



**RESERVE BANK OF INDIA**

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December 31, 2007

**India's BOP Developments during the Second Quarter (July-Sep 2007) of 2007-08 and Revisions in 2005-06, 2006 07 and First Quarter (April-June 2007) of 2007-08**

Preliminary data on India's balance of payments (BoP) for the second quarter (Q2) *i.e.*, July-September 2007 of the financial year 2007-08, are now available. These preliminary data and the partially revised data for the first quarter (Q1) *i.e.*, April-June 2007, have been taken into account for compiling the BoP data for the first half of the current financial year *i.e.*, April-September 2007. Full details of these data are set out in the standard format of BoP presentation in Statements I and II.

The revisions for the financial years 2005-06 and 2006-07, *inter alia*, take into account the issue of potential overlap between business services and software services. Accordingly, the data reported by the 'Authorized Dealers' (ADs) were reviewed and based on the feedback the revisions have been carried out in various components of business services.

Hitherto, in India's balance of payments (BoP), suppliers' credit (credits for financing imports into India extended by the overseas supplier) up to 180 days were not covered explicitly. These data were implicitly included in the capital account under the heads 'other capital not included elsewhere' and the 'errors and omissions'. Now, these data are covered as a part of short-term trade credit to India with effect from financial year 2005-06 in the standard format of the BoP presentation and from end-March 2005 under the external debt.

**I. Balance of Payments (BoP) for July-September 2007 (Q2)**

The major items of the BoP for Q2 of 2007-08 are set out below in Table 1.

<b>Table 1: Major Items of India's Balance of Payments</b>				
<b>(US \$ million)</b>				
Item	July-September		April-June	
	2007 (P)	2006 (PR)	2007 (PR)	2006(PR)
1	2	3	4	5
1. Exports	37,875	31,836	35,790	29,614
2. Imports	59,586	48,593	56,480	46,631
3. Trade Balance (1-2)	-21,711	-16,757	-20,690	-17,017
4. Invisibles, net	16,195	10,482	15,493	12,952
5. Current Account Balance (3+4)	-5,516	-6,275	-5,197	-4,065
6. Capital Account*	34,752	8,545	16,397	10,444
7. Change in Reserves# (- Indicates increase)	-29,236	-2,270	-11,200	-6,379
*: Including errors and omissions. #: On BoP basis excluding valuation. P: Preliminary. PR: Partially Revised.				

## **Merchandise Trade**

- On BoP basis, India's merchandise exports recorded a growth of 19.0 per cent in Q2 of 2007-08 as compared with 27.4 per cent in Q2 of the previous year.
- Import payments registered 22.6 per cent growth in Q2 of 2007-08 as against an increase of 26.5 per cent in Q2 of 2006-07.
- The deceleration in export growth, according to data released by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), was mainly due to decline in exports of textiles and textile products coupled with the slowdown in exports of agricultural products, engineering goods and chemicals.
- According to the data released by the DGCI&S, although non-oil imports were higher by 25.3 per cent in Q2 of 2007-08 (18.1 per cent in Q2 of 2006-07) led by imports of capital goods and gold and silver, the total import growth was, however, lower due to deceleration in oil imports.

## **Trade Deficit**

- Consequent upon the deceleration in export growth and higher non-oil imports, as explained above, trade deficit on BoP basis was higher at US \$ 21.7 billion in Q2 of 2007-08 (US \$ 16.8 billion in Q2 of 2006-07).

## **Invisibles**

- Maintaining the pace of growth in remittances from overseas Indians, software services and other professional services, invisible receipts recorded a growth of 29.1 per cent in Q2 of 2007-08 as against 30.6 per cent in Q2 of 2006-07.
- Invisible payments reflected outbound tourist traffic from India, rising payments towards transportation, domestic demand for business related services and higher investment income payments in the form of interest payments and dividends.

## **Current Account Deficit**

- Despite widening of the trade deficit, the current account deficit (CAD) remained lower at US \$ 5.5 billion in Q2 of 2007-08 (US \$ 6.3 billion in Q2 of 2006-07) on account of higher invisible surplus (invisible receipts minus invisible payments) at US \$ 16.2 billion (US \$ 10.5 billion in Q2 of 2006-07).

## **Capital Account and Reserves**

- Under net capital flows, the major components were portfolio flows, external commercial borrowings (ECBs), banking capital and short-term trade credits.
- Net portfolio investment at US \$ 10.9 billion in Q2 of 2007-08 (US \$ 2.2 billion in Q2 of 2006-07) was the largest component of capital flows.
- Net Short term trade credit was higher at US \$ 3.6 billion in Q2 of 2007-08 (US \$ 2.7 billion in Q2 of 2006-07). As mentioned earlier, the data on suppliers' credit up to 180 days have now been included under the short-term trade credit from 2005-06 based on the international best practices (Box 1). Thus, out of total short-term trade credit (US \$ 3.6 billion), the suppliers' credit up to 180 days amounted to US \$ 0.9 billion in Q2 of 2007-08 (Table 2).

<b>Table 2: Net Flows under Suppliers' Credit up to 180 days (US \$ million)</b>	
Year/Quarter	Net flows
1	2
<b>2005-06 (April-March)</b>	<b>1,974</b>
April-June, 2005	752
July- September, 2005	1,142
October-December, 2005	239
January-March, 2006	-159
<b>2006-07 (April-March)</b>	<b>3,305</b>
April-June, 2006	789
July-September, 2006	1,181
October-December, 2006	2,540
January-March, 2007	-1,205
<b>2007-08 (April-September)</b>	<b>1,906</b>
April-June, 2007	1,034
July-September, 2007	872

- Accretion to foreign exchange reserves on BoP basis (*i.e.*, excluding valuation) at US \$ 29.2 billion in Q2 of 2007-08 was significantly higher than that of US \$ 2.3 billion in Q2 of 2006-07.

#### **Box 1: Methodology for Estimation of the Suppliers' Credit up to 180 days**

Trade Credits refer to credits extended for imports directly by the overseas supplier, bank and financial institution. Depending on the source of finance, such trade credits include suppliers' credit or buyers' credit. Suppliers' credit relates to credit for imports in to India extended by the overseas supplier, while buyers' credit refers to loans for payment of imports into India arranged by the importer from a bank or financial institution outside India.

As per international convention, trade credits up to one year are included under short term trade credit. In India's balance of payments (BoP), short term trade credit for imports included the buyers' credit and the suppliers' credit above 180 days. However, the suppliers' credit for imports up to 180 days was not covered explicitly. This was implicitly captured in the capital account under the heads 'other capital not included elsewhere' and the 'errors and omissions' and therefore, remained excluded from the short-term trade credit.

According to the Balance of Payments Manual, Fifth edition (BPM5), International Monetary Fund, 1993 trade credits consist of claims and liabilities arising from the direct extension of the credit by suppliers and buyers for transaction of goods and services and advance payments for work in progress that is associated with such transactions. The BPM5 further notes that in the absence of actual data, trade credit may be measured by the difference between entries for the underlying transactions in goods and services, which are recorded as of the dates when ownership changes and the entries for payments related to these transactions. Regarding the country practices, Bank for International Settlements in a Survey (2002) noted that out of the 32 countries surveyed, 18 developing and 8 developed countries are compiling and publishing data on short-term trade credit as per the IMF Manual.

In order to align with the international best practices in presenting the data on trade credit as part of BoP and external debt statistics, the data on suppliers' credit up to 180

days have been worked out using the internationally accepted methodology suggested in the BPM5. Under the reporting system in India, Authorized Dealers (ADs) report the payments made by them for import bills in the electronic data reporting to the Reserve Bank of India (RBI). Besides the value of imports, the date of shipment and the date of payment are also reported by the importers. On the basis of this information, the supplier's credit up to 180 days was estimated taking into account the difference between the date of shipment and the date of payment of imports.

It may be noted that trade credits are recorded on a net basis (gross credit minus repayments) in the capital account. Conceptually, such trade credits are frequently short term in nature and get rolled over. Although the gross turnover in case of such trade credits may be relatively high, the outstanding amount at a given point of time appears to be relatively low.

*References:*

- (i) Bank for International Settlements (BIS) (2002), Comparison of Creditor and Debtor Data on Short-Term External Debt, BIS Paper No 13, December.
- (ii) International Monetary Fund (1993), Balance of Payments Manual, Fifth Edition.

