	DEPR	2008	250 290 * 190 *** 230 **	38 □	
	(b) CD-ROM			150 170 * 115 *** 135 **	6 □	

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(c) Print Version alongwith CD-ROM			400	40 □	
			450 *		
			300 ***		
			350 **		
xi)2008-09 (a) Print Version		2009	175		
			240 *		
			130 ***		
			190 **		
(b) CD-ROM			185		
			210 *		
			140 ***		
			160 **		
(c) Print Version alongwith CD-ROM			350		
			450 *		
			250 ***		
			350 **		
xii)2009-10 (a) Print Version		2010	225		
			285 *		
			175 ***		
			230 **		
(b) CD-ROM			85		
			110 *		
			65 ***		
			90 **		
4. State Finances - A Study of Budgets	DEPR				
i) 1999-00		2000	110 *	20	
			90 **		
ii) 2000-01		2000	110 *	20	
			90 **		
iii) 2001-02		2002	110 *£	20	
(English £ & Hindi)			90 **		
iv) 2002-03		2003	110 *	20	
			90 **		
v) 2003-04		2004	100		
			125 *	15 *	
			90 **	12 *	
vi) 2004-05		2005	120		
(English & Hindi)			150 *	15 □	
			100 **		
vii) 2005-06		2006	170	15 *	
(English & Hindi)			200 *		
			130 **		
viii) 2006-07		2007	200	20*	
(English & Hindi)			230 *		
			150 ***		
			175 **		
ix) 2007-08		2008	320		
			350 *	30 □	
			250 ***		
			280 **		
x) 2008-09		2009	215		
(English & Hindi)			245 *	29 □	
			160 ***		
			190 **		
xi) 2009-10			300		
			350 *		
			225 ***		
			275 **		

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5.	Handbook of Statistics on State Government Finances 2004	DEPR	2004			
	(a) Print version			170		
				200 *	25 ☐	
				125 **	20 *	
	(b) CD ROM			120	15 ☐	
				140 *	10 *	
				90 **		
6.	Handbook of Monetary Statistics in India 2006	DEPR	2006			
	(a) Print version			130	20 *	
				155 *		
				120 **		
	(b) CD ROM			100	15 *	
				90 **		
				120 *		
	(c) Print version along with CD ROM			200	25 *	
				250 *		
				190 **		
B.	**Banking Statistics**					
1.	Basic Statistical Returns of Scheduled Commercial Banks in India					
	(Formerly Banking Statistics (BSR) till March 1999 Vol. 28 issue)	DSIM				
	i) Dec. 76-77 - Vol. 7	(Formerly known	1981	65 * £		
	ii) June 79 to Dec. 79 Vol. 9	as DESACS)	1984	150 * £		
	iii) June 80 to June 81 Vol. 10		1986	125 * £		
	iv) March 1990 - Vol. 19		1992	210	65	
	v) March 1994 - Vol. 23		1997	220 *	70	
	vi) March 1995 - Vol. 24		1997	220 *	70	
	vii) March 1996 - Vol. 25		1998	220 *	70	
	viii) March 1997 - Vol. 26		1999	220 *	70	
	ix) March 1998 - Vol. 27		1999	220 *	70	
	x) March 1998 - Vol. 27 (Hindi Edition)		1999	220 *		
	xi) March 1999 - Vol. 28		2000	220 *	70	
	xii) March 2000 - Vo. 29 (English Hindi)		2000	220 *	70	
	xiii) March 2001 - Vol. 30 (Hindi English)		2002	220 *	70	
	xiv) March 2002 - Vol. 31 (Print Version)		2003	225 *	70	
	(a) CD-ROM	2003	225 *	70		
	xv) March 2003 - Vol. 32 (Print Version)		2004	210	55 ☐	
				250 *	20 *	
	(a) CD-ROM			210	55 ☐	
				250 *	20 *	
	xvi) March 2004 - Vol. 33 (Print Version)		2005	180	55 ☐	
				220 *	20 *	
	(a) CD-ROM		180	55 ☐		
				220 *	20 *	
	xvii) March 2005 - Vol. 34 (Print Version)		2006	180	55 ☐	
				220 *	20 *	
	(a) CD-ROM			180	55 ☐	
				220 *	20 *	
	xviii) March 2006 - Vol. 35 (Print Version)		2007	280	60 ☐	
				320 *	25 *	
	xix) March 2007 - Vol. 36 (Print Version)		2008	280	60 ☐	
				320 *	25 *	
	xx) March 2008 - Vol. 37 (Print Version)		2009	300	60 ☐	
				340 *	25 *	
	xxi) March 2009 - Vol. 38 (Print Version)		2010	315	60 ☐	
				385 *	25 *	

