

## No. 43 : India's Overall Balance of Payments

(US \$ million)

| Items   | 2007-08 P      |                |                | 2006-07 PR     |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
|   | Credit         | Debit          | Net            | Credit         | Debit          | Net            |
| 1   | 2              | 3              | 4              | 5              | 6              | 7              |
| <b>A. CURRENT ACCOUNT</b>   |                |                |                |                |                |                |
| <b>I. MERCHANDISE</b>   | <b>158,461</b> | <b>248,521</b> | <b>-90,060</b> | <b>128,083</b> | <b>191,254</b> | <b>-63,171</b> |
| <b>II. INVISIBLES (a+b+c)</b>   | <b>145,257</b> | <b>72,600</b>  | <b>72,657</b>  | <b>115,074</b> | <b>61,669</b>  | <b>53,405</b>  |
| a) Services   | 87,687         | 50,137         | 37,550         | 76,181         | 44,371         | 31,810         |
| i) Travel   | 11,349         | 9,231          | 2,118          | 9,123          | 6,685          | 2,438          |
| ii) Transportation  | 9,503          | 11,610         | -2,107         | 8,050          | 8,068          | -18            |
| iii) Insurance  | 1,585          | 1,042          | 543            | 1,202          | 642            | 560            |
| iv) G.n.i.e.  | 331            | 382            | -51            | 250            | 403            | -153           |
| v) Miscellaneous  | 64,919         | 27,872         | 37,047         | 57,556         | 28,573         | 28,983         |
| <i>of which</i>   |                |                |                |                |                |                |
| <i>Software Services</i>  | 40,300         | 3,249          | 37,051         | 31,300         | 2,267          | 29,033         |
| <i>Business Services</i>  | 16,624         | 16,668         | -44            | 19,266         | 17,093         | 2,173          |
| <i>Financial Services</i>   | 3,085          | 2,847          | 238            | 2,913          | 2,087          | 826            |
| <i>Communication Services</i>   | 2,436          | 837            | 1,599          | 2,099          | 659            | 1,440          |
| b) Transfers  | 43,343         | 2,326          | 41,017         | 29,589         | 1,421          | 28,168         |
| i) Official   | 754            | 515            | 239            | 638            | 411            | 227            |
| ii) Private   | 42,589         | 1,811          | 40,778         | 28,951         | 1,010          | 27,941         |
| c) Income   | 14,227         | 20,137         | -5,910         | 9,304          | 15,877         | -6,573         |
| i) Investment Income  | 13,799         | 19,038         | -5,239         | 8,908          | 14,926         | -6,018         |
| ii) Compensation of Employees   | 428            | 1,099          | -671           | 396            | 951            | -555           |
| <b>Total Current Account (I+II)</b>   | <b>303,718</b> | <b>321,121</b> | <b>-17,403</b> | <b>243,157</b> | <b>252,923</b> | <b>-9,766</b>  |
| <b>B. CAPITAL ACCOUNT</b>   |                |                |                |                |                |                |
| <b>1. Foreign Investment (a+b)</b>  | <b>270,554</b> | <b>225,748</b> | <b>44,806</b>  | <b>132,581</b> | <b>117,040</b> | <b>15,541</b>  |
| a) Foreign Direct Investment (i+ii)   | 34,924         | 19,379         | 15,545         | 22,959         | 14,480         | 8,479          |
| i. In India   | 32,453         | 126            | 32,327         | 22,078         | 87             | 21,991         |
| <i>Equity</i>   | 25,242         | 109            | 25,133         | 16,481         | 87             | 16,394         |
| <i>Reinvested Earnings</i>  | 6,884          | -              | 6,884          | 5,091          | -              | 5,091          |
| <i>Other Capital</i>  | 327            | 17             | 310            | 506            | -              | 506            |
| ii. Abroad  | 2,471          | 19,253         | -16,782        | 881            | 14,393         | -13,512        |
