

*Developments in India's Balance of Payments during July-September 2009**

The data on India's Balance of Payments (BoP) are compiled and published by the Reserve Bank on a quarterly basis with a lag of one quarter. Accordingly, the preliminary data on India's BoP for the Second Quarter (Q2) *i.e.*, July-September 2009 of the financial year 2009-10 along with the partially revised data for the first quarter (Q1) *i.e.*, April-June 2009 and revised data for 2007-08 and 2008-09 were released by the Reserve Bank on December 31, 2009.

As per the revision policy, the data on India's BoP for the previous two years are revised only once in a year when the data of the July-September quarter are published at end-December (*i.e.*, December 31). Accordingly, the data for the financial years 2007-08 and 2008-09 have been revised now. The data for 2007-08 is now final and is frozen, except in extraordinary circumstances in the event of methodological changes in respect of data collection and compilation procedures and/or significant changes indicated by data sources that could cause structural shift in the data series. The data for the financial year 2008-09 is now partially revised. This will be finalized and frozen in December 2010. Data revisions for the previous quarters of the same financial year are also undertaken while compiling data for the current quarter. Accordingly, the revisions of the data on BoP for the first quarter of 2009-10 have been undertaken.

The developments in India's BoP for 2009-10 (April-September) are presented here below.

1. Major Highlights

- (i) Growth in exports and imports continued their declining trend during Q2 of 2009-10.

* Prepared in the Division of International Finance, Department of Economic Analysis and Policy, Reserve Bank of India. This article sets out the developments in India's Balance of Payments during the second quarter of 2009-10 (July-September 2009) and also incorporates revisions in data for 2007-08, 2008-09 and First Quarter (April-June 2009) of 2009-10.

- (ii) Trade deficit, however, was lower reflecting larger fall in imports, especially oil imports, on account of lower oil prices as compared to last year.
- (iii) Private transfer receipts continued to be sustained through Q2 of 2009-10. Software services exports, however, were lower.
- (iv) Despite lower trade deficit, current account deficit at US\$ 12.6 billion in Q2 of 2009-10 was almost at the same level as last year, mainly on account of lower net invisibles surplus. During April-September 2009, the current account deficit stood higher at US\$ 18.6 billion.
- (v) Net capital flows were higher during April-September 2009 mainly driven by foreign investment inflows, particularly reflecting the turnaround in FII inflows. NRI deposits also witnessed higher inflows.
- (vi) Higher capital inflows along with the allocations of SDRs by the IMF resulted in an increase in India's foreign

exchange reserves by US\$ 9.5 billion on a BoP basis (*i.e.* excluding valuation) during April-September 2009. Including the valuation changes, the increase in reserves was higher at US\$ 29.3 billion during the same period.

2. Balance of Payments for July-September (Q2) of 2009-10

The major items of the BoP for Q2 of 2009-10 are set out below in Table 1.

Merchandise Trade

- (i) The decline in exports which started since October 2008 continued during the second quarter of 2009-10. On a BoP basis, India's merchandise exports recorded a decline of 21.0 per cent in Q2 of 2009-10 as against an increase of 39.6 per cent in Q2 of 2008-09.
- (ii) Import payments, on a BoP basis, registered a decline of 19.6 per cent in Q2 of 2009-10 as against a higher growth of 54.8 per cent in the corresponding period of last year.

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

Item	(US\$ million)			
	April-June		July-September	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Exports	57,454	38,789	53,630	42,350
2. Imports	82,731	64,804	92,752	74,552
3. Trade Balance (1-2)	-25,277	-26,016	-39,121	-32,201
4. Invisibles, net	22,003	20,022	26,546	19,576
5. Current Account Balance (3+4)	-3,274	-5,993	-12,575	-12,625
6. Capital Account*	5,509	6,108	7,841	22,043
7. Change in Reserves# (Indicates increase; + indicates decrease)	-2,235	-115	4,734	-9,418

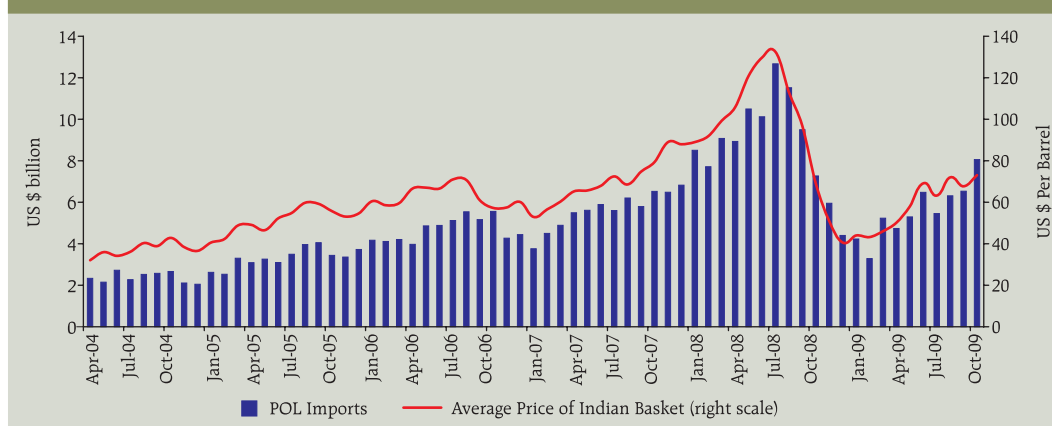
*: Including errors and omissions.

#: On BoP basis (*i.e.* excluding valuation).

P: Preliminary.

PR: Partially Revised.

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



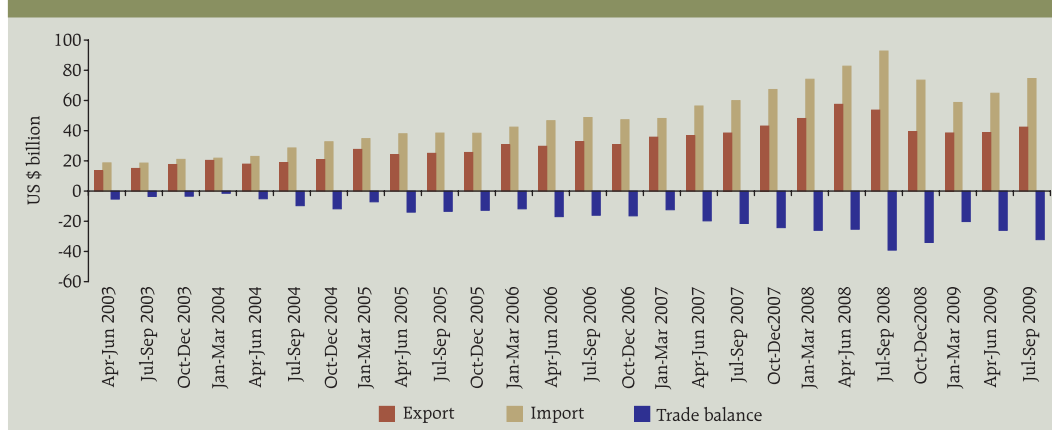
(iii) According to the data released by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), both oil imports and non-oil imports witnessed a decline during Q2 of 2009-10 by 45.7 per cent and 27.5 per cent, respectively. The decline in oil imports was mainly due to significant decline in oil prices to US\$ 67.6 per barrel during Q2 of 2009-10 from its peak of US\$ 132.5 per barrel in July 2008

(Chart 1). Oil imports in Q2 of 2009-10 accounted for about 28.7 per cent of total imports (35.0 per cent of 2008-09).

Trade Deficit

(i) Trade deficit on a BoP basis was lower at US\$ 32.2 billion in Q2 of 2009-10 as compared to US\$ 39.1 billion in Q2 of 2008-09 (Chart 2).

Chart 2: Quarterly Movements in Trade Balance



Invisibles

- (i) Invisibles receipts, comprising services, current transfers and income, registered a decline of 15.1 per cent in Q2 of 2009-10 (as against a higher growth of 33.1 per cent in Q2 of 2008-09). Major categories of services exports registered a decline during the quarter. Receipts under non-software miscellaneous services including business services, construction and royalties, copy rights and licence fees declined. Private transfers receipts, however, increased by 3.6 per cent during the quarter.
- (ii) Invisible payments recorded a marginal increase during Q2 of 2009-10 mainly on account of payments under business and financial services.

- (iii) Net invisibles (invisibles receipts *minus* invisibles payments) turned out to be lower at US \$ 19.6 billion in Q2 of 2009-10 (US \$ 26.5 billion in Q2 of 2008-09) mainly due to decline in services exports, particularly non-software services receipts (Table 2). At this level, net invisibles surplus financed 60.8 per cent of trade deficit in Q2 of 2009-10 (67.9 per cent in Q2 of 2008-09).