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	Title of the Publication	Department	Year of publication	Price (₹)	Price US $	Weight in gms. & RBP Charges of Single copy in ₹
	1	2	3	4	5	6
2.	Basic Statistical Return 1 & 2	DSIM				
	i) Handbook of Instructions (English)		1996	20 * £		
	ii) Handbook of Instructions (Hindi)		1996	20 * £		
	iii) Basic Statistical Returns 1 and 2 Handbook of Instructions		2002	35 *		
3.	i) Form A-1 (Revised)		1996	2 £		13
	ii) Form A-2 (Revised)		1996	3 £		38
	iii) BSR-1 A forms (1 pad contains 25 sheets)		1996	14 £		200 19
	iv) BSR-1 B forms (1 pad contains 25 sheets) (Revised)		1996	14 £		
	v) BSR-2 forms (1 pad contains 25 Sheets) (Revised)		1996	14 £		200 19
	(The Regional Rural Banks from Western region may please contact DESACS, RBI, B.K. Complex, Bandra (E), Mumbai 400 051 for BSR-1A, BSR-1B & BSR-2 forms.)					
4.	Banking Statistics Basic Statistical Returns 1 & 2	DSIM	2004	420	59 □	
	Vol. 1 to 31, 1972 to 2002 DISC 1 & 2			475 *	27 *	
5.	Banking Statistics-Summary Tables,	DSIM				
	i) March 1995		1997	25 *		
	ii) March 1996		1998	25 *		
	iii) March 1997		1999	25 *		
	iv) March 1998	1999	25 *			
	v) March 1999	2000	25 *			
	vi) March 2000	2001	25 *			
6.	Banking Statistics - Quarterly Handout #	DSIM				
	i) 1990 (4 Issues)		1990	40 * £		
	ii) March 1991	1991	10 * £			
	iii) June 1991		1991	12 * £		
	iv) September 1991		1991	15 * £		
	v) December 1991		1991	12 * £		
	vi) 1992 (3 Issues)		1992	75 *		
	vii) 1993 (4 Issues)		1993	120 *		
	viii) 1994 (4 Issues)		1994	120 *		
	ix) 1995 (4 Issues)		1995	120 *		
	x) 1996 (4 Issues)		1996	120 *		
	xi) 1997 (4 Issues)		1997	100 *		
	xii) 1998 (4 Issues)		1998	100 *		
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	xv) 2001 (4 Issues)		2001	100 *		
	xvi) 2002 (4 Issues)		2002	100 *		
	xvii) 2003 (4 Issues)		2003	100 *		
	xviii) 2004 (4 Issues)		2004	140 *		
	xix) 2005 (4 Issues)		2005	140 *		
	xx) 2006 (4 Issues)		2006	140 *		
	xxi) 2007 (4 Issues)		2007	140 *		
	xxii) 2008 (4 Issues)		2008	140 *		
	xxiii) 2009 (4 Issues)		2009	240 *		
	Name changed w.e.f. Sept. 2003 issue as Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks.					
	xxiv) 2010 (4 Issues)		2010	240 *		
7.	Banking Statistics - Bank Credit	DSIM				
	i) June 1987		1989	20 * £		
	ii) December 1987 - June 1988		1989	40 * £		
	iii) December 1988		1989	20 * £		
	iv) June 1989		1989	25 * £		
8.	Banking Statistics 1972-95	DSIM	1998	120 *		
9.	Branch Banking Statistics - Vol. 1 March 1999	DSIM	1999	130 *	40	

