

Flow of Funds Accounts of the
Indian Economy
2001-02 to 2007-08



RESERVE BANK OF INDIA

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The basic objective of the present article is to provide an overview of the flow of funds (FoF) accounts of the Indian economy for the period 2001-02 to 2007-08. This is the period that witnessed economic reforms towards (i) assigning greater role to the private sector in economic activities; (ii) enabling the entry of variety of domestic and external players to impart depth and liquidity to the financial markets; and (iii) growing integration of Indian economy with the global financial sector. The impacts of these developments are reflected in terms of a number of changes in the flow of funds accounts during the course of the seven years period of 2001-02 to 2007-08. First, the sustained reforms in the financial sector have resulted in a rise in financial deepening, which is reflected in the rise in the finance ratio from 0.52 in 2001-02 to 0.77 in 2007-08. Second, reflecting the progressive liberalisation of the external transactions, the share of financial issues of the 'rest of world sector' in total financial issues more than doubled from 6.5 per cent in 2001-02 to 13.0 per cent in 2007-08. Third, the preferred instruments for households' savings moved away from Government sector instruments towards bank deposit, shares and debentures and contractual instruments, reflecting increased market accessibility and portfolio diversification of the households in response to the increasing choice of financial instruments. Fourth,

* The 'flow of funds accounts' of the Indian economy for the period 1951-52 to 1995-96 was published as a monograph titled 'Flow of Funds Accounts of the Indian Economy: 1951-52 to 1995-96' in August 2000, which can be downloaded from RBI website (<http://rbi.org.in>). The detailed flow of funds appeared for the period 1990-91 to 1993-94 in Reserve Bank of India (RBI) Bulletin, January 1998. The last 'flow of funds accounts' was published for the period of 1994-95 to 2000-01 in September 2007 issue of the RBI Bulletin. The present article extends the flow of fund time series further covering the period 2001-02 to 2007-08.

the decline in government deficit during the period of study covers the period of FRBM Act; Fifth, despite all these developments, the banking sector continued to dominate the Indian financial landscape during the entire period of study.

Flow of funds (FOF) accounts show the transactions in financial instruments among major sectors of the economy. These accounts provide a broad framework for analysing issues related to financial sector and its relationships with the real economy and thereby facilitate insights into the role of the financial sector in the development process. Keeping in view the analytical uses of the FOF, the Reserve Bank of India has been compiling and disseminating FOF accounts in a detailed form from time to time since December 1964. The latest detailed 'flow of funds accounts' for the Indian economy are available for the period 1994-95 to 2000-01, which were published in the Reserve Bank of India Bulletin, September 2007.

The present article gives a brief overview of the flow of funds accounts of the Indian economy for the period 2001-02 to 2007-08. This is the period that witnessed growing integration of Indian economy with the global financial sector. Measures taken in pursuance of economic reforms that assigned greater role to the private sector in economic activities, enabled entry of variety of domestic and external players imparting depth and liquidity to the financial markets. While these dynamics reflect in enhanced role of

external capital and of non-banking institutions such as mutual funds, insurance companies, provident funds etc., the banking sector, however, continued to play a dominant role in meeting the financing needs of the deficit sectors. The FOF accounts presented in the ensuing sections have *inter alia* attempted to capture these developments.

As is obvious for any exercise of this magnitude, major challenge before FOF has been to bridge data gaps in certain sectors particularly that related to non-availability of detailed data on the cooperative sector. Absence of such detailed data for various segments of cooperative (credit and non-credit) sector have been overcome by estimates based on the information available from alternative sources and other sectors covered in the FOF accounts.

The present article is organised as follows: Section I provides an introductory backdrop by briefly discussing the role of FOF and the major economic developments during the period covered in this article. Section II presents the methodology employed for compilation of FOF including estimation of data wherever relevant data are not available. Sector-wise and instrument-wise financial flows are presented in Section III and Section IV, respectively. Select indicators of financial development estimated from flow of funds are analysed in Section V. Section VI examines the consistency of FOF with NAS data. Recommendations of HLC pertaining to flow of funds are presented in Section VII. Section VIII sums up the findings of the article and highlights the emerging issues.

I. Introduction

Role of FOF

Flow of funds accounts is a set of accounts which depicts the inter-sectoral flow of funds among major sectors of the economy on 'from whom to whom' basis. Specifically the account analyses economic data on borrowings, lending and investment among major sectors of the economy. FOF facilitates to track the funds movement from those sectors that serve as sources of capital, through intermediaries (such as banks, mutual funds, and pension funds), to sectors that use the capital to acquire physical and financial assets. The flow of funds accounts are used primarily as an economy wide performance indicator. The data from flow of funds accounts can be compared to prior data to analyse whether the financial strength of the economy has improved over time.

Data in the FOF accounts are useful in documenting central economic trends. For example, the flow of funds accounts show the growth of debt for each sector; changes in the sources of credit to households, businesses, and governments; and the development of new financial instruments for providing credit. The accounts can be used to study wealth effect - the effect of changes in households' net worth on their decisions about saving and consumption. The accounts can also be used in analysis of business investment and its implications for the macro-economy. They also document the growth of important economic institutions, such as mutual funds, financial corporations, *etc*; and show how these institutions have got woven into the financial fabric of the economy. Thus,

the accounts by revealing inter-linkages and inter dependence among sectors, throw light on the likely impact that changes in liquidity conditions may have on growth prospects and, therefore, enable fine tuning of policy measures.

In the Indian economy, all institutional units, which correspond to economic entities capable of engaging in transactions with other units, are grouped into six categories, called the institutional sectors: banking, other financial institutions (OFI), private corporate business (PCB), government, rest of the world (ROW) and household sectors. Financial assets and liabilities are classified under ten major categories of financial instruments: currency, deposits, investments, loans and advances, small savings, life funds, provident funds, trade debts, foreign claims not elsewhere classified (NEC) and other claims NEC.

Period of Analysis

The period under analysis occupies an important place in Indian economic development, primarily for the following two reasons: first, this period covers tenth five year plan in which Indian economy recorded highest average annual growth rate in comparison with earlier five year plans; second, this is the period of second generation economic reforms in which reforms initiatives taken in the first phase were strengthened further. Some salient developments during this period are presented below.

- The period of this FOF starts from 2001-02, the year of global economic slowdown, followed by a period of

sustained high growth phase and ends in 2007-08, which witnessed the initial phase of cyclical slowdown. While in the initial years, growth in GDP remained low, it accelerated unprecedentedly to average more than 9 per cent during 2005-08. This rise in the growth of the Indian economy concomitantly led to a rise in demand for the funds.

- During this period the Indian economy had witnessed a jump in the investment activity in the economy. The investment rate increased to 39.1 per cent in 2007-08 from 22.8 per cent in 2001-02. The rate of investment of private corporate sector tripled during this period.
- Industrial upturn started in April 2002 and peaked by the end of 2006-07 and then moderated in the subsequent year, 2007-08.
- Capital market, which remained subdued in the initial years, witnessed a sharp growth from 2005-06. Mutual funds recorded a sharp increase in the assets under their management.
- During this period significant macro-economic and financial reforms were implemented in several sectors of the economy – trade, industry, foreign investment, exchange rate, financial sector and monetary and fiscal policies that greatly enhanced the inter linkages among various sectors.
- With significant opening up of the capital account, there were sustained capital inflows, particularly since 2003-04.
- Government sector turned from a dissaver to savings generating sector on account of improved performance of government administration and departmental enterprises.
- Reliance of private corporate sector on the internal sources of finance increased during this period. Notwithstanding some deterioration of profitability of firms in the second half of 1990s, private corporate business sector during the period under review effected improvements in management practices (cost reduction, inventory management, *etc.*) and registered improved performance resulting in rise in profitability.
- Although there was a current account surplus during 2001-02 to 2003-04, the subsequent years, however, witnessed current account deficit along with net capital inflows.
- The process of financial development continued to hinge effectively on commercial banks, which have a dominant share in total financial assets and are the main source of financing for the deficit sectors like government and private corporate sector.
- The non-bank segment of the financial system became far more varied with emergence of a well diversified structure of financial institutions, financial companies and mutual funds. Doors of insurance and mutual fund business were thrown open to the private sector. While, another important development has been merger/conversion of two major all-

India financial institutions, *viz.*, the ICICI and the IDBI Bank into banks, presence of private players in the banking sector significantly increased.

- Increased financial market liberalisation enhanced competition among market participants during this period. Capital markets became an important source of financing corporate investments. There was exponential increase in foreign investment during this period. Increase in financial activity was also reflected in the growing importance of mutual funds.
- The financial development in the banking and non-bank financial sector has supported saving and investment in the non-financial sectors of the economy and contributed to growth in real activity. Period witnessed turnaround from dissaving to positive a savings by the public sector and enhanced savings by the private corporate sector.

II. Data Sources, Gap and Estimation

The flow of fund compilation is designed to study changes in the financial activities in the economy across six major sectors. It requires detailed instrument wise data 'from whom to whom' basis. Generally data as per requirement of flow of funds is not available for all sectors immediately after the end of accounting period. This has been a primary reason for the lag in publication of FOF accounts. This article attempts to bridge the data

gaps through collection of data from different sources and through some estimation. Since data for the years 2006-07 and 2007-08 are largely estimated, figures for these years are provisional. Details of data sources and the methodology for bridging the data gaps are presented in Annex I.

III. Sectoral Trends in Flow of Funds

Funds flow from a surplus sector to meet the investment-savings gap of a deficit sector. Flow of funds accounts are used to study the pattern of inter-sectoral financial flows in the economy. Analysis of these flows is expected to provide insights which would be useful for formulation of appropriate development strategies.

Financial claims raised by different sectors during the period 2001-02 to 2007-08 are set out in Table 1. The share of all financial institutions (AFIs) in total claims issued (*i.e.*, secondary issues) has moved up from 31.7 per cent in 2001-02 to 44.0 per cent in 2005-06; the share, however, marginally increased to 44.1 per cent in 2007-08. The share of non-financial institutions, on the other hand declined from 68.3 per cent in 2001-02 to 56.0 per cent in 2005-06 before rising to 55.9 per cent in 2007-08. The rising trend in the share of AFIs corresponds to the boom period. Acceleration in growth rate in GDP during 2002-03 to 2005-06 has led to larger resource mobilisation by the financial sector, indicating growing financial intermediation (Chart 1). Sectoral trends in financial claims issued are discussed below.

Table 1: Financial Flows By Sectors

(Rs. crore)							
Sectors	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Banking	209044 (21.9)	275497 (27.2)	295078 (26.6)	374411 (31.9)	460259 (29.9)	598267 (28.5)	830477 (28.5)
2. Other Financial Institutions	93592 (9.8)	136798 (13.5)	146635 (13.2)	121474 (10.4)	217832 (14.1)	214032 (10.2)	455605 (15.6)
3. All Financial Institutions (1 + 2)	302636 (31.7)	412295 (40.8)	441713 (39.9)	495885 (42.3)	678092 (44.0)	812299 (38.7)	1286082 (44.1)
4. Private Corporate Business	286571 (30.0)	116756 (11.5)	104042 (9.4)	134310 (11.4)	308172 (20.0)	677979 (32.3)	886994 (30.4)
5. Government	252555 (26.4)	358063 (35.4)	349987 (31.6)	297930 (25.4)	268654 (17.4)	201949 (9.6)	192381 (6.6)
6. Rest of the World	62131 (6.5)	63648 (6.3)	141760 (12.8)	124392 (10.6)	102111 (6.6)	229761 (10.9)	379395 (13.0)
7. Households	51727 (5.4)	60304 (6.0)	69982 (6.3)	120566 (10.3)	183424 (11.9)	176787 (8.4)	173136 (5.9)
8. All Non-Financial Institutions (4 to 7)	652984 (68.3)	598771 (59.2)	665771 (60.1)	677199 (57.7)	862361 (56.0)	1286476 (61.3)	1631905 (55.9)
9. Total Claims Issued (3+8)	955620 (100.0)	1011067 (100.0)	1107484 (100.0)	1173084 (100.0)	1540452 (100.0)	2098776 (100.0)	2917987 (100.0)

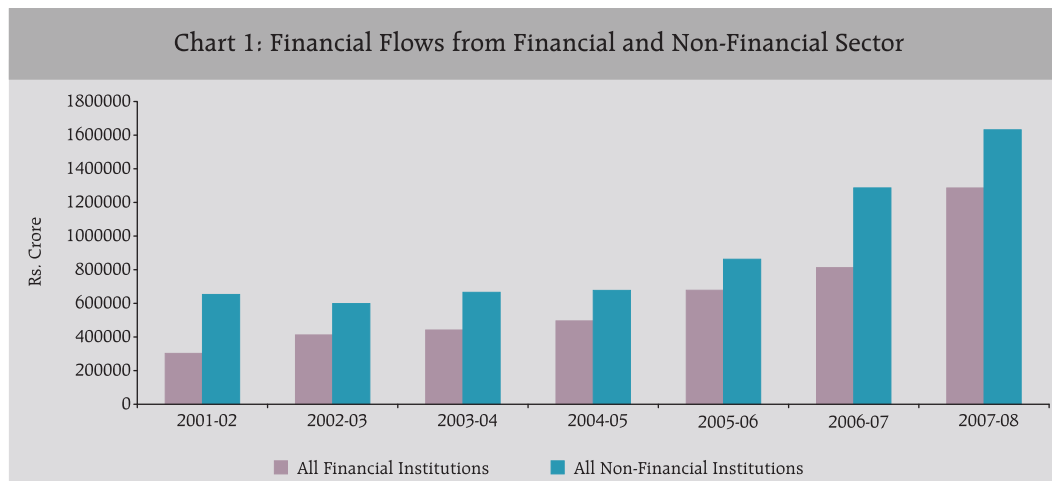
Note: Figures in brackets are percentages to total claims issued.

All Financial Institutions

Historically, financial intermediation by banks has played a central role in India in supporting the growth process by mobilising savings. Banks are the major

repository and mobiliser of deposits from the household sector, the major surplus sector of the economy. Thus banks have helped in raising the financial savings of the household sector and hence the overall saving rate. Notwithstanding the

Chart 1: Financial Flows from Financial and Non-Financial Sector



liberalisation of the financial sector and proliferation of other saving instruments, banks continue to play a dominant role in the financial intermediation of the Indian economy. The deregulation of interest rates has opened up new avenues for banks to mobilise funds at competitive rates.

With acceleration of GDP and the per capita income, the share of banking sector in total claims issued increased from 21.9 per cent in 2001-02 to 31.9 per cent in 2004-05 (Table 1). However, it declined marginally to 28.5 per cent in 2007-08. The decline in the share of banking sector after 2004-05 can be attributed to increased risk appetite of

investors and larger capital market issues by private corporate sector. The share of other financial institutions moved in the range of 9.8 per cent and 15.6 per cent between 2001-02 and 2007-08. Part of the decline in share during 2004-05 can be attributed to the conversion/merger of two major FIs into banks.

Private Corporate Business

The private corporate business sector remained as the deficit sector all the years except in 2003-04 when the sector had large internal sources of funds (Table 2). The banking sector continued to be the

Table 2: Financing of the Private Corporate Business Sector

(Rs. crore)							
Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Net Savings	14351	30308	49298	119092	164675	206655	250426
2. Capital Transfers received (net)	189	-2465	3665	-426	-3959	4	-20757
3. Investment	61073	76557	110464	245799	380108	475415	583384
4. Resource Gap (3-2-1)	46533	48714	57501	127133	219392	268756	353715
5. Financial Sources	286571	116756	104042	134310	308172	677979	886994
6. Financial Uses	106336	75316	129121	121779	146714	386174	526954
7. Financial Deficit (5-6)	180235	41440	-25079	12532	161458	291805	360039
	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
8. Deficit Financed by Net Issues from the following Sectors							
(i) Banking	52294 (29.0)	68218 (164.6)	46949 (-187.2)	22470 (179.3)	43485 (26.9)	171168 (58.7)	371554 (103.2)
(ii) Other Financial Institutions	108925 (60.4)	-6886 (-16.6)	-97184 (387.5)	-5786 (-46.2)	62381 (38.6)	42711 (14.6)	75861 (21.1)
(iii) Government	-1230 (-0.7)	10825 (26.1)	-17673 (70.5)	-22989 (-183.5)	12804 (7.9)	-28248 (-9.7)	-37599 (-10.4)
(iv) Rest of the World	1818 (1.0)	-12892 (-31.1)	1306 (-5.2)	9893 (78.9)	56087 (34.7)	76171 (26.1)	16909 (4.7)
(v) Households	2081 (1.2)	93 (0.2)	1385 (-5.5)	3956 (31.6)	5972 (3.7)	23988 (8.2)	34130 (9.5)
(vi) Others #	16347 (9.1)	-17917 (-43.2)	40138 (-160.0)	4987 (39.8)	-19272 (-11.9)	6015 (2.1)	-100816 (-28.0)

#: The surge in others components is mainly due to rise in components of other current liabilities.

Notes: 1. Figures in brackets are percentages to total financial deficit.

2. Item no 1, 2, 3 and 4 are sourced from National Accounts Statistics, CSO.

dominant sector in financing the deficit of private corporate business sector. Quantitatively, the share of banking sector in the private corporate sector's pool of resources increased from 29.0 per cent in 2001-02 to 103.2 per cent in 2007-08. The rise in the share of banks in 2007-08 was due to shift in banks investment from Government securities to corporate securities apart from increase in supply of bank credit.

'Others' (sector not elsewhere classified) component of source of funds of PCB has been significantly volatile and its share in the financing of PCB sector has increased significantly during 2003-04 and 2007-08. This is mainly due to rise in the other liabilities¹ of private corporate sector.

Reflecting liberalisation of foreign financing and increasing reliance of PCB sector on foreign funds for acquisition of raw material and technology from abroad, the share of rest of the world (ROW) has increased manifold from 1.0 per cent in 2001-02 to 78.9 per cent in 2004-05. During the period under analysis, a distinct rise in the financing of deficit from the rest of the world sector marks a departure from the past. In absolute terms, it increased from Rs.1,818 crore in 2001-02 to Rs.76,171 crore in 2006-07. The contribution of the ROW sector in financing the PCB sector, however, moderated subsequently and stood at Rs.16,909 crore in 2007-08, mainly reflecting the impact of global financial crisis.

The household sector's share fluctuated in the range between -5.5 per cent and 9.5 per cent, except in 2004-05,

¹ Other liabilities of corporate sector include: acceptances, liabilities to companies, advance deposits from customers, agents, etc., interest accrued on loans and others.

when the share stood at 31.6 per cent, although the mobilisation of funds by the corporate sector has increased manifold in absolute terms, through the initial public offers. The share of the OFI sector in financing deficit fluctuated and does not provide any fixed pattern of financing the deficit of private corporate business sector.