| <i>Equity</i>   | 2,471          | 14,956         | -12,485        | 881            | 12,168         | -11,287        |
| <i>Reinvested Earnings</i>  | -              | 1,084          | -1,084         | -              | 1,076          | -1,076         |
| <i>Other Capital</i>  | -              | 3,213          | -3,213         | -              | 1,149          | -1,149         |
| b) Portfolio Investment   | 235,630        | 206,369        | 29,261         | 109,622        | 102,560        | 7,062          |
| <i>In India</i>   | 235,390        | 206,294        | 29,096         | 109,534        | 102,530        | 7,004          |
| <i>Abroad</i>   | 240            | 75             | 165            | 88             | 30             | 58             |
| <b>2. Loans (a+b+c)</b>   | <b>83,503</b>  | <b>41,541</b>  | <b>41,962</b>  | <b>54,728</b>  | <b>30,194</b>  | <b>24,534</b>  |
| a) External Assistance  | 4,241          | 2,127          | 2,114          | 3,763          | 1,996          | 1,767          |
| i) By India   | 24             | 28             | -4             | 16             | 36             | -20            |
| ii) To India  | 4,217          | 2,099          | 2,118          | 3,747          | 1,960          | 1,787          |
| b) Commercial Borrowings (MT&LT)  | 29,851         | 7,686          | 22,165         | 20,973         | 4,818          | 16,155         |
| i) By India   | 1,551          | 1,567          | -16            | 648            | 950            | -302           |
| ii) To India  | 28,300         | 6,119          | 22,181         | 20,325         | 3,868          | 16,457         |
| c) Short Term to India  | 49,411         | 31,728         | 17,683         | 29,992         | 23,380         | 6,612          |
| i) Suppliers' Credit >180 days & Buyers' Credit   | 42,641         | 31,728         | 10,913         | 25,482         | 22,175         | 3,307          |
| ii) Suppliers' Credit up to 180 days  | 6,770          | -              | 6,770          | 4,510          | 1,205          | 3,305          |
| <b>3. Banking Capital (a+b)</b>   | <b>55,733</b>  | <b>43,976</b>  | <b>11,757</b>  | <b>37,209</b>  | <b>35,296</b>  | <b>1,913</b>   |
| a) Commercial Banks   | 55,654         | 43,544         | 12,110         | 36,799         | 35,218         | 1,581          |
| i) Assets   | 19,562         | 12,668         | 6,894          | 14,466         | 17,960         | -3,494         |
| ii) Liabilities   | 36,092         | 30,876         | 5,216          | 22,333         | 17,258         | 5,075          |
| <i>of which: Non-Resident Deposits</i>  | 29,321         | 29,142         | 179            | 19,914         | 15,593         | 4,321          |
| b) Others   | 79             | 432            | -353           | 410            | 78             | 332            |
| <b>4. Rupee Debt Service</b>  | <b>-</b>       | <b>121</b>     | <b>-121</b>    | <b>-</b>       | <b>162</b>     | <b>-162</b>    |
| <b>5. Other Capital</b>   | <b>18,950</b>  | <b>9,323</b>   | <b>9,627</b>   | <b>7,724</b>   | <b>3,771</b>   | <b>3,953</b>   |
| <b>Total Capital Account (1to5)</b>   | <b>428,740</b> | <b>320,709</b> | <b>108,031</b> | <b>232,242</b> | <b>186,463</b> | <b>45,779</b>  |
| <b>C. Errors &amp; Omissions</b>  | <b>1,536</b>   | <b>-</b>       | <b>1,536</b>   | <b>593</b>     | <b>-</b>       | <b>593</b>     |
| <b>D. Overall Balance (Total Capital Account, Current Account and Errors &amp; Omissions (A+B+C))</b> | <b>733,994</b> | <b>641,830</b> | <b>92,164</b>  | <b>475,992</b> | <b>439,386</b> | <b>36,606</b>  |
| <b>E. Monetary Movements (i+ii)</b>   | <b>-</b>       | <b>92,164</b>  | <b>-92,164</b> | <b>-</b>       | <b>36,606</b>  | <b>-36,606</b> |
| i) I.M.F.   | -              | -              | -              | -              | -              | -              |
| ii) Foreign Exchange Reserves (Increase - / Decrease +)   | -              | 92,164         | -92,164        | -              | 36,606         | -36,606        |

P: Preliminary PR: Partially Revised. R.: Revised.  
Also see 'Notes on Tables'.