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	1	2	3	4	5	6
10.	Branch Banking Statistics - Vol. 2 March 2001	DSIM	2001	130 * 50 **	40	
11.	Branch Banking Statistics - Vol. 3 March 2002 (On CD-ROM)	DSIM	2003	300 *	40	
12.	Branch Banking Statistics - Vol. 3 March 2002	DSIM	2003	185 *	40	
13.	Statistical Tables Relating to Banks in India	DSIM				
	i) 1988-89		1993	106 £ 123 *	12	
	ii) 1990-91		1999	130 180 *	 50	
	iii) 1992-93		1998	135 £ 200 *	50	
	iv) 1994-95		1997	125 185 *	45	
	v) 1995-96		1998	125 185 *	45	
	vi) 1996-97		1999	130 180 *	50	
	vii) 1997-98		1999	130 180 *	50	
	viii) 1998-99		1999	130 180 *	50	
	ix) 1999-00		2000	175 225 *	50	
	x) 2000-01 (a) Print version		2001	150 200 *	50	
	(b) CD-ROM		2001	150 225 *	50	
	xi) 2001-02 (a) Print version		2002	150 200 *	50	
	(b) CD-ROM		2002	100 150 *	 50	
	xii) 2002-03 (a) Print version		2003	200 250 *	50 *	
	(b) CD-ROM		2003	200 250 *	50 *	
	xiii) 2003-04 (a) Print version		2004	230 280 *	25 □ 15 *	
	(b) CD-ROM		2004	175 225 *	25 □ 15 *	
	xiv) 2004-05 (a) Print version		2005	190 240 *	55 □ 20*	
	(b) CD-ROM			200 250 *	55 □ 20*	
	xv) 2005-06 (a) Print version		2006	250 300 *	55 □ 20*	
	(b) CD-ROM			200 250 *	55 □ 20*	
	xvi) 2006-07 (a) Print version		2007	180 230 *	55 □ 20*	
	(b) CD-ROM			150 200 *	55 □ 20*	
	xvii) 2007-08 (a) Print version		2008	200 250 *	80 □ 20*	
	(b) CD-ROM			225 250 *	15 □ 45*	
	xviii) 2008-09 (a) Print version		2009	200 250 *	80 □ 20*	
	(b) CD-ROM			225 250 *	45 □ 15*	
	xviii) 2009-10 (a) Print version		2010	200 250 *	80 □ 20*	
	(b) CD-ROM			225 275 *	46 □ 16*	

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	Title of the Publication	Department	Year of publication	Price (₹)	Price US $	Weight in gms. & RBP Charges of Single copy in ₹
	1	2	3	4	5	6
14.	Selected Banking Indicators, 1947-1997 (Print Version)	DSIM	1998	45 £	15 105 *	
	(a) CD -ROM		1998	50		
15.	Selected Banking Indicators 1981 to 2002	do	2003	320 460 *	75	
16.	Selected Banking Indicators 1981 to 2002 (On CD-ROM)	do	2003	250 300 *	75	
17.	Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks 1981-2003 (on CD-ROM)	do	2004	185 240 *	55 □ 20 *	
18.	Annual Accounts of Scheduled Commercial Banks (Including Regional Rural Banks) 1989-90 to 2000-01 (on CD-ROM)	do	2002	200 250 *	50	
19.	Annual Accounts of Scheduled Commercial Bank (Including Regional Rural Banks 1979-2004) CD-Rom		2004	85 £ 135	25	
20.	Directory of Commercial Bank Offices in India Vol. 1-0 December 2000 (on CD-ROM)	do	2000	500 * £	100	
21.	Directory of Commercial Bank offices in India Vol. 2 September 2003 (On CD-ROM)	do	2003	200 * £	40 *	
22.	All-India Debt and Investment Survey 1981-82	do				
	i) Assets and liabilities of households as on 30th June 1981		1987	75 85 * 60 **	15	
	ii) Statistical tables relating to capital expenditure and capital formation of households during the year ended 30th June 1982		1987	125 £ 135 * 100 **	25	
	iii) Statistical tables relating to cash borrowings and repayments of households during July 1981 to June 1982 and cash dues outstanding as on 30th June 1982		1990	100 £ 110 * 80 **	32	
23.	A Profile of Banks					
	i) 2004-05	DSIM	2005	100 130 *	20 *	
	ii) 2005-06		2006	90 120 *	55 □ 20 *	
	iii) 2006-07		2007	90 120 *	55 □ 20 *	
	iv) 2007-08		2008	40 70 *	5 * 45 □	
	v) 2008-09		2009	60 90 *	5 * 45 □	
	v) 2009-10		2010	50 80 *	5 * 60 □	
C.	**Public/Private Limited Companies**					
1.	Selected Financial Statistics Public Ltd. Companies 1974-75 to 1999-2000 (Selected Industries) on CD-ROM	DSIM	2001	350 *	70	
2.	Selected Financial Statistics Public Ltd. Companies 1974-75 to 1999-2000 (Selected Industries)	do				
	1974-75 To 1982-1983 Vol.I		2001			1700
	1982-83 To 1990-1991 Vol.II		2001	700 *	140	1500
	1990-91 To 1999-2000 Vol.III		2001			2000
	(₹ 700 for three volums)					
3.	Selected financial and other ratios-public limited companies	do				
	1980-81 to 1987-88 Vol.I		1990	45 £	15	
	Vol.II		1990	60 £	20	
	1988-89 to 1990-91 (Part I)		1996	90 £	50	
4.	Selected financial & other ratios-private limited companies 1988-89 to 1990-91 (Part II)	do	1996	80	45	