Current Account Deficit

- (i) Despite lower trade deficit, current account deficit at US\$ 12.6 billion in Q2 of 2009-10 was almost at the same level as last year, mainly on account of lower net invisibles surplus. The invisibles surplus, however, continued to be driven by private transfers and software exports.

Table 2: Net Invisibles

(US\$ million)				
Item	April-June		July-September	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
A. Services (1 to 5)	10,710	9,098	14,400	6,273
1. Travel	341	282	75	126
2. Transportation	-713	-287	-710	346
3. Insurance	123	73	71	43
4. Govt. not included elsewhere	19	-3	-14	-29
5. Miscellaneous	10,940	9,033	14,978	5,787
<i>of which:</i>				
Software	11,237	10,373	11,185	10,207
Non-Software	-297	-1,340	3,793	-4,420
B. Transfers	12,143	12,878	12,942	13,702
Private	12,102	12,939	12,988	13,757
Official	40	-61	-46	-54
C. Income	-849	-1,953	-796	-399
Investment Income	-676	-1,843	-755	-248
Compensation of Employees	-174	-110	-41	-152
Invisibles (A+B+C)	22,003	20,022	26,546	19,576

P: Preliminary. PR: Partially Revised.

Capital Account and Reserves

- (i) Both gross capital inflows and outflows remained strong during Q2 of 2009-10. The gross capital inflows to India during Q2 of 2009-10 amounted to US \$ 98.1 billion (US \$ 90.0 billion in Q2 of 2008-09) mainly on account of higher foreign investment inflows of US\$ 55.8 billion.
- (ii) Net capital flows were also substantially higher at US \$ 23.6 billion in Q2 of 2009-10 than that of US \$ 7.1 billion in Q2 of 2008-09 mainly due to large net foreign investment inflows and SDR allocations by the IMF during the quarter (Table 3).
- (iii) Foreign Direct Investment (FDI) broadly comprise equity, reinvested earnings and inter-corporate loans. Net FDI flows (net inward FDI *minus* net outward FDI) were higher at US \$ 7.1 billion in Q2 of 2009-10 as compared with US \$ 4.9 billion in Q2 of 2008-09. Net inward FDI remained buoyant at US \$ 11.3 billion during Q2 of 2009-10 (US \$ 8.8 billion in Q2 of 2008-09) reflecting relatively better growth prospects of the Indian economy. Net outward FDI amounted to US \$ 4.2 billion in Q2 of 2009-10 (US \$ 3.9 billion in Q2 of 2008-09).
- (iv) Portfolio investment primarily comprising foreign institutional investors' (FIIs) investments and American Depository Receipts (ADRs)/ Global Depository Receipts (GDRs) continued their strong upward trend to record a net inflow of US \$ 9.7 billion in Q2 of 2009-10 (as against net outflows of US \$ 1.3 billion in Q2 of 2008-09) mainly due to revival of FII inflows since the Q1 of 2009-10. Inflows under portfolio investment were led by large purchases of equities

Table 3: Net Capital Flows

(US \$ million)				
	April-June		July-September	
	2008-09 (PR)	2009-10 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Foreign Direct Investment	8,964	7,025	4,903	7,116
Inward FDI	11,876	9,651	8,778	11,326
Outward FDI	2,912	2,626	3,876	4,209
2. Portfolio Investment	-4,207	8,268	-1,311	9,678
<i>Of which</i>				
FIIs	-5,177	8,227	-1,437	7,038
ADRs/GDRs	999	43	136	2,664
3. External Assistance	351	84	518	487
4. External Commercial Borrowings	1,479	-441	1,687	1,186
5. NRI Deposits	814	1,817	259	1,047
6. Banking Capital excluding NRI Deposits	1,882	-5,183	2,016	3,376
7. Short-term Trade Credit	4,503	-1,463	402	845
8. Rupee Debt Service	-30	-23	-3	-1
9. Other Capital*	-8,904	-4,131	-1,372	-121
Total (1 to 9)	4,853	5,955	7,099	23,613

P: Preliminary.

PR: Partially Revised.

*: SDR allocations are included.

(amounting to US\$ 7.0 billion during Q2 of 2009-10) by FIIs in the Indian stock market and revival in net inflows under ADRs/GDRs due to growth of stock prices of Indian companies.

- (v) According to the guidelines given in the Sixth Edition of the Balance of Payments Manual (BPM6) of the International Monetary Fund (IMF), allocations under Special Drawing Rights (SDR) are treated as liabilities to nonresidents (foreign liabilities) and reported as liabilities under other investments of the financial account of the balance of payments. Accordingly, a general allocation of SDRs 3,082.5 million on August 28, 2009 and a special allocation of SDRs 214.6 million together amounting to US\$ 5.2 billion is included in the 'other capital' of the capital account of the balance of payments for Q2 of 2009-10. The allocations have a debit entry in the reserve assets of the balance of payments showing an equal amount of increase in the foreign exchange reserves.
- (vi) Foreign exchange reserves, on BoP basis (*i.e.*, excluding valuation) have shown an accretion of US \$ 9.4 billion in Q2 of 2009-10 as against a decline in reserves of US \$ 4.7 billion in Q2 of 2008-09. The increase in the reserves was mainly due to large capital inflows and SDR allocations by the IMF.

3. Balance of Payments for April-September 2009

- (i) As alluded to earlier, taking into account the partially revised data for Q1 of 2009-10 and the preliminary data for Q2 of 2009-10, the BoP data for the first half of the financial year 2009-10 (April-September) have been compiled. While the detailed data are set out in Statement I in standard format of BoP presentation, the major items are presented in Table 4.

Merchandise Trade

- (i) On a BoP basis, India's merchandise exports posted a decline of 27.0 per

Table 4: Major Items of India's Balance of Payments: April-September 2009

Item	(US\$ million)			
	April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Exports	166,162	189,001	111,085	81,139
2. Imports	257,629	307,651	175,483	139,356
3. Trade Balance (1-2)	-91,467	-118,650	-64,398	-58,217
4. Invisibles, net	75,731	89,923	48,549	39,599
5. Current Account Balance (3+4)	-15,737	-28,728	-15,849	-18,618
6. Capital Account*	107,901	8,648	13,350	28,151
7. Change in Reserves# (-Indicates increase; + indicates decrease)	-92,164	20,080	2,499	-9,533

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

- cent in April-September 2009 (as against a growth of 48.1 per cent in the corresponding period of the previous year).
- (ii) Import payments, on a BoP basis, declined by 20.6 per cent during April-September 2009 as against a sharp increase of 51.0 per cent in the corresponding period of the previous year. The decline in imports is mainly attributed to the base effect and decline in oil prices.
 - (iii) According to the DGCI&S data, oil imports recorded a decline of 45.0 per cent in April-September 2009 as against a significant rise of 83 per cent during April-September 2008. During the same period, non-oil imports showed a relatively modest decline of 26.3 per cent (as against an increase of 43.8 per cent in April-September 2008). In absolute terms, the oil imports accounted for about 26 per cent of total imports during April-September 2009 (34.2 per cent in the corresponding period of the previous year).
 - (iv) According to the data released by the Gems & Jewellery Export Promotion Council, total import of gems and jewellery declined by 12 per cent during April-September 2009 as against an increase of 33.6 per cent during the corresponding period of last year.

Trade Deficit

- (i) On a BoP basis, the merchandise trade deficit remained lower at US \$ 58.2 billion during April-September 2009 as compared with US \$ 64.4 billion in April-September 2008 mainly on account of decline in oil imports (Chart 2).