Government

As mentioned earlier, the period under analysis witnessed considerable improvement in government finances. Government sector turned from a dissaver to savings generating sector on account of implementation of FRBM leading to lower revenue deficit and improved performance of government administration and departmental enterprises. A substantial portion of the financial deficit of the government sector is met by the banking sector whose share has, however, been fluctuating (Table 3). Mirroring the growth in financing of the private corporate sector, the share of deficit of the government financed by the banks increased from 26.0 per cent in 2001-02 to 33.4 per cent in 2004-05, recorded disinvestment during 2005-07 and then increased to 63.7 per cent in 2007-08. On the other hand, the share of OFI almost doubled between 2001-02 and 2002-03, but declined in the subsequent years and stood at 6.4 per cent in 2007-08. The share of ROW sector rose to 10.1 per cent in 2007-08 from 5.0 per cent in 2001-02 due to the inflow of funds into the economy through the official channel. It may be noted that the share of external finance used in financing of gross fiscal deficit of the centre increased from 4.0 per cent in 2001-02 to 7.2 per cent in 2007-08.

Table 3: Financing Pattern of the Government Sector

(Rs. crore)							
Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Net Savings	-130,553	-105,562	-67,237	-39,851	-33,255	6,923	66,527
2. Capital Transfers received (net)	3823	6460	1021	4113	7788	3464	23699
3. Investment	72170	59773	77821	108160	151757	198676	282998
4. Resource Gap (3-2-1)	198,900	158,875	144,037	143,898	177,224	188,289	192,772
5. Financial Sources	252555	358063	349987	297930	268654	201949	192381
6. Financial Uses	52436	50980	91777	16497	47614	89253	72698
7. Financial Deficit (5-6)	200119 (100.0)	307083 (100.0)	258210 (100.0)	281434 (100.0)	221040 (100.0)	112696 (100.0)	119683 (100.0)
8. Deficit Financed by Net Issues from the following Sectors							
(i) Banking	51975 (26.0)	99709 (32.5)	54868 (21.2)	93924 (33.4)	-7172 (-3.2)	-29143 (-25.9)	76193 (63.7)
(ii) Other Financial Institutions	52976 (26.5)	147357 (48.0)	79136 (30.6)	50465 (17.9)	33727 (15.3)	204513 (181.5)	7618 (6.4)
(iii) Private Corporate Business	-108 (-0.1)	-388 (-0.1)	-248 (-0.1)	-416 (-0.1)	-724 (-0.3)	-545 (-0.5)	-63 (-0.1)
(iv) Rest of the World	10012 (5.0)	-16653 (-5.4)	-15366 (-6.0)	12550 (4.5)	36348 (16.4)	14586 (12.9)	12105 (10.1)
(v) Households	76975 (38.5)	84749 (27.6)	115474 (44.7)	137616 (48.9)	122277 (55.3)	56671 (50.3)	6439 (5.4)
(vi) Others	8288 (4.1)	-7691 (-2.5)	24347 (9.4)	-12706 (-4.5)	36584 (16.6)	-133387 (-118.4)	17390 (14.5)

Notes: 1. Figures in brackets are percentages to total financial deficit.
2. Item no 1, 2, 3 and 4 are sourced from National Accounts Statistics, CSO.

Rest of the World (ROW)

The ROW sector captures the transactions between domestic and external sectors. With a range of liberalisation measures undertaken both on the current and capital account, ROW sector steadily gained prominence in the economy. While India adopted the convertibility of rupee for current account transactions by accepting the Article VIII of the IMF in 1994, various measures have been undertaken to further liberalise the capital account as well. The norms for external commercial borrowings (ECBs) and foreign direct investment (FDI) were further relaxed and limits of investment were increased. The foreign

institutional investors (FIIs) were allowed to invest in Government securities subject to certain limits. Reflecting this, net capital inflow as percentage to GDP increased from 1.8 per cent in 2001-02 to 9.2 per cent in 2007-08.

Increased liberalisation of current as well as capital account transactions has resulted in larger inflows and outflows between the domestic sectors and ROW. Gross flows to ROW increased from 6.5 per cent of total financial flows in 2001-02 to 13.0 per cent in 2007-08 (Table 1). Increase in uses *vis-à-vis* sources of ROW since 2004-05 indicate larger capital inflows into the economy (Statement 5).

Households

For the purpose of FOF compilation, the household sector is a residual entity, comprising heterogeneous entities like the individuals, unincorporated business enterprises (like sole proprietorships and partnership concerns), farm production units and a number of non-profit institutions. This is a surplus sector, which lends to other sectors. During the period, the surplus funds (uses minus sources) of the sector steadily increased from Rs.2,44,854 crore in 2001-02 to Rs.5,43,114 crore in 2007-08 (Table 4). Relative magnitudes of household surplus flowing to other sectors varied considerably over the years. This has been result of availability of diversified financial products and extension of fiscal benefits to other instruments besides small savings.

During the recent period, *i.e.*, in 2006-07 and 2007-08, there is a significant fall in the claims on the Government of the household sector. The trend is particularly evident in the instruments such as small savings. This outcome largely reflects the availability of diversified financial products providing higher returns (Table 4).

Between 2001-02 and 2007-08, on an average, 39.6 per cent of the surplus of the household sector was absorbed by the banking sector, followed by nearly 31.3 per cent by OFI sector, over 26.8 per cent by the Government sector and nearly 2.2 per cent by the PCB sector.

During the period under study, the households' financing to the Government sector has decreased secularly from 31.4 per cent in 2001-02 to 1.2 per cent in 2007-08,

Table 4: Sector Financing: Household Sector

(Rs. crore)							
Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Savings	422790	471268	558576	589591	716294	824493	953212
2. Household Investments	175314	218013	245316	272045	295320	341671	399923
3. Surplus Resources (1+2-3)	247476	253255	313260	317546	420974	482822	553289
4. Financial Sources	51727	60304	69982	120566	183424	176787	173136
5. Financial Uses	296581	322585	377385	434317	597889	650429	716250
6. Financial Surplus (6-5)	244854	262282	307403	313751	414466	473641	543114
	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
7. Surplus made available to the following Sectors							
(i) Banking	97977	97972	126587	83670	152740	209322	277784
	(40.0)	(37.4)	(41.2)	(26.7)	(36.9)	(44.2)	(51.1)
(ii) Other Financial Institutions	67821	79468	63958	88509	133477	183660	224760
	(27.7)	(30.3)	(20.8)	(28.2)	(32.2)	(38.8)	(41.4)
(iii) Private Corporate Business	2081	93.5	1385	3956	5972	23988	34130
	(0.8)	(0.0)	(0.5)	(1.3)	(1.4)	(5.1)	(6.3)
(iv) Government	76975	84749	115474	137616	122277	56671	6439
	(31.4)	(32.3)	(37.6)	(43.9)	(29.5)	(12.0)	(1.2)

Notes: 1. Figures in brackets are percentages to total financial deficit.

2. Item no 1, 2 and 3 are sourced from National Accounts Statistics, CSO.

whereas that to the private corporate sector has increased from 0.8 per cent in 2001-02 to 6.3 per cent in 2007-08.

IV. Instrument-wise Financial Flows

The instrument-wise analysis of financial flows throws light on the aggregate preference pattern of various agents for different financial instruments. An analysis of the trend during the period under study showed that the share of currency and

deposits in total claims issued increased from 21.0 per cent in 2001-02 to 25.0 per cent in 2007-08 (Table 5 and Statement 8).

The share of investments has fluctuated between 21.2 per cent and 35.8 per cent during 2001-02 to 2007-08. The share of Government securities decreased from 11.1 per cent in 2001-02 to 6.6 per cent in 2007-08. The fall in the share of central and state government securities has been accompanied by a corresponding rise in the share of other securities including mutual funds (Table 5).

Table 5: Financial Flows by type of Instruments

(Rs. crore)							
Instruments	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Currency and Deposits	200220 (21.0)	212376 (21.0)	266387 (24.1)	304983 (26.0)	380777 (24.6)	597551 (28.5)	728936 (25.0)
2. Investments	278470 (29.1)	306277 (30.3)	396147 (35.8)	322096 (27.5)	390091 (25.2)	445342 (21.2)	1014479 (34.8)
(a) Central and State Governments' Securities	106533 (11.1)	178176 (17.6)	194438 (17.6)	161969 (13.8)	105037 (6.8)	110359 (5.3)	193990 (6.6)
(b) Other Securities	171937 (18.0)	128101 (12.7)	201709 (18.2)	160128 (13.7)	285054 (18.4)	334983 (16.0)	820489 (28.1)
of which :							
(i) Units of UTI	-2660 (-0.3)	-7190 (-0.7)	-10893 (-1.0)	-23153 (-2.0)	-28617 (-1.8)	-63423 (-3.0)	-13751 (-0.5)
(ii) Other Mutual Funds	9204 (1.0)	10008 (1.0)	21723 (2.0)	-8402 (-0.7)	49557 (3.2)	47181 (2.2)	213405 (7.3)
3. Loans and Advances	238707 (25.0)	268204 (26.5)	212491 (19.2)	264663 (22.6)	424149 (27.4)	649187 (30.9)	737305 (25.3)
4. Small Savings	35100 (3.7)	47986 (4.7)	58903 (5.3)	85106 (7.3)	81243 (5.2)	17544 (0.8)	-13601 (-0.5)
5. Life Fund	41088 (4.3)	51348 (5.1)	51931 (4.7)	66296 (5.7)	81243 (5.2)	112075 (5.3)	125561 (4.3)
6. Provident Fund	65839 (6.9)	71190 (7.0)	69752 (6.3)	81578 (7.0)	89477 (5.8)	104558 (5.0)	98067 (3.4)
7. Trade Debt	10535 (1.1)	8126 (0.8)	11508 (1.0)	12554 (1.1)	8223 (0.5)	21682 (1.0)	36922 (1.3)
8. Foreign claims not elsewhere classified	-3661 (-0.4)	-2306 (-0.2)	-7955 (-0.7)	-2749 (-0.2)	-4778 (-0.3)	-19264 (-0.9)	-36476 (-1.3)
9. Other claims not elsewhere classified	89322 (9.3)	47866 (4.7)	48320 (4.4)	38557 (3.3)	98493 (6.4)	170102 (8.1)	226794 (7.8)
10. Total Claims Issued	955620	1011067	1107484	1173084	1548917	2098776	2917987

Note: Figures in brackets are percentages to Total Claims Issued.

The share of the other important instrument, namely loans and advances, ranged between 19.2 – 30.9 per cent during 2001-02 to 2007-08 and hovered around 28.0 per cent during the boom period of 2005-07. During 2001-02 to 2007-08, the share of contractual savings instruments such as, provident fund and small savings witnessed a general declining trend. The share of life fund fluctuated in the range of 4.3 per cent and 5.7 per cent.

V. Select Indicators of Financial Development

Each sector of an economy borrows from other sectors by issuing claims on itself, or it lends to other sectors by accepting their claims. Incidentally, a sector may also engage itself in both the activities simultaneously. Financial claims issued in the economy by various economic units are classified into primary issues and secondary issues. Claims issued by non-financial sectors or the ultimate borrower (which include households, private corporate

business, the Government and the "rest of the world") are called primary issues, whereas claims issued by financial intermediaries (such as banks and other financial institutions) are termed as secondary issues. Volumes of these financial flows form the basis of the several indicators of financial development.

The period of coverage for the FoF analysis constitutes a significant block in post-reforms period of the Indian economy. Measures taken in pursuance of economic reforms had opened up the external sector for private capital inflows. Besides, the assignment of greater role to the private sector in the economic activities took place. The impact of these policy initiatives was reflected in the trends in FOF accounts. During this period, the economy witnessed a phenomenal surge in the foreign exchange. All these were reflected in large increases in the financial issues, both from the 'domestic' and 'rest of the world' sectors during 2001-02 to 2007-08 (Table 6 and Statement 7).

Table 6: Selected Indicators of Financial Development

(Rs. crore)							
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Secondary Issues#	302636	412295	441713	495885	678092	812299	1286082
2. Primary Issues##	652984	598771	665771	677199	862361	1286476	1631905
2.1 Domestic Sectors	590853	535123	524011	552807	760250	1056715	1252510
2.2 Rest of the World	62131	63648	141760	124392	102111	229761	379395
3. Total Issues (1+2)	955620	1011067	1107484	1173084	1540452	2098776	2917987
4. Net Domestic Capital Formation@	292359	367528	479277	682171	892318	1084768	1336064
5. National Income**	1849361	1994217	2237414	2526285	2875958	3312569	3787596

Refers to issues by financial intermediaries (i.e., Banks and Other Financial Institutions).

Refers to issues by all sectors other than financial intermediaries.

@ At Current Prices.

** Net National Product at Factor Cost at Current Prices.

Note: Item nos 4 and 5 are sourced from National Accounts Statistics, CSO.

Over the period, in consonance with the financial development, total financial issues rose by 205.4 per cent from Rs.9,55,620 crore in 2001-02 to Rs.29,17,987 crore in 2007-08. Secondary issues increased by nearly 325.0 per cent while primary issues rose by 149.9 per cent during the same period (Table 6).

This rise in the financial claims issued by various sectors may be further analysed in terms of financial deepening and widening during the period with a corresponding rise in the role of financial development in national income and capital formation. Various financial development ratios that can be derived from the flow-of-funds data are used for this purpose. These ratios include Finance Ratio, Financial Inter-relations Ratio, Intermediation Ratio and New Issue Ratio. On the basis of these ratios, following assessment can be made:

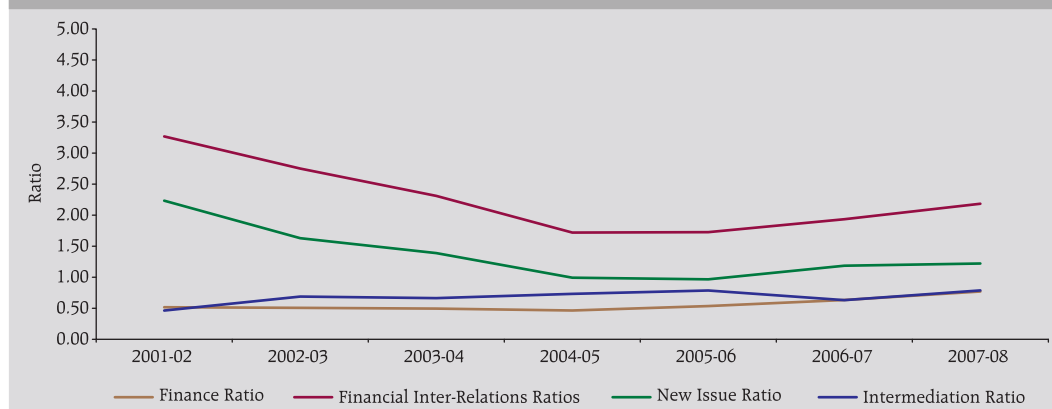
- The finance ratio, the ratio of total financial claims to national income, is an indicator of the rate of financial development in relation to economic growth. The ratio fluctuated with an increasing trend from 0.52 in 2001-02 to 0.77 in 2007-08, reflecting a rise in financial development during the period (Table 7). The rise in finance ratio during 2006-07 and 2007-08 can be attributed to increased borrowings by household as well as corporate sector along with increase in investment abroad.
- The financial inter-relations ratio (*i.e.*, the ratio between total issues to net domestic capital formation) reflects the relation between the financial development and growth of physical

Year	Finance Ratio	Finance Inter-relation Ratio	New Issue Ratio	Intermediation Ratio
1	2	3	4	5
1994-95	0.51	2.48	1.35	0.84
1995-96	0.41	1.92	1.22	0.57
1996-97	0.37	2.06	1.12	0.83
1997-98	0.49	2.71	1.63	0.67
1998-99	0.46	2.87	1.63	0.76
1999-2000	0.34	1.9	1.01	0.89
2000-01	0.42	2.58	1.6	0.61
2001-02	0.52	3.27	2.23	0.46
2002-03	0.51	2.75	1.63	0.69
2003-04	0.49	2.31	1.39	0.66
2004-05	0.46	1.72	0.99	0.73
2005-06	0.54	1.73	0.97	0.79
2006-07	0.63	1.93	1.19	0.63
2007-08	0.77	2.18	1.22	0.79

Finance Ratio= Total Issue /Net National Product at factors cost
 Finance Inter-Relation Ratio= Total Issue/ Net Domestic Capital Formation
 New Issue Ratio = Primary Issue/ Net Domestic Capital Formation
 Intermediation Ratio= Secondary Issue/Primary Issue

investment. The ratio exhibited year-to-year fluctuation ranging between 1.72 and 3.27 during the period. It may be noted that a sharp fall and rise in the net investment (net domestic capital formation) activity has resulted in emergence of kinks in the ratio at least on two occasions. First, during 2001-02, the investment activity collapsed (declined by 5.7 per cent at current market prices) amid global economic slowdown led by dotcom burst. This resulted in a sharp rise in the value of the ratio in 2001-02. Second, a fall in this ratio was witnessed during 2004-05 and 2005-06 when the investment activity accelerated (grew by 42.3 per cent and 30.8 per cent at current prices, respectively) (Chart 2

Chart 2: Financial Ratio: 2001-02 to 2007-08



and Table 7). It may also be noted that during these two years, the claims issued by ROW also declined, which contributed to the fall in financial interrelation ratio.

- The new issue ratio (*i.e.*, the ratio of primary issues to net domestic capital formation) is indicative of the extent of dependence of the non-financial sector on its own funds in financing the capital formation. A downward movement in the ratio suggests increase in the role of financial intermediation in capital formation. This ratio ranged from 0.97 to 2.23 during the period covered in Table 7. As in the case of financial inter-relation ratio, the extreme values of new issue ratio relate to the years when investment declined or increased sharply *viz.* 2001-02 and 2005-06. The new issue ratio increased in 2006-07 and 2007-08, reflecting increased primary issues by PCB and ROW (Table 7).
- The importance of intermediation by banks and other financial institutions

in financing real activities is also reflected in the intermediation ratio (the ratio between the financial instruments issued by the financial institutions and the financial instruments issued by non-financial units). The intermediation ratio fluctuated in a range from 0.46 to 0.79 during the period.

VI. Consistency Check of Flow of Funds Accounts with National Accounts Statistics

Some consistency checks were conducted in the last published FOF accounts in the light of comments and observations received from select external experts at that time. These checks have been conducted for present exercise as well. Various consistency checks undertaken are listed below:

1. The reference of earlier financial development ratios has been given in the present study in order to provide historical behavioural movement of financial ratios.

2. The 'rest of world' sector captures the transactions between domestic sector and external sectors. Therefore, the financial balance (financial sources-financial uses) should reflect the current account balance of the nation. In this regard, the financial balance of ROW is broadly in line with current account balance.
3. The household savings estimates which are available from the national accounts statistics and saving as derived from the flow of fund accounts are comparable.
4. The sources and uses of small savings are matching in all the years.
5. The external experts had also raised some technical issues in compilation of flow of funds accounts such as absence of systematic data sources on household savings in the form of shares and debentures or deposits of non-banking companies and practice of using global paid up capital for blowing up to arrive at population estimates from sample. Further, in the case of local authorities, data for only port trusts are available. These limitations still exist in the present study. In this regard, it may be mentioned that these issues have also been highlighted in the Report of High Level Committee on Savings and Investment (HLC). Accordingly, some recommendations have been made. With the implementation of

recommendations of the HLC, some limitations are expected to be taken care of in the next flow of funds accounts.