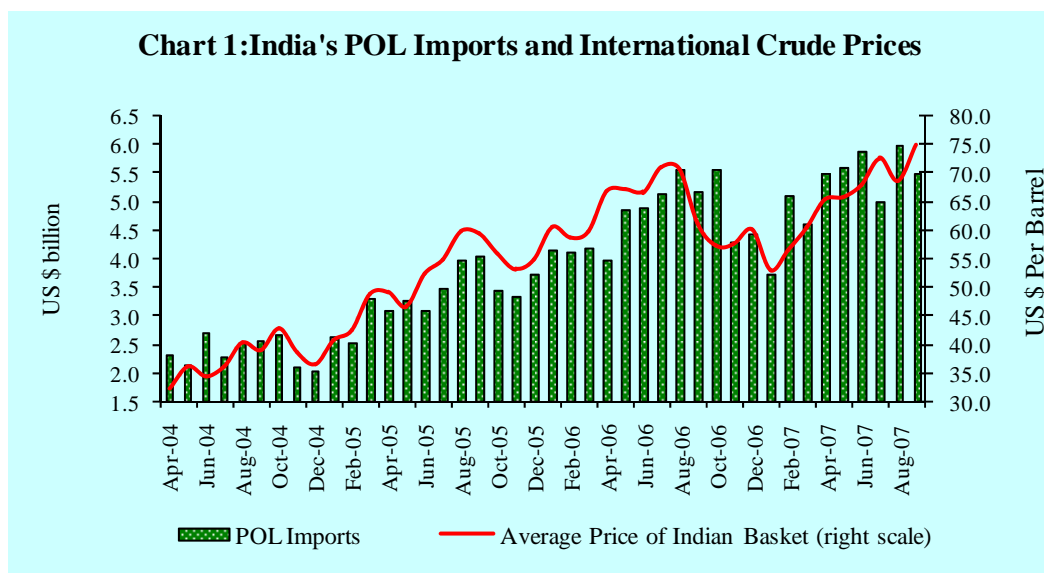
## II. Balance of Payments (BoP) for April-September 2007

As alluded to earlier, taking into account the partially revised data for Q1 of 2007-08 and the preliminary data for Q2 of 2007-08, the BoP data for the first half of the financial year 2007-08 have been compiled. While the detailed data are set out in Statements I and II in standard format of BoP presentation, the major items are presented in Table 3.

<b>Table 3: Major Items of India's Balance of Payments: April-September 2007</b>				
<b>(US \$ million)</b>				
Item	April-September		April-March	
	2007-08 (P)	2006-07 (PR)	2006-07 (PR)	2005-06(R)
1	2	3	4	5
1. Exports	73,665	61,450	128,083	105,152
2. Imports	116,066	95,224	191,254	157,056
3. Trade Balance (1-2)	-42,401	-33,774	-63,171	-51,904
4. Invisibles, net	31,688	23,434	53,405	42,002
5. Current Account Balance (3+4)	-10,713	-10,340	-9,766	-9,902
6. Capital Account*	51,149	18,989	46,372	24,954
7. Change in Reserves# (- Indicates increase)	-40,436	-8,649	-36,606	-15,052
*: Including errors and omissions. #: On BoP basis excluding valuation. P: Preliminary. PR: Partially Revised. R: Revised				

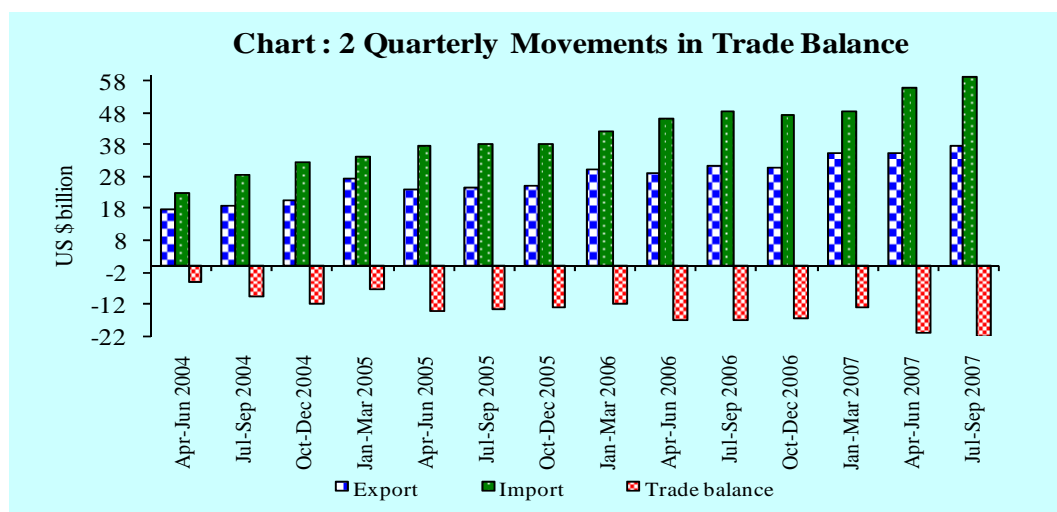
## Merchandise Trade

- On BoP basis, merchandise exports recorded an increase of 19.9 per cent during April-September 2007 (25.4 per cent in the corresponding period of the previous year).
- On BoP basis, merchandise import payments showed 21.9 per cent growth in April-September 2007 as compared with 24.7 per cent in the corresponding period of the previous year.
- As mentioned earlier, the deceleration in exports, according to the commodity-wise data for April-August 2007 released by the DGCI&S, was mainly on account of decline in exports of textiles and textile products, and slowdown in exports of agricultural products, engineering goods, and chemicals.
- According to the data released by the DGCI&S, non-oil imports recorded a higher growth of 34.8 per cent during April-September 2007 (9.3 per cent in April-September 2006). The commodity-wise details available for April-August 2007-08 revealed that growth in imports of mainly export related items and gold and silver was higher than the previous year.
- Oil imports, as per the DGCI&S data, increased by 15.7 per cent in April-September 2007 (41.0 per cent in April-September 2006). The average price of the Indian basket of international crude (a mix of Dubai and Brent varieties) rose to US \$ 69.2 per barrel in April-September 2007 from US \$ 67.2 per barrel in the corresponding period of the previous year (Chart 1).



## Trade Deficit

- On BoP basis, the merchandise trade deficit widened to US \$ 42.4 billion during April-September 2007 from US \$ 33.8 billion in April-September 2006, on account of deceleration in export growth and higher non-oil imports (Chart 2).



### Invisibles

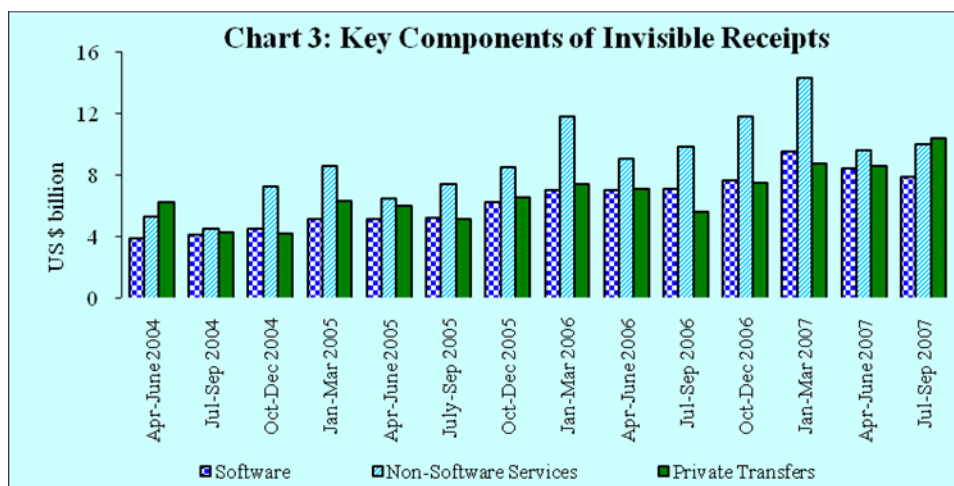
- Growth in invisible receipts showed a deceleration from 31.0 per cent in April-September 2006 to 23.4 per cent in April-September 2007 mainly on account of deceleration in exports of software and business services (Table 4 and Chart 3).