Invisibles

Invisibles Receipts

- (i) Invisibles receipts recorded a decline of 11.6 per cent during April-September 2009 as compared with an increase of 32.5 per cent in the corresponding period of the previous year, mainly attributed to the lower receipts under almost all components of services (Table 5 and Chart 3). However, the private transfers receipts, which had marginally declined during the second half of 2008-09, increased by 4.3 per cent in the first half of 2009-10.
- (ii) Private transfers are mainly in the form of (i) Inward remittances from Indian workers abroad for family maintenance, (ii) Local withdrawal from Non-Resident Indian Rupee deposits, (iii) Gold and silver brought through passenger baggage, and (iv) Personal gifts/donations to charitable/religious institutions.
- (iii) Private transfer receipts, comprising mainly remittances from Indians working overseas, increased to US \$ 27.5 billion in April-September 2009 as compared with US \$ 26.4 billion in the corresponding period of the previous year. Private transfer receipts constituted 17.6 per cent of current receipts in April-September 2009 (13.4 per cent in the corresponding period of the previous year).
- (iv) NRI deposits, when withdrawn domestically, form part of private transfers because once withdrawn for local use these become unilateral transfers and do not have any *quid pro quo*. Such local withdrawals/

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Table 5: Invisibles Gross Receipts and Payments

(US\$ million)

Item	Invisibles Receipts				Invisibles Payments			
	April-March		April-September		April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
A. Services (1 to 5)	90,342	101,678	50,979	40,057	51,490	52,047	25,870	24,686
1. Travel	11,349	10,894	5,290	4,805	9,258	9,425	4,874	4,397
2. Transportation	10,014	11,286	5,656	5,056	11,514	12,820	7,079	4,998
3. Insurance	1,639	1,419	727	771	1,044	1,130	533	655
4. Govt. not included elsewhere	331	389	211	200	376	793	206	232
5. Miscellaneous	67,010	77,691	39,095	29,225	29,298	27,879	13,177	14,404
<i>of which:</i>								
Software	40,300	46,300	24,201	21,409	3,358	2,814	1,778	829
Non-Software	26,710	31,391	14,894	7,816	25,940	25,065	11,398	13,575
B. Transfers	44,261	47,547	26,570	27,612	2,316	2,749	1,485	1,032
Private	43,508	46,903	26,371	27,515	1,802	2,336	1,281	820
Official	753	645	199	97	514	413	204	212
C. Income	14,272	14,309	7,718	7,700	19,339	18,816	9,363	10,052
Investment								
Income	13,811	13,483	7,273	7,267	18,244	17,506	8,704	9,358
Compensation of Employees	461	825	445	433	1,095	1,309	659	695
Invisibles (A+B+C)	148,875	163,534	85,267	75,368	73,144	73,612	36,718	35,770

P: Preliminary.

PR: Partially Revised.

R: Revised.

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

redemptions from NRI deposits cease to exist as liability in the capital account of the balance of payments and assume

the form of private transfers, which is included in the current account of balance of payments.

Chart 3: Key Components of Invisible Receipts

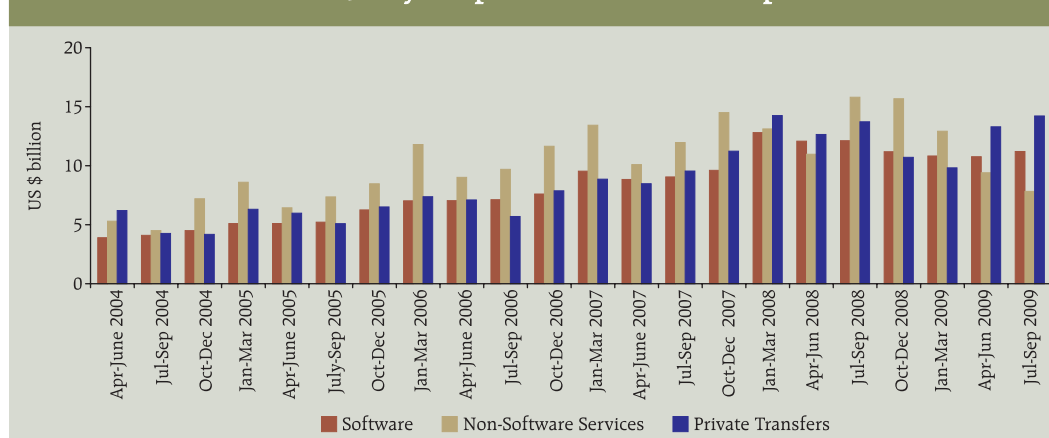


Table 6: Inflows, Outflows and Local Withdrawals under NRI Deposits

(US\$ million)			
Year	Inflows	Outflows	Local Withdrawals
1	2	3	4
2007-08 (R)	29,400	29,222	18,919
2008-09 (PR)	37,147	32,858	20,617
April-September 2008 (PR)	18,274	17,202	11,168
April-September 2009 (P)	21,513	18,649	11,818

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

- (v) Under the NRI deposits, both inflows as well as outflows remained steady in the recent past. A major part of outflows from NRI deposits is in the form of local withdrawals. These withdrawals, however, are not actually repatriated but are utilised domestically. During April-September 2009, the share of local withdrawals in total outflows from NRI deposits was 63.4 per cent as compared with 64.9 per cent in April-September 2008 (Table 6).
- (vi) Under Private transfers, the inward remittances for family maintenance accounted for 53.3 per cent of the total

private transfer receipts, while local withdrawals accounted for 43.0 per cent in April-September 2009 as against 52.6 per cent and 42.3 per cent, respectively, in April-September 2008 (Table 7).

- (vii) Software receipts at US \$ 21.4 billion in April-September 2009 showed a decline of 11.5 per cent as against a higher growth of 35.3 per cent in April-September 2008.
- (viii) Miscellaneous receipts, excluding software exports, stood at US \$ 7.8 billion in April-September 2009 (US \$ 14.9 billion in April-September 2008). Receipts under non-software miscellaneous services like business services, construction and royalties, copy rights and licence fees declined. The break-up of these data is presented in Table 8.
- (ix) The key components of the business services receipts and payments were mainly the trade related services, business and management consultancy services, architectural, engineering and other technical services and services

Table 7: Details of Private Transfers to India

(US \$ million)					
Year	Total Private Transfers	Of which:			
		Inward remittances for family maintenance		Local withdrawals/redemptions from NRI Deposits	
		Amount	Percentage Share in Total	Amount	Percentage Share in Total
1	2	3	4	5	6
2007-08 (R)	43,508	21,922	50.4	18,919	43.5
2008-09 (PR)	46,903	23,886	50.9	20,617	44.0
April-September 2008 (PR)	26,371	13,882	52.6	11,168	42.3
April-September 2009 (P)	27,515	14,677	53.3	11,818	43.0

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

(US\$ million)

Item	Receipts				Payments			
	April-March		April-September		April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Communication	2,408	2,172	1,250	725	860	1,087	523	625
2. Construction	763	867	372	299	708	896	349	641
3. Financial	3,217	3,948	2,288	1,849	3,133	2,958	1,586	2,062
4. News Agency	503	800	397	172	506	386	165	162
5. Royalties, Copyrights & License Fees	157	132	71	116	1,038	1,721	805	823
6. Business Services	16,772	16,445	8,410	5,090	16,553	15,435	7,251	8,477
7. Personal, Cultural, and Recreational	562	729	297	234	211	322	173	147
8. Others	2,328	6,298	1,809	-669	2,931	2,260	546	638
Total (1 to 8)	26,710	31,391	14,894	7,816	25,940	25,065	11,398	13,575

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

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

relating to maintenance of offices (Table 9). Under business services, receipts of architectural, engineering and other technical services, maintenance of offices abroad and business and management consultancy services declined significantly while

payments related to these services rose moderately resulting in net outgo under these services.

- (x) Investment income receipts amounted to US \$ 7.3 billion in April-September 2009 and remained almost at same level of last year.

Table 9: Details of Business Services

(US\$ million)

Item	Receipts				Payments			
	April-March		April-September		April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Trade Related	2,234	2,016	1,150	675	2,285	1,651	828	1,036
2. Business & Management Consultancy	4,433	5,017	2,605	1,791	3,422	3,530	1,355	2,324
3. Architectural, Engineering, and other Technical Services	3,145	1,766	903	655	3,090	3,130	1,498	1,939
4. Maintenance of Offices abroad	2,861	2,984	1,269	704	2,761	2,673	1,150	1,152
5. Others	4,099	4,662	2,483	1,265	4,995	4,451	2,420	2,026
Total (1 to 5)	16,772	16,445	8,410	5,090	16,553	15,435	7,251	8,477

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

Invisibles Payments

- (i) Invisibles payments have also shown a decline of 2.6 per cent in April-September 2009 (an increase of 15.0 per cent in April-September 2008). The invisibles payments declined mainly due to lower payment towards travel, transportation, non-software services and private transfers.
- (ii) Lower transportation payments in April-September of 2009 (a decline of 29.4 per cent) mainly reflected the lower volume of imports. In addition, lower payments may also be attributed to the lower freight rates on international shipping as compared to corresponding period of last year.
- (iii) Investment income payments, reflecting mainly the interest payments on commercial borrowings, external assistance, non-resident deposits, and reinvested earnings of the Foreign Direct Investment (FDI) enterprises

operating in India, amounted to US \$ 9.4 billion in April-September 2009 higher than that of April-September 2008 (Table 10). The increase in investment income payments was mainly due to rise in reinvestment earnings of the FDI companies.