No. 43: India's Overall Balance of Payments (Contd.)

(US \$ million)

| Items   | Apr.-Jun. 2008 P |                |                | Apr.-Jun. 2007 PR |                |                |
|---|------------------|----------------|----------------|-------------------|----------------|----------------|
|   | Credit           | Debit          | Net            | Credit            | Debit          | Net            |
| 1   | 8                | 9              | 10             | 11                | 12             | 13             |
| <b>A. CURRENT ACCOUNT</b>   |                  |                |                |                   |                |                |
| <b>I. MERCHANDISE</b>   | <b>43,703</b>    | <b>75,277</b>  | <b>-31,574</b> | <b>35,752</b>     | <b>56,453</b>  | <b>-20,701</b> |
| <b>II. INVISIBLES (a+b+c)</b>   | <b>37,730</b>    | <b>16,880</b>  | <b>20,850</b>  | <b>29,100</b>     | <b>14,700</b>  | <b>14,400</b>  |
| a) Services   | 21,969           | 11,508         | 10,461         | 18,824            | 10,095         | 8,729          |
| i) Travel   | 2,504            | 2,159          | 345            | 2,088             | 1,881          | 207            |
| ii) Transportation  | 2,435            | 3,316          | -881           | 1,905             | 2,492          | -587           |
| iii) Insurance  | 338              | 224            | 114            | 369               | 184            | 185            |
| iv) G.n.i.e.  | 130              | 111            | 19             | 96                | 112            | -16            |
| v) Miscellaneous  | 16,562           | 5,698          | 10,864         | 14,366            | 5,426          | 8,940          |
| <i>of which</i>   |                  |                |                |                   |                |                |
| Software Services   | 10,656           | 857            | 9,799          | 8,836             | 796            | 8,040          |
| Business Services   | 4,072            | 3,224          | 848            | 3,980             | 3,194          | 786            |
| Financial Services  | 745              | 627            | 118            | 630               | 613            | 17             |
| Communication Services  | 594              | 226            | 368            | 513               | 200            | 313            |
| b) Transfers  | 12,188           | 666            | 11,522         | 7,951             | 433            | 7,518          |
| i) Official   | 151              | 121            | 30             | 153               | 166            | -13            |
| ii) Private   | 12,037           | 545            | 11,492         | 7,798             | 267            | 7,531          |
| c) Income   | 3,573            | 4,706          | -1,133         | 2,325             | 4,172          | -1,847         |
| i) Investment Income  | 3,418            | 4,376          | -958           | 2,255             | 3,974          | -1,719         |
| ii) Compensation of Employees   | 155              | 330            | -175           | 70                | 198            | -128           |
| <b>Total Current Account (I+II)</b>   | <b>81,433</b>    | <b>92,157</b>  | <b>-10,724</b> | <b>64,852</b>     | <b>71,153</b>  | <b>-6,301</b>  |
| <b>B. CAPITAL ACCOUNT</b>   |                  |                |                |                   |                |                |
| <b>1. Foreign Investment (a+b)</b>  | <b>53,161</b>    | <b>47,252</b>  | <b>5,909</b>   | <b>42,437</b>     | <b>32,321</b>  | <b>10,116</b>  |
| a) Foreign Direct Investment (i+ii)   | 12,397           | 2,280          | 10,117         | 7,757             | 5,099          | 2,658          |
| i. In India   | 12,158           | 22             | 12,136         | 7,000             | 21             | 6,979          |
| Equity  | 10,240           | 22             | 10,218         | 5,168             | 21             | 5,147          |
| Reinvested Earnings   | 1,721            | -              | 1,721          | 1,721             | -              | 1,721          |
| Other Capital   | 197              | -              | 197            | 111               | -              | 111            |