**Table 4: Invisible Gross Receipts and Payments: April-September 2007**  
(US \$ million)

Items	Invisible Receipts				Invisible Payments			
	2007-08	2006-07	2006-07	2005-06	2007-08	2006-07	2006-07	2005-06
	April-Sept	April-Sept	April-March	April-March	April-Sept	April-Sept	April-March	April-March
1	2	3	4	5	6	7	8	9
1. Travel	4,336	3,504	9,123	7,853	3,960	3,300	6,685	6,638
2. Transportation	4,280	3,725	8,050	6,325	5,594	3,975	8,068	8,337
3. Insurance	788	553	1,202	1,062	475	283	642	1116
4. Government not Included elsewhere	167	101	250	314	245	201	403	529
5. Transfers	19,295	12,923	29,589	25,620	852	665	1,421	933
6. Income	6,431	3,954	9,304	6,408	7,875	7,275	15,877	12,263
Investment Income	6,142	3,816	8,908	6,229	7,383	6,851	14,926	11,491
Compensation of Employees	289	138	396	179	492	424	951	772
7. Miscellaneous	26,295	25,139	57,556	42,105	10,903	10,766	28,573	17,869
<i>Of Which: Software</i>	16,317	14,160	31,300	23,600	1,220	820	2,267	858
<b>Total (1to 7)</b>	<b>61,592</b>	<b>49,899</b>	<b>115,074</b>	<b>89,687</b>	<b>29,904</b>	<b>26,465</b>	<b>61,669</b>	<b>47,685</b>

- Private transfers, comprising primarily remittances from the Indians working overseas, were higher at US \$ 19.0 billion (US \$ 12.7 billion in April-September 2006) recording a growth of 49.2 per cent in April-September 2007 (15.0 per cent in April-September 2006).
- Reflecting the significant increase in the accretion to reserves, investment income receipts rose by 61.0 per cent during April-September 2007 on top of an increase of 45.9 per cent in April-September 2006.

- Software receipts at US \$ 16.3 billion in April-September 2007 showed a lower growth of 15.2 per cent than that of 37.2 per cent in April-September 2006.



- The major components of invisible payments were travel payments, business service payments such as business and management consultancy, engineering and other technical services, and dividend and profit payments. Invisible payments grew by 13.0 per cent during April-September, 2007 as against 31.2 per cent in April-September 2006.
- The miscellaneous receipts, net of software, stood at around US \$ 10.0 billion in April-September 2007 (US \$ 11.0 billion in April-September 2006). The break-up of these data is presented in Table 5.

Item	Receipts				Payments			
	2007-08 April-Sept	2006-07 April-Sept	2006-07 April-March	2005-06 April-March	2007-08 April-Sept	2006-07 April-Sept	2006-07 April-March	2005-06 April-March
1	2	3	4	5	6	7	8	9
1. Communication Services	896	1,056	2,099	1,575	281	269	659	289
2. Construction	243	158	333	242	227	424	737	724
3. Financial	1,510	935	2,913	1,209	1,481	628	2,087	965
4. News Agency	237	147	334	185	212	74	218	131
5. Royalties, Copyrights & License Fees	79	32	97	191	368	353	1,038	594
6. Business Services	6,380	7,954	19,266	9,307	6,195	5,902	17,093	7,748
7. Personal, Cultural, Recreational	168	59	173	188	81	58	117	84
8. Others	465	638	1,041	5,608	838	2,238	4,357	6,476
<b>Total (1 to 8)</b>	<b>9,978</b>	<b>10,979</b>	<b>26,256</b>	<b>18,505</b>	<b>9,683</b>	<b>9,946</b>	<b>26,306</b>	<b>17,011</b>

- The key components of the business services receipts and payments were mainly the trade related services, business and management consultancy services,

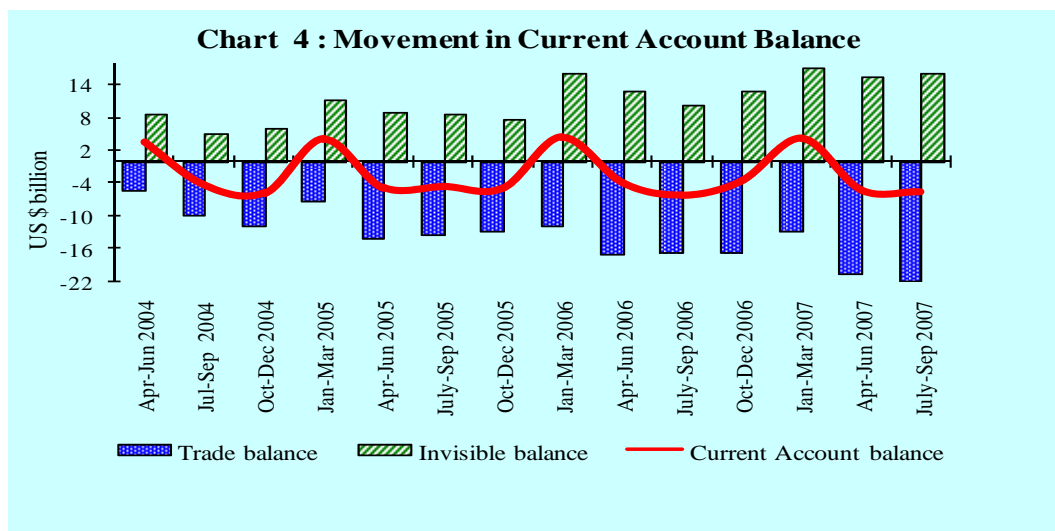
architectural, engineering and other technical services and services relating to maintenance of offices (Table 6).

Table 6: Business Services								
( US \$ million)								
Item	Receipts				Payments			
	2007-08 April- Sept	2006-07 April- Sept	2006-07 April- March	2005-06 April- March	2007-08 April- Sept	2006-07 April- Sept	2006-07 April- March	2005-06 April- March
1	2	3	4	5	6	7	8	9
1. Trade Related	788	345	940	406	684	548	1,655	1,206
2. Business & Management Consultancy	1,783	2,989	7,345	1,871	1,698	1,452	5,027	1,806
3. Architectural, Engineering and other technical	1,392	2,329	6,134	2,428	973	1,194	3,674	1,414
4. Maintenance of offices	975	1,199	2,335	1,598	882	1,349	2,437	1,462
5. Others	1,442	1,092	2,512	3,004	1,958	1,359	4,300	1,860
<b>Total</b>	<b>6,380</b>	<b>7,954</b>	<b>19,266</b>	<b>9,307</b>	<b>6,195</b>	<b>5,902</b>	<b>17,093</b>	<b>7,748</b>

- The invisible surplus was higher at US \$ 31.7 billion in April-September 2007 (US \$ 23.4 billion in April-September 2006) reflecting mainly the rise in remittances from the overseas Indians, higher interest income on reserves and relatively moderate rise in payments of business services.

#### Current Account Deficit

- Despite an invisible surplus, the current account deficit increased to US \$ 10.7 billion in April-September 2007 from US \$ 10.3 billion in April-September 2006 due to higher trade deficit on account of deceleration in exports and higher non-oil imports (Chart 4).





## Capital Account

- Under net capital flows (Table 7), portfolio investment, external commercial borrowings (ECBs), banking capital and short-term trade credit showed higher growth during April-September 2007.

<b>Table 7: Net Capital Flows during April-September 2007</b>				
Item	(US \$ million)			
	April-September		April-March	
	2007-08	2006-07	2006-07	2005-06
1	2	3	4	5
1.Foreign Direct Investment	3,880	4,491	8,479	3,034
2. Portfolio Investment	18,334	1,644	7,062	12,494
3. External Assistance	729	386	1,767	1,702
4. External Commercial Borrowings	10,557	5,735	16,155	2508
5. NRI Deposits	-78	2,210	4,321	2,789
6. Other Banking Capital	5,341	1,133	-2,408	-1,416
7. Short-term Trade Credits	5,711	3865	6,612	3,699
8. Rupee Debt Service	-44	-67	-162	-572
9. Other Capital @	5,978	-241	3,953	1,232
<b>Total (1 to 9)</b>	<b>50,408</b>	<b>19,156</b>	<b>45,779</b>	<b>25,470</b>
@ include items shown in Table 8				