Invisibles Balance

- (i) Net invisibles (invisibles receipts minus invisibles payments) stood lower at US \$ 39.6 billion during April-September of 2009 as compared to US\$ 48.5 billion during April-September 2008. At this level, the invisibles surplus financed about 68.0 per cent of trade deficit during April-September 2009 as against 75.4 per cent during April-September 2008.

Current Account Deficit

- (i) Despite lower trade deficits, current account deficit increased to US \$ 18.6 billion in April-September 2009 from

Table 10: Details of Receipts and Payments of Investment Income

Item	(US\$ million)			
	April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
A. Receipts	13,811	13,483	7,273	7,267
<i>Of which:</i>				
1. Reinvested Earnings on Indian Investment Abroad	1,084	1,084	542	542
2. Interest/Discount Earnings on Foreign Exchange Reserves	10,124	10,480	5,849	3,925
B. Payments	18,244	17,506	8,704	9,358
<i>Of which:</i>				
1. Interest Payment on NRI deposits	1,813	1,547	735	796
2. Interest Payment on ECBs	2,647	2,702	1,407	812
3. Interest Payments on External Assistance	1,143	1,010	505	438
4. Dividends and Profits	3,226	3,172	2,153	2,246
5. Reinvested Earnings of FDI Companies in India	7,679	6,428	2,985	3,831
C. Net Investment Income (A-B)	-4,433	-4,023	-1,431	-2,091

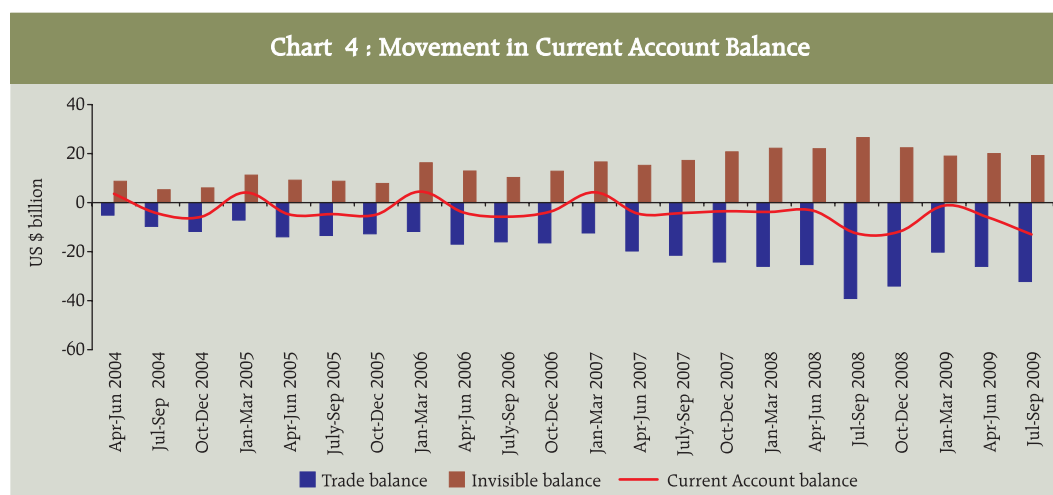
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US \$ 15.8 billion in April-September 2008 mainly due to lower net invisibles surplus (Chart 4).

\$ 175.3 billion (US \$ 184.4 billion in April-September 2008) as against an outflow of US \$ 145.8 billion (US \$ 172.5 billion in April-September 2008) (Table 11).

Capital Account

(i) The gross capital inflows to India during April-September 2009 amounted to US

(ii) Net capital flows, however, at US \$ 29.6 billion in April-September 2009 remained higher as compared with US

Table 11: Gross Capital Inflows and Outflows

(US\$ million)

Item	Gross Inflows				Gross Outflows			
	April-March		April-September		April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5	6	7	8	9
1. Foreign Direct Investment	37,321	36,261	21,280	21,262	21,429	18,763	7,413	7,120
2. Portfolio Investment								
<i>Of which:</i>	233,800	128,654	83,398	82,985	206,367	142,685	88,916	65,040
FIIs	226,621	127,349	82,228	80,252	206,294	142,366	88,842	64,987
ADR/GDRs	6,645	1,162	1,135	2,707	—	—	—	—
3. External Assistance	4,241	5,041	2,004	2,057	2,126	2,405	1,135	1,486
4. External Commercial Borrowings	30,293	15,244	6,332	5,168	7,684	7,303	3,166	4,424
5. NRI Deposits	29,400	37,147	18,274	21,513	29,222	32,858	17,202	18,649
6. Banking Capital excluding NRI Deposits	26,414	28,060	20,073	10,608	14,832	35,595	16,175	12,414
7. Short-term Trade Credit	47,658	41,841	23,892	21,692	31,729	43,750	18,986	22,310
8. Rupee Debt Service	0	0	0	0	122	100	32	23
9. Other Capital	29,229	20,179	9,154	10,047	18,261	21,723	19,430	14,298
Total (1 to 9)	438,357	312,427	184,407	175,333	331,772	305,181	172,455	145,765

P: Preliminary.

PR: Partially Revised.

R: Revised.

—: Nil/NA.

\$ 12.0 billion in April-September 2008. Under net capital flows, all the components except loans and banking capital, showed improvement during April-September 2009 from their level in the corresponding period of the previous year (Table 12). In banking capital, net inflows under non-residents' deposit remained higher during April-September 2009 as compared to their level last year.

- (iii) Net inward FDI into India remained buoyant at US \$ 21.0 billion during April-September 2009 (US \$ 20.7 billion in April-September 2008) reflecting the continuing liberalisation and better growth performance of the Indian economy. During this period, FDI was channeled mainly into manufacturing (21.4 per cent) followed by communication services (12.8 per cent) and real estate sector (12.6 per cent).

Net outward FDI of India at US \$ 6.8 billion in April-September 2009 remained almost at the same level of the corresponding period of the last year. Due to large inward FDI, the net FDI (inward FDI minus outward FDI) was marginally higher at US\$ 14.1 billion in April-September 2009.

- (iv) Portfolio investment mainly comprising Foreign Institutional Investors (FIIs) investments and American Depository Receipts (ADRs)/Global Depository Receipts (GDRs) witnessed large net inflows (US \$ 17.9 billion) in April-September 2009 (net outflows of US \$ 5.5 billion in April-September 2008) due to large purchases by FIIs in the Indian capital market reflecting revival in growth prospects of the economy and improvement in global investors' sentiment. The inflows under ADRs/GDRs increased to US \$ 2.7 billion in

Table 12: Net Capital Flows

(US \$ million)				
Item	April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Foreign Direct Investment	15,893	17,498	13,867	14,142
Inward FDI	34,728	34,992	20,654	20,977
Outward FDI	18,835	17,495	6,788	6,835
2. Portfolio Investment				
<i>Of which:</i>	27,433	-14,030	-5,518	17,946
FIIs	20,327	-15,017	-6,614	15,265
ADR/GDRs	6,645	1,162	1,135	2,707
3. External Assistance	2,114	2,637	869	571
4. External Commercial Borrowings	22,609	7,941	3,166	745
5. NRI Deposits	179	4,290	1,073	2,864
6. Banking Capital excluding NRI Deposits	11,580	-7,535	3,898	-1,807
7. Short-term Trade Credit	15,930	-1,909	4,905	-618
8. Rupee Debt Service	-122	-100	-33	-23
9. Other Capital	10,969	-1,545	-10,276	-4,251
Total (1 to 9)	106,585	7,246	11,952	29,568

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

Note: Details of Other Capital (Item 9) are given in Table 13.

April-September 2009 (US \$ 1.1 billion in April-September 2008).

- (v) Net External Commercial Borrowings (ECBs) inflow remained lower at US \$ 0.7 billion in April-September 2009 (US \$ 3.2 billion in April-September 2008).
- (vi) Banking capital (net) amounted to US \$ 1.1 billion in April-September 2009 as compared with US \$ 5.0 billion in April-September 2008. Among the components of banking capital, NRI deposits witnessed higher net inflows of US \$ 2.9 billion in April-September 2009 as compared with lower net inflows of US \$ 1.1 billion in April-September 2008.
- (vii) Short term trade credit recorded a net outflow of US \$ 0.6 billion (inclusive of suppliers' credit up to 180 days) during April-September 2009 as against a net inflow of US \$ 4.9 billion during the same period of the previous year.
- (viii) Other capital includes leads and lags in exports, SDR allocation, funds held abroad, advances received pending issue of shares under FDI and other capital not included elsewhere (n.i.e).