VII. Recommendations of High Level Committee on Savings and Investment (HLC) Pertaining to Flow Fund Accounts

The High Level Committee on Savings and Investment (2009) made recommendations for timely compilation of flow of funds accounts by removing data gaps. In this regard, the HLC also made various other recommendations to improve the quality of data so as to broaden the coverage of flow of funds accounts. HLC has *inter alia* assigned important role to apex bodies such as SEBI, IRDA, NABARD to gather information from financial entities under their respective jurisdictions. Some of the select recommendations and their present status are stated in Annex III.

VIII. Emerging Issues and Summing Up

Progressive liberalisation of the Indian economy, growing integration with the global economy and other policy measures are reflected in the fluctuations in growth performance and the pattern of financial flows in the Indian economy. Some of the salient features of the flow of funds accounts during the period of analysis are presented below.

- Traditionally, the financial system in India was based on large network of public sector banks. Since the economic

reforms of 1991, the financial sector has matured in tandem with emergence of other financial institutions providing wide diversified instruments of investment for households and corporates. This broadening of institutions and instruments has enabled intermediation of savings, predominantly by the household sector. The sustained reforms in the financial sector have resulted into rise in financial deepening during this period. The finance ratio increased from 0.52 in 2001-02 to 0.77 in 2007-08.

- In the post-reform period, the external sector has played a significant role in the financial sector. The large external flows, particularly non-debt creating flows have witnessed notable uptrend in foreign investment flows. The 'rest of the world sector' started playing an increasingly important role in FOF. The financial flows by sector shows that the share of financial issues of the 'rest of world sector' in total financial issues more than doubled from 6.5 per cent in 2001-02 to 13.0 per cent in 2007-08.
- Household sector continued to remain the net surplus sector providing finance to deficit sectors like the PCB and the Government sector. The preferred instruments for households' savings turned out to be bank deposit, shares and debentures and contractual instruments, like insurance funds. This shift in saving pattern of household sector away from the Government sector instruments shows the increased market accessibility and portfolio diversification in response to the increasing choice of financial instruments.
- The period of FOF also corresponds the period of FRBM Act, where bulk of the Government expenditures has been curtailed to achieve the fiscal prudence. This principle of containment of Government expenditure is also witnessed in FOF accounts as well. The deficit in the Government sector recorded a declining trend.
- Sustained rise in saving and investment during the period under consideration is financed by two means: domestic savings rate and capital inflows from abroad. There was significant improvement in the Government sector in reducing their deficit. Private corporate business sector has been increasingly financing its deficit from their own resources and other sectors.
- The financial interrelation ratio shows that the share of internal resources in capital formation in physical assets has increased.
- With the development in the financial sector and innovation of new instruments, the economy has witnessed a rise in financial deepening during 2001-02 to 2007-08.

Statement 1: Banking Sector							
(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Notes in Circulation	34268	25299	48316	39501	80581	38674	95672
a) Other Financial Institutions	-166	254	-82	110	-216	966	2932
b) Private Corporate Business	-5409	237	-100	168	-188	433	16321
c) Government	11969	-3538	6250	2616	28445	-28336	-4047
d) Households	27874	28346	42248	36607	52540	65611	80465
2. Deposits	143218	184763	221567	263000	286984	518064	636015
a) Other Financial Institutions	4677	5813	9937	9206	10287	19931	27208
b) Private Corporate Business	5403	6705	14002	7963	13143	29023	32556
c) Government	16128	17421	26234	97740	-14142	144634	206058
d) Households	113255	123625	142112	158467	274843	311325	360970
e) Rest of the World	4229	31142	29271	-10402	2953	10479	9992
f) Others	-474	57	11	26	-100	2672	-769
3. Borrowings	-8	23665	19806	52257	26412	12668	36935
a) Other Financial Institutions	45	8141	7767	17200	40215	-14144	11459
b) Government	60	530	391	389	227	593	527
c) Rest of the World	-462	12385	9974	33103	-14871	23688	22788
d) Others	349	2609	1674	1565	841	2531	2161
4. Debentures	2558	1741	640	2560	2846	6280	5713
a) Other Financial Institutions	2315	1575	579	2316	2575	5683	5169
b) Government	243	166	61	244	271	597	544
c) Households	0	0	0	0	0	0	0
5. Paid-up Capital	3619	356	1939	4327	6275	3570	12961
a) Government	1969	-259	1399	2719	3151	1078	2354
b) Non-Credit Societies	94	89	83	76	81	113	106
c) Insurance	0	0	0	0	0	0	0
d) Households	202	117	111	263	366	206	766
e) Others	1354	409	346	1269	2676	2173	9735
6. Bills Payable	95	7597	12227	-1106	13933	3950	7643
a) Government	-16	0	1	7	11	-19	21
b) Non-Credit Societies	0	0	2	0	27	-28	6
c) Other Financial Institutions	0	0	0	1	4	-5	3
d) Households	3	4	4	-2	13	-22	47
e) Others	108	7592	12220	-1111	13877	4024	7566
7. Due to Branches or Parent Offices Abroad	62	505	17	784	770	-568	1326
8. Other Liabilities	25232	31573	-9434	13089	42458	15629	34213
TOTAL	209044	275497	295078	374411	460259	598267	830477

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 1: Banking Sector (Concl'd.)

(Rs. crore)

Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Gold, Coin and Bullion	1762	1566	1169	1202	7183	894	8619
2. Foreign Assets	64608	92346	116039	119061	122203	118523	346335
3. One Rupee Notes and Coins	114	-81	-161	96	152	-109	154
4. Balances with :	23	17	-546	493	-585	1480	923
a) Government	9	4	-28	31	-42	99	64
b) Others	14	13	-518	462	-543	1381	859
5. Loans and Advances	90068	120272	113206	258707	396154	364288	449058
a) Other Financial Institutions	-13780	-2694	-931	166	525	2043	-531
b) Private Corporate Business	30965	65541	55301	114658	177611	140125	238506
c) Government	22607	1131	-1025	30799	41743	50847	44166
d) Households	43354	54116	57885	111667	175010	167820	164418
e) Others	6922	2178	1976	1417	1265	3452	2499
6. Investments	77257	92020	136460	39637	9086	53044	186220
a) Government Securities	74306	87370	125758	48823	4993	60363	183360
i) Central/State Government Securities	73969	86513	122213	51269	4838	62943	181835
ii) Other Government Securities	337	857	3545	-2446	155	-2580	1525
b) Shares/Debentures of Other Financial Institutions	951	1037	2210	-2916	52	-1638	988
c) Shares/Debentures of Private Corporate Business	43	451	997	-3908	-1034	-2357	1685
d) Rest of the World	21	121	264	-303	48	-93	70
e) Others	1936	3040	7231	-2059	5028	-3230	118
7. Due from Branches or Parent Offices Abroad	62	505	17	784	770	-568	1326
8. Other Assets	15493	-4910	20661	54987	-20266	-7021	134636
TOTAL	249387	301735	386845	474966	514697	530530	1127272

Statement 1.1: Reserve Bank of India

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	0	0	0	0	0	0	0
2. Deposits	1795	-98	23469	81693	-7594	116416	265471
a) Banking	2116	-466	23907	7826	28282	59919	132596
i) Commercial Banks	1682	-584	23166	8031	27982	58490	129194
ii) Co-operatives	434	118	741	-205	300	1429	3402
b) Other Financial Institutions	428	407	-428	2123	554	-4313	1682
i) Financial Corporations	161	-19	-185	-123	33	48	1582
ii) Insurance	1	1	-1	323	-187	-138	0
iii) Provident Fund	266	425	-242	1923	708	-4223	100
iv) NABARD	0	0	0	0	0	0	0
c) Government	208	-274	0	69913	-37019	59671	132013
i) Central Government	0	1	0	69913	-37019	59671	132013
ii) State Governments	208	-274	0	0	0	0	0
d) Rest of the World	-483	178	-21	1805	689	-1533	-51
e) Others	-474	57	11	26	-100	2672	-769
3. Borrowings	0	0	0	0	0	0	0
a) Rest of the World	0	0	0	0	0	0	0
4. Notes In Circulation	36113	26501	44163	41237	84637	42506	97879
a) Banking	1845	1202	-4153	1736	4056	3832	2207
i) Commercial Banks	568	1291	45	1562	3809	3079	1886
ii) Co-operatives	1278	-89	-4199	173	250	753	321
b) Other Financial Institutions	-166	254	-82	110	-216	966	2932
i) Financial Corporations	-163	234	-88	113	-224	976	2889
ii) Insurance	-4	19	7	-3	8	-10	43
c) Private Corporate Business	-5409	237	-100	168	-188	433	16321
i) Non-Credit Societies	0	0	0	0	0	0	0
ii) Companies	-5409	237	-100	168	-188	433	16321
d) Government	11969	-3538	6250	2616	28445	-28336	-4047
i) Central Government }	-1057	-93	90	-103	96	-17	243
ii) State Governments }	0	0	0	0	0	0	0
iii) Local Authorities	-12	-10	-5	-2	-3	-20	-22
iv) Commercial Undertakings	10373	-3435	6165	2721	28352	-28299	-4268
e) Households	27874	28346	42248	36607	52540	65611	80465
5. Bills Payable	-28	8	6	9	104	57	-122
a) Banking	0	1	-1	0	0	0	0
i) Commercial Banks	0	0	0	0	0	0	0
b) Other Financial Institutions	0.04	0.09	0.06	1	4.28	-4.79	3
i) Insurance	0	0	0	1	-1	0	0
c) Private Corporate Business	0	0	2	0	27	-28	6
i) Companies	0	0	2	0	27	-28	6
d) Government	-15.98	0	1	7	11	-19	21
i) Central Government	-15	0	0	1	-1	0	3
ii) Local Authorities.	0	0	1	2	8	-11	0
e) Households	2.85	3.76	3.7	-1.93	13.14	-22.26	47.27
f) Others	-15	2	0	3	48	131	-199
6. Other Liabilities(Net)	24189	27174	-17209	14191	40130	9956	31577
TOTAL	62352	53228	50591	137373	115984	177787	382542

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 1.1: Reserve Bank of India (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Gold, Coin and Bullion	1762	1566	1169	1202	7183	894	8619
2. Foreign Assets	64608	92346	116039	119061	122203	118523	346335
3. Rupee Coins and Small Coins	83	-92	22	57	2	-137	120
4. Loans and Advances	-14158	-15503	-1612	-2328	-1587	6769	-1666
a) Banking	-2116	-2881	-143	105	-106	6411	-1823
i) Commercial Banks	-2119	-2821	-102	95	-93	6308	-1739
ii) Co-operatives	3	-59	-41	10	-13	103	-84
b) Other Financial Institutions	-13864	-2881	-1087	-172	-5	153	251
i) Financial Corporations	-13864	-2881	-1087	-172	-5	153	251
c) Government	1728	-9806	-338	-2220	-1465	179	-113
i) Central Government	-219	-5176	0	0	0	0	0
ii) State Governments	1947	-4630	-338	-2220	-1465	179	-113
d) Private Corporate Business	45	40	-20	-20	-11	16	14
i) Non- Credit Societies	45	40	-20	-20	-11	16	14
e) Households**	45	28	-20	-20	-12	15	6
f) Others	5	-3	-5	-1	12	-5	-1
5. Investments	877	-26771	-37216	-4254	1179	-11489	-6042
a) Banking	0	0	0	0	0	0	-1223
i) Commercial Banks	0	0	0	0	0	0	-1223
b) Other Financial Institutions	1107	0	100	-500	0	0	0
i) Financial Corporations	1107	0	100	-500	0	0	0
c) Government	-259	-26783	-37342	-3758	1185	-11493	-4818
i) Central Government	-259	-26783	-37342	-3758	1185	-11493	-4818
(a) Treasury Bills	0	0	-16688	0	0	0	0
(b) Other Central Government Securities	-259	-26783	-20654	-3758	1185	-11493	-4818
d) Rest of the world	29	12	26	4	-6	5	0
e) Others	0	0	0	0	0	0	0
6. Other Assets (Net)	0	0	0	0	0	0	0
TOTAL	53172	51547	78401	113738	128979	114560	347367

**Data relate to loans to employees.

Statement 1.2: Commercial Banks

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-Up Capital	3423	162	1480	4101	5817	3053	12526
a) Banking	-3	7	14	25	14	243	204
i) Reserve Bank of India	0	0	0	0	0	0	0
b) Other Financial Institutions	0	0	0	0	0	0	0
i) Insurance	0	0	0	0	0	0	0
c) Government	1882	-343	1033	2566	2785	457	1850
i) Central Government	1883	-345	1027	2555	2780	353	1763
ii) State Governments	-2	3	6	11	6	104	87
d) Households	190	89	87	241	342	180	737
e) Others	1354	409	346	1269	2676	2173	9735
2. Deposits	115466	195816	225278	192754	327321	480499	522036
a) Banking	-16327	11981	2098	5918	3908	19891	20679
i) Co-operatives	2994	2956	5727	4255	5318	16197	14673
b) Other Financial Institutions	4249	5406	10365	7083	9733	24244	25526
i) Financial Corporations	2590	3087	5920	4141	5538	14559	14722
ii) Insurance	736	1036	2123	1266	2072	4297	5108
iii) Provident Fund	326	520	733	719	568	1980	1831
c) Private Corporate Business	5104	6536	13395	8255	13020	29123	32638
i) Companies	4851	6233	12893	7824	12588	27695	31358
ii) Non-Credit Societies	253	303	502	431	431	1428	1280
d) Government	14990	17385	28155	25295	23649	84013	72425
i) Central & State Governments	4420	5596	8483	8092	6830	25293	21744
ii) Local Authorities	6573	7138	11682	10596	9829	36324	30359
iii) Commercial Undertakings	3996	4651	7990	6607	6989	22395	20321
e) Rest Of the World	4712	30964	29292	-12207	2265	12012	10043
f) Households	102738	123544	141973	158410	274747	311215	360727
3. Borrowings	-5127	12622	15690	47717	29855	13586	29128
a) Banking	-4273	-3752	360	482	6768	9543	-241
i) Reserve Bank Of India	-5003	-3224	-92	103	6506	7849	263
ii) Co-operatives	730	-528	452	379	261	1694	-504
b) Other Financial Institutions	-392	3989	5356	14132	37958	-19646	6581
i) Financial Corporations	-392	3989	5356	14132	37958	-19646	6581
c) Rest Of the World	-462	12385	9974	33103	-14871	23688	22788
4. Bills Payable	123	7590	12220	-1114	13829	3893	7766
a) In India	94	7604	12126	-977	13732	3906	7711
b) Outside India	29	-14	94	-137	97	-13	55
5. Other Liabilities	0	0	0	0	0	0	0
6. Branch adjustment with offices outside India	3329	-313	5353	30743	-26743	-6840	15213
7. Due to Branches/Parent offices abroad	62	505	17	784	770	-568	1326
TOTAL	117276	216382	260038	274985	350849	493622	587995

Statement 1.2: Commercial Banks (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	587	1322	-4219	1955	7743	3092	1906
a) RBI Notes	568	1309	-4120	1920	7598	3079	1886
b) One Rupee Notes and Coins	19	13	-99	35	145	13	20
2. Balances with RBI	2858	-4067	10662	41106	16958	53161	76900
3. Investments	70438	113633	133564	39164	-3023	69698	186624
a) Banking	-8	-4	1	-16	-8	-2	2
i) Co-operatives	-8	-4	1	-16	-8	-2	2
b) Other Financial Institutions	-451	470	1880	-2022	-426	-1409	1012
i) Financial Corporations	-451	470	1880	-2022	-426	-1409	1012
c) Private Corporate Business	43	451	997	-3908	-1034	-2357	1685
i) Companies	43	451	997	-3908	-1034	-2357	1685
d) Government	70862	112607	130448	45417	-1609	73564	183856
i) Central Government	60331	93557	91584	44493	2619	72543	141066
ii) State Governments	10811	18684	38178	3719	-3268	2773	41538
iii) Commercial Undertakings	-166	258	609	-2645	-772	-1494	1068
iv) Local Authorities	-29	-7	-15	-23	-6	-20	15
v) Other Government Securities	-85	115	92	-127	-182	-237	170
e) Rest of the World	-8	109	238	-307	54	-98	70
4. Bank Credit	87878	122179	104317	252125	388835	350084	433885
a) Banking	15	34	28	62	97	2197	-1995
i) Co-operatives	15	34	28	62	97	2197	-1995
b) Other Financial Institutions	84	187	156	338	530	1890	-782
c) Private Corporate Business	27563	61725	51304	111403	174500	132185	232662
i) Non-Credit Societies	492	1104	917	1991	3120	3205	3317
ii) Companies	27071	60621	50387	109412	171381	128980	229345
d) Government	20879	10937	-687	33019	43208	50668	44279
i) State Governments	2637	-148	-1776	1976	1657	2762	1480
ii) Commercial Undertakings	17499	9421	-295	28039	36845	43071	37795
iii) Quasi-Government Bodies	743	1664	1384	3004	4706	4835	5004
e) Households	39337	49296	53516	107303	170500	163144	159721
5. Branch Adjustment	-1696	-9253	-5928	-1727	37586	-32733	19222
a) With Offices outside India	113	2832	-3132	1429	32953	-32259	676
6. Other Assets	8367	-1629	36043	53625	-20334	-9787	132935
TOTAL	168432	222185	274439	386248	427765	433515	851473

Statement 1.3: Co-Operative Banks and Credit Societies

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-Up Capital	193	201	473	250	471	761	639
a) Non-Credit Societies	94	89	83	76	81	113	106
b) Government	87	84	366	153	366	621	503
c) Households	12	28	24	21	24	27	29
d) Others	0	0	0	0	0	0	0
2. Debentures	13229	1926	819	2771	3114	6766	6217
a) Commercial Banks	154	104	39	154	172	377	344
b) Financial Corporations	2315	1575	579	2316	2575	5683	5169
c) Insurance	0	0	0	0	0	0	0
d) Government	243	166	61	244	271	597	544
e) Households	0	0	0	0	0	0	0
3. Deposits	11746	560	-1174	2297	-553	959	1782
a) Non-Credit Societies	299	169	607	-292	123	-100	-82
b) Local Bodies	930	310	-1921	2532	-772	950	1620
c) Households	10517	81	140	57	96	109	243
d) Others	0	0	0	0	0	0	0
4. Borrowings	1113	9027	5047	6886	5325	13073	11595
a) R B I	0	0	0	0	0	0	0
b) Commercial Banks	267	1736	571	1864	2000	4447	4028
c) Other Financial Institutions	437	4152	2411	3068	2257	5502	4879
d) Government	60	530	391	389	227	593	527
e) Others	349	2609	1674	1565	841	2531	2161
5. Other Liabilities	1043	4399	7775	-1102	2328	5673	2636
TOTAL	27324	16112	12939	11103	10684	27232	22869