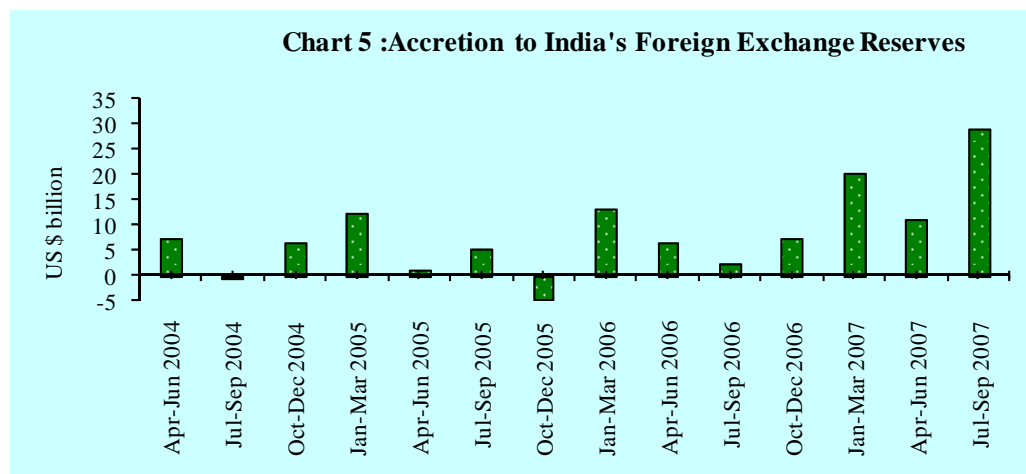
- Net foreign direct investment (FDI) into India at US \$ 9.9 billion during April-September 2007 (US \$ 7.3 billion in April-September 2006) accelerated on the strength of sustained domestic activity and positive investment climate with inflows channeling into manufacturing, business and computer services. Outward FDI at US \$ 6.0 billion during April-September 2007 (US \$ 2.8 billion in April-September 2006) increased, reflecting the preference of the Indian companies for global expansion in terms of markets and resources. Thus, net FDI inflows at US \$ 3.9 billion during April-September 2007 were lower than US \$ 4.5 billion in April-September 2006.
- Net ECBs at US \$ 10.6 billion during April-September 2007 (US \$ 5.7 billion during April-September 2006) were enabled by lower interest rates on external commercial borrowings and rising financing requirements for domestic capacity expansion.
- As alluded to earlier in Box 1, the data on suppliers' credit up to 180 days has now been included under the short-term trade credit since 2005-06. Net Short term trade credit was at US \$ 5.7 billion (inclusive of suppliers' credit up to 180 days) in April-September 2007. Out of total short-term trade credit (US \$ 5.7 billion), the suppliers' credit up to 180 days amounted to US \$ 1.9 billion during April-September, 2007.
- Banking capital showed higher inflows during April-September 2007, reflecting the drawdown of assets held abroad by the banking system.
- There was a net outflow on account of NRI deposits during April-September 2007 as the interest rates on such deposits have been reduced in the recent period.

- 'Other capital' transactions comprise lead and lags in exports, funds held abroad, advances received pending issue of shares under FDI and other capital receipts not included elsewhere. The transactions under other capital not included elsewhere mainly constitute cross border transactions relating to financial derivatives and hedging (margin payments and settlement), migrant transfers and other capital transfers (such as transfers of capital assets by the Indian migrants abroad, investment grants, payments of compensation), realisation of guarantees etc. (Table 8).

<b>Table 8: Details of 'Other Capital' (Net)</b>				
<b>(US \$ million)</b>				
<b>Item</b>	<b>April-September</b>		<b>April-March</b>	
	<b>2007-08</b>	<b>2006-07</b>	<b>2006-07</b>	<b>2005-06</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1. Lead and Lags in Exports	3,688	202	773	-564
2. Net Funds Held Abroad	-1,820	-1,032	496	236
3. Advances received Pending Issue of Shares under FDI	2,010	-	-	-
4. Other capital receipts not included elsewhere (Inclusive of derivatives and hedging, migrant transfers and other capital transfers)	2,100	589	2,684	1,560
<b>Total (1 to4)</b>	<b>5,978</b>	<b>-241</b>	<b>3,953</b>	<b>1,232</b>

#### Reserves Accretion

- Net accretion to foreign exchange reserves on a BoP basis (i.e., excluding valuation) at US \$ 40.4 billion during April-September 2007 was enabled by strong capital inflows, notwithstanding a current account deficit (Chart 5). Taking into account the valuation gain of US \$ 8.2 billion, foreign exchange reserves recorded an increase of US \$ 48.6 billion during April-September 2007 as against an increase of US \$ 13.7 billion during the corresponding period of the previous year [A press release on sources of accretion to foreign exchange reserves is released separately].



- At the end of September 2007, the outstanding foreign exchange reserves stood at US \$ 247.8 billion.

### III. Revisions in the BoP Data for 2005-06, 2006-07 and first quarter of 2007-08

According to the Revision Policy announced on September 30, 2004, the data for 2005-06, 2006-07 and the first quarter of 2007-08 have been revised based on latest information reported by various reporting entities. The revised data are presented in the standard format of BoP presentation in Statement II.

As mentioned earlier, the potential overlap between business services and software services for 2005-06 and 2006-07 were reviewed and based on the feedback from the ADs, the revisions have been carried out in various components of business services. The revised data on business services are set out in Table 9.

Item	2006-07		2005-06	
	Published	Revised	Published	Revised
1	2	3	4	5
1. Business Services Receipts	23,459	19,266	12,858	9,307
2. Business Services Payments	20,200	17,093	10,496	7,748
3. Net (1 - 2)	3,259	2,173	2,362	1,559

### IV. Reconciliation of Import Data

Historically, the reason for the difference in the RBI and the DGCI&S data were due to coverage of data relating to defence, aircrafts, ships, petroleum and valuation and timings. It may be noted that except for defence data, the DGCI&S data now includes all other items such as aircrafts, ships and petroleum (based on Customs data) in the imports.

During April-September, 2007 based on records of the DGCI&S imports data and the BoP merchandise imports, the difference between the two data sets works out to US \$ 4.2 billion as compared with US \$ 7.9 billion during the corresponding period of 2006-07. The difference between the BoP merchandise imports and the import data of DGCI&S for the fiscal year 2006-07 works out to US \$ 5.6 billion (Table 10).

Item	April-September		April-March	
	2007-08	2006-07	2006-07	2005-06
1	2	3	4	5
1. BoP Imports	116.1	95.2	191.3	157.1
2. DGCI&S Imports	111.9	87.3	185.7	149.2
3. Difference (1-2)	4.2	7.9	5.6	7.9

## **V. External Debt for the Quarter ending September 2007**

As per the existing practice, the external debt for the quarters ending March and June are compiled and released by the Reserve Bank of India, while the external debt for quarters ending September and December are compiled and released by the Ministry of Finance, Government of India. Accordingly, the data on external debt for the quarter ending September 2007 are being released by the Ministry of Finance, Government of India today. The same could be accessed at <http://finmin.nic.in>. As mentioned earlier, the external debt data now includes suppliers' credit up to 180 days with effect from end-March 2005.

**Alpana Killawala**  
Chief General Manager

**Press Release :2007-2008/859**

## STATEMENT I : INDIA'S OVERALL BALANCE OF PAYMENTS

(US \$ million)