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	1	2	3	4	5		6
5.	Private Corporate Business Sector in India Selected Financial Statistics from 1950-51 to 1997-98 (All-Industries) (Print Version)	DSIM	2000	300 *	60 *		
	(a) CD-ROM			500 *	100 *		
D.	**Reports of Committees/Working Groups**						
1.	Study group on deployment of resources by State and Central co-operative banks (Hate committee report)	UBD	1982	25 * £			
2.	Capital formation and savings in India 1950-51 to 1979-80 Report of the working group on savings (Raj committee report)	DEPR	1982	18 £		400	21
3.	Report of the working group to consider feasibility of introducing MICR/ OCR technology for cheque processing (Damle committee report)	DBOD	1983	7 £ (Amt. rounded off)		200	19
4.	Report of the committee to review the working of the monetary system (Sukhamoy Chakravarty committee report)	DEPR	1985	35 £ 25 **	10		
5.	Report of the committee to consider final accounts of banks (Ghosh committee report)	DBOD	1985	56 £		500	22
6.	Report of the committee on agricultural productivity in Eastern India	DEPR					
	(Sen Committee Report) Vol. I		1985	70 * £	15		
	(Hard Bound) Vol. II		1985	85 * £	20		
7.	Report of the working group on the money market (Vaghul committee report)	MPD	1987	15 *			
8.	Report of the committee to review the working of credit authorisation scheme (Marathe committee report)	IECD (Old)	1988	10 *	10		
9.	Co-ordination between term lending institutions and commercial banks (Bucher committee report)	do	1988	10 *	1		
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			275 ***			
			255 **			
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Readers' Views on the Monthly Bulletin

Dear Reader,

With a view to improving the format and content of RBI Bulletin, we approach you with the following questionnaire. We greatly appreciate your sparing time to answer the questionnaire and mail it to the address given below:

Editor,
RBI Bulletin,
Division of Reports and Knowledge Dissemination,
Department of Economic and Policy Research,
Reserve Bank of India,
Amar Building, 6th Floor,
P.M. Road, Fort,
Mumbai - 400 001.

Please tick-mark (✓) the appropriate box/boxes.

(1) Please tell us about yourself – your occupation/ your activity-association :

- Government/Semi-Government/Public Sector ☐
- Financial Services ☐
- Profession/Business/Consultancy ☐
- Academics/Research Institute/Teaching Institution/Library ☐
- Audio and/or visual Media/Journalism ☐
- Other: Please specify ☐

(2) Please indicate the items in the Bulletin that you find useful:

- Studies/Articles on various aspects of banking, corporate sector, Government finances, etc. ☐
- Supplements to the Bulletin ☐
- Speeches delivered by Governor/Deputy Governors/ Executive Directors of the RBI ☐
- Credit Policy/Credit Control Measures of the RBI ☐
- Exchange Control Measures ☐
- RBI Press Release ☐
- Current Statistics ☐

Readers' Views on the Monthly Bulletin

(3) Please indicate, with reference to the answer given for (2) above, your suggestions for improvements in regard to items other than the 'Current Statistics' portion of the Bulletin.

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(4) What in your opinion, should be done to improve the get up or coverage of the "Current Statistics" portion?

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(5) Do you think it would be advisable to separate 'Current Statistics' portion from the rest of the Bulletin and have 'Monthly Statistics' separately brought out?

Yes ☐ No ☐

(6) If the answer to Q.(5) is Yes, do you think it would be sufficient to have a Quarterly Bulletin of articles, speeches, and policy measures?

Yes ☐ No ☐

(7) Are you a user of our web site (http://www.rbi.org.in)? Yes ☐ No ☐

Thank you very much for your cooperation.

Editor

Reserve Bank of India Websites

To facilitate quicker access to RBI documents available on the RBI Website (URL: www.rbi.org.in), frequently accessed documents have been given a special URL. By keying-in the URL which can also be saved in 'Favourites', the visitor can directly reach the desired document on the RBI site.

Advance release calenders relating to data categories pertaining to: (i) analytical accounts of the banking sector, (ii) analytical accounts of the central bank, (iii) share price index, (iv) balance of payments, (v) international reserves, and (vi) exchange rates under the Special Data Dissemination Standards (SDDS) of the IMF are also posted on the RBI Website (http://www.rbi.org.in).