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 1.3: Co-Operative Banks and Credit Societies (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	612	-93	-4309	175	254	761	699
a) Reserve Bank Of India	600	-91	-4225	172	249	746	685
b) One Rupee Notes and Coins	12	-2	-84	3	5	15	14
2. Deposits	308	176	-3416	3253	-3985	9775	6111
a) Reserve Bank Of India	165	48	-236	330	-475	998	653
b) Commercial Banks	120	111	-2634	2430	-2925	7297	4535
c) Government	9	4	-28	31	-42	99	64
d) Others	14	13	-518	462	-543	1381	859
3. Loans and Advances	14246	10749	10387	9077	8897	16042	13021
a) Non-Credit Societies	3357	3776	4017	3275	3122	7924	5830
b) Households	3972	4792	4389	4384	4522	4661	4691
c) Others	6917	2181	1981	1418	1253	3457	2500
4. Investments	5934	5153	40113	4711	10923	-5167	4416
a) Shares of Non-Credit Societies	0	0	0	0	0	0	0
b) Shares/Debentures of Other Financial Institutions	295	567	230	-394	478	-229	-23
c) Government Securities	3086	1055	29793	6815	4302	-880	4049
d) Semi-Government Securities	617	491	2859	349	1115	-828	273
e) Others	1936	3040	7231	-2059	5028	-3230	118
5. Other Assets	7126	-3281	-15382	1362	68	2766	1701
TOTAL	28226	12704	27393	18578	16157	24177	25949

Statement 2: Other Financial Institutions

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	8315	-5923	11020	4362	18943	8518	-2345
a) Banking	791	6	-36	-879	246	-73	7
i) Reserve Bank of India	0	100	0	-150	0	100	10
ii) Commercial Banks	789	-92	-19	-730	243	-170	-1
iii) Co-operatives	1	-2	-16	1	3	-3	-3
b) Private Corporate Business	-306	9	-19	74	-64	121	25
c) Government	700	131	167	1176	261	38	977
i) Central Government	300	285	144	973	194	471	308
ii) State Governments	400	-154	23	203	67	-433	669
d) Rest of the World	-367	-4	2	3	263	-525	65
e) Households	1375	-3680	333	2853	-3135	3494	2371
f) Others	6121	-2386	10573	1134	21372	5464	-5790
2. Bonds and Debentures	-13344	8925	8857	-468	10325	-8023	5159
a) Banking	-15470	1888	13408	-7215	698	-3732	-2884
i) Reserve Bank of India	-8	-3	-2	-2	0	0	0
ii) Commercial Banks	-14931	2042	13283	-6400	574	-3953	-2966
iii) Co-operatives	-531	-151	128	-813	124	221	82
b) Private Corporate Business	-5594	10873	-8378	14593	4273	-10003	-3671
c) Government	7436	-3009	-173	-5330	-77	370	-15
d) Rest of the World	-2766	-388	860	1939	1451	-1922	1089
e) Households	147	5248	2633	-834	5319	2115	4279
f) Others	2902	-5686	505	-3621	-1339	5149	6360
3. Deposits	2363	6276	-4090	-3013	-2733	23197	15262
a) Banking	-7146	-1335	823	4336	-4854	20849	11330
b) Companies	-119	23	-11	-419	36	9	38
c) Government	-202	61	0	-103	-9	-34	36
d) Households	3566	5389	-122	-455	2103	2316	2107
e) Others	6265	2138	-4780	-6373	-8	57	1751
4. Borrowings	3008	26457	20214	30273	27308	23725	41464
a) Banking	15433	15193	13529	32192	38529	12501	29851
i) Reserve Bank of India	-3305	-1209	-2729	-675	-932	-3001	184
ii) Commercial Banks	18737	16400	16255	32863	39456	15495	29660
iii) Co-operatives	1	2	3	4	5	6	7
b) Private Corporate Business	150	16845	2582	-16278	-4907	-1059	-1183
c) Government	-6059	-2714	664	-3066	-107	-700	-189
i) Central Government	-4870	-2666	686	-3376	-96	-844	-32
ii) State Governments	-1189	-48	-21	311	-11	144	-157
d) Rest of the World	-7849	-941	374	1589	-2425	2268	2294
e) Households	2	568	678	1692	2514	3038	3646
f) Others	1331	-2494	2388	14144	-6296	7678	7045

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 2: Other Financial Institutions (Contd.)

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
5. Life Fund	39043	49190	49118	63887	77722	108188	121053
a) In India	39191	49234	48749	63886	77509	107926	120776
b) Outside India	-148	-44	369	2	213	262	277
6. Provident / Pension / DLI Funds	46609	48441	48952	56551	62581	72106	70879
a) Private Corporate Business	0	0	0	0	0	0	0
b) Government	19230	22749	20800	25026	26896	32452	27188
c) Households	27379	25692	28152	31525	35685	39654	43691
7. Unit Capital	-2660	-7190	-10893	-23153	-28617	-63423	-13751
a) Banking	0	0	0	0	0	0	0
b) Companies	0	0	0	0	0	0	0
c) Households	-1857	-1618	-8586	-3146	-444	-310	-324
d) Rest of the World	1	2	3	4	5	6	7
e) Others	-804	-5574	-2310	-20011	-28178	-63120	-13434
8. Other Mutual Funds	9204	10008	21723	-8402	49557	47181	213405
a) Banking	-825	3236	4310	468	-5970	241	16128
b) Companies	2059	4839	4009	5903	30719	40479	87859
c) Households	5079	4293	4519	1550	22606	34709	56799
d) ROW	3696	3215	11196	3687	30379	34873	66053
e) Others	-804	-5574	-2310	-20011	-28178	-63120	-13434
9. Trade Debt	-182	-411	-137	-243	-264	105	118
10. Other Liabilities	1236	1024	1871	1680	3009	2458	4364
a) In India	1236	1024	1871	1680	3009	2458	4364
b) Outside India	0	0	0	0	0	0	0
TOTAL	93592	136798	146635	121474	217832	214032	455605

Statement 2: Other Financial Institutions (Concl.)

(Rs. crore)

Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Currency	2610	4162	609	-496	1529	-1132	13273
a) RBI Notes	1464	2194	-42	-171	682	-101	8898
b) One Rupee Notes and Coins	1146	1968	651	-325	847	-1031	4375
2. Deposits	-7248	347	13607	13352	20785	21263	18446
a) Reserve Bank of India	274	-140	357	498	-926	-150	-4
b) Commercial Banks	-10013	12336	9408	13319	17111	28390	19363
c) Co-operatives	-116	24	-3	-13	177	-135	73
d) Companies	-239	0	-1	32	271	-240	4
e) Government	-6348	-1	34	-3	-6	-15	150
f) Rest of the World	-1372	-1086	-31	-796	-109	334	300
g) Others	10565	-10786	3843	314	4268	-6921	-1440
3. Loans and Advances	-10586	36147	41529	69913	57758	124918	117894
a) Banking	-370	4436	759	15713	890	10749	-711
i) Commercial banks	-1763	2741	-1063	13594	-937	7730	-1691
ii) Co-operatives	1393	1695	1822	2120	1827	3019	980
b) Private Corporate Business	-87134	25560	55721	77231	56996	52966	82637
i) Companies	-87140	24522	55712	77474	57368	53361	82605
ii) Non-credit Societies	6	1038	10	-243	-372	-395	32
c) Government	-9448	-6839	8492	-26060	24012	38747	24711
i) Central Government	2993	-10937	653	-2702	-48	24342	7642
ii) State Governments	-4567	4357	945	-3224	16756	-14524	17098
iii) Local Authorities	0	0	0	0	0	0	0
iv) Electricity Boards	-6709	0	0	0	0	0	0
v) Commercial Undertakings	-1165	-259	6894	-20133	7304	28929	-29
d) Rest of the World	-25	530	-331	-35	2246	2279	2886
e) Households	6879	5247	12261	8318	8414	9388	8702
f) Others	79511	7212	-35372	-5254	-34799	10788	-332
4. Investments	218405	81874	125606	208459	272913	323414	290274
a) Banking	-2876	2773	19092	1615	1244	22066	-36562
i) Commercial banks	-3429	1170	17192	-565	-539	18900	-37442
ii) Co-operatives	553	1603	1899	2180	1783	3166	880
b) Private Corporate Business	31340	2551	4686	-24503	10197	28299	28725
i) Companies	31339	2549	4683	-24507	10192	28293	28718
(1) Shares	20979	14935	-679	-7046	10902	29561	27790
(2) Debentures	10360	-12386	5362	-17461	-710	-1268	928
ii) Non-credit Societies	1	2	3	4	5	6	7
c) Government	162047	46370	78149	245635	240212	237886	242718
i) Central Government	104415	88308	84053	268519	225268	200507	271881
ii) State Governments	17300	-2946	-5752	-25035	1496	15118	-7122
iii) Small Savings	0	0	0	0	0	0	0
iv) Local Authorities	0	0	0	0	0	0	0
v) Electricity Boards	-598	0	0	0	0	0	0
vi) Commercial Undertakings	40930	-38992	-151	2151	13448	22261	-22041
d) Rest of the World	-1111	4	73	0	-13	-46	-36
e) Others	29004	30176	23606	-14287	21273	35209	55428
5. Other Assets	1358	8176	-1978	9325	-18492	19424	-10243
a) Banking	0	2405	851	1792	-2462	-608	207
b) Central Government	0	0	0	0	0	0	153
c) Rest of the World	-52	0	0	10	-6	153	-139
d) Others	1410	5771	-2830	7524	-16023	19879	-10463
TOTAL	204539	130706	179373	300554	334493	487887	429643

Statement 2.1: Financial Corporations and Companies

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	8711	-5861	11210	4829	19410	8743	-1614
a) Banking	791	6	-36	-879	246	-73	7
i) Reserve Bank of India	0	100	0	-150	0	100	10
ii) Commercial Banks	789	-92	-19	-730	243	-170	-1
iii) Co-operatives	1	-2	-16	1	3	-3	-3
b) Other Financial Institutions	397	62	190	467	467	225	732
i) Insurance	397	62	190	467	467	225	732
c) Private Corporate Business	-306	9	-19	74	-64	121	25
i) Companies	-306	9	-19	74	-64	121	25
d) Government	700	131	167	1176	261	38	977
i) Central Government	300	285	144	973	194	471	308
ii) State Governments	400	-154	23	203	67	-433	669
e) Rest of the World	-367	-4	2	3	263	-525	65
f) Households	1375	-3680	333	2853	-3135	3494	2371
g) Others	6121	-2386	10573	1134	21372	5464	-5790
2. Unit Capital	3443	9618	12255	9118	65164	71388	161991
a) Banking	-825	3236	4310	468	-5970	241	16128
b) Financial Institutions	-3120	434	1408	-2082	1435	-612	2063
c) Private Corporate Business	2059	4839	4009	5903	30719	40479	87859
d) Rest of the World	3696	3215	11196	3687	30379	34873	66053
e) Households	2438	3469	-6358	21152	36779	59527	3322
f) Others	-804	-5574	-2310	-20011	-28178	-63120	-13434
3. Bonds and Debentures	-1405	7013	23095	8068	26362	36503	38559
a) Banking	-15470	1888	13408	-7215	698	-3732	-2884
i) Reserve Bank of India	-8	-3	-2	-2	0	0	0
ii) Commercial Banks	-14931	2042	13283	-6400	574	-3953	-2966
iii) Co-operatives	-531	-151	128	-813	124	221	82
b) Other Financial Institutions	-6450	2010	3833	-327	2311	13268	2142
i) Insurance	-6567	1619	3779	-692	1969	13491	-3693
ii) Provident Fund	117	391	55	364	342	-223	5835
c) Private Corporate Business	-5594	10873	-8378	14593	4273	-10003	-3671
i) Companies	-5594	10873	-8378	14593	4273	-10003	-3671
d) Government	7436	-3009	-173	-5330	-77	370	-15
e) Rest of the World	-2766	-388	860	1939	1451	-1922	1089
f) Households	147	5248	2633	-834	5319	2115	4279
g) Others	2902	-5686	505	-3621	-1339	5149	6360
4. Borrowings	4054	25206	21896	33645	27533	23312	40355
a) Banking	15432	15191	13526	32188	38524	12495	29844
i) Reserve Bank of India	-3305	-1209	-2729	-675	-932	-3001	184
ii) Commercial Banks	18737	16400	16255	32863	39456	15495	29660
b) Other Financial Institutions	1047	-1248	1684	3376	230	-407	-1101
c) Private Corporate Business	150	16845	2582	-16278	-4907	-1059	-1183
d) Government	-6059	-2714	664	-3066	-107	-700	-189
i) Central Government	-4870	-2666	686	-3376	-96	-844	-32
ii) State Governments	-1189	-48	-21	311	-11	144	-157
e) Rest of the World	-7849	-941	374	1589	-2425	2268	2294
f) Households	0	0	0	0	0	0	0
g) Others	1331	-2494	2388	14144	-6296	7678	7045
5. Other Liabilities	-2397	1043	5400	-7888	6464	-4485	5248
6. Deposits	2363	6276	-4090	-3013	-2733	23197	15262
a) Banking	-7146	-1335	823	4336	-4854	20849	11330
b) Private Corporate Business	-119	23	-11	-419	36	9	38
c) Government	-202	61	0	-103	-9	-34	36
d) Households	3566	5389	-122	-455	2103	2316	2107
e) Others	6265	2138	-4780	-6373	-8	57	1751
7. Trade Debt	-182	-411	-137	-243	-264	105	118
TOTAL	14587	42885	69629	44516	141937	158763	259918

Statement 2.1: Financial Corporations and Companies (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Currency and Deposits	-3252	3306	11264	11507	15720	18713	26480
a) Cash in Hand	1464	2194	-42	-171	682	-101	8898
b) Deposits	-4716	1112	11306	11678	15038	18814	17582
i) Reserve Bank of India	276	-140	356	499	-927	-150	-4
ii) Commercial Banks	-5283	7774	8852	11777	13243	22223	18449
iii) Cooperative Banks	-116	24	-3	-13	177	-135	73
iv) Companies	-228	0	-1	32	131	-100	4
v) Government	-3168	-1	34	-3	-6	-15	150
vi) Rest of the World	-1451	-1069	-63	-683	-109	334	300
vii) Others	5255	-5476	2130	69	2529	-3343	-1390
2. Loans and Advances	50579	35546	17668	36326	39528	145078	115958
a) Banking	-74	4436	759	15663	891	10757	-691
i) Commercial banks	-1467	2741	-1064	13543	-936	7738	-1671
ii) Cooperatives	1393	1695	1822	2120	1827	3019	980
b) Private Corporate Business	-85412	25597	47647	73816	55886	51241	77950
i) Companies	-85418	24559	47637	74059	56258	51636	77918
ii) Non-credit Societies	6	1038	10	-243	-372	-395	32
c) Government	68098	-6194	-16145	-40161	-9823	64109	28239
i) Commercial Undertakings	-1165	-259	6894	-20133	7304	28929	-29
ii) Central Government	2993	-10937	653	-2702	-48	24342	7642
iii) State Governments	3510	4760	945	-3224	-2388	4620	17098
d) Rest of the World	-13	530	-331	-35	2246	2279	2886
e) Households	5639	3605	10014	6608	6704	7499	6932
f) Others	62341	7570	-24275	-19564	-16375	9194	642
3. Investments	109431	78094	74609	106870	142257	178094	168151
a) Banking	-2876	2773	19089	1614	1233	21963	-36923
i) Commercial banks	-3429	1170	17190	-566	-550	18797	-37803
ii) Cooperatives	553	1603	1899	2180	1783	3166	880
b) Private Corporate Business	7590	14954	-1228	-7982	9620	22415	26463
i) Shares	20979	14935	-679	-7046	10893	23125	26007
ii) Debentures	-13389	19	-549	-936	-1273	-710	456
c) Government	86038	36181	37418	111574	111993	110217	119471
i) Central Government Securities	57485	48866	45248	122598	110592	98140	134334
ii) State Government Securities	28553	-12685	-7831	-11024	1401	12077	-14863
iii) Commercial Undertakings	20448	-19437	145	1077	7033	10675	-16310
iv) Small Savings	0	0	0	0	0	0	0
d) Rest of the World	-667	0	65	1	-8	-42	-36
e) Households	0	0	0	0	0	0	0
f) Others	19347	24185	19264	1663	19419	23542	59176
4. Other Assets	-2857	6080	-1884	5912	-11270	10986	-4954
a) Banking	0	2405	851	1792	-2462	-608	207
b) Government	0	0	0	0	0	0	153
c) Others	-2857	3675	-2736	4120	-8808	11594	-5314
TOTAL	153901	123025	101656	160616	186234	352872	305634

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 2.2: Insurance Sector

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	272	60	144	284	386	125	166
a) Government	272	60	144	284	386	125	166
2. Life Fund	39043	49190	49118	63887	77722	108188	121053
a) In India	39191	49234	48749	63886	77509	107926	120776
b) Outside India	-148	-44	369	2	213	262	277
3. Borrowings	0	0	0	0	0	0	0
a) Commercial Banks	0	0	0	0	0	0	0
4. Other Liabilities	1236	1024	1871	1680	3009	2458	4364
a) In India	1236	1024	1871	1680	3009	2458	4364
b) Outside India	0	0	0	0	0	0	0
TOTAL	40551	50274	51132	65851	81117	110771	125583

Statement 2.2: Insurance Sector (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	1146	1968	651	-325	847	-1031	4375
2. Deposits	-2532	-765	2301	1674	5748	2449	864
a) Reserve Bank of India	-2	0	0	0	1	0	0
b) Commercial Banks	-4730	4562	556	1542	3869	6167	914
c) Co-operative Banks	0	0	0	0	0	0	0
d) Companies	-11	0	0	0	140	-140	0
e) Government	-3179	0	0	0	0	0	0
f) Rest of the World	79	-17	32	-113	0	0	0
g) Others	5310	-5310	1713	245	1738	-3578	-50
3. Loans and Advances	1589	3235	-125	16805	3559	10326	13108
a) Commercial banks	-296	0	0	50	-1	-8	-20
b) Financial Corporations	-325	-2	0	0	72	-73	0
c) Private Corporate Business	-1721	-38	8075	3415	1110	1725	4687
i) Companies	-1721	-38	8075	3415	1110	1725	4687
ii) Non-credit Societies	0	0	0	0	0	0	0
d) Government	-14466	1990	650	-2680	19092	5198	7644
i) Central government	319	2393	650	-2680	-51	24341	7644
ii) State and Union Territories	-8077	-402	0	0	19144	-19144	0
iii) Local Authorities	0	0	0	0	0	0	0
iv) Electricity Boards	-6709	0	0	0	0	0	0
v) Commercial Undertakings	0	0	0	0	0	0	0
e) Rest of the World	-13	0	0	0	0	0	0
f) Households	1240	1642	2247	1710	1710	1889	1770
g) Others	17170	-358	-11097	14310	-18423	1595	-974
4. Investments	50567	44200	79617	65775	137760	113475	144590
a) Banking	0	0	2	1	11	103	361
i) Commercial banks	0	0	2	1	11	103	361
ii) Co-operatives	0	0	0	0	0	0	0
b) Financial Corporations	23519	-12180	5749	-16365	402	5883	2280
i) Shares	0	0	0	0	9	6437	1783
ii) Debentures	23749	-12405	5911	-16525	563	-559	472
iii) Units of UTI	-230	225	-162	160	-170	5	25
c) Private Corporate Business	-37729	20759	28930	-34893	14313	-21168	6139
i) Companies	-37729	20759	28930	-34893	14313	-21168	6139
(1) Shares	-11462	21199	28863	-35147	14407	-21277	6078
(2) Debentures	-26267	-440	67	254	-94	108	61
ii) Non-credit Societies	0	0	0	0	0	0	0
d) Government	55562	29626	40587	132983	121186	116994	139558
i) Central Government Securities	46930	39442	38805	145921	114676	102367	137547
ii) State Government Securities	-11252	9739	2079	-14012	95	3041	7741
iii) Local Authorities	0	0	0	0	0	0	0
iv) Electricity Boards	-598	0	0	0	0	0	0
v) Commercial Undertakings	20482	-19555	-296	1074	6414	11586	-5731
e) Rest of the World	-443	4	7	-1	-6	-4	0
f) Others	9658	5991	4342	-15950	1854	11667	-3748
5. Other Assets	4215	2096	-94	3414	-7221	8438	-5289
a) Central Government	0	0	0	0	0	0	0
b) Rest of the World	-52	0	0	10	-6	153	-139
c) Others	4267	2096	-94	3404	-7215	8286	-5149
TOTAL	54985	50735	82350	87342	140692	133657	157648