Other capital recorded a lower net outflow of US \$ 4.3 billion in April-September 2009 as compared with a higher net outflow of US\$ 10.3 billion in April-September 2008. The details of other capital are set out in Table 13.

4. Reserves Variation

- (i) The accretion in foreign exchange reserves on BoP basis (*i.e.*, excluding valuation) was US \$ 9.5 billion in April-September 2009 (as against a decline of US \$ 2.5 billion in April-September 2008) (Table 14 and Chart 5). Taking into account the valuation gain, foreign exchange reserves recorded an increase of US \$ 29.3 billion in April-September 2009 (as against a decline in reserves of US \$ 23.4 billion in April-September 2008 (Annex A).
- (ii) The IMF had approved a general allocation of Special Drawing Rights (SDRs) for an amount equivalent to US\$ 250 billion, which was made on August 28, 2009. In addition, a special SDR allocation pursuant to the fourth amendment of the IMF's Articles of Agreement, amounting to US \$33

Table 13: Details of 'Other Capital' (Net)

(US \$ million)				
Item	April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
1. Lead and Lags in Exports	-899	-11,866	-14,585	2,945
2. Net Funds Held Abroad	-2,682	320	223	-5,265
3. Advances Received Pending Issue of Shares under FDI	7,200	3,002	2,821	-2,689
4. SDR Allocation	—	—	—	5,161
5. Other capital not included elsewhere (<i>n.i.e</i>) (<i>Inclusive of derivatives and hedging, migrant transfers and other capital transfers</i>)	7,350	6,999	1,266	4,401
Total (1 to 5)	10,969	-1,545	-10,276	-4,251

P: Preliminary. PR: Partially Revised. R: Revised. —: Nil/NA.

Table 14: Sources of Variation to Reserves (BoP Basis) in April-September 2009

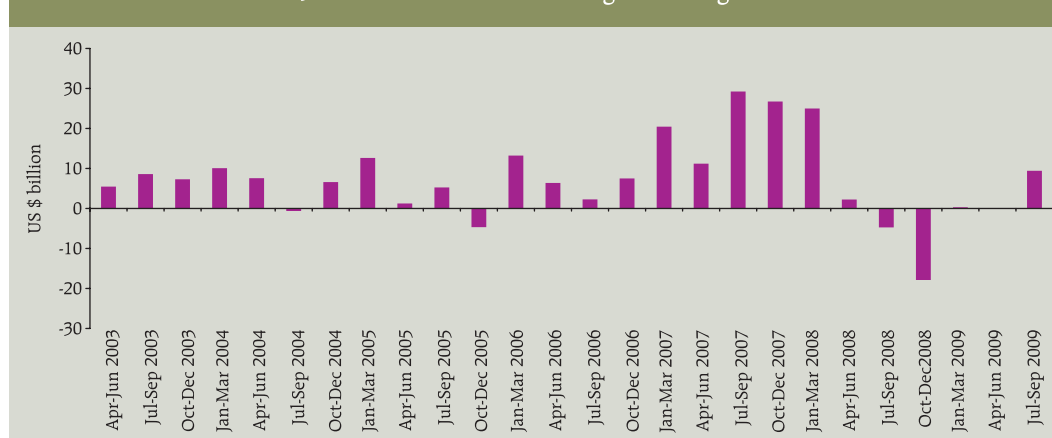
(US \$ million)				
Item	April-March		April-September	
	2007-08 (R)	2008-09 (PR)	2008-09 (PR)	2009-10 (P)
1	2	3	4	5
A. Current Account Balance	-15,737	-28,728	-15,849	-18,618
B. Capital Account*	107,901	8,648	13,350	28,151
<i>Of Which</i>				
Foreign Direct Investment	15,893	17,498	13,867	14,142
Portfolio Investment	27,433	-14,030	-5,518	17,946
External Commercial Borrowings	22,609	7,941	3,166	745
Banking Capital	11,759	-3,245	4,971	1,057
Short Term Trade Credit	15,930	-1,909	4,906	-618
D. Change in Reserves: (-) indicates increase; (+) indicates decrease)#	-92,164	20,080	2,499	-9,533

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

billion was made on September 9, 2009. Pursuant to this, a general allocation of SDR 3,082 million (equivalent to US\$ 4,821 million) and a special allocation of SDR 214.6 million (equivalent to US\$ 340 million) were allocated to India by the IMF on August 28, 2009 and September 9, 2009, respectively. It has resulted in an increase in India's foreign exchange reserves by US\$ 5.2 billion.

- (iii) At the end of September 2009, outstanding foreign exchange reserves stood at US \$ 281.3 billion.
- (iv) To sum up, the key features of India's BoP that emerged in April-September 2009 were: (i) lower trade deficit (US \$ 58.2 billion) led by lower oil import bills, (ii) lower net invisibles surplus (US \$ 39.6 billion) led by lower software services and decline in business

Chart 5 : Accretion to India's Foreign Exchange Reserves



ARTICLE

Developments in
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services and investment income, (iii) higher current account deficit (US \$ 18.6 billion) due to lower net invisibles, (iv) large net capital inflows mainly led by turnaround in FII inflows and steady FDI inflows, and (v) increase in reserves

(excluding valuation) of US \$ 9.5 billion (as against a decline in reserves of US \$ 2.5 billion in April-September 2008) due to large capital inflows and SDRs allocations by the IMF. The details of key indicators are set out in Table 15.

Table 15: Key Indicators of India's Balance of Payments

(US \$ million)				
Item	April-March		April-September	
	2007-08 R	2008-09 PR	2008-09 PR	2009-10 P
1	2	3	4	5
Merchandise Trade				
1. Exports (US \$ on BoP basis) Growth Rate (%)	28.9	13.7	48.1	-27.0
2. Imports (US \$ on BoP basis) Growth Rate (%)	35.1	19.4	51.0	-20.6
3. Crude Oil Prices, Per Barrel (Indian Basket)	79.2	82.7	116.5	63.4
4. Trade Balance (US \$ billion)	-91.5	-118.7	-64.4	-58.2
5. Exports / GDP (%)	14.2	16.3	—	—
6. Imports / GDP (%)	22.0	26.6	—	—
7. Trade Balance / GDP (%)	-7.8	-10.3	—	—
Invisibles				
8. Net Invisibles (US \$ billion)	75.7	89.9	48.5	39.6
9. Net Invisibles Surplus / Trade Deficit (%)	82.8	75.8	75.4	68.0
10. Invisibles Receipts / Current Receipts (%)	47.3	46.4	43.4	48.2
11. Services Receipts / Current Receipts (%)	28.7	28.8	26.0	25.6
12. Private Transfers / Current Receipts (%)	13.8	13.3	13.4	17.6
13. Net Invisibles / GDP (%)	6.5	7.8	—	—
14. Private Transfers Receipts / GDP (%)	3.7	4.1	—	—
15. Software exports / GDP (%)	3.4	4.0	—	—
16. Services (net) / GDP (%)	3.3	4.3	—	—
Current Account				
17. Current Receipts (US \$ billion)	315.0	352.5	196.4	156.5
18. Current Payments (US \$ billion)	330.8	381.3	212.2	175.1
19. Current Account Balance (US \$ billion)	-15.7	-28.7	-15.8	-18.6
20. Current Account Balance / GDP (%)	-1.3	-2.5	—	—
Capital Account				
21. Gross Capital Inflows (US \$ billion)	438.4	312.4	184.4	175.3
22. Gross Capital Outflows (US \$ billion)	331.8	305.2	172.5	145.8
23. Net Capital Flows (US \$ billion)	106.6	7.2	12.0	29.6
24. Net FDI / Net Capital Flows (%)	14.9	241.5	116.0	47.8
25. Net Portfolio Investment / Net Capital Flows (%)	25.7	-193.6	-46.2	60.7
26. Net ECBs / Net Capital Flows (%)	21.2	109.6	26.5	2.5
Openness Indicators				
27. Exports plus Imports of Goods / GDP (%)	36.1	42.9	—	—
28. Current Receipts plus Current Payments / GDP (%)	55.0	63.4	—	—
29. Net Capital Inflows / GDP (%)	9.1	0.6	—	—
30. Gross Capital Inflows plus Outflows / GDP (%)	65.6	53.4	—	—
31. Current Receipts plus Current Payments & Gross Capital Inflows plus Outflows / GDP (%)	120.7	116.8	—	—
Reserves				
32. Import Cover of Reserves (in months)	14.4	9.8	10.8	12.4
33. Outstanding Reserves as at end period (US \$ billion)	309.7	252.0	286.3	281.3
P : Preliminary. PR : Partially Revised. R : Revised. — : NA.				