| ii. Abroad  | 239              | 2,258          | -2,019         | 757               | 5,078          | -4,321         |
| Equity  | 239              | 1,536          | -1,297         | 757               | 4,381          | -3,624         |
| Reinvested Earnings   | -                | 271            | -271           | -                 | 271            | -271           |
| Other Capital   | -                | 451            | -451           | -                 | 426            | -426           |
| b) Portfolio Investment   | 40,764           | 44,972         | -4,208         | 34,680            | 27,222         | 7,458          |
| In India  | 40,745           | 44,923         | -4,178         | 34,621            | 27,216         | 7,405          |
| Abroad  | 19               | 49             | -30            | 59                | 6              | 53             |
| <b>2. Loans (a+b+c)</b>   | <b>13,643</b>    | <b>9,560</b>   | <b>4,083</b>   | <b>16,573</b>     | <b>7,538</b>   | <b>9,035</b>   |
| a) External Assistance  | 909              | 558            | 351            | 732               | 491            | 241            |
| i) By India   | 6                | 8              | -2             | 6                 | 7              | -1             |
| ii) To India  | 903              | 550            | 353            | 726               | 484            | 242            |
| b) Commercial Borrowings (MT&LT)  | 2,782            | 1,223          | 1,559          | 8,273             | 1,283          | 6,990          |
| i) By India   | 405              | 193            | 212            | 355               | 290            | 65             |
| ii) To India  | 2,377            | 1,030          | 1,347          | 7,918             | 993            | 6,925          |
| c) Short Term to India  | 9,952            | 7,779          | 2,173          | 7,568             | 5,764          | 1,804          |
| i) Suppliers' Credit > 180 days & Buyers' Credit  | 9,256            | 7,779          | 1,477          | 6,883             | 5,764          | 1,119          |
| ii) Suppliers' Credit up to 180 days  | 696              | -              | 696            | 685               | -              | 685            |
| <b>3. Banking Capital (a+b)</b>   | <b>19,025</b>    | <b>16,290</b>  | <b>2,735</b>   | <b>8,551</b>      | <b>9,470</b>   | <b>-919</b>    |
| a) Commercial Banks   | 19,025           | 16,179         | 2,846          | 8,551             | 9,464          | -913           |
| i) Assets   | 8,533            | 7,608          | 925            | 2,543             | 2,861          | -318           |
| ii) Liabilities   | 10,492           | 8,571          | 1,921          | 6,008             | 6,603          | -595           |
| <i>of which: Non-Resident Deposits</i>  | 9,061            | 8,248          | 813            | 5,243             | 5,690          | -447           |
| b) Others   | -                | 111            | -111           | -                 | 6              | -6             |
| <b>4. Rupee Debt Service</b>  | <b>-</b>         | <b>30</b>      | <b>-30</b>     | <b>-</b>          | <b>43</b>      | <b>-43</b>     |
| <b>5. Other Capital</b>   | <b>2,585</b>     | <b>2,067</b>   | <b>518</b>     | <b>987</b>        | <b>1,830</b>   | <b>-843</b>    |
| <b>Total Capital Account (1to5)</b>   | <b>88,414</b>    | <b>75,199</b>  | <b>13,215</b>  | <b>68,548</b>     | <b>51,202</b>  | <b>17,346</b>  |
| <b>C. Errors &amp; Omissions</b>  | <b>-</b>         | <b>256</b>     | <b>-256</b>    | <b>155</b>        | <b>-</b>       | <b>155</b>     |
| <b>D. Overall Balance (Total Capital Account, Current Account and Errors &amp; Omissions (A+B+C))</b> | <b>169,847</b>   | <b>167,612</b> | <b>2,235</b>   | <b>133,555</b>    | <b>122,355</b> | <b>11,200</b>  |
| <b>E. Monetary Movements (i+ii)</b>   | <b>-</b>         | <b>2,235</b>   | <b>-2,235</b>  | <b>-</b>          | <b>11,200</b>  | <b>-11,200</b> |
| i) I.M.F.   | -                | -              | -              | -                 | -              | -              |
| ii) Foreign Exchange Reserves (Increase - / Decrease +)   | -                | 2,235          | -2,235         | -                 | 11,200         | -11,200        |