Statement 3: Private Corporate Business

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up	75999	14459	-17835	23711	141413	90926	159767
a) Banking	43	451	997	-3908	-1034	-2357	1685
b) Other Financial Institutions	74142	13222	-19847	23861	136655	74976	133608
c) Government	105	139	0	0	0	0	0
d) Rest Of the World	0	0	0	0	0	0	0
e) Households	1709	646	1015	3759	5792	18307	24475
2. Debentures	6351	5940	2105	8601	-18535	17553	9978
a) Banking	0	0	0	0	0	0	0
b) OFI	5217	5607	1811	8254	-18592	17714	9365
c) Government	0	0	0	0	0	0	0
d) Rest Of the World	0	0	0	0	0	0	0
e) Households	1134	333	294	347	58	-161	613
3. Fixed Deposits	3385	5237	-3708	-2228	-7641	-2066	86
a) Households	-377	-533	158	124	358	-347	60
b) Other Financial Institutions	3762	5771	-3866	-2352	-7999	-1720	25
4. Borrowings	144526	95099	82214	80319	139202	419437	530834
a) Banking	87209	93662	86931	83924	135812	298074	401698
b) Other Financial Institutions	39714	-6829	-27649	-21207	-45561	6703	18544
c) Government	6208	15960	1358	-5110	-4728	735	1967
d) Rest Of the World	4130	-10526	2881	5576	62953	90042	68649
e) Others	7265	2833	18692	17136	-9274	23883	39976
5. Trade Credit (Net)	-1	70	23	31	41	6418	9227
6. Other Liabilities	56310	-4049	41243	23876	53692	145712	177102
TOTAL	286571	116756	104042	134310	308172	677979	886994

Statement 3: Private Corporate Business (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	1308	1865	1162	250	1422	4035	-834
a) RBI Notes	1272	1819	1145	255	1407	3952	-821
b) One Rupee Notes	36	46	18	-5	15	83	-13
2. Fixed Deposits	36985	22356	57117	60600	98049	150440	69573
a) Commercial Banks	33292	23816	39142	57503	89677	120578	32619
b) Co-operatives	300	171	610	-288	128	-94	-75
c) Government	3393	-1632	17365	3385	8243	29956	37030
3. Loans and Advances	45809	19535	16890	29736	63959	157345	299854
a) Households	384	422	105	304	277	229	245
b) Others	45425	19113	16785	29432	63682	157116	299609
4. Investments	22203	31394	54011	30926	-16466	74158	157912
a) Co-operatives	94	89	83	76	81	113	106
b) Other Financial Institutions	13911	24657	47633	14342	2122	54963	85681
c) Government	4114	6860	1648	14499	-25791	-1056	2549
d) Rest Of the World	2311	2366	1576	-4317	6865	13871	51740
e) Others	1772	-2577	3071	6327	257	6268	17835
5. Other Assets	31	165	-59	266	-250	196	449
TOTAL	106336	75316	129121	121779	146714	386174	526954

Statement 3.1: Private Non-financial Companies

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	75697	14173	-17995	23543	141255	90764	159605
a) Banking	43	451	997	-3908	-1034	-2357	1685
b) Other Financial Institutions	74142	13222	-19847	23861	136655	74976	133608
c) Government	0	0	0	0	0	0	0
d) Rest Of the World	0	0	0	0	0	0	0
e) Households	1512	500	855	3591	5634	18145	24312
2. Debentures	6351	5940	2105	8601	-18535	17553	9978
a) Banking	0	0	0	0	0	0	0
b) Other Financial Institutions	5217	5607	1811	8254	-18592	17714	9365
c) Government	0	0	0	0	0	0	0
d) Rest Of the World	0	0	0	0	0	0	0
e) Households	1134	333	294	347	58	-161	613
3. Fixed Deposits	3704	5399	-3563	-2020	-7663	-2089	63
a) Households	-58	-371	303	332	336	-369	38
b) Other Financial Institutions	3762	5771	-3866	-2352	-7999	-1720	25
4. Borrowings	140402	88754	77038	74807	132494	408126	521555
a) Banking	83360	88782	81997	78658	129570	286945	392551
b) Other Financial Institutions	39708	-7867	-27658	-20964	-45189	7098	18513
c) Government	5939	15533	1125	-5599	-5566	158	1867
d) Rest Of the World	4130	-10526	2881	5576	62953	90042	68649
e) Others	7265	2833	18692	17136	-9274	23883	39976
5. Trade Credit (Net)	-1	70	23	31	41	6418	9227
6. Other Liabilities	56310	-4049	41243	23876	53692	145712	177102
TOTAL	282464	110288	98850	128838	301284	666484	877530

Statement 3.1: Private Non-financial Companies (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	1251	1815	1188	301	1488	4015	-852
a) RBI Notes	1227	1779	1165	295	1459	3936	-835
b) One Rupee Notes & Coins	24	35	23	6	29	78	-17
2. Fixed Deposits	36433	21884	56008	60461	97494	149112	68375
a) Commercial Banks	33039	23513	38640	57072	89246	110150	31338
b) Co-operatives	1	2	3	4	5	6	7
c) Government	3393	-1632	17365	3385	8243	29956	37030
3. Loans and Advances	45425	19113	16785	29432	63682	157116	299609
a) Households	0	0	0	0	0	0	0
b) Others	45425	19113	16785	29432	63682	157116	299609
4. Investments	22109	31305	53928	30850	-16547	74045	157806
a) Co-operatives	0	0	0	0	0	0	0
b) Other Financial Institutions	13911	24657	47633	14342	2122	54963	85681
c) Government	4114	6860	1648	14499	-25791	-1056	2549
d) Rest Of the World	2311	2366	1576	-4317	6865	13871	51740
e) Others	1772	-2577	3071	6327	257	6268	17835
5. Other Assets	31	165	-59	266	-250	196	449
TOTAL	105249	74282	127849	121311	145867	384484	525387

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 3.2: Co-operative Non-credit Societies

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up Capital	302	285	160	168	158	162	163
a) Co-op. Banks & Credit Societies	0	0	0	0	0	0	0
b) Government	105	139	0	0	0	0	0
c) Households	197	146	160	168	158	162	163
2. Fixed Deposits	-319	-162	-145	-208	22	22	23
a) Households	-319	-162	-145	-208	22	22	23
3. Borrowings	4124	6345	5177	5512	6708	11311	9279
a) Banking	3849	4880	4934	5266	6242	11129	9147
i) Commercial Banks	492	1104	917	1991	3120	3205	3317
ii) Co-operatives	3357	3776	4017	3275	3122	7924	5830
b) Other Financial Institutions	6	1038	10	-243	-372	-395	32
i) Financial Corps.	6	1038	10	-243	-372	-395	32
ii) L I C	0	0	0	0	0	0	0
c) Government	269	427	233	489	838	577	100
d) Others	0	0	0	0	0	0	0
4. Other Liabilities	0	0	0	0	0	0	0
TOTAL	4107	6468	5192	5472	6888	11495	9464

Statement 3.2: Co-operative Non-credit Societies (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	57	51	-25	-51	-66	20	18
a) RBI Notes	45	40	-20	-40	-52	16	14
b) One Rupee Notes & Coins	12	11	-5	-11	-14	4	4
2. Balances with Banks	552	472	1109	139	554	1328	1198
a) Commercial Banks	253	303	502	431	431	1428	1280
b) Co-operatives	299	169	607	-292	123	-100	-82
3. Loans and Advances (Households)	384	422	105	304	277	229	245
4. Investments	94	89	83	76	81	113	106
a) Co-operatives	94	89	83	76	81	113	106
b) Government Securities	0	0	0	0	0	0	0
c) Other Financial Institutions	0	0	0	0	0	0	0
5. Other Assets	0	0	0	0	0	0	0
TOTAL	1087	1034	1272	468	847	1690	1567

Statement 4: Government Sector

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Government Securities (Other Than Treasury Bills)	100075	167013	196917	160799	87374	111211	172744
(a) Banking	60445	100658	83363	69274	-19158	25346	76536
(b) Other Financial Institutions	34335	50816	54203	90215	40748	176516	52748
(c) Households	74	96	114	70	104	102	232
(d) Others	5221	15443	59237	1240	65680	-90753	43228
2. Treasury Bills	6458	11163	-2479	1170	17663	-852	21246
(a) Banking	5568	9624	-2137	1009	15227	-8119	8960
(b) Other Financial Institutions	807	1395	-310	146	2208	7815	10837
(c) Rest of the World	83	144	-32	15	228	-548	1449
3. Bonds and Debentures	-575	-171	1851	-209	-3803	-1036	-1125
(a) Banking	-256	-114	747	-275	-1374	-428	-961
(b) Other Financial Institutions	-59	-26	108	-13	-302	-98	-179
(c) Households	187	167	173	176	172	237	328
(d) Others	-447	-198	823	-97	-2299	-747	-313
4. Paid-up Capital	2171	939	1069	1340	415	743	909
(a) Other Financial Institutions	263	114	129	162	50	90	110
(b) Rest of the World	64	27	31	39	12	22	27
(c) Others	1844	798	909	1139	353	631	772
5. Government Bonds	16765	8006	28354	21243	14307	1569	-14863
(a) Relief Bonds	16727	7988	26838	18657	7945	-1880	-11903
(b) Special Bearer Bonds	0	0	0	0	-11	0	0
(c) Capital Investments Bonds	0	0	0	0	0	0	0
(d) National Rural Development Bonds	0	0	0	0	0	0	0
(e) National Deposit Scheme	0	-17	0	0	0	0	0
(f) Deposit Scheme for Retired Government Employees	38	35	1517	2587	6373	3450	-2959
6. Borrowings	39060	62566	19811	-20256	46415	14992	-45210
(a) Banking	623	-5323	3659	2307	-2016	3777	5520
(b) Other Financial Institutions	8688	77243	20066	-39522	-561	16705	-59417
(c) Rest of the World	10178	-16048	-12075	13072	33491	14564	12074
(d) Others	19570	6694	8161	3887	15501	-20054	-3387
7. Deposits of Non-government Provident & Pension Funds	7523	8736	-377	-1107	384	-559	0
8. Deposits by Financial Corporations	1968	1950	2569	4442	3027	3918	3874

Statement 4: Government Sector (Contd.)

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
9. Deposits	3700	2806	3350	2017	2056	-1274	2388
(a) Households	3858	2847	1719	1883	1902	-2090	215
(b) Others	-158	-41	1631	134	154	816	2173
10. Small Savings	35100	47986	58903	85106	72778	17544	-13601
(a) Other Financial Institutions	0	0	0	0	0	0	0
(b) Households	35100	47986	58903	85106	72778	17544	-13601
11. Provident Fund	19230	22749	20800	25026	26896	32452	27188
12. Insurance Fund	2045	2158	2813	2409	3521	3886	4508
13. Consumers' Security Deposits	544	973	1902	1610	1790	1658	1391
(a) Households	544	973	1902	1610	1790	1658	1391
(b) Others	0	0	0	0	0	0	0
14. One Rupee Notes and Coins	1326	1002	469	557	1987	185	1882
(a) Banking	1044	716	42	187	1456	-478	1069
(b) Other Financial Institutions	0	0	0	0	0	0	0
(c) Private Corporate Business	0	0	0	0	0	0	0
(d) Households	282	286	427	370	531	663	813
15. Sundry Creditors	10718	8467	11622	12766	8445	15159	27577
16. Other Liabilities	6448	11720	2414	1018	-14600	2354	3473
(a) Banking	-3971	-696	266	189	887	346	510
(b) Other Financial Institutions	494	7354	2241	-1188	-10717	39	41
(c) Others	9926	5062	-93	2017	-4770	1969	2922
TOTAL	252555	358063	349987	297930	268654	201949	192381

SUPPLEMENT

Flow of Funds
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Indian Economy
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Statement 4: Government Sector (Concl.d.)

(Rs. crore)

Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash and Bank Balances	8855	4237	28835	-25756	-3045	53414	11075
(a) Cash in hand	6188	7368	34091	45132	19562	52603	43089
(b) Cash with Railways	3	79	-118	129	-97	19	-247
(c) Balances with	2664	-3210	-5138	-71017	-22510	792	-31767
i) RBI	2133	-3266	-5084	-71611	-22634	-403	-33398
ii) Commercial Banks	531	56	-54	594	124	1195	1631
2. Loans and Advances	5045	12196	17387	44237	25352	23936	-49914
(a) Banking	404	640	349	734	1256	865	150
(b) Other Financial Institutions	956	236	-81	436	678	549	643
(c) Private Corporate Business	106	387	247	414	722	483	-10
(d) Rest of the World	235	713	494	443	278	42	-137
(e) Households	1110	519	-269	277	-277	-650	-229
(f) Others	2235	9702	16647	41932	22696	22647	-50331
3. Investments	18197	8890	31373	17702	22379	10180	-3743
(a) Banking	1918	279	1823	3630	3907	-4683	4410
(b) Other Financial Institutions	87	-10	-465	2252	451	-637	-247
(c) Private Corporate Business	2	2	2	2	2	62	73
(d) Others	16190	8619	30013	11819	18019	15438	-7979
4. Subscriptions to International Financial Organisations	78	63	2796	132	-2895	-590	1582
5. Net purchase of Domestic Gold & Silver	0	0	0	0	0	0	0
6. Deposits	300	2	58	114	-8	19	87
(a) RBI	300	2	58	114	-8	19	87
7. Sundry Debtors	21686	12889	-3226	-6677	10581	1934	105757
8. Other Assets	-1726	12703	14553	-13256	-4750	361	7854
(a) Banking	1	-3	7	45	86	-27	-282
(b) Other Financial Institutions	0	0	38	-20	-19	0	0
(c) Others	-1727	12706	14509	-13281	-4817	388	8135
TOTAL	52436	50980	91777	16497	47614	89253	72698

Statement 4.1: Central Government

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Government Securities (Other than Treasury Bills)	82709	137937	150462	105028	102767	115213	110392
(a) Banking	50425	84876	54615	61311	-17563	22342	46820
(i) RBI	-805	11976	-11884	19454	1979	14540	-16911
(ii) Commercial Banks	51230	72900	66499	41857	-19542	7802	63731
(b) Other Financial Institutions	26738	41422	42716	56581	29989	148929	33428
(i) Insurance	19953	33284	36309	70433	24636	6380	10956
(ii) Provident Funds	3132	2044	-241	4282	6517	53562	3544
(iii) Financial Institutions	3653	6094	6648	-18134	-1164	88987	18928
(c) State Governments	0	0	0	0	0	0	0
(d) Households	53	59	53	28	83	85	149
(e) Others	5493	11580	53078	-12892	81128	-104040	36006
(f) Private corporate Business	0	0	0	0	7649	47312	-10578
(g) Rest of world	0	0	0	0	1481	585	4567
2. Total Treasury Bills (A+B+C)	12542	12188	-1217	6415	41625	-618	49506
A. Treasury Bills	11401	11814	-1217	8628	42332	-618	49506
(a) Banking	5568	9624	-2137	1009	15227	-8119	8960
(b) Other Financial Institutions	807	1395	-310	146	2208	7815	10837
(c) Government	4943	651	1262	7458	24669	234	28260
(d) Rest of the World	83	144	-32	15	228	-548	1449
B. Treasury Bills issued to RBI on behalf of State Governments	0	0	0	0	0	0	0
C. Special Securities issued to RBI	1141	374	0	-2213	-707	0	0
3. Borrowings from Rest of the World	5601	-11934	-13488	14753	33366	7892	9970
4. Special Securities	0	0	0	0	0	0	0
5. Special Borrowings from RBI against CDS	0	0	0	0	0	0	0
6. Government Bonds	16765	8006	28354	21243	14307	1569	-14863
(i) Relief Bonds	16727	7988	26838	18657	7945	-1880	-11903
(ii) Special Bearer Bonds	0	0	0	0	-11	0	0
(iii) Capital Investment Bonds	0	0	0	0	0	0	0
(iv) National Rural Development Bonds	0	0	0	0	0	0	0
(v) National Deposit Scheme	0	-17	0	0	0	0	0
(vi) Deposit Scheme for Retired Govt. Employees	38	35	1517	2587	6373	3450	-2959

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Statement 4.1: Central Government (Contd.)