5. Difference in DGCI&S and Balance of Payments Imports

- (i) During April-September 2009, based on the records of the DGCI&S imports (based on custom) data and the BoP merchandise imports (based on banking channel data), the difference between the two data sets works out to about US \$ 14.8 billion (Table 16).

Table 16 : DGCI&S and the Balance of Payments Import Data			
(US\$ million)			
Item	2007-08 (R) (April-March)	2008-09 (PR) (April-March)	2009-10 (P) (April-September)
1	2	3	4
1. BoP Imports	257,629	307,651	139,356
2. DGCI&S Imports	251,439	303,696	124,522
3. Difference (1-2)	6,190	3,955	14,834

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

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

During April-September 2009, there was an accretion to foreign exchange reserves mainly on account of valuation changes. Also, inflows under foreign investments and Non-Resident Indian deposits and SDR allocations by the IMF have contributed to the increase in foreign exchange reserves during April-September 2009. The sources of variation in the foreign exchange reserves are set out in Table A1.

The foreign exchange reserves (including the valuation effects) increased by US\$ 29,293 million during April-September 2009 as against a decline of US\$ 23,387 million during April-September 2008 (Table A 2).

On balance of payments basis (*i.e.*, excluding valuation effects), the foreign exchange reserves increased by US\$ 9,533 million during April-September 2009 as against a decline of US\$ 2,499 million during April-September 2008. The valuation gain, reflecting the depreciation of the US dollar against the major currencies, accounted for US\$ 19,760 million during April-September 2009 as compared with a valuation loss of US\$ 20,888 million during April-September 2008. Accordingly, valuation gain during April-September 2009 accounts for 67.5 per cent of the total increase in foreign exchange reserves.

The IMF made additional allocations of SDRs to India in two tranches *viz.*, general allocation of SDR 3,082 million (equivalent to US\$ 4,821 million) on August 28, 2009 and a special allocation of SDR 214.6 million (equivalent to US\$

Table A1: Sources of Variation in Foreign Exchange Reserves

(US \$ million)

Items	April-September 2008	April-September 2009
I. Current Account Balance	(-)15,849	(-) 18,618
II. Capital Account (net) (a to f)	13,350	28,151
a. Foreign Investment (i+ii)	8,349	32,088
(i) Foreign Direct Investment	13,867	14,142
(ii) Portfolio Investment	(-)5,518	17,946
Of which:		
FIIs	(-)6,614	15,265
ADRs/GDRs	1,135	2,707
b. External Commercial Borrowings	3,166	745
c. Banking Capital	4,971	1,057
of which: NRI Deposits	1,072	2,864
d. Short-Term Trade Credit	4,906	(-) 618
e. External Assistance	869	571
f. Other items in capital account*	(-) 8,911	(-) 5,692
III. Valuation Change	(-) 20,888	19,760
Total (I+II+III)	(-) 23,387	29,293

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

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

340 million) on September 9, 2009. This has raised India's foreign exchange reserves by US\$ 5,161 million during the quarter.

Table A2: Comparative Position

(US\$ million)

	April-September 2008	April-September 2009
1. Change in Foreign Exchange Reserves (Including Valuation Effects)	(-) 23,387	29,293
2. Valuation Effects [Gain (+)/Loss (-)]	(-) 20,888	19,760
3. Change in Foreign Exchange Reserves on BoP basis (Excluding Valuation Effects)	(-) 2,499	9,533
4. Percentage of increase/decline in Reserves explained by Valuation Gain/Loss	89.3	67.5

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

Statement I : India's Overall Balance of Payments						
(US\$ million)						
Item	2005-06			2006-07		
	Credit	Debit	Net	Credit	Debit	Net
1	2	3	4	5	6	7
A. Current Account						
I. Merchandise	105,152	157,056	-51,904	128,888	190,670	-61,782
II. Invisibles (a+b+c)	89,687	47,685	42,002	114,558	62,341	52,217
a) Services	57,659	34,489	23,170	73,780	44,311	29,469
i) Travel	7,853	6,638	1,215	9,123	6,684	2,439
ii) Transportation	6,325	8,337	-2,012	7,974	8,068	-94
iii) Insurance	1,062	1,116	-54	1,195	642	553
iv) G.n.i.e.	314	529	-215	253	403	-150
v) Miscellaneous	42,105	17,869	24,236	55,235	28,514	26,721
<i>of which</i>						
<i>Software Services</i>	23,600	1,338	22,262	31,300	2,267	29,033
<i>Business Services</i>	9,307	7,748	1,559	14,544	15,866	-1,322
<i>Financial Services</i>	1,209	965	244	3,106	2,991	115
<i>Communication Services</i>	1,575	289	1,286	2,262	796	1,466
b) Transfers	25,620	933	24,687	31,470	1,391	30,079
i) Official	669	475	194	635	381	254
ii) Private	24,951	458	24,493	30,835	1,010	29,825
c) Income	6,408	12,263	-5,855	9,308	16,639	-7,331
i) Investment Income	6,229	11,491	-5,262	8,926	15,688	-6,762
ii) Compensation of employees	179	772	-593	382	951	-569
Total Current Account (I+II)	194,839	204,741	-9,902	243,446	253,011	-9,565
B. Capital Account						
1. Foreign Investment (a+b)	77,298	61,770	15,528	133,210	118,457	14,753
a) Foreign Direct Investment (i+ii)	9,178	6,144	3,034	23,590	15,897	7,693
i) In India	8,962	61	8,901	22,826	87	22,739
<i>Equity</i>	5,976	61	5,915	16,481	87	16,394
<i>Reinvested Earnings</i>	2,760	—	2,760	5,828	—	5,828
<i>Other Capital</i>	226	—	226	517	—	517
ii) Abroad	216	6,083	-5,867	764	15,810	-15,046
<i>Equity</i>	216	3,982	-3,766	764	13,368	-12,604
<i>Reinvested Earnings</i>	—	1,092	-1,092	—	1,076	-1,076
<i>Other Capital</i>	—	1,009	-1,009	—	1,366	-1,366
b) Portfolio Investment	68,120	55,626	12,494	109,620	102,560	7,060
i) In India	68,120	55,626	12,494	109,534	102,530	7,004
<i>of which</i>						
<i>FIIIs</i>	65,552	55,626	9,926	105,756	102,530	3,226
<i>GDRs/ADRs</i>	2,552	—	2,552	3,776	—	3,776
ii) Abroad	—	—	—	86	30	56
2. Loans (a+b+c)	39,479	31,570	7,909	54,642	30,152	24,490
a) External Assistance	3,631	1,929	1,702	3,767	1,992	1,775
i) By India	24	88	-64	20	32	-12
ii) To India	3,607	1,841	1,766	3,747	1,960	1,787
b) Commercial Borrowings	14,343	11,835	2,508	20,883	4,780	16,103
i) By India	—	251	-251	626	966	-340
ii) To India	14,343	11,584	2,759	20,257	3,814	16,443
c) Short Term to India	21,505	17,806	3,699	29,992	23,380	6,612
i) Suppliers' Credit > 180 days & Buyers' Credit	19,372	17,647	1,725	25,482	22,175	3,307
ii) Suppliers' Credit up to 180 days	2,133	159	1,974	4,510	1,205	3,305
3. Banking Capital (a+b)	21,658	20,285	1,373	37,209	35,296	1,913
a) Commercial Banks	20,586	20,144	442	36,799	35,218	1,581
i) Assets	772	3,947	-3,175	14,466	17,960	-3,494
ii) Liabilities	19,814	16,197	3,617	22,333	17,258	5,075
<i>of which :Non-Resident Deposits</i>	17,835	15,046	2,789	19,914	15,593	4,321
b) Others	1,072	141	931	410	78	332
4. Rupee Debt Service	—	572	-572	—	162	-162
5. Other Capital	5,941	4,709	1,232	8,230	4,021	4,209
Total Capital Account (1 to 5)	144,376	118,906	25,470	233,291	188,088	45,203
C. Errors & Omissions	—	516	-516	968	—	968
D. Overall Balance	339,215	324,163	15,052	477,705	441,099	36,606
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	—	15,052	-15,052	—	36,606	-36,606
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	—	15,052	-15,052	—	36,606	-36,606

P: Preliminary. PR: Partially Revised.