Item	July-September 2007 P			July-September 2006PR			April-September 2007P			April-September 2006PR		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>A. CURRENT ACCOUNT</b>												
<b>I. MERCHANDISE</b>	<b>37,875</b>	<b>59,586</b>	<b>-21,711</b>	<b>31,836</b>	<b>48,593</b>	<b>-16,757</b>	<b>73,665</b>	<b>116,066</b>	<b>-42,401</b>	<b>61,450</b>	<b>95,224</b>	<b>-33,774</b>
<b>II. INVISIBLES (a+b+c)</b>	<b>32,213</b>	<b>16,018</b>	<b>16,195</b>	<b>24,953</b>	<b>14,471</b>	<b>10,482</b>	<b>61,592</b>	<b>29,904</b>	<b>31,688</b>	<b>49,899</b>	<b>26,465</b>	<b>23,434</b>
a) Services	17,858	11,198	6,660	16,968	10,050	6,918	35,866	21,177	14,689	33,022	18,525	14,497
i) Travel	2,248	2,079	169	1,796	1,812	-16	4,336	3,960	376	3,504	3,300	204
ii) Transportation	2,227	2,902	-675	2,010	1,978	32	4,280	5,594	-1,314	3,725	3,975	-250
iii) Insurance	372	291	81	315	154	161	788	475	313	553	283	270
iv) G.n.i.e.	71	133	-62	61	122	-61	167	245	-78	101	201	-100
v) Miscellaneous	12,940	5,793	7,147	12,786	5,984	6,802	26,295	10,903	15,392	25,139	10,766	14,373
<i>Of which :</i>												
Software Services	7,876	663	7,213	7,121	405	6,716	16,317	1,220	15,097	14,160	820	13,340
Business Services	3,274	3,168	106	4,095	3,280	815	6,380	6,195	185	7,954	5,902	2,052
Financial Services	753	746	7	343	327	16	1,510	1,481	29	935	628	307
Communication Services	457	141	316	646	167	479	896	281	615	1,056	269	787
b) Transfers	10,535	419	10,116	5,753	368	5,385	19,295	852	18,443	12,923	665	12,258
i) Official	150	114	36	121	107	14	303	280	23	190	197	-7
ii) Private	10,385	305	10,080	5,632	261	5,371	18,992	572	18,420	12,733	468	12,265
c) Income	3,820	4,401	-581	2,232	4,053	-1,821	6,431	7,875	-1,444	3,954	7,275	-3,321
i) Investment Income	3,667	4,107	-440	2,157	3,825	-1,668	6,142	7,383	-1,241	3,816	6,851	-3,035
ii) Compensation of Employees	153	294	-141	75	228	-153	289	492	-203	138	424	-286
<b>Total Current Account (I+II)</b>	<b>70,088</b>	<b>75,604</b>	<b>-5,516</b>	<b>56,789</b>	<b>63,064</b>	<b>-6,275</b>	<b>135,257</b>	<b>145,970</b>	<b>-10,713</b>	<b>111,349</b>	<b>121,689</b>	<b>-10,340</b>
<b>B. CAPITAL ACCOUNT</b>												
<b>1. Foreign Investment (a+b)</b>	<b>53,062</b>	<b>40,044</b>	<b>13,018</b>	<b>22,486</b>	<b>17,424</b>	<b>5,062</b>	<b>94,579</b>	<b>72,365</b>	<b>22,214</b>	<b>56,324</b>	<b>50,189</b>	<b>6,135</b>
a) Foreign Direct Investment (i+ii)	4,381	2,239	2,142	4,546	1,634	2,912	11,218	7,338	3,880	7,562	3,071	4,491
i. In India	3,585	19	3,566	4,312	2	4,310	9,892	40	9,852	7,264	10	7,254
<i>Equity</i>	2,416	19	2,397	2,886	2	2,884	7,584	40	7,544	4,832	10	4,822
<i>Reinvested Earnings</i>	1,027	-	1,027	1,365	-	1,365	2,054	-	2,054	2,361	-	2,361
<i>Other Capital</i>	142	-	142	61	-	61	254	-	254	71	-	71
ii. Abroad	796	2,220	-1,424	234	1,632	-1,398	1,326	7,298	-5,972	298	3,061	-2,763
<i>Equity</i>	796	1,664	-868	234	1,197	-963	1,326	6,045	-4,719	298	2,128	-1,830
<i>Reinvested Earnings</i>	-	271	-271	-	269	-269	-	542	-542	-	538	-538
<i>Other Capital</i>	-	285	-285	-	166	-166	-	711	-711	-	395	-395
b) Portfolio Investment	48,681	37,805	10,876	17,940	15,790	2,150	83,361	65,027	18,334	48,762	47,118	1,644
<i>In India</i>	48,675	37,781	10,894	17,929	15,789	2,140	83,296	64,997	18,299	48,730	47,116	1,614
<i>Abroad</i>	6	24	-18	11	1	10	65	30	35	32	2	30
<b>2.Loans (a+b+c)</b>	<b>18,078</b>	<b>10,473</b>	<b>7,605</b>	<b>11,227</b>	<b>6,446</b>	<b>4,781</b>	<b>35,063</b>	<b>18,066</b>	<b>16,997</b>	<b>22,726</b>	<b>12,740</b>	<b>9,986</b>
a) External Assistance	975	522	453	787	450	337	1,747	1,018	729	1,363	977	386
i) By India	5	13	-8	4	9	-5	10	26	-16	8	18	-10
ii) To India	970	509	461	783	441	342	1,737	992	745	1,355	959	396
b) Commercial Borrowings(MT&LT)	5,703	2,109	3,594	2,680	919	1,761	13,999	3,442	10,557	7,732	1,997	5,735
i) By India	350	503	-153	114	170	-56	705	793	-88	201	393	-192
ii) To India	5,353	1,606	3,747	2,566	749	1,817	13,294	2,649	10,645	7,531	1,604	5,927
c) Short Term To India	11,400	7,842	3,558	7,760	5,077	2,683	19,317	13,606	5,711	13,631	9,766	3,865
i) Suppliers' Credit >180 days & Bu	10,528	7,842	2,686	6,579	5,077	1,502	17,411	13,606	3,805	11,661	9,766	1,895
ii) Suppliers' credit up to 180 days	872	-	872	1,181	-	1,181	1,906	-	1,906	1,970	-	1,970

<b>3. Banking Capital (a+b)</b>	<b>12,217</b>	<b>6,035</b>	<b>6,182</b>	<b>5,754</b>	<b>7,472</b>	<b>-1,718</b>	<b>20,316</b>	<b>15,053</b>	<b>5,263</b>	<b>15,663</b>	<b>12,320</b>	<b>3,343</b>
a) Commercial Banks	12,193	6,002	6,191	5,754	7,428	-1,674	20,292	15,014	5,278	15,591	12,276	3,315
i) Assets	4,104	358	3,746	1,568	3,553	-1,985	6,647	3,219	3,428	6,825	5,430	1,395
ii) Liabilities	8,089	5,644	2,445	4,186	3,875	311	13,645	11,795	1,850	8,766	6,846	1,920
<i>of which: Non-Resident Deposits</i>	5,977	5,608	369	4,185	3,277	908	10,768	10,846	-78	8,431	6,221	2,210
b) Others	24	33	-9	-	44	-44	24	39	-15	72	44	28
<b>4. Rupee Debt Service</b>	<b>-</b>	<b>1</b>	<b>-1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>-44</b>	<b>-</b>	<b>67</b>	<b>-67</b>
<b>5. Other Capital</b>	<b>10,343</b>	<b>3,245</b>	<b>7,098</b>	<b>1,210</b>	<b>555</b>	<b>655</b>	<b>11,710</b>	<b>5,732</b>	<b>5,978</b>	<b>1,319</b>	<b>1,560</b>	<b>-241</b>
<b>Total Capital Account (1 to 5)</b>	<b>93,700</b>	<b>59,798</b>	<b>33,902</b>	<b>40,677</b>	<b>31,897</b>	<b>8,780</b>	<b>161,668</b>	<b>111,260</b>	<b>50,408</b>	<b>96,032</b>	<b>76,876</b>	<b>19,156</b>
<b>C. Errors &amp; Omissions</b>	<b>850</b>	<b>-</b>	<b>850</b>	<b>-</b>	<b>235</b>	<b>-235</b>	<b>741</b>	<b>-</b>	<b>741</b>	<b>-</b>	<b>167</b>	<b>-167</b>
<b>D. Overall Balance (A+B+C)</b>	<b>164,638</b>	<b>135,402</b>	<b>29,236</b>	<b>97,466</b>	<b>95,196</b>	<b>2,270</b>	<b>297,666</b>	<b>257,230</b>	<b>40,436</b>	<b>207,381</b>	<b>198,732</b>	<b>8,649</b>
<b>[Total Current Account, Capital</b>												
<b>Account and Errors and Omissions]</b>												
<b>E. Monetary Movements (i+ii)</b>	<b>-</b>	<b>29,236</b>	<b>-29,236</b>	<b>-</b>	<b>2,270</b>	<b>-2,270</b>	<b>-</b>	<b>40,436</b>	<b>-40,436</b>	<b>-</b>	<b>8,649</b>	<b>-8,649</b>
i) I.M.F.		-	-	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves	-	29,236	-29,236	-	2,270	-2,270	-	40,436	-40,436	-	8,649	-8,649
( Increase - / Decrease +)												

P: Preliminary.

PR: Partially Revised.