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
7. Small Savings	35100	47986	58903	85106	72778	17544	-13601
(a) O.F.I. - Financial Corpn. & Provident Fund	0	0	0	0	0	0	0
(b) Households	35100	47986	58903	85106	72778	17544	-13601
8. Provident Fund	19230	22749	20800	25026	26896	32452	27188
9. Postal Insurance & Life Annuity Fund	778	834	1098	1414	1962	2200	2729
10. Central Insurance & Family Pension Fund	247	213	187	159	159	179	179
11. Deposits of Non-Government Provident and Pension Funds	7523	8736	-377	-1107	384	-559	0
12. Deposits by Financial Corporations	1968	1950	2569	4442	3027	3918	3874
13. Deposits by Government Commercial Undertakings	0	0	0	0	0	0	0
14. One Rupee Notes and Coins	1326	1002	469	557	1987	185	1882
(a) Banking	1044	716	42	187	1456	-478	1069
(i) RBI	1013	705	225	152	1306	-493	1063
(ii) Commercial Banks	19	13	-99	35	145	0	0
(iii) Co-operatives	12	-2	-84	0	5	15	6
(b) Other Financial Institutions	0	0	0	0	0	0	0
(i) Financial Corporations	0	0	0	0	0	0	0
(ii) Insurance	0	0	0	0	0	0	0
(c) Private Corporate Business	0	0	0	0	0	0	0
(i) Companies	0	0	0	0	0	0	0
(ii) Non-credit Societies	0	0	0	0	0	0	0
(d) Government	0	0	0	0	0	0	0
(i) Railways	0	0	0	0	0	0	0
(ii) Commercial Undertakings	0	0	0	0	0	0	0
(e) Households	282	286	427	370	531	663	813
TOTAL	183789	229667	247760	263036	299257	179975	177256

Statement 4.1: Central Government (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash and Bank Balances	1499	1870	-4038	-72133	-20904	4399	-18431
(a) Balances with RBI	1496	1791	-3920	-72262	-20807	4380	-18184
(b) Cash with Railways	3	79	-118	129	-97	19	-247
(i) RBI Notes	3	79	-118	129	-97	19	-247
(ii) One Rupee Notes & Coins	0	0	0	0	0	0	0
2. Loans and Advances	20750	2082	-34690	-29725	4700	-5166	10477
(a) Financial Corporations	956	236	-81	436	678	549	643
(b) Private non-financial companies	-164	-40	14	-75	-116	-94	-110
(c) Government	19409	1069	-35059	-30419	3934	-5442	10215
(i) State Governments	10881	-2072	-35730	-34932	-3145	-10368	3747
(ii) Local Authorities	706	1215	1332	945	1537	434	1208
(iii) Commercial Undertakings	7823	1927	-661	3567	5542	4492	5260
(d) Rest of the World	235	713	494	443	278	42	-137
(e) Households	313	104	-58	-111	-74	-221	-134
3. Investments	9364	2065	3953	8444	5818	1150	41894
(a) Commercial Banks	1883	-345	1027	2555	2780	363	1763
(b) Financial Corporations	381	255	0	539	100	-50	22
(c) Government Commercial Undertakings	7098	2154	2924	5348	2936	776	40036
(d) Private Non-Financial Companies	2	2	2	2	2	62	73
4. Subscriptions to International Financial Organisations	78	63	2796	132	-2895	-590	1582
5. Net purchase of domestic Gold & Silver	0	0	0	0	0	0	0
6. SDR balances with IMF	0	0	0	0	0	0	0
7. Cash with India Supply Mission	0	0	0	0	0	0	0
8. Suspense Account with RBI	47	-21	13	1	-1	-69	-86
9. Remittances with RBI	300	2	58	114	-8	19	87
TOTAL	32039	6061	-31908	-93167	-13290	-257	35523

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Statement 4.2: State Governments

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Market Loans	17366	29076	46455	55771	-6263	43895	56341
(a) Banking	10020	15782	28748	7963	-1595	3004	29716
(i) Commercial Banks	10020	15782	28748	7963	-1595	3004	29716
(b) Other Financial Institutions	7597	9394	11487	33634	10759	27587	19320
(i) Insurance Companies	4305	7248	11566	28263	-7053	2363	8392
(ii) Financial Corporations	60	102	162	1089	1076	16657	1936
(c) Households	21	37	61	42	21	17	83
(d) Others	-272	3863	6159	14132	-15448	13287	7222
2. Borrowings	25112	12872	-6223	-37315	3887	-12195	9660
(a) Banking	-111	-6910	136	-641	-1140	-418	-425
(b) Other Financial Institutions	8045	14663	16627	1405	6102	1812	7004
(i) Insurance	4224	7896	9607	3811	1933	-2172	-971
(ii) Financial Corporations	3821	6766	7019	-2407	4168	3984	7975
(c) Government	11388	-1585	-34890	-36377	-3210	-10447	4072
(i) Central Government	10881	-2072	-35730	-34932	-3145	-10368	3747
(ii) Commercial Undertakings	507	487	840	-1445	-65	-79	325
(d) Others	5790	6705	11905	-1701	2135	-3142	-991
3. State Provident Fund	7198	7116	4892	8034	9165	8739	8646
4. State Insurance Fund	1020	1111	1528	836	1400	1507	1600
TOTAL	50696	50175	46652	27326	8190	41946	76247

Statement 4.2: State Governments (Concl.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash and Bank Balances	637	-5057	-1164	651	-1827	-4783	-15214
(a) Cash in hand	0	0	0	0	0	0	0
(b) Balances with RBI	637	-5057	-1164	651	-1827	-4783	-15214
2. Loans and Advances	3651	7709	11730	13473	1075	6100	10406
(a) Co-operatives	404	640	349	734	1256	865	150
(b) Financial Corporations	0	0	0	0	0	0	0
(c) Private Corporate Business	269	427	233	489	838	577	100
(i) Co-op Non-credit Societies	269	427	233	489	838	577	100
(d) Government	3257	2611	7208	8478	1436	2229	6429
(i) Housing Boards	18	264	741	684	602	459	4789
(ii) Local Authorities	764	934	1468	1236	354	787	1113
(iii) Electricity Boards	3240	1750	4453	6023	582	685	1218
(iv) Other Commercial Undertakings	-764	-337	546	535	-102	298	-691
(e) Households	539	105	-188	396	-195	-416	-85
(f) Others	-818	3927	4127	3376	-2260	2845	3812
3. Investments	5028	738	1634	7622	25041	959	29329
(a) Banking	85	87	372	164	372	725	1069
(i) Commercial Banks	-2	3	6	11	6	104	87
(ii) Co-op Banks & Credit Societies	87	84	366	153	366	621	982
(b) Financial Corporations	0	0	0	0	0	0	0
(c) Private Corporate Business	0	0	0	0	0	0	0
(i) Companies	0	0	0	0	0	0	0
(ii) Non-credit Societies	0	0	0	0	0	0	0
(d) Government	4943	651	1262	7458	24669	234	28260
(i) Central Government & T Bills	4943	651	1262	7458	24669	234	28260
(ii) Commercial Undertakings	0	0	0	0	0	0	0
(e) Others	0	0	0	0	0	0	0
TOTAL	9316	3390	12200	21746	24289	2276	24521

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Statement 4.3: Local Authorities #

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Borrowings	-22	422	-537	-106	-132	-214	465
(a) Central Government	-58	619	-465	51	-653	0	464
(b) State Governments	55	-8	-8	-42	0	16	-16
(c) Others	-19	-189	-64	-115	521	-230	17
2. Debentures	0	0	275	-220	-55	0	0
(a) Commercial Banks	0	0	275	-220	-55	0	0
3. Other Liabilities	6741	1344	-61	350	1013	948	578
(a) Sundry Creditors	-51	138	54	152	270	131	-827
(b) Deposits	223	625	-53	158	218	522	41
(c) Others	6569	581	-62	40	525	295	1364
TOTAL	6719	1766	-323	24	826	734	1043

Relate to Port Trusts.

Statement 4.3: Local Authorities # (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Investments (other than P.F.)	-717	254	-1000	1072	660	-7294	91
(a) Government	-16	643	24	6	335	-841	-841
(i) Central Government	-381	-27	2	22	7	-70	-70
(ii) State Governments	366	670	22	-17	-79	-771	-771
(iii) Local Authorities	-1	0	0	0	408	0	0
(b) Banking	-154	467	300	666	574	-5397	1055
(c) Financial Corporations	-294	-131	-507	1449	-254	-796	-288
(d) Others	-253	-725	-817	-1049	5	-260	165
2. Cash & Bank Balances (other than P.F.)	-104	233	281	150	859	-1449	1026
(a) Cash in hand	-7	1	-5	-2	-3	-4	-2
(b) Bank Balances	-97	232	286	152	862	-1445	1028
3. Other Assets	340	56	-194	748	716	-3575	1685
(a) Sundry Debtors	158	110	169	186	487	-1371	1581
(b) Payment in advance & debit balances	72	159	-279	510	106	-1532	142
(c) Accrued Interest	109	-210	-90	7	38	-645	243
(d) Deposits	1	-3	7	45	86	-27	-282
TOTAL	-481	544	-912	1970	2234	-12318	2802

Statement 4.4: Government Non-Departmental Non-Financial Undertakings

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Paid-up capital	14348	7502	14206	10149	5095	7111	9708
(a) Central Government	13208	4603	6181	8836	234	4947	6093
(b) State Governments	-1031	1960	6956	-27	4446	1421	2706
(c) Other Financial Institutions	263	114	129	162	50	90	110
(d) Rest of the World	64	27	31	39	12	22	27
(e) Others	1844	798	909	1139	353	631	772
2. Bonds and Debentures (Electricity Boards)	-575	-171	1576	11	-3748	-1036	-1125
(a) Commercial Banks	-256	-114	472	-55	-1319	-428	-961
(b) Other Financial Institutions	-59	-26	108	-13	-302	-98	-179
(c) Households	187	167	173	176	172	237	328
(d) Others (Residual)	-447	-198	823	-97	-2299	-747	-313
3. Borrowings	28491	65388	6903	-51786	6898	13282	-58199
(a) Banking	734	1587	3523	2948	-876	4195	5945
(i) Commercial Banks	511	1697	3631	2964	-2311	4780	5958
(ii) Co-operatives	223	-110	-108	-16	1435	-585	-13
(b) Other Financial Institutions	643	62580	3439	-40927	-6663	14893	-66421
(c) Government	8738	5156	2208	-17829	1467	4204	2586
(d) Rest of the World	4577	-4114	1413	-1681	125	6672	2104
(e) Others	13799	179	-3680	5703	12845	-16682	-2413
4. Consumers' Security Deposits	544	973	1902	1610	1790	1658	1391
(a) Households	544	973	1902	1610	1790	1658	1391
(b) Others	0	0	0	0	0	0	0
5. Deposits	3700	2806	3350	2017	2056	-1274	2388
(a) Households	3858	2847	1719	1883	1902	-2090	215
(b) Others	-158	-41	1631	134	154	816	2173
6. Sundry Creditors	10768	8329	11568	12614	8175	15028	28404
7. Other Liabilities	526	10434	4495	2022	-17999	-240	567
(a) Banking	-4194	-1321	319	31	669	-176	469
(b) Other Financial Institutions	494	7354	2241	-1188	-10717	39	41
(c) Government	869	-80	1966	1202	-2656	-1777	-1501
(d) Others	3357	4481	-31	1977	-5295	1674	1558
TOTAL	57802	95261	44000	-23363	2267	34530	-16866

Statement 4.4: Government Non-Departmental Non-Financial Undertakings (Concl.)							
(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	6195	7367	34096	45134	19565	52607	43091
(a) RBI Notes	6195	7367	34096	45134	19565	52607	43091
(b) One rupee notes and coins	0	0	0	0	0	0	0
2. Balances with	456	-174	0	181	-856	2646	584
(a) Treasuries	-172	2	340	-261	-118	6	-19
(b) Commercial Banks	628	-176	-340	442	-738	2640	603
3. Special Deposits with Government	16	167	76	24	133	557	318
4. Investments	16705	9970	31516	13663	19329	14624	-7780
(a) Banking	104	70	124	245	181	-374	523
(b) Other Financial Institutions	0	-134	42	264	605	209	19
(c) Private Corporate Business	0	0	0	0	0	0	0
(d) Government Securities	158	690	520	286	529	-909	-178
(e) Others	16443	9344	30830	12868	18014	15698	-8144
5. Loans and Advances	3344	6054	12467	38510	24941	19793	-54136
(a) Government	33	-31	-30	-38	-7	4	17
(b) Households	258	310	-23	-8	-8	-13	-10
(c) Others	3053	5775	12520	38556	24956	19802	-54143
6. Sundry Debtors	21528	12779	-3395	-6863	10094	3305	104176
7. Other Assets	-1846	13428	13820	-13578	-7301	-1514	7774
(a) Other Financial Institutions	0	0	38	-20	-19	0	0
(b) Government	61	671	-1096	240	-2322	-4079	24
(c) Others	-1907	12757	14878	-13798	-4960	2565	7750
TOTAL	46398	49591	88580	77071	65905	92018	94027

Statement 5: Rest of the World Sector

(Rs. crore)							
Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
A. Increase in Liabilities	79705	102390	166768	157441	132997	338269	558911
1. Loans	410	157	589	1612	1495	4505	6650
(a) Government	410	157	589	576	390	144	113
(b) Private Corporate Business	0	0	0	1036	1105	4361	6537
(c) Reserve Bank of India	0	0	0	0	0	0	0
2. Investments	64006	91366	153533	126374	92888	234937	455643
(a) Reserve Bank of India	56593	82037	143993	115907	65896	163634	369689
(b) Private Corporate Business	7413	9329	9540	10467	26992	71303	85954
3. Deposits	8046	4777	733	2481	17711	80726	50733
(a) Government	8046	4777	733	2481	17711	80726	50733
(b) Others	0	0	0	0	0	0	0
4. Miscellaneous	7243	6090	11913	26974	20903	18101	45885
(a) Government	0	0	0	0	0	0	0
(b) Private	7243	6090	11913	26974	20903	18101	45885
(i) Others	7243	6090	11913	26974	20903	18101	45885
B. Decrease in Assets	142212	151518	247972	274774	460880	673459	1113230
1. Loans	60892	74312	109327	85478	138837	131586	160427
(a) Reserve Bank of India	0	0	0	0	0	0	0
(b) Government	10251	28765	27754	7887	8151	8861	8444
(c) Private	50641	45547	81573	77591	130686	122725	151983
(i) Corporate Business	50641	45547	81573	77591	130686	122725	151983
(ii) Other Financial Institutions	0	0	0	0	0	0	0
2. Investments	34574	38329	77083	141681	247004	462857	826219
(a) Government	0	0	0	0	0	0	0
(b) Private Corporate Business	34574	38329	77083	141681	247004	462857	826219
3. Deposits	44289	36571	59806	45757	72482	78291	126096
(a) Banking	44289	36571	59806	45757	72482	78291	126096
(i) Reserve Bank of India	1337	1191	3706	1706	624	357	1714
(ii) Commercial Banks	42952	35380	56100	44051	71858	77934	124382
4. Miscellaneous	2457	2306	1756	1858	2557	725	488
(a) Government	2457	2306	1756	1858	2557	725	488
(b) Private	0	0	0	0	0	0	0
(i) Corporate Business	0	0	0	0	0	0	0
(ii) Others	0	0	0	0	0	0	0
TOTAL (A+B)	221917	253908	414740	432215	593877	1011728	1672141

Statement 5: Rest of the World Sector (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
A. Decrease in Liabilities	17574	38742	25008	33049	30886	108508	179516
1. Loans	15	43	124	108	106	2927	6504
(a) Government	0	0	110	108	106	90	97
(b) Private Corporate Business	15	43	14	0	0	2837	6407
2. Investments	472	355	654	158	960	3812	10960
(a) Private Corporate Business	472	355	654	158	960	3812	10960
(b) Reserve Bank of India	0	0	0	0	0	0	0
3. Deposits	6121	29443	4345	2276	3369	64972	78365
(a) Government	0	0	0	0	0	0	0
(b) Reserve Bank of India	0	0	0	0	0	0	0
(c) Others	6121	29443	4345	2276	3369	64972	78365
4. Miscellaneous	10966	8901	19885	30507	26451	36797	83687
(a) Private	10966	8901	19885	30507	26451	36797	83687
(i) Corporate Business	0	0	0	0	0	0	0
(ii) Other Financial Institutions	0	0	0	0	0	0	0
(iii) Others	10966	8901	19885	30507	26451	36797	83687
B. Increase in Assets	188830	185495	322966	408626	609060	943259	1556709
1. Loans	55403	55856	90179	135577	174623	243598	329096
(a) Reserve Bank of India	0	0	0	0	0	0	0
(b) Government	16070	13902	15201	16880	16027	16888	16925
(c) Private	39333	41954	74978	118697	158596	226710	312171
(i) Corporate Business	39333	41954	74978	118697	158596	226710	312171
(ii) Other Financial Institutions	0	0	0	0	0	0	0
2. Investments	73435	67401	148811	210047	341818	597139	1082001
(a) Government	0	0	0	0	0	0	0
(b) Private Corporate Business	73435	67401	148811	210047	341818	597139	1082001
3. Deposits	59992	62238	83976	63002	92619	102522	145612
(a) Banking	59992	62238	83976	63002	92619	102522	145612
(i) Reserve Bank of India	2283	2624	1554	1240	4788	1838	316
(ii) Commercial Banks	57709	59614	82422	61762	87831	100684	145296
4. Miscellaneous	0	0	0	0	0	0	0
(a) Government	0	0	0	0	0	0	0
(b) Private	0	0	0	0	0	0	0
(i) Corporate Business	0	0	0	0	0	0	0
(ii) Unidentified	0	0	0	0	0	0	0
TOTAL (A + B)	206404	224237	347974	441675	639946	1051767	1736225

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 6: Household Sector

(Rs. crore)

Sources	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Borrowings	51727	60304	69982	120566	183424	176787	173136
(a) Banking	43354	54116	57885	111667	175010	167820	164418
(i) Reserve Bank of India	45	28	-20	-20	-12	15	6
(ii) Commercial Banks	39337	49296	53516	107303	170500	163144	159721
(iii) Co-operative Banks & Credit Societies	3972	4792	4389	4384	4522	4661	4691
(b) Other Financial Institutions	6879	5247	12261	8318	8414	9388	8702
(i) Financial Corporations	1545	-898	6008	3965	4799	4499	4159
(ii) Insurance	1240	1642	2247	1710	1710	1889	1770
(iii) Non-banking financial companies	4094	4503	4006	2643	1905	3000	2773
(c) Private Corporate Business	384	422	105	304	277	229	245
(i) Non-credit societies	384	422	105	304	277	229	245
(d) Government	1110	519	-269	277	-277	-650	-229
(i) Central Government	313	104	-58	-111	-74	-221	-134
(ii) State Governments	539	105	-188	396	-195	-416	-85
(iii) Electricity Boards	258	310	-23	-8	-8	-13	-10
TOTAL	51727	60304	69982	120566	183424	176787	173136

Statement 6: Household Sector (Concl'd.)