The documents available on special URL are:

- Weekly Statistical Supplement: www.wss.rbi.org.in
- RBI Bulletin: www.bulletin.rbi.org.in
- Monetary and Credit Policy: www.cpolicy.rbi.org.in
- 8.5% Government of India Relief Bonds: www.goirb.rbi.org.in
- RBI Notifications: www.notifics.rbi.org.in
- RBI Press Release: www.pr.rbi.org.in
- RBI Speeches: www.speeches.rbi.org.in
- RBI Annual Report: www.annualreport.rbi.org.in
- Credit Information Review: www.cir.rbi.org.in
- Report on Trend and Progress of Banking in India: www.bankreport.rbi.org.in
- FAQS: www.faqs.rbi.org.in
- Committee Reports: www.reports.rbi.org.in
- FII List: www.fiilist.rbi.org.in
- Facilities for Non-Resident Indians: www.nri.rbi.org.in
- SDDS-National Summary Data Page-India: www.nsdp.rbi.org.in
- Foreign Exchange Management Act, 1999: www.fema.rbi.org.in
- NBFC Notifications: www.nbfc.rbi.org.in
- Master Circulars: www.mastercirculars.rbi.org.in
- List of suit filed accounts: www.defaulters.rbi.org.in
- Currency Museum: www.museum.rbi.org.in
- Electronics Clearing Service: www.ecs.rbi.org.in
- Exchange Control Manual: www.ecm.rbi.org.in
- Y2K: www.y2k.rbi.org.in
- Data base on Indian Economy: http://dbie.rbi.org.in

– Editor

RBI provides Web based Access to its Database on Indian Economy

The Reserve Bank of India has released a number of long time series data on several aspects of Indian economy covering key macro economic aggregates to the public in user-friendly manner through dynamic web based application.

Objective : The Database on Indian Economy is built for the convenience of researchers, analysts and other users. It is created to provide the public with an access to the published data series, with additional details on some series as available in the Reserve Bank of India's enterprise wide data warehouse.

Coverage : Data available on published time series, can be accessed through a completely browser based software include data on:

- financial sector,
- real sector,
- financial market,
- external sector,
- public finance and
- corporate finance

Features :

- All the data series are accompanied with data definitions, i.e. metadata, which allow the user to view the definitions/concepts of the underlying variables;
- The data definitions provides search feature;
- Extract data through standard reports which allows the users to select and view the preformatted reports or
- Dynamic 'data query', which enables user to define list of data series and allows the user to choose the time period for data extraction.
- Data files can be downloaded in the form of CSV / pdf format.

Access : The data can be accessed from the home page of the RBI website (www.rbi.org.in) through the static headline 'Database on Indian Economy' List of data series available on the site is available on the homepage of the site, i.e. Database on Indian Economy.

This list will be proggressively enlarged on the basis of feedback received and availability of relevant data series in the RBI data warehouse. Feedback may please be sent to dbiehelpdesk@rbi.org.in or through the feedback option on the home page of the website.

– Editor

India's Financial Sector – An Assessment

A comprehensive assessment of India's financial sector by the **Committee on Financial Sector Assessment (CFSA)**, constituted by the Government of India and the Reserve Bank of India, evaluating financial sector stability and development, identifying gaps in compliance with various international financial standards and codes, and suggesting corrective policy measures. The Report contains six volumes. Volume III – VI contain independent reports by the four Advisory Panels assisting the CFSA as follows:

- **Financial Stability Assessment and Stress Testing**, covering macro-prudential analysis, stability assessment and stress-testing of the financial sector **(Volume III).**
- **Financial Regulation and Supervision**, covering assessment of standards pertaining to banking regulation and supervision, securities market regulation and insurance regulation **(Volume IV).**
- **Institutions and Market Structure**, covering assessment of financial infrastructure including legal, regulatory and liquidity management aspects and standards regarding accounting and auditing, corporate governance, payment and settlement systems and effective insolvency and creditor rights systems **(Volume V).**
- **Transparency Standards**, covering assessments of standards regarding transparency in monetary and financial policies, fiscal transparency and data dissemination **(Volume VI).**

The Overview Report **(Volume II)** of the CFSA draws on the assessments and recommendations of the Advisory Panel reports. **Volume I** is an Executive Summary of the assessments and recommendations.

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Perspectives on Central Banking: Governors Speak

2009-10 marks the Platinum Jubilee of the Reserve Bank of India. On this occasion, the Reserve Bank has brought out a book entitled **Perspectives on Central Banking: Governors Speak**, which is a compendium of landmark speeches by its Governors.

The compendium provides a glimpse into the ideas, issues and concerns that shaped the institution over the years. The array of themes covered in the speeches - monetary policy, external sector management, issues in the financial sector and the real economy, regulation and supervision of banks, poverty and financial inclusion and the policy challenges in a globalised environment - is a reflection of the broad mandate of the Reserve Bank and its enduring concern for the larger public good.