## STATEMENT I : INDIA'S OVERALL BALANCE OF PAYMENTS

(Rs. crore)

Item	July-September 2007 P			July-September 2006 PR			April-September 2007 P			April-September 2006 PR		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>A. CURRENT ACCOUNT</b>												
<b>I. MERCHANDISE</b>	<b>153,488</b>	<b>241,472</b>	<b>-87,984</b>	<b>147,625</b>	<b>225,328</b>	<b>-77,703</b>	<b>301,066</b>	<b>474,364</b>	<b>-173,298</b>	<b>282,282</b>	<b>437,363</b>	<b>-155,081</b>
<b>II. INVISIBLES (a+b+c)</b>	<b>130,544</b>	<b>64,912</b>	<b>65,632</b>	<b>115,708</b>	<b>67,102</b>	<b>48,606</b>	<b>251,687</b>	<b>122,169</b>	<b>129,518</b>	<b>229,139</b>	<b>121,639</b>	<b>107,500</b>
a) Services	72,370	45,379	26,991	78,681	46,602	32,079	146,625	86,527	60,098	151,679	85,139	66,540
i) Travel	9,110	8,425	685	8,328	8,402	-74	17,720	16,181	1,539	16,094	15,168	926
ii) Transportation	9,025	11,760	-2,735	9,320	9,172	148	17,490	22,860	-5,370	17,118	18,253	-1,135
iii) Insurance	1,508	1,179	329	1,461	714	747	3,223	1,938	1,285	2,543	1,301	1,242
iv) G.n.i.e.	288	539	-251	283	566	-283	684	1,001	-317	465	925	-460
v) Miscellaneous	52,439	23,476	28,963	59,289	27,748	31,541	107,508	44,547	62,961	115,459	49,492	65,967
<i>of which</i>												
<i>Software Services</i>	31,917	2,687	29,230	33,020	1,878	31,142	66,723	4,984	61,739	65,027	3,765	61,262
<i>Business Services</i>	13,268	12,838	430	18,989	15,209	3,780	26,075	25,320	755	36,536	27,131	9,405
<i>Financial Services</i>	3,052	3,023	29	1,591	1,516	75	6,173	6,054	119	4,283	2,885	1,398
<i>Communication Services</i>	1,852	571	1,281	2,996	774	2,222	3,662	1,148	2,514	4,860	1,238	3,622
b) Transfers	42,693	1,698	40,995	26,677	1,706	24,971	78,814	3,483	75,331	59,280	3,056	56,224
i) Official	608	462	146	561	496	65	1,239	1,146	93	875	905	-30
ii) Private	42,085	1,236	40,849	26,116	1,210	24,906	77,575	2,337	75,238	58,405	2,151	56,254
c) Income	15,481	17,835	-2,354	10,350	18,794	-8,444	26,248	32,159	-5,911	18,180	33,444	-15,264
i) Investment Income	14,861	16,644	-1,783	10,002	17,737	-7,735	25,067	30,152	-5,085	17,546	31,496	-13,950
ii) Compensation of Employees	620	1,191	-571	348	1,057	-709	1,181	2,007	-826	634	1,948	-1,314
<b>Total Current Account (I+II)</b>	<b>284,032</b>	<b>306,384</b>	<b>-22,352</b>	<b>263,333</b>	<b>292,430</b>	<b>-29,097</b>	<b>552,753</b>	<b>596,533</b>	<b>-43,780</b>	<b>511,421</b>	<b>559,002</b>	<b>-47,581</b>
<b>B. CAPITAL ACCOUNT</b>												
<b>1. Foreign Investment (a+b)</b>	<b>215,033</b>	<b>162,278</b>	<b>52,755</b>	<b>104,268</b>	<b>80,796</b>	<b>23,472</b>	<b>386,226</b>	<b>295,553</b>	<b>90,673</b>	<b>258,132</b>	<b>229,780</b>	<b>28,352</b>
a) Foreign Direct Investment (i+ii)	17,754	9,073	8,681	21,080	7,577	13,503	45,946	30,099	15,847	34,794	14,110	20,684
i. In India	14,528	77	14,451	19,995	9	19,986	40,535	164	40,371	33,418	45	33,373
<i>Equity</i>	9,791	77	9,714	13,382	9	13,373	31,101	164	30,937	22,231	45	22,186
<i>Reinvested Earnings</i>	4,162	-	4,162	6,330	-	6,330	8,397	-	8,397	10,859	-	10,859
<i>Other Capital</i>	575	-	575	283	-	283	1,037	-	1,037	328	-	328
ii. Abroad	3,226	8,996	-5,770	1,085	7,568	-6,483	5,411	29,935	-24,524	1,376	14,065	-12,689
<i>Equity</i>	3,226	6,743	-3,517	1,085	5,551	-4,466	5,411	24,808	-19,397	1,376	9,784	-8,408
<i>Reinvested Earnings</i>	-	1,098	-1,098	-	1,247	-1,247	-	2,215	-2,215	-	2,470	-2,470
<i>Other Capital</i>	-	1,155	-1,155	-	770	-770	-	2,912	-2,912	-	1,811	-1,811
b) Portfolio Investment	197,279	153,205	44,074	83,188	73,219	9,969	340,280	265,454	74,826	223,338	215,670	7,668
<i>In India</i>	197,255	153,108	44,147	83,137	73,214	9,923	340,013	265,332	74,681	223,192	215,660	7,532
<i>Abroad</i>	24	97	-73	51	5	46	267	122	145	146	10	136
<b>2. Loans (a+b+c)</b>	<b>73,261</b>	<b>42,442</b>	<b>30,819</b>	<b>52,061</b>	<b>29,890</b>	<b>22,171</b>	<b>143,299</b>	<b>73,753</b>	<b>69,546</b>	<b>104,348</b>	<b>58,509</b>	<b>45,839</b>
a) External Assistance	3,951	2,116	1,835	3,650	2,087	1,563	7,135	4,162	2,973	6,269	4,483	1,786
i) By India	20	53	-33	19	42	-23	41	107	-66	37	83	-46
ii) To India	3,931	2,063	1,868	3,631	2,045	1,586	7,094	4,055	3,039	6,232	4,400	1,832
b) Commercial Borrowings (MT&LT)	23,111	8,546	14,565	12,428	4,261	8,167	57,319	14,043	43,276	35,400	9,163	26,237
i) By India	1,418	2,038	-620	529	788	-259	2,882	3,234	-352	925	1,802	-877
ii) To India	21,693	6,508	15,185	11,899	3,473	8,426	54,437	10,809	43,628	34,475	7,361	27,114
c) Short Term to India	46,199	31,780	14,419	35,983	23,542	12,441	78,845	55,548	23,297	62,679	44,863	17,816
i) Suppliers' Credit >180 days & Buyers' Credit	42,665	31,780	10,885	30,507	23,542	6,965	71,047	55,548	15,499	53,615	44,863	8,752
ii) Supplier's Credit up to 180 days	3,534	-	3,534	5,476	-	5,476	7,798	-	7,798	9,064	-	9,064

<b>3. Banking Capital (a+b)</b>	<b>49,509</b>	<b>24,457</b>	<b>25,052</b>	<b>26,682</b>	<b>34,648</b>	<b>-7,966</b>	<b>82,905</b>	<b>61,642</b>	<b>21,263</b>	<b>71,739</b>	<b>56,692</b>	<b>15,047</b>
a) Commercial Banks	49,412	24,323	25,089	26,682	34,444	-7,762	82,808	61,483	21,325	71,412	56,488	14,924
i) Assets	16,631	1,451	15,180	7,271	16,475	-9,204	27,117	13,248	13,869	31,175	25,010	6,165
ii) Liabilities	32,781	22,872	9,909	19,411	17,969	1,442	55,691	48,235	7,456	40,237	31,478	8,759
<i>of which : Non-Resident Deposits</i>	24,222	22,726	1,496	19,406	15,196	4,210	43,977	44,325	-348	38,713	28,583	10,130
b) Others	97	134	-37	-	204	-204	97	159	-62	327	204	123
<b>4. Rupee Debt Service</b>	<b>-</b>	<b>4</b>	<b>-4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181</b>	<b>-181</b>	<b>-</b>	<b>305</b>	<b>-305</b>
<b>5. Other Capital</b>	<b>41,915</b>	<b>13,150</b>	<b>28,765</b>	<b>5,611</b>	<b>2,574</b>	<b>3,037</b>	<b>47,552</b>	<b>23,405</b>	<b>24,147</b>	<b>6,107</b>	<b>7,144</b>	<b>-1,037</b>
<b>Total Capital Account (1to 5)</b>	<b>379,718</b>	<b>242,331</b>	<b>137,387</b>	<b>188,622</b>	<b>147,908</b>	<b>40,714</b>	<b>659,982</b>	<b>454,534</b>	<b>205,448</b>	<b>440,326</b>	<b>352,430</b>	<b>87,896</b>
<b>C. Errors &amp; Omissions</b>	<b>3,444</b>	<b>-</b>	<b>3,444</b>	<b>-</b>	<b>1,091</b>	<b>-1,091</b>	<b>2,994</b>	<b>-</b>	<b>2,994</b>	<b>-</b>	<b>783</b>	<b>-783</b>
<b>D. Overall Balance</b>	<b>667,194</b>	<b>548,715</b>	<b>118,479</b>	<b>451,955</b>	<b>441,429</b>	<b>10,526</b>	<b>1,215,729</b>	<b>1,051,067</b>	<b>164,662</b>	<b>951,747</b>	<b>912,215</b>	<b>39,532</b>
<b>[Total Capital Account, Current Account and Errors &amp; Omissions]</b>												
<b>E. Monetary Movements (i+ii)</b>	<b>-</b>	<b>118,479</b>	<b>-118,479</b>	<b>-</b>	<b>10,526</b>	<b>-10,526</b>	<b>-</b>	<b>164,662</b>	<b>-164,662</b>	<b>-</b>	<b>39,532</b>	<b>-39,532</b>
i) I.M.F.	-	-	-	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves	-	118,479	-118,479	-	10,526	-10,526	-	164,662	-164,662	-	39,532	-39,532
( Increase - / Decrease +)												

P: Preliminary.