(Rs. crore)							
Uses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	2	3	4	5	6	7	8
1. Cash in Hand	28156	28632	42675	36977	53071	66274	81278
(a) RBI Notes	27874	28346	42248	36607	52540	65611	80465
(b) One Rupee Notes and Coins	282	286	427	370	531	663	813
2. Deposits	120848	132252	145769	161629	280996	312862	364744
(a) Banking	113255	123625	142112	158467	274843	311325	360970
(i) Commercial Banks	102738	123544	141973	158410	274747	311215	360727
(ii) Co-operative banks and credit societies	10517	81	140	57	96	109	243
(b) Other Financial Institutions	3568	5340	-122	-455	2103	2316	2107
(i) Financial Corporations	3568	5340	-122	-455	2103	2316	2107
(c) Private Corporate Business	-377	-533	158	124	358	-347	60
(i) Non-credit societies	-319	-162	-145	-208	22	22	23
(ii) Non-Financial Companies	-58	-371	303	332	336	-369	38
(d) Government	4402	3820	3621	3493	3692	-432	1606
(i) Commercial Undertakings	3858	2847	1719	1883	1902	-2090	215
(ii) Electricity Boards	544	973	1902	1610	1790	1658	1391
3. Insurance Funds	41236	52009	52240	67986	83540	114851	128930
(a) Other Financial Institutions	39191	49851	49427	65577	80020	110965	124422
(i) Insurance - Life Fund	39191	49234	48749	63886	77509	107926	120776
(ii) Insurance - Pvt. Life Fund		617	678	1692	2511	3038	3646
(b) Government	2045	2158	2813	2409	3521	3886	4508
(i) State Insurance Fund	1020	1111	1528	836	1400	1507	1600
(ii) Postal Insurance Fund	778	834	1098	1414	1962	2200	2729
(iii) Central Insurance Fund	247	213	187	159	159	179	179
4. Provident & Pension Funds	46609	48441	48952	56551	62581	72106	70879
(a) Government	19230	22749	20800	25026	26896	32452	27188
(b) Non-Government	27379	25692	28152	31525	35685	39654	43691
5. Investments	59915	61593	87863	111387	117924	77813	61074
(a) Banking	202	117	111	263	366	206	766
(i) Commercial Banks	190	89	87	241	342	180	737
(ii) Co-operative banks and credit societies	12	28	24	21	24	27	29
(b) Other Financial Institutions	4744	4243	-1101	423	24347	40008	63125
(i) Financial Companies	1522	1568	2967	2019	2184	5609	6650
(ii) Units of UTI	-1857	-1618	-8586	-3146	-444	-310	-324
(iii) Other Mutual Funds	5079	4293	4519	1550	22606	34709	56799
(c) Private Corporate Business	2843	979	1309	4106	5850	18146	25088
(i) Non-Financial Companies	2646	833	1148	3938	5692	17984	24925
(1) Shares	1512	500	855	3591	5634	18145	24312
(2) Debentures	1134	333	294	347	58	-161	613
(ii) Non-Credit Societies	197	146	160	168	158	162	163
(d) Government	52126	56255	87544	106595	87361	19452	-27905
(i) Central Government Securities	53	59	53	28	83	85	149
(ii) State Government Securities	21	37	61	42	21	17	83
(iii) Small Savings	35100	47986	58903	85106	72778	17544	-13601
(iv) Relief Bonds	16727	7988	26838	18657	7945	-1880	-11903
(v) Special Bearer Bonds	0	0	0	0	-11	0	0
(vi) Capital Investment Bonds	0	0	0	0	0	0	0
(vii) National Rural Development Bonds	0	0	0	0	0	0	0
(viii) National Deposit Scheme	0	-17	0	0	0	0	0
(ix) Public Sector Bonds	187	167	173	176	172	237	328
(x) Deposit Scheme for retired Govt. employees	38	35	1517	2587	6373	3450	-2959
6. Trade Debt (Net)	-183	-341	-114	-213	-222	6523	9345
(a) Private Non-Financial Companies	-1	70	23	31	41	6418	9227
(b) Financial Companies	-182	-411	-137	-243	-264	105	118
TOTAL	296581	322585	377385	434317	597889	650429	716250

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 7: Financial Flows - Sector-wise 2001-02

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	-7217	-11637	87252	34958	63453	11478
2. Other Financial Institutions	6871	-12829	0	0	122836	13911	54019	1043
3. Private Corporate Business	88	31008	-3810	-56033	0	0	0	108
4. Government	30353	97036	21106	147399	6314	7544	0	0
5. Rest of the World	3828	66453	-7433	-2559	4130	2311	10325	313
6. Households	141334	43354	74700	6879	2465	384	78085	1110
7. Sector not elsewhere classified	26569	24365	16247	120491	63575	47228	46673	38385
TOTAL	209044	249387	93592	204539	286571	106336	252555	52436
(Sources - Uses)\$		-40343		-110947		180235		200119

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2001-02 (Concd.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	56593	15703	43354	141331	243434	191833
2. Other Financial Institutions	0	0	6879	74700	190605	76825
3. Private Corporate Business	6926	27553	384	2465	3588	5101
4. Government	8456	3362	1110	78085	67338	333424
5. Rest of the World	0	0	0	0	10850	66518
6. Households	0	0	0	0	296584	51727
7. Sector not elsewhere classified	-9844	0	0	0	143220	230469
TOTAL	62131	46618	51727	296581	955620	955898
(Sources - Uses)\$		15513		-244854		-278

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 7: Financial Flows - Sector-wise 2002-03

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	18988	24029	94113	25896	104865	5156
2. Other Financial Institutions	15783	-1657	0	0	17771	24657	147582	226
3. Private Corporate Business	7031	65992	32589	28111	0	0	0	388
4. Government	14320	88425	17217	41498	16099	5274	0	0
5. Rest of the World	44032	94538	1840	-551	-10526	2366	-15877	776
6. Households	152091	54116	84715	5247	515	422	85268	519
7. Sector not elsewhere classified	42240	321	-18552	32372	-1216	16701	36225	43916
TOTAL	275497	301735	136798	130706	116756	75316	358063	50980
(Sources - Uses)\$		-26238		6092		41440		307083

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2002-03 (Concd.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	82037	25667	54116	152087	354119	232834
2. Other Financial Institutions	0	0	5247	84715	186383	107940
3. Private Corporate Business	8931	25479	422	515	48974	120485
4. Government	4934	-17169	519	85268	53089	203297
5. Rest of the World	0	0	0	0	19469	97129
6. Households	0	0	0	0	322589	60304
7. Sector not elsewhere classified	-32254	0	0	0	26443	93311
TOTAL	63648	33977	60304	322585	1011067	915300
(Sources - Uses)\$		29671		-262282		95767

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 7: Financial Flows - Sector-wise 2003-04

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	32035	30422	87928	40979	85940	31072
2. Other Financial Institutions	18201	1279	0	0	-49550	47633	78629	-507
3. Private Corporate Business	13987	56298	-1816	60406	0	0	0	248
4. Government	34336	124544	21459	87327	1358	19031	0	0
5. Rest of the World	39262	117489	12804	-290	2881	1576	-12076	3290
6. Households	184475	57885	76218	12261	1490	105	115205	-269
7. Sector not elsewhere classified	4817	29350	5936	-10753	59935	19797	82289	57943
TOTAL	295078	386845	146635	179373	104042	129121	349987	91777
(Sources - Uses)\$		-91767		-32738		-25079		258210

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2003-04 (Concl.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	143993	24170	57885	184471	407781	311115
2. Other Financial Institutions	0	0	12261	76219	59540	124624
3. Private Corporate Business	8872	65133	105	1490	21148	183575
4. Government	1212	-14309	-269	115205	58096	331798
5. Rest of the World	0	0	0	0	42871	122065
6. Households	0	0	0	0	377388	69982
7. Sector not elsewhere classified	-12317	0	0	0	140660	96336
TOTAL	141760	74994	69982	377385	1107484	1239495
(Sources - Uses)\$		66766		-307403		-132011

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 7: Financial Flows - Sector-wise 2004-05

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	28902	32754	80016	57546	72691	-21233
2. Other Financial Institutions	28833	-2750	0	0	8556	14342	53134	2669
3. Private Corporate Business	8207	110750	3874	52760	0	0	0	416
4. Government	103715	79749	17705	219247	-5110	17879	0	0
5. Rest of the World	23485	120743	7224	-822	5576	-4317	13126	576
6. Households	195335	111667	96827	8318	4260	304	137893	277
7. Sector not elsewhere classified	14837	54807	-33057	-11703	41012	36025	21086	33793
TOTAL	374411	474966	121474	300554	134310	121779	297930	16497
(Sources - Uses)\$		-100555		-179080		12532		281434

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2004-05 (Concl.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	115907	17245	111667	195337	409182	281648
2. Other Financial Institutions	0	0	8318	96827	98841	111088
3. Private Corporate Business	11345	109472	304	4260	23729	277658
4. Government	2949	7135	277	137893	119535	461904
5. Rest of the World	0	0	0	0	49411	116180
6. Households	0	0	0	0	434316	120566
7. Sector not elsewhere classified	-5809	0	0	0	38070	112921
TOTAL	124392	133852	120566	434317	1173084	1481965
(Sources - Uses)\$		-9460		-313751		-308881

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
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Statement 7: Financial Flows - Sector-wise 2005-06

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	28649	16715	134778	91293	-4978	2194
2. Other Financial Institutions	52865	577	0	0	64503	2122	34837	1109
3. Private Corporate Business	13063	176577	30057	67464	0	0	0	724
4. Government	17964	46845	26963	265064	-4728	-17533	0	0
5. Rest of the World	-11149	130204	29887	2117	62953	6865	33731	-2617
6. Households	327763	175010	141893	8414	6249	277	122000	-277
7. Sector not elsewhere classified	59753	-14516	-39617	-25281	44418	63689	83064	46479
TOTAL	460259	514697	217832	334493	308172	146714	268654	47614
(Sources - Uses)\$		-54438		-116661		161458		221040

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2005-06 (Concl.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	65896	20137	175010	327749	399354	458089
2. Other Financial Institutions	0	0	8414	141890	160619	145699
3. Private Corporate Business	27137	122724	277	6249	70534	373738
4. Government	17995	5319	-277	122000	57917	421696
5. Rest of the World	0	0	0	0	115422	136569
6. Households	0	0	0	0	597905	183424
7. Sector not elsewhere classified	-8917	0	0	0	138700	70372
TOTAL	102111	148180	183424	597889	1540452	1789586
(Sources - Uses)\$		-46069		-414466		-249134

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
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Statement 7: Financial Flows - Sector-wise 2006-07

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	29785	60212	295717	124549	20444	49587
2. Other Financial Institutions	12432	405	0	0	97674	54963	204426	-87
3. Private Corporate Business	29541	137768	29546	81025	0	0	0	545
4. Government	118547	111200	32127	275587	735	28983	0	0
5. Rest of the World	33599	118755	34962	2720	90042	13871	14038	-548
6. Households	377120	167820	193048	9388	24217	229	56021	-650
7. Sector not elsewhere classified	27028	-5418	-105435	58956	169595	163580	-92980	40407
TOTAL	598267	530530	214032	487887	677979	386174	201949	89253
(Sources - Uses)\$		67737		-273855		291805		112696

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2006-07 (Concl.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	163634	24231	167820	377142	677400	635721
2. Other Financial Institutions	0	0	9388	193048	323919	248329
3. Private Corporate Business	69015	238267	229	24217	128331	481821
4. Government	80780	7302	-650	56021	231539	479092
5. Rest of the World	0	0	0	0	172641	134798
6. Households	0	0	0	0	650406	176787
7. Sector not elsewhere classified	-83668	0	0	0	-85459	257525
TOTAL	229761	269800	176787	650429	2098776	2414073
(Sources - Uses)\$		-40039		-473641		-315297

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 7: Financial Flows - Sector-wise 2007-08

(Rs. crore)

Sector/Financial Transactions with other sectors	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Banking	0	0	54433	-8736	403383	31829	91634	15441
2. Other Financial Institutions	46770	458	0	0	161542	85681	8014	396
3. Private Corporate Business	48989	240191	83066	111367	0	0	0	63
4. Government	205457	227743	27997	272108	1967	39565	0	0
5. Rest of the World	34106	356350	69786	3010	68649	51740	13550	1445
6. Households	442249	164418	233462	8702	34375	245	6210	-229
7. Sector not elsewhere classified	52906	138113	-13139	43193	217078	317894	72972	55582
Total	830477	1127272	455605	429643	886994	526954	192381	72698
(Sources - Uses)\$		-296795		25962		360039		119683

\$: Financial Surplus (-); Financial Deficit (+).

* : Excludes Local Authorities except Port Trusts.

Statement 7: Financial Flows - Sector-wise 2007-08 (Concl.)

(Rs. crore)						
Sector/Financial Transactions with other sectors	Rest of the World		Households		Total	
	Sources	Uses	Sources	Uses	Sources	Uses
1	10	11	12	13	14	15
1. Banking	369689	19516	164418	442202	1083556	500252
2. Other Financial Institutions	0	0	8702	233462	225029	319998
3. Private Corporate Business	75124	415970	245	34375	207424	801965
4. Government	50749	7993	-229	6210	285940	553619
5. Rest of the World	0	0	0	0	186091	412545
6. Households	0	0	0	0	716297	173136
7. Sector not elsewhere classified	-116167	0	0	0	213650	554782
Total	379395	443479	173136	716250	2917987	3316297
(Sources - Uses)\$		-64084		-543114		-398309

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2001-02

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	177486	137	2363	-4638	3385	38293	15061	9155
2. Investments	6177	143627	1515	218405	82351	22203	124894	18197
a. Central and State Governments' Securities	0	73969	0	121715	0	4114	106533	0
b. Other government Securities	0	337	0	40332	0	0	18361	0
c. Corporate Securities	0	43	0	31340	82351	0	0	2
d. Bank securities	6177	0	0	-2876	0	94	0	1918
e. Other Financial Institutions Securities	0	951	1515	0	0	13911	0	87
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	6544	0	0	0	0	0
f. Foreign Securities	0	66391	0	-1111	0	2311	0	0
g. Others	0	1936	0	29004	0	1772	0	16190
3. Loans and Advances	-8	90068	3008	-10586	144526	45809	39060	5045
4. Small Savings	0	0	0	0	0	0	35100	0
5. Life Fund	0	0	39043	0	0	0	2045	0
6. Provident Fund	0	0	46609	0	0	0	19230	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	-182	0	-1	0	10718	21686
9. Foreign claims not elsewhere classified	62	62	0	0	0	0	0	78
10. Other items not elsewhere classified	25327	15493	1236	1358	56310	31	6448	-1726
TOTAL	209044	249387	93592	204539	286571	106336	252555	52436

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2001-02 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	1925	15703	0	149004	200220	207654	-7434
2. Investments	63534	38861	0	24815	278470	466108	-187638
a. Central and State Governments' Securities	0	0	0	74	106533	199873	-93340
b. Other government Securities	0	0	0	16952	18361	57621	-39260
c. Corporate Securities	0	38861	0	2843	82351	73089	9262
d. Bank securities	0	0	0	202	6177	-662	6839
e. Other Financial Institutions Securities	0	0	0	4744	1515	19693	-18178
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	3222	6544	3222	3322
f. Foreign Securities	63534	0	0	0	63534	67592	-4058
g. Others	0	0	0	0	0	48903	-48903
3. Loans and Advances	395	-5489	51727	0	238707	124847	113860
4. Small Savings	0	0	0	35100	35100	35100	0
5. Life Fund	0	-148	0	41236	41088	41088	0
6. Provident Fund	0	0	0	46609	65839	46609	19230
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	-183	10535	21503	-10969
9. Foreign claims not elsewhere classified	-3723	-2309	0	0	-3661	-2169	-1492
10. Other items not elsewhere classified	0	0	0	0	89322	15156	74165
TOTAL	62131	46618	51727	296581	955620	955898	-278

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2002-03

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	210061	-64	6276	4509	5237	24221	15467	4239
2. Investments	2097	185932	5821	81874	20399	31394	186950	8890
a. Central and State Governments' Securities	0	86513	0	85362	0	6860	178176	0
b. Other government Securities	0	857	0	-38992	0	0	8774	0
c. Corporate Securities	0	451	0	2551	20399	0	0	2
d. Bank securities	2097	0	0	2773	0	89	0	279
e. Other Financial Institutions Securities	0	1037	5821	0	0	24657	0	-10
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	2818	0	0	0	0	0
f. Foreign Securities	0	94033	0	4	0	2366	0	0
g. Others	0	3040	0	30176	0	-2577	0	8619
3. Loans and Advances	23665	120272	26457	36147	95099	19535	62566	12196
4. Small Savings	0	0	0	0	0	0	47986	0
5. Life Fund	0	0	49190	0	0	0	2158	0
6. Provident Fund	0	0	48441	0	0	0	22749	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	-411	0	70	0	8467	12889
9. Foreign claims not elsewhere classified	505	505	0	0	0	0	0	63
10. Other items not elsewhere classified	39170	-4910	1024	8176	-4049	165	11720	12703
TOTAL	275497	301735	136798	130706	116756	75316	358063	50980

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2002-03 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	-24666	25667	0	160884	212376	219457	-7081
2. Investments	91011	29072	0	13607	306277	350769	-44492
a. Central and State Governments' Securities	0	0	0	96	178176	178832	-655
b. Other government Securities	0	0	0	8173	8774	-29962	38736
c. Corporate Securities	0	29072	0	979	20399	33054	-12656
d. Bank securities	0	0	0	117	2097	3258	-1161
e. Other Financial Institutions Securities	0	0	0	4243	5821	29927	-24106
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	2675	2818	2675	143
f. Foreign Securities	91011	0	0	0	91011	96403	-5392
g. Others	0	0	0	0	0	39257	-39257
3. Loans and Advances	114	-18456	60304	0	268204	169694	98511
4. Small Savings	0	0	0	47986	47986	47986	0
5. Life Fund	0	-44	0	52009	51348	51964	-617
6. Provident Fund	0	0	0	48441	71190	48441	22749
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	-341	8126	12548	-4422
9. Foreign claims not elsewhere classified	-2811	-2262	0	0	-2306	-1694	-612
10. Other items not elsewhere classified	0	0	0	0	47866	16135	31731
TOTAL	63648	33977	60304	322585	1011067	915300	95767

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2003-04

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	269884	-707	-4090	14216	-3708	58279	7913	28893
2. Investments	2579	253668	30707	125606	-15730	54011	225713	31373
a. Central and State Governments' Securities	0	122213	0	78301	0	1648	194438	0
b. Other government Securities	0	3545	0	-151	0	0	31275	0
c. Corporate Securities	0	997	0	4686	-15730	0	0	2
d. Bank securities	2579	0	0	19092	0	83	0	1823
e. Other Financial Institutions Securities	0	2210	30707	0	0	47633	0	-465
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	10830	0	0	0	0	0
f. Foreign Securities	0	117472	0	73	0	1576	0	0
g. Others	0	7231	0	23606	0	3071	0	30013
3. Loans and Advances	19806	113206	20214	41529	82214	16890	19811	17387
4. Small Savings	0	0	0	0	0	0	58903	0
5. Life Fund	0	0	49118	0	0	0	2813	0
6. Provident Fund	0	0	48952	0	0	0	20800	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	-137	0	23	0	11622	-3226
9. Foreign claims not elsewhere classified	17	17	0	0	0	0	0	2797
10. Other items not elsewhere classified	2793	20661	1871	-1978	41243	-59	2414	14553
TOTAL	295078	386845	146635	179373	104042	129121	349987	91777

* Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2003-04 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	-3612	24170	0	188444	266387	313296	-46909
2. Investments	152879	71728	0	28960	396147	565346	-169199
a. Central and State Governments' Securities	0	0	0	114	194438	202275	-7837
b. Other government Securities	0	0	0	28528	31275	31921	-647
c. Corporate Securities	0	71728	0	1309	-15730	78721	-94452
d. Bank securities	0	0	0	111	2579	21108	-18529
e. Other Financial Institutions Securities	0	0	0	-1101	30707	48277	-17571
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	-4068	10830	-4068	14898
f. Foreign Securities	152879	0	0	0	152879	119121	33758
g. Others	0	0	0	0	0	63921	-63921
3. Loans and Advances	465	-19148	69982	0	212491	169864	42627
4. Small Savings	0	0	0	58903	58903	58903	0
5. Life Fund	0	369	0	52240	51931	52609	-678
6. Provident Fund	0	0	0	48952	69752	48952	20800
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	-114	11508	-3340	14848
9. Foreign claims not elsewhere classified	-7972	-2125	0	0	-7955	688	-8643
10. Other items not elsewhere classified	0	0	0	0	48320	33177	15143
TOTAL	141760	74994	69982	377385	1107484	1239495	-132011