ARTICLE

Developments in
India's Balance of Payments
during July-September 2009

Statement I : India's Overall Balance of Payments (Contd.)						
(US\$ million)						
Item	2007-08			2008-09 PR		
	Credit	Debit	Net	Credit	Debit	Net
1	8	9	10	11	12	13
A. Current Account						
I. Merchandise	166,162	257,629	-91,467	189,001	307,651	-118,650
II. Invisibles (a+b+c)	148,875	73,144	75,731	163,534	73,612	89,923
a) Services	90,342	51,490	38,853	101,678	52,047	49,631
i) Travel	11,349	9,258	2,091	10,894	9,425	1,469
ii) Transportation	10,014	11,514	-1,500	11,286	12,820	-1,534
iii) Insurance	1,639	1,044	595	1,419	1,130	289
iv) G.n.i.e.	331	376	-45	389	793	-404
v) Miscellaneous	67,010	29,298	37,712	77,691	27,879	49,812
<i>of which</i>						
<i>Software Services</i>	40,300	3,358	36,942	46,300	2,814	43,486
<i>Business Services</i>	16,772	16,553	219	16,445	15,435	1,010
<i>Financial Services</i>	3,217	3,133	84	3,948	2,958	990
<i>Communication Services</i>	2,408	860	1,548	2,172	1,087	1,084
b) Transfers	44,261	2,316	41,945	47,547	2,749	44,798
i) Official	753	514	239	645	413	232
ii) Private	43,508	1,802	41,706	46,903	2,336	44,567
c) Income	14,272	19,339	-5,068	14,309	18,816	-4,507
i) Investment Income	13,811	18,244	-4,433	13,483	17,506	-4,023
ii) Compensation of employees	461	1,095	-635	825	1,309	-484
Total Current Account (I+II)	315,037	330,774	-15,737	352,535	381,263	-28,728
B. Capital Account						
1. Foreign Investment (a+b)	271,122	227,796	43,326	164,915	161,448	3,467
a) Foreign Direct Investment (i+ii)	37,321	21,429	15,893	36,261	18,763	17,498
i. In India	34,844	116	34,728	35,158	166	34,992
<i>Equity</i>	26,865	108	26,757	27,973	166	27,807
<i>Reinvested Earnings</i>	7,679	—	7,679	6,428	—	6,428
<i>Other Capital</i>	300	8	292	757	—	757
ii. Abroad	2,477	21,312	-18,835	1,103	18,597	-17,495
<i>Equity</i>	2,477	16,899	-14,422	1,103	14,669	-13,566
<i>Reinvested Earnings</i>	—	1,084	-1,084	—	1,084	-1,084
<i>Other Capital</i>	—	3,330	-3,330	—	2,844	-2,844
b) Portfolio Investment	233,800	206,367	27,433	128,654	142,685	-14,030
i) In India	233,564	206,294	27,270	128,512	142,365	-13,853
<i>of which</i>						
<i>FIIIs</i>	226,621	206,294	20,327	127,349	142,366	-15,017
<i>GDRs/ADRs</i>	6,645	—	6,645	1,162	—	1,162
ii) Abroad	236	73	163	142	319	-177
2. Loans (a+b+c)	82,192	41,539	40,653	62,126	53,458	8,669
a) External Assistance	4,241	2,126	2,114	5,041	2,405	2,637
i) By India	23	28	-4	23	33	-10
ii) To India	4,217	2,098	2,119	5,018	2,371	2,647
b) Commercial Borrowings	30,293	7,684	22,609	15,244	7,303	7,941
i) By India	1,593	1,624	-31	1,997	783	1,214
ii) To India	28,700	6,060	22,640	13,248	6,521	6,727
c) Short Term to India	47,658	31,729	15,930	41,841	43,750	-1,909
i) Suppliers' Credit > 180 days & Buyers' Credit	42,641	31,729	10,913	38,815	38,352	463
ii) Suppliers' Credit up to 180 days	5,017	—	5,017	3,026	5,398	-2,372
3. Banking Capital (a+b)	55,814	44,055	11,759	65,207	68,453	-3,245
a) Commercial Banks	55,735	43,623	12,112	65,094	67,868	-2,774
i) Assets	19,562	12,668	6,894	25,823	28,725	-2,902
ii) Liabilities	36,173	30,955	5,217	39,270	39,142	128
<i>of which : Non-Resident Deposits</i>	29,400	29,222	179	37,147	32,858	4,290
b) Others	79	432	-353	114	585	-471
4. Rupee Debt Service	—	122	-122	—	100	-100
5. Other Capital	29,229	18,261	10,969	20,179	21,723	-1,545
Total Capital Account (1 to 5)	438,357	331,772	106,585	312,427	305,181	7,246
C. Errors & Omissions	1,316	—	1,316	1,402	—	1,402
D. Overall Balance	754,710	662,546	92,164	666,364	686,444	-20,080
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))						
E. Monetary Movements (i+ii)	—	92,164	-92,164	20,080	—	20,080
i) I.M.F.	—	—	—	—	—	—
ii) Foreign Exchange Reserves (Increase - / Decrease +)	—	92,164	-92,164	20,080	—	20,080

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

ARTICLE

Developments in
India's Balance of Payments
during July-September 2009

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

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

ARTICLE

Developments in
India's Balance of Payments
during July-September 2009

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

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

(US\$ million)

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

ARTICLE

Developments in
India's Balance of Payments
during July-September 2009

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

(US\$ million)

Item	Oct-Dec 2008 PR			Jan-Mar 2009 PR			Apr-Jun 2009 PR		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
1	44	45	46	47	48	49	50	51	52
A. Current Account									
I. Merchandise	39,436	73,484	-34,049	38,481	58,685	-20,204	38,789	64,804	-26,016
II. Invisibles (a+b+c)	41,139	18,757	22,381	37,128	18,137	18,992	36,462	16,440	20,022
a) Services	26,950	13,099	13,851	23,749	13,078	10,670	20,168	11,070	9,098
i) Travel	2,924	1,946	979	2,680	2,606	74	2,286	2,004	282
ii) Transportation	2,713	3,241	-528	2,916	2,499	416	2,490	2,777	-287
iii) Insurance	344	268	77	348	329	18	387	314	73
iv) G.n.i.e.	97	233	-136	81	355	-273	100	103	-3
v) Miscellaneous	20,872	7,412	13,460	17,724	7,289	10,435	14,905	5,872	9,033
<i>of which</i>									
Software Services	11,274	580	10,694	10,825	455	10,370	10,764	391	10,373
Business Services	4,185	3,568	618	3,850	4,616	-766	2,586	3,865	-1,278
Financial Services	889	740	150	771	633	138	1,116	928	189
Communication Services	493	257	236	429	308	121	418	312	106
b) Transfers	10,997	845	10,151	9,980	419	9,562	13,344	466	12,878
i) Official	285	98	187	161	111	50	46	107	-61
ii) Private	10,712	748	9,964	9,820	308	9,512	13,298	360	12,939
c) Income	3,192	4,813	-1,621	3,399	4,640	-1,240	2,951	4,904	-1,953
i) Investment Income	3,000	4,475	-1,475	3,210	4,328	-1,118	2,723	4,566	-1,843
ii) Compensation of employees	192	338	-146	189	312	-123	227	338	-110
Total Current Account (I+II)	80,574	92,241	-11,668	75,609	76,821	-1,212	75,251	81,244	-5,993
B. Capital Account									
1. Foreign Investment (a+b)	33,164	38,539	-5,374	27,073	26,580	493	48,430	33,136	15,294
a) Foreign Direct Investment (i+ii)	6,567	6,121	446	8,414	5,229	3,185	9,805	2,779	7,025
i) In India	6,356	29	6,327	8,073	63	8,010	9,680	29	9,651
Equity	4,109	29	4,080	6,322	63	6,259	7,401	29	7,372
Reinvested Earnings	1,721	-	1,721	1,721	-	1,721	1,915	-	1,915
Other Capital	526	-	526	31	-	31	364	-	364
ii) Abroad	210	6,092	-5,881	341	5,166	-4,825	125	2,750	-2,626
Equity	210	4,489	-4,279	341	4,407	-4,066	125	2,053	-1,928
Reinvested Earnings	-	271	-271	-	271	-271	-	271	-271
Other Capital	-	1,331	-1,331	-	488	-488	-	426	-426
b) Portfolio Investment	26,598	32,418	-5,820	18,658	21,350	-2,692	38,625	30,357	8,268
i) In India	26,568	32,355	-5,786	18,580	21,169	-2,588	38,602	30,332	8,270
<i>of which</i>									
FIIs	26,561	32,355	-5,794	18,560	21,169	-2,609	38,559	30,332	8,227
GDRs/ADRs	7	-	7	20	-	20	43	-	43
ii) Abroad	29	63	-34	78	182	-104	23	25	-2
2. Loans (a+b+c)	15,795	15,247	548	14,104	14,924	-820	12,921	14,741	-1,820
a) External Assistance	1,654	663	992	1,383	606	777	821	737	84
i) By India	6	8	-2	6	8	-2	13	116	-103
ii) To India	1,649	655	994	1,377	598	779	808	620	188
b) Commercial Borrowings	5,426	1,648	3,778	3,487	2,490	997	1,974	2,416	-441
i) By India	662	148	514	399	306	93	244	333	-89
ii) To India	4,763	1,500	3,263	3,087	2,184	904	1,731	2,083	-352
c) Short Term to India	8,715	12,936	-4,221	9,234	11,828	-2,594	10,126	11,589	-1,463
i) Suppliers' Credit > 180 days & Buyers' Credit	8,715	10,357	-1,642	9,234	10,450	-1,216	10,126	9,590	536
ii) Suppliers' Credit up to 180 days	-	2,579	-2,579	-	1,378	-1,378	-	1,999	-1,999
3. Banking Capital (a+b)	14,830	19,786	-4,956	12,030	15,290	-3,260	15,577	18,942	-3,365
a) Commercial Banks	14,827	19,355	-4,528	11,919	15,290	-3,371	15,577	18,704	-3,127
i) Assets	5,192	7,541	-2,349	2,578	5,498	-2,920	4,368	6,946	-2,578
ii) Liabilities	9,636	11,814	-2,178	9,341	9,792	-451	11,209	11,758	-549
<i>of which : Non-Resident Deposits</i>	9,543	8,501	1,042	9,331	7,155	2,176	11,172	9,354	1,817
b) Others	2	431	-429	111	-	111	-	238	-238
4. Rupee Debt Service	-	-	-	-	68	-68	-	23	-23
5. Other Capital	4,861	1,193	3,668	6,164	1,101	5,063	297	4,427	-4,131
Total Capital Account (1 to 5)	68,650	74,764	-6,114	59,370	57,962	1,408	77,225	71,270	5,955
C. Errors & Omissions	-	100	-100	104	-	104	153	-	153
D. Overall Balance	149,224	167,105	-17,881	135,083	134,783	300	152,629	152,514	115
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))									
E. Monetary Movements (i+ii)	17,881	-	17,881	-	300	-300	-	115	-115
i) I.M.F.	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	17,881	-	17,881	-	300	-300	-	115	-115