PR: Partially Revised.



## STATEMENT II :INDIA'S OVERALL BALANCE OF PAYMENTS

(US \$ million)

Item	April-June 2007 PR			April-March 2006-07 PR			April-March 2005-06 R		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
1	2	3	4	5	6	7	8	9	10
<b>A. CURRENT ACCOUNT</b>									
<b>I. MERCHANDISE</b>	<b>35,790</b>	<b>56,480</b>	<b>-20,690</b>	<b>128,083</b>	<b>191,254</b>	<b>-63,171</b>	<b>105,152</b>	<b>157,056</b>	<b>-51,904</b>
<b>II. INVISIBLES (a+b+c)</b>	<b>29,379</b>	<b>13,886</b>	<b>15,493</b>	<b>115,074</b>	<b>61,669</b>	<b>53,405</b>	<b>89,687</b>	<b>47,685</b>	<b>42,002</b>
a) Services	18,008	9,979	8,029	76,181	44,371	31,810	57,659	34,489	23,170
i) Travel	2,088	1,881	207	9,123	6,685	2,438	7,853	6,638	1,215
ii) Transportation	2,053	2,692	-639	8,050	8,068	-18	6,325	8,337	-2,012
iii) Insurance	416	184	232	1,202	642	560	1,062	1,116	-54
iv) G.n.i.e.	96	112	-16	250	403	-153	314	529	-215
v) Miscellaneous	13,355	5,110	8,245	57,556	28,573	28,983	42,105	17,869	24,236
<i>Of which :</i>									
Software Services	8,441	557	7,884	31,300	2,267	29,033	23,600	858	22,742
Business Services	3,106	3,027	79	19,266	17,093	2,173	9,307	7,748	1,559
Financial Services	757	735	22	2,913	2,087	826	1,209	965	244
Communication Services	439	140	299	2,099	659	1,440	1,575	289	1,286
b) Transfers	8,760	433	8,327	29,589	1,421	28,168	25,620	933	24,687
i) Official	153	166	-13	638	411	227	669	475	194
ii) Private	8,607	267	8,340	28,951	1,010	27,941	24,951	458	24,493
c) Income	2,611	3,474	-863	9,304	15,877	-6,573	6,408	12,263	-5,855
i) Investment Income	2,475	3,276	-801	8,908	14,926	-6,018	6,229	11,491	-5,262
ii) Compensation of Employees	136	198	-62	396	951	-555	179	772	-593
<b>Total Current Account (I+II)</b>	<b>65,169</b>	<b>70,366</b>	<b>-5,197</b>	<b>243,157</b>	<b>252,923</b>	<b>-9,766</b>	<b>194,839</b>	<b>204,741</b>	<b>-9,902</b>
<b>B. CAPITAL ACCOUNT</b>									
<b>1. Foreign Investment (a+b)</b>	<b>41,517</b>	<b>32,321</b>	<b>9,196</b>	<b>132,581</b>	<b>117,040</b>	<b>15,541</b>	<b>77,298</b>	<b>61,770</b>	<b>15,528</b>
a) Foreign Direct Investment (i+ii)	6,837	5,099	1,738	22,959	14,480	8,479	9,178	6,144	3,034
i. In India	6,307	21	6,286	22,078	87	21,991	8,962	61	8,901
<i>Equity</i>	5,168	21	5,147	16,481	87	16,394	5,976	61	5,915
<i>Reinvested Earnings</i>	1,027	-	1,027	5,091	-	5,091	2,760	-	2,760
<i>Other Capital</i>	112	-	112	506	-	506	226	-	226
ii. Abroad	530	5,078	-4,548	881	14,393	-13,512	216	6,083	-5,867
<i>Equity</i>	530	4,381	-3,851	881	12,168	-11,287	216	3,982	-3,766
<i>Reinvested Earnings</i>	-	271	-271	-	1,076	-1,076	-	1,092	-1,092
<i>Other Capital</i>	-	426	-426	-	1,149	-1,149	-	1,009	-1,009
b) Portfolio Investment	34,680	27,222	7,458	109,622	102,560	7,062	68,120	55,626	12,494
<i>In India</i>	34,621	27,216	7,405	109,534	102,530	7,004	68,120	55,626	12,494
<i>Abroad</i>	59	6	53	88	30	58	-	-	-
<b>2.Loans (a+b+c)</b>	<b>16,985</b>	<b>7,593</b>	<b>9,392</b>	<b>54,728</b>	<b>30,194</b>	<b>24,534</b>	<b>39,479</b>	<b>31,570</b>	<b>7,909</b>
a) External Assistance	772	496	276	3,763	1,996	1,767	3,631	1,929	1,702
i) By India	5	13	-8	16	36	-20	24	88	-64
ii) To India	767	483	284	3,747	1,960	1,787	3,607	1,841	1,766
b) Commercial Borrowings(MT&LT)	8,296	1,333	6,963	20,973	4,818	16,155	14,343	11,835	2,508
i) By India	355	290	65	648	950	-302	-	251	-251
ii) To India	7,941	1,043	6,898	20,325	3,868	16,457	14,343	11,584	2,759
c) Short Term To India	7,917	5,764	2,153	29,992	23,380	6,612	21,505	17,806	3,699
i) Suppliers' Credit >180 days & Buyers' Credit	6,883	5,764	1,119	25,482	22,175	3,307	19,372	17,647	1,725
ii) Suppliers' credit up to 180 days	1,034	-	1,034	4,510	1,205	3,305	2,133	159	1,974

<b>3. Banking Capital (a+b)</b>	<b>8,099</b>	<b>9,018</b>	<b>-919</b>	<b>37,209</b>	<b>35,296</b>	<b>1,913</b>	<b>21,658</b>	<b>20,285</b>	<b>1,373</b>
a) Commercial Banks	8,099	9,012	-913	36,799	35,218	1,581	20,586	20,144	442
i) Assets	2,543	2,861	-318	14,466	17,960	-3,494	772	3,947	-3,175
ii) Liabilities	5,556	6,151	-595	22,333	17,258	5,075	19,814	16,197	3,617
<i>of which: Non-Resident Deposits</i>	4,791	5,238	-447	19,914	15,593	4,321	17,835	15,046	2,789
b) Others	-	6	-6	410	78	332	1,072	141	931
<b>4. Rupee Debt Service</b>	<b>-</b>	<b>43</b>	<b>-43</b>	<b>-</b>	<b>162</b>	<b>-162</b>	<b>-</b>	<b>572</b>	<b>-572</b>
<b>5. Other Capital</b>	<b>1,367</b>	<b>2,487</b>	<b>-1,120</b>	<b>7,724</b>	<b>3,771</b>	<b>3,953</b>	<b>5,941</b>	<b>4,709</b>	<b>1,232</b>
<b>Total Capital Account (1 to 5)</b>	<b>67,968</b>	<b>51,462</b>	<b>16,506</b>	<b>232,242</b>	<b>186,463</b>	<b>45,779</b>	<b>144,376</b>	<b>118,906</b>	<b>25,470</b>
<b>C. Errors &amp; Omissions</b>	<b>-</b>	<b>109</b>	<b>-109</b>	<b>593</b>	<b>-</b>	<b>593</b>	<b>-</b>	<b>516</b>	<b>-516</b>
<b>D. Overall Balance (A+B+C)</b>	<b>133,137</b>	<b>121,937</b>	<b>11,200</b>	<b>475,992</b>	<b>439,386</b>	<b>36,606</b>	<b>339,215</b>	<b>324,163</b>	<b>15,052</b>
<b>[Total Current Account, Capital</b>									
<b>Account and Errors and Omissions]</b>									
<b>E. Monetary Movements (i+ii)</b>	<b>-</b>	<b>11,200</b>	<b>-11,200</b>	<b>-</b>	<b>36,606</b>	<b>-36,606</b>	<b>-</b>	<b>15,052</b>	<b>-15,052</b>
i) I.M.F.	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves	-	11,200	-11,200	-	36,606	-36,606	-	15,052	-15,052
(Increase - / Decrease +)									

PR: Partially Revised.