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2004-05

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	302501	589	-3013	12856	-2228	60850	7519	-25642
2. Investments	6887	159899	-27661	208459	32312	30926	184342	17702
a. Central and State Governments' Securities	0	51269	0	243483	0	14499	161969	0
b. Other government Securities	0	-2446	0	2151	0	0	22374	0
c. Corporate Securities	0	-3908	0	-24503	32312	0	0	2
d. Bank securities	6887	0	0	1615	0	76	0	3630
e. Other Financial Institutions Securities	0	-2916	-27661	0	0	14342	0	2252
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	-31554	0	0	0	0	0
f. Foreign Securities	0	119959	0	0	0	-4317	0	0
g. Others	0	-2059	0	-14287	0	6327	0	11819
3. Loans and Advances	52257	258707	30273	69913	80319	29736	-20256	44237
4. Small Savings	0	0	0	0	0	0	85106	0
5. Life Fund	0	0	63887	0	0	0	2409	0
6. Provident Fund	0	0	56551	0	0	0	25026	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	-243	0	31	0	12766	-6677
9. Foreign claims not elsewhere classified	784	784	0	0	0	0	0	132
10. Other items not elsewhere classified	11983	54987	1680	9325	23876	266	1018	-13256
TOTAL	374411	474966	121474	300554	134310	121779	297930	16497

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2004-05 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	205	17245	0	198606	304983	264504	40479
2. Investments	126216	68366	0	26280	322096	511633	-189537
a. Central and State Governments' Securities	0	0	0	70	161969	309321	-147353
b. Other government Securities	0	0	0	21419	22374	21124	1250
c. Corporate Securities	0	68366	0	4106	32312	44062	-11750
d. Bank securities	0	0	0	263	6887	5583	1303
e. Other Financial Institutions Securities	0	0	0	423	-27661	14102	-41762
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	-1596	-31554	-1596	-29959
f. Foreign Securities	126216	0	0	0	126216	115641	10575
g. Others	0	0	0	0	0	1799	-1799
3. Loans and Advances	1504	50099	120566	0	264663	452692	-188029
4. Small Savings	0	0	0	85106	85106	85106	0
5. Life Fund	0	2	0	67986	66296	67988	-1692
6. Provident Fund	0	0	0	56551	81578	56551	25026
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	-213	12554	-6890	19443
9. Foreign claims not elsewhere classified	-3533	-1860	0	0	-2749	-943	-1806
10. Other items not elsewhere classified	0	0	0	0	38557	51323	-12766
TOTAL	124392	133852	120566	434317	1173084	1481965	-308881

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2005-06

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	367565	-433	-2733	22314	-7641	99470	9244	-3054
2. Investments	9121	138473	50208	272913	122878	-16466	115956	22379
a. Central and State Governments' Securities	0	4838	0	226764	0	-25791	105037	0
b. Other government Securities	0	155	0	13448	0	0	10919	0
c. Corporate Securities	0	-1034	0	10197	122878	0	0	2
d. Bank securities	9121	0	0	1244	0	81	0	3907
e. Other Financial Institutions Securities	0	52	50208	0	0	2122	0	451
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	20940	0	0	0	0	0
f. Foreign Securities	0	129434	0	-13	0	6865	0	0
g. Others	0	5028	0	21273	0	257	0	18019
3. Loans and Advances	26412	396154	27308	57758	139202	63959	46415	25352
4. Small Savings	0	0	0	0	0	0	72778	0
5. Life Fund	0	0	77722	0	0	0	3521	0
6. Provident Fund	0	0	62581	0	0	0	26896	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	-264	0	41	0	8445	10581
9. Foreign claims not elsewhere classified	770	770	0	0	0	0	0	-2894
10. Other items not elsewhere classified	56392	-20266	3009	-18492	53692	-250	-14600	-4750
TOTAL	460259	514697	217832	334493	308172	146714	268654	47614

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2005-06 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	14342	20137	0	334067	380777	472501	-91724
2. Investments	91928	94814	0	45146	390091	557258	-167167
a. Central and State Governments' Securities	0	0	0	104	105037	205915	-100878
b. Other government Securities	0	0	0	14479	10919	28081	-17162
c. Corporate Securities	0	94814	0	5850	122878	109829	13049
d. Bank securities	0	0	0	366	9121	5598	3523
e. Other Financial Institutions Securities	0	0	0	24347	50208	26971	23237
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	22162	20940	22162	-1222
f. Foreign Securities	91928	0	0	0	91928	136286	-44358
g. Others	0	0	0	0	0	44577	-44577
3. Loans and Advances	1389	35786	183424	0	424149	579009	-154860
4. Small Savings	0	0	0	72778	72778	72778	0
5. Life Fund	0	213	0	83540	81243	83754	-2511
6. Provident Fund	0	0	0	62581	89477	62581	26896
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	-222	8223	10359	-2136
9. Foreign claims not elsewhere classified	-5548	-2770	0	0	-4778	-4895	117
10. Other items not elsewhere classified	0	0	0	0	98493	-43758	142250
TOTAL	102111	148180	183424	597889	1540452	1789586	-249134

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2006-07

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	556738	1371	23197	20132	-2066	154475	3928	53433
2. Investments	9850	172461	-15747	323414	108479	74158	111635	10180
a. Central and State Governments' Securities	0	62943	0	215625	0	-1056	110359	0
b. Other government Securities	0	-2580	0	22261	0	0	1277	0
c. Corporate Securities	0	-2357	0	28299	108479	0	0	62
d. Bank securities	9850	0	0	22066	0	113	0	-4683
e. Other Financial Institutions Securities	0	-1638	-15747	0	0	54963	0	-637
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	-16242	0	0	0	0	0
f. Foreign Securities	0	119323	0	-46	0	13871	0	0
g. Others	0	-3230	0	35209	0	6268	0	15438
3. Loans and Advances	12668	364288	23725	124918	419437	157345	14992	23936
4. Small Savings	0	0	0	0	0	0	17544	0
5. Life Fund	0	0	108188	0	0	0	3886	0
6. Provident Fund	0	0	72106	0	0	0	32452	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	105	0	6418	0	15159	1934
9. Foreign claims not elsewhere classified	-568	-568	0	0	0	0	0	-590
10. Other items not elsewhere classified	19579	-7021	2458	19424	145712	196	2354	361
TOTAL	598267	530530	214032	487887	677979	386174	201949	89253

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2006-07 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	15754	24231	0	379136	597551	632777	-35226
2. Investments	231125	134282	0	60269	445342	774763	-329421
a. Central and State Governments' Securities	0	0	0	102	110359	277613	-167255
b. Other government Securities	0	0	0	1807	1277	21488	-20211
c. Corporate Securities	0	134282	0	18146	108479	178432	-69953
d. Bank securities	0	0	0	206	9850	17702	-7852
e. Other Financial Institutions Securities	0	0	0	40008	-15747	92696	-108443
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	34399	-16242	34399	-50641
f. Foreign Securities	231125	0	0	0	231125	133148	97977
g. Others	0	0	0	0	0	53685	-53685
3. Loans and Advances	1578	112012	176787	0	649187	782498	-133311
4. Small Savings	0	0	0	17544	17544	17544	0
5. Life Fund	0	262	0	114851	112075	115113	-3038
6. Provident Fund	0	0	0	72106	104558	72106	32452
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	6523	21682	8457	13225
9. Foreign claims not elsewhere classified	-18696	-987	0	0	-19264	-2145	-17118
10. Other items not elsewhere classified	0	0	0	0	170102	12960	157142
TOTAL	229761	269800	176787	650429	2098776	2414073	-315297

SUPPLEMENT

Flow of Funds
Accounts of the
Indian Economy
2001-02 to 2007-08

Statement 8: Financial Flows - Instrument-wise 2007-08

(Rs. crore)

Instrument/Sector	Banking		Other Financial Institutions		Private Corporate Business		Government*	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1	2	3	4	5	6	7	8	9
1. Currency & Deposits	731686	1077	15262	31719	86	68740	9535	11162
2. Investments	18673	541174	202467	290274	169745	157912	178911	-3743
a. Central and State Governments' Securities	0	181835	0	264759	0	2549	193990	0
b. Other government Securities	0	1525	0	-22041	0	0	-15079	0
c. Corporate Securities	0	1685	0	28725	169745	0	0	73
d. Bank securities	18673	0	0	-36562	0	106	0	4410
e. Other Financial Institutions Securities	0	988	202467	0	0	85681	0	-247
<i>of which:</i>								
(i) Mutual Funds (including Units of UTI)	0	0	199653	0	0	0	0	0
f. Foreign Securities	0	355024	0	-36	0	51740	0	0
g. Others	0	118	0	55428	0	17835	0	-7979
3. Loans and Advances	36935	449058	41464	117894	530834	299854	-45210	-49914
4. Small Savings	0	0	0	0	0	0	-13601	0
5. Life Fund	0	0	121053	0	0	0	4508	0
6. Provident Fund	0	0	70879	0	0	0	27188	0
7. Compulsory Deposits	0	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	118	0	9227	0	27577	105757
9. Foreign claims not elsewhere classified	1326	1326	0	0	0	0	0	1582
10. Other items not elsewhere classified	41856	134636	4364	-10243	177102	449	3473	7854
TOTAL	830477	1127272	455605	429643	886994	526954	192381	72698

* : Excludes Local Authorities except Port Trusts.

Statement 8: Financial Flows - Instrument-wise 2007-08 (Concl.)

(Rs. crore)							
Instrument/Sector	Rest of the World		Households		Total		Discrepancy (Sources - Uses)
	Sources	Uses	Sources	Uses	Sources	Uses	
1	10	11	12	13	14	15	16
1. Currency & Deposits	-27632	19516	0	446022	728936	578235	150701
2. Investments	444683	255782	0	74675	1014479	1316074	-301595
a. Central and State Governments' Securities	0	0	0	232	193990	449374	-255385
b. Other government Securities	0	0	0	-14535	-15079	-35051	19972
c. Corporate Securities	0	255782	0	25088	169745	311352	-141607
d. Bank securities	0	0	0	766	18673	-31279	49953
e. Other Financial Institutions Securities	0	0	0	63125	202467	149548	52919
<i>of which:</i>							
(i) Mutual Funds (including Units of UTI)	0	0	0	56475	199653	56475	143179
f. Foreign Securities	444683	0	0	0	444683	406727	37956
g. Others	0	0	0	0	0	65402	-65402
3. Loans and Advances	146	168669	173136	0	737305	985561	-248256
4. Small Savings	0	0	0	-13601	-13601	-13601	0
5. Life Fund	0	277	0	128930	125561	129207	-3646
6. Provident Fund	0	0	0	70879	98067	70879	27188
7. Compulsory Deposits	0	0	0	0	0	0	0
8. Trade Debt /Credit	0	0	0	9345	36922	115102	-78180
9. Foreign claims not elsewhere classified	-37802	-765	0	0	-36476	2144	-38619
10. Other items not elsewhere classified	0	0	0	0	226794	132697	94098
TOTAL	379395	443479	173136	716250	2917987	3316297	-398309

Annex I A Brief on Coverage and Data Sources

Sectoral Classification

1. Banking Sector

The Banking sector comprises (i) RBI (ii) commercial banks (iii) cooperative banks and credit societies. The accounts of sub-sectors under this sector are prepared independently on the basis of their balance sheets. The balance sheet data pertain to March 31 for RBI and co-operative banks as also co-operative credit societies and last reporting Friday of March for commercial banks. The data for RBI is used from RBI Bulletin. The data for Commercial Banks is drawn from special returns obtained under Section (42) of the RBI Act, 1934. In order to get some more detailed information, data provided in Form X are also used. Co-operative banks and societies comprise nine types of banks and credit societies. The data for these cooperative banks and credit societies up to 2002-03 are compiled from the Statistical Statements Relating to Cooperative Movement in India. Subsequent data up to 2006-07 for State and Central Co-operative Banks and Primary Agricultural Credit Societies have been separately collected from NABARD. Select data on Central and State Co-operative Banks for 2007-08 was collected from RBI. Remaining segments of the Co-operative Sector for the period 2003-04 onwards have been estimated.

2. Other Financial Institutions (OFI)

This sector covers non-banking financial institutions of public and private sectors, which are grouped in (i) financial corporations and companies (financial institutions);

(ii) insurance companies; (iii) mutual funds; (iv) State Finance Corporations and State Industrial Development Corporations. The data pertaining to this sector are collected from assets and liabilities as available from their Annual Reports. In the instrument-wise classification, this sector provides the information about investment and borrowing from this sector. This sector provides the information of bond and debentures and reflects claims of other sectors on OFIs. Important items of this sector are the life funds and the provident funds. Items covered under the former head are life insurance fund of Life Insurance Corporation of India (LIC), postal insurance fund of central government and state governments' insurance fund.

3. Government Sector

The Sector comprises (i) central government and its departmental commercial undertakings; (ii) State Governments; (iii) local authorities (Port trust); and (iv) Government non-department non-financial undertakings including State Electricity Boards. The sources of data for the Government sector are Annual Financial Accounts, economic and functional classification and annual reports of state electricity boards and port trusts.

4. Private Corporate Business Sector

The private corporate business sector comprises private non-financial companies and cooperative non-credit societies. The data for the private non-financial companies are used

Annex I A Brief on Coverage and Data Sources *(Concl.d.)*

from the studies conducted by RBI. These studies provide detailed information about assets and liabilities of the select companies. The data for the cooperative non-credit societies are collected from the Statistical Statements Relating to Cooperative Movement in India (NABARD) till 2002-03. This source provides detailed information about non-credit cooperative societies such as Sugar factory societies, marketing societies, etc. Data for subsequent years have been culled out from the information available from other sectors.

5. Rest of the World

The domestic sectors (banking, OFI, PCB, government and household sectors) have transactions with non-resident entities including foreign governments and various international agencies and institutions like IMF, IBRD, ADB, etc. The accounts of ROW are compiled on the basis of balance of payments estimates (BOP). The RBI publishes statistics of BOP classified into capital account and current account. The capital account records the transactions of domestic sector with

foreign entities, through transfer of money and other capital items leading to change in the country's foreign assets and liabilities as a result of transaction recorded in the current account. In order to compile the accounts of ROW sector, the capital account transactions are broadly grouped into three sectors (i) private capital (ii) banking capital (iii) others.

6. Household Sector

The Household sector is the residual sector which comprises all individuals, non-government non-corporate enterprises of farm business and non-farm business like, sole proprietorships and partnerships

Instruments

Financial assets and liabilities are classified under ten major categories of investments: currency, deposits, investments, loans and advances, small savings, life funds, provident funds, trade debts, foreign claims not elsewhere classified (NEC) and other claims NEC.

Annex II
Estimation Methodology for Abridging Data Gaps

Sector	Data Gap and Estimations
Banking Sector	Out of 9 sub segments of cooperative sector, data for State and Central Co-operative Banks and Primary Agricultural Credit Societies was collected upto 2006-07 from NABARD and for remaining categories, data for the period 2003-04 onwards have been estimated by using the trend in state cooperative banks. For the year 2007-08, average growth rates for past three years have been used.
Other Financial Institutions	In order to capture all the public and private companies, the data has been blown up from the total liabilities of insurance sector as available from the Handbook of Statistics of Insurance Regulatory and Development Authority (IRDA). Similarly for Mutual Fund sector, the total Assets under Management have been used to blow up the estimates of mutual fund sector.
Private Corporate Business Sector	Since private corporate sector studies conducted by DSIM are based on sample, data are blown up by the global Paid up capital to get the population estimates. In case of cooperative non-credit societies, the data beyond 2002-03 have been collected from the worksheet of other sectors providing information on cooperative non-credit societies.
Government Sector	The data gap in the Government sector appears from the port trust and state electricity board data. The Paradip port trust data have been estimated for all the years using past trends.

Annex III		
Recommendations of High Level Committee on Savings and Investment (HLC)		
Pertaining to Flow Fund Accounts		
Major Recommendations	Nodal Agency	Status
The HLC recommends that the flow-of-funds accounts of the Indian economy need to be compiled regularly and in a more up-to-date manner. There is a need to closely examine the current data gaps and constraints coming in the way of compiling the flow-of-funds accounts regularly	RBI	Publication of the current article would reduce the lag
Cooperative sector data: All efforts should be undertaken to improve the time gap in the publication 'Statistical Statements Relating to the Co-operative Movement in India (Credit and Non-credit societies)', a process that is said to be underway at the NABARD.	NABARD	Pending
Treatment of non-banking companies: Since there exists large data gap in the estimation of non-banking companies, because of non-inclusion of a wide array of unregistered companies, the HLC recommends that a census should collect data on assets, liabilities, income and expenditure of NBFCs including the unregistered/exempted category of NBFCs. The census should be conducted by DSIM, RBI in collaboration with the Department of Company Affairs (DCA), Government of India.	DCA and RBI	Pending
The HLC recommends that the data emerging from the census on the assets/liabilities position of the NBFCs should be appropriately incorporated in the flow-of-funds accounts also.	RBI	Pending
Consolidated data on the insurance sector: The RBI may approach the IRDA to provide combined balance sheet for all insurance institutions – public and private - as per the flow-of-funds format. This will go a long way in the IRDA providing an alternative database not only for 'life fund' but also for flow-of-funds compilation at the RBI from time to time.	IRDA	Pending
Consolidated data for capital market institutions: The SEBI may collect the consolidated balance sheet position for all registrars and broker houses and provide the data to the RBI as per the flow-of-funds format to be forwarded by the RBI, so that the same can be incorporated in the FoF accounts	SEBI	Pending

Annex III
Recommendations of High Level Committee on Savings and Investment (HLC)
Pertaining to Flow Fund Accounts (Concl.)

Major Recommendations	Nodal Agency	Status
Ownership of Government securities: The HLC recommends that an appropriate format as prescribed in this Report on the ownership pattern of Government securities (consolidated for all levels of Government), comprising six categories, viz., 1) Government, 2) Banks, 3) Financial Sector other than Banks, 4) Non-Service Sector (Corporates, Firms and Societies), 5) External Sector and 6) Household Sector, may be prepared by the RBI to provide the data based on the revised format as at end-March every year, so that the residual status can be accorded to household (as defined in national accounts and FoF framework) in this instrument. The concerned Department within the RBI should ensure the providing of such information for estimation of household financial savings estimates.	RBI	Pending
In respect of the accounts of local authorities, only the data for port trusts are available. In this regard, the data for the local self Government may also be provided to enhance the coverage of flow-of- funds accounts.	CSO	Pending