Statement I : India's Overall Balance of Payments (Concl'd.)									
(US\$ million)									
Item	Jul-Sep 2009 P			April-Sept 2008 PR			April-Sept 2009 P		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
1	53	54	55	56	57	58	59	60	61
A. Current Account									
I. Merchandise	42,350	74,552	-32,201	111,085	175,483	-64,398	81,139	139,356	-58,217
II. Invisibles (a+b+c)	38,906	19,330	19,576	85,267	36,718	48,549	75,368	35,770	39,599
a) Services	19,889	13,616	6,273	50,979	25,870	25,110	40,057	24,686	15,371
i) Travel	2,519	2,393	126	5,290	4,874	416	4,805	4,397	408
ii) Transportation	2,566	2,221	346	5,656	7,079	-1,422	5,056	4,998	58
iii) Insurance	384	341	43	727	533	194	771	655	116
iv) G.n.i.e.	100	130	-29	211	206	5	200	232	-32
v) Miscellaneous	14,320	8,532	5,787	39,095	13,177	25,917	29,225	14,404	14,820
<i>of which</i>									
Software Services	10,645	438	10,207	24,201	1,778	22,423	21,409	829	20,580
Business Services	2,504	4,612	-2,109	8,410	7,251	1,159	5,090	8,477	-3,387
Financial Services	732	1,135	-403	2,288	1,586	702	1,849	2,062	-214
Communication Services	307	313	-6	1,250	523	727	725	625	100
b) Transfers	14,268	566	13,702	26,570	1,485	25,085	27,612	1,032	26,580
i) Official	51	105	-54	199	204	-6	97	212	-115
ii) Private	14,217	460	13,757	26,371	1,281	25,091	27,515	820	26,695
c) Income	4,749	5,148	-399	7,718	9,363	-1,646	7,700	10,052	-2,353
i) Investment Income	4,544	4,791	-248	7,273	8,704	-1,431	7,267	9,358	-2,090
ii) Compensation of employees	205	357	-152	444	659	-215	433	695	-262
Total Current Account (I+II)	81,256	93,881	-12,625	196,352	212,201	-15,849	156,507	175,126	-18,618
B. Capital Account									
1. Foreign Investment (a+b)	55817	39023	16794	104,678	96,329	8,349	104,248	72,160	32,088
a) Foreign Direct Investment (i+ii)	11457	4341	7116	21,280	7,413	13,867	21,262	7,120	14,142
i) In India	11362	37	11326	20,728	74	20,655	21,042	65	20,977
Equity	8641	37	8604	17,543	74	17,469	16,042	65	15,977
Reinvested Earnings	1915	-	1915	2,985	-	2,985	3,831	-	3,831
Other Capital	806	-	806	200	-	200	1,169	-	1,169
ii) Abroad	95	4304	-4209	551	7,339	-6,788	220	7,055	-6,835
Equity	95	2614	-2519	551	5,773	-5,221	220	4,667	-4,447
Reinvested Earnings	-	271	-271	-	542	-542	-	542	-542
Other Capital	-	1419	-1419	-	1,024	-1,024	-	1,846	-1,846
b) Portfolio Investment	44360	34683	9678	83,398	88,916	-5,518	82,985	65,040	17,946
i) In India	44356	34655	9701	83,363	88,842	-5,479	82,959	64,987	17,972
<i>of which</i>									
FILs	41693	34655	7038	82,228	88,842	-6,614	80,252	64,987	15,265
GDRs/ADRs	2664	-	2664	1,135	-	1,135	2,707	-	2,707
ii) Abroad	4	28	-24	35	74	-39	27	53	-26
2. Loans (a+b+c)	15997	13479	2518	32,228	23,287	8,941	28,918	28,220	698
a) External Assistance	1237	750	487	2,004	1,135	869	2,057	1,486	571
i) By India	13	116	-103	12	17	-5	26	233	-207
ii) To India	1224	633	590	1,992	1,119	874	2,031	1,253	778
b) Commercial Borrowings	3194	2008	1186	6,332	3,166	3,166	5,168	4,424	745
i) By India	206	215	-9	935	329	606	449	548	-98
ii) To India	2988	1793	1195	5,397	2,837	2,560	4,719	3,876	843
c) Short Term to India	11567	10721	845	23,892	18,986	4,906	21,692	22,310	-618
i) Suppliers' Credit > 180 days & Buyers' Credit	10994	10721	272	20,866	17,545	3,321	21,119	20,311	808
ii) Suppliers' Credit up to 180 days	573	-	573	3,026	1,441	1,585	573	1,999	-1,426
3. Banking Capital (a+b)	16544	12121	4423	38,348	33,377	4,971	32,121	31,063	1,057
a) Commercial Banks	16544	11989	4555	38,347	33,223	5,125	32,120	30,693	1,428
i) Assets	6131	1730	4402	18,054	15,687	2,367	10,499	8,676	1,824
ii) Liabilities	10412	10259	153	20,294	17,536	2,758	21,621	22,017	-396
<i>of which :Non-Resident Deposits</i>	10342	9295	1047	18,274	17,202	1,072	21,513	18,649	2,864
b) Others	-	132	-132	-	154	-154	-	370	-370
4. Rupee Debt Service	-	1	-1	-	32	-32	-	23	-23
5. Other Capital	9750	9871	-121	9,154	19,430	-10,276	10,047	14,298	-4,251
Total Capital Account (1 to 5)	98108	74495	23613	184,407	172,455	11,952	175,333	145,765	29,568
C. Errors & Omissions	-	1570	-1570	1,398	-	1,398	-	1,417	-1,417
D. Overall Balance	179364	169946	9418	382,157	384,656	-2,499	331,840	322,307	9,533
(Total Current Account, Capital Account and Errors & Omissions (A+B+C))									
E. Monetary Movements (i+ii)	-	9418	-9418	2,499	-	2,499	-	9,533	-9,533
i) I.M.F.	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves (Increase - / Decrease +)	-	9418	-9418	2,499	-	2,499	-	9,533	-9,533
<i>of which: SDR Allocation</i>	-	5160	-5160	-	-	-	-	5160	-5160