R: Revised.

## STATEMENT II : INDIA'S OVERALL BALANCE OF PAYMENTS

(Rs. crore)

Item 1	April-June 2007 PR			2006-07 PR			2005-06 R		
	Credit 2	Debit 3	Net 4	Credit 5	Debit 6	Net 7	Credit 8	Debit 9	Net 10
<b>A. CURRENT ACCOUNT</b>									
<b>I. MERCHANDISE</b>	<b>147,578</b>	<b>232,892</b>	<b>-85,314</b>	<b>579,128</b>	<b>865,404</b>	<b>-286,276</b>	<b>465,748</b>	<b>695,412</b>	<b>-229,664</b>
<b>II. INVISIBLES (a+b+c)</b>	<b>121,143</b>	<b>57,257</b>	<b>63,886</b>	<b>519,425</b>	<b>278,492</b>	<b>240,933</b>	<b>397,660</b>	<b>211,733</b>	<b>185,927</b>
a) Services	74,255	41,148	33,107	343,895	200,291	143,604	255,668	153,057	102,611
i) Travel	8,610	7,756	854	41,127	30,253	10,874	34,871	29,432	5,439
ii) Transportation	8,465	11,100	-2,635	36,394	36,504	-110	28,023	36,928	-8,905
iii) Insurance	1,715	759	956	5,434	2,903	2,531	4,694	4,965	-271
iv) G.n.i.e.	396	462	-66	1,130	1,825	-695	1,396	2,343	-947
v) Miscellaneous	55,069	21,071	33,998	259,810	128,806	131,004	186,684	79,389	107,295
of which									
<i>Software Services</i>	34,806	2,297	32,509	141,356	10,212	131,144	104,632	3,829	100,803
<i>Business Services</i>	12,807	12,482	325	86,928	76,929	9,999	41,356	34,428	6,928
<i>Financial Services</i>	3,121	3,031	90	13,062	9,352	3,710	5,355	4,265	1,090
<i>Communication Services</i>	1,810	577	1,233	9,506	2,980	6,526	7,000	1,285	5,715
b) Transfers	36,121	1,785	34,336	133,530	6,423	127,107	113,566	4,134	109,432
i) Official	631	684	-53	2,877	1,858	1,019	2,970	2,103	867
ii) Private	35,490	1,101	34,389	130,653	4,565	126,088	110,596	2,031	108,565
c) Income	10,767	14,324	-3,557	42,000	71,778	-29,778	28,426	54,542	-26,116
i) Investment Income	10,206	13,508	-3,302	40,218	67,483	-27,265	27,633	51,112	-23,479
ii) Compensation of Employees	561	816	-255	1,782	4,295	-2,513	793	3,430	-2,637
<b>Total Current Account (I+II)</b>	<b>268,721</b>	<b>290,149</b>	<b>-21,428</b>	<b>1,098,553</b>	<b>1,143,896</b>	<b>-45,343</b>	<b>863,408</b>	<b>907,145</b>	<b>-43,737</b>
<b>B. CAPITAL ACCOUNT</b>									
<b>1. Foreign Investment (a+b)</b>	<b>171,193</b>	<b>133,275</b>	<b>37,918</b>	<b>598,106</b>	<b>527,663</b>	<b>70,443</b>	<b>342,778</b>	<b>273,996</b>	<b>68,782</b>
a) Foreign Direct Investment (i+ii)	28,192	21,026	7,166	103,610	65,057	38,553	40,690	27,265	13,425
i. In India	26,007	87	25,920	99,646	385	99,261	39,730	273	39,457
<i>Equity</i>	21,310	87	21,223	74,354	385	73,969	26,512	273	26,239
<i>Reinvested Earnings</i>	4,235	-	4,235	23,029	-	23,029	12,220	-	12,220
<i>Other Capital</i>	462	-	462	2,263	-	2,263	998	-	998
ii. Abroad	2,185	20,939	-18,754	3,964	64,672	-60,708	960	26,992	-26,032
<i>Equity</i>	2,185	18,065	-15,880	3,964	54,634	-50,670	960	17,678	-16,718
<i>Reinvested Earnings</i>	-	1,117	-1,117	-	4,868	-4,868	-	4,834	-4,834
<i>Other Capital</i>	-	1,757	-1,757	-	5,170	-5,170	-	4,480	-4,480
b) Portfolio Investment	143,001	112,249	30,752	494,496	462,606	31,890	302,088	246,731	55,357
<i>In India</i>	142,758	112,224	30,534	494,102	462,472	31,630	302,088	246,731	55,357
<i>Abroad</i>	243	25	218	394	134	260	-	-	-
<b>2. Loans (a+b+c)</b>	<b>70,038</b>	<b>31,311</b>	<b>38,727</b>	<b>246,908</b>	<b>136,279</b>	<b>110,629</b>	<b>174,729</b>	<b>140,332</b>	<b>34,397</b>
a) External Assistance	3,184	2,046	1,138	16,961	9,024	7,937	16,133	8,541	7,592
i) By India	21	54	-33	73	163	-90	106	390	-284
ii) To India	3,163	1,992	1,171	16,888	8,861	8,027	16,027	8,151	7,876
b) Commercial Borrowings (MT&LT)	34,208	5,497	28,711	94,332	21,736	72,596	63,476	52,971	10,505
i) By India	1,464	1,196	268	2,936	4,290	-1,354	-	1,105	-1,105
ii) To India	32,744	4,301	28,443	91,396	17,446	73,950	63,476	51,866	11,610
c) Short Term to India	32,646	23,768	8,878	135,615	105,519	30,096	95,120	78,820	16,300
i) Suppliers' Credit >180 days & Buyers' Credit	28,382	23,768	4,614	115,125	100,196	14,929	85,766	78,114	7,652
ii) Supplier's Credit up to 180 days	4,264	0	4,264	20,490	5,323	15,167	9,354	706	8,648

<b>3. Banking Capital (a+b)</b>	<b>33,396</b>	<b>37,185</b>	<b>-3,789</b>	<b>167,494</b>	<b>159,017</b>	<b>8,477</b>	<b>95,988</b>	<b>90,193</b>	<b>5,795</b>
a) Commercial Banks	33,396	37,160	-3,764	165,656	158,660	6,996	91,200	89,569	1,631
i) Assets	10,486	11,797	-1,311	64,972	80,726	-15,754	3,369	17,711	-14,342
ii) Liabilities	22,910	25,363	-2,453	100,684	77,934	22,750	87,831	71,858	15,973
<i>of which: Non-Resident Deposits</i>	19,755	21,599	-1,844	89,950	70,376	19,574	79,190	66,733	12,457
b) Others	-	25	-25	1,838	357	1,481	4,788	624	4,164
<b>4. Rupee Debt Service</b>	<b>-</b>	<b>177</b>	<b>-177</b>	<b>-</b>	<b>725</b>	<b>-725</b>	<b>-</b>	<b>2,557</b>	<b>-2,557</b>
<b>5. Other Capital</b>	<b>5,637</b>	<b>10,255</b>	<b>-4,618</b>	<b>34,540</b>	<b>16,975</b>	<b>17,565</b>	<b>26,451</b>	<b>20,903</b>	<b>5,548</b>
<b>Total Capital Account (1to5)</b>	<b>280,264</b>	<b>212,203</b>	<b>68,061</b>	<b>1,047,048</b>	<b>840,659</b>	<b>206,389</b>	<b>639,946</b>	<b>527,981</b>	<b>111,965</b>
<b>C. Errors &amp; Omissions</b>	<b>-</b>	<b>450</b>	<b>-450</b>	<b>2,588</b>	<b>-</b>	<b>2,588</b>	<b>-</b>	<b>2,332</b>	<b>-2,332</b>
<b>D. Overall Balance</b>	<b>548,985</b>	<b>502,802</b>	<b>46,183</b>	<b>2,148,189</b>	<b>1,984,555</b>	<b>163,634</b>	<b>1,503,354</b>	<b>1,437,458</b>	<b>65,896</b>
<b>[Total Capital Account, Current Account and Errors &amp; Omissions]</b>									
<b>E. Monetary Movements (i+ii)</b>	<b>-</b>	<b>46,183</b>	<b>-46,183</b>	<b>-</b>	<b>163,634</b>	<b>-163,634</b>	<b>-</b>	<b>65,896</b>	<b>-65,896</b>
i) I.M.F.	-	-	-	-	-	-	-	-	-
ii) Foreign Exchange Reserves	-	46,183	-46,183	-	163,634	-163,634	-	65,896	-65,896
( Increase - / Decrease + )									

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R: Revised